

Friday, September 02, 2022

Number 37 - Volume 15

### WEEKLY COMMODITY AT A GLANCE

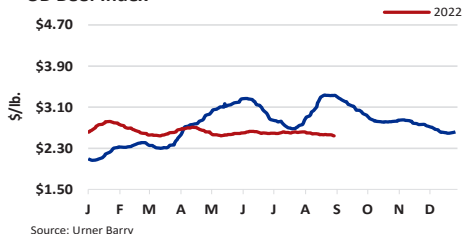
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.69	5.71
CBOT Soybean	1,510.50	1,605.25	1,268.75
NYMEX Light Crude Oil	86.87	93.06	68.35
Loose Lard, Chicago Basis	UNQ	UNQ	0.74
Edible Tallow, Chicago Basis	UNQ	UNQ	0.750
Beef Trimings, 90% Fresh	270.00	271.00	281.00
Beef Trimings, 50% Fresh	111.00	106.00	147.00
Aust/NZ Blend Cow 90% EC Spot	264.00	263.00	280.00
USDA Drop Credit	0.138	0.137	0.155
112A 3 Ribeye Roll, Lip-On CH	950.00	950.00	1,475.00
116A 3 Chuck Roll, Neck-Off CH	330.00	330.00	470.00
168 3 Round, Top (Inside) CH	290.00	280.00	370.00
180 3 Strip Loin, Bnls, 0x1 CH	750.00	825.00	850.00
136 Coarse Ground 81%	250.00	250.00	265.00
189A 4 Loin, Tenderloin, PSMO CH	1,175.00	1,175.00	1,750.00
Cattle-Fax, 6-State Fed Steer Price	144.60	145.03	124.30
Select Hams 20/23	97.00	91.00	62.00
Sq Cut Bellies 14/16	160.00	175.00	168.00
1/4 Trmd. Loins 21/dn	126.00	127.00	115.00
1/4 Tr Boston Butts 9/dn	111.00	113.00	124.00
Spareribs, Light, Fresh	147.00	151.00	159.00
Fresh Pork Trim (42%)	77.00	91.00	75.00
Fresh Pork Trim (72%)	86.00	93.00	108.00
Carcass Lamb Y4+55/65	4.51	4.51	5.58
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	14.50	15.00
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	5.40
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	4.30	4.35	3.55
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.50
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.25	8.00
Veal Cuts, 332 Loin, 4x4 Trim 12/18	6.75	6.75	7.25
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.75

Quotes represent the high side of Friday's trading range

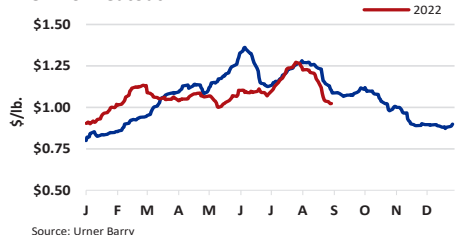
### RIEMANN CONTRACT SETTLEMENTS

	9/2	8/26	8/19
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.64	2.64	2.64
Weekly Weighted Average Blended Boxed Beef Cutout Index	253.74	257.82	257.27

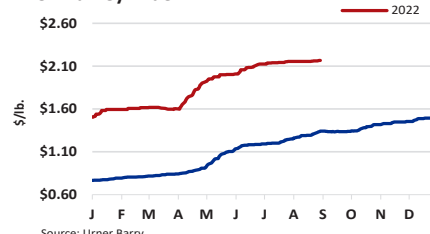
### UB Beef Index



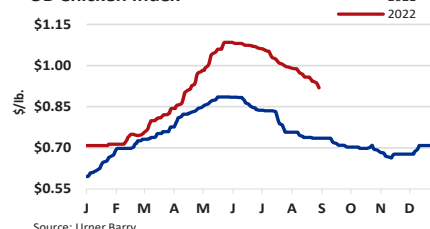
### UB Pork Cutout



### UB Turkey Index



### UB Chicken Index



### EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	122	126	125	125	123	17	638
LW	125	126	124	124	123	56	678
*LY	117	120	119	118	114	34	621

### EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	480	480	475	480	425	10	2,350
LW	478	480	480	476	451	40	2,405
*LY	470	477	475	476	456	30	2,385

### EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	7	6	6	4	0	32
LW	8	7	7	6	4	0	32
*LY	10	7	6	7	7	0	36

### 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	2	0	1	2	2	2	8

### EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	8/19	8/20	8/22	8/23	8/24	8/25	Total
	26	6	27	27	28	28	142
TW	8/26	8/27	8/29	8/30	8/31	9/1	Total
	27	10	26	27	29	28	147
*LY	26	15	24	26	28	26	145

\*Last Year's numbers are rounded

### FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.684	0.699	0.739
Mexico, Peso	19.953	19.889	19.946
Canada, Dollar	1.311	1.291	1.260
Japan, Yen	140.143	136.701	110.160
China, Yuan (RMB)	6.900	6.859	6.466
Brazil, Real	5.182	5.075	5.169
South Korea, Won	1,357.71	1,331.71	1,165.02
Taiwan, Dollar	30.575	30.189	27.646
European Union, Euro	1.002	1.003	1.185

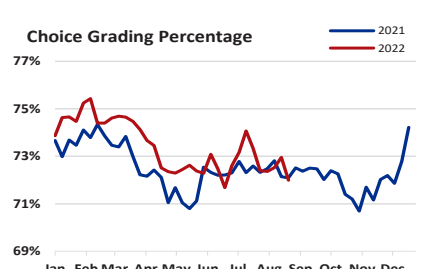
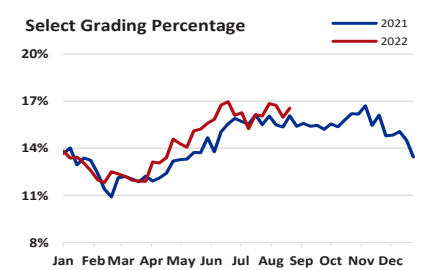
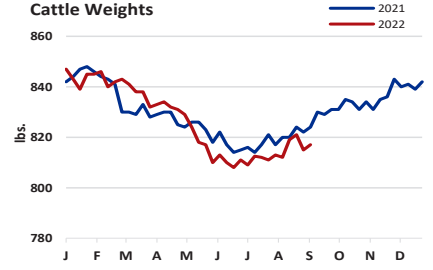
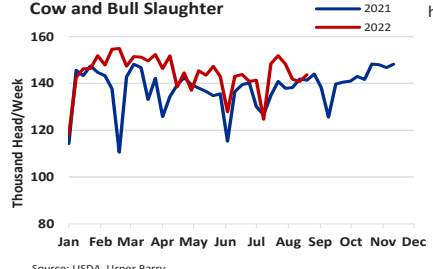
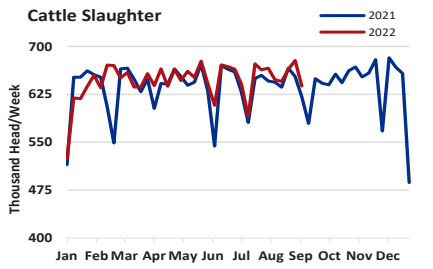
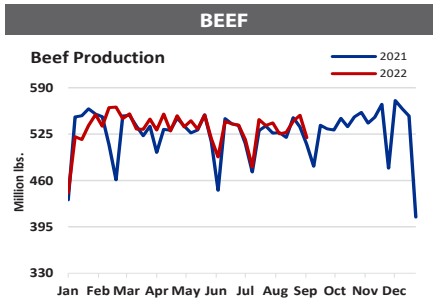
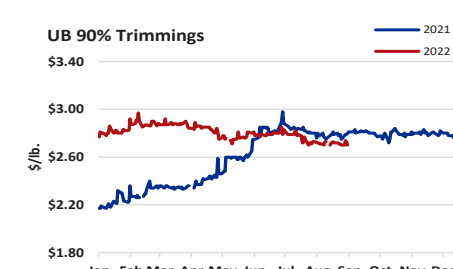
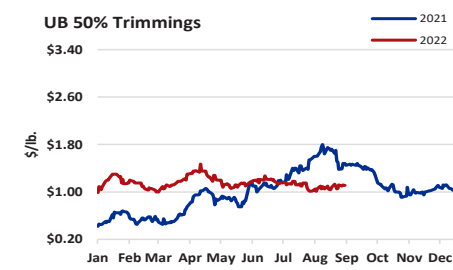
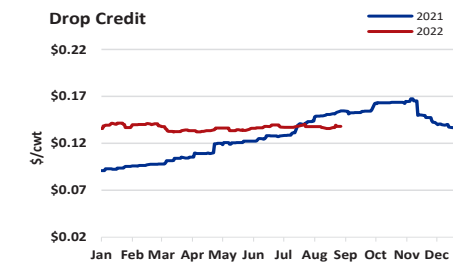
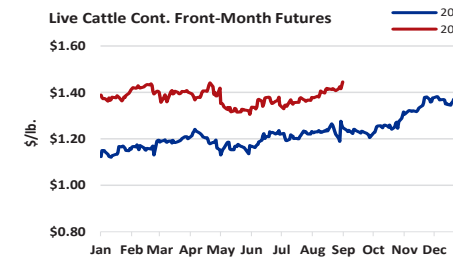
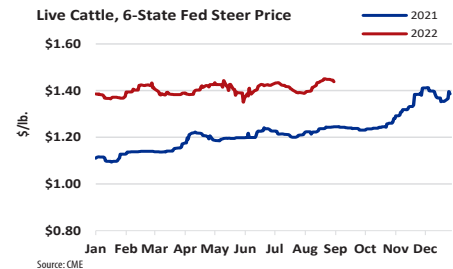
### COLD STORAGE STOCKS

