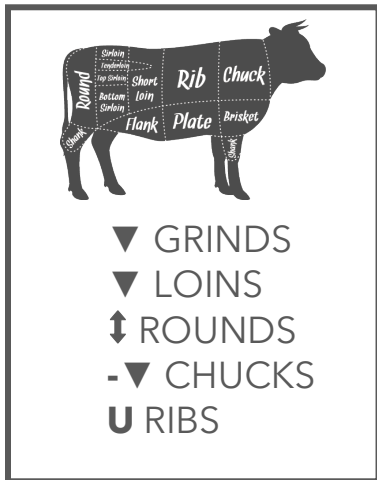
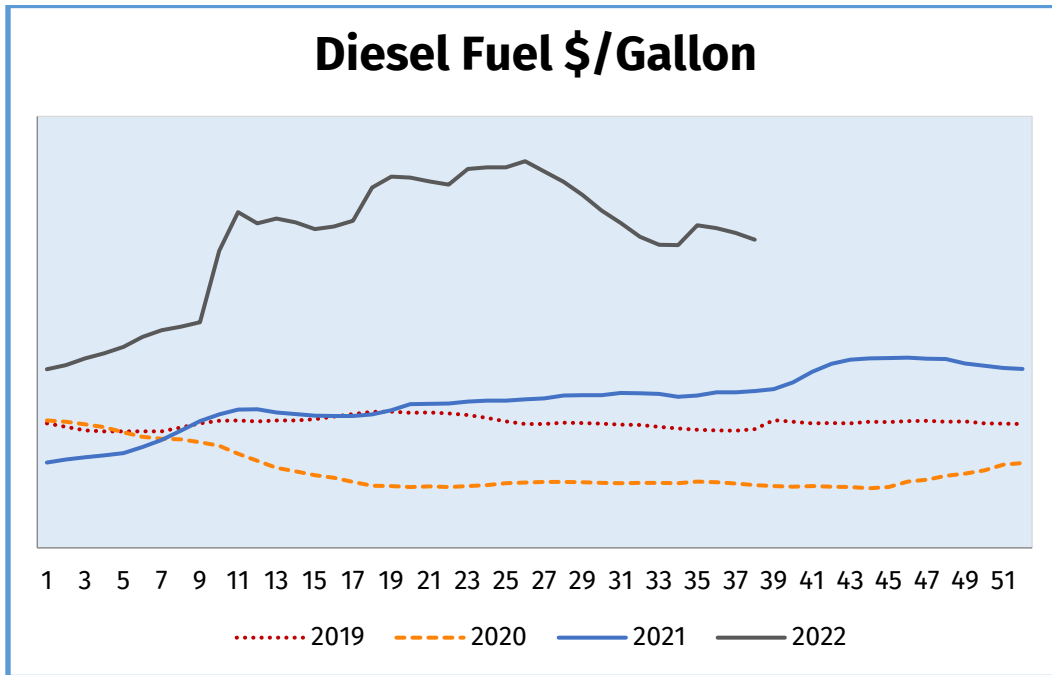




Market Report

WEEK ENDING | SEPTEMBER 23, 2022

Graphs represent data for the week ending September 16, 2022



BEEF

Market is unsettled. Total beef production for last week was up 10.6% from prior week and was up 1.7% compared to same time last year. Total headcount for last week was 667,000 as compared to 650,000 for the same time last year. Live weights for last week were up 3 lbs. from prior week but down 12 lbs. from same time last year. Live cattle prices remain well above prior year but have seen a slight dip over the past few weeks. Buying activity has been seasonally lighter over the past several days and helping to put downward pressure on multiple cuts. The lower pricing has helped to improve interest on some cuts as buyers look to cover their needs over the coming weeks. The latest projections from the USDA show that beef production is expected to decline 4.4% during the 4th qtr. and is expected to be down 6% for the 2023 year.

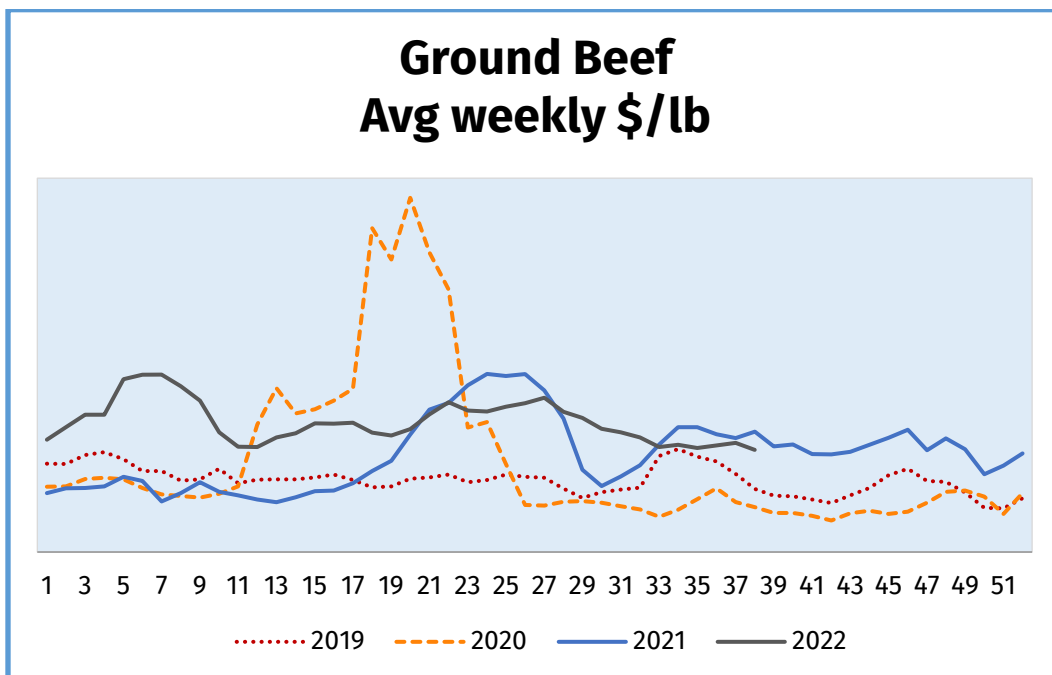
Grinds- Market is weaker. Buying activity has been lighter this week and helping to put downward pressure on the market. The market is expected to see additional buying interest as we move into the cooler temperatures over the coming weeks.

