

# WEEKLY Market Report

Friday, July 19, 2024

Number 30 - Volume 17

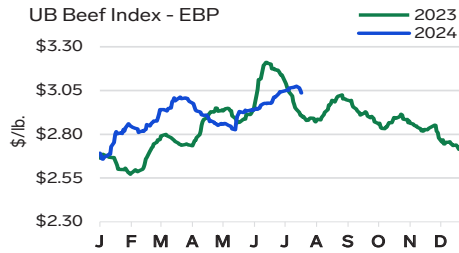
## WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	4.16	4.27	5.97
CBOT Soybean	1,097.25	1,134.50	1,501.00
NYMEX Light Crude Oil	UNQ	82.21	77.07
Loose Lard, Chicago Basis	0.53	0.49	0.80
Edible Tallow, Chicago Basis	0.58	0.58	0.755
Beef Trimmings, 90% Fresh	379.00	385.00	295.00
Beef Trimmings, 50% Fresh	141.00	138.00	166.00
Aust/NZ Blend Cow 90% EC Spot	304.00	300.00	244.00
USDA Drop Credit	0.116	0.117	0.134
112A 3 Ribeye Roll, Lip-On CH	925.00	983.00	1,000.00
116A 3 Chuck Roll, Neck-Off CH	365.00	380.00	380.00
168 3 Round, Top (Inside) CH	380.00	362.00	320.00
180 3 Strip Loin, Bnls, Ox1 CH	900.00	968.00	916.00
136 Coarse Ground 81%	320.00	320.00	283.00
189A 4 Loin, Tenderloin, PSMO CH	1,250.00	1,300.00	1,400.00
Cattle-Fax, 6-State Fed Steer Price	191.91	195.08	0.00
Select Hams 20/23	115.00	100.00	111.00
Sq Cut Bellies 14/16	134.00	128.00	175.00
1/4 Trmd. Loins 21/dn	123.00	125.00	123.00
1/4 Tr Boston Butts 9/dn	127.00	131.00	123.00
Spareribs, Light, Fresh	145.00	145.00	133.00
Fresh Pork Trim (42%)	65.00	56.00	100.00
Fresh Pork Trim (72%)	96.00	88.00	127.00
Carcass Lamb Y4+55/65	4.53	4.53	0.00
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	11.50	11.50	12.00
Lamb Cuts, 206 Shoulder, Cross Cut	4.40	4.40	3.75
Lamb Cuts, 232 Loin Trmd 4x4	7.15	7.15	6.85
Lamb Cuts, 234 Leg, Boneless	7.90	7.90	6.95
Carcass Veal, Hide-off, 255/315, NC	4.85	4.65	4.25
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	11.00	11.00	10.50
Veal Cuts, 310 Shoulder Clod 14/20	7.75	7.75	7.25
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.25	7.25	6.75
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.25	10.25	10.25

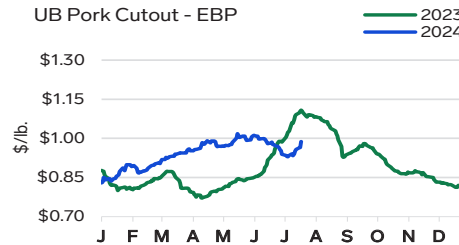
Quotes represent the high side of Friday's trading range

## RIEMANN CONTRACT SETTLEMENTS

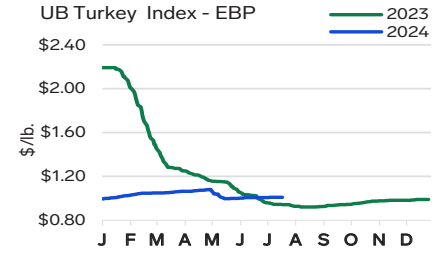
	7/19	7/12	7/5
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.99	2.96	2.96
Weekly Weighted Average Blended Boxed Beef Cutout Index	314.01	319.05	323.12



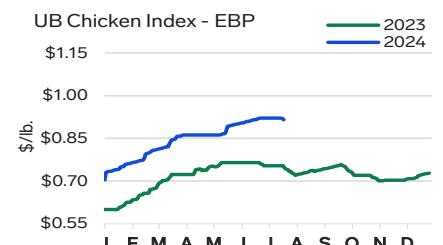
Source: Urner Barry by Expana



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Source: Urner Barry by Expana

## EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	118	121	121	115	103	6	584
LW	112	120	122	122	118	7	601
*LY	120	127	122	124	115	17	626

## EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	478	477	479	475	420	43	2,372
LW	462	476	477	475	448	26	2,364
*LY	450	463	471	476	435	33	2,328

## EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	11	8	6	8	3	0	36
LW	10	8	6	8	3	0	35
*LY	8	7	6	6	4	0	32

## 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	1	1	1	1	0	5

## EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	7/5	7/6	7/8	7/9	7/10	7/11	113
TW	7/12	7/13	7/15	7/16	7/17	7/18	113
*LY	26	1	27	27	27	27	135

\*Last Year's numbers are rounded

## FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.673	0.676	0.675
Mexico, Peso	17.817	17.814	16.967
Canada, Dollar	1.369	1.363	1.316
Japan, Yen	156.640	160.267	141.786
China, Yuan (RMB)	7.259	7.264	7.178
Brazil, Real	5.521	5.424	4.798
South Korea, Won	1,382.60	1,376.16	1,283.36
Taiwan, Dollar	32.645	32.485	31.232
European Union, Euro	1.092	1.086	1.113

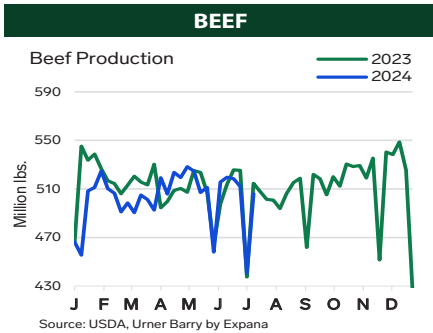
## COLD STORAGE STOCKS

(Pounds in Thousand)	5/31/24	4/30/24	5/31/23
Beef in Freezer, Bnls	382,685	399,032	385,103
Beef Cuts	40,999	39,498	40,557
<b>Total Beef</b>	<b>423,684</b>	<b>438,530</b>	<b>425,660</b>
<b>PORK &amp; OTHER</b>	<b>5/31/24</b>	<b>4/30/24</b>	<b>5/31/23</b>
Pork in Freezer, Picnics	5,058	5,772	8,179
Hams	110,707	94,952	137,159
Bellies	71,374	76,692	82,531
Loins	34,089	39,037	32,890
Spareribs	74,597	93,054	79,382
Butts	19,489	20,239	17,862
Trimmings	43,584	46,411	55,032
Other Pork in Freezer	49,800	51,922	48,349
<b>Total Pork</b>	<b>481,887</b>	<b>499,308</b>	<b>531,757</b>
Veal in Freezer	679	719	964
Lamb & Mutton in Freezer	23,420	23,229	25,111
<b>Total Frozen Lamb &amp; Veal</b>	<b>24,099</b>	<b>23,948</b>	<b>26,075</b>

Data Updated: June 25, 2024

URNER BARRY BY EXPANA WEEKLY RED MEAT INSIDER'S REPORT is available on FoodMarket.com and through Urner Barry by Expana flagship service [expanamarkets.com](http://expanamarkets.com)

UB BEEF CUTOUT Jul-19 v. Jul-12				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-2.95%	0.81%	-1.51%	-4.26%
Chuck	0.37%	-1.88%	-1.13%	0.85%
Round	0.42%	1.79%	1.85%	2.99%
Loin	-3.45%	-1.70%	-1.69%	-8.36%
Briske	0.60%	-0.02%	-0.28%	-1.47%
Plate	2.71%	2.71%	2.71%	1.32%
Flank	2.00%	1.19%	2.19%	0.87%
<b>Total</b>	<b>-1.11%</b>	<b>-0.28%</b>	<b>-0.41%</b>	<b>-2.47%</b>



**BEEF COMMENTARY**

Recent trends seen within the boxed beef market became cemented throughout the week. Severe weakness was seen around middle meat cuts and brought the cutouts lower across the board. This brought a bit of caution into the marketplace as buyers feared owning expensive inventory as they perceived plenty of downside price risk. Sellers on the other hand were focused on keeping inventories in line with multiple full production weeks in store for the remainder of the summer. This led to some discounting in order to buy back some demand. Speaking of demand, reports indicated that interest remained fair to average at best with the hottest days of the year on the horizon making grilling a chore for most of the country.

**LIVE CATTLE:** On the week, cash cattle prices in the South were steady at mostly \$188.00/cwt (full range \$185.00 - \$188.50/cwt). In the North, prices were \$2.00/cwt lower at \$196.00/cwt live (full range \$193.00 - \$198.00/cwt). Dressed trades were down \$2.00/cwt at \$310.00/cwt (full range \$306.00 - \$318.00/cwt)

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter for the week was 584,000 head, compared to 601,000 in the week prior. Live cattle weights slipped one pound from last week to 1382 pounds. Dressed weights were on par with last week at 844 pounds.

