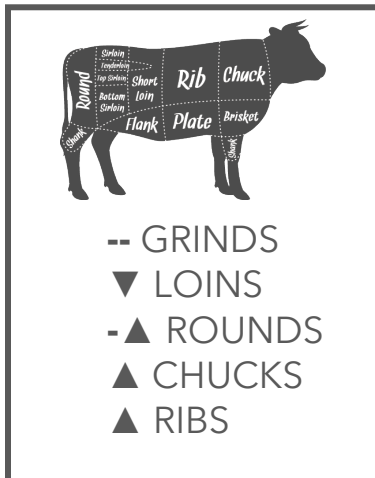
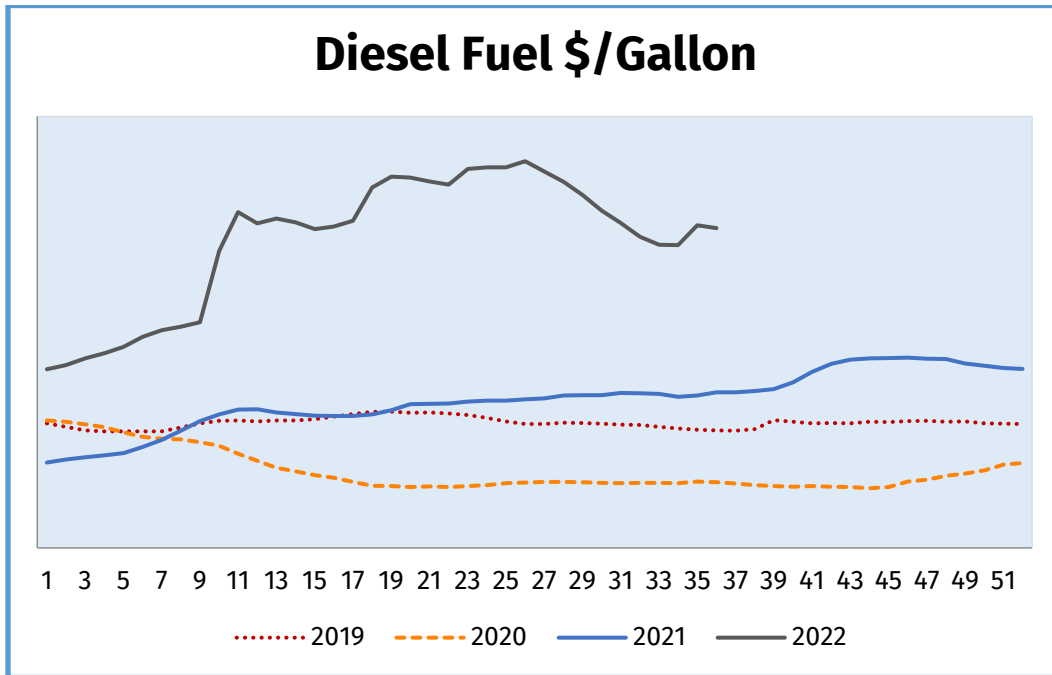




Market Report

WEEK ENDING | SEPTEMBER 9, 2022

Graphs represent data for the week ending September 2, 2022



BEEF

Market is mixed. Total beef production for last week was down 5.7% from prior week but was up 1.8% compared to same time last year. Year to date total production is up 1% compared to same time last year. Total headcount for last week was 638,000 as compared to 621,000 for the same time last year. Year to date total headcount is 22,745,000 as compared to 22,463,000 for same time last year. Live weights for last week were up 2 lbs. from prior week but down 13 lbs. from same time last year. Live cattle prices remain well above prior year and much higher than the 5-year average for this time of year. Demand has been seasonally lighter as we moved into this week with holiday demand now behind us. Multiple plants are operating at reduced hours this week due to the holiday and this is expected to put pressure on overall availability.

