

Friday, May 19, 2023

Number 21- Volume 16

WEEKLY COMMODITY AT A GLANCE

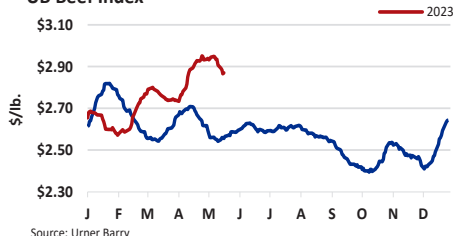
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	6.56	8.06
CBOT Soybean	1,307.25	1,435.00	1,705.25
NYMEX Light Crude Oil	71.55	70.04	113.23
Loose Lard, Chicago Basis	0.82	0.82	0.82
Edible Tallow, Chicago Basis	0.69	0.69	UNQ
Beef Trimmings, 90% Fresh	280.00	280.00	276.00
Beef Trimmings, 50% Fresh	190.00	203.00	111.00
Aust/NZ Blend Cow 90% EC Spot	256.00	261.00	287.00
USDA Drop Credit	0.127	0.131	0.135
112A 3 Ribeye Roll, Lip-On CH	980.00	1,023.00	900.00
116A 3 Chuck Roll, Neck-Off CH	345.00	365.00	285.00
168 3 Round, Top (Inside) CH	310.00	315.00	285.00
180 3 Strip Loin, Bnls, Ox1 CH	843.00	843.00	823.00
136 Coarse Ground 81%	301.00	290.00	290.00
189A 4 Loin, Tenderloin, PSMO CH	1,500.00	1,650.00	1,375.00
Cattle-Fax, 6-State Fed Steer Price	172.82	174.83	141.91
Select Hams 20/23	93.00	90.00	81.00
Sq Cut Bellies 14/16	88.00	88.00	152.00
1/4 Trmd. Loins 21/dn	107.00	101.00	130.00
1/4 Tr Boston Butts 9/dn	144.00	138.00	126.00
Spareribs, Light, Fresh	130.00	128.00	224.00
Fresh Pork Trim (42%)	52.00	53.00	85.00
Fresh Pork Trim (72%)	64.00	64.00	95.00
Carcass Lamb Y4+55/65	3.95	3.95	4.80
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.50	12.50	15.00
Lamb Cuts, 206 Shoulder, Cross Cut	3.75	3.75	4.60
Lamb Cuts, 232 Loin Trmd 4x4	7.15	7.15	9.00
Lamb Cuts, 234 Leg, Boneless	6.75	6.75	9.10
Carcass Veal, Hide-off, 255/315, NC	4.20	4.20	4.10
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	10.50	10.50	11.50
Veal Cuts, 310 Shoulder Clod 14/20	7.25	7.75	8.25
Veal Cuts, 332 Loin, 4x4 Trim 12/18	6.75	6.75	7.00
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.25	10.25	10.75

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

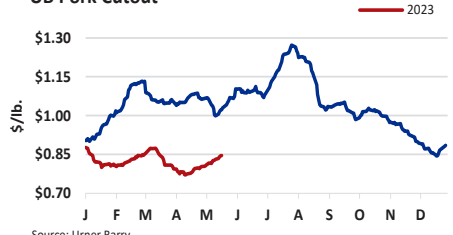
	5/19	5/12	5/5
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.57	2.61	2.66
Weekly Weighted Average Blended Boxed Beef Cutout Index	296.78	301.16	305.45

UB Beef Index



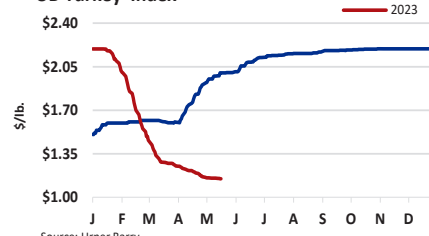
Source: Urner Barry

UB Pork Cutout



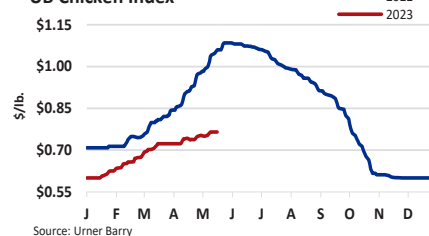
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	126	127	126	125	122	16	642
LW	126	128	126	126	124	16	646
*LY	123	127	123	123	123	57	677

