



Market Report

Week Ending April 16, 2021

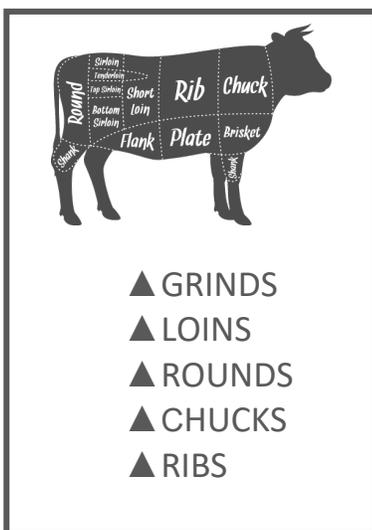
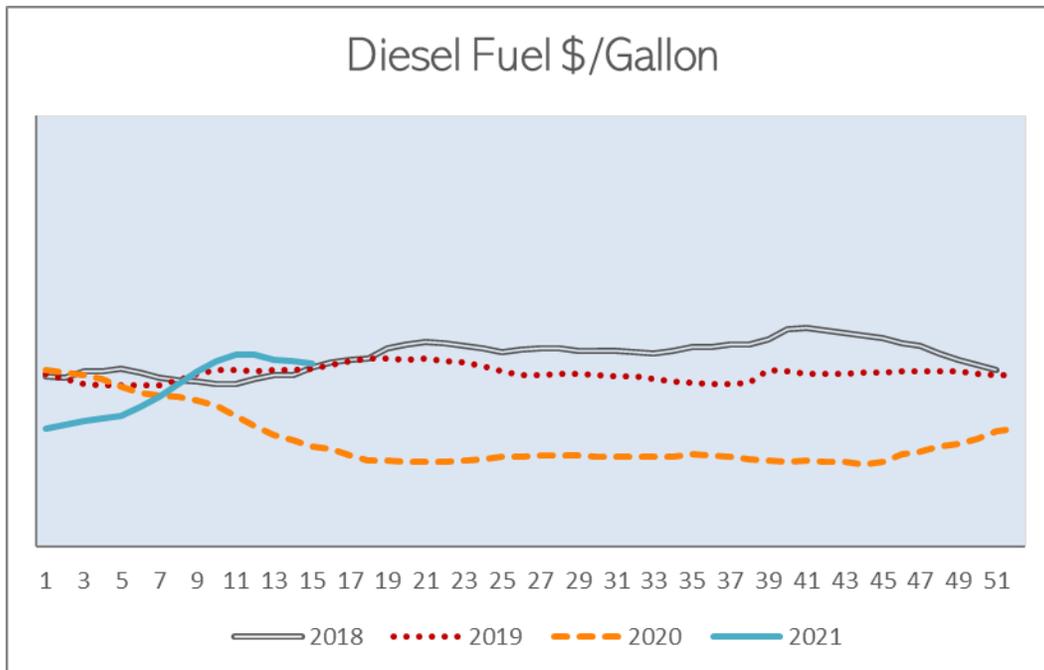


Graphs represent data for the week ending April 9, 2021



LOGISTICS

ACT Research has reported that trailer orders in March hit 29,500 for North America, which is more than triple the volume compared to last year. There is a trend building from 3PL warehouses and manufacturers being booked out 2-3 weeks even more so for appointments. This is due to the economy opening back up, and not enough staff to handle the volume increase. SE Produce season is in full swing which will continue to support healthy demand on transportation as we move into late spring and summer.



BEEF

Market is firm. Total beef production for last week was up 5.2% versus prior week and was up 23% compared to same time last year. Total headcount for last week was 641,000 as compared to 529,000 for the same week last year. Live weights for last week were down 2 lbs. from prior week but up 18 lbs. from same time last year. Buying activity has been very good for the past few weeks as seasonal demand picks up combined with the additional easing of dining restrictions across the country. The market has seen large increases in prices on several cuts over the past few weeks. Availability has become a concern with multiple packers as the recent surge in buying activity is keeping pressure on availability. Production issues continue to be a concern with lack of available labor causing concern at multiple plants. Select Graded product is in very limited supply and prices have moved much higher than just a few weeks ago. Warmer temperatures across the country are expected to help fuel additional retail demand which is already seeing a good seasonal increase.

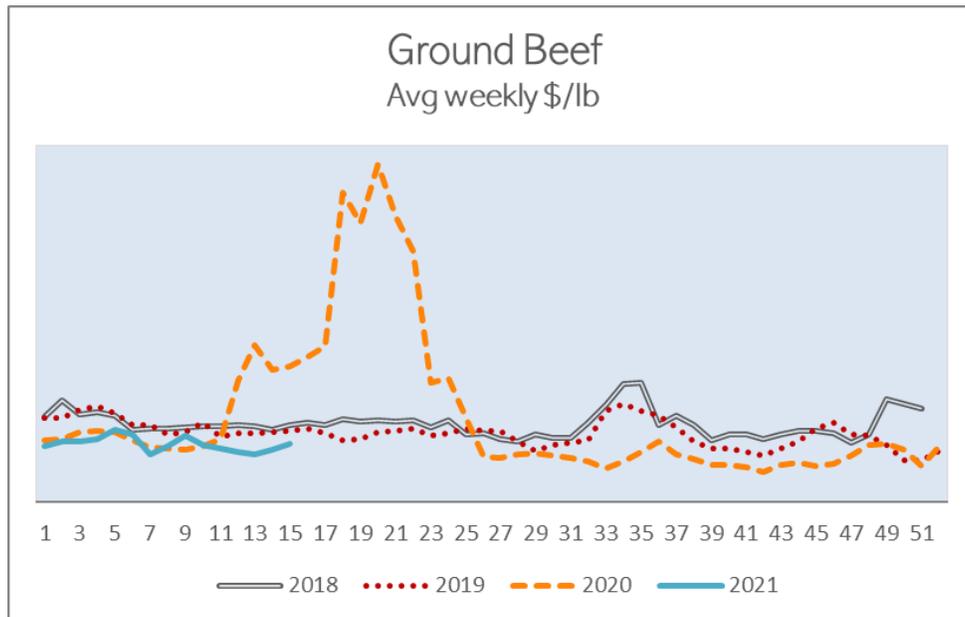
Grinds- Market is firmer. Demand has been improved and the market has continued to push higher. Retail advertising is expected to be good as we move through April.

