Livestock Monitor

A Newsletter for Extension Staff

Livestock Marketing Information Center

State Extension Services in Cooperation with the USDA

Market Indicators . . . December 16, 2022

Production

Week Ending 12/17/2022	Last	Year Ago
FI Cattle Slaughter (Thou Hd)	629	657
FI Hog Slaughter (Thou Hd)	2596	2655
FI Sheep Slaughter (Thou Hd)	35	39
Young Chicken Sltr. (Mil Hd)	172.2	166.0
Slaughter Cattle Live Weight	1389	1392
Slaughter Hog Live Weight	291	291
Slaughter Lamb/Sheep Live Wt.	126	125
Beef Production (Mil Pounds)	526.4	550.4
Pork Production (Mil Pounds)	560.6	576.2
Lamb, Mutton Prod. (Mil Lbs.)	2.2	2.5
Previous 6 Wk. Moving Avg.		
Total Beef (Mil Lbs)	540.1	546.0
Total Pork (Mil Lbs)	541.3	557.1
Total Lamb, Mutton (Mil Lbs)	2.3	2.5

Prices

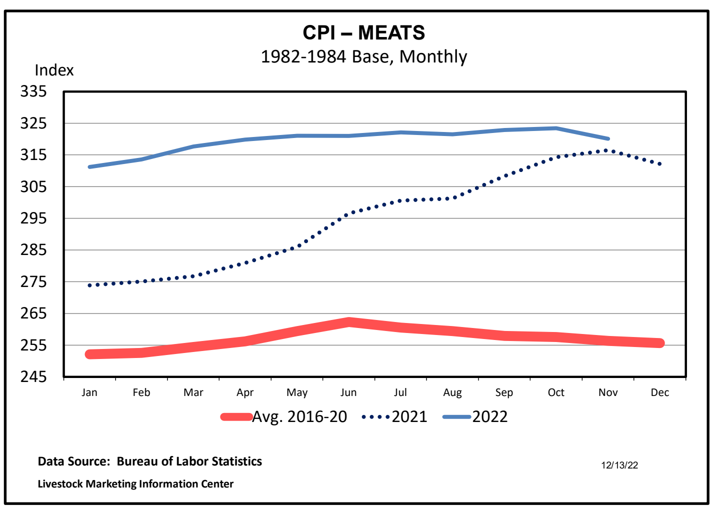
Weekly Average ($/Cwt)	Last	Week Ago	Year Ago
Live Steer	155.56	155.79	137.19
Dressed Steer	247.81	246.82	218.42
Choice Beef Cutout	255.83	246.23	262.04
USDA Hide/Offal	14.32	14.55	13.99
OK City Fdr. Str. (6-7 Cwt.)	183.39	182.17	162.90
National Negotiated Hogs	81.27	83.44	59.96
Natl. Net Hog Carcass	83.78	84.01	74.91
Feeder Pigs (40 Lbs) ($/Head)	72.15	69.42	76.25
Pork Cutout	87.06	86.85	87.53
Lamb Cutout	464.78	476.33	612.00
Cheddar, 40 lb Block($/lb)	2.19	2.19	1.85
Corn, Omaha ($/Bu)	7.04	6.93	5.98
Soybeans, Cntrl IL ($/Bu)	14.91	15.04	12.94

Source: Various USDA-AMS reports. Data are preliminary.

Trends. . . CPI AND RETAIL MEAT PRICES

November Consumer Price Index (CPI) was released last week which was 7.1% above a year ago, a slight cooling of inflation from the prior month's 7.7%, but still well above the target of 2%. The meats CPI data was up 1.1% from the previous year, a much slower rate compared to the double-digit rates that were seen at the beginning of the year. Poultry CPI continues to track well above last year at 13.1%, a continuation of strong double-digit growth in poultry. In fact, January was the only month that did not see double digit growth (9.8%). The uncertainty surrounding Highly Pathogenic Avian Influenza will likely influence poultry prices in the near term.

Retail beef prices for November were down modestly from the prior month and last year. The all-fresh retail beef price was $7.15 per pound, down 1.4% from a month earlier and 5.0% below last year. Choice retail beef price was $7.37 per pound, down less than one percent (0.8%) from October and 6.2% lower than 2021. Ground beef was up 2.9% from a year ago to $4.85 per pound and it was the only category above a year ago. The chuck, roast, round, and steaks were all down about 3% to 11% from the same month last year. The chuck was 6.7% lower from a year ago to $6.78 per pound, the roast fell 5.9% to $6.05, rounds were down 3.3% to $7.16, and steaks were $10.26 down 10.8%.



