

Friday, June 17, 2022

Number 25 - Volume 15

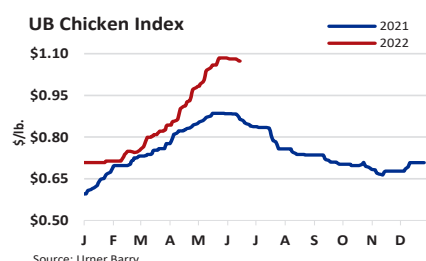
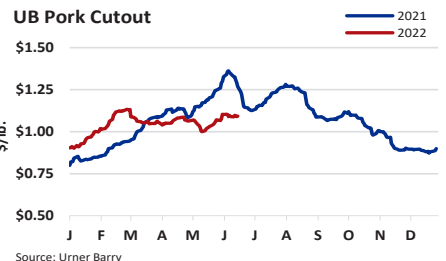
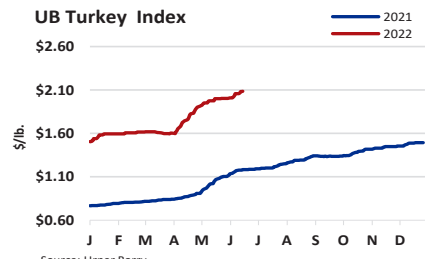
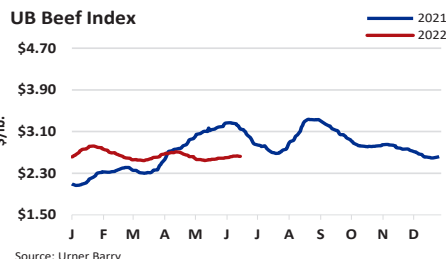
WEEKLY COMMODITY AT A GLANCE

| | This Week | Last Week | Last Year |
|--|-----------|-----------|-----------|
| Omaha, US No 2 Yellow Corn | UNQ | 8.20 | 6.62 |
| CBOT Soybean | 1,702.00 | 1,745.50 | 1,396.00 |
| NYMEX Light Crude Oil | 109.56 | 120.67 | 71.64 |
| Loose Lard, Chicago Basis | 0.82 | 0.82 | 0.68 |
| Edible Tallow, Chicago Basis | UNQ | UNQ | UNQ |
| Beef Trimmings, 90% Fresh | 279.00 | 279.00 | 280.00 |
| Beef Trimmings, 50% Fresh | 121.00 | 121.00 | 110.00 |
| Aust/NZ Blend Cow 90% EC Spot | 278.00 | 280.00 | 281.00 |
| USDA Drop Credit | 0.138 | 0.137 | 0.126 |
| 112A 3 Ribeye Roll, Lip-On CH | 923.00 | 923.00 | 1,250.00 |
| 116A 3 Chuck Roll, Neck-Off CH | 315.00 | 320.00 | 370.00 |
| 168 3 Round, Top (Inside) CH | 285.00 | 285.00 | 365.00 |
| 180 3 Strip Loin, Bnls, 0x1 CH | 850.00 | 825.00 | 1,025.00 |
| 136 Coarse Ground 81% | 295.00 | 295.00 | 349.00 |
| 189A 4 Loin, Tenderloin, PSMO CH | 1,325.00 | 1,375.00 | 1,850.00 |
| Cattle-Fax, 6-State Fed Steer Price | 140.16 | 137.65 | 120.67 |
| Select Hams 20/23 | 96.00 | 90.00 | 74.00 |
| Sq Cut Bellies 14/16 | 170.00 | 173.00 | 194.00 |
| 1/4 Trmd. Loins 21/dn | 125.00 | 134.00 | 127.00 |
| 1/4 Tr Boston Butts 9/dn | 161.00 | 150.00 | 236.00 |
| Spareribs, Light, Fresh | 210.00 | 199.00 | 255.00 |
| Fresh Pork Trim (42%) | 75.00 | 84.00 | 106.00 |
| Fresh Pork Trim (72%) | 115.00 | 103.00 | 126.00 |
| Carcass Lamb Y4+55/65 | 4.80 | 4.80 | 4.75 |
| Lamb Cuts, 204 Rack, 8-Rib, 7/Up | 15.00 | 15.00 | 13.00 |
| Lamb Cuts, 206 Shoulder, Cross Cut | 4.60 | 4.60 | 5.35 |
| Lamb Cuts, 232 Loin Trmd 4x4 | 9.00 | 9.00 | 10.75 |
| Lamb Cuts, 234 Leg, Boneless | 9.10 | 9.10 | 9.00 |
| Carcass Veal, Hide-off, 255/315, NC | 4.10 | 4.15 | 3.30 |
| Veal Cuts, 306 Hotel Rack, 7-Rib 14/20 | 11.50 | 11.50 | 10.25 |
| Veal Cuts, 310 Shoulder Clod 14/20 | 8.25 | 8.25 | 7.50 |
| Veal Cuts, 332 Loin, 4x4 Trim 12/18 | 6.75 | 6.75 | 7.00 |
| Veal Cuts, 363A Leg, TBS 3-Pc 24/32 | 10.75 | 10.75 | 10.25 |

