



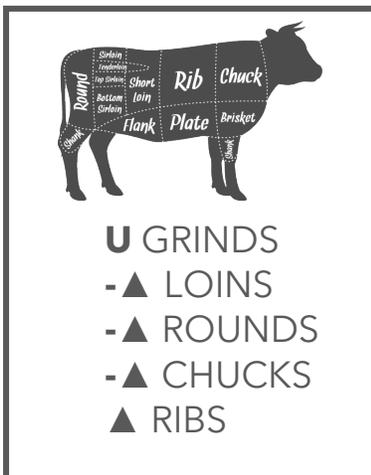
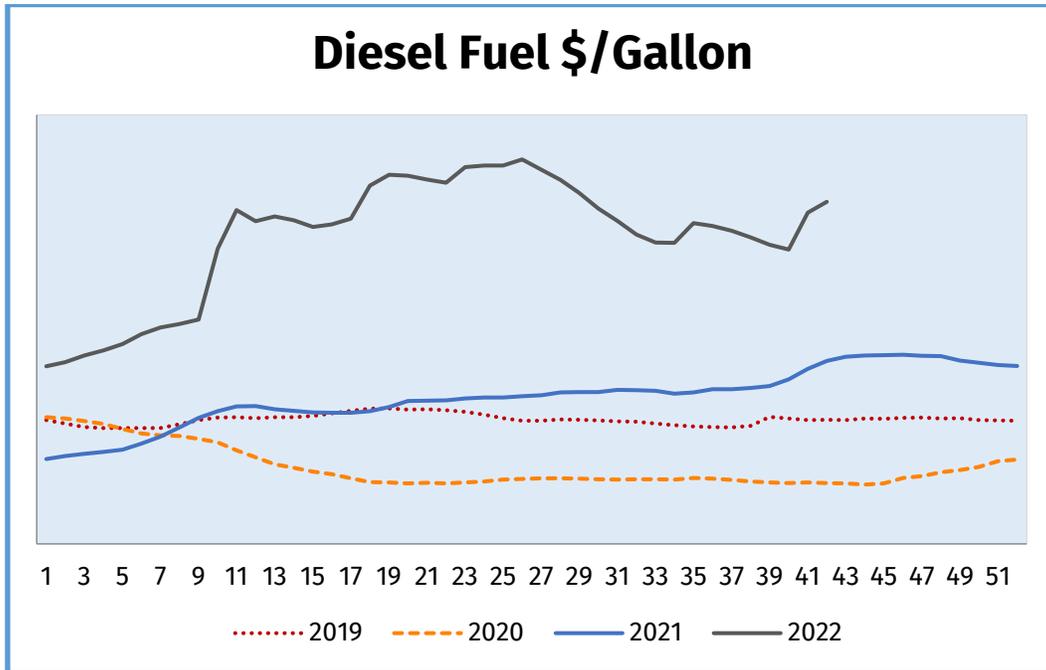
Market Report

WEEK ENDING | OCTOBER 21, 2022

Graphs represent data for the week ending October 14, 2022



LOGISTICS



BEEF

Market is steady to firmer. Total beef production for last week was down 0.6% versus prior week but was up 2.2% compared to same time last year. Total headcount for last week was 660,000 as compared to 643,000 for the same time last year. Live weights for last week were up 1 lb. from prior week, but down 10 lbs. from same time last year. Live cattle prices pushed higher again as we moved last week and are at levels well above prior year and well above the 5-year average. Futures contracts for February are still pointing towards possible record high live prices as we move through the coming months. Overall demand has been improved, with buyers looking to cover their needs for

the upcoming holiday season; demand for roasts and other cuts are picking up at retail. The Choice and higher grading percentage has been moving lower over the past several weeks and this could put pressure on availability of choice and higher grades as we move through the coming weeks.

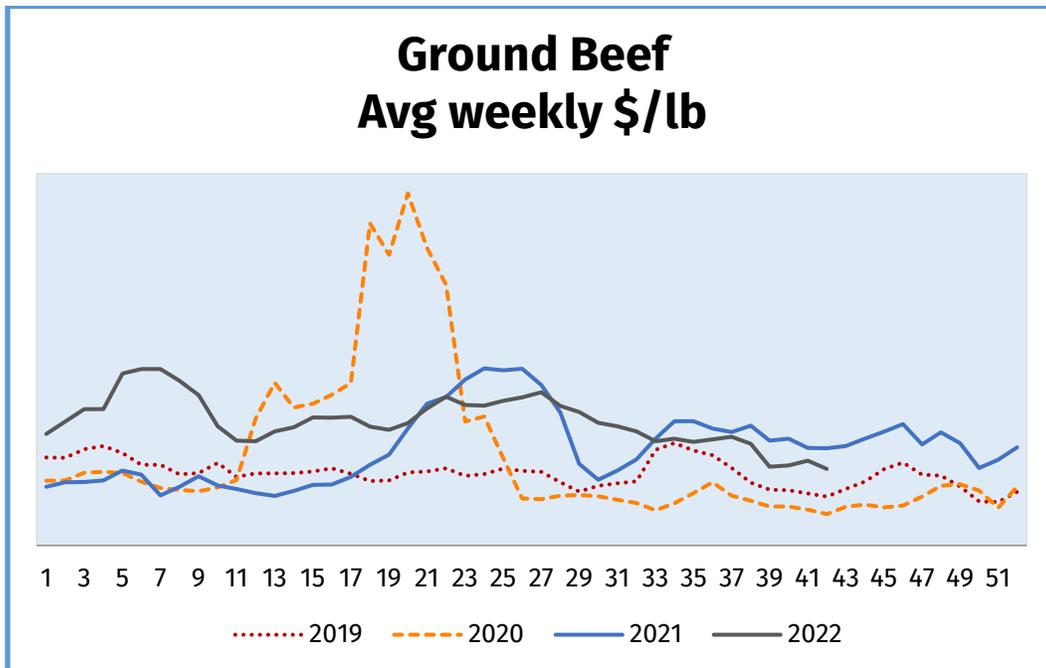
Grinds- Market is unsettled. Asking prices have been more varied over the past several days with availability mixed between packers. Grinds have seen additional buying interest as buyers see the items as a value, compared to other cuts of beef.

