

Friday, November 11, 2022

Number 47- Volume 15

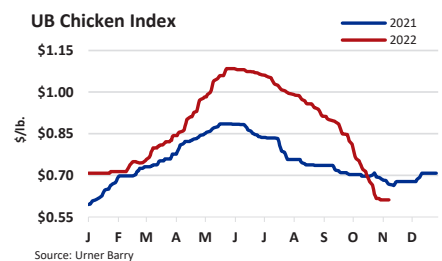
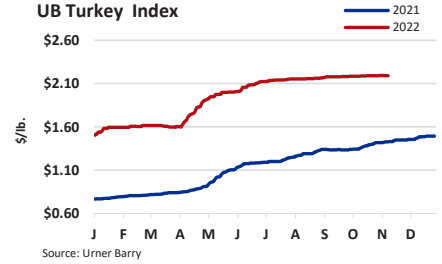
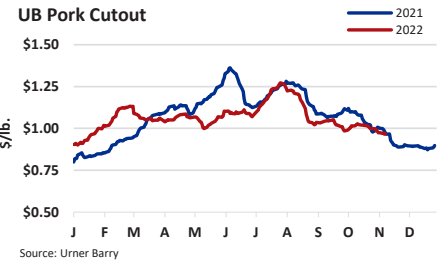
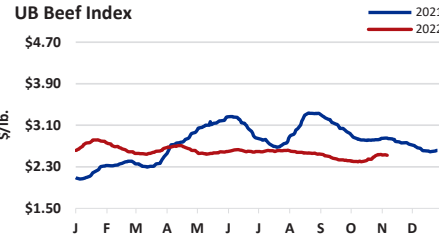
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.26	5.60
CBOT Soybean	1,455.50	1,451.50	1,251.25
NYMEX Light Crude Oil	88.96	92.61	80.76
Loose Lard, Chicago Basis	0.90	0.88	0.79
Edible Tallow, Chicago Basis	0.89	0.89	UNQ
Beef Trimmings, 90% Fresh	248.00	248.00	280.00
Beef Trimmings, 50% Fresh	85.00	75.00	100.00
Aust/NZ Blend Cow 90% EC Spot	249.00	253.00	295.00
USDA Drop Credit	0.000	0.148	0.167
112A 3 Ribeye Roll, Lip-On CH	1,000.00	1,000.00	1,150.00
116A 3 Chuck Roll, Neck-Off CH	475.00	490.00	380.00
168 3 Round, Top (Inside) CH	275.00	285.00	300.00
180 3 Strip Loin, Bnls, Ox1 CH	580.00	600.00	720.00
136 Coarse Ground 81%	236.00	236.00	270.00
189A 4 Loin, Tenderloin, PSMO CH	1,500.00	1,500.00	1,450.00
Cattle-Fax, 6-State Fed Steer Price	151.54	151.24	129.50
Select Hams 20/23	107.00	104.00	63.00
Sq Cut Bellies 14/16	138.00	140.00	145.00
1/4 Trmd. Loins 21/dn	106.00	107.00	82.00
1/4 Tr Boston Butts 9/dn	104.00	108.00	98.00
Spareribs, Light, Fresh	135.00	133.00	148.00
Fresh Pork Trim (42%)	75.00	77.00	40.00
Fresh Pork Trim (72%)	110.00	106.00	76.00
Carcass Lamb Y4+55/65	4.41	4.41	5.31
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	14.50	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	4.75
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	11.00
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.40	4.40	3.80
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.00
Veal Cuts, 310 Shoulder Clod 14/20	8.00	8.00	7.95
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.05	7.05	7.00
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

	11/11	11/4	10/28
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.49	2.52	2.53
Weekly Weighted Average Blended Boxed Beef Cutout Index	257.51	255.26	253.93



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	123	129	129	129	120	41	671
LW	128	128	129	128	125	29	667
*LY	120	124	123	116	117	58	659

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	494	491	493	490	450	91	2,509
LW	491	482	488	489	468	164	2,582
*LY	469	477	479	447	482	267	2,620

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	8	7	8	5	0	37
LW	9	7	6	7	5	0	34
*LY	10	8	8	6	6	1	39

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	1	1	1	1	0	6
LW	2	1	1	1	1	0	6
*LY	1	2	2	1	2	0	7

