

Friday, June 24, 2022

Number 26 - Volume 15

WEEKLY COMMODITY AT A GLANCE

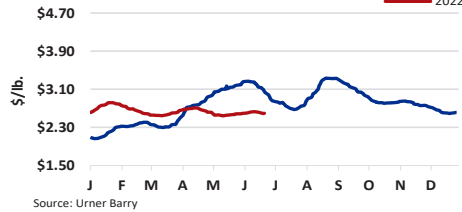
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	8.05	8.40	6.34
CBOT Soybean	1,610.75	1,702.00	1,359.75
NYMEX Light Crude Oil	107.62	109.56	72.98
Loose Lard, Chicago Basis	0.82	0.82	0.68
Edible Tallow, Chicago Basis	UNQ	UNQ	UNQ
Beef Trimmings, 90% Fresh	280.00	279.00	287.00
Beef Trimmings, 50% Fresh	121.00	121.00	119.00
Aust/NZ Blend Cow 90% EC Spot	276.00	278.00	278.00
USDA Drop Credit	0.138	0.138	0.128
112A 3 Ribeye Roll, Lip-On CH	905.00	923.00	1,025.00
116A 3 Chuck Roll, Neck-Off CH	318.00	315.00	370.00
168 3 Round, Top (Inside) CH	285.00	285.00	323.00
180 3 Strip Loin, Bnls, 0x1 CH	883.00	850.00	915.00
136 Coarse Ground 81%	300.00	295.00	323.00
189A 4 Loin, Tenderloin, PSMO CH	1,200.00	1,325.00	1,835.00
Cattle-Fax, 6-State Fed Steer Price	142.54	140.16	122.83
Select Hams 20/23	100.00	96.00	74.00
Sq Cut Bellies 14/16	170.00	170.00	180.00
1/4 Trmd. Loins 21/dn	123.00	125.00	111.00
1/4 Tr Boston Butts 9/dn	178.00	161.00	195.00
Spareribs, Light, Fresh	206.00	210.00	198.00
Fresh Pork Trim (42%)	77.00	75.00	90.00
Fresh Pork Trim (72%)	110.00	115.00	100.00
Carcass Lamb Y4+55/65	4.75	4.80	4.85
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	15.00	15.00	13.50
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	9.10	9.05
Carcass Veal, Hide-off, 255/315, NC	4.15	4.10	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

	6/24	6/17	6/10
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.79	2.80	2.81
Weekly Weighted Average Blended Boxed Beef Cutout Index	260.92	262.56	264.49

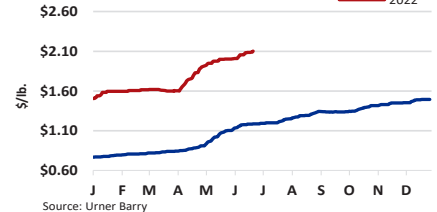
UB Beef Index



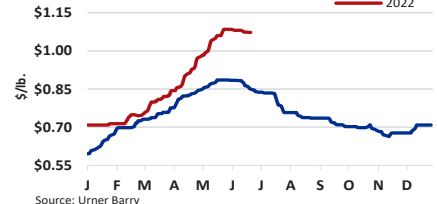
UB Pork Cutout



UB Turkey Index



UB Chicken Index



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	124	126	126	122	122	46	666
LW	120	122	126	127	124	48	667
*LY	117	122	116	118	117	70	660

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	449	468	469	465	433	20	2,304
LW	460	469	472	466	458	47	2,372
*LY	467	474	473	472	443	26	2,354

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	7	6	6	4	0	32
LW	9	7	7	6	4	0	33
*LY	10	6	7	7	4	0	35

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	1	1	1	1	0	6
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	6/10	6/11	6/13	6/14	6/15	6/16	Total
	27	9	27	28	30	28	149
TW	6/17	6/18	6/20	6/21	6/22	6/23	Total
	26	6	26	27	28	29	142
*LY	24	15	24	25	26	24	138

\*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.691	0.698	0.751
Mexico, Peso	19.915	20.472	19.870
Canada, Dollar	1.297	1.301	1.238
Japan, Yen	135.119	134.602	110.713
China, Yuan (RMB)	6.696	6.700	6.462
Brazil, Real	5.218	5.126	4.939
South Korea, Won	1,294.90	1,293.02	1,133.38
Taiwan, Dollar	29.726	29.740	27.933
European Union, Euro	1.053	1.049	1.188

