



DIFFERENT
by design



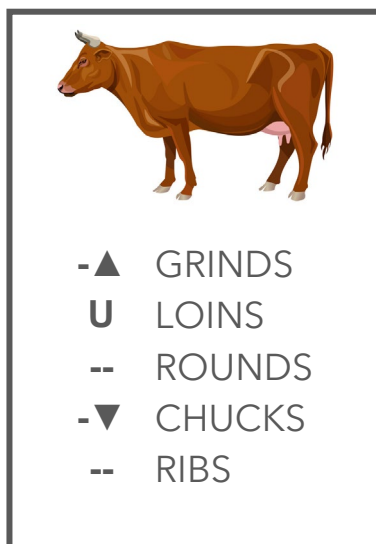
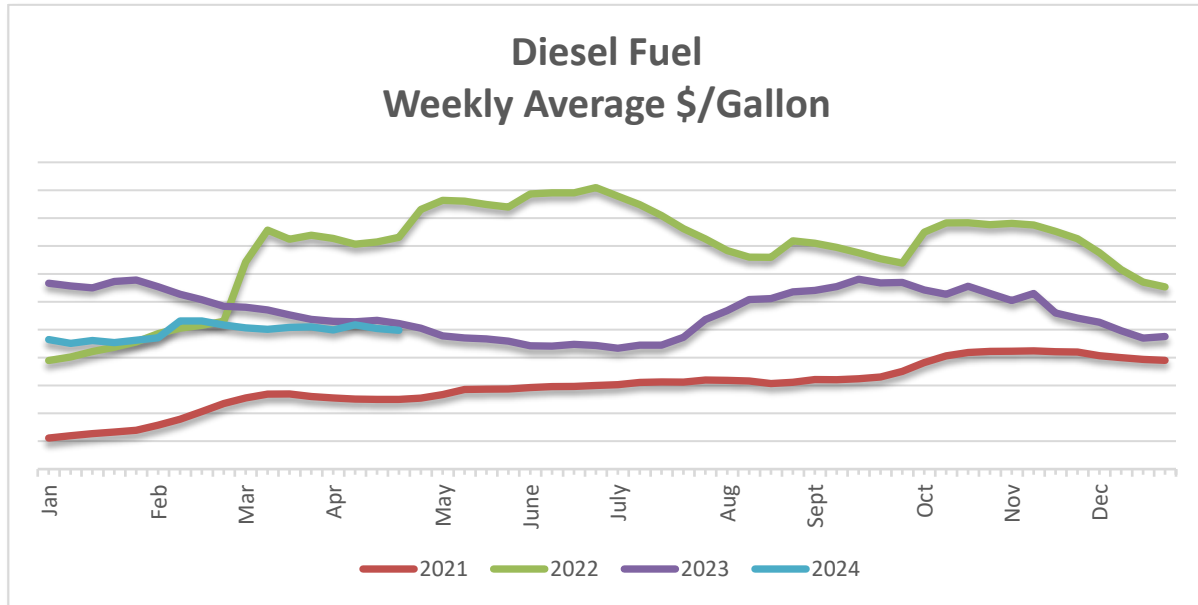
Market Report

WEEK ENDING | APRIL 26, 2024

Graphs represent data for the week ending April 19, 2024



LOGISTICS



BEEF

The market is steady. Total beef production for last week was up 2.8% versus the prior week and up 3.0% compared to the same week last year. Year to date, total production is down 2.8% compared to the same period last year. Total headcount for last week was 620,000 as compared to 625,000 for the same week last year. Year to date, the total headcount is 9.54 million head which is down 4.8% from last year. Live weights for last week were up 1 lb. versus the prior week and up 46 lbs. from the same week last year. Beef cutout values have been pushed lower since the beginning of April but are now showing signs of stabilizing. Last week, it was reported that the USDA beef retail feature index fell to its lowest level in the last six weeks. The months of May and June tend to have more beef features which has a tendency

to improve demand. On the supply side, slaughter continues to exceed the 600K head per week benchmark which provides a better balance of supply. Dressed weights are up versus last year with steer weights up 27 lbs. and heifers up 21 lbs. After the recent news surrounding human avian flu and dairy cattle, cattle futures are starting to firm up for the summer months led by the strength of fed cattle prices. The category continues to be a bit unsettled as the beef industry is dealing with higher retail prices, avian flu news, and inconsistent supply which may take many months to play out.

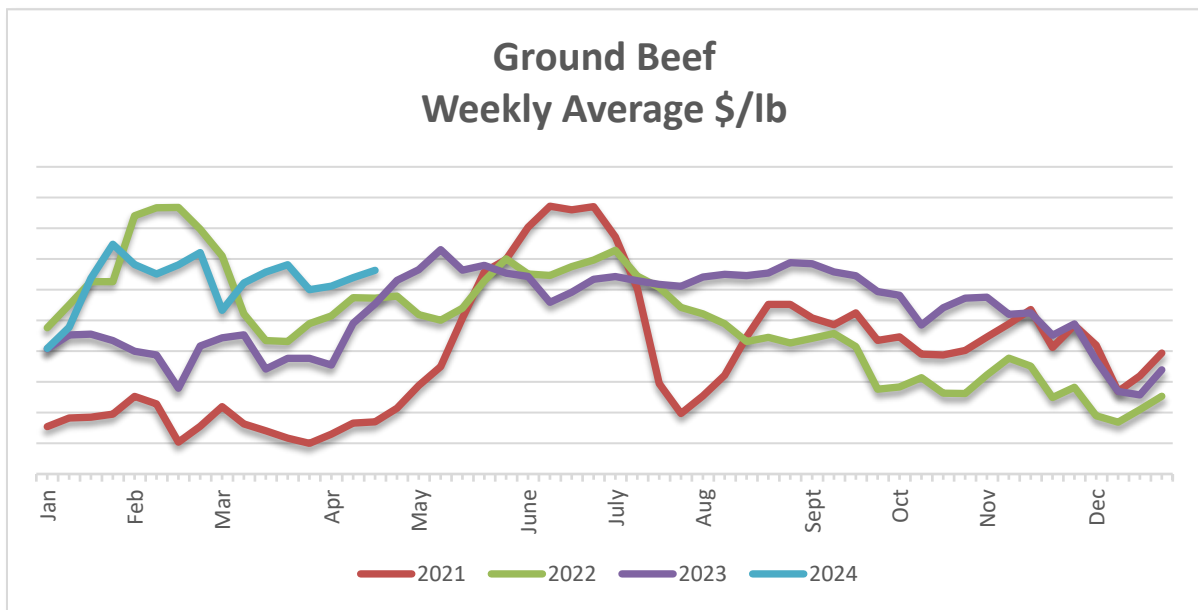
Grinds – The market is steady to firmer. Demand from retail and foodservice is starting to pick up which is seasonally expected. Availability is improving as higher steer weights add trimmings to the marketplace. Trade levels on 73% and 81% grinds have strong undertones.

