

Friday, May 20, 2022

Number 21 - Volume 15

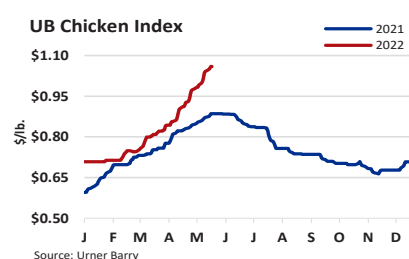
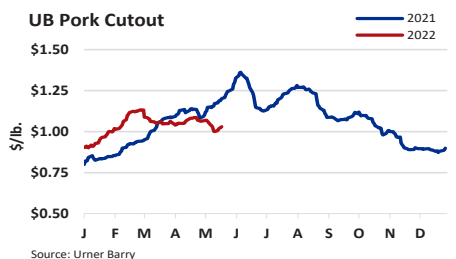
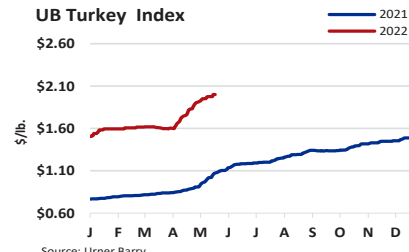
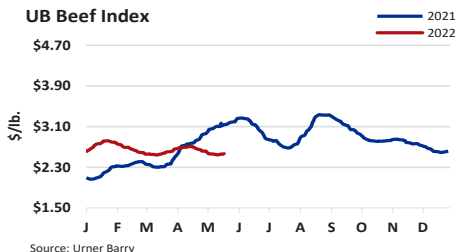
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	8.01	6.62
CBOT Soybean	1,705.25	1,723.25	1,511.75
NYMEX Light Crude Oil	113.23	110.49	66.07
Loose Lard, Chicago Basis	0.82	0.82	0.58
Edible Tallow, Chicago Basis	UNQ	UNQ	UNQ
Beef Trimnings, 90% Fresh	276.00	275.00	260.00
Beef Trimnings, 50% Fresh	111.00	106.00	83.00
Aust/NZ Blend Cow 90% EC Spot	287.00	288.00	279.00
USDA Drop Credit	0.000	0.134	0.121
112A 3 Ribeye Roll, Lip-On CH	900.00	900.00	1,325.00
116A 3 Chuck Roll, Neck-Off CH	285.00	280.00	380.00
168 3 Round, Top (Inside) CH	285.00	290.00	360.00
180 3 Strip Loin, Bnls, 0x1 CH	823.00	783.00	1,020.00
136 Coarse Ground 81%	290.00	268.00	295.00
189A 4 Loin, Tenderloin, PSMO CH	1,375.00	1,350.00	1,750.00
Cattle-Fax, 6-State Fed Steer Price	141.91	142.61	119.62
Select Hams 20/23	81.00	79.00	76.00
Sq Cut Bellies 14/16	152.00	152.00	179.00
1/4 Trmd. Loins 21/dn	130.00	114.00	133.00
1/4 Tr Boston Butts 9/dn	126.00	120.00	170.00
Spareribs, Light, Fresh	224.00	228.00	320.00
Fresh Pork Trim (42%)	85.00	84.00	94.00
Fresh Pork Trim (72%)	95.00	103.00	132.00
Carcass Lamb Y4+S5/65	4.80	4.80	4.35
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	15.00	15.00	11.40
Lamb Cuts, 206 Shoulder, Cross Cut	4.60	4.60	4.30
Lamb Cuts, 232 Loin Trmd 4x4	9.00	9.00	8.25
Lamb Cuts, 234 Leg, Boneless	9.10	9.10	8.00
Carcass Veal, Hide-off, 255/315, NC	4.10	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	7.00	7.00	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

	5/20	5/13	5/6
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.86	2.91	2.98
Weekly Weighted Average Blended Boxed Beef Cutout Index	257.27	253.43	255.66



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	124	125	125	125	123	58	680
LW	121	125	125	124	120	42	657
*LY	114	120	120	120	119	80	672

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	470	477	479	473	457	58	2,414
LW	461	480	476	472	438	48	2,375
*LY	473	467	478	479	463	31	2,391

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	10	7	7	7	4	0	35
LW	10	7	7	8	5	0	37
*LY	9	8	8	7	6	0	37

