

Friday, May 06, 2022

Number 19 - Volume 15

WEEKLY COMMODITY AT A GLANCE

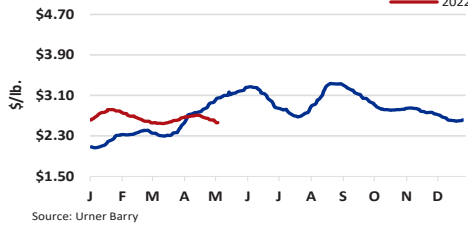
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	8.34	7.60
CBOT Soybean	1,655.50	1,708.25	1,637.50
NYMEX Light Crude Oil	109.77	104.69	65.28
Loose Lard, Chicago Basis	0.82	0.82	0.55
Edible Tallow, Chicago Basis	UNQ	UNQ	0.620
Beef Trimmings, 90% Fresh	276.00	275.00	260.00
Beef Trimmings, 50% Fresh	112.00	120.00	90.00
Aust/NZ Blend Cow 90% EC Spot	295.00	298.00	266.00
USDA Drop Credit	0.136	0.136	0.121
112A 3 Ribeye Roll, Lip-On CH	900.00	950.00	1,320.00
116A 3 Chuck Roll, Neck-Off CH	265.00	285.00	380.00
168 3 Round, Top (Inside) CH	290.00	290.00	315.00
180 3 Strip Loin, Bnls, OX1 CH	813.00	813.00	1,020.00
136 Coarse Ground 81%	268.00	268.00	260.00
189A 4 Loin, Tenderloin, PSMO CH	1,475.00	1,475.00	1,700.00
Cattle-Fax, 6-State Fed Steer Price	142.15	140.31	120.35
Select Hams 20/23	92.00	88.00	88.00
Sq Cut Bellies 14/16	185.00	185.00	176.00
1/4 Trmd. Loins 21/dn	119.00	120.00	125.00
1/4 Tr Boston Butts 9/dn	123.00	127.00	136.00
Spareribs, Light, Fresh	225.00	222.00	277.00
Fresh Pork Trim (42%)	85.00	80.00	87.00
Fresh Pork Trim (72%)	101.00	118.00	128.00
Carcass Lamb Y4+55/65	4.80	4.80	4.05
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	15.00	15.00	11.00
Lamb Cuts, 206 Shoulder, Cross Cut	4.60	4.60	3.90
Lamb Cuts, 232 Loin Trmd 4x4	9.25	9.50	7.90
Lamb Cuts, 234 Leg, Boneless	9.25	9.60	7.75
Carcass Veal, Hide-off, 255/315, NC	4.10	4.05	3.15
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	11.50	11.50	10.00
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.25	7.25
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.25	7.25	7.15
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.50

Quotes represent the high side of Friday's trading range

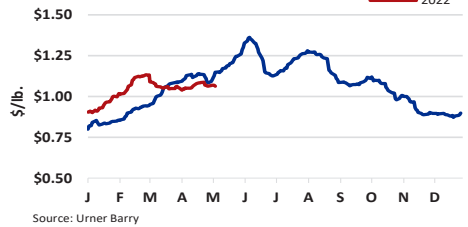
RIEMANN CONTRACT SETTLEMENTS

	5/6	4/29	4/22
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.98	3.00	3.02
Weekly Weighted Average Blended Boxed Beef Cutout Index	255.66	260.81	266.87

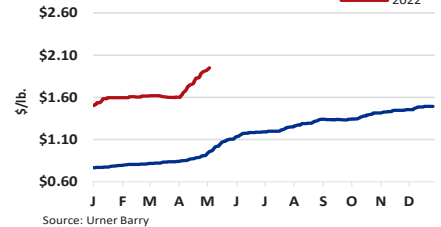
UB Beef Index



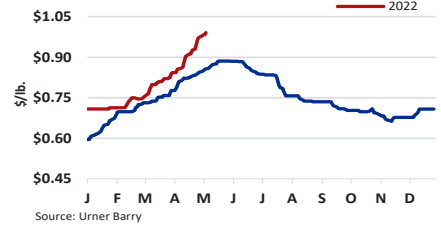
UB Pork Cutout



UB Turkey Index



UB Chicken Index



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	111	126	126	124	121	49	657
LW	125	125	125	123	118	33	649
*LY	115	122	119	115	111	57	639

