

USDA's Agricultural Marketing Service (Market News Division) publishes a weekly National Comprehensive Boxed Beef Cutout report which includes all sales of meat derived from fed steers and heifers by the major packing plants (required under Mandatory Livestock Reporting legislation). These data give insight into the types (quality) of carcasses that are higher priced than a year ago. Also, the report provides values on the components of carcasses are contributing to total value compared to a year ago. For example, those data help answer if meat buyers have bid up prices of some carcass components as they attempt to fulfill consumer preferences?

The report is available [here](#). Five cutout values are calculated (Comprehensive, Prime, Branded, Choice, Select, and Ungraded). Each cutout value has seven component primals (Rib, Chuck, etc.).

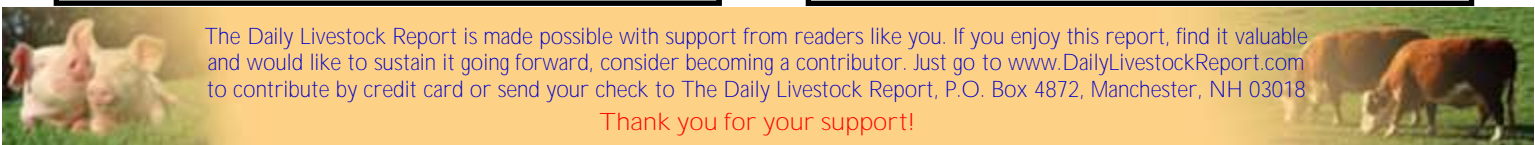
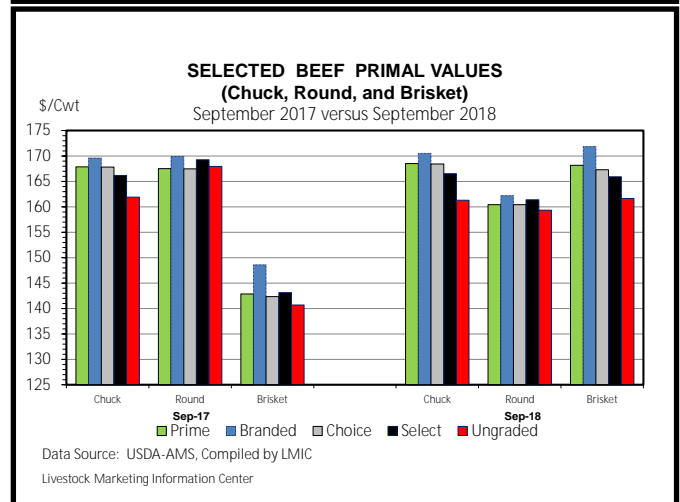
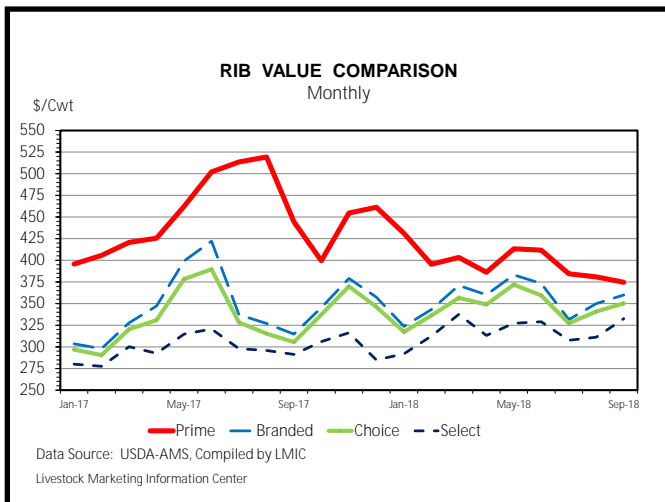
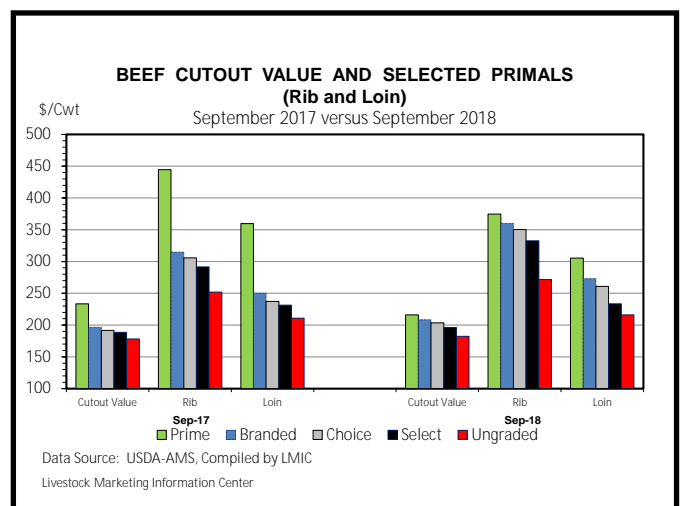
Compared to a year ago, for September, the comprehensive (all types/quality) cutout value was \$9.52 per cwt., or 5%, above a year ago. But there were major differences across categories. Prime, the highest quality cutout category, declined by \$17.55 per cwt. (down 7.5%), while all other cutout categories posted higher values year-over-year. Both Choice and Branded increased 6%, Select by 4%, and Ungraded value rose by 2%.

Increased supply relative to other categories has driven the decline in the Prime cutout value year-over-year. The load breakdown in the report shows that September's total volume was down from a year (dropping 654 loads or by 2%). Production of Prime beef has surged, jumping-up by 146 loads or by 25%. In September, Choice loads declined compared to a year ago by 787 loads (down 9%).

Just two primals have a Prime premium, the Rib and the Loin. The Prime premium for each has been eroding. Monthly values for the Rib are shown in the first graphic.

Comparing beef primal values, for the high-value middle meats (Rib and Loin), except for Prime grade, values were above a year earlier in September (see the first graphic). The second graph shows that September's Chuck value was similar to a year ago, while Round dropped. Brisket posted a large year-over-year gain; Choice Brisket increased by \$24.95 per cwt. (up 18%).

High-value middle meats (except those that are Prime), and the Brisket have pulled the overall beef wholesale market above 2017's.



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