Loins- Market is firmer. Multiple cuts have seen large increases over the past several days. Buying activity has continued to improve and is keeping pressure on availability. Demand typically continues to seasonally improves as we move through April.

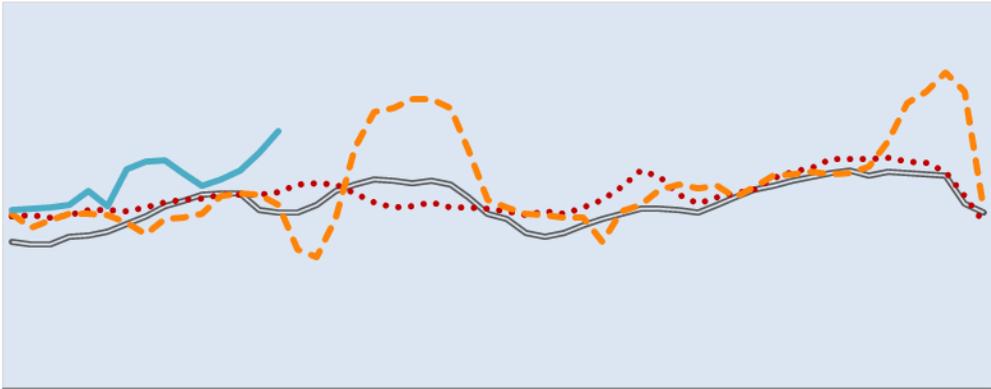
Rounds- Market is firmer. Demand is typically seasonally lighter over the coming weeks but the overall increase in demand with Foodservice demand returning has this market in a more unsettled tone as we move through April.

Chucks- Market is firmer. Improving demand and lighter production are keeping pressure on this market. Foodservice demand is very good.

Ribs- Market is firm. The market has pushed much higher over the past several days. Select grade product is difficult to come by and prices have surged higher. Demand is typically seasonally improved as we move through the spring and the surge in demand as dining restrictions ease is putting a lot of pressure on prices.