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	482	480	482	478	457	48	2,427
LW	465	480	482	476	446	40	2,389
*LY	474	486	485	479	461	10	2,396

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	7	7	7	5	0	35
LW	9	8	6	8	4	0	35
*LY	10	7	2	6	7	2	41

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	4/22	4/23	4/25	4/26	4/27	4/28	Total
	26	10	27	27	29	29	148
TW	4/29	4/30	5/2	5/3	5/4	5/5	Total
	24	6	26	28	29	29	142
*LY	24	13	24	26	27	25	139

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.708	0.716	0.783
Mexico, Peso	20.212	20.287	19.904
Canada, Dollar	1.286	1.273	1.212
Japan, Yen	130.640	130.170	108.375
China, Yuan (RMB)	6.674	6.597	6.428
Brazil, Real	5.088	4.862	5.280
South Korea, Won	1,271.28	1,258.59	1,119.78
Taiwan, Dollar	29.648	29.444	27.917
European Union, Euro	1.056	1.052	1.217

COLD STORAGE STOCKS

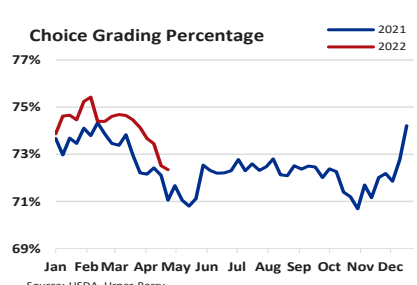
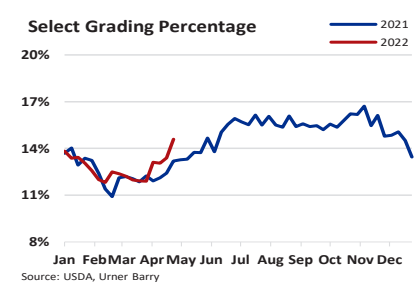
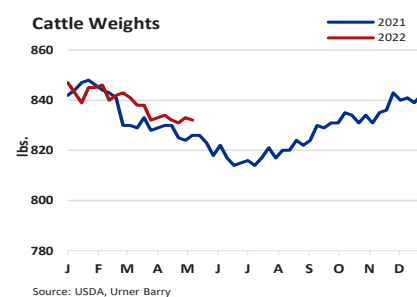
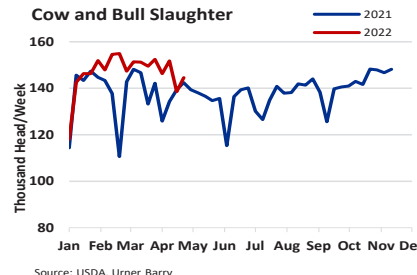
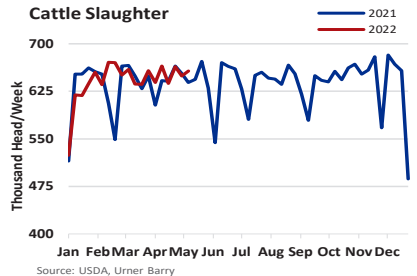
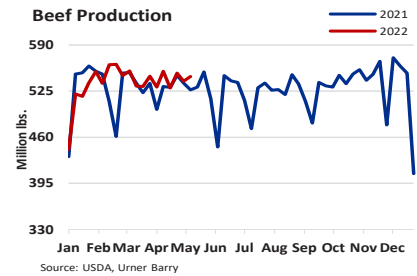
(Pounds in Thousands)	3/31/21	2/28/22	3/31/22
Beef in Freezer, Bnls	450,662	484,417	487,169
Cuts	32,328	47,083	49,718
Total Beef	482,990	531,500	536,887
PORK & OTHER	3/31/21	2/28/22	3/31/22
Pork in Freezer, Picnics	7,564	7,688	9,538
Hams	60,776	84,248	74,055
Bellies	35,398	50,139	56,779
Loins	47,628	43,026	39,792
Spareribs	100,710	107,744	116,749
Butts	18,152	23,611	20,658
Trimmings	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 UrnerBarry's flagship service Comtell Online. FoodMarket is available for \$37.00 a month.