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

| | 6/17 | 6/10 | 6/3 |
|---|--------|--------|--------|
| Weekly Imported Aust/NZ Blend Cow 90% EC 7:45 | 2.80 | 2.81 | 2.85 |
| Weekly Weighted Average Blended Boxed Beef Cutout Index | 262.56 | 264.49 | 262.69 |



EST. DAILY CATTLE SLAUGHTER

| | M | T | W | TH | F | S | Total |
|-----|-----|-----|-----|-----|-----|----|-------|
| TW | 120 | 122 | 126 | 127 | 124 | 48 | 667 |
| LW | 125 | 126 | 126 | 126 | 124 | 47 | 674 |
| *LY | 117 | 122 | 121 | 121 | 118 | 66 | 664 |

EST. DAILY HOG SLAUGHTER

| | M | T | W | TH | F | S | Total |
|-----|-----|-----|-----|-----|-----|----|-------|
| TW | 460 | 469 | 472 | 466 | 458 | 47 | 2,372 |
| LW | 475 | 479 | 477 | 476 | 446 | 19 | 2,372 |
| *LY | 474 | 486 | 477 | 481 | 467 | 59 | 2,444 |

EST. DAILY SHEEP SLAUGHTER

| | M | T | W | TH | F | S | Total |
|-----|---|---|---|----|---|---|-------|
| TW | 9 | 7 | 7 | 6 | 4 | 0 | 33 |
| LW | 8 | 8 | 7 | 7 | 4 | 0 | 34 |
| *LY | 9 | 7 | 7 | 7 | 4 | 0 | 34 |

EST. DAILY CALVES SLAUGHTER

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

EST. DAILY COW & BULL SLAUGHTER

| | F | S | M | T | W | TH | Total |
|-----|------|------|------|------|------|------|-------|
| LW | 6/3 | 6/4 | 6/6 | 6/7 | 6/8 | 6/9 | 154 |
| TW | 6/10 | 6/11 | 6/13 | 6/14 | 6/15 | 6/16 | 149 |
| *LY | 24 | 14 | 24 | 25 | 27 | 25 | 139 |

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

| | This Week | Last Week | Last Year |
|----------------------|-----------|-----------|-----------|
| Australia, Dollar | 0.698 | 0.709 | 0.751 |
| Mexico, Peso | 20.472 | 19.747 | 20.622 |
| Canada, Dollar | 1.301 | 1.276 | 1.240 |
| Japan, Yen | 134.602 | 133.897 | 110.696 |
| China, Yuan (RMB) | 6.700 | 6.700 | 6.477 |
| Brazil, Real | 5.126 | 4.923 | 5.032 |
| South Korea, Won | 1,293.02 | 1,276.52 | 1,136.78 |
| Taiwan, Dollar | 29.740 | 29.591 | 28.000 |
| European Union, Euro | 1.049 | 1.055 | 1.189 |

COLD STORAGE STOCKS

| (Pounds in Thousands) | 4/30/21 | 3/31/22 | 4/30/22 |
|--------------------------|----------------|----------------|----------------|
| Beef in Freezer, Bnls | 413,966 | 486,447 | 483,209 |
| Cuts | 34,888 | 49,392 | 48,519 |
| Total Beef | 448,854 | 535,839 | 531,728 |
| PORK & OTHER | 4/30/21 | 3/31/22 | 4/30/22 |
| Pork in Freezer, Picnics | 7,327 | 9,216 | 8,638 |
| Hams | 80,389 | 74,105 | 98,182 |
| Bellies | 35,204 | 56,779 | 58,702 |
| Loins | 44,869 | 39,472 | 42,383 |
| Spareribs | 102,061 | 116,768 | 116,955 |
| Butts | 14,528 | 20,670 | 21,714 |
| Trimmings | 41,315 | 52,991 | 52,097 |
| Other Pork in Freezer | 62,668 | 47,096 | 57,134 |
| Total | 456,921 | 485,929 | 530,244 |
| Veal in Freezer | 7,043 | 2,682 | 2,817 |
| Lamb & Mutton in Freezer | 24,753 | 24,006 | 24,435 |
| Total | 31,796 | 26,688 | 27,252 |