Loins- Market is weaker. Buying activity has been below expectations for multiple weeks and keeping downward pressure on the market.

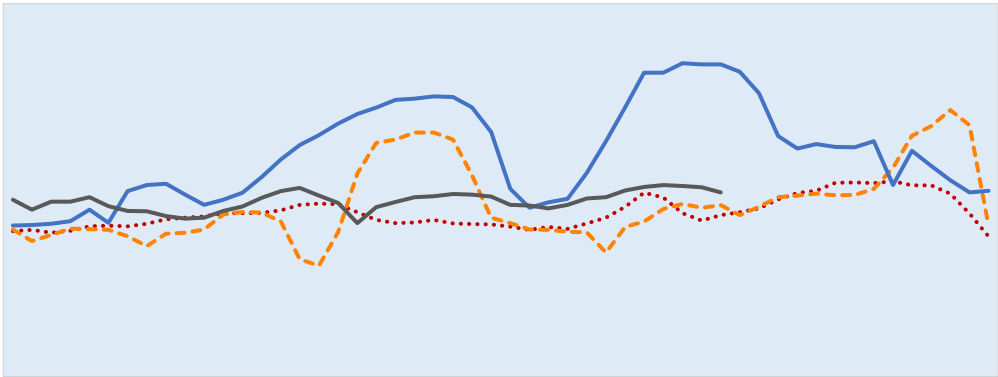
Rounds- Market is mixed. Availability is mixed between the packers this week with both higher and lower prices being seen between packers on some cuts.

Chucks- Market is steady to weaker. Demand has been seasonally lighter the past several days but is common to see additional buying interest as we move into to October as we move into cooler weather.

Ribs- Market is unsettled. The market has seen both higher and lower prices over the past few weeks. Buying activity typically improves this time of year as buyers look to cover their needs for the upcoming holiday season. Multiple packers are urging buyers to plan ahead for their needs, as the ongoing herd reductions are expected to have an impact on availability.



