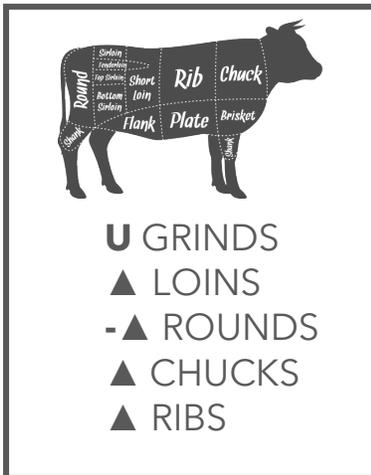
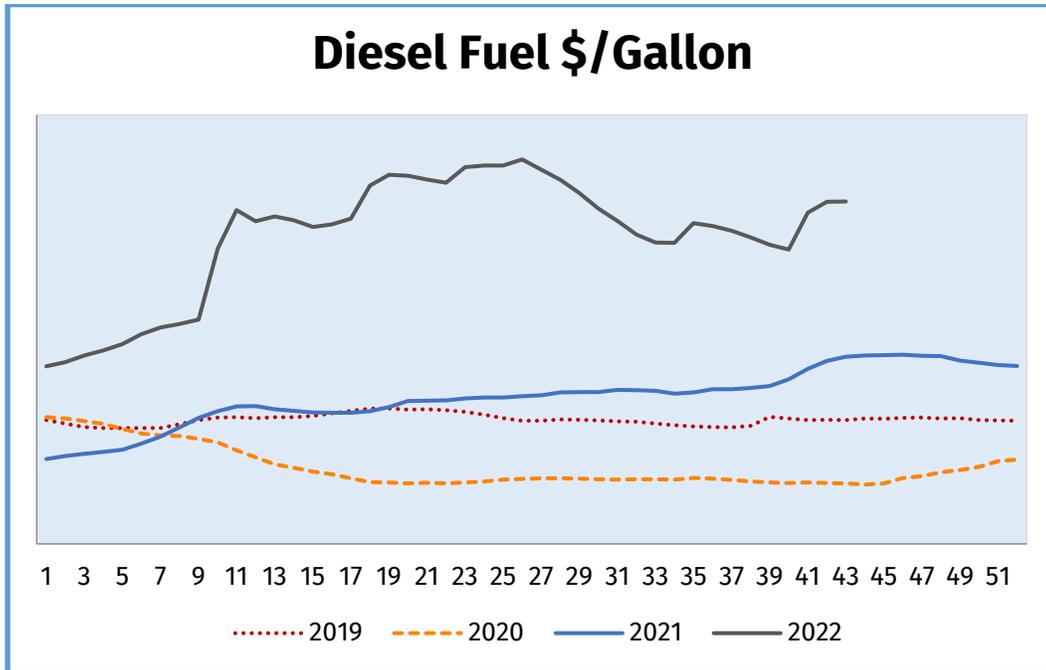




Market Report

WEEK ENDING | OCTOBER 28, 2022

Graphs represent data for the week ending October 21, 2022



BEEF

Market is steady to firmer. Total beef production for last week was up 1.9% versus prior week and up 1.5% compared to same time last year. Total headcount for last week was 673,000 as compared to 662,000 for the same time last year. Live weights for last week were up 1 lb. from prior week, but down 7 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.

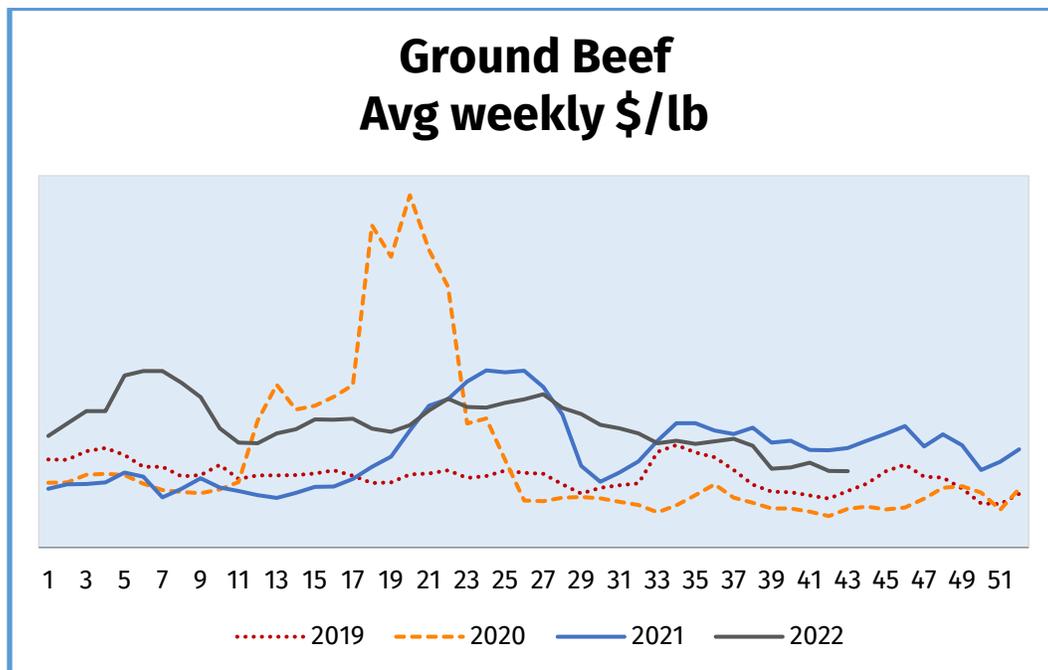
Grinds- Market is unsettled. Asking prices have been more varied of late with availability mixed between packers. Grinds have seen additional buying interest as buyers see the items as a value, compared to other cuts of beef.