Loins – The market is unsettled. Retail and food service business is moderate, and the supply side continues to be the variable factor affecting this category. Added supply over the last few weeks has improved availability. Trade levels were correcting downward but have flattened out over the last week.

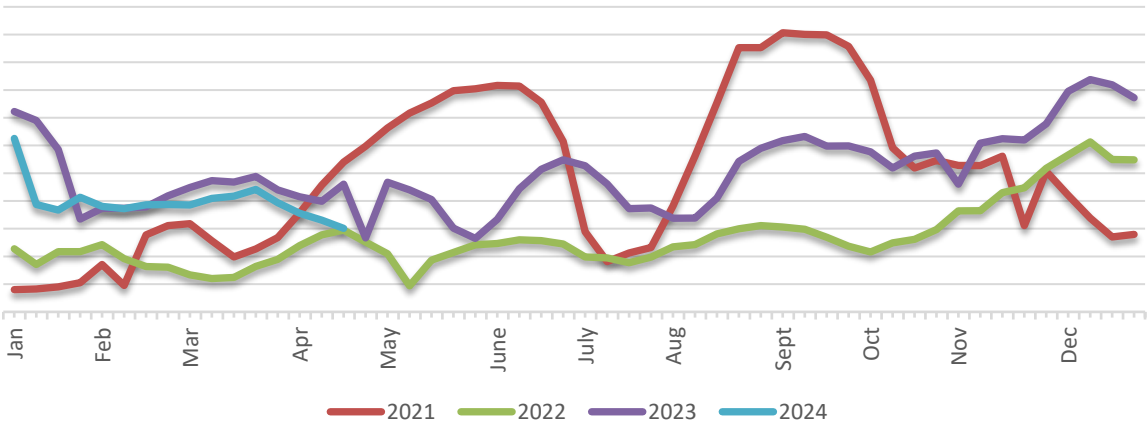
Rounds – The market is steady. Demand remains moderate with additional feature activity expected in the coming month. Availability varies by supplier with some excess being shown. Market levels are moving sideways.

Chucks – The market is steady to weaker. Demand was slow to start the month but is showing signs of improvement. Cutout values on chuck rolls have receded to year ago levels. Supply varies by packer with some excess. Trade levels continue to have soft undertones.

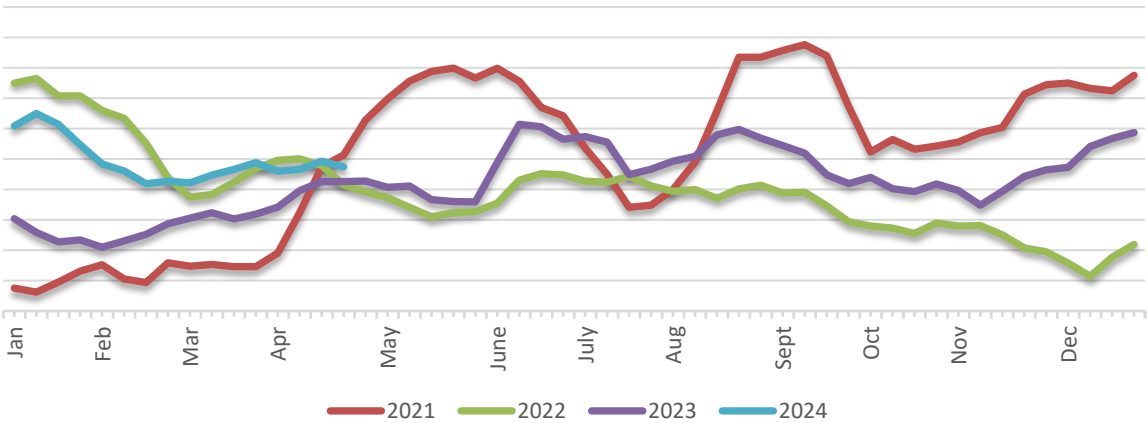
Ribs – The market is steady. The volume from the retail and foodservice channels is showing some renewed vigor. Feature activity tends to pick up in May and demand is picking up slightly. With the recent uptick in production, supply has improved and varies by supplier. Trade levels are mostly flat.

