

Friday, July 01, 2022

Number 27 - Volume 15

WEEKLY COMMODITY AT A GLANCE

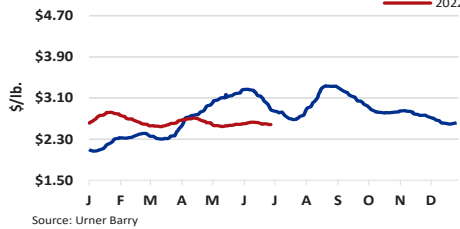
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	8.05	6.32
CBOT Soybean	1,626.00	1,610.75	1,363.75
NYMEX Light Crude Oil	108.43	107.62	73.37
Loose Lard, Chicago Basis	0.82	0.82	0.68
Edible Tallow, Chicago Basis	UNQ	UNQ	0.620
Beef Trimings, 90% Fresh	279.00	280.00	286.00
Beef Trimings, 50% Fresh	115.00	121.00	117.00
Aust/NZ Blend Cow 90% EC Spot	275.00	276.00	277.00
USDA Drop Credit	0.140	0.138	0.128
112A 3 Ribeye Roll, Lip-On CH	895.00	905.00	920.00
116A 3 Chuck Roll, Neck-Off CH	345.00	318.00	370.00
168 3 Round, Top (Inside) CH	285.00	285.00	300.00
180 3 Strip Loin, Bnls, 0x1 CH	883.00	883.00	840.00
136 Coarse Ground 81%	307.00	300.00	316.00
189A 4 Loin, Tenderloin, PSMO CH	1,200.00	1,200.00	1,835.00
Cattle-Fax, 6-State Fed Steer Price	142.54	140.16	122.83
Select Hams 20/23	99.00	100.00	78.00
Sq Cut Bellies 14/16	160.00	170.00	180.00
1/4 Trmd. Loins 21/dn	126.00	123.00	113.00
1/4 Tr Boston Butts 9/dn	173.00	178.00	180.00
Spareribs, Light, Fresh	199.00	206.00	171.00
Fresh Pork Trim (42%)	77.00	77.00	103.00
Fresh Pork Trim (72%)	98.00	110.00	117.00
Carcass Lamb Y4+55/65	4.70	4.75	5.11
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	15.00	15.00	13.75
Lamb Cuts, 206 Shoulder, Cross Cut	4.60	4.60	5.35
Lamb Cuts, 232 Loin Trmd 4x4	9.00	9.00	11.50
Lamb Cuts, 234 Leg, Boneless	9.00	9.00	9.05
Carcass Veal, Hide-off, 255/315, NC	4.20	4.15	3.35
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	11.50	10.50
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.25	7.95
Veal Cuts, 332 Loin, 4x4 Trim 12/18	6.75	6.75	7.20
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.50

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

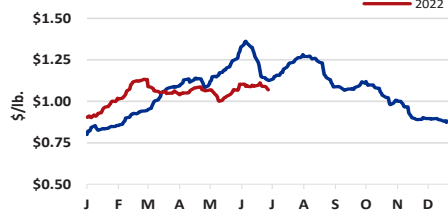
	7/1	6/24	6/17
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.78	2.79	2.80
Weekly Weighted Average Blended Boxed Beef Cutout Index	258.71	260.92	262.56

UB Beef Index



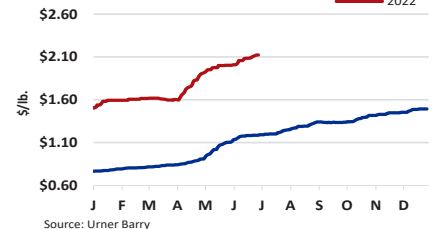
Source: Urner Barry

UB Pork Cutout



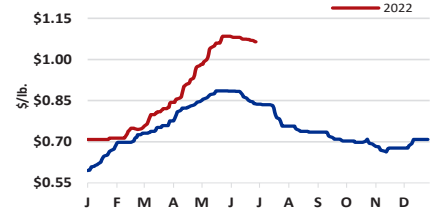
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	125	126	124	124	121	16	636
LW	124	126	126	122	122	46	666
*LY	119	121	120	117	114	36	628

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	458	450	466	463	440	9	2,286
LW	449	468	469	465	433	20	2,304
*LY	455	463	462	455	424	13	2,272

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	7	6	6	4	0	32
LW	9	7	6	6	4	0	32
*LY	10	6	7	7	5	0	35

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	1	1	1	1	0	6
LW	2	1	1	1	1	0	6
*LY	1	1	1	1	2	0	7

