



# Market Report



MARKET TRENDS | MARCH 27, 2023

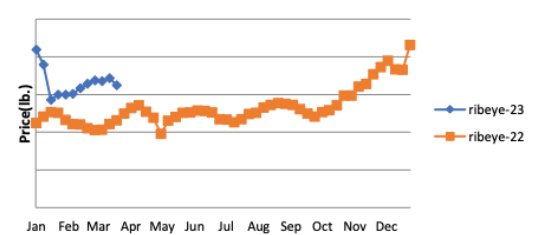


## BEEF | VEAL | LAMB

Product Description	Market Trend	Supplies	Price vs. Last Year
Live Cattle (Steer)	Decreasing	Short	Higher
Feeder Cattle Index (CME)	Decreasing	Short	Higher
Ground Beef 81/19	Decreasing	Steady	Lower
Ground Chuck	Decreasing	Steady-Available	Lower
109 Export Rib (ch)	Decreasing	Steady	Higher
109 Export Rib (pr)	Decreasing	Steady-Available	Higher
112a Ribeye (ch)	Decreasing	Steady	Higher
112a Ribeye (pr)	Increasing	Steady-Available	Higher
114a Chuck, Shlder Cld(ch)	Decreasing	Steady	Higher
116 Chuck (sel)	Decreasing	Steady	Higher
116 Chuck (ch)	Decreasing	Steady	Higher
116b Chuck Tender (ch)	Decreasing	Available	Lower
120 Brisket (ch)	Increasing	Steady-Short	Lower
120a Brisket (ch)	Increasing	Steady-Short	Higher
121c Outside Skirt (ch/sel)	Increasing	Short	Higher
121d Inside Skirt (ch/sel)	Decreasing	Short	Higher
121e Cap & Wedge	Decreasing	Steady	Lower
167a Knuckle, Trimmed (ch)	Decreasing	Steady-Available	Lower
168 Inside Round (ch)	Increasing	Steady	Higher
169 Top Round (ch)	Decreasing	Steady	Lower
171b Outside Round (ch)	Decreasing	Steady-Available	Higher
174 Short Loin (ch 0x1)	Decreasing	Steady	Higher
174 Short Loin (pr 2x3)	Increasing	Short	Higher
180 0x1 Strip (ch)	Decreasing	Available	Lower
180 0x1 Strip (pr)	Increasing	Short	Higher
184 Top Butt, boneless (ch)	Decreasing	Steady	Higher
184 Top Butt, boneless (pr)	Increasing	Short	Higher
184-3 Top Butt, bnls (ch)	Decreasing	Steady	Higher
185a Sirloin Flap (ch)	Decreasing	Short	Higher
185c Loin, Tri-Tip (ch)	Decreasing	Steady	Lower
189a Tender (sel, 5 lb & up)	Increasing	Short	Higher
189a Tender (ch, 5 lb & up)	Increasing	Steady	Higher
189a Tender (pr, heavy)	Decreasing	Steady-Available	Higher
193 Flank Steak (ch)	Increasing	Short	Higher
50% Trimmings	Increasing	Short	Higher
65% Trimmings	Increasing	Short	Higher
75% Trimmings	Decreasing	Steady	Higher
85% Trimmings	Increasing	Steady-Short	Lower
90% Trimmings	Increasing	Short	Lower
90% Imported Beef (frz)	Increasing	Short	Lower
95% Imported Beef (frz)	Increasing	Short	Lower

Last week, the average USDA Choice boxed-beef cutout lost 1.2% from the prior week, but it was 7.7% higher than a year ago. Beef production declined 0.7% from the prior week and was 5.6% smaller than a year ago. Spot live cattle prices are currently 8.1% higher (y/y). Per the USDA, on Feb. 28 cold storage boneless beef stocks were 5.1% smaller (y/y), declined during the month by 6.6%, but are only 5.4% below 2022's record monthly high. It's pretty much understood within the beef industry that with a tightening cattle outlook, higher (and/or record-high) beef prices will materialize as this year progresses, but the unknown factor is how much consumer demand will back off. It's likely with still high (and broad) inflation that beef demand may collapse.