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
<b>Total Beef</b>	<b>416,675</b>	<b>532,167</b>	<b>519,833</b>
<b>PORK &amp; OTHER</b>	<b>5/31/21</b>	<b>4/30/22</b>	<b>5/31/22</b>
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
Trimmings	42,055	52,877	52,324
Other Pork in Freezer	61,647	59,359	53,951
<b>Total</b>	<b>462,446</b>	<b>533,396</b>	<b>543,079</b>
Veal in Freezer	6,464	2,816	2,841
Lamb & Mutton in Freezer	21,896	24,414	22,191
<b>Total</b>	<b>28,360</b>	<b>27,230</b>	<b>25,032</b>

Data Updated: June 23, 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-24 v. Jun-17				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-1.59%	-1.66%	-0.08%	-0.91%
Chuck	-0.21%	1.09%	1.53%	0.61%
Round	-0.43%	0.23%	-0.03%	-0.66%
Loin	-2.02%	-1.68%	-0.27%	-2.23%
Brisket	-0.09%	1.34%	3.84%	-0.21%
Plate	-0.30%	-0.30%	-0.30%	-1.11%
Flank	-0.37%	-2.63%	-0.84%	-3.43%
<b>Total</b>	<b>-1.04%</b>	<b>-0.45%</b>	<b>0.42%</b>	<b>-0.97%</b>

**BEEF**

**BEEF COMMENTARY**

Once again we saw the market remain within a channel throughout most of the week. There were a handful of items that saw lower trade, but the majority continued to bounce within listed ranges. The supply side to the equation continued to be a non-factor for buyers allowing the hand to mouth approach to persist. Concerns continued to lay beyond the fourth of July as the "dog days of summer" begin for most of the country.

**LIVE CATTLE:** Prices in the South this week were down \$3 from the week prior at mostly \$137 live (full range \$136-\$138.50). Prices in the North were steady to \$5 higher at \$144-\$150 live (full range \$143-\$150). Dressed sales were from \$230-\$238, steady to \$8 higher (full range \$228-\$240). There is currently a record wide price spread between the South and North.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 666,000. Live weights ended the week at 1344 pounds down two pounds. Dressed weights were also down two pounds to 811 pounds.

**RIBS:** Ribs were able to hold onto fairly steady money but there was some discounting seen around heavy items of both bone in and boneless. Select ribs saw weaker tones this week as supplies were seen to outpace demand as grade continues to slip with the extreme heat in the Midwest. There is a belief price risk remains to the downside as an inflation ridden economy will continue to force the consumer to look for alternatives to pricey items as expendable income becomes tighter.

**CHUCKS:** Chucks were able to eek out another week of sustained interest with only those more expensive cuts such as arm roasts and top blades finding lower bids. Rolls were able to find higher money by the end of the week as demand remained strong for this item domestically and abroad. Many believe cloeds have found their "new normal" as these items have been range bound since about the beginning of March.

**ROUNDS:** Rounds seemed to find general balance among participants once more as there has been little change in this realm, regarding all aspects of trade. Supplies are seen as adequate, demand is closer to active with grinders stepping in for primal sourced material but as slaughters continue to run strong, product remained readily available from most points of sale.

**LOINS:** Loins remained on track for another steady week, while asks were raised around strips, shortloins saw trade begin to slide to the lower end as seasonals would suggest. The PSMO and tenderloin butt saw more discounting this week as supplies are seen as fully adequate and demand is a little lackluster for these items due to the price sensitivity of the consumer in the current environment.

**GROUND BEEF:** Coarse grinds kept on pace from the week prior with minimal changes seen around sentiment and or demand. A struggling consumer continues to be seen as the largest benefactor for these items.

