

WEEKLY Market Report



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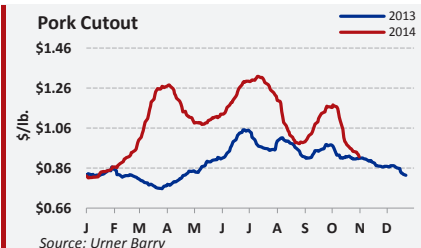
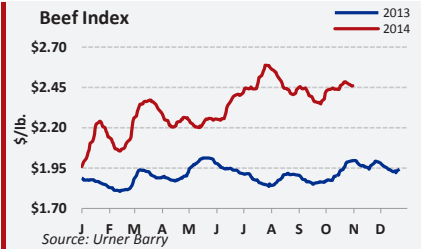
Friday, November 07, 2014

Number 45- Volume 07

WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	3.33	3.33	4.25
CBOT Soybean	1,040.25	1,046.50	1,306.00
NYMEX Light Crude Oil	78.65	80.54	94.60
Loose Lard, Chicago Basis	0.48	0.48	0.43
Edible Tallow, Chicago Basis	0.34	0.30	0.39
Beef Trimnings, 90% Fresh	298.00	300.00	193.50
Beef Trimnings, 50% Fresh	119.00	121.00	119.00
Aust/NZ Blend Cow 90% EC Spot	290.00	291.00	200.00
USDA Drop Credit	16.46	16.39	14.63
112A 3 Ribeye Roll, Lip-On CH	770.00	760.00	725.00
116A 3 Chuck Roll, Neck-Off CH	345.00	360.00	290.00
168 3 Round, Top (Inside) CH	300.00	310.00	240.00
180 3 Strip Loin, Bnls, 0x1 CH	550.00	550.00	490.00
136 Coarse Ground 73%	250.00	255.00	177.00
189A 4 Loin, Tenderloin, PS MO CH	1,310.00	1,300.00	1,200.00
Cattle-Fax, 6-State Fed Steer Price	169.80	164.01	132.39
Select Hams 20/23	104.00	104.00	95.00
Sq Cut Bellies 14/16	98.00	103.00	126.00
1/4 Trmd. Loins 21/dn	120.00	130.00	111.00
1/4 Tr Boston Butts 9/dn	127.00	133.00	101.00
Spareribs, Light, Fresh	166.00	166.00	150.00
Fresh Pork Trim (42%)	35.00	44.00	41.00
Fresh Pork Trim (72%)	87.00	82.00	78.00
Carcass Lamb Y4+55/65	350.00	347.00	280.00
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	855.00	855.00	630.00
Lamb Cuts, 206 Shoulder, Cross Cut	305.00	305.00	245.00
Lamb Cuts, 232 Loin Trmd 4x4	550.00	550.00	480.00
Lamb Cuts, 234 Leg, Boneless	535.00	535.00	505.00
Carcass Veal, Hide-off, 255/315, NC	440.00	440.00	380.00
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	1,105.00	1,075.00	900.00
Veal Cuts, 310 Shoulder Clod 14/20	745.00	725.00	640.00
Veal Cuts, 332 Loin, 4x4 Trim 12/18	775.00	750.00	635.00
Veal Cuts, 348A Leg, TBS 3-Pc 24/32	1,210.00	1,200.00	1,085.00

Quotes represent the high side of Friday's trading range



EST. DAILY CATTLE SLAUGHTER							
	M	T	W	TH	F	S	Total
TW	113	115	103	114	108	11	564
LW	113	114	102	110	99	15	553
*LY	117	118	121	121	109	26	611

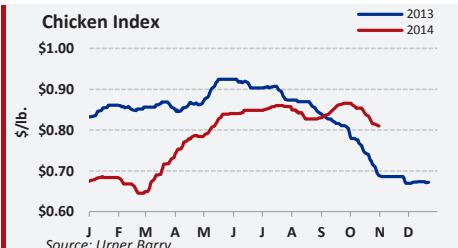
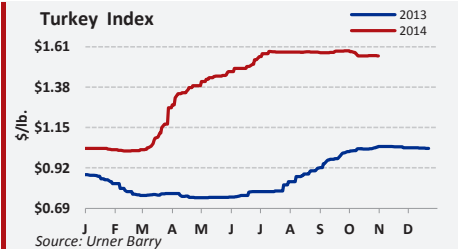
EST. DAILY HOG SLAUGHTER							
TW	432	432	428	429	413	98	2,232
LW	423	432	425	432	409	72	2,193
*LY	433	434	433	435	435	117	2,286