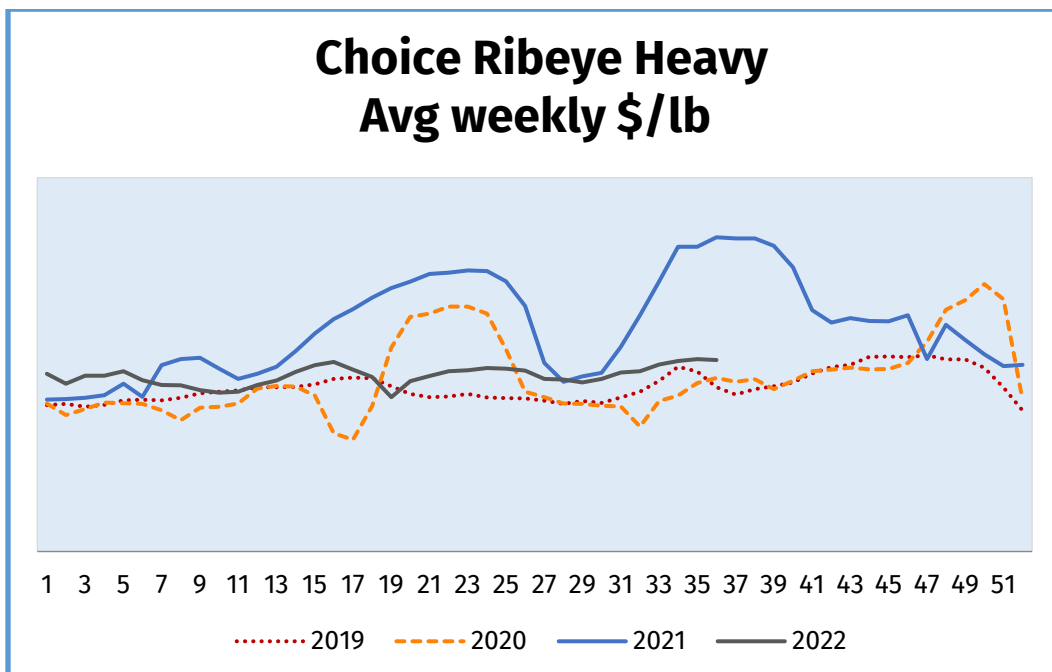
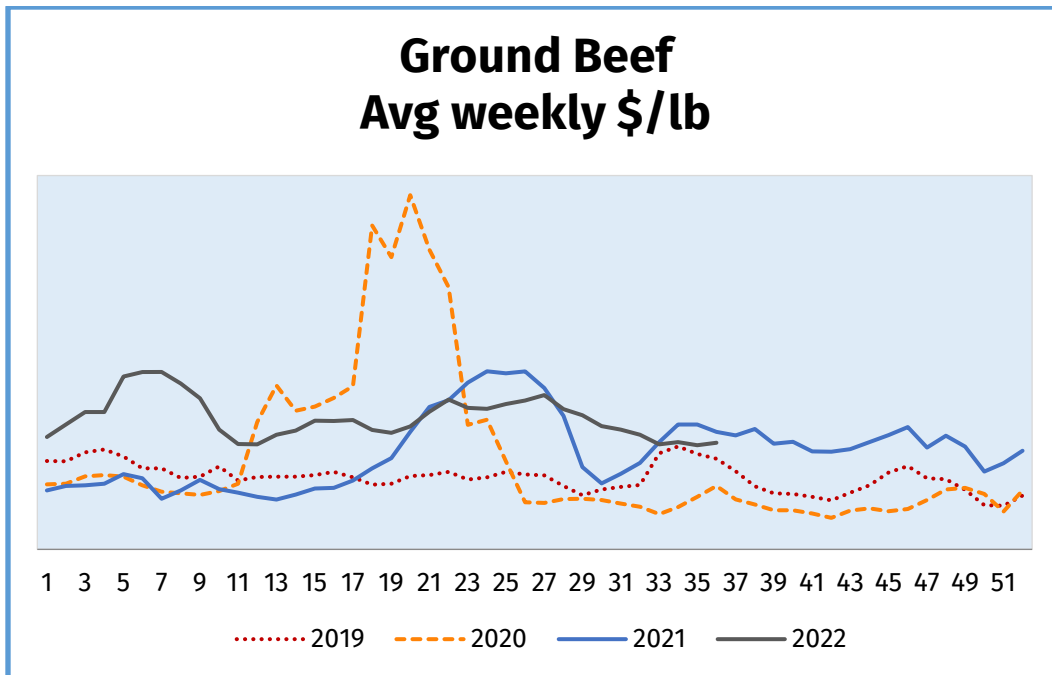
Grinds- Market is mostly steady. Buying activity has been mixed this week but overall lighter than before the holiday. Football season is generally a good demand time for grinds and helping to move additional inventories over the coming weeks.

Loins- Market is weaker. Demand has been below expectations for multiple weeks and this week has seen additional downward pressure on the market.

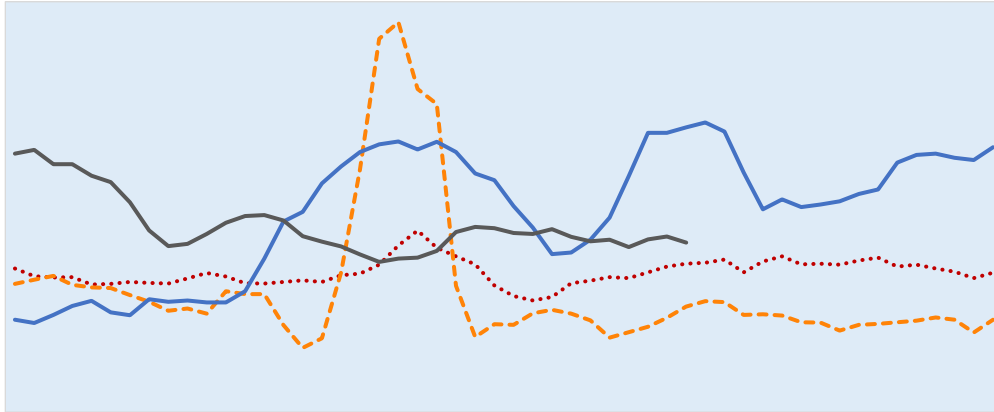
Rounds- Market is steady to firmer. Buying activity has been good for the past couple of weeks and that trend has continued as we moved into this week.

Chucks- Market is mostly steady. Demand has been seasonally lighter this week but is common to see additional buying interest as we move closer to October. Cooler weather is just around the corner and is typically a time of year of increased retail advertising.