(Pounds in Thousands)	7/31/21	6/30/22	7/31/22
Beef in Freezer, Bnls	371,150	469,017	456,861
Cuts	29,693	47,789	53,980
<b>Total Beef</b>	<b>400,843</b>	<b>516,806</b>	<b>510,841</b>
<b>PORK &amp; OTHER</b>	<b>7/31/21</b>	<b>6/30/22</b>	<b>7/31/22</b>
Pork in Freezer, Picnics	4,631	8,049	6,625
Hams	152,598	139,283	151,319
Bellies	27,778	53,183	42,443
Loins	31,317	35,240	33,024
Spareribs	61,051	108,642	108,181
Butts	11,101	17,440	14,596
Trimming	35,904	52,431	52,148
Other Pork in Freezer	52,500	51,599	51,750
<b>Total</b>	<b>441,664</b>	<b>538,720</b>	<b>530,097</b>
Veal in Freezer	5,409	2,705	2,777
Lamb & Mutton in Freezer	21,010	22,813	25,756
<b>Total</b>	<b>26,419</b>	<b>25,518</b>	<b>28,533</b>

Data Updated: August 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 Sep-02 v. Aug-26				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-0.92%	0.52%	0.73%	0.32%
Chuck	-2.42%	0.58%	-0.06%	-0.66%
Round	1.51%	2.20%	1.74%	1.00%
Loin	-3.03%	0.37%	-0.44%	-3.68%
Brisket	-1.15%	0.22%	-1.26%	-1.47%
Plate	1.88%	1.88%	1.88%	1.02%
Flank	-1.06%	0.76%	2.46%	0.16%
<b>Total</b>	<b>-1.33%</b>	<b>0.88%</b>	<b>0.41%</b>	<b>-1.05%</b>



**BEEF COMMENTARY**

With the upcoming holiday weekend, the boxed beef market saw activity pick up although tones generally remained to the softer side of steady. Hand-to-mouth purchasing continued to be evident throughout as there is still a bit of skepticism around what lies ahead during the fall months. Focus predominantly continued to be around a handful of items as strong forward sales continued to mitigate the need to take on additional product. It seemed buyers had leverage when negotiating select and no roll product but when talking about choice it was more of a level playing field. The loin market was the one area that saw significant discounts.

**LIVE CATTLE:** Sales prices this week have been steady to \$1 lower in the South at mostly \$141.00/cwt live and steady to \$2.00/cwt lower in the North at \$143.00/cwt to \$144.00/cwt live. Dressed sales were down \$3-\$4.00/cwt between \$229.00/cwt to \$230.00/cwt.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 638,000 head, down from 678,000 head last week. Live weights ended the week two pounds higher at 1348 pounds. Dressed weights were also up two pounds higher at 817 pounds.

**RIBS:** The rib complex was fairly steady throughout the week with minor tweaks around exports as it appeared there was a need to clean up some product before heading into the long weekend. There is still good interest seen around these items, but it seems pricing this time around may be a bit more sticky as bids looked to be firm. Select and No-Roll product was seen negotiable as supplies were seen more available.