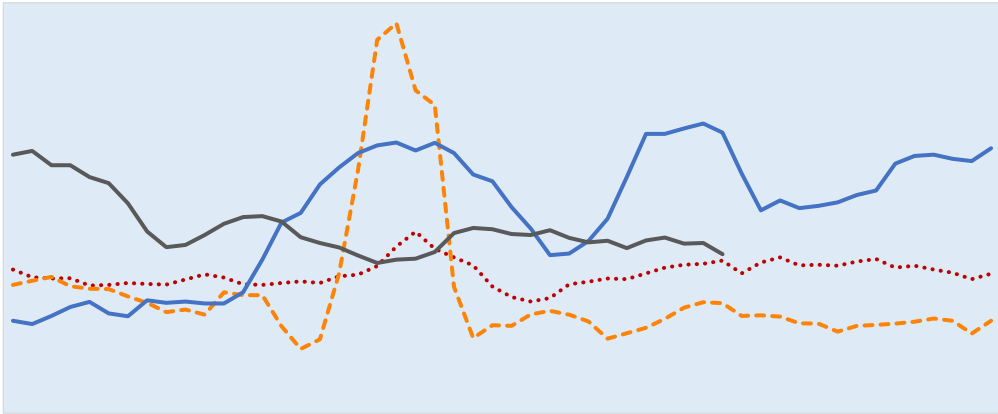
Choice Ribeye Heavy Avg weekly \$/lb



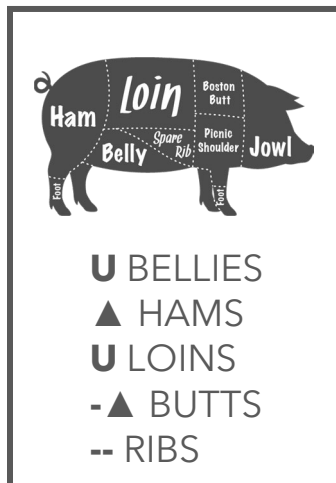
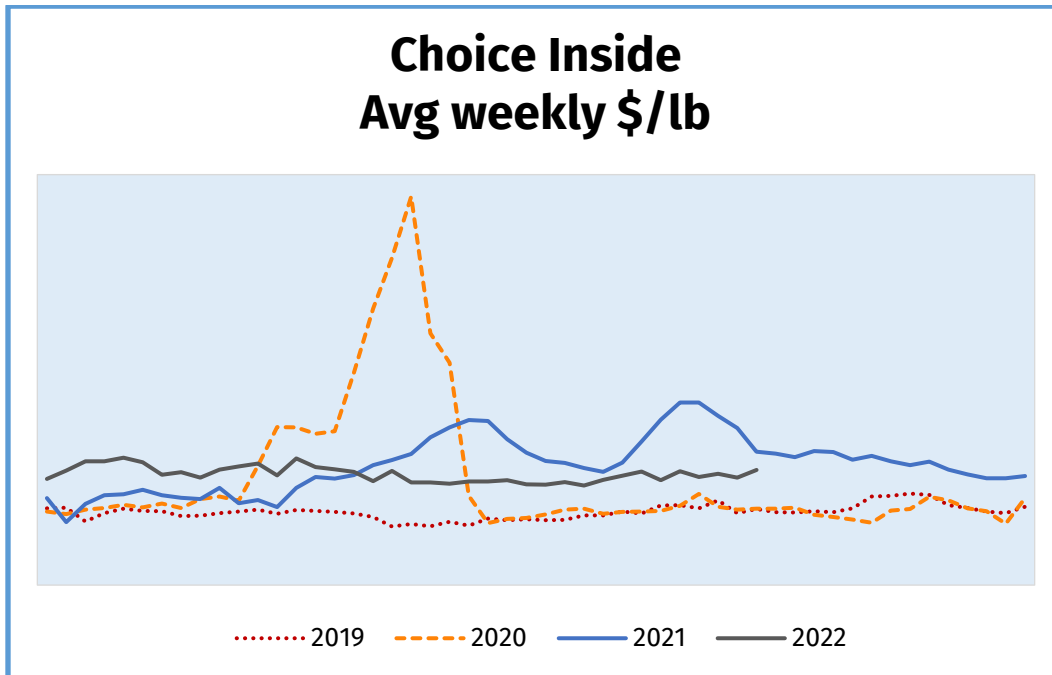
1 3 5 7 9 11 13 15 17 19 21 23 25 27 29 31 33 35 37 39 41 43 45 47 49 51

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

Choice Brisket Avg weekly \$/lb



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



PORK

Market is mixed. Total pork production for last week was up 10% versus prior week and down 3.3% compared to same time last year. Total headcount for last week was 2,465,000 as compared to 2,545,000 for the same week last year. Live weights for last week were even with prior week but up 1 lb. versus last year. Hog weights will 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. Export demand has improved and helping to put upward pressure on multiple cuts. Cold storage inventories have been slowly improving

with the improved production over the past several weeks. Grilling season is now behind us, and retail demand has been lighter on multiple cuts as we moved into this week.

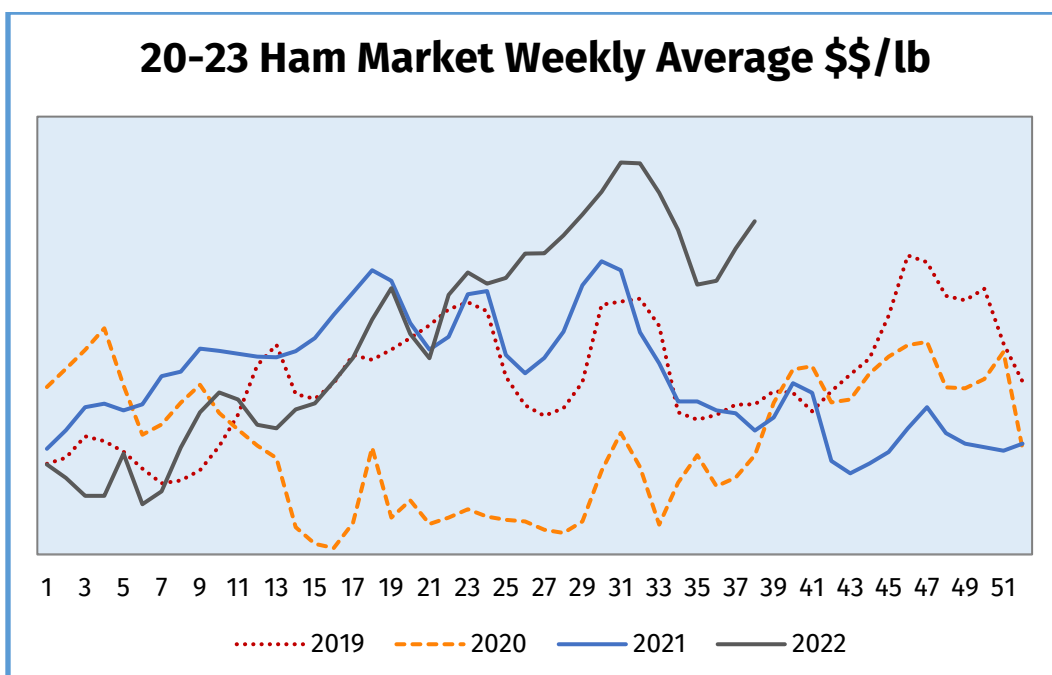
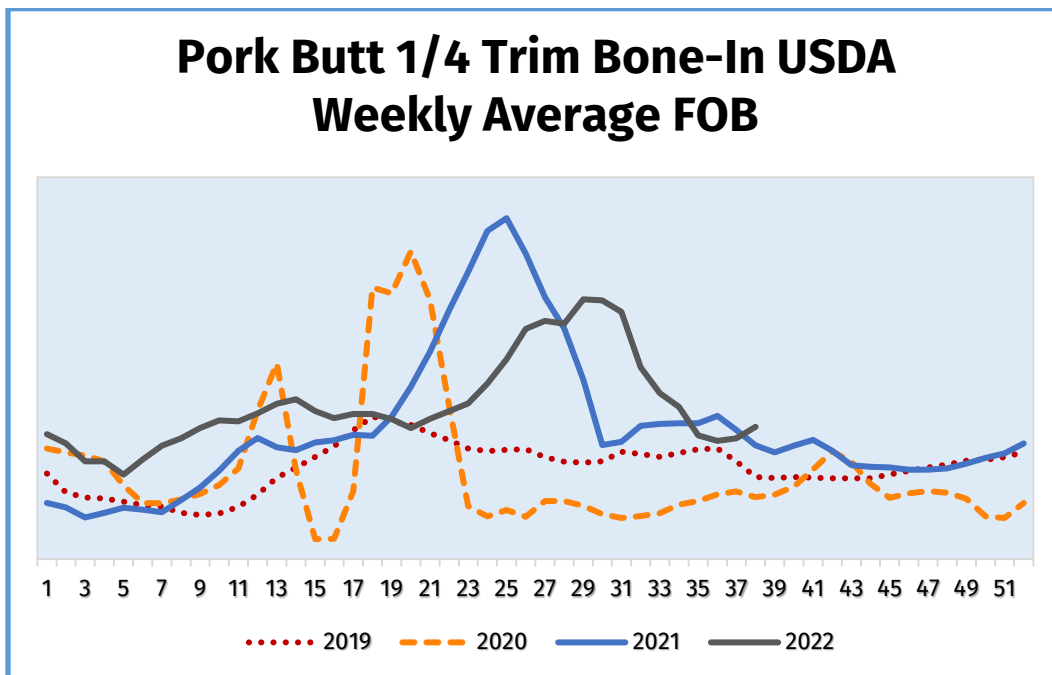
Bellies- Market is unsettled. The market has seen both higher and lower prices over the past few weeks and this week saw the market pushing higher as we moved into the week only to see downward pressure again at mid-week.