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	1	0	6

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	5/6	5/7	5/9	5/10	5/11	5/12	
	26	8	27	27	29	29	146
TW	5/13	5/14	5/16	5/17	5/18	5/19	
	26	8	27	27	29	29	146
*LY	24	10	23	26	26	24	133

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.706	0.688	0.776
Mexico, Peso	19.866	20.247	19.864
Canada, Dollar	1.279	1.301	1.205
Japan, Yen	127.850	129.052	108.996
China, Yuan (RMB)	6.674	6.801	6.405
Brazil, Real	4.910	5.139	5.297
South Korea, Won	1,267.36	1,282.28	1,121.18
Taiwan, Dollar	29.647	29.832	27.896
European Union, Euro	1.057	1.037	1.225

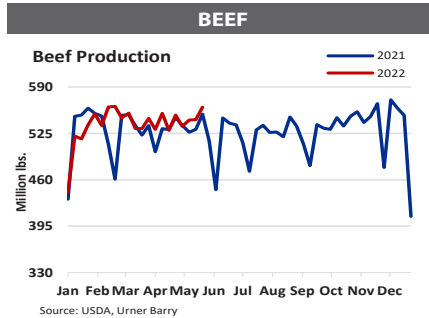
COLD STORAGE STOCKS

(Pounds in Thousands)	3/31/21	2/28/22	3/31/22
Beef in Freezer, Bnls	450,662	484,417	487,169
Cuts	32,328	47,083	49,718
Total Beef	482,990	531,500	536,887
PORK & OTHER	3/31/21	2/28/22	3/31/22
Pork in Freezer, Picnics	7,564	7,688	9,538
Hams	60,776	84,248	74,055
Bellies	35,398	50,139	56,779
Loins	47,628	43,026	39,792
Spareribs	100,710	107,744	116,749
Butts	18,152	23,611	20,658
Trimnings	40,173	54,019	52,981
Other Pork in Freezer	68,012	42,164	47,096
Total	451,042	479,891	487,190
Veal in Freezer	8,557	3,010	2,682
Lamb & Mutton in Freezer	25,342	22,224	24,006
Total	33,899	25,234	26,688

Data Updated: April 22, 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 May-20 v. May-13				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	3.00%	1.17%	-1.25%	0.83%
Chuck	0.93%	1.08%	1.36%	1.07%
Round	-0.23%	-0.67%	-0.49%	-0.04%
Loin	1.20%	0.51%	1.10%	-0.68%
Briske	1.75%	0.99%	-0.10%	-0.22%
Plate	0.92%	0.92%	0.92%	-0.12%
Flank	-0.31%	-0.32%	-0.33%	-0.81%
Total	1.18%	0.57%	0.38%	0.14%



BEEF COMMENTARY

The boxed beef market appeared to perk up this week with Memorial Day now less than two weeks out. Interest was broad-based which allowed the market to fare steady on the week. With slaughters continuing to run high this has dissipated any momentum that may have been found but nonetheless a few items were able to find higher bids. Chucks and Rounds became the topic of conversation towards the end of the week as a renewed interest has arisen around value cuts due to a struggling consumer as expendable income levels remain a worry. Ends have also been finding support from those with grinding needs as many expect to see ground beef as a strong performer in the coming weeks.

LIVE CATTLE: Cattle prices overall this week were lower in the South with the bulk of trade at \$138.00/cwt live full range \$136.00 to \$138.50/cwt. In the North, prices were lower between \$140.00 to \$142.00/cwt live; full range \$138.00 to \$145.00/cwt. Dressed sales were down \$4.00 with the bulk around \$226.00/cwt with a full range between \$220.00 to \$228.00/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 680,000 head about 23,000 head more than last week. Live weights ended the week at 1371 pounds down 3 pounds on the week. Dressed weights were 828 pounds, down three pounds as well from last week.

RIBS: On the week ribs found heightened interest especially with Memorial Day along the horizon. This allowed for steady trade with ranges even tightening some to the north later in the week. Concerns do remain around whether interest and demand will be able to be sustained throughout the summer months but for the immediate term tones are full steady. Beef supplies short term seemed to be little concern.

CHUCKS: One could say there is now a sustained interest among cuts within this complex as various channels look to utilize cheaper alternatives. Rolls have found interest in the export market which has added a layer of support to this item. Clods were able to find interest from grinders also building a floor to these items with the highly elevated lean trimmings costs. Chuck Tenders along with Clod Hearts fared near steady on the week.