**CHUCKS:** The chuck complex was flat throughout the week with little in the way of change. Trade was stamped within current ranges and participants on both sides seemed content with that. Interest has begun to pick up as we approach the fall months, but it has not been enough to swing the pendulum. Top blades and clod tenders saw minor corrections downward.

**ROUNDS:** Rounds were able to carve out higher money once again this week with peeled knuckles leading the way. Inside rounds also found a steady flow of interest which gave leverage to sellers to inch asks up. Focus has begun to ramp back up towards roasting items as we exit our final weeks of summer.

**LOINS:** Loins continued to be under further pressure this week as the floodgates appeared to be let open. Strips 0x1 led the way losing roughly nine percent this week as demand has dissipated. Short loins took on some minor corrections this week as well although to a much lesser extent. PSMO's have found a comfortable channel of trade as this item lacks continued to lack enthusiasm from participants. There remained a hesitation around these more expensive cuts as many continue to point to inflationary pressures that may hold the consumer back.

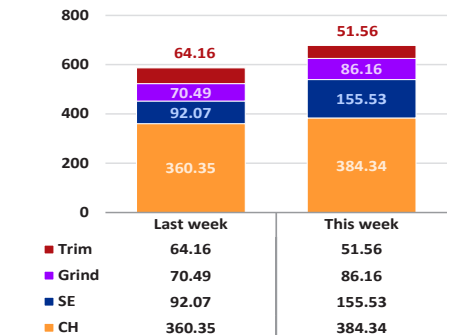
**GROUND BEEF:** Grind business throughout the week was seen as lackluster but this had no bearing on quotations as it seemed participants were comfortable stamping trade. With the bulk of grilling season behind us, there are becoming more mixed views as to what demand may look like going forward. Many continued to note inflation may push the consumer towards cost conscious decisions which may involve trading out of beef all together.

**BONELESS BEEF:** About steady was the call for fresh 90s this week. Demand for frozen product was reportedly more active. Fresh 50s were steady to a little stronger as the week progressed. Packers seemed to be in better shape than expected going into the holiday weekend.

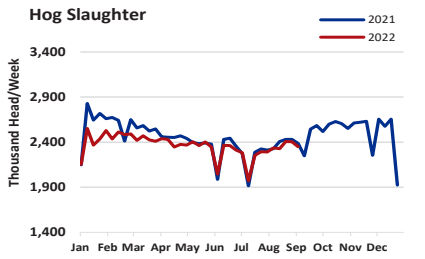
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	24.15	22.80	21.08	20.63	20.29
*LW	26.60	25.35	25.58	25.55	25.85

\*Last Week's numbers are rounded

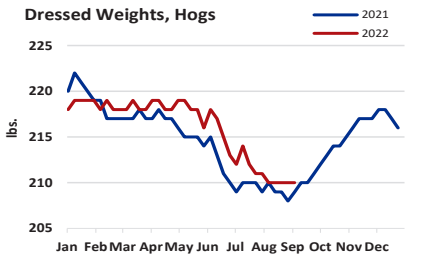
**Weekly Beef Breakdown (# of loads)** Source: USDA, Urner Barry  
1 load = 40,000 lbs.



