

WEEKLY Market Report



POWERED BY URNER BARRY'S COMTELL®

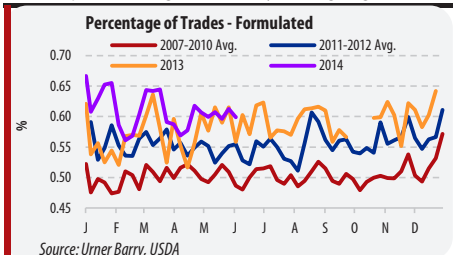
Friday, June 13, 2014

Number 24- Volume 07

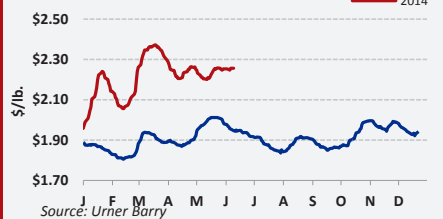
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	4.49	4.59	7.22
CBOT Soybean	1,425.75	1,457.00	1,516.50
NYMEX Light Crude Oil	106.91	102.66	97.85
Loose Lard, Chicago Basis	0.45	0.58	0.49
Edible Tallow, Chicago Basis	0.41	0.45	0.49
Beef Trimnings, 90% Fresh	247.00	244.00	196.50
Beef Trimnings, 50% Fresh	130.00	131.00	95.00
Aust/NZ Blend Cow 90% EC Spot	219.00	215.00	185.00
USDA Drop Credit	15.43	15.67	14.45
112A 3 Ribeye Roll, Lip-On CH	805.00	770.00	740.00
116A 3 Chuck Roll, Neck-Off CH	290.00	275.00	218.00
168 3 Round, Top (Inside) CH	242.00	223.00	200.00
180 3 Strip Loin, Bnls, 0x1 CH	640.00	670.00	790.00
136 Coarse Ground 73%	200.00	205.00	156.00
189A 4 Loin, Tenderloin, PS MO CH	1,020.00	1,050.00	1,000.00
Cattle-Fax, 6-State Fed Steer Price	145.56	143.76	122.65
Select Hams 20/23	126.00	116.00	75.00
Sq Cut Bellies 14/16	158.00	150.00	175.00
1/4 Trmd. Loins 21/dn	151.00	142.00	135.00
1/4 Tr Boston Butts 9/dn	166.00	164.00	126.00
Spareribs, Light, Fresh	170.00	166.00	152.00
Fresh Pork Trim (42%)	69.00	74.00	60.00
Fresh Pork Trim (72%)	130.00	127.00	85.00
Carcass Lamb Y4+55/65	345.00	345.00	290.00
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	835.00	835.00	525.00
Lamb Cuts, 206 Shoulder, Cross Cut	295.00	295.00	220.00
Lamb Cuts, 232 Loin Trmd 4x4	520.00	520.00	465.00
Lamb Cuts, 234 Leg, Boneless	540.00	540.00	495.00
Carcass Veal, Hide-off, 255/315, NC	385.00	380.00	370.00
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	975.00	975.00	890.00
Veal Cuts, 310 Shoulder Clod 14/20	650.00	650.00	630.00
Veal Cuts, 332 Loin, 4x4 Trim 12/18	675.00	675.00	650.00
Veal Cuts, 348A Leg, TBS 3-Pc 24/32	1,150.00	1,150.00	1,060.00

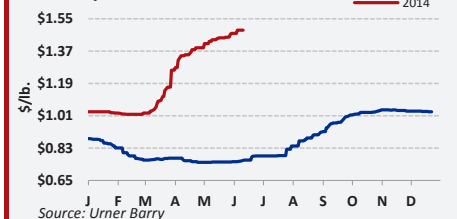
Quotes represent the high side of Friday's trading range



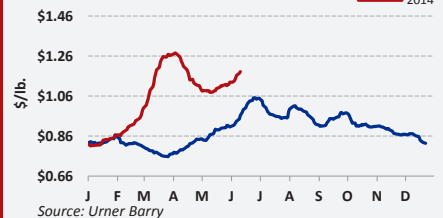
Beef Index



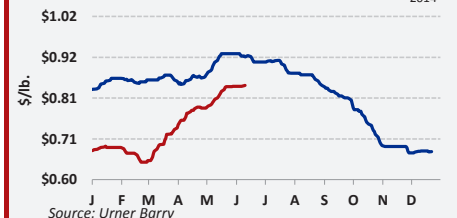
Turkey Index



Pork Cutout



Chicken Index



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	113	117	115	116	113	31	605
LW	113	118	117	116	117	33	614
*LY	122	125	119	124	124	30	644

