



Market Report

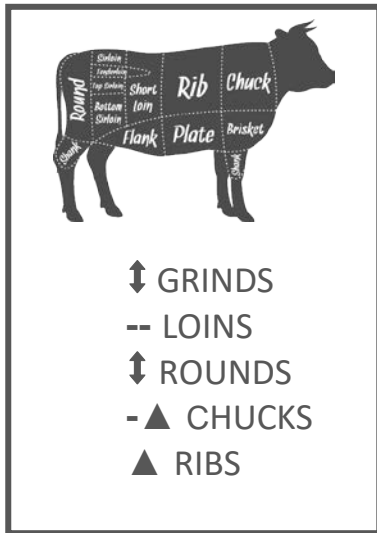
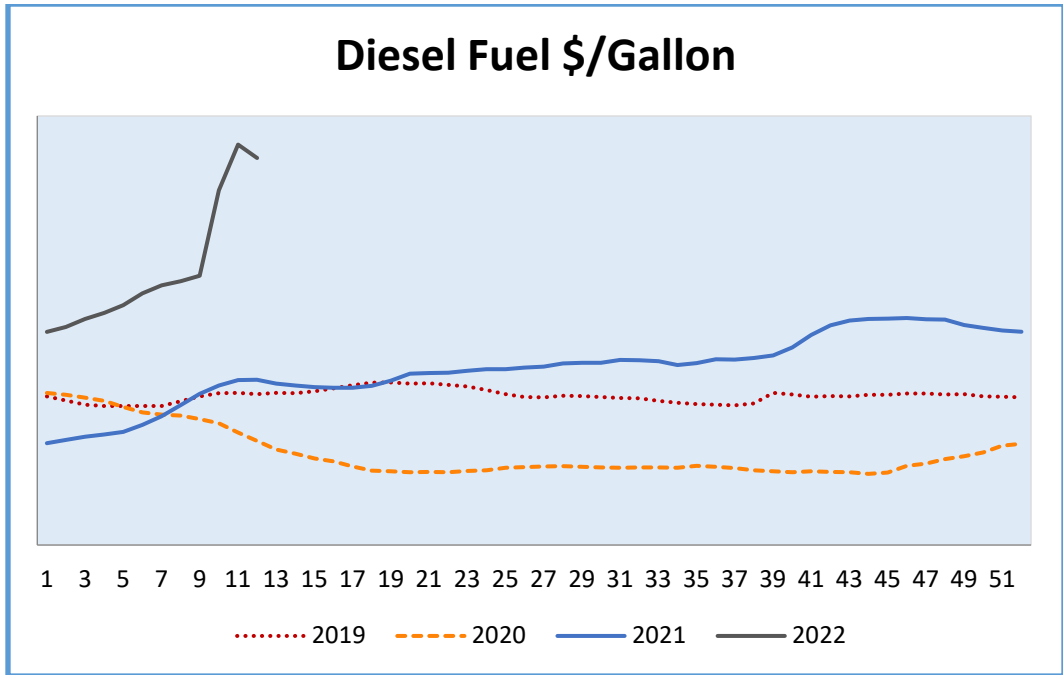
Week Ending March 25, 2022



Graphs represent data for the week ending March 18, 2022



LOGISTICS



BEEF

Market is mixed. Total beef production for last week was even with prior week and was up 3.5% compared to same time last year. Total headcount for last week was 644,000 as compared to 629,000 for the same week last year. Live weights for last week were even with prior week, but up 17 lbs. from same time last year. Over the last several days, the CME live cattle market has moved slightly higher and has been well above prior year, along with being above the 5-year average for the year thus far. Buying activity has been improving on multiple items over the past several days. Demand typically begins to pick up as we move closer to grilling season and temperatures warm up outside. Recent reports show that beef cow liquidation is happening at a rate that is 30% higher than the 10-year

average. If this rate continues it will be the largest reduction in modern history. This is a result of drought conditions that are impacting a large amount of the Midwest and Western United States. A substantial portion of those areas are listed in severe to extreme, with many areas listed as the highest on the scale of exceptional drought conditions. Short term this means that more cattle are coming to market and have helped to drive down market prices over the past

few weeks. Long term, this means less cattle are going to be available in the upcoming quarters and into next year; thus, could put pressure on availability and pricing.

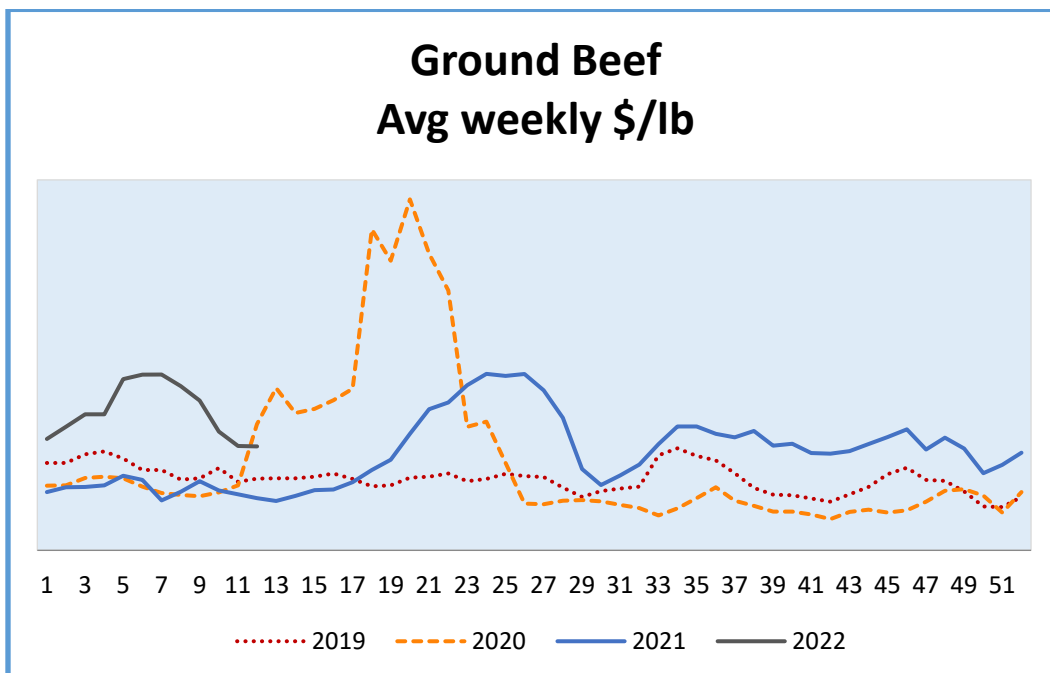
Grinds- Market is mixed. The overall market is steady to firmer this week with pricing that is mixed between packers, with both higher and lower prices being seen. Availability is varied between the packers. Demand typically improves seasonally as we move through the coming weeks.

