

THE WEEKLY COMMODITY REPORT

ArrowStream Tools to Manage Commodity Price Risk.
www.ArrowStream.com, 312-267-4302

Volume No. 24 Issue No. 32 Date August 8, 2019

Annual subscriptions are available. 312-267-4302.

Beef- Last week, beef packers took a step back from earlier big production schedules, notching just 502.7 million pounds of beef for the week, which was 4% below the week prior and 1.3% below a year ago. Beef prices have been firmer in response, with the middle meats garnering most of the strength. There may still be another week or two of higher beef prices as buying for Labor Day ends, but lower prices are expected in late September. Retail feature activity continues to support the grinds, but ground beef prices generally fade during the late summer and fall. Still, demand remains robust, keeping prices over a year ago. Price USDA, FOB per pound

	Price	Last Week	Difference	Price 18
Live Cattle	1.137	1.142	-.005	1.132
Feeder Cattle Index (CME)	1.417	1.421	-.004	1.501
Ground Beef 81/19	1.856	1.828	+.028	1.713
Ground Chuck	1.970	1.990	-.020	1.660
109e Export Rib (choice)	7.035	6.729	+.306	6.114
109e Export Rib (prime)	10.836	10.699	+.137	7.453
112a Ribeye (choice)	7.830	7.763	+.067	7.233
112a Ribeye (prime)	11.513	11.240	+.273	8.091
114a Chuck, Shlder Cld (ch.)	2.195	2.190	+.005	2.171
116 Chuck (select)	2.432	2.440	-.008	2.922
116 Chuck (choice)	2.577	2.520	+.057	2.938
116b Chuck Tender (choice)	2.250	2.180	+.070	2.128
120 Brisket (choice)	2.755	2.701	+.054	2.335
120a Brisket (choice)	4.509	4.430	+.079	4.167
121c Outside Skirt (ch/sel)	6.390	6.603	-.213	6.339
121d Inside Skirt (ch/sel)	4.437	4.426	+.011	4.719
121e Cap & Wedge	2.472	2.450	+.022	2.940
167a Knuckle, Trm. (ch.)	2.223	2.239	-.016	2.321
168 Inside Round (ch.)	2.109	2.170	-.061	1.970
169 Top Round (ch.)	2.625	2.701	-.076	2.343
171b Outside Round (ch.)	2.049	2.047	+.002	2.004
174 Short Loin (ch. 0x1)	5.585	5.368	+.217	5.079
174 Short Loin (prime)	9.508	9.290	+.218	5.607
180 0x1 Strp (choice)	6.075	5.800	+.275	5.277
180 0x1 Strp (prime)	11.604	11.148	+.456	6.469
184 Top Butt, bnls (ch.)	3.022	2.929	+.093	3.123
184 Top Butt, bnls (prime)	4.325	4.269	+.056	4.124
184-3 Top Butt, bnls (choice)	3.030	3.042	-.012	3.149
185a Sirloin Flap (choice)	6.042	5.881	+.161	5.442
185c Loin, Tri-Tip (choice)	3.003	3.058	-.055	2.516
189a Tender (select)	8.290	8.173	+.117	8.690
189a Tender (choice)	9.620	9.470	+.150	9.070
189a Tender (prime)	16.812	16.640	+.172	11.057
193 Flank Steak (choice)	5.575	5.446	+.129	5.819
50% Trimmings	.791	.815	-.024	.780
65% Trimmings	1.153	1.165	-.012	1.108
75% Trimmings	1.678	1.678	-	1.563
85% Trimmings	1.990	2.025	-.035	1.710
90% Trimmings	2.227	2.218	+.009	2.151
90% Imported Beef (frz.)	2.243	2.278	-.035	2.008
95% Imported Beef (frz.)	2.469	2.478	-.009	2.145
Veal Rack (Hotel 7 rib)	8.875	8.875	-	8.675
Veal Top Rnd. (cp. off)	13.875	13.875	-	13.575

The Kitchen Sink (Various Markets)- Nearby international sugar (#11) futures fell sharply since last week and remain historically deflated. It is no coincidence that the Brazilian real has also been under pressure, which encourages U.S. imports. Still, global sugar prices haven't priced below \$.10 for a notable period of time in 15 years. Price bases noted below..

