

Friday, May 27, 2022

Number 22 - Volume 15

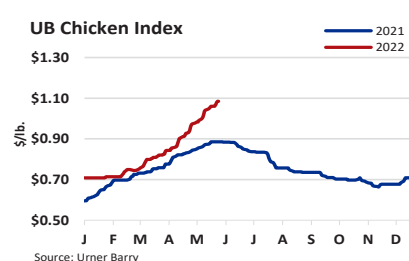
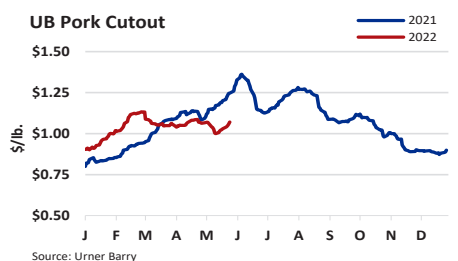
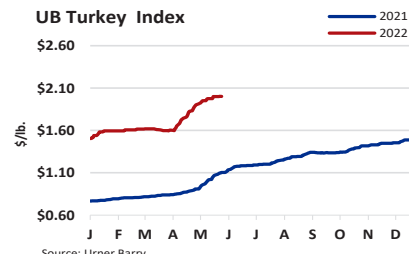
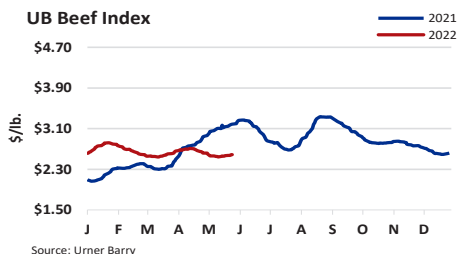
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	8.06	7.21
CBOT Soybean	1,732.25	1,705.25	1,548.50
NYMEX Light Crude Oil	115.07	113.23	67.72
Loose Lard, Chicago Basis	0.82	0.82	0.58
Edible Tallow, Chicago Basis	0.84	UNQ	UNQ
Beef Trimnings, 90% Fresh	281.00	276.00	265.00
Beef Trimnings, 50% Fresh	110.00	111.00	113.00
Aust/NZ Blend Cow 90% EC Spot	283.00	287.00	280.00
USDA Drop Credit	0.134	0.135	0.122
112A 3 Ribeye Roll, Lip-On CH	900.00	900.00	1,325.00
116A 3 Chuck Roll, Neck-Off CH	300.00	285.00	380.00
168 3 Round, Top (Inside) CH	285.00	285.00	365.00
180 3 Strip Loin, Bnls, 0x1 CH	823.00	823.00	1,020.00
136 Coarse Ground 81%	310.00	290.00	295.00
189A 4 Loin, Tenderloin, PSMO CH	1,375.00	1,375.00	1,800.00
Cattle-Fax, 6-State Fed Steer Price	140.59	141.91	119.73
Select Hams 20/23	91.00	81.00	83.00
Sq Cut Bellies 14/16	168.00	152.00	184.00
1/4 Trmd. Loins 21/dn	133.00	130.00	128.00
1/4 Tr Boston Butts 9/dn	127.00	126.00	193.00
Spareribs, Light, Fresh	225.00	224.00	315.00
Fresh Pork Trim (42%)	72.00	85.00	100.00
Fresh Pork Trim (72%)	101.00	95.00	122.00
Carcass Lamb Y4+S5/65	4.80	4.80	4.40
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	15.00	15.00	11.85
Lamb Cuts, 206 Shoulder, Cross Cut	4.60	4.60	4.70
Lamb Cuts, 232 Loin Trmd 4x4	9.00	9.00	9.00
Lamb Cuts, 234 Leg, Boneless	9.10	9.10	8.25
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

	5/27	5/20	5/13
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.85	2.86	2.91
Weekly Weighted Average Blended Boxed Beef Cutout Index	259.28	257.27	253.43



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	125	125	125	124	120	25	644
LW	124	125	125	125	123	58	680
*LY	117	122	121	121	117	33	630

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	464	473	472	475	456	11	2,351
LW	470	477	479	473	457	58	2,414
*LY	479	482	487	483	425	21	2,377