EST. DAILY SHEEP SLAUGHTER							
TW	9	9	8	8	5	0	39
LW	9	9	9	9	7	0	43
*LY	10	10	8	9	6	0	43

EST. DAILY CALVES SLAUGHTER							
TW	2	2	2	2	2	0	10
LW	2	2	2	2	2	0	10
*LY	3	3	3	3	3	0	14

EST. DAILY COW & BULL SLAUGHTER							
	F	S	M	T	W	TH	
LW	10/24	10/25	10/27	10/28	10/29	10/30	Total
	21	8	20	22	21	20	112
TW	10/31	11/1	11/3	11/4	11/5	11/6	Total
	21	11	20	22	22	22	118
*LY	27	6	25	27	27	27	139

*Last Year's numbers are rounded



FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.863	0.880	0.938
Mexico, Peso	13.520	13.465	13.192
Canada, Dollar	1.133	1.127	1.048
Japan, Yen	114.548	112.230	99.072
China, Yuan (RMB)	6.123	6.112	6.090
Brazil, Real	2.560	2.473	2.314
South Korea, Won	1,087.250	1,074.460	1,066.780
Taiwan, Dollar	30.595	30.490	29.517
European Union, Euro	1.244	1.253	1.336

COLD STORAGE STOCKS

(Pounds in Thousands)	9/30/13	8/31/14	9/30/14
Beef in Freezer, Bnls	401,443	308,350	333,531
Cuts	43,716	38,206	39,813
Total Beef	445,159	346,556	373,344
PORK & OTHER	9/30/13	8/31/14	9/30/14
Pork in Freezer, Picnics	13,115	8,505	10,313
Hams	221,633	179,483	194,077
Bellies	23,491	45,562	33,811
Loins	23,662	20,913	20,234
Spareribs	56,107	49,621	50,872
Butts	17,756	23,778	20,942
Trimnings	38,273	40,440	34,974
Other Pork in Freezer	92,479	90,271	90,627
Total	567,827	543,666	544,998
Veal in Freezer	4,571	3,581	2,326
Lamb & Mutton in Freezer	23,444	40,157	39,693
Total	28,015	43,738	42,019

