



DSR Market Insights

Week of
January 20, 2025

| CATEGORY | NEAR-TERM MARKET PRICING TREND | SUPPLY vs. DEMAND | DSR MARKET INSIGHTS COMMENTARY |
|--------------------|--|---|---|
| Beef (Commodity) | Mixed | Short - Mixed | <i>Packers embraced market disruption provided by back-to-back federal holidays in Christmas & New Years, followed by back-to-back winter storms which cross the country from West to East. Each event allowing the packers to extend and maintain Q4 holiday pricing into the New Year. The packers did not anticipate Live Cattle price increases turn packer margin negative. Seasonal price corrections are expected at the end of January and first week of February. No sustainable change is expected until then.</i> |
| Pork (Commodity) | Stable | Available - Steady | <i>Spareribs prices should remain relatively stable, pork butt prices should decline through the month of January</i> |
| Pork (Value-Added) | Increasing | Steady - Increasing | <i>With an increased appetite for bacon, bacon pricing is on the rise through January</i> |
| Poultry (Chicken) | Stable | Available - Steady | <i>Pricing and availability remain steady across the entire bird. Market is quiet as we head into the New Year.</i> |
| Poultry (Turkey) | Stable | Short - Steady | <i>Avian Influenza continues to plague the turkey industry. Pricing has remained steady, but all parts of the bird are well accounted for and hard to uncover. Tom breast meat pricing is on the rise.</i> |
| Seafood | Shrimp - Steady Lobster - Steady Atl Salmon - Increasing | Shrimp - Available - Steady Lobster - Available - Steady Atl Salmon - Available - Steady | <p><i>Farmed Salmon: Prices are expected to remain firm due to tight supply and strong seasonal demand. Limited availability in both whole fish and fillets, coupled with rising raw material costs, continues to exert upward pressure on pricing.</i></p> <p><i>White Shrimp: The market shows stability, with prices holding steady amid balanced supply and demand. However, procurement challenges at the origin and firm overseas replacement costs are likely to maintain upward pressure on prices in the near term, especially for premium categories.</i></p> <p><i>Lobster: Prices are firming, supported by strong holiday demand and constrained availability, particularly in larger sizes. Seasonal fishing restrictions and quality concerns in key producing regions are expected to sustain higher price levels through the holiday season.</i></p> <p><i>Scallops: Prices are steady to firm, particularly for larger sizes, as demand aligns with holiday consumption patterns. Tight availability in some key producing regions continues to limit supply, creating upward price momentum in certain segments.</i></p> |
| Butter | Steady | Available - Steady | <p><i>Butter demand is mixed following the back-to-back holiday weeks. Plenty of cream is available throughout the country for butter manufacturers to utilize in their churns. Butter production schedules vary from steady to stronger throughout the country. Stakeholders indicate butter inventories have remained healthy, and loads are available for spot buyers.</i></p> <p><i>Source: USDA AMS as of January 10</i></p> |
| Cheese | Stabilizing | Available - Steady | <p><i>Cheese production schedules remain variable throughout the U.S. in the wake of end of year holidays. In the East region, milk handlers share spot milk availability is comfortable and cheese production is commensurate with milk availability. Cheese demand from the retail sector is steady. In the Central region, cheesemakers relay tighter spot milk availability and mixed cheese processing activity. In the West region, processors also relay mixed production schedules due to variable spot milk availability. Some manufacturers relay tighter stocks of varietal cheeses than other manufacturers, but spot loads are generally available.</i></p> <p><i>Source: USDA AMS as of January 10</i></p> |
| Fluid Dairy | Class I - Decreasing Class II - Decreasing | Class I Available - Steady Class II Available - Strong | <p><i>Class I: A small decrease on Milks for January.</i></p> <p><i>Class II: A small decrease on Cream & Cultured for January.</i></p> |
| Oils/Shortening | Stable | Available - Steady | <i>The domestic commodity oil markets for soybean oil have shown some recent volatility. This is primarily due to world events and political speculations. The overall impact to the price of a JIB of oil has been minimal however. Prices are proving to be slightly lower in recent days and will likely remain at similar levels as we move through the rest of the month. As is typical, other Oils will follow this trend. Margarine prices are still higher than we have historically seen, but have softened a little in recent weeks. We do not expect to see much change on that in the near term. Premium Shortenings and Oils will likely maintain current pricing levels in the coming weeks.</i> |
| Produce | Decreasing - Bell Peppers, Iceberg, Romaine, Tomatoes, Broccoli, Strawberries Steady - Apples, Carrots, Oranges, Lemons, ID Potatoes Increasing - Avocados, Onions | Increasing/Steady - Avocados, Romaine, Iceberg Steady/Steady - Apples, Broccoli, Lemons, Oranges, ID Potatoes Short/Strong - Carrots, Tomatoes, Peppers, Onions, Strawberries | <p><i>Apples, WA small sized fruit limited. Market steady.</i></p> <p><i>Avocados, MX small fruit tight, large sizes limited & priced higher.</i></p> <p><i>Bell Peppers, supplies improving, Reds remain high.</i></p> <p><i>Broccoli, strong supplies. Nice quality.</i></p> <p><i>Carrots, jumbos tight due to 60 days of 100+ in CA this past summer.</i></p> <p><i>Iceberg, strong quality, ample supplies in Yuma. 39-44lbs.</i></p> <p><i>Romaine, strong supplies of 24ct and Hearts. Above avg. qlty.</i></p> <p><i>Tomatoes, production increasing, quality good.</i></p> <p><i>Strawberries, volume increasing. CA, MX, & FL producing.</i></p> <p><i>Oranges, CA Navel's peak sizes 88ct to 113ct. High quality & sugar.</i></p> <p><i>Lemons, CA supply & quality improving as a new areas are producing.</i></p> <p><i>Onions, ID/OR. Storage quality excellent. Export demand pushing mkt.</i></p> <p><i>ID Potatoes, market steady, but expected to start firming. Nice quality!</i></p> |



