

Friday, January 20, 2023

Number 04- Volume 16

### WEEKLY COMMODITY AT A GLANCE

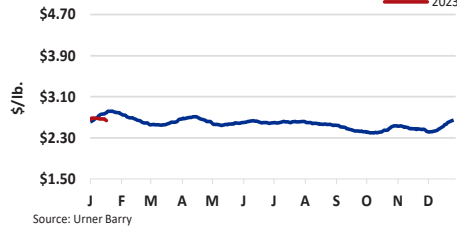
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	UNQ	UNQ
CBOT Soybean	1,506.50	UNQ	1,414.25
NYMEX Light Crude Oil	81.31	UNQ	85.14
Loose Lard, Chicago Basis	0.90	0.80	0.82
Edible Tallow, Chicago Basis	0.73	0.79	UNQ
Beef Trimmings, 90% Fresh	250.00	250.00	280.00
Beef Trimmings, 50% Fresh	115.00	116.00	130.00
Aust/NZ Blend Cow 90% EC Spot	235.00	235.00	302.00
USDA Drop Credit	0.137	0.000	0.142
112A 3 Ribeye Roll, Lip-On CH	1,050.00	1,150.00	925.00
116A 3 Chuck Roll, Neck-Off CH	365.00	390.00	420.00
168 3 Round, Top (Inside) CH	279.00	290.00	320.00
180 3 Strip Loin, Bnls, Ox1 CH	775.00	775.00	735.00
136 Coarse Ground 81%	250.00	250.00	310.00
189A 4 Loin, Tenderloin, PSMO CH	1,575.00	1,625.00	1,450.00
Cattle-Fax, 6-State Fed Steer Price	156.77	157.18	136.43
Select Hams 20/23	74.00	70.00	50.00
Sq Cut Bellies 14/16	100.00	106.00	145.00
1/4 Trmd. Loins 21/dn	108.00	107.00	101.00
1/4 Tr Boston Butts 9/dn	97.00	107.00	86.00
Spareribs, Light, Fresh	133.00	132.00	180.00
Fresh Pork Trim (42%)	62.00	56.00	57.00
Fresh Pork Trim (72%)	84.00	90.00	110.00
Carcass Lamb Y4+55/65	4.05	4.05	5.15
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.25	12.25	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	4.60
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	10.50
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.35	4.35	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	8.25
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

	1/20	1/13	1/6
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.35	2.34	2.36
Weekly Weighted Average Blended Boxed Beef Cutout Index	271.43	277.23	278.58

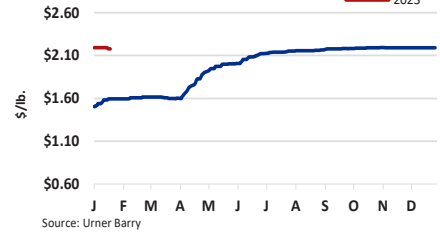
### UB Beef Index



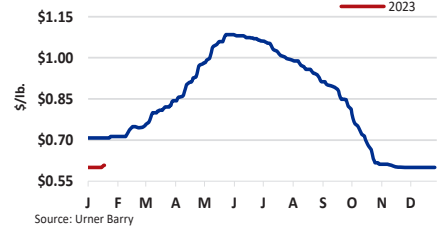
### UB Pork Cutout



### UB Turkey Index



### UB Chicken Index



### EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	125	128	120	120	123	30	646
LW	129	127	127	122	123	33	661
*LY	110	118	116	117	115	60	637

### EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	424	487	481	434	485	220	2,531
LW	485	458	490	488	477	286	2,684
*LY	393	468	461	457	442	216	2,436

### EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	5	9	5	7	6	0	32
LW	8	8	7	6	5	0	34
*LY	4	8	7	5	5	1	30

### EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	1	1	1	1	1	0	5
LW	1	1	1	1	1	0	5
*LY	1	2	2	1	2	0	8

### EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	1/6	1/7	1/9	1/10	1/11	1/12	Total
	29	15	28	30	30	29	161
TW	1/13	1/14	1/16	1/17	1/18	1/19	Total
	29	11	27	29	30	27	153
*LY	26	12	24	28	29	27	146