Loins- Market is 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 recently with lighter production combined with renewed buying interest helping to put pressure on the market.

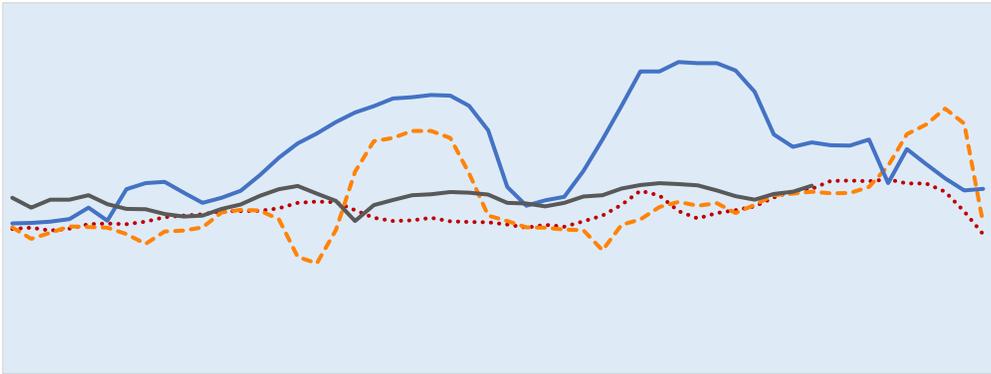
Rounds- Market is steady to firmer. The market has seen increased buying activity over the past several days with improved demand at retail.

Chucks- Market is 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.



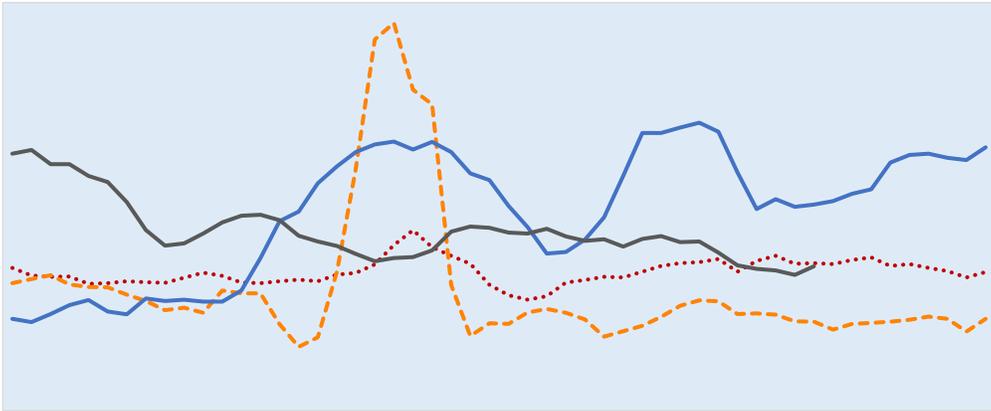
Choice Ribeye Heavy Avg weekly \$/lb



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

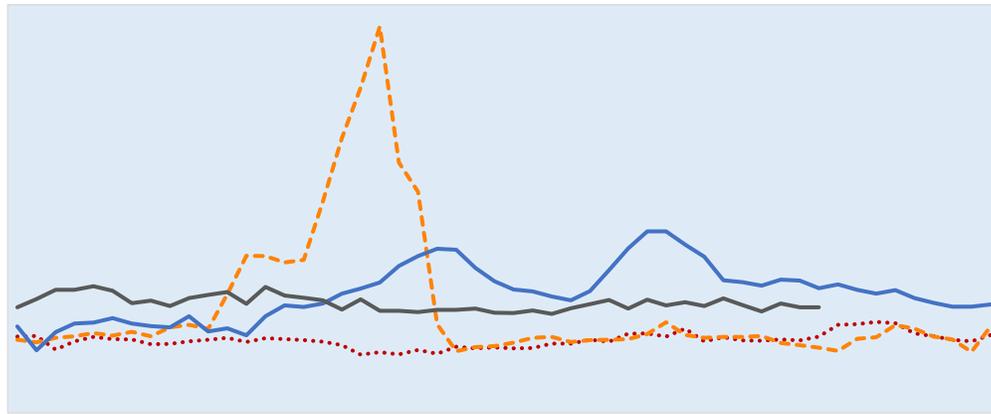
..... 2019 - - - - 2020 ——— 2021 ——— 2022

