

# Gordon Food Service Market Updates

## Meat section for Market Update: November 23, 2018

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### Meat | Beef

The latest USDA Cattle on Feed report came in 1% below expectations as, once again, we placed fewer calves in feedlots. It is starting to look like dry pastures may have forced early placements this summer and there are now fewer calves left outside of feedlots.

#### Ground Beef:

Ground beef prices have stalled amid competition from other cheap protein alternatives.

#### Ribs:

Ribeye prices have topped out with select ribeyes already adjusting 12% lower. Choice ribeyes usually have a few more weeks before big price adjustments kick in.

#### Briskets:

Brisket forward sales have picked up at small discounts to current cash prices. This could hold the market steady for the next few weeks.

#### Rounds:

Retailers are actively booking rounds for post-holiday features. Retailers like to promote beef roasts after January 1 as an affordable comfort food option for consumers as they pay off holiday bills.

#### Strips:

Packers are keeping strips and short loins on their "push list" this week. Prices often make their seasonal low in November.

Tenders:

Tender prices keep ratcheting higher. We are starting to see cheaper product coming in from Canada.

Thin Meats:

Prices for most thin meats are weaker as we enter a slow demand time of the year. Skirt meat prices remain higher than in previous years.

## **Meat | Pork**

Pork production has been running 5% higher for the last month pushing pork prices back to their low for 2018.

Butts:

Butt prices are below previous 2018 lows. Extra production should move into freezer programs or exports,

Hams:

Ham prices have are also at 2018 lows, another good candidate for freezer programs.

Bacon/Bellies:

Belly prices are approaching levels that make putting them into the freezer attractive.

Ribs:

Rib prices are below where they were last year. Demand for freezer programs is good.

Loins:

Loin prices are at a 5-year low as packers struggle to keep product moving during Thanksgiving.