ROUNDS: Round did find better interest this week, but it wasn't enough to stop the minor discounting. Supplies continued to be fully adequate in this area which allowed buyers to hold firm on lower bids. But as we are cusp of peak deli demand season there has been a steady flow of business getting done especially with some revisiting a few items as cheaper alternatives as the consumer has become more price sensitive.

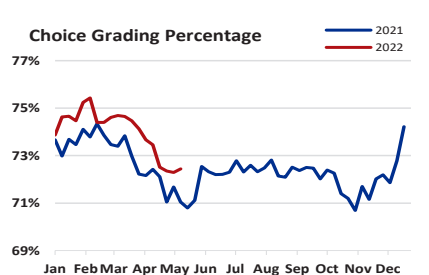
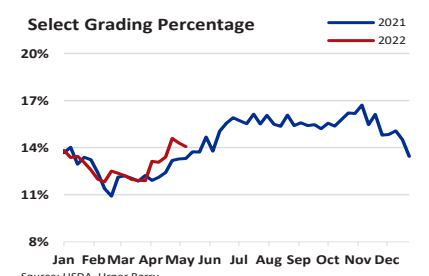
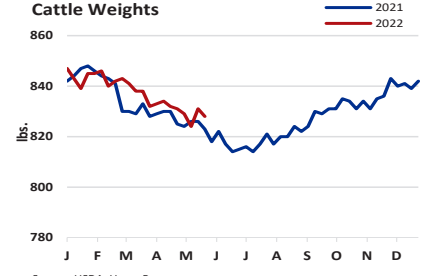
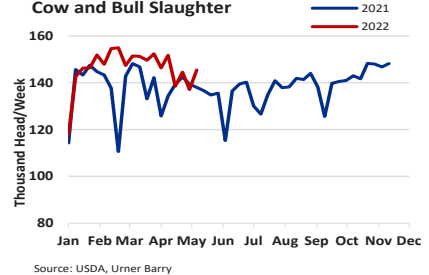
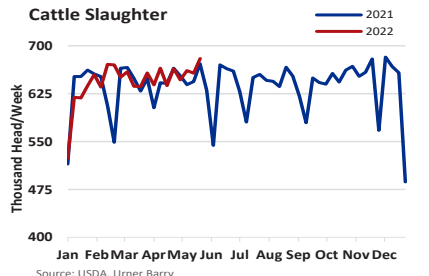
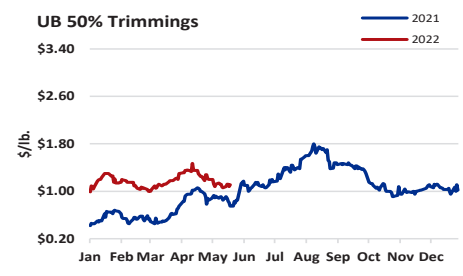
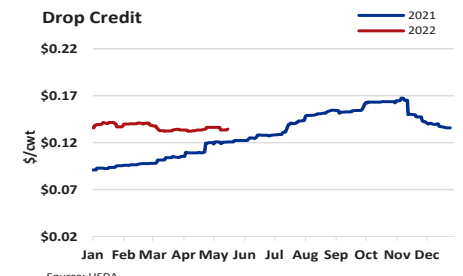
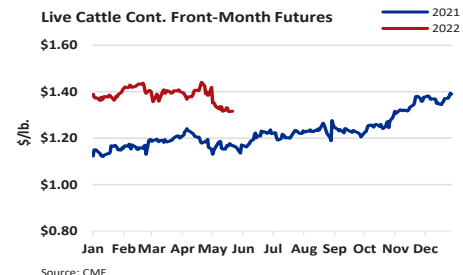
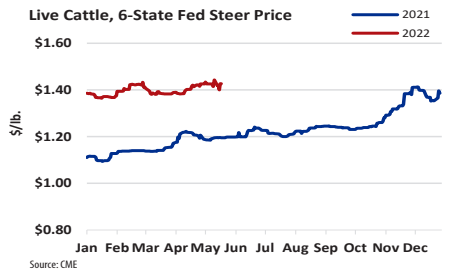
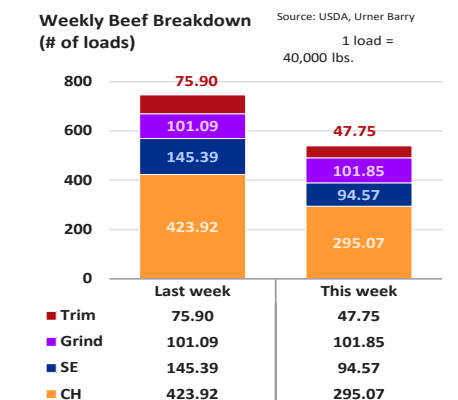
LOINS: The consistent performance remained within the loin complex this week as steady interest continued to flow in for these items. Support has been found for this area for quite some time and this week was no different and even allowed some ranges to move higher mainly around short loins and boneless strips. The spread between the rib and the loin remained wide enough to attract those seeking premium cuts with a much better alternative.

