

MARKET REPORT

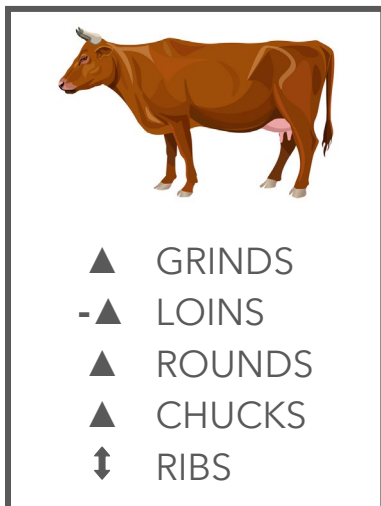
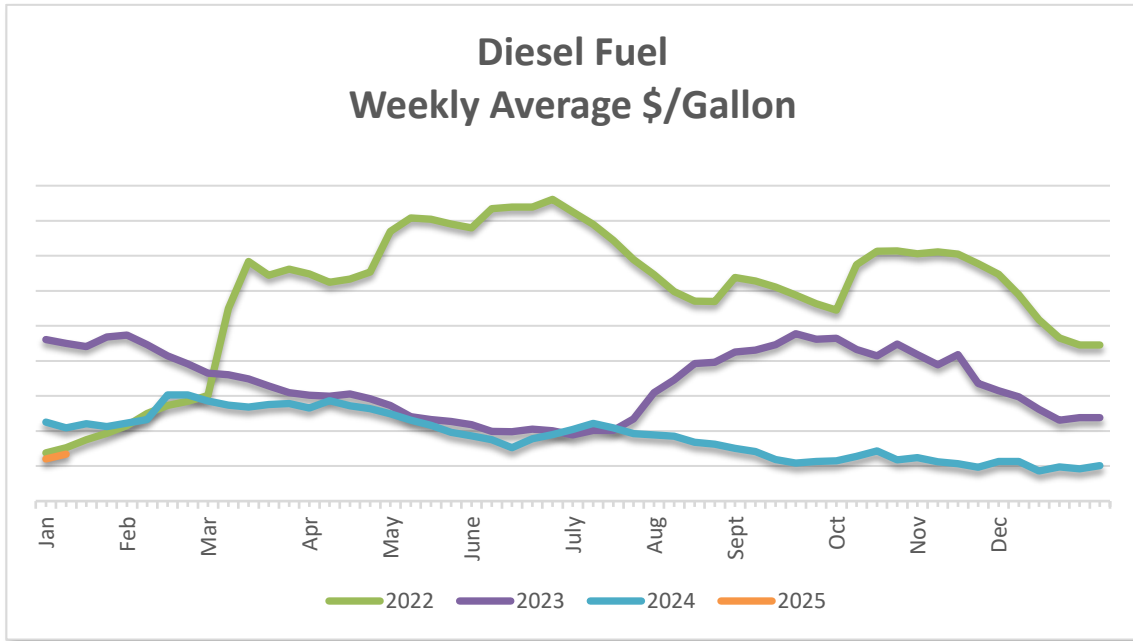


WEEK ENDING | JANUARY 17, 2025

Graphs represent data for the week ending January 10, 2025



LOGISTICS



BEEF

The market is firmer. Total beef production for last week was up 16.6% versus the prior week and up 12.5% compared to the same week last year. Year to date, total production is down 17.6% compared to the same period last year. The total headcount for last week was 589,000 as compared to 545,000 for the same week last year. Year to date, the total headcount is 870,000 head, which is down 20.0% from last year. Live weights for last week were up 2 lbs. versus the prior week and up 39 lbs. from the same week last year. The category continues to be constrained with limited weekly production. Packers are having to pay higher money for live cattle in an uncertain market. Suppliers are keeping production tight, and some are going to a 32-hour

production week. Cattle futures for February and March hit short-term highs but quickly receded, which might be a signal of an overbought market. Beef demand continues to be moderate to good despite higher prices. Dressed weights over the last month averaged 868 lbs. which is 3.8% above the 10-year average. Based on history, the industry usually enters a correction period where middle meats drop in value and end cuts move higher. The first three weeks of this year have not followed historical trends. Due to limited availability, wholesale prices continue to be volatile, somewhat bullish, and mixed depending on supplier availability.

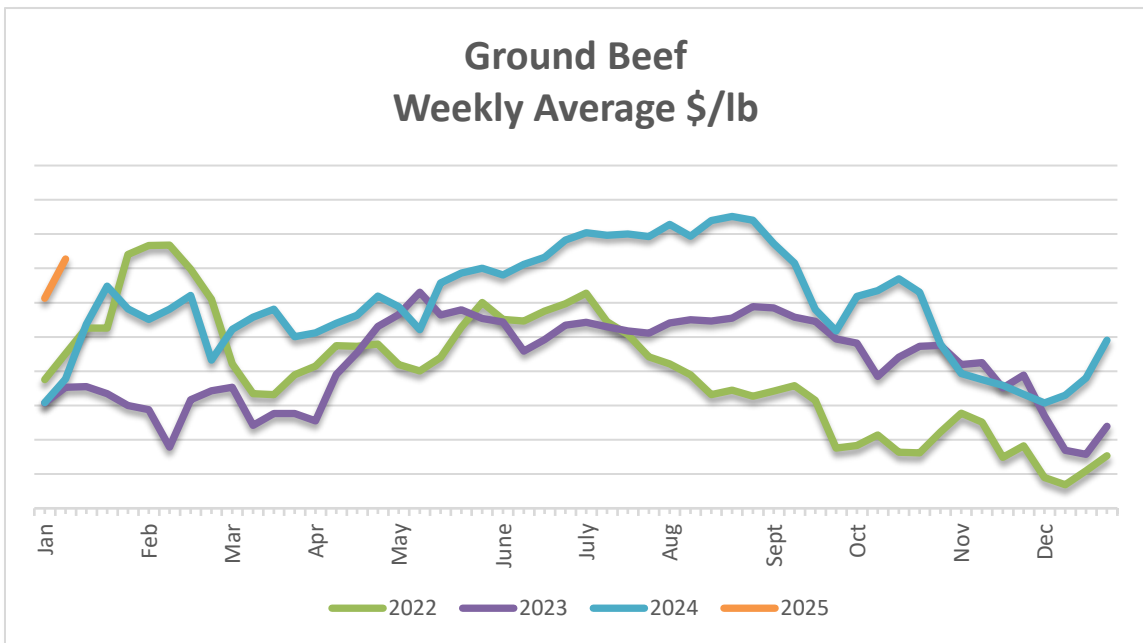
Grinds – The market is firmer. Demand is strong with improved food service and QSR volume following the holidays. Higher dressed weights are helping with added supply. Trade levels on 73% and 81% grinds have moved substantially higher over the past month.