	Price	Last Week	Difference	Price 18
Whole Peeled, Stand (6/10)	12.673	12.673	-	12.650
Tomato Paste- Industrial (lb.)	.469	.469	-	.454
Coffee, lb., ICE	.971	.995	-.024	1.091
Sugar, lb., ICE	.256	.256	-	.260
Cocoa, mt., ICE	2252.000	2379.000	-127.000	2103.000
Orange Juice, lb., ICE	1.029	1.029	-	1.645
Honey (Clover), lb.	1.901	1.901	-	2.066

Daily Commodity Contract Analytics and Recommendations
The Maloni Report Commodity Commentary; 312-267-4302

Grains- As of August 4th, just 57% of the corn crop and 54% of the soybean crop in the U.S. were rated in either good or excellent condition. These are the worst ratings for the crops for the first week of August in seven years. The corn and soybean markets are anticipated to remain volatile during the next several months. Prices USDA, FOB

	Price	Last Week	Difference	Price 18
Soybeans, bushel	8.128	8.470	-.342	8.461
Crude Soybean Oil, lb.	.272	.279	-.007	.276
Soybean Meal, ton	300.300	304.800	-4.500	341.500
Corn, bushel	3.857	3.987	-.130	3.381
Crude Corn Oil, lb.	.272	.276	-.004	.271
High Fructose Corn Syrup	.136	.139	-.003	.126
Distillers Grain, Dry	132.375	137.833	-5.458	132.563
Crude Palm Oil, lb. BMD	.227	.218	+.009	.247
HRW Wheat, bushel	4.255	4.410	-.155	6.095
DNS Wheat 14%, bushel	5.270	5.338	-.068	6.278
Durum Wheat, bushel	4.685	4.692	-.007	4.978
Pinto Beans, lb.	.217	.217	-	.217
Black Beans, lb.	.265	.268	-.003	.270
Rice, Long Grain, lb.	.243	.241	+.002	.268

Dairy- Spot butter prices moved modestly higher since last week. June butter imports were 3.4% more than last year and were a record for the month. June butter exports were 40% lower year-over-year and were the smallest for the month since 2016. Butter demand is solid, but prices usually peak for the year in early September. Cheese block prices hit the highest level since November 2016. U.S. June cheese exports were 12.5% less than 2018. Weak cheese exports going forward are likely with lower global cheese prices in place. Cheese prices tend to top for the year in late-August. Prices per pound, except Class I Cream (hundredweight), from USDA.

	Price	Last Week	Difference	Price 18
Cheese Barrels (CME)	1.710	1.723	-.013	1.485
Cheese Blocks (CME)	1.868	1.820	+.048	1.578
American Cheese	1.793	1.805	-.012	1.530
Cheddar Cheese (40 lb.)	1.913	1.913	-	1.633
Mozzarella Cheese	1.990	1.990	-	1.705
Provolone Cheese	2.075	2.075	-	2.075
Parmesan Cheese	3.723	3.723	-	3.440
Butter (CME)	2.350	2.328	+.022	2.315
Nonfat Dry Milk	1.099	1.095	+.004	.911
Whey, Dry	.344	.344	-	.373
Class I Base	17.890	17.890	-	14.150
Class II Cream, heavy	3.343	3.323	+.020	3.264
Class III Milk (CME)	17.900	17.490	+.410	15.560
Class IV Milk (CME)	16.750	16.710	+.040	15.140

Pork- Sharply higher hog carcass weights have eased back recently, and pork output has fallen modestly. Last week, production came in at 494.3 million pounds, 0.7% below the week prior but was still 1.9% larger than last year. Despite larger year-over-year production schedules, wholesale prices continue to rise, with the hams and bellies making the largest moves. Additionally, 42% pork trim prices have skyrocketed, with last week's price being over beef 50's for the first time since last fall. But, prices on the fat pork trim should decline into late August. Prices USDA, FOB per pound.

