



Markets Report

Week Ending April 2, 2021

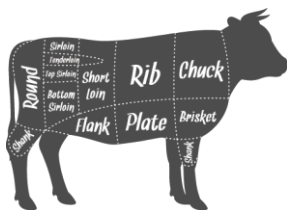
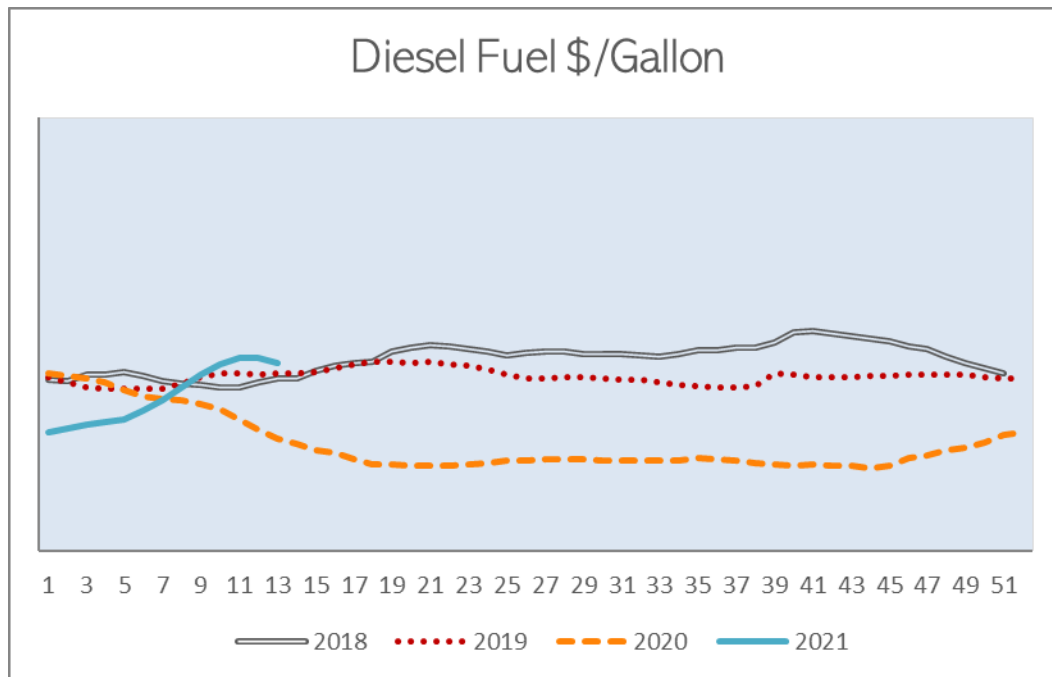


Graphs represent data for the week ending March 26, 2021



LOGISTICS

The holiday week capacity was better than it has been in the prior weeks, even with some shippers closing on Friday, April 2, 2021. Rates are still on the upswing with no signs of subsiding anytime soon. Outside 3 PL warehouses are still facing issues with labor, causing longer loading times, and that is having a downstream effect on other pickups and deliveries. For LTL, both dry and refrigerated companies are still working through high volume issues as well as COVID 19 related workforce issues. The produce season is beginning on the west coast and is causing rates to climb higher.



- ▲ GRINDS
- ▲ LOINS
- ▲ ROUNDS
- ▲ CHUCKS
- ▲ RIBS

BEEF

Market is firm. Total beef production for last week was up 2.5% versus prior week but was down 5.4% compared to same time last year. Year to date production is down 2.2% compared to year-to-date 2020. Total headcount for last week was 646,000 as compared to 685,000 for the same week last year. Year to date headcount is 7,750,000 as compared to 8,028,000 for year-to-date 2020. Live weights for last week were down 6 lbs. from prior week but up 11 lbs. from same time last year. Lent has come to an end is typically a time of the year that we see overall beef demand improve. Retail advertising is expected to be improved as we move through April as grilling activities pick up across the country. Foodservice demand continues to improve as dining restrictions continue to ease across the country. The pickup in demand and the lighter production is keeping pressure on multiple cuts with upward pressure being seen on asking prices from multiple packers. Availability has become a concern with multiple packers as the recent surge in buying activity

is keeping pressure on availability. Select graded product is in very limited supply and prices have moved much higher over the past several days.