Hams- Market is firmer. Export demand has been improved the past several days helping to put additional pressure on the market. Domestic buying demand has been improved recently with buying activity for holiday events expected to continue to pick up strength over the coming weeks. The high prices of turkey have some buyers looking to cover their needs with hams this year.

Loins- Market is unsettled. The market has seen both higher and lower prices as we moved through the past few weeks with availability varied between the packers. This week has continued that trend.

Butts- Market is steady to firmer. Buying interest has been improved over the past several days, due in part to the lower asking prices that have been seen over the past few weeks.

Ribs- Market is mostly steady. Buying interest has been seasonally lighter over the past few weeks. Freezer inventories have been building and helping to limit larger swings in prices.





CHICKEN

Market is weaker. Total headcount for week ending 9/17/22 was 173,299,000 as compared to 168,142,000 for the same week last year. Average weights for last week were 6.49 lbs. as compared to 6.49 lbs. for the same week last year. Demand is slowly contracting in the retail and foodservice channels as the consumer feels the pinch of inflation. Boneless breast, tenderloins, wings, back half parts and dark meat continue to be pushed lower due to sluggish demand. WOGS remain the only major category with a steady rating. As weekly slaughter rates and egg sets rise in small increments, the supply side continues to show signs of improvement.

WOGS- Market is steady. Retail deli volume continues to be rated as good. Fast-food demand is moderate to soft which is expected this time of year. Supply is tight due to the limited number of small bird plants dedicated to WOGS and 8pc cutups. Supply is tight with market levels holding even.

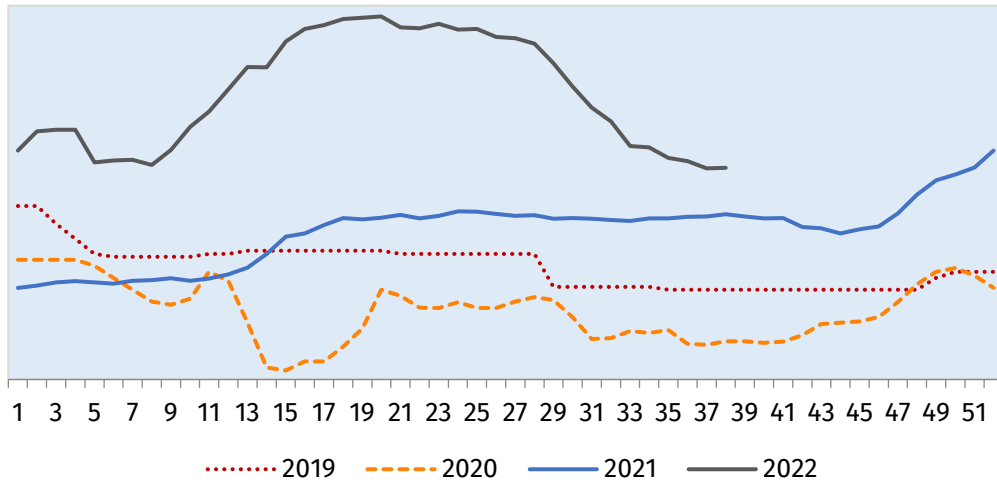
Tenders- Market is weaker. Foodservice demand has fallen off over the last two months. Consequently, further processor and portioning demand is also trending downward. With subpar weekly demand, excess loads are becoming more common. Market levels are being pushed downward.

Boneless Breast- Market is weaker. Demand from retail and foodservice is soft. QSR volume was vibrant over the summer, but this channel is also feeling the effects of waning consumer demand. More and more excess loads are hitting the spot market. Market levels are moving lower on a daily basis.

