



average of \$1,512 per cwt. Although prices are elevated, retail supermarkets typically start to feature lamb prior to Easter.

USDA AMS reports weekly retail feature rate activity for lamb and veal at major retail supermarket outlets. The feature rate activity is defined as “the amount of sampled stores advertising any reported lamb/veal item during the current week, expressed as a percentage of the total sample.” Trends in the feature rate depend on the timing of the Easter holiday. Typically, during the first three months of the year, the feature rate will average about 10%. In the two weeks leading up to Easter, the rate will typically jump to about 15%-20% and in prior years has jumped over 40%. This year, the feature rate has followed the typical level averaging about 9% during the first quarter. Two weeks ago, the feature rate was 10.6%, possibly an indication that retailers were starting to feature lamb for Easter. Last week the feature rate jumped to 17.9% which is in line with typical trends for the two weeks before Easter. With one more week before Easter, the feature rate will likely be higher, but consumers will be looking at a significant increase in lamb prices from a year ago.

### CULL COW VALUES UP

National cutter cow values commenced a strong 2nd quarter of 2022, climbing from starting the year at \$52 per cwt to \$75 per cwt. This is the highest value since late 2015. The five-year average of 2016-2020 averaged a cutter cow price of \$55 per cwt nationally across all weights. Other cow quality grades have improved values as well. Premium white cows, or those fed a concentrated diet before heading to slaughter has seen a 25% increase in prices compared to last year. Breakers (75% lean) are up 29%, and boners (85% lean) are up 14%.

Cow cutout values mirror the strong cull values. Last week the boxed cow cutout was \$230 per cwt, 31% ahead of the five year average and 21% higher than last year. Strong demand for beef has helped support these numbers as well as consumers buying more ground beef, seasonally. The cutout offers a snapshot of all the quality grades. More specifically, trimmings from lean cows are fed into the ground 90% lean beef markets, which has seen higher prices since the summer of 2021. Lean 90% ground beef averaged \$363 per cwt compared to the five year average of \$222 per cwt. These prices are expected to remain elevated through summer both because of time of year and relative value of other beef products in the meat case.

### FURTHER CONTRACTION IN U.S. HOG HERD

The March 1 Hogs and Pigs report showed further contraction is occurring in the U.S. hog herd. All hogs and pigs inventory was 72.209 million head, down 2.3% from the previous year and below the range of industry estimates. The breeding herd fell 1.9% or 117,000 head from last year to 6.098 million which is the lowest level in five years. Market hogs were down 2.4% or 1.607 million head to 66.111 million head which was well below the range of industry expectations.

Each of the four market hog weight categories reported declines from a year ago and were lower than industry was expecting. Hogs weighing 180 pounds and over were down 3.8% to 12.468 million head, lower than the range of industry expectations. The 120–179-pound category was in line with analyst’s estimates down 3.5% to 14.833 million head. The 50–119-pound weight category was 18.765 million head, down 1.9% from the prior year. Hogs weighing under 50 pounds decreased 1.0% from a year ago to 20.045 million head.

Farrowings for the December to February period were 2.901 million head, down 1.0% from last year and the opposite direction from industry expectations which were anticipating a slight increase. The marginal increase in pigs per litter of 0.1% to 10.95 is reflective of disease pressures producers faced over the winter months. The lower farrowings more than offset the slight increase in pigs per litter leading to a 1.0% decline in the pig crop to 31.750 million head. For the March to May period, farrowing intentions were 2.988 million head, down 1.5% from last year. Farrowing intentions for June to August were down 0.6% to 3.031 million head. Farrowing intentions from the report highlight producers measured approach to production in the near term as they are being cautious about expanding in the high-cost environment.