

Friday, July 08, 2022

Number 28 - Volume 15

WEEKLY COMMODITY AT A GLANCE

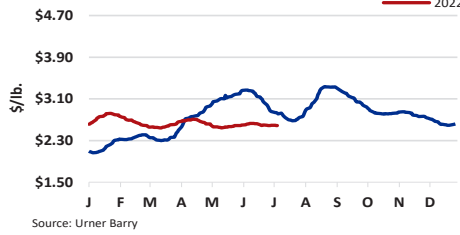
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	7.71	7.45	6.37
CBOT Soybean	1,630.25	1,626.00	1,438.00
NYMEX Light Crude Oil	104.79	108.43	75.25
Loose Lard, Chicago Basis	0.82	0.82	0.68
Edible Tallow, Chicago Basis	UNQ	UNQ	0.640
Beef Trimings, 90% Fresh	279.00	279.00	284.00
Beef Trimings, 50% Fresh	113.00	115.00	140.00
Aust/NZ Blend Cow 90% EC Spot	275.00	275.00	277.00
USDA Drop Credit	0.137	0.140	0.129
112A 3 Ribeye Roll, Lip-On CH	895.00	895.00	920.00
116A 3 Chuck Roll, Neck-Off CH	345.00	345.00	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	825.00
136 Coarse Ground 81%	307.00	307.00	286.00
189A 4 Loin, Tenderloin, PSMO CH	1,200.00	1,200.00	1,700.00
Cattle-Fax, 6-State Fed Steer Price	143.33	142.24	0.00
Select Hams 20/23	105.00	99.00	86.00
Sq Cut Bellies 14/16	163.00	160.00	195.00
1/4 Trmd. Loins 21/dn	131.00	126.00	112.00
1/4 Tr Boston Butts 9/dn	175.00	173.00	157.00
Spareribs, Light, Fresh	195.00	199.00	168.00
Fresh Pork Trim (42%)	94.00	77.00	110.00
Fresh Pork Trim (72%)	119.00	98.00	128.00
Carcass Lamb Y4+55/65	4.60	4.70	5.05
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	4.28	4.20	3.35
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.50
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.25	8.20
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	11.00

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

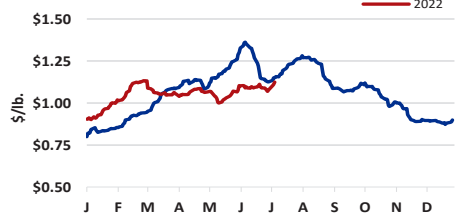
	7/8	7/1	6/24
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.75	2.78	2.79
Weekly Weighted Average Blended Boxed Beef Cutout Index	259.72	258.71	260.92

UB Beef Index



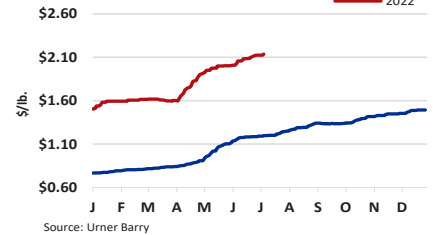
Source: Urner Barry

UB Pork Cutout



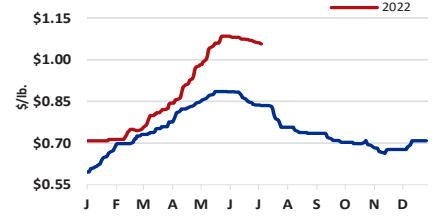
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	126	126	126	125	88	593
LW	125	126	124	124	121	16	636
*LY	12	120	121	120	121	87	581

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	458	476	466	468	118	1,988
LW	458	450	466	463	435	9	2,281
*LY	8	464	462	462	462	59	1,916

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	0	8	6	6	5	0	25
LW	9	7	6	6	4	0	32
*LY	1	10	8	8	6	1	33

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	0	1	1	1	1	0	4
LW	2	1	1	1	1	0	6
*LY	0	2	2	1	2	0	7

