

Friday, October 14, 2022

Number 43 - Volume 15

WEEKLY COMMODITY AT A GLANCE

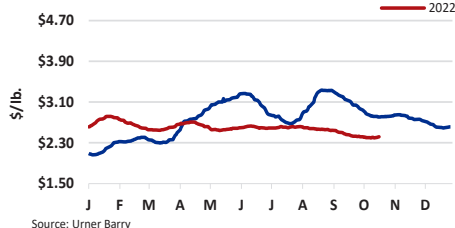
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	7.04	7.10	5.40
CBOT Soybean	1,395.50	1,383.75	1,238.00
NYMEX Light Crude Oil	85.05	85.61	84.65
Loose Lard, Chicago Basis	0.88	0.88	0.79
Edible Tallow, Chicago Basis	0.89	UNQ	UNQ
Beef Trimmings, 90% Fresh	255.00	259.00	278.00
Beef Trimmings, 50% Fresh	75.00	70.00	98.00
Aust/NZ Blend Cow 90% EC Spot	256.00	258.00	288.00
USDA Drop Credit	0.000	0.146	0.164
112A 3 Ribeye Roll, Lip-On CH	975.00	910.00	1,200.00
116A 3 Chuck Roll, Neck-Off CH	415.00	375.00	390.00
168 3 Round, Top (Inside) CH	280.00	280.00	325.00
180 3 Strip Loin, Bnls, 0x1 CH	575.00	605.00	670.00
136 Coarse Ground 81%	220.00	220.00	250.00
189A 4 Loin, Tenderloin, PSMO CH	1,450.00	1,450.00	1,370.00
Cattle-Fax, 6-State Fed Steer Price	146.30	145.46	124.27
Select Hams 20/23	112.00	117.00	51.00
Sq Cut Bellies 14/16	145.00	145.00	187.00
1/4 Trmd. Loins 21/dn	109.00	112.00	102.00
1/4 Tr Boston Butts 9/dn	109.00	109.00	99.00
Spareribs, Light, Fresh	133.00	136.00	142.00
Fresh Pork Trim (42%)	73.00	70.00	56.00
Fresh Pork Trim (72%)	97.00	103.00	81.00
Carcass Lamb Y4+55/65	4.41	4.41	5.41
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	14.50	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	5.10
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	11.65
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	8.25	7.95
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.05	6.95	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

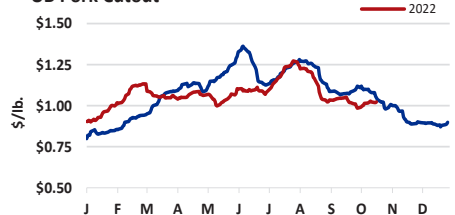
	10/21	10/14	10/7
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.54	2.57	2.59
Weekly Weighted Average Blended Boxed Beef Cutout Index	243.84	236.95	239.39

UB Beef Index



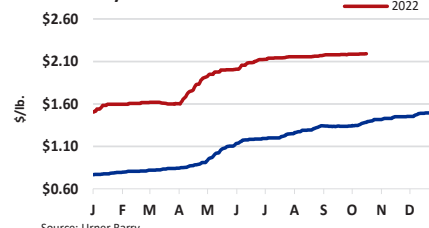
Source: Urner Barry

UB Pork Cutout



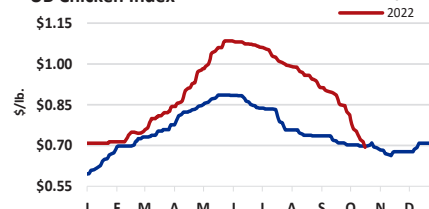
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	126	128	127	128	122	42	673
LW	128	128	128	127	112	37	660
*LY	118	121	123	122	112	66	662

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	491	475	491	491	478	145	2,571
LW	488	489	491	491	473	113	2,545
*LY	473	480	479	472	473	229	2,606

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	7	6	6	5	0	33
LW	9	7	6	7	4	0	33
*LY	11	8	7	8	5	1	41

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	8

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	10/7	10/8	10/10	10/11	10/12	10/13	148
TW	10/14	10/15	10/17	10/18	10/19	10/20	150
*LY	24	11	25	27	28	27	142