**112a Choice Beef Ribeye (heavy)**



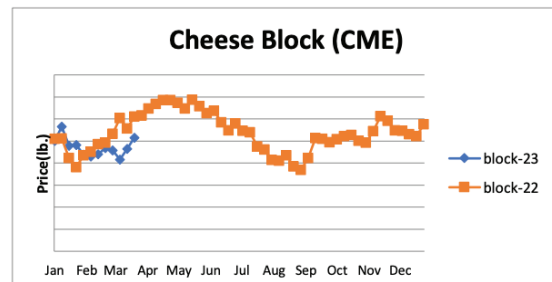
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Product Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Short	Lower
Cheese Blocks (CME)	Increasing	Steady-Short	Lower
American Cheese	Increasing	Short	Lower
Cheddar Cheese (40 lb)	Increasing	Steady	Lower
Mozzarella Cheese	Increasing	Steady	Lower
Monterey Jack Cheese	Increasing	Steady	Lower
Parmesan Cheese	Increasing	Short	Lower
Butter (CME)	Decreasing	Steady	Lower
Nonfat Dry Milk	Decreasing	Available	Lower
Whey, Dry	Steady	Steady	Lower
Class 1 Base	Decreasing	Available	Lower
Class II Cream, heavy	Increasing	Steady	Lower
Class III Milk (CME)	Increasing	Steady	Lower
Class IV Milk (CME)	Increasing	Available	Lower

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Last week, CME nearby class III milk futures added 4.0% (w/w) but were 25.4% lower than a year ago. CME cheese block prices increased 5.2%, and cheese barrel prices gained 4.2% (w/w). CME spot butter prices lost 0.4% (w/w) and were 14.9% lower (y/y). Per the USDA, on Feb. 28, domestic cold storage cheese inventories were 1.4% smaller (y/y), were unchanged (m/m), but still historically high as February 2022 was a record large. At the end of February, American cheese stocks fell by 1.7% (y/y) and declined by 0.8% (m/m). On Feb. 28, U.S. frozen butter inventories were up 12.2% (y/y) and increased by 11.6% during the month. Big-time late-winter weather has hit pretty much all of California, which could be slowing down milk and butter (cream) production and bringing support to prices.







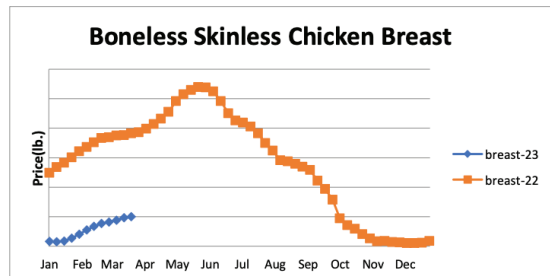
Product Description	Market Trend	Supplies	Price vs. Last Year
Whole Birds WOG-Nat	Increasing	Short	Lower
Wings (jumbo cut)	Decreasing	Steady	Lower
Wing Index (ARA)	Decreasing	Steady	Lower
Breast, Bnless Skinless NE	Decreasing	Short	Lower
Breast, Bnless Skinless SE	Decreasing	Short	Lower
Breast Boneless Index (ARA)	Increasing	Short	Lower
Tenderloin Index (ARA)	Increasing	Short	Lower
Legs (whole)	Steady	Short	Higher
Leg Quarter Index (ARA)	Increasing	Short	Higher
Thighs, Bone In	Increasing	Short	Higher
Thighs, Boneless	Increasing	Short	Lower

Product Description	Market Trend	Supplies	Price vs. Last Year
Large Eggs (dozen)	Increasing	Steady-Short	Higher
Medium Eggs (dozen)	Increasing	Steady-Short	Higher
Liquid Whole Eggs	Increasing	Short	Higher
Liquid Egg Whites	Increasing	Steady-Short	Higher
Liquid Egg Yolks	Decreasing	Steady	Higher
Egg Breaker Stock Central	Increasing	Short	Higher

Product Description	Market Trend	Supplies	Price vs. Last Year
Whole Turkey (8-16 lb)	Increasing	Steady-Short	Higher
Turkey Breast, Bnls/Sknls	Decreasing	Available	Lower

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Last week, the USDA weekly national composite whole bird index added 1.4% (y/y). For the w/e March 18, the weekly number of chickens slaughtered was down 1.4% from the prior week but 0.4% larger than a year ago. The average bird weight was 0.5% heavier (y/y). Ready-to-cook chicken production for the w/e March 18 was 0.2% larger (w/w) and up 0.9% (y/y). 2023 ready-to-cook chicken production is pacing 1.4% stronger than in 2022, which is less of an increase than the USDA's Q1 2023 forecasted production gain of 2.1% (y/y). The large shell egg market (national average) was up 12.4 (w/w) and is 106.5% higher than a year ago. The USDA turkey breast (BS) price lost 4.8% (w/w) and is down 30.1% (y/y). Per the USDA, on Feb. 28, total domestic cold storage chicken stocks were 9.9% larger (y/y) but declined by 0.4% (m/m). Cold storage chicken breast and breast meat supplies were up 40.7% (y/y).





