

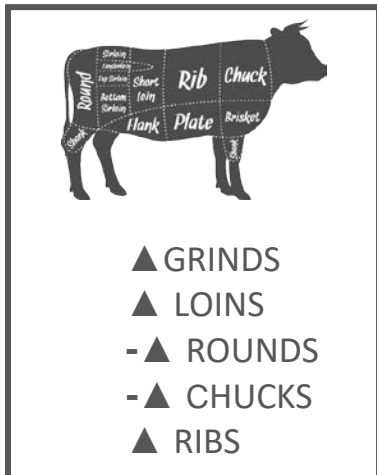
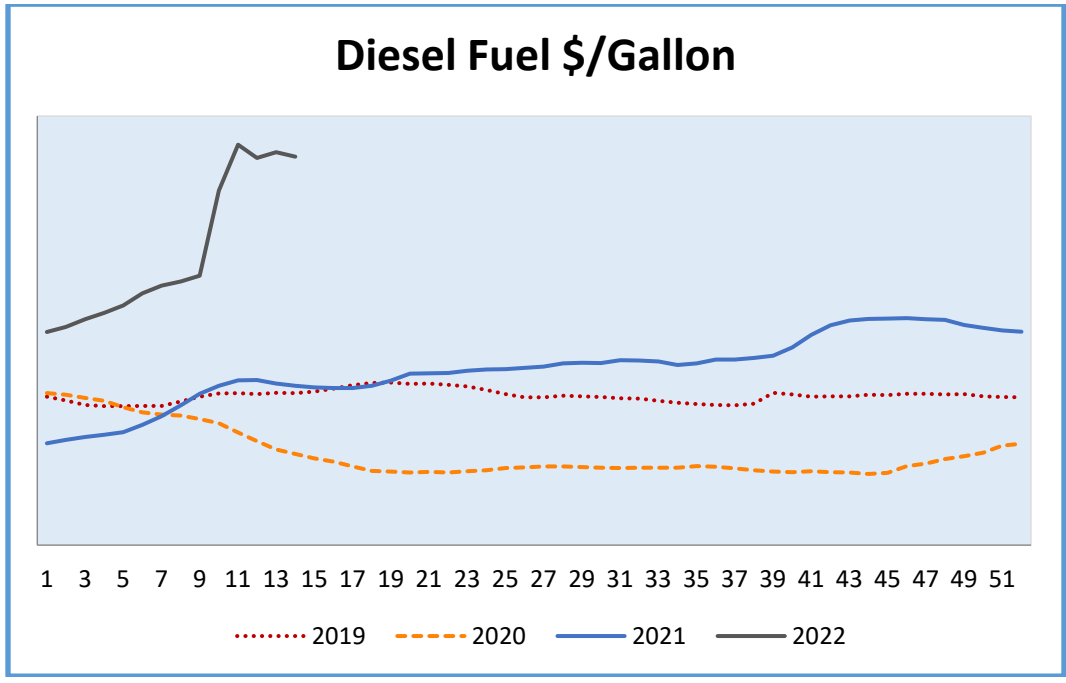


Market Report

Week Ending April 8, 2022



Graphs represent data for the week ending April 1, 2022



BEEF

Market is firmer. Total beef production for last week was down 3.2% from prior week but was up 7.1% compared to same time last year. Year to date production is up 0.7% compared to year-to-date 2021. Total headcount for last week was 639,000 as compared to 603,000 for the same week last year. Year to date headcount is 8,387,000 as compared to 8,358,000 for year-to-date 2021. Live weights for last week were even prior week, and up 22 lbs. from same time last year. The CME live cattle market is continuing to trend well above prior year, along with being above the 5-year average for the year thus far. Buying activity has been improving as we moved into this week. This has continued as we moved through this week with multiple

packers raising prices as the week progressed. Typically, demand is seasonally improved over the coming weeks with grilling season and buying activity leading up to Memorial Day weekend.