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.627	0.628	0.752
Mexico, Peso	20.029	20.018	20.157
Canada, Dollar	1.378	1.381	1.236
Japan, Yen	151.421	147.794	114.140
China, Yuan (RMB)	7.248	7.193	6.381
Brazil, Real	5.218	5.276	5.574
South Korea, Won	1,439.88	1,437.20	1,165.35
Taiwan, Dollar	32.168	31.941	27.771
European Union, Euro	0.977	0.972	1.162

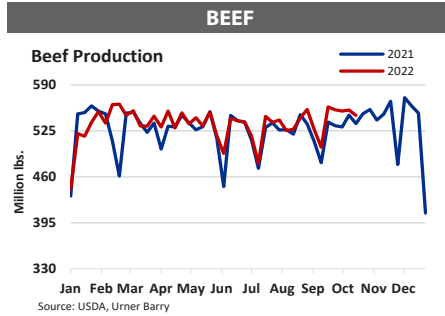
COLD STORAGE STOCKS

(Pounds in Thousands)	8/31/21	7/31/22	8/31/22
Beef in Freezer, Bnls	384,156	457,866	463,780
Cuts	30,742	54,000	51,896
Total Beef	414,898	511,866	515,676
PORK & OTHER	8/31/21	7/31/22	8/31/22
Pork in Freezer, Picnics	5,408	6,685	6,960
Hams	185,640	151,634	163,527
Bellies	17,562	42,842	32,493
Loins	29,341	33,376	33,159
Spareribs	54,150	106,315	107,318
Butts	13,163	14,808	16,908
Trimmings	37,237	46,769	39,930
Other Pork in Freezer	48,761	53,078	60,144
Total	454,203	526,478	532,039
Veal in Freezer	6,056	2,817	2,931
Lamb & Mutton in Freezer	22,051	25,589	29,139
Total	28,107	28,406	32,070

Data Updated: September 23, 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.

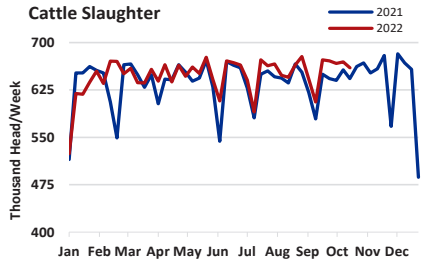
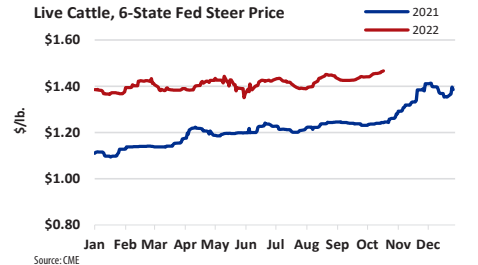
UB BEEF CUTOUT Oct-21 v. Oct-14				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	2.11%	0.48%	0.04%	1.48%
Chuck	2.86%	1.79%	-2.00%	3.53%
Round	-0.02%	0.10%	-0.53%	-0.20%
Loin	-0.43%	-0.37%	-0.36%	-0.30%
Brisket	1.60%	5.07%	-0.02%	7.57%
Plate	0.02%	0.02%	0.02%	-3.44%
Flank	-0.36%	-0.37%	-0.38%	-2.23%
Total	1.03%	0.67%	-0.74%	1.08%



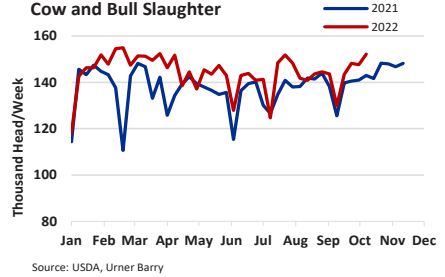
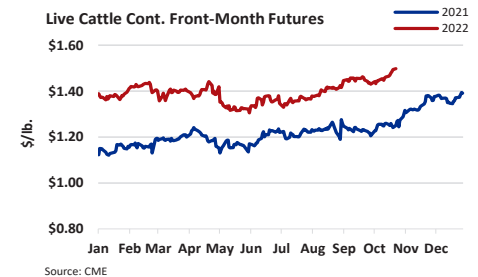
BEEF COMMENTARY

The boxed beef markets saw a few areas of the primal begin to firm up which led to a steady increase in the cutout this week. Supplies seemed to be in better balance with demand than we have seen in previous weeks. Competition among consumer dollars was top of mind for the market as competing proteins are favorable priced for those consumers seeking value. But there is a belief as the cooler weather takes hold beef demand should hold steady which led to full steady tones for end cuts the majority of the week.