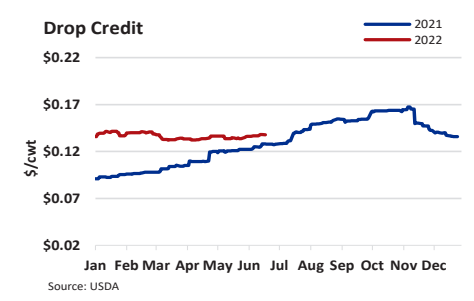
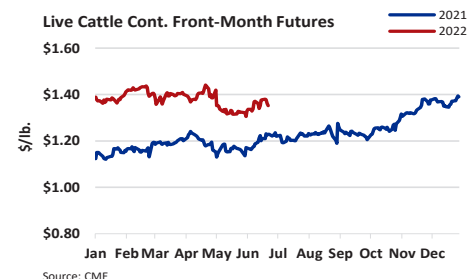
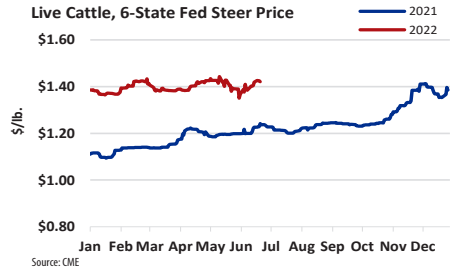
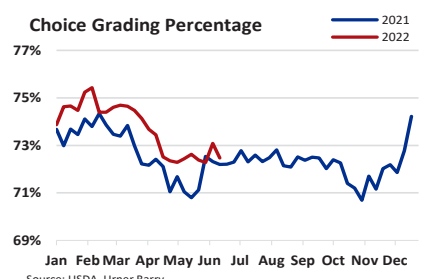
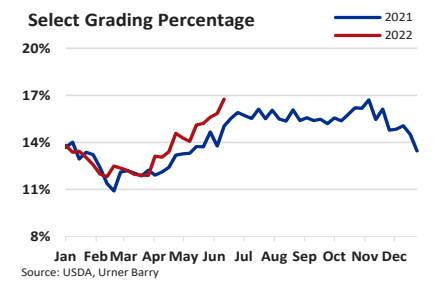
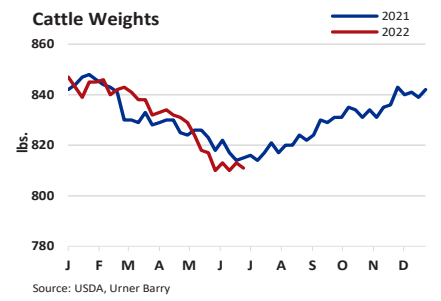
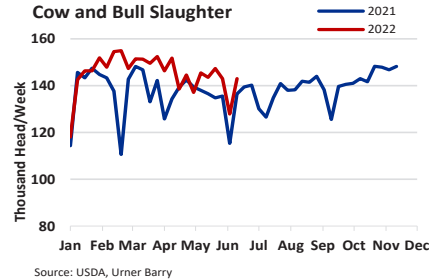
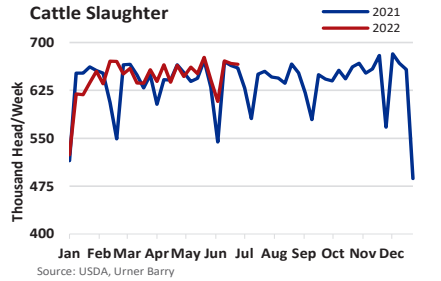
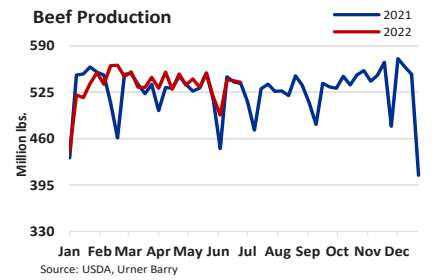
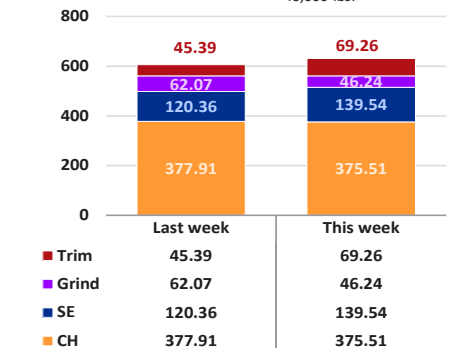
**BONELESS BEEF:** The market for fresh 90s was basically steady this week. Supply and demand were generally in balance. Fresh 50s opened the week at mostly steady but then trended lower as the week developed. Weakness in that market was largely attributed to the development of a two-tier market heading into the 4th of July holiday weekend.