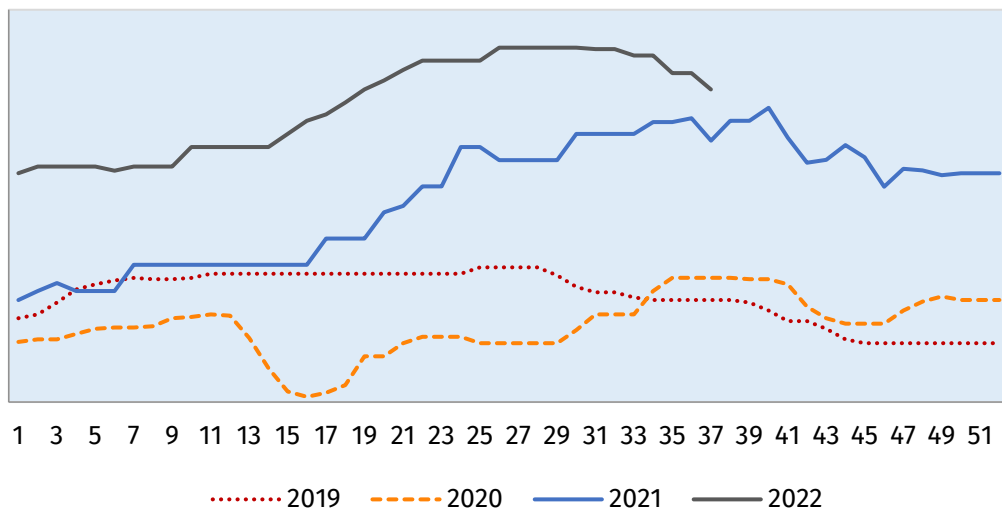
Leg Quarters and Thighs- Market is weaker. Subpar demand from the export channel is being reported due to logistics and geo-politics around the globe. Domestic retail volume on back half parts is moderate to soft. Supply is available on bone-in parts, thigh meat, and leg meat. Market levels on bone-in parts, thigh meat, and leg meat are trending downward.

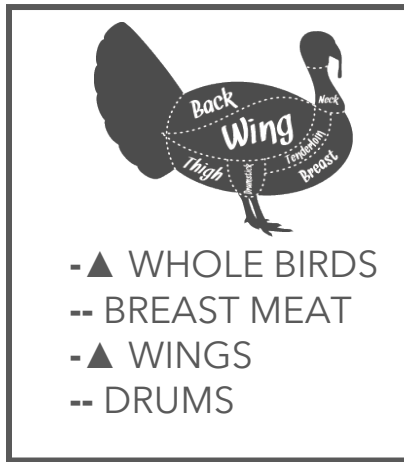
Wings- Market is steady to weaker. In theory, wing season has started. In reality, the wing category has yet to see a lift in volume. Jumbo wings are steady as foodservice operators are getting the weekend football crowd. Small wings cannot get traction as further processors struggle to move existing inventory. 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 firm. Total headcount for week ending 9/17/22 was 3,771,000 as compared to 3,871,000 for the same week last year. Average weights for last week were 29.79 lbs. as compared to 32.08 lbs. for the same week last year. Frozen loads of whole birds are now starting to ship to retailers and distributors across the country. Further processed breast items continue to be supported by most channels in the industry. Even as we enter the Fall Season, business on drums and wings continues to be strong. Whole birds, breast meat, white meat, and parts are reported to be in a sold-out status. Limited spot business is being reported. Some small

instances of HPAI continue to be reported on a localized basis. Supply remains tight as slaughter numbers are below industry standards and bird weights are down. Market levels continue to hold firm across the mix of categories.

Whole Birds- Market is steady to firm. Frozen orders are beginning to ship. The industry will soon turn its attention to the fresh whole bird orders for the holidays. Market levels are holding firm and spot loads usually command a premium.

Breast Meat- Market is steady. Retail deli and foodservice volume continues to outpace the amount of available supply. Further processors continue to keep inventories tight and avoid having to buy excess raw material off the spot market. Supply levels are tight, and the market continues to hold firm.

Wings- Market is steady to firm. 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 fully supported.

Drums and Thigh Meat- Market is steady. Domestic needs for drums are highly active with the Tom sizes more requested. Retail case ready sales of ground turkey remain strong as consumers look for cost efficient grinds. Supply is limited. Market is holding even on drums and flat on thigh meat.



SEAFOOD

Gulf Shrimp- Market is steady to weaker. The market continues to see downward pressure across multiple sizes. The downward pressure has eased compared to prior weeks and the changes have been more limited over the past few weeks. Buying demand remains below expectations while current fishing has been positive 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 are more limited but the current market conditions have limited any upward pricing pressures.

White Shrimp- Market is mostly steady. Demand has been improved as we moved into this week as current price levels are being seen as a value when compared to other seafood items as well as other proteins.

King Crab- Market is unsettled. Availability is varied between suppliers helping to cause both higher and lower prices in the market over the past few days. Overall demand has been below expectations for several weeks.

Snow Crab- Market is firmer. Buying activity has been improving over the past few weeks after seeing large drops in the market over the past few months. 8 oz and up sizing has been seeing the most pressure over the past couple of weeks with the improved demand.

Warm Water Lobster Tails- Market is mostly steady. Buying activity for lobster is light, due in part to inflationary concerns impacting multiple seafood items. Recent reports show that imports for July were down 51% and down 7.7% year to date

North American Lobster Tails- Market is unsettled. The market has seen lower prices for the past several weeks, but the market has become more unsettled as we moved through the past several days due in part to reports of imports from Canada being down 34.2% and Lobster Meat being down 40.2% for the month of July.