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	10/28	10/29	10/31	11/1	11/2	11/3	152
TW	11/4	11/5	11/7	11/8	11/9	11/10	151
*LY	24	11	25	27	28	26	141

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.668	0.638	0.734
Mexico, Peso	19.436	19.618	20.686
Canada, Dollar	1.327	1.364	1.253
Japan, Yen	139.321	147.795	114.361
China, Yuan (RMB)	7.106	7.222	6.388
Brazil, Real	5.303	5.097	5.442
South Korea, Won	1,316.80	1,415.08	1,182.50
Taiwan, Dollar	31.109	32.052	27.773
European Union, Euro	1.031	0.979	1.137

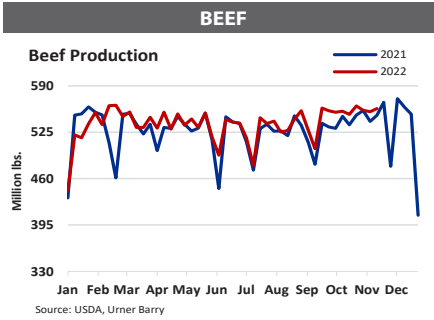
COLD STORAGE STOCKS

(Pounds in Thousands)	9/30/21	8/31/22	9/30/22
Beef in Freezer, Bnls	404,237	462,420	470,030
Cuts	35,384	51,390	52,832
Total Beef	439,621	513,810	522,862
PORK & OTHER	9/30/21	8/30/22	9/30/22
Pork in Freezer, Picnics	4,784	6,959	6,418
Hams	194,549	163,716	159,288
Bellies	12,928	35,684	36,592
Loins	29,969	33,541	37,151
Spareribs	58,069	108,107	103,703
Butts	11,961	16,834	17,508
Trimmings	42,690	39,918	40,517
Other Pork in Freezer	52,466	59,919	58,614
Total	469,917	538,596	537,879
Veal in Freezer	5,189	2,931	3,946
Lamb & Mutton in Freezer	25,607	29,161	31,353
Total	30,796	32,092	35,299

Data Updated: October 28, 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 Nov-11 v. Nov-04				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	0.80%	0.69%	0.54%	0.61%
Chuck	-1.18%	-5.47%	-6.96%	1.50%
Round	-3.81%	-1.62%	-1.35%	0.76%
Loin	-0.25%	0.67%	0.27%	0.12%
Brisket	-7.73%	-4.71%	-3.12%	0.29%
Plate	1.57%	1.57%	1.57%	1.93%
Flank	-2.17%	2.27%	0.95%	1.46%
Total	-1.19%	-1.64%	-2.22%	0.79%



BEEF COMMENTARY
 The boxed beef market took on weaker tones throughout the week as turkey has become front and center at the retail level. Buyers were generally content with positions held and needed incentivizing to step into the market. Throughout the week we began to see lower offers across the cutout and this seemed to push buyers onto the sidelines and only step in for immediate needs. The consensus throughout the week was the boxed beef market is over producing for the amount of demand seen. The few areas such as chucks and rounds which in prior commentary were seeing brisk buyer demand had waned, which left the majority of the primal with about steady tones to finish out the week.

LIVE CATTLE: Prices overall this week steady in the South at \$150.00/cwt live (full range \$147.00/cwt - \$150.25/cwt). Prices in the North were steady between \$152.00 - \$154.00/cwt live and dressed trade was steady to up \$2.00/cwt at mostly \$242.00/cwt (full range \$237.00 - \$244.00)

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 671,000 head, up 4,000 compared to last week. Live weights ended the week three pounds higher at 1381 pounds. Dressed weights were up two pounds at 834 pounds.

RIBS: Ribs were fairly planted within ranges once again this week as many on the buyside continued to procure needs with caution. Buyers felt this area is becoming a bit "toppy" as demand typically fades in the month of November. Interest overall was curtailed by the end of the week and it slowly began to reflect in trade.

