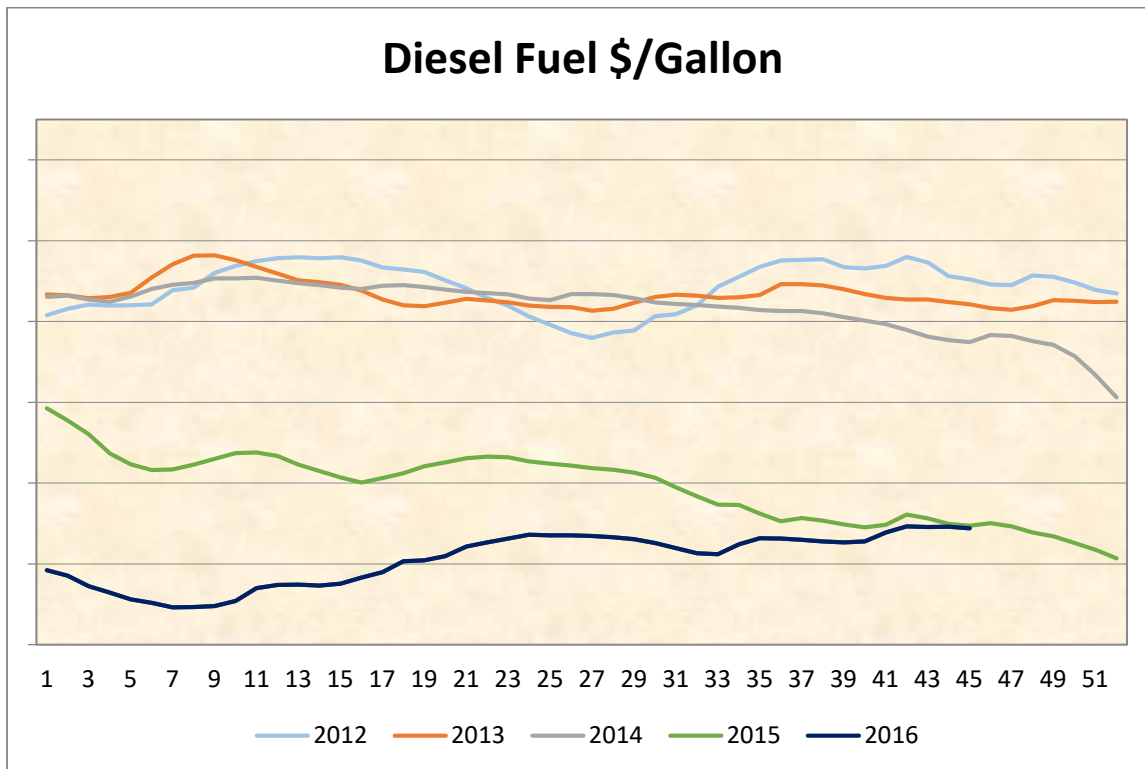




# Market Report

Week Ending November 11, 2016

## DIESEL



## BEEF

Market is mixed. Total beef production for last week was down 1.7% from prior week but up 7.1% from same time last year. Total headcount for last week was 606,000 as compared to 564,000 for the same week last year. Live weights for last week were up 1 lbs from prior week but down 10 lbs from the same time last year. Overall demand is expected to be lighter as we move thru the next few weeks as attention at retail changes to turkey for the upcoming holiday. Beef production continues to trend higher and additional cattle are expected to come to market as we move thru the coming

weeks. This is reflected in the Future's Market as it continues to show possible pressure on the live market as we move well into next year.