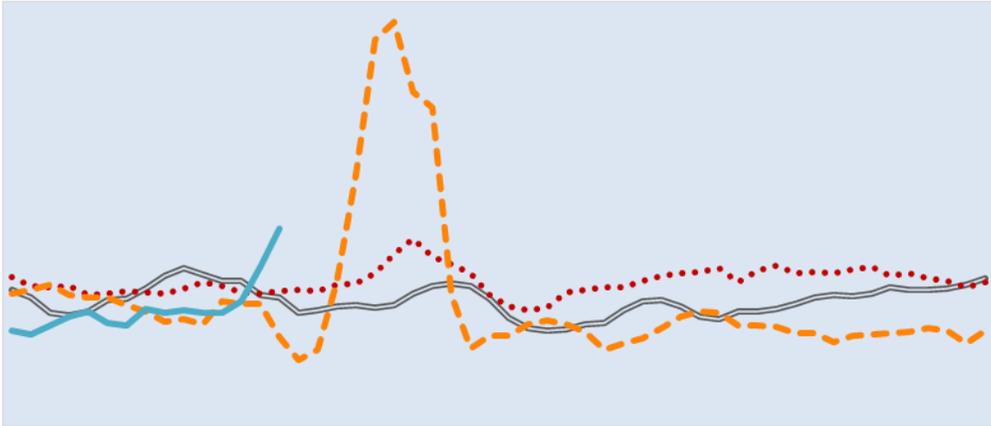
Choice Ribeye Heavy Avg weekly \$/lb



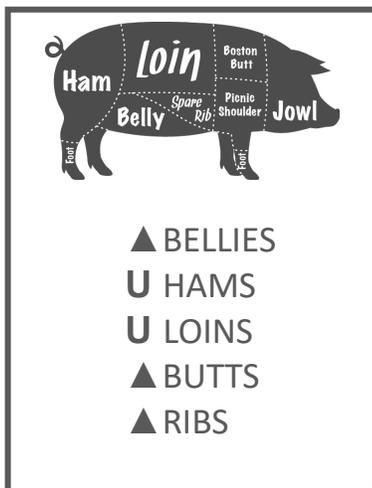
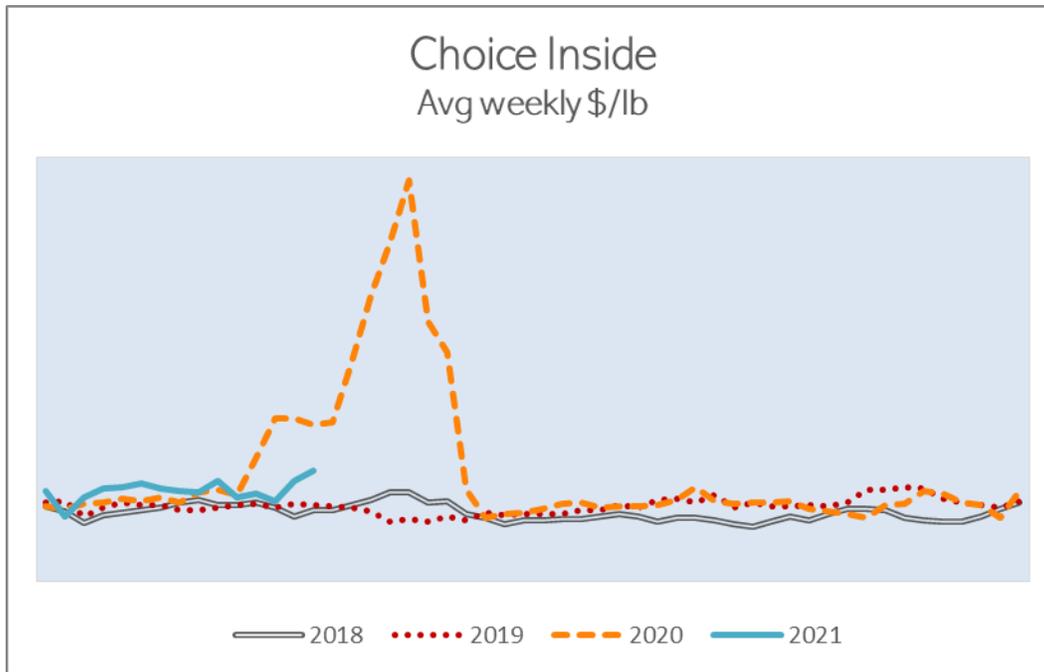
1 3 5 7 9 11 13 15 17 19 21 23 25 27 29 31 33 35 37 39 41 43 45 47 49 51

— 2018 2019 - - - - 2020 — 2021

Choice Brisket Avg weekly \$/lb



— 2018 2019 - - - - 2020 — 2021



PORK

Market is firm. Total pork production for last week was up 1% versus prior week and was up 5.3% compared to same time last year. Total headcount for last week was 2,487,000 as compared to 2,393,000 for the same week last year. Live weights for last week were even with prior week and up 3 lbs. from same time last year. Production concerns continue to be reported due in part to lack of available labor being reported at multiple plants. Further processing activities have been lighter at multiple plants putting pressure on availability of some items. Easing of dining restrictions across the country are helping to improve foodservice demand at a time that production is moving seasonally lower. Cold storage inventories remain very low and keeping pressure on the overall market. Export demand has been good as global demand for pork is very strong. Additional cases of African Swine Fever continue to be reported in Asia and keeping pressure on their domestic production.

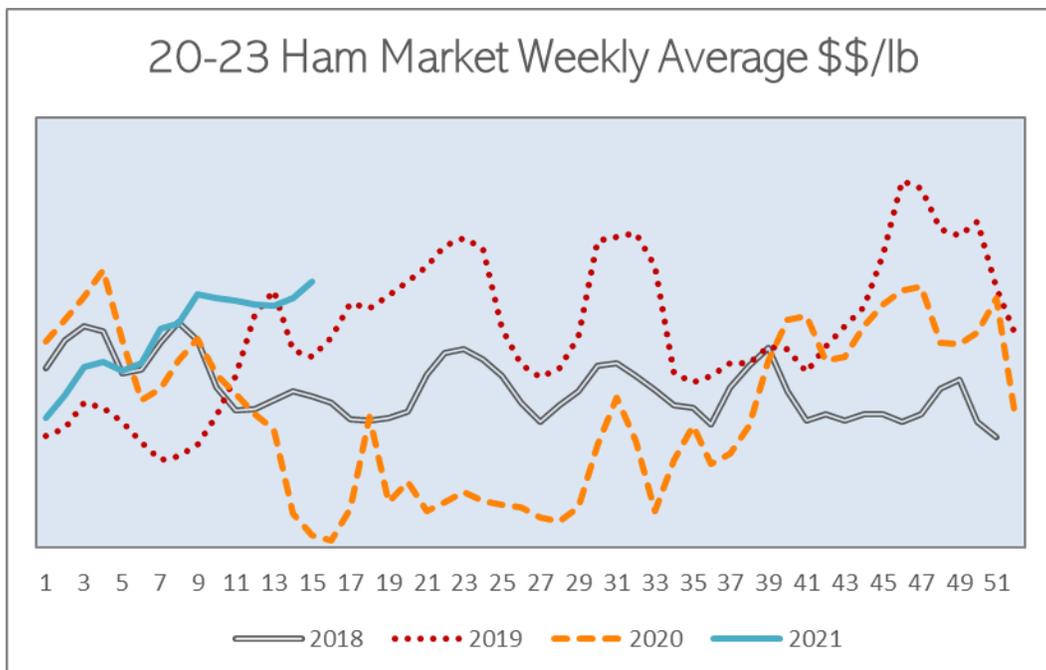
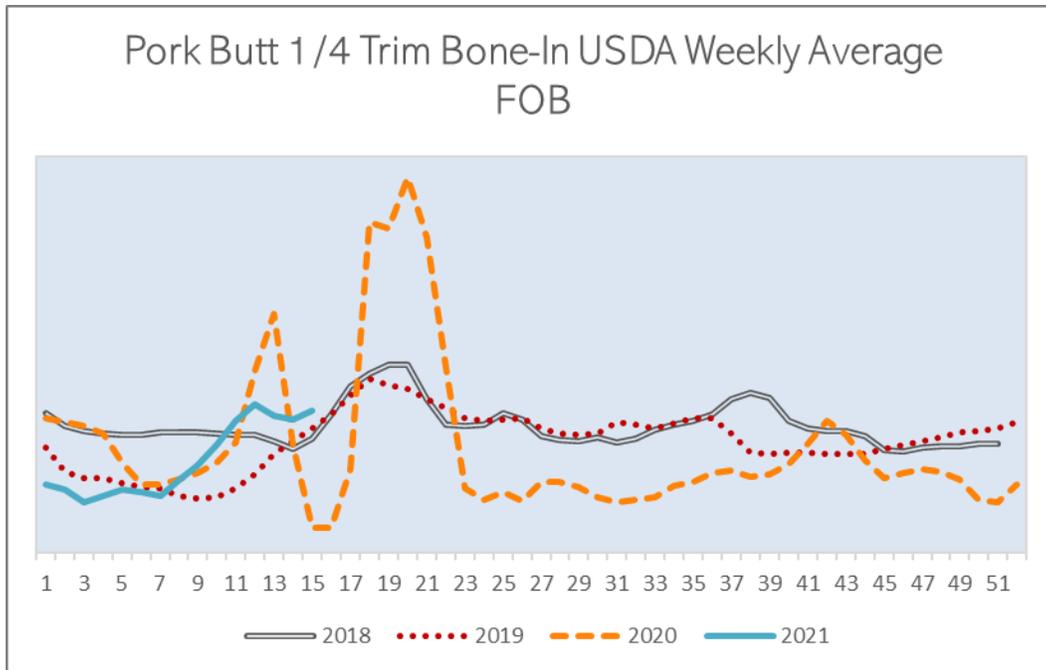
Bellies- Market is firm. The belly market has surged higher over the past few weeks and is well above same time last year. The sharp increases are a result of lighter production, higher foodservice demand, and strong exports over the past several weeks.