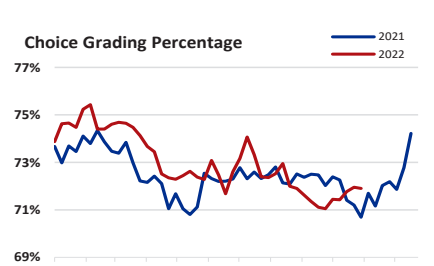
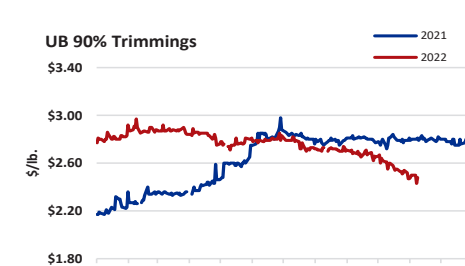
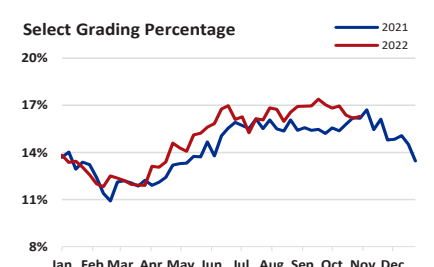
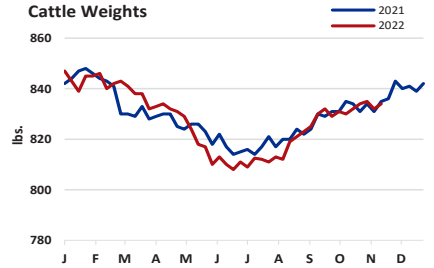
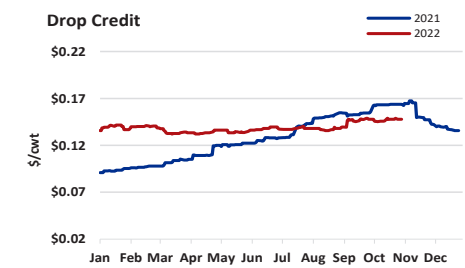
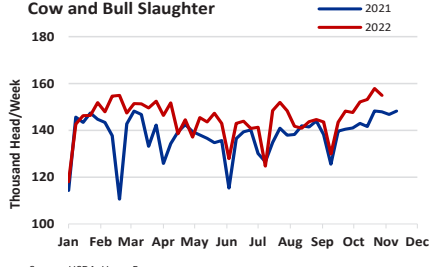
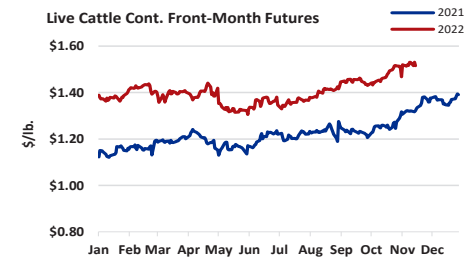
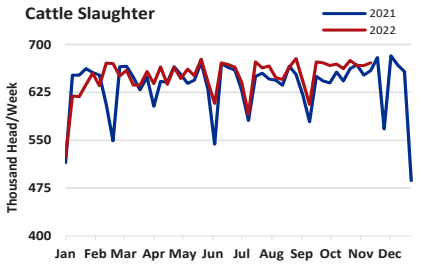
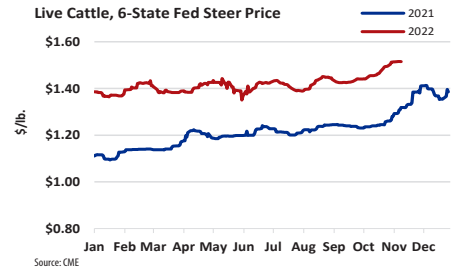
CHUCKS: The chuck complex saw a minor correction across the board this week as current production levels are outpacing demand. Along with weather patterns that have yet to break towards the colder side, it seemed retail movement didn't come up to expectations. Chuck rolls inched lower towards the end of the week as we began to see "high prices cure high prices".

ROUNDS: Rounds came into the week with barely steady tones and the change in quotations reflected this. Insides were readily available from most points of sale and buyer appetite was limited at best. The few cuts that had previously seen full steady tones such as flats and eyes began to falter towards the end of the week as well. Modest discounting was needed in order to get bids to surface.

LOINS: Loins after holding steady the last week or two once again came under downward pressure. Shortloins as well as strips trended lower across the board, although not too much of a surprise given the date on the calendar. This area offered a value proposition to ribs and buyers were more comfortable entering the market at these levels.

GROUND BEEF: Coarse grinds saw little change throughout the week and trade was predominately stamped at steady levels. 73% coarse grinds were the exception and came under slight pressure towards the final trading session of the week.