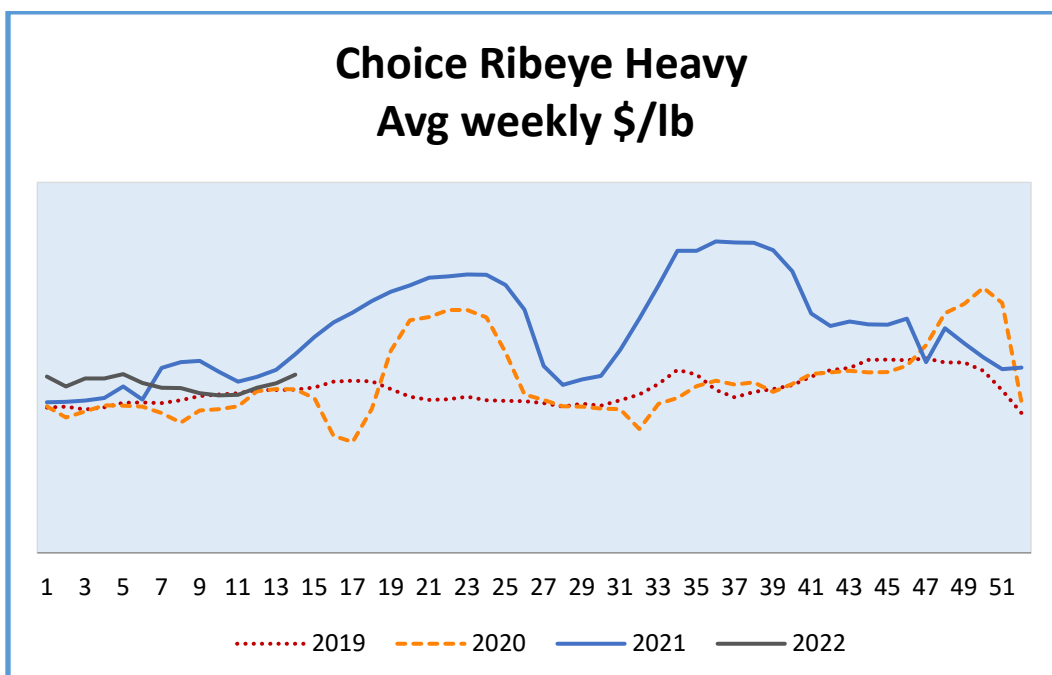
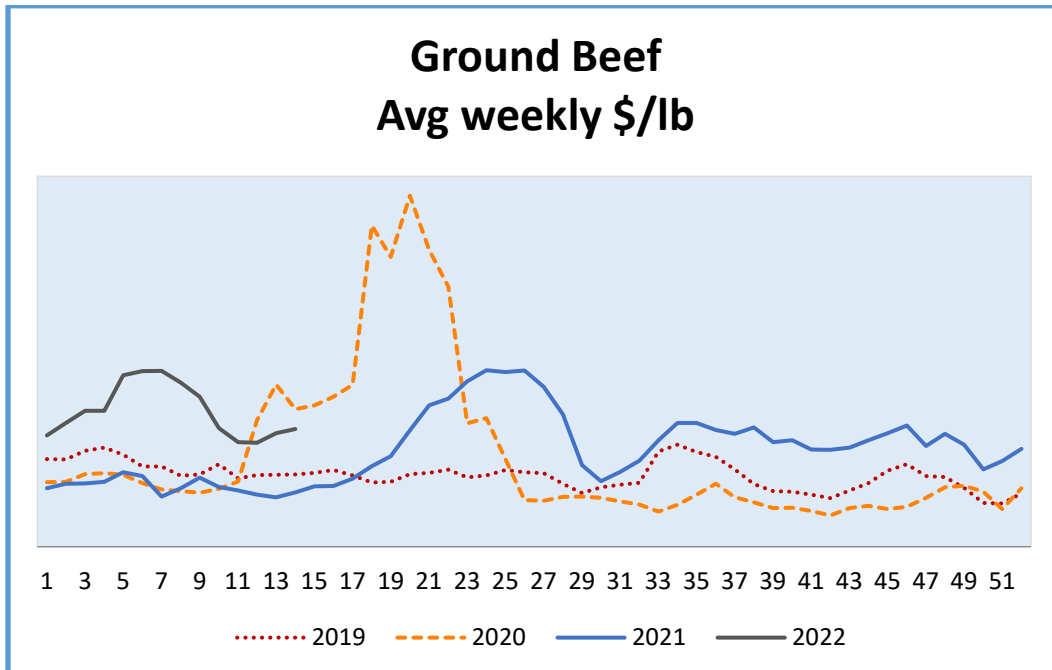
Grinds- Market is firmer. The market has pushed higher as this week has progressed. Buying activity is seasonally improving and availability is varied between the packers. Demand typically continues to progress as we move through the coming weeks.

Loins- Market is firmer. The market has been moving higher as this week progressed. Retail advertising typically picks up during April and helps to improve overall demand.

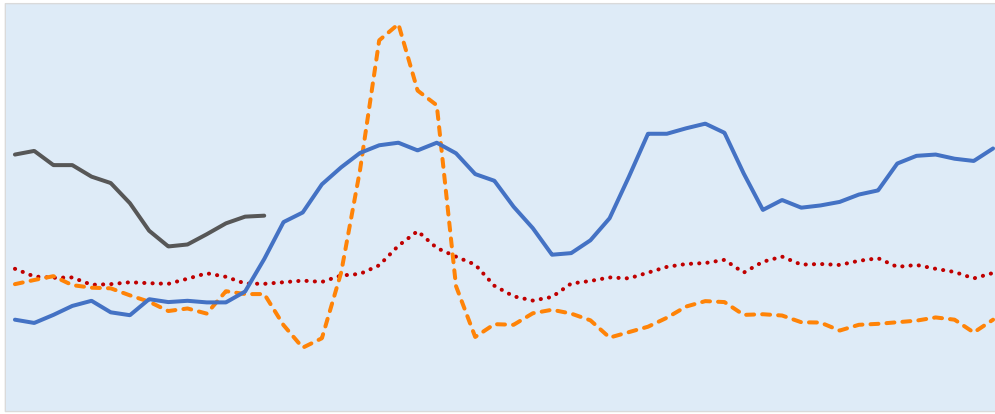
Rounds- Market is steady to firmer. Demand has been improved throughout this week.