Salmon- Market is mixed. The market for farmed salmon has been seeing some upward pressure over the past couple of weeks due in part to production concerns in Chile. The Wild Salmon market is mostly steady this week.

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 increase 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.

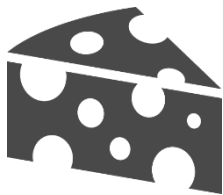
Pollock- Market is steady. Retail demand has been very good for several months and helping to move additional inventories. Production and logistical issues have been improving over the past few weeks. The ban on Russian product is helping to keep additional pressure on this market.

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 month of August saw price increases on Chinese Tilapia. This was due in part to extreme hot weather seen in China that has caused increased issues with fish loss in ponds due to the increased temperatures. Feed costs continue to increase and put additional pressure on the industry. Demand was improved as we moved into this month and put additional pressure on the market. Demand is reported as fair as we moved into this week.

Swai- Market is unsettled. The market has been 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.

Scallops- Market is mixed. The market for Domestic product has been seeing upward pressure over the past several days due in part to more limited inventories for a fair demand. Larger sizes are in currently in lighter supply compared to other sizes and seeing the most pressure this week. The rest of the market is holding mostly steady again this week



DAIRY

Cheese

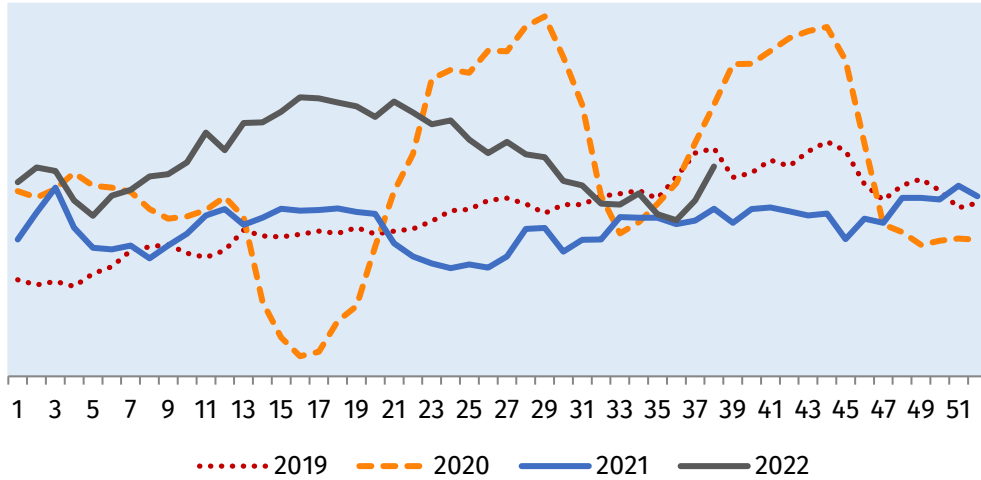
Market is firmer. The CME block and barrel markets are both up as of midweek. Cheese production is busy nationwide, though national milk availability has grown tighter in the past few weeks. In the Northeast, cheese production is busy but slightly hampered by labor shortages and supply chain issues.

Northeastern retail demand is steady this week, and foodservice demand in the region is mixed. Pizza makers are driving an uptick in demand in the region, but other restaurants are reporting that limited menus and cuts in staffing due to labor shortages are driving demand down outside of the pizza segment. 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. Pizza makers are driving most of the increases in demand in the Central, as in the other regions, but other restaurant segments are still suffering weaker demand due to continued staffing shortages and cuts to operating hours. In the West, foodservice and retail demand are both stronger this week. As with the rest of the country, pizza cheese is the main driver of the uptick in demand out west, though the region is seeing large amounts of export demand at this time as well. Cheese production is steady in the region, with labor issues and transport costs still slightly limiting production schedules. Overall, there is beginning to be some concern among contacts nationally about the tightness of inventories heading into Q4, which may cause us to see further bullish CME action in the coming weeks.