Hams- Market is unsettled. Light inventories and a strong demand have been keeping pressure on the market. Buying demand for Easter was good and kept pressure on the market for the past several weeks. Export demand has been very good and helping to move additional inventories. Demand for deli items is improving and putting additional pressure on the market.

Loins- Market is unsettled. Inventories are varied between suppliers helping to keep pressure on overall availability. Buying demand continues to improve and putting pressure on inventories.

Butts- Market is firm. Seasonal demand is very good and keeping pressure on the market.

Ribs- Market is firm. Retail demand has been good and now with the easing of dining restrictions foodservice demand is picking back up. Lighter production numbers will help keep pressure on the market over the coming days. Demand is typically seasonally better as we move through spring.





CHICKEN

Market is steady to firmer. Total headcount for last week was 161,361,000 as compared to 155,111,000 for the same week last year. Average weights for last week were 6.29 lbs. as compared to 6.23 lbs. for the same week last year. Chick placements on fryers for week ending 5/15/21 are estimated at 164.4 million headcounts. Placements for previous week were 164.5 million and same week last year was 164.5 million. Retail and foodservice activity is trending moderate to strong. Industry demand for boneless breasts, split breasts, and tenders is vibrant. Wings and dark meat activity remain moderate to good. Export volume on leg quarters and whole legs continues to be rated as steady. On the supply side, labor shortages continue to limit the amount of production and weekly throughput. Supply remains tight across the industry with limited offerings for spot market activity.

WOGS- Market is steady to firmer. Fast food and retail deli volume is on the rise as the seasonal demand tends to improve. All sizes of WOGS and 8pc cutups continue to clear on a weekly basis. Supply is tight.

Tenders- Market is steady to firmer. Foodservice demand continues to improve, and this is keeping select and jumbo sizes well supported. Labor shortages at the plants are limiting the number of tenders being sized and portioned on a weekly basis. Supply remains tight.

Boneless Breast- Market is firmer. Retail sales are extremely strong as consumers start to grill out more often. Boneless breast is a value protein compared to other options in the meat case and consumer demand remains solid. Foodservice volume continues to show improvement as the economy reopens. Fast food QSRs continue to promote sandwich options. Supply has tightened.