Loins – The market is steady to firmer. With moderate demand and limited supply, the market is being driven by supplier availability. Supply is tight and varies by packer on choice and select grades. Market levels have been pressured higher in January.

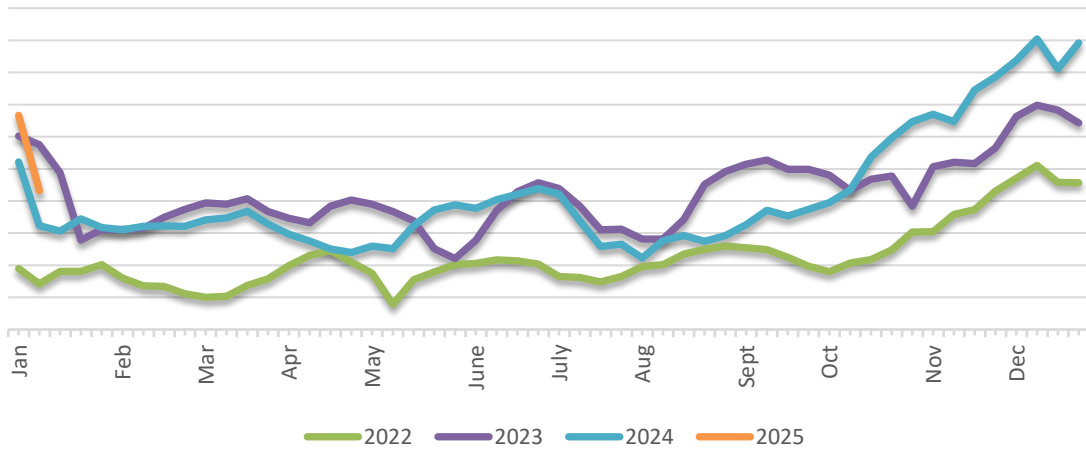
Rounds – The market is firmer. Volume on rounds, XT insides, and denuded product continue to get a bump in demand from retail promotions. The category has been bullish to start the year. Supply is limited and varies by packer. Values on rounds, XT insides, and denuded product are being pressured higher.

Chucks – The market is firmer. Retail features are creating more demand. Chuck roll volume hit a 52-week high in late November and that trend has continued. Trade levels on chucks and clods have been on the rise over the last month.

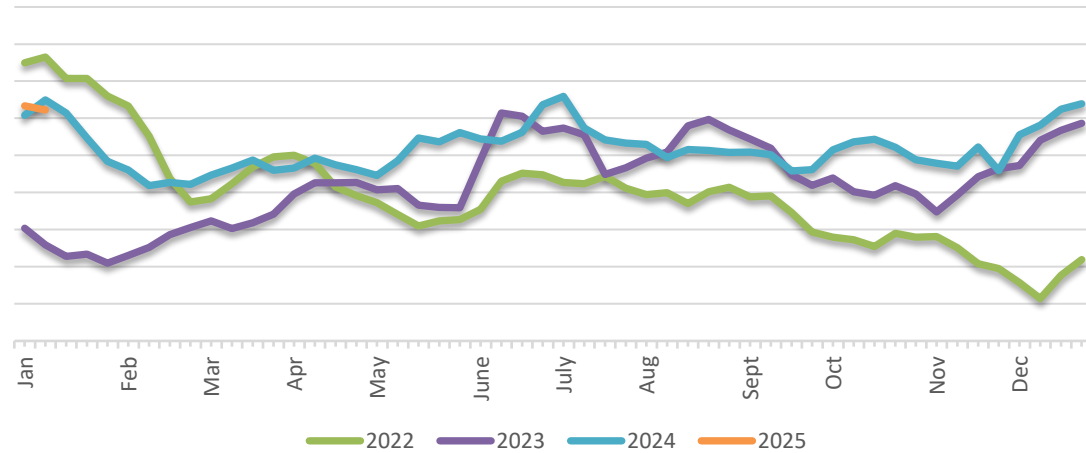
Ribs – The market is mixed. Demand is fair at best and overall volume has been static due to limited retail features. Availability is extremely tight and varies greatly by packer. Trade levels are being pushed lower but spot buys are unpredictable depending on supplier availability.

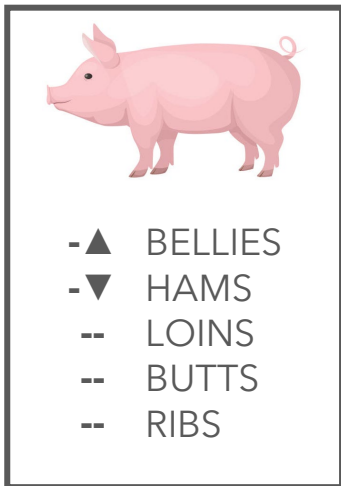
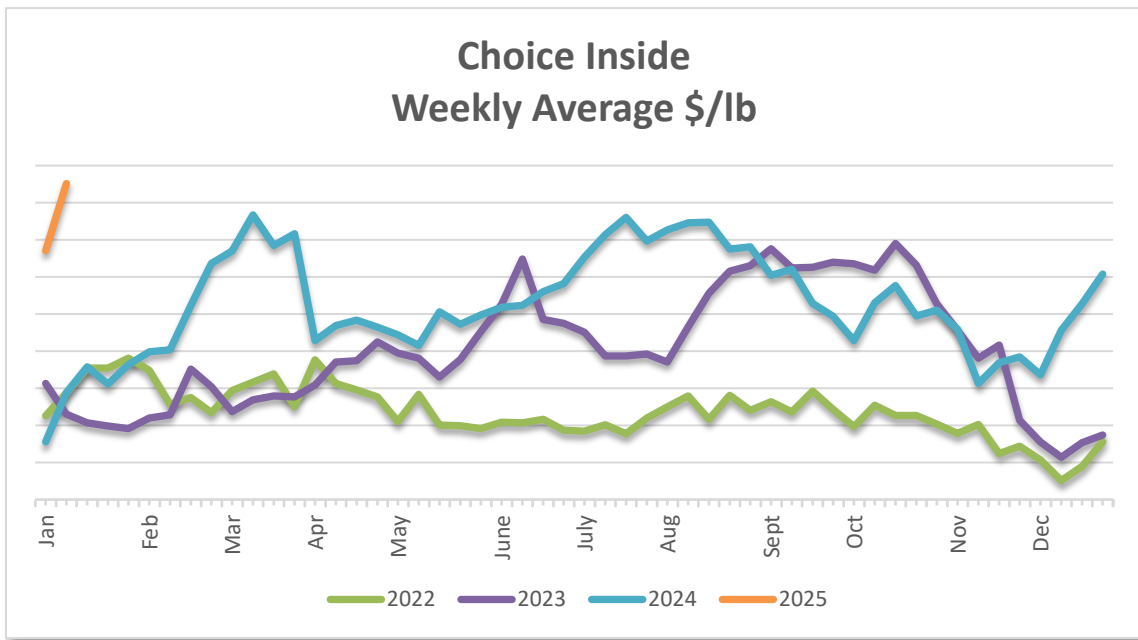