UB BEEF CUTOUT May-06 v. Apr-29				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-3.82%	-1.43%	-2.01%	-2.70%
Chuck	-2.74%	-3.80%	-4.21%	-1.22%
Round	-1.04%	-1.30%	-1.89%	-1.47%
Loin	-1.22%	-1.11%	1.82%	-3.73%
Brisket	-3.25%	-3.25%	-4.68%	-2.90%
Plate	-2.25%	-2.25%	-2.25%	-3.40%
Flank	-3.86%	-1.71%	-1.76%	-3.67%
Total	-2.20%	-2.00%	-1.60%	-2.55%

BEEF



BEEF COMMENTARY

The boxed beef market experienced another week of broad-based weakness with discounting becoming the norm. Packers continued to slaughter at full steam which has made availability nearly ample across the primal. All eyes appeared focused on this upcoming weekend and what demand may surface around Mother's Day as this is historically speaking the best foodservice holiday for beef. As weather remained a burden, sentiment did not change in the immediate term, but bullish tones did start to peak out a little when looking out front.

LIVE CATTLE: Cattle prices overall this week are steady in the South with the bulk of trade at \$140.00/cwt live full range \$135.00 to \$141.00/cwt. In the North, prices were unevenly steady at mostly \$146.00/cwt live; full range \$144.00 to \$150.00/cwt. Dressed sales were steady to \$2.00 lower at \$230.00 to \$232.00/cwt; full range \$228.00 to \$234.00/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 657,000 head compared to 649,000 head last week. Live weights ended the week at 1377 pounds down 1 pound on the week. Dressed weights were 832 pounds, down one pound from last week.

RIBS: The rib appeared to be in a free fall this week as it appeared sellers held onto product a bit too long looking for previous seasonals to take shape and were forced into greater discounts to get volumes moved. Ribeyes have now moved into negative year to date performance which is quite contraseasonal for this time of the year. Concerns continued to circle around how much cost the consumer will be willing to absorb for these pricier cuts of beef and whether demand will be there with inflation issues persisting.

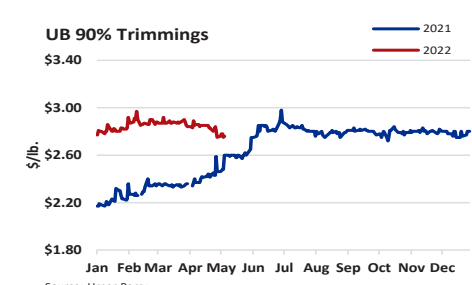
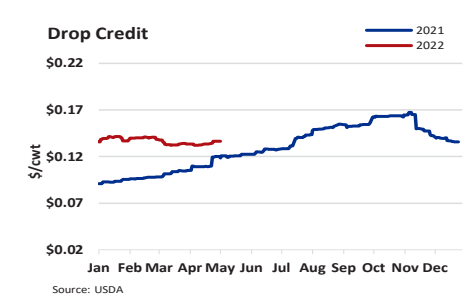
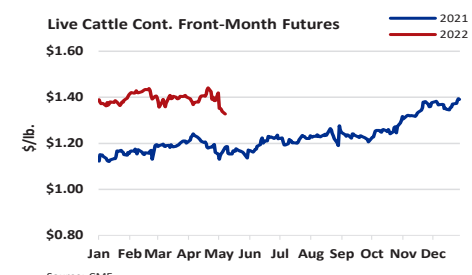
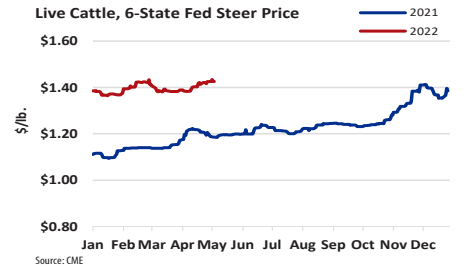
CHUCKS: The chuck complex was led lower once again as weakness continued to seep throughout the cutout. Rolls continued to be burdensome for many and buyers remained skeptical around general market conditions. This has led steadier items such as clods and chuck tenders all lower this week.

