

WEEKLY Market Report



POWERED BY URNER BARRY'S COMTELL®

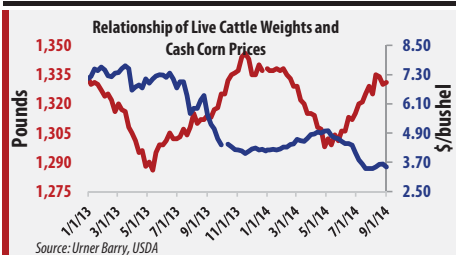
Friday, September 12, 2014

Number 37- Volume 07

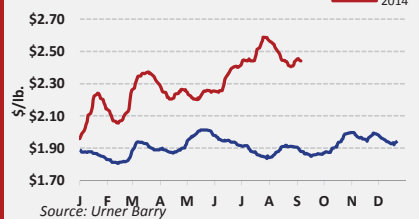
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	3.39	3.53	5.07
CBOT Soybean	985.25	1,085.50	1,381.50
NYMEX Light Crude Oil	92.27	93.29	108.21
Loose Lard, Chicago Basis	0.47	0.47	0.66
Edible Tallow, Chicago Basis	0.38	0.40	0.41
Beef Trimnings, 90% Fresh	302.50	301.00	208.00
Beef Trimnings, 50% Fresh	120.00	131.00	101.00
Aust/NZ Blend Cow 90% EC Spot	305.00	295.00	194.00
USDA Drop Credit	16.70	16.72	13.90
112A 3 Ribeye Roll, Lip-On CH	745.00	740.00	675.00
116A 3 Chuck Roll, Neck-Off CH	342.00	330.00	245.00
168 3 Round, Top (Inside) CH	304.00	310.00	215.00
180 3 Strip Loin, Bnls, 0x1 CH	590.00	610.00	510.00
136 Coarse Ground 73%	255.00	250.00	170.00
189A 4 Loin, Tenderloin, PS MO CH	1,275.00	1,250.00	1,000.00
Cattle-Fax, 6-State Fed Steer Price	162.58	155.30	123.05
Select Hams 20/23	112.00	108.00	91.00
Sq Cut Bellies 14/16	104.00	104.00	150.00
1/4 Trmd. Loins 21/dn	146.00	139.00	117.00
1/4 Tr Boston Butts 9/dn	150.00	145.00	116.00
Spareribs, Light, Fresh	156.00	156.00	142.00
Fresh Pork Trim (42%)	60.00	55.00	51.00
Fresh Pork Trim (72%)	100.00	94.00	70.00
Carcass Lamb Y4+55/65	342.00	342.00	275.00
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	850.00	850.00	560.00
Lamb Cuts, 206 Shoulder, Cross Cut	295.00	295.00	225.00
Lamb Cuts, 232 Loin Trmd 4x4	545.00	540.00	470.00
Lamb Cuts, 234 Leg, Boneless	520.00	520.00	470.00
Carcass Veal, Hide-off, 255/315, NC	430.00	425.00	380.00
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	1,055.00	1,040.00	900.00
Veal Cuts, 310 Shoulder Clod 14/20	685.00	670.00	640.00
Veal Cuts, 332 Loin, 4x4 Trim 12/18	725.00	720.00	640.00
Veal Cuts, 348A Leg, TBS 3-Pc 24/32	1,175.00	1,175.00	1,085.00

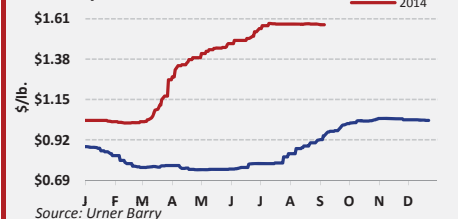
Quotes represent the high side of Friday's trading range



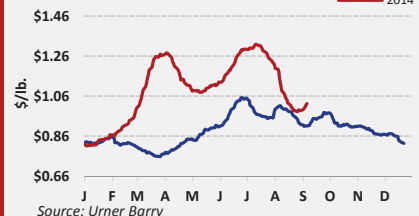
Beef Index



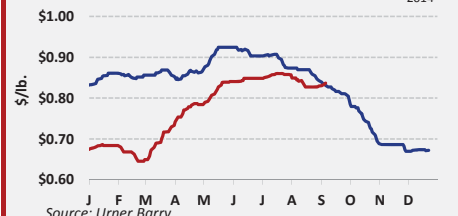
Turkey Index



Pork Cutout



Chicken Index



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	115	116	114	116	113	18	592
LW	2	119	118	119	116	44	518
*LY	119	126	123	116	105	27	615