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	6/17	6/18	6/20	6/21	6/22	6/23	
	26	6	26	27	28	29	142
TW	6/24	6/25	6/27	6/28	6/29	6/30	
	28	6	26	26	28	28	142
*LY	23	15	24	25	27	24	138

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.677	0.691	0.755
Mexico, Peso	20.261	19.915	19.870
Canada, Dollar	1.296	1.297	1.239
Japan, Yen	135.195	135.119	110.791
China, Yuan (RMB)	6.705	6.696	6.465
Brazil, Real	5.298	5.218	5.139
South Korea, Won	1,298.82	1,294.90	1,133.63
Taiwan, Dollar	29.806	29.726	27.973
European Union, Euro	1.042	1.053	1.183

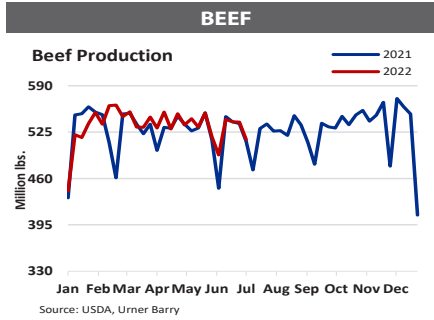
COLD STORAGE STOCKS

(Pounds in Thousands)	5/31/21	4/30/22	5/31/22
Beef in Freezer, Bnls	385,051	483,212	471,073
Cuts	31,624	48,955	48,760
Total Beef	416,675	532,167	519,833
PORK & OTHER	5/31/21	4/30/22	5/31/22
Pork in Freezer, Picnics	5,621	8,649	8,979
Hams	109,337	98,038	126,408
Bellies	36,391	58,331	56,392
Loins	38,667	42,129	40,268
Spareribs	89,923	118,731	111,960
Butts	11,315	21,878	19,961
Trimming	42,055	52,877	52,324
Other Pork in Freezer	61,647	59,359	53,951
Total	462,446	533,396	543,079
Veal in Freezer	6,464	2,816	2,841
Lamb & Mutton in Freezer	21,896	24,414	22,191
Total	28,360	27,230	25,032

Data Updated: June 23, 2022

URNER BARRY'S WEEKLY RED MEAT INSIDER'S REPORT is available on FoodMarket.com and through Urner Barry's flagship service Comtell Online. FoodMarket is available for \$37.00 a month.

UB BEEF CUTOUT Jul-01 v. Jun-24				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-4.12%	-3.57%	-2.96%	-0.91%
Chuck	1.57%	-0.66%	-0.89%	0.61%
Round	0.02%	0.08%	0.07%	-0.66%
Loin	-0.04%	-2.08%	-0.90%	-2.23%
Brisket	-0.16%	-0.88%	-0.18%	-0.21%
Plate	-0.71%	-0.71%	-0.71%	-1.11%
Flank	-0.66%	-0.69%	-0.69%	-3.43%
Total	-0.44%	-1.40%	-0.98%	-0.97%



BEEF COMMENTARY

With the 4th of July within view this week the boxed beef market took on more of an unsettled tone as ranges widened and sentiments were mixed. Middle meats began their seasonal decline as we enter the "dog days" of summer with ribs leading the way. Buyers remained skeptical around what the latter half of the year has in store as inflation worries continued to dominate most conversations. Retail business has been seen as hit or miss lately as the consumer becomes more and more price sensitive with the ever-increasing costs of daily living.

LIVE CATTLE: Prices in the South this week were steady to up \$1.00 from the week prior at mostly \$138 live (full range \$137-\$141.00). Prices in the North were steady to \$3 higher at \$145-\$151 live (full range \$143-\$151). Dressed sales were steady to \$1 higher, mostly \$234.00/cwt (full range \$230-\$239).

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 636,000. Live weights ended the week at 1343 pounds down one pound. Dressed weights were also down one pound to 810 pounds.

RIBS: Ribs took on barely steady tones this week with the bulk of grilling holiday's now behind us. Both boneless and bone-in items saw discounting take place. Boneless ribeyes lost about four percent this week while exports saw a decline slightly above six percent. With pricing fairing steady through the first half of the year it will be something to keep an eye on in the latter half as the future economic picture continues to look bleak.

