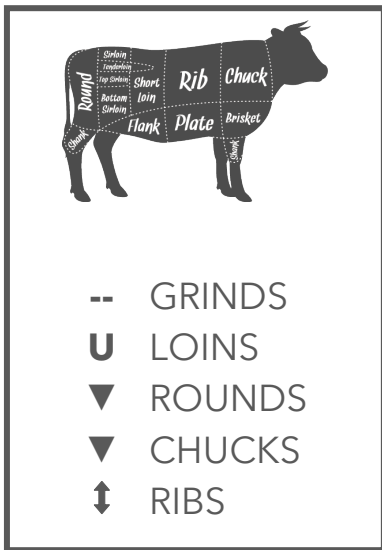
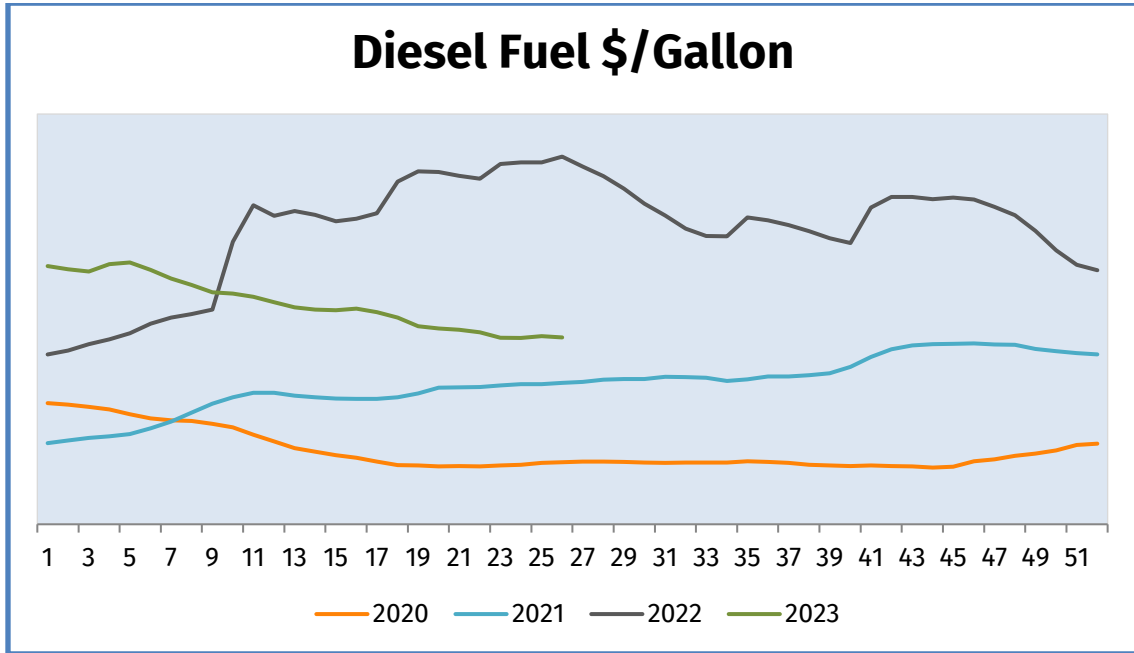




Market Report

WEEK ENDING | JUNE 30, 2023

Graphs represent data for the week ending June 23, 2023



BEEF

The market is steady to weaker. Total beef production for last week was up 2.1% versus the prior week and down 2.1% compared to the same week last year. Year to date, total production is down 4.7% compared to the same timeframe last year. Total headcount for last week was 649,000 as compared to 655,000 for the same week last year. Year to date, total headcount is 15.7 million head which is down 3.6% from last year. Live weights for last week were down 3 lbs. from the prior week and up 7 lbs. from the same time last year. The supply side continues to be extremely tight. The choice beef cutout runup that started last month peaked last week and exceeded the rally from 2021. Choice cutout values started to drop over the last week which is similar to what happened back in 2021. Live cattle

futures are unsettled at the current time. August prices are receding slightly from their peak values, but cattle supplies are forecasted to be even tighter as the year moves forward. As a result of the high beef market, retail steak prices continue to rise on a monthly basis this year. Forward purchasing continues to be sluggish, which is a common theme with fewer beef features and promotions. Most primal categories are holding even and firm.