Data Updated: May 24, 2022

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

| UB BEEF CUTOUT Jun-17 v. Jun-10 | | | | |
|---------------------------------|--------------|---------------|---------------|--------------|
| | CHOICE | SELECT | NO-ROLL | CAB |
| Rib | 0.03% | -2.74% | 1.00% | -0.57% |
| Chuck | 1.17% | -0.86% | -0.92% | 1.85% |
| Round | -0.55% | 0.03% | 0.15% | -0.57% |
| Loin | -0.58% | -1.50% | -2.39% | 0.27% |
| Brisket | 3.48% | 4.47% | -2.07% | 2.81% |
| Plate | -1.47% | -1.47% | -1.47% | 0.29% |
| Flank | -0.29% | -0.29% | 0.53% | 0.18% |
| Total | 0.06% | -0.99% | -0.89% | 0.43% |

BEEF

BEEF COMMENTARY

The market remained on-trend week-to-week. Most items traded within our listed quotations but with a softer bias associated with many of them. Supplies remain adequate and larger offerings are noted. Buyers still found limited risk to scarcity moving into July. While consumers still appear to be spending, there are growing concerns after higher-than-expected inflation and the recent fiscal response to it could derail the spending. With that comes greater risk to beef, and especially to higher priced items. The notable exception for the week was the increase in strip loin prices. There was last minute Father's Day business coupled with planned July retail ads.

LIVE CATTLE: The cash cattle market continued to quickly advance this week behind slaughter levels that have returned to pre-pandemic levels. Prices on the week are generally \$2.00/cwt to \$5.00/cwt higher. Bulk of trade on live cattle have traded was between \$140.00/cwt and \$146.00/cwt; dressed mostly from \$230.00/cwt to \$232.00/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 667,000. Live weights ended the week at 1346 pounds down four pounds. Dressed weights were also down to 813 pounds.

RIBS: Rib prices retreated slightly from last week's slight gain. The market has been mostly sideways for some time, and this further confirms the delicate balance that currently details the happenings. Seasonals would suggest that this is normal price action as we pass the initial grilling period of summer. And it looks like rib prices are starting to roll over.

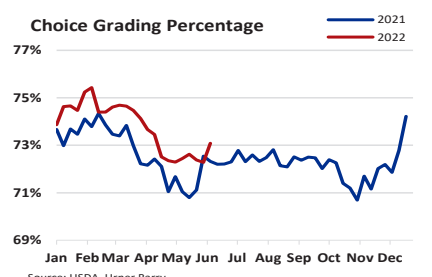
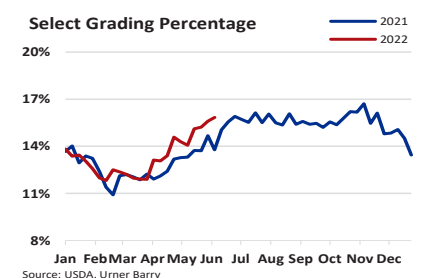
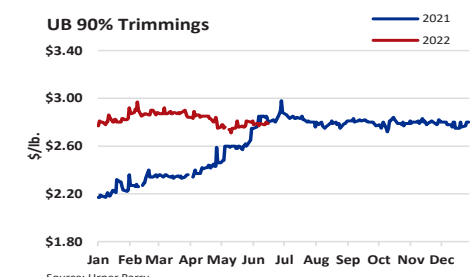
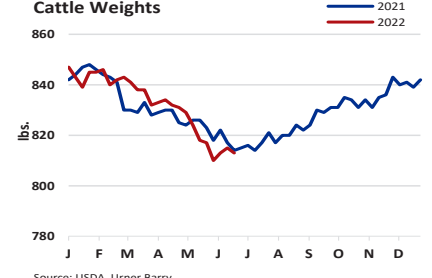
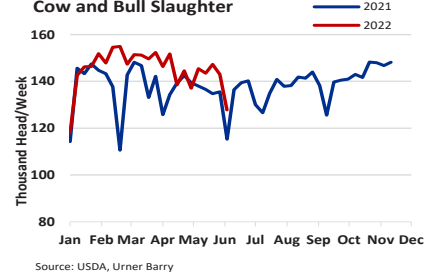
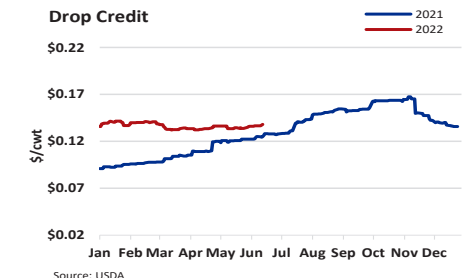
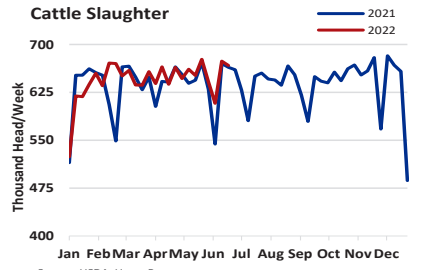
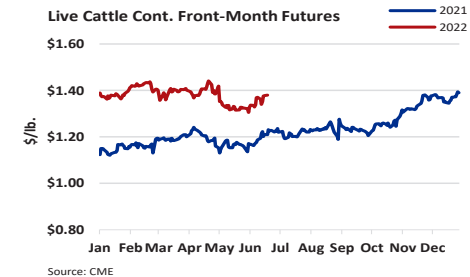
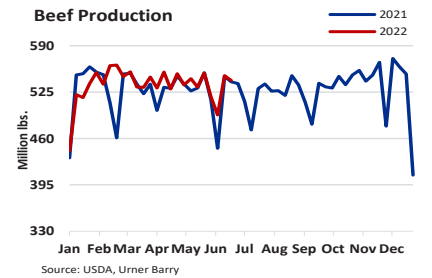
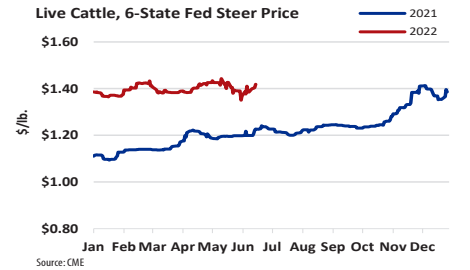
CHUCKS: There was sustained demand for chuck items, but it was again mostly at current price levels. Chuck rolls retreated after a recent run-in price mostly derived from export interest. Despite overall business remaining solid, any slight gain or loss in that business effects prices. Value steak cuts were able to edge out slight gains as trade-down risk was prevalent on the buy side. This gave them some protection from a slightly battered consumer.