Choice Ribeye Heavy Weekly Average \$/lb



Choice Brisket Weekly Average \$/lb





PORK

The market is steady. Total pork production for last week was up 12.7% versus the prior week and up 17.1% compared to the same week last year. The total headcount for last week was 2,551,000 compared to 2,171,000 for the same week last year. Live weights for last week were even at 0 lbs. compared to the prior week and down 2 lbs. versus the same week last year. Current demand patterns remain strong and fairly consistent. To start calendar year 2025, the pork cutout was the highest to start a year since calendar 2013. Activity on loins, butts, and value-added ribs is meeting industry expectations with moderate retail feature business. Export volume to the Pacific Rim is fair at best. On the supply side, 2024 production was up 1.1% from 2023 levels. Based on the most recent WASDE report, supply for 2025 is expected to rise

1.9%. Breeding efficiency in 2024 hit a record high for pigs per litter. Lean hog futures for February were mixed while future months are showing strength. Market values in the key categories are mostly stable and holding within established ranges.

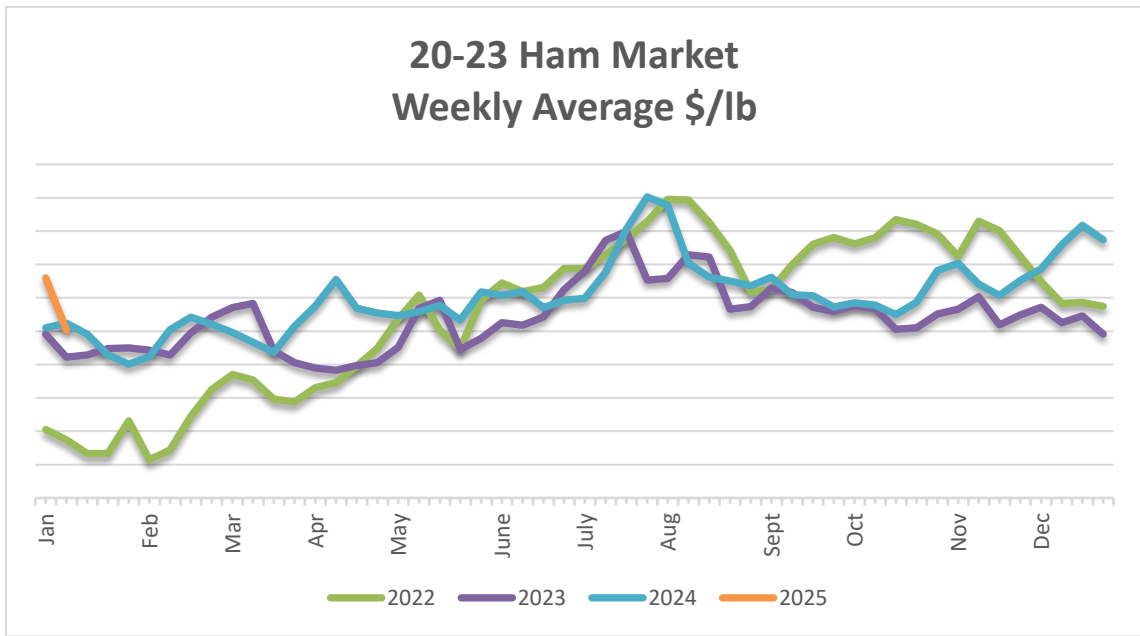
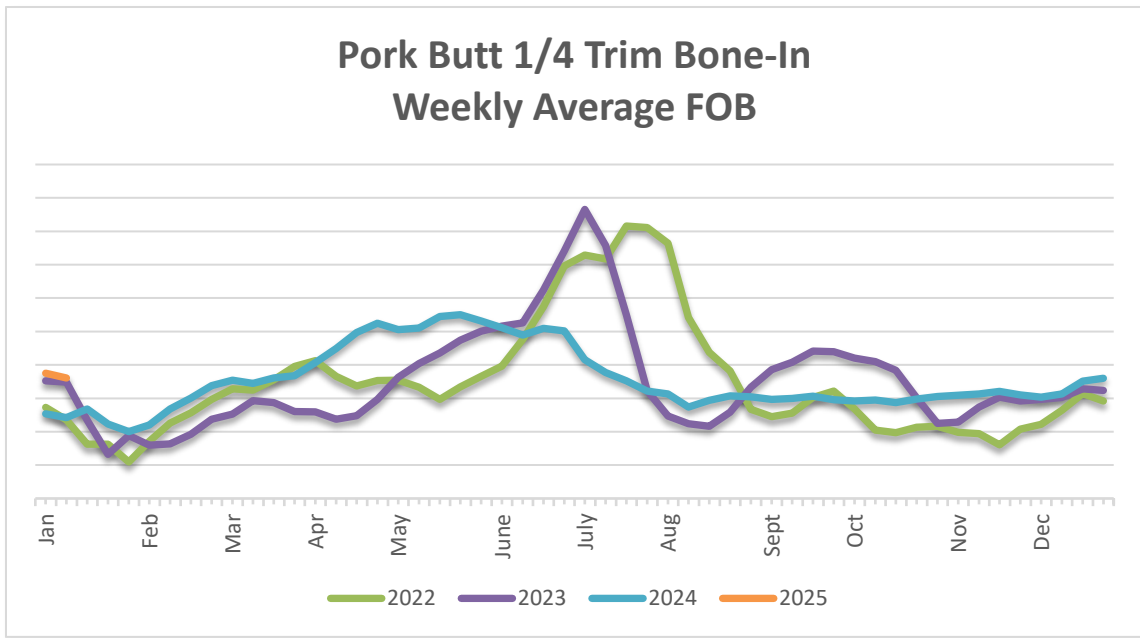
Bellies – The market is steady to firmer. Demand from retail and foodservice is picking up. Retail features have helped drive volume to start the year. Supply of fresh and frozen material has tightened a bit. Primal belly values are being pressured higher.