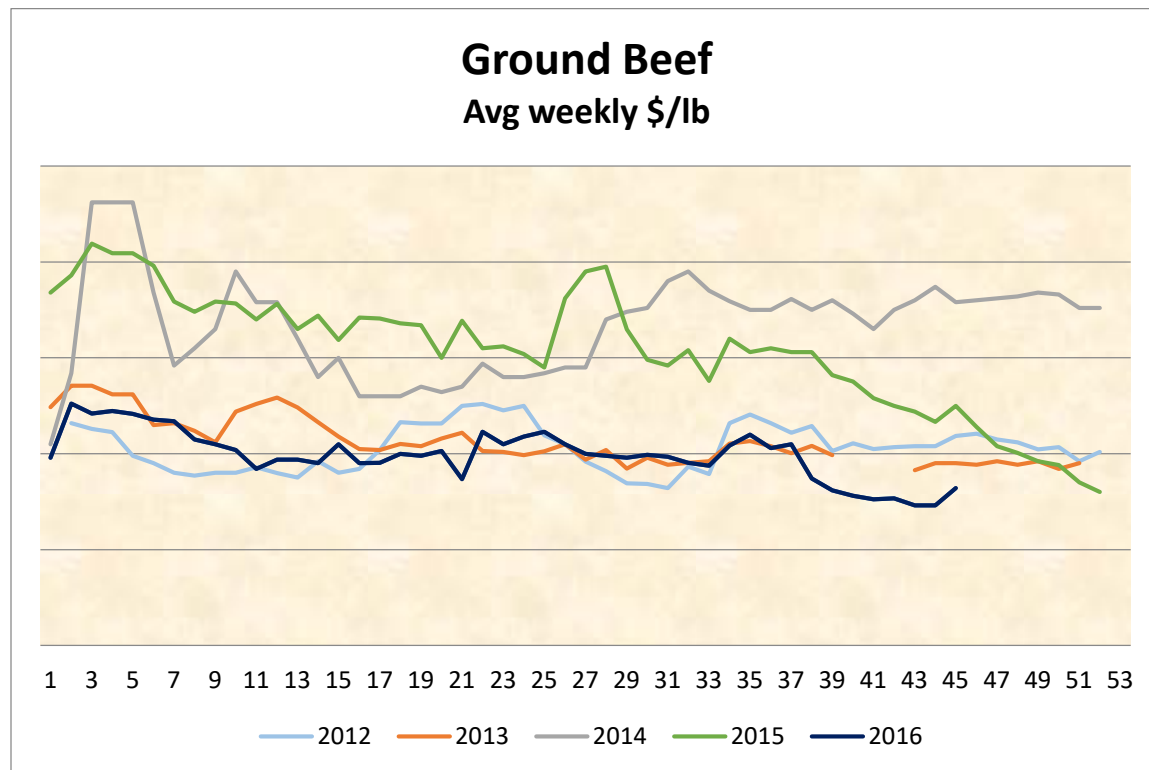
Grinds- Market is weaker. Demand is light and putting downward pressure on the market.

Loins- Market is mixed. Holiday demand for PSMO's is helping to put upward pressure on that market but lighter demand on other cuts is causing a steady to weaker tone to develop.

Rounds- Market is weaker. Light demand is putting downward pressure on the market.

Chucks- Market is weaker. After seeing some upward momentum at the end of last week the market has seen a lighter demand coming into this week and this has helped to reverse the gains from prior week.

Ribs- Market is firmer. Holiday demand is strong and helping the market to surge higher.



## PORK

Market is unsettled. Total pork production for last week was up 5.7% from prior week and up 5.9% from same time last year. Total headcount for last week was 2,532,000 as compared to 2,362,000 for the same week last year. Live weights for last week were up 1 lbs from prior week but down 3 lbs from the same week last year. Production numbers continue strong and last week was another record production week. Production for 2016 is expected to be a record high and 2017 is forecasted to be even higher. Live prices continue to push lower due in part to the large number of hogs available.