ROUNDS: There is not much more to say about rounds than what was said last week. Price changes were few and far between. Without much market moving information we sit here near where last week ended.

LOINS: The loin complex ended the week mixed, but almost on seasonals. Strip loins advanced behind the tightening of spot supplies during the run-up into Father's Day. Once the grill is turned on for gatherings, its strip loins that become the focus. In addition, there is growing interest for July retail ads. On the other end was the PSMO and tenderloin butt, which much like the rib started to fade after the unofficial start of summer weekend.

GROUND BEEF: Much like the rest of the complex, coarse grinds were generally steady with week earlier levels. Slaughter levels remained high but there is still solid demand. Concession stands are running at full capacity and there are high expectations that demand will remain strong at the retail level.

BONELESS BEEF: Fresh 90s were mostly steady this week. Supply and demand appeared to be generally in balance. Livestock availability varied from region to region. The market for fresh 50s was largely unsettled this week. Talk of a two-tier market developing was noted with some participants already trying book material for less desirable dates heading into the 4th of July holiday weekend.

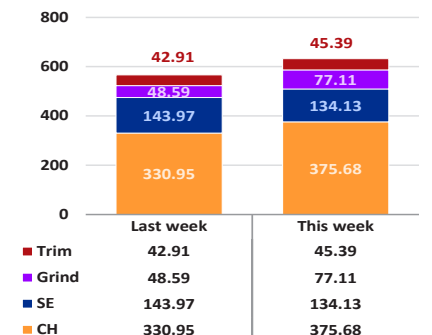


UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

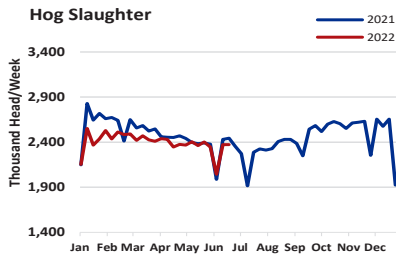
| | M | T | W | TH | F |
|-----|-------|-------|-------|-------|-------|
| TW | 21.67 | 22.67 | 21.71 | 22.26 | 22.05 |
| *LW | 17.07 | 18.37 | 19.07 | 19.08 | 19.43 |

