

# Gordon Food Service Market Updates

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## Meat | Pork

Lack of food service demand, robust slaughter and heavy hog weights are weighting on belly, ham and some trimmings prices. Spareribs, loins and butts prices are wavy, up one day and lower the next. Producers continue to offer excess product in this unsettled market.

Industry wide, there are a few reported cases of Covid. However it seems as if precautionary measures put in place earlier this year are preventing issues currently..

## Meat | Beef

Over the past few weeks, we have seen a slight slowdown in production compared to the previous year; to the tune of around 2%. The cause is both cattle availability due to small placements of cattle of feed from earlier in the year, and COVID cases at the packing plant level starting to affect labor. Both of these factors will continue to affect production numbers throughout November along with the short Thanksgiving holiday week. More recent cattle on feed reports show close in placements are up around 4% which could lead to large cattle supplies through part of 2021. Demand continues to be strong at retail, food service is still soft and could continue if further restrictions are put in place. Rib demand is strong and with more at-home Thanksgiving some are trading up from ham or turkey. Expect to see another small bump in pricing as we normally do in early December. Tenderloins continue to be soft, we should start to see some small moves upward as we get closer to December. Grinds are in a good price range right now and continue to move well. With large cattle creating more 50% trim and increases in imports of lean trim, the price range we are currently at could continue if demand continues stable. Briskets are mainly being held up by retail features as food service

demand is still soft. End cuts such as inside rounds are showing some strength as retail features have been strong. Expect some softening as we move closer to the Thanksgiving holiday.