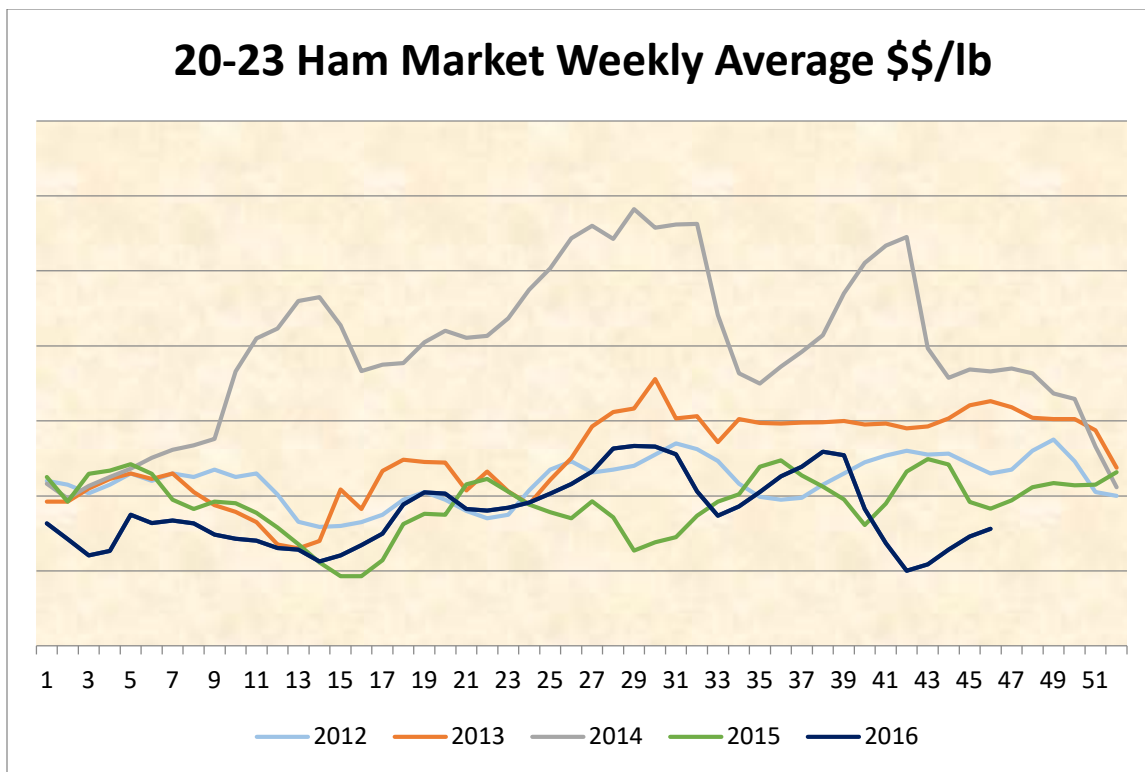
Bellies- Market is unsettled. The belly market has become more unsettled after seeing several weeks of upward movement. Demand has eased as prices surged higher and the high production numbers are putting additional pressure on the market.

Hams- Market is firmer. Demand for the holidays is strong and putting pressure on the market. Export demand is improved and helping to move additional inventories.

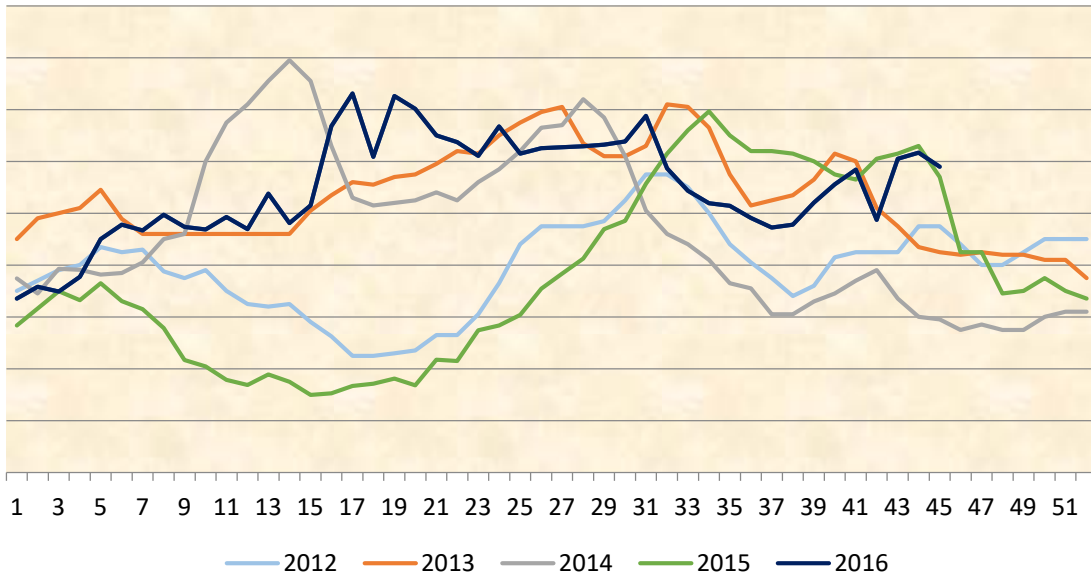
Loins- Market is weaker. Strong production numbers and light retail demand is keeping downward pressure on the market.

Butts- Market is steady. The market saw upward movement last week due in part improved export demand. The market has held mostly steady as this week has progressed.