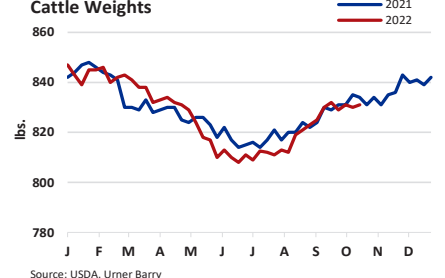
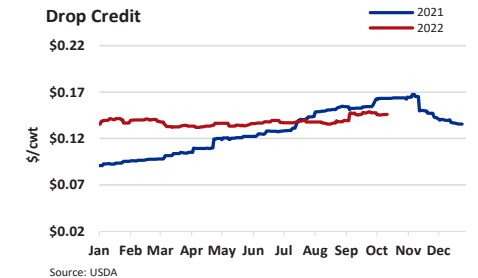
LIVE CATTLE: Prices overall this week were up \$3.00/cwt in the South at \$148.00/cwt live (full range \$147.00/cwt to \$148.00/cwt). Prices in the North were up \$3.00/cwt to \$4.00/cwt at mostly \$150.00/cwt to \$152.00/cwt live (full range \$147.00-\$153.00) and dressed was up \$6.00/cwt at mostly \$236.00/cwt (full range \$230.00-\$237.00).



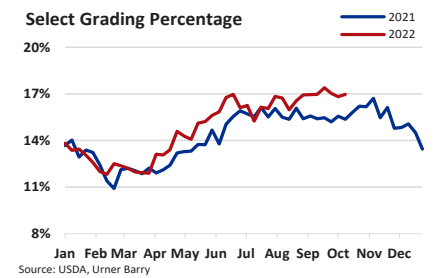
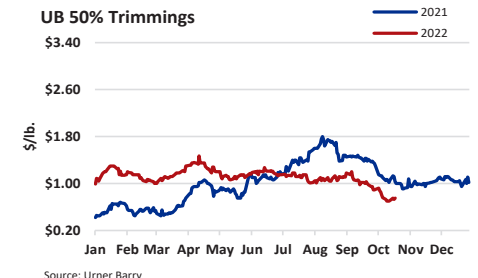
SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 673,000 head, up 13,000 compared to last week. Live weights ended the week one pound higher at 1370 pounds. Dressed weights were down one pound at 830 pounds.



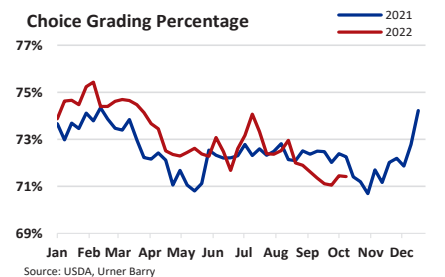
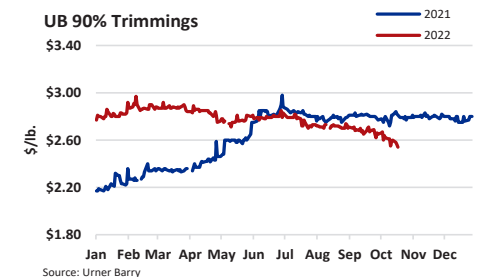
RIBS: Ribs were able to carve out some higher money in choice grades once again. Many are under the assumption this is demand spilling over from upper 2/3rds product as supplies continued to be very tight. These items were still finding unsettled tones although as many still questioned the consumers' willingness to spend for higher priced cuts of beef. It seemed hesitation still lingered when considering larger size orders for ribeyes but the market seemed comfortable at steady money for bone in product.



CHUCKS: The chuck complex seemed to be in consistent balance throughout the week with the exception of chuck rolls. Demand seemed to have far surpassed supplies for that item which lead quotations higher throughout the week. Supplies were well aligned with demand around clods which chopped sideways throughout the week. Bullish undertones began to surface towards the end of the week with roast season beginning to take hold.



ROUNDS: Rounds appeared to be the one area where supplies may be beginning to outpace demand as trade was generally held steady at the lower end of ranges throughout the week. Eyes were the lone gainer on the week as buying patterns continued to be brisk.