Hams – The market is steady to weaker. Domestic demand has been sluggish for the past few weeks, but export business and further processor activity is starting to improve. Supply is available with some excess. Market levels on green hams have soft undertones.

Loins – The market is steady. Demand for bone-in product has been good while movement on boneless loins has been soft. Supply is available. Market levels on bone-in and boneless are barely steady.

Butts – The market is steady. Domestic demand is strong and well supported by the retail channel. Export business is status quo for the time being. Trade levels are holding even.

Ribs – The market is steady. Buying activity has picked up due to Super Bowl features in early February. Supply varies by packer and plant. The market on spareribs, St. Louis Ribs, and back ribs is mostly firm.





CHICKEN

The market is steady. The total headcount for the week ending 1/11/2025 was 121,138,000 as compared to 172,864,000 for the same week last year. The average weight for last week was 6.70 lbs. as compared to 6.56 lbs. for the same week last year. The poultry category just closed out a strong year in 2024 as the UB's chicken index was 15% higher than the 5-year average for the first half of the year and 27% higher for the last six months of the year. With higher-than-normal retail prices on other proteins, chicken continues to be affordable for the consumer. With demand fully intact, market levels continue to hold firm across the key categories. Export demand to the Pacific Rim is moderate to good. The categories of WOGS, breast meat, tenderloins, and wings remain in balance from a supply and demand perspective. The supply side is improving gradually, and weekly slaughter numbers are rising slowly. Market values are well supported at the current time.

WOGS – The market is steady. Retail deli business and fast-food demand is reported to be good in January. Supply is limited on premium sizes with little being offered on the spot market. Market levels are flat.

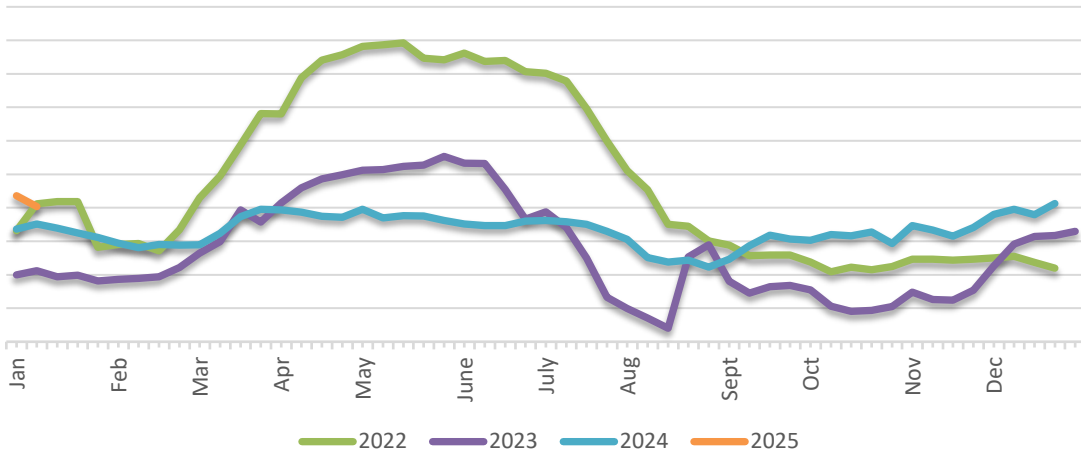
Tenders – The market is steady. Demand from foodservice and further processors continues to keep category well supported. Supply is in balance with demand on select and jumbo product. The market is holding even on select and jumbo sizes.

Boneless Breast – The market is steady. Retail and food service demand is strong. Retail features and QSR promotions are common as breast meat is an affordable option. Supply is available. The market on jumbo and medium sizes is holding firm.

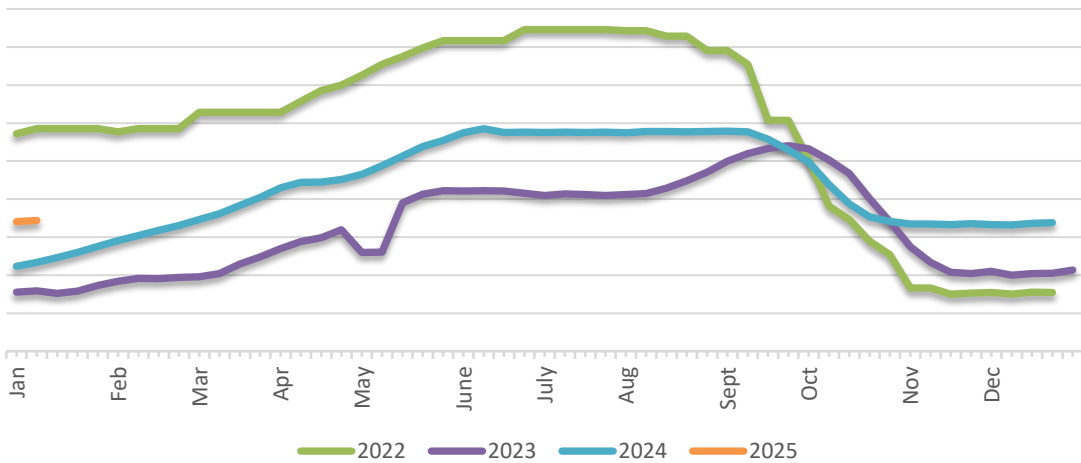
Leg Quarters and Thighs – The market is steady. Domestic demand for leg quarters and thigh meat is flat. With the port strike averted, export activity for back-half parts picked up this week. Supply is available and varies by plant. Market levels on back-half parts and dark meat are moving sideways.