Data Updated: October 22, 2014

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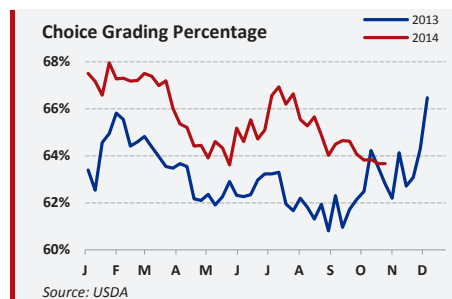
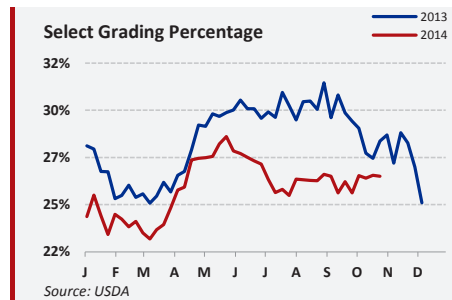
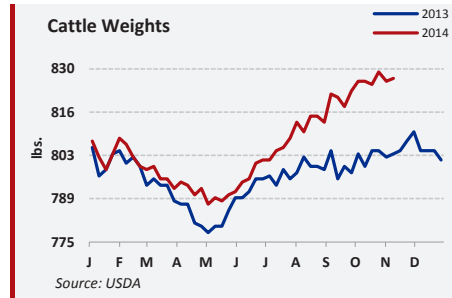
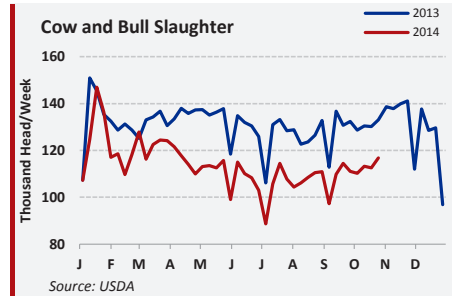
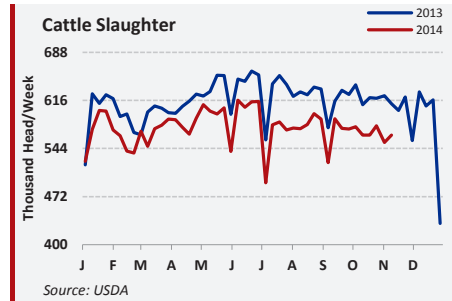
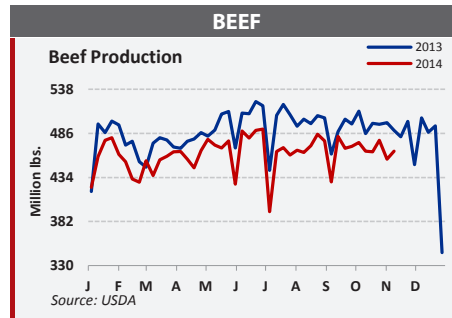
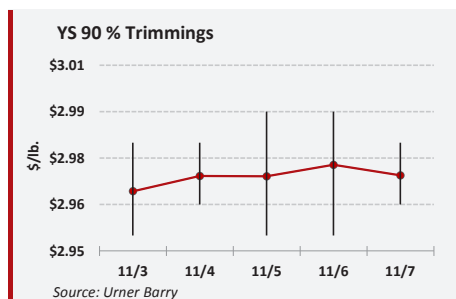
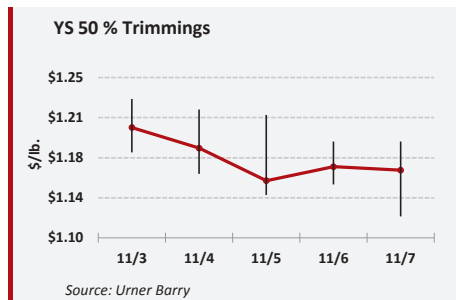
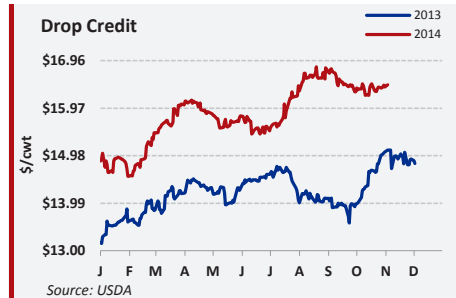
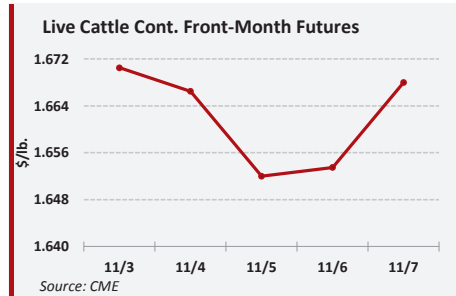
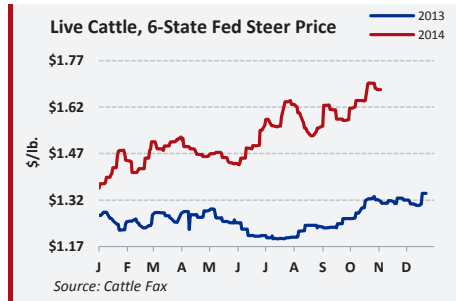
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North American Meat Association

YS BEEF CUTOUT Nov-07 v. Oct-31				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	3.20%	2.92%	0.17%	2.27%
Chuck	-2.73%	-3.23%	-2.09%	1.18%
Round	-3.23%	-3.87%	-3.81%	1.07%
Loin	0.65%	1.31%	0.75%	1.35%
Brisket	0.23%	0.23%	0.23%	1.87%
Plate	0.86%	0.86%	0.86%	1.20%
Flank	1.43%	2.12%	2.12%	1.28%
Total	-0.64%	-0.92%	-1.16%	1.42%



BEEF COMMENTARY

The market saw a 'tug of war' develop, as end cuts needed discounts while packers were attempting to gain value with their middle meats. As a result of taking reduced prices to move chucks and rounds for immediate shipment, cutout values were on the defensive. Demand for quick ship of ribs was not brisk by any means. Ground beef values held near steady. The Yellow Sheet Choice carcass cutout value moved \$161/cwt lower this week, while the select carcass value lost \$220/cwt.