Pork retail prices marked its first month over month decline this year falling 2.0% to $4.95 per pound. Compared to a year ago, retail pork prices are still above a year ago by 2.5%, which is due to higher prices for most report prices. All pork chops were reported up 2.2% from last year to $4.16 per pound in November, bone-in chops were $4.57 per pound (up 5.0%) and boneless chops were $4.49 (up 1.3%). Hams jumped 11.8% from a year ago to $5.52 per pound, the second highest price on record, while bacon posted a marginal decline of 0.3% to $7.24.

Poultry prices moved slightly lower in November compared to the prior month. The retail chicken price (whole fresh) was $1.84 per pound, down 1.1% from October but 16.4% above the month last year. The broiler composite retail price fell less than one percent from the prior month (0.6%) to $2.52 per pound but rose 14.1% from a year ago. November prices for bone-in legs rose 16.8% from a year ago to $2.02 per pound, which was a record, while boneless chicken breast rose 22.2% to $4.42. Eggs reached a new record price of $3.59 per dozen, more than double what prices were a year ago.

COMPREHENSIVE BOXED BEEF DIPS TO EIGHT WEEK LOW

Last week the comprehensive boxed beef cutout value averaged $246.88 per cwt. The mid-$240's had not been seen since mid-October. Weaker than the previous week's values occurred across all primal values except the rib. Total load volumes were higher than most of November in the first two weeks of December and saw increases in branded, choice, and ungraded loads.

Type of sales data showed heavier volumes compared to recent weeks in negotiated 0-21 days, but were down from last year at this time. Negotiated sales over 22 days were similar to the last two weeks, but were 50% higher than last year for the same week. Similar patterns were shown in formula sales. Forward contract sales were down 35% last week from a year ago, but the last two weeks were a recent high point relative to November weekly data. Delivery period data for last week was down between 7-12% in categories 22 days and higher. The shortest window, 0-21 days, was up 3% over last year.

Prime cutout has fallen $29.69 per cwt since a peak six weeks ago. Branded cutout values have slipped $15.28 per cwt in the last five weeks. Choice and Select has both declined about $12 per cwt in similar timeframes. Across Prime, Branded, and Choice rib primal values increased by 1%, 3%, and 2% week over week. Select rib primal values declined last week by 4%. Unbranded rib primal increased 2% as well, respectively. Seasonally this time of year is usually the peak in the rib primal and periodically will test the low for the year. Expect the rib primal to fall lower to close out the year.

BY-PRODUCT VALUES REMAIN ELEVATED

By-product values for both cattle and hogs continue to track above typical levels. LMIC tracks the steer hide and offal value for cattle; last week it was $14.67 per cwt, down 2% from the same week last year but 49% above the five-year average. Since September, the value has averaged $14.73 per cwt, slightly lower than the same period last year, which ranged from $15-16 per cwt. The five-year average is typically below $10 per cwt during the latter part of the year. Over the last few months, support for the value has come from prices for livers, tongues, and cheek meat holding steady. Declines of 5%-7% in prices for hearts, tripe, and tallow have recently limited the value, but hides continue to stay relatively level.

Last week the cow by-product value was $13.59 per cwt, down 6% from last year but 51% higher than the five-year average. During the last year, the weekly cow by-product value has ranged from $12.54 to $15.19 per cwt with an average of $13.55 per cwt. Prices for hides, livers, lungs, bonemeal, and blood have held steady in recent weeks. These have been partially offset by lower prices in recent weeks for tongues, cheek meat, tails, hearts, lips, and tripe which have all fallen about 6% to 17%.

During the second half of the year, the hog by-product value has averaged $5.89 per cwt with a relatively narrow range between $5.74 and $6.05. Last week the value was $5.90 per cwt, 18% above the same week last year and more than $2 higher than the five-year average of $3.87. Support for the pork by-product value has come from increased prices for stomachs, lard, and bonemeal. Last week stomachs were $235 per cwt, up from the $165 over the summer. Lard has risen to $88 per cwt over the last few months, about $6 higher than levels through the first three quarters of the year. Last week bonemeal prices posted a 29% increase to $21.68 per cwt which is the highest since August. Over the last several weeks, most other hog by-product values such as hearts, livers, snouts, and tongues have held relatively level.