\*Last Year's numbers are rounded

### FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.691	0.692	0.720
Mexico, Peso	18.950	18.882	20.486
Canada, Dollar	1.348	1.343	1.253
Japan, Yen	130.516	128.245	113.643
China, Yuan (RMB)	6.782	6.724	6.337
Brazil, Real	5.225	5.116	5.445
South Korea, Won	1,236.50	1,242.40	1,190.62
Taiwan, Dollar	30.389	30.300	27.690
European Union, Euro	1.081	1.079	1.135

### COLD STORAGE STOCKS

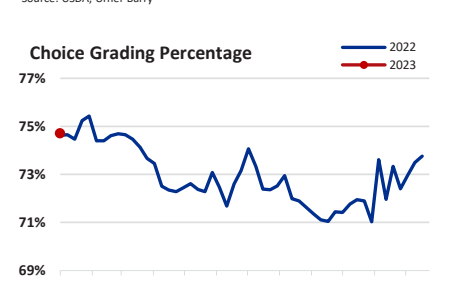
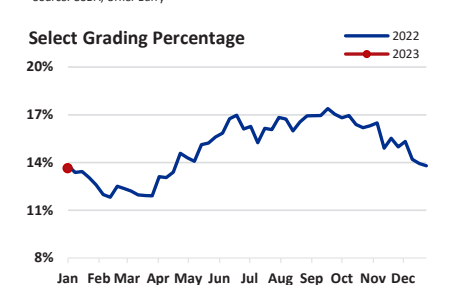
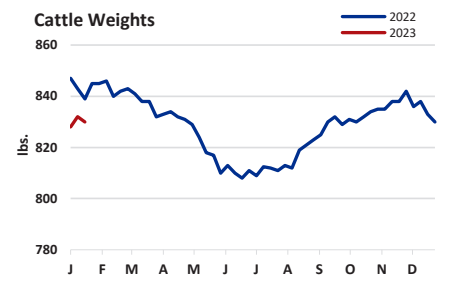
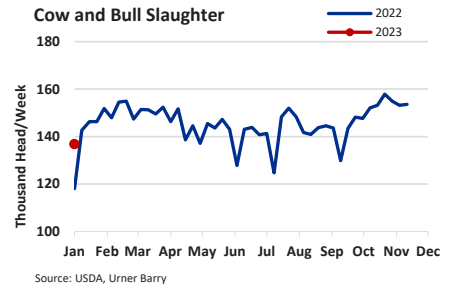
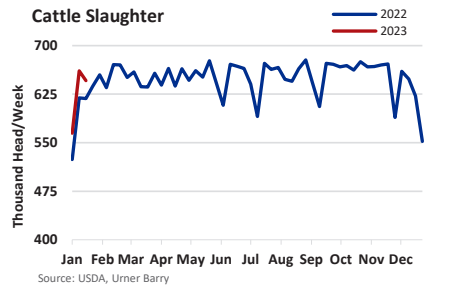
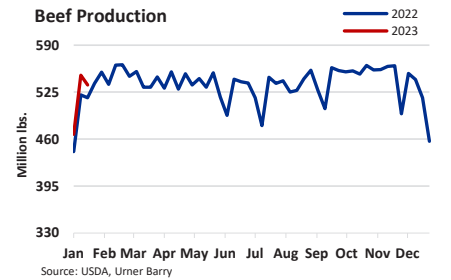
(Pounds in Thousands)	11/30/21	10/31/22	11/30/22
Beef in Freezer, Bnls	451,639	460,409	477,176
Cuts	38,775	49,863	44,693
<b>Total Beef</b>	<b>490,414</b>	<b>510,272</b>	<b>521,869</b>
<b>PORK &amp; OTHER</b>	<b>11/30/21</b>	<b>10/31/22</b>	<b>11/30/22</b>
Pork in Freezer, Picnics	6,080	6,847	5,005
Hams	76,788	121,624	55,111
Bellies	25,224	40,247	54,359
Loins	38,522	39,389	39,957
Spareribs	75,597	110,053	112,109
Butts	17,113	20,522	21,839
Trimmings	48,979	38,417	44,916
Other Pork in Freezer	50,533	54,943	50,944
<b>Total</b>	<b>402,189</b>	<b>509,669</b>	<b>454,200</b>
Veal in Freezer	4,283	2,585	2,217
Lamb & Mutton in Freezer	23,487	28,652	29,684
<b>Total</b>	<b>27,770</b>	<b>31,237</b>	<b>31,901</b>