Chucks- Market is steady to firmer. This market has seen upward pressure over the past few days which is seasonally typical as Lent ends.

Ribs- Market is firmer. The market has been seeing upward pressure over the past several days. 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.

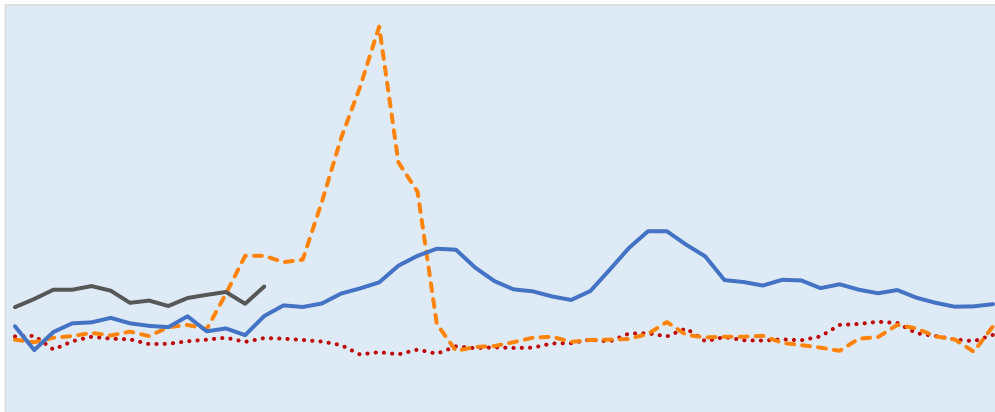


Choice Brisket Avg weekly \$/lb

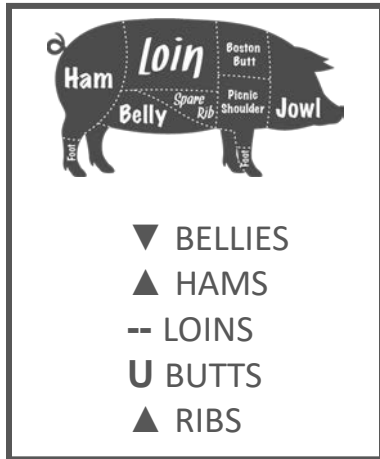


..... 2019 - - - - 2020 ——— 2021 ——— 2022

Choice Inside Avg weekly \$/lb



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



PORK

Market is mixed. Total pork production for last week was up 1% versus prior week but was down 0.1% compared to same time last year. Year to date production is down 6.5% compared to year-to-date 2021. Total headcount for last week was 2,442,000 as compared to 2,460,000 for the same week last year. Year to date headcount is 31,985,000 as compared to 34,227,000 for year-to-date 2021. Live weights for last week were up 1 lb. from prior week, and up 3 lbs. 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 have not built at the rates we would normally see for this time of the year and inventory levels are well below normal. Recent reports show that inventories in February were at their lowest levels for the past 18 years. 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. The market traditionally trends higher over the next few months heading into spring, and retail demand improves for grilling and BBQ season.

Bellies- Market is weaker. The market had been pushing higher over the past few weeks but moved lower heading into this week. The higher prices over the past few weeks have put pressure on buying activity. 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.

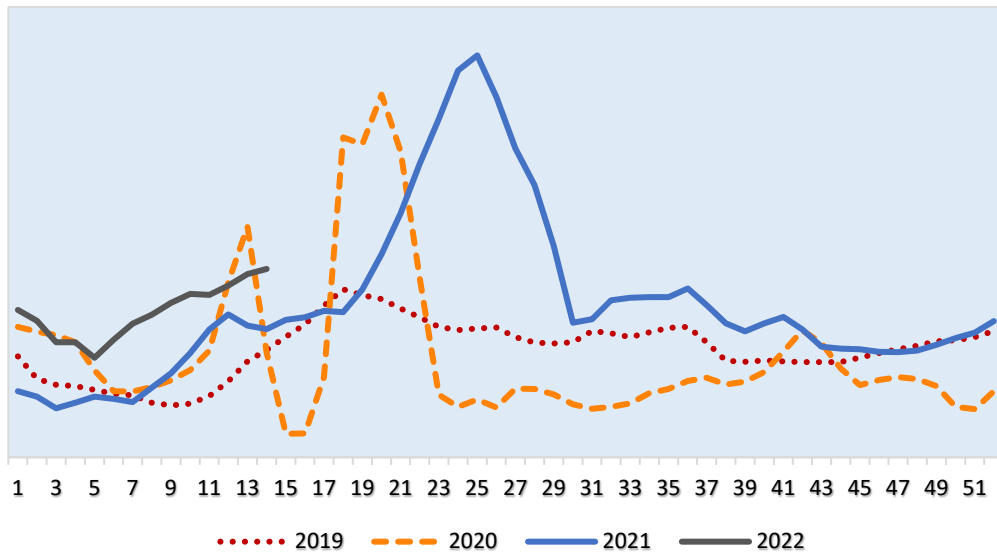
Hams- Market is firmer. Buying activity has been improved over the past few weeks. Export demand has been very good over the past several days with demand from Mexico being strong. Limited labor has been having a substantial impact on this category over the past several months. With the reduced labor, 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.

