

Gordon Food Service Market Updates

Meat | Pork

Slaughter this week is expected to be approximately 2.45 million and continue to tighten into the heart of the summer.

Bone in and boneless butt prices are slightly higher again this week and projected higher for the next 4 weeks. Loin prices are picking up, possibly due to more retail features with boneless loins in May.

Rib prices continue to move higher, even at record high prices demand for ribs is still strong. The forecast is for increases to continue and slow down prior to Memorial Day. Prices are based on demand from retail, food service and exports. Cold storage inventory is well below the levels of the last 5 years. Diminished labor, has limited the ability to bone loins for ribs and the ability to box and freeze items limiting supply.

Belly prices are correcting, the market looks to have hit the top. New items, belly steaks are adding demand to an item with a strong following.

Breakfast sausage and hot dog raw material prices are stable this 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.