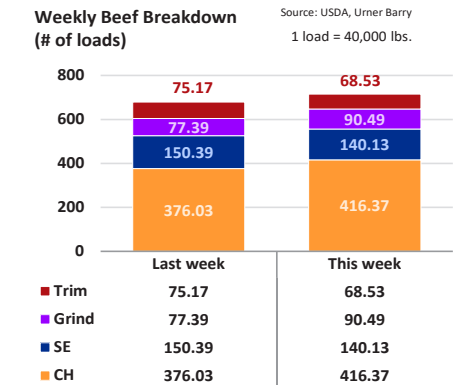
LOINS: Early discounting was seen around strips this week but it seemed the loin complex began to steady out after that. This has become an attractive area for buyers which began to lead towards steady tones by the end of the week. With production beginning to shift towards tenderloins we began to see shortloins firm up and find higher bids.

GROUND BEEF: The coarse grind complex continued to get stuck in a sideways channel throughout the week. It appeared supplies were well matched with demand which led to virtually zero changes around quotations.

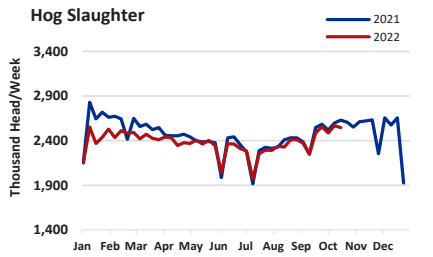
BONELESS BEEF: This week cattle slaughter was estimated at 673,000 head, that was higher than most participants anticipated. Fresh 50s were mixed this week. The week started off a little stronger and then trended slightly lower. Availability varied from packer to packer. Fresh 90s were generally a little weaker. Weakness in that market could be attributed to the larger cow and bull slaughter numbers.

UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	31.67	33.10	33.71	33.55	33.00
*LW	27.49	28.96	28.54	31.91	31.91

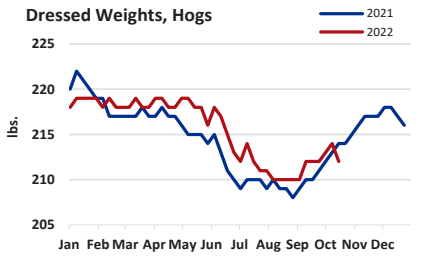
*Last Week's numbers are rounded



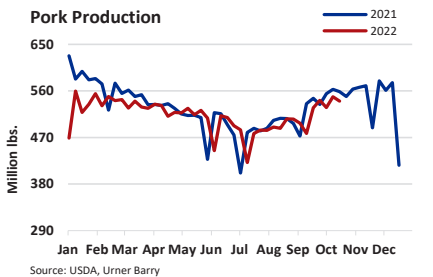
PORK PRODUCTION



Source: USDA, Urner Barry



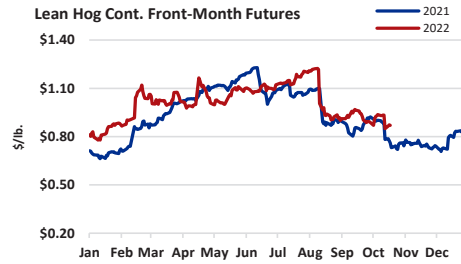
Source: USDA, Urner Barry



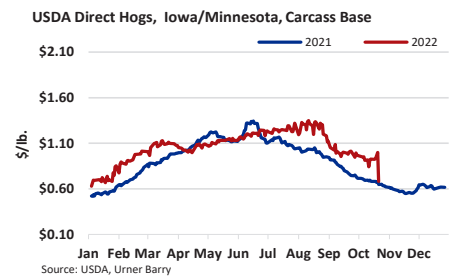
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Oct-14	Oct-21	Change
Loin	95.220	92.980	-2.240
Butt	92.040	94.560	2.520
Picnic	90.060	89.950	-0.110
Sparerib	129.930	126.790	-3.140
Ham	107.800	105.750	-2.050
Belly	143.370	141.790	-1.580
Cutout Value	102.839	101.641	-1.198



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week, elevated slaughter figures, varying degrees of export demand and supportive food service interest influenced pork trade. Urner Barry's pork carcass cutout decreased by 1.16 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were -\$3.61/head while margins for vertically integrated packers were estimated at \$3.68/head.

PORK PRODUCTION: Pork production for the week ending 10/22/2022 was estimated to be 547 million pounds. This was 1.3 percent higher than last week and a 2.1 percent decrease from a year ago. Live hog weights averaged 286 pounds for the week, which was even with last week and 2 pounds lighter than a year ago.