EST. DAILY SHEEP SLAUGHTER

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

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	5/13	5/14	5/16	5/17	5/18	5/19	Total
	26	8	27	27	29	29	146
TW	5/20	5/21	5/23	5/24	5/25	5/26	Total
	24	10	26	28	28	29	145
*LY	24	11	23	26	27	24	135

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.715	0.706	0.774
Mexico, Peso	19.668	19.866	19.917
Canada, Dollar	1.274	1.279	1.203
Japan, Yen	126.982	127.850	109.683
China, Yuan (RMB)	6.700	6.674	6.384
Brazil, Real	4.751	4.910	5.184
South Korea, Won	1,251.62	1,267.36	1,108.78
Taiwan, Dollar	29.262	29.647	27.611
European Union, Euro	1.071	1.057	1.222

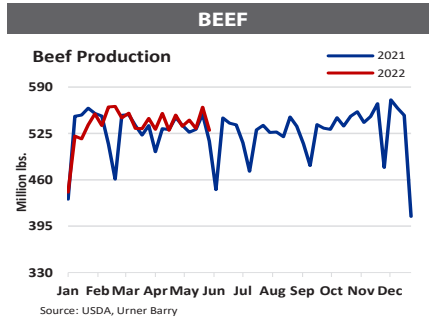
COLD STORAGE STOCKS

(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
Trimnings	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 Urner Barry's flagship service Comtell Online. FoodMarket is available for \$37.00 a month.

UB BEEF CUTOUT May-27 v. May-20				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-0.49%	-5.71%	-0.29%	1.17%
Chuck	2.28%	3.26%	2.19%	1.90%
Round	1.27%	0.68%	0.25%	0.44%
Loin	1.07%	-0.63%	0.77%	2.02%
Briske	1.25%	0.50%	0.51%	1.03%
Plate	-0.25%	-0.25%	-0.25%	-1.16%
Flank	2.05%	2.08%	2.14%	2.61%
Total	1.05%	-0.25%	0.81%	1.36%



BEEF COMMENTARY

Heading into the holiday weekend it appeared the boxed beef market was able to hold steady ground throughout. Interest continued to be seen across the primal with grilling favorites garnering some special attention. It appeared there was a general balance within the market between both buyers and sellers as it seemed there was confidence in positions taken heading into the weekend. Grinds were seen throughout the week as firm, as inflation concerns stay planted in the back of minds.

LIVE CATTLE: Cattle prices overall this week were lower in the South with the bulk of trade at \$137.00/cwt live full range \$137.00 to \$138.00/cwt. In the North, prices were lower with the bulk at \$140.00/cwt live; full range \$137.00 to \$144.00/cwt. Dressed sales were down \$3.00 with the bulk around \$223.00/cwt with a full range between \$222.00 to \$227.00/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 644,000 head about 36,000 head less than last week. Live weights ended the week at 1365 pounds down 6 pounds on the week. Dressed weights were 824 pounds, down four pounds as well from last week.

RIBS: Ribs found better interest this week as there were some looking for last minute product heading into the holiday weekend. This allowed sellers to inch up ranges on a few items after the last few weeks were this area seemed shunned by many. Supplies remain fully adequate so it will be interesting to see how these items hold up coming out of the holiday weekend.