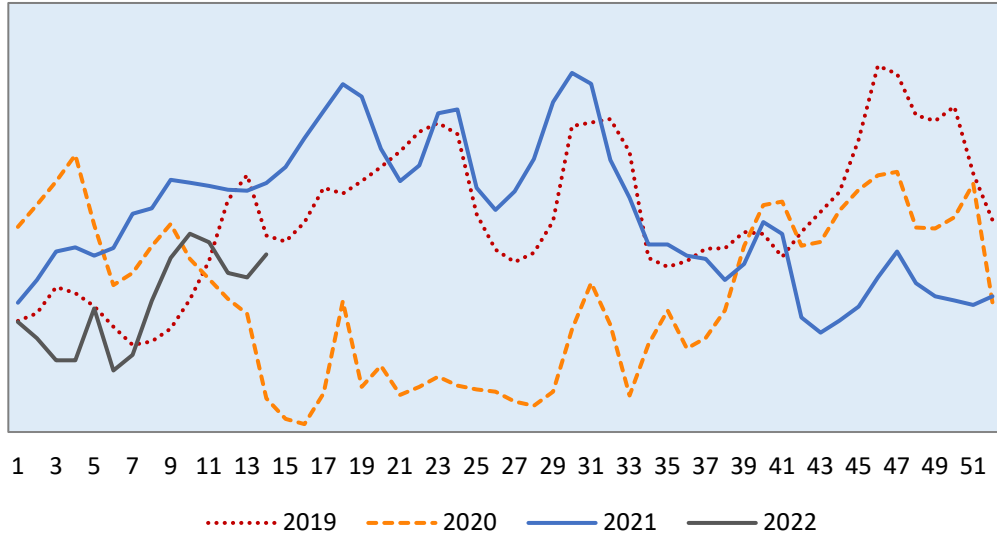
Butts- Market is unsettled. The market has been pushing higher over the past several weeks but has been slightly weaker as this week has progressed. Limited available labor is keeping availability on boneless items lighter than normal.

Ribs- Market is firmer. Labor issues remain a concern and are expected to keep the market more unsettled during the upcoming 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.

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



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





CHICKEN

Market is steady to firmer. Total headcount for week ending 4/2/22 was 165,306,000 as compared to 161,931,000 for the same week last year. Average weights for last week were 6.25 lbs. as compared to 6.23 lbs. for the same week last year. Chick placements on fryers for week ending 5/7/22 are estimated at 163.3 million headcounts. Placements for previous week were 162.8 million and same week last year was 166.4 million. Retail and foodservice business is rated as moderate. Demand for WOGS and whole birds is strong. Demand for boneless breast and tenders remains a full steady to good. Volume on drums, thighs, and leg quarters is moderate and improving. Wing demand is

moderate to weak. Export business for leg quarters and whole legs is a mostly good. Processing schedules continue to be reported as average to reduced. Hatch rates are reported as less than optimal for industry standards. Floor stocks are rated as adequate to short. Market levels on WOGS are firmer. Boneless breasts and tenders are holding firm. Back half parts are on the rise. Wings continue to be pressured lower.

WOGS- Market is firmer. Seasonal demand is helping lift the retail deli and fast-food channels. Sales of rotisserie chicken and 8pc cutups continue to be strong. Supply remains tight with shortages being reported. Market is moving higher.

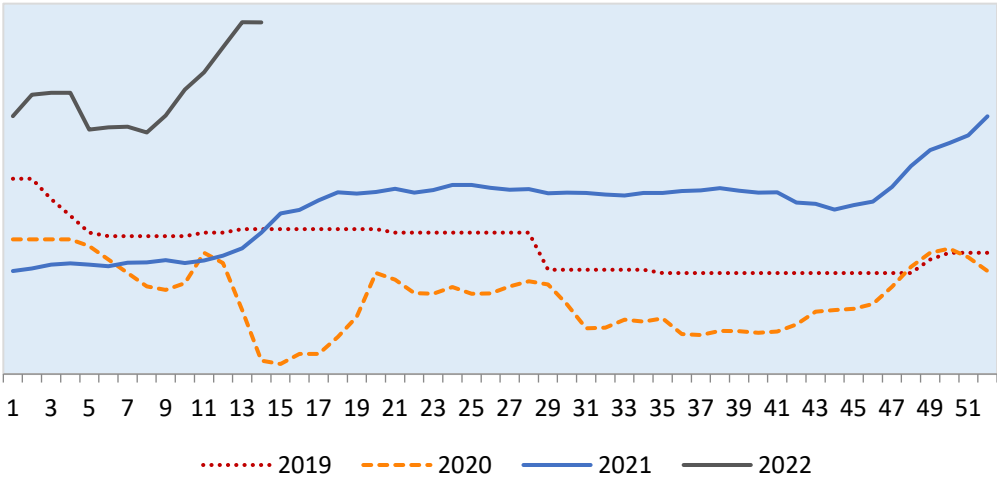
Tenders- Market is firm. Foodservice, fast food, and retail business is highly active. Supply remains flat with some shortages being reported. Market levels on select and jumbo sizes are at prominent levels and are currently holding firm.