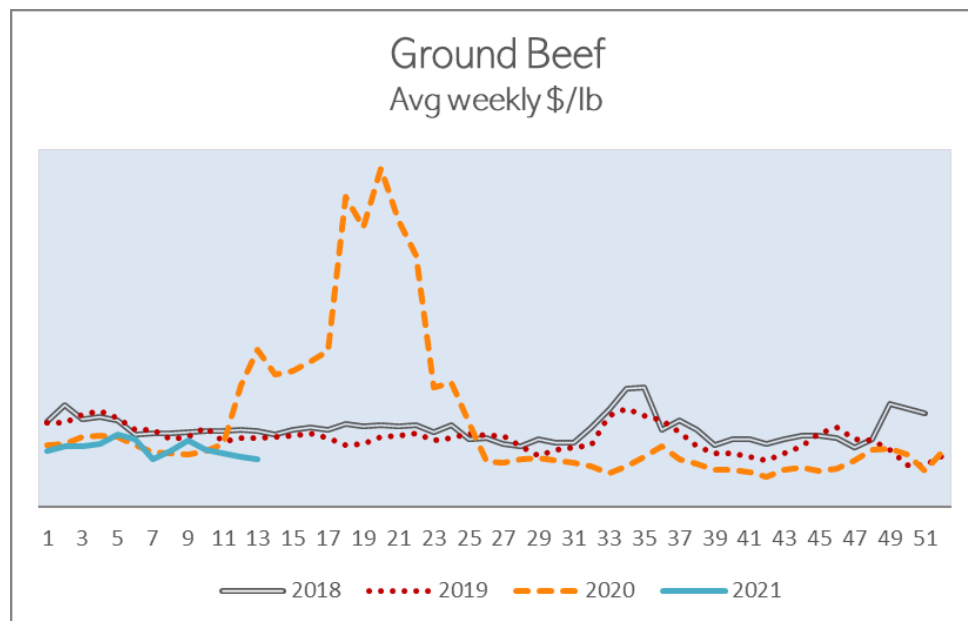
Grinds- Market is firmer. Demand has been improved and the market has continued to push higher. Retail advertising is expected to be good as we move through April.

Loins- Market is firmer. Buying activity has been improving over the past several days. Demand typically seasonally improves as we move through April.

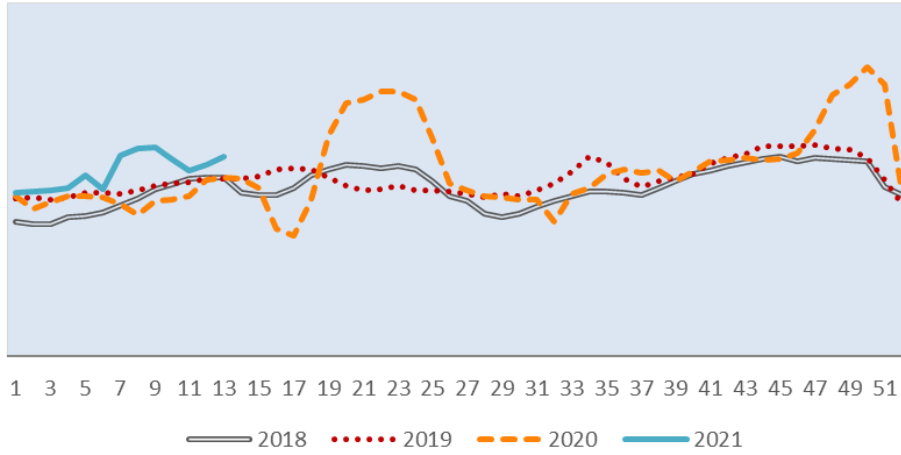
Rounds- Market is firmer. Good buying demand and lighter production numbers are keeping pressure on the market.

Chucks- Market is steady to firmer. Improving demand and lighter production is keeping pressure on this market.

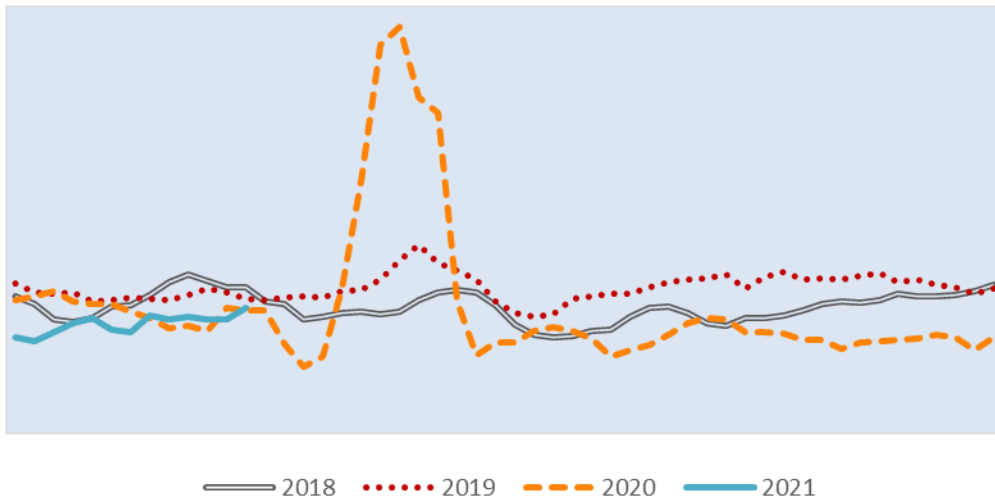
Ribs- Market is firm. The market has pushed much higher over the past few days. Select grade product is difficult to come by and prices have surged higher. Demand is typically seasonally improved as we move through the spring.