Ribs- Market is firmer. Buying interest has been improving over the past few weeks as the recent low prices have helped to improve activity. Multiple packers are urging buyers to plan ahead for their needs for the holiday season, as the ongoing herd reductions are expected to have an impact on availability.

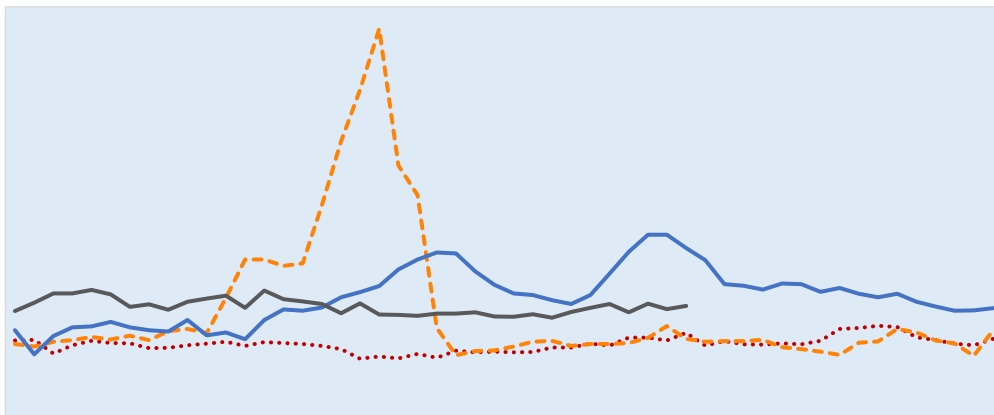


Choice Brisket Avg weekly \$/lb

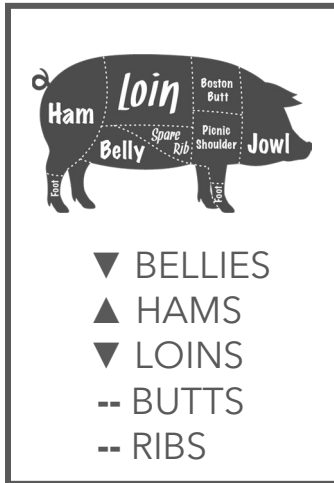


..... 2019 - - - - 2020 ——— 2021 ——— 2022

Choice Inside Avg weekly \$/lb



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



PORK

Market is mixed. Total pork production for last week was down 2.4% versus prior week and down 0.8% compared to same time last year. Year to date production is down 2.8% compared to same time last year. Total headcount for last week was 2,350,000 as compared to 2,385,000 for the same week last year. Year to date total headcount is 83,016,000 as compared to 85,909,000. Live weights for last week were even with prior week but up 2 lbs. versus last year. Hog weights typically see increases as we move through the fall months. Available labor continues to improve compared to prior months helping to improve overall availability. There remain pockets of issues across the country that vary by plant and items. The market

has been seeing downward pressure over the past few weeks due in part to the recent higher price levels, changes in seasonal buying patterns, and increasing availability. Production is expected to be impacted this week due to reduced operating hours during the holiday week.

Bellies- Market is weaker. Improved labor is helping overall bacon production and helping with availability. The changes in the market have been considerably smaller as we moved into this week and not the extreme drops seen just a few weeks ago.

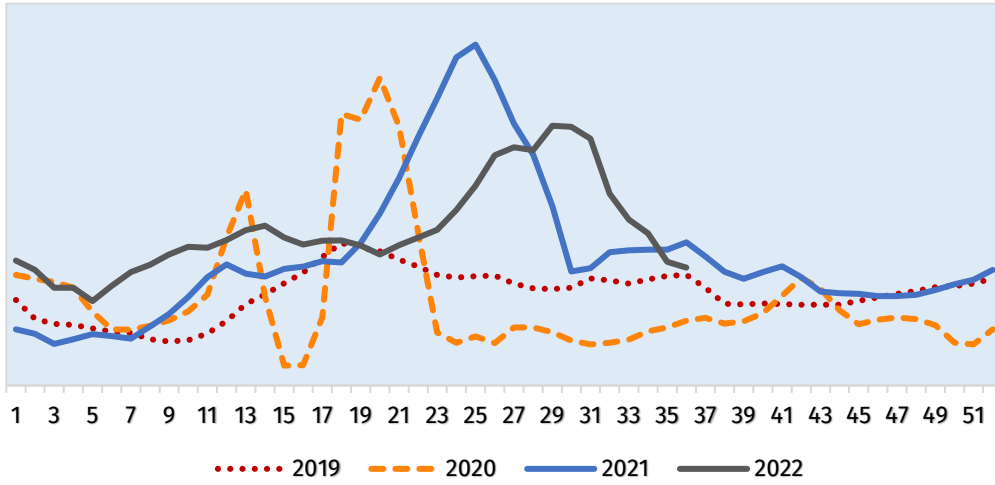
Hams- Market is firmer. Buying interest has been improved recently with buying activity for holiday events expected to continue to pick up strength over the coming weeks.

Loins- Market is weaker. Buying activity has been below expectations as we moved through this week.