LIVE CATTLE: The bulk of trading with market-ready cattle developed on Friday, with prices at mostly lower from prior week. The live animal sold this week primarily at \$167/cwt, or \$1/cwt lower. The dressed carcass exchange ownership this week at \$260-\$263/cwt, moving \$2-\$3/cwt lower from week ago range of trade.

SLAUGHTER & BEEF PRODUCTION: The weekly Federally Inspected Slaughter edged higher from the week prior, somewhat contrary to early week expectations. The weekly tally for the F.I. kill was 564,000 head, 11,000 more than processed the previous week. Live cattle estimated weights were 3 pounds heavier, now tipping the scales at 1358 pounds. Dressed carcass weights reported at 827 pounds, another one pound gain.

RBIS: Choice ribs saw slight gains over the weekly market. Select ribs gained as some buyers looked at a price opportunity when contrasted with choice offerings.

CHUCKS: Chuck values were not able to hold steady, as demand has waned in contrast to the seasonal trend that typical sees values firm. Lack of retail features has left product available from packer's coolers.

ROUNDS: Rounds were problematic for the processor. Flats continue to see discounting, with the negative spot market attitude spilling over to insides and eye rounds. Knuckles fared a bit better, as some processors moved their product towards ground beef processing.

LOINS: Loin cutouts saw some advance in value, as peeled tenderloins and strip loins saw demand build along a seasonal pattern.

BONELESS BEEF: The fresh 50s market witnessed wide trading ranges late in the week. Formula business helped absorb much of the fat trim production early in the week but by Thursday there were instances where product needed to be deeply discounted to spur buying interest. Looking at the market for leaner boneless beef, cow slaughter levels have seen modest increases but remain short the typical "cow run" that can start during this time of year. Fresh 90s continue to occupy the same trading range that was set in August. Fast food demand is moderately active.

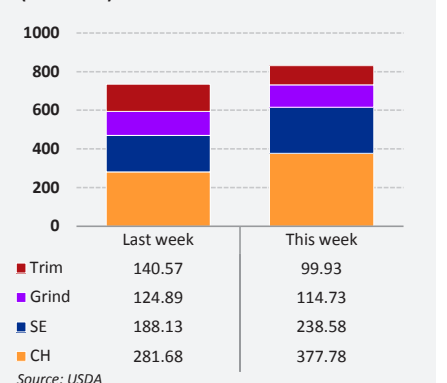
YS BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

	M	T	W	TH	F
TW	12.83	13.19	13.12	13.40	12.88
*LW	13.10	12.85	12.81	12.93	12.29

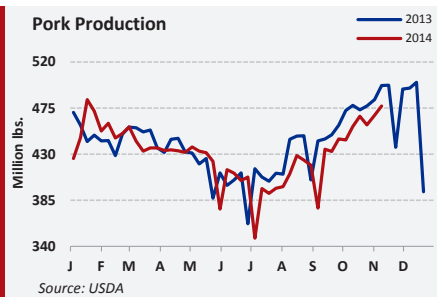
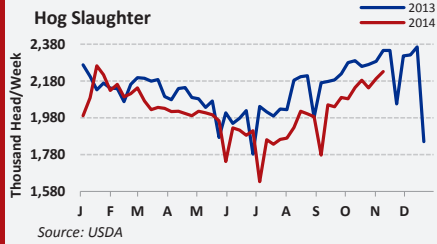
*Last Week's numbers are rounded

Weekly Beef Breakdown
(# of loads)

1 load = 40,000 lbs.

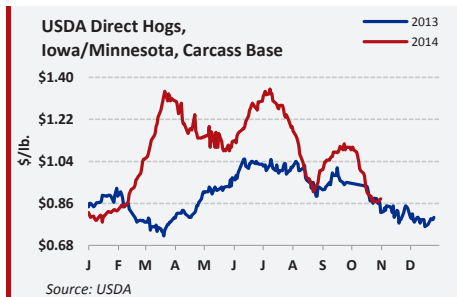
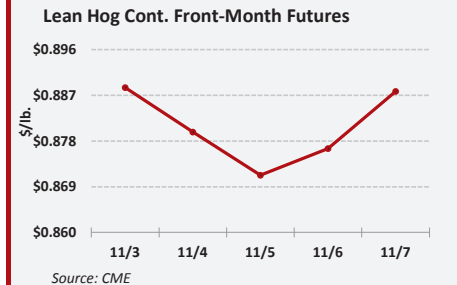