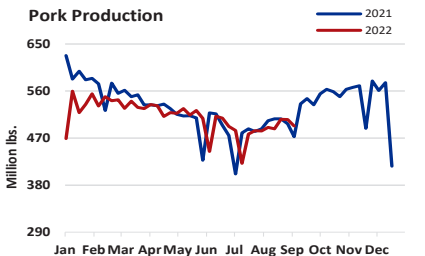
**PORK PRODUCTION**



Source: USDA, Urner Barry



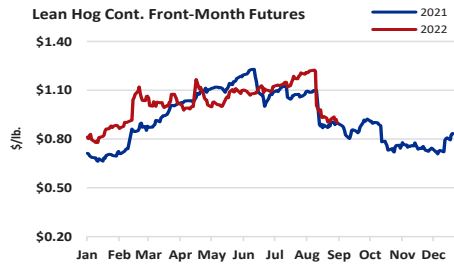
Source: USDA, Urner Barry



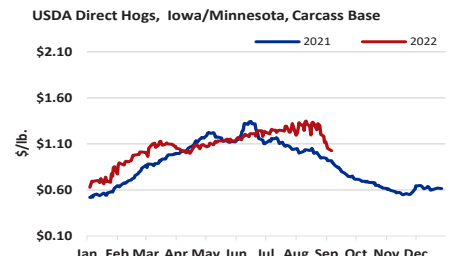
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Aug-26	Sep-02	Change
Loin	102.020	100.700	-1.320
Butt	97.950	96.150	-1.800
Picnic	83.340	79.720	-3.620
Sparerib	141.760	138.860	-2.900
Ham	95.740	96.710	0.970
Belly	157.400	150.740	-6.660
<b>Cutout Value</b>	<b>104.350</b>	<b>102.419</b>	<b>-1.931</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week in the pork market, trade was mainly influenced by the upcoming holiday weekend, seasonally increased hog slaughter and weights, and varying degrees of demand. Urner Barry's pork carcass cutout decreased by 1.85 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$13.67/head while margins for vertically integrated packers were estimated at \$3.18/head.

**PORK PRODUCTION:** Pork production for the week ending 9/3/2022 was estimated to be 493.2 million pounds. This was 2.4 percent lower than last week and a 0.8 percent decrease from a year ago. Live hog weights averaged 282 pounds for the week, which was even with last week and 2 pounds heavier than a year ago.

**GREEN MEATS:** In the green meat complex, hams were mixed. Bone-in product was full steady to firm as buyers from both export and domestic markets found interest near recently established levels. On the other hand, boneless hams were under some pressure. Bellies were slightly unsettled as delivery around the holiday resulted in wide trading ranges. In trim, 42s, 72s, and boneless picnics were weak amid the seasonally increasing hog slaughter and declining demand for grilling related items.

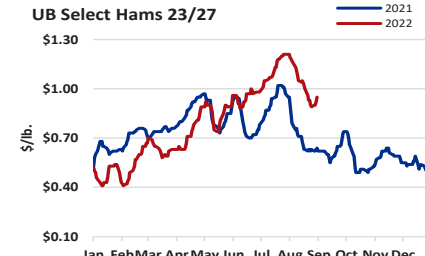
**HAMS:** Bone-in ham values were \$3.50/cwt to \$6.00/cwt firmer while boneless cuts were \$3.00/cwt to \$4.50/cwt weaker.

**BELLIES:** Skinless bellies were \$2.50/cwt stronger on average.

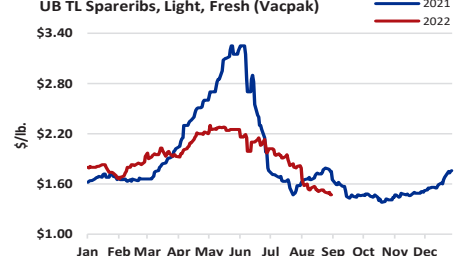
**TRIMMINGS:** 42s were \$14.00/cwt weaker while 72s were \$5.00/cwt weaker. Meanwhile, boneless picnics were \$4.00/cwt lower.

**RETAIL:** 1/4" bone-in loins were \$1.00/cwt weaker while 1/8" loins were generally unchanged. Boneless strap-on loins were \$5.00/cwt weaker while boneless strap-off loins decreased \$6.00/cwt. Bone-in sirloins were generally unchanged while boneless sirloins declined \$4.00/cwt. Tenderloins decreased \$5.00/cwt throughout the week. 1/4" bone-in butts were down \$2.00/cwt while boneless butts also declined \$5.00/cwt. Light spareribs decreased \$3.50/cwt while medium spareribs also declined \$2.50/cwt