Boneless Breast- Market is firmer. Retail and foodservice activity remains active and showing strength due to the start of grilling season. Supply is limited with shortages being reported. Market levels on select and jumbo sizes are showing upward movement.

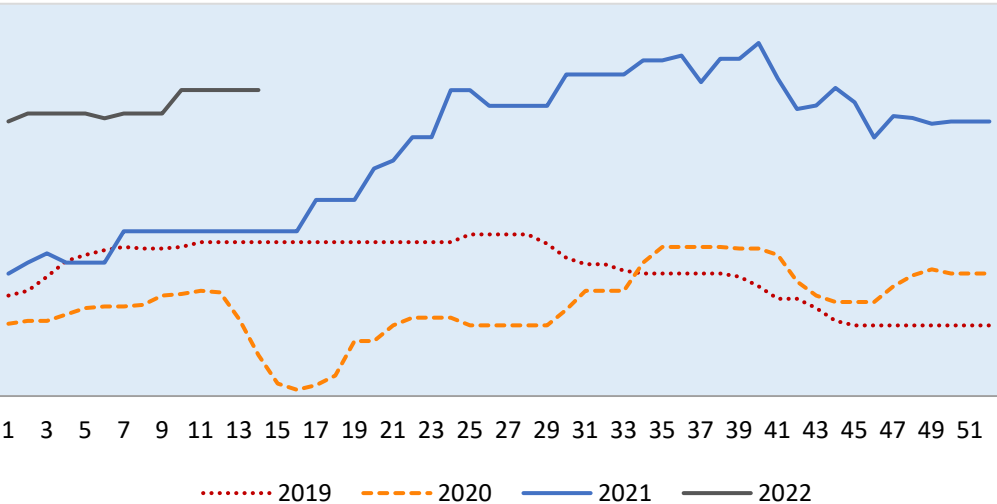
Leg Quarters and Thighs- Market is firmer. Export demand for leg quarters and whole legs is reported as good and improving. Future global situations could change that pattern and suppliers are keeping their attention on the news. Retail demand is firm for drums and thighs as consumers look for affordable proteins. Foodservice volume on boneless thigh meat is good. Supply is limited. Market levels on leg quarters are starting to rise. Bone in parts and thigh meat are trending higher.

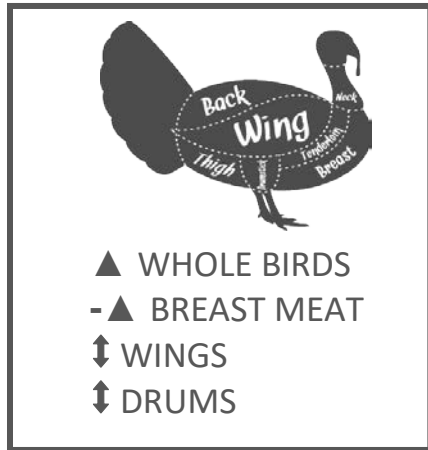
Wings- Market is steady to weaker. Foodservice demand has been trending downward for two months, but things have firmed up over the last week. Supply is available with jumbo wings showing excess. The market appears to have stabilized for the time being.

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



Chicken Tenders Avg Weekly \$/lb





TURKEY

Market is steady to firm. Total headcount for week ending 4/2/22 was 3,841,000 as compared to 2,847,000 for the same week last year. Average weights for last week were 32.59 lbs. as compared to 32.77 lbs. for the same week last year. The whole bird category remains in a mostly sold-out position. Demand for breast meat, white trim, and tenders is moderate to good. Activity on bone-in parts is moderate depending on the size. Export demand for back half parts is adequate. Weekly production and slaughter rates remain less than prior years due to labor issues and tighter egg sets. With avian influenza cases being reported in the news,

supplier concerns are starting to become a real topic. Supply on whole birds remain tight, white meats are tight to short, and bulk parts are available.

Whole Birds- Market is firm. Information is scarce since future bookings have been 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 is light and market levels remain full supported.

Breast Meat- Market is steady to firmer. Retail deli, service deli, and foodservice business is all trending strong. Supply remains tight with some shortages being reported on fresh white meats. Frozen inventory is also limited. Market levels are being pressured higher.

Wings- Market is mixed. Export demand for whole wings remains a bit unsettled due to global events. Domestic demand for Hen sized 2-joint wings is good while requests for Tom sizes are light. Supply is available. Market for whole wings is soft while cut wings remain mostly flat.

Drums and Thigh Meat- Market is mixed. Export demand bone-in parts is unsettled by world events. Demand for Hen sizes remains steady, while Tom sizes are less requested. Retail demand for ground turkey is moderate to fairly good. Supply is available on bulk drums while thigh meat is limited. Market is unsettled on 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. Product of Latin America is unsettled due to sanctions imposed by China on product of Ecuador. Product of Asia saw a rise in the amount of imports for the month of February. Logistical challenges remain with long lead times and increased costs due to Ocean Shipping costs, as well as the rise in fuel prices.

King Crab- Market is unsettled. Prices for product from Russia has fallen from their recent record highs and this is causing the overall market to be more unsettled.

