DSR Market Insights

Week of December 23, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Mixed	Short - Mixed	*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.*
Pork (Commodity)	Butt - Stable Spareribs - Decreasing	Butts - Steady - Stable Spareribs - Steady - Decreasing	*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.*
Pork (Value-Added)	Decreasing	Steady - Decreasing	*Bacon prices should begin to decline through the end of the year, losing as much as 30% of its value*
Poultry (Chicken)	Steady	Available – Steady	*Pricing and availability remain steady across the front half of the bird. The back half of the bird remains steady and supply is tight.*
Poultry (Turkey)	Increasing	Available – Steady	*Avian Influenza continue to plague the turkey industry. The markets have been steady but whole turkeys have started to take a slight increase.*
Seafood	Shrimp - Increasing Atlantic Salmon - Increasing	Shrimp - Steady - Increasing Salmon -Steady - Increasing	*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.*
Canned Vegetables - Whole Beets	Increasing	Short - Strong	*6/10 Small Whole Beets will be out of stock until the 2025 pack due to lack of available raw product tonnage.*
Butter	Steady	Available - Steady	*Butter demand is mixed throughout the country. Butter makers indicate demand varies from slightly down to stronger in terms of year-over-year numbers. Cream volumes are widely available across most of the nation. A few stakeholders convey finding homes for excess cream is challenging. Retail butter production paces vary from steady to stronger, while bulk butter production paces are more mixed. In some cases, manufacturers indicate lower milk production and/or stronger retail butter demand has contributed to lighter bulk butter production.* *Source: USDA AMS as of December 13*
Cheese	Steady	Available - Strong	*Cheese manufacturing schedules range from steady to stronger throughout the U.S. In the East region, cheesemakers are running steady to stronger production schedules. Despite strong demands, inventories remain comfortable. Demand for cheddar and mozzarella is notably strong in the East region. Cheese manufacturers in the Central region share milk availability is increasing, where demand is mixed. Some barrel makers share they have extra loads for sale. In the West region, cheese production is steady. Contacts share spot demand is mixed. Inventories for some cheese varieties are tighter than others.* *Source: USDA AMS as of December 13*
Fluid Dairy	Class I - Decreasing Class II - Decreasing	Class I Available - Steady Class II Short - Strong	*Class I: December Milks, moderate decrease. Class II: December Cream and cultured, small decrease.*

DSR Market Insights

Week of December 23, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Oils/Shortening	Steady	Available - Strong	*The steady trend continues to prevail on most domestic oilseed products. We have seen a slow and steady price decline on soybean oil over the past couple of months and other products (canola, cotton, peanut, etc.) have followed that lead. There is no real news to report in this area. Pricing levels are expected to remain steady as we close out the year. Though we have seen some slight softening on Palm Oil in the world markets, pricing levels on margarine still remain historically high. Based on expected 2025 policies abroad, higher prices will likely prevail for the foreseeable future.*
Produce	Decreasing - Iceberg, Romaine Steady - Apples, Avocados, Oranges, Lemons, ID Potatoes, Bell Peppers, Broccoli Increasing - Carrots, Strawberries, Onions, Tomatoes	Improving/Steady - Oranges, Avocados, Romaine, Iceberg Good/Steady - Apples, Lemons, Russet Potatoes Short/Strong - Broccoli, Carrots, Tomatoes, Peppers, Onions, Strawberries	*Apples, WA 125 & 138 only in Gala, Autumn Glory, Braeburn, Ambrosia. Avocados, MX small fruit abundant, large sizes tight & priced higher. Bell Peppers, elevated, due to prior severe weather. Relief in late Dec. Broccoli, supplies improving but remain elevated. Carrots, tight due to, 60 100F days in CA + Hurricane impacted GA crop Iceberg, heavy field ice will result in harvest delays & epidermal peel. Romaine, good supplies. Field ice will result in some rib blistering. Tomatoes, Hurricane reduced supplies. Recovery expected in Jan. Strawberries, demand exceeds supplies. MX & FL low volume. Oranges, CA Navels plentiful, esp. 138 & 113ct. Mandarins available. Lemons, CA supply & quality improving as a new areas are producing. Onions, ID/OR. Top quality. Strong Export demand pushing market up. ID Potatoes, market steady, low FOBs and very good quality!*
Sugar	Steady	Available - Strong	*We had seen price declines over the past couple of month but pricing has stabilized as harvest of Sugar Cane and Sugar Beets continues as expected. Yield is still looking solid and the hope is that we will have solid supply (as long as weather in the upper Midwest remains cold enough to keep harvested beets in a dormant state). Supply is currently adequate to cover domestic demand as we close out the holiday season.*
Shell Eggs	Steady	Available - Steady	*Demand for shell eggs rises into the holiday week as shoppers make final preparations. Wholesale prices for negotiated trading of loose eggs rise to their highest point of the year on moderate to very good demand for very limited offerings and light to moderate supplies. Trading is moderate to active. Wholesale prices for formula trading of carton stock are sharply higher on moderate to very good demand for light to very offerings and light to moderate supplies. Trading is moderate to active. Wholesale breaking stock prices are higher on a full range of demand for limited offerings and light to moderate supplies. Schedules are full to reduced. The preliminary survey of retail outlets indicates limited activity for caged eggs with specialty eggs the focus of what little activity is occurring. The average ad price declines on the thin test. Source: USDA AMS as of December 18* *In other news, the Arizona Department of Agriculture has suspended the state's "cage-free requirement" until January 2027.* *Avian Influenza Update: Eggs America continues to report outbreaks of Highly Pathogenic Avian Influenza (HPAI), with two additional Iowa farms reporting positive tests affecting 750K birds. These reports follow last week's reports out of California (up to 1.3MM birds), Iowa (5.9MM birds), and Missouri (20K birds). Preceding those reports over the past six months, there were HPAI-positive reports that were expected to result in depopulation of 8.5MM birds in Arizona, California, Utah, and Washington state.*

DSR Market Insights

Week of
December 23, 2024

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Wheat (Flour Based Products)	Mixed	Available - Strong	*Pricing on bulk flour and flour based products has shown no real change in recent weeks and will likely follow this same trend in the coming days. We may experience some slight price increases in lower protein flours (like H&R) in the coming days, based on demand and capacity, but nothing major as we move towards the new year. We expect finished products containing flour to hold steady pricing as well.*