Loins- Market is steady to firmer. Buying interest had been seasonally lower over the past several weeks and helping to keep downward pressure on the market. This trend has reversed over the past few days with lighter production combined with renewed buying interest helping to put pressure on the market.

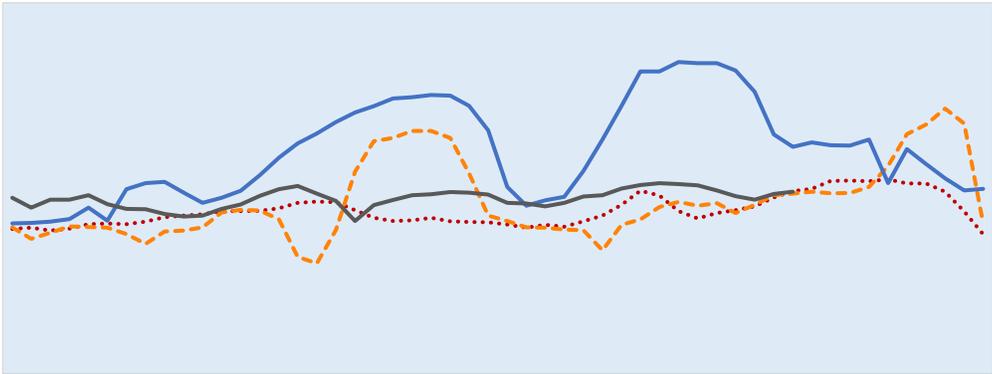
Rounds- Market is steady to firmer. The market has seen increased buying activity over the past several days with improved demand at retail.

Chucks- Market is steady to firmer. Retail demand has been improving over the past few weeks as shoppers turn their interest towards cooler weather cuts. Retail advertising is seasonally picking up as consumers look towards roasts and other items.

Ribs- Market is firmer. The current market is well below same time last year due in part the much better availability recently. There are large spreads in pricing that are being seen between Choice and Select grades, and those gaps have widened over the past couple of weeks. Choice and higher graded product is in more limited supply, which is expected to continue, thus putting pressure on availability for those cuts.



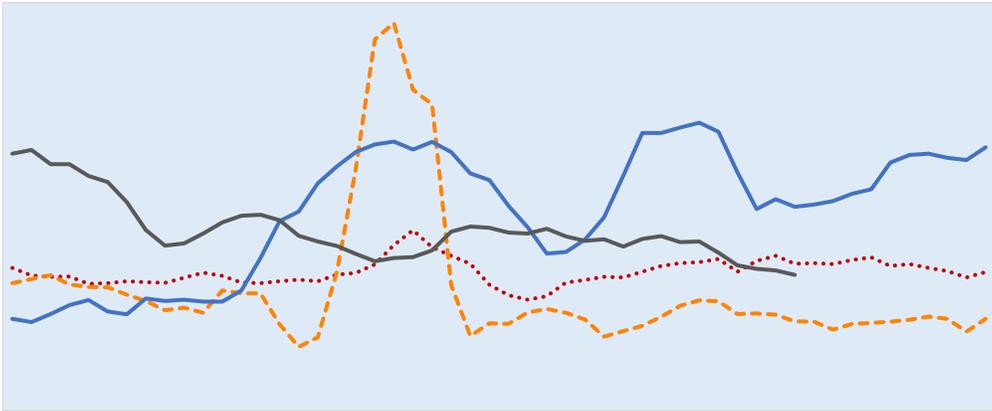
Choice Ribeye Heavy Avg weekly \$/lb



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

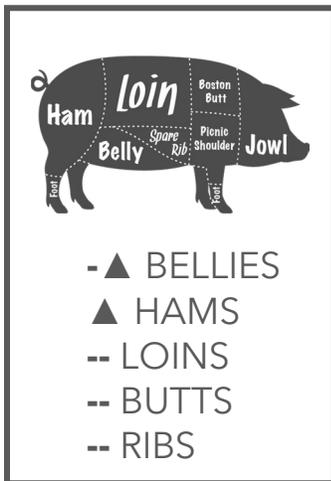
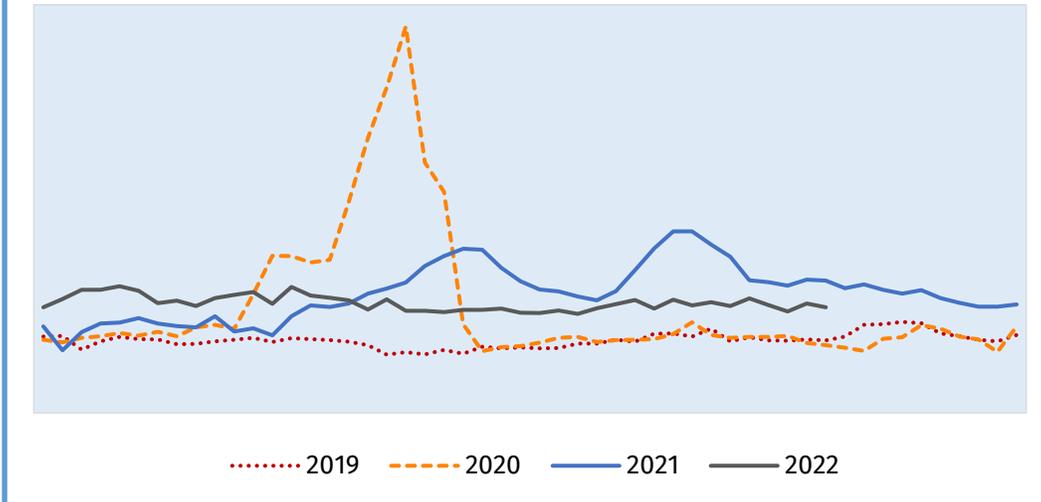
..... 2019 - - - - 2020 ——— 2021 ——— 2022