Snow Crab- Market is unsettled. New seasonal product from Canada is helping to push this market lower. This, combined with the impact of the falling prices of Russian crab, has the market in a more unsettled tone. The market has moved considerably lower than just a few months ago.

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; this also means that allocations to orders are common. New seasonal 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. Buying activity leading up to Easter has been particularly good. 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.

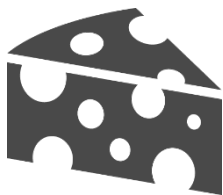
Pollock- Market is firm. Larger sized product is in limited supply due to recent catches being more on smaller sized fish. Production delays in China are putting additional pressure on the market with reports of port delays backing up shipping lanes. The Wild Alaskan season catch numbers have been announced 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 through Lent season.

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 quite 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 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 mixed. The market for Domestic product has seen downward pressure as we moved through this week with good fishing resulting in improved volume coming to the market. The market for imported product is firm due to strong global demand for product from all regions.



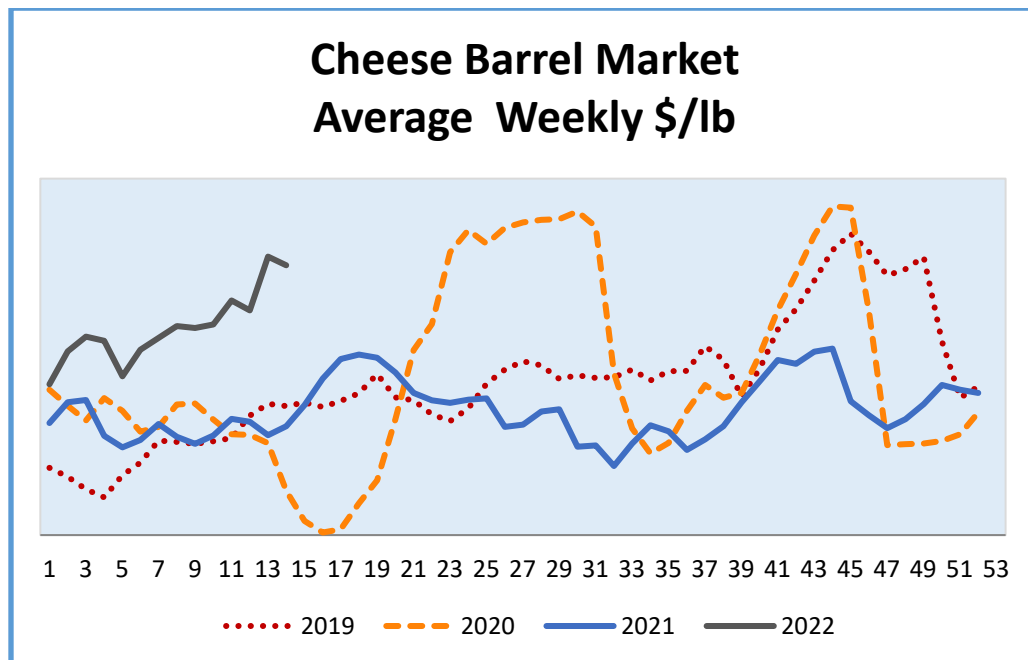
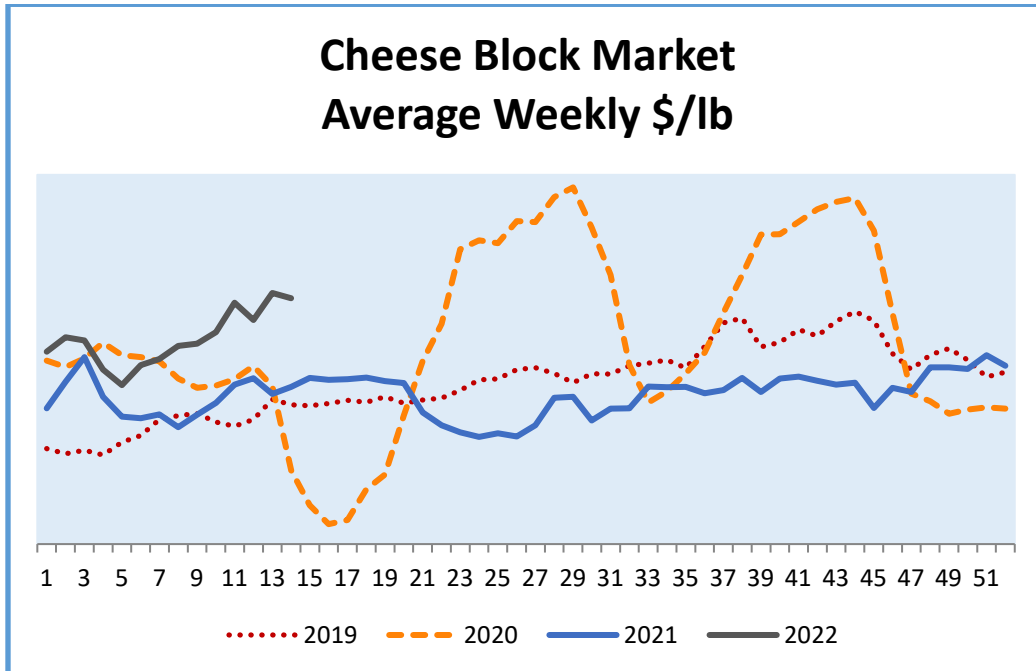
DAIRY