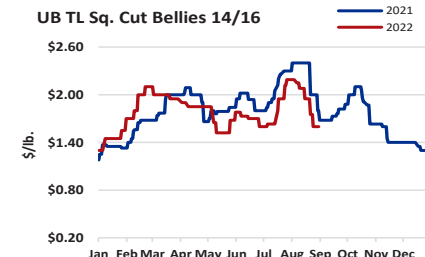
**PORK PROCESSING ITEMS & RETAIL CUTS**



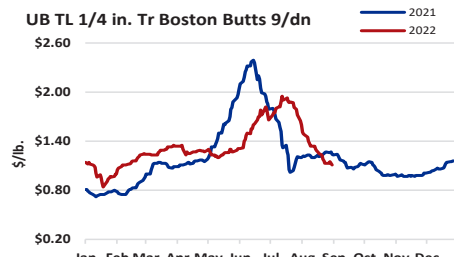
Source: Urner Barry



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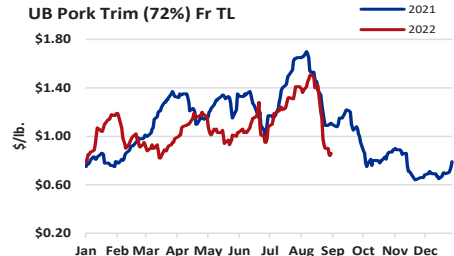
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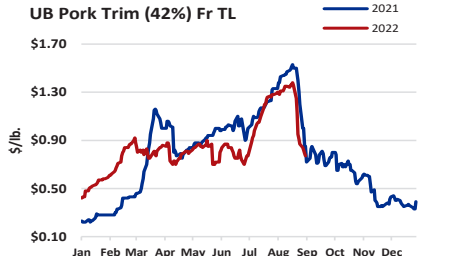
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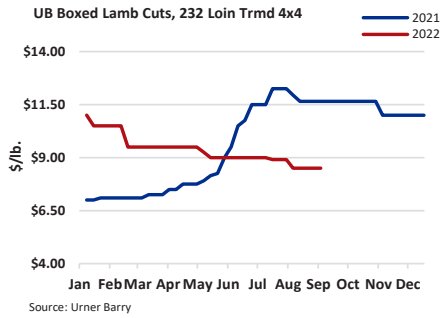
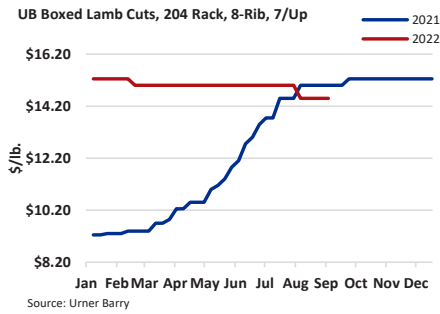
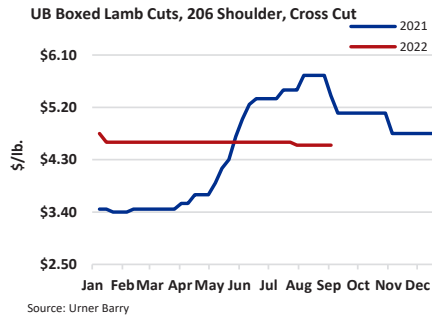
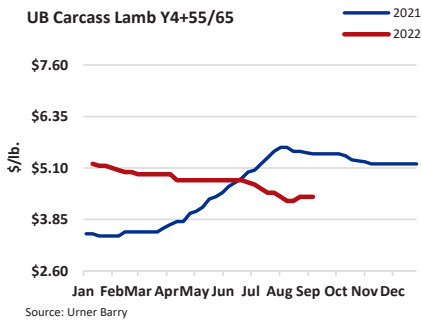


Source: Urner Barry



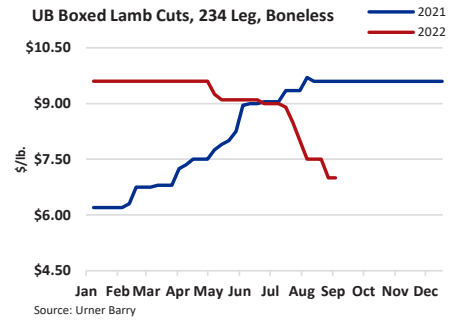
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LAMB