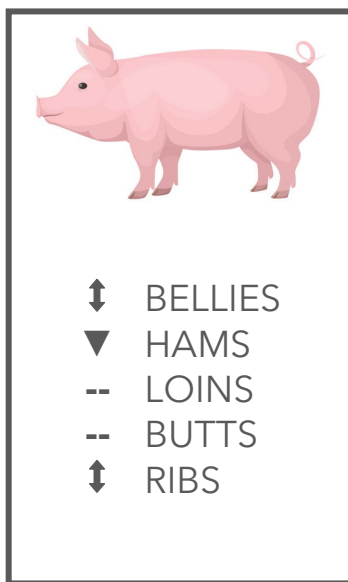
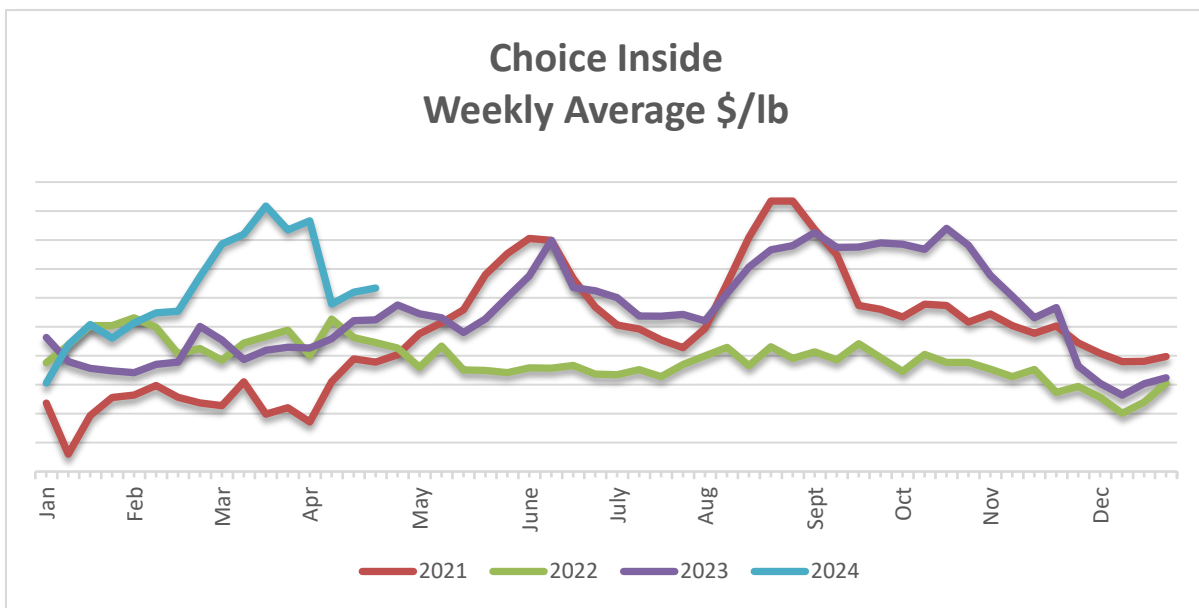


Choice Ribeye Heavy Weekly Average \$/lb



Choice Brisket Weekly Average \$/lb





PORK

The market is steady. Total pork production for last week was up 0.3% versus the prior week and up 0.7% compared to the same week last year. Total headcount for last week was 2,487,000 as compared to 2,453,000 for the same week last year. Live weights for last week were up 1 lb. compared to the prior week and down 1 lb. versus the same week last year. Demand for pork is well supported by the retail channel and continues to be robust with consumers swapping beef for pork due to higher retail price points. Cutout values remain strong and continue to outpace last year. Export business to Mexico and the Pacific Rim has been strong during the month of April. On the production side, the EU farm policies restricting their pork production has lifted U.S. export business to the Pacific Rim countries. Spot trading on bellies and large hams is unsettled as processors assess their future needs. Cutout values are holding strong and could go higher as summer demand kicks in across the United States.