*Last Week's numbers are rounded

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

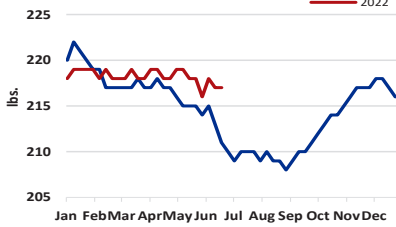


PORK PRODUCTION



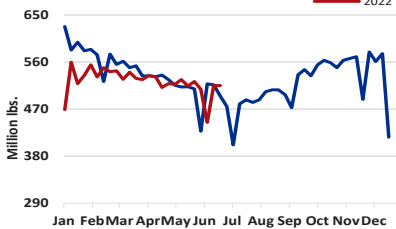
Source: USDA, Urner Barry

Dressed Weights, Hogs



Source: USDA, Urner Barry

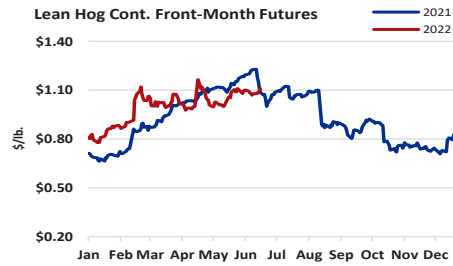
Pork Production



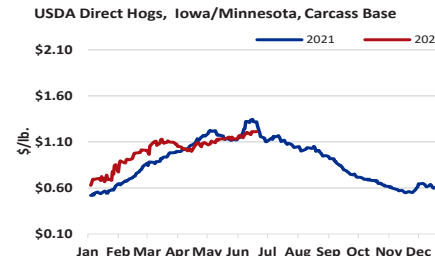
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

| PORK CUTOUT | Jun-10 | Jun-17 | Change |
|---------------------|----------------|----------------|--------------|
| Loin | 108.050 | 104.550 | -3.500 |
| Butt | 124.950 | 134.970 | 10.020 |
| Picnic | 75.240 | 75.530 | 0.290 |
| Sparerib | 190.540 | 195.370 | 4.830 |
| Ham | 87.070 | 90.620 | 3.550 |
| Belly | 164.530 | 159.100 | -5.430 |
| Cutout Value | 108.890 | 109.255 | 0.365 |



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week in the pork market, trade was influenced by inflationary concerns, sluggish exports among a number of trade partners, and the approaching 4th of July holiday. Urner Barry's pork carcass cutout increased by .34 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$29.41/head while margins for vertically integrated packers were estimated at \$27.92/head.

PORK PRODUCTION: The SJ_LS712 (Estimated Meat Production under Federal Inspection) report was not available at time of publication.

GREEN MEATS: Bone-in hams saw support throughout much of the week on increased conversions and elevated turkey prices. Meanwhile, boneless hams continued to struggle in finding domestic or international interest. Bellies have encountered pushback amid sluggish retail bacon sales and maintained softer undertones. In trim, the availability of 42s has expanded while leaner trim generally saw support for much of this week on seasonal demand.

HAMS: Bone-in ham values declined \$6.00/cwt to \$9.50/cwt while boneless cuts were \$2.00 to \$5.00/cwt lower.

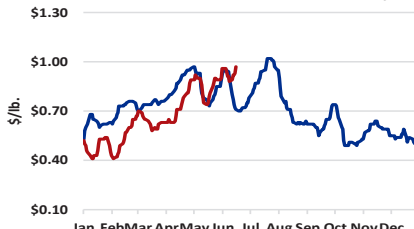
BELLIES: Skinless bellies were \$7.00/cwt to \$9.00/cwt weaker.

TRIMMINGS: 42s were \$9.50/cwt weaker while 72s were \$9.00/cwt firmer. Meanwhile, boneless picnics were \$3.50/cwt stronger.

RETAIL: 1/4" bone-in loins were \$9.50/cwt weaker and 1/8" loins were \$4.00/cwt softer. Boneless strap-on loins were \$4.00/cwt softer and boneless strap-off loins were \$5.50/cwt weaker. Bone-in sirloins were \$1.00/cwt firmer and boneless sirloins were \$1.00/cwt weaker. Tenderloins were \$5.00/cwt higher for the week. 1/4" bone-in butts were \$11.00/cwt higher while boneless butts were \$12.00/cwt stronger. Light and medium spareribs were \$11.50/cwt firmer and \$1.50/cwt weaker respectively.