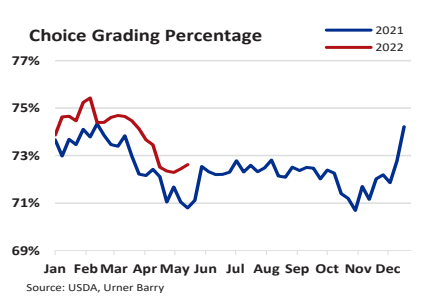
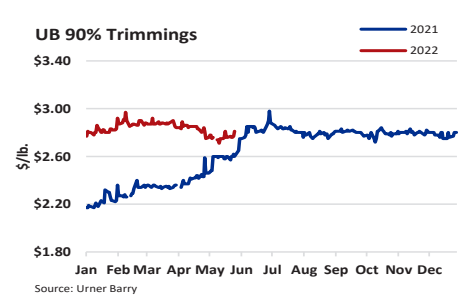
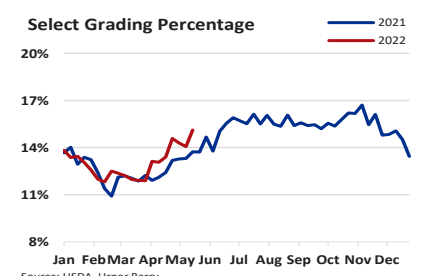
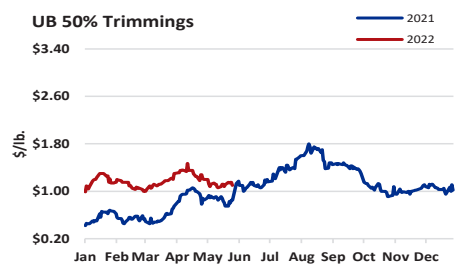
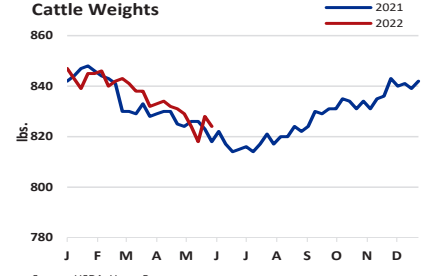
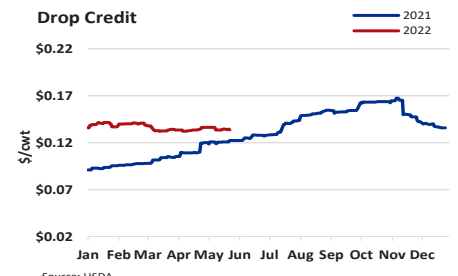
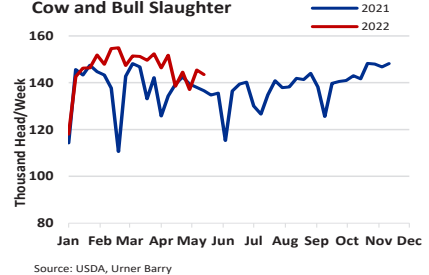
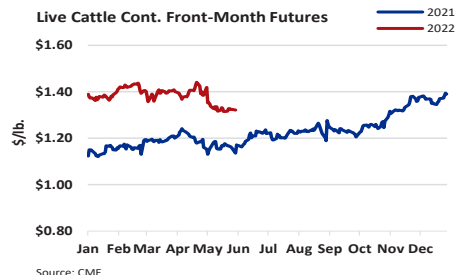
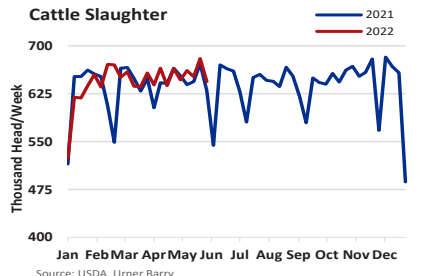
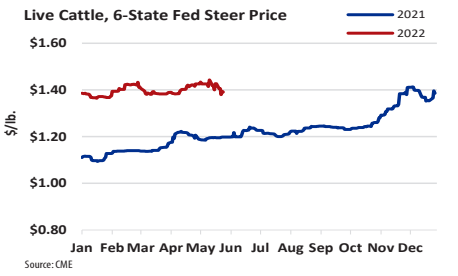
CHUCKS: Interest from last week was carried over into this week which allowed this area to find closer to full steady tones. Ribs are seen tight by many which allowed this item to find higher bids throughout the week. Clods were also able to move a nickel or two higher as grinders continued to step in with sizeable orders. The only item within this complex seen with ample supplies were Top Blades which allowed for some lower trade to flow through and reignite interest for those seeking cheaper grilling cuts.

ROUNDS: The round complex was able to claw back the minor losses seen in the prior and had a week closer to full steady. With deli season around the corner, it seemed those ample supplies were quickly bought up throughout the week. Flats and eyes were able to tighten the bottom side of their ranges and find more balanced trade take place. As concerns remain around a price sensitive consumer many continued look to this area for cheaper alternatives to the typical favorites.