Wings – The market is steady to firmer. Food service demand is vibrant and tends to remain active with post season football underway. Supply is available but limited. The market moved higher on small wings while medium and large wings held even.

Chicken Plant Grade, 2.5 lbs & Up Weekly Average \$/lb



Chicken Tenders Weekly Average \$/lb





TURKEY

The market is steady to firmer. The total headcount for the week ending 1/11/2025 was 3,121,000 as compared to 3,523,000 for the same week last year. The average weight for last week was 34.17 lbs. as compared to 32.48 lbs. for the same week last year. The turkey category for the last 12 months has been driven by the supply side of the industry. With compounded year-over-year reductions in hatchery and headcounts, availability on whole birds and bone-in parts has been somewhat restricted. Demand for whole birds is static while demand for turkey parts and boneless breast meat has shown some vibrance recently. Market levels continue to be being tested higher on breast meat and parts.

Whole Birds – The market is steady. With the booking season underway, demand trends for calendar 2025 are uncertain.

Supply is available and varies by size. Market levels are being tested as customers put forth their volume estimates for the upcoming year.

Breast Meat – The market is steady to firmer. Demand from the retail deli and food service channels is picking up. As further processors replenish finished inventory, supply has tightened up considerably. Market levels have been trending higher.

Wings – The market is steady to firmer. Export business on whole wings is fair and domestic volume on two-joint wings is adequate. Supply is available and varies by plant. The market has strong undertones.

Drums and Thigh Meat – The market is steady to firmer. Export business for drums is moderate to good. Domestic demand for thigh meat is on the rise due to food service demand. Supply is tight on parts and thigh meat. The market on drums and thigh meat has inched higher over the last week.



SEAFOOD

White Shrimp – The market is steady. Demand for headless shell-on and HOSO categories remains moderate. Pricing varies greatly depending on the origin and U.S. spot market levels. Supply from Asia is available in most sizes. Replacement costs have leveled out.

Black Tiger Shrimp – The market is steady. Demand is moderate to good and pricing levels are holding firm. Availability is tight on the premium sizes.

Gulf Shrimp – The market is steady. Demand is fair to start the new year. Supply is limited which is providing some short-term market stability.

King Crab – The market is firm. Supply levels remain tight as Russian king crab levels have been removed due to lack of trade and supply. Supply is tight and pricing is firm.

Snow Crab – The market is firmer. Overall suppliers are reported to be barely adequate amid strong demand across all sizes and origins. Market levels are trading at the high end of established ranges.

Warm Water Lobster Tails – The market is steady. Prime-sized tails are highly sought after and continue to be in tight supply. Larger tails continue to be over supplied with weak demand.

North American Lobster Tails – The market is steady and mostly unchanged. Imports from Canada into the United States increased about 21.9 percent in September and are now about 9.2 percent higher for the year.

Salmon – The market is steady. Farmed salmon is holding within established trading ranges with adequate supplies being reported from various regions of the world. Wild salmon demand is moderate to firmer. West coast whole fish is unquoted due to tight supplies and light trade activity. Europe is reporting a softer market due to fully adequate supplies and adequate demand. Chilean whole fish continues to firm with supply rated barely adequate amid moderate to active demand.

Cod – The market is steady and mostly unchanged. There is a steady to firm undertone in the market. Demand is fair at the current time.

Flounder – The market is steady and mostly unchanged.

Haddock – The market is steady and mostly unchanged.

Pollock – The market is steady. Supplies are adequate with moderate demand.

Domestic Catfish – The market is steady. Demand for domestic catfish is static and being pressured a bit from the import market.

Tilapia – The market is steady and mostly unchanged.

Swai – The market is steady and mostly unchanged.

Scallops – The market is steady to firmer. Mid-Atlantic scallops are holding firm with some recent upward market pressure. Supply is tight due to limited landings.



FLUID MILK

The market is steady. Dairy farmers across the country note steady to strong milk production and component levels. Colder Arctic air moved across the country this past week and with it came plunging temperatures for several regions. Farm level milk production in the Northeast is steady as farmers work to keep herds comfortable.