ROUNDS: The need to keep product moving has been evident this week with rounds taking on yet another course of discounting. Eyes, flats, knuckles, and goosenecks all saw lower trade this week as beef demand continued to be well below expectations for this time of year. The only area that appeared to escape this fate was insides which were steady this week as interest is still seen as adequate generally coming from London Broil demand on the East Coast.

LOINS: Loins continued to be the only area that has consistently remained steady a couple weeks running now. Participants are still comfortable booking product at these levels. Top butts, however, had some weakness after holding steady for quite some time.

GROUND BEEF: There has been little change week-to-week in this area. Prices appeared to be well supported once again as many expect ground beef to perform well under the inflationary pressures felt by the consumer.

BONELESS BEEF: Leaner boneless beef was mixed this week. Demand started the week off a little lackluster but seemed to improve a little as the week progressed. Fresh 50s were under some downward pressure as supplies were more readily available. The weighted average price for today was down roughly 8% compared to the previous Friday. This week's cattle slaughter was estimated at 657,000 head.

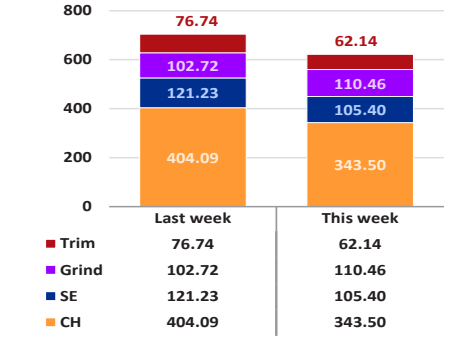


UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

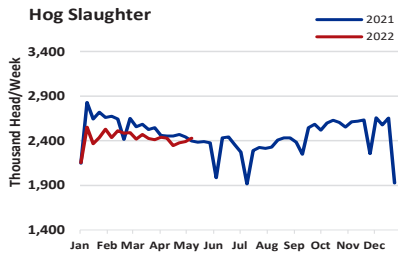
	M	T	W	TH	F
TW	12.34	11.74	11.45	11.18	10.89
*LW	12.71	11.50	12.36	11.46	11.66

*Last Week's numbers are rounded

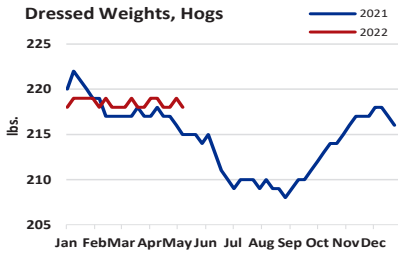
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



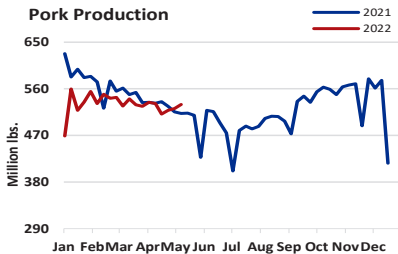
PORK PRODUCTION



Source: USDA, Urner Barry



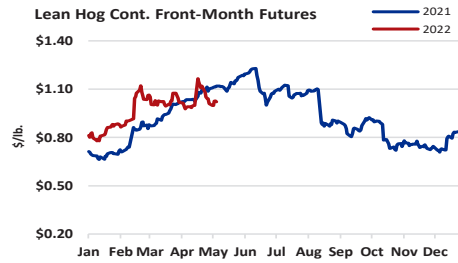
Source: USDA, Urner Barry



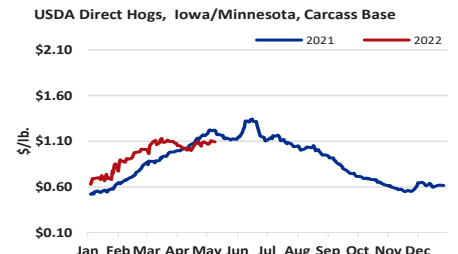
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Apr-29	May-06	Change
Loin	103.230	102.030	-1.200
Butt	108.390	107.000	-1.390
Picnic	70.690	70.800	0.110
Sparerib	205.280	209.380	4.100
Ham	84.970	85.200	0.230
Belly	169.180	170.230	1.050
Cutout Value	106.294	106.303	0.009



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week, the week-over-week increase in hog slaughter, mixed retail demand, undesirable weather in the midwest and on the east coast, and the HPAI situation influenced pork trade. Urner Barry's pork carcass cutout increased by 0.01 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$16.96/head while margins for vertically integrated packers were estimated at \$31.68/head.