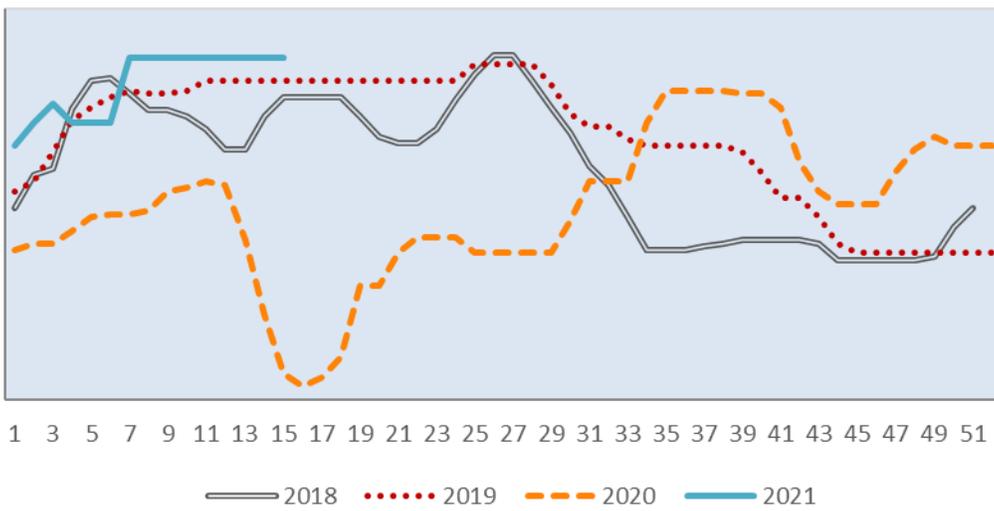
Leg Quarters and Thighs- Market is steady to firmer. Export sales are providing consistent base volume on leg quarters. Retail demand for drums and thighs remains strong at the current time. Dark meat usage continues to be on the rise from foodservice operations and further processors. Supply is tight. Market on leg quarters is steady while parts and dark meat are being pressured.

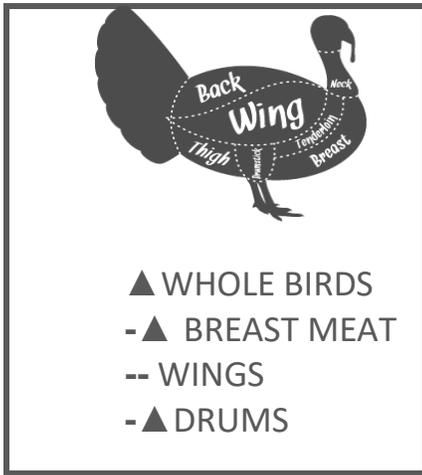
Wings- Market is steady. Foodservice demand and carryout business continue to keep the industry in a sold-out position on jumbo and medium sizes. Further processors continue to source all the small wings they can to replenish inventory levels. Limited supply is being reported on all sizes.

Chicken Plant Grade, 2 1/2 lbs & up Avg Weekly \$/lb



Chicken Tenders Avg Weekly \$/lb





TURKEY

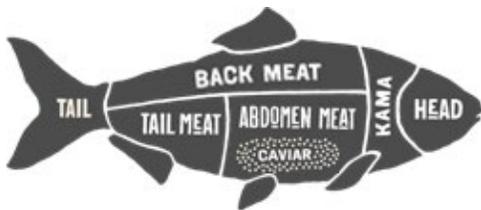
Market is steady to firmer. Total headcount for last week was 3,635,000 as compared to 3,346,000 for the same week last year. Average weights for last week were 32.05 lbs. as compared to 31.59 lbs. for the same week last year. Frozen whole birds remain fully supported with holiday booking orders. Demand for breast meat, white trim, and tenders continues to be well supported by retail and foodservice. Domestic and export business on drums, thighs, and wings is steady to good. Labor shortages continue to create production issues and limited throughput. Supply for whole birds is very tight, parts remain limited, and white meats are tight.

Whole Birds- Market is firm. Future orders to support the holidays have the category in a sold-up position. Supply remains tight, hen sizes are the most requested, and spot offerings are limited.

Breast Meat- Market is steady to firmer. Fresh and frozen breast meat demand continues to improve on a weekly basis. Retail deli and foodservice continue to perform very well as seasonal demand is in full swing. Supply has tightened on fresh and frozen raw material.

Wings- Market is steady. Domestic and export volume for whole wings and 2-joints remains steady. Tom sizes remain more requested with all sizes are selling adequately.

Drums and Thigh Meat- Market is steady to firmer. Demand for all sizes of drums is on the rise. Domestic and export channels are both contributing to the uptick in activity. Strong retail sales for ground turkey continue to be reported. Supply is tight.



SEAFOOD

Gulf Shrimp- Market is firm. Inventories have been light for several months and as additional dining restrictions are eased it is putting additional pressure on the already light inventories.

Black Tiger Shrimp- Market is firm. Inventories are limited and the market has seen price increases across all sizes over the past few weeks. Production costs and logistical concerns are putting additional pressure on the market.

White Shrimp- Market is firm. Buying activity is active and putting upward pressure on all sizes. The surge in foodservice demand is putting pressure on larger sized product which have not seen the normal demand for several month, so suppliers have been keeping these inventories at lower levels and the increase in demand is impacting availability.

King Crab- Market is firm. Inventories are limited for an active demand. Demand is very strong in Asia and putting additional pressure on the market.

Snow Crab- Market is firm. Inventories are limited for an active demand. Foodservice demand continues to improve as additional dining restrictions are lifted across the country. Demand is expected to be very good over the coming weeks.

Warm Water Lobster Tails- Market is firm. The market has continued to push higher over the past several weeks as the active demand is keeping pressure on limited inventories. Inventories have been limited for several months due to strong demand keeping pressure on lighter than expected imports. Low production the past few years and seasonal closures are keeping pressure on availability.

North American Lobster Tails- Market is firm. Demand continues to improve and putting pressure on very limited inventories. Seasonal plant closures are causing additional issues with the limited availability.

Salmon- Market is steady to firmer. Improving demand around the world is helping to put pressure on the market. Foodservice demand is improving and putting pressure on available inventories. This combined with ongoing logistical concerns is helping to keep pressure on the market.

Cod- Market is firmer. Product out of the Pacific is seeing inventories concerns with a strong demand that was seen during Lent and limited available inventories in the market. Foodservice demand is very good. There also delays with production coming back out of China putting additional pressure on the market.