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	400	405	413	411	402	22	2,053
LW	3	412	416	405	410	134	1,780
*LY	418	427	408	430	423	64	2,171

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	8	9	7	9	5	0	38
LW	1	10	8	8	7	0	34
*LY	9	9	8	9	7	0	41

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	2	2	2	2	0	10
LW	1	3	2	2	2	0	10
*LY	3	3	3	2	3	0	15

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	8/29	8/30	9/1	9/2	9/3	9/4	
	21	6	1	21	22	21	92
TW	9/5	9/6	9/8	9/9	9/10	9/11	
	21	10	20	21	21	21	114
*LY	27	4	25	27	27	25	135

*Last Year's numbers are rounded

Corn prices are off nearly 60 percent from their peak. This has helped live cattle weights to remain well above previous year levels.

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.904	0.938	0.925
Mexico, Peso	13.233	13.057	13.036
Canada, Dollar	1.110	1.088	1.034
Japan, Yen	107.330	105.029	99.260
China, Yuan (RMB)	6.133	6.140	6.118
Brazil, Real	2.342	2.243	2.281
South Korea, Won	1,037.330	1,023.200	1,085.280
Taiwan, Dollar	30.039	29.923	29.686
European Union, Euro	1.295	1.296	1.330

COLD STORAGE STOCKS

(Pounds in Thousands)	7/31/13	6/30/14	7/31/14
Beef in Freezer, Bnls	418,721	320,350	327,898
Cuts	43,876	37,821	38,651
Total Beef	462,597	358,171	366,549
PORK & OTHER	7/31/13	6/30/14	7/31/14
Pork in Freezer, Picnics	12,719	7,638	6,894
Hams	180,677	126,493	149,543
Bellies	28,177	83,936	64,690
Loins	25,688	27,591	22,992
Spareribs	57,631	59,943	54,263
Butts	15,639	19,999	20,939
Trimnings	36,927	43,581	42,412
Other Pork in Freezer	96,881	86,547	86,064
Total	543,668	537,447	529,250
Veal in Freezer	5,897	3,324	4,008
Lamb & Mutton in Freezer	23,324	31,119	33,981
Total	29,221	34,443	37,989

Data Updated: August 22, 2014

Fully Updated & Revised! Order yours today!