GROUND BEEF: Adequate supplies are still found in this area even though there is a seemingly strong demand for this area. As the consumer struggles with rising costs, it seemed many still have their bets on a strong performance for grinds in the coming weeks. Those with extra needs have found sourcing sub primal material as a viable path forward which has allowed this area to maintain a fully steady tone.

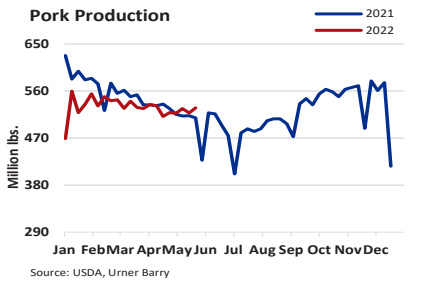
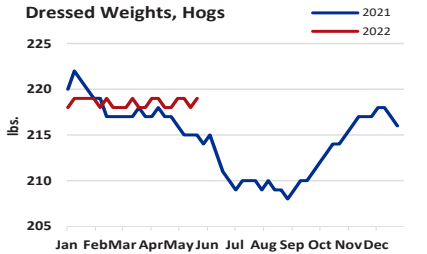
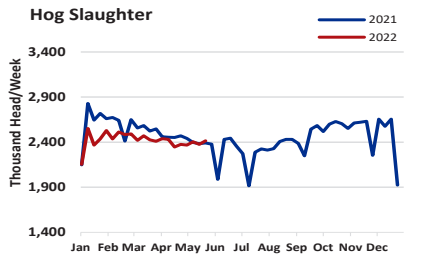
BONELESS BEEF: Scheduling for next week caused some uncertainty in the market this week. Demand was a little more active in some areas. Fresh 90s were steady to higher in some areas this week. Supplies were more readily available in some areas due to drought conditions. Fresh 50s opened the week with steady to firmer undertones. By mid-week prices started to drift lower as sellers looked to move meat for the less desirable dates heading into the Memorial Day holiday weekend.

UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	12.22	12.64	12.93	13.20	13.53
*LW	11.13	12.11	11.14	11.80	11.89

*Last Week's numbers are rounded

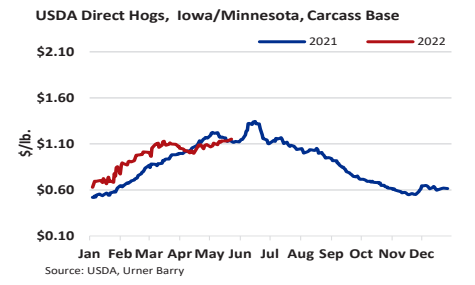
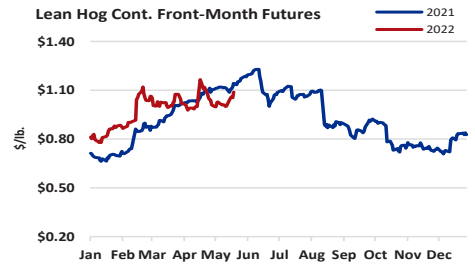


PORK PRODUCTION



LIVE HOGS & CUTOUT

PORK CUTOUT	May-13	May-20	Change
Loin	100.700	103.240	2.540
Butt	103.510	106.390	2.880
Picnic	70.150	70.650	0.500
Sparerib	208.900	208.660	-0.240
Ham	79.940	82.370	2.430
Belly	143.940	152.810	8.870
Cutout Value	99.925	102.978	3.053



PORK COMMENTARY

This week, mixed levels of demand ahead of Memorial Day amid sub-optimal weather and the overall inflationary environment influenced pork trade. Urner Barry's pork carcass cutout increased by 3.06 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$31.00/head while margins for vertically integrated packers were estimated at \$19.92/head.