**RIBS:** By the week's end, both choice export and boneless ribs saw prices hit 52-week lows as supplies were seen at ample levels. Sellers consistently discounted product in order to move significant volumes as demand for the higher-value rib cuts was seen as subpar with grilling occasions few and far between amid heatwaves seen throughout the U.S. Additional price adjustments led select and ungraded ribs lower across all varieties.

**CHUCKS:** It seemed that buyers witnessed some new-found leverage within the chuck category as multiple items within the category displayed weakness. Prices for clods, arm roasts, chuck rolls and clod tenders all moved lower as the recent harmony seen within the chuck category faded away. Supplies were seen at fully adequate levels and with some softer prices, more trade volume within the category was noted as buyers found a change of pace from the typical hand-to-mouth purchasing patterns seen of late.

**ROUNDS:** If there was one primal where sellers were bullish, it was within the round primal. With processors still turning toward boxed cuts to meet their lean material needs and retailers opting for value-oriented features, supplies in the category were seen as tight and it provided uplift for various cuts. Peeled knuckles, along with inside rounds were the largest beneficiaries as prices moved north.

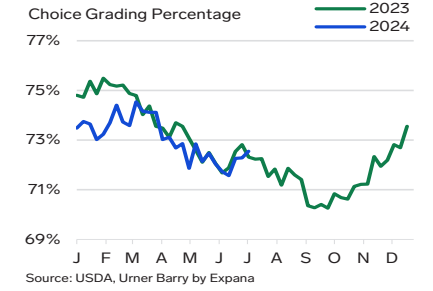
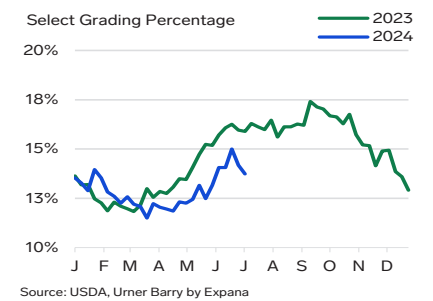
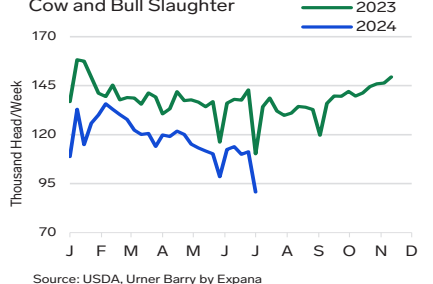
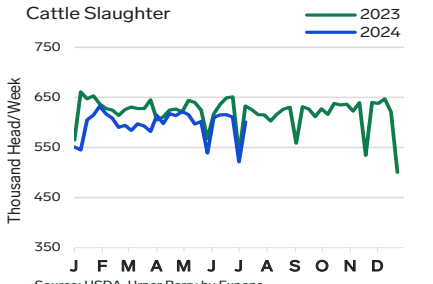
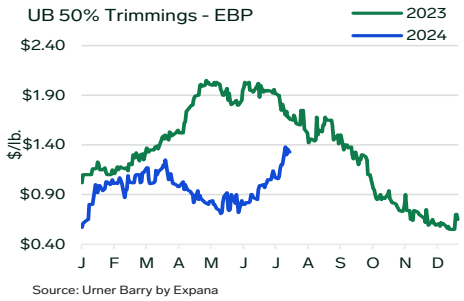
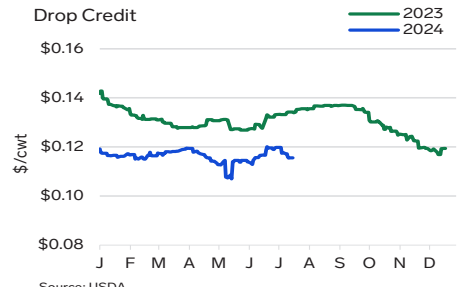
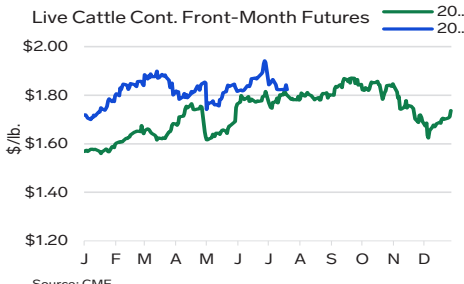
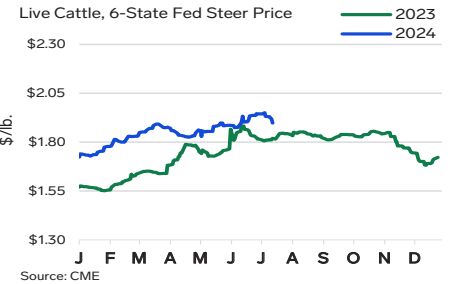
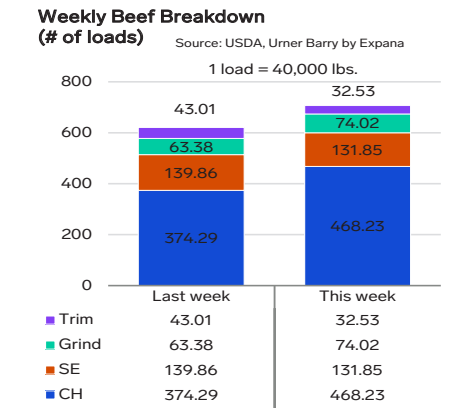
**LOINS:** As middle meats continued to take their traditional seasonal correction following the 4th of July holiday, loins were not left out of the equation. Prices for many of the higher value cuts like short loins, 1x1 shells, strips, and tenderloins found softness across all grades. Sellers were actively searching for bids and were able to find levels to move additional volumes but apprehension began to surface from the buy-side as fears of catching the proverbial falling knife persisted. Some of the more value-oriented cuts within the carcass, such as top butts, were able to find a largely steady footing.