Loins- Market is mostly steady. The market had been moving higher as we moved through last week but has been steadier as this week progressed. Availability is mixed between packers.

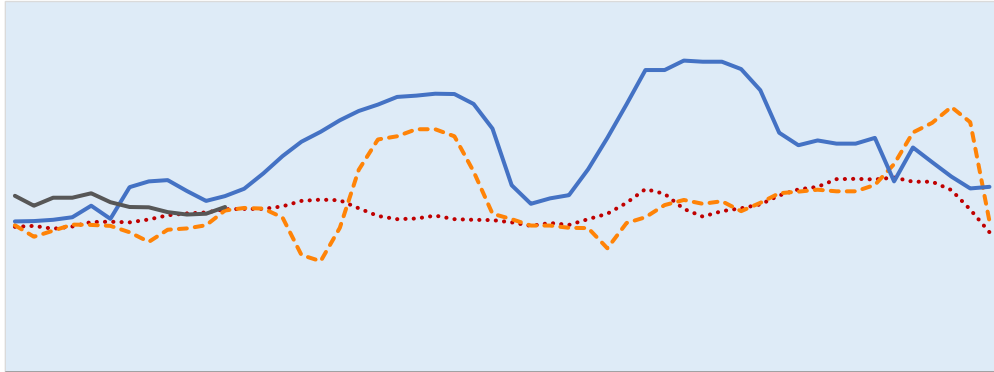
Rounds- Market is mixed. The market became more mixed as we moved into last week with both higher and lower asking prices being seen. That trend has continued as we moved through this week. Demand typically starts to pick up as we move closer to the end of Lent.

Chucks- Market is steady to firmer. This week has seen the market start to see upward pressure around mid-week. Buying interest typically picks up over the next few weeks.

Ribs- Market is firmer. The market has been seeing upward pressure as we moved into this week. Buying activity typically begins to pick up over the coming days as buyers look to secure their needs for the upcoming holidays and grilling season.



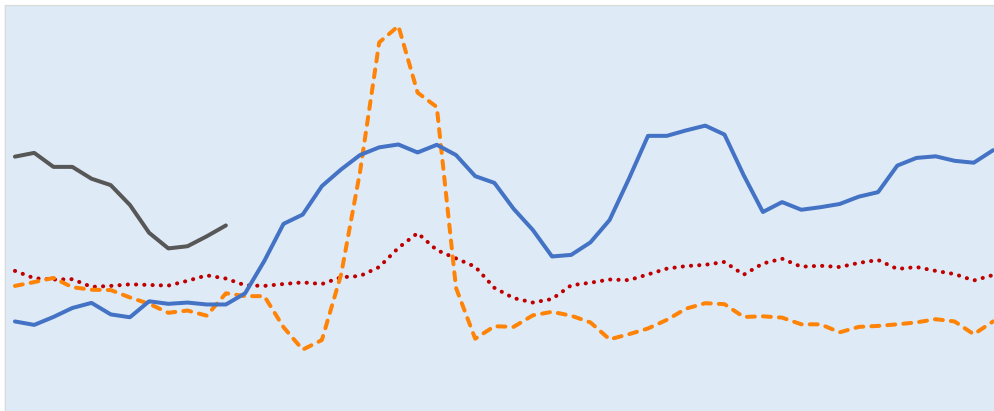
Choice Ribeye Heavy Avg weekly \$/lb



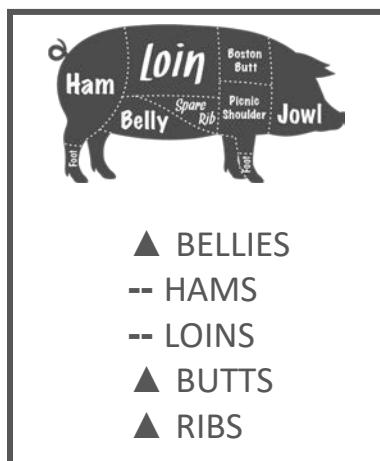
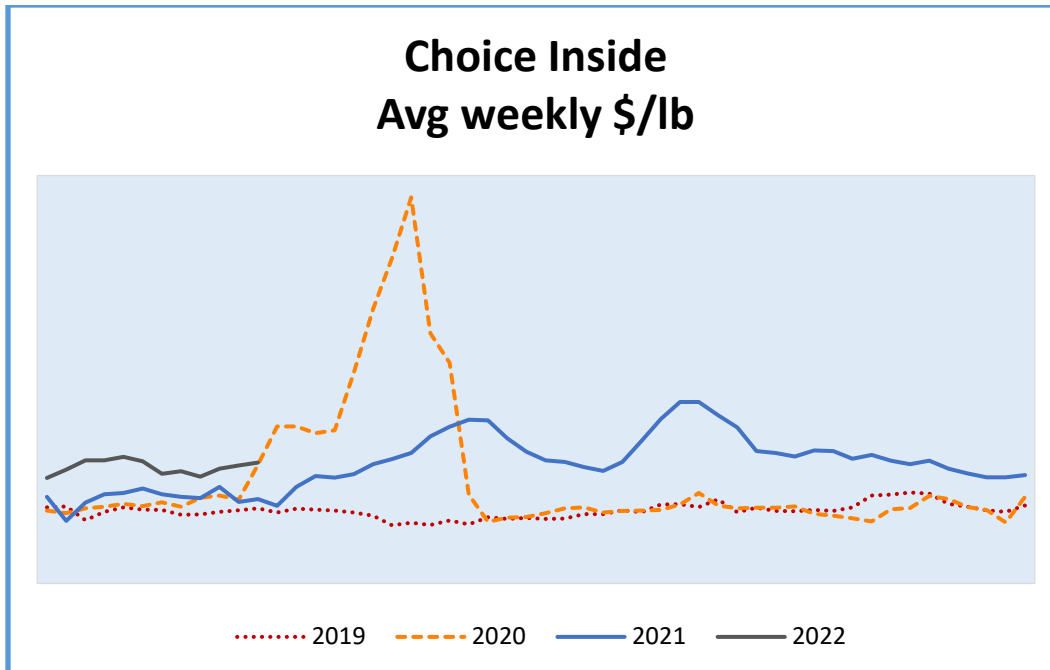
1 3 5 7 9 11 13 15 17 19 21 23 25 27 29 31 33 35 37 39 41 43 45 47 49 51

