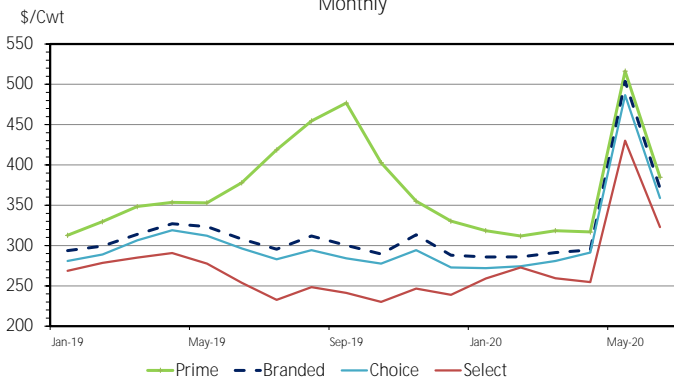


About a month ago the [DLR](#) covered the increase in the percent grading prime. That trend has continued into the month of July. June's weekly average of National steer and heifer carcasses grading prime was 10.62% compared to 7.04% last year. This year has not had a single week where the national percentage of prime has dipped below 9%. Over the 26 weeks of data the average has been over 10%, compared to 2019's 8.55%.

The large increase in available prime and the lack of traffic through white table cloth restaurants has greatly effected the premium of prime product relative to other grades. Rib and loin primal values are where prime graded beef receives the most value. In 2019, the premium for prime beef soared in the summer due to lower grading overall brought on by the lighter dress weights.

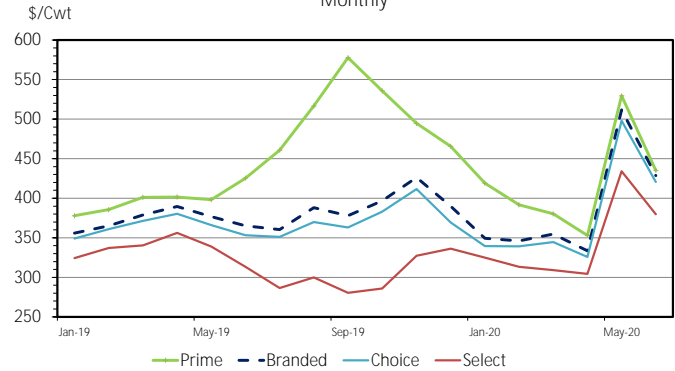
This year, more carcasses are grading prime, but the pinch in the supply chain has raised all carcass grade premiums to reflect the tighter supply of beef. For the month of June, the premium for prime loin values is 2% higher than last year. Branded, Choice, Select premiums soared 20% higher or more, and are outpacing last year by more than \$60 per cwt each. Rib values show a similar trend. Prime rib value premiums are about \$10 higher this June, compared to 2019. Branded premiums are 17% higher or \$63 per cwt. Choice premiums are 19% higher, or \$67 per cwt higher, and Select is 21% higher or \$66 per cwt higher than last year. Prime graded beef has been making more in-

LOIN VALUE COMPARISON Monthly



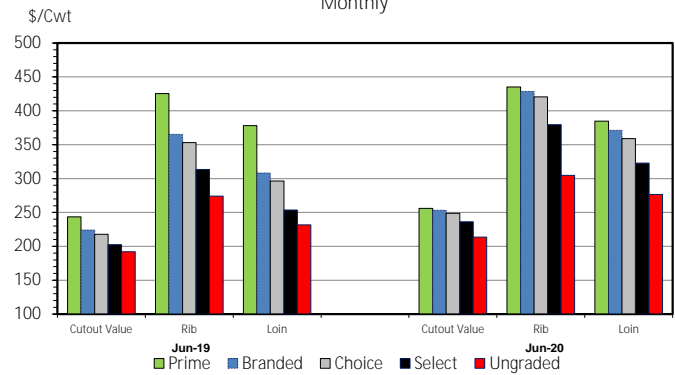
Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center

RIB VALUE COMPARISON Monthly



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

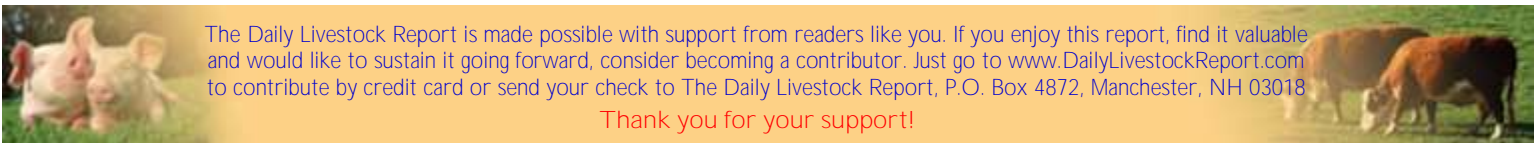
PRIMAL VALUE Monthly



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

roads to into the retail space, but the generally higher price point can limit consumer accessibility.

The last couple of years have shown fourth quarter holiday demand to be strong, and could be an opportunity to move Prime graded beef this year. Prime graded beef lends itself to special occasions especially if gatherings are focused around smaller group sizes, where whole turkey and ham are not as well suited.



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