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	6/24	6/25	6/27	6/28	6/29	6/30	142
TW	7/1	7/2	7/4	7/5	7/6	7/7	113
*LY	22	6	6	24	25	25	108

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.680	0.677	0.745
Mexico, Peso	20.535	20.261	19.981
Canada, Dollar	1.302	1.296	1.251
Japan, Yen	136.516	135.195	110.329
China, Yuan (RMB)	6.698	6.705	6.469
Brazil, Real	5.362	5.298	5.182
South Korea, Won	1,301.40	1,298.82	1,144.39
Taiwan, Dollar	29.790	29.806	27.992
European Union, Euro	1.013	1.042	1.182

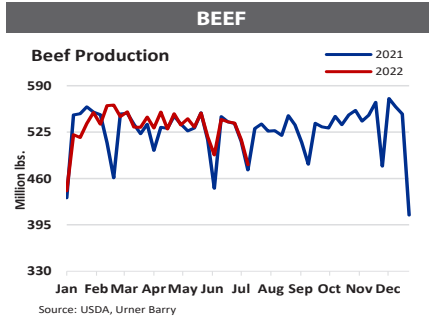
COLD STORAGE STOCKS

(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
Trimnings	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-08 v. Jul-01				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-0.04%	-0.45%	-1.29%	-3.75%
Chuck	0.44%	1.70%	1.14%	-0.29%
Round	0.48%	-0.18%	0.04%	0.15%
Loin	0.35%	-0.21%	-0.08%	-2.87%
Brisket	-0.06%	-1.79%	-0.08%	0.02%
Plate	0.18%	0.18%	0.18%	1.16%
Flank	0.68%	1.17%	-0.22%	1.25%
Total	0.30%	0.22%	0.09%	-1.50%



BEEF COMMENTARY

The boxed beef market saw little change from last week as buyer needs were very hand-to-mouth across the board. And those who did need truckload quantities did not appear to find them as it seemed a large quantity of participants were chasing the same few items with limited offerings. Sellers looked to have positioned themselves better than expected and found better than expected fill-in business throughout the week. Choice middle meats were able to hold steady this week while select grade came under pressure once more.

LIVE CATTLE: Prices in the South this week were steady to down \$1.00 from the week prior at mostly \$137.00 live (full range \$135.50-\$140.00). Prices in the North were steady to \$3 lower at \$144-\$150 live (full range \$143-\$151). Dressed sales were down \$2.00, mostly \$232.00/cwt (full range \$230-\$238).

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 593,000. Live weights ended the week at 1341 pounds down two pounds. Dressed weights were flat staying at 810 pounds.

RIBS: Ribs held much closer to steady this week when compared to the last. Select ribs still came under some pressure throughout the week as supplies seemed to be outpaced demand. There are some calling this a floor as we have been range bound for some time but as buyers remain slightly hesitant, we'll have to wait and see if any momentum forms in either direction.