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

Choice Brisket Avg weekly \$/lb



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



PORK

Market is steady to firmer. Total pork production for last week was down 1.8% versus prior week, and was down 3.4% compared to same time last year. Total headcount for last week was 2,435,000 as compared to 2,524,000 for the same week last year. Live weights for last week were down 1 lb. from prior week, but up 1 lb. from same time last year. Labor issues continue to be a concern at multiple plants, along with transportation challenges. Shortages and allocations are commonplace and are expected to continue as we move through the year. Further processed items remain in tight supply due to the limited labor. Cold storage inventories are not building at the rates we would normally see for this time of the year and

inventory levels are well below normal. This is expected to be an issue as we move further into the year when demand picks up and those inventories are normally needed to cover demand needs. The market traditionally trends higher over the next few months heading into spring, and retail demand improves for grilling and BBQ season. The current level of grain prices is at high levels, and this is putting pressure on feed costs.

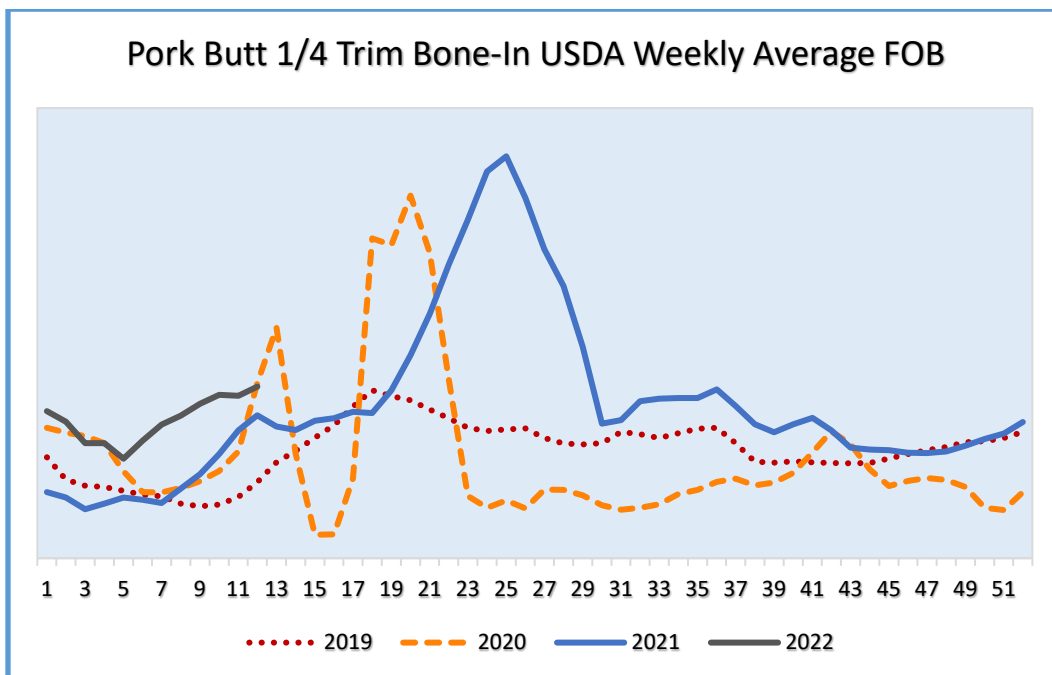
Bellies- Market is firmer. The market has been pushing higher as we moved into this week. Inventories remain in light supply and continue to put pressure on this market. There remain issues with labor and being able to process product into bacon. This is keeping product limited and on allocation with multiple suppliers.

Hams- Market is mostly steady. Buying activity has been lighter as we moved into this week helping to push the market slightly lower. Limited labor has been having a substantial impact on this category. With the reduced labor, the normal seasonal number of hams have not made it into the smokehouse production schedules, which has been keeping pressure on availability.

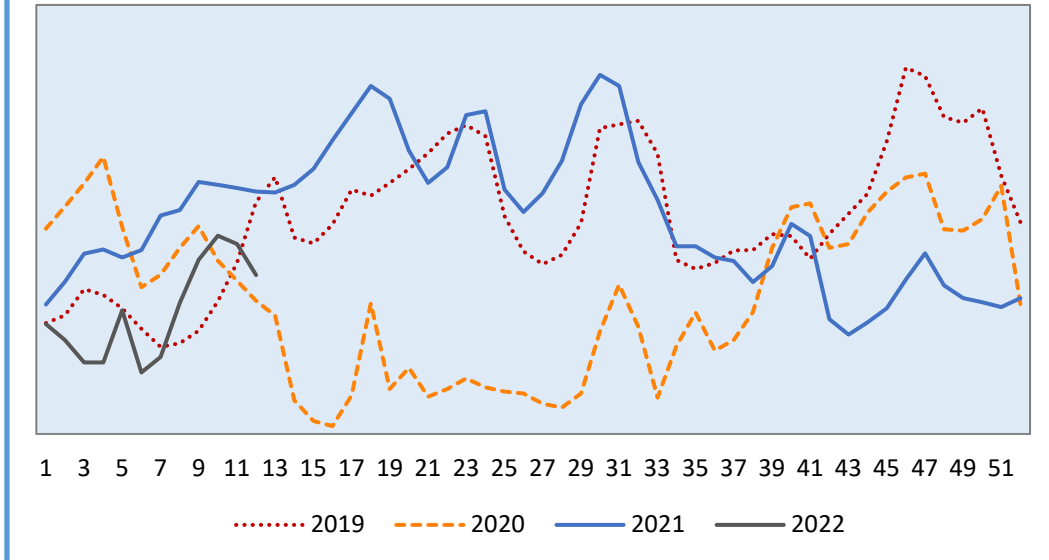
Loins- Market is mostly steady. Available inventories vary between suppliers with boneless items still being a challenge for some packers.