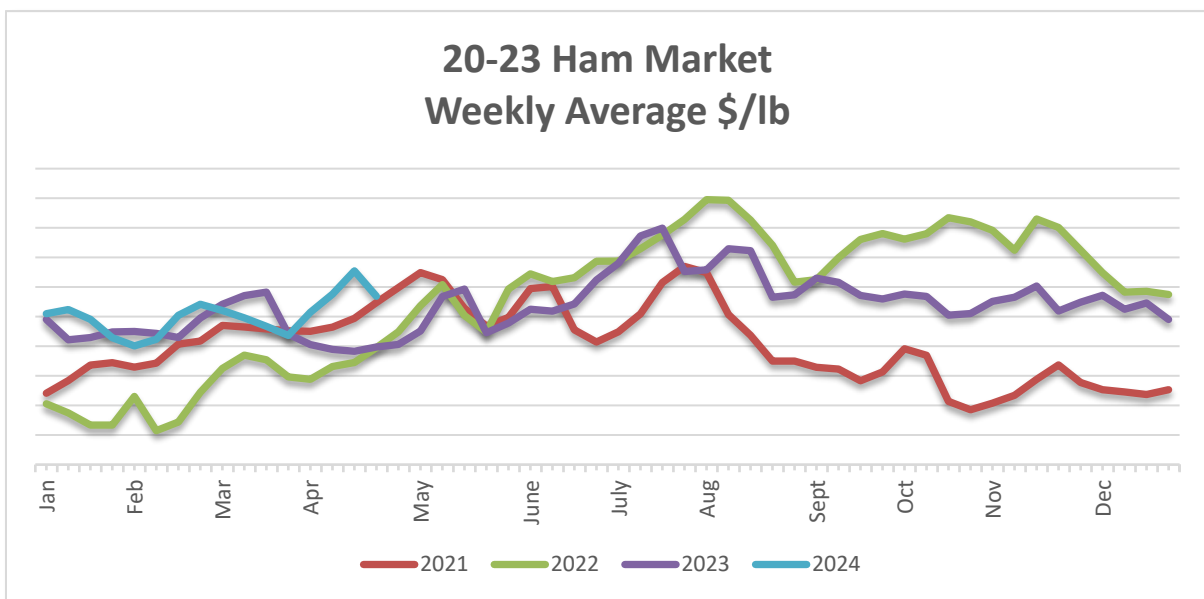
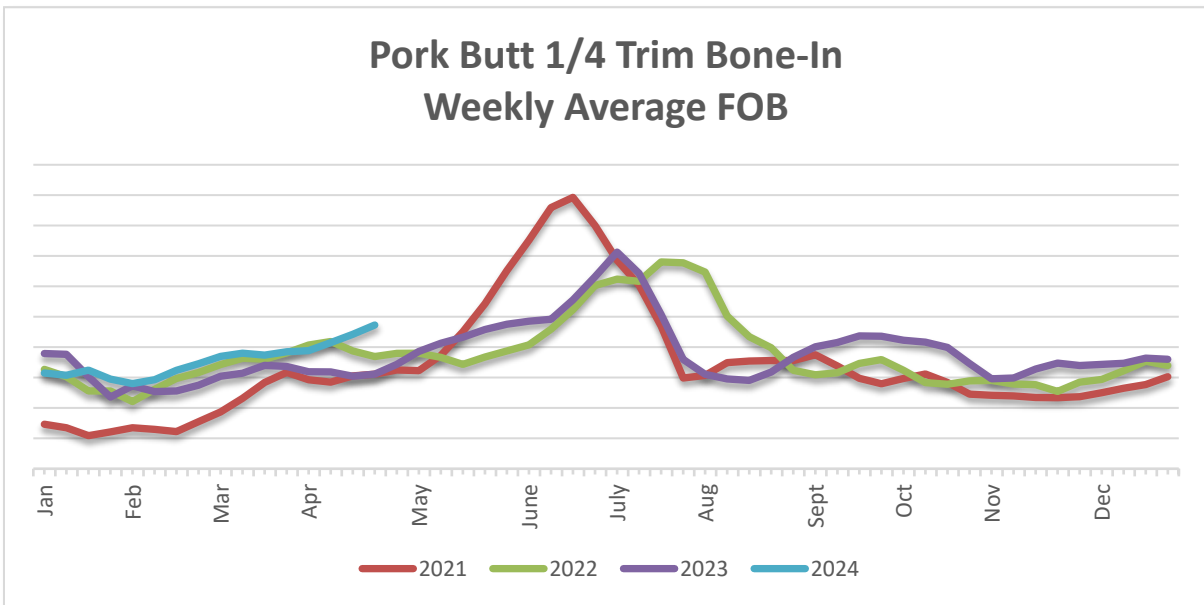
Bellies – The market is mixed. Demand from retail and foodservice is fair with strong bacon seasonality right around the corner. Supply varies by raw material supplier. Market values are a bit unsettled at the current time.

Hams – The market is weaker. Retail demand is fair as deli business tends to pick up in April and May. Further processing is moderate at best. Export business to Mexico continues to be adequate. Supply is available. Market levels are unsettled due to the exchange rates between the dollar and peso.

Loins – The market is steady. Demand for bone-in loins is strong due to retail ads and loin deboning for boneless product. Supply varies by packer with little excess being reported. Market levels on bone-in and boneless are holding firm.

Butts – The market is steady. Retail demand is vibrant due to feature activity. Export business to the Pacific Rim is vibrant and keeping excess supply moving. Supply is limited. The market is stable but has strong undertones.

Ribs – The market is mixed. Foodservice and retail business is adequate with solid footing going into BBQ season. Supply varies by packer. Market on spareribs is flat, back ribs have soft undertones, and St. Louis ribs are holding even.





CHICKEN

The market is steady. Total headcount for the week ending 4/20/2024 was 162,094,000 as compared to 165,903,000 for the same week last year. The average weight for last week was 6.49 lbs. as compared to 6.30 lbs. for the same week last year. Demand is moderate and continues to be supported with feature activity from the retail and QSR channels. Overall volume on boneless breast, tenderloins, wings, and dark meat is moderate to good. April demand has been meeting expectations and tends to be strong through Memorial Day based on historical trends. Export demand for leg quarters and whole legs remains at full steady. Weekly supply is tight due to reduced slaughter levels. Chick hatchability rates remain around 79% which is a record low. With the overall broiler slaughter down 2% YTD, supply is limited. Market levels have been holding even across most of the chicken categories for the last few weeks.

WOGS – The market is steady. Retail deli and fast-food business demand is reported to be good. Supply remains limited for the premium sizes. Market levels are mostly flat.

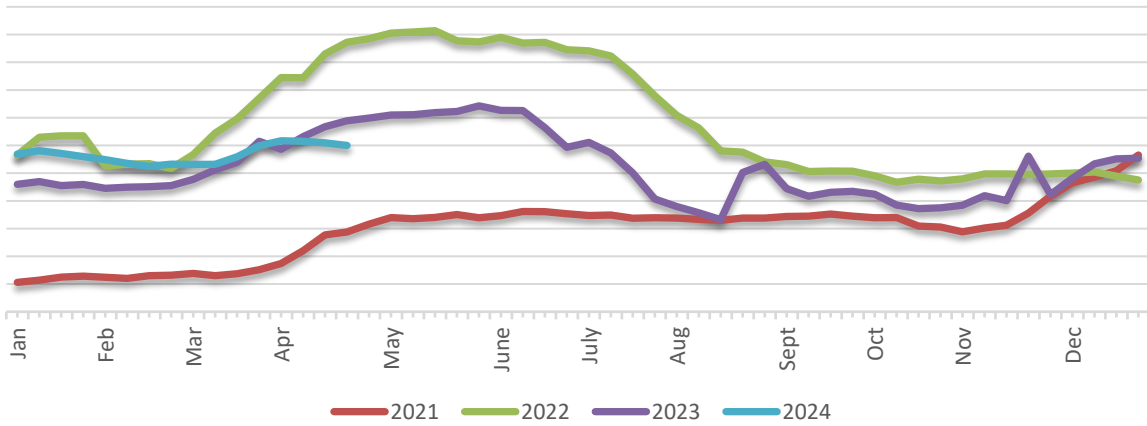
Tenders – The market is steady to firmer. QSR fast-food chains that feature chicken fingers are the key driver of this category and seasonal business is currently robust. Supply is limited to a weekly finite amount due to current slaughter levels. Market levels on jumbo and select sizes are inching higher.

