

# Updated Retail Beef Demand Indices

Prepared for the Cattlemen's Beef Board

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## Update Synthesis

At the 2017 Cattle Industry Summer Business Meeting, the Cattlemen's Beef Board elected to support an update to retail demand indices that were reported to the Joint Evaluation Advisory Committee on February 1, 2017. This report included nine retail beef demand indices recommended for ongoing support by the industry that ended in November 2016.<sup>1</sup> This document provides a concise update of the recommended retail beef demand indices thru June of 2017.

As part of this update an error was identified in Category-level indices presented in February. Narrowly, data from other species (pork, chicken, lamb, or turkey) was incorrectly included. Given this, beyond providing the requested update to recommended retail indices, this report also provides corrected Category-level indices which now accurately only reflect beef data.

Table 1 summarizes the nine updated indices recommended for ongoing industry maintenance for January 2011-June 2017. Figures 1-3 present trends in these indices over time which corresponds with the complete documentation in Table 2 of index values by month.

Figure 1 highlights an important development in early 2017: substantial retail beef demand growth. Specifically, the June 2017 index of 113 indicates retail beef prices in June were 13% higher than they would have been had demand not improved since January 2011. Given this index was 101 for November of 2016, sizeable demand improvement over the seven months captured in this update is evident. Examining patterns in Figure 2 reveals that *Ground* and *Loin* beef demand growth underlies the aggregate beef retail demand enhancement. Furthermore, Figure 3 indicates while all four regions have experienced demand growth since November 2016, this improvement has been strongest in the *Northeast*.

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<sup>1</sup> The full project report is available online at: <http://www.beefboard.org/producer/170221Beef-Demand-Landing-Page.asp>

Table 1. Summary Statistics of Grocery-Store, Beef Demand Indices: January 2011 to June 2017

Variable	Mean	Min.	Max.	Min Date	Max Date	Current Month	Last Month	Last Year	Last Month	Last Year
						Jun-17	May-17	Jun-16	% Change	
US Class-Level, Beef	105.33	91.31	117.00	Nov-11	Jul-15	112.96	105.67	112.07	6.90	0.79
US Category-Level, Chuck	87.67	70.25	108.24	Jul-11	Oct-16	77.91	79.34	79.24	-1.81	-1.67
US Category-Level, Ground	113.49	98.46	140.13	Mar-12	Jul-15	120.85	110.90	118.85	8.97	1.68
US Category-Level, Loin	128.78	91.20	263.94	Nov-11	Jun-11	203.23	174.94	205.32	16.17	-1.02
US Category-Level, Round	81.30	73.16	100.00	Apr-17	Jan-11	74.72	73.81	76.83	1.22	-2.75
West Region Class-Level, Beef	108.75	97.18	122.08	Nov-12	Jul-15	112.80	106.94	113.67	5.47	-0.76
Midwest Region Class-Level, Beef	111.70	96.77	127.36	Nov-11	Oct-15	116.61	111.18	120.75	4.88	-3.43
South Region Class-Level, Beef	103.67	90.63	120.03	Nov-11	Feb-15	102.87	97.75	106.28	5.23	-3.21
Northeast Region Class-Level, Beef	103.49	84.07	123.07	Nov-11	Jun-16	122.77	106.44	123.07	15.34	-0.24

*Note: All estimates and analyses based upon IRI data are by the author and not by IRI.*

Figure 1. Grocery-Store, US Class-Level Beef Demand Index: January 2011 to June 2017