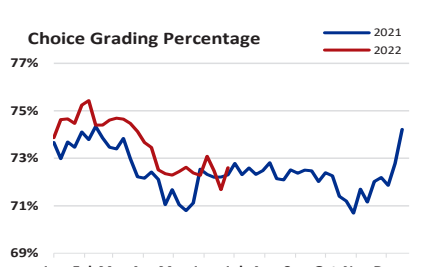
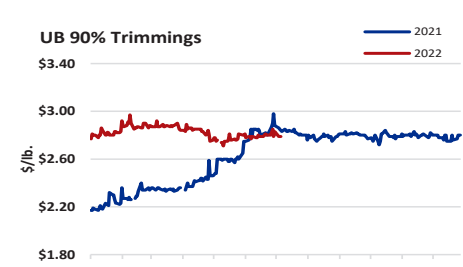
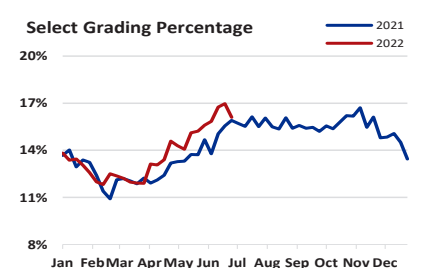
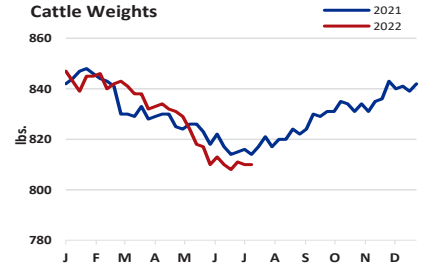
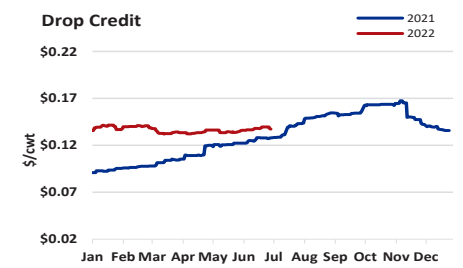
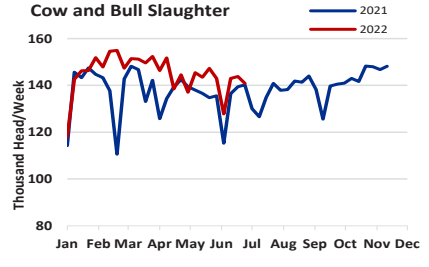
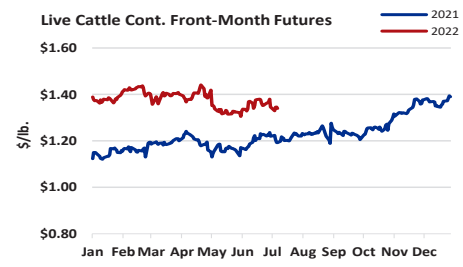
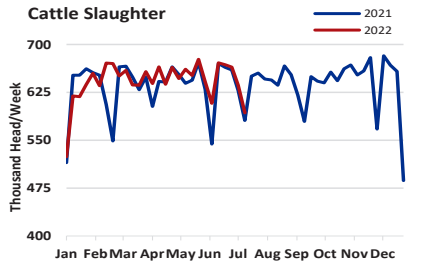
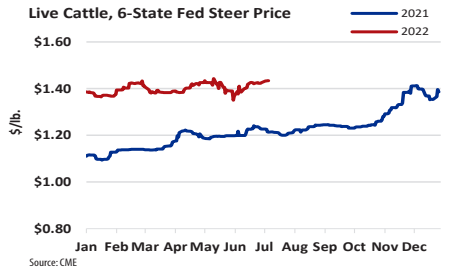
CHUCKS: Chucks saw minimal change throughout the week as supplies were seen tighter than expected coming into the week. The tighter supply hasn't had an impact around quotations yet but there is a belief with the amount of demand coming from the grinders and elevated grind cost, sellers may have some leverage to inch asks up.

ROUNDS: Much of the round complex commentary could mimic chuck comments, demand seemed like it may be beginning to outpace supplies. But with a full schedule next week, we'll have to see if these tones hold up.

LOINS: With the shortened work week product appeared a bit tighter around this area than many originally expected. Interest was there for quick ship, but the supplies were not, which kept activity towards the lower side.

GROUND BEEF: The coarse grind complex saw little change once more as needs are still aggressive. The current inflationary environment continued to usher in full steady tones as participants believe ground beef will continue to be the consumers "go to" item. Outlook turned mixed this week although as it becomes too hot for consistent grilling.

BONELESS BEEF: Leaner boneless beef was about steady this week. Supplies appeared to be more readily available in some areas. Fresh 50s were steady to a little lower this week. Buying interest was reportedly moderate at best. This week's cattle slaughter was estimated at 593,000 head.