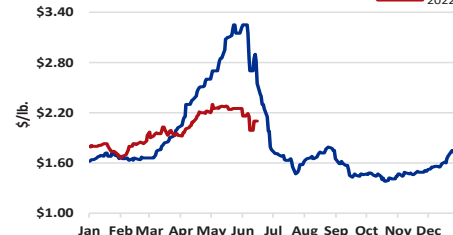
PORK PROCESSING ITEMS & RETAIL CUTS

UB Select Hams 23/27



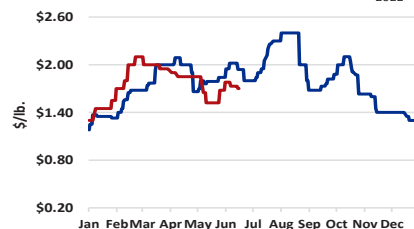
Source: Urner Barry

UB TL Spareribs, Light, Fresh (Vacpak)



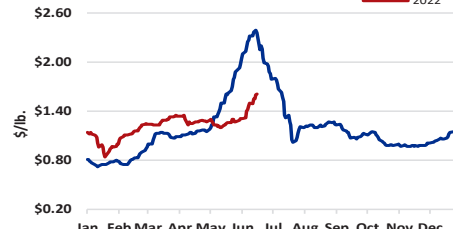
Source: Urner Barry

UB TL Sq. Cut Bellies 14/16



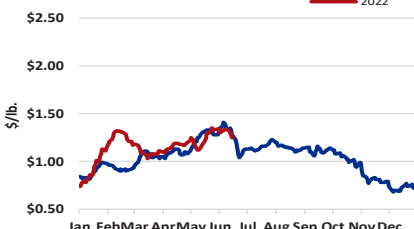
Source: Urner Barry

UB TL 1/4 in. Tr Boston Butts 9/dn



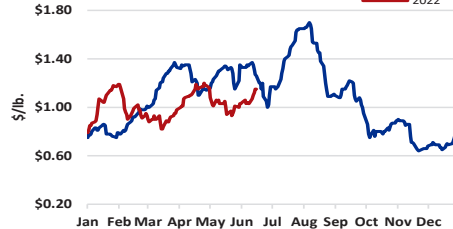
Source: Urner Barry

UB TL 1/4 in. Tr Loins 21/dn



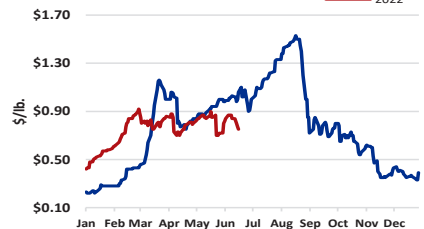
Source: Urner Barry

UB Pork Trim (72%) Fr TL



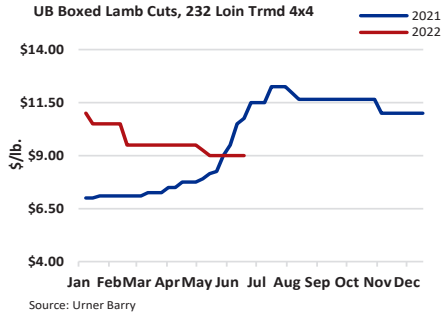
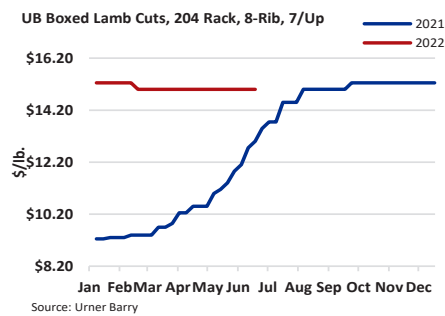
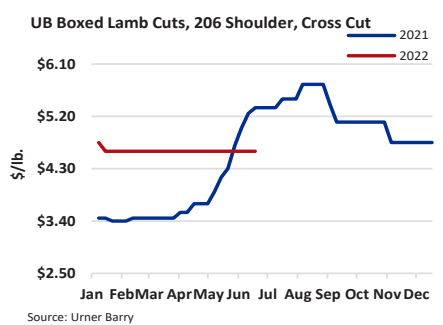
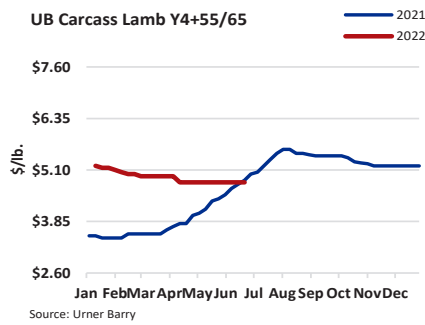
Source: Urner Barry