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	464	470	466	470	469	69	2,408
LW	468	451	465	468	456	60	2,368
*LY	467	476	475	475	452	59	2,403

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	10	7	7	7	4	0	35
LW	10	8	6	5	6	0	35
*LY	9	6	6	6	3	0	30

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	1	1	1	1	1	0	5
LW	1	1	1	1	1	0	5
*LY	1	1	1	1	1	0	6

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	5/5	5/6	5/8	5/9	5/10	5/11	
	25	4	26	27	29	30	141
TW	5/12	5/13	5/15	5/16	5/17	5/18	
	27	1	26	28	28	27	137
*LY	26	8	27	27	29	29	146

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.665	0.667	0.706
Mexico, Peso	17.646	17.612	19.866
Canada, Dollar	1.348	1.350	1.279
Japan, Yen	138.269	134.916	127.850
China, Yuan (RMB)	7.010	6.952	6.674
Brazil, Real	4.966	4.940	4.910
South Korea, Won	1,325.21	1,336.68	1,267.36
Taiwan, Dollar	30.577	30.784	29.647
European Union, Euro	1.079	1.088	1.057

COLD STORAGE STOCKS

(Pounds in Thousands)	3/31/22	2/28/23	3/31/23
Beef in Freezer, Bnls	486,447	459,655	435,589
Cuts	49,392	40,551	45,307
Total Beef	535,839	500,206	480,896
PORK & OTHER	3/31/22	2/28/23	3/31/23
Pork in Freezer, Picnics	9,216	8,478	11,076
Hams	74,118	85,069	84,701
Bellies	56,836	70,955	76,979
Loins	39,472	42,555	43,335
Spareribs	116,768	116,456	111,876
Butts	20,670	26,475	23,274
Trimmings	52,991	51,089	55,679
Other Pork in Freezer	47,096	48,007	58,216
Total	485,999	521,188	533,916
Veal in Freezer	2,682	1,628	1,643
Lamb & Mutton in Freezer	24,006	28,597	25,433
Total	26,688	30,225	27,076

Data Updated: April 25, 2023

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 May-19 v. May-12				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-3.76%	-1.81%	-0.66%	-2.39%
Chuck	-2.01%	-3.81%	-3.62%	0.31%
Round	-0.84%	-0.84%	-0.55%	0.82%
Loin	-2.33%	-1.73%	-1.74%	-0.95%
Brisket	-2.69%	-0.66%	-0.68%	-3.78%
Plate	-3.84%	-3.84%	-3.84%	-3.53%
Flank	-2.11%	-2.15%	-2.31%	-1.83%
Total	-2.37%	-2.19%	-1.95%	-0.93%

BEEF

BEEF COMMENTARY

The boxed beef market this week started off fairly soft and by weeks end, sellers seemed to have enough as they decided to pull production. The decision came as margins continued to compress throughout the week. Cutout values ended lower week-to-week. While we did finally get a glimpse into the average consumer demand, the question remains if it was a short-term thing given the calendar heading into the unofficial start of summer or something more consistent. Despite the slight pullback in kill, buyers used leverage to dig their heels in when placing bids, especially after a better supplied market from last week surprised most.

LIVE CATTLE: Prices in the South this week were steady at mostly \$170.00/cwt live (full range \$167-\$176). In the North, live purchases were up \$1.00/cwt to \$3.00/cwt at \$176.00/cwt to \$178.00/cwt (full range \$170-\$182). Dressed sales were too few to trend and ranged from \$278.00/cwt to \$287.50/cwt, compared to \$280.00/cwt last week.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 642,000 head, compared to 646,000 head last week. Live weights reversed and moved one pound higher to 1355 pounds. Dressed weights were one pound even at 817 pounds.

RIBS: Much like last week, ribs ended barely steady as supplies far surpassed demand levels. While the lower prices were able to drum up more robust demand, it wasn't enough to support prices. Sellers are still looking for clearing levels.

CHUCKS: There was not much market moving information when it came to this area. Most pricing remained consistent with the sideways trading ranges set over the course of the last couple of weeks. The only noticeable changes were flat iron steaks to the upside, a common theme where alternative steak cuts seem to have value and interest. After remaining relatively stronger for longer, chuck rolls edged lower.