Data Updated: December 22, 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 Jan-20 v. Jan-16				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-4.80%	-0.22%	-0.27%	-2.46%
Chuck	-1.84%	-0.85%	-0.45%	0.09%
Round	-0.73%	-0.64%	-0.57%	-2.06%
Loin	-1.40%	-0.35%	-0.42%	-1.38%
Brisket	-0.31%	-0.31%	-0.33%	-6.05%
Plate	-0.44%	-0.44%	-0.44%	1.57%
Flank	-1.73%	-1.76%	-1.83%	-0.36%
<b>Total</b>	<b>-2.01%</b>	<b>-0.54%</b>	<b>-0.46%</b>	<b>-1.39%</b>

**BEEF**



**BEEF COMMENTARY**

The boxed beef market saw a continuation of weakness from the week prior which led cutout values lower for the 2nd consecutive week. The majority of weakness was seen around the rib complex. Production hours were a little lighter on the week with some plant closures or shortened shifts due to the storm system that ran across the Midwest. Cautious was once again the stance for the majority of market participants. Overall, the bias continued to be towards the softer side of steady as additional supplies continued hit the market and buyers were hesitant, especially when looking towards the forward period.

**LIVE CATTLE:** Prices in Kansas this week were down \$1.00/cwt at \$155.00/cwt live (full range \$154.00 - \$156.00/cwt) Not enough volume in TX to trend. Prices in Nebraska were \$1.00 to \$2.00/cwt lower at \$155.00 live (full range \$153.00 - \$155.00) while dressed purchases were \$2.00 to \$4.00 lower at \$248.00 to \$249.00/cwt.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 646,000 head. Live weights ended the week unchanged at 1384 pounds. Dressed weights were down two pounds to 830 pounds.

**RIBS:** Ribs were considered barely steady early in the week but by the end, sizable trades were seen at significantly lower money. Boneless items saw a value change of -4.54% and bone-in items lost 2.47%. There remained a concern around consumer spending now that we are past the holiday season and credit card bills are coming due which required discounting to get bids to surface.

**CHUCKS:** The chuck complex held steady for the larger part of items. Chuck Rolls saw the majority of downward price pressure as buyers have become much more price sensitive with the increase in production. Buyer appetite was very light on the week which generally left quotations unchanged with the bias leaning towards the softer side of steady.

**ROUNDS:** Items within the round were mostly traded within our established quotations. Inside rounds were the lone items to move slightly lower on the week. This was an area we saw a standoff between buyers and sellers as bids and asks were seen very far apart and neither side wanted to concede.

**LOINS:** The loin complex found strong support in a few areas throughout the week, mainly, strips and shortloins. With the holidays beyond us now the tenderloin began to see some downward pressure mount as it sits at record high levels for the month of January. Top Butts mainly traded within a channel which was a positive for sellers with the increase in production, highlighting a solid base for this item.

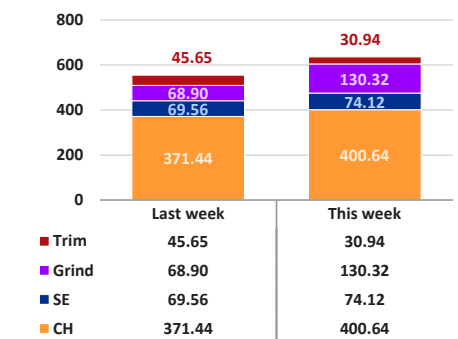
**GROUND BEEF:** Grinds were planted within a range throughout the week well supported from Super Bowl interest. The only item to buck the trend was coarse sirloin grind which came under a slight downward pressure. Many attributed this due to the cost of some round cuts offering a cheaper alternative.

