

Gordon Food Service Market Updates

Meat | Pork

Harvest numbers are 2.5 million hogs, consistent with the last 6-8 weeks and 9% higher than last year. Retail sales volume is supportive to the market, large production, labor deficiencies, limited foodservice demand make for an unsettled market. Ham prices ran up and current prices are limiting sales, look for a price reversal. Butts and loins have found support from retail. Spare ribs are declining but look to go higher into Labor Day. Back ribs are firm. Boneless butt production is limited and fill in product is possible.

Meat | Beef

Cattle production is down slightly for the week due to plant mechanical issues. We are expecting to see a harvest number for the week down approximately 1-2% from previous year. However, weights are up a few pounds per head so not much of a change in actual pounds of beef production. The following weeks should put us back on par with year ago harvest numbers. Cattle are showing some strength as we look out into fourth quarter. The monthly Cattle on Feed report indicate cattle weights are less than expected. In addition, placements onto feed have been lower the past few months to help counter the excess inventories. Demand at retail continues to be strong. Further retail ads should start to break on beef over the next month as we get closer to Labor Day. Briskets have traded lower as packers have looked for homes and had to drop below \$2.00/lb to get a few packages moved this week. Look for ad placements on briskets throughout August. ribeye have cleaned up out front so expect steady to slightly higher pricing over the next month. End cuts remain steady along with grinds. Striploins and tenderloins will require a bit of attention over the next few weeks to get the pricing to stabilize. Expect thin meats to move higher.