ROUNDS: Buyer interest faded for inside rounds after a firmer market last week, potentially signaling that the product was booked for needs. While the rest of the complex chopped sideways, insides moved lower. There are indications that London Broil ads will be featured but appetitive for more product is limited.

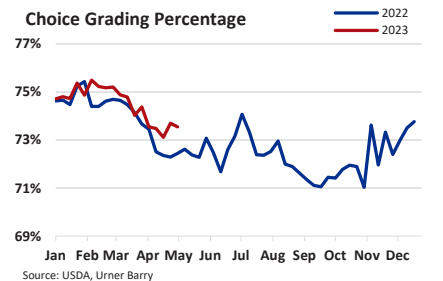
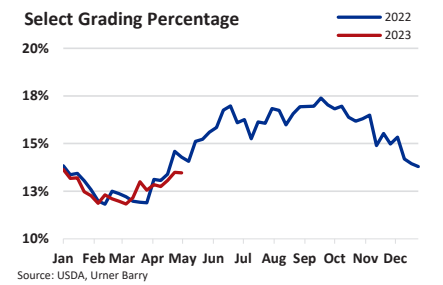
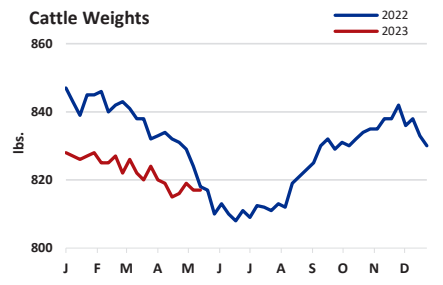
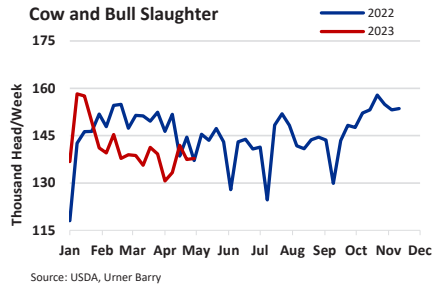
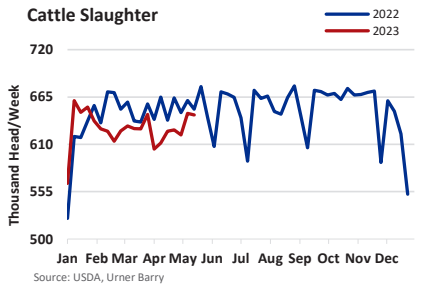
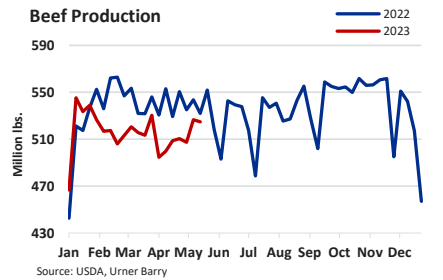
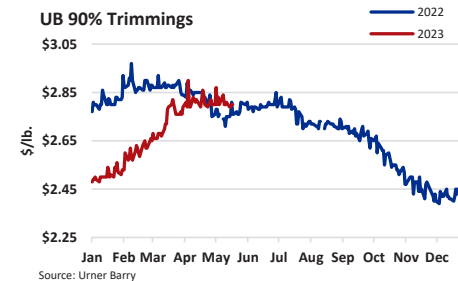
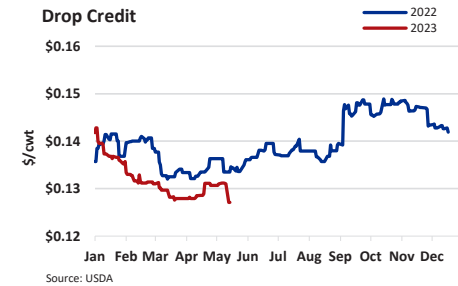
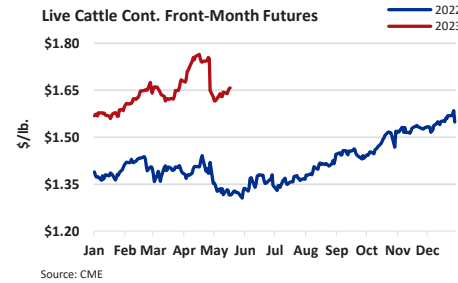
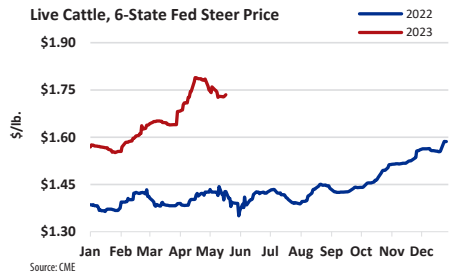
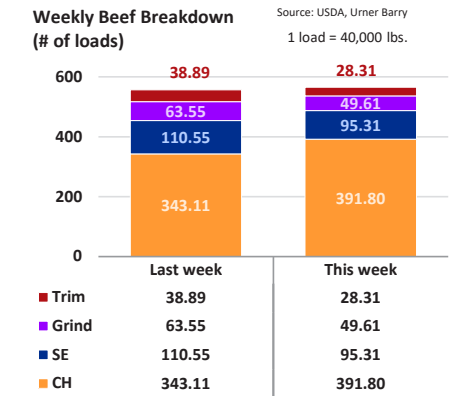
LOINS: There was a lot more price action in the loin complex than almost anywhere else, and most of it was to the downside. After being the best performing complex over the last couple of weeks it seemed that pricing became a little too stretched for buyers. Tenderloins declined the most, but given current price levels, many thought prices would fade a lot earlier than they did. Top butts edged higher, however, as sirloin steaks fit the overall pattern for what was looked for.