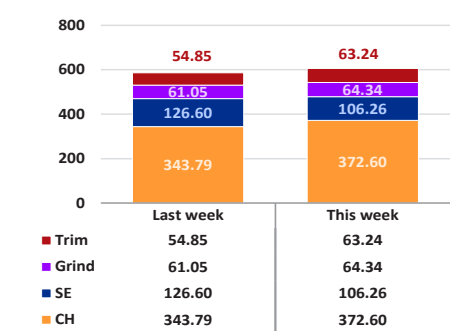
BONELESS BEEF: The weighted average of fresh 90s trading was edging lower for much of the week as sellers worked to clear product from seasonally high levels of cow production. The market for fatter trim remained mixed with the weighted average of daily trading in the low and high \$70s/cwt. Availability was somewhat mixed form area to area but generally balanced with the level of buying interest. Bids for product to the freezer in the mid \$60s/cwt. saw limited selling interest.



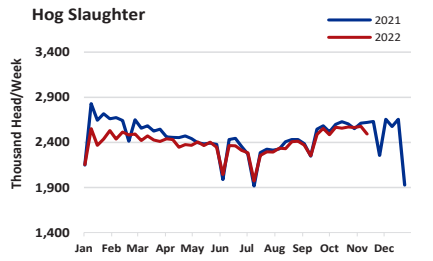
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	33.98	33.73	33.44	32.66	31.32
*LW	30.11	31.31	30.93	30.98	30.65

*Last Week's numbers are rounded

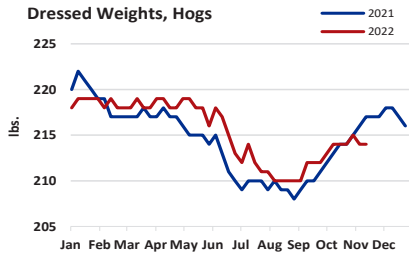
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
 1 load = 40,000 lbs.



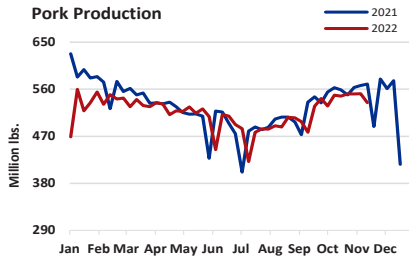
PORK PRODUCTION



Source: USDA, Urner Barry



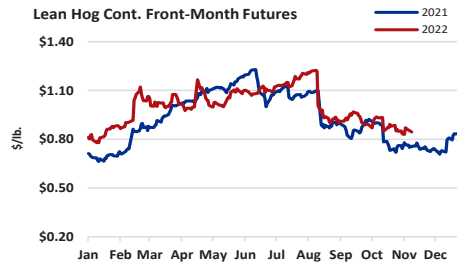
Source: USDA, Urner Barry



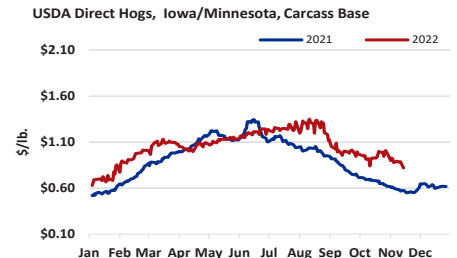
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Nov-04	Nov-11	Change
Loin	88.790	88.200	-0.590
Butt	94.420	91.980	-2.440
Picnic	87.300	89.860	2.560
Sparerib	124.860	127.510	2.650
Ham	102.160	102.620	0.460
Belly	131.110	126.680	-4.430
Cutout Value	97.396	96.769	-0.627



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week, historical seasonal trends, reduced retail demand, and elevated kill figures influenced pork trade. Urner Barry's pork carcass cutout decreased by 0.64 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were \$27.22/head while margins for vertically integrated packers were estimated at \$1.35 /head.

PORK PRODUCTION: Pork production for the week ending 11/12/2022 was estimated to be 534.3 million pounds. This was 3.1 percent less than last week and a 5.8 percent decrease from a year ago. Live hog weights averaged 289 pounds for the week, which was 1 pound heavier than last week and 2 pounds under a year ago.

