

Gordon Food Service Market Updates

Meat | Pork

Kills are forecast to be 2.9 million this week. If this forecast is not adjusted lower, this is potentially the largest kill in the past 6 months. Reports are that exports this year are 40% lower than this time last year, potentially as a result of the election and concerns of election fall out.

Retail demand continues to be strong, the retail market would normally be focused on Thanksgiving and turkeys and hams in November. With potentially fewer gatherings, will the demand for turkey and ham be consistent with prior years? It is likely this will not be the case and retailers are ready, as they have pork loins and butts available.

Processors are reporting that their forward sales positions are good and they have very little additional product to offer.

Prices for butts, loins, ribs and bellies/bacon are on a downward trend and leveling off, prices should level out and hold for the month of November. If we see a renewal of Covid at the plant level this could change.

Meat | Beef

Production has been strong, so far not production reducing due to shortness in cattle. The word is that we may have bridged the gap in cattle and will now be looking at plentiful amounts of cattle as we move into December and into 2021. Ribs and tenderloins have flattened out and will probably stay at these levels until mid-November when holiday demands really start to kick in. Other middle meats such as striploin, sirloins, and short loins have dropped off and will continue to show seasonal lows until we get into December when those markets tend to start moving

again. End cuts are flat to lower, not much action around these items this time of year. We should see them rebound as we move into November. Briskets are still moving lower and should bottom as cheaper prices on this cut usually attract quick strong demand. Grinds are mostly flat and will continue this way as cattle are still heavy and producing plenty of trim.