Choice Brisket Avg weekly \$/lb



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

Choice Inside Avg weekly \$/lb



PORK

Market is mostly steady. Total pork production for last week was down 0.5% versus prior week and was down 4.1% compared to same time last year. Total headcount for last week was 2,545,000 as compared to 2,630,000 for the same week last year. Live weights for last week up 1 lb. from prior week but down 2 lbs. versus last year. Hog weights have been pushing overall higher over the past several weeks but are trending behind prior year and the 5-year average. October is National Pork month and pork is a focus for promotions across much of the country. Exports continue to face pressure due to the stronger US dollar causing our products to cost more in the global markets.

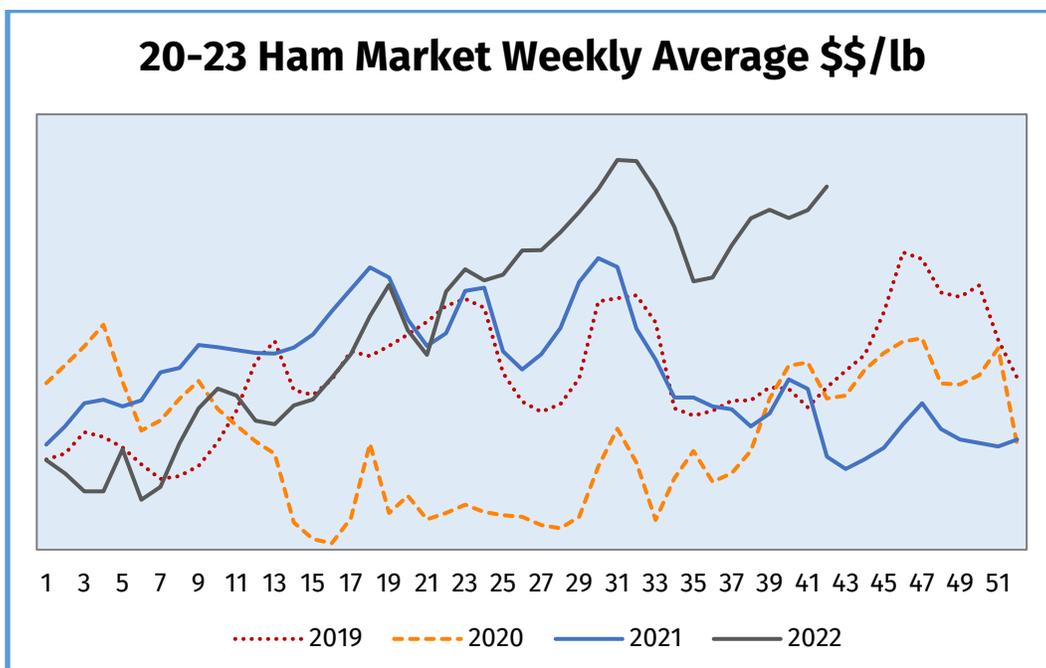
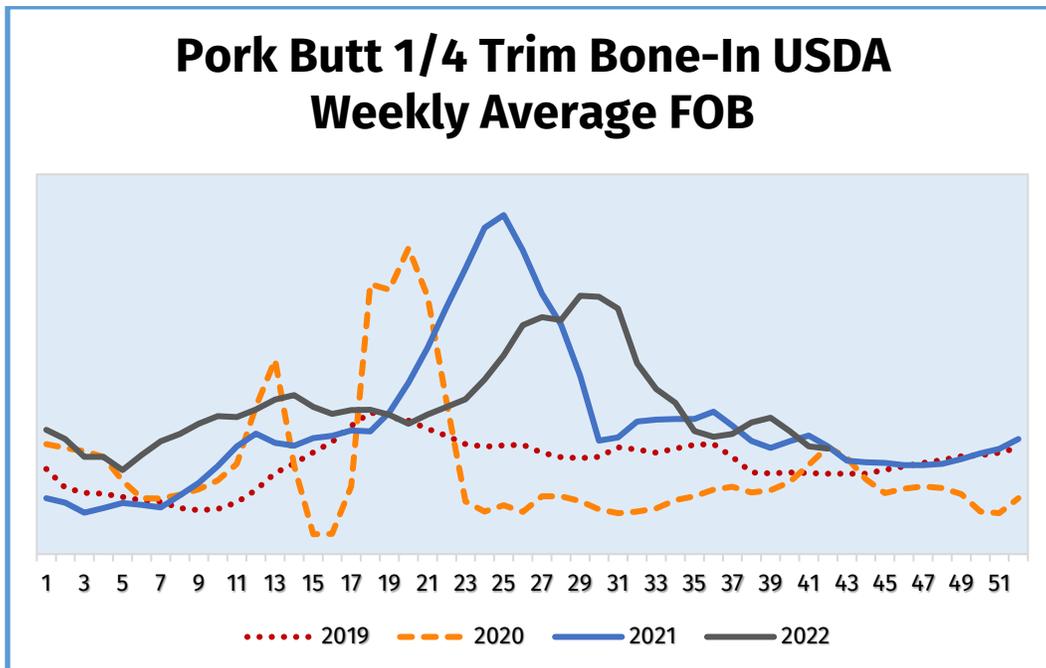
Bellies- Market is steady to firmer. The market has moved higher over the past few weeks after seeing lows that had not been seen in almost a year. The lower prices helped to bring additional buying interest to the market and push the market sharply higher, compared to just a few weeks ago. Both Retail and Foodservice demand has been improved as we moved into this week.