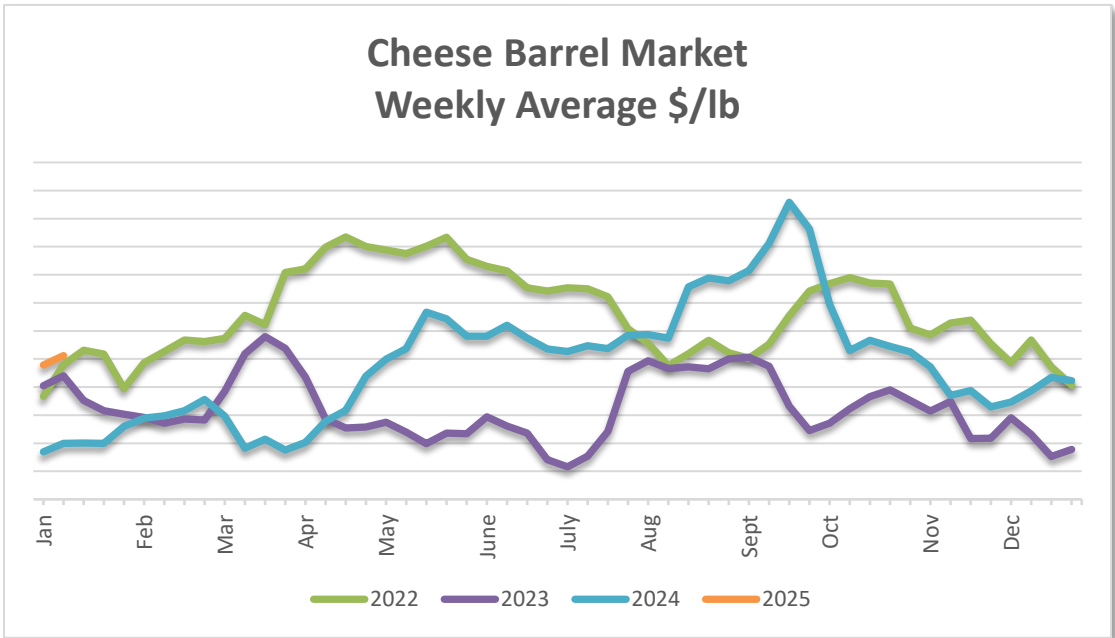
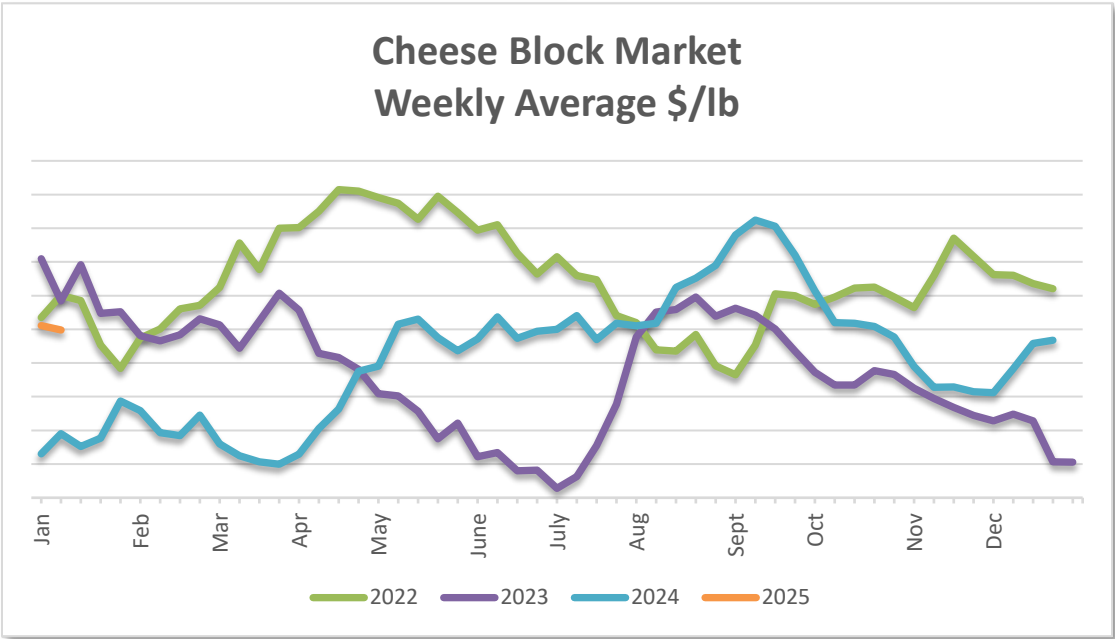
Contacts in the southeast were also working to manage cow comfort as unusually cold temperatures plagued the area. In the Central region, the severity of the arctic blast has put a damper on the steady climb of milk outputs from the fall season into the early winter. Cream handlers expect cream multiples to strengthen as early as this week. According to the USDA's latest report, strong volumes of cream have carried through from 2024 and cream handlers continue to funnel loads of cream to end users. Some sellers have reported loads of cream are traveling further to find their final destinations. In California, some handlers convey production is increasing as seasonally expected. Some plant managers note production schedules are lighter than what is typical for this time of year. Scheduled maintenance projects ahead of the spring flush are expected to increase production paces. Milk production in Arizona and New Mexico is reported to be stronger. In the Pacific Northwest and mountain states, stakeholders note farm level output varies from steady to stronger. Class I demand for bottling activity is strengthening as schools have returned to session after the holidays. Demand for all other classes is steady. Condensed skim milk is readily available across the country though demand continues to be light.



CHEESE

The market is weaker. Both the CME Block and Barrel market moved weaker as the week progressed. Both markets trended slightly weaker than the prior week. Cheese production schedules are variable throughout the US after the holiday season. Cheese plant managers note steady production schedules commensurate with milk supplies. In the East, spot milk availability for cheese production is comparable to previous weeks. Cheese volumes are reported to be snug in the East, but product is available. In the Central region, contacts note that Italian type cheesemakers report strong demand. In the West, cheese production schedules are stronger in varying degrees with strengthening milk production contributing to this. Retail demand is reported as steady while food service demand is mixed. Some varieties of cheese are noted to have tighter inventories for spot buying. Varietal cheese loads are available for purchase. Domestic cheese demand is steady to strong. Demand from international buyers varies from steady to lighter.

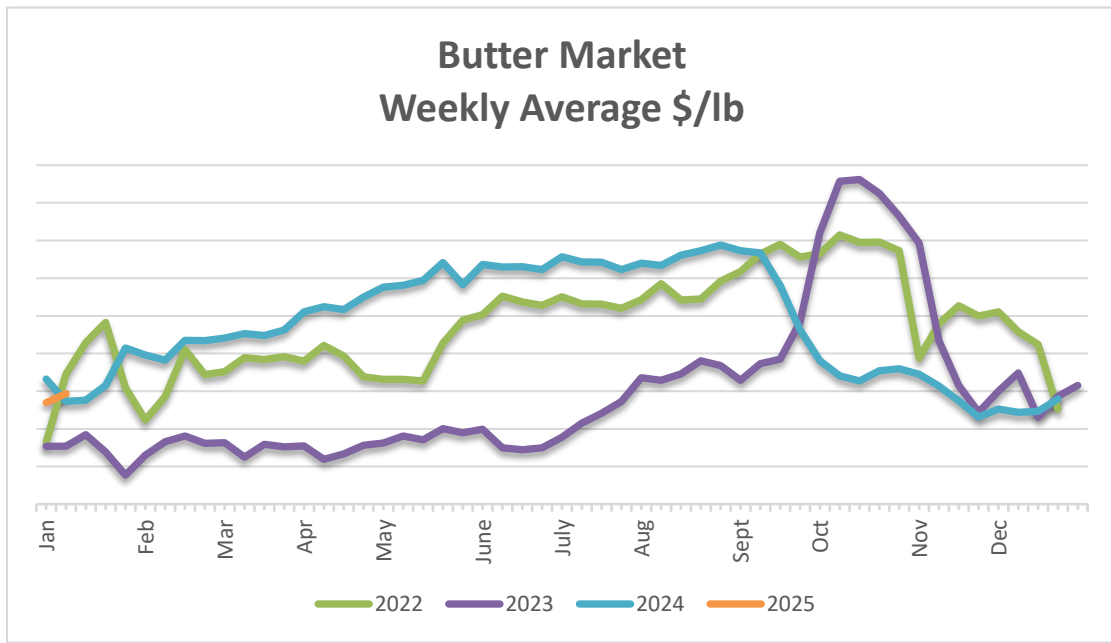
In Europe, milk production is stronger week over week. According to the USDA's latest report, cheese manufacturers are running busy production schedules. It is noted that foreign type cheese loads from manufacturers and distributors are mixed for spot buying. Foreign cheese demand varies from steady to stronger in both the retail and food service sectors. International demand for foreign type cheeses varies from steady to lighter.





