



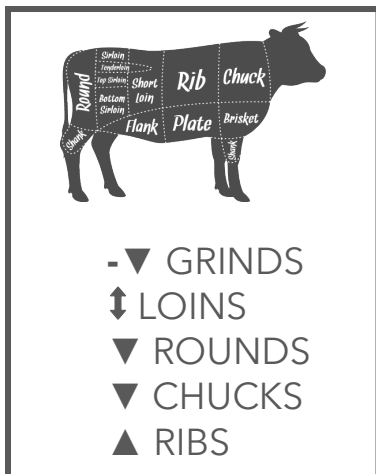
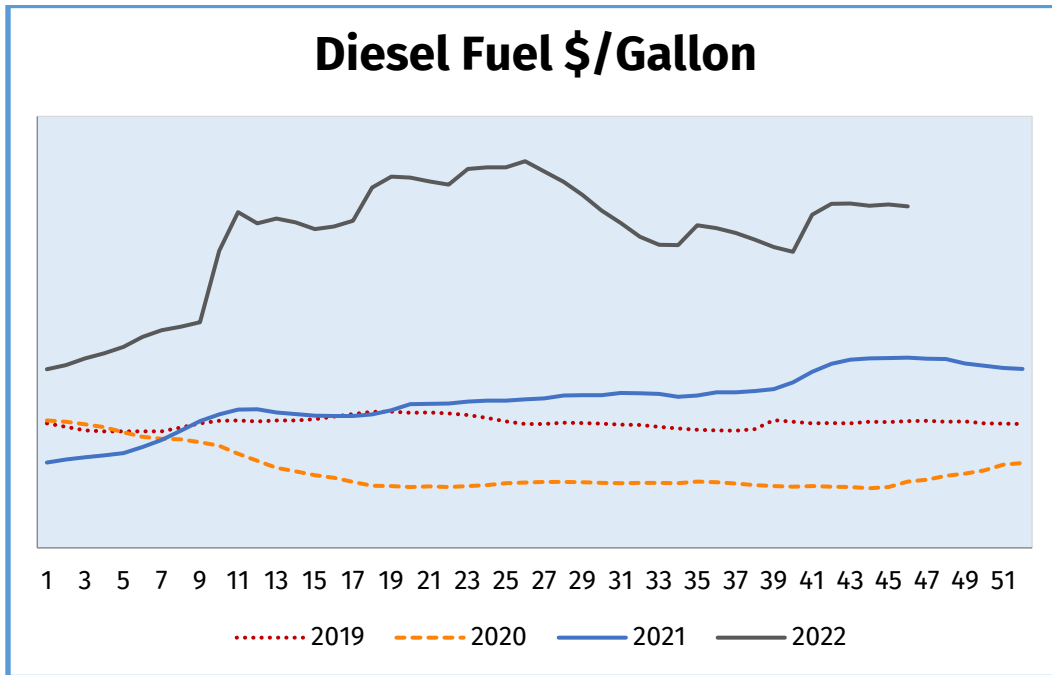
DIFFERENT
by design



Market Report

WEEK ENDING | NOVEMBER 18, 2022

Graphs represent data for the week ending November 11, 2022



BEEF

Market is mixed. Total beef production for last week was up 0.8% from prior week and up 1.7% compared to same time last year. Total headcount for last week was 671,000 as compared to 659,000 for the same time last year. Live weights for last week were up 4 lbs. from prior week, but down 3 lbs. from same time last year. Live cattle prices continue to push higher and are at record levels, well above prior year and also the 5-year average. Futures contracts for February and April are still pointing towards possible additional record high live prices and well above current levels as we move through the coming months. Overall demand has become lighter over the past few days, as more focus is put on buying for Thanksgiving needs and other proteins.