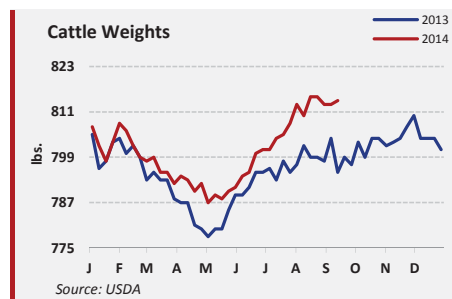
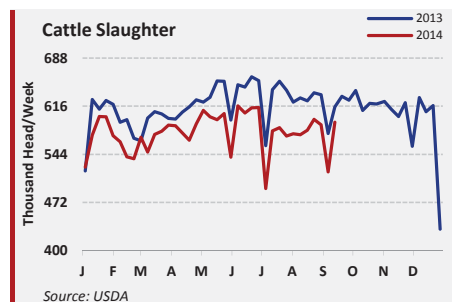
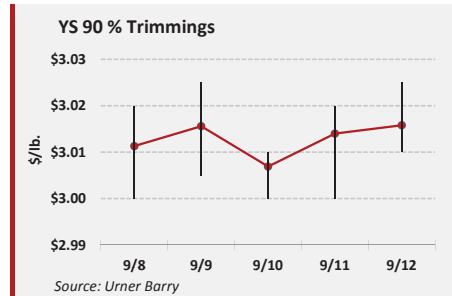
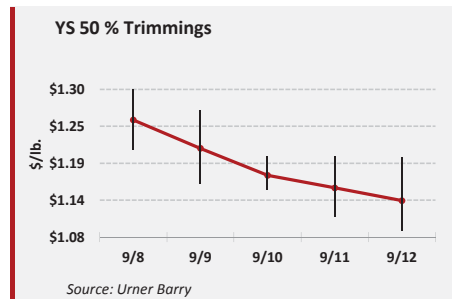
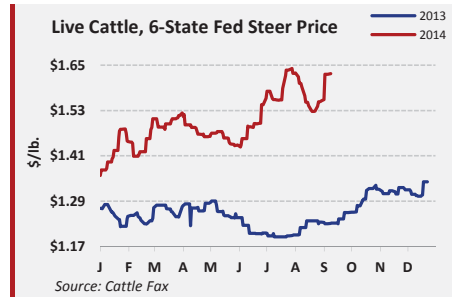
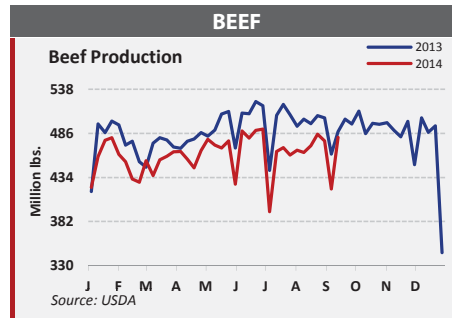
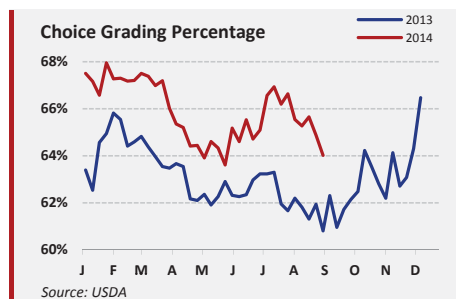
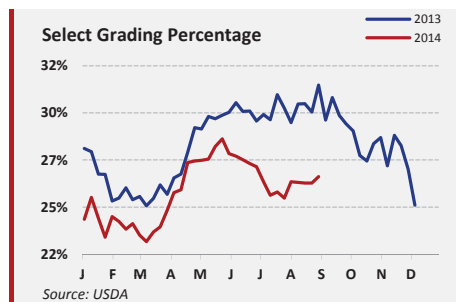
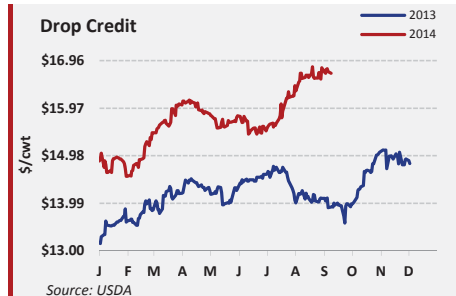
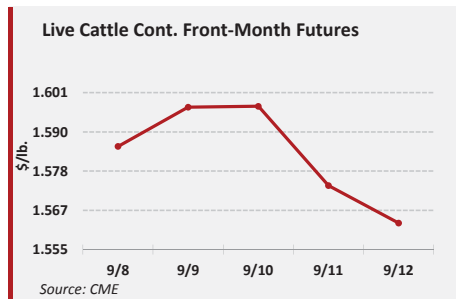
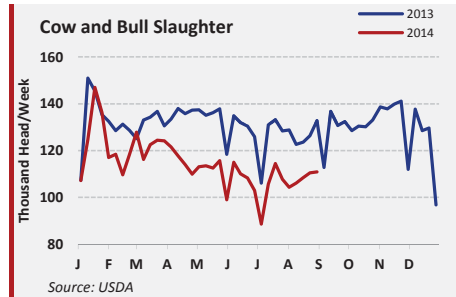
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North American Meat Association NAMA

YS BEEF CUTOUT Sep-12 v. Sep-05				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	0.70%	-2.28%	0.49%	0.67%
Chuck	1.93%	2.06%	2.97%	1.76%
Round	1.34%	1.46%	1.36%	1.20%
Loin	-0.75%	-1.08%	-0.56%	0.18%
Brisket	-0.95%	0.42%	-0.97%	-0.54%
Plate	-3.81%	-3.81%	-3.81%	-3.81%
Flank	-5.89%	-5.23%	-5.23%	-5.27%
Total	0.33%	-0.05%	0.67%	0.53%



BEEF COMMENTARY

Early week bullishness started to soften as the week progressed. When it was all said and done the bias was clearly to the downside. Retail interest appeared to shift to alternative proteins as price points look more attractive to beef and has dulled demand.

