

Gordon Food Service Market Updates

Meat | Pork

Slaughter is higher this week as packers work to take advantage of higher wholesale prices.

Bone in butt prices are slightly higher this week. Boneless butts prices increased this week, high prices for boneless may slow down demand as this level. Loins prices are up moderately again this week and the deal of the pork complex.

Rib prices continue to move higher the forecast is for increases to continue and slow down prior to Memorial Day.

Belly prices this week are higher, the market may have reached its peak and retreat into May. As the saying goes "High prices cure high prices"

Breakfast sausage and hot dog raw material prices are higher and forecast to level out next week.

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.