Choice Brisket Avg weekly \$/lb

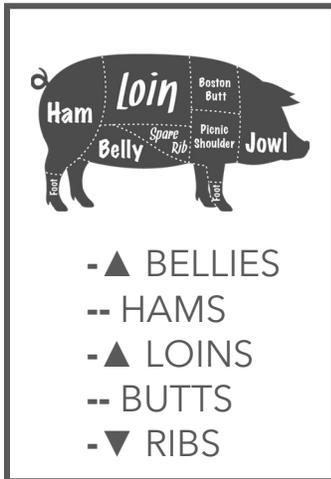


..... 2019 - - - - 2020 ——— 2021 ——— 2022

Choice Inside Avg weekly \$/lb



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



PORK

Market is mostly steady. Total pork production for last week was up 1.3% versus prior week and was down 2.1% compared to same time last year. Total headcount for last week was 2,571,000 as compared to 2,606,000 for the same week last year. Live weights for last week were even compared to 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.

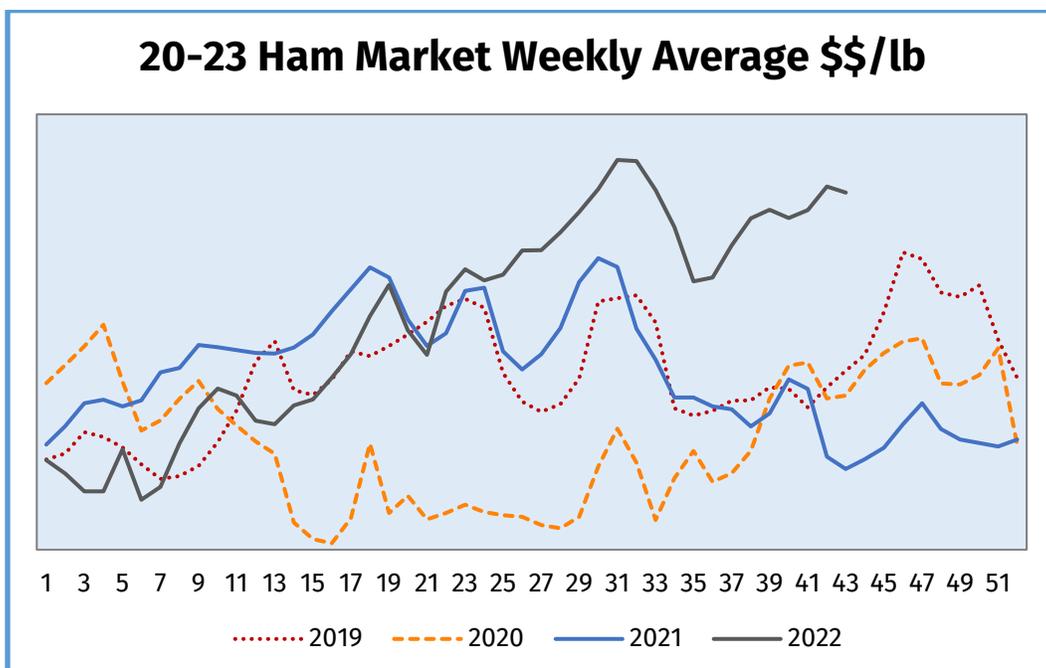
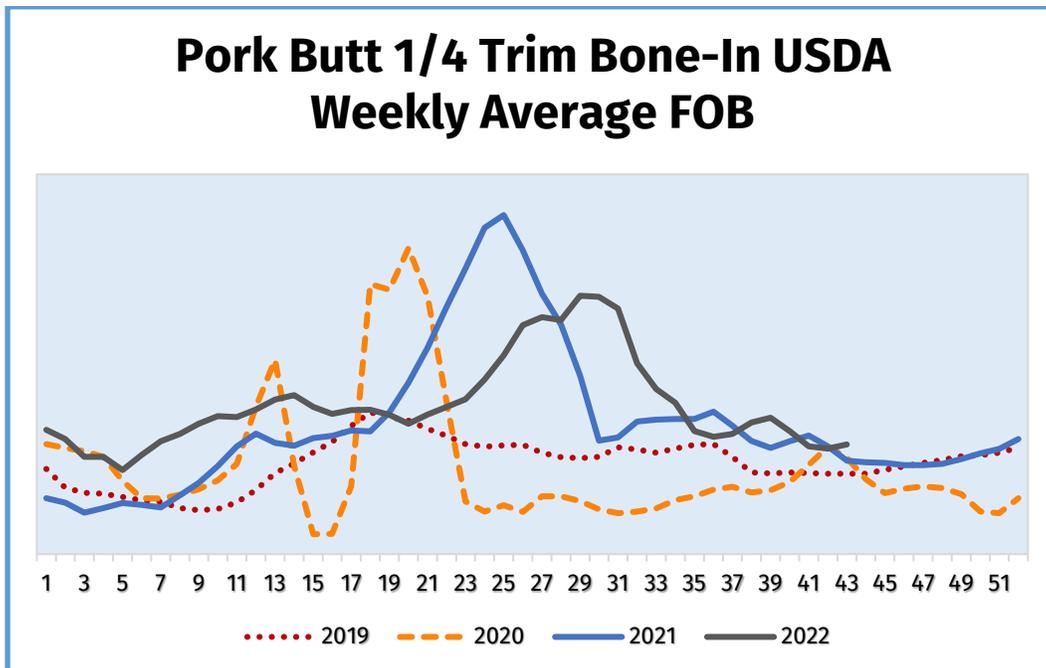
Bellies- Market is steady to firmer. The market has adjusted over the past few weeks after seeing lows that had not been seen in almost a year. The lower prices helped to bring additional buying interest to the market and push the market sharply higher, compared to just a few weeks ago. Both Retail and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