UB Pork Trim (42%) Fr TL



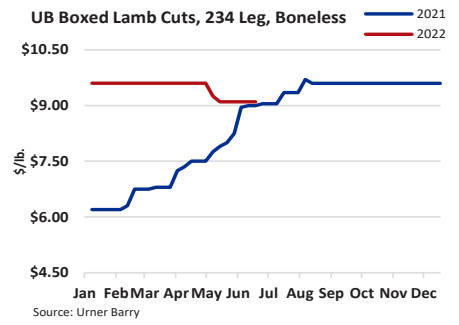
Source: Urner Barry

LAMB

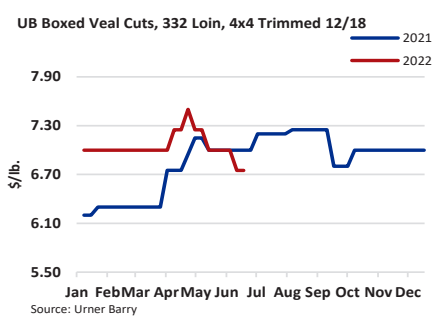
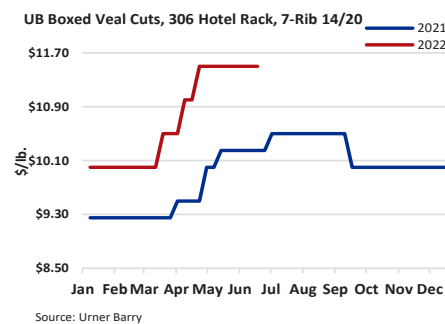
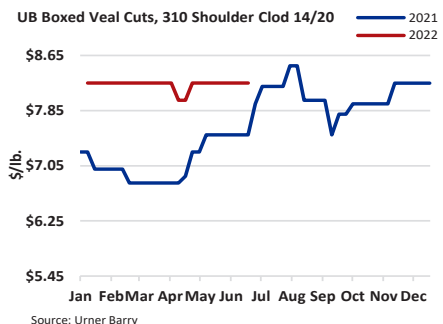
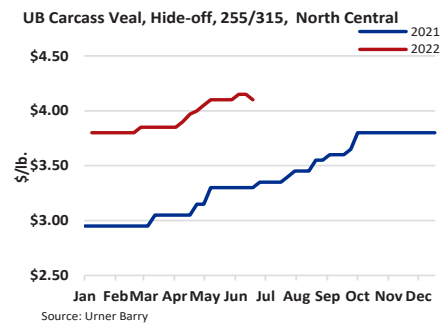


LAMB COMMENTARY

Lamb carcasses were largely unchanged this week. Domestic boxed cuts were mostly steady. Overall, supply and demand appeared to be in balance. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 34,000, which was 4,000 higher than the previous week and 4,000 above a year ago for the same period. Average weights were 138 pounds, which was steady with the previous week and 14 pounds heavier than year ago figures.

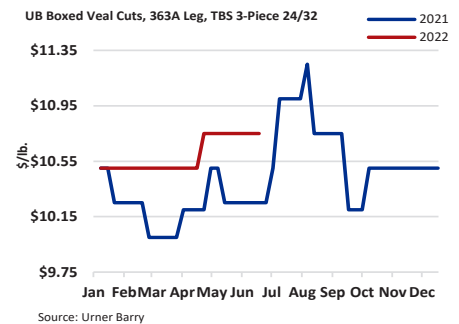


VEAL

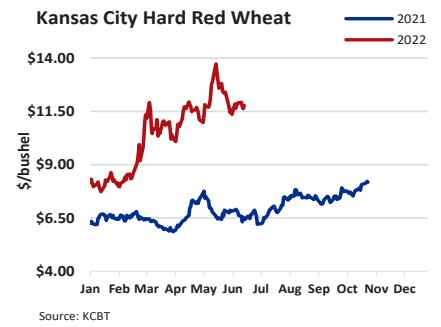
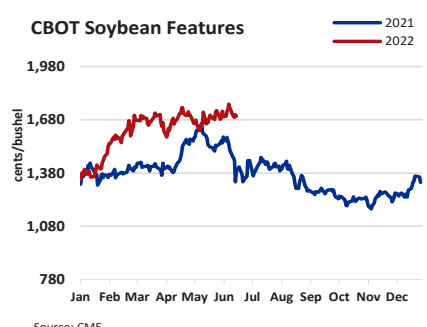
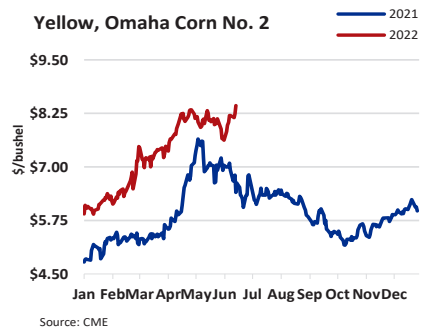