	Price	Last Week	Difference	Price 18
Live Hogs	.568	.605	-.037	.399
Sow	.359	.315	+.044	.363
Belly (bacon)	1.537	1.481	+.056	.992
Sparerib (4.25 lb. & down)	1.238	1.188	+.050	1.322
Ham (20-23 lb.)	.888	.870	+.018	.648
Ham (23-27 lb.)	.921	.894	+.027	.634
Loin (bone-in)	.746	.750	-.004	.766
Bbybck Rib (1.75 lb. & up)	2.282	2.235	+.047	2.329
Tenderloin (1.25 lb.)	1.828	1.835	-.007	2.192
Boston Butt, untrmd. (4-8 lb.)	.955	.933	+.022	.870
Picnic, untrmd.	.537	.539	-.002	.432
SS Picnic, smoker trm. bx.	.668	.633	+.035	.591
42% Trimmings	.736	.838	-.102	.387
72% Trimmings	.742	.905	-.163	.569

*These comments and data are provided for information purposes only and are not intended to be used for specific trading strategies. Past financial results are not necessarily indicative of future performance. Any examples given are strictly hypothetical and no representation is being made that a person will or is likely to achieve profits or losses similar to those examples. Neither the information, nor any opinion expressed constitutes a solicitation to buy or sell futures or options on futures contracts or OTC products. Covered parties (as defined below) shall not be liable for any direct, indirect, incidental, special or consequential damages of any kind, whatsoever (including attorney's fees and lost profits or savings) in any way due to, resulting from, or arising in connection with the Weekly Commodity Report, including its content, regardless of any negligence of the covered party including but not limited to technical inaccuracies and typographical errors. "Covered Parties" is defined as American Restaurant Association Inc., ARA Trading Inc, ARA Hedging Inc. and the employees of the companies. Commodity trading involves risks, and you should fully understand those risks before trading. ©2018 American Restaurant Association Inc. This publication is protected under U.S. copyright law. Please do not redistribute without permission. Thank you.

THE WEEKLY COMMODITY REPORT

ArrowStream Tools to Manage Commodity Price Risk.

www.ArrowStream.com, 312-267-4302

Poultry- For the week ending July 27th, weekly young chicken harvests continued to run over a year ago, taking the six-week harvest more than 3% over last year. Heavier birds continue to add pounds to total chicken production, which caused output to be 5.3% better than last year. Despite elevated chicken production, pricing on the wings and dark meat segments have remained firm. Yet, look for wing prices to fade some in the near term, but solid demand should keep prices over a year ago throughout the fall. Similarly, dark meat demand is expected to stay robust, and prices on thigh meat and leg quarters are likely to remain elevated. That said, seasonal price drops are still projected. Prices USDA, FOB per pound except when noted.

	Price	Last Week	Difference	Price 18
Chicken				
Whole Birds WOG - Nat	.830	.862	-.032	.959
Wings (jumbo, cut)	1.874	1.916	-.042	1.430
Wing Index- (ARA)	1.874	1.909	-.035	1.439
Breast, Bnless Skinless NE	1.029	1.031	-.002	1.130
Breast, Bnless Skinless SE	1.006	1.005	+.001	1.181
Breast, Bnless Index (ARA)	1.033	1.039	-.006	1.175
Tenderloin Index- (ARA)	1.679	1.743	-.064	1.804
Legs (whole)	.684	.674	+.010	.429
Leg Qtr Index (ARA)	.412	.440	-.028	.304
Thighs, bone in	.854	.850	+.004	.625
Thighs, boneless	1.190	1.243	-.053	1.191

Eggs and Others				
Large (dozen)	.500	.500	-	1.070
Medium (dozen)	.377	.387	-.010	.625
Whole Eggs- Liquid	.525	.525	-	.795
Egg Whites- Liquid	.590	.615	-.025	.805
Egg Yolks- Liquid	.853	.863	-.010	1.320
Egg Breaker Stock Central	.220	.220	-	.570
Whole Turkeys (8-16 lb.)	.900	.895	+.005	.790
Turkey Breast, Bnls/Sknl	2.080	2.070	+.010	1.976

Keep pace with the plastics industry with **Plastics News**, a weekly newspaper from Crain Communications, and visit www.plasticsnews.com