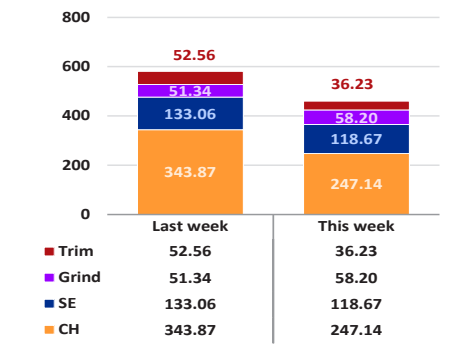


UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

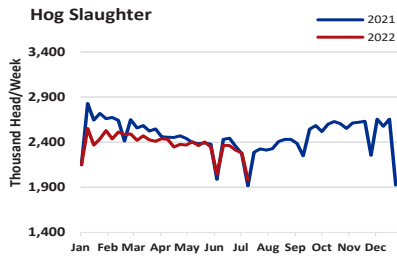
	M	T	W	TH	F
TW	-	22.09	22.45	22.72	22.91
*LW	21.08	20.57	19.61	22.20	22.64

*Last Week's numbers are rounded

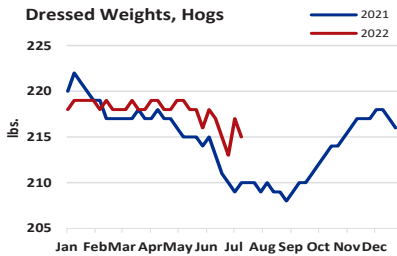
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



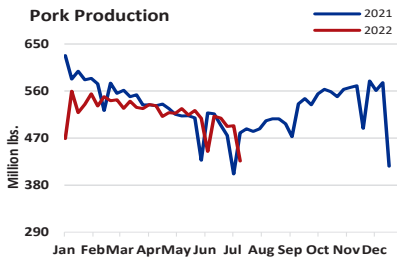
PORK PRODUCTION



Source: USDA, Urner Barry



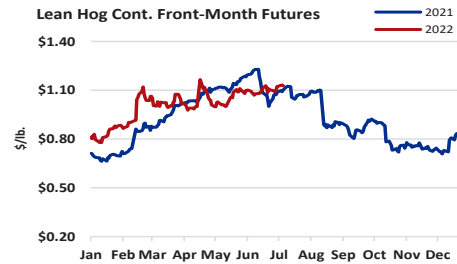
Source: USDA, Urner Barry



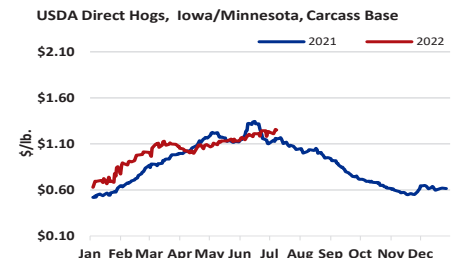
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Jul-01	Jul-08	Change
Loin	100.400	104.580	4.180
Butt	143.500	146.680	3.180
Picnic	74.330	80.870	6.540
Sparerib	185.960	182.570	-3.390
Ham	91.830	98.010	6.180
Belly	147.790	159.510	11.720
Cutout Value	106.950	112.463	5.513



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week in the pork market, trade was heavily influenced by both retail and food service channels refilling pipelines following the holiday, the reduced slaughter, declining hog weights, and mixed export demand. Urner Barry's pork carcass cutout increased by 5.15 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$37.52/head while margins for vertically integrated packers were estimated at \$29.49/head.

PORK PRODUCTION: Pork production for the week ending 7/08/2022 was estimated to be 426.1 million pounds. This was a 13.7 percent decrease from last week and a 6.2 percent increase from a year ago. Live hog weights averaged 288 pounds for the week, 2 pounds less than last week and 7 pounds heavier than a year ago.

GREEN MEATS: Bone-in hams were firm on active export demand from both export and domestic partners. With the turkey supply remaining tight, Mexico continued to use bone-in hams as a substitute item, which resulted in a limited supply on the US market, and thus pushed price levels higher. Boneless hams saw increases this week as well on increased demand for cold cut related items. Bellies were full steady on improved demand for retail bacon, though gains were modest. In trim, strong demand for grilling items helped support the category. The reduced hog slaughter and declining weights resulted in a barely adequate supply for 42s and 72s.