Cheese

Market is firmer. The CME Block and Barrel markets are both higher week over week. Cheese production is busy nationwide, with milk supplies available in most areas. Demand is good across retail and foodservice sectors in all regions, as the weather warms up and COVID restrictions continue to relax. This is leading to an increasingly firm outlook in the cheese market overall over the next few weeks. In the Northeast, production is busy, and inventories of cheese are still plentiful. Retail demand is steady, and foodservice demand in the region continues to grow stronger, even surpassing pre-COVID levels in some areas. In the Midwest, milk availability is good, but production in the region is still slightly hampered due to scheduled downtime in plants. Overall cheese demand in the Midwest is growing, as buyers have begun to purchase more inventory due to increasingly bearish price trends in the region. In the West, foodservice demand continues to strengthen post COVID restrictions, and retail demand is steady. Cheese production is busy in the region, though labor and carrier availability continue to be a concern for many producers.

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.

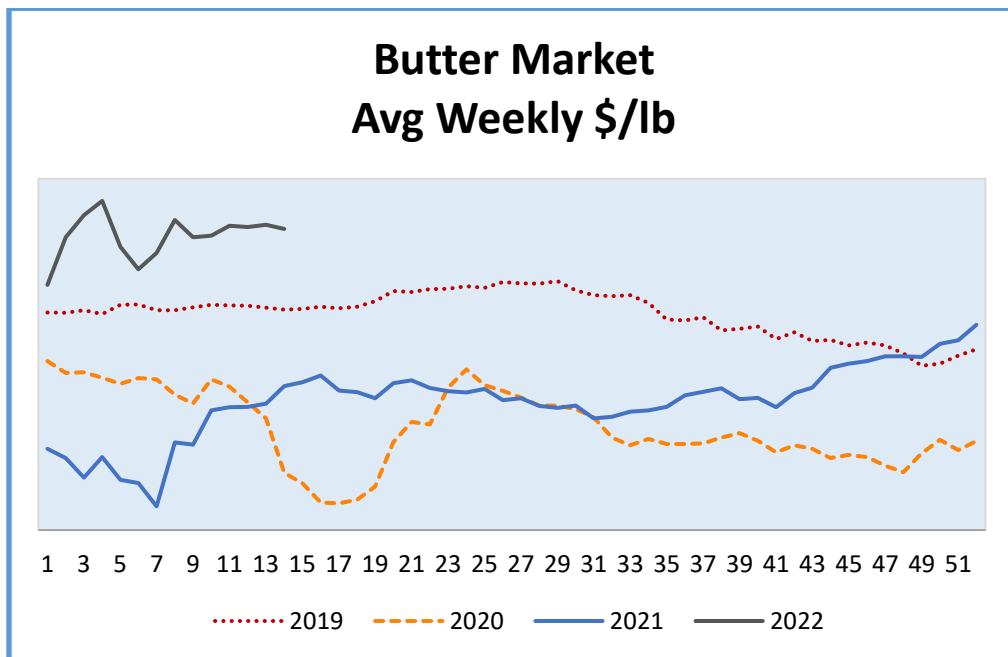




Butter

Market is steady to firm. The CME Butter Market is up slightly this week after dipping last week. Butter production nationally is busy but still hampered in some parts of the country by tight cream supplies in plants.

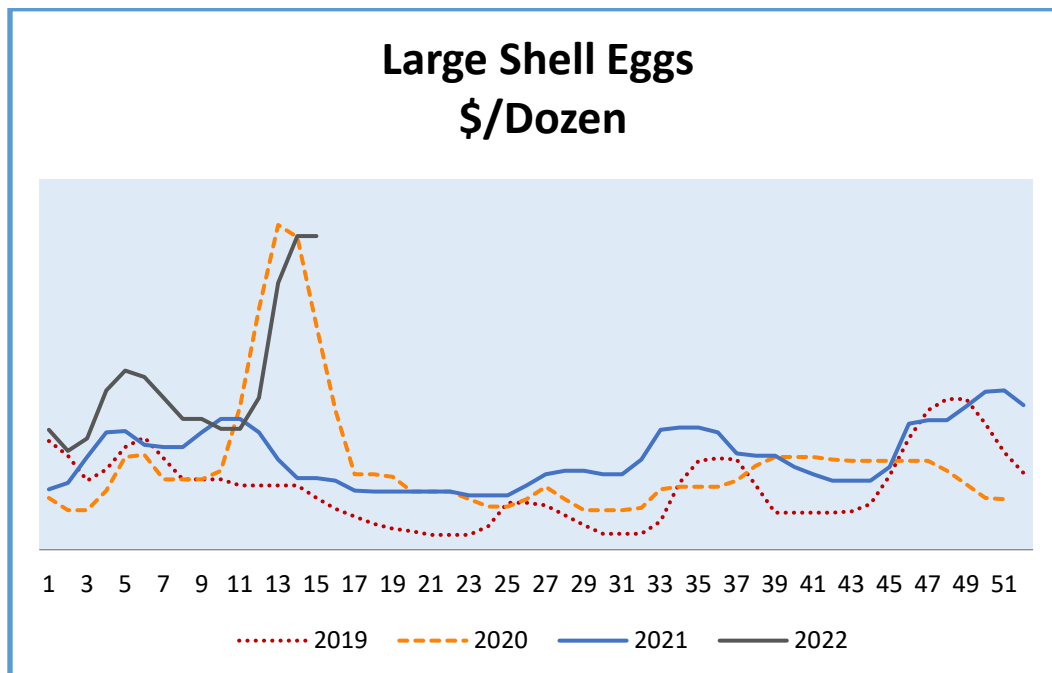
Ice cream and cream cheese production ramping up across all regions are putting increasing pressure on cream stocks. National demand in both retail and foodservice continues to strengthen, which could lead to consistently higher price pressures in the coming weeks. In the Northeast, cream supplies are steady, and butter production levels are strengthening as producers have been able to fill more open jobs in their plants recently. Both foodservice and retail demand are growing in the region as restaurants continue to re-open for in person dining and retailers stock up for the spring holidays. In the Central region, cream supplies are tight, but stocks are still available to fill most needs. Retail demand is steady and foodservice demand is strengthening as the weather warms. In the West, demand for cream continues to grow, and ice cream production will have an especially significant impact on cream stocks over the coming weeks in this region. Retail and foodservice demand in the west is both steady to stronger. In all regions, cream hauling costs driven by higher fuel prices related to the war in Ukraine are a source of concern for producers.