Butts- Market is firmer. The market has been pushing higher over the past several weeks. Limited available labor is keeping availability on boneless items lighter than normal. Reduced production is expected to put pressure on this market as we are moving into the coming months, when buying activity for BBQ season begins to pick up.

Ribs- Market is firmer. Labor issues remain a concern and are expected to keep the market more unsettled as we move through the coming weeks. Cold storage inventories remain very low, and production is expected to be below last year. Rib prices normally increase from February through Memorial Day, and this is a trend that has been in place for the past decade.



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



CHICKEN

Market is steady to firmer. Total headcount for week ending 3/19/22 was 163,622,000 as compared to 166,471,000 for the same week last year. Average weights for last week were 6.32 lbs. as compared to 6.30 lbs. for the same week last year. Chick placements on fryers for week ending 4/23/22 are estimated at a 162.8 million headcount. Placements for previous week were 162.2 million and same week last year was 167.5 million. Retail and foodservice business is rated as moderate to strong. Demand for WOGS and whole birds is trending higher. Demand on boneless breast and tenders has picked up and is vibrant. Volume on drums, thighs, and leg

quarters remains at full steady and is showing improvement. Wing demand continues to underperform during March Madness. Export business for leg quarters and whole legs is steady with signs of improvement. Processing schedules continue to be reported as normal to reduced. Hatch rates are reported as less than optimal for industry standards. Floor stocks are rated as sufficient. Market levels on WOGS are firmer. Boneless breasts and tenders are on the rise. Back half parts are trending higher. Wings continue to be pressured lower.

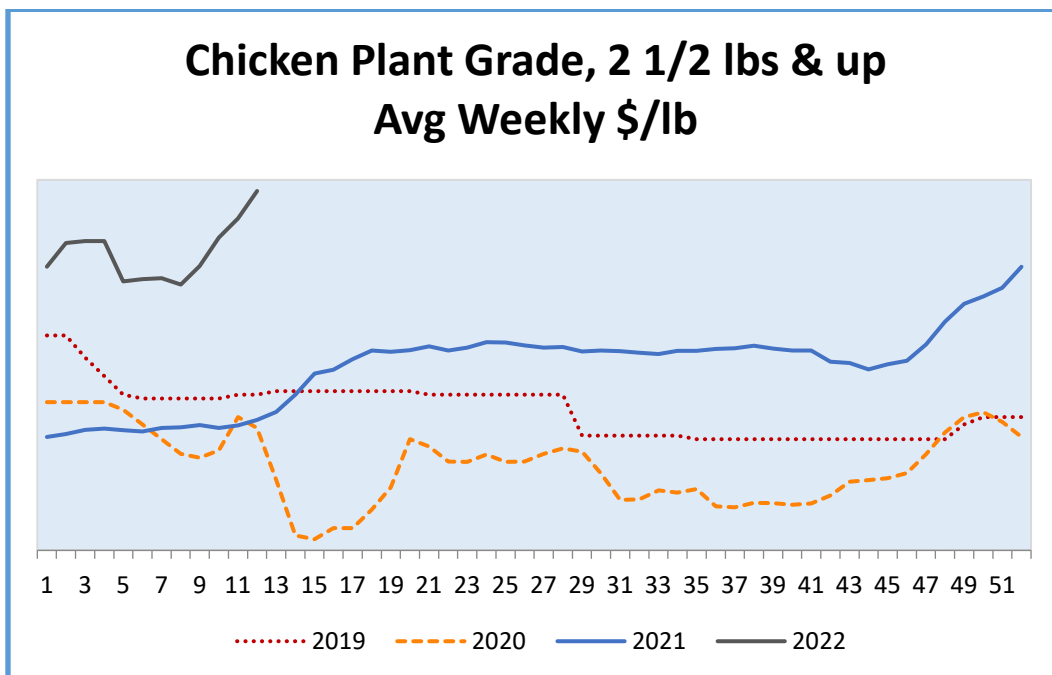
WOGS- Market is firmer. Retail deli and fast food QSR business for rotisserie chicken and 8pc cutups is very strong. As consumers search for cost-efficient take home meals, this category is proving to be the take home meal solution. Supply is extremely tight with shortages being reported. Market is moving higher.