LIVE CATTLE: The full range of trade for live cattle was \$158.00/cwt to \$162.00/cwt today; \$248.00/cwt to \$251.00/cwt dressed. The pressure from softened beef demand and lower futures forced prices lower on the last trading day of the week. Last week saw live cattle trade \$160.00/cwt to \$164.00/cwt and dressed between \$250.00/cwt and \$252.00/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly F.I. slaughter was estimated at 592,000 head. Last year at this time the slaughter totaled 615,000 head. Tight supplies continued to force slaughter levels to run below year earlier numbers. Live cattle weights moved three pounds higher, now reported at 1334 pounds. Dressed carcass weights gained one pound to 814 pounds. Cheap feed costs are expected to help this trend.

RIBS: Choice ribs moved higher while select moved lower. The former started the week moving significantly higher then eased back. Interest for year-end holidays started to surface last week and has continued.

CHUCKS: Chucks firmed across the board and were the biggest gainers on the week. Clods, rolls, and tenders helped the advancement. Export business helped support.

ROUNDS: While rounds ended the week higher, certain items struggled. Inside rounds in particular were readily available and subject to discounting through the course of the week.

LOINS: The most problematic area of the animal as strips and short loins continued to struggle. Prices moved lower and still had trouble finding a floor. This may be an area that restaurants can find margin.

BONELESS BEEF: Leaner boneless beef was mostly steady this week. The market remained generally in balance. Fresh 50s moved lower as the week progressed. Downward pressure in that market was largely attributed to supplies being more readily available. This week's cattle slaughter was estimated at 592,000 head.

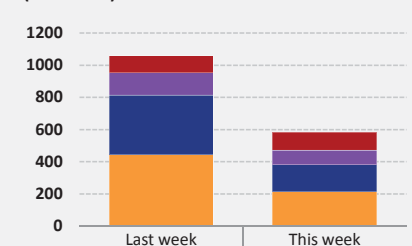
YS BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

	M	T	W	TH	F
TW	11.81	12.97	13.46	13.15	13.15
*LW	-	11.75	11.72	12.21	12.23

*Last Week's numbers are rounded

Weekly Beef Breakdown (# of loads)

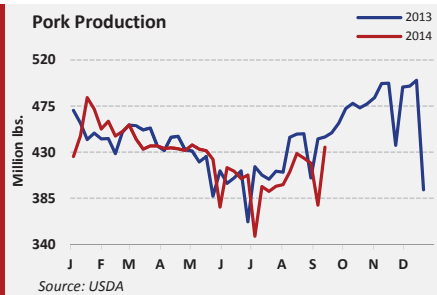
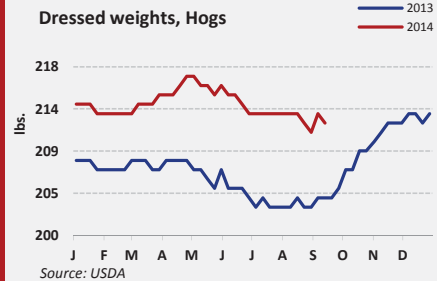
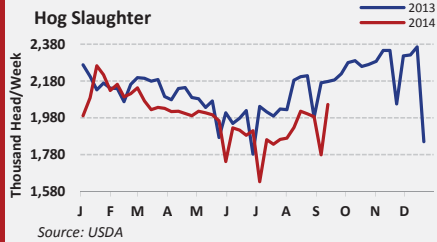
1 load = 40,000 lbs.



Trim	106.37	109.72
Grind	139.63	89.24
SE	366.27	169.68
CH	447.36	214.01

Source: USDA

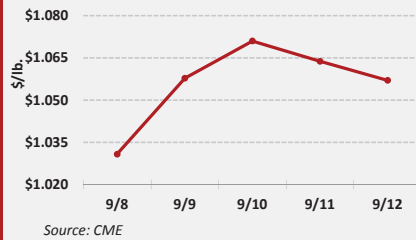
PORK PRODUCTION



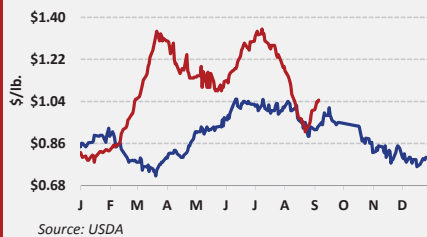
LIVE HOGS & CUTOUT

PORK CUTOUT	Sep-05	Sep-12	Change
Loin	27.123	28.521	1.398
Butt	11.434	11.711	0.277
Picnic	9.662	10.09	0.428
Sparerib	6.218	6.259	0.041
Ham	24.697	26.253	1.556
Belly	16.404	16.169	-0.235
Cutout Value	98.846	102.31	3.463