Boneless Breast – The market is steady. Demand for breast meat is well supported by the retail and foodservice channels. The month of May tends to bring more retail features. Supply is limited on most sizes. The market for all sizes is trading in established ranges.

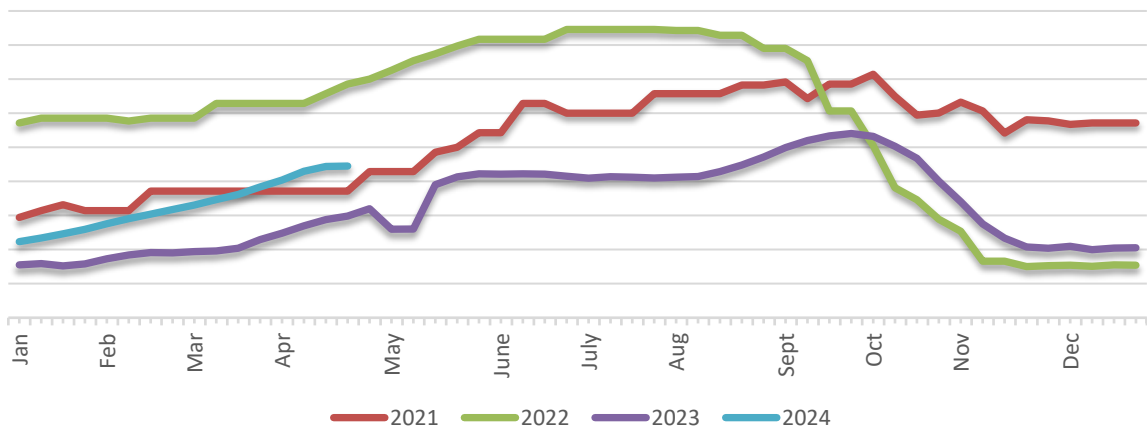
Leg Quarters and Thighs – The market is steady. Export and domestic demand for leg quarters remains highly active. Deboning business is active due to good thigh meat sales. Supply varies by plant. The market on leg quarters and thigh meat is mostly unchanged.

Wings – The market is steady. Wing demand is fair even in a non-seasonal month like April. Foodservice volume and further processing are both trending strong. Supply is tight. The market is holding even across all sizes.

Chicken Plant Grade, 2.5 lbs & Up Weekly Average \$/lb



Chicken Tenders Weekly Average \$/lb





TURKEY

The market is steady. Total headcount for the week ending 4/20/2024 was 3,645,000 as compared to 3,854,000 for the same week last year. The average weight for last week was 33.51 lbs. as compared to 31.27 lbs. for the same week last year. Demand for whole birds and turkey parts is a full-steady with drums being the bright spot. The recent booking season for whole birds has been a level trajectory. Demand for boneless breast is fair and activity on bone-in parts is showing some improvement. Boneless thigh meat and two joint wings are showing some seasonally improved activity. The supply side is adequate, but HPAI concerns persist. The supply side remains vigilant on bird health heading into the warmer months.

Whole Birds – The market is steady. Over time, more booking orders are being inked on a consistent basis. The inventory of

whole birds carried over from 2023 into 2024 is being reported as higher than normal. Market levels are mostly flat and untested.

Breast Meat – The market is steady. Further processor demand for breast meat was expected to be robust in April but has been mundane so far. Supply is available of both fresh and frozen raw material. The market is flat but spot sales are testing the market at higher levels.

Wings – The market is steady. Export volume for whole wings is static. Business for two-joints has picked up due to foodservice demand. Supply is available and varies by supplier. The market on whole wings and two-joints is holding even.

Drums and Thigh Meat – The market is steady to firmer. Export and domestic activity for drums is moderate to good. Thigh meat demand is vibrant due seasonal business for ground turkey. Supply is available but not in excess. The market on drums is inching higher while thigh meat is flat.



SEAFOOD

Gulf Shrimp – The market is unsettled. Demand for domestic Gulf Shrimp is still unsettled due to competitive pressure from the import market.

Black Tiger Shrimp – The market is firmer. Tighter supplies of Black Tiger Shrimp and improved prices on White Shrimp have alleviated downward price pressure on the Black Tiger Shrimp market.

White Shrimp – The market is firmer. Increased overseas pricing and improved movement have brought some stability back to the market. Supplies are adequate to barely adequate with moderate demand.

King Crab – The market is steady to slightly firmer. Supplies of King Crab, regardless of origin, are light with moderate to active demand and some sizes are no longer being quoted. Inventories of Russian origin product continue to decline.

Snow Crab – The market is steady. Demand is moderate and current supplies are adequate as the new season gets underway. Prices are currently steady, but some supply gaps have been reported.

Warm Water Lobster Tails – The market is firmer. Supplies continue to decline as Caribbean and Brazil regions are not currently in production.

North American Lobster Tails – The market is steady to firmer. Prices continue to rise as stocks on allocation continue to deplete. Some suppliers report being out of stock and certain sizes are no longer being quoted. Any meaningful replacements or substitutes are still months away.

Salmon – The market is steady. The Chilean frozen fillet market is steady. Supplies are adequate with fair demand. The European fillet market is weaker. Supplies are fully adequate with quiet to fair demand.