GREEN MEATS: This week, bone-in hams experienced volatility, with highly unsettled trade occurring earlier in the week which shifted to a more supportive undertone during the latter part of the week. Both domestic and international buyers took a cautious approach to bone-in hams amid their recently elevated prices. Boneless hams had a firmer tone on holiday prep interest. Bellies and trim trended in a sideways channel on supportive food service interest all week.

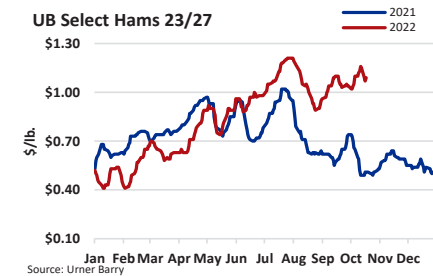
HAMS: Bone-in ham values were \$6.00/cwt to \$7.00/cwt weaker, while boneless cuts were \$3.50/cwt to \$6.00/cwt firmer.

BELLIES: Skinless bellies were \$4.00/cwt to \$6.50/cwt weaker.

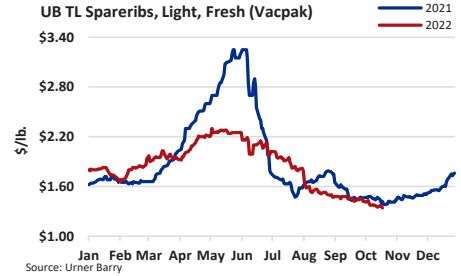
TRIMMINGS: 42s were \$2.50/cwt firmer while 72s declined \$6.00/cwt. Meanwhile, boneless picnics were \$2.00/cwt stronger.

RETAIL: Both 1/4 inch and 1/8-inch bone-in loins were \$3.50/cwt weaker. Boneless strap-on loins were \$7.50/cwt weaker while boneless strap-off loins declined \$2.00/cwt. Bone-in sirloins were \$5.00/cwt weaker this week while boneless sirloins gained \$0.50/cwt. Tenderloins were generally unchanged this week. 1/4" bone-in butts were flat while boneless butts gained \$2.00/cwt. Light spareribs decreased \$2.50/cwt while medium spareribs also declined \$4.00/cwt.