LOINS: Interest was seen high this week around these items as there seemed to be quite a few participants looking for those last-minute items. It appeared there was more confidence stepping in for loins than the rib as these are still high-quality alternatives. With upcoming features mainly heavily favoring loins, it comes as no surprise that this area continued to find the bulk of interest and business throughout the week.

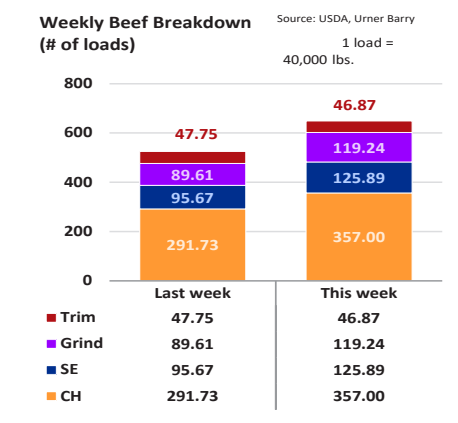
GROUND BEEF: It appeared the supply side of the equation has tightened up a bit allowing seller to chip away and higher asks. This continued to be an area favored by those who believe inflationary pressures will cause the consumer to trade down for cheaper proteins. Tones remained fully steady and are beginning to shift towards firm as burger season is about here.

BONELESS BEEF: Wider price ranges on fresh 50s were very noticeable this week as scheduling surrounding the Memorial Day holiday weekend caused a two-tier market to develop. Fresh 90s were steady to a little firmer. Demand for next week was reportedly more active.

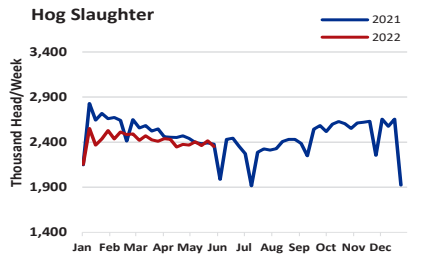


UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	14.35	14.59	15.33	17.39	16.87
*LW	12.22	12.64	12.93	13.20	13.53

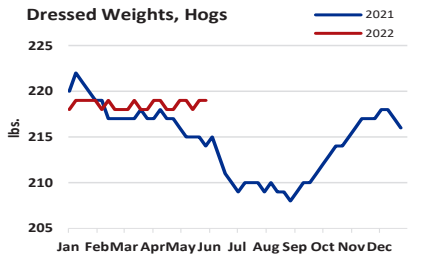
*Last Week's numbers are rounded



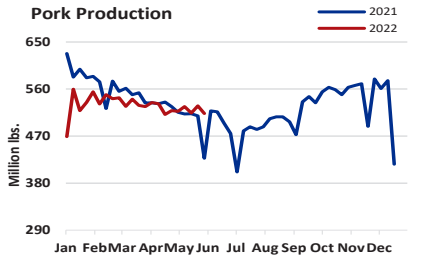
PORK PRODUCTION



Source: USDA, Urner Barry



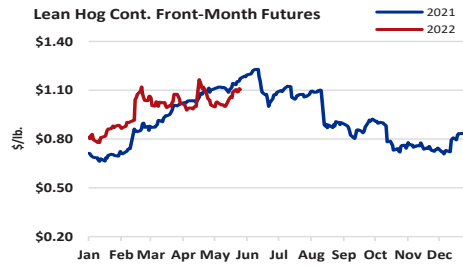
Source: USDA, Urner Barry



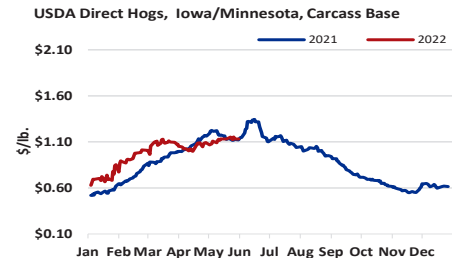
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	May-20	May-27	Change
Loin	103.240	105.350	2.110
Butt	106.390	108.870	2.480
Picnic	70.650	73.400	2.750
Sparerib	208.660	209.860	1.200
Ham	82.370	86.530	4.160
Belly	152.810	163.780	10.970
Cutout Value	102.978	107.025	4.047



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week in the pork market, unsettled trade was noted across multiple primals as Memorial Day weekend approached. Urner Barry's pork carcass cutout increased by 3.93 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$22.77/head while margins for vertically integrated packers were estimated at \$29.58/head.