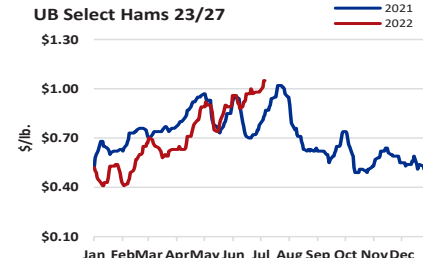
HAMS: Bone-in ham values were \$5.00/cwt to \$6.00/cwt firmer and boneless cuts were \$4.00/cwt to \$6.00/cwt stronger.

BELLIES: Skinless bellies were \$13.00/cwt to \$23.00/cwt stronger this week.

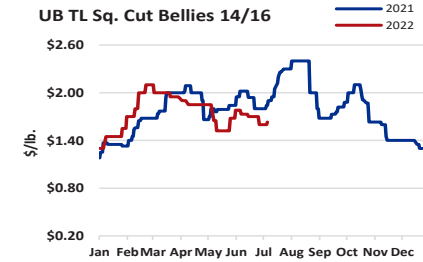
TRIMMINGS: 42s were \$17.50/cwt firmer and 72s were \$21.50/cwt stronger. Meanwhile, boneless picnics were \$10.00/cwt higher.

RETAIL: 1/4" bone-in loins were \$5.00/cwt firmer and 1/8" loins were \$3.00/cwt stronger. Boneless strap-on loins were \$4.50/cwt stronger while boneless strap-off loins increased by \$3.50/cwt. Bone-in sirloins were \$3.50/cwt stronger while boneless sirloin were flat. Tenderloins were \$10.00/cwt stronger for the week. 1/4" bone-in butts were \$2.00/cwt stronger while boneless butts were \$6.50/cwt firmer. Light and medium spareribs were \$4.00/cwt \$3.00/cwt weaker, respectively.