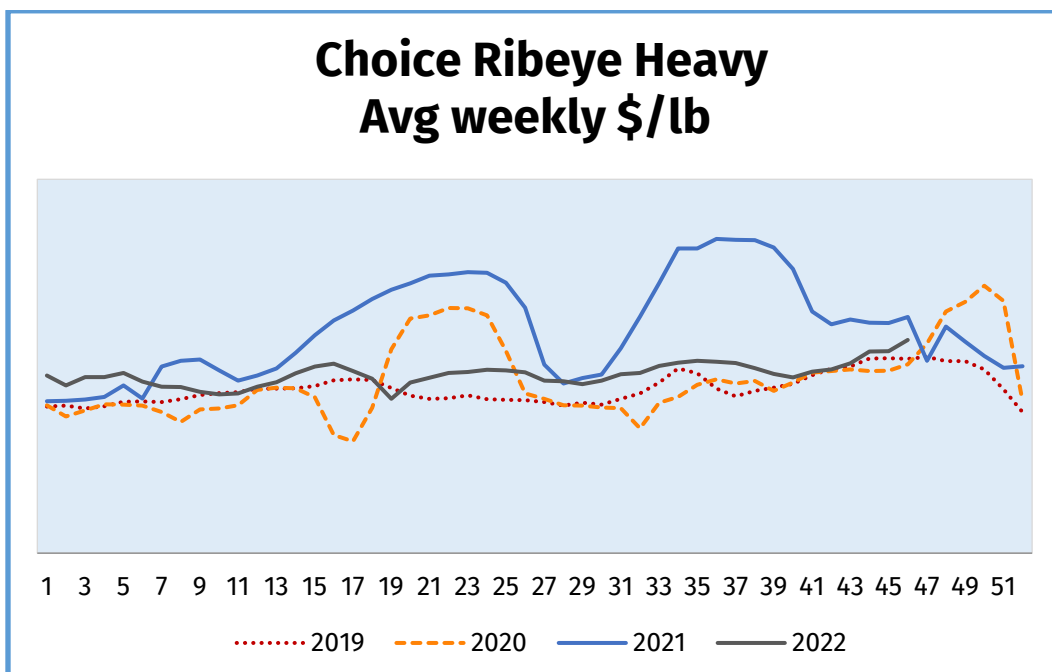
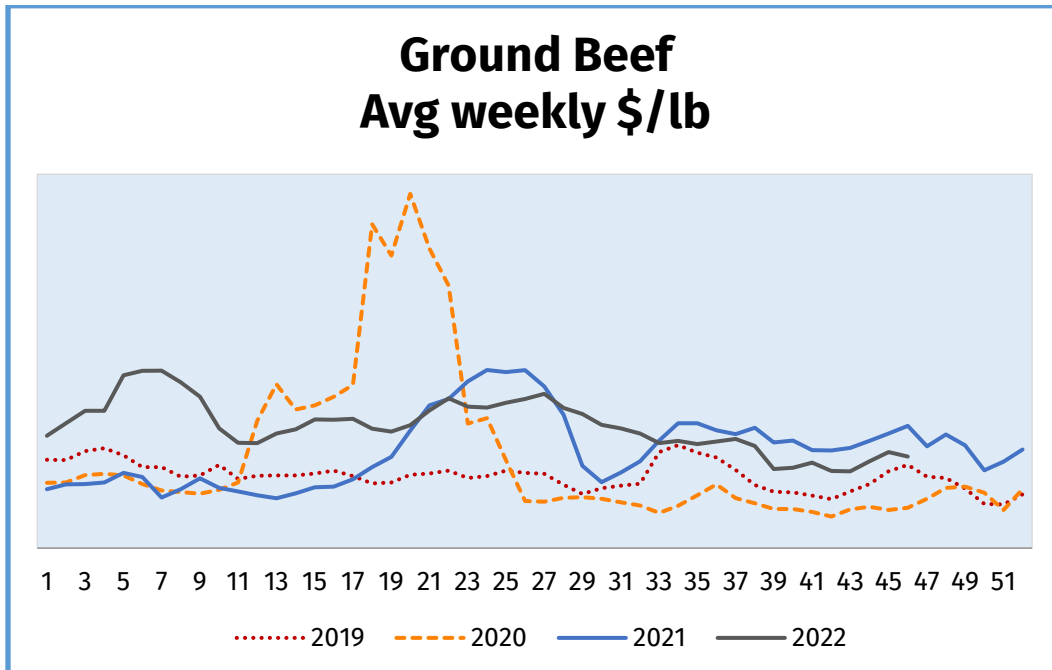
Grinds- Market is steady to weaker. Buying activity has been lighter as we moved into this week which is seasonally typical as we move closer to Thanksgiving.

Loins- Market is mixed. The market had seen additional buying interest over the past several days, but the buying activity has eased as we moved into this week. Loins continue to be seen as a value after the recent lower pricing seen over the past few weeks.

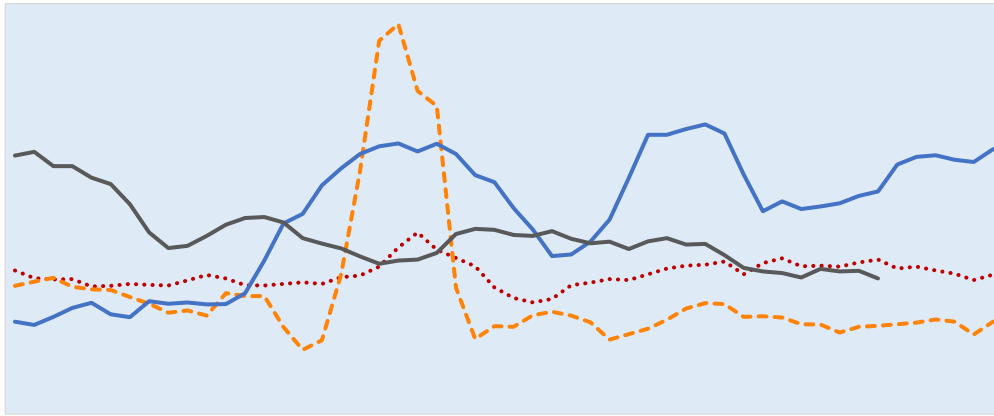
Rounds- Market is weaker. Buying activity has been lighter as we moved through the last few days which is seasonally common with Thanksgiving just around the corner.

Chucks- Market is weaker. Buying activity is seasonally lighter as we moved into this week.

Ribs- Market is firmer. Demand is seasonally improving and putting upward pressure on the market as buyers look to cover their needs for the holiday season. Choice and higher graded product is in more limited supply, which is expected to continue, thus putting pressure on availability for those cuts.