PORK PRODUCTION

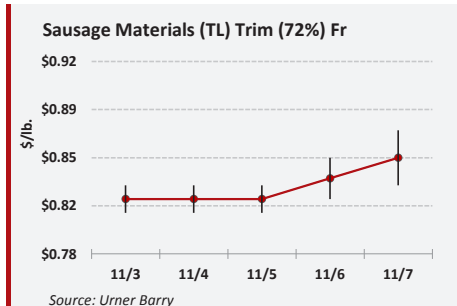
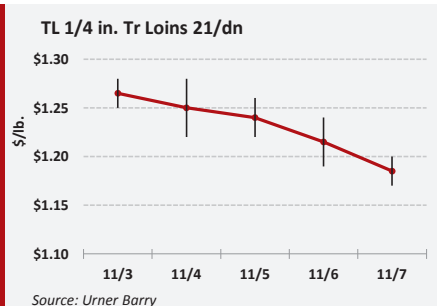
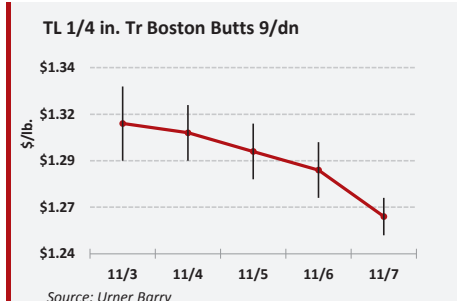
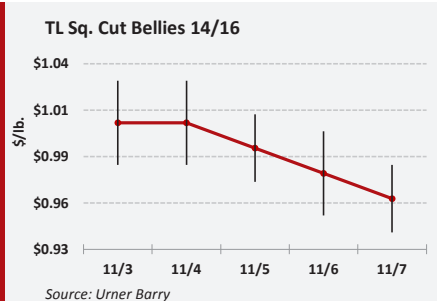
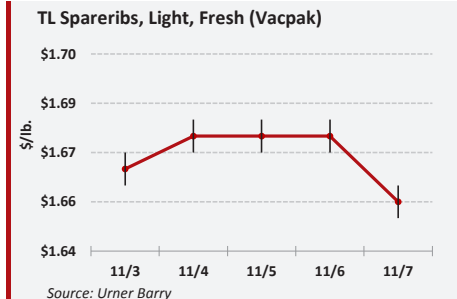
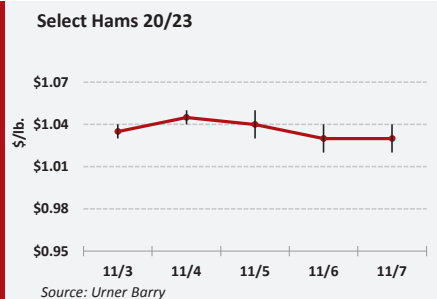


LIVE HOGS & CUTOUT

PORK CUTOUT	Oct-31	Nov-07	Change
Loin	25.668	23.996	-1.672
Butt	10.566	10.2	-0.366
Picnic	9.128	8.906	-0.222
Sparerib	6.683	6.683	-
Ham	23.323	23.622	0.299
Belly	15.933	15.187	-0.746
Cutout Value	94.483	91.69	-2.793



PORK PROCESSING ITEMS & RETAIL CUTS



PORK COMMENTARY

Wholesale pork values continued to decline this week, yet at a more conservative pace than previous weeks. Urner Barry's pork carcass cutout fell \$2.79/cwt, going from \$94.48/cwt last Friday to \$91.69/cwt this Friday. During the same timeframe, Iowa Minnesota carcass base hogs gained 1.3 percent. The Urner Barry pork packer margin index for standard operations declined throughout the week, going from \$20.43 to \$9.95 over the course of the week.

PORK PRODUCTION: Total pork production for the week ending November 8, 2014 was estimated at 476.8 million lbs. This total was 1.9 percent over last week and 1.3 percent below the same week a year ago. Average hog weights, at 286 pounds, were 1 pound over last week and 3 pounds over last year.

HAMS: Hams continued to trade under mostly stable conditions this week as the increased slaughter was met with improved demand from both domestic and export partners. By Friday, 17 to 20lb hams lost some of their significant premium, falling 3 percent or \$4.00/cwt. Heavy hams gained 2 percent or \$2.00/cwt.