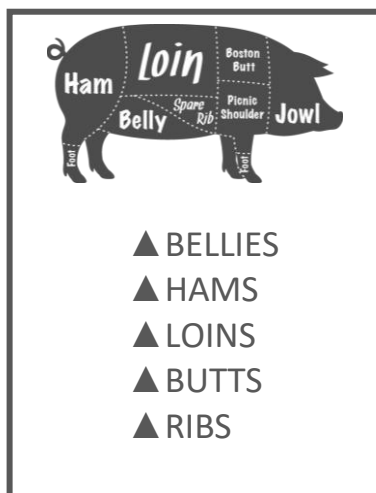
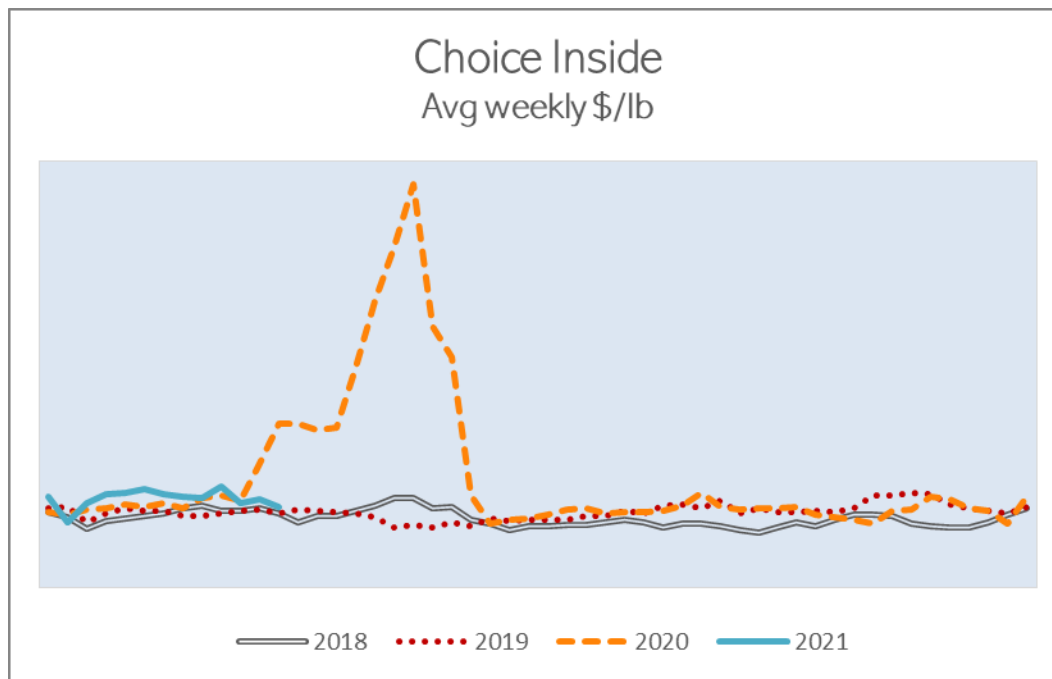


Choice Ribeye Heavy Avg weekly \$/lb



Choice Brisket Avg weekly \$/lb





PORK

Market is firm. Total pork production for last week was up 1.2% versus prior week but was down 7.2% compared to same time last year. Year to date production is down 3.2% compared to year-to-date 2020. Total headcount for last week was 2,551,000 as compared to 2,778,000 for the same week last year. Year to date headcount is 31,771,000 as compared to 33,323,000 for year-to-date 2020. Live weights for last week were even with prior week and up 3 lbs. from same time last year. Easing of dining restrictions across the country are helping to improve foodservice demand at a time that production is moving 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.

