

Gordon Food Service Market Updates

Meat | Pork

Production at the plant level has stabilized with a few reports of production shortages due to Covid-19. July 4th promotions have increased prices for butts, ribs and loins this week, expectations are for these cuts to decline in price after the holiday. Raw material for hot dogs and sausages are declining in price as their inventory build for the 4th wrapped up this week and heavier hogs, due to plant slow downs have increased the availability of trimmings. Bacon prices are stable, with production issues reported. The USDA will release the Hogs and Pigs report later today, providing us an insight to hog availability. Expectations are for inventory to increase from prior reports due to plant closures resulting in price stability.

Meat | Beef

Production is steady and fill rate from beef suppliers is getting better each week. Foodservice demand is beginning to come back as more states open restaurants and increase capacity. With the opening of business comes the chance for more spread of disease. A few regions are experiencing increases in cases which has caused some recently open restaurants to reclose their doors adding volatility and uncertainty to the markets. Over the last week, increased foodservice demands have helped stabilize sections of the beef market. Retail features for the 4th of July will be dampened due to high prices and uncertainty from producers around availability during retail booking periods a few weeks back. We are still seeing some decreases in middle meats. Most are attributing to sluggish retail features and the fact that many white table cloth restaurants, middle meat users, are just choosing not to open just yet. Briskets, chucks, grinds, and end cuts have all found the bottom. Some cuts like briskets have attracted attention at recent numbers and have been selling in large quantities. Expect these items to stay in the current

range over the next month.