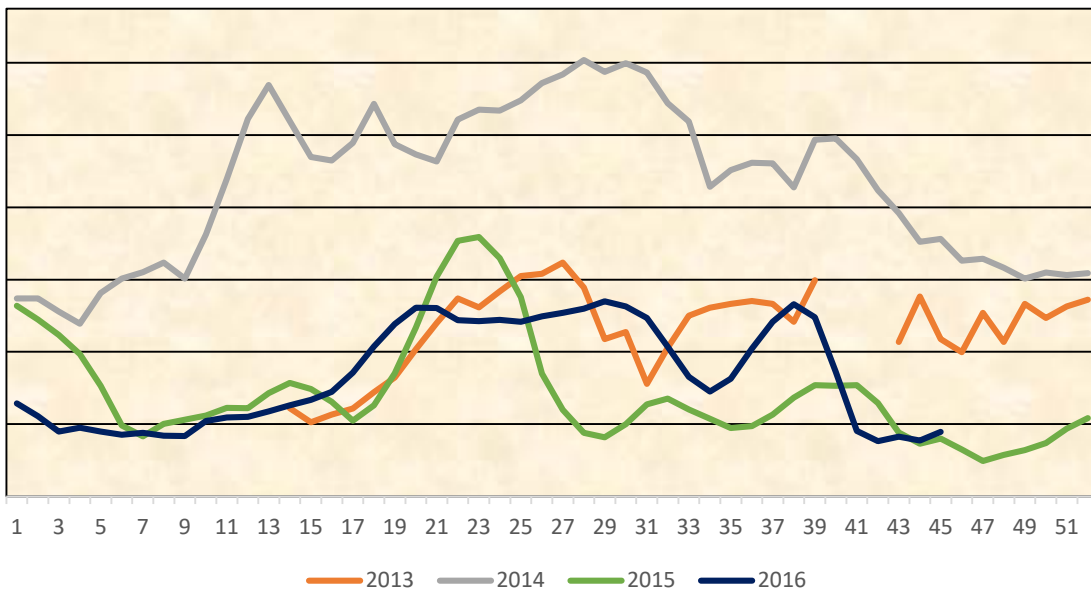
Ribs- Market is steady.