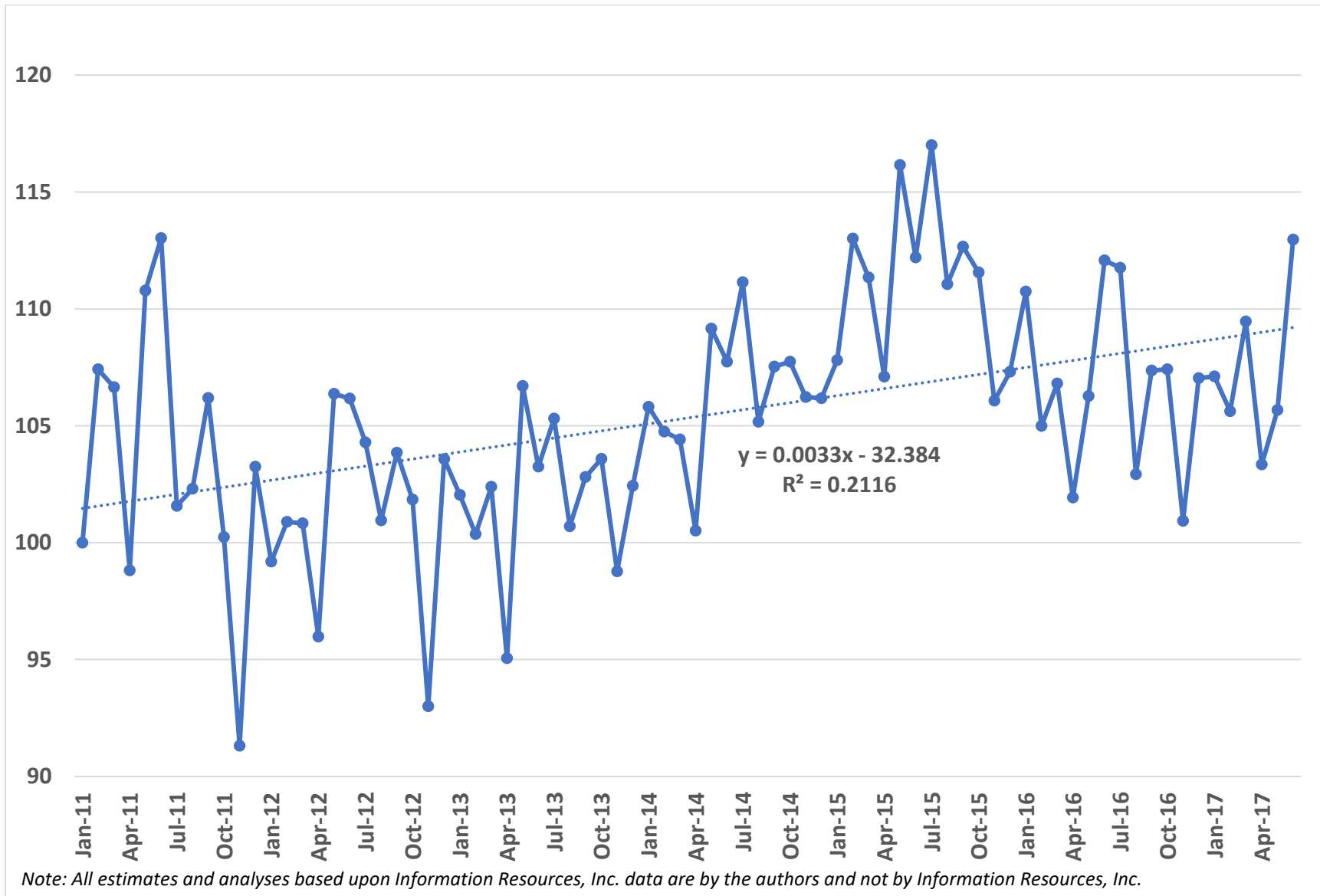


Figure 2. Grocery-Store, US Category-Level Beef Demand Indices: January 2011 to June 2017