Hams- Market is firmer. Buying interest for the holidays has been improving and helping to put pressure on the market. The high prices of turkey have some buyers looking to cover their needs with hams this year. Even with the stronger US Dollar, Mexico has seen increased buying interest which is helping to keep additional pressure on the market.

Loins- Market is steady. Retail demand has been light for multiple weeks and helping to keep downward pressure on the market.

Butts- Market is steady. Buying activity has been seasonally lighter. Butts have been seeing additional buying interest over the past few weeks as they continue to be seen as value compared to other proteins in the market.

Ribs- Market is mostly steady. Buying interest has been seasonally lighter over the past few weeks. Increasing fresh inventories combined with product being rotated out of freezers has been helping to hold the market at lower levels.





CHICKEN

Market is weaker. Total headcount for week ending 10/15/22 was 174,419,000 as compared to 168,101,000 for the same week last year. Average weights for last week were 6.55 lbs. as compared to 6.44 lbs. for the same week last year. Retail and foodservice demand is reported to be moderate at best. Boneless breast and tenderloin demand is on a downward spiral. WOGS are showing some strength due to limited supply. Wing business is mixed based on the size. Back half parts and dark meat are showing weakness due to additional supply and having to move excess on the open market. Weekly slaughter rates and egg sets continue to rise in small increments which is improving the supply side of the business.

WOGS- Market is steady to firmer. Retail deli and QSR demand is trending strong as consumers look for cost efficient meals. Supply is available, but still tight. Market levels are holding firm with premium sizes being pressured higher.

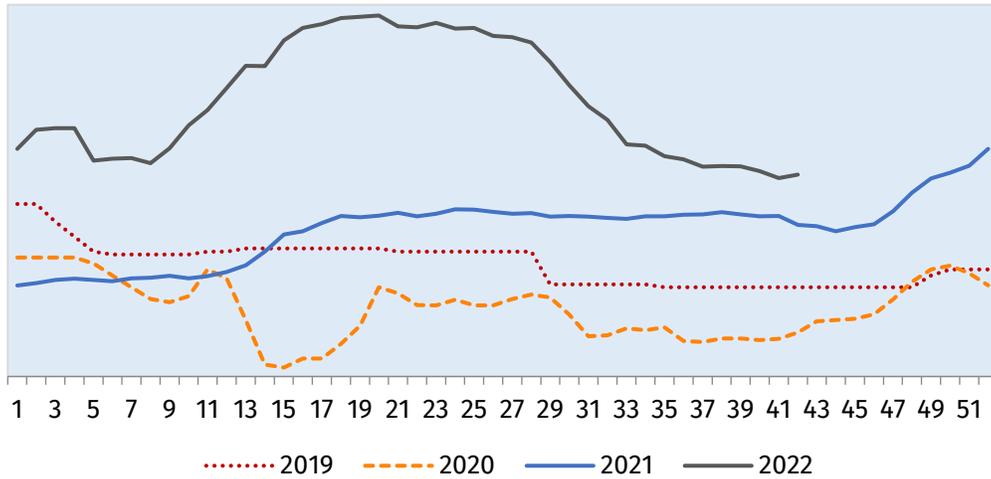
Tenders- Market is weaker. Foodservice, retail deli, and QSR demand continues to be bearish. Higher menu prices continue to constrain consumer demand. Weak demand is also causing further processing and portioning to stall. More and more excess loads continue to be reported. Market levels remain under extreme downward pressure.

Boneless Breast- Market is weaker. Retail and QSR demand have dropped off and industry supply has increased over the last two months. This combination of soft demand and added supply is pushing market levels lower. All sizes of product are reported to be in excess. Market levels on all sizes are being pressured lower.

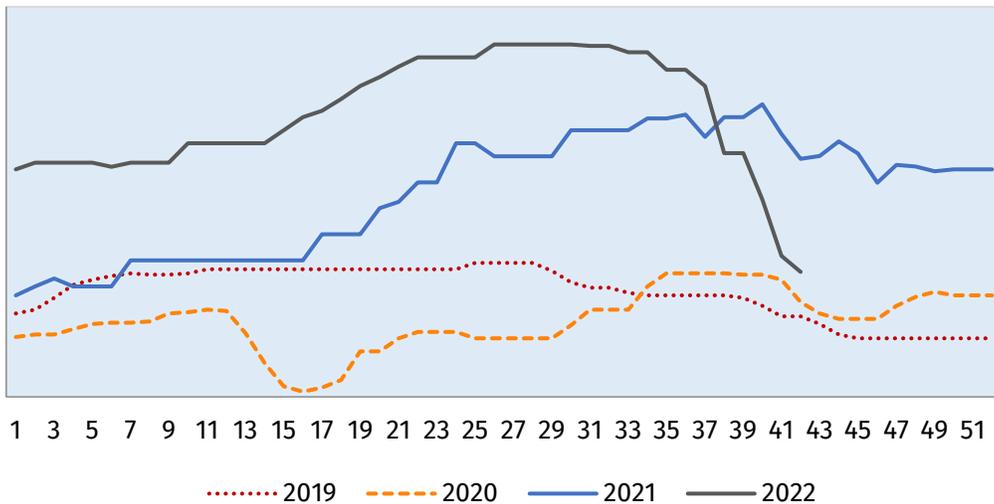
Leg Quarters and Thighs- Market is weaker. Export demand for leg quarters is moderate. Domestic volume on drums and thighs is holding steady. With more supply being offered in the marketplace, the demand side is not keeping pace. Supply is available and the market is starting to be pressured lower.