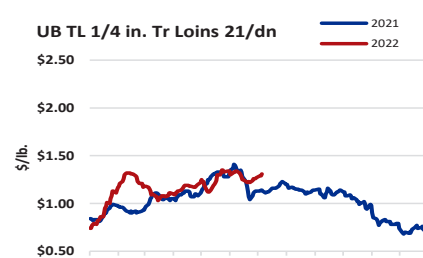
PORK PROCESSING ITEMS & RETAIL CUTS



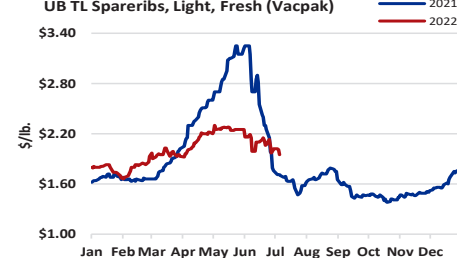
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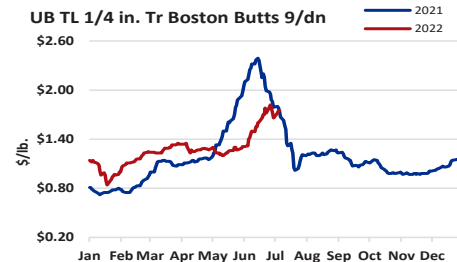
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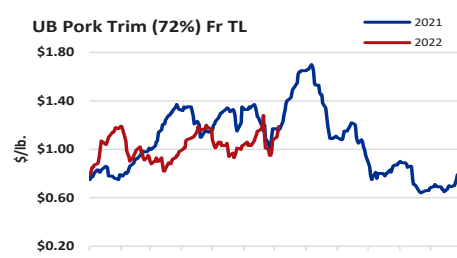
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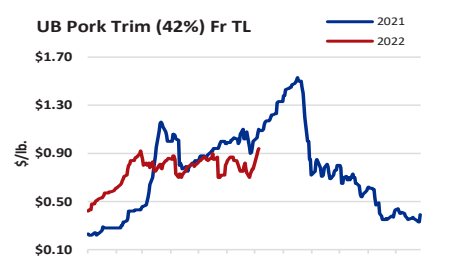
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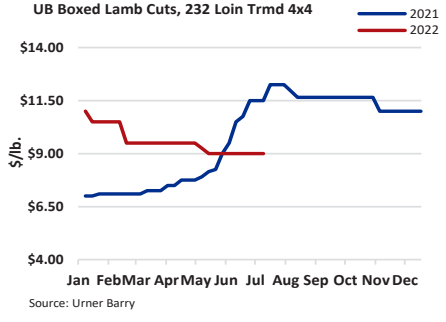
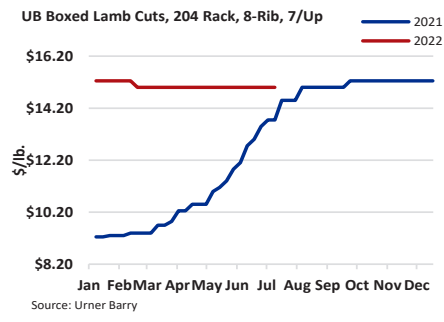
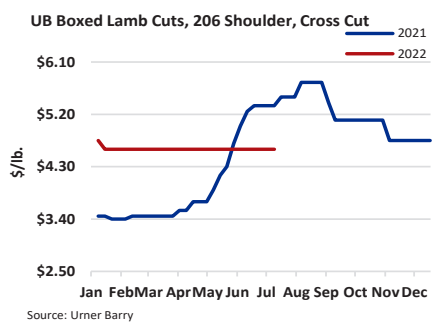
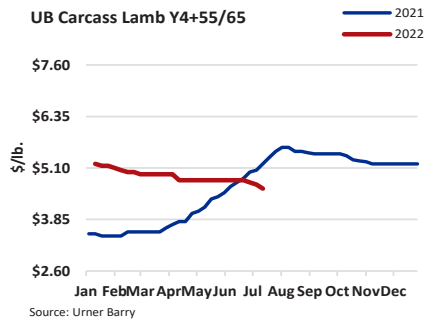


Source: Urner Barry



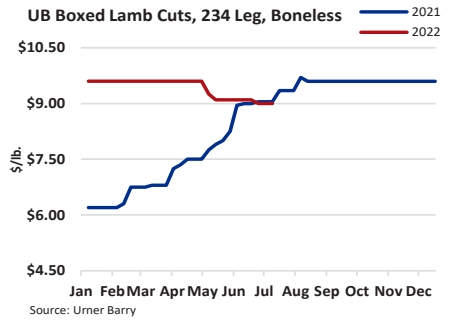
Source: Urner Barry

LAMB

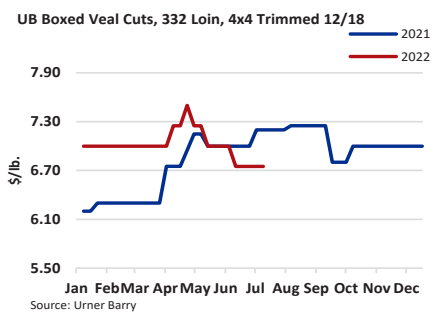
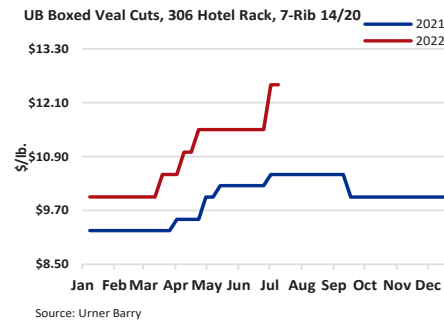
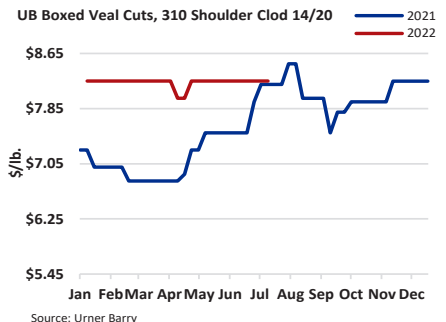
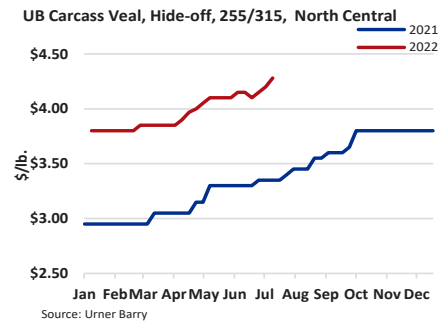