Flounder- Market is steady to firmer. Pricing is expected to be higher as we move through Q2 as suppliers' costs are being impacted by tariff increases. Production issues and delays out of China are causing additional issues for the market.

Haddock- Market is steady to firmer. Inventories are light for an active demand. Increased tariffs combined with higher production costs and more limited inventories are putting pressure on the market.

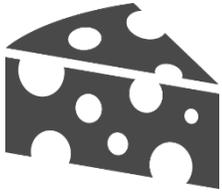
Pollock- Market is steady to firmer. Demand in Europe is very strong. Larger sized product is in limited supply due to recent catches being more on smaller sized fish. Production delays in China are putting additional pressure on the market with reports of port closures backing up shipping lanes.

Domestic Catfish- Market is steady but firm. Inventories have been limited for several months and the easing of dining restrictions across the country is expected to help keep pressure on the market. Allocations remain common place and are anticipated as we move into the summer.

Tilapia- Market is firmer. Higher production and logistical costs are putting pressure on the market. Shipment delays on product coming out of China are expected over the coming weeks. Buying activity is improving as more dining restrictions ease across the country.

Swai- Market is firmer. Foodservice demand continues to improve across the country, and this is putting upward pressure on the market. Logistical concerns remain an issue with higher freight costs and longer lead times on both ocean freight and trucking.

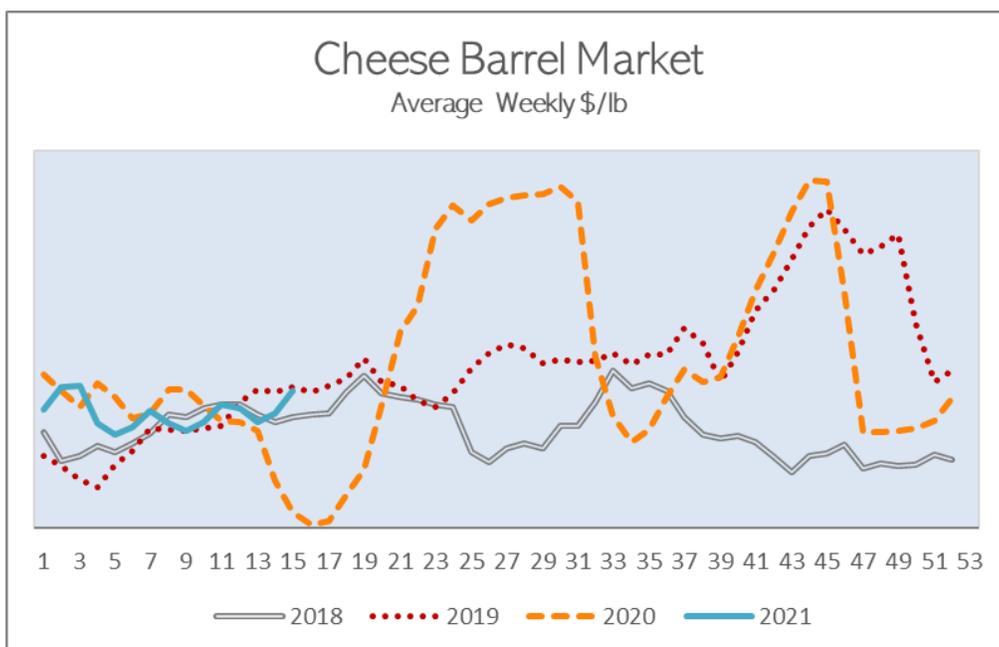
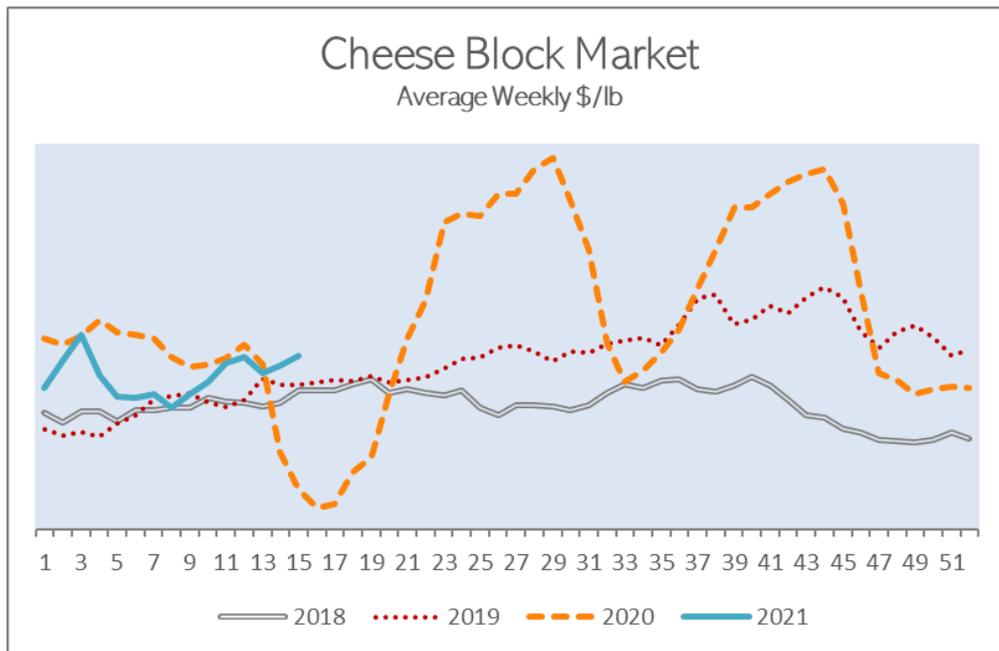
Scallops- Market is steady to firmer. The market for larger sized domestic product is firm with increased demand keeping pressure on the market. New season fishing has begun but reports are showing expectations of inventories issues as we move into the summer. The rest of the market is holding mostly steady.