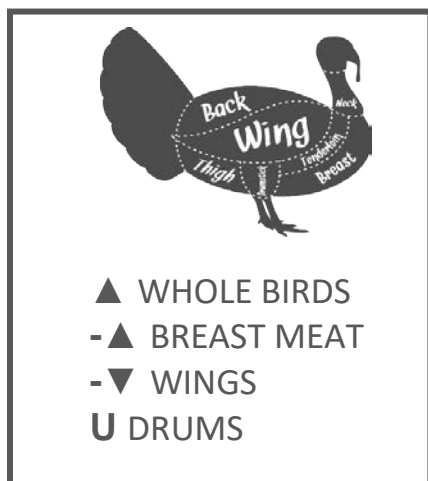
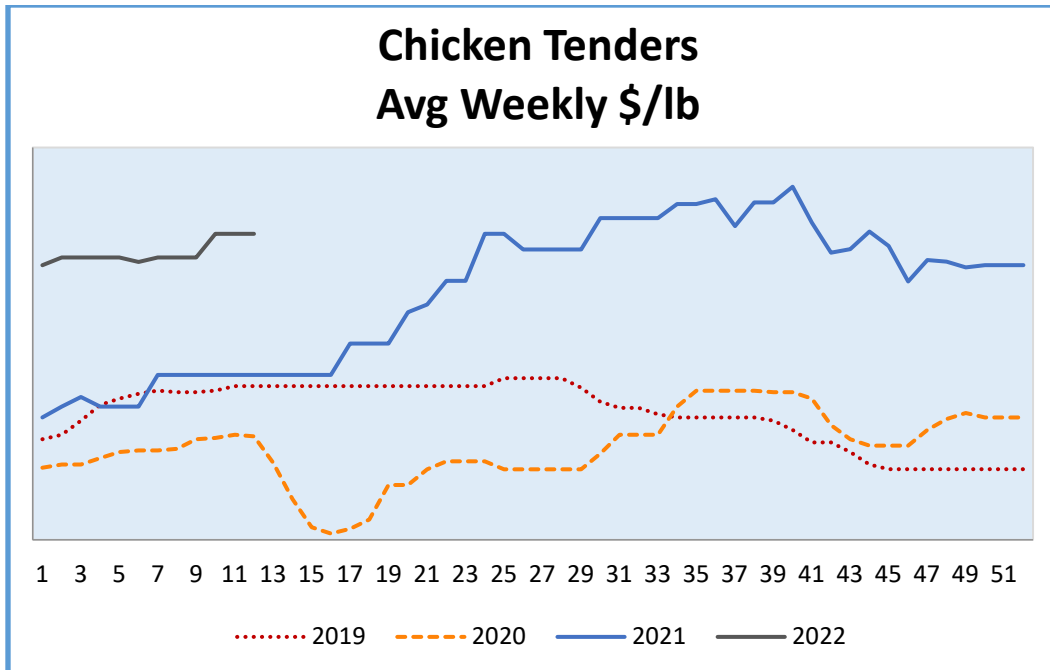
Tenders- Market is firmer. Demand from foodservice, fast food, and retail continues to trend higher. Limited supply and limited portioning capacity remains an industry challenge. Market levels on select and jumbo sizes are on the rise.

Boneless Breast- Market is firmer. Retail and foodservice activity is highly active. The grilling season is getting started and the American consumer is buying more boneless breast as other proteins are limited. Supply is limited with shortages being reported. Market is trending higher on all sizes.

Leg Quarters and Thighs- Market is steady to firmer. Export demand is showing additional demand for leg quarters and whole legs. Future global situations could change that pattern and suppliers are keeping their attention on the news. Domestic demand for drums and thighs continues to trend strong in the retail meat case. Foodservice volume on boneless thigh meat remains vibrant. Supply is limited. Market levels leg quarters is starting to rise while bone in parts and thigh meat are holding steady.

Wings- Market is weaker. Foodservice demand continues to be weak. Higher price points, smaller serving counts, and consumers bypassing the extra order of wings are all contributing to the slowdown of the category. Supply is available and jumbo wings are showing excess. Multiple spot loads are hitting the market and price points are being pushed lower.





TURKEY

Market is steady to firm. Total headcount for week ending 3/19/22 was 4,041,000 as compared to 4,157,000 for the same week last year. Average weights for last week were 32.90 lbs. as compared to 31.88 lbs. for the same week last year. The whole bird category remains sold out with very few offerings. Demand for breast meat, white trim, and tenders is reported as good. Activity on bone-in bulk part remains slow and is being reported as light. Export demand for back half parts is fair for the time being. Weekly production and slaughter rates remain less than prior years due to labor issues and tighter egg sets. Supply on whole birds remain tight, white meats are tight to short, and bulk parts are showing some excess.

Whole Birds- Market is firm. Industry news is scarce since future bookings for the Fall Season were completed. Limited spot loads are being offered or reported. Most sizes are reported to be sold up. Hen sizes are extremely hard to find, but some Tom sizes may be available. Trading has slowed and market levels remain at firm levels.

Breast Meat- Market is steady to firm. Retail deli and foodservice business has been trending strong since the start of the year. Supply remains tight with some shortages being reported on fresh white meats. Frozen inventory is also limited. Market levels are holding firm.

Wings- Market is steady to weaker. Export demand for whole wings is unsettled due to global events. Domestic demand for 2 joints remains soft and is not showing any signs of improvement this week. Supply is available. Market for cut wings is showing weakness and trending lower.

Drums and Thigh Meat- Market is unsettled. Export demand for back half parts and bulk parts is moderate, but world events are creating challenges with consistent demand. Demand for Hen sizes is good, while Tom sizes are getting less interest. Retail demand for ground turkey remains strong. Supply is available on bulk drums while thigh meat is limited. Market is weak on bulk parts and holding steady on boneless dark meat.



SEAFOOD

Gulf Shrimp- Market is firm. Inventories are limited for current demand. The rise in fuel prices is putting pressure on fisherman and the industry.

Black Tiger Shrimp- Market is steady.

White Shrimp- Market is unsettled. Buying activity has been mixed over the past few weeks. COVID remains a concern in China with multiple regions and plants being impacted. Logistical issues remain a concern with the surges in fuel prices adding additional pressure to already extremely inflated costs.

King Crab- Market is unsettled. Demand has eased over the past couple of weeks due in part to the soaring prices of the current market. Additional concerns about availability are impacting the market. Russia is a large supplier of King Crab to the market and the ban on Russian seafood is slated to take effect after March 23rd.

Snow Crab- Market is unsettled. This market is at tremendously elevated levels and well above normal for this time of the year. The reduced quotas for this year helped to push the market to these levels, which in turn has helped to slow buying interest.

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. Allocations to orders are common due to the limited inventories. New season product is making its way into the market, but the brisk demand has helped to prevent inventories from building.

