

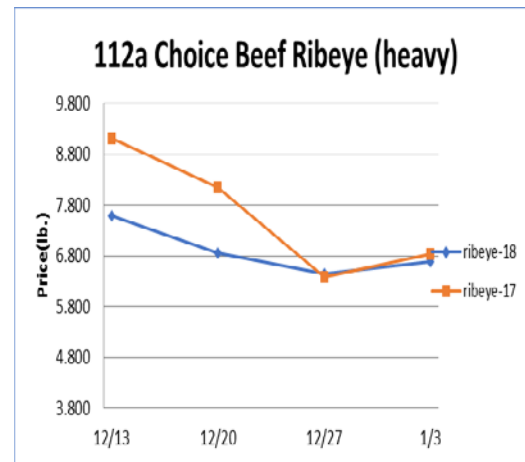
## Beef, Veal and Lamb Report

Beef production last week declined 18.1% due to the holiday and was 2.4% less than the same week last year. Beef output during the first few months of 2018 is forecasted by the USDA to track near 2% above the previous year, but stronger production expansion is anticipated thereafter as evident by more strong cattle placements into feedlots during November. The December 1<sup>st</sup> cattle on feed inventory was 12.4% larger than the prior year with placements into feedlots during November higher by 13.9%. The three-month average year-over-year gain in cattle placements ending in November was 12.5% more than 2016. Look for beef end cut prices to remain supported in the near term.

January 4, 2018



| Product Description          | Market Trend | Supplies | Price vs. Last Year |
|------------------------------|--------------|----------|---------------------|
| Live Cattle (Steer)          | Increasing   | Short    | Higher              |
| Feeder Cattle Index (CME)    | Increasing   | Short    | Higher              |
| Ground Beef 81/19            | Increasing   | Good     | Lower               |
| Ground Chuck                 | Decreasing   | Good     | Lower               |
| 109 Export Rib (ch)          | Increasing   | Good     | Higher              |
| 109 Export Rib (pr)          | Decreasing   | Good     | Higher              |
| 112a Ribeye (ch)             | Increasing   | Good     | Lower               |
| 112a Ribeye (pr)             | Decreasing   | Good     | Higher              |
| 114a Chuck , Shlder Cld(ch)  | Increasing   | Good     | Lower               |
| 116 Chuck (sel)              | Increasing   | Good     | Higher              |
| 116 Chuck (ch)               | Increasing   | Good     | Higher              |
| 116b Chuck Tender (ch)       | Increasing   | Good     | Higher              |
| 120 Brisket (ch)             | Increasing   | Good     | Higher              |
| 120a Brisket (ch)            | Increasing   | Good     | Higher              |
| 121c Outside Skirt (ch/sel)  | Increasing   | Good     | Higher              |
| 121d Inside Skirt (ch/sel)   | Decreasing   | Good     | Higher              |
| 121e Cap & Wedge             | Increasing   | Good     | Lower               |
| 167a Knckle, Trimmed (ch)    | Increasing   | Good     | Higher              |
| 168 Inside Round (ch)        | Increasing   | Good     | Lower               |
| 169 Top Round (ch)           | Increasing   | Good     | Lower               |
| 171b Outside Round (ch)      | Increasing   | Good     | Lower               |
| 174 Short Loin (ch 0x1)      | Increasing   | Good     | Higher              |
| 174 Short Loin (pr 2x3)      | Increasing   | Good     | Lower               |
| 180 0x1 Strip (ch)           | Increasing   | Good     | Lower               |
| 180 0x1 Strip (pr)           | Decreasing   | Good     | Lower               |
| 184 Top Butt, boneless (ch)  | Increasing   | Good     | Higher              |
| 184 Top Butt, boneless (pr)  | Increasing   | Good     | Higher              |
| 184-3 Top Butt, bnls (ch)    | Increasing   | Good     | Higher              |
| 185a Sirloin Flap (ch)       | Decreasing   | Good     | Higher              |
| 185c Loin, Tri-Tip (ch)      | Increasing   | Good     | Higher              |
| 189a Tender (sel, 5 lb & up) | Decreasing   | Good     | Lower               |
| 189a Tender (ch, 5 lb & up)  | Decreasing   | Good     | Higher              |
| 189a Tender (pr, heavy)      | Decreasing   | Good     | Higher              |
| 193 Flank Steak (ch)         | Increasing   | Good     | Higher              |
| 50% Trimmings                | Increasing   | Good     | Higher              |
| 65% Trimmings                | Increasing   | Good     | Higher              |
| 75% Trimmings                | Steady       | Good     | Higher              |
| 85% Trimmings                | Increasing   | Short    | Higher              |
| 90% Trimmings                | Increasing   | Short    | Higher              |
| 90% Imported Beef (frz)      | Steady       | Good     | Higher              |
| 95% Imported Beef (frz)      | Steady       | Good     | Higher              |
| Veal Rack (Hotel 7 rib)      | Steady       | Good     | Higher              |
| Veal Top Round (cap off)     | Steady       | Good     | Higher              |



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