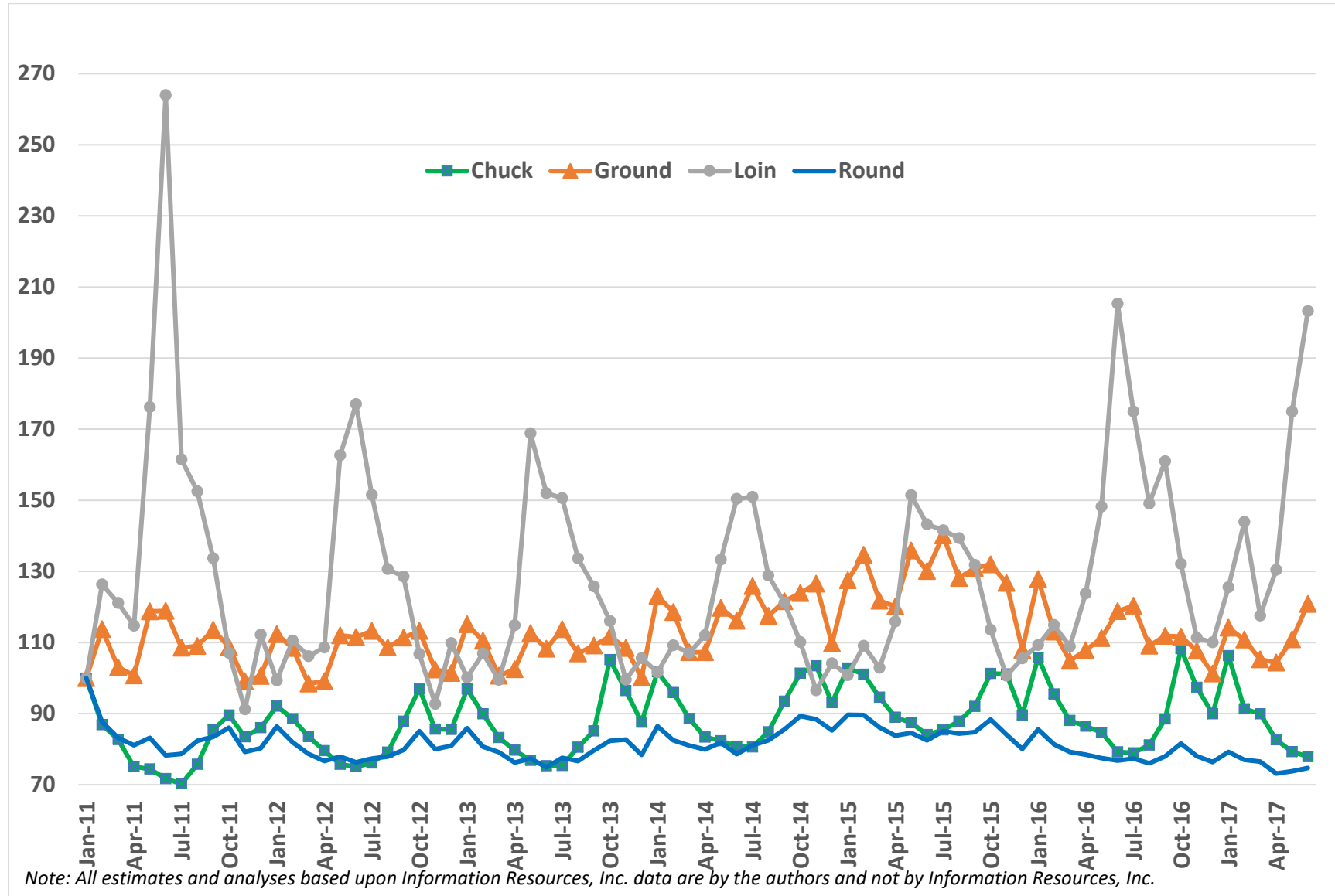


Figure 3. Grocery-Store, Regional Class-Level Beef Demand Indices: January 2011 to June 2017

