

Gordon Food Service Market Updates

Meat | Pork

Slaughter this week is down, not as low as expected. High prices are incentivizing producers and plants to pull hogs ahead.

Bone in butt prices moved lower to start the week and increased later in the week. Boneless butts prices continued to increase as demand and labor issues in the plants are driving the prices. Spare and back ribs continue higher this week based on export and retail demand and loin prices are flat this week.

Belly prices continue to run up with high demand and low inventory in the freezer. Breakfast sausage is competing with bacon and both items continue to push the other's price higher. Trimming prices reached record highs last week and it is very early in the year for the demand to push prices this high.

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 week's 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.