GREEN MEATS: In the ham markets, bone-in hams bounced back from last week as export demand from both Mexico and Canada increased. On the other hand, boneless hams saw declines amid the ending of holiday prep. Bellies were weak on fully adequate supplies and dull demand for end product. While demand from foodservice channels for bacon was moderate, dull retail interest put significant pressure on the category. In trim, 42s traded in wide ranges with a weaker bias, which followed historical trends for early November, while lean trim was well supported throughout the week.

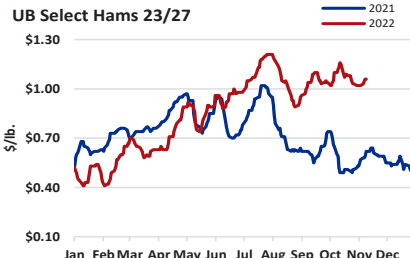
HAMS: Bone-in ham values were \$2.00/cwt to \$4.00/cwt firmer, while boneless cuts were \$1.00/cwt to \$6.50/cwt weaker.

BELLIES: Skinless bellies were \$8.50/cwt to \$10.00/cwt weaker.

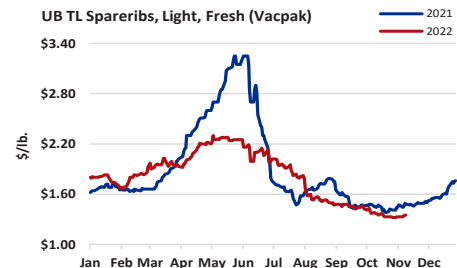
TRIMMINGS: 42s were \$3.00/cwt weaker while 72s increased \$6.00/cwt. Meanwhile, boneless picnics were \$0.50/cwt lower.

RETAIL: ¼ inch bone-in loins were \$0.50/cwt lower while 1/8-inch cuts increased \$0.50/cwt. Boneless strap-on and strap-off loins both declined \$5.00/cwt. Bone-in and boneless sirloins both lost \$2.50/cwt this week. Tenderloins were \$5.00/cwt stronger on average. 1/4" bone-in butts were \$4.00/cwt weaker while boneless butts also lost \$3.00/cwt. Light spareribs were up \$2.00/cwt while medium spareribs increased by \$3.50/cwt.