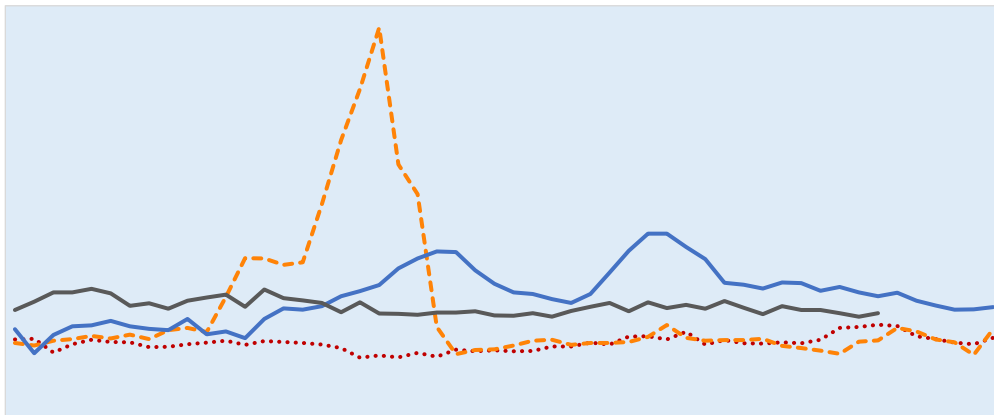


Choice Brisket Avg weekly \$/lb

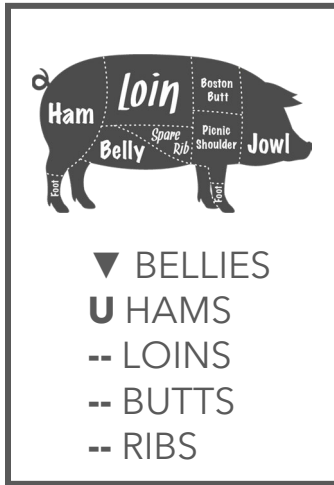


..... 2019 - - - - 2020 ——— 2021 ——— 2022

Choice Inside Avg weekly \$/lb



..... 2019 - - - - 2020 ——— 2021 ——— 2022



PORK

Market is mixed. Total pork production for last week was down 3.1% versus prior week and was down 5.8% compared to same time last year. Total headcount for last week was 2,492,000 as compared to 2,620,000 for the same week last year. Live weights for last week were up 1 lb. compared to prior week, but down 2 lbs. versus last year. Hog weights have been pushing overall higher over the past several weeks but are trending behind prior year and the 5-year average. Exports continue to face pressure due to the stronger US dollar causing our products to cost more in the global markets. Demand at Retail for pork breakfast items has been trending lower, but demand at Foodservice has been good.

Bellies- Market is weaker. Lighter demand at retail has been helping to push the market lower over the past few weeks.

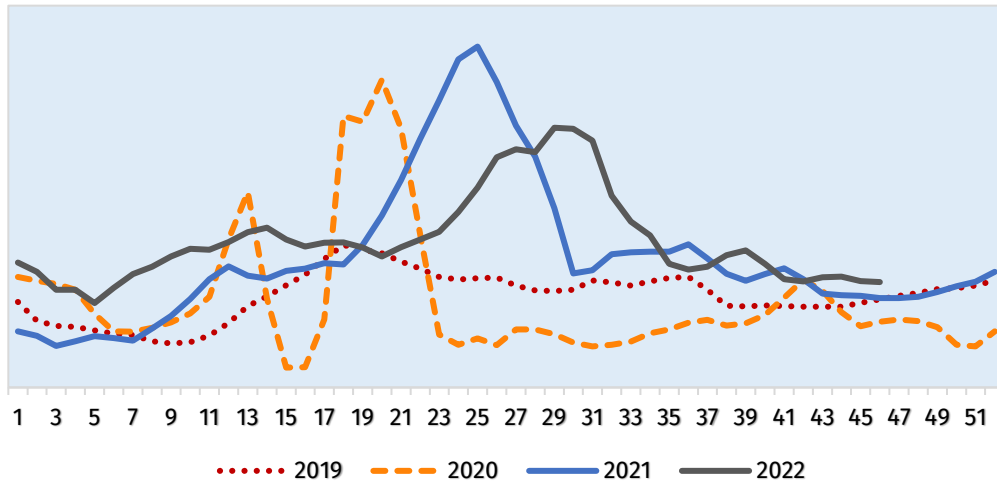
Hams- Market is unsettled. The market has seen both lower and higher prices over the past few weeks. Export demand for hams has been good but overall demand has been mixed as we moved through the last few days due in part to many buyers have their needs covered for the holiday season but, last minute needs are helping to move additional inventories.

Loins- Market is mostly steady. Inventories are good for current demand.