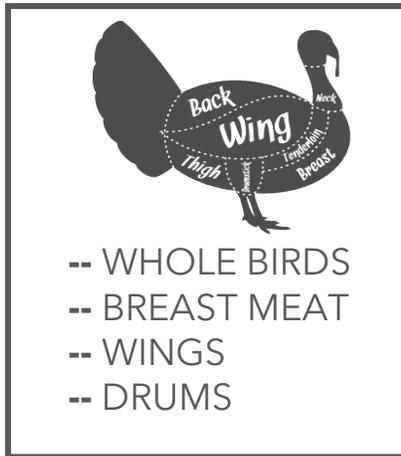
Wings- Market is steady to weaker. Wing season was starting to pick up early in October, but now demand is starting to tail off. Foodservice volume on jumbo wings is weak. Further processor volume on smaller sizes is adequate. Supply is available on all sizes. Market is dropping on jumbo wings while medium and small sizes are holding steady.

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



Chicken Tenders Avg Weekly \$/lb





TURKEY

Market is steady. Total headcount for week ending 10/8/22 was 3,909,000 as compared to 4,328,000 for the same week last year. Average weights for last week were 30.97 lbs. as compared to 31.77 lbs. for the same week last year. Whole birds are sold out with frozen orders still being packed. The breast category remains fully supported as fully cooked breast products are in short supply. Business on drums and wings is highly active. Whole birds, breast meat, white meat, and parts continue to be well supported and hard to find on the open market. Instances of HPAI continue to be reported on a

localized basis. Supply remains extremely tight as slaughter numbers remain less than industry standards. Market levels continue to hold firm across the mix of categories.

Whole Birds- Market is steady. Frozen demand has the category sold out. In addition, suppliers will start packing fresh orders for the Thanksgiving Holiday. With transportation lanes tight, getting refrigerated loads delivered is becoming the next challenge. Supply is hard to find. Market levels are holding firm and spot loads usually command a premium.

Breast Meat- Market is steady. Volume from the retail deli and foodservice channels continues to be constant and outpacing supply. Further processors are challenged with managing production in combination with floor stock costs. Supply is tight and the market continues to hold firm.

Wings- Market is steady. Export business remains stable. Domestic needs for two-joint wings continues to be active as foodservice business is strong. Supply remains limited on a weekly basis. Market levels are firm.

Drums and Thigh Meat- Market is steady. Domestic and export volume remains strong. Smokehouse business is keeping drums well supported. Retail sales of ground turkey remain constant. Supply is tight with market levels trending flat.



SEAFOOD

Gulf Shrimp- Market is unsettled. The market has become more unsettled as have moved through the past few weeks with asking prices seeing larger gaps between suppliers due in part to available inventories.

Black Tiger Shrimp- Market is mixed. 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. The market for smaller sized Black Tiger Shrimp have seen downward pressure due in part to a light demand.

White Shrimp- Market is steady to weaker. The market for product of Latin America is seeing downward pressure with improved inventory levels for a lighter demand. The market for product of Asia is holding mostly steady this week with pricing varied between suppliers based on current inventory levels.

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. The Alaska Department of Fish and Game has announced the closing of both the Alaskan King Crab and the Alaskan Snow Crab for the 2022/2023 season. This is due to concerns related to the biomass and healthy stock numbers. This is the second season in a row that the Alaskan King Crab season will not take place but the first time in many years that the Alaskan Snow Crab season will not take place. This is expected to put pressure on the markets over the coming weeks.

Snow Crab- Market is firmer. Canadian Snow crab prices are moving higher after seeing the lowest price in over a year just a few short weeks ago. Even at these prices, the market is still well above normal for this time of the year, and this is due in part to limited availability with lighter imports from Canada, that are currently down over 13% compared to last year. This is also related to the ban on Russian product that resulted in imports being down over 75% year to date. The Alaska Department of Fish and Game has announced the closing of both the Alaskan King Crab and the Alaskan Snow Crab for the 2022/2023 season. This is due to concerns related to the biomass and healthy stock numbers. This is the second season in a row that the Alaskan King Crab season will not take place but the first time in a very long time that the Alaskan Snow Crab season will not take place. This is expected to put pressure on the markets over the coming weeks.

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 August were down almost 56% versus same time last year and down 21.6% 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 recently, partially due to reports of imports from Canada being down almost 27% for August.

Salmon- Market is mixed. Demand for farmed salmon has become lighter over the past few days, helping to put downward pressure on the market. The Wild Salmon market is becoming more mixed with some buyers looking to move away from fresh product and switch to available frozen when available.

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.

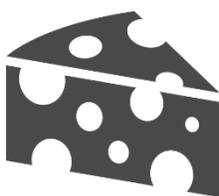
Pollock- Market is steady. Retail demand has been very good for several months and helping to move additional inventories. Production and logistical issues have been improving over the past few weeks. The ban on Russian product is helping to keep additional pressure on this market.

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

Tilapia- Market is firmer. The month of August saw price increases on Chinese Tilapia. Extremely hot weather in China has caused increased issues with fish loss in ponds with soaring temperatures. Feed costs continue to increase and put additional pressure on the industry. Demand has been improved and putting additional pressure on the market.