BELLIES: Bellies were weaker across all weight ranges this week as both retail and food service demand lagged. This is not typically a great period for bacon sales and belly values reflected that fact. Over the course of the week, skin-on bellies lost between 3 and 4.9 percent or \$3.00 to \$5.00/cwt.

TRIMMINGS: Trimmings were volatile this week as product offerings varied widely by sellers during a period in which pork trim typically follows a downward trajectory. Fresh 42's were amply offered, and declined the most of the green meat complex, losing 20 percent or \$9/cwt. Fresh 72's traded in a wide range and closed the week up 6 percent or \$5.00/cwt. Boneless picnics were \$1.00 weaker.

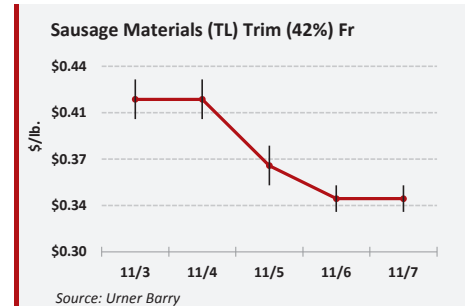
RETAIL: Weakness was pervasive; the loin, shoulder and butt components all remained under significant downward pressure as sustained hand-to-mouth buying and a lack of meaningful commitments has simply availed the market of too much meat. Losses in the loin component were significant, and the largest in any category. Bone-in loins fell another \$10.00 to \$12.00/cwt, bone-in centers \$13.00 to \$16.00/cwt, and boneless loins \$7.00 to \$14.00/cwt. The balance of the loin component ranged steady to weaker. Picnics declined, as did boneless picnics for manufacturing. Butts lost another \$4.00 to \$8.00/cwt this week; the only salvation being ongoing export orders for boneless. Spareribs were a non-event, still finding support from the ongoing production of "to be frozen" products. St. Louis Ribs ranged steady to higher, and Loin Back Ribs continued to trade in-range.

Fully Updated & Revised! Order yours today!

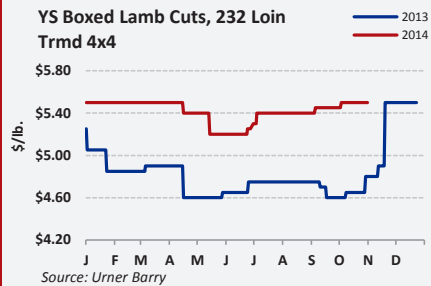
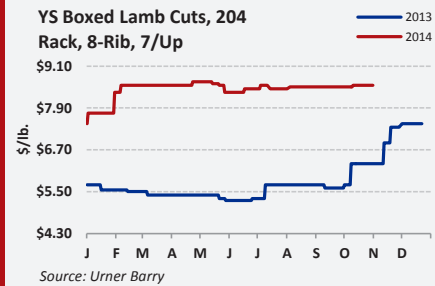
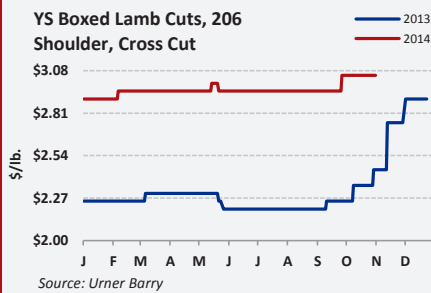
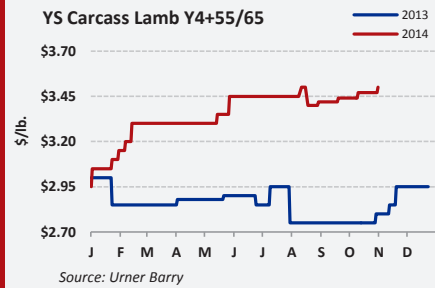
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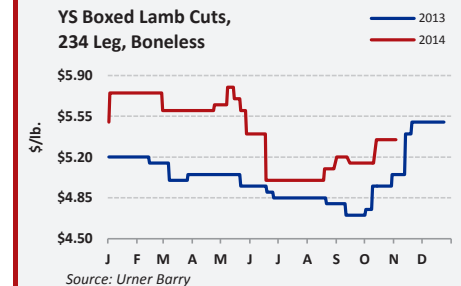