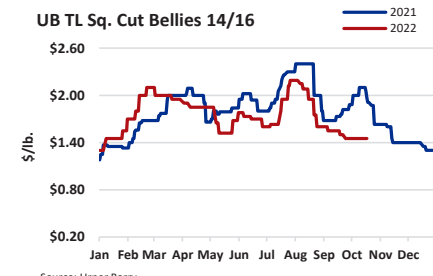
PORK PROCESSING ITEMS & RETAIL CUTS



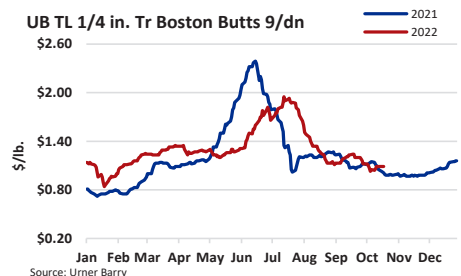
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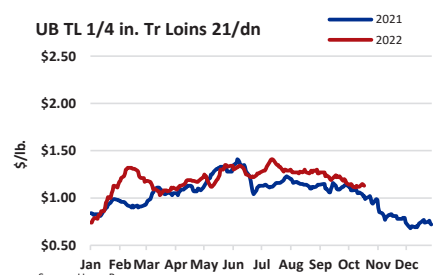
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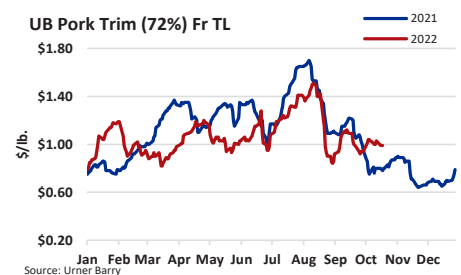
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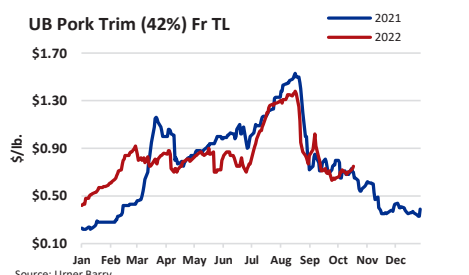
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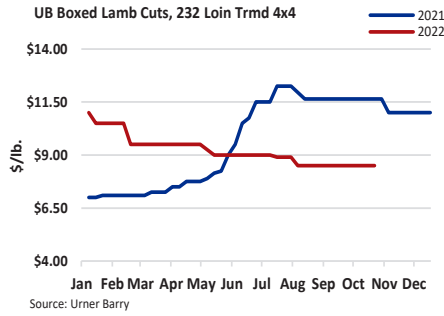
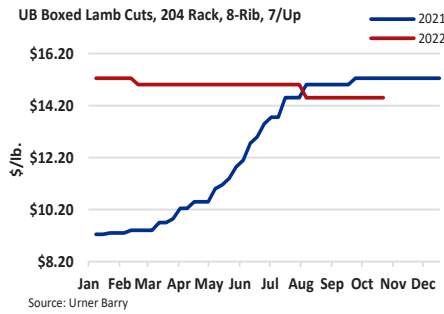
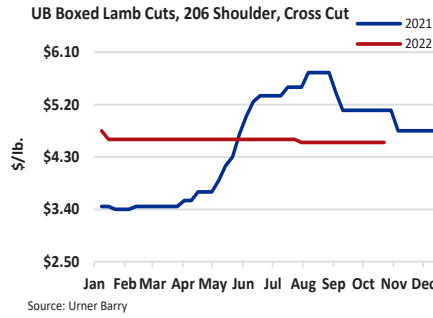
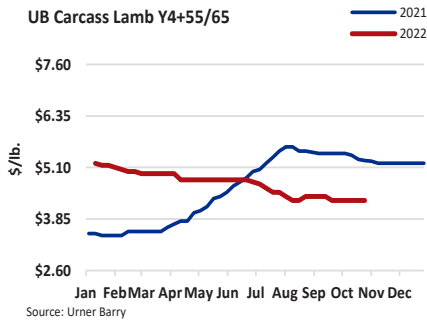


Source: Urner Barry



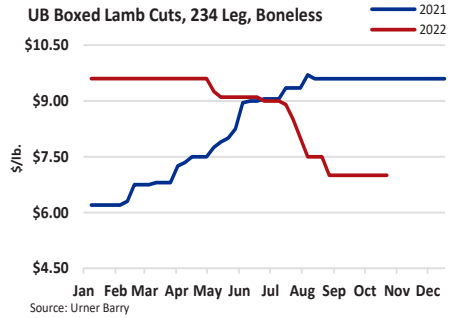
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LAMB

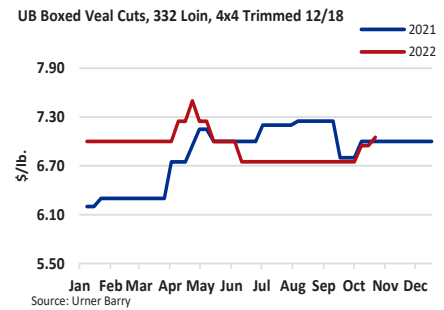
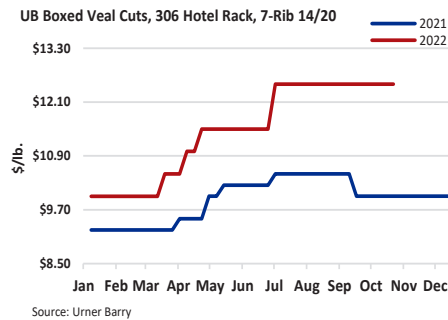
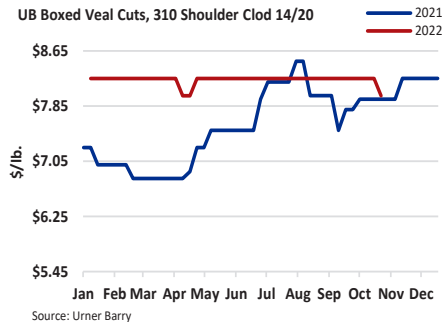
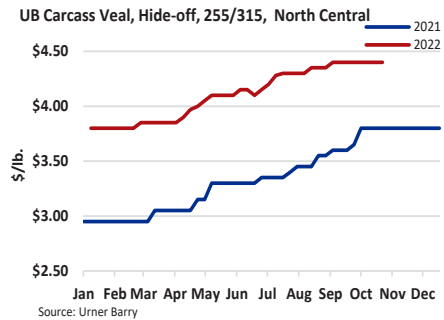


LAMB COMMENTARY

In domestic lamb this week, price action was largely uneventful. A large majority of undertones were unchanged from last week. Participants reported that imported pricing continued to be competitive to domestic product, resulting in lackluster demand for domestic items. While food service interest continued to garner traction, retail interest was rated as dull. In the most recent Estimated Weekly Meat Production Under Federal Inspection, sheep slaughter was at 33,000, which was even with last week and 5,000 less than a year ago. For lamb weights, the figure came in at 130 pounds which was even with last week and 7 pounds above a year ago.