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	361	410	409	411	299	25	1,915
LW	379	410	409	411	319	2	1,930
*LY	393	404	404	397	341	11	1,950

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	9	6	9	5	0	38
LW	9	9	7	8	6	0	39
*LY	10	9	6	9	7	0	40

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	3	2	2	2	0	11
LW	2	3	2	2	2	0	11
*LY	3	3	3	2	3	0	14

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	5/30	5/31	6/2	6/3	6/4	6/5	
	23	3	21	23	22	21	113
TW	6/6	6/7	6/9	6/10	6/11	6/12	
	23	2	20	23	21	21	110
*LY	27	3	25	26	26	27	134

*Last Year's numbers are rounded

An increasingly larger percentage of boxed beef trades are formulated, adding pressure to a smaller production pie.

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.940	0.934	0.961
Mexico, Peso	13.005	12.914	12.629
Canada, Dollar	1.086	1.093	1.017
Japan, Yen	102.013	102.573	95.210
China, Yuan (RMB)	6.209	6.250	6.131
Brazil, Real	2.230	2.249	2.130
South Korea, Won	1,019.990	1,017.480	1,126.500
Taiwan, Dollar	30.012	29.998	29.900
European Union, Euro	1.353	1.364	1.331

COLD STORAGE STOCKS

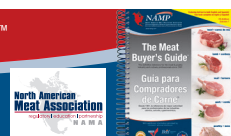
(Pounds in Thousands)	4/30/13	3/31/14	4/30/14
Beef in Freezer, Bnls	460,043	364,771	360,405
Cuts	50,086	41,016	41,930
Total Beef	510,129	405,787	402,335
PORK & OTHER	4/30/13	3/31/14	4/30/14
Pork in Freezer, Picnics	21,152	9,080	13,498
Hams	126,931	89,452	81,807
Bellies	56,352	79,721	82,711
Loins	46,140	41,470	47,109
Spareribs	120,593	120,606	116,678
Butts	23,854	20,163	19,833
Trimnings	66,050	36,871	41,964
Other Pork in Freezer	129,912	94,722	97,551
Total	700,977	575,539	584,060
Veal in Freezer	5,404	2,921	3,422
Lamb & Mutton in Freezer	21,463	28,076	26,911
Total	26,867	30,997	30,333