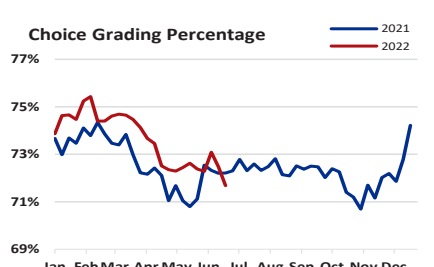
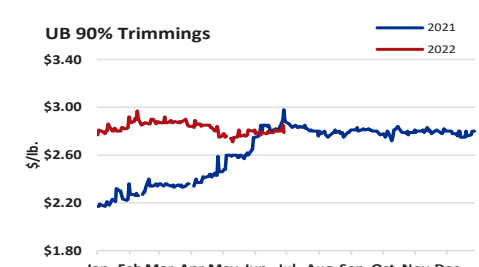
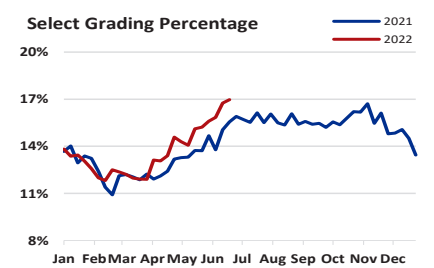
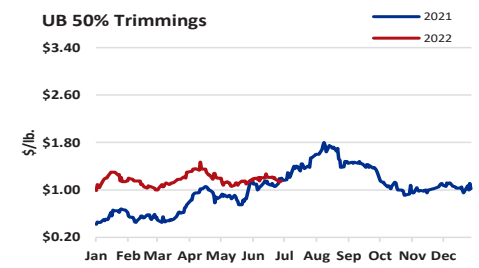
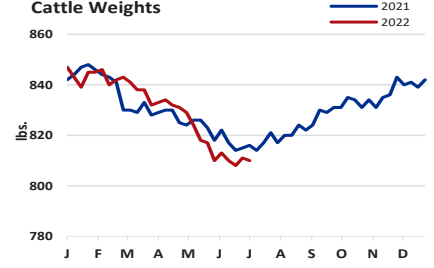
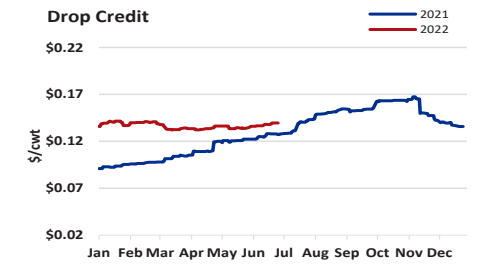
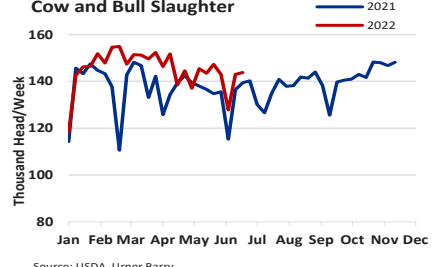
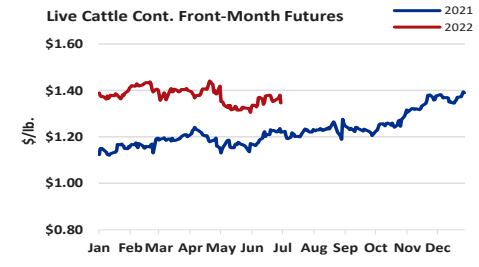
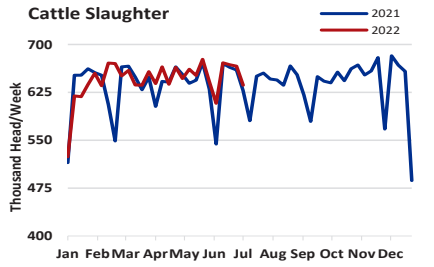
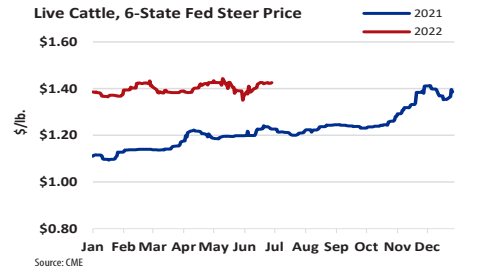
CHUCKS: On a broad level the complex was steady with little change around quotations or sentiment. Chuck rolls led the week in gains as this been the only item seemingly out of balance with supply and demand. Towards the end of the week note was made around clods tightening up and even hard to find for some. Top Blades came under pressure this week which allowed for quotes to get revised lower.