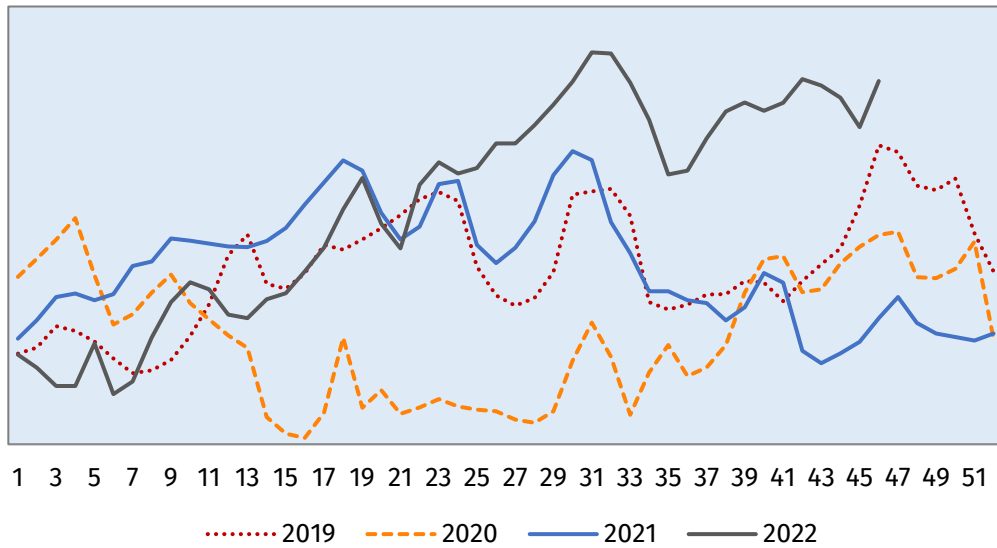
Butts- Market is mostly steady. Buying activity has been seasonally lighter.

Ribs- Market is mostly steady. Buying interest has been seasonally lighter over the past few weeks.

Pork Butt 1/4 Trim Bone-In USDA Weekly Average FOB



20-23 Ham Market Weekly Average \$\$/lb





CHICKEN

Market is steady. Total headcount for week ending 11/12/22 was 176,435,000 as compared to 165,399,000 for the same week last year. Average weights for last week were 6.49 lbs. as compared to 6.38 lbs. for the same week last year. Retail and foodservice demand is reported to be soft, but that is common as we move into the Thanksgiving Holiday. WOGS continue to maintain steady demand with limited supply on premium sizes. Boneless breast, tenderloins, and wings have moved from a steady rating to a weak rating as consumer demand is subpar. Back half parts continue to struggle as export demand is challenged by HPAI restrictions. Weekly slaughter rates and egg sets are now around pre-pandemic levels.

WOGS- Market is steady to firm. WOGS continue to be the lone bright spot of the chicken mix. Retail deli and fast-food business is reported to be consistent. Supply on premium sizes is tight. Market levels are flat and holding firm.

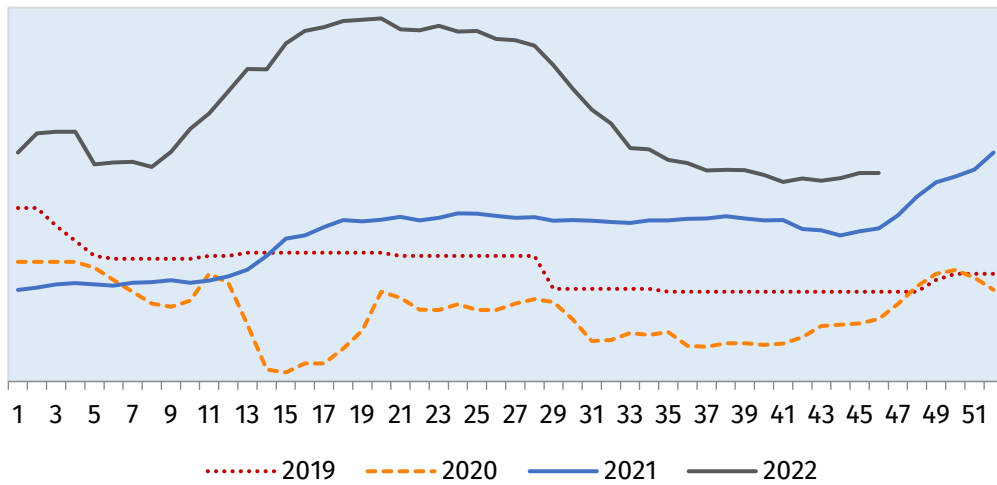
Tenders- Market is steady. Foodservice and QSR demand are reported to be moderate at best. Now that the market has corrected, spot load demand is strong enough to keep trading levels within a reasonable range of requested offers. Supply is available with some excess. Market levels are holding even.

Boneless Breast- Market is weaker. Retail and foodservice demand is hitting seasonal weakness as we enter the Thanksgiving week. Portioning demand and further processing is also being reported as less than optimal. Supply is available on all sizes. Market on jumbo and medium sizes is moving lower with select sizes holding firm.

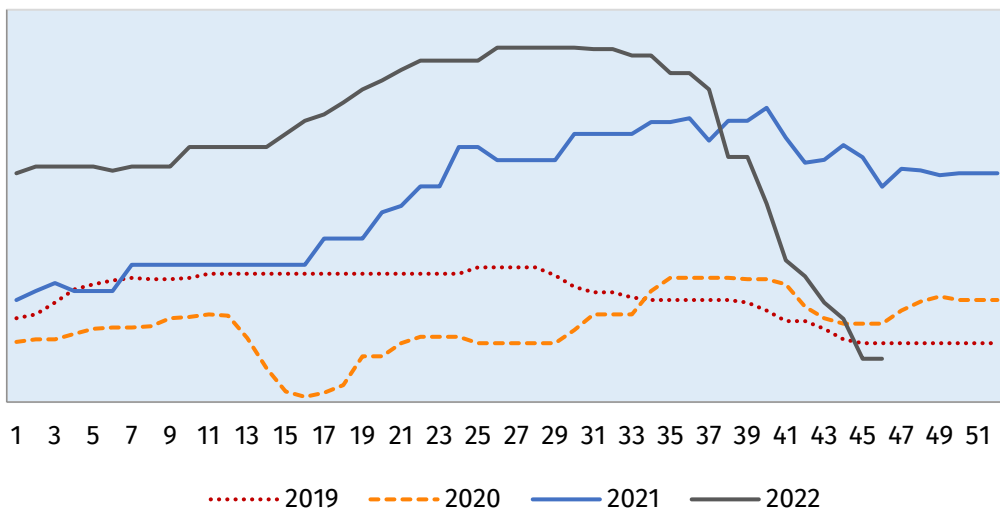
Leg Quarters and Thighs- Market is steady to weaker. Export demand for leg quarters remains slow since HPAI restrictions are affecting some plants. Retail volume on drums and thighs is underperforming. Debone and processing volume is soft. The market on leg quarters is flat. Drums, thighs, and thigh meat are moving lower.