Cod – The market is steady and mostly unchanged.

Flounder – The market is steady and mostly unchanged.

Haddock – The market is steady and mostly unchanged.

Pollock – The market is steady to firmer. Supplies are adequate with moderate demand.

Domestic Catfish – The market is steady to firmer. Demand for domestic catfish remains down due to competitive pressure from the import market.

Tilapia – The market is firmer. Light supply and increased costs overseas are being met with moderate demand.

Swai – The market is weaker. Supplies are fully adequate, and demand remains lackluster.

Scallops – The market is steady. Supplies are fully adequate with fair to moderate demand.



FLUID MILK

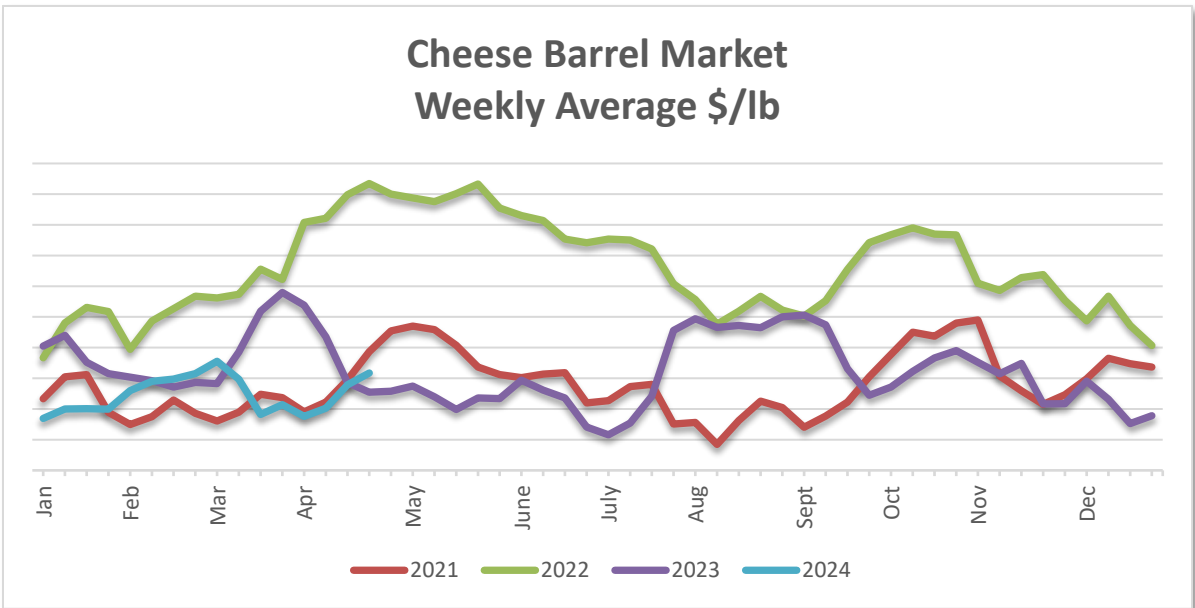
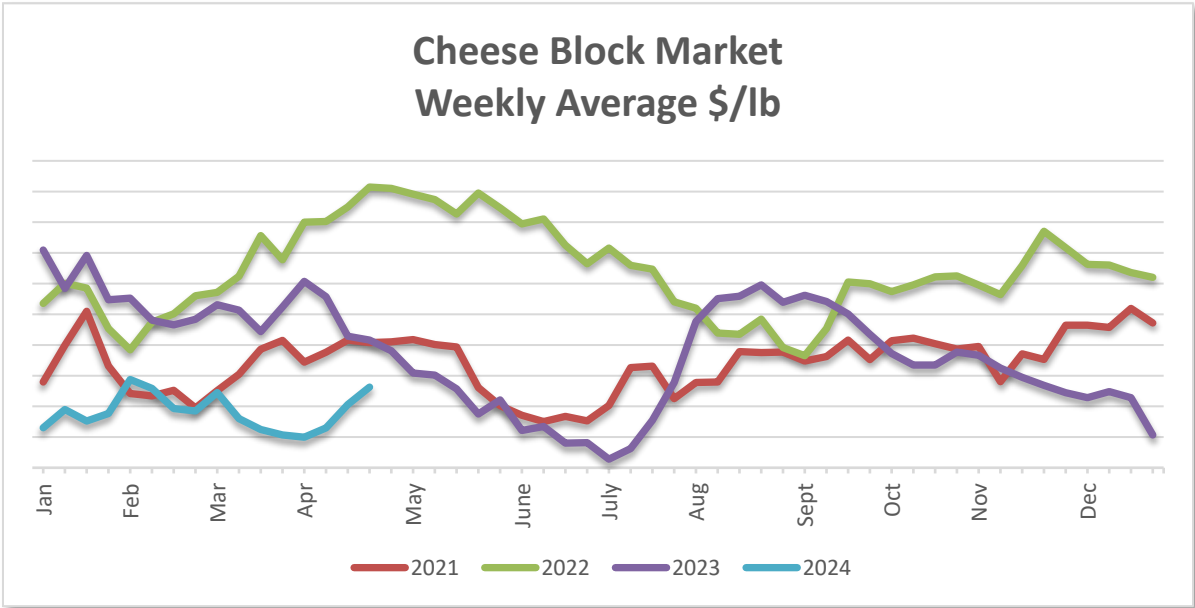
The market is steady. Farm level milk production is steady across most of the nation and noted to be flat in the Southeast. State agencies and the USDA continue to monitor the spread of Highly Pathogenic Avian Influenza (HPAI). According to officials, there is no threat to the public and volumes remain available to meet processors manufacturing needs. Cream availability remains ample while cream demand from manufacturers is steady for all Classes. Class I bottling orders and Class II are at normal levels throughout most regions. Ice cream manufacturing is increasing seasonally but not at levels that cream handlers expected at this point in the season. Demand for all other Classes is reported as steady.