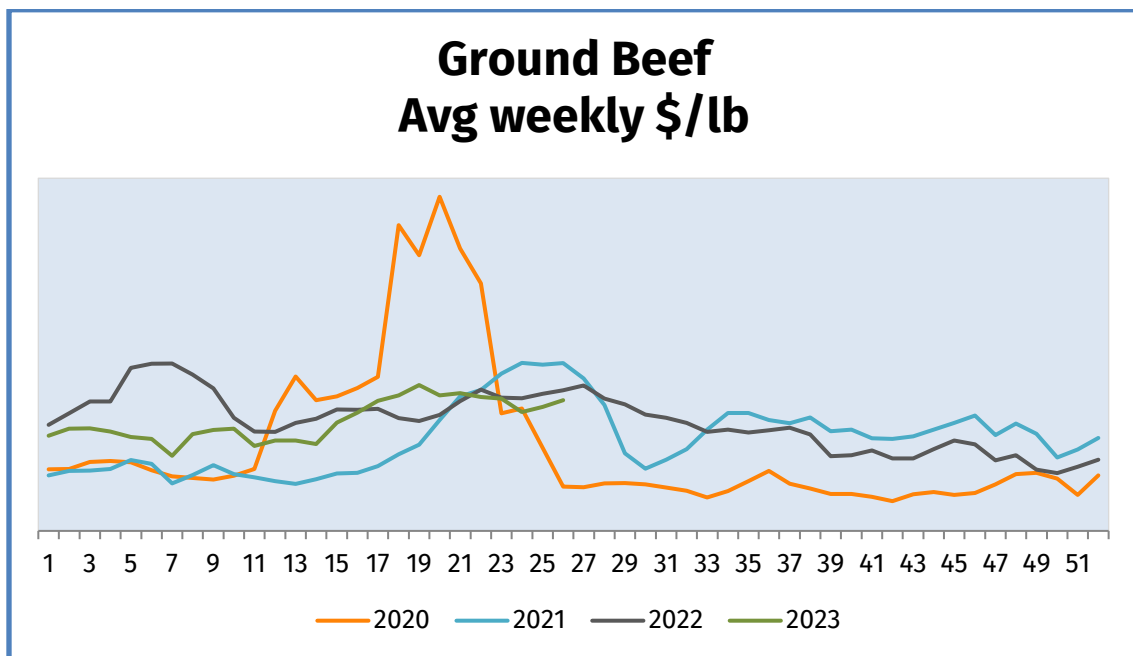
Grinds – The market is steady. Demand from the retail and foodservice channels is stable and mostly predictable on a weekly basis. Availability varies among the packers. Market levels on 73% and 81% grinds are holding firm.

Loins – The market is unsettled. Demand is moderate to good in combination with tight supply for the July 4th Holiday. Availability remains mixed between the packers. Market levels were holding firm, but trade levels with some packers are being pressured lower.

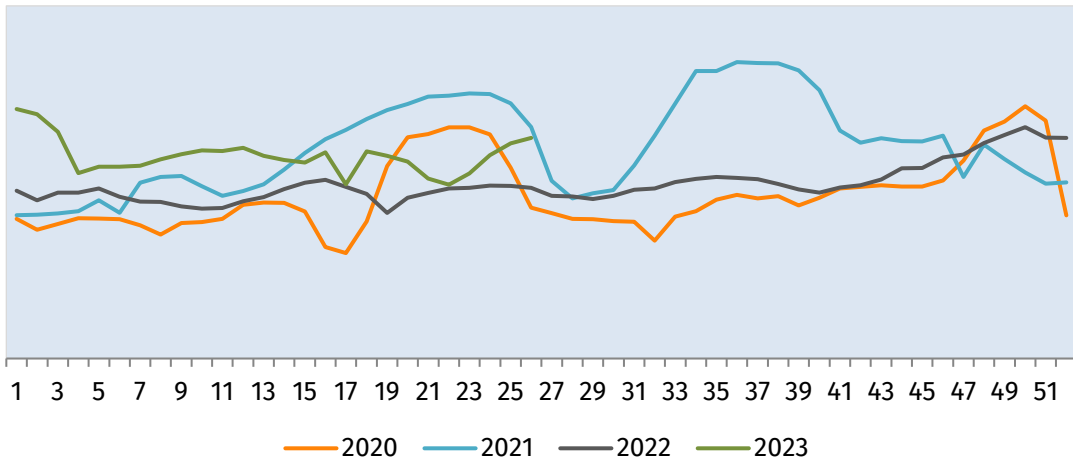
Rounds – The market is weaker. Demand is slowing down on choice and select product. Availability varies among packers. Market levels plateaued in mid-June and are starting to move lower.

Chucks – The market is weaker. Choice and select product remain in a close range, but demand has been slowing down since Memorial Day. Markets levels are moving lower.

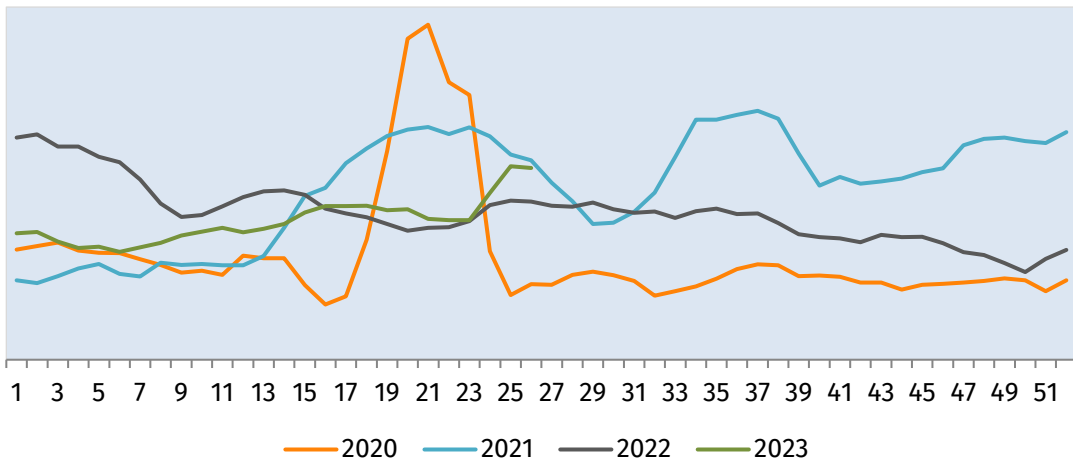
Ribs – The market is mixed. Demand has been vibrant for the month of June and remains fairly good going into the 4th of July Holiday. Availability is mixed between the packers. Depending on plant availability, trade levels are moving higher and lower depending on the packer.