Data Updated: May 22, 2014

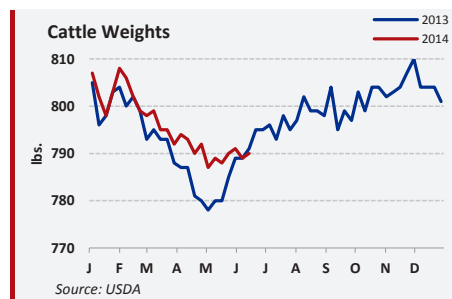
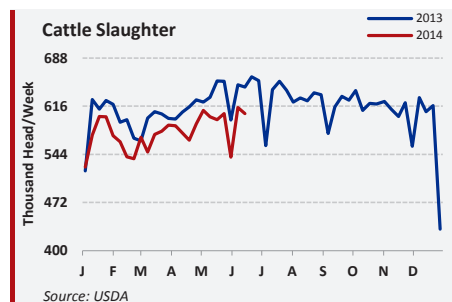
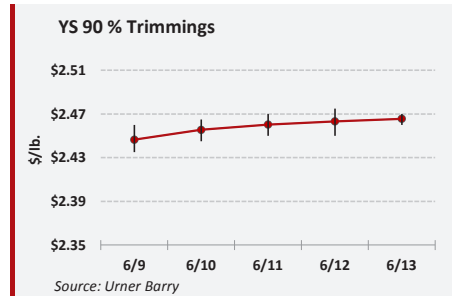
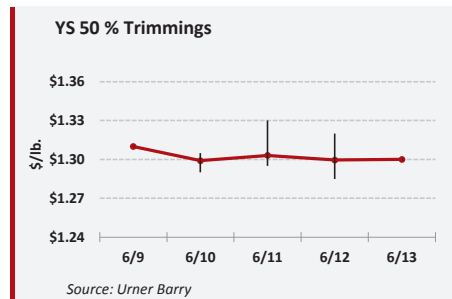
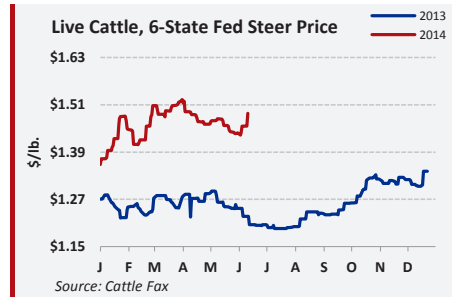
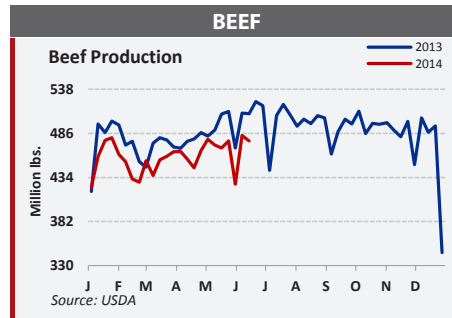
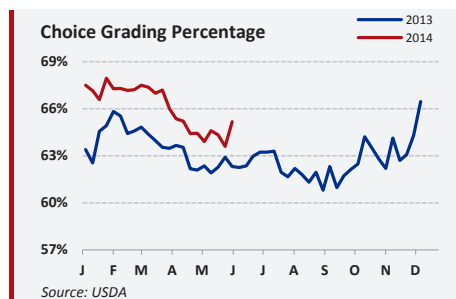
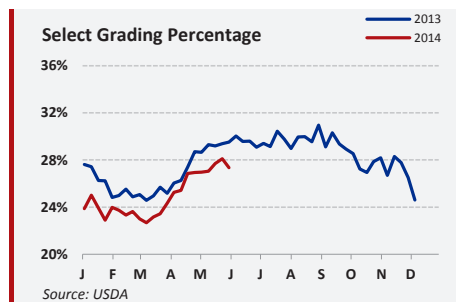
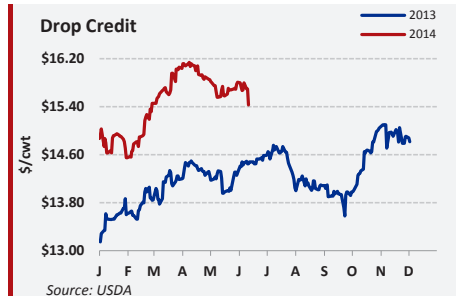
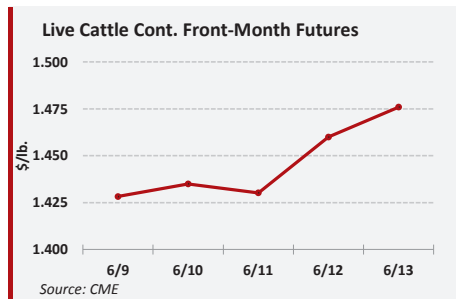
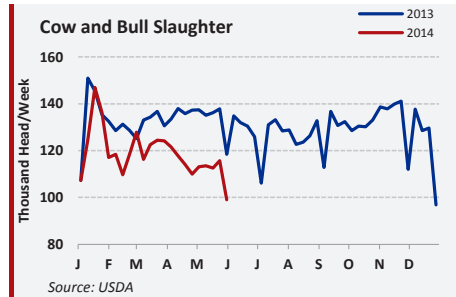
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YS BEEF CUTOUT Jun-13 v. Jun-06				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	2.07%	2.29%	1.08%	3.30%
Chuck	0.48%	1.42%	1.08%	-0.93%
Round	4.31%	4.17%	4.17%	1.28%
Loin	-1.62%	-0.46%	1.30%	-2.99%
Brisket	2.45%	2.45%	2.49%	1.29%
Plate	1.24%	1.24%	1.24%	0.60%
Flank	0.57%	0.32%	-0.20%	0.98%
Total	0.95%	1.56%	1.76%	-0.19%



BEEF COMMENTARY

Increased raw material costs were one of the factors that contributed to stronger cutout values. Although demand for quick ship is rated average at best, packers have done a good job of selling forward, indicated by the growing percentage of formula sales.

LIVE CATTLE: Packers upped their bids quite a bit on Thursday, pushing them to levels that cattle owners agreed would buy their offerings. Live cattle trade was established at \$147/cwt to \$148/wt in the South, \$148/cwt to \$150/cwt sold the live animal in the North. The range of sales for the live animal was \$2-\$3/cwt up from last week. The dressed carcass exchanged ownership at \$235 to \$239/cwt, up mostly \$5/cwt from week prior sales. The current CattleFax 6-State Fed Steer price at \$148.45/cwt is 23% higher from the same week last year which was \$120.50/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly F.I. Slaughter was assessed at 605,000 head, slipping 9,000 lower from week prior's kill under inspection. Saturday's harvest reported at 31,000 head. This year's 605,000 kill represents a 6.5% reduction from last year's 644,000 in the same week. Live cattle weights edged 1 pound lower to 1301 pounds; dressed carcass weights gained a pound, now tipping the scales at 790.

