

# Gordon Food Service Market Updates

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## Meat | Pork

The harvest levels this week are expected to 2.55million hogs, down from last week.

The price for pork butts increased again this, up 4-6cents thisweek. Loin and sparerib prices are steady. Sparerib availability is limited as export demand has increased.

Belly prices continue to increase, however at a modest pace compared to the past 2 weeks. Prices may plateau in the next 2 weeks.

PRRS, is being cited by a number of packers as limiting hog output. Some industry sources suspect that pork production in 2021 may be less than 2020, noting that pandemic-induced sow liquidation last year coupled with pressure from higher feed costs and diseases may curb supplies in the months ahead. In contrast, the USDA projects record pork production in 2021 at 28.7 billion pounds, up 1.4% from 2020 on expectations of a larger pig crop and increases in growth and number of pigs per litter.

## Meat | Beef

Weather-related issues both with producers and consumers have the boxed beef market in an interesting position. Harvest was down 100K last week from the average weekly runs all due to weather-related issues. The excess market-ready cattle will need to be pushed to production over the next few weeks increasing supply during a time when we historically experience reduced demand before the spring grilling season. We have yet to see the market react due to short boxed beef, but it will come soon and probably be a good portion of March as prices are too high for this time of year and increased supply will push prices lower. Middle meats have performed well on retail ads, however, high prices will put pressure on ad placements at retail and foodservice will follow. Look for opportunities on middle

meats over the next few weeks. Grinds took a big dive after Super Bowl but are now up again due to short supply caused by last weeks weather events. Expect to see some softness until later into March. End cuts should come off some over the next few weeks and stay lower through most of the spring. Expect lower levels as we move into March. Thin meats and briskets should see good demand and higher prices as we move into March. There are still many large customers shopping brisket packages for the spring business.