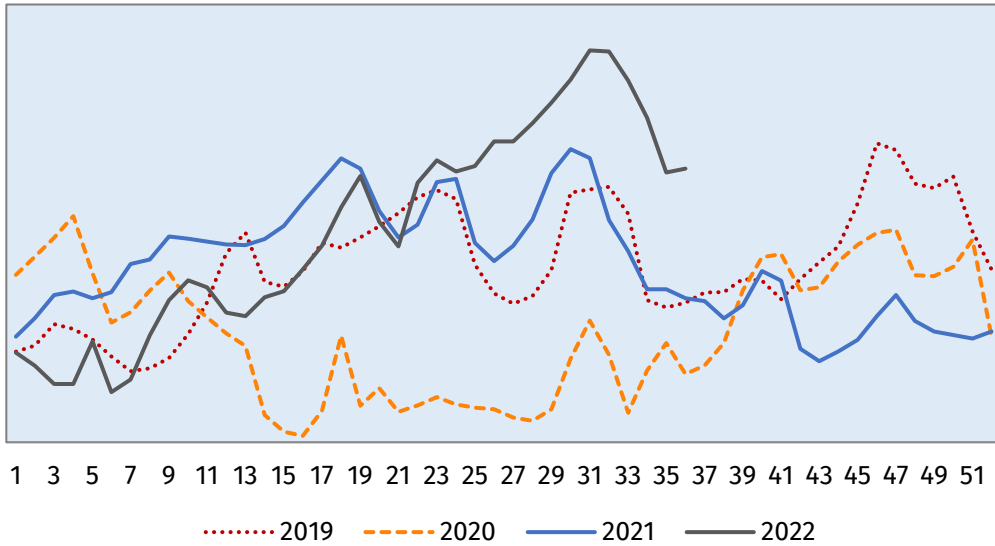
Butts- Market is steady. Demand is seasonally lighter and is typically a slower demand time over the next few weeks. The market has seen large drops over the past month after seeing extreme price levels for multiple weeks.

Ribs- Market is mostly steady. Buying interest has been seasonally lighter as we moved into this week.

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



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





CHICKEN

Market is weaker. Total headcount for week ending 9/3/22 was 177,476,000 as compared to 161,343,000 for the same week last year. Average weights for last week were 6.40 lbs. as compared to 6.35 lbs. for the same week last year. Chick placements on fryers for week ending 10/8/22 are estimated at 168.1 million headcounts. Placements for previous week were 167.2 million and same week last year was 166.2 million. Demand from the retail, foodservice, and QSR channels is slowing a bit which is having a direct effect on the market. Boneless breast, tenderloins, wings, back half parts and dark meat are experiencing declining demand. WOGS are

the only category being reported with steady support. As weekly slaughter rates and egg sets improve slightly, supply is starting to rebound a little.

WOGS- Market is steady. Retail and fast-food demand is moderate to good for the time being. Supply in this category is very specific to bird size and that means a finite weekly amount. Supply is tight and market levels are holding even.

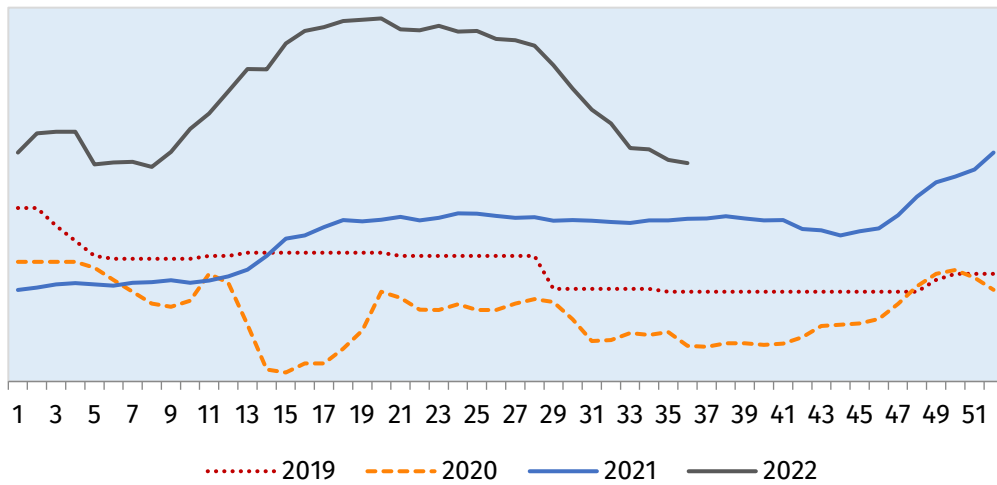
Tenders- Market is weaker. As inflation affects the consumer, foodservice and QSR volume continues to be soft. Consequently, demand for jumbo and select tenders has been on a downhill slide. With weaker demand, more and more loads are being shown on the spot market. Supply is available on large and small tenders. Market levels are being pressured lower.

Boneless Breast- Market is weaker. Retail demand is fairly stable while the foodservice and QSR channels are trending soft. With consumers limiting their weekly purchases, the category is experiencing some headwinds. Supply is available on all sizes. Market is holding steady on medium boneless and trending lower on jumbo and select sizes.