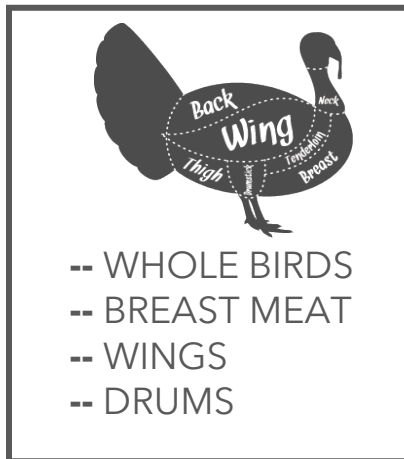
Wings- Market is weaker. Demand is extremely weak, and some industry experts are wondering if wing season will ever get started up. High menu prices and overall inflation has limited demand in this category. Supply is in excess, and the market is moving lower on all sizes.

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



Chicken Tenders Avg Weekly \$/lb





TURKEY

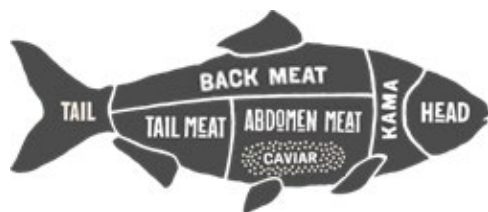
Market is steady. Total headcount for week ending 11/5/22 was 4,604,000 as compared to 4,655,000 for the same week last year. Average weights for last week were 28.84 lbs. as compared to 28.96 lbs. for the same week last year. Suppliers continue to focus on fresh orders and pack out for the Thanksgiving Holiday. The breast category is holding firm with some spot available being reported. Business on drums, thighs, and wings is moderate to good. Even with export sales down due to HPAI restrictions, domestic business is keeping most categories sold out. Slaughter numbers remain less than industry standards. Market levels continue to hold firm across most lines of business.

Whole Birds- Market is steady. Demand for the Thanksgiving Holiday remains strong amid record high pricing for whole turkeys. Supply remains extremely tight. Market levels are holding firm.

Breast Meat- Market is steady. Retail and foodservice demand remains moderate to good. Some reports are starting to surface that a few spot loads have been offered to the marketplace. Supply remains tight and markets are holding even.

Wings- Market is steady. Export demand continues to be limited by HPAI restrictions, but domestic volume on two joints is picking up the slack. Supply remains limited. Market is flat.

Drums and Thigh Meat- Market is steady. Weekly demand for drums and thigh meat remains consistent. Case ready sales of ground turkey are active as consumers shop based on price points. With fewer birds being cut up for parts, supply remains limited. Market on drums and thigh meat is holding even.



SEAFOOD

Gulf Shrimp- Market is unsettled. The National Marine Fisheries Service recently reported that year to date fishing totals are down over 16% compared to 2021. Buying activity has been below expectations and keeping pressure on the market.

Black Tiger Shrimp- Market is mixed. The lower priced white shrimp market is helping to keep pressure on the Black Tiger market. Inventories on large sized shrimp are more limited but the current market conditions have limited any upward pricing pressures. The market for smaller sized Black Tiger Shrimp have seen downward pressure due in part to a light demand. The recent Typhoon that impacted Vietnam has had a big impact on shrimp farms in certain regions of the country and is expected to impact production in the coming weeks.

White Shrimp- Market is weaker. Buying activity has been below expectations. Imports have been trending below prior year for the past 3 months and estimates are that this will continue again as current inventories are elevated for a fair to light demand.

King Crab- Market is unsettled. Availability is varied between suppliers helping to cause both higher and lower prices in the market over the past few days. Overall demand has been below expectations for several weeks. The Alaska Department of Fish and Game has announced the closing of both the Alaskan King Crab and the Alaskan Snow Crab for the 2022/2023 season. This is due to concerns related to the biomass and healthy stock numbers. This is the second season in a row that the Alaskan King Crab season will not take place but the first time in many years that the Alaskan Snow Crab season will not take place. This is expected to put pressure on the markets over the coming weeks.

Snow Crab- Market is firmer. Canadian Snow crab prices are moving higher after seeing the lowest price in over a year just a few short weeks ago. Even at these prices, the market is still well above normal for this time of the year, and this is due in part to limited availability with lighter imports from Canada, that are currently down over 13% compared to last year. This is also related to the ban on Russian product that resulted in imports being down over 75% year to date. The Alaska Department of Fish and Game has announced the closing of both the Alaskan King Crab and the Alaskan Snow Crab for the 2022/2023 season. This is due to concerns related to the biomass and healthy stock numbers. This is the second season in a row that the Alaskan King Crab season will not take place but the first time in a very long time that the Alaskan Snow Crab season will not take place. This is expected to put pressure on the markets over the coming weeks.

