Daily Livestock Report

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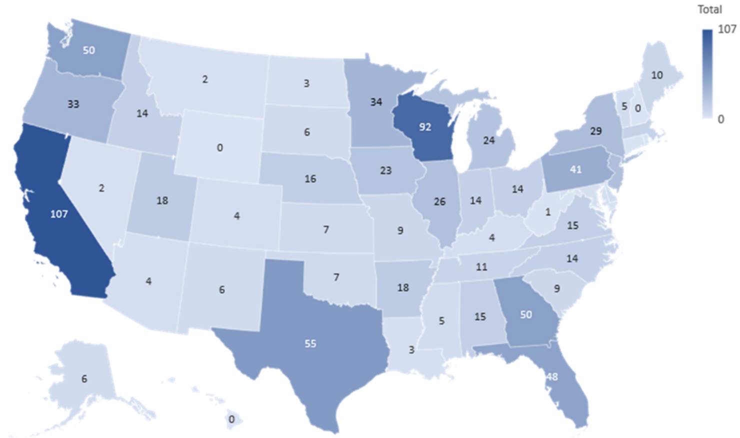
Correction: On page 3 we have reproduced the weekly price/supply table with corrected price data for hogs. We appreciate the heads up from one of our readers and we apologize for the confusion.

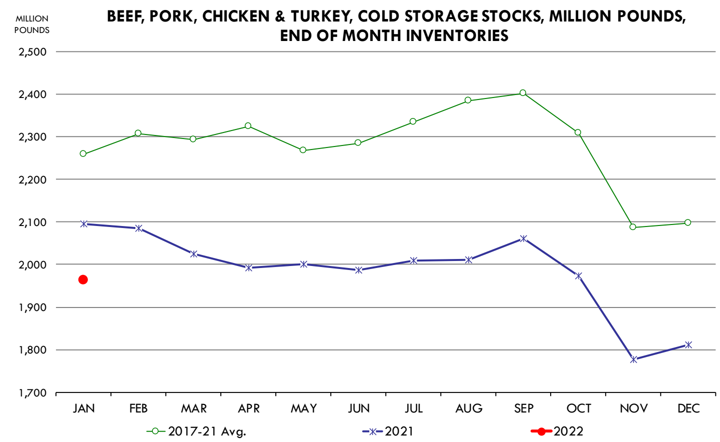
USDA issued yesterday afternoon the results of its monthly survey of US cold storage facilities, showing the inventory on hand at the end of January. Please keep in mind that the data covers public, private and semi-private warehouses. The map to the right shows how the surveyed warehouses are distributed around the country.

Cold storage data remain supportive for prices in the near term, especially for pork and some chicken products. Freezer supplies are significantly lower than normal levels and with price inflation risk high, buyers can ill afford to stay short bought going into the spring. Demand is expected to rebound following the seasonal improvement in weather and states completely removing COVID restrictions. Below is a brief recap of highlights by species

Refrigerated Warehouses Included in the USDA Monthly Survey

Includes Public, Private and Semi-Private Warehouses. Updated January 2022. Prepared by: Steiner Consulting





Beef: The total supply of beef in cold storage at the end of January was estimated at 526.4 million pounds, 1.4% higher than a year ago and 2.9% higher than the five year average. **This was the highest end of January beef inventory since 2016, driven in large part by more beef cuts in cold storage**. The inventory of this product at the end of January was estimated at 43.1 million pounds, 12.9% higher than the previous year and 15.6% higher than the five year average. One could argue that some product got backed up in the freezer given the big spike in price during January. There may be some truth to this as the inventory of beef cuts located in warehouses in the East North Central part of the country was 37% higher than the previous year. We also saw a big increase in the Pacific region, which could be product accumulated prior to shipment to Asian markets. Beef export demand showed improvement in the second half of January, which would justify the higher inventory of beef cuts in cold storage. The inventory of boneless beef was estimated at 483.3 million pounds, 0.4% higher than a year ago and 1.9% higher than the five year average.