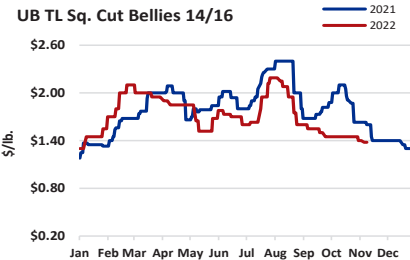
PORK PROCESSING ITEMS & RETAIL CUTS



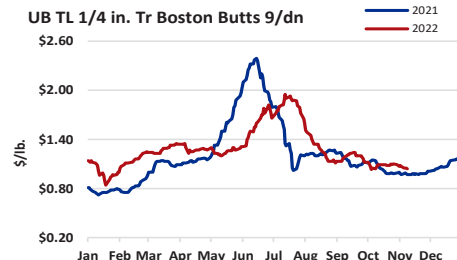
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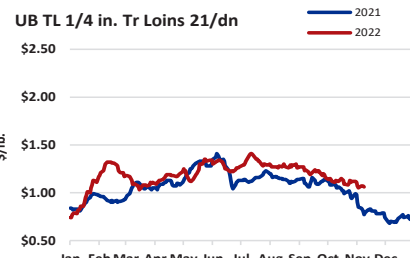
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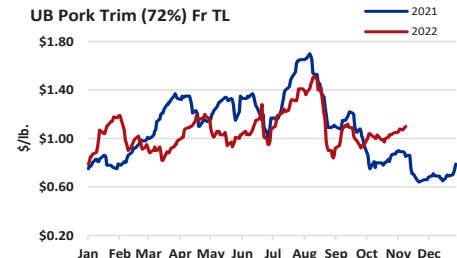
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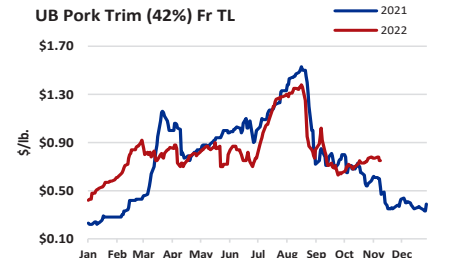
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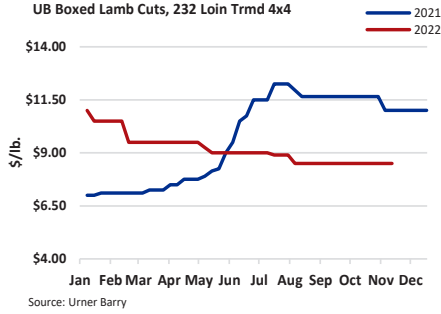
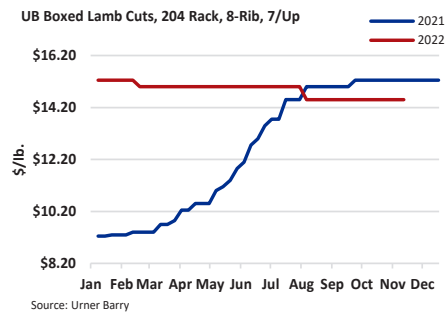
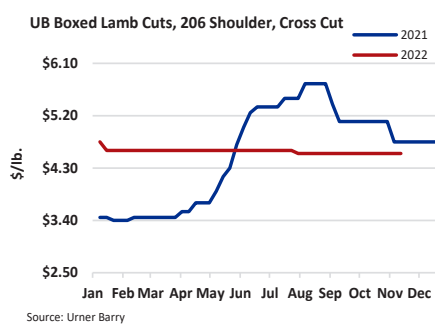
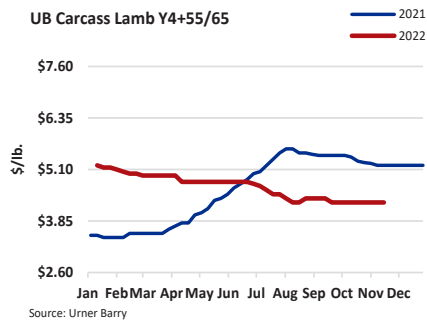


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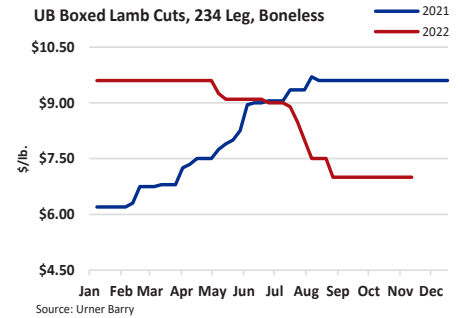
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LAMB

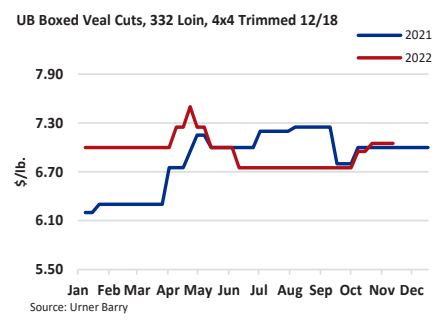
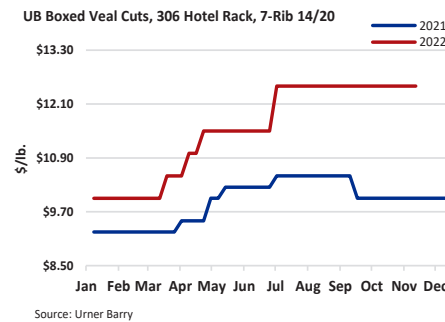
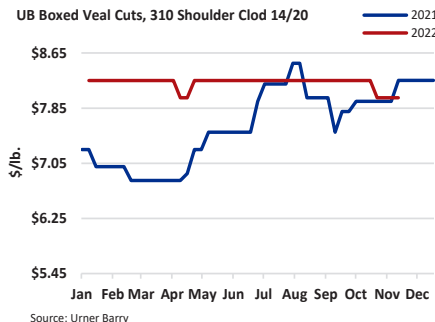
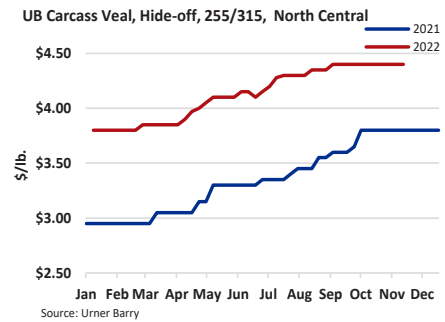


