

Gordon Food Service Market Updates

Meat section for Market Update: March 1, 2019

Meat | Beef

Beef production through the first 7 weeks of 2019 has been running close to last year. Cold, wet feedlot conditions should continue to limit supply allowing beef prices to stay strong.

Ground Beef:

Dairy cow slaughter has been running 5-8% higher since mid-2018 as losses drive milk producers out of business. Most cow meat end up in ground beef keeping prices below last year.

Ribs:

Boneless rib prices are responding to better retail demand. Prices are back in an uptrend.

Briskets:

Prices have flattened out. Spot and forward prices are about equal which could indicate packers expect a sideways trend.

Rounds:

Inside prices are lower, flats and eyes are still strong. Forward sales are being made at discounts suggesting prices will head lower soon.

Strips:

After three weeks of forward sales near \$6.00/lb cash prices are moving up to the same level. The spring uptrend may be underway.

Tenders:

Tender prices are trading higher as we move closer to Easter and Mothers Day.

Thin Meats:

Prices for most thin meats have stalled; inside skirts are discounted.

Meat | Pork

Production keeps cranking at 5% above last year and pork prices are slipping. With exports stifled by tariffs, sharply lower prices are required to keep pork moving.

Butts:

Butt prices are low enough to fully offset the 20% retaliatory tariff imposed by Mexico, but exports are slow to develop. Prices remain under pressure.

Hams:

After adjusting for Mexico's tariff, ham prices are still at 5-year lows. Mexico's economy has slowed down which may be shrinking imports.

Bacon/Bellies:

Belly prices are retreating during this period of slow demand.

Ribs:

The usual price uptrend has been snuffed out by heavy supplies; prices are falling.

Loins:

Prices are near 10-year lows. Boneless loin prices competing with jumbo chicken breast for retail interest.