Swai- Market is unsettled. The market has been seeing upward pressure for multiple weeks, but that trend has become more unsettled over the past few days. Shipments booked earlier in the year have been arriving in larger quantities over the past few weeks and helping to build inventories. Inventories vary between supplier with some still reporting lighter inventories thus keeping pressure on their availability for additional business.

Scallops- Market is mixed. The market for Domestic product has been seeing upward pressure over the past few weeks. There are more limited inventories for a demand that is building ahead of the upcoming holiday season. The import market is holding mostly steady.



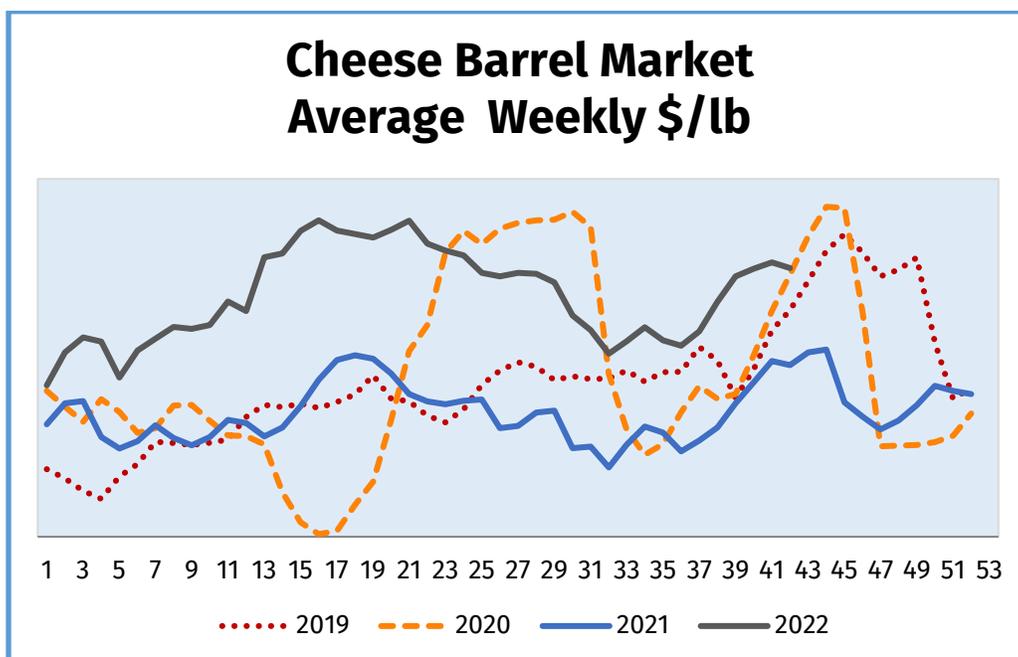
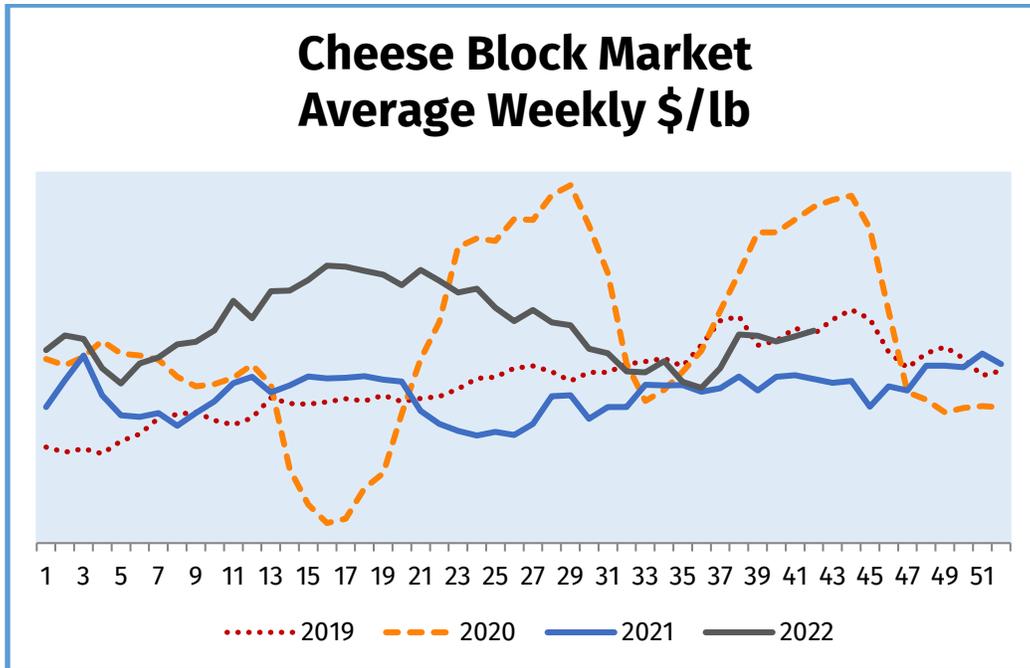
DAIRY

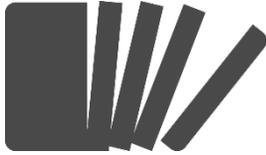
Cheese

Market is mixed. The CME block and barrel markets are split again this week, with blocks rising slightly, and barrels falling. Cheese production is busy nationwide, with milk availability generally loosening compared to the past month or so. In the Northeast, cheese production is active, and milk is available to meet most needs. Northeastern retail demand is down again this week, while foodservice demand is steady. The Northeast is also experiencing stronger export demand the past couple of weeks. In the Midwest, milk availability is improved, and cheese production is busy. Cheese demand in the Midwest in both retail and foodservice is steady. Midwestern inventories are still tight, and just available enough to meet most needs, though some producers are turning down new business currently. In the West, foodservice demand is steady, and retail demand is weaker this week. The region is seeing large amounts of export demand currently as well. Cheese production is steady in the West, with labor issues and transport costs still slightly limiting production schedules.