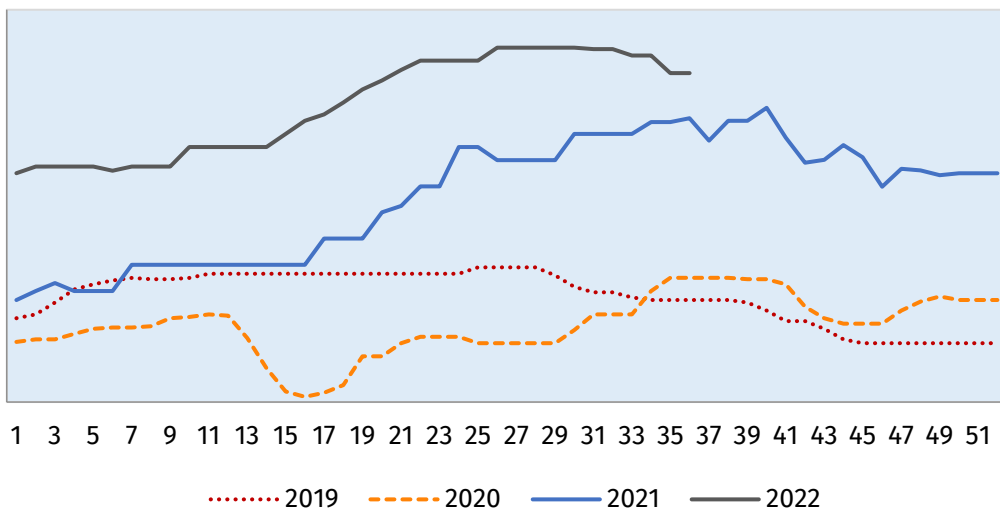
Leg Quarters and Thighs- Market is weaker. Export demand for leg quarters is being challenged by logistics and politics across the globe. Domestic demand on drums, thighs, and leg quarters is trending weaker which is typical for this time of year. Supply on bone-in parts and thigh meat is showing some excess. Market levels on bone-in parts, thigh meat, and leg meat continue to move lower.

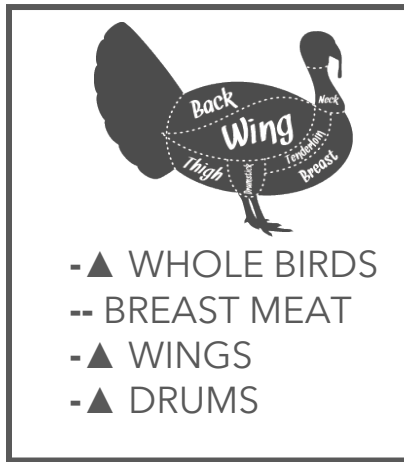
Wings- Market is steady to weaker. Football season has officially kicked off, but demand for wings is steady at best. Demand for small wings is still soft while the larger sizes are getting some consistent pull through. Suppliers are now trying to promote wings through the foodservice channel, but volume appears to remain flat. Supply is available on all sizes. Small wings are being pressured lower while medium and jumbo sizes are holding even.

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 week ending 9/3/22 was 3,707,000 as compared to 3,756,000 for the same week last year. Average weights for last week were 29.08 lbs. as compared to 30.35 lbs. for the same week last year. Whole birds continue to be hard to uncover for customers trying to secure additional loads for the holidays. Deli demand for further processed products is reported as good which is keeping breast meat and white meats well supported. Even though summer is near an end, business on drums and wings is vibrant. Whole birds, breast meat, white meat, and parts continue to be in a sold-out status. Limited spot business is being reported. Market levels continue to hold firm across the mix of categories.

Whole Birds- Market is steady to firmer. Reduced slaughter numbers and limited freezer stocks remain the same talking points. Hen sizes are extremely hard to find. The large Tom sizes are equally hard to find since suppliers are having to harvest birds earlier than anticipated. Supply is limited. Market levels are holding firm and spot loads usually command a premium.

Breast Meat- Market is steady. Retail deli and foodservice volume remains consistent and highly active for this time of year. Further processors are trying to keep from having to buy excess raw material off the spot market due to record high prices. Supply levels are tight, and the market continues to hold firm.

Wings- Market is steady to firmer. Export and domestic demand patterns are strong as we near the end of summer. With limited availability on wings, demand is still outpacing weekly supply. Market levels are being pressured higher.

Drums and Thigh Meat- Market is steady to firmer. Domestic demand for drums is strong with the Tom sizes more requested. Retail sales of ground turkey is robust as consumers look for cost efficient protein items. Supply is tight. Market is moving higher on drums and flat on thigh meat.



SEAFOOD

Inflation concerns are being noted as having an impact on multiple categories such as crab, lobster, and shrimp. Demand has eased in these categories and the market is expected to be more unsettled as we move through the coming weeks.

Gulf Shrimp- Market is weaker. The market continues to see downward pressure across all sizes. The downward pressure has eased compared to prior weeks and the changes have been more limited this week. Buying demand remains below expectations while current fishing has been good and helping to build inventories.

Black Tiger Shrimp- Market is steady to weaker. Lighter buying interest is helping to keep pressure on the market. The lower priced white shrimp market is helping to put pressure on the Black Tiger market. Inventories on large sized shrimp is more limited but the current market conditions have limited any upward pricing pressures.

White Shrimp- Market is unsettled. Overall demand has been below expectations for several weeks helping to keep this market more unsettled. Imports have been very good this year helping to rebuild inventories.

King Crab- Market is steady. Buying demand has been below expectations for several weeks helping to move the market lower from the high levels seen a few months ago.