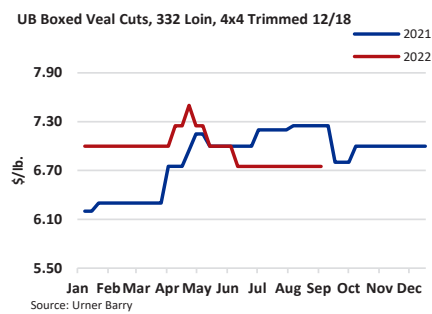
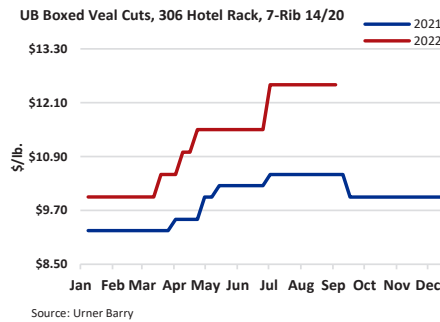
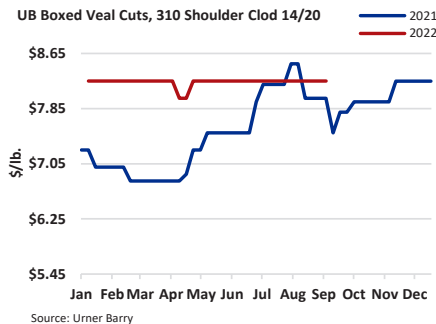
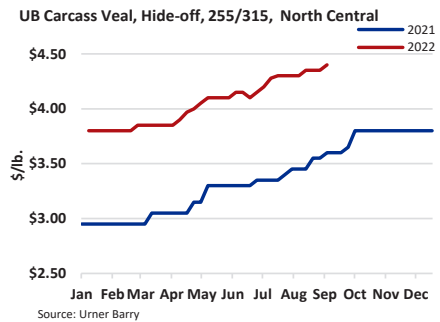


LAMB COMMENTARY

Domestic lamb continued to see decreases this week on lackluster demand. Seasonal factors, elevated lamb pricing, and competitively priced imported product continued to put pressure on price levels of domestic boxed cuts. Some positive outlook was noted by participants when looking forward to the next few months, with the cooler weather months typically bringing more white table cloth dining in addition to the winter holidays. Heavy weights continued to be a topic of discussion, with carcasses ringing in at 11 pounds heavier than this same week last year. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 32,000 head, which was 1,000 less than last week and 2,000 less than a year ago.

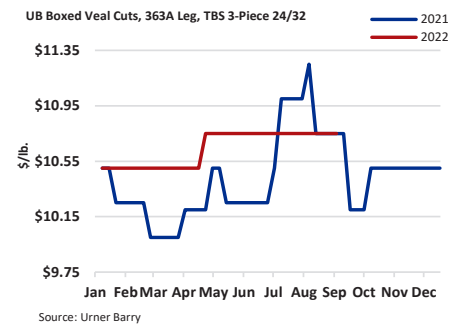


VEAL

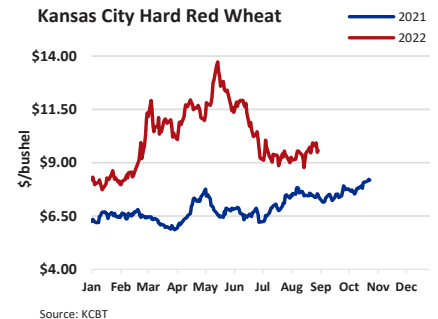
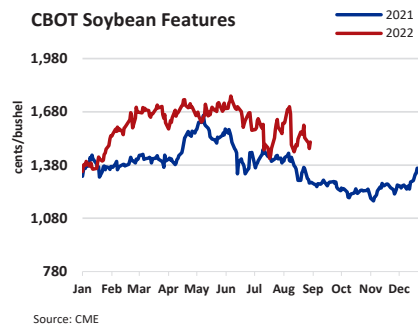
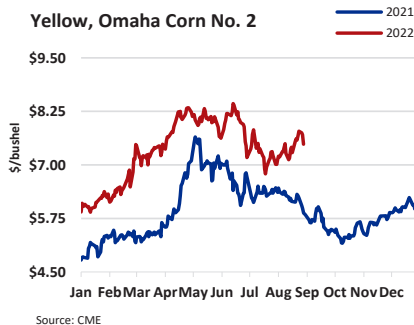