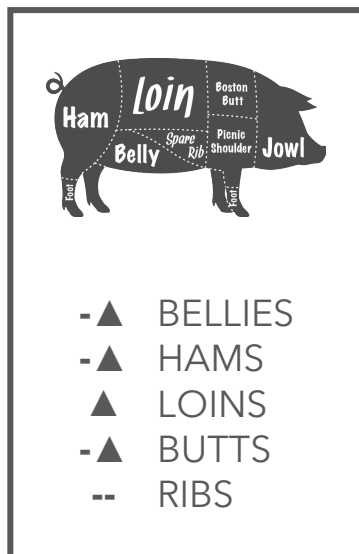
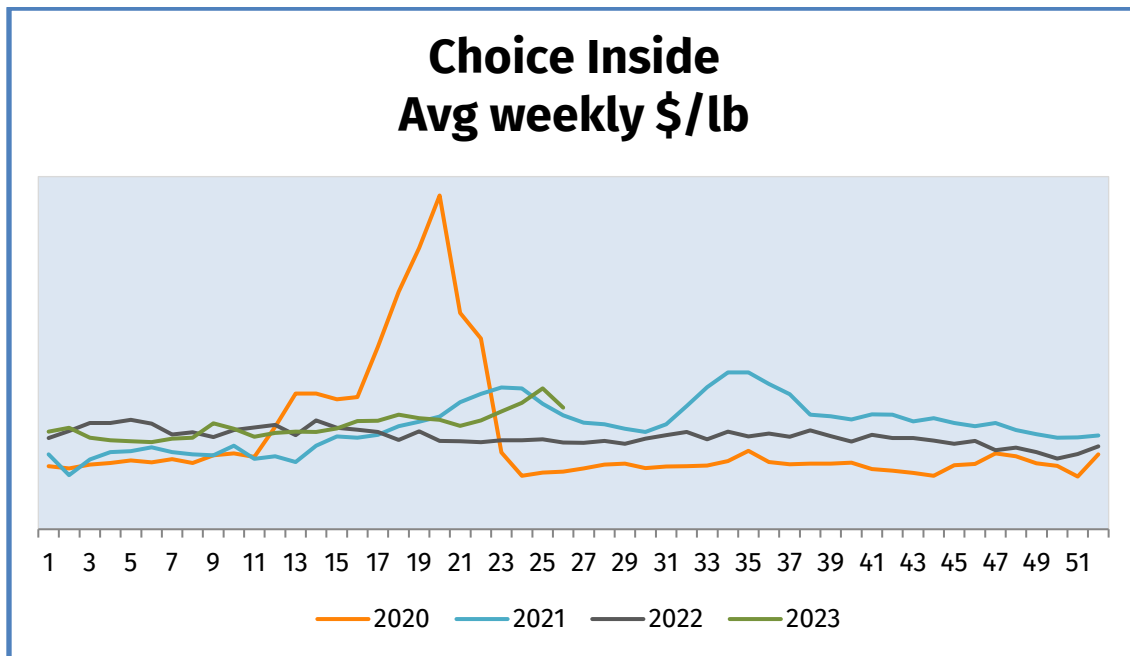


Choice Ribeye Heavy Avg weekly \$/lb



Choice Brisket Avg weekly \$/lb





PORK

The market is steady to firmer. Total pork production for last week was up 1.5% versus the prior week and up 2.7% compared to the same week last year. Total headcount for last week was 2,372,000 as compared to 2,312,000 for the same week last year. Live weights for last week were down 1 lb. compared to the prior week and up 1 lb. versus last year. Proposition 12 has a July 1st implementation date, but there are some adjustments being made on fresh and frozen products which is leading to a lot of unknowns in the industry. Production numbers are holding steady and improved seasonal demand is leading to a firmer market. Domestic demand for loins, butts and ribs is moderate to good. Export volume remains fair. Markets continue to maintain a steady to firmer undertone to most fresh primals.