**GROUND BEEF:** Steady calls were once again the norm within the grinds category. Participants noted that product was still moving well through the system, but price action remained at current levels.

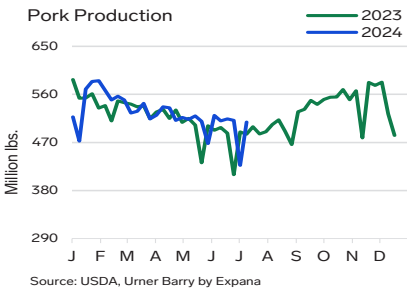
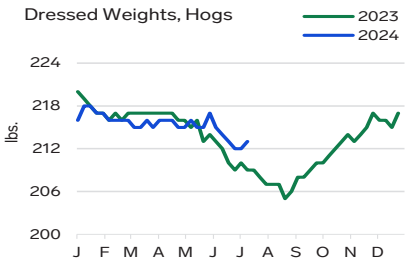
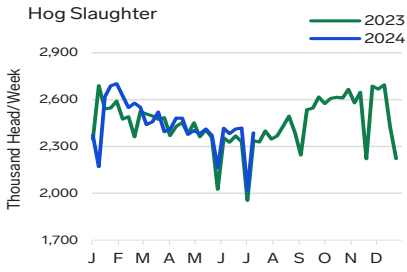
**BONELESS BEEF:** This week, the leaner boneless beef market was mixed. Early on, higher prices developed on fresh 90s due to limited availability. However, as the week progressed, demand dwindled slightly, and some discounting developed. Fresh 50s opened the week with a mostly steady sentiment. Prices trended higher later in the week as supplies were tighter than expected in most areas.

UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	21.61	20.79	19.19	18.67	18.58
*LW	19.54	19.92	18.32	20.33	21.23

\*Last Week's numbers are rounded

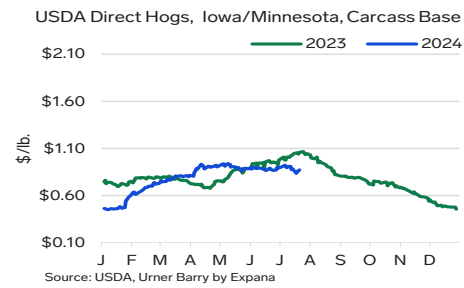
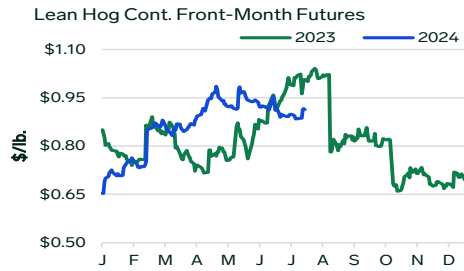


**PORK PRODUCTION**



**LIVE HOGS & CUTOUT**

PORK CUTOUT	Jul-12	Jul-19	Change
Loin	94.890	95.120	0.230
Butt	109.880	107.730	-2.150
Picnic	78.480	80.540	2.060
Sparerib	142.320	138.530	-3.790
Ham	86.290	99.370	13.080
Belly	121.650	128.660	7.010
<b>Cutout Value</b>	<b>95.147</b>	<b>99.396</b>	<b>4.249</b>



**PORK COMMENTARY**

In the pork market this week, active buying from Mexico for hams, record hog weights, and increased supplies on the spot market impacted pork trade. Urner Barry's pork carcass cutout increased by 4.5 percent during the week.