PORK PRODUCTION: Pork production for the week ending 5/21/22 was estimated to be 527.6 million pounds. This was a 1.8 percent increase from last week and a 2.9 percent gain from a year ago. Live hog weights averaged 293 pounds for the week, even with last week and 5 pounds heavier than a year ago.

GREEN MEATS: In the green meat complex, hams saw modest strength this week. Bone-in hams rebounded from a dismal prior week while boneless product saw slight support, though demand was called dull as seasonal demand has yet to ramp up. Bellies were firm as they regained most of the previous weeks loses as supply shifted from ample to adequate. In trim, lean items such as 72s and boneless picnics were barely steady on dull grilling item demand amid the undesirable weather around the US in the lead up to Memorial Day while 42s traded modestly higher.

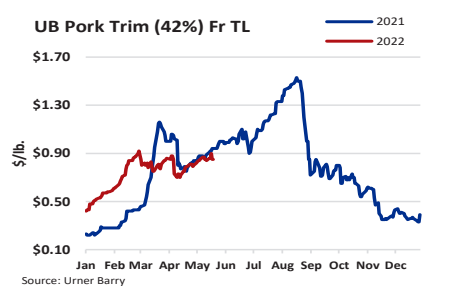
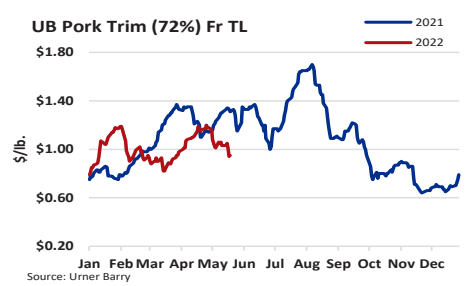
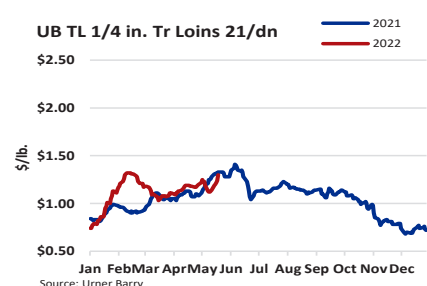
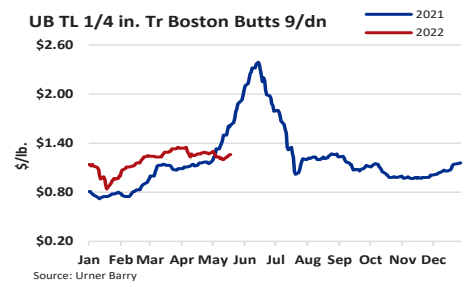
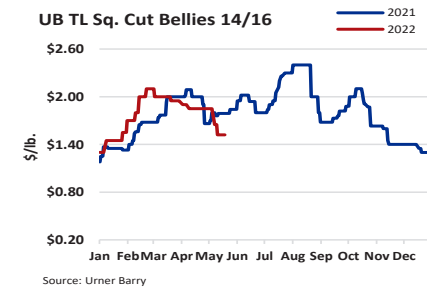
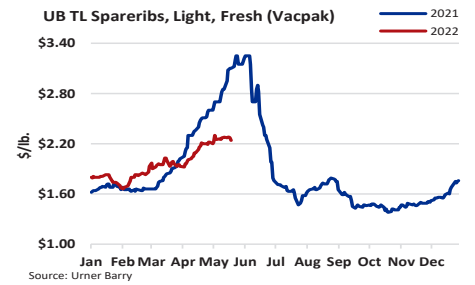
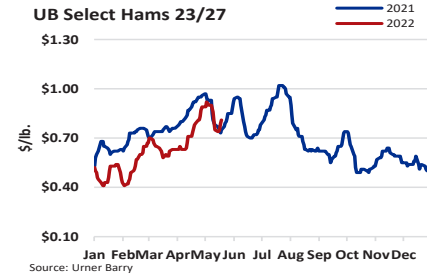
HAMS: Bone-in ham values closed \$1.50/cwt to \$6.00/cwt stronger while boneless cuts were \$2.00/cwt to \$4.00/cwt higher.

BELLIES: Skinless bellies were \$22.00/cwt to \$33.50/cwt higher.

