

Prime beef values are getting squeezed by the supply and demand side of the equation this holiday season. The supply of cattle available is coming in at significantly smaller weights than last year since the start of summer, capping the weekly percent grading Prime at under 10%.

Steer dressed weights over the course of 2021 have been about 1.5 pounds under the 2020. However, this summer the spread is

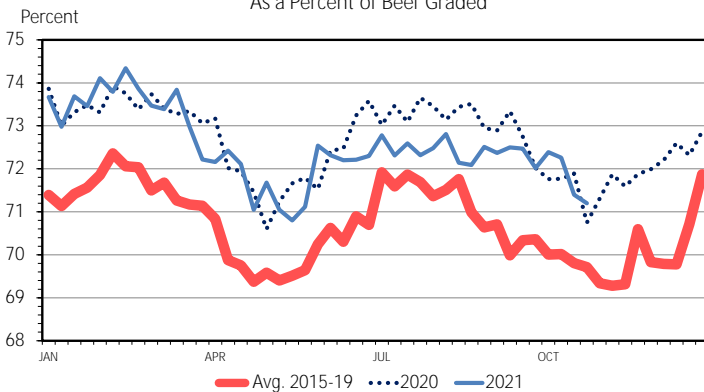
significantly wider with steer dressed weights dropping an average of 8.75 pounds over the last 23 weeks. The heifer weights drop was even more dramatic, down 10 pounds over the same time frame.

This substantial shift has contributed to the 1% drop in carcasses grading Prime over the summer and early fall. In 2020, prime grading carcasses exceeded 10%, compared to just over 9% this year. Additionally, Choice graded carcasses have slipped a bit slowing just under half a percent from last year, while carcasses grading Select has increased by more than 1%.

The preference over the holiday season in years past has been to “buy up” in terms of either meat cuts or grade. Although many would agree, full scale vacationing and eating out is likely still making its way back to normal, but the wholesale meat market is betting big on the specialness of the season, and appears undaunted by the inflationary pressure.

Rising rib values of Prime graded beef have continued to accelerate, taking out the previous record highs (2020) in each of the last 6 months. The last two months have exceeded \$700 per cwt, and if passed onto the consumer translates to a very expensive piece of meat. This continued high value that has not retreated the same way the cutout or even retail prices in the last month, points to continued buying on the wholesale market.

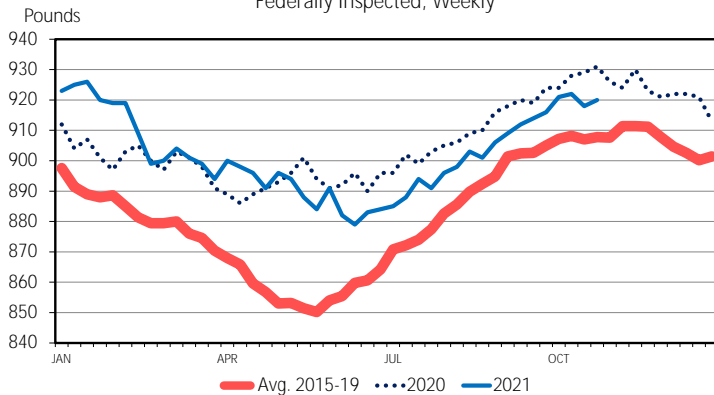
BEEF GRADED CHOICE
As a Percent of Beef Graded



Data Source: USDA-AMS
Livestock Marketing Information Center

M-S-26
11/12/21

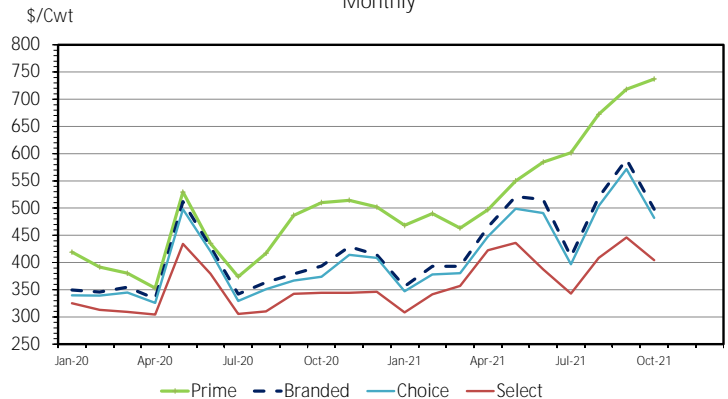
STEER DRESSED WEIGHT
Federally Inspected, Weekly



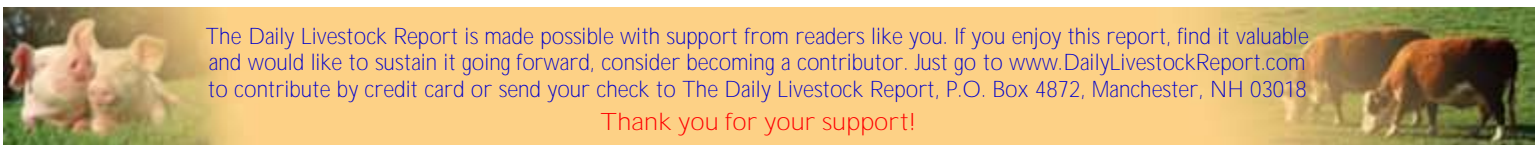
Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center

C-S-18
11/12/21

RIB VALUE COMPARISON
Monthly



Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center



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PRODUCTION & PRICE SUMMARY

Week Ending 11/13/2021

Source: Various USDA Agricultural Marketing Service (Market News) reports. DATA ARE PRELIMINARY.

Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
		13-Nov-21	6-Nov-21		14-Nov-20			
Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	2,016	1,998	0.9%	2,073	-2.8%	87,635	-0.4%
C FI Slaughter	Thou. Head	655	650	0.8%	657	-0.3%	28,908	3.0%
A FI Cow Slaughter **	Thou. Head	137	137	0.1%	131	5.2%	11,880	1.8%
T Avg. Dressed Weight	Lbs.	833	833	0.0%	843	-1.2%	827	-0.4%
T Beef Production	Million Lbs.	544.5	540.7	0.7%	552.5	-1.4%	23,912	2.6%
L Live Fed Steer Price, 5-Mkt	\$ per cwt	131.35	129.23	1.6%	109.62	19.8%		
E Dressed Steer Price, 5-Mkt	\$ per cwt	206.60	202.81	1.9%	171.87	20.2%		
Oklahoma Steer (600-700 lbs)	\$ per cwt	158.70	155.38	2.1%	139.53	13.7%		
& Choice Beef Cutout	\$ per cwt	286.28	288.64	-0.8%	222.99	28.4%		
Hide/Offal	\$ per cwt, live wt	16.53	16.33	1.2%	8.47	95.2%		
B Rib, Primal, Choice	\$ per cwt	489.80	496.55	-1.4%	416.21	17.7%		
E Round, Primal, Choice	\$ per cwt	252.20	256.71	-1.8%	184.87	36.4%		
E Chuck, Primal, Choice	\$ per cwt	235.51	236.40	-0.4%	185.65	26.9%		
F Trimmings, 50%, Fresh	\$ per cwt	95.26	90.93	4.8%	41.44	129.9%		
Trimmings, 90%, Fresh	\$ per cwt	276.12	276.17	0.0%	199.65	38.3%		
H FI Slaughter	Thou. Head	2,614	2,603	0.4%	2,691	-2.9%	11,407	-90.0%
H FI Sow Slaughter **	Thou. Head	57.9	60.4	-4.1%	67.2	-13.8%	5,946	2.5%
O Avg. Dressed Weight	Lbs.	214.0	214.0	0.0%	219.0	-2.3%	2,093	874.8%
G Pork Production	Million Lbs.	560.8	556.9	0.7%	587	-4.5%	23,877	-2.2%
S Natl. Negotiated Purchase	Wtd. Avg.	58.59	60.48	-3.1%	60.32	-2.9%		
& Natl. Base Carcass Price	Wtd. Avg.	77.18	78.04	-1.1%	68.61	12.5%		
& Natl. Net Carcass Price	Wtd. Avg.	78.90	79.79	-1.1%	70.26	12.3%		
Natl. Early Wean Feeder	10-12 Lbs.	50.97	50.24	1.5%	38.01	34.1%		
P Pork Cutout	\$ per cwt	93.70	96.22	-2.6%	83.01	12.9%		
O By-product Value	\$ per cwt, live wt	5.09	5.15	-1.2%	4.36	16.7%		
R Ham, Primal	\$ per cwt	74.83	72.58	3.1%	86.84	-13.8%		
K Loin, Primal	\$ per cwt	86.81	96.52	-10.1%	74.10	17.2%		
Belly, Primal	\$ per cwt	155.31	159.12	-2.4%	103.48	50.1%		
Trimmings, 72%, Fresh	\$ per cwt	85.85	87.68	-2.1%	85.21	0.8%		
C Young Chicken Slaughter *	Million Head	164.6	164.2	0.2%	170.01	-3.2%	7,321	-1.3%
H Avg. Weight (RTC)	Lbs.	4.87	4.83	0.8%	4.82	1.1%	4.84	0.9%
I Young Chicken Production (RTC)	Million Lbs.	801.8	793.8	1.0%	819.2	-2.1%	35,442	-0.4%
C Eggs Set (US)	Million	234.5	236.7	-0.9%	224.2	4.6%	22,691	1.3%
K Chicks Placed (US)	Million Head	178.0	178.5	-0.3%	175.1	1.6%	17,949	-0.2%
E National Composite Whole Bird	Composite	102.89	102.02	0.9%	74.96	37.3%		
N Northeast Breast, B/S	\$ per cwt	180.05	179.82	0.1%	85.62	110.3%		
Northeast Leg Quarters	\$ per cwt	36.39	39.24	-7.3%	25.77	41.2%		
T Total Turkey Slaughter *	Million Head	4.61	4.60	0.2%	4.76	-3.1%	171.8	-5.9%
U Avg. Weight (RTC)	Lbs.	23.57	23.07	2.2%	24.07	-2.1%	25.64	0.1%
R Turkey Production (RTC)	Million Lbs.	108.7	106.2	2.3%	114.5	-5.1%	4,405	-5.8%
K National Hen (8-12 Lbs)	\$ per cwt	135.67	141.00	-3.8%	112.87	20.2%		
G Corn, Omaha	\$ per Bushel	5.64	5.44	3.7%	4.01	40.7%		
R Distillers Grain, IA	\$ per Ton	171.50	175.00	-2.0%	177.50	-3.4%		
A Soybean, Cntrl IL	\$ per Bushel	12.50	12.28	1.8%	11.50	8.7%		
I Soybn Meal 48%, Cntrl IL	\$ per Ton	350.00	344.20	1.7%	386.10	-9.3%		
N								

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this sheet.

** Cow and sow slaughter reflect levels from two weeks ago (part of "actual" rather than "preliminary" weekly slaughter report).