Hams- Market is steady. 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 to firmer. Value stayed mostly the same compared to prior week but trending higher over the past few days.

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 steady to weaker. 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 10/22/22 was 173,981,000 as compared to 167,229,000 for the same week last year. Average weights for last week were 6.62 lbs. as compared to 6.40 lbs. for the same week last year. Retail and foodservice demand is reported to be moderate to soft. WOGS are showing some strength due to good demand and limited supply. Boneless breast and tenderloin activity is extremely weak. Wing business is slow for this time of year. Back half parts and dark meat are showing weakness as export demand is being challenged by HPAI restrictions. 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 holding strong as home meal replacement is highly active. Supply is available, but very tight. Market levels are holding firm with premium sizes being pressured higher.

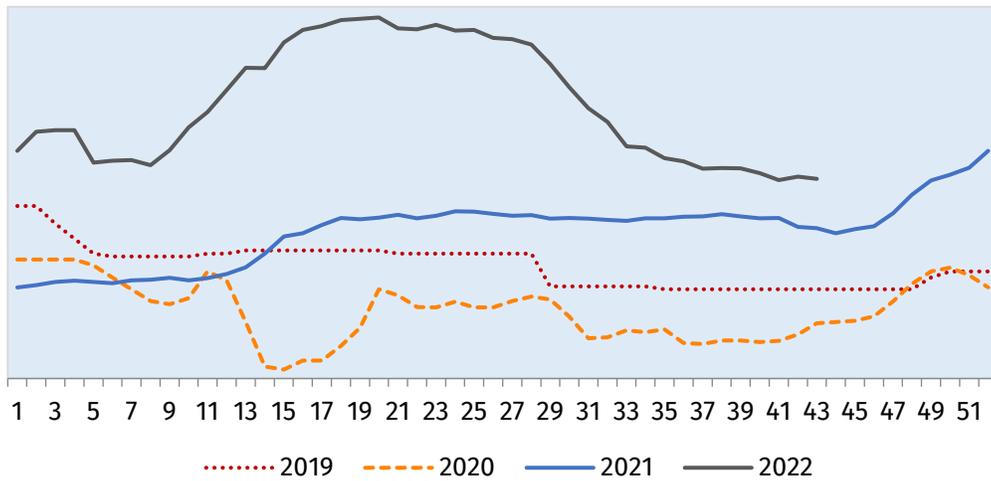
Tenders- Market is weaker. Foodservice, retail deli, and QSR demand remains extremely slow. Higher menu prices continue to constrain consumer demand. Weak demand is also causing further processing and portioning to stall. More and more excess loads continue to be reported. Market levels remain under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

Boneless Breast- Market is weaker. Retail and QSR demand are bearish for this time of year. With industry supply on the rise, over supply is becoming the common theme. Suppliers are having to take product to the freezer. Market levels on all sizes are being pressured lower.