LAMB COMMENTARY

In domestic lamb this week, a mostly steady tone was noted. We have become accustomed to seeing domestic lamb prices at a standstill as supply continues to outweigh demand, and with participants looking largely for imported product amid cheaper pricing, a steady tone remains in place. Input costs for carcasses remained elevated, which put pressure on margins. Upcoming holiday demand is expected to be supportive, and we have witnessed that on the veal side, but we have yet to see that ring true for domestic lamb cuts. In the Estimated Meat Production Under Federal Inspection report, lamb slaughter was at 34,000 for the most recently reported week which was 2,000 above the previous period and 4,000 less than a year ago.

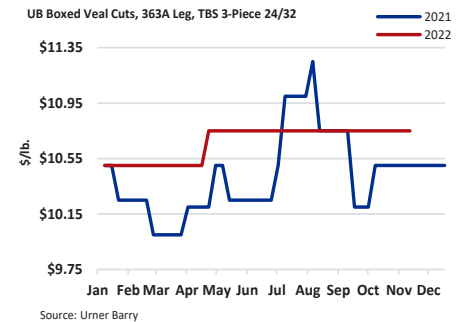


VEAL

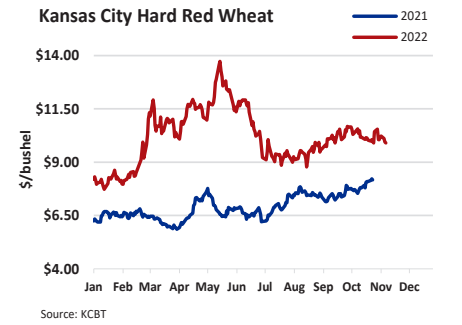
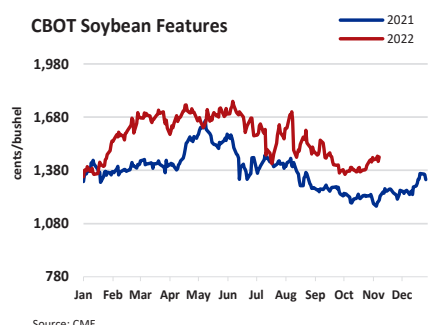
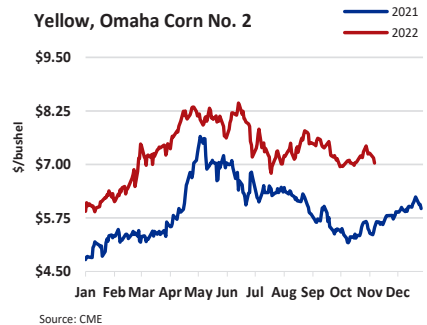