North American Lobster Tails- Market is firm. Demand has been strong for several weeks and is putting pressure on very limited inventories. Seasonal plant closures combined with poor fishing conditions have caused more limited availability. Shorts and allocations to orders should be expected. The market is at record-high levels.

Salmon- Market is steady to firmer. The market for farmed salmon is steady to firmer with demand keeping pressure on available inventories. The market for wild caught salmon remains at elevated levels due to limited inventories.

Cod- Market is firm. Product out of the Pacific is seeing inventory concerns with a strong demand that has been keeping pressure on these inventories for several months. Weather issues have impacted fishing in the Iceland region and has slowed overall production for that area. There are also delays with production coming back out of China putting additional pressure on the market.

Flounder- Market is steady to firmer. Production issues and delays out of China are causing issues for the market.

Haddock- Market is firm. Inventories are light for an active demand. Higher production costs and more limited inventories are putting pressure on the market. Shipping delays are adding additional challenges to the market.

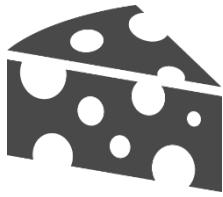
Pollock- Market is firm. Larger sized product is in limited supply due to recent catches being more on smaller sized fish. Production delays in China are putting additional pressure on the market with reports of port delays backing up shipping lanes. The Wild Alaskan season catch numbers have been announced and will be 25% below prior year. These are the lowest numbers seen in over a decade. Current inventories are already limited, and upward pressure is expected on the market as we move closer to Lent.

Domestic Catfish- Market is firm. Inventories have been limited for several months. Allocations remain commonplace and are anticipated to continue as we move further into 2022. Inventories are limited on all sizes and well below current demand.

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 to continue over the coming months. Buying activity has been particularly good and keeping pressure on already light inventories. Larger sized fish are in lighter supplier due to drought conditions, with farmers having to empty their ponds sooner than normal. Recent reports show that availability of smaller sized fish is going to be very limited over the coming weeks as farmers try to restock their ponds. Shipping costs continue to move higher and put additional pressure on the market.

Swai- Market is firm. Logistical concerns remain an issue with higher freight costs and longer lead times on both ocean freight and trucking. Inventories have become more limited with larger sizes seeing the most pressure. COVID issues in Vietnam closed multiple plants over the past few months and had helped to push the market higher as availability has been lighter. Recent reports show that multiple farmers did not restock their ponds last year and this is keeping pressure on availability. Farmers are also seeing upward pressure on feed costs and a shortage of fingerlings to reseed their stocks.

Scallops- Market is steady to firmer. New season is set to kick off in April. Availability has been lighter over the past few weeks due to lighter landings.

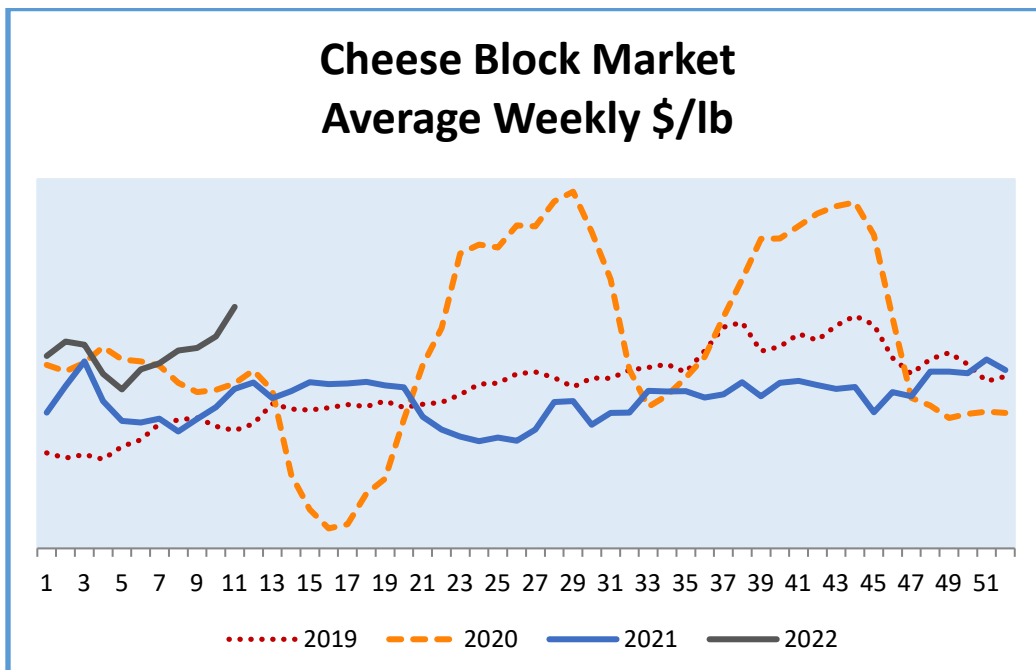


DAIRY Cheese

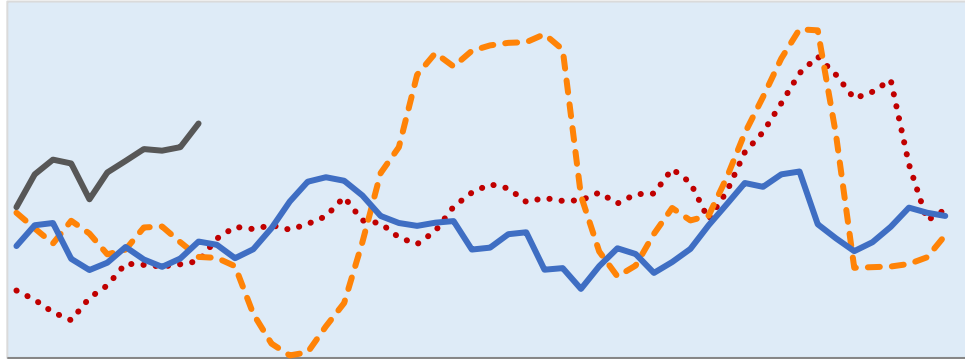
Market is firm. The CME Block and Barrel markets both are up week over week. Cheese production is busy nationwide, with milk supplies available in most areas. Demand is continuing to improve across retail and foodservice sectors in all regions as the weather warms up and COVID restrictions continue to relax, leading to an increasingly firm outlook in the cheese market overall. In the Northeast, production is busy, and inventories of cheese are plentiful. However, inventories in the northeast do not appear to be in danger of ballooning, as overall demand continues to be strong in the region. In the Midwest, milk availability is tighter than in the northeast and west, which is putting slight downward pressure on regional production. Overall cheese demand in the Midwest is steady. In the West, foodservice demand continues to improve post-COVID restrictions, and retail demand is steady. Cheese production is busy in the region, though still slightly hampered by labor and delivery issues.