### 14/16 # Pork Belly Average Weekly Price Per Lb



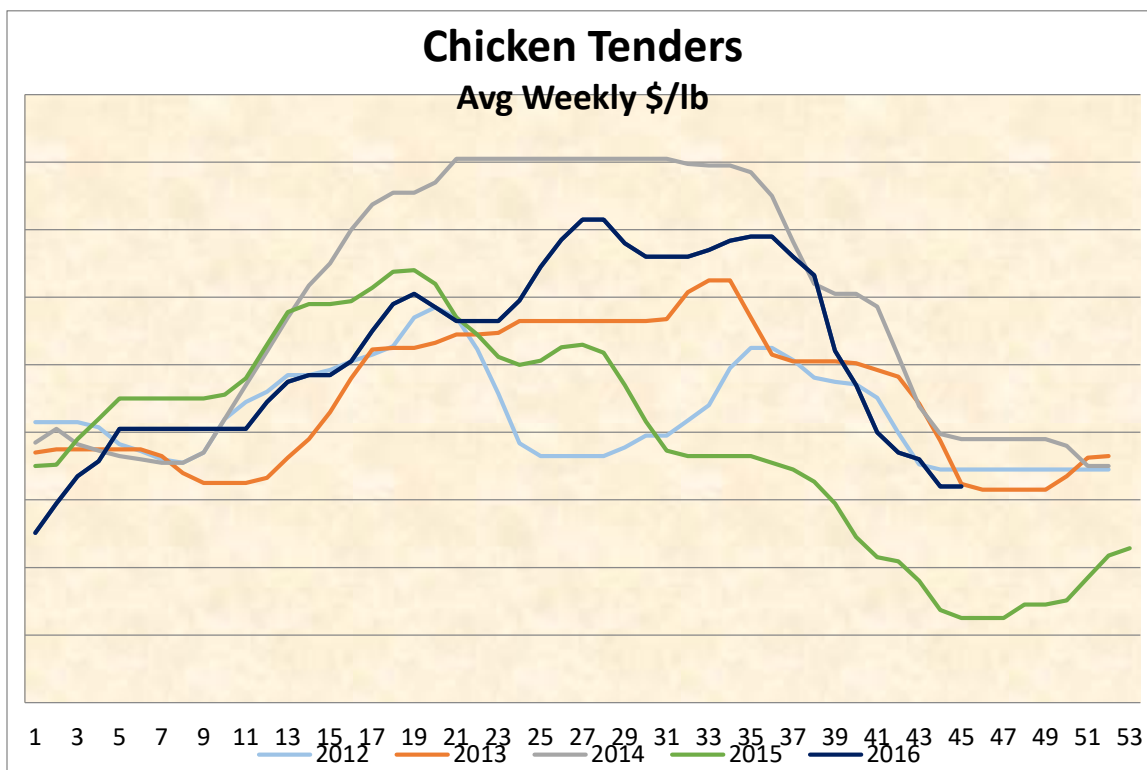
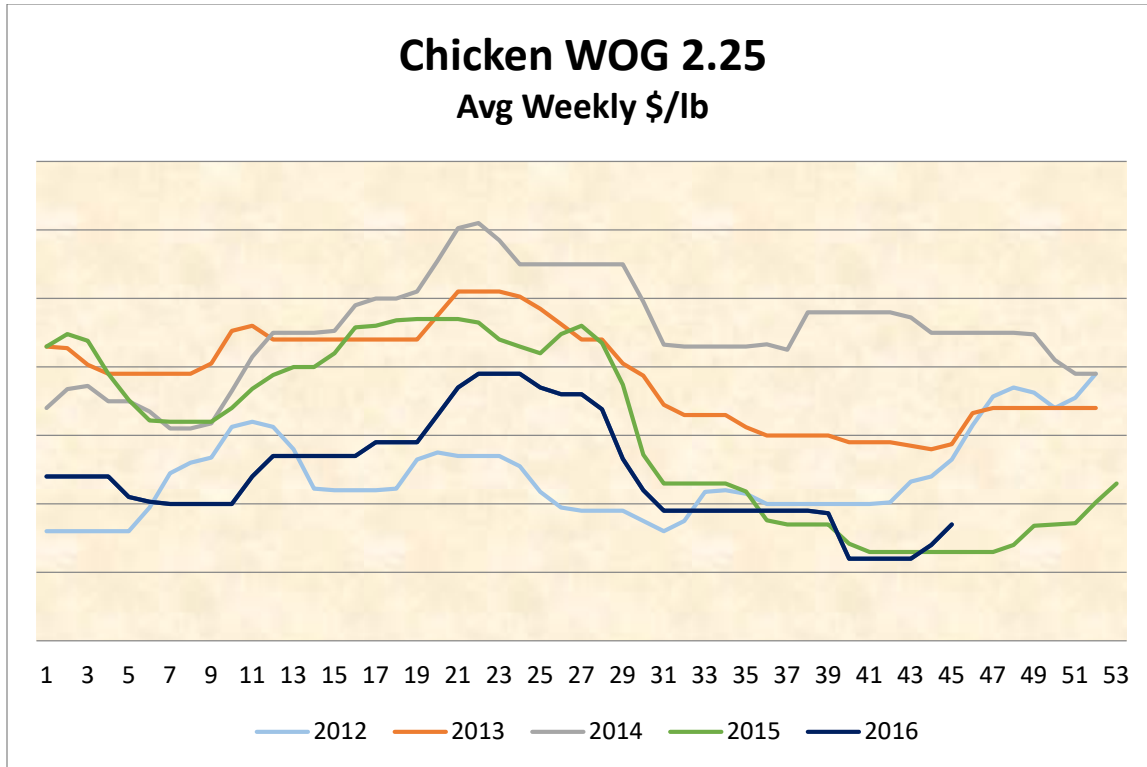
### Pork Butt 1/4 Trim Bone-In USDA Weekly Average FOB



### CHICKEN

The chicken market is rated mostly steady on many items. With chicken typically taking a backseat to turkey this time of year, there are some items that have strengthened and markets are stronger. This is the case with cutting stock WOGs, which has increased in the last 2 weeks 27% or .14/lb. Consumer demand is on the rise with most product used for rotisserie. We could see this market continue to increase as well as whole birds.

Whole breasts are stronger and short of full needs, this market is full steady. Boneless breast, although unchanged is steadier than what the industry saw first of the month. Tenders at best are rated about steady. Some suppliers are starting to see wings gaining a stronger undertone. Drumsticks and thighs are rated barely steady with legs in a slightly stronger position moving into next week. Estimated slaughter ending week of 11/12/16 is 166.2 million head.