GROUND BEEF: The market remained unsettled; prices generally steady. Coarse grinds 81% were able to see a slight gain, the barometer of ground beef.

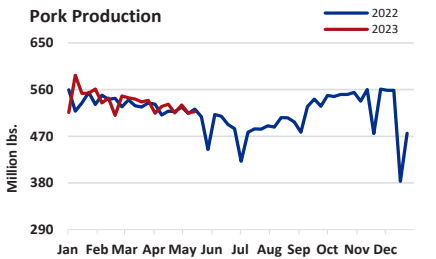
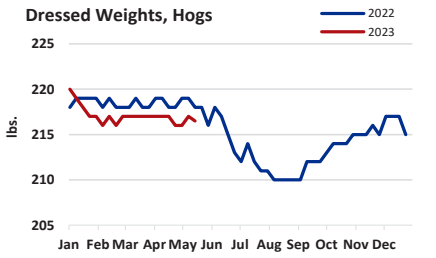
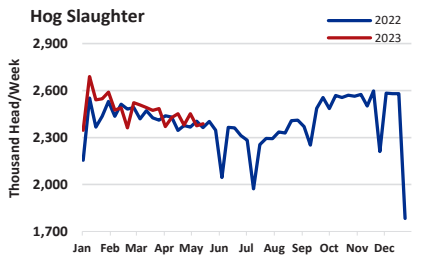
BONELESS BEEF: Fresh 90s were mixed this week as demand varied noticeably from source to source. Several participants indicated that buying interest for Memorial Day weekend has been lighter than expected. Fresh 50s trended lower as supplies were more readily available. The weekly cattle slaughter was estimated at 642,000 head.

UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	17.96	18.34	17.83	17.71	17.70
*LW	19.58	19.89	19.80	18.57	18.64

*Last Week's numbers are rounded

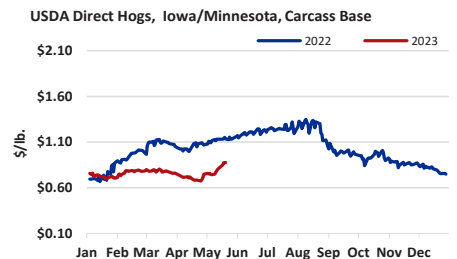
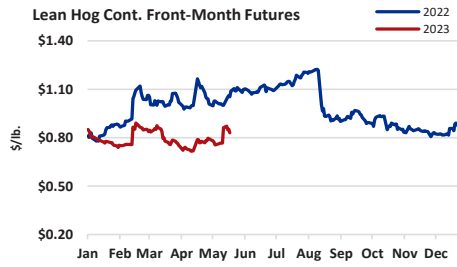


PORK PRODUCTION



LIVE HOGS & CUTOUT

PORK CUTOUT	May-12	May-19	Change
Loin	84.050	85.540	1.490
Butt	114.670	118.140	3.470
Picnic	68.400	70.840	2.440
Sparerib	119.780	123.170	3.390
Ham	81.170	84.100	2.930
Belly	81.530	81.500	-0.030
Cutout Value	82.818	84.548	1.73



PORK COMMENTARY

In the pork market this week, increased production and elevated cold storage stocks, supportive export demand, interest for last minute Memorial Day preparations, and intricacies surrounding Proposition 12 influenced pork trade. Urner Barry's pork carcass cutout increased by 2.09 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were -\$16.58/head while margins for vertically integrated packers were estimated at -\$41.42/head.