PORK PRODUCTION: Pork production for the week ending 5/07/22 was estimated to be 529.9 million pounds. This was a 1.5 percent increase from last week and a 2.8 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 continued to see a similar story to that of the past few weeks. Bone-in hams were strengthened on demand from Mexico amid the HPAI situation while boneless product saw sluggish demand. Bellies were unsettled and traded in wide ranges throughout the week as demand varied based on application. While food service demand was rated as active for bacon, retail saw the opposite as consumers continued to push back against elevated prices. In trim, 42s were steady to firmer on good demand while lean trim items such as 72s and picnics were barely steady to weak on fully adequate supply amid this week's elevated hog slaughter.

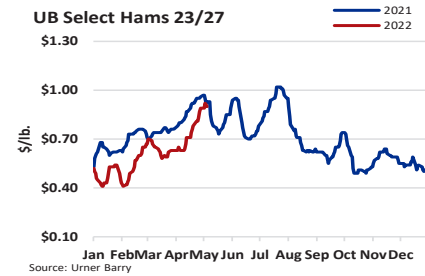
HAMS: Bone-in ham values closed \$1.50/cwt to \$4.50/cwt higher while boneless cuts were \$2.00/cwt lower on average.

BELLIES: Skinless bellies were \$2.50/cwt to \$9.50/cwt stronger.

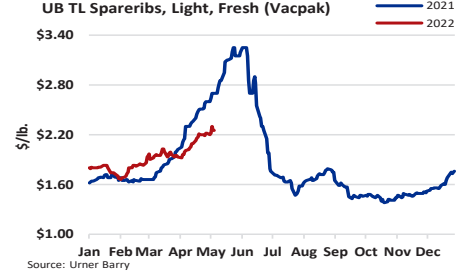
TRIMMINGS: 42s were \$5.00/cwt higher and 72s were \$17.00/cwt weaker. Meanwhile, boneless picnics were \$4.50/cwt weaker.

RETAIL: 1/4" bone-in loins were \$1.50/cwt lower while 1/8" loins were \$3.00/cwt stronger. Boneless strap-on loins were \$1.00/cwt higher while boneless strap-off loins were \$1.50/cwt weaker. Bone-in sirloins were \$2.00/cwt higher while boneless sirloins were \$1.50/cwt weaker. Tenderloins were \$5.00/cwt lower for the week. 1/4" bone-in butts were \$4.50/cwt lower while boneless butts were \$1.00/cwt stronger. Light and medium spareribs were \$2.00/cwt higher and \$6.50/cwt stronger respectively.

