

Gordon Food Service Market Updates

Meat section for Market Update: June 7, 2019

Meat | Beef

Retailers ran fewer Memorial Day beef ads, probably because elevated prices earlier this spring discouraged bookings. Consumers shifted to other proteins for the grilling holiday and widespread rain limited demand. Beef and cattle prices have been adjusting lower ever since as packers try to stimulate movement.

Ground Beef:

Ground beef prices have started their usual seasonal downtrend.

Ribs:

Retailers forward booked a good quantity of bone-in and boneless ribs for July 4th features. Spot prices are drifting lower.

Briskets:

Now that Memorial Day is past we are seeing pricing slip.

Rounds:

Round prices have steadied as retail features of both round cuts and ground round stimulate movement.

Strips:

Retailers booked very competitive forward pricing for mid-summer promotions. Spot prices are still adjusting lower as rain dampens grilling demand.

Tenders:

Prices really didn't go anywhere in the past 60 days and they continue to be flat.

Thin Meats:

Ball-tip and flank prices are steady/higher as supplies stay well cleared. Skirt meat prices are now tracking last year's gradual decline.

Meat | Pork

Hog futures have lost 15-20% of the peak value they hit in the May "China's going to buy all of our pork" rally. Reality is that production is 3% larger and exports aren't taking the extra output. One has to wonder how many of the hogs raised by integrated pork packers were hedged on the last rally?

Butts:

Butt prices continue to adjust lower and renewed talk about tariffs on Mexico are not helping.

Hams:

Ham prices are trading at normal summer peaks earlier than usual. Mexico is the biggest importer by far, so tariff threats could abbreviate this rally.

Bacon/Bellies:

Belly prices continue to slip versus the usual summer uptrend. Prices are low enough to attract forward booking for retail features.

Ribs:

After a strong rally into Memorial Day rib prices are back down to 5-year lows. Great chance for retailers to book July 4th promotions.

Loins:

Bone-in and boneless loin prices are holding above last years levels, which is still low relative to history.