VEAL COMMENTARY

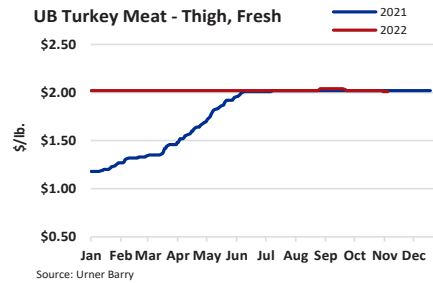
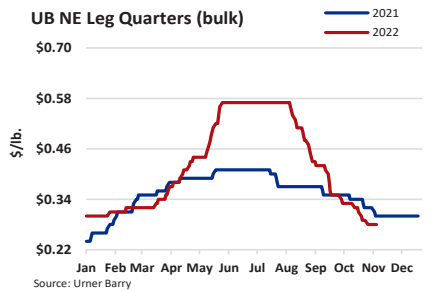
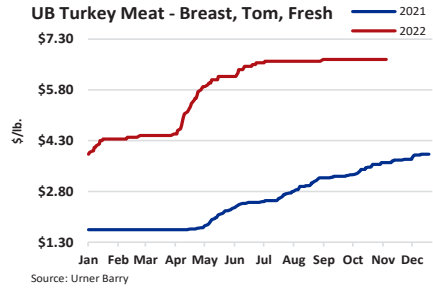
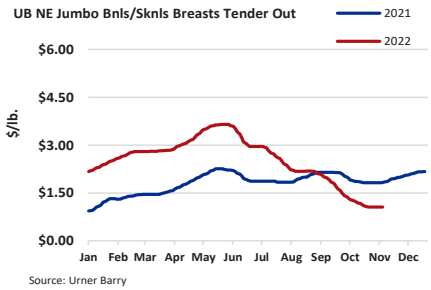
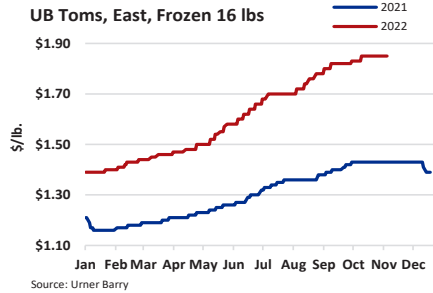
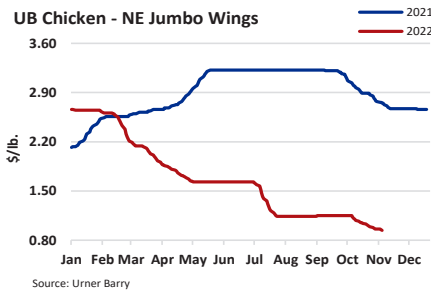
In veal this week, a mostly steady tone continued to waft over the market. A few items, such as racks, tenderloins, and legs, saw increases this week. Demand has seen modest increases as we get closer to the holidays. Special fed veal slaughter was at 2,812 head this week, which was 13.5% higher than last week. Special fed veal weights were at 286.9 pounds, which was 3.4 pounds lower than last week. Overall production was down nearly 18% versus this same week last year.



FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



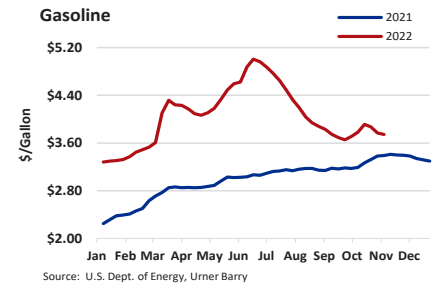
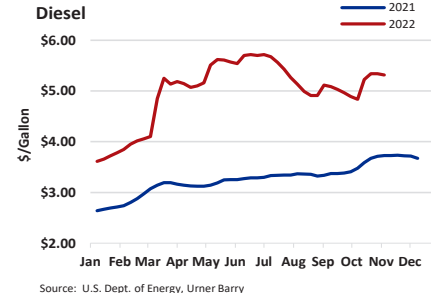
POULTRY COMMENTARY

Whole chickens and WOGs close the week under a well-supported backdrop. That being said, some price sensitivity on the part of the buyer is noted. Breasts and front halves are generally uneventful and termed as no better than steady. Boneless breasts wind down in decent shape with most transactional activity being inked within a close range of supportive price points. A similar scenario is in place for tenders. Wings, on the other hand, continue to search for price support. Here, fully adequate supplies and seasonally soft demand result in lower-trending asked prices. Thighs and thigh meat are easily uncovered back of the market. Drums are a mixed bag and deserve an about steady at best rating. Legs, leg quarters, and leg meat are no worse for the wear, while thigh meat continues to search for gumption at lower price points.

Fresh and frozen whole-body turkeys, remain well-cleared and sought after. Spot trade volume is limited, however, negotiations and bookings for late '22 and early '23 surface in a range of slightly lower, albeit seasonally-stout price points. Like with whole birds, bone-in breasts prove challenging for buyers to consistently unearth. Those with

limited availability on hand are not shy about asking full market or above. In the parts complex, drums and whole wings make their way into traditional buying channels at supportive values. Some sellers continue to assess the willingness of buyers to fork out a modest overage. Two-joint wings, necks, tails livers, and gizzards remain easily uncovered with irregular domestic demand and sluggish export outreach leaving most processors in a fully-adequate supply position. Moving to raw materials, frozen breast meat is a mixed bag with some players noting an uptick in spot visibility while others struggle to dig up production. Fresh offerings are well-cleared and termed as at least steady. The same can be said for breast trim, wing meat, tenderloins, and scapula. The undertone surrounding thigh meat remains unsettled. Sellers with exposure to the export arena enjoy a fruitful call at supportive values, while players who are limited to the domestic buying channels contend with some marketing headwinds.

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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