



# DSR Market Insights

Week of  
September 16, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Mixed	Short - Mixed	Seasonal demand has slowed following Labor Day Weekend. Expect weekly price easing now through the end of September. Price appreciation is expected to begin week-2 of October and into the Q4 holiday season. There will be no clear or easy road forward. Expect market disruptions caused by the hand of the nation's packer as they continue their quest from increased margins.
Pork (Commodity)	Butt/Spareribs - Decreasing Backribs - Stable	Butt - Increasing/Decreasing Spareribs - Stable/Decreasing Backrib - Stable/Stable	Butt, sparerib, and backrib prices are all declining, with butts and spareribs expected to stabilize by October. Backribs remain more stable but could face downward pressure as overall demand softens across the pork market.
Pork (Value-Added)	Decreasing	Stable - Decreasing	Bacon prices are expected to decline due to rising supply, while Sausage prices are likely to remain stable with balanced supply and demand.
Poultry (Chicken)	Mixed	Mixed - Mixed	Pricing on jumbo breast meat increased this week, while jumbo and medium wings decreased. Tenderloins remain in tight supply. The back half of the bird remains steady and supply is tight.
Poultry (Turkey)	Steady	Available - Steady	Frozen whole bird pricing remains steady and well below pricing we saw a year ago. Breast meat also remains steady with plentiful availability. Expectation is this will remain the pattern near term.
Seafood	Shrimp - Decreasing Salmon - Increasing Lobster - Increasing	Shrimp - Increasing/Stable Salmon - Stable/Increasing Lobster - Decreasing/Increasing	Shrimp supply is increasing while demand remains stable, leading to lower prices. Buyers can expect more favorable pricing as global production continues to rise. Lobster supply is shrinking due to limited catch, while demand is growing. This is driving up prices, making lobster more expensive for consumers as demand outpaces availability. Salmon supply remains steady, but rising demand in both retail and foodservice sectors is pushing prices higher. Consumers may see salmon become a more expensive option in the near term.
Butter	Steady	Available - Steady	In the West, butter demand varies from steady to stronger for the retail and food service sectors. In the Central region, butter demand is stronger for both as well with seasonal strength gathering. For the East, retail demand is stronger, and food service demand is steady. Cream supplies were looser with the Labor Day weekend contributing to market availability of loads. However, it was not enough to make cream volumes abundantly available throughout the country. Stakeholders convey cream availability remains relatively tight in the East. Butter production paces mostly vary from steady to stronger.  Source: USDA AMS as of September 6
Cheese	Increasing	Available - Strong	Contacts relay cheese production schedules vary from steady to lighter throughout the U.S. In the East, milk availability for Class III processors is tempered by strong Class I bottling demand. Labor Day weekend freed up some spot milk temporarily, but contacts continue to share seasonally steady to lighter cheese manufacturing activity. Some cheesemakers relay getting no spot milk offers, and cheese production remains seasonally lighter. Some processors share they are shifting production focus away from blocks and back into barrels. Contacts in the West are running steady cheese production schedules despite tight spot milk availability. Some manufacturers share there are limited cheese inventories available for interested spot purchasers.  Source: USDA AMS as of September 6
Fluid Dairy	Class I - Increasing Class II - Increasing	Class I Available - Steady Class II Short - Strong	September cost increases for Milks (Class I) are in place. September costs increases for Cultured/Creams (Class II) are in place.



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Oils/Shortening	Steady	Available - Steady	Commodity Oils (Soy, Canola, Corn, Cotton, etc.) have traded at similar pricing levels over the past week based on no new weather news in recent days. Current pricing levels will likely prevail over the coming days. Premium Shortening and Blended products are maintaining the same pricing levels that we have seen over the last few weeks with no major announcements regarding changes expected anytime soon. Palm Oils (the key ingredient in margarine and some cube shortenings) are still maintaining similar pricing levels to those we have seen over the past couple of weeks. There is no expectation of any major market changes on these products in the near term.
Produce	Lower - N/A Steady - Avocados, Broccoli, Bell Peppers, Iceberg, Romaine, Tomatoes, Lemons, Onions Higher - Apples, Strawberries, Oranges, New Crop Russet Potatoes	Improving/Steady - Avocados, Broccoli, Peppers Good/Steady - Apples, Romaine, Iceberg, Tomatoes, Peppers, Onions, Russet Potatoes Short/Strong - Strawberries, Oranges, Lemons	Apples, fall Crop being harvested. Projected to be 12% below 2023. Leaning to small fruit. Gala & Granny reduced volumes. Market higher. Avocados, MX supply up, CA/Peru dwindling. Note longer ripening time. Bell Peppers, production stable. Good quality. Broccoli, supplies improving. Quality is average. Iceberg, market steady. Above average quality, 39-45lbs. Romaine, market steady, quality average, good weights. Tomatoes, market steady. Good quality. Strawberries, CA production headed to Santa Maria. Avg. Quality. Oranges, CA Val's scarce & fair quality. Navel crop starts in late Oct. Lemons, CA 165/200/235s scarce thru September. Imports arriving. Onions, shipping ID/OR new crop. Excellent quality. Reds still elevated. Russet Potatoes, new crop Nekota shipping at much higher costs.
Shell Eggs	Increasing	Available - Steady	Demand for shell eggs continues its retreat from its late-August highs as the wholesale market seeks a level that bring shoppers back to the dairy case. Wholesale prices for negotiated trading of loose eggs are easing on light to moderate demand for available offerings. Supplies are light to moderate with slow to moderate trading. Wholesale prices for formula trading of carton stock are easing with light to moderate demand for moderate offerings and supplies. Trading is slow to moderate. Wholesale breaking stock prices are easing with light to moderate demand for light offerings. Supplies are light to moderate, trading is slow to moderate, and schedules are near full. Source: USDA AMS as of September 11  Avian Influenza News: On 7/15 Eggs America reported a Highly Pathogenic Avian Influenza (HPAI) outbreak affective 1.3MM hens. This follows a report on 7/8 from Eggs America of an HPAI outbreak at another Colorado farm affecting 2MM cage-free birds, in addition to earlier HPAI outbreak reports back in April/May.
Wheat (Flour Based Products)	Steady	Available - Steady	As we finalize the domestic wheat crop harvest, yields do appear to be at expected levels. As carryover from last harvest begins to dwindle, we do have enough new crop to maintain solid domestic supply. As long as conditions stay similar, we do expect current pricing levels continue into the next couple of weeks. Finished Goods utilizing Wheat/Flour as a key ingredient, will likely not show any significant price changes in the coming weeks.