PORK PRODUCTION: Pork production information from USDA report SJ_LS712 for the week ending 5/28/22 was not available at the time of publication.

GREEN MEATS: In the green meat complex, bellies and bone-in hams both traded higher in the lead up to Memorial Day. Bone-in hams have continued to enjoy supportive export interest while foodservice demand remains a bullish force for bellies, even as retail movement of bacon disappoints. Boneless hams remained mostly steady amid lackluster lunch meat demand. In trim, both 42s and 72s had a barely steady to weaker bias for much of the period, with lackluster grilling and pizza topping demand noted.

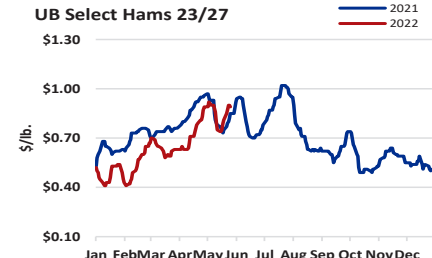
HAMS: Bone-in ham values closed \$7.50/cwt to \$8.50/cwt stronger while boneless cuts were \$2.00/cwt to \$3.00/cwt higher.

BELLIES: Skinless bellies were \$9.00/cwt to \$10.00/cwt higher.

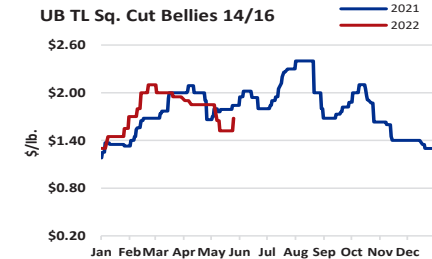
TRIMMINGS: 42s were \$14.50/cwt lower while 72s were \$4.00/cwt firmer. Meanwhile, boneless picnics were \$5.00/cwt stronger.

RETAIL: 1/4" bone-in loins were \$4.00/cwt higher while 1/8" loins were \$5.50/cwt stronger. Boneless strap-on loins were \$2.00/cwt higher and boneless strap-off loins were \$2.50/cwt stronger. Bone-in sirloins were \$2.00/cwt lower while boneless sirloins were flat. Tenderloins were \$5.00/cwt lower for the week. 1/4" bone-in butts were \$1.00/cwt higher while boneless butts were \$5.00/cwt stronger. Light and medium spareribs were \$1.50/cwt higher and \$1.00/cwt stronger respectively.