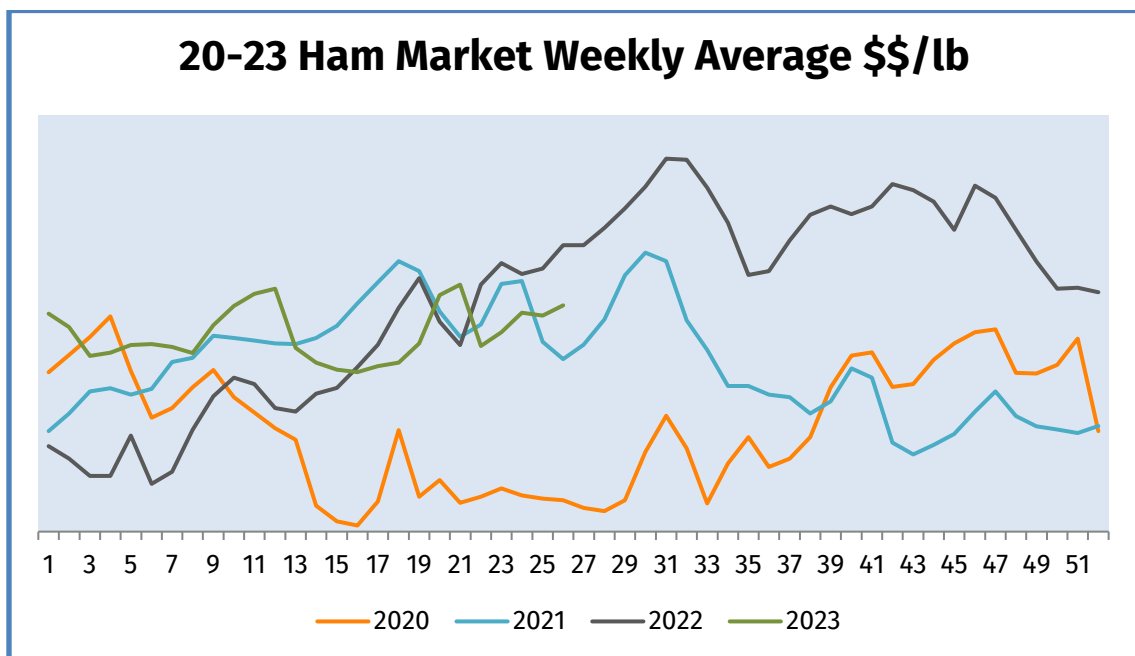
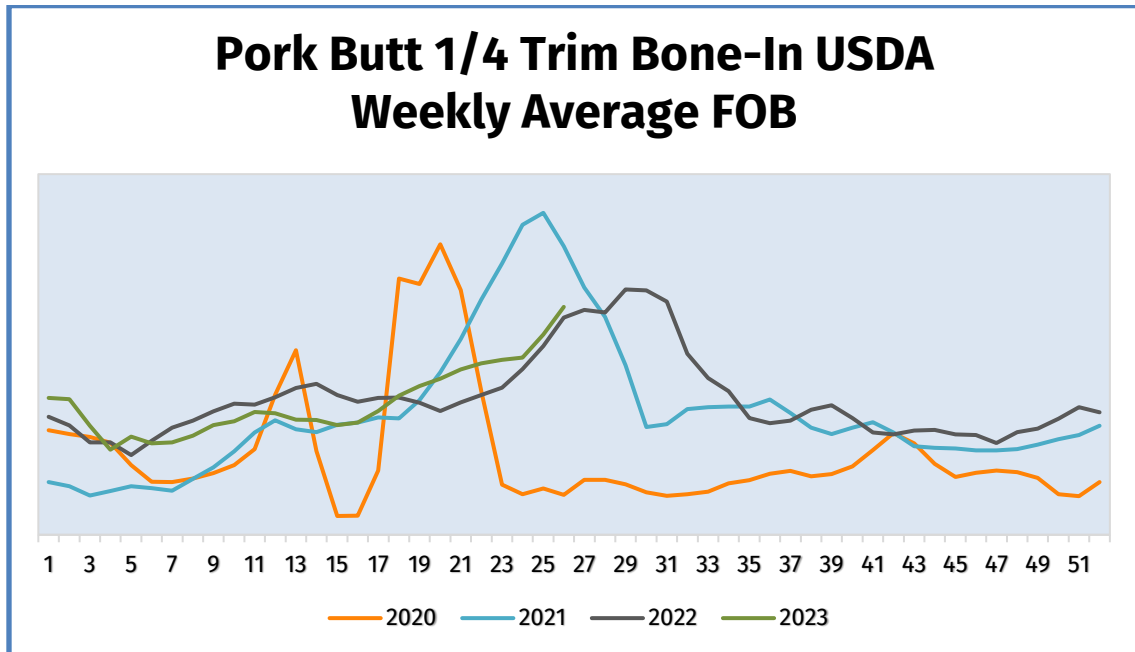
Bellies – The market is steady to firmer. Demand is good and being propped up with promotional business for the holiday. The market is showing some upward movement.

Hams – The market is steady to firmer. Demand has been showing steady improvement over the last month as the retail deli and sandwich business improves. Supply varies among packers. Market levels are inching higher.

Loins – The market is firmer. Promotional features on bone-in and boneless chops for the July 4th Holiday are giving added support to the category. Product availability is tight. Market levels are being pressured higher.

Butts – The market is steady to firmer. Seasonal demand for butts is strong especially in light of the higher priced proteins. Availability is tight. Trade levels are moving higher.

Ribs – The market is steady. Demand is moderate to good as foodservice and smokehouse volume hits its stride in the summer months. Availability remains varied by supplier. The market is steady with some upward pressure on spareribs, St. Louis ribs, and back ribs.





CHICKEN

The market is steady to weaker. Total headcount for the week ending 6/24/2023 was 174,362,000 as compared to 168,023,000 for the same week last year. The average weight for last week was 6.39 lbs. as compared to 6.31 lbs. for the same week last year. Consumer demand for boneless breasts has been declining but is getting some promotional support for the July 4th Holiday. Tenders, wings, and leg quarters are getting steady activity while the WOG category is very sluggish. Export demand for leg quarters is reported to be good. On the supply side, packers have to plan for a missed day of production due to a plant holiday.

WOGS – The market is weaker. With the higher cost of fast-food and retail deli, the American consumer is having a hard time keeping pace. Volume is sluggish and excess supply is being reported on premium sized WOGS and cutups. Market levels are moving lower.