Pork: Pork supplies in the freezer were tight for much of last year and freezer stocks were even lower in January of this year. The total supply of pork in cold storage was estimated at 428.5 million pounds, 6.3% lower than a year ago and 22% lower than the five year average. Ham inventory was especially light following the sharp depletion during the holiday period. **Packers continue to struggle to run ham boning lines and the supply of boneless hams in storage was 49.3 million pounds, down 21% from a year ago**. The inventory of bone-in hams, on the other hand, at 24.4 million pounds, 12% higher than last year. Processors and packers appear to have put more bellies in the freezer during late December and January as the inventory increased 17% from the previous month and at 44.6 million pounds it is now 43% higher than a year ago and 4.4% higher than the five year average. Normally we see belly inventories increase between January and April but with prices now at the highest level since last August, we expect to see only minimal increase in belly stocks during February and very likely March as well. The inventory of ribs in cold storage remains limited, currently at the same low level is was last year and 20% lower than the five year average. Normally end users will accumulate ribs during Q1 to meet demand in late spring and summer. Current inventory levels and expected lower slaughter present more upside price risk for ribs during the high demand time of the year.

Poultry: Chicken inventory numbers remain below year ago levels and the five year average. The situation varies by product, however, with the inventory of wings double last year's levels while chicken breast inventory was 32% lower than last year and 22% under the five year average.

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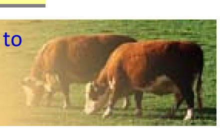
USDA STOCKS IN COLD STORAGE REPORT

COMMODITY	Stocks in All Warehouses			Percent Of	
	31-Jan-21	31-Dec-21	31-Jan-22	Jan-21	Dec-21
		1,000 Pounds			
Frozen Pork					
Picnics, Bone-In	9,389	6,291	5,814	62	92
Hams, Total	84,208	61,354	73,645	87	120
Bone-in	21,807	18,300	24,386	112	133
Boneless	62,401	43,054	49,259	79	114
Bellies	31,232	38,069	44,607	143	117
Loins, Total	40,244	36,651	36,328	90	99
Bone-in	11,038	11,541	11,205	102	97
Boneless	29,206	25,110	25,123	86	100
Ribs	93,561	80,275	94,160	101	117
Butts	19,391	15,675	18,413	95	117
Trimmings	40,806	50,544	48,996	120	97
Other	63,666	46,027	42,155	66	92
Variety Meats	24,171	19,654	20,017	83	102
Unclassified	50,840	41,921	44,363	87	106
Total	**457,508**	**396,461**	**428,498**	**94**	**108**
Frozen Beef					
Boneless	481,226	467,929	483,381	100	103
Beef Cuts	38,128	39,194	43,054	113	110
Total	**519,354**	**507,123**	**526,435**	**101**	**104**
Other					
Veal	9,189	3,577	4,403	48	123
Lamb & Mutton	24,470	22,124	21,859	89	99
Total	**33,659**	**25,701**	**26,262**	**78**	**102**
Total Red Meat	**1,010,521**	**929,285**	**981,195**	**97**	**106**
Chicken					
Broilers, Fryers, Roasters	14,152	12,231	13,516	96	111
Breasts and Breast Meat	239,288	153,158	163,538	68	107
Leg Quarters	59,574	76,872	85,927	144	112
Wings	36,710	74,084	75,619	206	102
Other Chicken	467,594	426,634	425,424	91	100
Total	**817,318**	**742,979**	**764,024**	**93**	**103**
Turkey					
Whole Turkeys	122,121	63,587	128,024	105	201
Turkey Breast	63,496	24,430	29,400	46	120
Other	115,792	77,737	86,424	75	111
Total	**301,409**	**165,754**	**243,848**	**81**	**147**
Ducks	2,759	2,436	2,120	77	87
Total Poultry	**1,121,486**	**911,169**	**1,009,992**	**90**	**111**

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PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending 2/19/2022

Source: Various USDA Agricultural Marketing Service reports. Some data are preliminary. *Weekly Avg. Prices*

	Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
			19-Feb-22	12-Feb-22		20-Feb-21			
	Total Beef, Pork, Chicken, Turkey	**mil lbs., cwe**	**2,021**	**1,948**	3.76%	**1,873**	7.91%		
	FI Slaughter	Thou. Head	663	659	0.61%	549	20.68%	4,487	-0.2%
C	FI Cow Slaughter **	Thou. Head	139	142	-2.16%	135	3.13%	691	-12.3%
T	Avg. Dressed Weight	Lbs.	845	843	0.24%	841	0.48%	840	-0.3%
T	Beef Production	Million Lbs.	559.2	554.3	0.88%	461.0	21.30%	3,771	-0.5%
L	Live Fed Steer Price	$ per cwt	142.25	140.48	1.26%	114.07	24.70%		
E	Dressed Fed Steer Price	$ per cwt	226.10	224.04	0.92%	180.57	25.21%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	179.53	178.41	0.63%	N/A	N/A		
&	Choice Beef Cutout	$ per cwt	269.88	276.31	-2.33%	236.56	14.09%		
	Hide/Offal	$ per cwt, live wt	14.01	13.99	0.14%	9.65	45.18%		
B	Rib Primal, Choice	$ per cwt	386.23	390.47	-1.09%	392.82	-1.68%		
E	Round Primal, Choice	$ per cwt	230.86	233.04	-0.94%	189.87	21.59%		
E	Chuck Primal, Choice	$ per cwt	233.03	246.63	-5.51%	200.37	16.30%		
F	Trimmings, 50%	$ per cwt	104.62	113.73	-8.01%	48.86	114.12%		
	Trimmings, 90%	$ per cwt	283.46	282.60	0.30%	226.53	25.13%		
	FI Slaughter	Thou. Head	2,507	2,516	-0.36%	2,413	3.88%	17,343	-8.3%
	FI Sow Slaughter **	Thou. Head	56.7	61.2	-7.36%	64.3	-11.84%	297	-21.7%
H	Avg. Dressed Weight	Lbs.	219.0	219.0	0.00%	217.0	0.92%	219	-0.2%
O	Pork Production	Million Lbs.	548.8	551.6	-0.51%	522.7	4.99%	3,794	-8.4%
G	Iowa-S. Minn. Base	Wtd. Avg.	NQ	82.95	N/A	68.93	N/A		
S	Natl. Base Carcass Price	Wtd. Avg.	91.98	86.89	5.86%	76.02	20.99%		
	Natl. Net Carcass Price	Wtd. Avg.	93.68	88.62	5.71%	77.88	20.29%		
	Natl. Early Wean Feeder	Wtd. Avg.	83.29	74.08	12.43%	58.23	43.04%		
	Pork Cutout	205 Lbs.	109.53	102.35	7.02%	90.49	21.04%		
	Ham Primal	$ per cwt	81.17	72.69	11.67%	79.13	2.58%		
	Loin Primal	$ per cwt	105.46	103.75	1.65%	79.02	33.46%		
	Belly Primal	$ per cwt	206.60	181.39	13.90%	157.84	30.89%		
	Trimmings, 72%, Fresh	$ per cwt	96.05	94.27	1.89%	91.01	5.54%		
	Hog By-Product Value	$ per cwt, live wt	5.44	5.53	-1.63%	4.54	19.82%		
C	Young Chicken Slaughter *	Million Head	168.8	154.7	9.09%	163.9	2.96%	1,127	-1.1%
H	Avg. Weight (RTC)	Lbs.	4.79	4.83	-0.94%	4.83	-0.79%	6.36	0.0%
I	Young Chicken Production (RTC)	Million Lbs.	808.2	747.9	8.06%	791.2	2.15%	5,447	-1.1%
C	Eggs Set (19-state)	Million	239.4	239.7	-0.13%	236.8	1.10%	1,429	-13.3%
K	Chicks Placed (19-state)	Million Head	185.7	186.2	-0.29%	186.6	-0.51%	1,111	-15.1%
E	National Composite Whole Bird	Composite	125.19	124.88	0.25%	83.16	50.54%		
	Northeast Breast, B/S	$/cwt	266.17	259.71	2.49%	133.53	99.33%		
	Northeast Leg Quarters	$/cwt	37.87	38.09	-0.58%	33.81	12.01%		
T	Total Turkey Slaughter *	Million Head	3.841	3.275	17.28%	3.586	7.11%	24.102	-5.9%
U	Avg. Weight (RTC)	Lbs.	27.29	28.72	-4.96%	27.32	-0.09%	33.66	0.3%
R	Turkey Production (RTC)	Million Lbs.	104.8	94.0	11.47%	98.0	7.01%	649	-5.9%
K	National Hen (8-12 lb)	8-16 Lbs.	132.89	129.66	2.49%	111.00	19.72%		
G	Corn, Omaha	$ per Bushel	6.42	6.35	1.10%	5.32	20.68%		
R	Soybeans, Cntrl IL	$ per Bushel	15.99	15.81	1.14%	13.88	15.20%		
A	Soybn Meal 48%, Cntrl IL	$ per Bushel	NQ	471.10	N/A	424.40	N/A		
I	Distillers Grain, IL	$ per Bushel	NQ	217.50	N/A	245.00	N/A		

* Chicken & turkey slaughter. Production, egg sets are 1 week earlier than the date at the top of this sheet.

** Cow and sow slaughter reflect levels from two weeks ago due to reporting lag.

*** Please note that the number of business days is different from one year to the next, which affects the YTD calculation

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