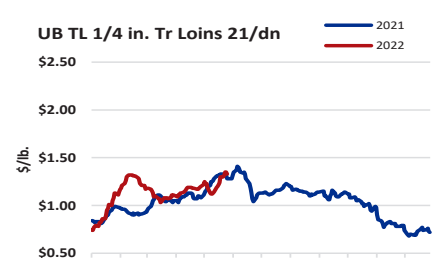
PORK PROCESSING ITEMS & RETAIL CUTS



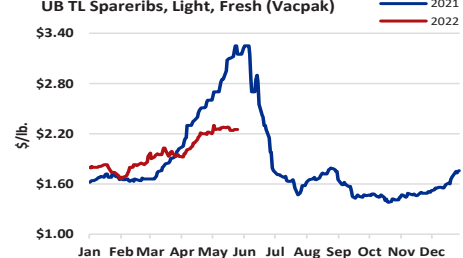
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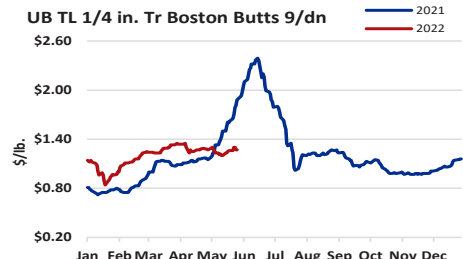
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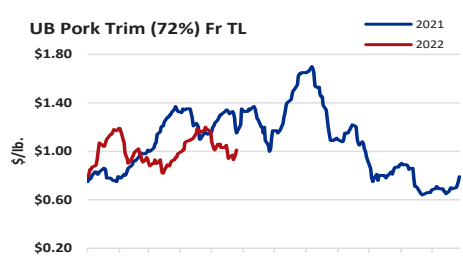
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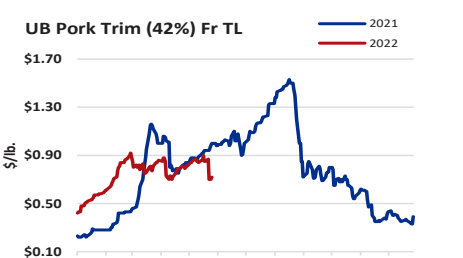
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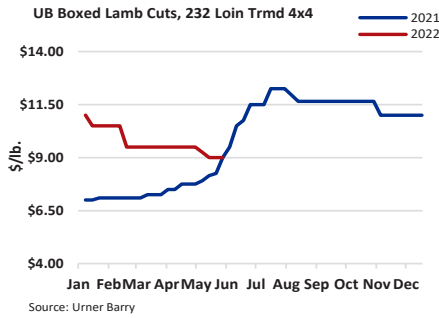
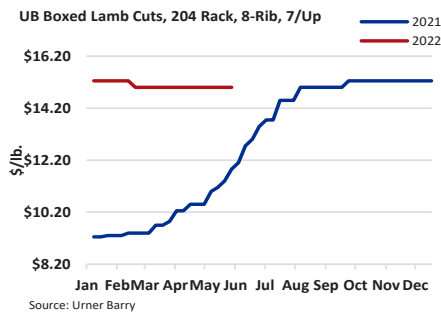
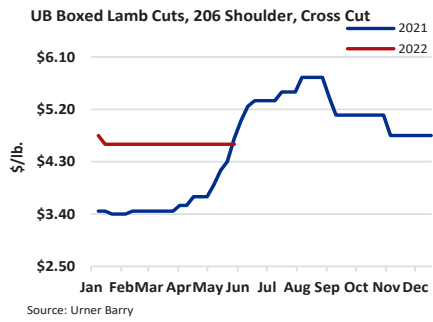
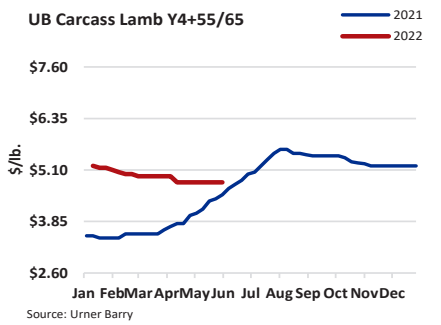


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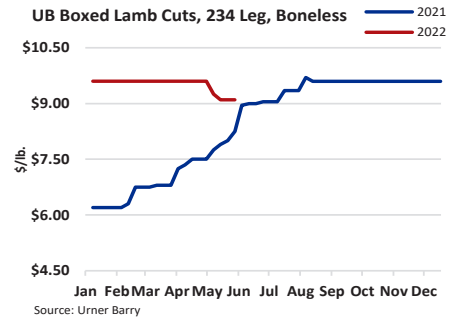
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LAMB

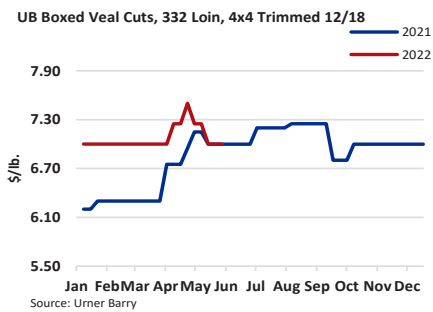
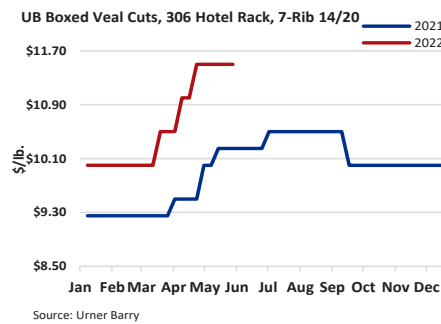
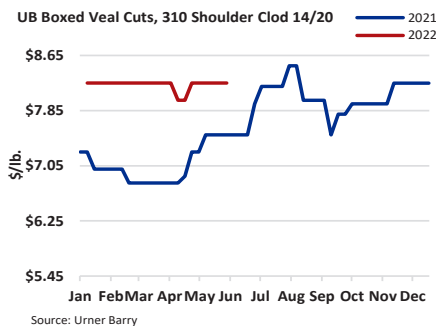
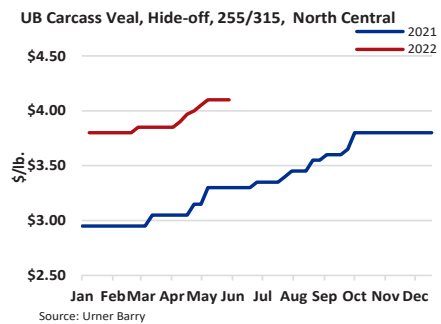