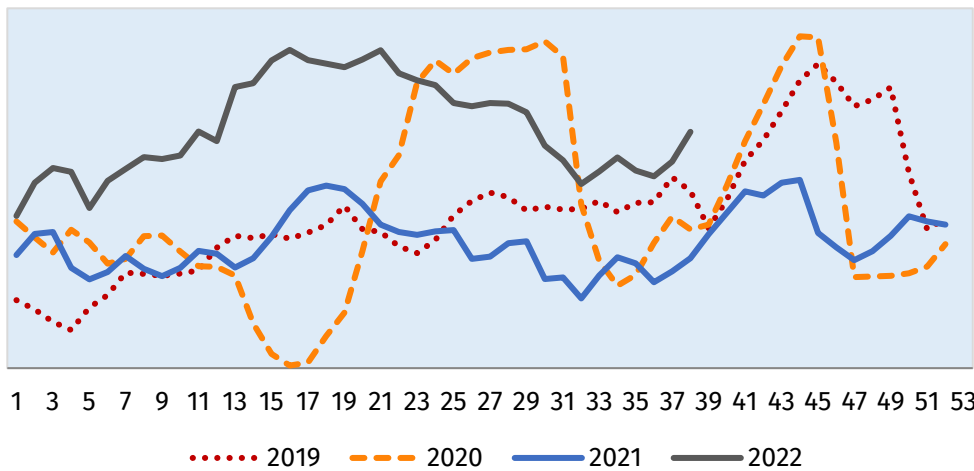
Cream Cheese

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



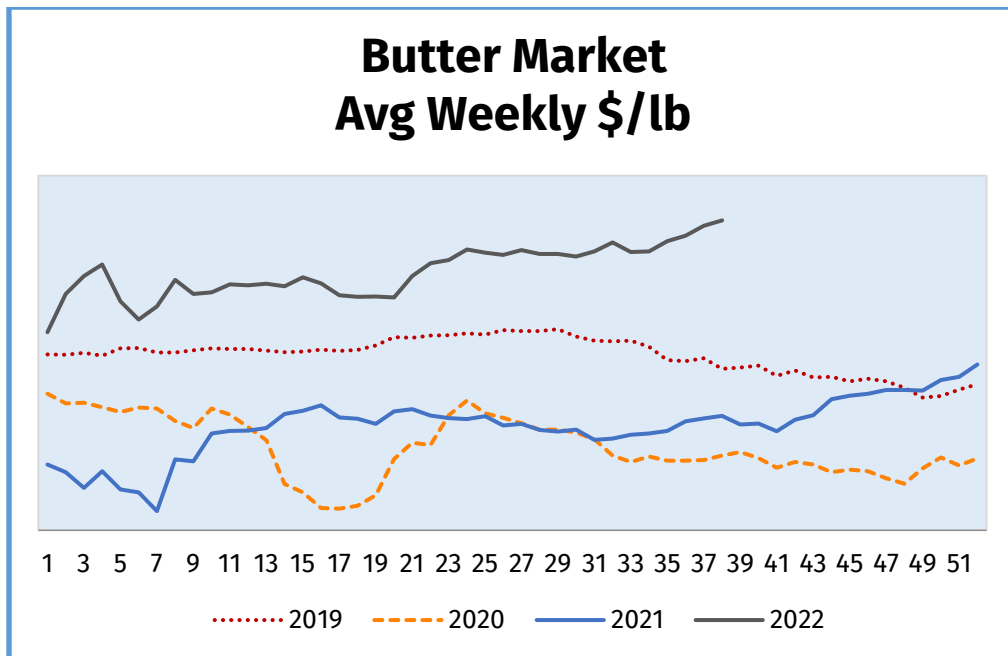
Cheese Barrel Market Average Weekly \$/lb





Butter

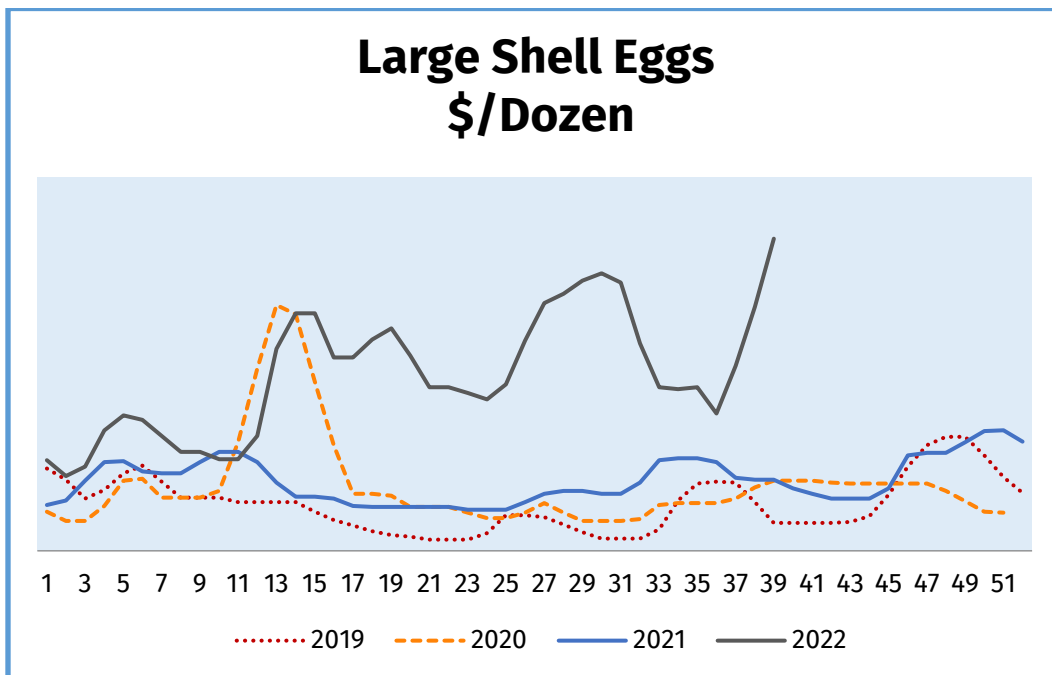
Market is steady to firm. The CME Butter Market is down slightly as of midweek, but this will most likely be only a short reprieve from the upward pricing action we have seen for the past couple of months. National butter production is generally steady to weaker, though tightening cream inventories are influencing production capacity negatively nationwide. In the Northeast, butter production is weaker over the past week due to tight cream supplies, and foodservice and retail demand are steady to stronger in the region. In the Central region, production of butter is also weakening slightly due to the tight cream market. Micro fixing is taking back over in the Central this week as the preferred manufacturing method, making the tight labor situation even more of an issue. Central region retail and foodservice demand are steady this week. In the West, cream supplies are just as tight as in the other regions. Retail and foodservice demand are steady to stronger in the region this week as well. There is 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. This situation may lead to further bullish market action over the next few weeks and months as we move through baking season. Some experts believe the record high butter prices may start to influence consumer demand and lead to some price relief around and after the holidays.