Cream Cheese

Market is firm. Inventories are very limited, and allocations and cuts should be expected over the coming weeks. Multiple suppliers are not taking on new business, and inventories are expected to remain noticeably light through Quarter 2 of 2022. Labor, logistics, and packaging issues are all contributing to the current industry-wide situation. Both foodservice and retail sectors are being affected.



Cheese Barrel Market Average Weekly \$/lb



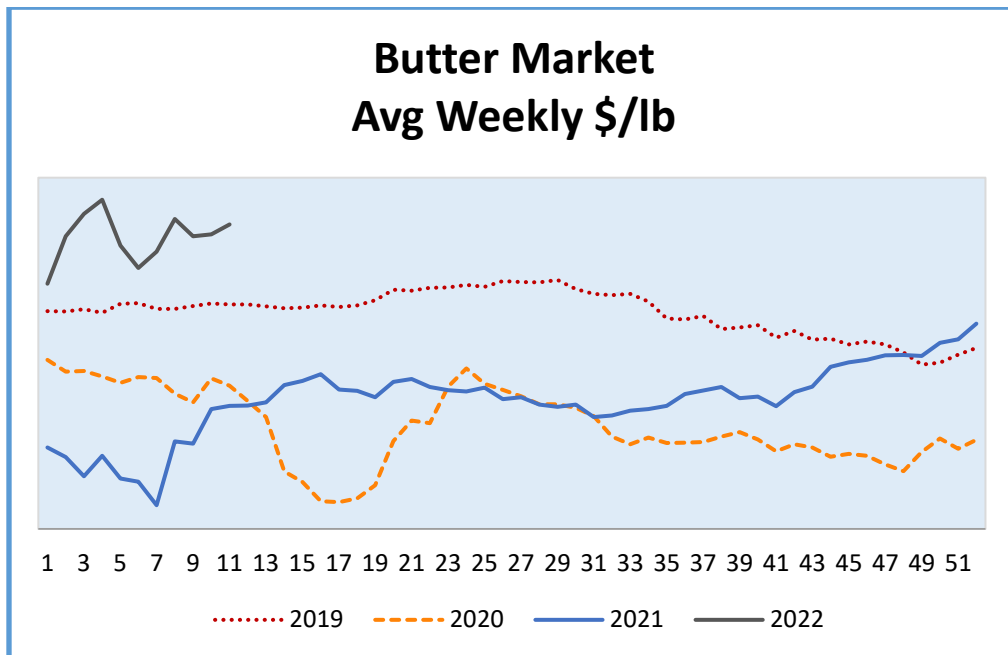
1 3 5 7 9 11 13 15 17 19 21 23 25 27 29 31 33 35 37 39 41 43 45 47 49 51 53

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



Butter

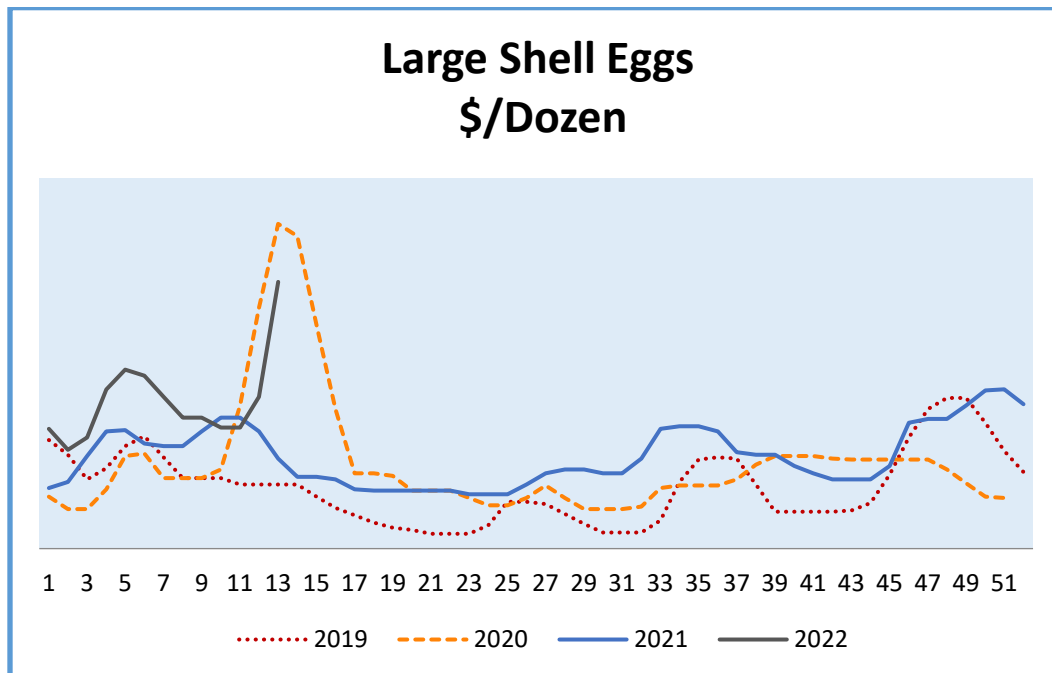
Market is unsettled. The CME Butter Market is higher after a dip last week. Butter production nationally is busy but hampered in some parts of the country by tight cream supplies in plants due to increasing seasonal demand and supply chain disruptions. Butter inventories continue tightening in some regions, and demand in both retail and foodservice continues to strengthen overall. Ice cream production ramping up across all regions in preparation for summer will also put pressure on cream stocks nationally. In the Northeast, cream supplies are tightening, and production is steady to weaker. Demand is steady in the region compared to last week. In the Central region, cream supplies are beginning to tighten, which could begin to depress butter production in the coming weeks. Retail demand in the region is steady, foodservice demand is strengthening as the weather warms. In the West, demand for cream continues to grow. Cream inventories are still available for most needs but will continue to tighten as spring rolls on. Retail and foodservice demand in the west continues to grow stronger post COVID restrictions. In all regions, hauling costs driven by higher fuel prices related to the war in Ukraine are a source of concern for producers.