Lean Hog Cont. Front-Month Futures

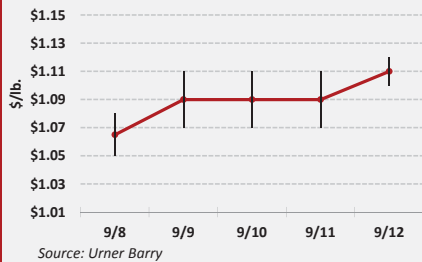


USDA Direct Hogs, Iowa/Minnesota, Carcass Base

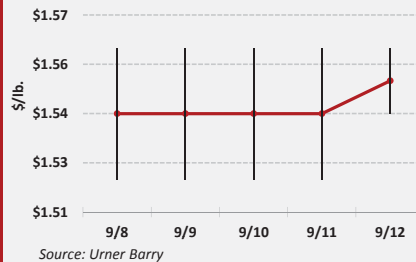


PORK PROCESSING ITEMS & RETAIL CUTS

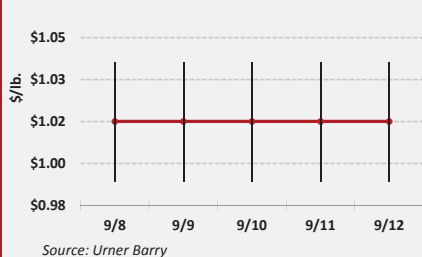
Select Hams 20/23



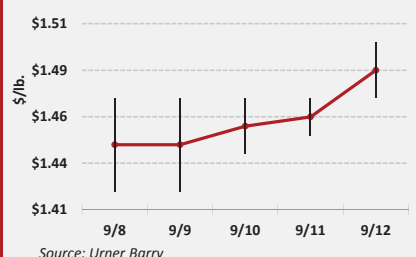
TL Spareribs, Light, Fresh (Vacpak)



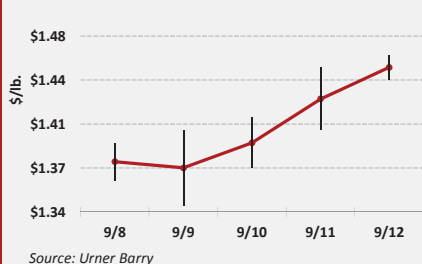
TL Sq. Cut Bellies 14/16



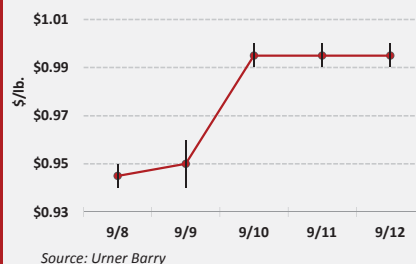
TL 1/4 in. Tr Boston Butts 9/dn



TL 1/4 in. Tr Loin 21/dn



Sausage Materials (TL) Trim (72%) Fr



PORK COMMENTARY

Profitability fluctuated between negative and single digit positive values this week as wholesale pork movement failed to keep pace with rising hog prices. Iowa Minnesota carcasses closed 4.3 percent higher than last Friday. At the same time, Urner Barry's pork carcass cutout gained 3.5 percent, going from \$98.846/cwt last Friday to \$102.309/cwt this Friday. The Urner Barry pork packer ranged from (\$1.11) to \$2.79 /head over the course of the week.

PORK PRODUCTION: Total pork production for the week ending Sept 12, 2014 was estimated at 434.9 million lbs. This total was 15 percent above last week and 1.8 percent below the same week a year ago. Average hog weights, at 282 pounds, were one pound less than last week and 10 pounds over last year.

HAMS: Hams grew firmer this week with fall related interest from both domestic and international processors. With the kill still limited, this increase in interest provided the support needed to see gains throughout the week. By Friday, 20 to 23lb hams appreciated by 3.7 percent or \$4.00/cwt while 23 to 27lb hams gained 7.9 percent or \$8.00/cwt.

BELLIES: After falling substantially across the last several weeks, bellies were mostly steady this week. While excess availability of both fresh and frozen bellies remains an issue, the situation is said to have improved from past weeks. Besides some range-bound trade throughout the week, quotes for 12 through 20lb bellies were unchanged by Friday.