**BONELESS BEEF:** The market for domestic boneless beef started the week off strong. Strength in that market could be attributed to demand being stronger than expected for both fat and lean meat. The week ended with a generally steady undertone as supply and demand appeared to be more in balance. This week's cattle slaughter was estimated at 646,000 head.

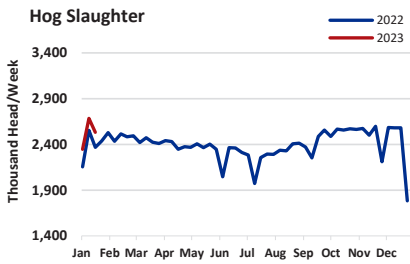
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	25.98	25.92	23.52	22.96	21.84
*LW	34.73	33.83	29.90	28.12	25.85

\*Last Week's numbers are rounded

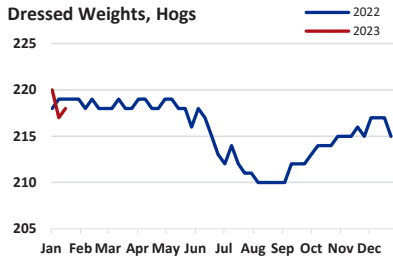
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry  
1 load = 40,000 lbs.



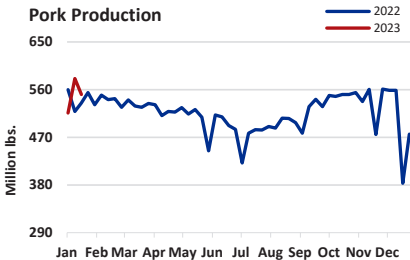
**PORK PRODUCTION**



Source: USDA, Urner Barry



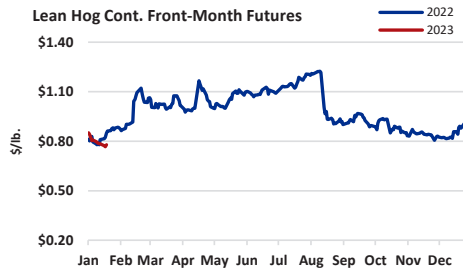
Source: USDA, Urner Barry



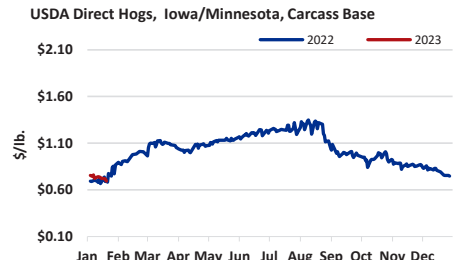
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Jan-16	Jan-20	Change
Loin	84.000	84.150	0.150
Butt	91.990	84.030	-7.960
Picnic	68.500	65.720	-2.780
Sparerib	125.820	124.370	-1.450
Ham	77.060	77.510	0.450
Belly	97.700	93.170	-4.530
<b>Cutout Value</b>	<b>82.180</b>	<b>80.44</b>	<b>-1.74</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week in pork, inclement weather in the Midwest, mixed domestic and export demand, and heavier hogs on the market all influenced pork trade. Urner Barry's pork carcass cutout decreased by 1.92 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were \$11.72/head while margins for vertically integrated packers were estimated at -\$37.52/head.

**PORK PRODUCTION:** Pork production for the week ending 01/21/2022 was estimated to be 550.7 million pounds. This was 5.2 percent less than last week and a 3.1 percent increase from a year ago. Live hog weights averaged 293 pounds for the week, which was two pounds heavier than last week and two pounds below the same period a year ago.

**GREEN MEATS:** In the ham category, hams were mixed. Bone-in hams were supported by domestic demand and modest interest from Mexico, while boneless hams were barely steady on lackluster deli movement. In the belly category, lights and heavies were unsettled due to light bellies having active demand from food service channels while heavy bellies had fully adequate supplies amid heavier hogs. In trim, 42s were supported on tight supplies, while 72s and boneless picnics were barely steady.

