



DSR Market Insights

Week of
December 16, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Mixed	Short - Mixed	<i>The holiday Rib & Tenderloin selling season is here. Prices are at seasonal high where they will remain for 2-weeks before beginning seasonal price declines. Financial losses derived from falling Rib and Tenderloin prices cause packer to increase prices on Chucks, Rounds, Briskets and Ground Beef.</i>
Pork (Commodity)	Butt - Stable Spareribs - Decreasing	Butts - Steady - Stable Spareribs - Steady - Decreasing	<i>Near-term prices for 1/4 trim butt are expected to remain firm due to increased retail demand through year-end. Sparerib prices may soften after Thanksgiving because of higher supply levels; however, tight cold storage inventories could provide a price floor.</i>
Pork (Value-Added)	Decreasing	Steady - Decreasing	<i>Bacon prices should begin to decline through the end of the year, losing as much as 30% of its value</i>
Poultry (Chicken)	Steady	Available – Steady	<i>Pricing and availability remain steady across the front half of the bird. The back half of the bird remains steady and supply is tight.</i>
Poultry (Turkey)	Increasing	Available – Steady	<i>Avian Influenza continue to plague the turkey industry. The markets have been steady but whole turkeys have started to take a slight increase.</i>
Seafood	Shrimp - Increasing Atlantic Salmon - Increasing	Shrimp - Steady - Increasing Salmon -Steady - Increasing	<i>Salmon: Farmed salmon prices are steady to firm, with demand outpacing supply in some regions. Wild salmon markets are quieter, reflecting the seasonal end of fresh chum sales and quality concerns in limited remaining stock. Shrimp: Prices for shrimp, including White and Black Tiger varieties, generally maintain a steady to firm undertone, supported by tight replacement supplies. Wild Gulf shrimp saw upward price adjustments due to constrained supplies and higher raw material costs. Lobster: North American lobster markets face supply disruptions due to adverse weather, with strong demand pushing prices upward. Frozen lobster tails maintain steady pricing, while live lobsters see increases as fishing efforts are hampered. Scallops: The domestic scallop market is firming, especially for premium sizes like U-10, supported by limited landings and steady demand. Pangasius and Tilapia: Both markets remain steady, though tilapia shows slight upward price pressure due to substitution demand impacting pangasius pricing.</i>
Canned Vegetables - Whole Beets	Increasing	Short - Strong	<i>6/10 Small Whole Beets will be out of stock until the 2025 pack due to lack of available raw product tonnage.</i>
Butter	Steady	Available - Steady	<i>Butter demand following the Thanksgiving holiday week is mixed. Some stakeholders indicate many end-users have Q4 inventory needs secured. However, some retailers convey willingness to take in more inventory at current market prices. Although cream volumes are comparatively tighter in the southwest part of the country, cream loads are generally widely available throughout the nation. Butter production paces are mixed for the post-holiday week. Weather related power losses at butter churning facilities, churn equipment projects, and holidays have made impacts on production schedules recently. Source: USDA AMS as of December 6</i>
Cheese	Steady	Available - Strong	<i>Cheese production schedules vary from steady to stronger throughout the U.S. In the East region, milk volumes remain tight. Cheese plant managers relay bringing spot milk volumes in from other regions to keep cheese manufacturing steady. Contacts share retail demand is steady, while food service demand remains mixed. Cheesemakers in the Central region relay active production schedules. Contacts share milk availability varies in different pockets of the region. Cheese plant managers share demand is mixed. Italian-style and cheddar cheesemakers share demand ranges from steady to stronger. Cheese production is mixed in the West region. Spot milk availability is tighter in some areas of the region. Contacts share cheese inventories are readily available for interested spot purchasers. Source: USDA AMS as of December 6</i>
Fluid Dairy	Class I - Decreasing Class II - Decreasing	Class I Available - Steady Class II Short - Strong	<i>Class I: December Milks, moderate decrease. Class II: December Cream and cultured, small decrease.</i>