TRIMMINGS: Pork trimmings gained throughout the week on fall related processor demand and supplies that varied from a state of balance to being tight, depending on location. Fresh 42's were up 9 percent or \$5.00 by Friday, while fresh 72's and boneless picnics gained 6.3 and 7.1 percent or \$6.00 and \$8.00/cwt respectively.

RETAIL: While trading was largely mixed this week amid fluctuating volume, most items closed Friday higher than last week. Improved retail features along with production rates that continue to fall notably behind that of last year has led to support for much of the fresh pork complex. Bone-in loins gained between \$7.00 and \$9.00/cwt while center cuts were up \$6.00 to \$10.00/cwt. Boneless loins saw strong gains between \$7.00 and \$17.00/cwt. Picnic values were up \$3.00, while cushion meat continued to be a burden and declined \$5.00/cwt this week as a result. Bone-in butts gained \$2.00 to \$5.00/cwt and boneless also was up \$5.00/cwt. Spareribs were largely steady on the week with only the mediums moving up by a modest \$3.00/cwt. St. Louis ribs also maintained last week's values. Loin back ribs declined by \$10.00/cwt or 4 percent on the 2.00/up variety.

Fully Updated & Revised! Order yours today!

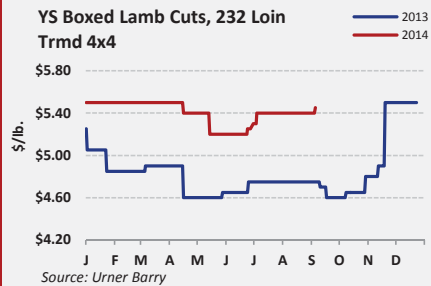
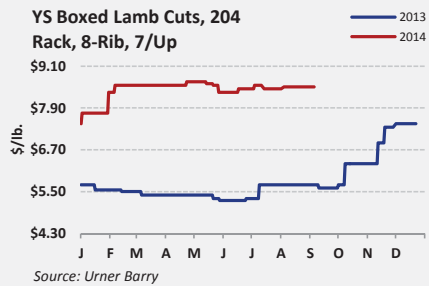
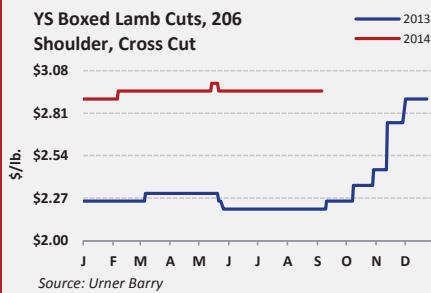
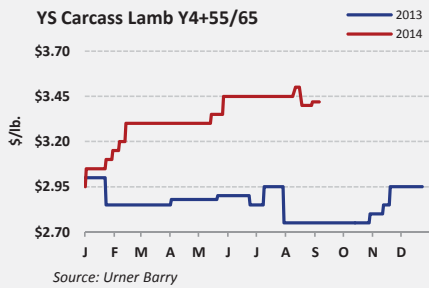
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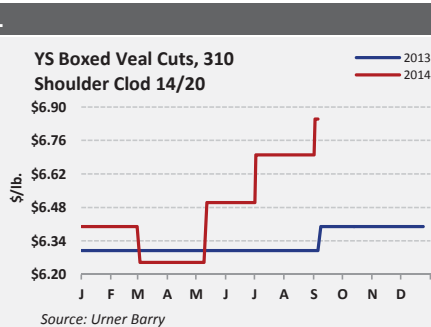
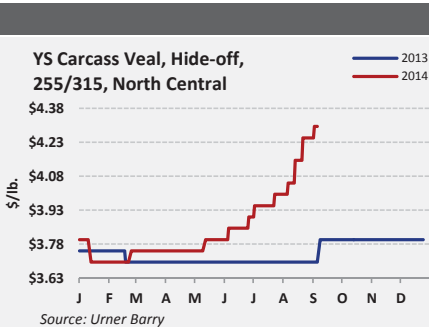
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LAMB