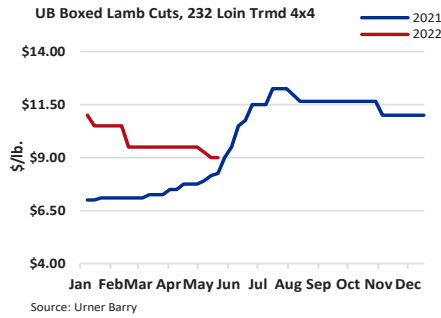
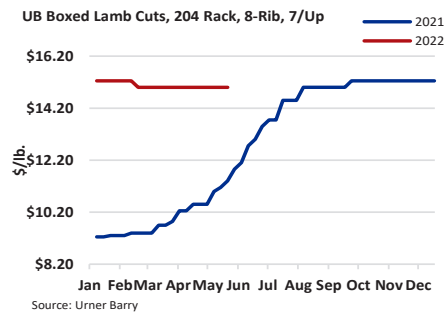
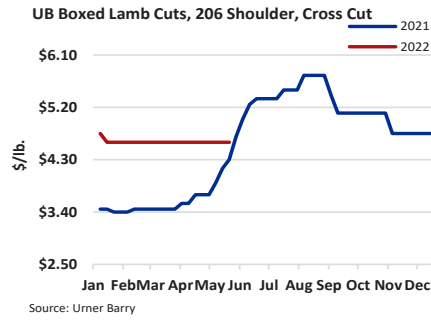
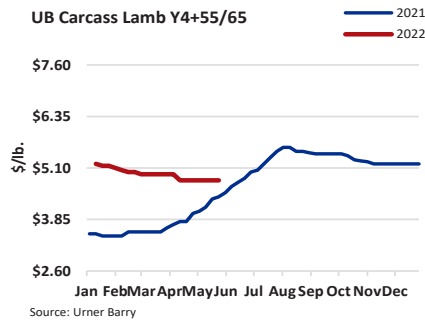
TRIMMINGS: 42s were \$3.00/cwt higher while 72s were \$8.00/cwt weaker. Meanwhile, boneless picnics were \$6.50/cwt lower.

RETAIL: 1/4" bone-in loins were \$15.50/cwt higher while 1/8" loins were \$5.00/cwt stronger. Boneless strap-on loins were \$1.00/cwt higher while boneless strap-off loins were \$3.00/cwt weaker. Bone-in sirloins were \$2.50/cwt higher while boneless sirloins were \$8.50/cwt weaker. Tenderloins were flat for the week. 1/4" bone-in butts were \$7.00/cwt higher while boneless butts were \$3.00/cwt stronger. Light and medium spareribs were \$3.50/cwt lower and \$3.00/cwt stronger respectively.

PORK PROCESSING ITEMS & RETAIL CUTS

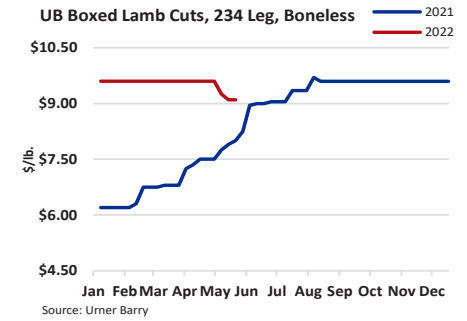


LAMB

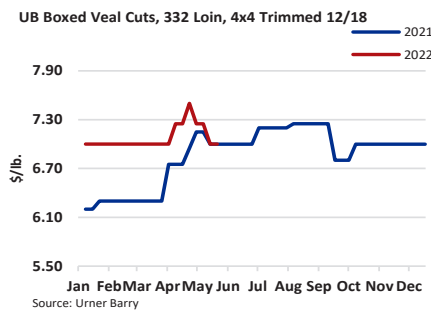
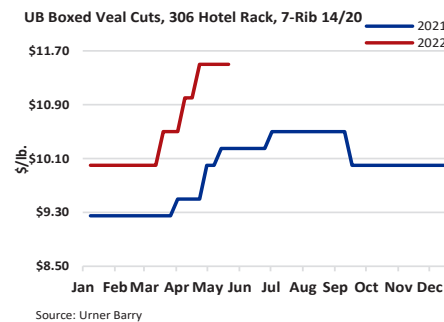
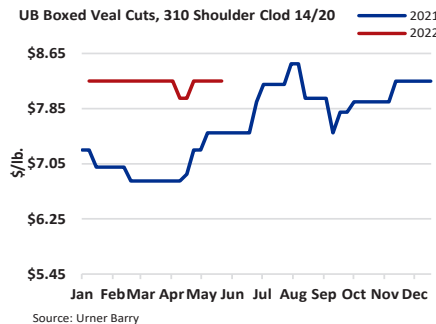
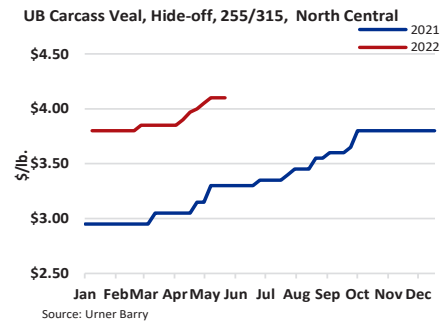