EGGS

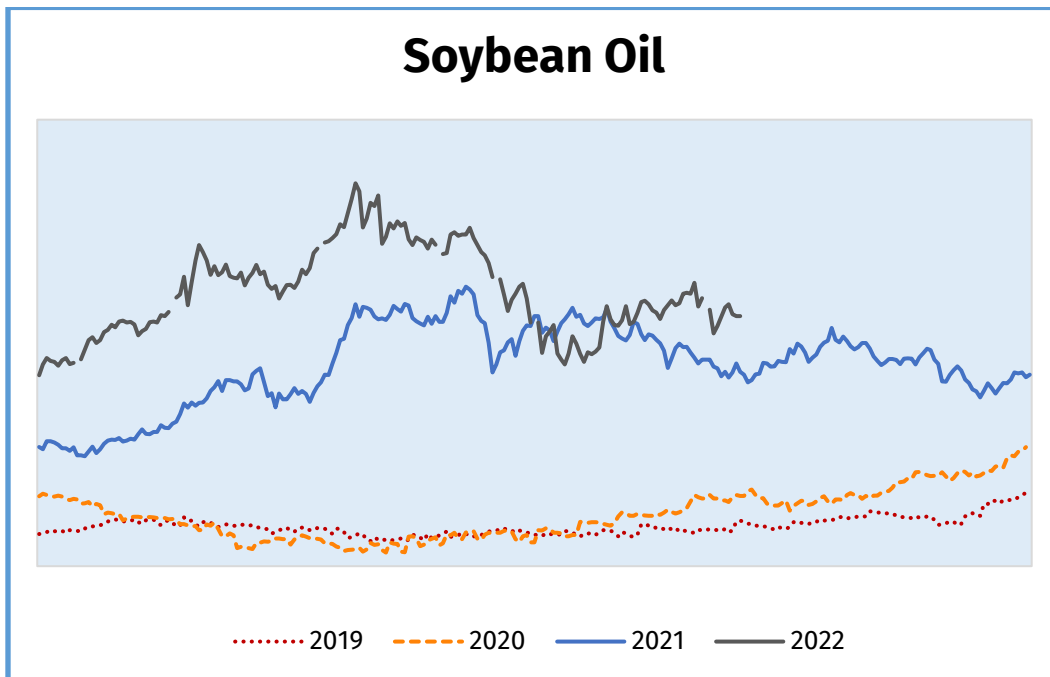
Market is firmer. Retail demand is reported to be strong across most regions of the country. Some retailers are adjusting their shelf prices higher, and some retailers are using eggs as a loss leader. The recent HPAI situation has driven prices up so quickly that retailers cannot adjust fast enough. Foodservice and QSR demand are being reported as moderate to good. The supply side has been challenged immensely as an estimated 4 million birds were affected in the HPAI outbreak earlier in the month. Supply remains extremely tight with many shortages being reported over the last week. Market is moving higher on both medium sizes and large sizes. National weekly shell egg inventory reports shell egg inventory down 3.7% over last week.





SOY OIL

Market remains firm. Harvest is weeks away. Planting in Brazil & Argentina is underway. Eyes are on weather as there is a 91% chance of a 3rd consecutive La Nina. Wetter weather is expected near the Great Lakes and the harvest in the Midwest likely will speed up next week after rain leaves the area. The combined good/excellent rating is currently at 55%. This is down from last week's 56%. With the tensions increasing over Russia's plan to annex territories in eastern and southern Ukraine, the market has firmed up even more. The rising tensions won't help further prospects for exports.



CANOLA OIL

Market remains firm. The Canola crop is looking good. Unlike the previous year, it's more about bringing yields in and counting it, rather than hoping there is enough to refill the stocks.

CORN

Market remains firm. The combined good/excellent rating is currently at 52%. This is down 1% from the previous week and down from last year's rating of 59%

- **Sweet Corn:** Corn yields on acres planted are healthy with good quality overall, however total acres were down from expectations due to crop competition. Because of this, corn will be tight out of the North Basin. Sweet corn yields in the South Columbia Basin (WA) have been average with good quality. Total acres are down, however, due to not having pea and sugar snap acres mature enough to harvest in time to get sweet corn back in as the 2nd crop.

GREEN BEANS

Market remains firm. Contracted acres are down this year versus 2021 in the Willamette Valley (OR) due to high paying competing commodities and grower ground rotations. Green bean yields have been average compared to previous years. Harvest started 3 weeks late due to heavy rains delaying spring planting. Positive note: Quality has been excellent for all styles of beans! Harvest is currently at 65% and should be complete by early October.

LIMA BEANS

Market remains firm. Yields in the North Columbia Basin (WA) are down versus last year, although recoveries are normal, and quality has been good to date. The projected 2022 acreage is down, so overall Northwest supply will be tight.

PEAS

Market remains firm. Quality in the South Columbia Basin (WA) has been good, with yields reported as being average to slightly above average.

POTATOES

Market remains firm. 2022 acres are relatively flat year-over-year and early varieties all have decreased yields across the Pacific Northwest. With planting delayed and a cool start to the season, in addition to the excessive while the spuds were bulking, yields are projected to be down 8-12%.

RICE

Market remains firm. 45% of rice is harvested, compared to 51% on average. 72% of the crop is in good to excellent condition. Industry-wide supply challenges remain with parboiled rice.

WHEAT

- **Winter Wheat:** Planting is underway with 21% of the crop now planted compared to 17% on average.
- **Spring Wheat:** 94% of the crop has been harvested. This is in-line with the five-year average.