BUTTER

The market is weaker. The butter market moved weaker as the week progressed and trended slightly weaker than the prior week. Cream is available throughout the country for butter manufacturing. In the East, butter plants are running steady production schedules prompted by increases in milk production and an abundance of cream. Some cream handlers are working with manufacturers to find end users for additional loads of cream. In the Central region, butter production growth is focused on building up inventories for spring and fall needs. In the West, stakeholders convey butter churning has kept up with or been ahead of demand through the holidays and into this year thus far. Butter demand is mixed following the holidays. Butter production schedules vary from steady to stronger throughout the country. Unsalted butter is readily available though salted butter is available in greater quantities. Retail butter demand is reported as steady while foodservice is steady to light. Some sellers indicate butter inventories are healthy and that butter loads are available for spot buying.

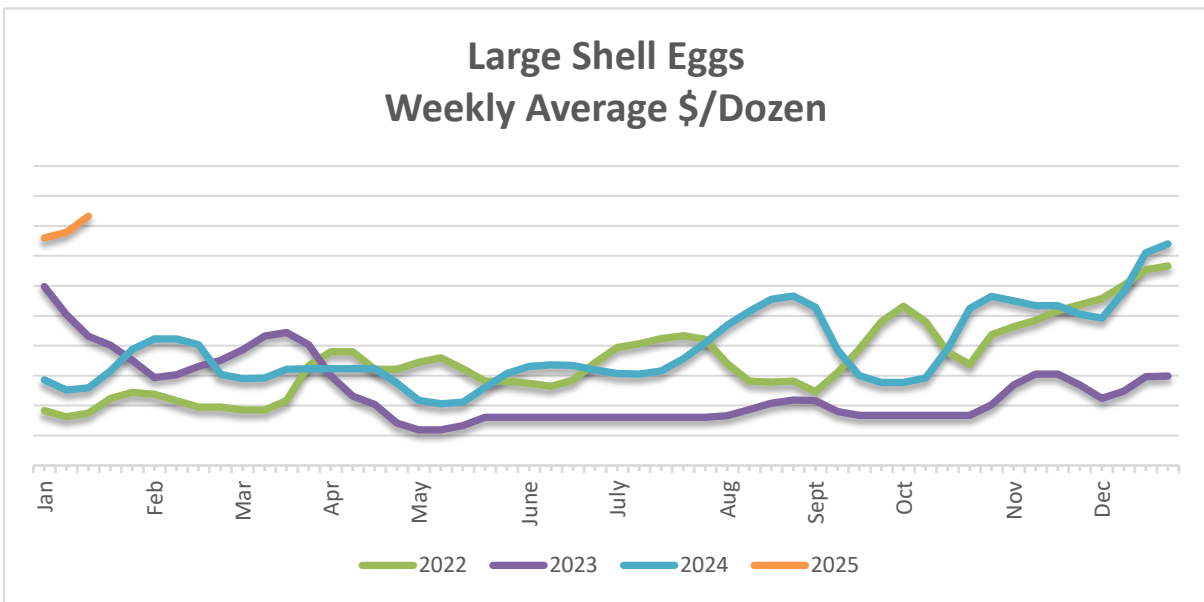


EGGS

The market is steady to firmer. Retail demand is reported to be strong and driven by grocers in regions with wintry weather. Despite historic wholesale prices, many retailers have been slow to raise retail pricing with the intention of preserving foot traffic as inclement weather is being forecasted in many parts of the country. Demand for the distribution and food service channels is mixed. Larger distributors are generally steady, while smaller operators are grappling with record-high prices and resorting to hand-to-mouth purchasing or sourcing smaller quantities on an as needed basis.

Market levels are higher for medium and large sizes. National weekly reports show shell egg inventory down 5.1% and breaking stock inventory down 4.1% over last week.

Demand in the egg products category has improved. Demand for yolks is firmer as food manufacturing channels regain momentum post-holiday. With the majority of the nation’s shell egg supply directed toward the retail sector, processors in need of additional raw material are increasingly turning to liquid product. Demand for liquid whites is firmer for similar reasons as the liquid yolk market. The yolks and dried markets are steady to firmer as the liquid market sees heightened activity.