DAIRY

Cheese

Market is weaker. The CME block and barrel market moved lower this week. Spring flush has had milk levels rising throughout the country. As a result, production is active. Additionally, most regions report steady retail interest and increasing foodservice interest. In the northeast, milk volumes are heavy resulting in strong production. Both mozzarella and provolone are running at capacity in the region. Inventories are stable. Midwestern producers report steady to higher production levels. Inventory is stable. In the west, retail demands are steady. Foodservice demand is moving upward in the region. Milk is plentiful in the region and production of cheese is running at capacity.

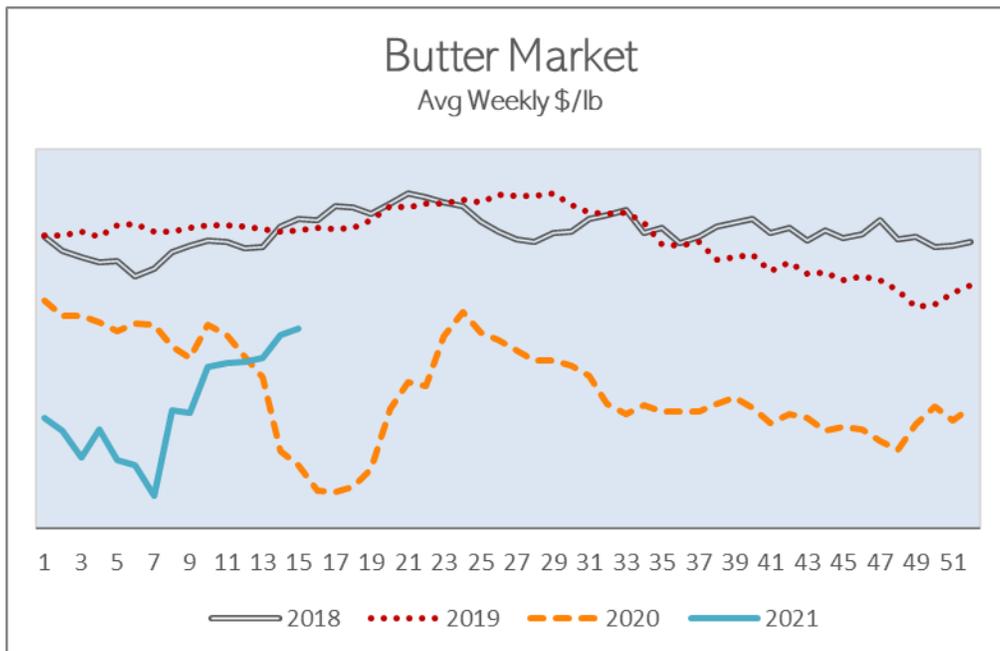




Butter

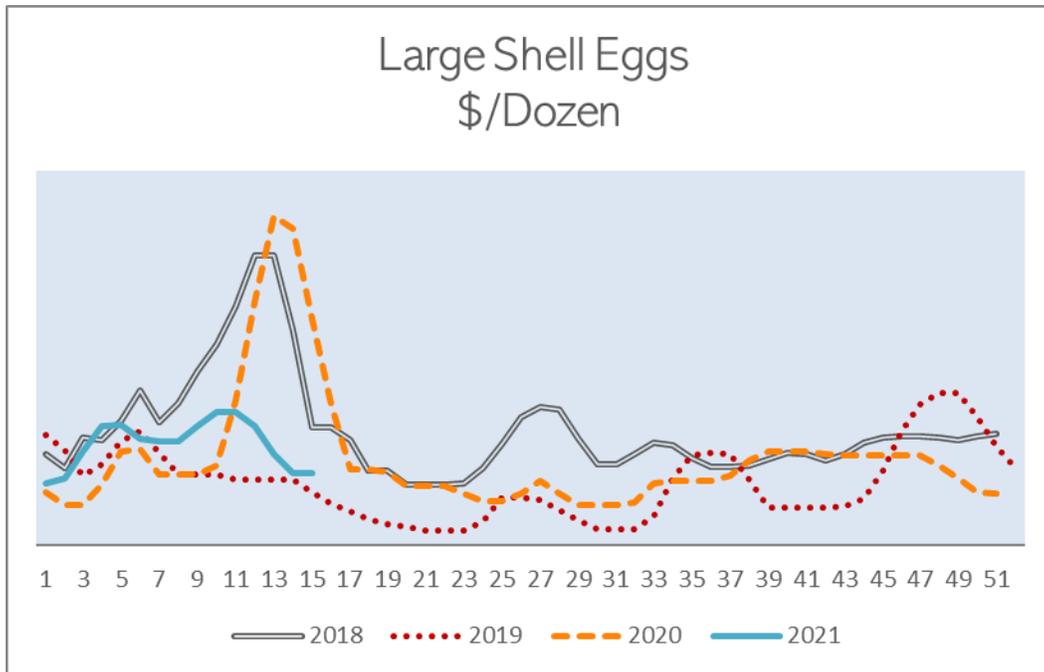
Market is weaker. The CME butter market has moved lower this week. Availability of cream is stable in most areas. There are now increased cream volumes moving into production of ice cream and other cream-based products.