LAMB COMMENTARY

Lamb carcasses were weak as their price levels continued to decline. All boxed cuts remained steady as a large majority of trade occurred near their recently established ranges. With that said, shoulders, loins, and legs are currently at 52-week lows as demand was weak from both food service and retail applications. Foreshanks are at record high prices and racks remained well supported. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 32,000 head, which is even with last week and 3,000 less than a year ago for the same week. Average weights were 136 pounds, which is 1 pound lighter than last week and 11 pounds heavier than a year ago.

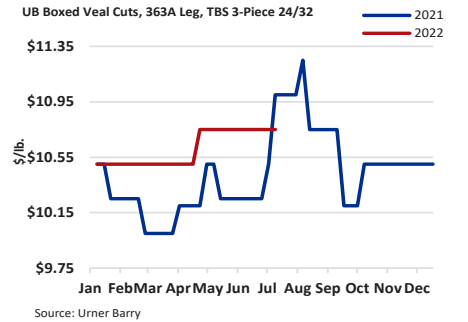


VEAL

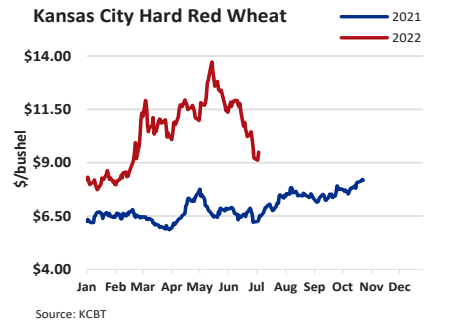
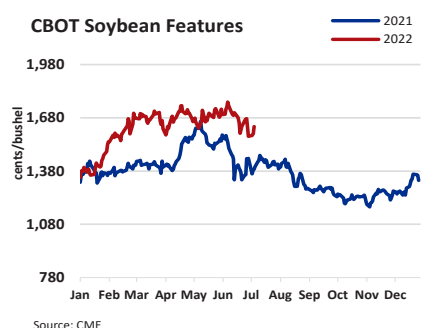
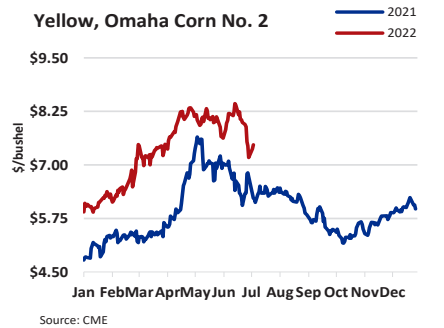