RIBS: Rib values surged higher, attributed in part to buyers procuring last minute inventory prior to both this weekend's Fathers Day celebration as well as the upcoming July 4th holiday.

CHUCKS: Support for chucks was largely seen from demand for ground beef processing. As seen with the other primals, hefty price increases paid for slaughter-ready cattle played into advanced offering prices as the week came to a close.

ROUNDS: Rounds realized higher wholesale values as packers pushed offering prices higher to compensate for higher priced cattle. Ground beef processing also lent to clearing of wholesale supply.

LOINS: Throughout most of the week, loin values were under a bit of negative pressure. A slight bounce higher was seen as the week closed, as sellers adjusted their offerings to hopefully offset the increased price of cattle. Peeled tenderloins however, were not able to find the last minute support as the week closed.

BONELESS BEEF: Fresh 90s were steady to a little firmer on the week. Price levels trended higher as the week progressed. Nearby demand was reportedly active in some areas. Fresh 50s were about steady on the week. Availability varied from source to source. This week's cattle slaughter was estimated at 605,000 head, down 9,000 from the previous week.

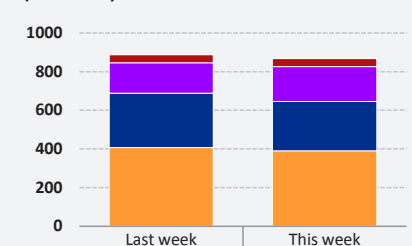
YS BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

	M	T	W	TH	F
TW	8.78	8.61	8.65	8.36	7.93
*LW	9.38	8.73	8.58	8.54	8.78

*Last Week's numbers are rounded

Weekly Beef Breakdown (# of loads)

1 load = 40,000 lbs.

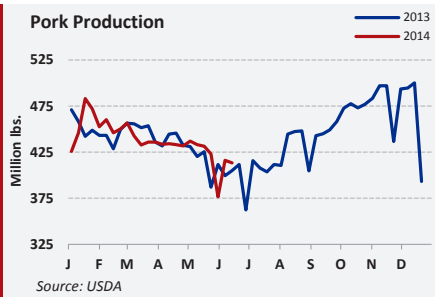
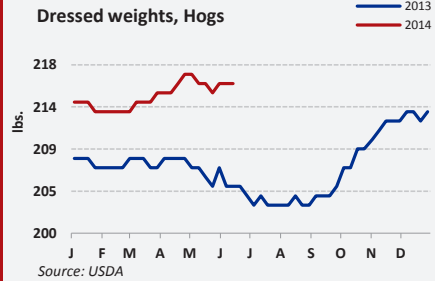
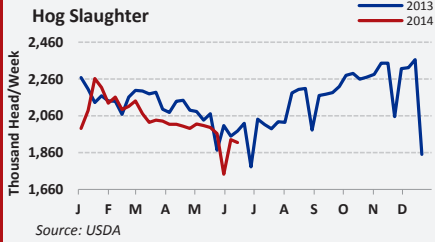


Trim	42.63	40.89
Grind	157.45	181.46
SE	281.70	253.94
CH	406.23	390.98

Source: USDA

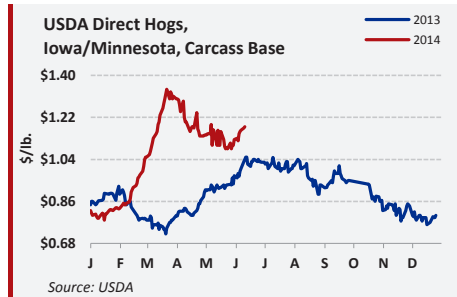
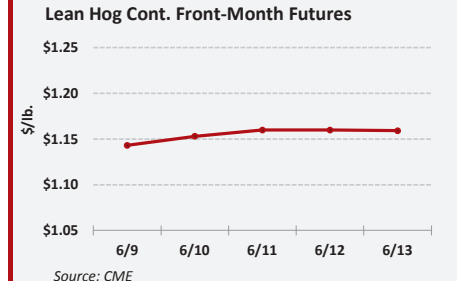
Friday, June 13, 2014

