

Gordon Food Service Market Updates

Meat section for Market Update: February 8, 2019

Meat | Beef

Cattle and beef prices are steady this week although there is some expectation that unfavorable weather has slowed fed cattle marketing and will support prices.

Ground Beef:

Ground beef prices continue to ease as we transition into a typically-slow mid winter period. Prices may continue to adjust lower as ground beef competes with pork and chicken at retail.

Ribs:

Rib prices are still inching higher but demand seems to be slowing down a little. Forward sales are still at a small premium to cash prices.

Briskets:

Prices often drift lower in January but this year they have been trading sideways.

Rounds:

Round prices have firmed as consumers cook roasts at home.

Strips:

Prices have drooped a little after Polar Vortex restaurant closures backed up supply. It may be a week or two before the seasonal uptrend resumes.

Tenders:

Tender prices are adjusting lower following a slow week in food service. Prices are

still well above last year.

Thin Meats:

Seasonally-declining beef production has ball-tips, flank and skirt meat trending higher.

Meat | Pork

Hog and pork prices often strengthen in January as production shrinks seasonally. This year, however, production has only inched lower, leaving markets oversupplied and prices on the defensive. Weather interruptions could provide some temporary support, but plenty of hogs are still out there.

Butts:

Butt prices are 20% lower than last year which offsets Mexico's retaliatory tariff. Export interest should begin to provide support.

Hams:

Ham prices are flat as export interest is offset by large production.

Bacon/Bellies:

Belly prices are retreating as QSR features end. The last look we had before the Government shutdown showed healthy freezer inventories. Prices may need to work lower to attract interest for freezer programs.

Ribs:

Rib prices have started to firm up, but big production is muting the uptrend.

Loins:

Bone-in and boneless loin prices are moving higher as retail features lift demand. The latest weather episode should help by driving at-home consumption..