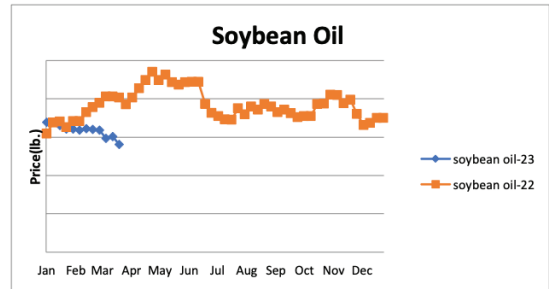


## OILS & GRAINS

Product Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Decreasing	Available	Lower
Crude Soybean Oil, lb	Decreasing	Available	Lower
Soybean Meal, ton	Decreasing	Available	Lower
Corn, bushel	Increasing	Steady	Lower
Crude Corn Oil, lb	Steady	Steady-Available	Higher
High Fructose Corn Syrup	Increasing	Steady	Lower
Distillers Grain, Dry	Increasing	Steady-Available	Lower
Crude Palm Oil, lb BMD	Decreasing	Steady-Available	Lower
HRW Wheat, bushel	Increasing	Steady	Lower
DNS Wheat 14%, bushel	Increasing	Steady	Lower
Durum Wheat, bushel	Decreasing	Available	Lower
Pinto Beans, lb	Steady	Available	Lower
Black Beans, lb	Steady	Steady	Lower
Rice, Long Grain, lb	Steady	Short	Higher

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Most of the major grain markets, barring corn, were lower last week, including soybean oil prices down a whopping 7.3% (w/w) despite Friday's resurgence based mainly on a Reuters piece claiming Russia is considering curbing/halting the country's wheat and sunflower exports. The article claims the reasoning behind the move would be to build up state grain reserves in the face of tanking grain (especially wheat) prices within Russia and internationally.

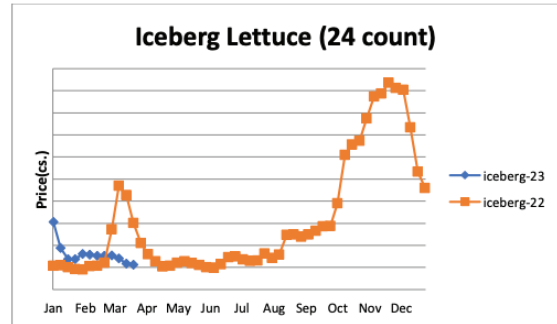






Product Description	Market Trend	Supplies	Price vs. Last Year
Limes (150 ct)	Steady	Short	Steady
Lemons (95 ct)	Decreasing	Available	Lower
Lemons (200 ct)	Increasing	Short	Higher
Honeydew (6 ct)	Decreasing	Steady-Available	Higher
Cantaloupe (15 ct)	Steady	Available	Lower
Blueberries (12 ct)	Increasing	Short	Higher
Strawberries (12 pnt)	Increasing	Short	Higher
Avocados (Hass 48 ct)	Decreasing	Short	Lower
Bananas (40 lb) Term	Increasing	Steady	Higher
Pineapple (7 ct) Term	Increasing	Steady-Short	Higher
Idaho Potato (60 ct 50 lb)	Increasing	Steady-Short	Higher
Idaho Potato (70 ct 50 lb)	Increasing	Steady-Short	Higher
Idaho Potato (70 ct) Term	Increasing	Steady-Available	Higher
Idaho Potato (90 ct 50 lb)	Increasing	Steady-Short	Higher
Idaho Potato #2 (6 oz 100 lb)	Steady	Short	Higher
Processing Potato (cwt)	Increasing	Steady	Higher
Yellow Onions (50 lb)	Decreasing	Available	Lower
Yellow Onions (50 lb) Term	Decreasing	Available	Lower
Red Onions (25 lb) Term	Increasing	Available	Lower
White Onions (50 lb) Term	Steady	Available	Lower
Tomatoes (lg case)	Decreasing	Available	Steady
Tomatoes (5x6 lb) Term	Steady	Steady-Available	Higher
Tomatoes (4x5 vine ripe)	Decreasing	Steady-Available	Lower
Roma Tomatoes (lg case)	Decreasing	Steady-Available	Lower
Roma Tomatoes (xlg case)	Decreasing	Steady-Available	Lower
Green Peppers (lg case)	Decreasing	Steady-Short	Higher
Red Peppers (lg 15 lb case)	Steady	Available	Higher
Iceberg Lettuce (24 ct)	Decreasing	Available	Lower
Iceberg Lettuce (24 ct) Term	Steady	Available	Lower
Leaf Lettuce (24 ct)	Decreasing	Available	Lower
Romaine Lettuce (24 ct)	Decreasing	Available	Lower
Mesculin Mix (3 lb) Term	Decreasing	Available	Higher
Broccoli (14 ct)	Increasing	Steady	Higher
Squash (1/2 bushel)	Steady	Steady	Steady
Zucchini (1/2 bushel)	Steady	Steady	Higher
Green Beans (bushel)	Increasing	Steady	Higher
Spinach (flat 24)	Increasing	Steady-Short	Higher
Mushrooms (10 lb lg) Term	Steady	Short	Higher
Cucumbers (bushel)	Decreasing	Available	Lower
Pickles (200-300 ct) Term	Steady	Steady	Higher
Asparagus (sm)	Decreasing	Steady-Available	Higher
Freight (truck CA-Cty Av)	Decreasing	Available	Lower