PORK PRODUCTION

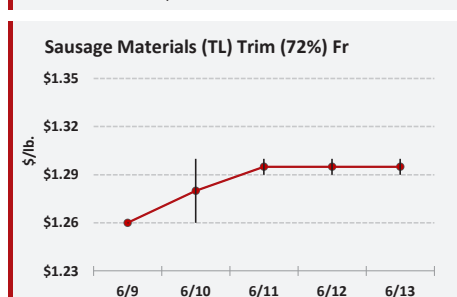
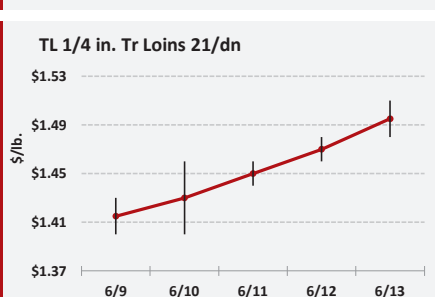
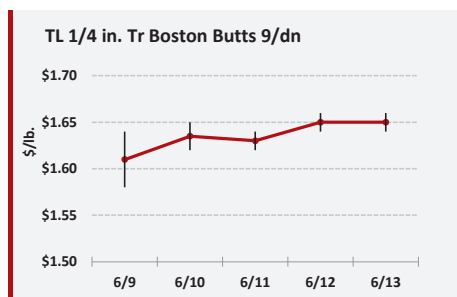
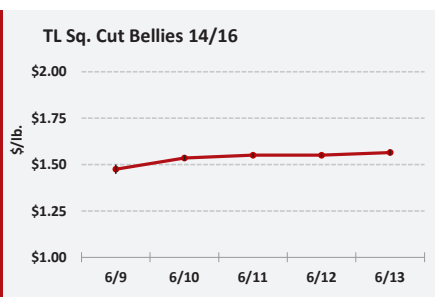
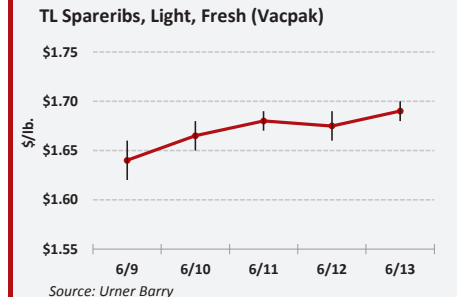
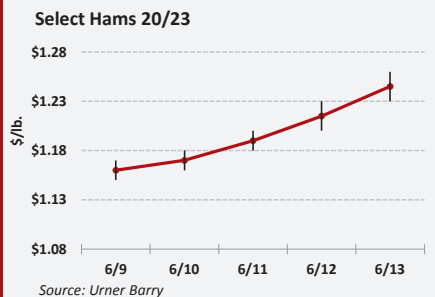


LIVE HOGS & CUTOUT

PORK CUTOUT	Jun-06	Jun-13	Change
Loin	28.59	29.345	0.755
Butt	12.99	13.214	0.224
Picnic	11.285	11.519	0.234
Sparerib	6.622	6.824	0.202
Ham	27.03	29.303	2.273
Belly	23.39	24.723	1.333
Cutout Value	113.381	118.37	4.993



PORK PROCESSING ITEMS & RETAIL CUTS



PORK COMMENTARY

Limited slaughter schedules due to thinning hog supplies resulted in higher markets for both livestock and wholesale pork. In the bellwether Iowa-Southern Minnesota area, the weighted average gained 5.9 percent to \$116.66/cwt. At the same time, Urner Barry's pork carcass cutout gained over 4.4 percent, going from \$113.381/cwt last Friday to \$118.374/cwt this Friday. Operating margins remained positive, with the Urner Barry pork packer margin index ranging between \$3.84 to \$9.62/head.

PORK PRODUCTION: Total pork production for the week ending June 14, 2014 was estimated at 413.2 million lbs. This total was .7 percent below last week and 3.4 percent above the same week a year ago. Average hog weights, at 287 pounds, were even with last week and 13 pounds over last year.

HAMS: The reduced slaughter schedules this week helped support most retail and processing pork products. Hams were no exception and had a strong showing throughout the week. 20 to 23lb hams gained 8.6 percent or \$9/cwt while 23 to 27lb hams gained 8 percent or \$9/cwt. Exports to Mexico are also considered supportive.

BELLIES: Bellies saw consistent gains throughout the week as well, with demand for fresh and limited supplies helping to buoy the market. As a result, 12 through 20lb bellies appreciated by 2.8 to 5.3 percent or \$4 to \$8/cwt. Like hams, heavier bellies have been selling at a slight discount due to elevated hog weights.