ROUNDS: Product was largely unchanged with only insoles inching up a few points. The need for grinding material predominately kept this area well supported. Although there has been hints of product beginning to become tighter, it has not had any real bearing on quotations just yet.

LOINS: The loin primal was mixed as the variance was regarded to grade - Choice items held steady on the week but ranges were seen to be a bit wider than in previous weeks. The support appeared to come from the notion of retail running some T-Bone and Porterhouse features throughout July. Select items took the bulk of discounting seen as this has been an area of struggle for sellers. The PSMO and tenderloin butt held steady this week after the discounting seen in the prior as did Top Butts.

GROUND BEEF: Coarse grinds were generally range bound once more with tones closer to the tune of full-steady. It appeared most of the bulk buying was done in the prior week so that left quotes unchanged during this one. With the elevated costs of leaner material this has led grinders to source more primal material which has kept prices generally sideways.

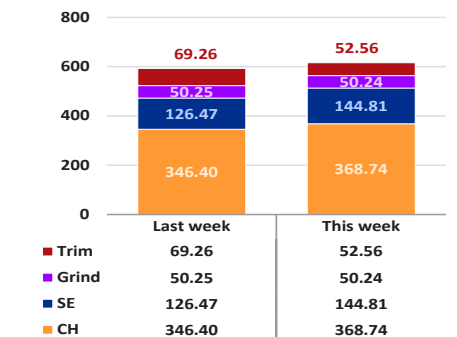
BONELESS BEEF: Fresh 50s opened the week with prices trending a little lower. Holiday scheduling clearly caused a wider than normal price range. Fresh 90s were mostly steady this week. Supply and demand were once again generally in balance.



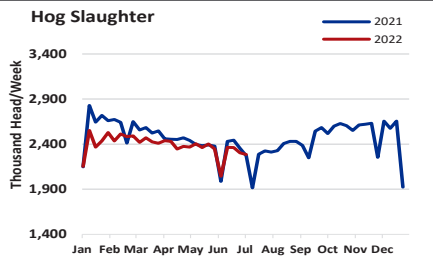
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	21.08	20.57	19.61	22.20	22.64
*LW	-	19.66	20.00	19.87	20.39

*Last Week's numbers are rounded

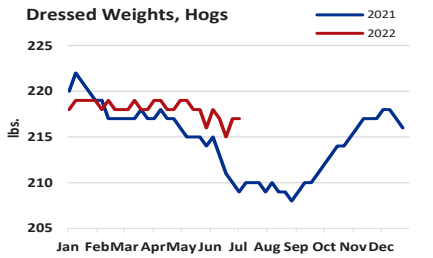
Weekly Beef Breakdown Source: USDA, Urner Barry
(# of loads) 1 load = 40,000 lbs.



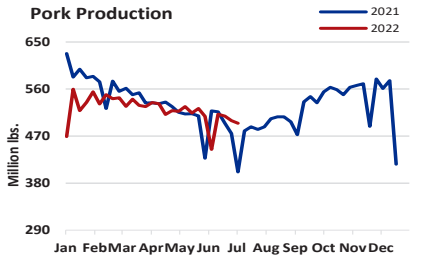
PORK PRODUCTION



Source: USDA, Urner Barry



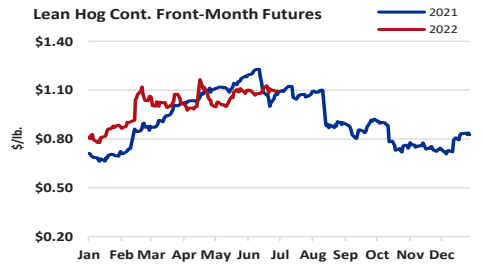
Source: USDA, Urner Barry



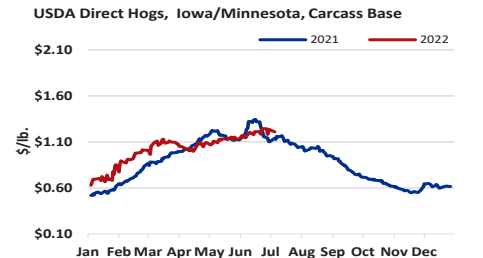
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Jun-24	Jul-01	Change
Loin	101.610	100.400	-1.210
Butt	146.190	143.500	-2.690
Picnic	75.860	74.330	-1.530
Sparerib	193.200	185.960	-7.240
Ham	91.660	91.830	0.170
Belly	158.520	147.790	-10.730
Cutout Value	109.740	106.95	-2.79



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week in the pork market, trade was heavily influenced by the upcoming 4th of July holiday, the light slaughter, hog weights decreasing, and mixed export demand. Urner Barry's pork carcass cutout decreased by 2.54 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$43.17/head while margins for vertically integrated packers were estimated at \$18.20/head.