LAMB COMMENTARY

Lamb carcasses traded modestly higher this week while all domestic boxed cuts were steady with minimal price action. In the most recent USDA Weekly Meat Production Under Federal Inspection report weekly sheep slaughter was at 35,000, which was 2,000 less than last week and last year, for the same period. Average weights were 130 pounds, which was 4 pounds heavier than a week ago.

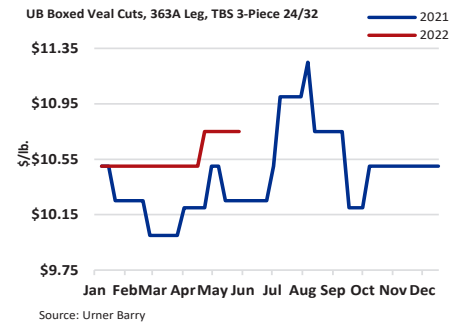


VEAL

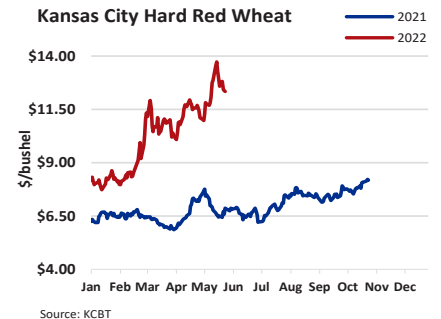
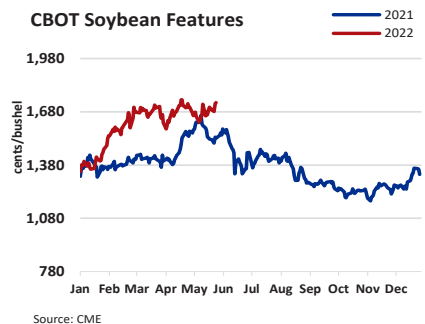
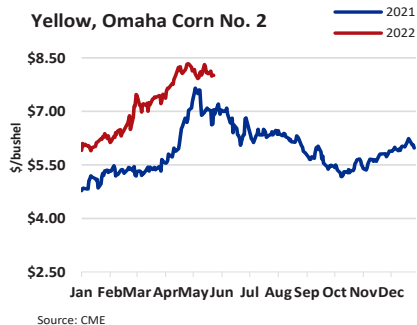