Seafood- The salmon markets are tracking below year ago levels due in part to continued strong imports. During June, U.S. total salmon imports were 7.4% bigger than the previous year, with Atlantic salmon filet imports higher by 3.9%. A strong value of the U.S. dollar should encourage salmon exports to the U.S. However, world salmon output could be tempered in the coming months. This may underpin the salmon markets throughout the fall. Prices fresh product, unless noted, per pound from Fisheries Market News

	Price	Last Week	Difference	Price 18
Shrimp (15/20), Frz.	4.319	4.308	+.011	4.189
Shrimp (61/70), Frz.	2.455	2.333	+.122	2.733
Shrimp, (26/30), Frz.	3.372	3.389	-.017	2.692
Snow Crab, Frz	8.281	8.422	-.141	8.480
Tilapia Filet, Frz	1.685	1.688	-.003	1.744
Cod Filet, Frz.	3.681	3.564	+.117	3.487
Tuna Yellowfin, Frsh	4.061	4.371	-.310	4.297
Salmon Atlantic Filet, Frsh	5.355	5.577	-.222	5.837
Pollock Filet, Alaska, Frz	1.311	1.235	+.076	1.006

Energy & Currency- Nearby WTI crude oil futures declined notably since last week. Economic growth concerns, especially for China, have risen due in part to the erratic trade negotiations happening globally. It looks like WTI crude oil futures may hit \$50/bbl. Currency US dollar is worth

	Price	Last Week	Difference	Price 18
Crude Oil, barrel- nymex	52.430	58.650	-6.220	67.850
Natural Gas, mbtu- nymex	2.113	2.186	-.073	2.941
Diesel Fuel, gal- nymex	1.790	1.970	-.180	2.148
Electricity, mwhwt- nymex	29.950	29.250	+.700	37.550
Gasoline, gal- nymex	1.663	1.858	-.195	2.060
Diesel Fuel, gal- eia	3.032	3.034	-.002	3.223
Ethanol, gal- usda	1.393	1.414	-.021	1.412
Canadian \$	1.334	1.312	+.022	1.307
Japanese Yen	105.781	108.615	-2.834	110.991
Mexican Peso	19.680	19.018	+.662	18.474
Euro	.892	.897	-.005	.863
Brazilian Real	3.989	3.773	+.216	3.753
Chinese Yuan	7.057	6.884	+.173	6.839

Paper/Plastic- Provided by; resin- www.plasticsnews.com, pulp- BLS index estimate.

	Wood Pulp/ Plastic Resin	Price	Last Week	Difference	Price 18
WP; NBSK (napkin, towel)		1064.984	1064.984	-	1094.982
WP; 42 lb. Linerboard (corr.)		770.791	770.791	-	757.118
PS-CHH (cup, cont.)		1.04-1.08	1.04-1.08	-	1.070
Res; PP-HIGP (hvy utensil)		.635-.655	.635-.655	-	.800
Res; PE-LLD (cn liner, film)		.500-.530	.500-.530	-	.605

www.ArrowStream.com - The Commodity Market Info Web Portal

Produce- The avocado markets have been on the decline as of late with the average 48 count Hass price falling 28% during the last month. The avocado markets are still well above year ago levels. Imports from Mexico have improved in recent weeks with trade last week 53% better than the same week last year. However, North American supplies are expected to tighten in the coming weeks due in a large part to seasonally declining output from California. This could be supportive of the avocado markets.