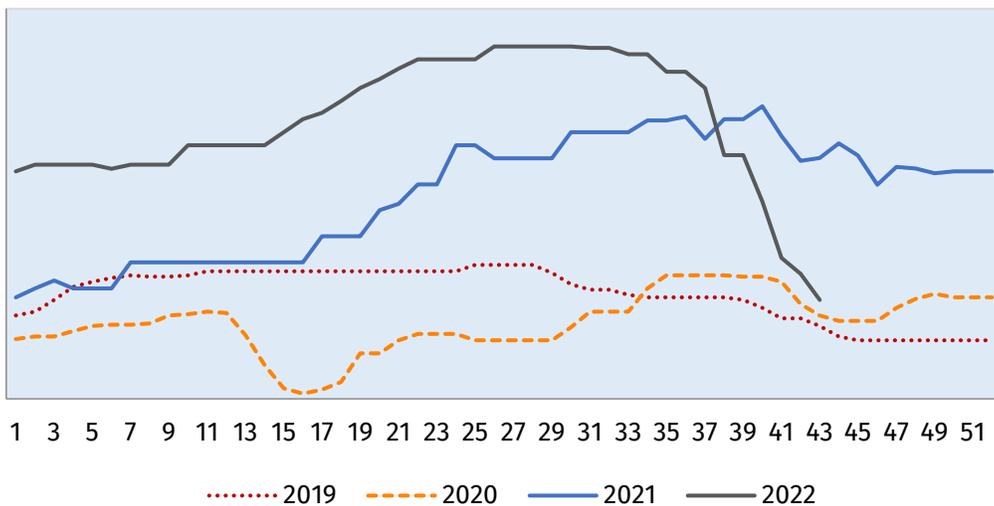
Leg Quarters and Thighs- Market is weaker. Export demand for leg quarters has dropped since HPAI restrictions have been imposed on some plants. Domestic volume on drums and thighs is holding steady. With more supply being offered in the marketplace, the demand side is not keeping pace. Market levels on leg quarters and parts are moving lower.

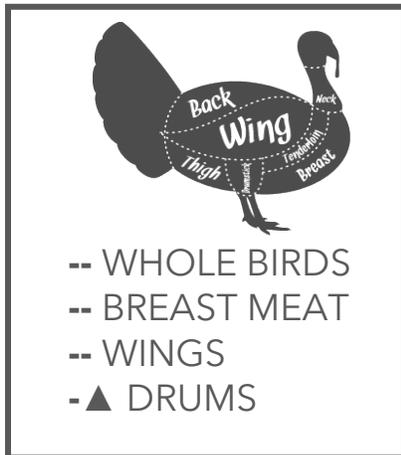
Wings- Market is steady to weaker. Foodservice demand is subpar. Wing season might be an oxymoron this year with weak demand and soft markets. Most suppliers and further processors are having to deal with excess supply and heavy freezer inventories. Supply is in excess on all sizes. Market is dropping on jumbo and medium sizes. 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 10/22/22 was 4,377,000 as compared to 4,481,000 for the same week last year. Average weights for last week were 29.08 lbs. as compared to 29.76 lbs. for the same week last year. Whole birds remain sold out and suppliers are now turning their attention to fresh orders for Thanksgiving. The breast category is holding firm as a lack of supply continues to challenge the industry. Business on drums, thighs, and wings is reported to be robust. Suppliers continue to deal with the supply challenges caused by HPAI. Slaughter numbers remain less than industry standards. Market levels continue to hold firm across most lines of business.

Whole Birds- Market is steady. Frozen demand is now moving from freezers to customers across the nation. Suppliers will start packing fresh orders for the holidays. With transportation lanes tight, getting loads delivered in a timely fashion is a challenge. Supply is hard to find. Market levels are holding firm.

Breast Meat- Market is steady. Retail and foodservice demand is solid and is outpacing supply. Further processors are trying to keep their inventory levels in balance with raw availability. Supply is very tight with the market holding strong.

Wings- Market is steady. Export demand for whole wings is fair and domestic volume on two-joint wings is adequate. Supply remains limited on a weekly basis. Market levels are firm.

Drums and Thigh Meat- Market is steady to firmer. Demand for drums and thighs is steady. Retail sales of ground turkey remain constant. Supply is an issue because fewer birds are being cut up for parts. Market on drums is moving higher while thigh meat is staying 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.

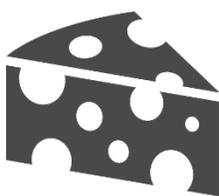
Pollock- Market is steady. Retail demand has been very good for several months and helping to move additional inventories. Production and logistical issues have been improving over the past few weeks. The ban on Russian product is helping to keep additional pressure on this market.

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.