EGGS

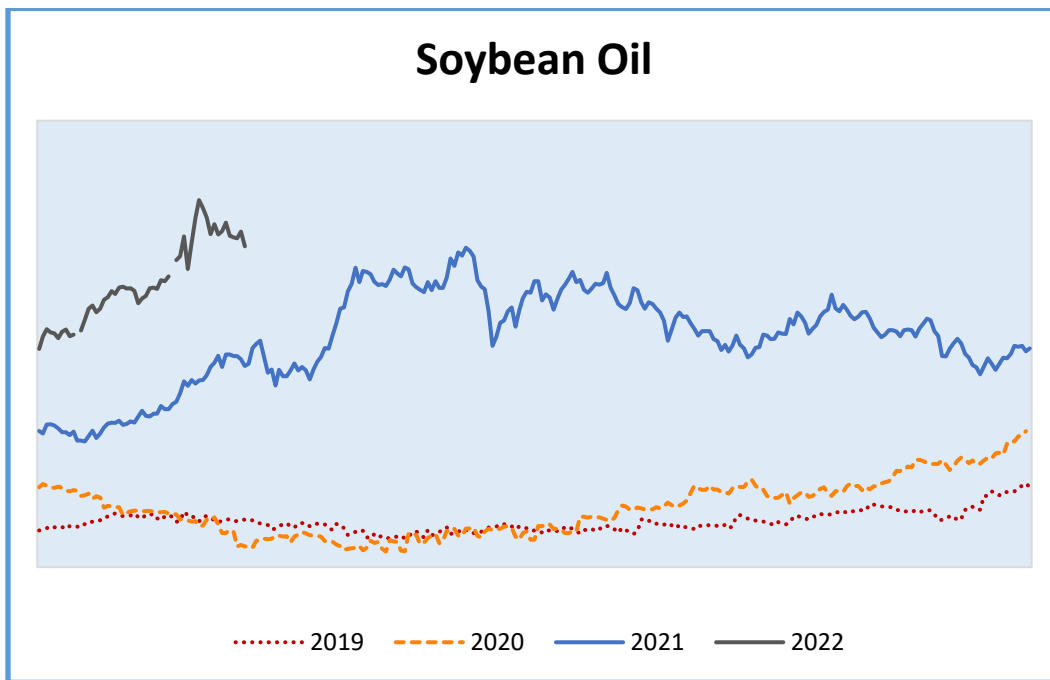
Market is firmer. East Coast, West Coast, and regional demand is being reported as very strong. Retail business is highly robust as consumers purchase shell eggs since it is considered a cost-efficient item on the grocery list. Foodservice and fast-food volume is moderate to very good across the country. Processing schedules continue to be reported as reduced due to labor issues. Supply has tightened on medium and large sizes. Market is trending higher on both medium sizes and on large sizes. National weekly shell egg inventory reports shell egg inventory down 2.6% over last week.





SOY OIL

Market is firm. Russia/Ukraine conflict continues to drive the market volatility. In South America, dry conditions with normal to above temperatures are forecasted. In the United States, mixed temperatures with below normal moisture are expected for the Midwest. More moisture is needed especially West of the Mississippi/Northern plain states.



RICE

Market is firm. Current rice crop is down 16% from 2020-2021 crop. Because of this year-over-year deficit, inventory is projected to be down by approximately 23% from last year. Typically, in a down year of production, prices rise and the following year, farmers will plant more rice. However, the rise in soybean prices is leading toward a rare second year in a row of declining rice production in the US.

COFFEE

Market is firm. Supply is struggling to keep up with demand. As a result, prices are high and does not show any signs of retreating soon.

SUGAR

Beet Sugar

Market remains firm. Beet growers took in an unexpectedly large crop this year. They also have been much more aggressive moving beet sugar than cane suppliers have over the last few months, as they work through their processing season. However, with beet slicing season ending in the spring, expect prices for beet sugar to increase as suppliers narrow the current price spread seen in the market. A short winter and warm spring could cause concern of the deterioration of the beets left piled in the field. The longer these piles remain frozen, the longer beet sugar suppliers can stretch their feedstock and will allow them to produce additional sugar.

Cane Sugar

Market is firm. A crop year of production challenges and major logistics hurdles across the entire industry has made it extremely challenging for cane sugar refiners to keep up with customer demand. As a result, pricing continues to rise. Many suppliers are sold out or are limiting offers for spot business. On a positive note, the impact of last week's ice/snow event in Ohio was minimal.

CORN

Market is firm. Due to severe drought conditions in some regions and excessive rain in others this past growing season, the corn crop was short expectations and suppliers are projected to start running out of supply early in Q1 2022. Replenishment will not happen until new pack in August. Allocations and cuts to orders should be expected as we move through the coming weeks.

CORNSTARCH

Current national shortage due to on-going labor shortages and supply chain issues.

CANNED PEAS

Market is firm. Due to severe weather conditions this past growing season, the pea crop was short of expectations and suppliers are projected to start running out of supply incredibly early in Q1 2022. Replenishment will be with the new pack in June. Allocations and cuts to orders should be expected as we move through the coming weeks.

DRY BEANS

Market is firm. Pricing remains high. This is a result of the short crops harvested in 2021 due to adverse weather conditions.