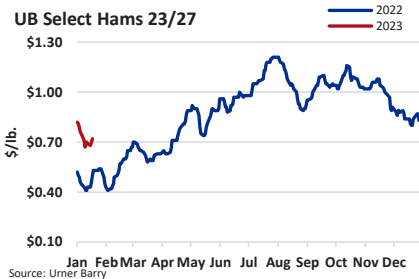
**HAMS:** Bone-in ham values were \$3.50/cwt to \$5.50/cwt firmer, while boneless cuts were \$8.50/cwt to \$12.00/cwt weaker.

**BELLIES:** Skinless bellies were \$2.00/cwt weaker to \$2.00/cwt firmer.

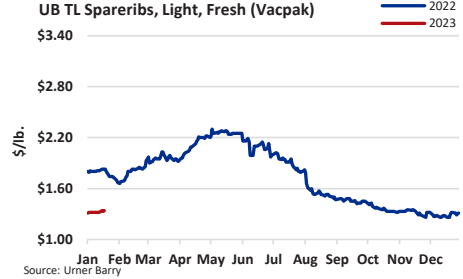
**TRIMMINGS:** 42s were \$5.50/cwt firmer while 72s decreased by \$4.00/cwt. Meanwhile, boneless picnics were \$5.00/cwt weaker.

**RETAIL:** ¼ inch bone-in loins were \$4.50/cwt firmer while 1/8-inch cuts decreased \$2.00/cwt. Boneless strap-ons decreased \$4.50/cwt while strap-offs increased \$3.00/cwt. Bone-in sirloins were \$3.50/cwt firmer while boneless sirloins were \$2.00/cwt higher. Tenderloins were \$10.00/cwt lower on average. 1/4" bone-in butts declined \$10.00/cwt while boneless butts lost \$12.50/cwt. Light spareribs were generally unchanged while medium spareribs were down \$6.50/cwt.