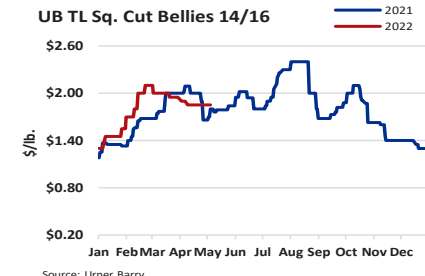
PORK PROCESSING ITEMS & RETAIL CUTS



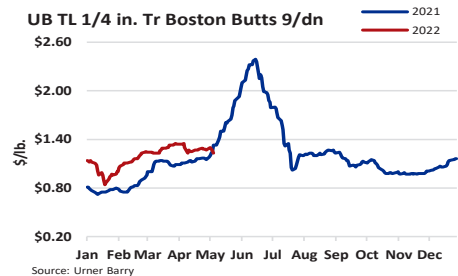
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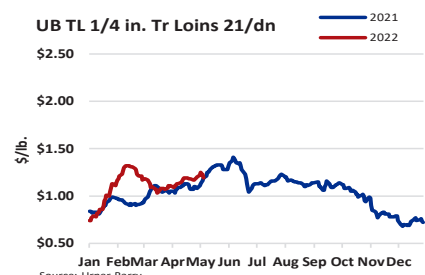
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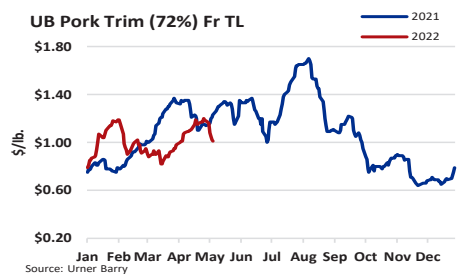
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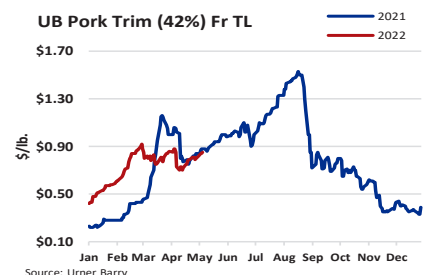
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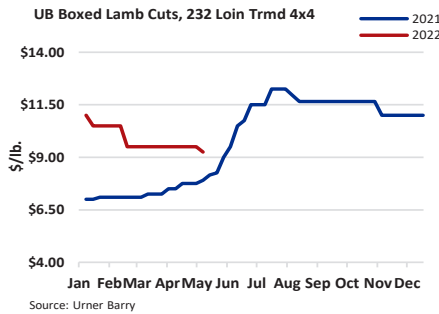
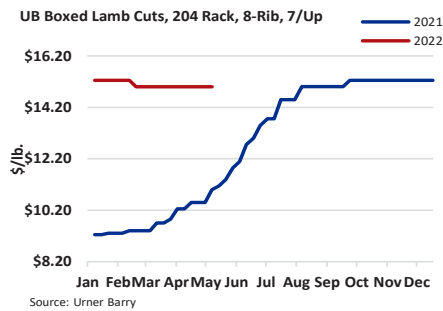
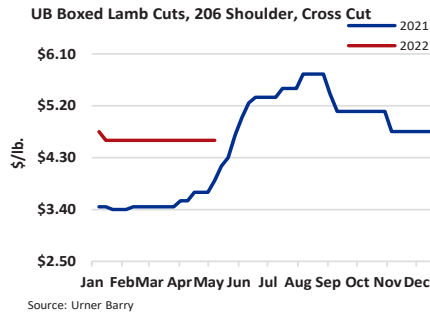
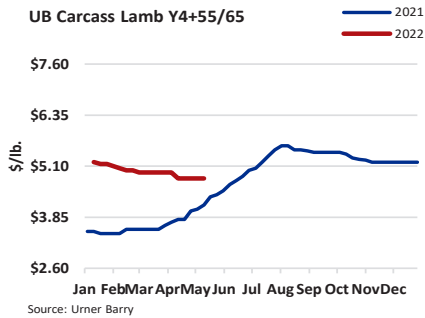


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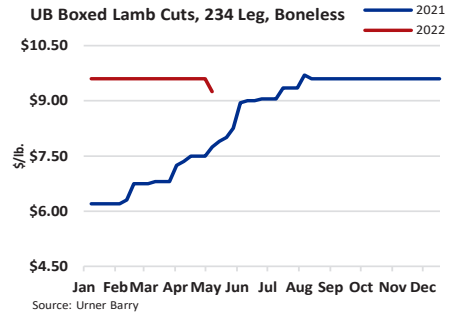
Source: Urner Barry