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Oils/Shortening	Steady	Available - Mixed	<p>Though we continue to hear about volatility on the Stock Markets in regards to domestic Oilseed products, we have not seen any dramatic price changes in recent history. Based on overall market and political data, we may see some minimal price increases in the coming days, but nothing significant. Now that harvest is complete on North American oilseed products, there is solid supply for the coming months. Palm Oil continues it's climb on the world market. This will translate to ongoing strong prices on cube shortening products an margarine. At this time there is no indication of product shortages.</p>
Produce	<p>Decreasing - Iceberg, Romaine</p> <p>Steady - Apples, Avocados, Oranges, Lemons, ID Potatoes, Bell Peppers</p> <p>Increasing - Broccoli, Carrots, Strawberries, Onions, Tomatoes</p>	<p>Improving/Steady - Oranges, Avocados, Romaine, Iceberg</p> <p>Good/Steady - Apples, Lemons, Russet Potatoes</p> <p>Short/Strong - Broccoli, Carrots, Tomatoes, Peppers, Onions, Strawberries</p>	<p>Apples, WA 125s & 138s are becoming scarce, except for Galas, Autumn Glory, Braeburn, & Ambrosia. Finding a few smaller Grannies.</p> <p>Avocados, MX small fruit priced well below large fruit.</p> <p>Bell Peppers, weather caused short FL supplies. Relief in late Dec.</p> <p>Broccoli, supplies limited next 10 days, due to quality issues.</p> <p>Carrots, prarates, sixty 100F days in CA + Hurricane wiping out GA crop</p> <p>Iceberg, warm temps + low demand = surplus. Excellent quality.</p> <p>Romaine, 24ct & Hearts plentiful. Above Avg. quality.</p> <p>Tomatoes, Hurricane reduced supplies. Recovery expected in Jan.</p> <p>Strawberries, demand far exceeds supplies. MX & FL low volume.</p> <p>Oranges, CA Navels plentiful, esp. 138ct. Mandarins now avail.</p> <p>Lemons, CA supply & quality improving as a new areas are producing.</p> <p>Onions, ID/OR. Exports pushing market, Reds & Whites up the most.</p> <p>ID Potatoes, market steady, low FOBs and excellent quality!</p>
Sugar	Decreasing	Available - Strong	<p>Sugar Pricing has softened in recent months due to a strong crop outlook and weekend domestic demand. Harvest season is currently underway and reports regarding crop quality and expected yield have so far been neutral. Longer term pricing trends will not be understood until harvest is complete and yields from both beets and can be fully understood. Thus, it is unlikely that there will be any dramatic pricing shift until 2025.</p>
Shell Eggs	Steady	Available - Steady	<p>Demand for shell eggs is unchanged at an average level into the end-of-year holiday season. Wholesale prices for negotiated trading of loose eggs rise to their highest point of the year on moderate to good demand for light to very light and light to moderate supplies. Trading is moderate to 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 moderate to active. Wholesale breaking stock prices are higher on a full range of demand for light to very light offerings and light to moderate supplies. Schedules are full to reduced. The preliminary survey of retail outlets indicates the passing of the holiday promotion season as activity slows and the average ad price increases. Source: USDA AMS as of December 11</p> <p>In other news, the Arizona Department of Agriculture has suspended the state's "cage-free requirement" until January 2027.</p> <p>Avian Influenza Update: Eggs America continues to report outbreaks of Highly Pathogenic Avian Influenza (HPAI), with another California farm affected (up to 1.3MM birds), two Iowa farms (one being a third-party supplier of Michael Foods, totaling approximately 5.9MM birds), and to a lesser extent a Missouri farm with 20K birds. These newest reports come in addition those over the past six months affecting a total of approximately 8.5MM birds on farms in Arizona, California, Utah, and Washington state.</p>
Wheat (Flour Based Products)	Mixed	Available - Strong	<p>Pricing on bulk flour and flour based products continues to remain steady. The conflict escalation in the Black Sea area does cause some long term concern. Crop reports from both Russian and Ukraine do not look positive. World supply could become tighter as we move into next year. Any upcoming price changes will likely be minimal. We have supply to cover needs. Any product shortages will be minimal and sporadic and solely based on plant capacity and holiday demand.</p>