**PORK PRODUCTION:** Pork production for the week ending 7/20/2024 was estimated to be 502.8 million pounds. This would be 0.1% lower than last week and 3.6 percent higher than this same week a year ago. Live hog weights averaged 284 pounds for the week, which was 2 pounds less than last week and 3 pounds heavier than this same week a year ago.

**GREEN MEATS:** In the green meat complex, bone-in hams were firm on active interest from Mexico, while the boneless hams were supported, driven by upward pressure from bone-in prices and improved buying for deli meat. Bellies were mostly steady to higher as improved interest for bacon processing material was noted. In the trim category, a fully steady tone was generally noted across the sector amid reports of tighter supply levels.

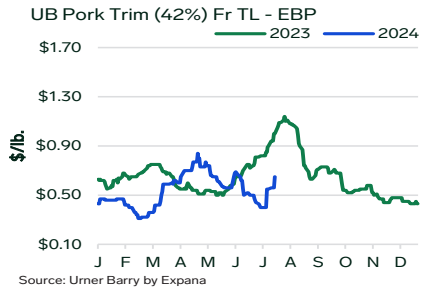
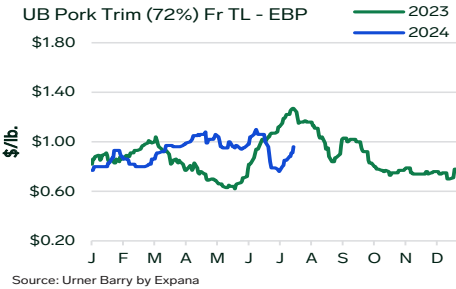
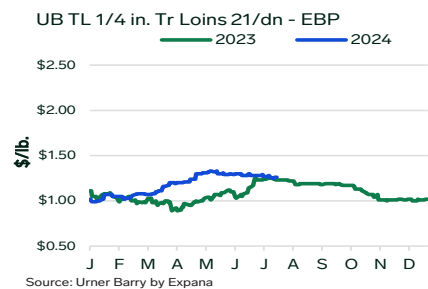
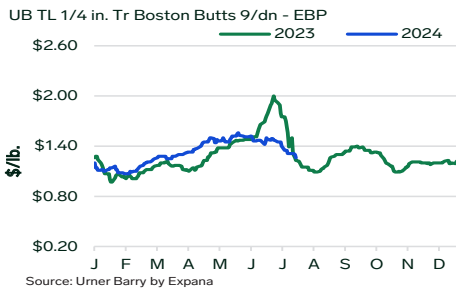
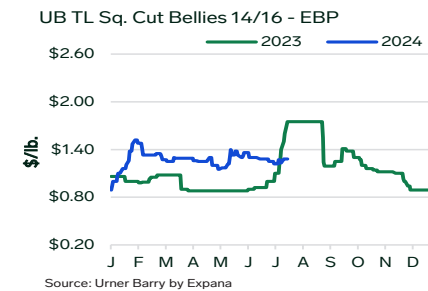
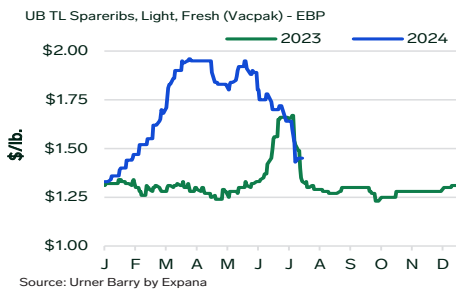
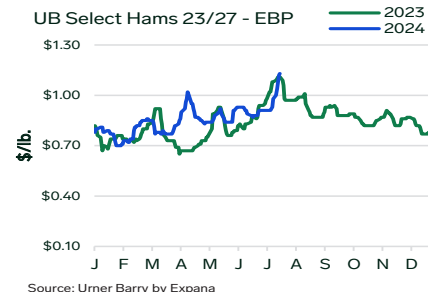
**HAMS:** Bone-in hams were \$15.50/cwt to \$15.50/cwt higher, while boneless ham items were \$13.00/cwt to \$16.00/cwt firmer.

**BELLIES:** Light skinless bellies were 8.00/cwt stronger. Meanwhile, heavy skinless bellies were also \$8.00/cwt higher.