TRIMMINGS: Trim was mixed this week. Abnormally heavy hog weights and a reported lack of Mexican demand resulted in additional 42 percent trim on the market. Accordingly, they lost nearly 7 percent or \$5/cwt by Friday. Contrarily, fresh 72's and boneless picnic trim both gained over 2 percent or \$3 and \$4/cwt respectively on demand for pizza topping and summer sausage demand.

RETAIL: Sellers entered the week with some meat to sell and mixed opinions on market direction. However, as the week wore on, supplies of most lines dried-up, leading to full steady to firm trade throughout most of the complex. There were some exceptions; boneless loins seemed to be problematic for a number of sellers, as did cushion meat. Bone-in loins continued to move well, and as a result, were up as much as \$9.00/cwt this week. Bone-in centers gained \$5.00 to \$6.00/cwt, while more modest gains and wide ranges developed on boneless loins; the result of carried inventories. The balance of the category was mixed. The picnic held, but as previously mentioned, cushion meat was under pressure; trading down \$10.00/cwt this week. Butts received some weaker calls on Monday, but as the week wore on and discounting became less pervasive, the market actually began to gain; this week, up \$2.00 to \$4.00/cwt. Interest in spareribs finally surfaced as summer month usage is expected to pick-up. This week, sparerib values rose between \$4.00 and \$9.00/cwt. Meanwhile, St. Louis Ribs continued steady to weak, and Loin Back Ribs steady to firm.

Fully Updated & Revised! Order yours today!

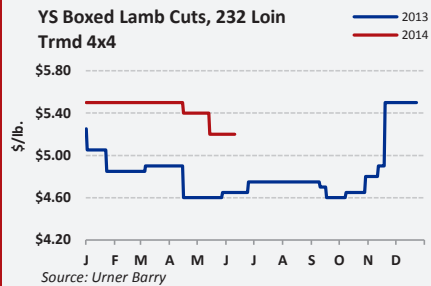
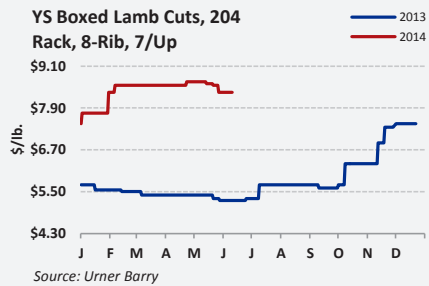
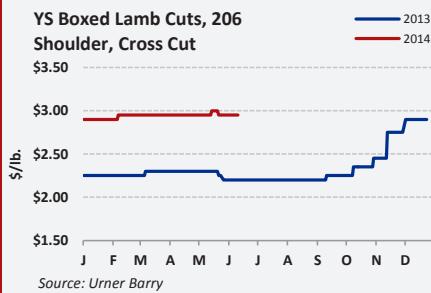
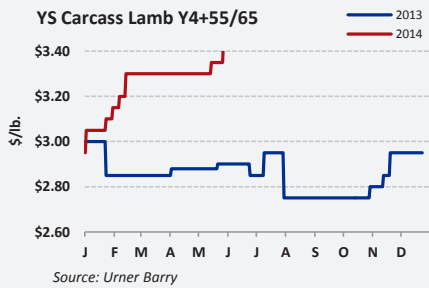
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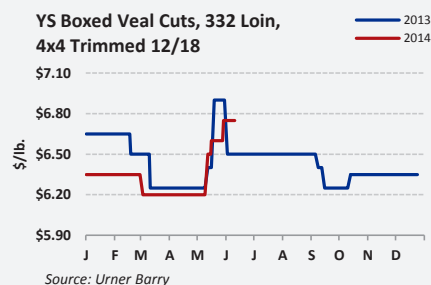
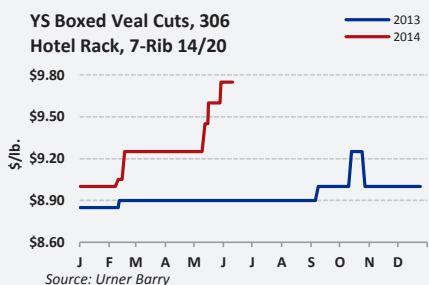
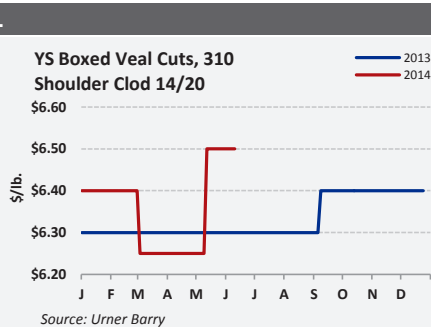
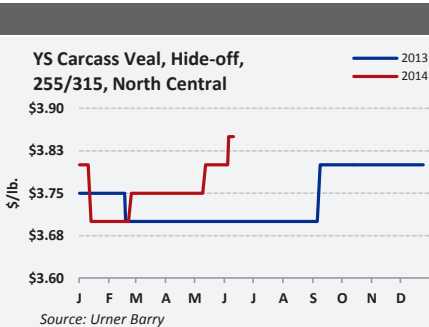
North American Meat Association