VEAL COMMENTARY

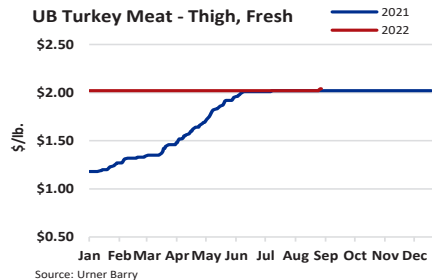
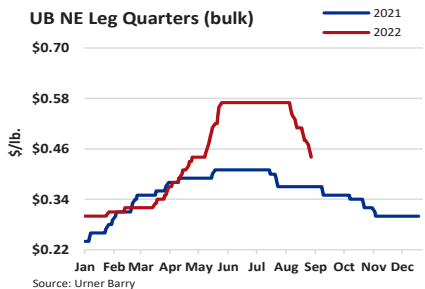
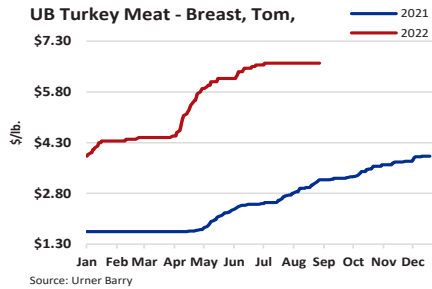
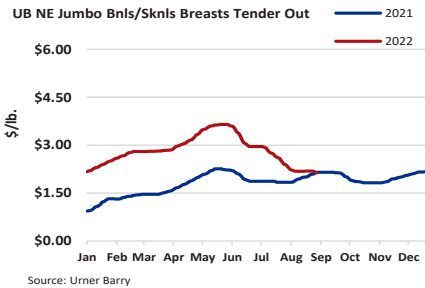
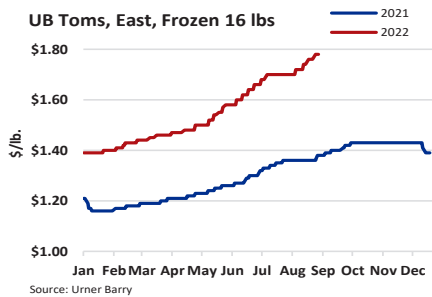
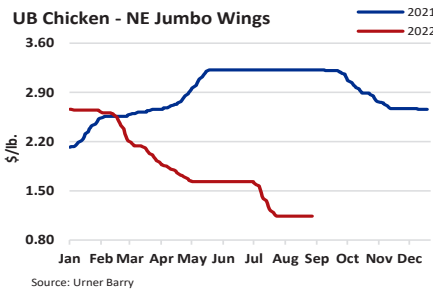
In veal this week, steady markets were once again the story. While carcasses saw some modest price increases, boxed cuts were largely steady. Demand remained lackluster amid competing proteins being priced competitively. Participants were quick to note that this week was nearly identical to the previous, with the veal category experiencing largely uneventful movement. Racks, breast items, and hindshanks remained at all-time high prices while chucks remained at 52-week lows, according to Urner Barry pricing. The USDA Special Fed Veal Slaughter as at 2,530, which was 353 head less than last week. The USDA Special Fed Veal weights were at 289.1 pounds, which was 17.5 pound heavier than last week.



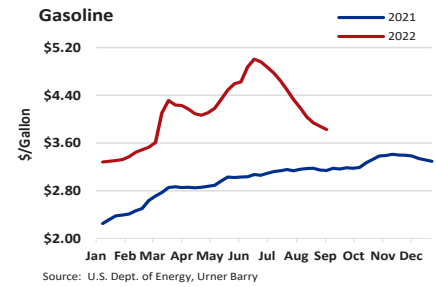
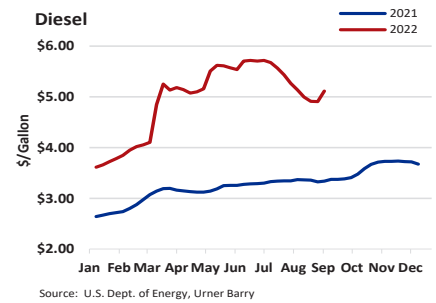
FEEDS: CORN, SOY BEAN, RED WHEAT



**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**

The chicken market was largely under pressure this week as complications related to the long holiday weekend plagued sellers. Here, further processing and secondary manufacturing buying interest were hard to come by which spilled additional loads of jumbo boneless and tenders onto the spot market. Wings also felt some pushback, but mainly small and medium sizes. Jumbos were mostly maintained. Whole chickens and WOGs were supported and moved into retail at steady levels. As for the back half, legs, thighs, drums, and leg quarters all saw varying degrees of pressure. The same can be

said for leg and thigh meats.

Whole turkeys, as well as consumer and institutional-sized breasts, remained in short supply and actively pursued at upward trending price points. In parts, drums, necks, and wings all continue to see robust domestic demand which keeps offerings tight and held with confidence. Tails and gizzards are mostly uneventful and rated about steady. As for raw materials, deli-oriented buyers continue to show willingness in paying full market values for breast meat, tenders, and scapula, should offerings be uncovered at all. Thigh meat saw an increase in value due to limited offerings as well.

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