



# DSR Market Insights

Week of  
October 28, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Mixed	Short - Mixed	Industry buyers remain on the sidelines as packer force holiday middle meats higher. Profitability has temporarily returned to the packers, resulting in higher weekly harvest levels. Week-over-week price increase on seasonal middle meats will allow Chucks, Rounds, Ground Beef and some Thin Meats to ease in price. Market turbulence and instability will continue.
Pork (Commodity)	Butt - Increasing Sparerib - Decreasing Backribs - Decreasing	Butt - Available - Decreasing Sparerib - Available - Decreasing Backrib - Available - Increasing	Bone-in Butt 1/4" prices are expected to hold steady or slightly increase for a few weeks before declining through October. Spare ribs are forecasted to steadily decrease as demand softens. Backribs will experience a more gradual price drop due to stronger demand, though supply is tightening less aggressively than for spare ribs.
Pork (Value-Added)	Bacon - Decreasing	Bacon - Increasing - Steady	Bacon prices are expected to decrease in the near term as belly primal prices trend lower. Supply is increasing due to more normalized inventories, while demand remains stable. This combination will likely drive prices down through the end of the year, with bacon costs expected to decline steadily.
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 Lobster - Increasing	Shrimp - Mixed Salmon - Available - Steady Lobster - Decreasing - Steady	Shrimp prices are stable with supply challenges, especially in wild shrimp, while demand is mixed but expected to rise. Salmon prices are stable to slightly increasing, with tight supply for larger sizes and moderate demand. Lobster prices are increasing due to limited fishing and raw material shortages, with active demand leading to unfilled orders in some cases.
Butter	Steady	Available - Steady	In the East region, retail butter demand is steady, while food service demand is lighter. In the Central region, busy retail demand is meeting expectations, and food service demand is comparatively lighter. In the West, butter demand varies from steady to lighter for both sectors. Export demand is stronger. Cream volumes are widely available throughout the country. For the Central region, flat market cream multiples were reported. Butter churning paces are noted as strong or steady across the nation.  Source: USDA AMS as of October 18
Cheese	Steady	Available - Strong	Cheese production remains variable throughout the U.S. Cheese production is noted to be steady in the East. Spot milk loads have become more available than in recent weeks. Demand from both food service and retail customers is steady. Cheesemakers in the Midwest report mixed production schedules and mixed demand. Some contacts say retail orders are strong, while others relay seasonally quiet demand. Contacts in the West say cheese production is trending steady to stronger. Some cheesemakers say they are requesting additional spot milk loads from handlers. Mozzarella demand remains strong in the region.  Source: USDA AMS as of October 18
Fluid Dairy	Class I - Increasing Class II - Increasing	Class I Available - Steady Class II Short - Strong	October cost increase for Milks (Class I) are in place. October cost increase for Cultured/Creams (Class II) are in place.



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Oils/Shortening	Steady	Available - Steady	<p>We have seen a slight uptick in pricing levels for soybean oil as traded on the stock market in recent days. This may translate into slightly higher prices in some markets as we move through the next couple of weeks. However, it is unlikely that we will see any dramatic changes in either soybean or canola oil prices near term. Premium Oil products are holding steady pricing and will likely remain at similar levels as we move into the holiday season.</p> <p>Product availability remains adequate to cover foodservice needs. The world prices for Palm Oil are the highest that we have seen in a couple of years. Palm is the key ingredient in Margarine and some cube shortenings. Thus we do expect those prices to remain high in the coming weeks. Supply does remain available to cover demand at this time.</p>
Produce	Decreasing - 40-70sz Russet Potatoes Steady - Apples, Avocados, Broccoli, Iceberg, Romaine, Strawberries, Oranges, Lemons, Onions, 80-140sz Russet Potatoes Increasing - Bell Peppers, Tomatoes	Improving/Steady - Oranges, Avocados, Broccoli Good/Steady - Romaine, Iceberg, Onions, Russet Potatoes, Strawberries Short/Strong - Tomatoes, Peppers, Apples (small sizes), Lemons	<p>Apples, volume down, sizing larger. Galas only small sized variety. Avocados, rains reduced harvest in MX, pushing prices. Peaking on 48s. Bell Peppers, Hurricanes reduced supplies and quality. Broccoli, supplies tighter due to heat &amp; insects. Quality is average. Iceberg, demand up as Salinas and now Huron producing. Romaine, light demand, keeping market steady. Some fringe &amp; tip burn. Tomatoes, prices elevated and climbing due to impact of Hurricanes. Strawberries, new production started. MX in 2 weeks, FL delayed. Oranges, CA New CA Navels starting. Normal crop with smaller fruit. Lemons, CA 165-235s supply improving as a new areas start harvest. Onions, ID/OR harvest complete. Excellent quality. Reds still elevated. Russet Potatoes, harvest complete. Shipping new storage Norkotahs. 40-70s peak sizes. 80-140s and #2s remain limited. Quality Excellent!</p>
Sugar	Steady	Available - Steady	<p>Harvest will begin for sugar beets and then sugar cane in the coming weeks. At this time, both crops are looking good to offer expected tonnage. As long as there is no early freeze in the Midwest or weather damage in the southeast, we should have solid supply as we move into the new year. The current crop carryover is adequate to supply domestic needs. Pricing had softened in some markets in early fall and we do expect for these pricing levels to hold steady as we move through the holiday season.</p>
Shell Eggs	Increasing	Available - Steady	<p>Shell egg demand was down slightly over the past week with most interest from marketers covering their anticipated needs for the approaching November holiday demand season. Wholesale prices for negotiated trading of loose eggs are sharply higher on a thin test with moderate to good demand for light to very light offerings and light to moderate supplies. Trading is moderate to active. Wholesale prices for formula trading of carton stock are sharply higher with moderate to good demand for light to very light offerings and light to moderate supplies. Trading is moderate to active. Wholesale breaking stock prices are higher on mostly light demand for light to very light offerings and light to moderate supplies. Schedules are full to reduced and trading is moderate. The preliminary survey of retail outlets indicates limited activity at mid-week with a slight decline in the average ad price. Source: USDA AMS as of October 23</p> <p>Avian Influenza News: On 10/14 Eggs America reported a Highly Pathogenic Avian Influenza (HPAI) outbreaks in Washington State and Utah affecting 1.8MM hens. This follows reports from Eggs America in July of HPAI outbreaks affecting 1.3MM conventional and 2MM cage-free birds, in addition to earlier HPAI outbreaks reported back in April/May.</p>
Wheat (Flour Based Products)	Mixed	Available - Steady	<p>Wheat prices as traded on the stock market have shown some declines in recent days. This may factor into bulk flour pricing over the coming days. It is not expected that we will see much change in pricing though as we move through November. As we are in a high-demand season for flour, Suppliers are making sure that they can cover all existing sales. We do not expect any major product shortages, but supply may not be as ample as preferred in the coming weeks.</p>