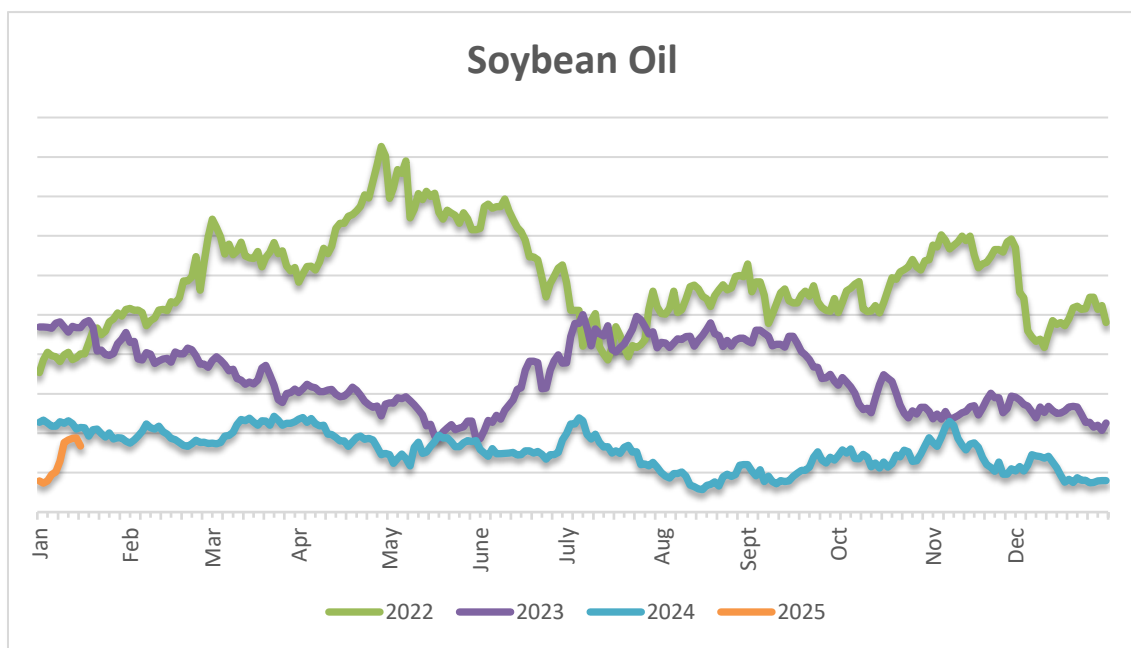


SOY OIL

After a sluggish holiday trade, CBOT soybean oil futures started the first full trading week of 2025 on a tear. It was the biggest weekly jump in prices in more than 5 years. Oil share has shown significant strength as the firmer tone in soybean oil coupled with the dreadful soybean meal market has helped send oil share back above 43% after starting the year near 38.7%.

Canola oil futures were on the rise this week and March canola seed futures hit their highest level since mid-November.

Palm oil continues to be more expensive compared to rival oils, finishing the week higher in futures but refined prices increasing more due to CBOT influence. The Malaysian Palm Oil Board's production and stocks report revealed a slight drop in supply 1.71 million metric tons, the lowest in 19 months.



COCOA

The cocoa market is unsettled. Rising costs of cocoa are expected to increase the financial burden on chocolate producers and consumers. Supply issues for cocoa have been exacerbated by long lasting structural problems within the industry as seen in crop diseases and low wages paid to farmers. Cocoa trees take years to mature and produce pods, therefore recently planted crops will take years to produce a yield. Potential price volatility is expected due to financial pressure on this market. Price increases on cocoa and any products produced with cocoa should be expected throughout the year.

COFFEE

The coffee market is unsettled. Coffee prices are expected to continue soaring due to adverse weather in Brazil and Vietnam, two of the world’s largest coffee growers. Drought and higher temperatures in Brazil during the fruit development and filling period caused Arabica and Robusta yields to fall below initial projections. Price increases on coffee should be expected to continue throughout 2025.

GLOVES

The transfer of nitrile glove orders from China following U.S. tariffs on Chinese nitrile medical exports is ongoing. Because of the increase in demand from Southeast Asian glove manufacturers, there is potential that raw NBR (nitrile butadiene rubber) shortages will become more acute beginning in Q2. Many manufacturers typically reduce capacity in late Q1 and Q2 due to equipment maintenance, so we must watch how that plays out in 2025. As a reminder, the U.S. Trade Representative announced tariffs in September that will see import duties on Chinese medical-grade gloves jump to 50% in 2025 and further to 100% by 2026, a significant increase from the current 7.5%. With a new U.S. administration beginning in January, there is also a potential for a future increase in tariff rates.

When it comes to latex disposable gloves, production is being impacted by the wet season. Thailand is the world's largest natural rubber exporter. Recent flooding in Thailand may cause natural rubber output to decrease by 320,000 metric tons. This decrease is because farmers will have a harder time tapping rubber trees.

The supply chain continues to experience volatility due to geopolitical tensions, rising transportation expenses, higher labor costs, and seasonal impacts.

HONEY

The honey market is mixed. The U.S. Beekeeping Survey reported the highest colony losses in at least a decade (55%) due to the increasing presence of varroa mites in hives. Concerns over tariffs threatened by the incoming Trump administration against Mexico, Canada and the EU could result in price increases and tighten the overall supply of honey. The U.S. Department of Commerce has postponed the final determination on their ruling for duty rates for Period of Review 1 (POR1) in the Raw Honey case, which was expected in early January 2025, citing unprecedented workload. According to Statistics Canada's December report, Canadian honey production was down 18% in 2024, despite an increase in both beekeepers and hives. In India, the Minimum Export Price (MEP) imposed by the government for honey has been extended through 2025. Organic honey from Brazil is expected to be tight through mid-2025 as price increases and logistics challenges plague the market.

IMPORTS

Skipjack tuna pricing coming out of Bangkok and Manta remains unchanged since early December. Global canned tuna demand for 2024 was strong with the previous year. Thailand canned tuna exports in 2024 were up an estimated 33% compared to 2023. Ecuadorian canned tuna exports were also up an approximate 33%. China is increasing its canned tuna exports and has become the third largest supplier in the world. Export volumes to date were up an estimated 46.5% in 2024 with Thailand and Spain being the largest target markets. Vietnam's exports increased by 30% in 2024 with the United States being a major customer.

SUGAR

The sugar market is mixed. According to the December World Agricultural Supply and Demand Estimates report, the 2024/25 sugar ratio is raised from the prior month as larger imports have offset lower beginning stocks. Beet sugar production for 2024/25 is flat compared to the previous two years. Cane sugar production in the U.S. is down 2% from last year. Total U.S. sugar output is reported to be 1% lower than last year's record. Mexico's 2024/25 forecasts are unchanged as the increase in sugar headed to the United States is offset by a decrease to other countries.

WHEAT

The wheat market is mixed. According to the USDA's January World Agricultural Supply and Demand Estimates report, the outlook for 2024/25 U.S. wheat is up on larger supplies and domestic use. Hard Red Spring wheat supplies were raised on higher imports. Projected 2024/25 ending stocks are up an estimated 15% from last year. The global wheat outlook for 2024/25 is projected to have slightly larger supplies, lower consumption, and reduced trade. Higher production in Syria and Pakistan is offsetting reductions from Uruguay. Forecasts for the EU are lower as a smaller crop was produced. Canada and Australia are forecasted to have larger crops and exports year over year.

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

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