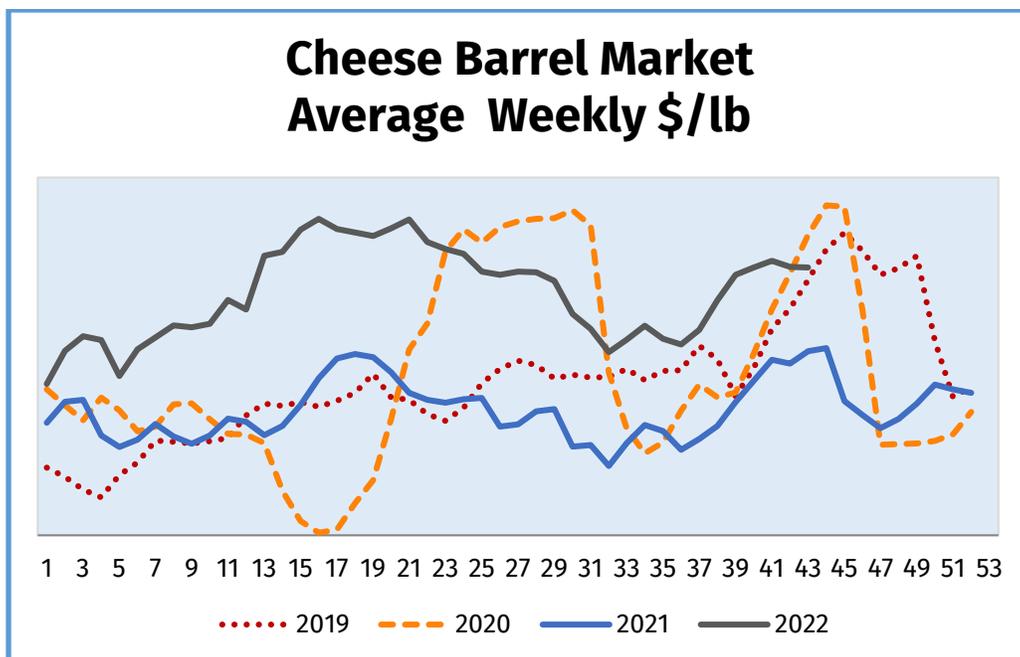
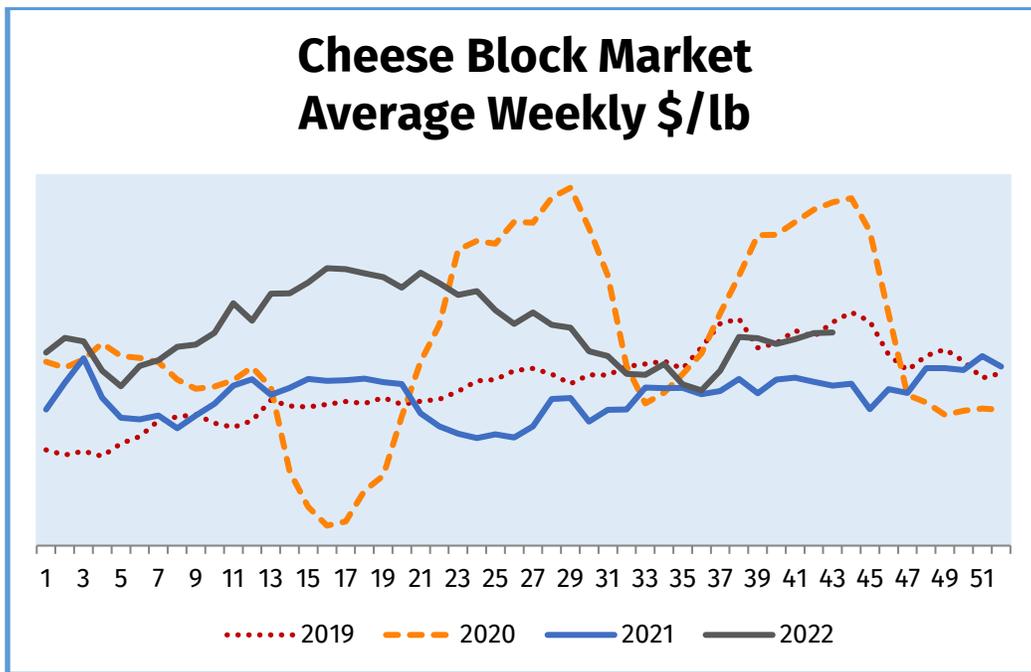
DAIRY

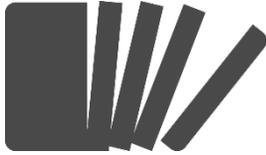
Cheese

Market is mixed. Cheese barrels remain priced above blocks on the CME. Barrel pricing dropped as the week ended, while Blocks remained steady all week. In the Northeast, Milk is available for cheese production. Cheesemakers say they are running steady production schedules, though some plant managers report down time due to scheduled maintenance this week. In the Midwest, Cheese demand, for all varieties from process to Italian styles to retail cheddar, is strong. Midwestern cheesemakers are running schedules as actively as they can. Milk availability has tightened up, despite growing milk production in the region. In the West, Cheese sales are steady to food service markets, though contacts note lighter demand from retail purchasers. Inflationary pressures are affecting some retail customers who are reportedly buying smaller cheese packages or switching to private label brands.