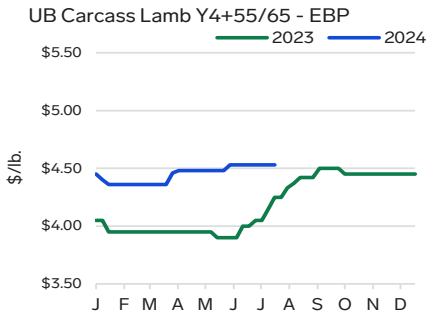
**TRIMMINGS:** 42s were \$9.00/cwt firmer, while 72s were \$8.00/cwt stronger. Boneless picnics were \$1.00/cwt higher.

**RETAIL:** 1/4" bone-in loins were \$1.50/cwt weaker, while 1/8" bone-in loins were steady. Boneless strap-ons were \$2.00/cwt lower, while strap-offs were steady. Bone-in sirloins were steady, while boneless sirloins were also unchanged. Tenderloins were steady. 1/4" bone-in butts were \$3.00/cwt weaker, while boneless butts were also \$3.00/cwt lower. Light spareribs were steady, while medium spareribs were \$5.00/cwt softer.

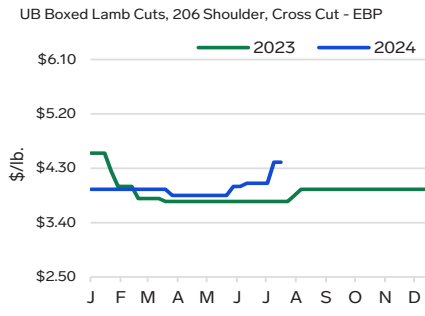
**PORK PROCESSING ITEMS & RETAIL CUTS**



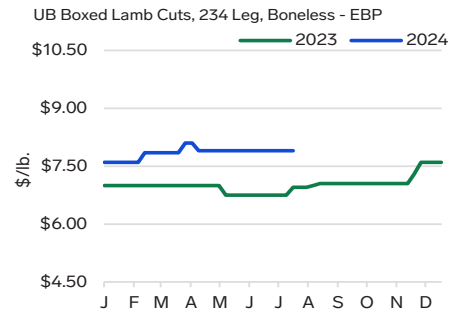
LAMB



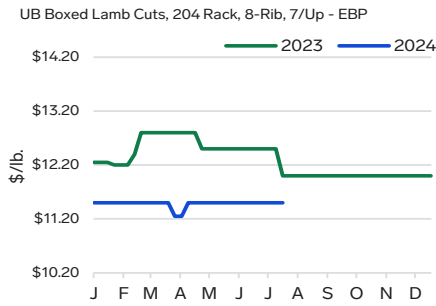
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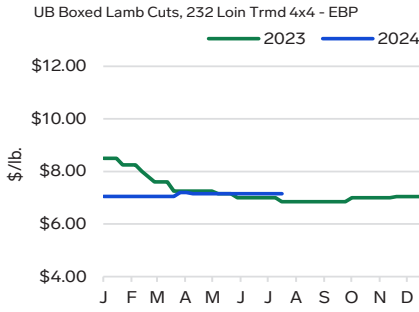
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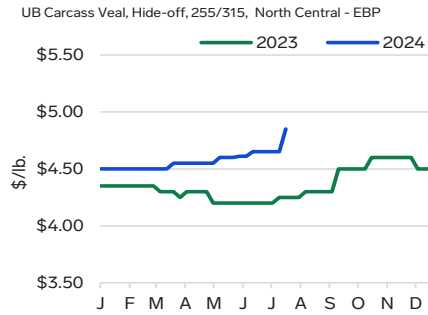
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LAMB & VEAL COMMENTARY

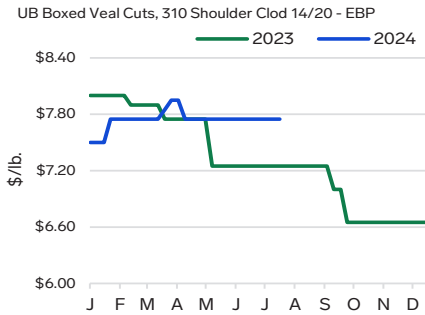
In the veal market, carcass prices were fully steady to firm, while boxed cuts were generally unchanged. Market participants noted demand in this market as only fair to moderate at this point. Most are reporting tight margins at current price levels, which could affect the wholesale market in the coming weeks. According to the latest USDA Carlot Veal Carcass report, the total fed veal slaughter for the week ending July 13, 2024, was 2,043 head, reflecting a modest 7.5% increase from the previous week. Additionally, average weights decreased by 0.9 pounds from the previous week, bringing the average to 300.6 pounds.