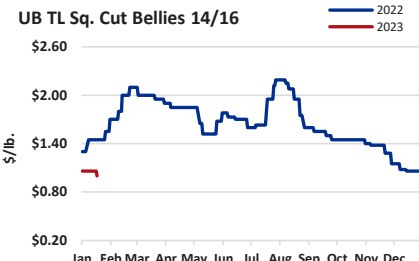
**PORK PROCESSING ITEMS & RETAIL CUTS**



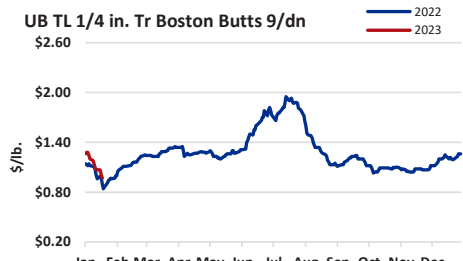
Source: Urner Barry



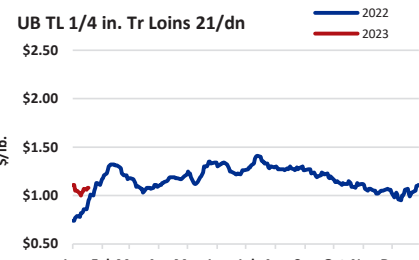
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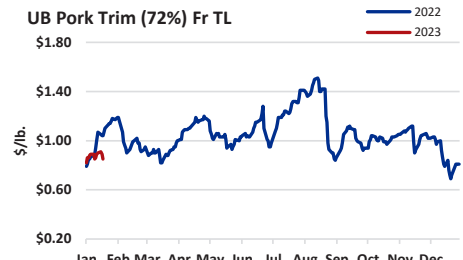
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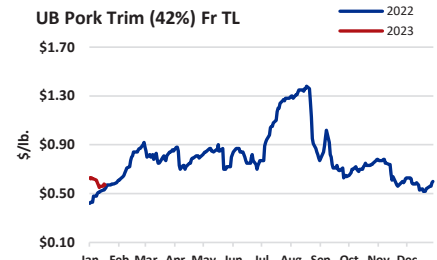
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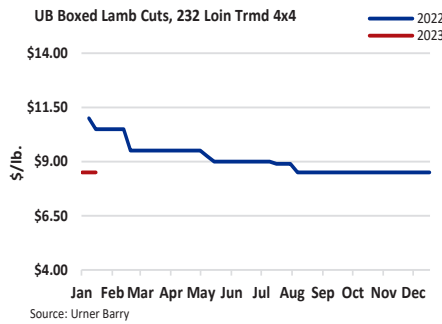
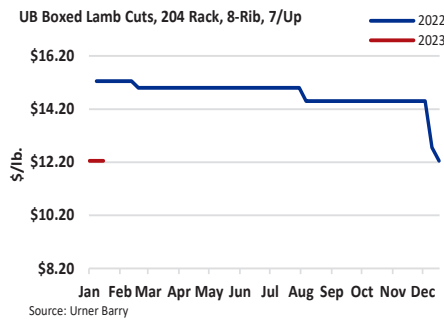
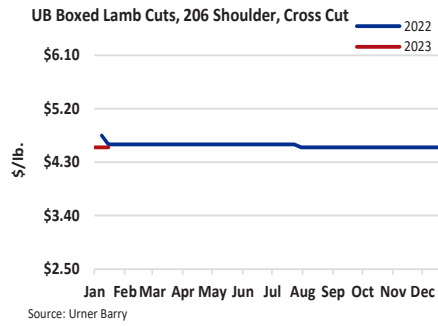
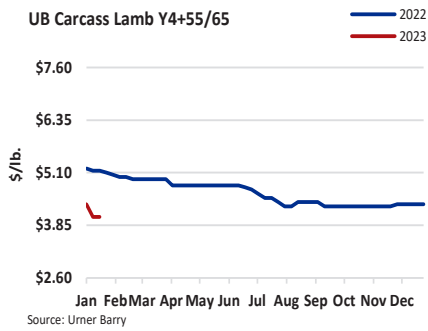


Source: Urner Barry



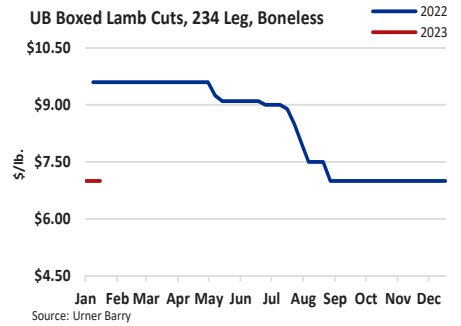
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LAMB

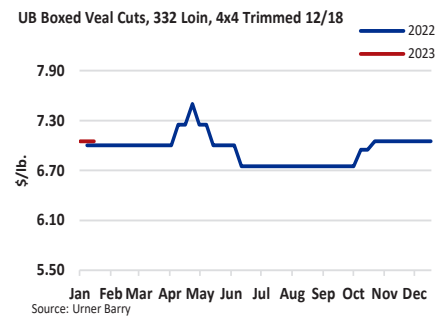
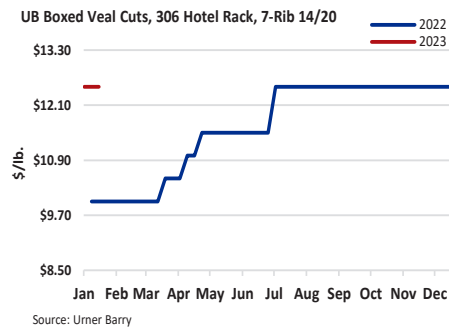
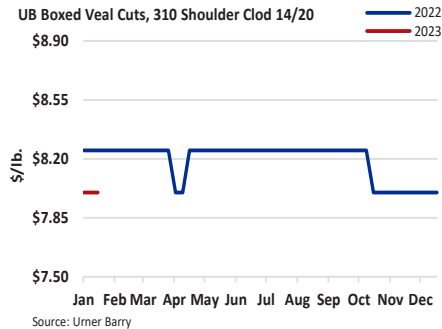
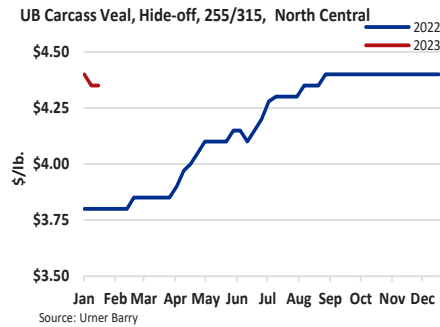