Cream Cheese

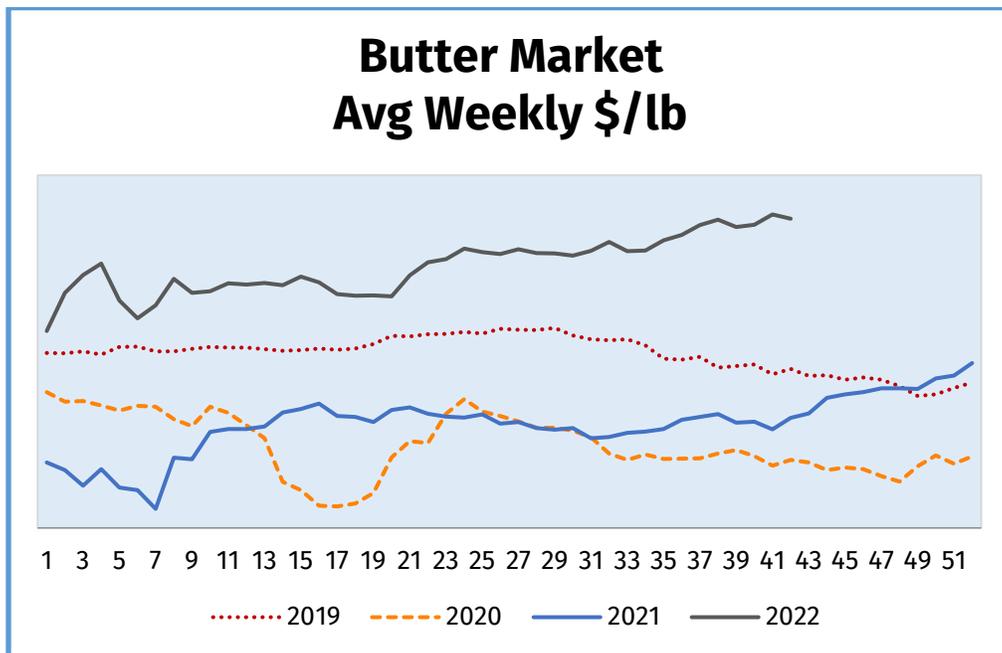
Market is firm. Inventories are limited, and allocations and cuts should continue to be expected for the remainder of the year. Multiple suppliers are not taking on new business, and inventories are expected to remain noticeably light at least through the end 2022. Labor, logistics, and packaging issues are all contributing to the current industry-wide situation. Both foodservice and retail sectors are being affected.





Butter

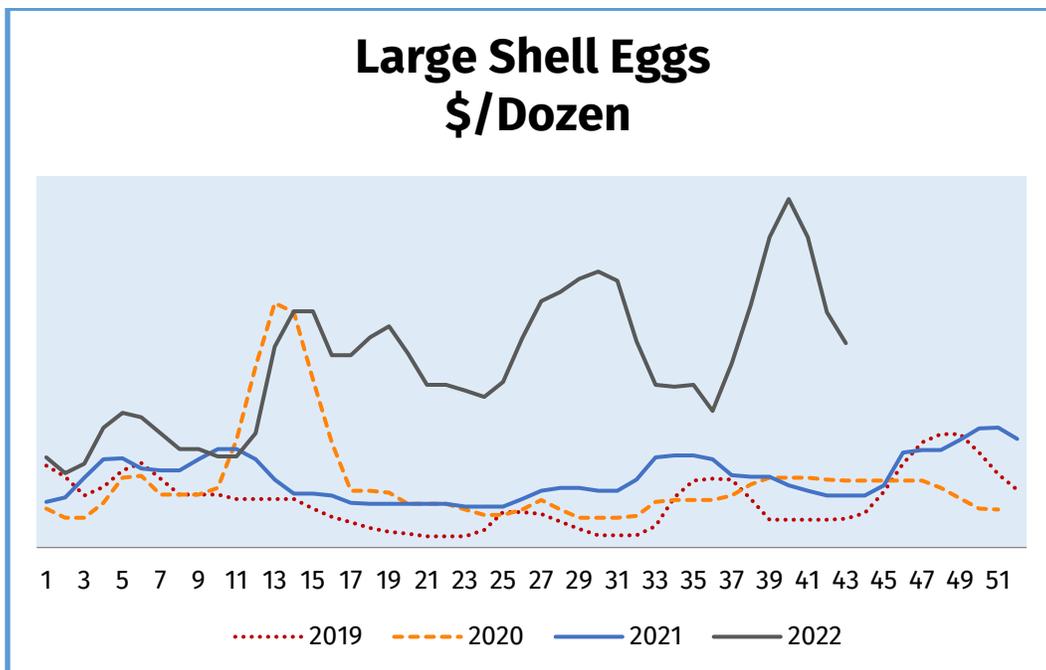
Market is steady. The CME Butter Market is slightly down again as of mid-week, though this is not expected to indicate a long-term trend just yet, given the demand picture as we approach the winter months. National butter production is generally steady, and the cream inventory picture is brighter this week than it has been for a couple of months, due to lessened demand from ice cream producers as the weather turns colder. In the Northeast, butter production is steady this week and cream is more available than it has been in weeks. Foodservice and retail demand are steady in the region, though some contacts expect retail demand to weaken over the coming weeks due to still high market prices. In the Central region, production of butter is steady to stronger, and contacts in the region report that the availability of cream has improved again this week. Central region retail and foodservice demand are stronger this week as we head into baking season. In the West, cream supplies are loosening, while still not overabundant. Production in the region is steady this week. Retail and foodservice demand are both steady in the West compared to last week.