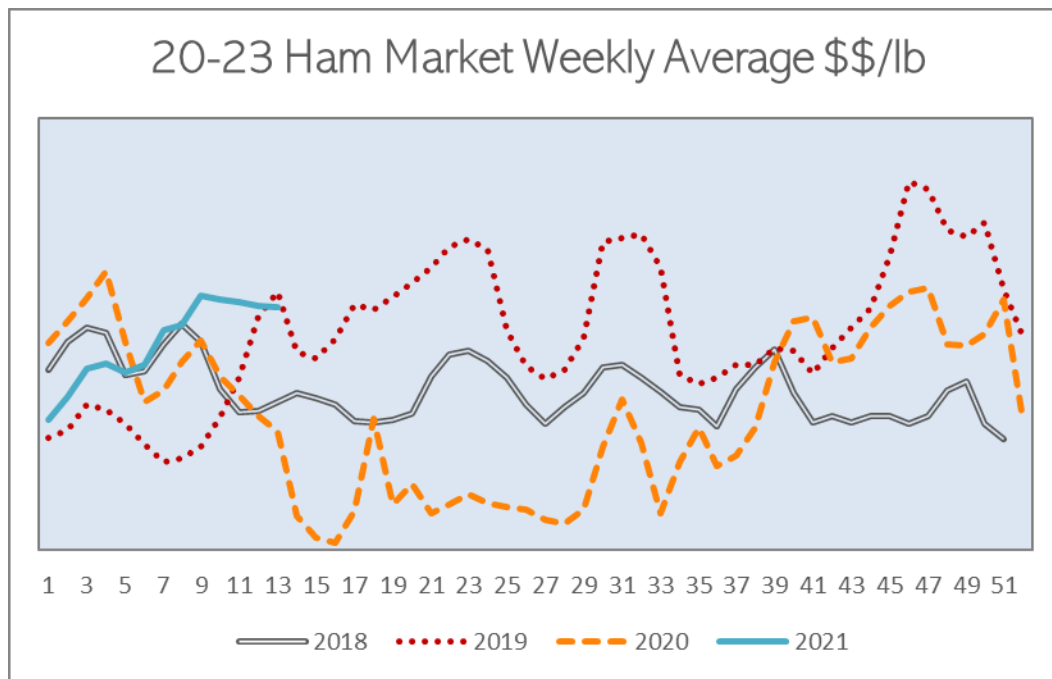
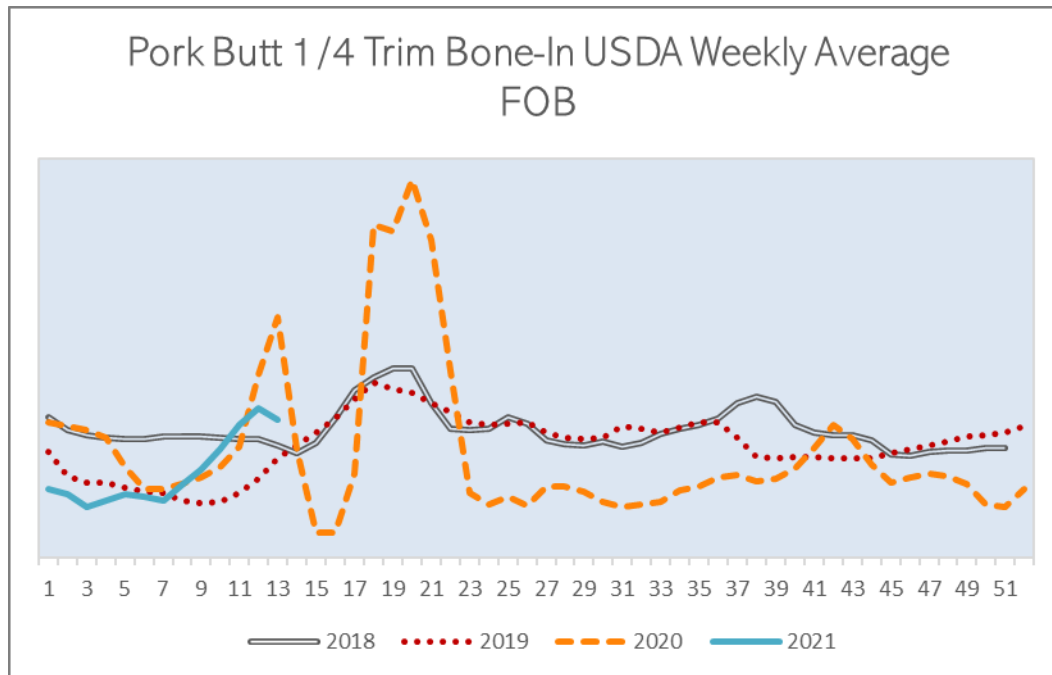
Bellies- Market is firm. The belly market has surged higher over the past few weeks and that trend has continued again this week. The sharp increase are a result of lighter production, higher foodservice demand, and strong exports over the past several weeks.

Hams- Market is firm. 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 firm. 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 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 166,037,000 as compared to 169,683,000 for the same week last year. Average weights for last week were 6.27 lbs. as compared to 6.14 lbs. for the same week last year. Chick placements on fryers for week ending 5/1/21 are estimated at 162.1 million headcounts. Placements for previous week were 161.7 million and same week last year was 171.4 million. Retail and foodservice demand is steady and showing improvement. On the production side, plants continue to be limited by labor shortages. Processing throughput is being reported as average to reduced. Industry demand for boneless breasts, tenders, wings, and dark meat remains fully supported. Export volume on leg quarters and whole legs is steady at the current time. Supply is tight across the industry with limited offerings for spot market activity.

WOGS- Market is steady to firmer. Fast food and retail deli continue to experience the seasonal uptick in demand that runs through Memorial Day. All sizes of WOGS are reported to be clearing well. Supply is available.