LAMB COMMENTARY

In domestic lamb this week, undertones were unchanged. A large majority of domestic lamb trade occurred within Urner Barry's price ranges. Buying interest was scattered this week. Carcasses continued to decline. In the most recent weekly Estimated Weekly Meat Production Under Federal Inspection, lamb slaughter came in at 34,000 head, which was 8,000 head more than last week and 1,000 head higher than the same week a year ago. For weights, the figure came in at 124 pounds, which was 2 pounds less than last week and 7 pounds under the same period a year ago.

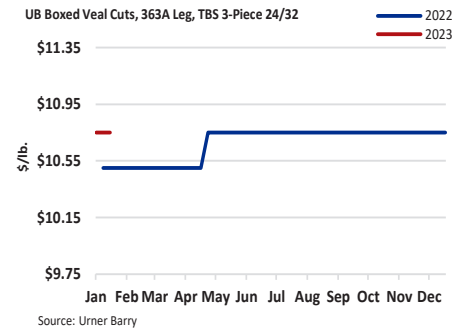


VEAL

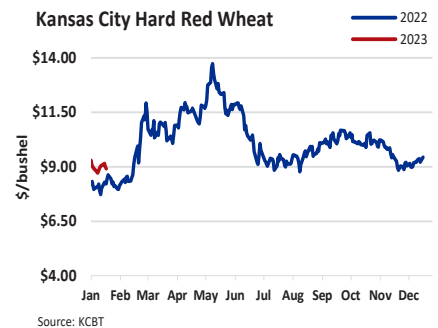
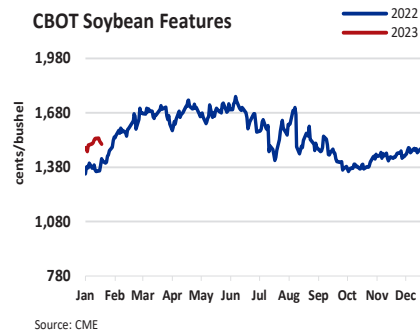
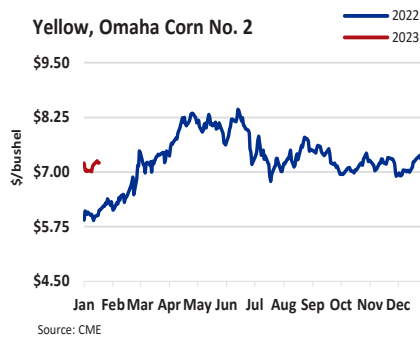