## **TURKEY**

With the Thanksgiving holiday around the corner, whole bird hens are short with very little availability. Toms are available depending on source. Overall parts are stronger, with fresh and frozen drums and necks short of full needs. Suppliers are asking premiums and appear to be getting it. Whole wings are steady. Frozen tom breast meat trades at full market levels. Institutional sized Bone-in breasts are rated steady to about steady with consumer sized product rated steady to at least steady.

## **SEAFOOD**

Gulf Shrimp- Market is mostly steady. Raw material prices have stabilized over the past several days and combined with a lighter demand have helped to take pressure off of the market.

Black Tiger Shrimp- Market is firm. Inventories are limited and putting additional upward pressure on the market.

White Shrimp- Market is steady to weaker. Year to date shrimp imports are up 3.3% from 2015 thru September. Overall demand is dull and putting pressure on the market.

King Crab- Market is firm. Inventories are limited for an active demand.

Snow Crab- Market is firm. Inventories are light for a good demand.

Warm Water Lobster Tails- Market is steady to firmer. Imports are down 30% year to date and this is putting upward pressure on the market due to inventory concerns.

North American Lobster Tails- Market is steady.

Salmon- Market is mixed. The market for product of Europe is weaker with very good inventories for a dull demand. The market for product of Chile is steady to firmer with light inventories for a demand that has become more active. The remainder of the market is steady.

Cod- Market is firmer. Inventories are light for current demand. Raw material prices remain firm and putting additional pressure on the market. Larger sizes remain in more limited supply.

Flounder- Market is steady to firmer. Larger sized fillets are in light supply and seeing upward pressure on the market. The market for smaller sizes is mostly steady.

Haddock- Market is steady.

Pollock- Market is steady.

Domestic Catfish- Market is unsettled. Production issues earlier this season have caused light inventories with allocations and cuts common for the past several weeks. Production has been improved over prior weeks but inventories are well below expectations and causing the market to be more unsettled as we move closer to Lent as inventories are expected to remain light.

Tilapia- Market is steady.

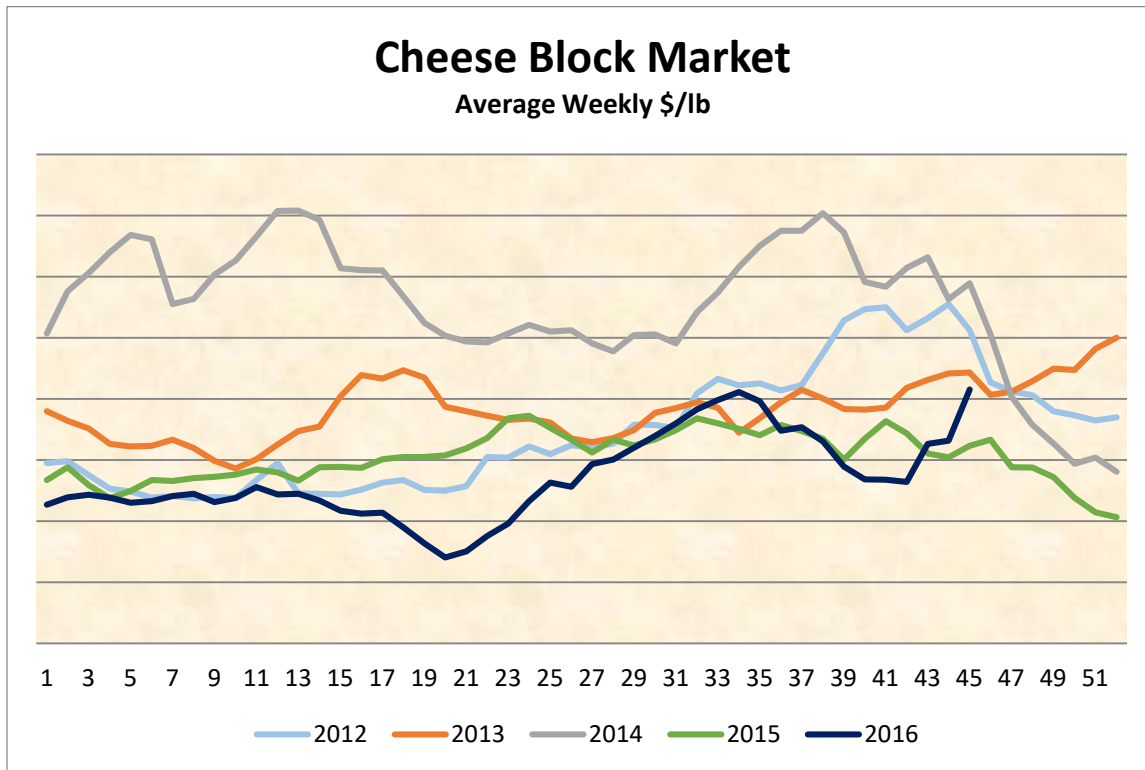
Swai- Market is steady.