PORK PRODUCTION: Pork production for the week ending 7/01/2022 was estimated to be 494.6 million pounds. This was a 1 percent decrease from last week and a 4.1 percent increase from a year ago. Live hog weights averaged 290 pounds for the week, even with last week and 9 pounds heavier than a year ago.

GREEN MEATS: Bone-in hams saw modest support this week on continued strong export demand from Mexico. Boneless hams were full steady on modestly increased demand for lunch meat products, though due to beginning the year at elevated levels we still have not seen the seasonal bump that we have seen historically. Bellies were highly unsettled as this week saw volatile trade amid participants having a fully adequate supply ahead of an extended holiday weekend. Bacon demand varied greatly based on region. In trim, 72s were weak amid fully adequate to ample supply.

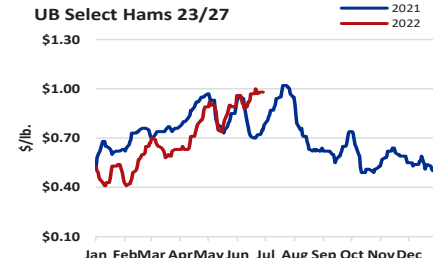
HAMS: Bone-in ham values were flat to \$0.50/cwt lower while boneless cuts were \$3.00/cwt to \$4.00/cwt stronger.

BELLIES: Skinless bellies were \$11.50/cwt to \$20.50/cwt weaker.

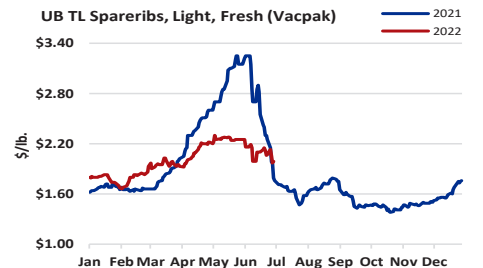
TRIMMINGS: 42s were generally unchanged while 72s were \$9.50/cwt weaker. Meanwhile, boneless picnics were \$4.50/cwt lower.

RETAIL: 1/4" bone-in loins were \$4.00/cwt firmer and 1/8" loins were flat. Boneless strap-on loins were \$0.50/cwt stronger while boneless strap-off loins were \$2.50/cwt weaker. Bone-in sirloins and boneless sirloins were both \$1.50 firmer. Tenderloins were \$5.00/cwt lower for the week. 1/4" bone-in butts were \$5.50/cwt weaker while boneless butts were \$8.00/cwt stronger. Light and medium spareribs were \$7.00/cwt \$8.00/cwt weaker, respectively.