EGGS

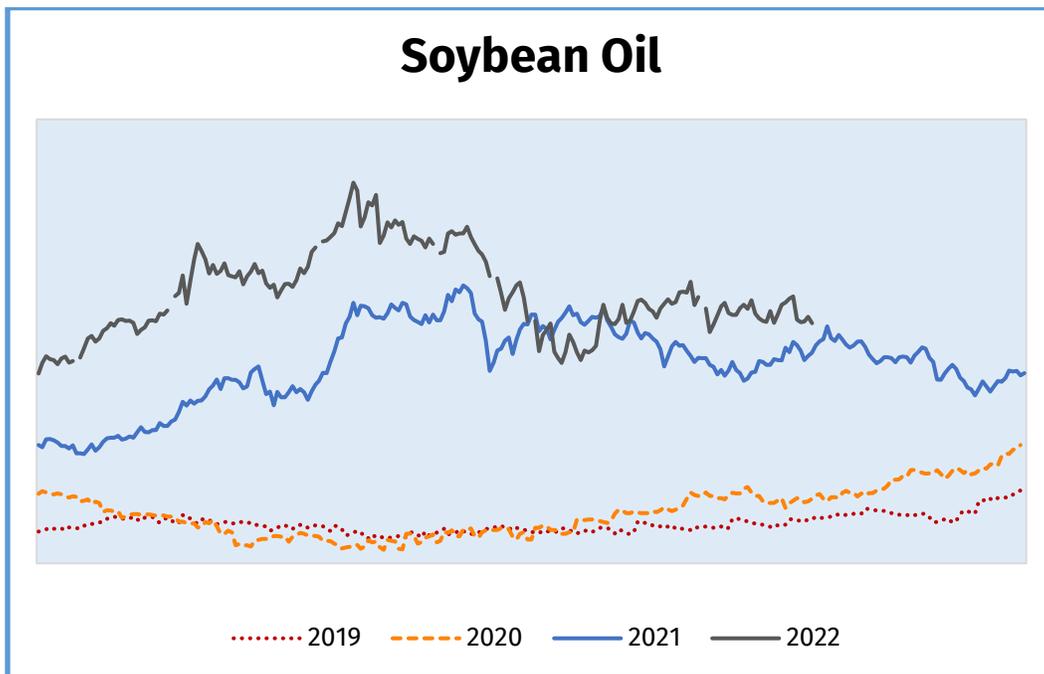
Market is weaker. Retail demand across the country is mixed with some regions being rated as good and some regions be rated as weak. Promotional activity has come to a standstill and everyday shelf prices vary greatly. Foodservice demand is reported to be mostly good in spite of the recent uptick in inflation. QSR business is status quo for this time of year. Export demand from Canada has slowed considerably over the past couple of weeks. The supply side continues to be challenged as small instances of HPAI continue to surface. Supply remains tight with many shortages being reported over the last week. Market is moving lower on both medium sizes and large sizes. National weekly shell egg inventory reports shell egg inventory down 2.9% over last week.





SOY OIL

Market remains firm. The 2022/23 crop projections are trailing the 2021/22 numbers by 4 million tons. In September the trailing number was projected to be 2 million tons. Weather is the focus as red-flag warnings have been issued in the Northern plains due to extremely dry conditions. Montana, and parts of North and South Dakota will be affected the most. In southwestern North and South Dakota, wind gusts of up to 30 miles per hour are expected. The combination of gusty winds, low humidity, and cured fine fuels could result in critical fire weather conditions over portions of north-central South Dakota. Freeze warnings are also in effect in central Indiana and western Ohio.



CANOLA OIL

Market remains firm. The USDA estimates 2022/23 Canadian rapeseed production to be at 19.5 million metric tons, which is down 3% from last month, but up 42% from last year and 2% above the five-year average. Yield is currently 3% down from last month, but up 47% from last year's crop, which struggled under historic drought conditions. The lower yield expectation stems primarily from Saskatchewan, which typically accounts for 55% of the total Canadian rapeseed production.

CORN

Market remains firm. Corn production is down 8% from last year. Based on current conditions, corn yields are expected to be down 0.6 bushels per acre from the previous forecast and down 4.8 bushels from 2021.

OLIVE OIL

Market is firm. Due to excessive heat & drought, Spanish factories expect a shortfall for their 2022/2023 annual crop, going from 3.15 metric tons in 2021/2022 to a projection of 2.48 metric tons for 2022/2023, which is also behind prior year numbers of 2.79 metric tons. This will affect overall global supply and has already impacted the current market, by causing prices on olive oil replacements to rise.

RICE

Market remains firm. Production in the US is forecasted at 165 million CWT. This is up less than 1% from the previous forecast, however it is down 14% from 2021. If nothing changes, it will be the smallest amount produced in the US since 1996. California production is estimated to be 23 million CWT, which will be the smallest crop produced since 1968 if numbers remain unchanged.

WHEAT

Concerns remain high over the possibility of a potential rail strike as the U.S.' third largest railroad union rejected a deal with employers earlier this month. Wheat farmers are very reliant on rail due to the large distances between production and consumption.

Winter Wheat: With planting roughly halfway complete, the 2023 U.S. hard red winter wheat crop is already being affected by drought conditions in the heart of the southern Plains. Planting may be scaled back in the U.S. breadbasket, reflecting rising global demand and thin world wheat supplies, which have been exacerbated by the continuing conflict in Ukraine.