Snow Crab- Market is unsettled. Demand has been improved as we moved and helping to put upward pressure on both 5-8 oz and 8 oz and up product. The overall market has seen large price drops from just a few months ago but remains well above the 5-year average for this time of the year.

Warm Water Lobster Tails- Market is steady to weaker. The market has been seeing sharp drops over the past few months. Inventories are normally limited for this time of the year, but this year is out of the norm, as inventories remain in good supply for current demand. New season production is helping to put downward pressure on the market and helping to push prices lower from the sharp highs that have been seen for several months. Buying activity for lobster is light, due in part to inflationary concerns impacting multiple seafood items.

North American Lobster Tails- Market is weaker. Buying activity continues to be lighter with reports of retail demand, and demand at National chains, being below expectations.

Salmon- Market is mixed. The market for farmed salmon is mostly steady with good inventories for a fair demand. The Wild Salmon market is mixed with varied availability between species. Reports show that Coho landings have been lighter and helping to put upward pressure on that market.

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 improve 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.

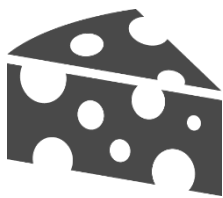
Pollock- Market is steady. Retail demand has been very good for several months and helping to move additional inventories. Production and logistical issues have been improving over the past few weeks. The ban on Russian product is helping to keep additional pressure on this market.

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

Tilapia- Market is unsettled. The market had been surging higher earlier this year due to strong global demand, freight costs, and increased import costs. The past few weeks had seen this trend reverse as overall lighter demand, lower Ocean Freight costs, and lower replacement costs were all combining to put downward pressure on the market. The recent lower prices have helped to improve buying interest as consumers are looking for more value priced seafood items. Total Tilapia imports year to date thru June were up 15% compared to prior year.

Swai- Market is unsettled. Vietnam is seeing supply shortages on their needed raw materials, and this is putting pricing pressure on replacement inventories. The market is becoming more unsettled due to the large surge in imports over the past several weeks have inventories at heavier levels leading to varied prices in the market as suppliers look to move through the extra inventories. Year to date total Swai imports are up almost 40% compared to same time last year.

Scallops- Market is mixed. The market for Domestic U10 product has seen upward pressure over the past few weeks due to more limited landings impacting production. The rest of the market is holding mostly steady this week.



DAIRY

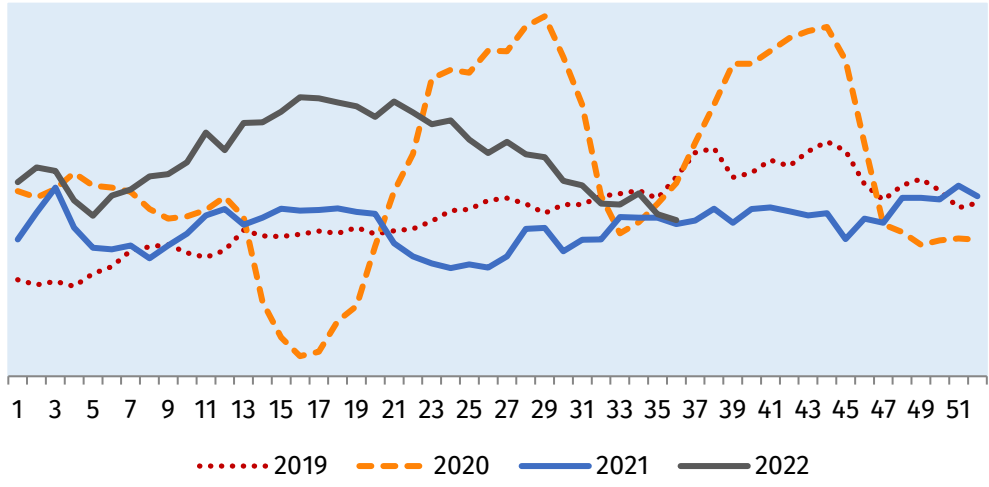
Cheese

Market is steady. The CME block and barrel markets are both up slightly as of midweek. Cheese production is busy nationwide, though national milk availability has grown tighter in the past few weeks. In the Northeast, cheese production is busy. Northeastern retail demand continues to weaken, and foodservice demand in the region is steady week over week. In the Midwest, milk availability is tighter than in the other regions, leading to some lags in overall production, though inventories are still available to meet most needs. Cheese demand in the Midwest in both retail and foodservice is steady, though some pizza cheese manufacturers in the region are already limiting orders to help meet all customers' needs as we head further into Q4. In the West, foodservice and retail demand are both steady to weaker. Cheese production is steady in the region, with labor issues and transport costs still slightly limiting production schedules. National contacts still expect demand in retail and foodservice to strengthen throughout the fall, and this week's slight bump in the CME market may be a sign of that trend beginning after a couple of months of bearish movement.