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

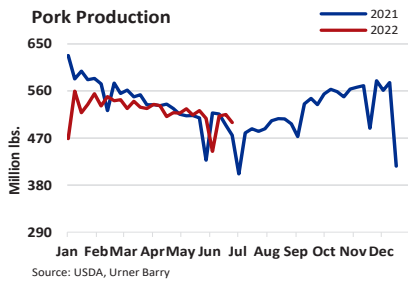
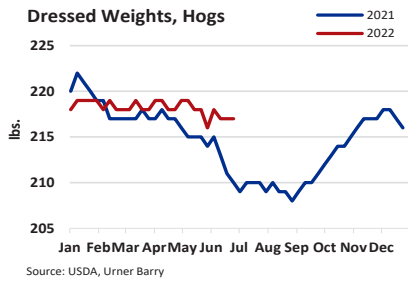
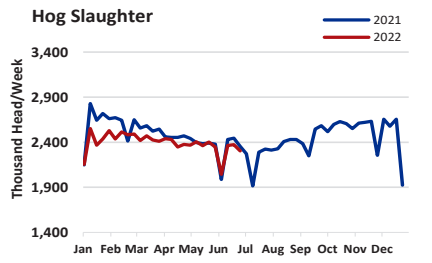
	M	T	W	TH	F
TW	-	19.66	20.00	19.87	20.39
*LW	21.67	22.67	21.71	22.26	22.05

\*Last Week's numbers are rounded

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

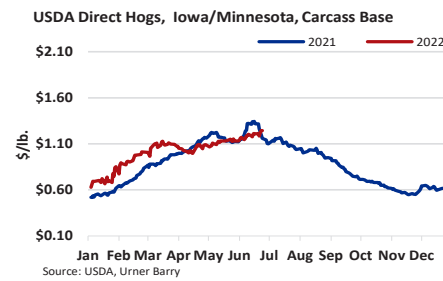
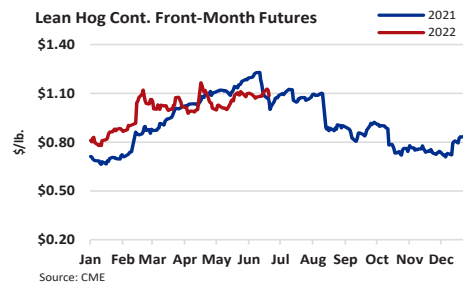


**PORK PRODUCTION**



**LIVE HOGS & CUTOUT**

PORK CUTOUT	Jun-17	Jun-24	Change
Loin	104.550	101.610	-2.940
Butt	134.970	146.190	11.220
Picnic	75.530	75.860	0.330
Sparerib	195.370	193.200	-2.170
Ham	90.620	91.660	1.040
Belly	159.100	158.520	-0.580
<b>Cutout Value</b>	<b>109.255</b>	<b>109.74</b>	<b>0.485</b>



**PORK COMMENTARY**

This week in the pork market, trade was influenced by the upcoming 4th of July holiday, mixed demand at the retail and export levels, and inflationary concerns. Urner Barry's pork carcass cutout increased by .44 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$40.53/head while margins for vertically integrated packers were estimated at \$24.70/head.

**PORK PRODUCTION:** Pork production for the week ending 6/25/2022 was estimated to be 499.4 million pounds. This was a 3 percent decrease from last week and a 1 percent increase from a year ago. Live hog weights averaged 290 pounds for the week, one pound under last week and 8 pounds heavier than a year ago.

**GREEN MEATS:** Bone-in hams were supported throughout the week on continued active export demand from Mexico while boneless hams were steady to firmer on moderately increased demand for cold cut products. Bellies spent a majority of the week unsettled as supply and demand were generally out of balance this week. Bacon demand varied by region. In trim, some wide ranges were noted as offerings varied by location and price levels were influenced by delivery dates as many participants had neared the end of their 4th of July prep.