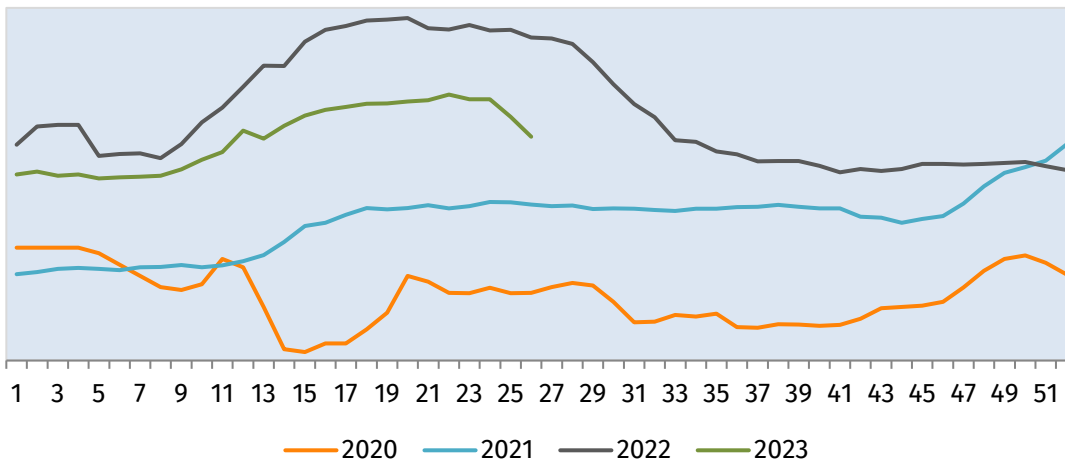
Tenders – The market is steady to weaker. Foodservice and QSR demand hit a high point in May. Since then, demand has been moderate to soft. Supply is available. The market for jumbo and select sizes is being pressured lower.

Boneless Breast – The market is weaker. Retail demand is only moderate as purchases of family pack boneless help increase volume. Foodservice volume is fair. Further processing demand is static. Supply is available in all sizes. The market has been experiencing some downward pressure over the last two weeks on all sizes.

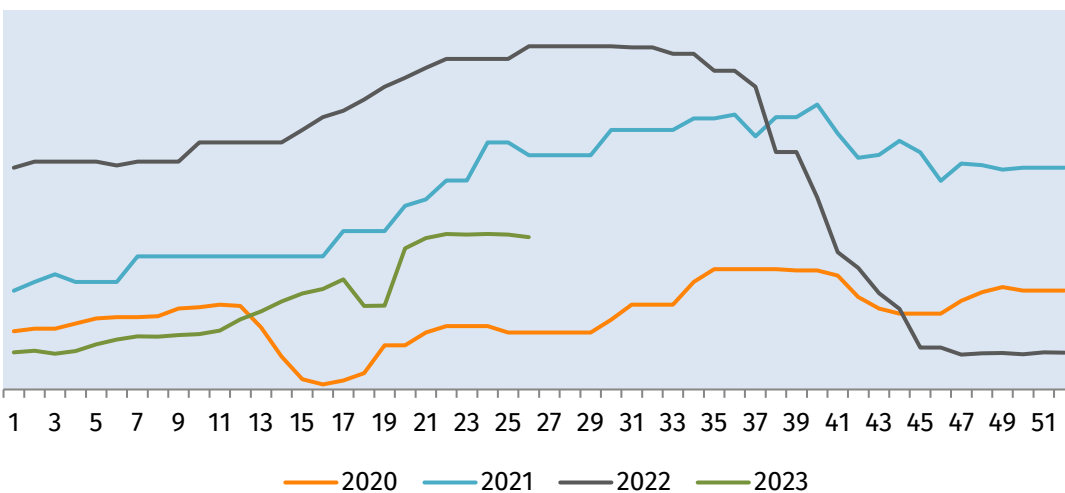
Leg Quarters and Thighs – The market is steady. Export volume is good and retail business on 4/10 leg quarters is getting a bump from the holiday. Supply varies by plant. The market is holding firm on leg quarters and thigh meat.

Wings – The market is steady to firmer. Week to week, the category remains mostly unchanged, but jumbo wings are getting some added menu attention. Overall category demand is still soft compared to past years. Supply is available with some excess. The market is moving higher on jumbo wings while the smaller sizes are flat.

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



Chicken Tenders Avg Weekly \$/lb





TURKEY

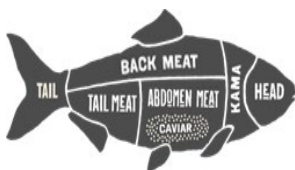
The market is steady to weaker. Total headcount for the week ending 6/24/2023 was 4,181,000 as compared to 3,704,000 for the same week last year. The average weight for last week was 31.30 lbs. as compared to 29.83 lbs. for the same week last year. Category demand continues to have weak undertones as buyers play wait-and-see in a declining market. Whole birds remain mostly sold-out, but some spot loads continue to be reported. Demand for breast meat, parts, and dark meat is soft as other proteins get the holiday promotional business. Export sales are fair at best with sellers being challenged by HPAI restrictions. Slaughter numbers continue to be lower than past annual standards. Market levels in most categories are trying to hold steady, but overall values continue to move lower.

Whole Birds – The market is steady. Overall demand is a result of pre-booked loads. Spot loads that are being offered are not being met with enthusiasm and lower values are being entertained. Supply is tight depending on size. The market is holding even.

Breast Meat – The market is steady to weaker. Retail deli and foodservice demand is hampered due to higher retail and deli price points. With fresh and frozen supply combined, some excess is being reported. Market levels continue to have weak undertones.

Wings – The market is steady. Export demand for whole wings is moderate and domestic volume on two-joints is fair. Supply is available on a plant-by-plant basis. The market is holding even.

Drums and Thigh Meat – The market is weaker. Export demand for Tom drums is moderate to soft. Domestic volume on boneless thigh meat is sluggish. Supply varies by plant. Market levels continue to move lower.



SEAFOOD

Gulf Shrimp – The market is unsettled. Demand for domestic Gulf Shrimp has trended down due to competitive pressure from the import market.

Black Tiger Shrimp – The market is weaker. The lower priced white shrimp market is helping to keep pressure on the Black Tiger market.

White Shrimp – The market is steady to weaker. Supplies are adequate to fully adequate for the current lackluster demand.