VEAL COMMENTARY

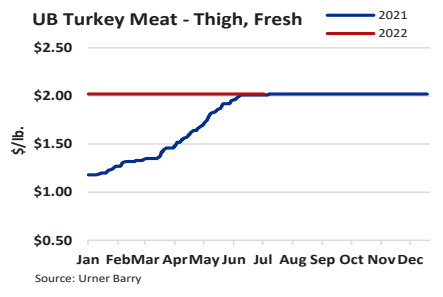
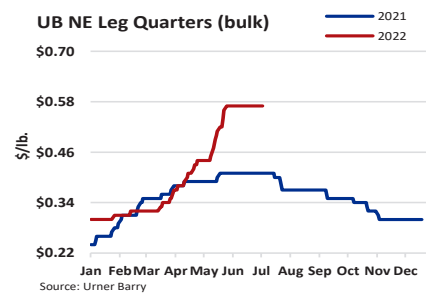
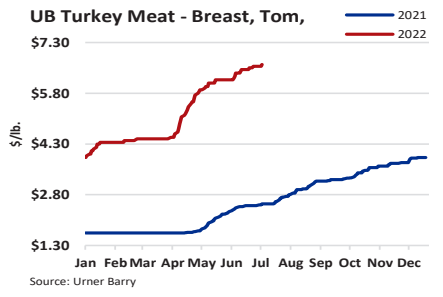
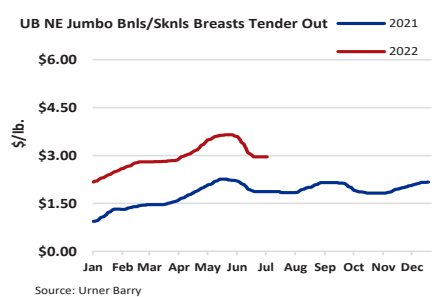
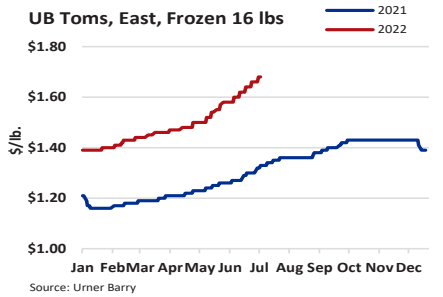
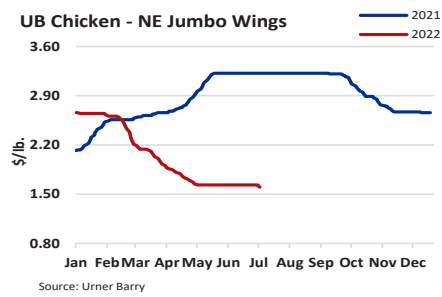
This week in veal, carcasses were firm as they continued to increase in price for the 3rd week in a row, according to Urner Barry data. While all boxed cuts remained steady, racks and hindshanks saw their price levels strongly supported on good demand. Other items had a softer bias as food service demand waned. Overall retail demand did not fare much better this week. The USDA Special Fed Veal Slaughter was at 2569, which was roughly 11.6% lower than last week. The USDA Special Fed Veal Dressed weights were at 287 pounds, which was 3.9 pounds lower than the previous period.



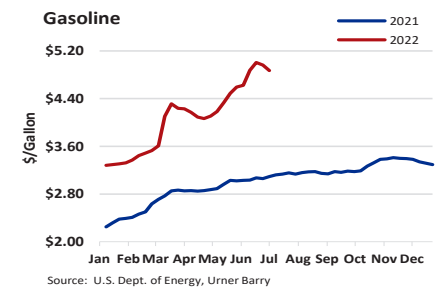
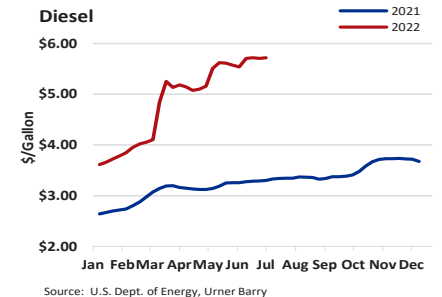
FEEDS: CORN, SOY BEAN, RED WHEAT



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. The same can be said for breasts and front halves. Jumbo boneless maintained adequate balance with sales consistently inked at supportive levels. The same can be said for tenders. All sized wings remain under varying degrees of pressure. Small and jumbo appear the worst off at weeks' end. The back half was mostly unchanged. Legs and leg quarters were reported as seeing some scattered pressure but sales at lower levels never materialized. Thigh meat sellers expressed the most willingness to discount.

Whole-body toms and hens, as well as consumer and institutional-sized breasts, continue their seasonal ascent with premium levels sales attached to most, if not all spot trade. Drums, necks, and wings remain actively pursued and are inked at full market or higher levels. Moving

to raw materials, breast meat, tenders, and scapula remain barely adequate for industry needs. That said, spot offerings of breast meat are said to be a bit more attainable when compared to previous weeks. Thigh meat and MST are limited in availability and held with confidence at full market or slightly higher price points.

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