Cream Cheese

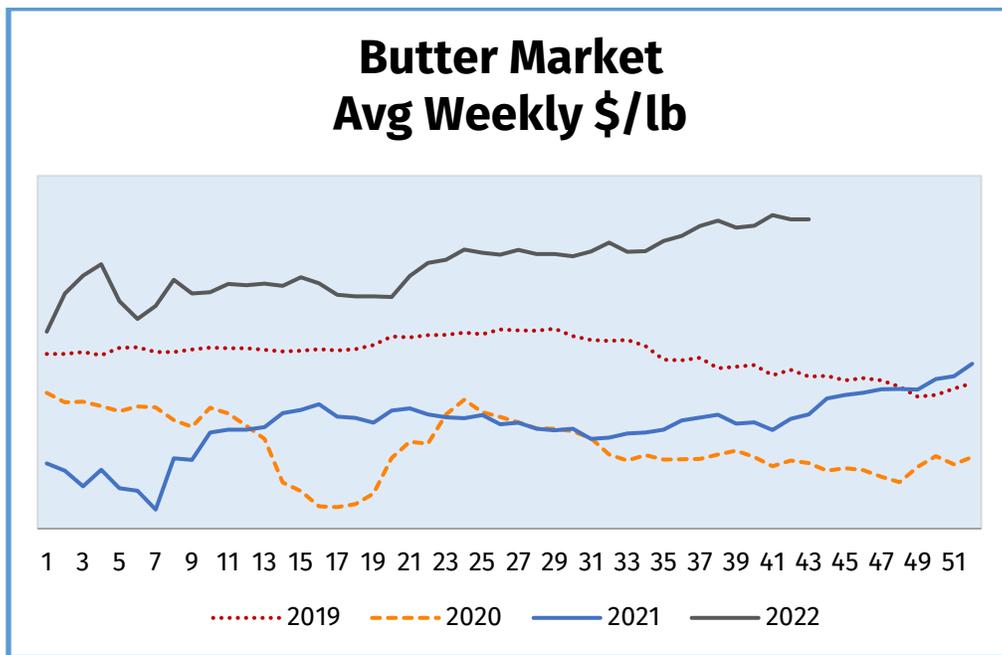
Market is firm. Inventories are limited, and allocations and cuts should continue to be expected for the remainder of the year. Multiple suppliers are not taking on new business, and inventories are expected to remain noticeably light at least through the end 2022. Labor, logistics, and packaging issues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





Butter

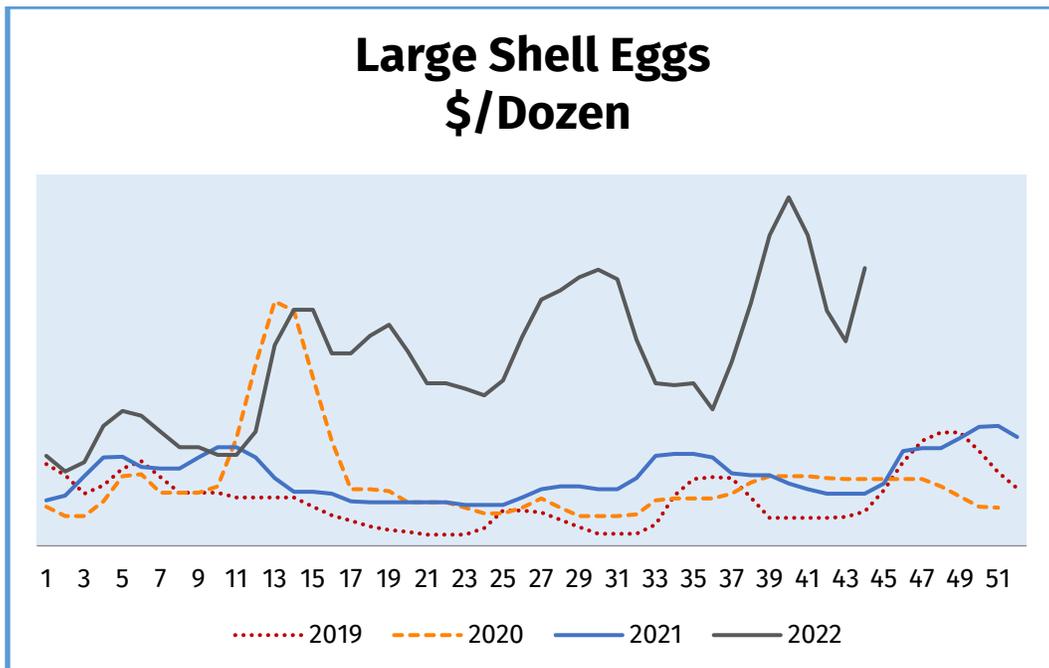
Cream availability is growing across the country. In the West, some butter makers are purchasing more cream to maximize production. Butter makers in the Midwest are purchasing additional loads of cream with multiples in the low/mid 1.20s. In the Midwest, plant managers are churning and/or micro-fixing to keep up with demand. Northeast butter making is more irregular: some butter producers are actively churning, while others are selling loads of cream while their churns are down. Retail demand for butter is hearty in the Northeast. Contacts in the Central region say demand is strong and meeting expectations. In the West, some retailers have, reportedly, underestimated their needs and are actively looking for additional loads of butter. Food service and bulk butter demands are stable in the region. Spot butter inventories are tight in the West. Meanwhile in the Northeast, butter inventories are available though some contacts are concerned that increased holiday demand will contribute to shortages in the coming months.