PORK PRODUCTION: Pork production for the week ending 05/20/2023 was estimated to be 521.4 million pounds. This was 1.5 percent above last week and 0.2 percent below the same week a year ago. Live hog weights averaged 291 pounds for the week, which was the same as last week and the same week a year ago.

GREEN MEATS: In the green meat complex, bone-in hams were full steady on supportive export and domestic demand in addition to supplies being rated as barely adequate, while boneless hams had a full steady undertone on moderate demand for deli meat. In the belly category, an unsettled tone was present throughout the week as availability was noted as ample for fresh and frozen stock. Bacon has yet to see the seasonal demand seen in recent years from retail and foodservice channels during the spring, but wholesale belly price action was generally steady for the week. In the trim category, 42s had a softer bias on fully adequate availability, while 72s were generally steady for the balance of the week.

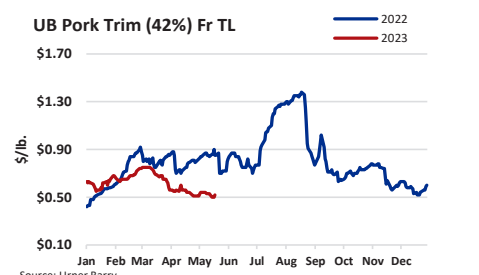
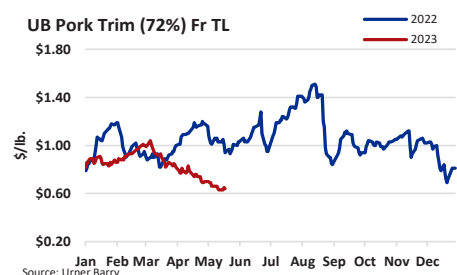
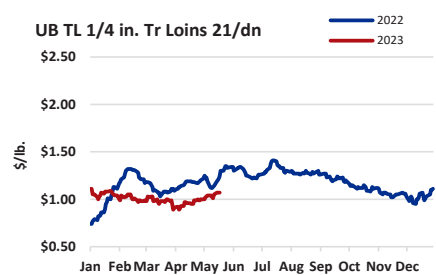
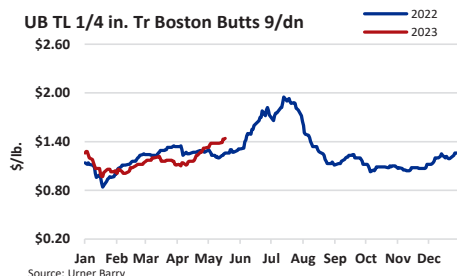
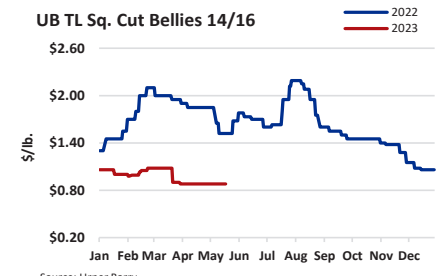
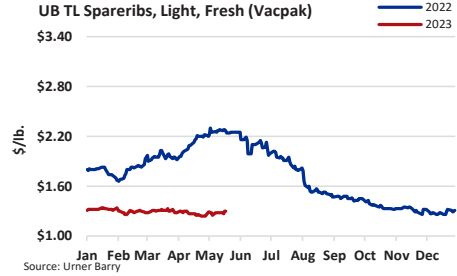
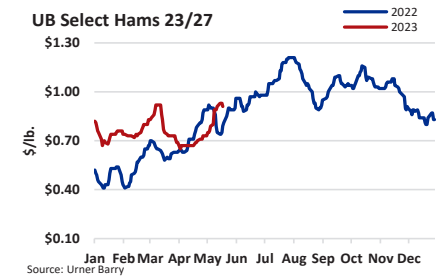
HAMS: Bone-in ham values were \$2.00/cwt to \$3.00/cwt firmer, while boneless cuts were \$6.50/cwt to \$7.00/cwt higher.