LAMB COMMENTARY

Lamb carcasses were largely unchanged this week. There has been some recent pressure on 85 and ups, though that steadied out this week. Boxed lamb cuts were steady with last week's prices as this week saw minimal price action. Racks retained a firm call as imported product remained in short supply on port congestion and shipping delays, resulting in stronger consumer demand for domestic product. In the most recent USDA Weekly Meat Production Under Federal Inspection report weekly sheep slaughter was at 37,000, which was 2,000 more than last week, and 2,000 less than the previous year.

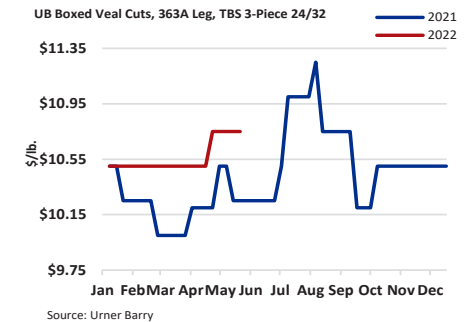


VEAL

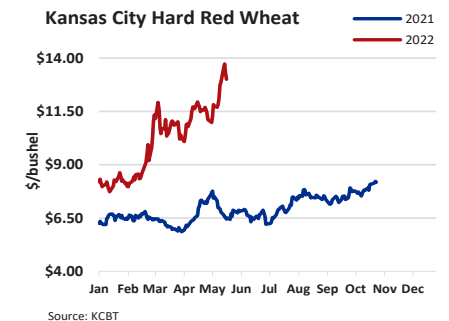
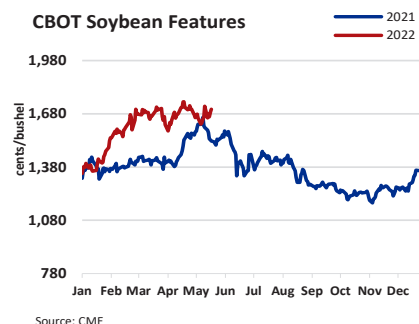
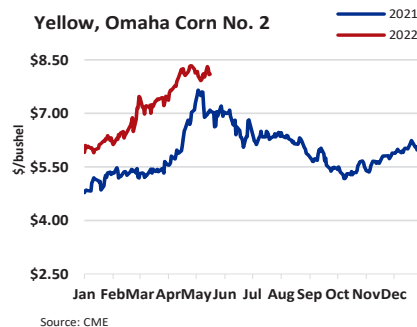