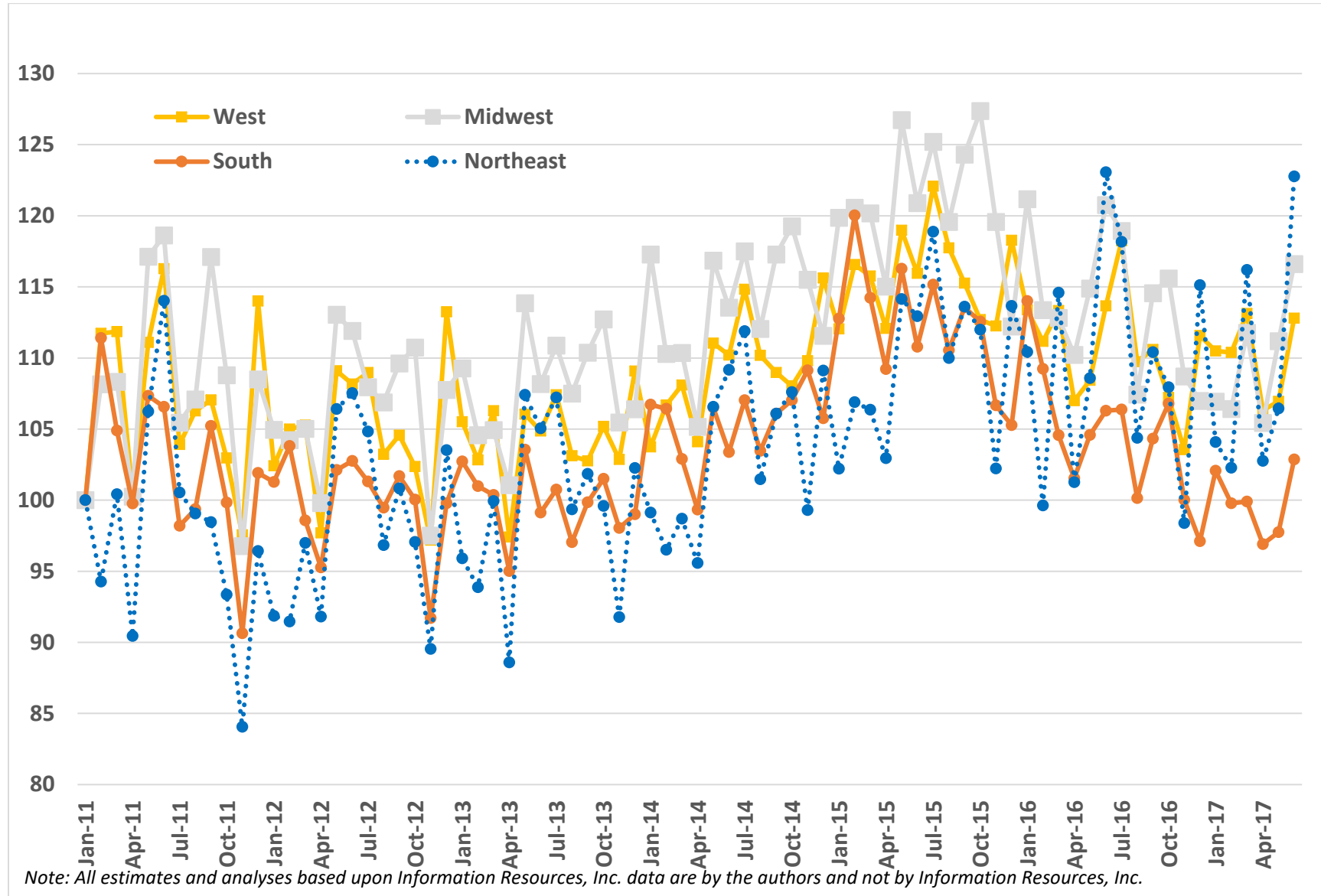


Table 2. Grocery-Store, Demand Indices: January 2011 to June 2017

Date	US Class-Level, Beef	US Category -Level, Chuck	US Category -Level, Ground	US Category -Level, Loin	US Category -Level, Round	West Region Class-Level, Beef	Midwest Region Class-Level, Beef	South Region Class-Level, Beef	Northeast Region Class-Level, Beef
Jan-11	100	100	100	100	100	100	100	100	100
Feb-11	107.41	86.87	113.73	126.34	87.67	111.74	108.15	111.40	94.27
Mar-11	106.64	82.71	103.03	121.10	83.23	111.85	108.32	104.90	100.42
Apr-11	98.81	75.08	100.74	114.72	81.16	100.45	100.24	99.76	90.45
May-11	110.78	74.48	118.78	176.25	83.24	111.09	117.13	107.33	106.24
Jun-11	113.03	71.75	118.87	263.94	78.29	116.28	118.61	106.57	114.02
Jul-11	101.57	70.25	108.57	161.46	78.69	103.92	105.45	98.20	100.55
Aug-11	102.31	75.77	109.01	152.51	82.41	106.27	107.09	99.37	99.06
Sep-11	106.19	85.50	113.62	133.69	83.46	107.05	117.10	105.22	98.46
Oct-11	100.24	89.59	108.72	107.10	86.09	102.97	108.79	99.84	93.36
Nov-11	91.31	83.46	99.12	91.20	79.23	97.56	96.77	90.63	84.07
Dec-11	103.25	86.08	100.61	112.19	80.26	114.01	108.49	101.92	96.43
Jan-12	99.19	92.10	112.37	99.37	86.44	102.41	104.95	101.28	91.87
Feb-12	100.89	88.55	108.46	110.58	81.98	104.99	104.22	103.81	91.46
Mar-12	100.83	83.58	98.46	106.17	78.69	105.27	105.02	98.57	96.99
Apr-12	95.98	79.62	99.11	108.62	76.66	97.71	99.80	95.27	91.81
May-12	106.37	75.73	112.02	162.67	77.93	109.09	113.04	102.13	106.41
Jun-12	106.17	75.06	111.51	177.07	76.30	108.16	111.91	102.77	107.53
Jul-12	104.29	76.12	113.28	151.54	77.35	108.98	107.95	101.31	104.83
Aug-12	100.95	79.18	108.63	130.69	77.95	103.23	106.87	99.47	96.85
Sep-12	103.85	87.87	111.40	128.58	79.83	104.57	109.61	101.70	100.83
Oct-12	101.84	96.99	113.25	106.77	85.11	102.36	110.73	100.05	97.06
Nov-12	93.00	85.64	102.39	92.76	80.04	97.18	97.51	91.70	89.53
Dec-12	103.57	85.59	101.47	109.88	80.98	113.24	107.75	99.78	103.51