King Crab – The market is steady to weaker. Demand has been lighter and has helped to push the market lower. Year-to-date imports are down dramatically versus the same time period in 2022.

Snow Crab – The market is firmer. Lighter supplies to start the 2023 season have been met with an even firmer demand.

Warm Water Lobster Tails – The market is unsettled. As sellers are still looking to mitigate remaining inventories, Brazilian product has entered the marketplace. Buyers are waiting to see where the market will settle.

North American Lobster Tails – The market is steady to firmer. Lighter supplies to start the season are being met with increasing demand.

Salmon – The market is firmer. Supplies of Wild Salmon have been decreased to meet the currently mild demand. The market for frozen fillets out of Chile is weaker too. Supplies are still readily available, and demand remains low.

Cod – The market is unsettled. Demand remains below expectations as supplies continue to be adequate to fully adequate.

Flounder – The market is steady. The market is mostly unchanged.

Haddock – The market is slightly weaker. The market is mostly unchanged but seeing lower pricing on all sizes. Supplies are reported as fully adequate for a quieter demand.

Pollock – The market is mostly steady.

Domestic Catfish – The market is firm. Inventories of all sizes are limited, and this trend is expected to continue as we move through the spring.

Tilapia – The market is steady. Year to date total, Tilapia imports are trending down 7% compared to this time last year.

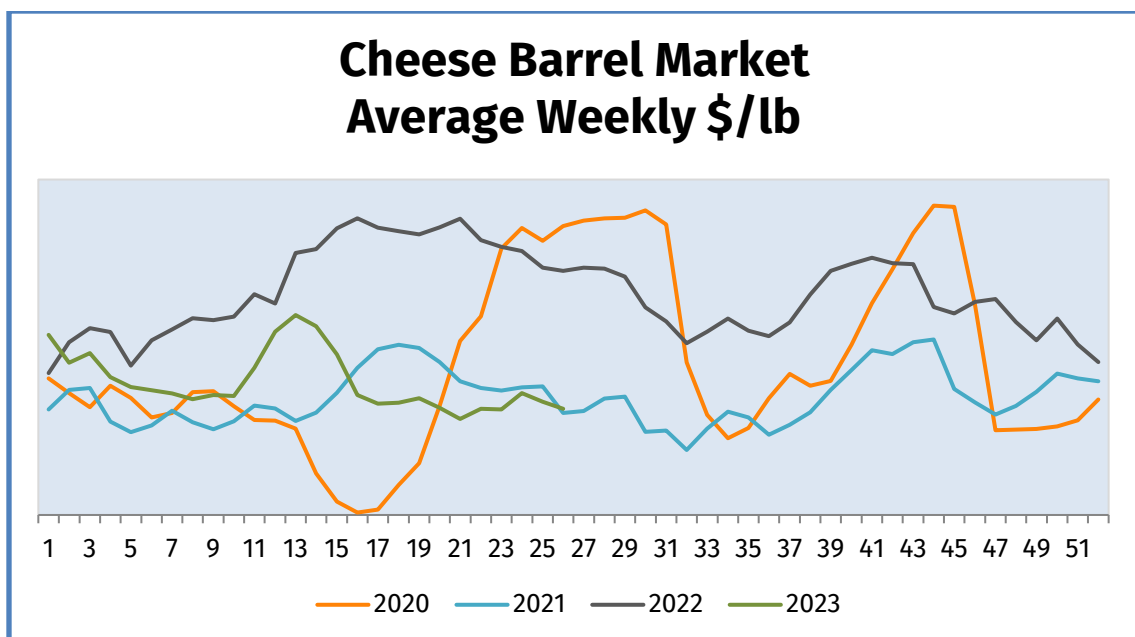
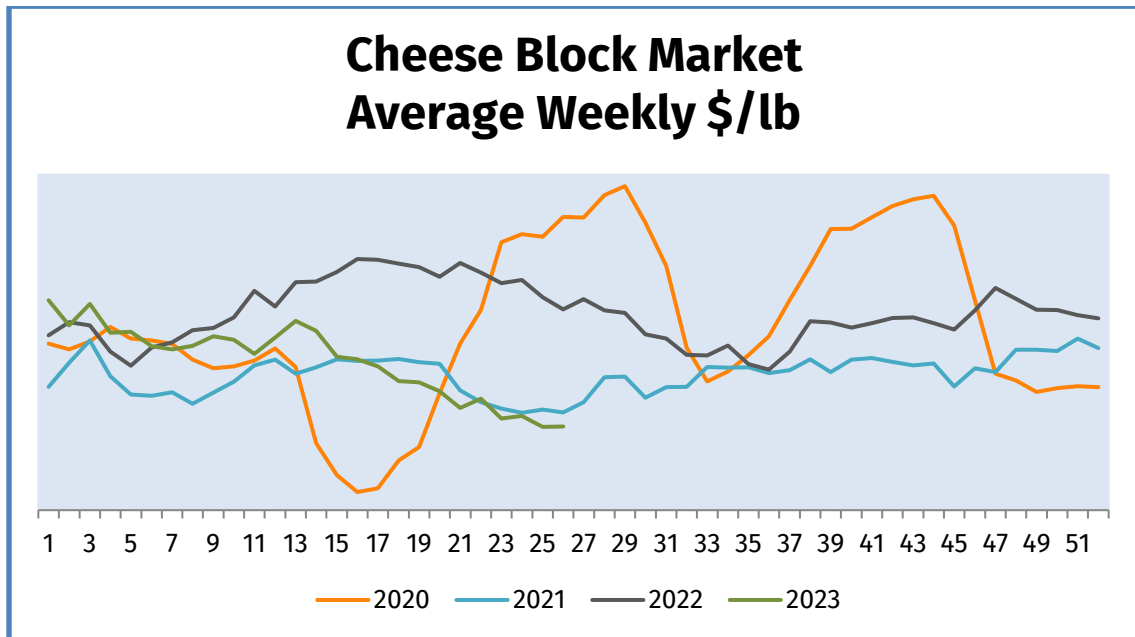
Swai – The market is weaker. Year to date total, Swai imports are trending down over 47% compared to this time last year.