LAMB

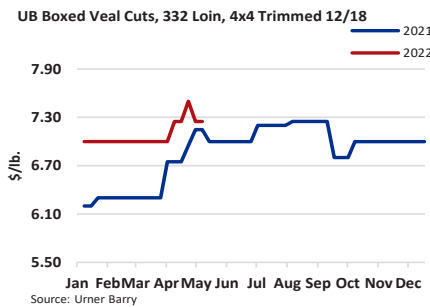
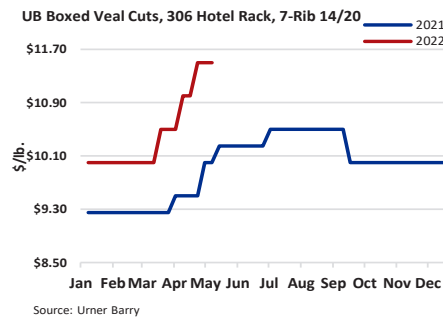
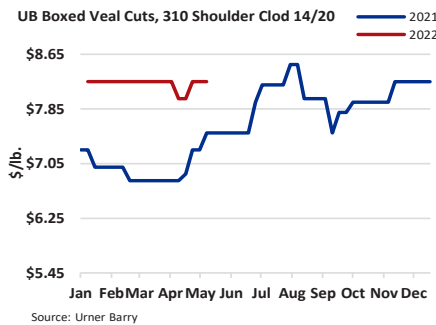
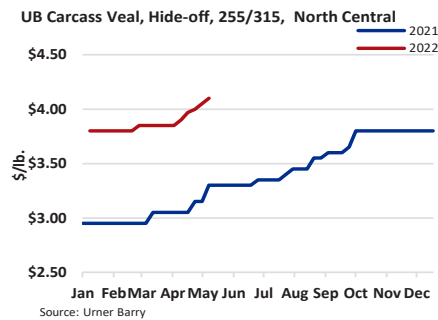


LAMB COMMENTARY

Light lamb carcasses were unchanged this week while heavy 85 and ups traded slightly lower. Racks traded higher this week while ribs, loins, and boneless legs traded near or below their recently established ranges. The most recent USDA Weekly Meat Production Under Federal Inspection report weekly sheep slaughter was at 35,000 head, which was even with last week, and 12,000 less than the equivalent week last year.

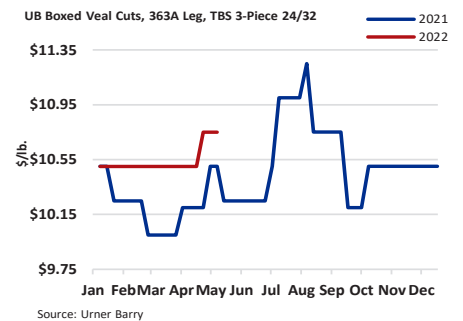


VEAL

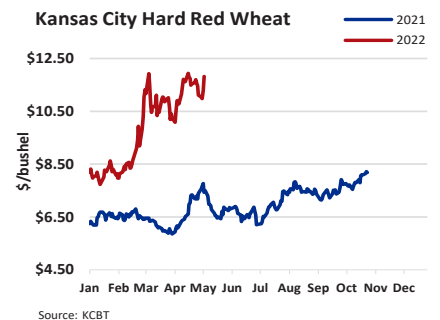
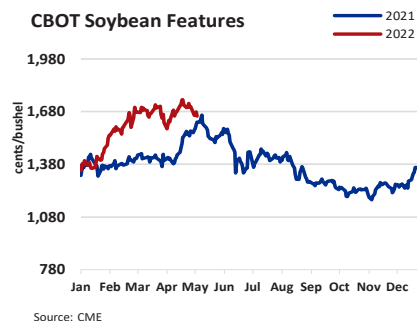
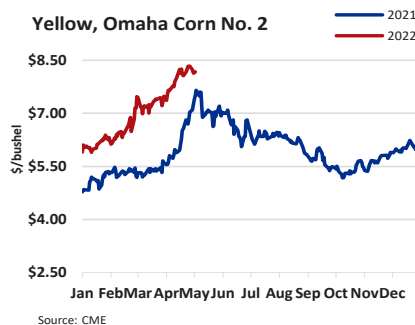