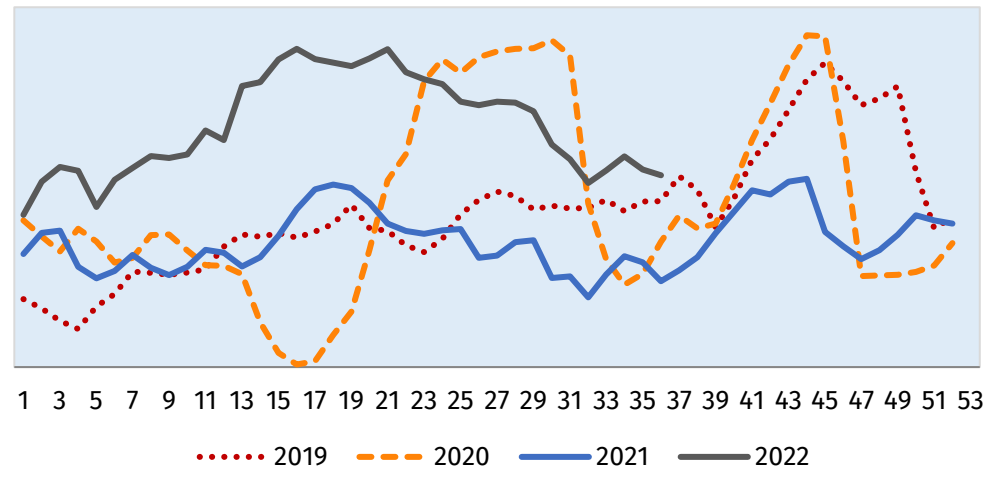
Cream Cheese

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 through Quarter 4 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 Block Market Average Weekly \$/lb



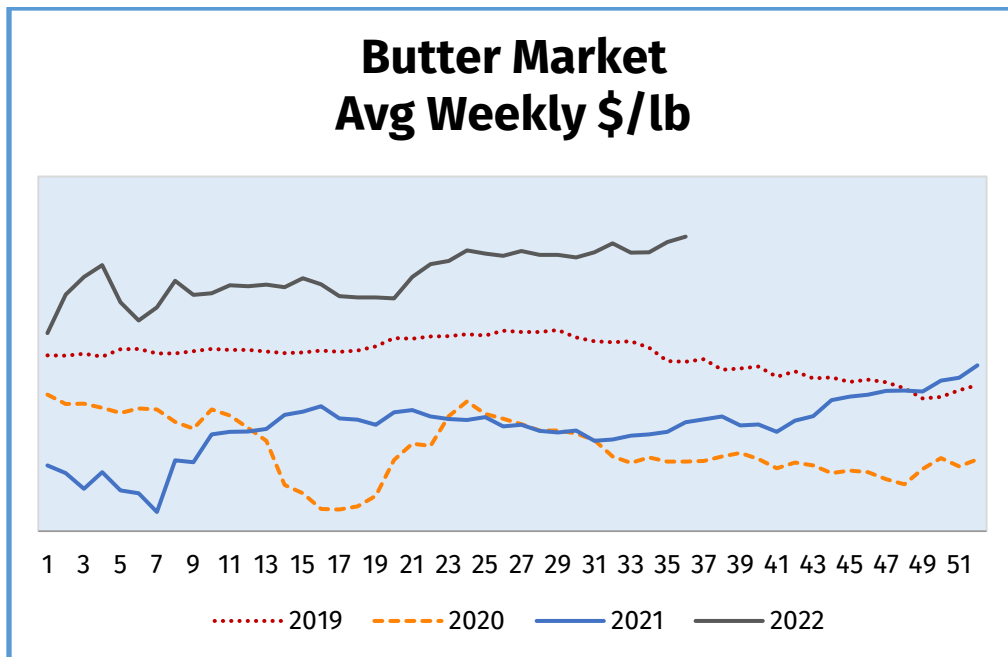
Cheese Barrel Market Average Weekly \$/lb





Butter

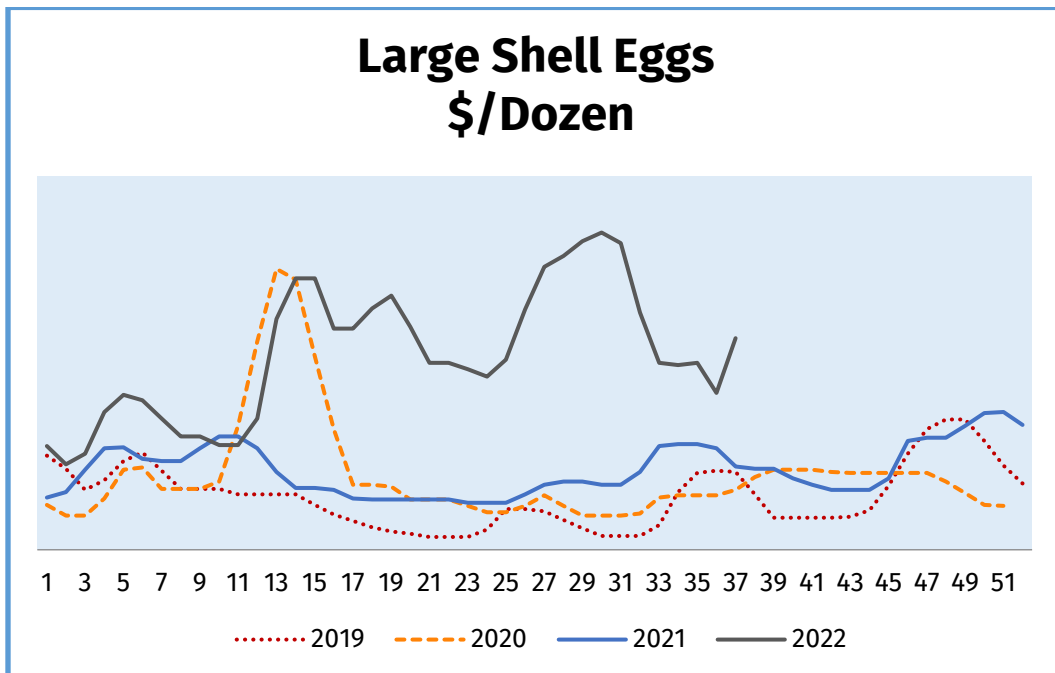
Market is firm. The CME Butter Market is up again as of midweek. National butter production is generally steady, helped by slightly looser cream supplies coming off the holiday weekend, though this is most likely a temporary respite from the supply crunch that we have seen over the past several weeks. In the Northeast, butter production is mixed due to staffing issues and still tight cream supplies. Foodservice and retail demand are steady to stronger in the Northeast this week. In the Central region, production of butter is steady. The more abundant cream supplies over the past week have led to an almost even split between churning and micro fixing, which along with a better labor situation overall, is slowly helping to improve production efficiency in the region. Retail and foodservice demand are steady this week in the Central. In the West, cream supplies have loosened up over the holiday week, allowing for busier production in the region overall. Retail and foodservice demand are steady to stronger in the region this week. There is still some concern among contacts nationally over the level of butter inventories going into Q4, as the widespread labor issues in plants nationwide, and the tightening supplies of cream over the past few months, have kept producers from padding their inventories throughout the summer.