VEAL COMMENTARY

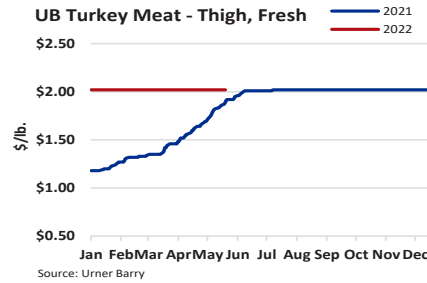
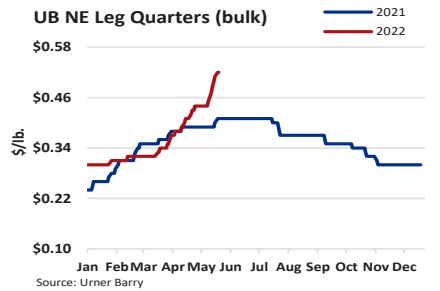
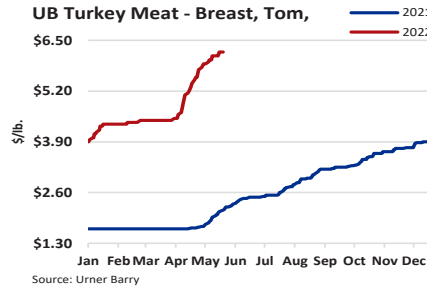
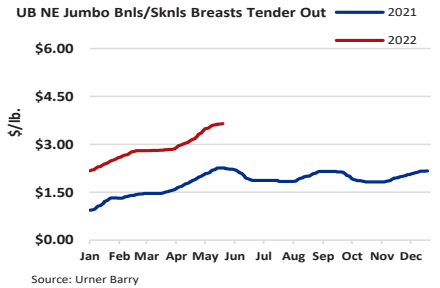
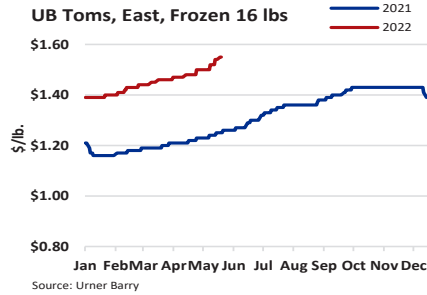
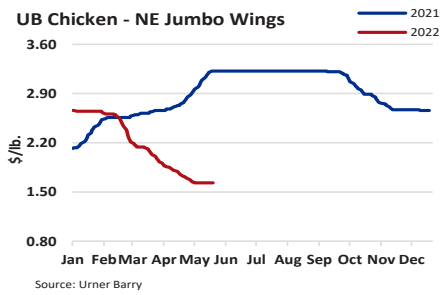
Veal carcasses were steady this week with no changes from the previous closing. Once again, Osso Buco foreshanks and hindshanks remained firm on strong demand. The USDA Special Fed Veal Slaughter was at 2827; that is roughly a 2.4% increase from the week prior. Special Fed Veal Dressed Weights came in at 279.4 pounds, which is down 11.3 pounds from the previous week.



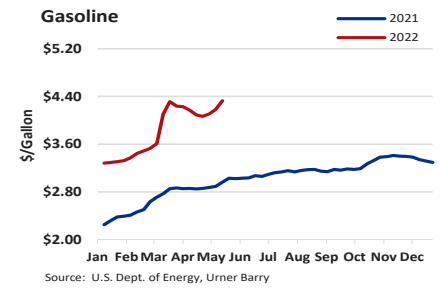
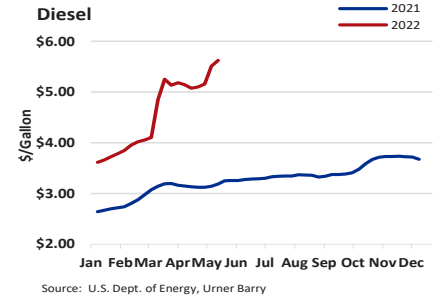
FEEDS: CORN, SOY BEAN, RED WHEAT



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 were inked within a close range of our listed quotations this week. Breasts and front halves were similarly moved at steady levels, if not a hair stronger in certain circumstances. Boneless breast availability was a bit more apparent this week but ask prices remained at premium levels in relation to our quotations. Tenders are well below industry needs for most. The same can be said for chunk and trim meats. The back half of the bird is similarly held for premium levels. All bone-in and boneless lines moved higher at various levels this week in response to the continued robust demand. Legs, thighs, and thigh meat were pursued with the most aggression. MSC remains in full steady to firm position due to stout seasonal demand.

Whole-body toms and hens, along with consumer and institutional breasts were placed at premiums throughout the week. Volumes though remain at

low levels, due to a lack of spot availability. In parts, tom whole wings, two joints, and necks are seeing the most consistent demand. Drums are steady overall. Low volumes of hearts and livers were recorded at notable premiums. The balance of the segment was mostly uneventful and continues to trend sideways. The raw materials complex remains in a full steady to firm undertone as scarce offerings are held with the utmost confidence. All breast meat lines, as well as tenders, scapula, and breast trim, were inked at up money. Thigh meat remains well cleared. MST demand is likewise robust which keeps paid prices at higher levels whenever spot loads are uncovered.

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