Foodservice demand continues to grow through retail varies by region. In the northeast, foodservice demand is rising. Consumer demand for at home butter use is good and retail demand is steady as a result. Cream is available in some areas where supply is tighter. Central region producers cream availability is a bit tighter. Producers are reporting foodservice increases have been steady for the last several weeks. Retail demand is seasonally moving lower. In the west, butter production is active, inventories are steady. Foodservice is picking up in the region. Export interest is healthy.



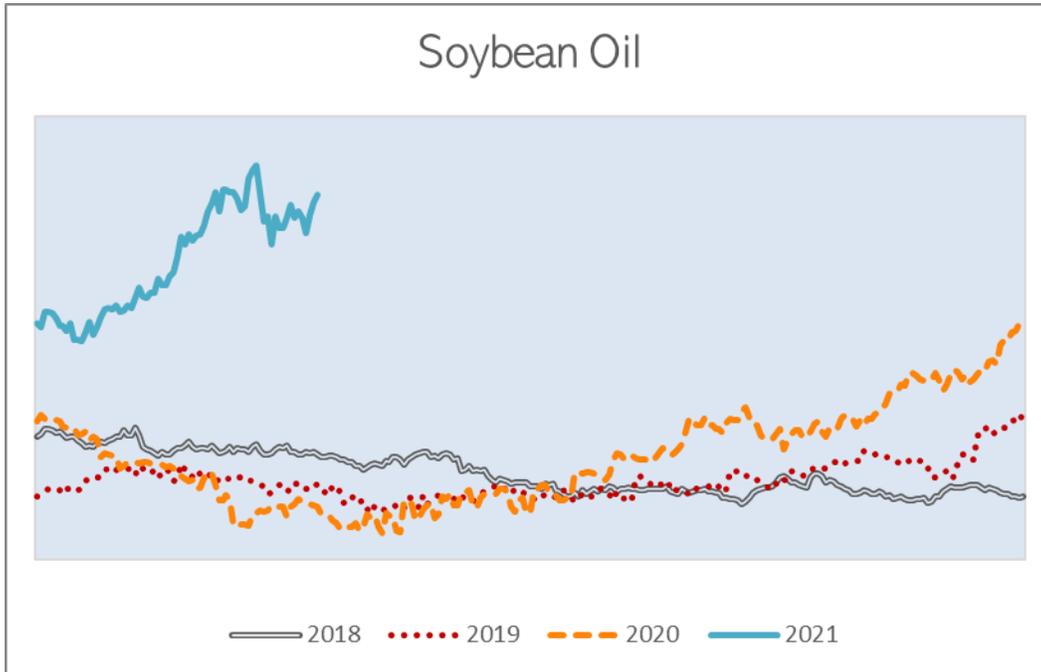
EGGS

Market is steady. Retail activity is extremely mixed across the country with some areas reported as light and others rated as good. Regional promotions are being reported, but overall activity is average. Foodservice volume continues to show improvement across the nation. Fast food sales remain status quo for this time of year. Supply is available on both medium and large sizes. Market is trending flat on both medium sizes and large sizes. National weekly shell egg inventory reports shell egg inventory up 2.9% over last week.



SOY OIL

Market is steady to firmer. The strong market on soy oil has now transitioned into a situation with allocations and shortages across the United States. It is anticipated that this trend could continue through at least this summer. Soybean markets and futures have been up and down over the last week but are trending sideways. Overall, the markets remain well supported due to the three keys factors in the industry: tight soybean supply in the United States, strong export demand, and rising demand from the bio-diesel sector of the economy. The Brazilian crop harvest is nearing its final stages. The crop out of Argentina is rated as underperforming as dry conditions have lowered expectations on yield. The market remains volatile and continues to change daily as new information becomes available.



GLOVES

Reports of additional production capacity are beginning to emerge for both vinyl and nitrile. The vinyl glove market is seeing downward pressure as additional supplies are entering the supply chain. Supply is expected to be stable for the near future which will place additional pressure on the market. Vinyl/nitrile blend availability is stable at the present time though no softening of the market is expected. Latex gloves are seeing a resurgence in interest as nitrile supply remains tight. Supply of latex has become increasingly unstable as the demand has increased. The nitrile market has seen increased capacity recently. Though priority is still going to the healthcare industry, other industries have yet to experience an increase in availability. Poly resin markets have been unstable and rising though supply and availability are good. In transportation news, both domestic transportation as well as ocean freight operations continue to battle multiple challenges as attempts are made to keep up with increased traffic. There have been some improvements recently, as wait times on the water for incoming ocean freight are improving. Improvements in congestion are anticipated over the coming months.

For questions regarding the markets, please contact the appropriate Category Manager:

Canned Products, Imports: Scott MacKaben, Senior VP of Procurement, ext. 5457

Beef, Pork, Seafood: Davy Ard, Director of Category Management, ext. 5431

Poultry, Eggs Oil, Wheat, Grains: Ken Kotecki, Category Manager, ext. 5463

Non-Foods, Spices, Dairy: Angie Rivera, Category Manager, ext. 5427

Beverages, Frozen Vegetables: Crystal Wilkins, Category Specialist, ext. 5451