EGGS

Market is steady. East Coast business and regional demand is steady while the West Coast is moderate to light. Retail business is good due to consumer activity moving into the Easter Holiday. Foodservice and QSR business remain active across most regions. Processing schedules continue to be reported as reduced due to labor issues. Breaking stock offerings are mostly light in relationship to strong demand for further processed egg products. Supply is tight on medium and large sizes. Market is flat on both medium sizes and on large sizes. National weekly shell egg inventory reports shell egg inventory up 2.2% over last week.

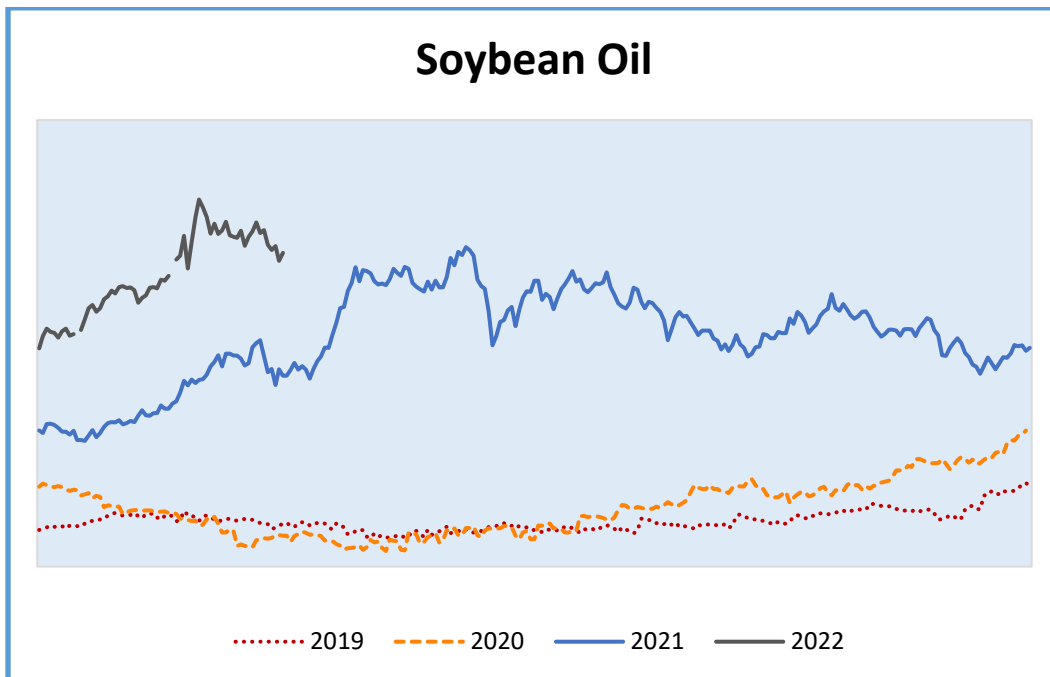




SOY OIL

Market remains unsettled as the Russia/Ukraine conflict continues to drive market volatility. There is a cold front moving across the Midwest, with dry conditions returning in the Western and Northern plains after heavy rains. In South America, Argentina is forecasting dry conditions with temperatures normal to slightly below.

Showers are expected for Brazil with dry conditions returning by the weekend. Late season dryness in Brazil continues to be a concern. Export Sales to China confirm rumors that they were purchasing US beans. With the dryness in Argentina, expect reduction in soybean production to continue. This will only add to the tightness in the market. There is also a looming truck strike in Argentina (a common event just before harvest each year), which will tighten up soybean supplies.



CANOLA OIL

Market is firm. Canola crush margins continued with another down week, keeping crude canola oil production down 29% vs the previous year.

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.

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. 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.