Warm Water Lobster Tails- Market is mostly steady. Buying activity for lobster is light, due in part to inflationary concerns impacting multiple seafood items. Recent reports show that imports for September increased slightly versus same time last year but are down 15.8% year to date.

North American Lobster Tails- Market is unsettled. The market has seen lower prices for the past several weeks, but the market has become more unsettled recently, partially due to reports of imports from Canada being down almost 31% year to date compared to prior year.

Salmon- Market is mixed. Demand for farmed salmon has been below expectations over the past few weeks but demand has been starting to improve as we moved into this week. The market for Wild Salmon has seen upward pressure as we moved into this week with items such as Coho seeing upward pressure due to more limited inventories.

Cod- Market is steady. Available inventories have been limited for several months and ongoing production and logistical issues are keeping pressure on the market.

Flounder- Market is steady. Production out of China has been improved, helping to increase inventories that have been light for several months.

Haddock- Market is steady. Inventories are light for an active demand. Higher production costs and more limited inventories have been putting pressure on the market.

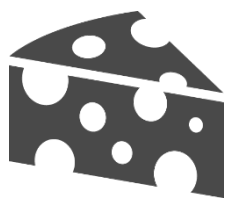
Pollock- Market is steady. Retail demand has been very good for several months and helping to move additional inventories. Production and logistical issues have been improving over the past several weeks. The ban on Russian product is helping to keep additional pressure on this market.

Domestic Catfish- Market is unsettled. Inventories have been limited for several months. Allocations remain commonplace and are anticipated to continue as we move into next year. Inventories are limited on all sizes and well below current demand.

Tilapia- Market is firmer. The past few weeks have seen continued pressure on the market. Extremely hot weather in China has caused increased issues with fish loss in ponds with soaring temperatures. Feed costs continue to increase and put additional pressure on the industry. Demand has been improved and putting additional pressure on the market.

Swai- Market is unsettled. The market has been seeing upward pressure for multiple weeks, but that trend has become more unsettled. Shipments booked earlier in the year have been arriving in larger quantities over the past few weeks and helping to build inventories.

Scallops- Market is unsettled. The market for Domestic product has been seeing upward pressure over the past few weeks. This upward pressure has helped to slow demand as prices pushed to the higher levels. Overall inventories remain limited helping to keep the market unsettled. The import market is holding mostly steady.



DAIRY

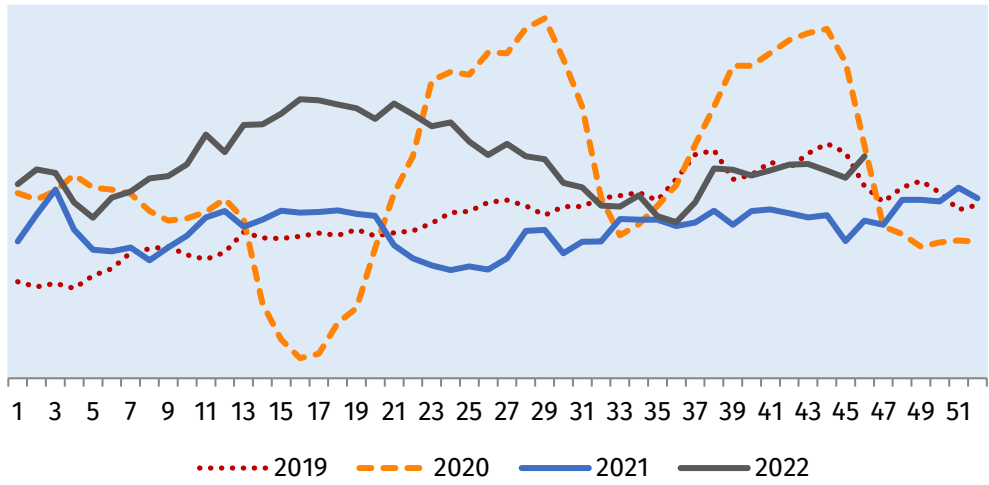
Cheese

Market is firmer. Both the CME Block and Barrel markets have moved higher this week. Supply chain shortages and ongoing labor issues continue to be an issue at multiple plants. Exports for cheese were up 5.1% for September with a record amount of product going to Mexico and South Korea. Some cheese suppliers have stated that their available inventories are already committed for the remainder of this year.