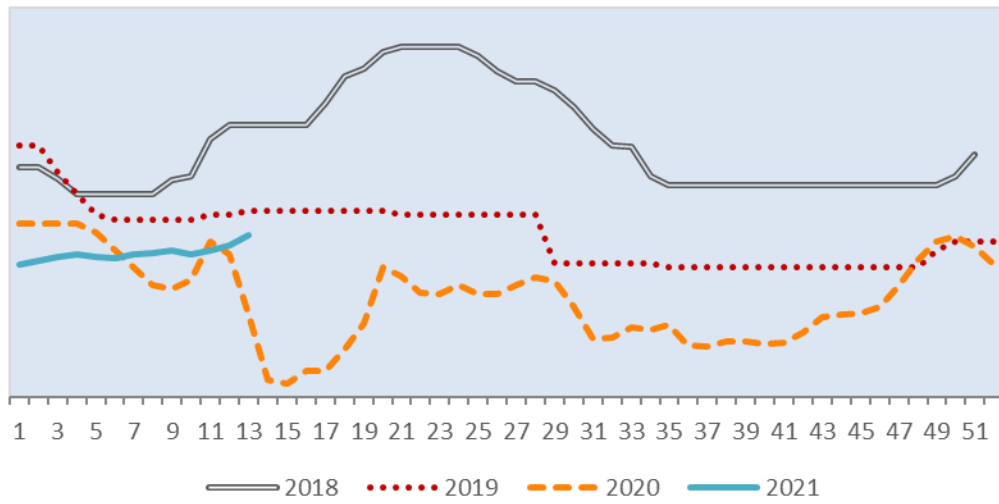
Tenders- Market is steady to firmer. The weekly improvement in foodservice demand is keeping the category sold up. The number of tenders being sized and portioned is being constrained due to a lack of labor. Supply remains tight.

Boneless Breast- Market is steady to firmer. Retail business is well supported by the consumer grilling season. Foodservice volume is improving as the economy reopens. Fast food QSRs are creating added demand with sandwich promotions. Supply has tightened.

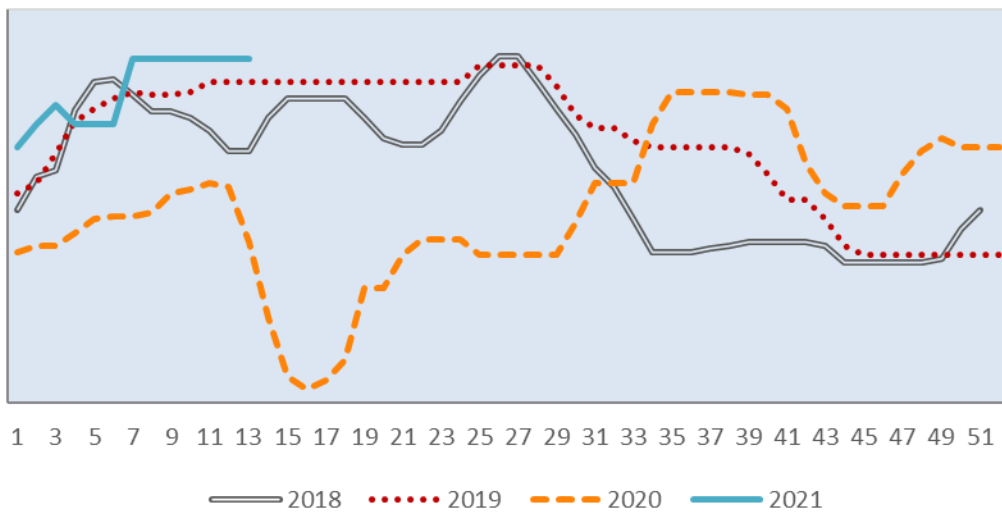
Leg Quarters and Thighs- Market is steady to firmer. Leg quarter demand is steady and supported by export sales. Retail volume on drums, thighs, and dark meat continues to improve. Supply is available, but tight depending on the sourcing plant.

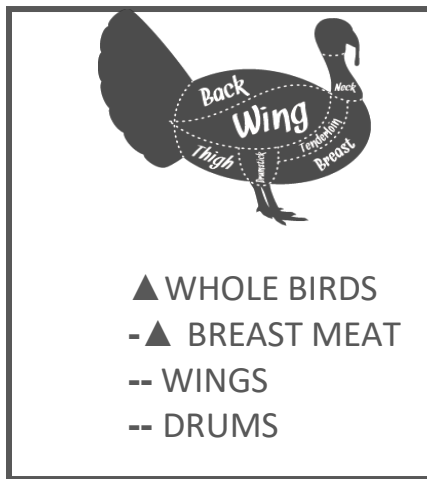
Wings- Market is steady to firmer. Call it the perfect storm. Carry out demand from the foodservice channel is extremely strong. The March Madness tournament has foodservice operators promoting wings on their menu cycle. Further processors continue to find it hard to source enough small wings to replenish 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 4,031,000 as compared to 4,077,000 for the same week last year. Average weights for last week were 33.14 lbs. as compared to 32.85 lbs. for the same week last year. Frozen whole birds remain fully supported with limited offerings being presented. Demand for fresh white meat and trim is on the rise as consumer trends for sliced meats improve. Activity on bone-in parts continues to be steady with some overtones of improvement on drums and wings. Export business on drums, thighs, and wings is moderate at the current time. Supply for whole birds is very tight, parts remain limited, and white meats are available.

Whole Birds- Market is firm. The category remains fully supported with future orders for the holidays. Supply remains tight, hen sizes are the most requested, and offerings are light.