CHEESE

The market is mixed. The CME Block market moved weaker as we progressed through the week. The CME Barrel market was flat as the week progressed. Both the CME Barrel and Block markets moved firmer over the prior week. Cheese production schedules are noted to be steady to stronger across the country. According to the USDA's latest report, milk production is strong and cheese inventories in cold storage are ample. As grilling season is upon us, cheese plant contacts have relayed recent increases in retail demand. Some processors note that production is outpacing demand. Foodservice demand is weaker while retail demand is steady. Export demand for cheese is steady to slower.

In Europe, milk production is strong. European cheese manufacturers are utilizing the additional milk produced to run strong production schedules. Foodservice demand is steady while retail demand has been strong in recent weeks. Sources note that various promotions are contributing to keeping sales healthy. The upcoming tourism season, specifically in southern Europe, is expected to grow purchasing activity. According to the USDA's latest report, cheese inventories are noted to be somewhat tight however it is suggested that production is in balance with demand. Industry contacts note that export cheese demand is steady to higher.

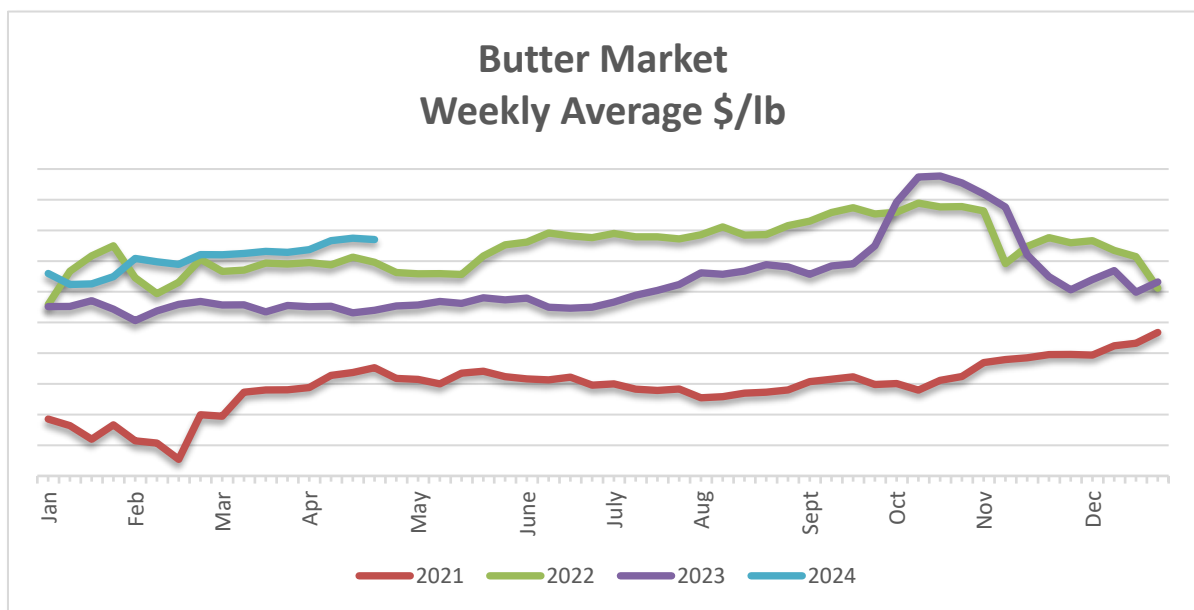




BUTTER

The market is weaker. The butter market moved weaker as we progressed through the week but trended firmer than the prior week. Cream is readily available for butter makers throughout the country while demand is mixed.

Butter production is strong across the country with operators running steady churning schedules for both salted and unsalted butter. According to the USDA, unsalted butter continues to be sought after by customers across the country. Manufacturers indicate butter inventories are in fair shape for the summer and fall seasons. Butter demand is reported as steady. Retail demand is steady across the nation while foodservice demand is steady. Export demand is reported as steady to moderate.