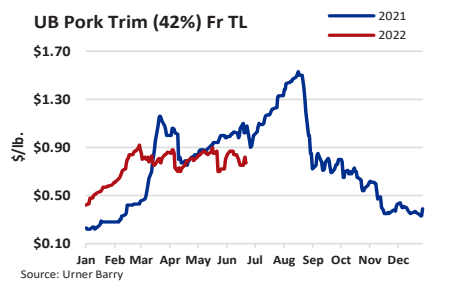
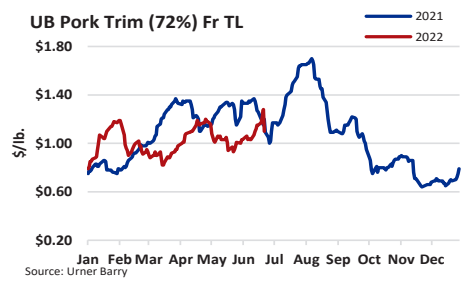
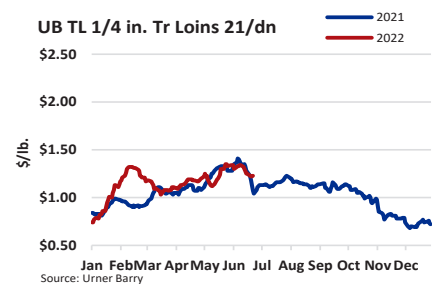
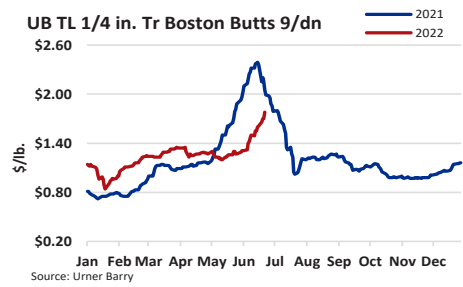
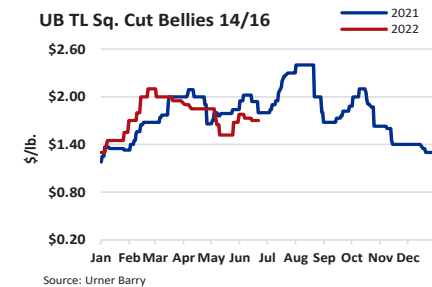
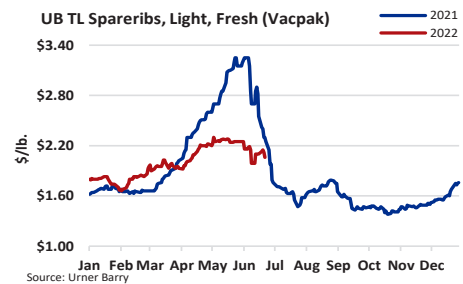
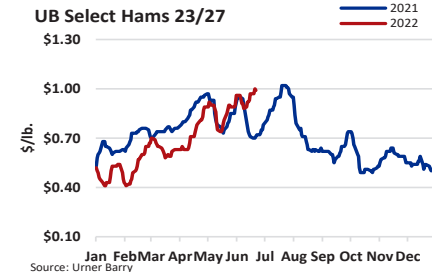
**HAMS:** Bone-in ham values increased \$1.50/cwt to \$3.50/cwt while boneless cuts were \$2.00 to \$3.00/cwt stronger.

**BELLIES:** Skinless bellies were \$1.50/cwt lower to \$3.50/cwt stronger, depending on size.

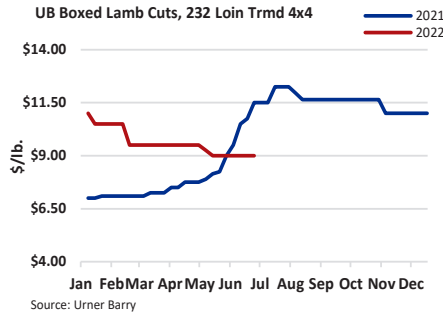
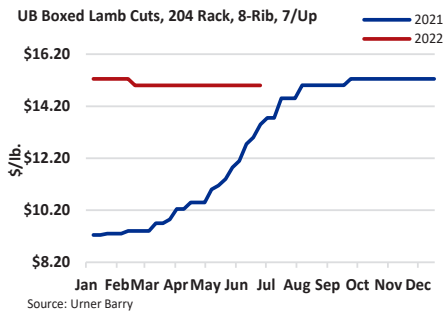
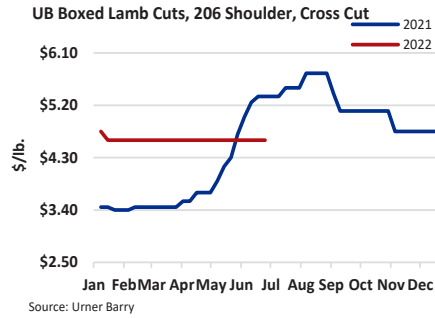
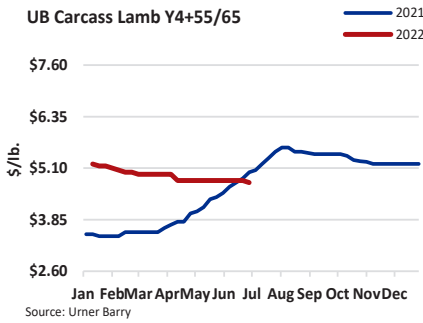
**TRIMMINGS:** 42s were \$2.00/cwt firmer while 72s were \$5.00/cwt weaker. Meanwhile, boneless picnics were generally unchanged.