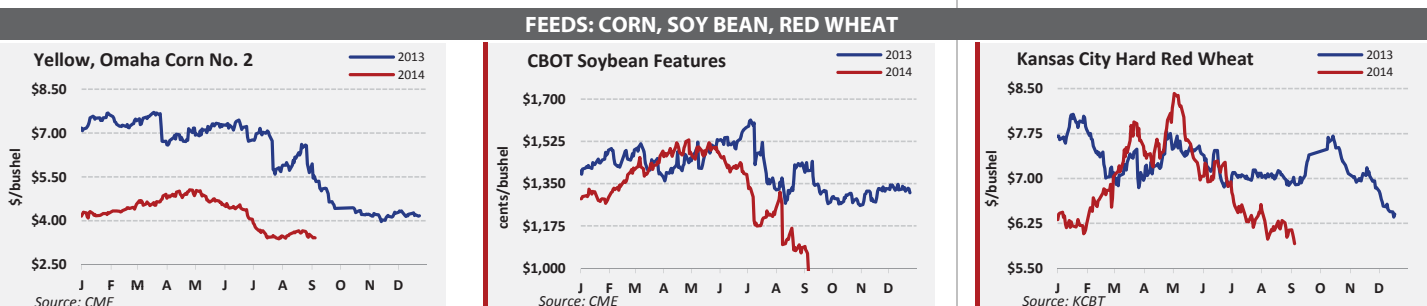
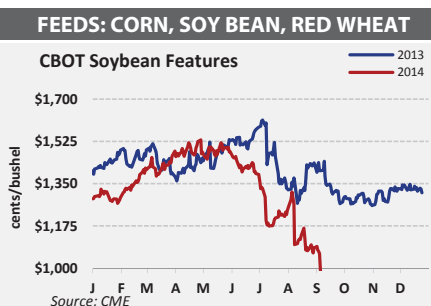
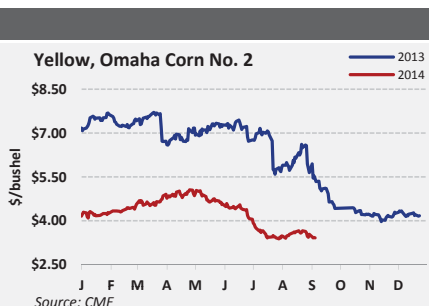
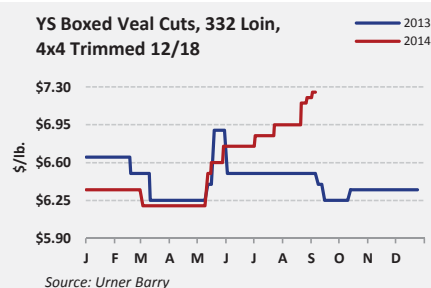
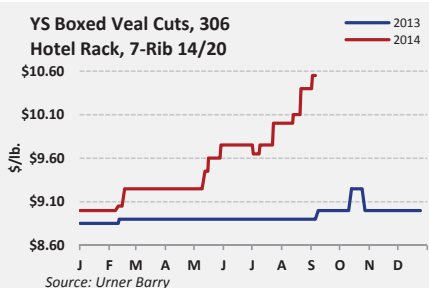
LAMB COMMENTARY

Lamb carcasses settled this week at steady to slightly higher price levels. Premiums were noted on the heavier selections. Boxed cuts were steady to firmer. Movement was reportedly a little more active.



VEAL COMMENTARY

Veal carcasses traded at a premium. Strength in that market was largely attributed to tight supplies. The majority of the boxed cuts traded at steady to higher price levels.