BELLIES: Skinless bellies were flat to \$1.00/cwt firmer this week.

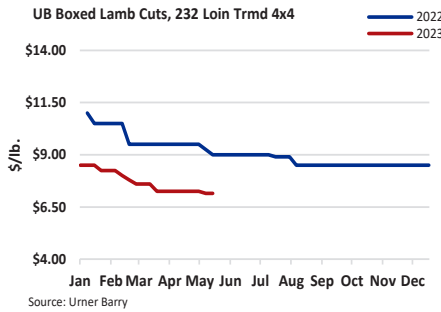
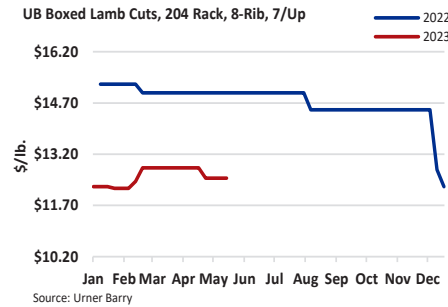
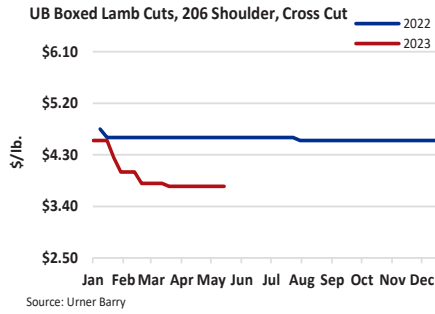
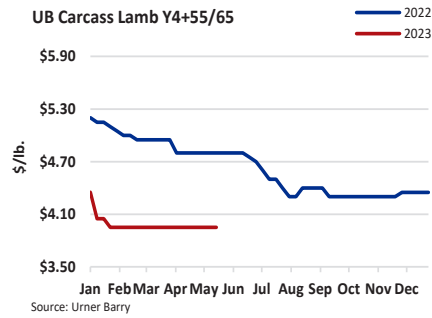
TRIMMINGS: 42s were \$1.00/cwt weaker while 72s increased \$0.50. Meanwhile, boneless picnics increased \$4.50/cwt.

RETAIL: ¼ inch bone-in loins were \$6.50/cwt firmer while 1/8-inch cuts were \$2.00/cwt stronger. Boneless strap-ons decreased \$1.00/cwt while strap-offs were \$3.00/cwt weaker. Bone-in sirloins were \$1.50/cwt weaker while boneless sirloins were \$3.50/cwt weaker. Tenderloins were flat for the balance of the week. 1/4" bone-in butts were \$6.00/cwt stronger while boneless butts increased \$2.50/cwt. Light spareribs were \$2.50/cwt firmer while medium spareribs increased \$4.50/cwt.