EGGS

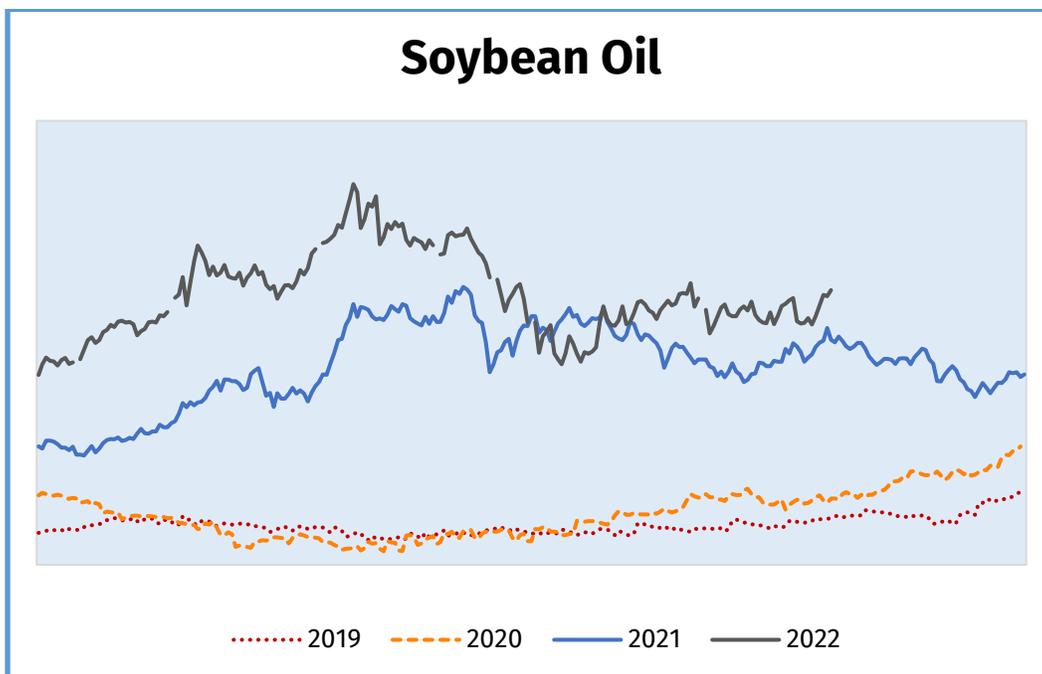
Market is firmer. Retail demand is being reported as very good across most regions of the country. Even with limited promotional activity and higher shelf prices, consumer demand remains strong. Foodservice and QSR business is moderate to good for this time of year. Further processor demand for breaking stock has been on the rise. The industry is starting to see the effects of HPAI as shell egg inventories are down about 21% year-over-year. Market is moving higher on both medium sizes and large sizes. National weekly shell egg inventory reports shell egg inventory down 1.6% over last week.





SOY OIL

Market remains firm. The USDA, National Agricultural Statistics Service has lowered the 2022/23 national average soybean yield from 50.5 to 49.8 bushels per acre. Yield reductions in Indiana, Iowa, Kansas, and Nebraska are contributing to the decrease, 44% of the crop has currently been harvested. This is up 6% points from the prior five-year average. Crop conditions are similar to this time last month with 57 percent rated as good/ excellent, which is 2 % points below conditions this time last year.



CANOLA OIL

Market remains firm. Following the 2021 drought that plagued canola crops, a record crop is forecast in 2022/23, putting estimates just shy of 4 billion pounds. Significant increases in Minnesota, North Dakota, and Washington canola yields contribute to the higher projected output. Canada's 2021/22 canola crop was affected by last year's drought as well and is expected to recover this year. The global supply of canola is projected to increase as well, improving trade prospects. This is evident in U.S. import volumes, which are more than double from June–September 2022 compared with this time last year.

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.

CORN

Market remains firm. Corn production is down. Corn yields in certain fields across the Midwest were considered average in 2022; this was due to the hot & dry weather that persisted in June and July.

RICE

Market remains firm. 2022/23 production is projected at 505.0 million tons (milled basis), down 2.95 million tons from the previous forecast and 2 percent below a year earlier. The industry-wide supply challenges remain unchanged with parboiled rice.