LAMB



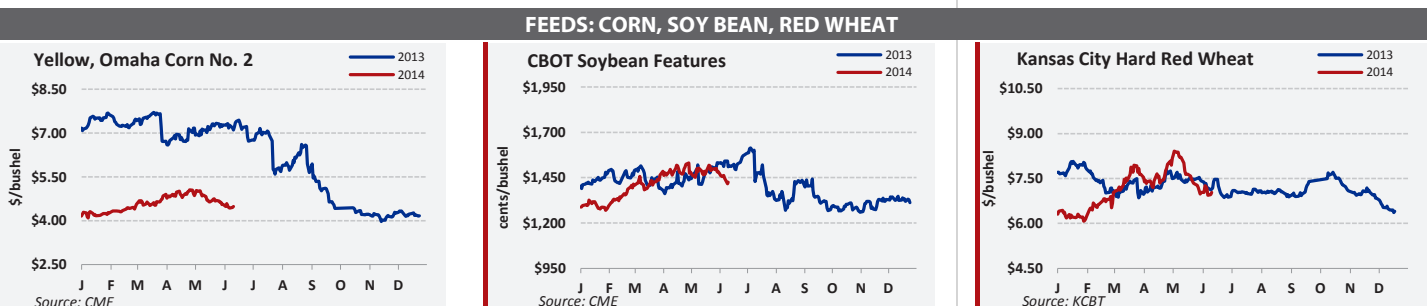
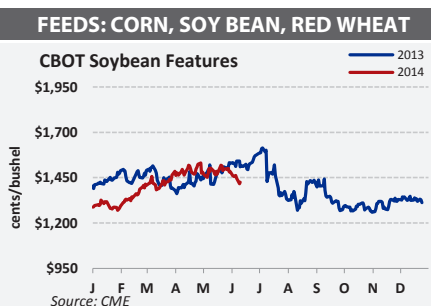
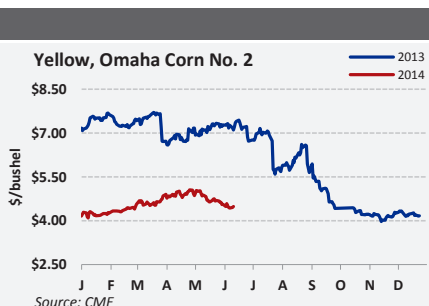
LAMB COMMENTARY

Lamb carcasses traded in light volume within the previous quoted price ranges. Boxed cuts were mostly steady. Trading activity was reportedly on the light side this week.



VEAL COMMENTARY

Veal carcasses settled at steady to slightly higher price levels. Boxed cuts were mostly steady. Some of the racks did trade at a premium.