PORK PROCESSING ITEMS & RETAIL CUTS

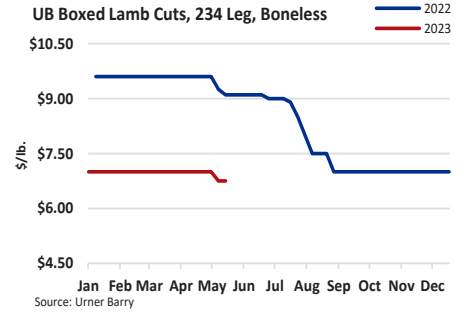


LAMB

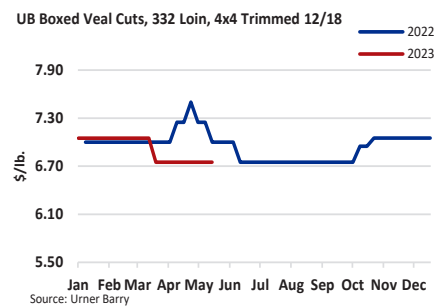
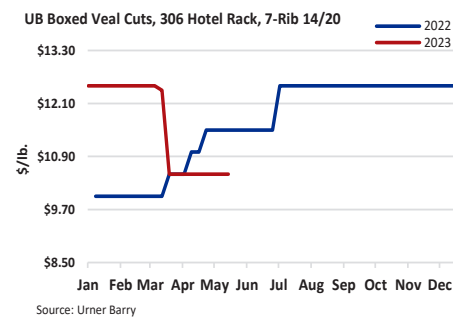
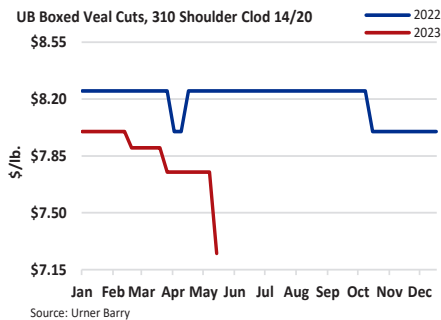
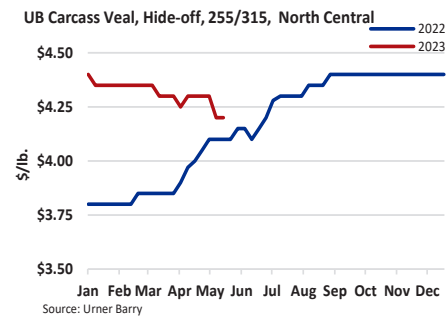


LAMB COMMENTARY

In the domestic lamb market this week, heavy 95/UP carcasses saw strong increases. While boxed cuts were generally steady, supplies were tighter than that of recent weeks, lending a layer of support to the protein. Discounting was not witnessed, and largely hasn't been throughout much of the month of May. In the most recent Estimated Meat Production Under Federal Inspection Report, it was reported that 35,000 head were slaughtered, which was even with the prior week and 3,000 head above the same week a year ago. For weights, the figure came in at 124 pounds which was 4 pounds above last week and 12 pounds above the same week a year ago.

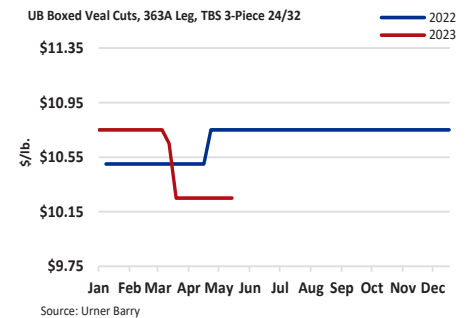


VEAL

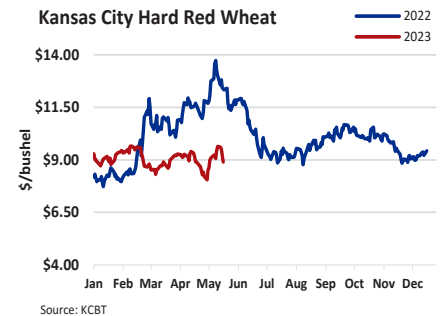
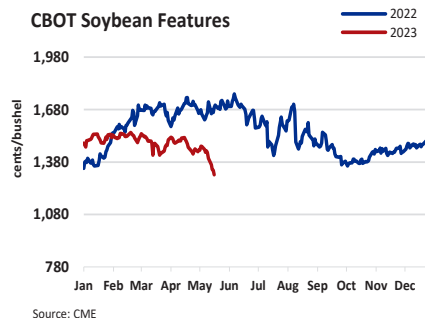
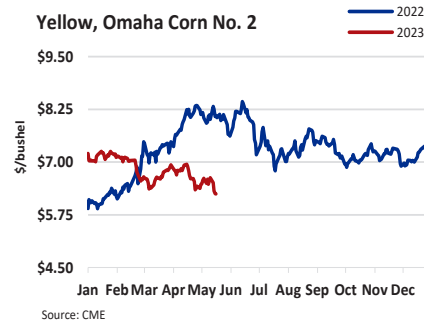