VEAL COMMENTARY

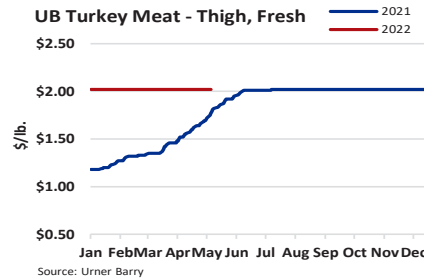
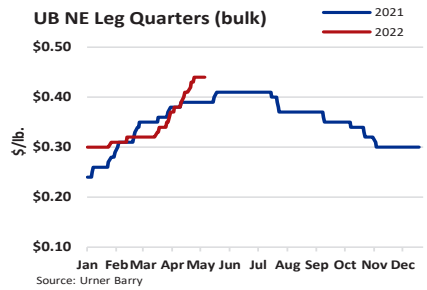
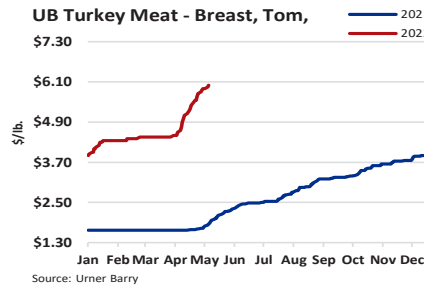
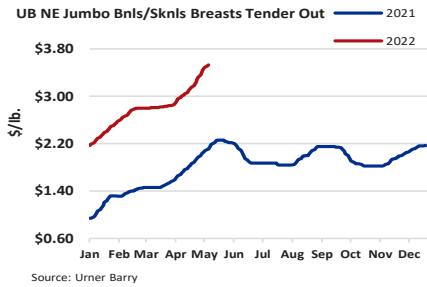
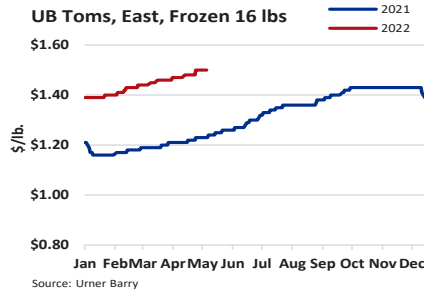
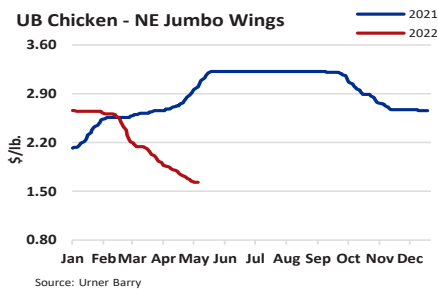
Veal carcasses were called firm this week as price levels continued to increase. Top rounds, foreshanks, and hindshanks traded higher while a majority of the other cuts were steady. The USDA Special Fed Veal Slaughter was at 2906; that is roughly a 7.4% decrease from the week prior. Special Fed Veal Dressed Weights came in at 288.1 pounds, which is down 5.1 pounds from the previous week.



FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



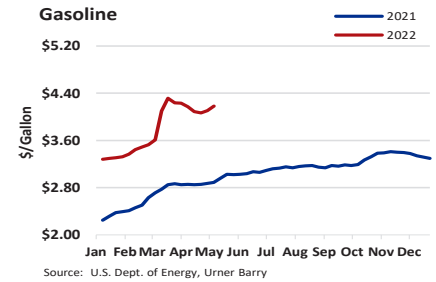
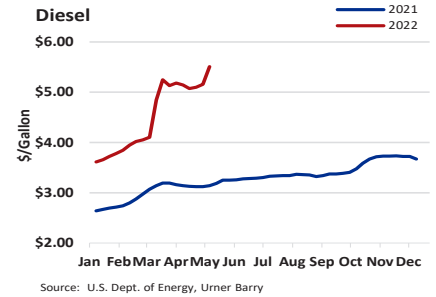
POULTRY COMMENTARY

Whole chickens and WOGs continue to move with consistency at steady overall price points. Breasts and front halves are much harder to find consistently and are inked at a wide range of premium levels. Moving on, boneless breasts, tenders, chunk, and trim meats all remain barely adequate for the call. Buyers in most cases have no choice but to bid premium values whenever spot loads cross their path. Wings remain a mixed bag, all sizes came under varying degrees of pressure this week. In parts, all bone-in lines continue to be held with confidence. Whole legs are noted as being sold at slightly higher levels. The same can be said for thigh meat and MSC.

Whole-body toms and hens, as well as consumer and institutional-sized breasts, remain mostly unavailable to the spot market buyer. Future

production hesitancy, combined with lower hatchery figures keeps offerings minimal. In parts, tom whole and two joint wings tightened up considerably this week, and ask prices rose in response. Tails remain under downward pressure, while drums and necks are mostly steady. The raw materials segment remains robust overall. Breast meat, as well as tenderloins, remain well short of buyer needs. Scapula, breast trim, and wing meat are similarly strong and wanted. Ongoing demand for MST keeps offerings minimal and values trending higher.

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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