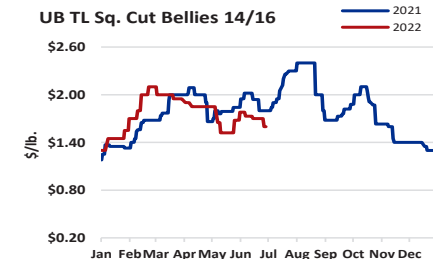
PORK PROCESSING ITEMS & RETAIL CUTS



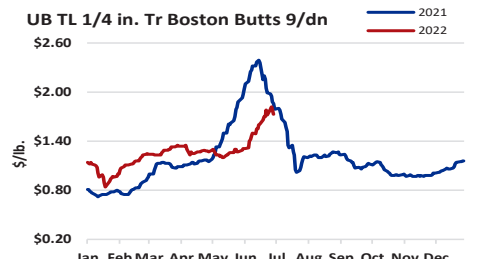
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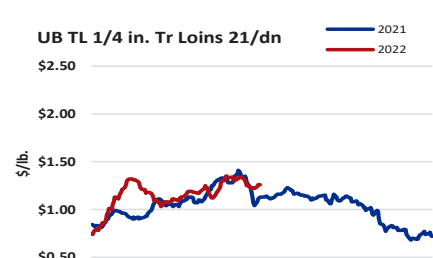
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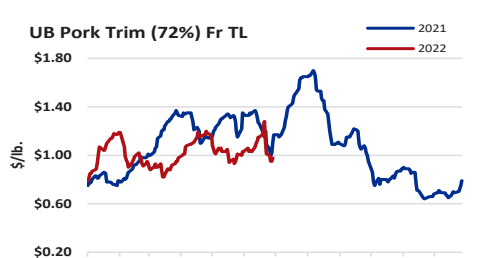
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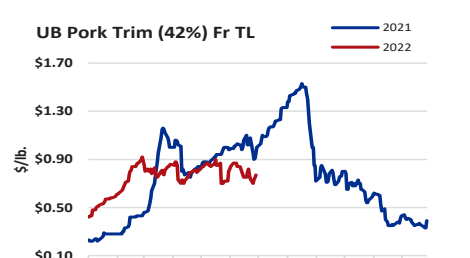
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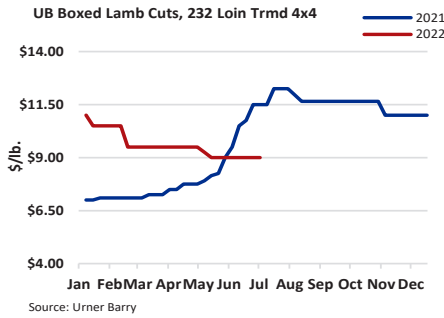
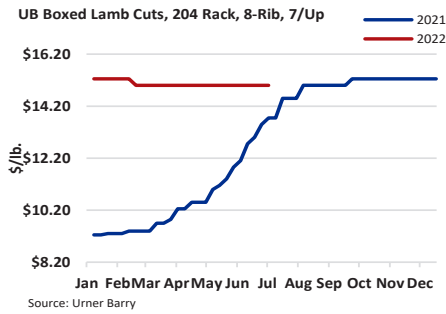
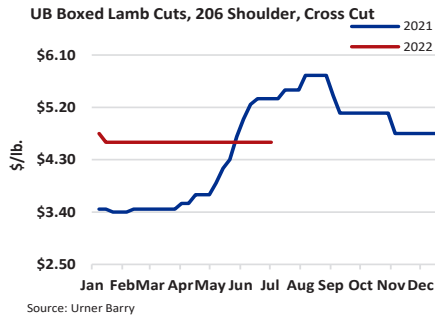
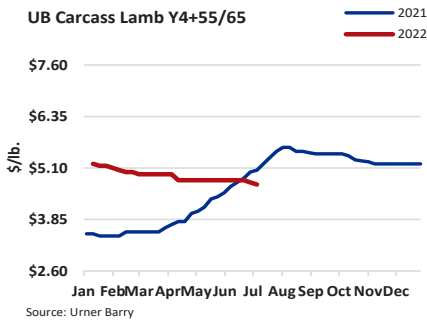


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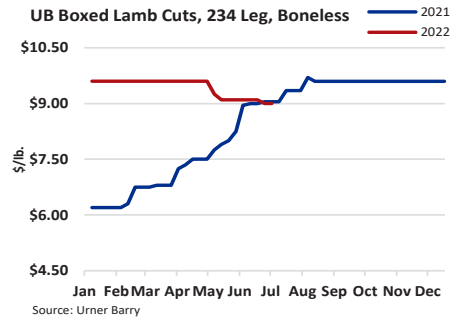
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LAMB

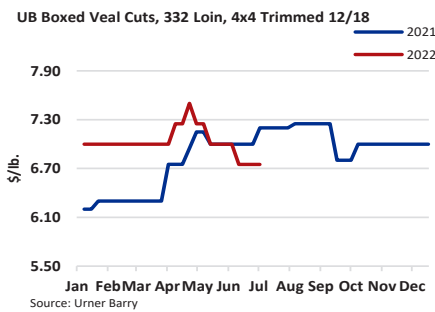
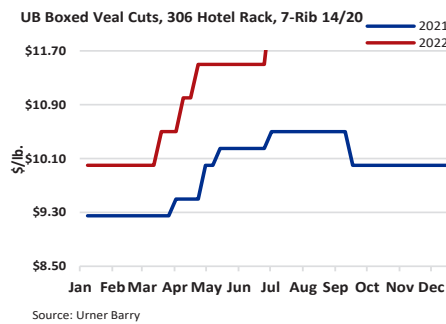
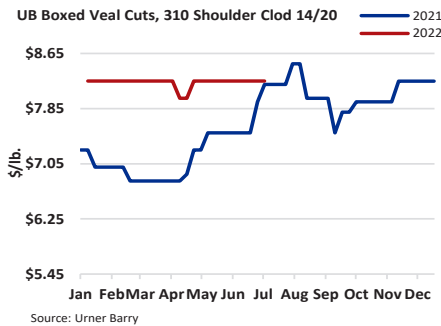
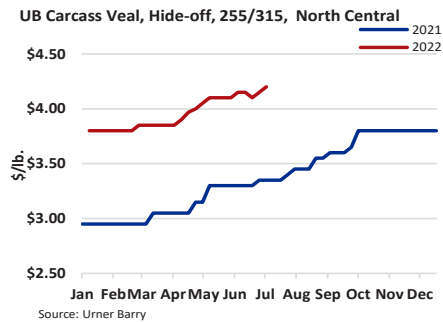