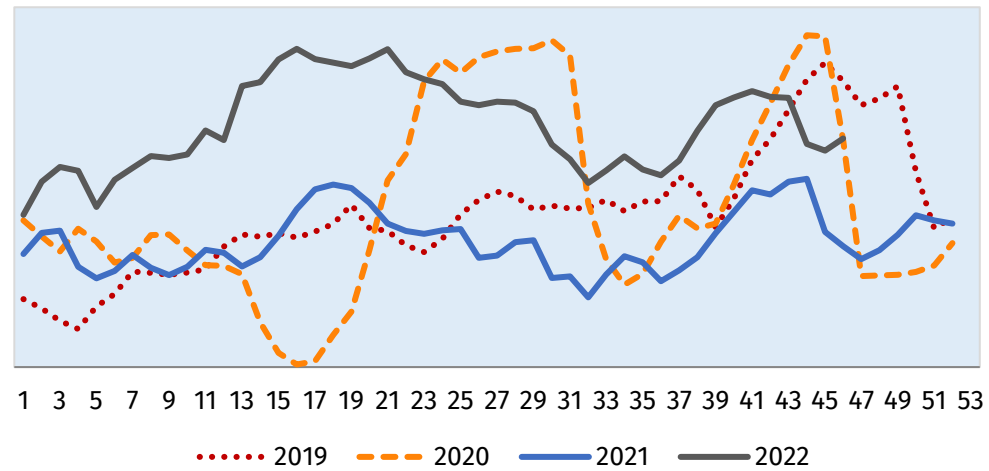
Cream Cheese

Market is firm. Inventories are limited, and allocations and cuts should continue to be expected for the remainder of the year. Multiple suppliers are not taking on new business, and inventories are expected to remain noticeably light as we move into 2023. Labor, logistics, and packaging issues are all contributing to the current industry-wide situation. Both foodservice and retail sectors are being affected.

Cheese Block Market Average Weekly \$/lb



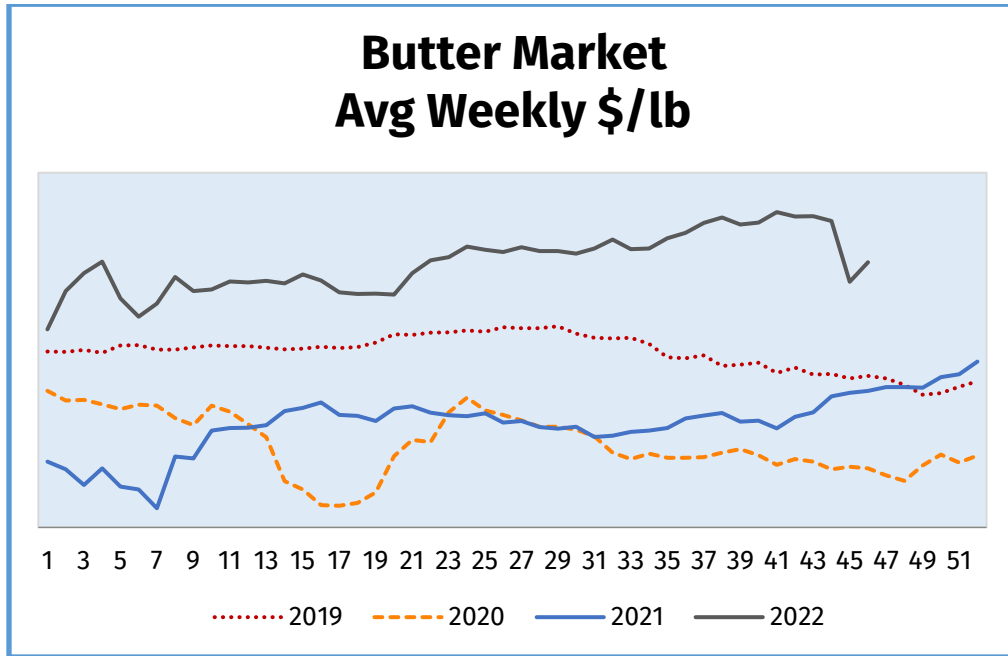
Cheese Barrel Market Average Weekly \$/lb





Butter

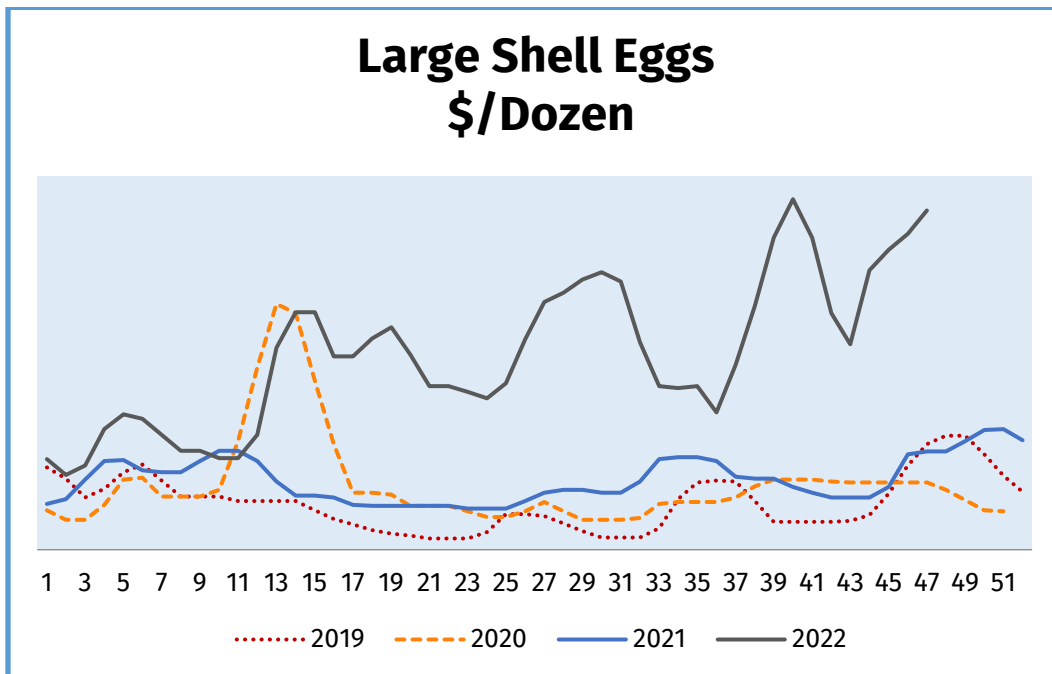
Market is firmer. The CME Butter market has pushed higher as we moved through this week and is trending above last week. Buying activity for the holidays has been good and helping to keep pressure on the market. Recent cold storage reports show that total butter inventories for September dropped 4% compared to August.