VEAL COMMENTARY

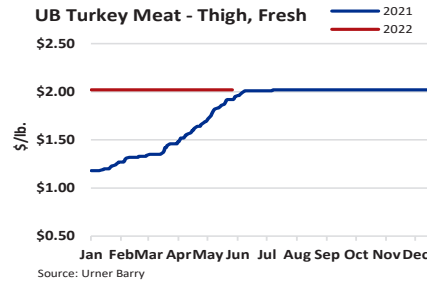
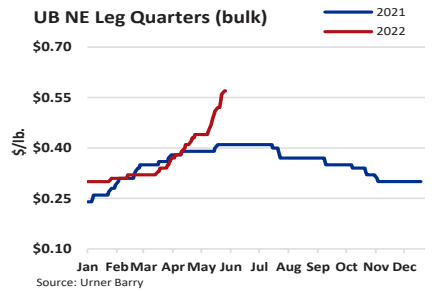
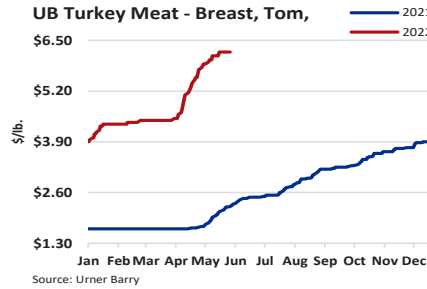
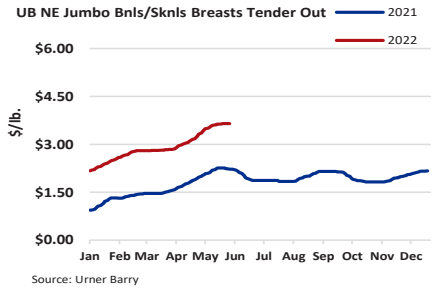
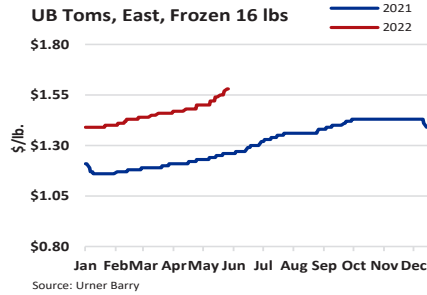
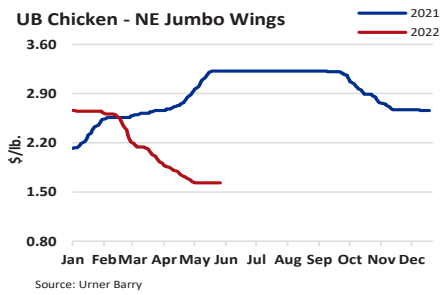
Veal carcasses and boxed cuts were steady with last week's closing quotations. Overall demand for boxed cuts was on the softer side with retail features showing a steep drop off from the previous week in the US, according to Urner Barry data, as we enter grilling season. The USDA Special Fed Veal Slaughter was at 3,139; that is roughly an 11% increase from the week prior. Special Fed Veal Dressed Weights came in at 293.4 pounds, which is up 14 pounds from the previous week.



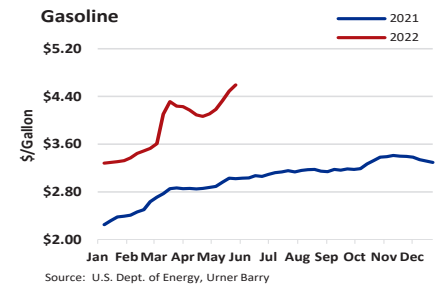
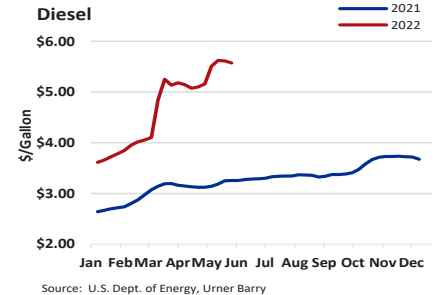
FEEDS: CORN, SOY BEAN, RED WHEAT



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 mostly stable this week, but some discounting on the latter was reported for a brief time. Boneless breasts began to show up some at the tail end of the week, mostly due to irregular plant schedules surrounding the holiday. Paid prices remained at steady or slightly better levels. Tenders, as well as chunk and trim meats, continue to be well short of the ongoing call. In wings, mediums appear to have cleaned up some, while jumbos are being held with more confidence than in some time. The back half overall remains in full steady to firm position. All lines, but particularly leg quarters, are aggressively pursued and limited in availability. Export ask prices are following in a similar upward trajectory. High meat demand outpaces production more times than not.

Limited volumes of whole body toms and hens, both fresh and frozen, are inked with ease at

notably higher levels. The same can be said for consumer and institutional-sized breasts. The part segment is uneventful. Whole wings and two joints are pursued with the most enthusiasm, while necks are tightening as well. Drums move with ease at steady levels. As for raw materials, due to the holiday, some loads of breast meat actually made their way into the spot market this week. Paid prices varied some but were overall in a close range of our listed quotations. Scapula and tenders were recorded at higher levels. Thigh meat and wing meat are sold with regularity at steady price points. MST demand remains stout, keeping offerings short of the call.

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