

Gordon Food Service Market Updates

Meat | Pork

This week's harvest is forecast to be higher than last week at 2.4 million head, cooler weather through out the country has aided in hogs weights which are on average up 2.3 lbs per animal.

Bone in butt prices are declining as demand wanes. Boneless pork butt prices continue to sell at a larger premium than we have seen in the past as labor issues have slowed boning lines. Boneless loin prices continue to decline. October is traditionally pork month at retail, it is likely that prices will increase in the next 1-2 weeks as October starts.

Spare rib prices came off days prior to the holiday, but saw an increase at the end of last week. St Louis and back rib prices are stable as demand seems to have shifted to tailgates .

Belly prices continue to fall, prices are likely to form a base with the expectations of moving higher in a few weeks.

Meat | Beef

Harvest numbers are slightly higher than previous year's numbers as smaller cattle have dropped the production pounders per head slightly. Choice grading is starting to slip and currently running a bit below previous years percentage. Prime has continued to drop percentage-wise making it even more difficult to come by. Expect to see the choice/select spread to increase as we move closer to September. Logistical issues with both container ships and port warehouses have slowed the processing of imports and exports. Late August and into September should show good numbers of exports as ports and warehouses work on catching up on the

backlog of orders.

The choice cutout has started to move higher, up \$0.50 bouncing off the dip we had in mid-July. Demand is picking up again as prices became more realistic. Most middle meat items have started to trend higher as retail took interest and took positions in late July. Ribeyes are higher, expect to see these prices for the next few weeks with retailers booking for deep chill programs to support the holidays. Striploin and short loins have captured some retail attention and should keep support under these cuts through most of September. Briskets have been booked up by retail on forward bookings to help cover Labor Day ads with a cheap BBQ beef option, prices have shot back up. End cuts are steady to higher, holding well above historical prices for this time of year. Thinmeats and labor-intensive items are steady to slightly higher across the category as labor is an issue across all beef packers and specialty cutters. Grinds have started moving already, retail has already stepped in on ground beef packages for the upcoming holiday.