LAMB COMMENTARY

Lamb carcasses were under pressure this week as they continued to decline. Light carcasses are currently at 52-week lows, according to Urner Barry pricing. While a majority of boxed cuts were steady, a majority of leg cuts, loins, and shoulders are at 52-week lows. Overall demand was moderate at best. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 32,000 head which was 1,000 less than last week and 3,000 less than the same week a year ago. Average weights were 137 pounds, which was 2 pounds lighter than last week and 14 pounds heavier than year ago figures.

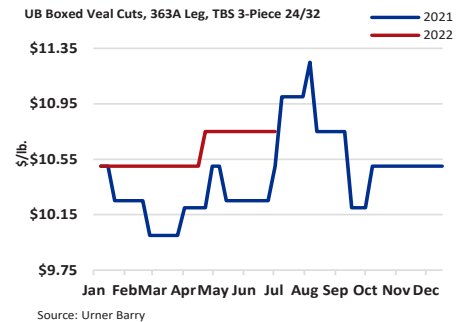


VEAL

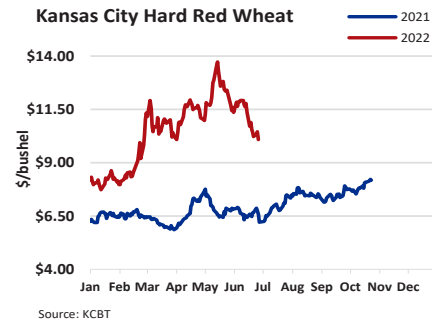
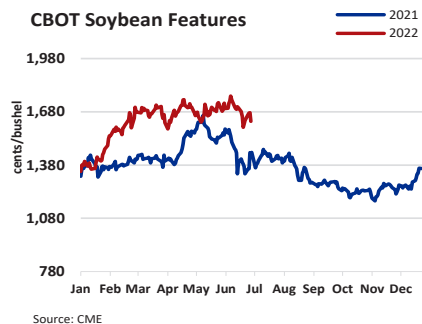
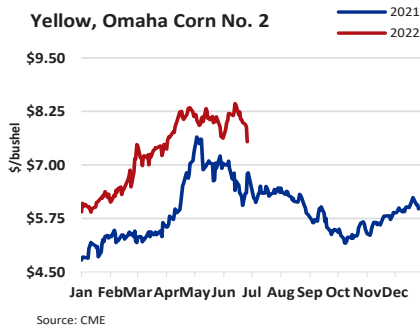