Scallops – The market is slightly weaker. Inventories are good for a fair to moderate demand. Import supplier activity has slightly improved.



CHEESE

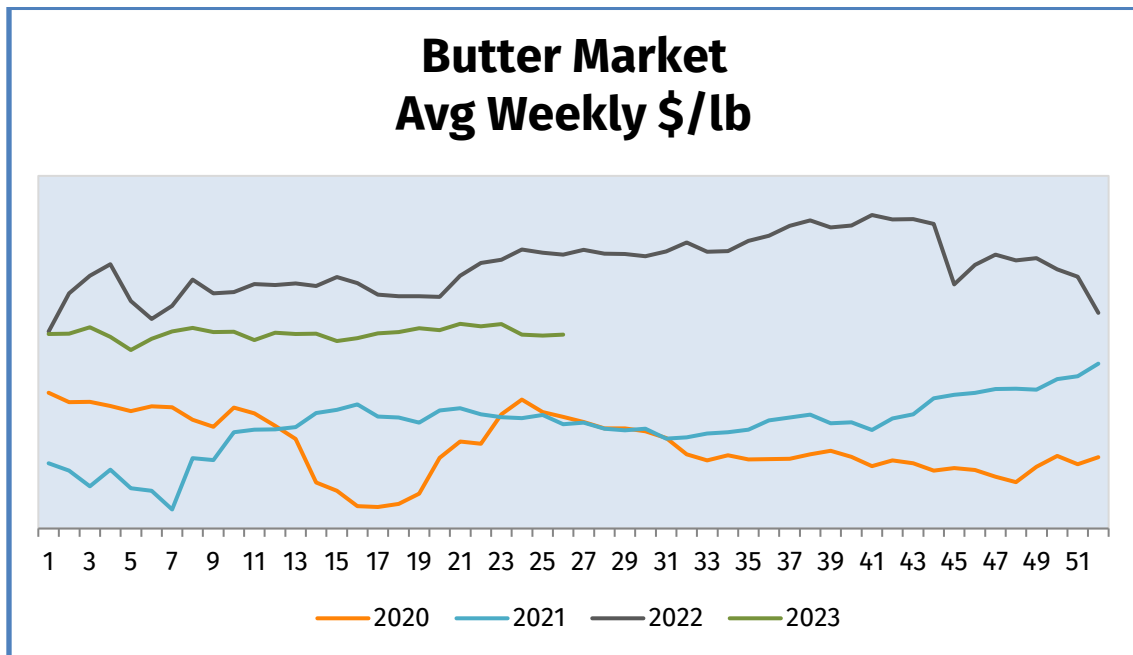
The market is weaker. Both the CME Block & Barrel market moved weaker throughout the week. Both markets moved weaker than the week prior. Milk remains available for cheesemakers though the overall demand for cheese varies throughout the regions. Retail demand is reported as steady though foodservice demand is mixed depending on the region. Overall, cheese market tones remain under some bearish pressure, particularly regarding cheese blocks. Steady milk flows & soft demand are fueling up and down movement in CME Cheddar Block markets. Demand for foreign type cheese is reported as steady according to the USDA's latest report. As we move through the summer season, cheese demand is beginning to overtake supplies. Cheese inventories are reported as steady to lower and some cheese varieties are reported as tight in the international market.





BUTTER

The market is firmer. The butter market was firmer as we progressed through the week and trended firmer than the week prior. Cream remains readily available in most regions of the country. We are seeing some reduction in availability due to soaring temperatures and high demand from ice cream manufacturers. Retail demand for butter is reported as steady while food service demand is reported as moderate to steady. Some operators are reporting steady production schedules with some reporting churning seven days a week. Inventories across most regions are reported as ample.



FLUID MILK

The market is mixed. Milk production is continuing to be reported as mixed according to the latest USDA report. Higher temperatures in the Southern and Western regions have contributed to lower outputs while the Eastern and Midwestern regions are ranging from steady to slowly declining production. Cream supplies are beginning to tighten as we move through the summer season. There is strong demand for cream from ice cream makers, but the demand is lighter compared to previous years, as reported by the USDA. Class I Fluid Milk demand is reported as lighter as many educational facilities have begun summer break. Class II Ice Cream demand is reported as heavy. Recent monitoring indicates there are several regions now in a moderate to severe drought which has begun to affect output of those regions, thus causing some ongoing concerns. Global milk supply is showing signs of contracting in the coming months.