Table 2. Grocery-Store, Demand Indices: January 2011 to June 2017, continued

Date	US Class-Level, Beef	US Category -Level, Chuck	US Category -Level, Ground	US Category -Level, Loin	US Category -Level, Round	West Region Class-Level, Beef	Midwest Region Class-Level, Beef	South Region Class-Level, Beef	Northeast Region Class-Level, Beef
Jan-13	102.04	96.91	115.17	100.18	85.89	105.52	109.27	102.72	95.90
Feb-13	100.36	89.98	110.48	106.96	80.68	102.84	104.56	100.99	93.88
Mar-13	102.39	83.29	100.66	99.48	79.19	106.29	104.93	100.38	99.94
Apr-13	95.06	79.74	102.49	114.85	76.28	97.40	101.06	95.01	88.59
May-13	106.70	76.90	112.66	168.86	77.37	106.05	113.84	103.55	107.40
Jun-13	103.25	75.36	108.22	152.02	74.96	104.86	108.17	99.12	105.05
Jul-13	105.30	75.45	113.78	150.63	77.57	107.41	110.87	100.74	107.21
Aug-13	100.70	80.54	106.96	133.63	76.68	103.12	107.49	97.05	99.35
Sep-13	102.81	85.16	109.13	125.76	79.66	102.76	110.38	99.85	101.85
Oct-13	103.58	105.21	111.75	116.08	82.41	105.18	112.71	101.51	99.59
Nov-13	98.77	96.53	108.44	99.59	82.71	102.87	105.47	98.05	91.78
Dec-13	102.43	87.59	100.12	105.60	78.38	109.07	106.40	99.01	102.26
Jan-14	105.81	101.77	123.18	101.66	86.46	103.74	117.28	106.72	99.12
Feb-14	104.75	95.95	118.55	109.23	82.50	106.69	110.28	106.43	96.50
Mar-14	104.41	88.64	107.31	107.04	81.04	108.09	110.35	102.91	98.70
Apr-14	100.51	83.40	107.25	112.11	79.95	104.10	105.15	99.34	95.58
May-14	109.15	82.39	119.75	133.33	81.90	111.04	116.84	106.52	106.56
Jun-14	107.74	80.85	116.10	150.41	78.65	110.20	113.53	103.37	109.16
Jul-14	111.14	80.65	125.86	150.96	81.12	114.83	117.50	107.04	111.89
Aug-14	105.17	84.85	117.52	128.87	82.53	110.18	112.04	103.47	101.48
Sep-14	107.53	93.49	121.60	121.20	85.58	108.97	117.28	106.08	106.08
Oct-14	107.74	101.37	123.94	110.15	89.33	108.02	119.25	107.02	107.60
Nov-14	106.22	103.45	126.55	96.59	88.46	109.80	115.50	109.13	99.30
Dec-14	106.18	93.08	109.72	104.16	85.33	115.63	111.56	105.77	109.12