VEAL COMMENTARY

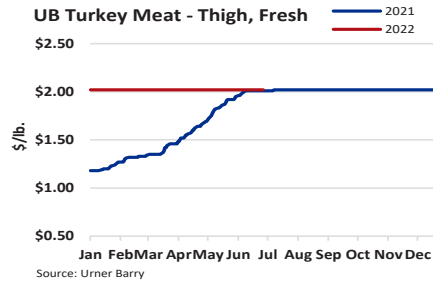
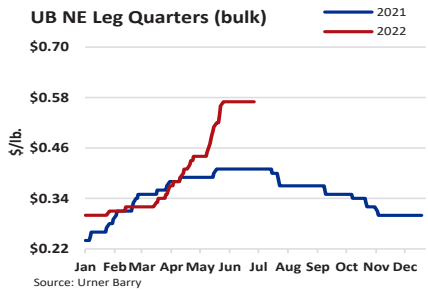
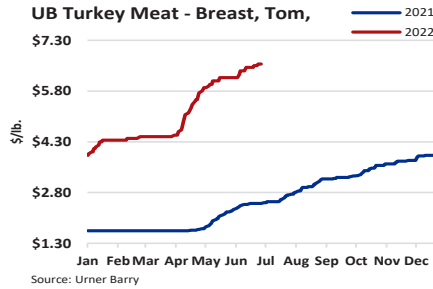
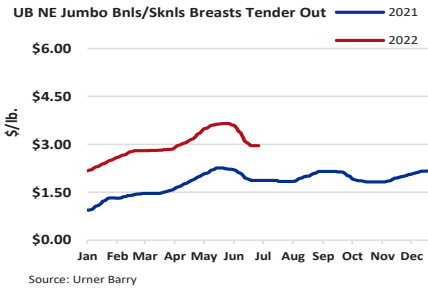
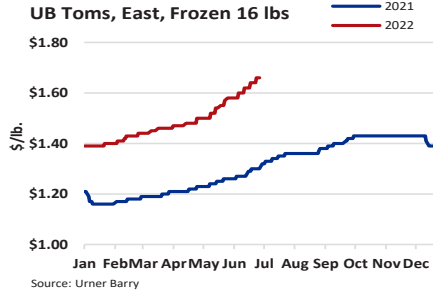
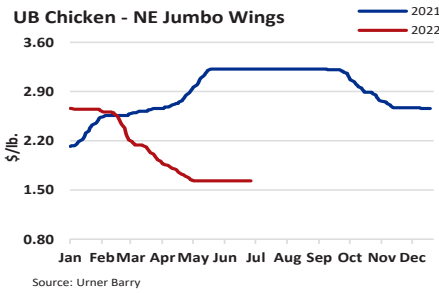
This week in veal, carcasses were full steady as prices continued to rise for the second week in a row, according to Urner Barry data. Boxed cuts were mixed with food service demand on the weaker side while retail interest was steady with last week. Racks were firm while hindshanks were full steady. Legs, ossobuco foreshanks, and chucks were barely steady. The USDA Special Fed Veal Slaughter was at 2905, which was roughly 10.3% higher than last week. The USDA Special Fed Veal Dressed weights were at 290.9 pounds, which was 4.4 pounds heavier than the previous period.



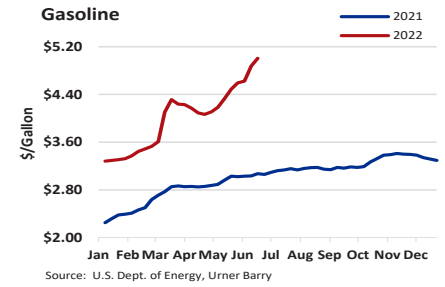
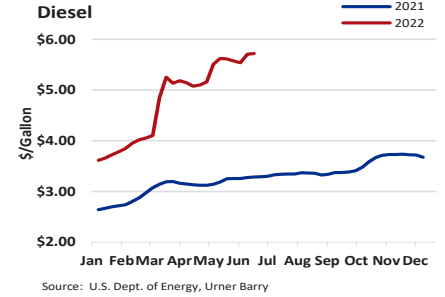
FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



ENERGY



ANNOUNCEMENT

Urner Barry Price Reporting Receives Independent Assurance of IOSCO Compliance Achieving the Gold Standard for Price Reporting

For over 160 years, Urner Barry has been the trusted source for benchmark pricing in the food and agriculture industry. Now, the company has successfully completed an independent review of its price reporting methodology and control procedures, confirming Urner Barry's processes are aligned with the International Organization of Securities Commissions (IOSCO) Principles for Price Reporting Agencies (PRAs).

The Type 1 assurance report, issued by auditor BDO, examined eight benchmark price indices.

"Our clients require the highest quality information to effectively conduct their business and navigate the supply chain," said Urner Barry CEO, Joe Muldowney. "This independent assurance review reflects the pledge we undertake to provide them with robust, independent, and accurate market coverage."

Read more about the latest quality assurance [HERE](#)

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POULTRY COMMENTARY

Whole chickens and WOGs were mostly uneventful this week as retail and distributive needs absorbed most available offerings. Jumbo boneless began to stabilize with the extreme heat in the south helping many processors stay in adequate balance. Jumbo wings and tenders were well maintained and inked at steady levels. Small and medium wings remained pressured and available for discounted price points. Chunk and trim meats were on the pushy side as well due to the minimizing spread between those lines and boneless. The back half saw minimal movement this week. Legs and drums were noted as seeing some scattered pressure. As were leg and thigh meats. MSC demand has been sluggish.

Whole-body toms and hens, as well as consumer and institutional-sized breasts, remain aggressively pursued and rated full steady to

firm. Drums, whole and two joint wings, necks, hearts, and livers were pushed higher as robust demand absorbed any and all offerings at higher levels. The balance is trending sideways and rated steady. The raw materials segment remains in strong demand with offerings barely adequate to short of industry needs. Thigh meat is said to be tightening. MST demand is somewhat two-tiered as only select buyers are able to bid at the current record-high prices.

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