**RETAIL:** 1/4" bone-in loins were \$2.50/cwt weaker and 1/8" loins were \$5.00/cwt softer. Boneless strap-on loins were \$3.50/cwt softer and boneless strap-off loins were \$1.00/cwt weaker. Bone-in sirloins were \$3.00/cwt firmer and boneless sirloins were \$1.50/cwt weaker. Tenderloins were \$15.00/cwt lower for the week. 1/4" bone-in butts were \$17.50/cwt higher while boneless butts were \$7.50/cwt stronger. Light spareribs were \$4.50/cwt firmer while medium spareribs were flat.

**PORK PROCESSING ITEMS & RETAIL CUTS**

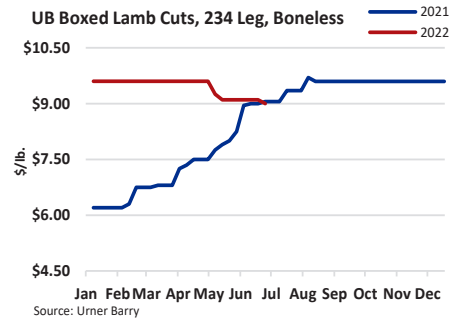


LAMB

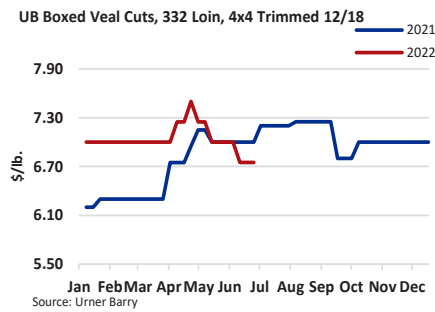
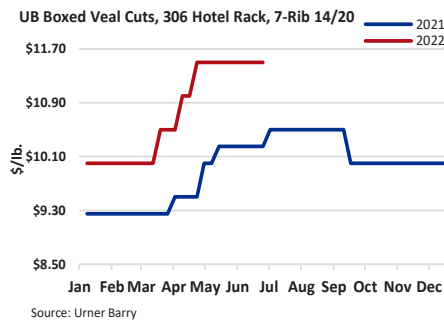
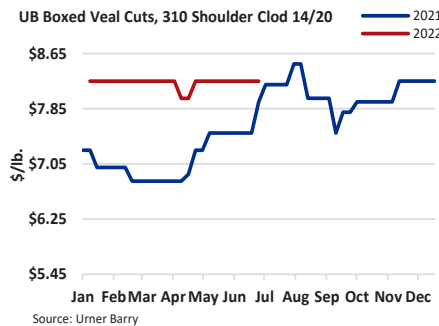
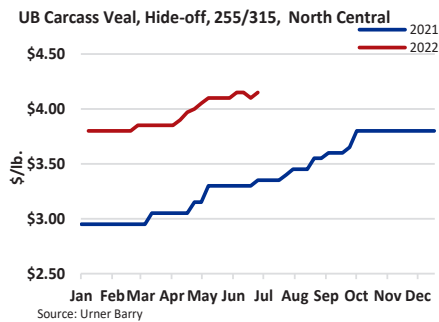


LAMB COMMENTARY

Lamb carcasses saw a decline in price levels for this week, as did a handful of boxed cuts. Ribs, aside from Denver style cuts, were under pressure as were legs and loins. Light carcasses, a majority of leg cuts, loins, and shoulders are currently at 52-week lows. Demand at the retail level was rated as lackluster. Foreshank was the lone boxed item that was rated as full steady. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 33,000 head, which was 1,000 less than both the previous week and year ago figures. Average weights were 139 pounds, which was 1 pound heavier than last week and 15 pounds heavier than the same period a year ago.