Tomato prices could be erratic this month. Price bases noted below

	Price	Last Week	Difference	Price 18
Limes (150 ct.)	19.000	17.000	+2.000	20.000
Lemons (95 ct.)	21.965	19.965	+2.000	46.800
Lemons (200 ct.)	28.465	33.965	-5.500	46.300
Honeydew (6 ct.)	7.000	7.000	-	4.500
Cantaloupe (15 ct.)	4.500	4.500	-	8.088
Blueberries (12 count)	11.750	10.500	+1.250	8.750
Strawberries (12 pnts.)	7.500	5.750	+1.750	5.500
Avocados (Hass 48 ct.)	51.000	59.000	-8.000	40.750
Bananas (40 lb.)- Term.	15.431	15.431	-	14.788
Pineapple (7 ct.)- Term.	23.278	22.111	+1.167	10.781
Idaho Potato (60 ct.50 lb.)	19.000	18.500	+.500	12.750
Idaho Potato (70 ct., 50 lb.)	19.000	18.500	+.500	12.750
Idaho Potato (70 ct.)-Term.	23.938	23.156	+.782	21.375
Idaho Potato (90 ct., 50 lb.)	12.500	12.250	+.250	9.750
Idaho Pot. # 2 (6 oz., 100 lb.)	15.000	14.000	+1.000	10.000
Processing Potato (cwt.)	8.042	8.042	-	7.963
Yellow Onions (50 lb.)	12.667	18.000	-5.333	5.750
Yell Onions (50 lb.)-Term.	26.004	25.979	+.025	14.136
Red Onions (25 lb.)- Term.	16.750	17.438	-.688	15.953
White Onions (50 lb.)- Term.	29.458	30.933	-1.475	22.875
Tomatoes (large- case)	15.950	11.950	+4.000	11.200
Tomatoes (5x6-25 lb.)-Term	14.500	16.167	-1.667	12.000
Tomatoes (4x5 vine ripe)	13.950	13.458	+.492	9.783
Roma Tomatoes (large- case)	13.950	12.879	+1.071	10.766
Roma Tomatoes (xlarge-cs)	14.293	13.507	+.786	11.266
Green Peppers (large- case)	15.183	19.063	-3.880	12.017
Red Peppers (large 15lb. cs.)	20.950	19.950	+1.000	15.950
Iceberg Lettuce (24 count)	8.538	9.225	-.687	7.988
Iceberg Lettuce (24)-Term.	15.292	18.250	-2.958	15.583
Leaf Lettuce (24 count)	8.890	10.000	-1.110	7.150
Romaine Lettuce (24 cnt.)	11.450	10.663	+.787	7.150
Mesculin Mix (3 lb.)-Term.	6.750	6.750	-	6.875
Broccoli (14 ct.)	10.125	9.875	+.250	14.475
Squash (1/2 bushel)	6.925	10.800	-3.875	5.300
Zucchini (1/2 bushel)	8.792	9.300	-.508	7.175
Green Beans (bushel)	17.000	19.000	-2.000	25.000
Spinach, Flat 24's	13.250	11.825	+1.425	15.575
Mushrms (10 lb, lg.)-Term.	16.875	16.875	-	16.250
Cucumbers (bushel)	12.392	10.281	+2.111	12.168
Pickles (200-300 ct.)- Term.	23.667	24.500	-.833	31.500
Asparagus (small)	15.125	15.500	-.375	8.625
Freight (Truck; CA-Cty Av.)	6525.000	6356.250	+168.750	6622.222

Retail Prices-CPI, % compared to prior month from BLS.

	June-19	May-19	Apr-19	Mar-19
Beef and Veal	-.293	+.882	+.568	+.829
Dairy	-.187	+.152	+.010	+.432
Pork	-.193	+2.416	-.545	+1.510
Chicken	-.083	-.238	+.862	-.631
Fresh Fish and Seafood	-.523	+.793	-.749	+.241
Fresh Fruits and Veg.	-1.672	-.741	-.523	+.136

*These comments and data are provided for information purposes only and are not intended to be used for specific trading strategies. Past financial results are not necessarily indicative of future performance. Any examples given are strictly hypothetical and no representation is being made that a person will or is likely to achieve profits or losses similar to those examples. Neither the information, nor any opinion expressed constitutes a solicitation to buy or sell futures or options on futures contracts or OTC products. Covered parties (as defined below) shall not be liable for any direct, indirect, incidental, special or consequential damages of any kind, whatsoever (including attorney's fees and lost profits or savings) in any way due to, resulting from, or arising in connection with the Weekly Commodity Report, including its content, regardless of any negligence of the covered party including but not limited to technical inaccuracies and typographical errors. "Covered Parties" is defined as American Restaurant Association Inc., ARA Trading Inc, ARA Hedging Inc. and the employees of the companies. Commodity trading involves risks, and you should fully understand those risks before trading. ©2018 American Restaurant Association Inc. This publication is protected under U.S. copyright law. Please do not redistribute without permission. Thank you.