EGGS

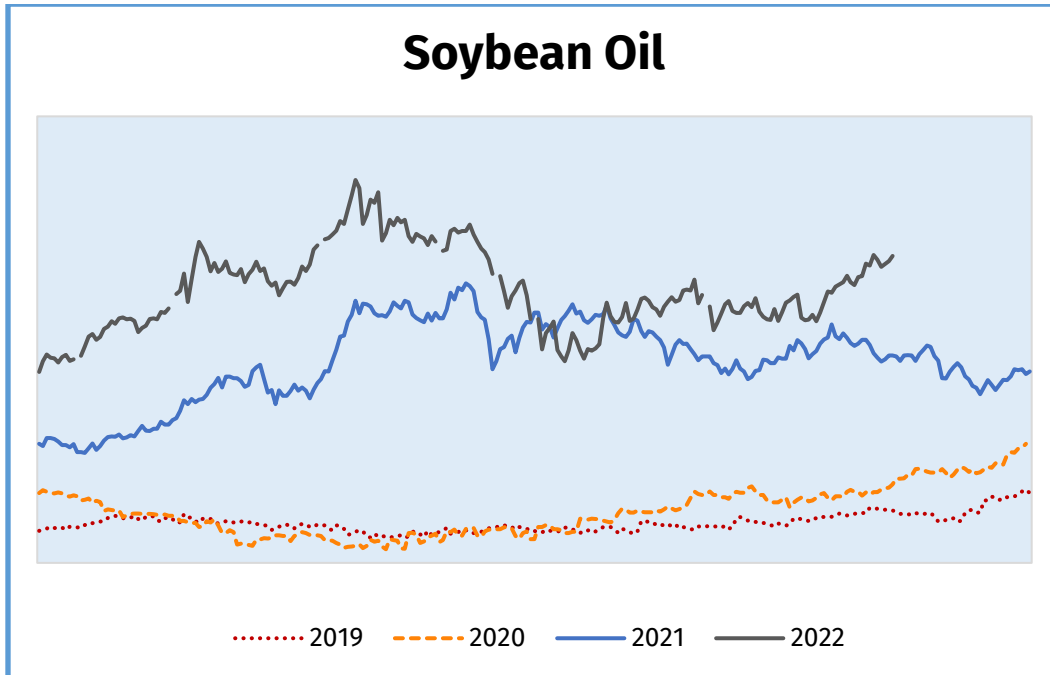
Market is firmer. Retail demand continues to be reported as good with consumers starting their purchases for the Thanksgiving Holiday. With higher shelf prices, very little promotional activity is being reported. Foodservice and QSR business is average at best. Further processor demand is reported to be moderate to good. Market is steady on medium sizes and higher on large sizes. National weekly shell egg inventory reports shell egg inventory down 2.3% and breaking stock inventory up 2.6% over last week.





SOY OIL

Market remains firm. As Soybean harvest is approaching completion in the U.S., sitting currently at 96%, attention now turns to the Southern hemisphere, where planting will continue throughout the beginning of 2023.



CANOLA OIL

Market remains firm. Canola export demand is expected to be improved as export interest from Countries such as China is improving.

CORN

Market remains firm. In November, new crop corn usage increased by 25 million bushels, as higher supplies boosted feed and residual use. 93% of corn crop is now harvested. This is up from 87% the prior week and 3% above the five-year average.

PEACHES

Crop is 16% short versus prior year due to excessive heat during the summer.

TOMATOES

Market is mixed. Because of excessive heat and then excessive rain, there is industry-wide tightness on Standard Whole Peeled & Tomato Paste out of California until new pack in July 2023. Tomato crop output from the Midwest has been “one for the books”, as the average tons per acre, which are typically in the mid-30s, has nearly doubled this season.

WHEAT

96% of the Winter Wheat has been planted. Seven states have reported 100% completion. Currently 68% of the harvest is rated in fair to excellent overall condition. Hard Red Spring and Durum harvest have been completed.

RAIL STRIKE

A third railroad union has rejected a tentative labor deal, thereby raising the odds of a potential strike occurring. The temporary cooling off period deadline of December 9th will not be impacted. The situation continues to evolve and keep the industry on edge.

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

Dry Pasta, Non-Foods, Spices: Scott MacKaben, Senior VP of Procurement, ext. 5457

Beef, Dairy, Pork, Seafood: Davy Ard, Vice President of Category Management, ext. 5431

Appetizers, Baked Goods, Eggs, Poultry: Ken Kotecki, Category Manager, ext. 5463

Beverages, Canned Products, Grains, Oils: Dwayne Joseph, Category Manager, ext. 5433

