DSR Market Insights

Week of February 3, 2025

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Mixed	Short - Mixed	*With the impact of Q4, holiday season, and three, back-to-back winter storm events has passed. Seasonal price corrections at in full swing. Tenderloins are now are seasonal price low, but no signs of price appreciation into early April. The Rib complex is also at seasonal lows. Valentine's weekend volume is booked. Next up is Easter. Price appreciation is also expected to be limited within the Rib complex into early April. Look for Chucks, Rounds, and Ground Beef are expected to soften in price now into middle March. Keep an eye on Outside Skirts. They are moving higher, fast.*
Pork (Commodity)	Stable	Available - Steady	*The butt, sparerib, and back rib pricing is expected remain steady the rest of 2024.*
Pork (Value-Added)	Steady	Available - Steady	*Bacon is not top of mind for consumers this time of the year so expect bacon pricing to remain stable for the next few months.*
Poultry (Chicken)	Stable	Available – Steady	*Pricing and availability remain steady across the entire bird. Market is quiet as we head into the New Year.*
Poultry (Turkey)	Stable	Short – Steady	*Avian Influenza continues to plague the turkey industry. Pricing has remained steady, but all parts of the bird are well accounted for and hard to uncover. Tom breast meat pricing is on the rise.*
Seafood	Farmed Salmon - Declining Shrimp - Steady Lobster - Increasing Pasteurized crabmeat - Steady	Farmed Salmon - Available/steady Shrimp - Short/Steady Lobster - Short/Increasing Pasteurized Crab Meat - Short/Light	*Farmed Salmon - Oversupply and competitive pricing from Norwegian suppliers are driving downward pressure on prices. Larger sizes, such as 12/14+, are experiencing deeper discounts. West Coast visibility is limited due to constrained supplies.* *Shrimp - Market remains stable despite supply improvements. Logistical issues, operational blackouts in Ecuador, and raw material shortages in India are influencing stability. Challenges in passing cost increases along the supply chain persist.* *Lobster - Cold weather has reduced fishing activities, creating supply constraints and pushing prices higher. Robust demand, particularly for larger sizes ahead of Chinese New Year, is adding upward price pressure.* *Pasteurized Crab Meat - Blue crab market is steady with adequate supply and fair demand. Red crab prices are rising for premium grades like colossal and jumbo lump due to tight supplies and strong demand. Inventory positions vary by seller, creating price fluctuations.*
Butter	Steady	Available - Steady	*For the East and Central regions butter demand is steady. For the West region, butter demand is mixed. Cream loads are readily available. Some cream sellers convey a sentiment that there are more cream loads available than homes. Several butter manufacturers are bringing in excess cream for their churns. Butter production schedules vary from steady to strong. A few butter makers note snug unsalted butter availability.* *Source: USDA AMS as of January 24*
Cheese	Decreasing	Available - Steady	*Cheese production schedules vary from steady to stronger throughout the U.S. In the East region, milk availability ranges from steady to snug. That said, contacts relay active cheese production schedules. Demand from both retail and foodservice sectors is steady. Cheesemakers in the Central region relay seasonally strong cheese production schedules. Cheese demand is noted to be steady to lighter than usual for this time of year. In the West region, cheese production is trending steady to stronger. Milk handlers relay healthy demand for milk from cheese manufacturers. Spot loads of cheese are on the snug side, but generally available for interested buyers.* *Source: USDA AMS as of January 24*
Fluid Dairy	Class I - Decreasing Class II - Decreasing	Class I Available - Steady Class II Available - Strong	*Class I: February will see a cost increase on Milks.* *Class II: February costs are steady on Cream & Cultured.*
Oils/Shortening	Mixed	Available - Steady	*The trading markets continue to bounce up and down on most oilseed products as South American crop conditions, world trade policies and domestic politics and weather conditions continue to manage domestic oil trading. This volatility will likely continue for the near term. Pricing levels on most products are increasing and/or decreasing to a minimal degree based on manufacturer buying patterns. It is not expected that we will see any large increases or decreases in the price of a JIB of oil in the near term. We have plenty of product available and do not anticipate any product shortages as we move through February.*
Produce	Decreasing - Bell Peppers Steady - Apples, Bell Peppers, Broccoli, Iceberg, Romaine, Carrots, Tomatoes, Oranges, Lemons, ID Potatoes, Onions, Strawberries Increasing - Avocados	Increasing/Steady - Tomatoes, Peppers Steady/Steady - Apples, Broccoli, Romaine, Iceberg, Lemons, Oranges, ID Potatoes, Onions Short/Strong - Avocados, Carrots, Strawberries	*Apples, WA small sized Foodservice fruit limited. Market steady.* *Avocados, MX heavy to small fruit. Large sizes limited & priced higher.* *Bell Peppers, supplies improving, decent volume.* *Broccoli, strong supplies. Nice quality. Cold temps to slow production.* *Carrots, CA jumbos tight. GA carrot harvest has started.* *Iceberg, expect peeling, minor pink rib & Lighter Wts. due to Field Ice.* *Romaine, expect peeling, minor pink rib & Lighter Wts. due to Field Ice.* *Tomatoes, FL & MX production increasing. Quality good.* *Strawberries, cold temps in all areas has limited supplies.* *Oranges, CA Navels peak sizes 113ct to 138ct. High quality & sugar.* *Lemons, CA supply & quality improving as a new areas are producing.* *Onions, ID/OR. Storage quality strong. Medium Yellows & Reds tight.* *ID Potatoes, Russets steady. Reds & Golds increasing.*

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Sugar	Decreasing	Available - Steady	*Based on solid fall crop harvest, domestic Sugar Markets have softened in recent weeks. We expect that similar pricing levels will prevail in the coming weeks. Weather conditions in Mexico did present with a weaker crop last year and likely a weaker crop again this year. Based on that and an unknown trade policy, product imports may be low as we move into spring. As domestic product is strong at this time, there will be not shortages but we may see some price increases on imports of raw or refined sugar products in the coming months.*
Shell Eggs	Increasing	Tight Supply, Elevated Demand	*Year-to-date through 1/24 USDA reports 8.3MM egg-layer losses due to Highly Pathogenic Avian Influenza (HPAI). In 2024 there were nearly 40MM egg layer losses across the country. Shell egg demand strengthened over the past week as supplies remain tight and competition remains elevated. Prices continue at record high levels. Wholesale prices for negotiated trading of loose eggs are thinly tested with a higher undertone on moderate to good demand from marketers for very light offerings and light to moderate supplies. Trading is relatively active. Wholesale prices for formula trading of carton stock are higher on good to very good demand from retail for very light offerings and very light to moderate supplies. Trading is very active. Wholesale breaking stock prices are higher on very light demand and offerings. Supplies are mostly light, schedules are full to reduced and trading is moderate. The preliminary survey of retail outlets indicates an sharp increase in feature activity for conventional caged shell eggs with a modest increase in the average ad price.* *Source: USDA AMS as of January 29*
Wheat (Flour Based Products)	Steady	Available - Steady	*Wheat prices have remained relatively steady in recent weeks and that is translating into minimal price changes on bulk flour and finished goods containing flour as a key ingredient. We have enough domestic supply to cover demand at this point in the year. We do not expect to see any large price changes in bulk flour products as we move into the first half of February.*