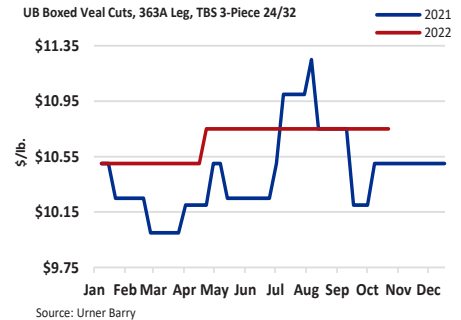


VEAL

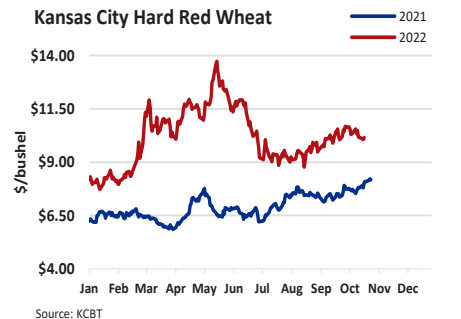
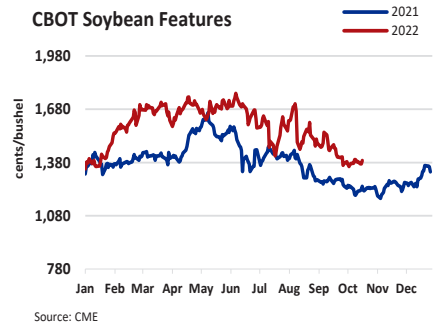
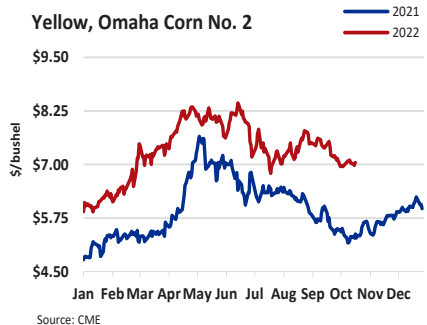


VEAL COMMENTARY

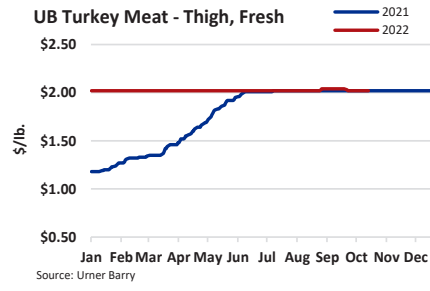
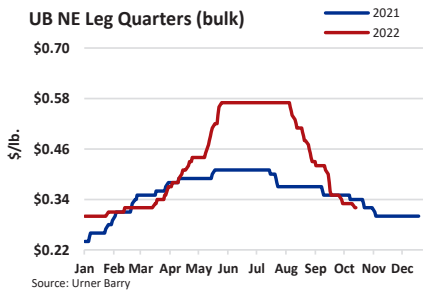
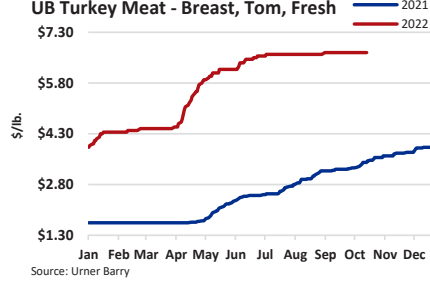
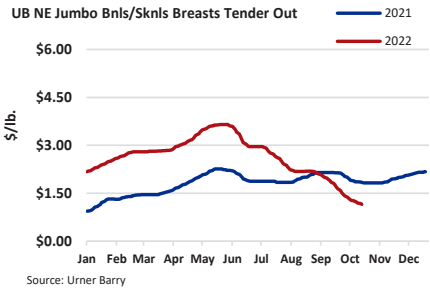
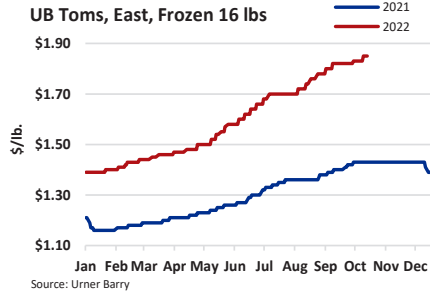
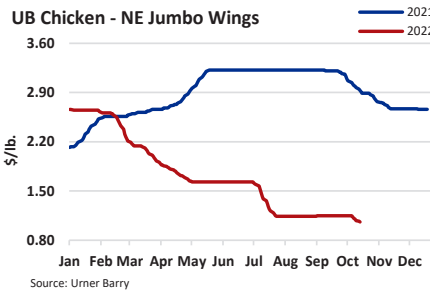
In the Veal market this week, activity was plentiful versus recent weeks. Breast items, loins, tenderloins, foreshanks, and hindshanks were among the many items that saw pricing increases. On the other hand, chucks and various shoulder items saw declines. As the weather has cooled, demand has turned somewhat supportive. Food service interest was stronger than retail, a trend that we have become accustomed to seeing. Carcasses were generally unchanged this week. The USDA Special Fed Veal Slaughter was at 2,645, which was under last week. Special fed veal weights were at 289.6 pounds, which was 1.3 pounds below last week.