In the domestic lamb market, carcasses and boxed cuts exhibited a steady tone. According to the latest USDA report, fresh lamb cuts (negotiated sales) totaled 412,297 pounds, reflecting a 31.5% increase from the previous week. Trade volume for frozen products was reported at 40,774 pounds, which is 59.2% lower than the previous week. The most recent Estimated Meat Production Under Federal Inspection recorded lamb slaughter figures at 35,000 head, which is 7,000 head above the prior week.

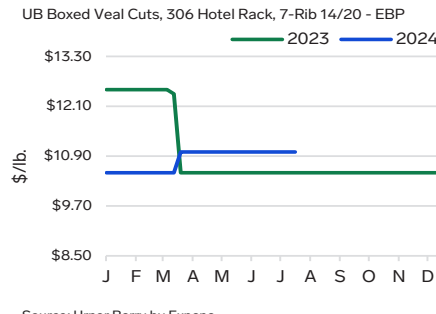
VEAL



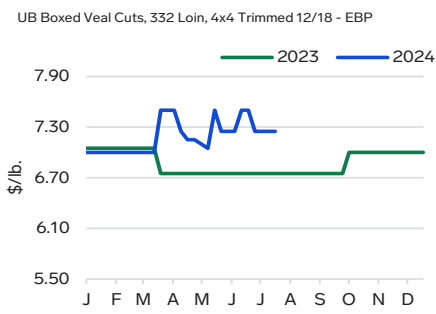
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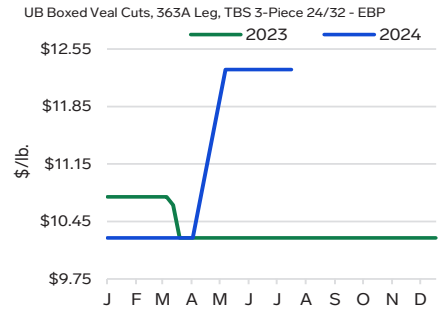
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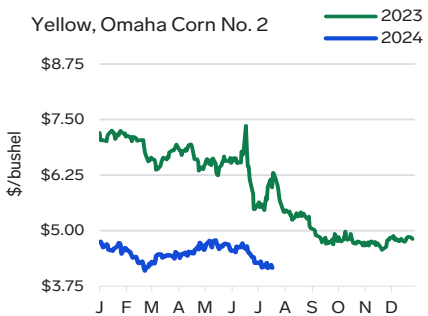


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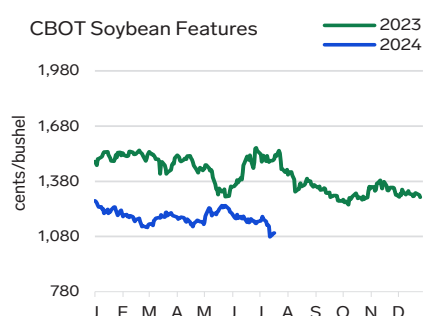


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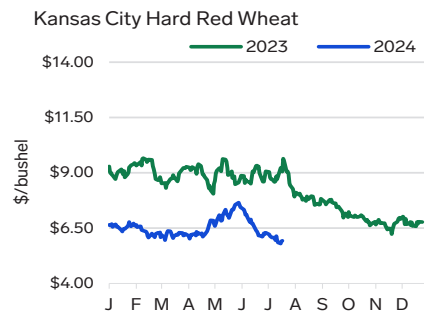
FEEDS: CORN, SOY BEAN, RED WHEAT