EGGS

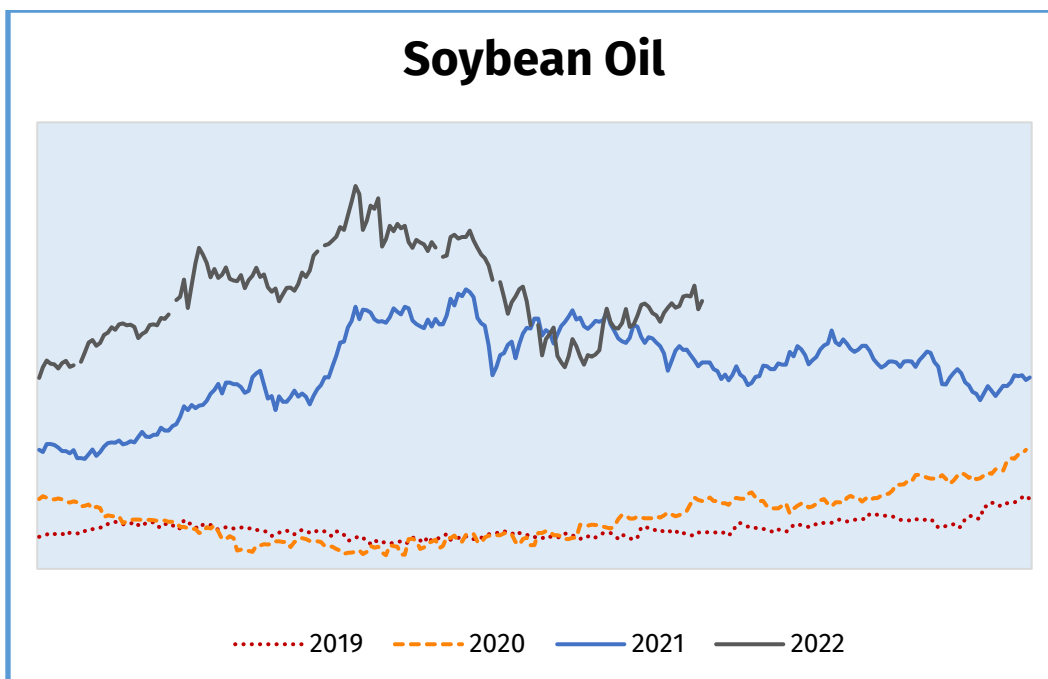
Market is firmer. Retail demand is good across most of the country. Many retailers continue to update their shelf pricing strategies in combination with consumer shopping patterns. Foodservice and QSR demand are reported to be good for this time of year. Canadian demand for breaking stock and graded product is now entering its third straight week of strong activity. Supply has tightened considerably as some new reports of HPAI are starting to surface. Market is moving higher on both medium sizes and large sizes. National weekly shell egg inventory reports shell egg inventory down 3.3% over last week.





SOY OIL

Market remains firm. For the third week in a row, the combined good/excellent rating sits at 57%. Soybeans rated poor/very poor went up by 1% to 14%. Soybean yields are forecasted to be lower this year by approximately 4%.



CANOLA OIL

Market remains firm. Canola crop continues to be favorable.

CORN

Market remains firm. Forecasters are estimating a 4% decrease in yield, with the biggest cuts in Nebraska and Kansas. The crop condition good/excellent rating is currently at 54%. This is down three points from the previous week. Red flag warnings have been issued for much of South Dakota, Nebraska, Wyoming and parts of northeastern Colorado and northwestern Kansas amid extremely dry weather.

WHEAT

Winter Wheat: 95% of the harvest has now been completed. This is ahead of last week's 90%.

