

USDA NASS released the Cold Storage report for May on Tuesday. Compared to a month ago, beef in cold storage continued to decline, pork was flat, and both chicken and turkey increased slightly. Comparisons to a year ago, left beef flat (-1%), pork down slightly (-3%), chicken down 15%, and turkey down 69%.

The comparisons to the pandemic offer some useful observations. In beef, the trajectory is surprisingly similar even though supply chain differences between this year and a year ago are shockingly different. Beef in cold storage by the end of last year reached above the five year average, only to fade sharply through the first half of 2021. Boneless beef is largely to blame, down 2% from last year, and 8% lower from the prior month. Beef cuts are up 17% but also declined from last month.

Pork in cold storage has yet to recover pre-pandemic levels in cold storage, making frozen inventories tight. However, its only in certain categories. Hams, loins, ribs, and other categories of pork are all well above a year ago, each 13-54% up. Bellies and butts continue to have the tightest supplies. Bellies are 40% below last year, but rose 3% from last month. Butts' inventory are 35% lower than 2020, and declined from April 23%. Variety meats were down 12% from last year, and 4% from April. Other categories of pork were less than 5% below last year.

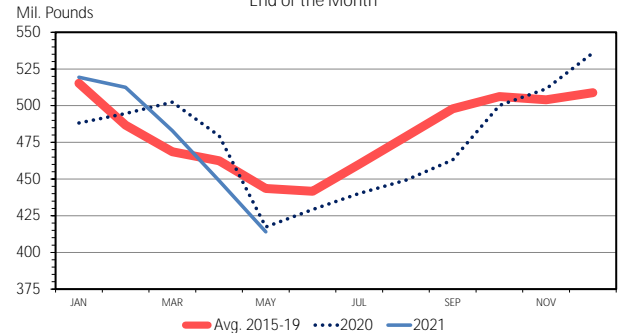
Lamb in cold storage continued to reflect the tightness the wholesale lamb meat market is showing, down 54% from last year and 12% from April. Veal, on the other hand has large amounts in storage, double the prior year, but down 8% from the prior month.

Total turkey increased in May from April 9%, adding to almost all categories except breast meat, and other turkey. The largest month over month gain was in mechanically deboned meat, a 23% increase, followed by whole birds, increasing 16%. Compared to last year, turkey in cold storage is down in every category save whole toms (+10%). Seasonally, turkey in cold storage is usually adding tens of millions of pounds to cold storage in preparation for the holidays. The five year average for the month of May is just under 500 million pounds. This year its under 400 million pounds.

Total chicken in cold storage increased 1% month over month. Chicken categories increased across the board. Wings were perhaps the most interesting increase, up 17%. Weekly wing prices have been extremely high in 2021, up 32-91% over the five year average. Wing prices have fallen over the last 4 weeks, and cold storage may be offering confirmation that tight supplies in the wing market have eased recently. Leg and leg quarters increased 8% and 10% from April. Thigh meat showed the largest month on month drop, down 25%

Several chicken categories are still well above a year ago levels, including thigh quarters, drumsticks, mature hens, and paws and feet. Others are still more than 50% down, such as thigh meat. Legs and other chicken categories are still more than 20% below last year. Wings are down 19% from last year, and leg quarters are down 13%. Breast meat has the smallest decline from last year, down 6%

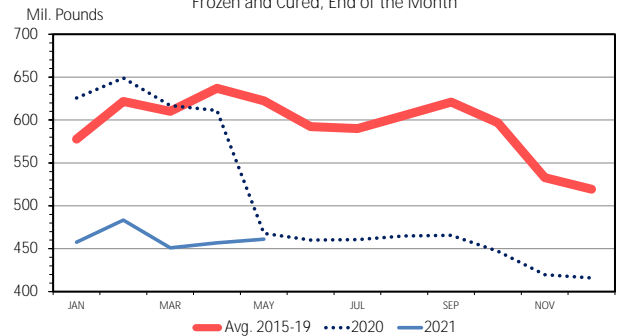
BEEF IN COLD STORAGE
End of the Month



Data Source: USDA-NASS
Livestock Marketing Information Center

M-S-09
06/22/21

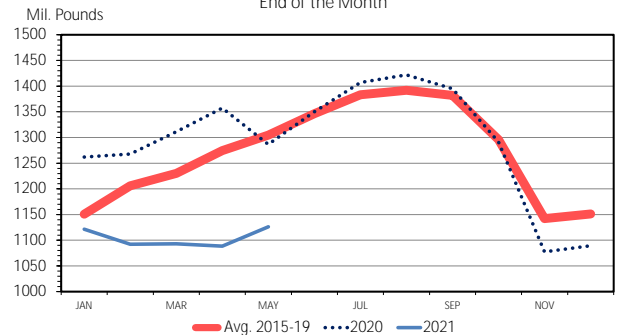
PORK IN COLD STORAGE
Frozen and Cured, End of the Month



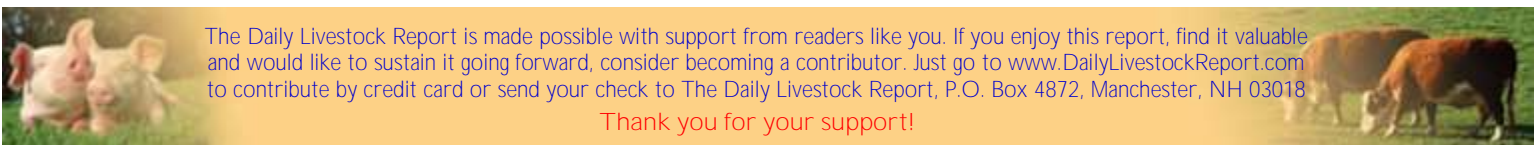
Data Source: USDA-NASS
Livestock Marketing Information Center

M-S-10
06/22/21

TOTAL POULTRY IN COLD STORAGE
End of the Month



Data Source: USDA-NASS
Livestock Marketing Information Center



The Daily Livestock Report is made possible with support from readers like you. If you enjoy this report, find it valuable and would like to sustain it going forward, consider becoming a contributor. Just go to www.DailyLivestockReport.com to contribute by credit card or send your check to The Daily Livestock Report, P.O. Box 4872, Manchester, NH 03018

Thank you for your support!

The **Daily Livestock Report** is published by **Steiner Consulting Group, DLR Division, Inc.** To subscribe, support or unsubscribe please visit www.dailylivestockreport.com.

The Daily Livestock Report is not owned, controlled, endorsed or sold by CME Group Inc. or its affiliates and CME Group Inc. and its affiliates disclaim any and all responsibility for the information contained herein. CME Group, CME and the Globe logo are trademarks of Chicago Mercantile Exchange, Inc.

Disclaimer: The *Daily Livestock Report* is intended solely for information purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade any commodities or securities whatsoever. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Futures trading is not suitable for all investors, and involves the risk of loss. Past results are no indication of future performance. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money initially deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyle. And only a portion of those funds should be devoted to any one trade because a trader cannot expect to profit on every trade.