Source: CME

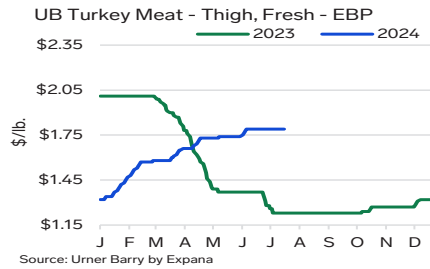
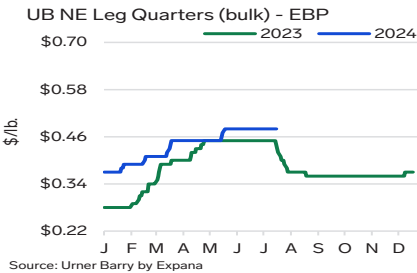
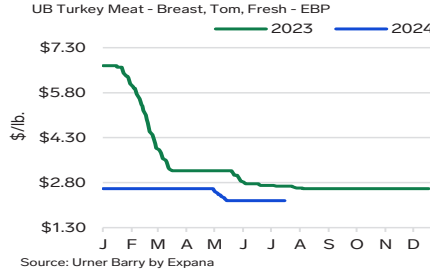
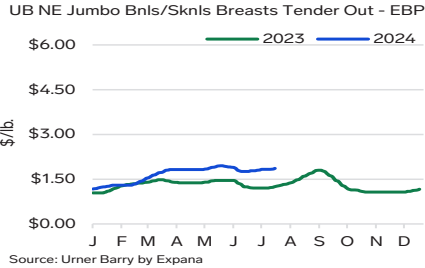
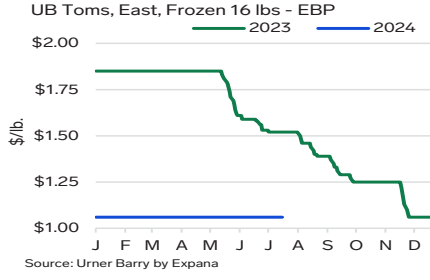
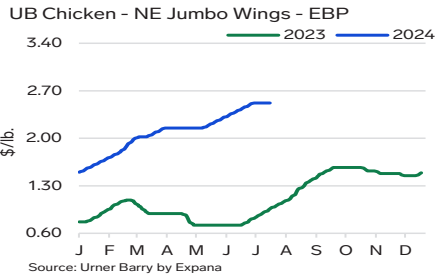


Source: CME

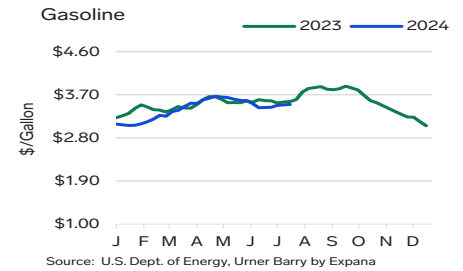
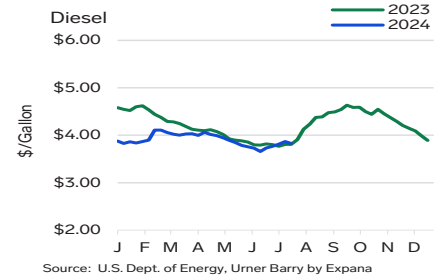


Source: KCBT

**POULTRY**



**ENERGY**



**POULTRY COMMENTARY**

At the beginning of the week, 3-4 lbs. WOGs faced some slight pressure due to issues with bird weight influenced by heat. As the week continued, this pressure intensified leading to downward price movements. Breasts and front halves began the week at a full steady rating due to active demand from deboning operations and Canada, but by the end of the week fully adequate supplies had shifted the market to an about steady rating. Supplies of jumbo boneless breasts were readily cleared throughout the week and producers were able to obtain premiums. Medium offerings were somewhat unstable as early in the week a limited number of producers were able to get premiums, while later in the week a few discounts showed up. However, the gathered trading information was insufficient to move the market in either direction. Select offerings were much more clear-cut as sales were inked at evident discounts. Chunk and trim meat made upward moves due to limited supply along with increased manufacturing need for cost effective options. Tenders have been stable throughout the week, though limited transactions were conducted at a premium. Small and medium wings started a downward slide this week as retail demand declined. Jumbo wings remained steady. The back half items in the domestic market ended the week the same way they started it: stable but with tight supplies. Some demand-induced pressure was noted during the middle of the week, but this was quickly dispelled. Leg meat and thigh meat are certainly helping to drive the market for the back half as active demand continues to readily absorb supplies. On the export side of things, domestic

demand for production has export sellers asking for full market levels if not higher. Production purchased at a premium has been especially evident for drumsticks.

The market for whole turkeys, whether fresh or frozen, along with institutional-sized and consumer-sized breasts was very quiet this week. It was noted that frozen whole tom and hen production from 2023 is still available. The parts market continued to see more activity than that of the whole bird market. Drums and two-joints were stable throughout the week, while some pressure was noted on frozen whole tom wings. In the domestic market, trading of necks slowed down some, but sales were still carried out at supportive levels. The same cannot be said for necks heading to export, as sellers had to accept discounts amid price sensitivity. Producers of tails, on the other hand, were able to move production at higher prices. Moving to the meat side of the business, boneless tom meat started the week with very limited movement. By the end of the week, sales had surfaced at market supportive levels, with optimism from sellers that demand may be starting to pick up. The market for tenders was uneventful throughout the week, with little trading taking place. Thigh meat prices held stable throughout the week, but tight supplies were noted. Fresh scapula was traded at up-money as buyers search for affordable alternatives to the more high-priced whole muscle offerings. The markets for frozen wing meat and fresh MSC are rated steady.

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