Breast Meat- Market is steady to firmer. Breast meat and white meat demand is on the rise as the consumer trends for sliced meats and sub sandwiches hits its seasonal stride. Retail deli and foodservice outlets are all contributing to the bump in activity. Supply has tightened on fresh and frozen raw material.

Wings- Market is steady. Domestic and export activity is rated as stable for both whole wings and 2-joints. Tom sizes remain more requested with all sizes are selling adequately.

Drums and Thigh Meat- Market is steady to firm. Demand for tom drums is strong and hen sizes are well supported. Demand for thigh meat and mechanically separated turkey is rated as moderate to strong. Supply is tight.



SEAFOOD

Gulf Shrimp- Market is firm. Demand has been very good for the past several weeks and is keeping continued pressure on availability due to limited inventories. The recent catch numbers with the National Marine Fisheries Services have created optimism by reporting that year to date through February are 31% higher than same time last year.

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 months, so suppliers have been keeping these inventories at lower levels and the recent increase in demand is impacting availability.

King Crab- Market is firm. Global demand is strong and keeping pressure on available inventories.

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 days 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 mostly steady. Inventories are good for current demand.

Flounder- Market is steady to firmer. Pricing is expected to be higher as we move into Q2 as suppliers' costs are impacted by tariff increases.

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.

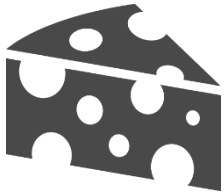
Pollock- Market is mixed. Larger sized product is in limited supply due to recent catches being more on smaller sized fish. Production delays in China are putting additional pressure on the market with reports of port closures backing up shipping lanes.

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 commonplace and are anticipated as we move into the summer.

Tilapia- Market is firmer. Higher production and logistical costs are putting pressure on the market. Buying activity is improving as more dining restrictions ease across the country.

Swai- Market is steady to firmer. Improving demand is helping to tighten overall availability.

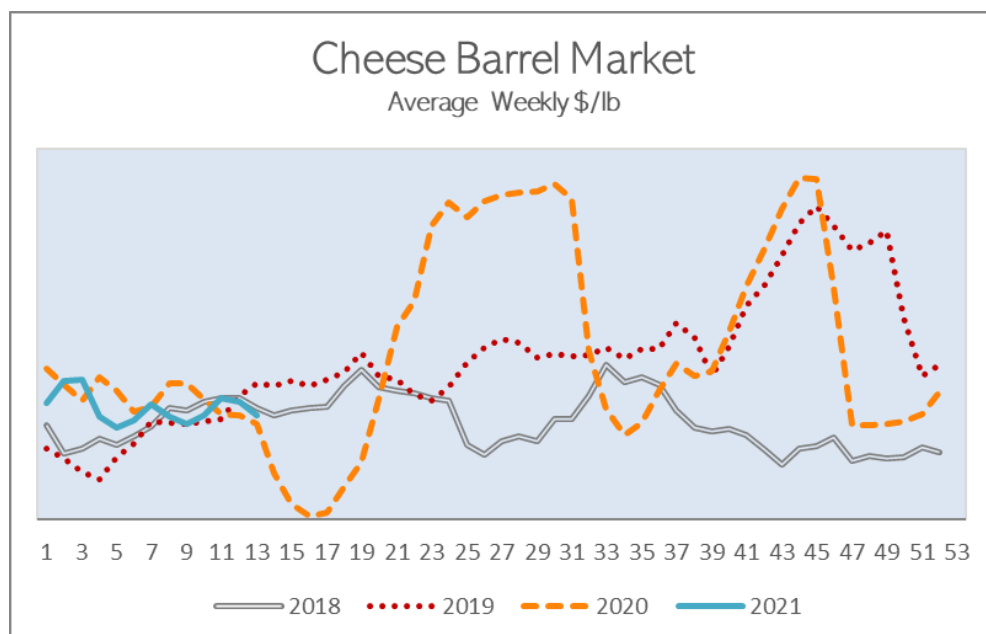
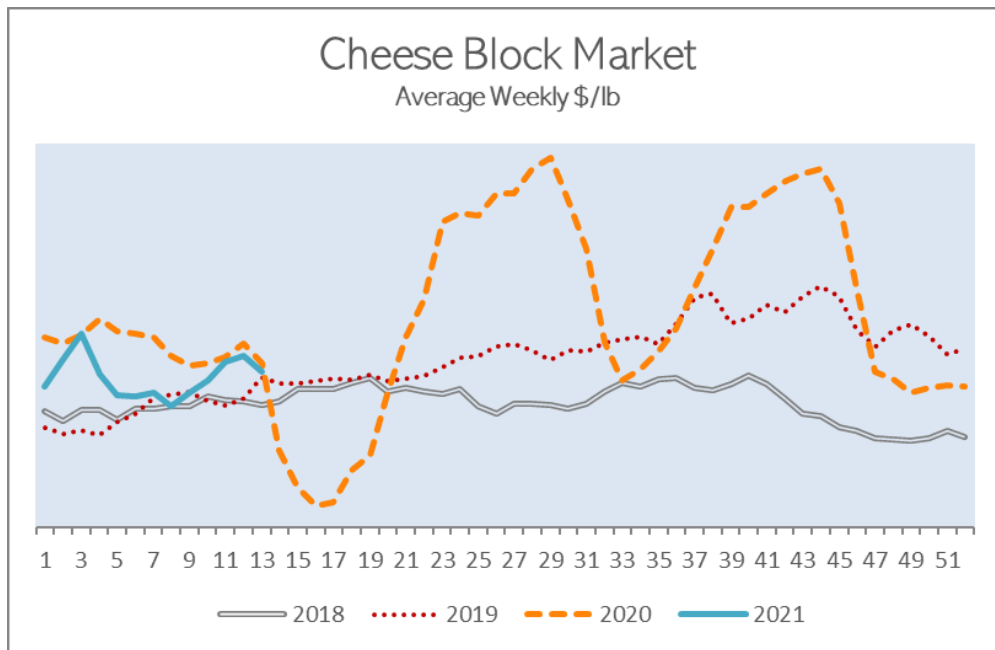
Scallops- Market is steady. The market is steady but firm for both domestic and product of Canada with additional fisheries set to open over the next few weeks. The rest of the market is holding mostly steady.