LAMB

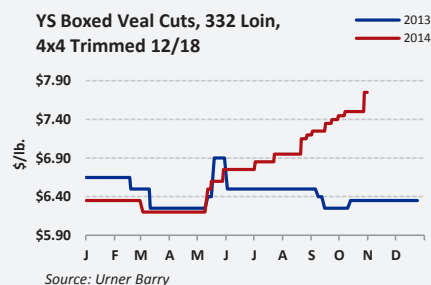
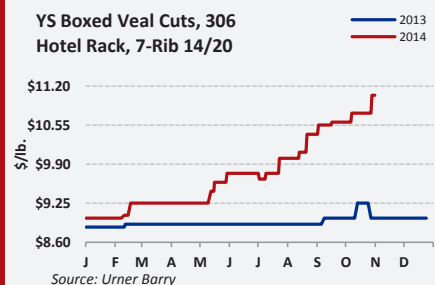
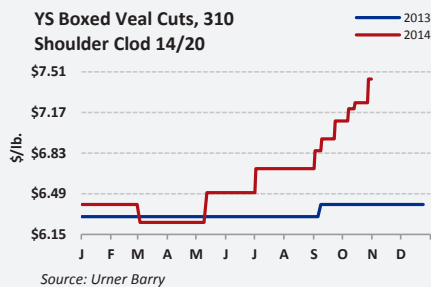
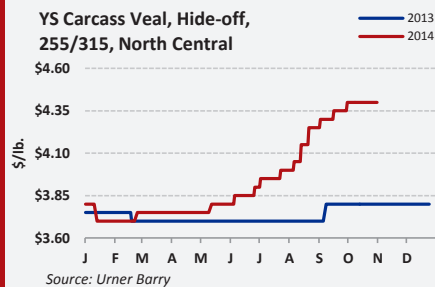


LAMB COMMENTARY

Lamb carcasses continued to firm. Buyers seeking carcasses were met with limited availability and forced to raise bids. Boxed cuts continued to trade in-range.

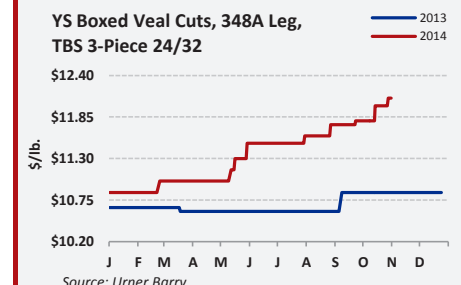


VEAL

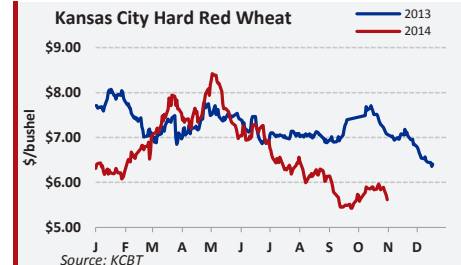
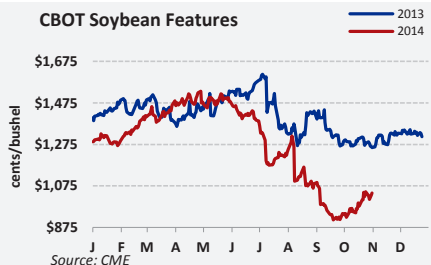
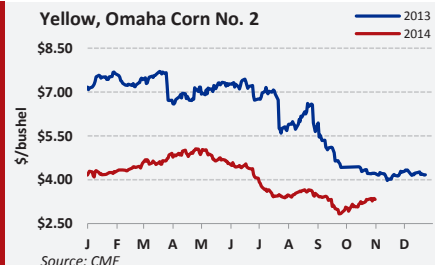


VEAL COMMENTARY

Both veal carcasses and boxed cuts earned premiums this week. Nearby supplies are limited, and demand moderate to active.