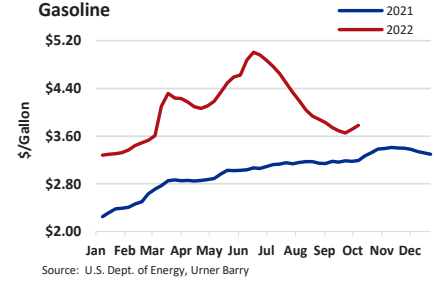
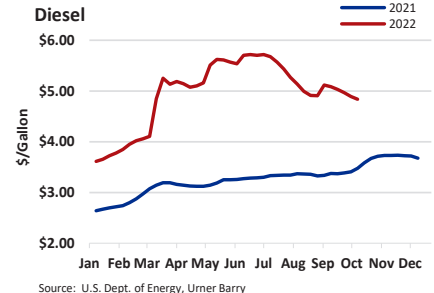
FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



ENERGY



ANNOUNCEMENT

Urner Barry Price Reporting Receives Independent Assurance of IOSCO Compliance Achieving the Gold Standard for Price Reporting

For over 160 years, Urner Barry has been the trusted source for benchmark pricing in the food and agriculture industry. Now, the company has successfully completed an independent review of its price reporting methodology and control procedures, confirming Urner Barry's processes are aligned with the International Organization of Securities Commissions (IOSCO) Principles for Price Reporting Agencies (PRAs).

The Type 1 assurance report, issued by auditor BDO, examined eight benchmark price indices.

"Our clients require the highest quality information to effectively conduct their business and navigate the supply chain," said Urner Barry CEO, Joe Muldowney. "This independent assurance review reflects the pledge we undertake to provide them with robust, independent, and accurate market coverage."

Read more about the latest quality assurance [HERE](#)

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POULTRY COMMENTARY

Whole chickens and WOGs remain solidly established with some sellers of the middle-tiered weights inching up their ask prices. Breasts and front halves remain pressured and are unearthed without trouble at discounted price points. Supplies of all sized boneless are available at modestly discounted price points. Tenders remain weak. Jumbo wings continue to make the rounds at a discount. Small sizes are in much better shape and rated steady to full steady. Chunk and trim meats follow along the same path as boneless. All bone-in lines are subject to at least some pressure. Thigh and leg meat supplies continue to be burdensome. The call for MSC is slowing and pushing discounted product onto the streets.

Whole turkeys and bone-in breasts continue to be barely adequate for industry needs.

Both lines are rated full steady. As for parts, drums and whole wings maintain an active domestic audience and move for full market or slightly higher price points. Other items which depend on consistent export interest such as two joints, necks, tails, and gizzards, are easily uncovered at slightly lower figures. Turning to the raw materials segment, offerings of breast meat and its related trim lines continue to be tight and held with a firm grip. Thigh meat demand is hit or miss. MST is about steady as slowing seasonal interest has created more opportunities for buyers.

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