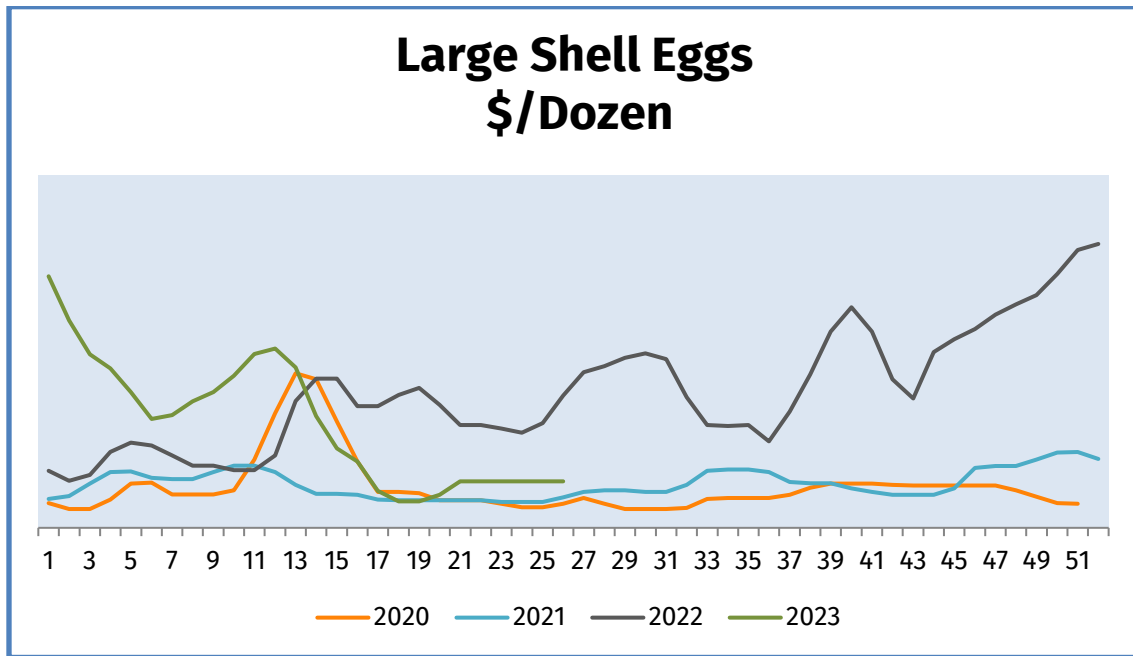


EGGS

The market is steady. Retail demand continues to improve due to more feature business and lower shelf prices. Foodservice and distributive business is reported to be moderate to fair. Export business has declined a bit as business to Mexico and Canada has begun to stagnate.

Demand in the egg products category remains moderate to fair as further processors keep a close watch on the market levels of liquid whites and separated products. Values on liquid whites are starting to inch higher while the rest of the category is static.

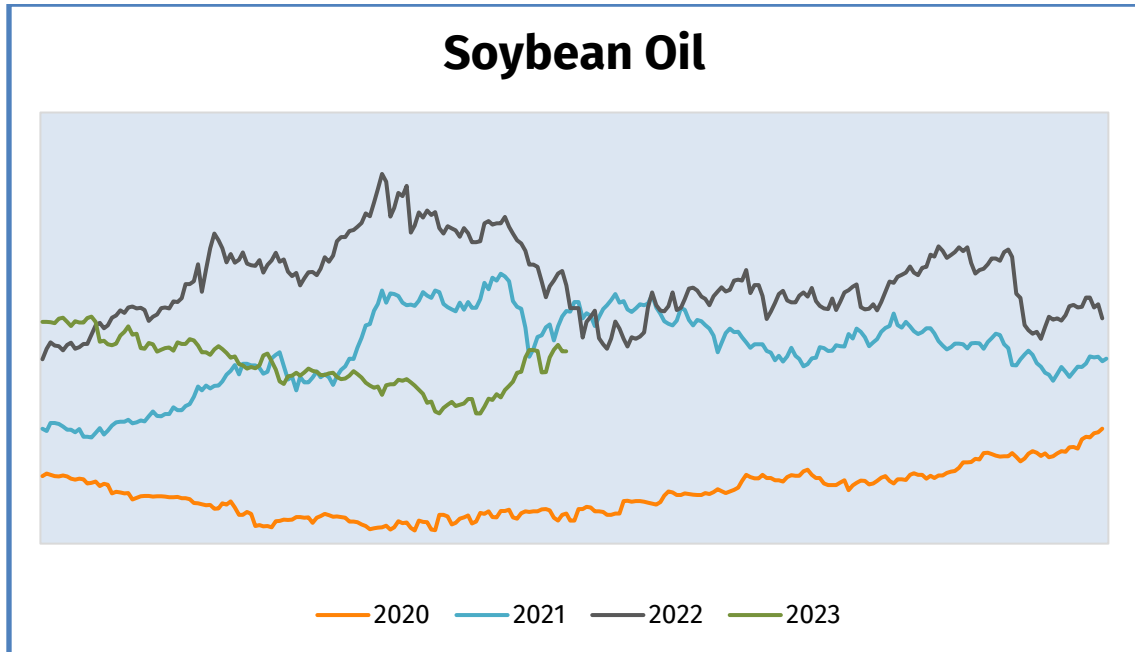
Supply is available on medium and large sized shell eggs. The market is flat in both medium sizes and large sizes. National weekly reports show shell egg inventory up 4.5% and breaking stock inventory up 1.9% over last week.





SOY OIL

The market is weaker. Wet weather throughout the Midwest planting areas is bringing relief to farmers, as well as the soybean and oil markets. Canadian farmers are committing to 7% more acreage for soybean crops this year.



FLOUR

The market is firm. Crop conditions for Winter Wheat released by the USDA improved to 40% compared to 38% in the good/excellent category. Harvest is 24% complete. This is a 9% increase over the previous week. It is trailing behind last year's numbers of 39%. Spring Wheat's good-to-excellent condition fell 1 point going from 51% to 50%.