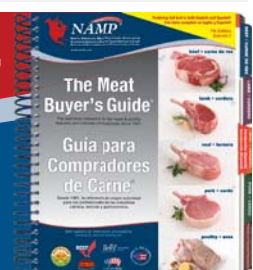
FEEDS: CORN, SOY BEAN, RED WHEAT

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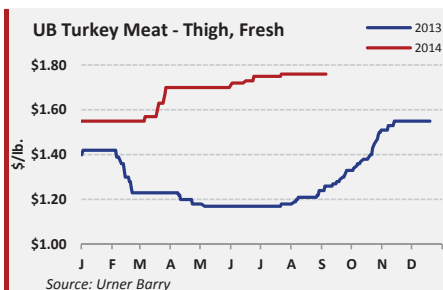
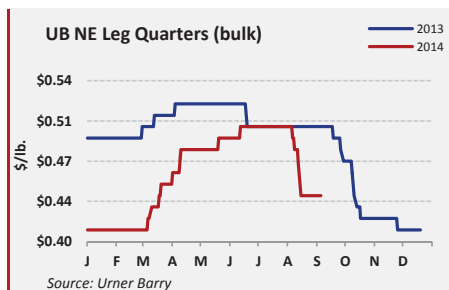
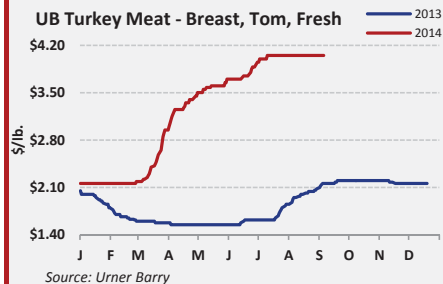
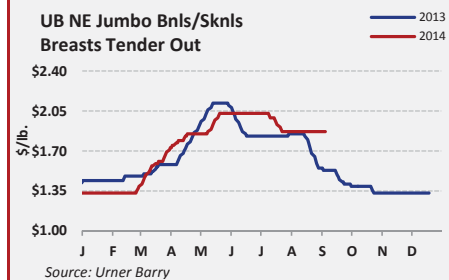
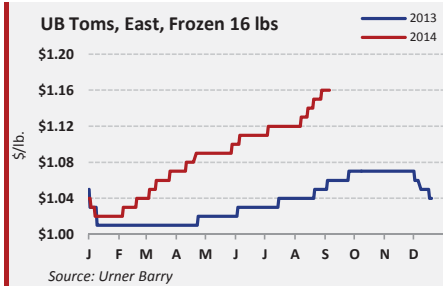
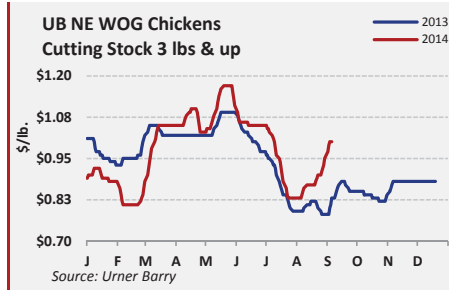
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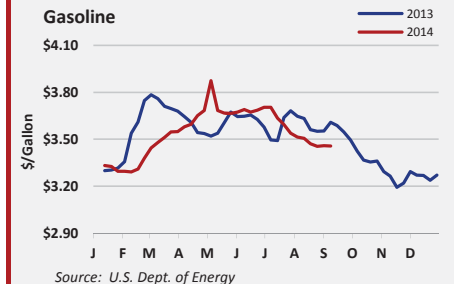
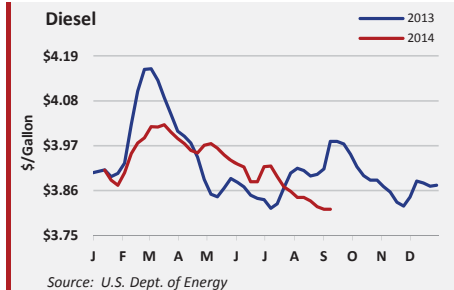
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POULTRY



ENERGY



POULTRY COMMENTARY

The chicken complex continues to defy history, or at least its seasonal expectations. A number of lines are holding steady, at a time of year when they typically do not. Whole birds and WOGs had plenty of excitement surrounding them earlier in the week, but that seems to have since cooled off. Trading levels are fully supported for now. Wings, as many thought they would, have taken flight at a rapid rate. All week, offerings were nearly nonexistent on the spot market and buyers are now booking out front in order to assure that they will have product available to them. Boneless breasts continued to move regularly at steady to full steady values. All week, tender values depreciated as sellers looked to keep their inventories clean, no matter the price. Drumsticks and thighs have leveled out, but are still rated no better than about steady. Whole legs and leg quarters are well balanced and were trading at market related levels all week. Leg meat and thigh meat supplies finish Friday well positioned for current needs. Slight downward pressure continues to be applied on fresh MSC

however, frozen looks to be holding steady.

Here at week's end the undertone to the turkey industry is upbeat with prices trending steady to higher. Demand is very good for the season and product is being dispersed over a reasonably broad base of users. Whole body turkey demand is surfacing with more and more consistency. The volumes being sought after are typically in the single digits which is why many are surprised at how difficult it is to get covered. The latest negotiations indicate that premiums must be paid in order to have a chance at getting needs filled. The same can be said for consumer breasts. For that matter institutional breasts are displaying very strong undertones as well with offerings barely adequate to short of needs. Breast meat and the related whole muscles seem to be about adequate for most needs at supportive price points. Thigh meat is full steady and in tight supply. The parts market closes the week under a high level of domestic and export interest. The MST market is still unsettled.

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78 new photos.**

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