FEEDS: CORN, SOY BEAN, RED WHEAT



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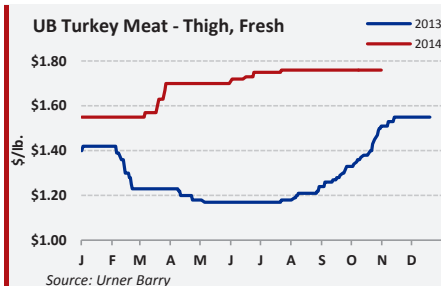
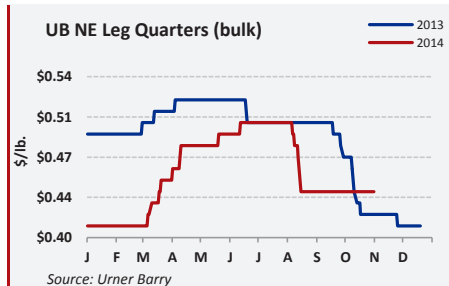
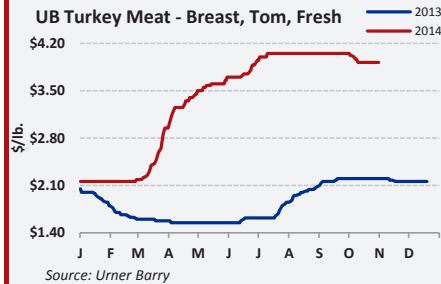
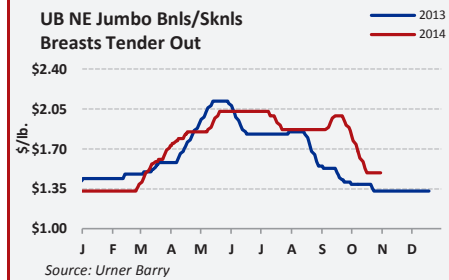
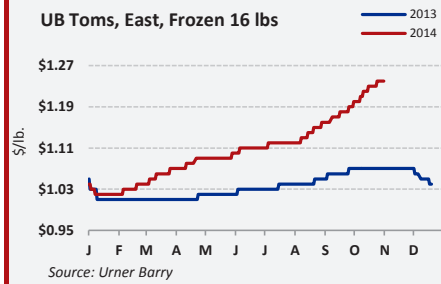
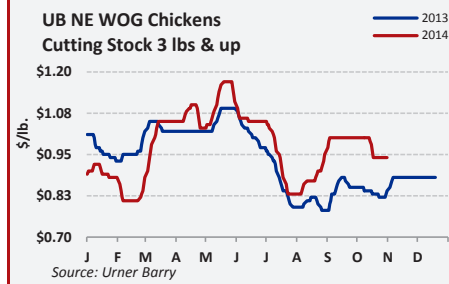
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POULTRY



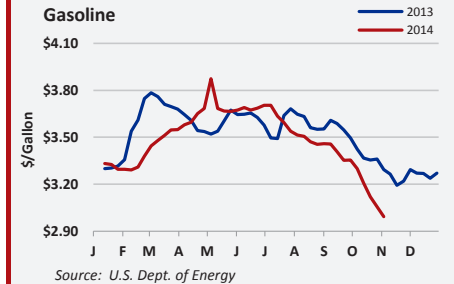
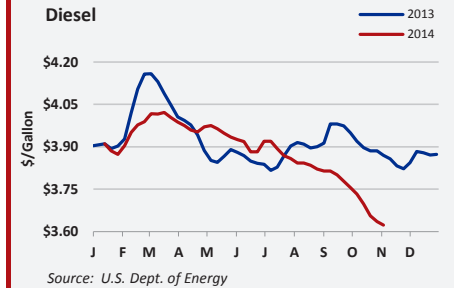
POULTRY COMMENTARY

This week in the chicken complex, spot market activity was mostly regular. According to sources, demand patters were just fair for a first of the month, but movement was decent enough to keep inventories manageable. Wing supplies were fully adequate for spot needs all week. Seller's positions may have varied from plant to plant, but industry wide trading levels were still no better than unsettled. Boneless breasts and tenders were balanced and rated steady all week. Asked and paid prices for both prompt and out front delivery dates were well within range of what observers consider normal. Whole bird and WOG offerings continued to be held with confidence as buyers' needs remained active. Values for bone-in breasts, fronts, chunk and trim meat trended lower. The back half of the bird maintained its mostly steady position. Product moved normally all week and trading ranges were well-supported.

Outside of scattered parts activity and some give and take in the raw materials market, the past week in the turkey industry has largely

been about packing and shipping whole birds. Frozen shipments along with fresh production dominated processor activity. Current quotations are very well supported while supplies are tight with hens being especially difficult to uncover. Fresh breast meat offerings have been clearing easily but we are starting to see a few cracks in frozen breast meat values. Drums, wings and necks are moving well in domestic circles but stumbling a bit in the export arena. Pressured ham values are impacting exports of turkey thighs and meat to Mexico but prices are still well supported.

ENERGY



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