DAIRY

Cheese

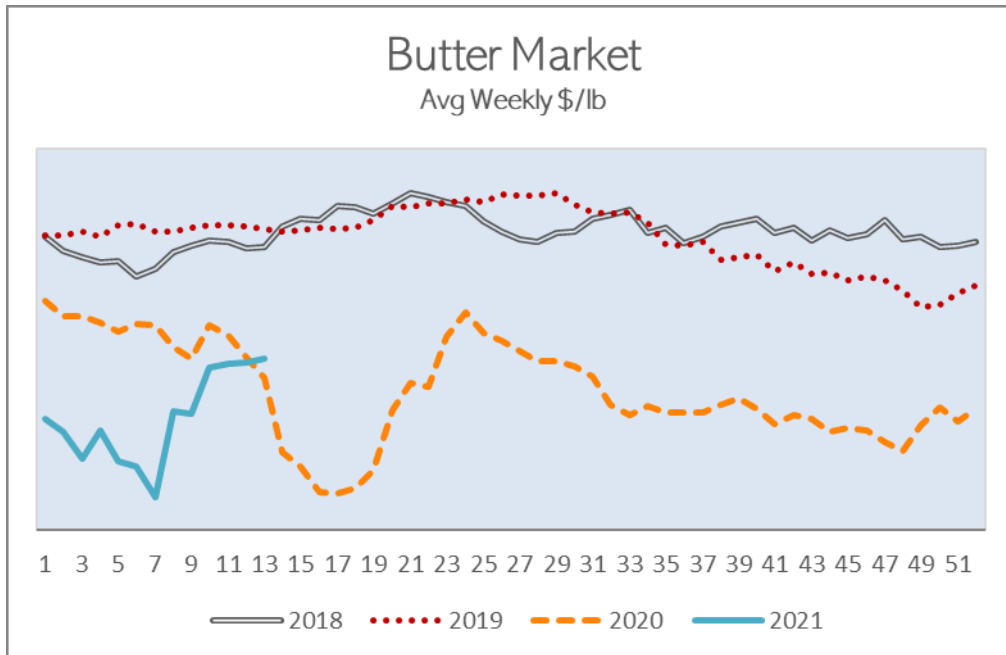
Market is firmer. The CME block and barrel markets moved higher this week. Across the country milk supply is readily available. A rise in foodservice demand has been noted as more regions reduce COVID restrictions. The NASS Cold Storage Report for February 2021 noted both American and natural cheese stocks are up 5 percent from the same month in 2020. In the northeast production schedules are steady. Demand for retail is firm. In the Midwest, producers report varied production schedules. Foodservice demand is increasing. In the west demand for foodservice is rising and retail demand is steady. Demand for export cheese is strong. Milk is plentiful in the region.