Scallops- Market is steady to weaker. The market for product of Canada continues to see downward pressure due in part to a slow demand. The remainder of the market is holding mostly steady.

## DAIRY

### Cheese

Market is firmer. The CME Block and Barrel markets have both moved higher again this week after seeing large increases last week. Overall demand has been improved and demand for retail has been strong ahead of the holiday season. Export interest is also improved and putting additional pressure on the market.

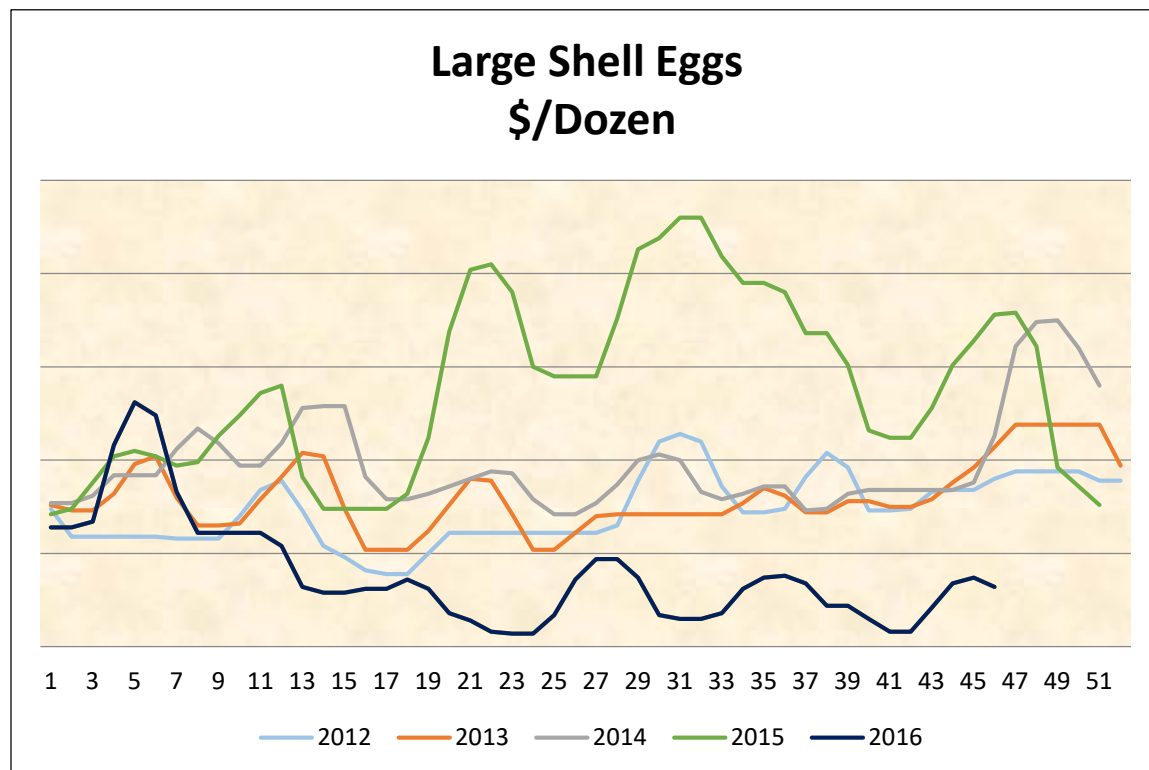






## EGGS

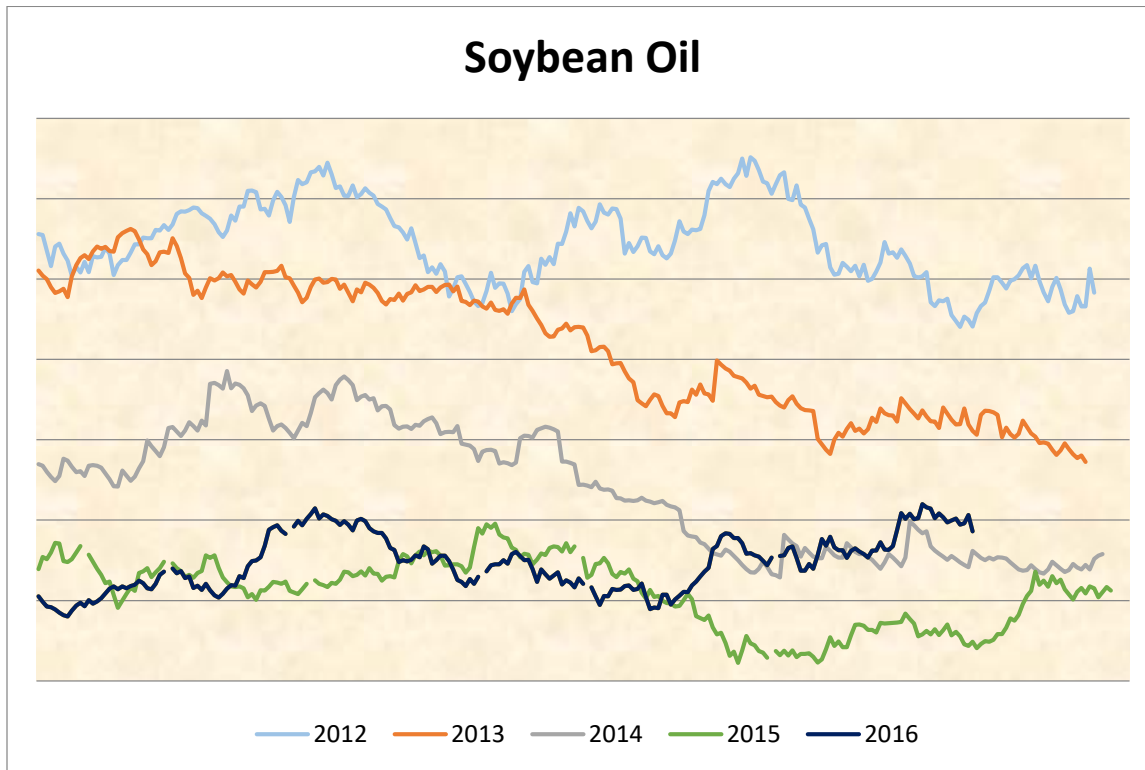
Market soft and under pressure with retail demand good. Inventories continue to outpace demand due to overall production advances anticipating the upcoming holiday. Supplies of all sizes available. Current shell egg inventory up 7% over last week and 20% over the 5 year average. Exports picking up at both borders and overseas but still not at pre-virus levels.



## SOY OIL

Market firming. Dollar continues to strengthen. Malaysia palm oil exports off as much as 15% putting pressure on soy oil exports to fill in. USDA raised the national soybean yield for a new record 52.5 bushels per acre. News to watch; larger soybean supplies are expected to eventually weigh on the soy complex.

## Soybean Oil



## FLOUR/WHEAT

Wheat futures prices are slightly lower again this week. This due to lower than expected exports due to huge wheat harvests in other parts of the world. Bearish reports continue to come as banner crop yields in wheat, soy and corn have now made their way to storage facilities awaiting transport to mills. Still nothing to point to major price changes in the near future.

**\*\*Graphs represent data for the week ending November 4, 2016\*\***

***For questions regarding the markets, please contact the appropriate Category Manager:***

***Beef, Pork, Seafood, Dairy: Davy Ard, Director of Category Management, ext. 5431***

***Fluid Dairy, Frozen Vegetables: Scott MacKaben, Vice President of Procurement, ext. 5457***

***Poultry, Potatoes: Laura Kelly, Category Manager, ext. 5438***

***Soybean Oil, Wheat, Grains, Eggs, Canned products, Imports: Willie Biddix, Category Manager, ext. 5433***

***Non Foods, Beverages: Angie Rivera, Associate Category Manager, ext. 5427***