



DSR Market Insights

Week of
September 23, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Mixed	Short - Mixed	Beef market should be quiet and general stable for approximately 3-weeks. Week-over-week price appreciation should return after that. Nothing has changed in the Beef. The challenges we have faced all year will continue.
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 - Increasing Salmon - Increasing	Shrimp - Decreasing/Increasing Salmon - Decreasing/Increasing	Shrimp supply is tightening due to weather, rising costs, and logistical issues. Demand remains strong in the U.S. and Europe, leading to price increases as supply falls short. Rising replacement costs are also driving up short-term prices. Salmon supply is decreasing due to production issues in Norway and Chile. Despite this, demand remains high in foodservice and retail sectors. Prices are rising, especially for larger sizes, as limited supply struggles to meet strong demand.
Canned Vegetables - Whole Potatoes & Whole Beets	Increasing	Short - Strong	New pack just getting underway for 6/10 Whole Potatoes and Whole Beets from select sources. Availability expected to remain tight moving forward.
Butter	Steady	Available - Steady	For the West, domestic butter demand varies from strong to steady. In the Central, domestic butter demand is strong with week-to-week momentum continuing. In the East, domestic butter demand is weaker. Export demand is moderate to weak. Cream volumes are tighter to varying degrees throughout the country. However, butter manufacturers indicate cream availability is ample for production needs. Butter makers convey production schedules are strong or steady in the West, and lighter in the Central and East regions. Unsalted butter spot loads are looser for some parts of the country. Source: USDA AMS as of September 13
Cheese	Increasing	Available - Strong	Contacts continue to share steady to lighter cheese production schedules throughout the U.S. In the East, milk availability remains tight, namely as Class I bottling orders draw upon milk supplies available for Class III manufacturers. Demand for cheese from buyers is steady to stronger in the region. In the Central region, milk availability remains tight. Some Central region retail cheddar and Italian-style cheese manufacturers relay active production schedules to keep inventories on-hand. In the West, cheese manufacturers relay steady production. Demand from spot purchasers is steady. Cheese barrel inventories are tightening in the region. Source: USDA AMS as of September 13
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. September costs



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Oils/Shortening	Steady	Available - Steady	There is no major market news to report on commodity oils this week. Pricing levels on all oilseed products have shown little fluctuation in recent days and no major changes are expected in 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 higher pricing levels like 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 - New Crop 40-70sz Russet Potatoes Steady - Apples, Avocados, Bell Peppers, Iceberg, Romaine, Tomatoes, Lemons, Onions Higher - Broccoli, Strawberries, Oranges, New Crop 80-100sz Russet Potatoes	Improving/Steady - Avocados, Broccoli, Peppers Good/Steady - Apples, Romaine, Iceberg, Tomatoes, Peppers, Onions, Russet Potatoes Short/Strong - Strawberries, Oranges, Lemons	Apples, storages finished. New fall crop 12% below 2023. Leaning to small fruit. Gala & Granny reduced volumes. Market steady. Avocados, MX supply improving. Note longer ripening time. Bell Peppers, good supply, strong quality. Broccoli, supplies tighter. Quality is average. Iceberg, ample supply, market flat. Above average quality, 39-44lbs. Romaine, good supply, market steady, quality strong, good weights. Tomatoes, good supply, market steady. Good quality. Strawberries, north CA supply declining, south CA New Crop increasing. Oranges, CA Val's scarce, fair quality. Navel relief in late Oct. Lemons, CA 165-235s supply to improve in late Sept. Imports arriving. Onions, shipping ID/OR new crop. Excellent quality. Reds still elevated. Russet Potatoes, new crop Nekota peaking on large 40-70sz. Smaller sizes limited but available.
Shell Eggs	Decreasing	Available - Steady	Demand for shell eggs continues to track lower while wholesale prices continue to decline from their recent highs. Wholesale prices for negotiated trading of loose eggs appear to have found a floor and are posting slight increases on light to moderate demand for moderate offerings. Supplies are moderate with slow to moderate trading. Wholesale prices for formula trading of carton stock are sharply lower with light to moderate demand, offerings, and supplies. Trading is slow to moderate. Wholesale breaking stock prices are weak with moderate to good demand for moderate offerings. Supplies are moderate as is trading. Schedules are full. The preliminary survey of retail outlets indicates continued limited activity with a slightly lower average ad price. Source: USDA AMS as of September 18 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 continue to appear to be solid. Wheat markets have experienced some end-of-season increases as is typical. We may see some slight increases in the price of commodity, bulk flour products in the coming days. But those should remain minimal. Finished Goods utilizing Wheat/Flour as a key ingredient, will likely not show any significant price changes in the coming weeks.