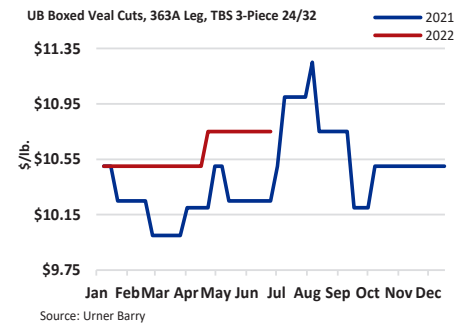


VEAL

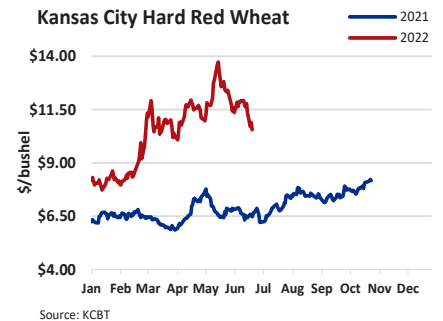
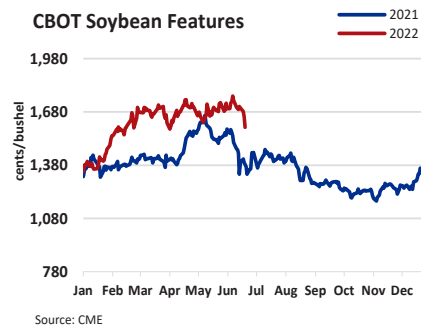
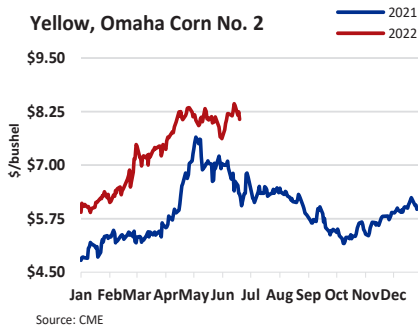


VEAL COMMENTARY

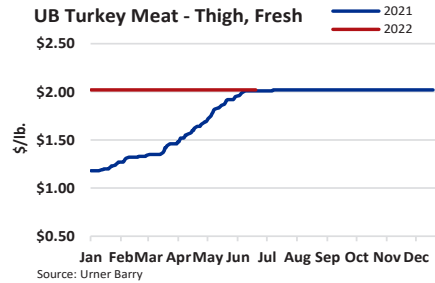
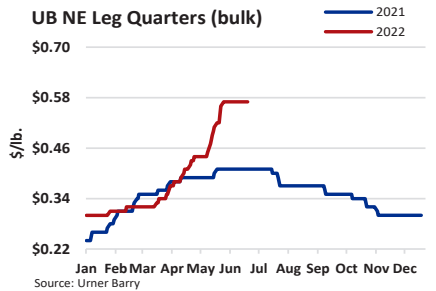
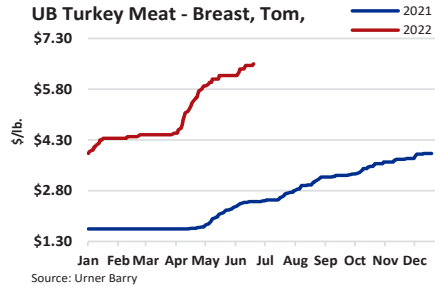
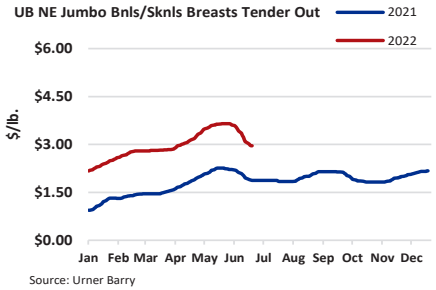
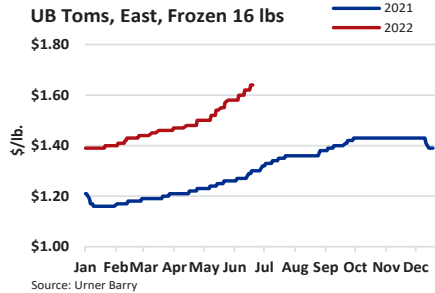
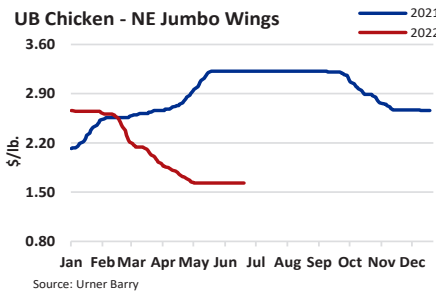
In veal this week, all boxed cuts remained generally unchanged, while carcasses saw support. Some contra seasonal price action was noted, with osso buco cuts continuing to trade at elevated levels during the warmer months. Overall demand for product was rated as moderate. The USDA Special Fed Veal Slaughter was at 2633, which was roughly 6.4% lower than last week's figure. Special Fed Veal Dressed Weights were at 286.5 pounds, which was 3.7 pounds heavier than the previous period.