Table 2. Grocery-Store, Demand Indices: January 2011 to June 2017, continued

Date	US Class-Level, Beef	US Category -Level, Chuck	US Category -Level, Ground	US Category -Level, Loin	US Category -Level, Round	West Region Class-Level, Beef	Midwest Region Class-Level, Beef	South Region Class-Level, Beef	Northeast Region Class-Level, Beef
Jan-15	107.81	102.85	127.56	100.80	89.66	112.04	119.86	112.77	102.22
Feb-15	113.01	101.06	134.68	109.09	89.62	116.57	120.56	120.03	106.90
Mar-15	111.35	94.65	121.78	102.89	86.12	115.75	120.16	114.23	106.36
Apr-15	107.10	89.00	120.14	115.89	83.80	112.08	115.02	109.22	102.95
May-15	116.15	87.44	135.87	151.47	84.61	118.97	126.73	116.28	114.15
Jun-15	112.20	84.11	130.08	143.28	82.52	115.95	120.90	110.78	112.94
Jul-15	117.00	85.41	140.13	141.58	85.11	122.08	125.20	115.16	118.87
Aug-15	111.06	87.84	128.14	139.34	84.37	117.75	119.57	110.55	110.00
Sep-15	112.66	92.01	130.94	131.81	84.79	115.26	124.29	113.56	113.60
Oct-15	111.56	101.31	131.96	113.62	88.34	112.69	127.36	112.55	111.98
Nov-15	106.08	101.15	126.74	100.67	84.10	112.24	119.56	106.67	102.23
Dec-15	107.31	89.64	107.93	105.52	80.06	118.27	112.21	105.27	113.66
Jan-16	110.74	105.83	127.90	109.30	85.58	113.39	121.17	114.00	110.41
Feb-16	104.99	95.52	113.06	114.96	81.38	111.17	113.37	109.23	99.62
Mar-16	106.81	88.11	104.86	108.86	79.23	113.34	112.82	104.57	114.60
Apr-16	101.93	86.48	107.87	123.74	78.48	106.99	110.22	101.53	101.27
May-16	106.27	84.77	111.23	148.25	77.54	108.43	114.89	104.59	108.57
Jun-16	112.07	79.24	118.85	205.32	76.83	113.67	120.75	106.28	123.07
Jul-16	111.76	78.95	120.33	175.00	77.37	118.24	118.94	106.37	118.16
Aug-16	102.92	81.16	109.12	149.06	76.03	109.74	107.42	100.15	104.38
Sep-16	107.36	88.48	111.86	160.99	77.96	110.60	114.56	104.32	110.41
Oct-16	107.41	108.24	111.67	132.12	81.59	107.22	115.59	106.80	107.94
Nov-16	100.93	97.38	107.70	111.32	78.06	103.55	108.69	100.03	98.39
Dec-16	107.03	89.94	101.32	110.06	76.42	111.58	106.97	97.12	115.12

Table 2. Grocery-Store, Demand Indices: January 2011 to June 2017, continued

Date	US Class-Level, Beef	US Category -Level, Chuck	US Category -Level, Ground	US Category -Level, Loin	US Category -Level, Round	West Region Class-Level, Beef	Midwest Region Class-Level, Beef	South Region Class-Level, Beef	Northeast Region Class-Level, Beef
Jan-17	107.11	106.28	114.18	125.56	79.23	110.50	106.93	102.07	104.09
Feb-17	105.62	91.34	110.86	143.92	76.98	110.39	106.42	99.79	102.28
Mar-17	109.46	89.93	105.24	117.58	76.56	113.13	111.77	99.91	116.18
Apr-17	103.35	82.66	104.34	130.46	73.16	106.32	105.44	96.90	102.77
May-17	105.67	79.34	110.90	174.94	73.81	106.94	111.18	97.75	106.44
Jun-17	112.96	77.91	120.85	203.23	74.72	112.80	116.61	102.87	122.77