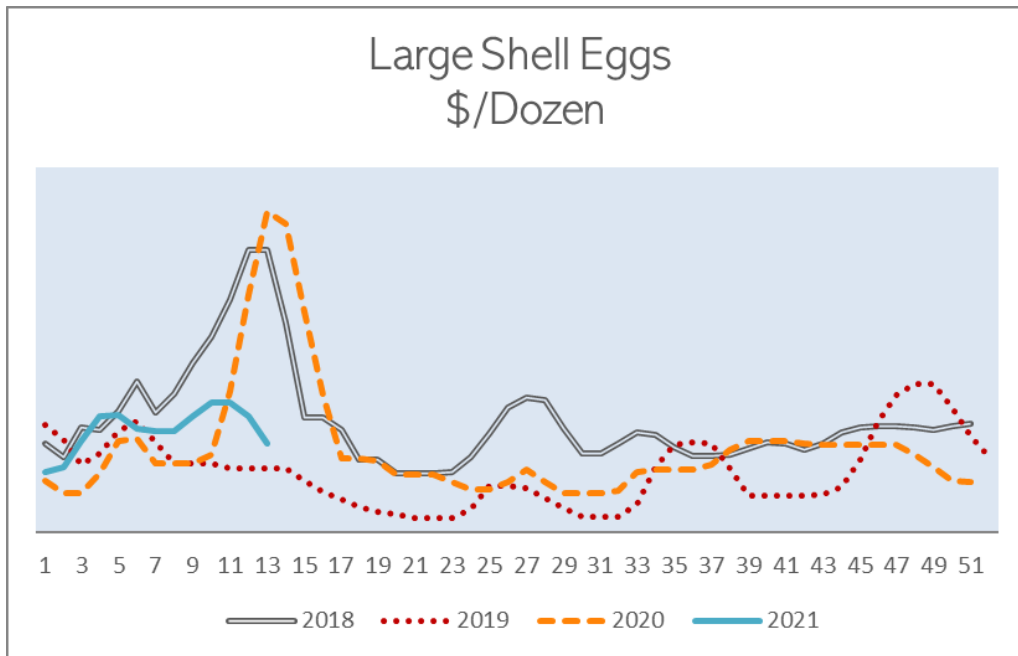
Butter

Market is unsettled. The CME butter market moved higher and lower this week. The NASS Cold Storage Report for February 2021 showed a 17 percent increase in butter holdings over the same month in the prior year. Eastern butter producers are beginning to see additional cream supply moving to ice cream production. Inventories in the region are steady. Retail demand is strong. In the central region foodservice demand is increasing. In the west, cream availability is ample for the time being. Producers are anticipating a seasonal rise in cream pulls into ice cream and other cream-based products. Butter for export is competitively priced and interest in exports is good.



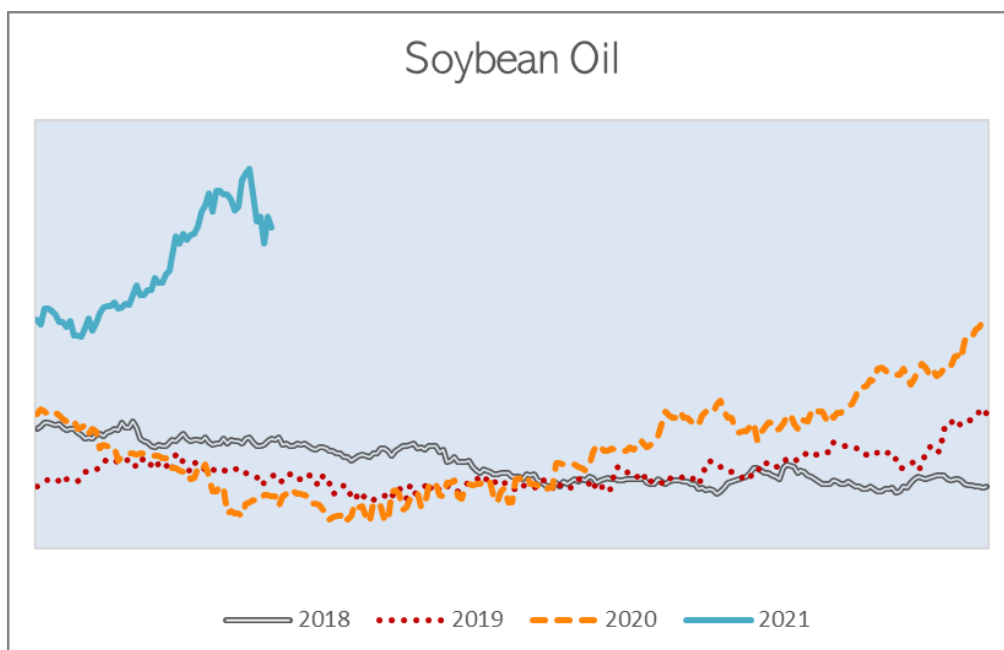
EGGS

Market is weaker. Retail demand is reported as average across most regions of the country. Some regional promotional activity is being reported, but not enough to affect market conditions. Foodservice volume is rated as mixed with more and more operators trying to adjust based on dining capacity regulations. Fast food menus and sales remain consistent as we enter Springtime. Supply is available on both medium and large sizes. Market is trending lower on both medium sizes and large sizes. National weekly shell egg inventory reports shell egg inventory up 0.7% over last week.



SOY OIL

Market is unsettled. Soybean markets and futures have been extremely mixed as USDA crop reports are getting published this week. Therefore, there has been a lot of daily volatility based on tight supply, estimated acre reports, and future speculation. Domestic soybean crush is less than optimal. Export demand is reported as strong as foreign countries take positions to cover their needs. The Brazilian crop harvest is being aided by some recent warmer weather. The crop out of Argentina remains an unknown due to dry conditions and expectations of a reduced yield. Bio-diesel production in the United States remains strong and is creating more demand than previous years. The market remains volatile and continues to change daily as new information becomes available.



GLOVES

There have been reports of additional production capacity for some glove types. 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 downward 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 and 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.