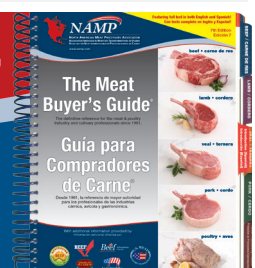
FEEDS: CORN, SOY BEAN, RED WHEAT

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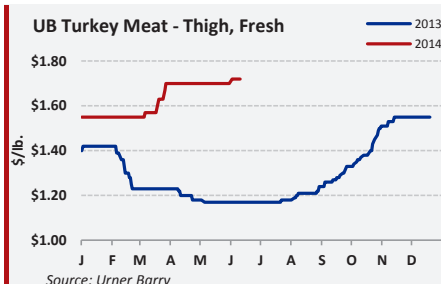
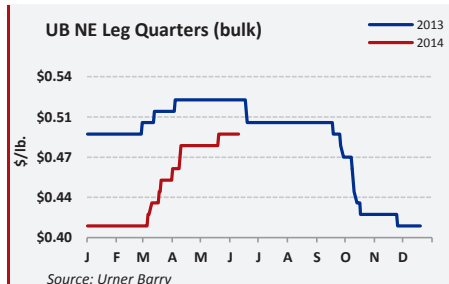
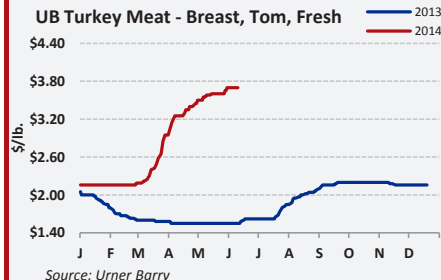
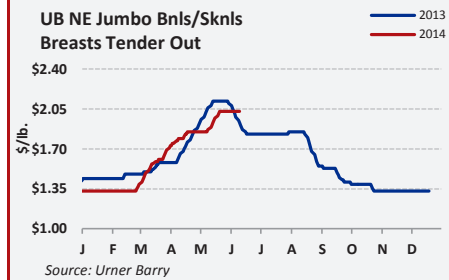
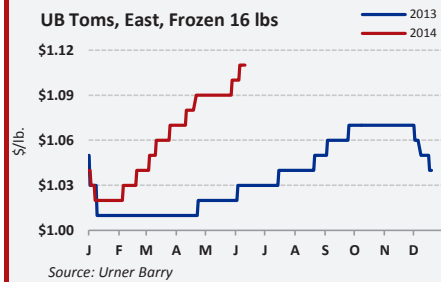
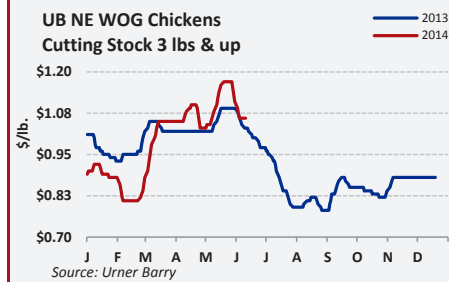
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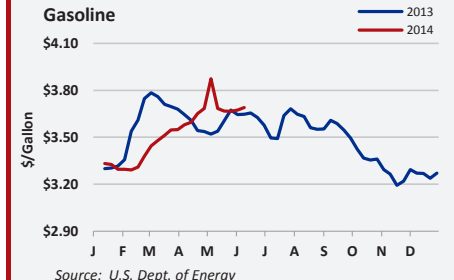
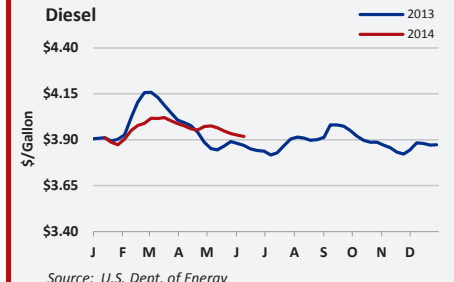
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POULTRY



ENERGY



POULTRY COMMENTARY

As this week comes to an end, it's become clear that certain items throughout the chicken complex are going to cost buyers a little extra money on the spot market. Wing supplies have tightened up and are now rated barely adequate at best. Sellers have shown that they are not willing to discount and trading levels are advancing for both whole and cut forms. Thighs and thigh meat finish the week in a similar position. Boneless breasts and tenders are better balanced than they were earlier in the week. Trading levels have righted themselves as they are now within a reasonable range of our listed quotations. Whole birds and WOGs settled as the week progressed. Offerings are now no more than adequate to even short at some points of sale. The majority of reported trades indicate that our listed quotations are fully supported at this time. Leg quarters continued to move regularly at market related values, with very little fluctuating taking place during negotiations. Leg meat continued to show signs of softness. MSC finished the week rated at least steady and many feel that it may be poised for another bump next week.

It was another semi-quiet week for the turkey complex with only a few market changes

here and there. Frozen drum supplies were barely adequate to short at most points of sale. Asked and paid prices for domestic and export destinations advanced almost daily. Fresh drums were more available and rated about steady at best. Whole wings and necks did not improve their situation all week, in fact, their stance may have even slipped a bit. Trading levels were no better than market related to slight discount. Tails were mostly steady. The raw materials were at a sort of standstill as very little spot market activity took place. Breast meat and tenders were trading within range of our listed quotations with only a few market related or MDOS premiums reported. Sources suggested that neither item experienced the same levels of extreme premiums this week that it had in previous weeks. The trims and related meats continued to receive a strong call. Supplies were rated no better than barely adequate to cover immediate needs. Thigh meat is still found to be well supported. MST remains in solid position. All week, bone-in breast offerings were limited and being held with confidence. Whole bird sales continued to trend higher.

**54 new cuts.
78 new photos.**

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