VEAL COMMENTARY

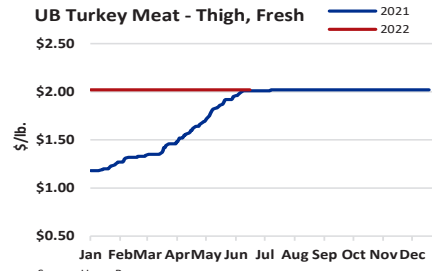
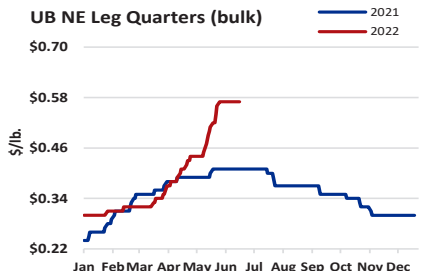
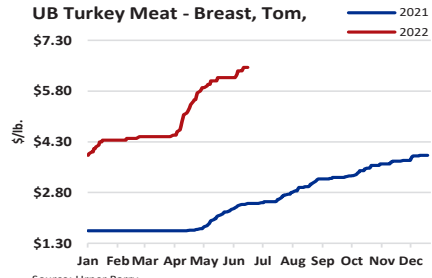
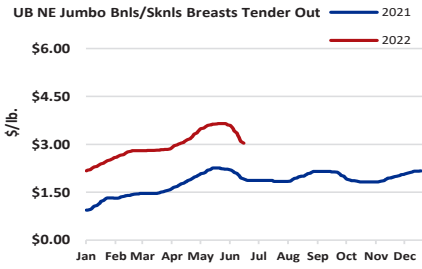
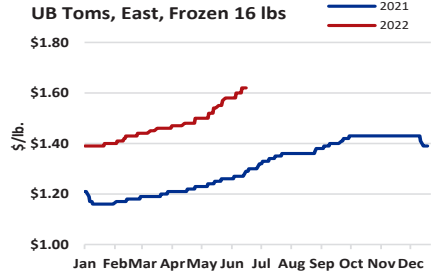
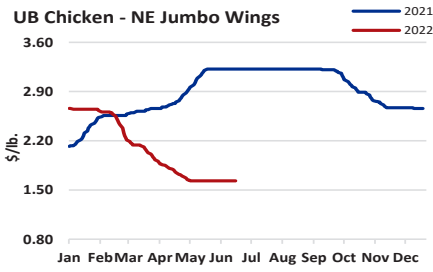
Veal carcasses traded in a narrow range this week. All boxed cuts were steady and saw minimal price action. Demand was rated as moderate. The USDA Special Fed Veal Slaughter was at 2813, which was nearly even with last weeks figures. Special Fed Veal Dressed Weights were at 282.8, which was 7.7 pounds lighter than last week.



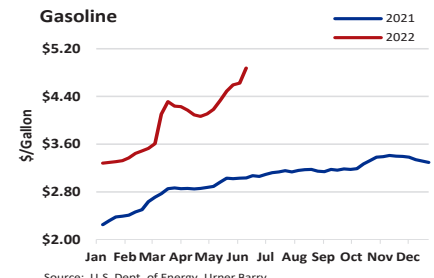
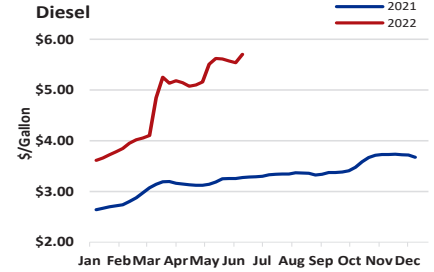
FEEDS: CORN, SOY BEAN, RED WHEAT



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 began to slow in demand this week with some discounting occurring in low volumes. Jumbo boneless breasts continue to be willingly discounted at severely lower figures as a seasonal slowdown in demand takes place. Medium-sized boneless is also seeing some scattered pressure. Tenders, as well as chunk and trim meats remain in decent shape, but product is showing up here and there. In wings, small and medium-sized product is pressured lower. Jumbos are about steady with sales recorded within a close range of our listed quotations. Deboning demand for the back half has slowed some, as has the upward trajectory of values. Most lines remain in about steady position though, due to minimal spot offerings and consistent export interest.

Whole turkeys moved higher this week as higher sales crossed our desk for near and future

delivery dates. Consumer and institutional-sized breasts were similarly inked at premiums. Here, minimal offerings are held with a firm grip and only sold if up money bids are in play. Tom whole and two joint wings, along with necks, continue to see upward momentum as tight availability coincides with strong domestic demand. Drums move with ease at steady levels. The raw materials complex continues to be mostly short of buyer needs. All varieties of breast meat, along with tenders, scapula, and breast trim remain tight and aggressively pursued.

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