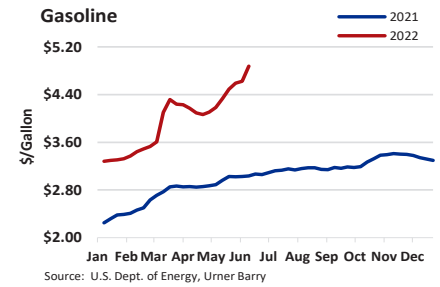
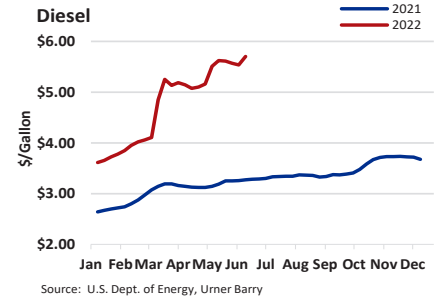
FEEDS: CORN, SOY BEAN, RED WHEAT



**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](#)

**Contributors:**

- Joe Muldowney - joemo@urnerbarry.com
- Russ Whitman - rwhitman@urnerbarry.com
- Russ Barton- rbarton@urnerbarry.com
- Gary Morrison- gmorrison@urnerbarry.com
- Bill Smith - bsmith@urnerbarry.com
- Matt Busardo - mbusardo@urnerbarry.com
- Dylan Hughes - dhughes@urnerbarry.com
- Ryan Hojnowski - rhojnowski@urnerbarry.com
- Todd Unger - tunger@urnerbarry.com

**POULTRY COMMENTARY**

Whole chickens and WOGs saw some pressure earlier in the week but have since stabilized. Jumbo boneless was similarly weak but a heat wave in much of the US brought production levels lower which allowed some processors to come into better balance. Overall, paid prices remain in about steady ranges. Tenders are tight and wanted, while chunk and trim meats are increasingly in availability. As for wings, small and medium sizes continue to be pushy. Jumbo demand remains somewhat consistent. The back half as a whole is trending sideways as slowing deboning demand on the domestic front is absorbed by continuous export interest.

Whole turkeys, both fresh and frozen, remain in a firm undertone as limited availability is quickly inked at premium levels. The same can be said for consumer and institutional-sized breasts. In parts, all lines, but especially whole and two

joints wings, along with necks and drums are moving higher due to strengthening demand. Hearts and livers are likewise tight and held with confidence. The raw materials segment remains barely adequate to short of industry needs. Breast meat, tenders, scapula, and breast trim are all aggressively pursued at upward trending price points. But spot availability remains thin.

This report is offered to you conditioned on your acceptance without modification of the terms, conditions, and notices contained herein. Please read the End-User License Agreement (the "Agreement), a copy of which is available at [www.urnerbarry.com](http://www.urnerbarry.com) before utilizing this Urner Barry product. Your use of a particular UB Product(s) may also be subject to additional terms set forth in the Agreement. Your use of the UB Product(s) constitutes your acceptance of all of the terms, conditions, and notices set forth in the Agreement. Urner Barry reserves the right to amend, remove, or add to these terms, conditions and notices at any time without notice. Accordingly please continue to review the Agreement whenever accessing or using the UB Product(s). If at any time you do not accept the Agreement along with the terms and conditions outlined in the Services and Products Order Form, you may not use this or any UB Product. Commodity Indices, Cattle Fax, Daily Beef Quotations, Daily Pork Quotations, Daily Lamb & Veal Quotations, Daily Poultry Quotations, Beef and Pork Futures, USDA Direct Hogs, are quoted in \$/lb; USDA Slaughter is quoted as Head in Thousands; USDA Production is quoted as Pounds in Millions; USDA Weights are quoted in Pounds; USDA Drop credit is quoted in \$/cwt live; Feeds are quoted in \$/Bushel; Gasoline & Diesel are quoted in Cents/Gallon.