VEAL COMMENTARY

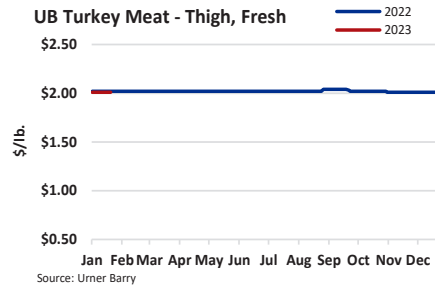
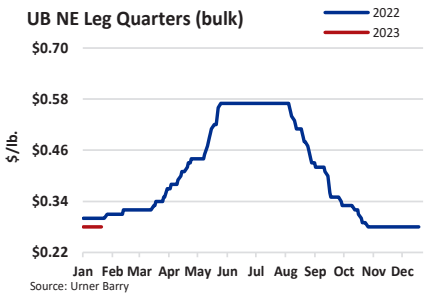
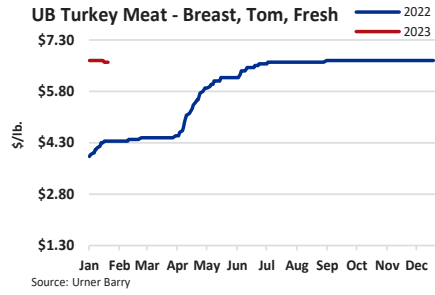
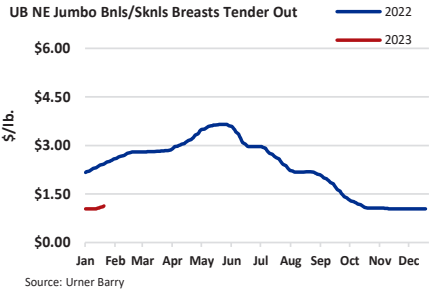
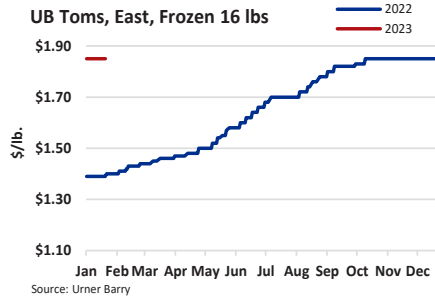
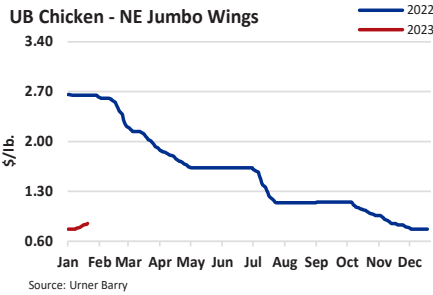
In the veal market this week, activity was limited, and boxed cuts remain steady with last week's prices. Carcasses continued to be under pressure amid declining interest for veal product following the holidays. Overall supplies remained on the tighter side. In the most recent weekly USDA Special Fed Veal Slaughter report, 2,370 head were reported slaughtered, which was an increase of 11% from last week. For weights, the figure came in at 282.8 pounds, which was 1.6 pounds heavier than last week.



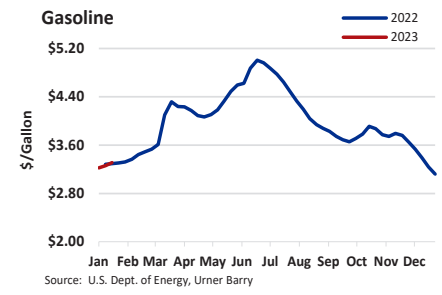
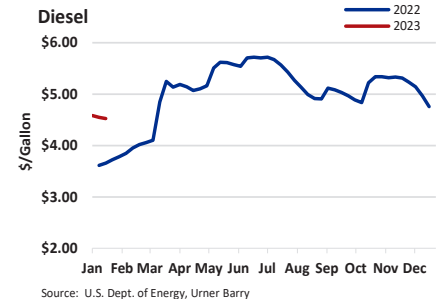
FEEDS: CORN, SOY BEAN, RED WHEAT



**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**

Whole chickens and WOGs continue to be steady. Larger sizes are found with ease, but sellers have yet to lower their ask prices. Breasts and fronts are pursued at full market or higher price points. As for boneless, jumbo offerings are held with confidence at premium levels. Tenders are in a similarly stout position. Available supply is barely adequate to short of industry needs. Turning to wings, continued robust demand for jumbos and mediums absorbs any and all offerings on the spot market. Small sizes lack event overall. Optimism concerning the back half, particularly for export, is building steam. Frozen whole legs and drums are sold in low volumes at premiums levels. Fresh legs are reported higher as well. Robust demand for thigh meat has allowed some to test and receive

slightly higher price points. Limited spot availability of whole-body toms and hens continues. Consumer-sized breast values are found without trouble. Institutional-sized offerings are barely adequate for the limited seasonal call. In parts, drums remain available and somewhat mixed. Scattered opportunities for buyers to secure whole wings, and necks remain in play. Fresh and frozen breast meat pops up on the spot market intermittently. Thigh meat input is limited, however, sentiment continues to paint a neutral to upbeat picture.

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