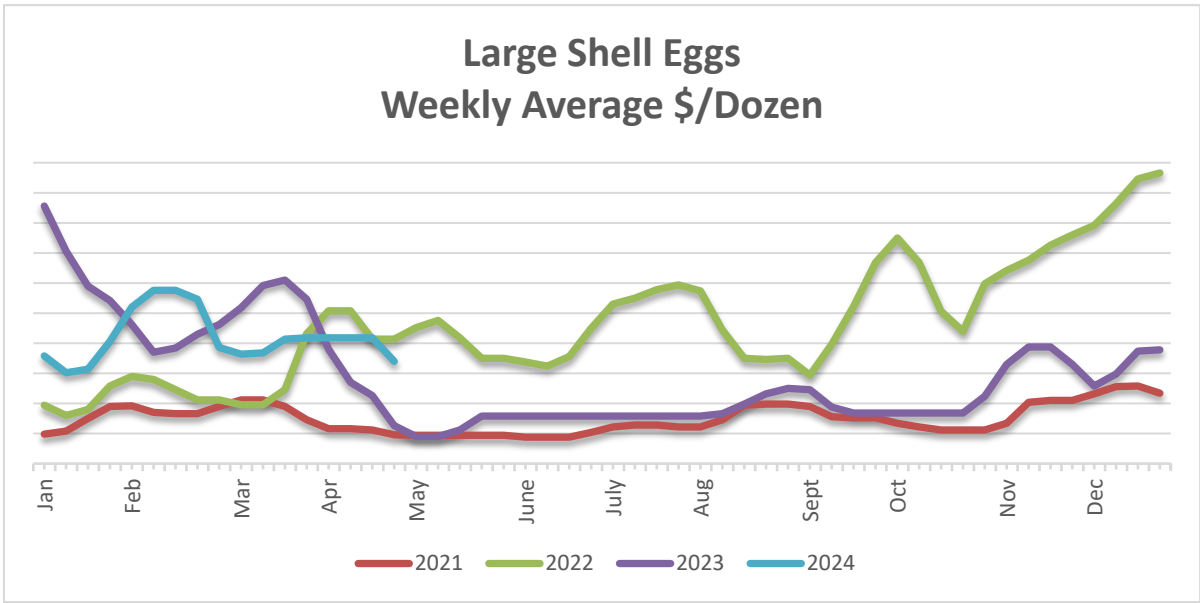


EGGS

The market is weaker. Retail demand has been on the decline since the Easter Holiday, which is seasonally expected. In addition, retail features and consumer baking have been limited in April. As retailers try to maintain shelf prices at a premium, overall volume is starting to recede a bit. Foodservice demand is average at best. Distributors are ordering as tight as possible to follow this market which is trending lower.

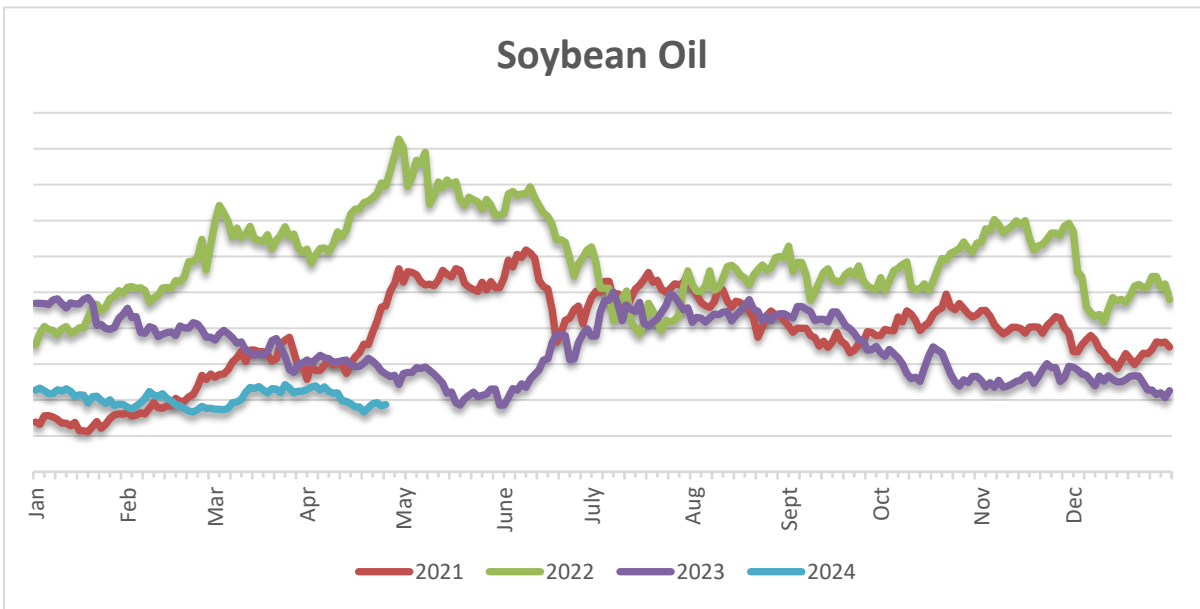
Supply is available on medium and large sized shell eggs. Market levels are moving lower on medium sizes and large sizes. National weekly reports show shell egg inventory up 1.5% and breaking stock inventory up 0.2% over last week.

Demand in the egg products category is steady to weaker. Demand for liquid whole eggs and whites is reported to be soft as processors try to value cost in raw material in a declining market. The yolks and dried markets are being pressured lower.



SOY OIL

The market is mixed. Weather is now the main driver of this market. Lack of much needed rain has delayed planting in the US and hampered growth in South American. Futures have more upside in the short term if weather risks persist. Fundamentally the market remains bearish.



FLOUR

The flour market is mixed. The USDA's most recent report shows the winter wheat conditions at 50% good/excellent, which is a 5% reduction from the week prior. Wheat exports are unchanged for the U.S. from March figures. Global wheat stocks are projected to be weaker this month while global production is expected to be slightly higher. Wheat prices around the world remain tied to geopolitical headlines and something to keep in mind for indicators on where the market may be heading next.

RICE

The situation with parboiled rice has not improved. Lead times are increasing to 10 weeks or more with some suppliers. Maybe some good news is the most recent harvest was better than last year. Production for parboiled rice is still having difficulties keeping up with demand.

SUGAR

The market is unsettled. Availability remains limited. This year's U.S. sugar crop came in below expectations and this is expected to put additional strain on inventories over the coming months. Allocations and longer lead times should be expected with multiple suppliers not looking to take on new business.

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

Davy Ard, Sr. Vice President of Category Management, ext. 5431

Beef, Pork, Poultry: Ken Kotecki, Sr. Category Manager, ext. 5463

Dry Pasta, Non-Foods & Chemicals, Redistribution, Spices: Steve Moulthrop, Category Manager, ext. 5451

Canned Goods, Commodities (Sugar, Oil, Rice, Beans), Frozen Fruit & Vegetables, Imports, Pickles: Willie Biddix, Category Manager, ext. 5457

Appetizers, Dry Grocery, Eggs, French Fries, Frozen Pasta, Produce, Seafood: Gabriel Tegenkamp, Category Manager, ext. 5432

Bakery, Beverages, Dairy, I.P.A.P.: Beth Hatter, Associate Category Manager, ext. 5412