VEAL COMMENTARY

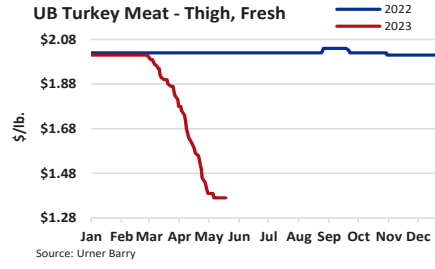
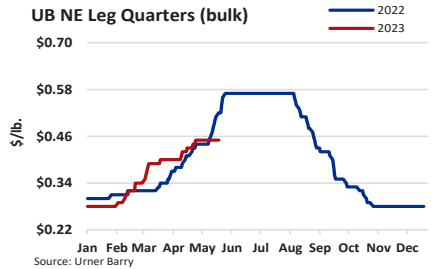
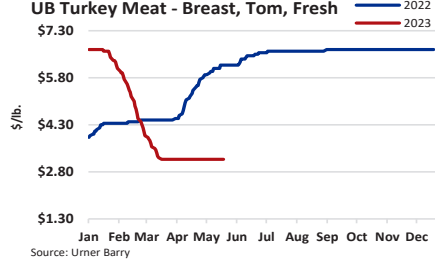
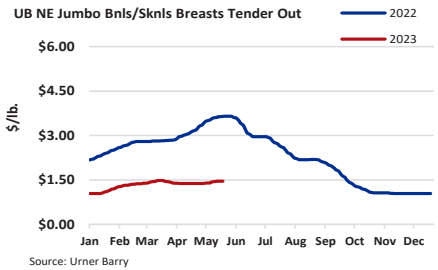
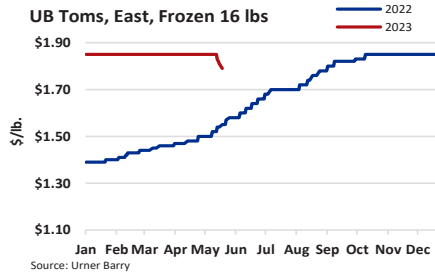
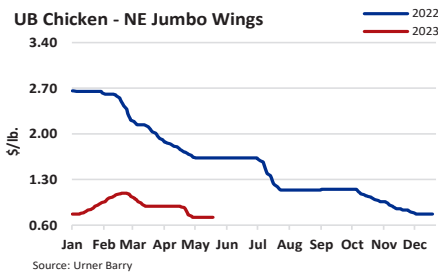
In the veal market this week some pricing volatility was noted. Racks saw a strong increase in seasonal interest, resulting in a nearly 6% upward swing just this week. Osso buco items also experienced price gains, bucking seasonal trends as these items historically see declines during the warm weather months. On the other hand, legs saw a seasonal decline in interest as we head into the warmer weather months, resulting in pressure on price levels. Carcasses were mostly steady and traded within their recently established ranges. In the most recent USDA Carlot Veal Carcass Report, it was reported that slaughter figures were 2,252 head, which was slightly below last week and was 20% below this same week a year ago. For weights, the figure came in at 282.5 pounds versus 287.4 pounds last week.



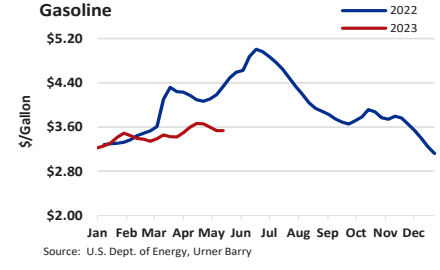
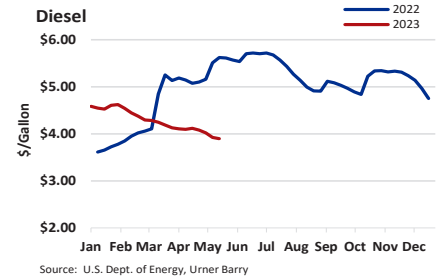
FEEDS: CORN, SOY BEAN, RED WHEAT



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

WOGs are well-cleared and held for supportive price points. Some marketers continue to test higher ask prices. Jumbo boneless breasts deserve an about steady to steady rating overall. Tenders are solidly situated at listed levels. Availability is noted as growing in certain sectors while others continue to note tight supplies. Demand for wings varies from active to moderate against an adequate supply backdrop. Leg quarters are steady and viewed by sellers in a confident light. Legs, leg meat, thighs, and drumsticks are well established, while thigh meat continues to be held for full market or higher levels.

Sellers of whole-body toms and hens continue to be somewhat pressured. Consumer and institutional-sized breasts are adequate for industry needs. Moving to parts, most lines are

trending sideways as we approach the week's end. Drums, tom whole wings, and necks are inked within a close range of our listed values. The remaining lines within the segment are unchanged. As for raw materials, offerings of fresh and frozen tom breast meat are noted as being fully adequate. Demand for frozen scapula and tenders remains pushy. Thigh meat is moderately improved while MST continues to search for support at lower levels.

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