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| Sugar | Steady | Available - Weak | <p><i>Sugar pricing did show us some relief as we moved into later 2025 as the fall harvest was better than the prior year and overall demand had lessened. This offered more raw material of both cane and beet, which created a softening in domestic pricing. Pricing levels will likely not see any major changes in the near term with the seasonal slow-down of demand. As Mexico had a weak crop year, imports of sugar will be lesser in 2025. The long term impact of such is unknown at this time. But as there is plenty of domestic raw material available, we do not expect to see any product shortages any time soon.</i></p> |
| Shell Eggs | Increasing | Tight Supply, Elevated Demand | <p><i>Demand for shell eggs strengthens as additional outbreaks of HPAI into the new year increase competition for reduced supplies. Wholesale prices for negotiated trading of loose eggs are firm to higher on moderate to good demand for light to very light offerings and light to moderate supplies. Trading is active. Wholesale prices for formula trading of carton stock are higher on moderate to good demand for light offerings and light to moderate supplies. Trading is active. Wholesale breaking stock prices are generally steady on very light demand for light to very light offerings. Supplies are light to moderate; schedules are full to reduced and trading is moderate. The preliminary survey of retail outlets indicates continued limited feature activity with the average ad price down slightly on a thin test.</i></p> <p><i>Source: USDA AMS as of January 15</i></p> <p><i>In other news, the Arizona Department of Agriculture has suspended the state's "cage-free requirement" until January 2027.</i></p> <p><i>Avian Influenza Update: Eggs America continues to report outbreaks of Highly Pathogenic Avian Influenza (HPAI), with a facility in Missouri (2MM birds) and two facilities near the Ohio/Indiana border (2.24MM birds) hit over the past week. The week prior we received word that sites in Ohio (250K birds) and North Carolina (2.8MM birds) were affected. Over the past nine months, there were HPAI-positive reports that were expected to result in depopulation of 19.55MM birds in Arizona, California, Iowa, Ohio, Utah, and Washington state.</i></p> |
| Wheat (Flour Based Products) | Steady | Available - Steady | <p><i>Wheat prices have remained relatively steady in recent weeks and that is translating into minimal price changes on bulk flour and finished goods containing flour as a key ingredient. Based on strong world supply and a positive domestic crop outlook, we may see some slight price softening as we close out the month. This will be nothing dramatic and will likely be minimal. Supply is strong to support domestic demand.</i></p> |