Produce had a mostly down week with the various lettuce, tomato, and onion types all lower at least slightly (w/w). Lettuce prices should flatten out soon as they usually bottom near early April and remain there through May. Tomato prices on the other hand will likely continue to fall until mid to late April before starting their usual climb lasting throughout the second half of the year. Twenty-five-pound large tomato prices were down almost 8.0% (w/w) in the latest data and are now down over 20.0% (m/m). Yellow onion prices will likely continue to weaken as well until late April or mid-May before seasonally climbing to their usual calendar year high in July. Avocado prices were down around 3.0% (w/w) but don't anticipate that as the start of a reversal.



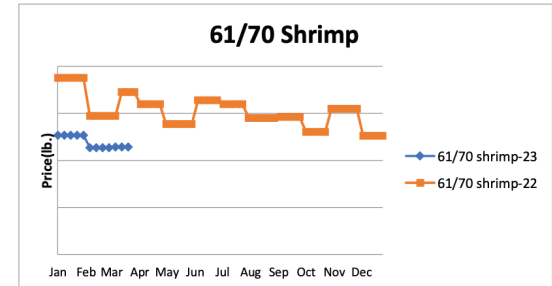




Product Description	Market Trend	Supplies	Price vs. Last Year
Shrimp (16/20 frz)	Steady	Steady-Short	Lower
Shrimp (61/70 frz)	Steady	Available	Lower
Shrimp Tiger (26/30 frz)	Steady	Available	Higher
Snow Crab, frz	Steady	Steady	Lower
Tilapia Filet, frz	Steady	Steady-Available	Lower
Cod Filet, frz	Steady	Short	Higher
Tuna Yellowfin, frsh	Steady	Short	Lower
Salmon Atlantic Filet, frsh	Steady	Short	Lower
Pollock Filet, Alaska, frz	Steady	Available	Higher

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Two of the most predictable seafood items out of the nine we monitor have been fresh Atlantic salmon filet and frozen Alaskan pollock, as both have stuck pretty closely to usual seasonality over the past year. They're both still at least slightly inflated over their normal pricing, but their (m/m) movements have been par for the course, despite the seafood markets as a whole acting rather bizarre last year. Atlantic salmon's import price is currently 12.0 percent higher vs. its March five-year average.





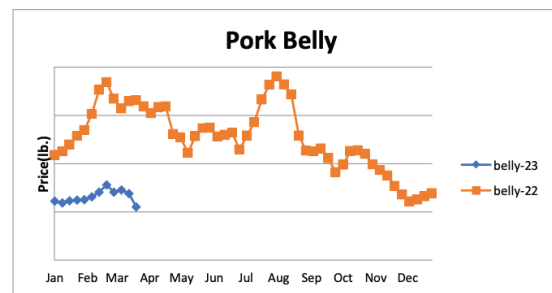


Product Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Decreasing	Available	Lower
Sow	Decreasing	Steady	Lower
Belly (bacon)	Decreasing	Available	Lower
Sparerib (4.25 lb & down)	Decreasing	Steady	Lower
Ham (20-23 lb)	Decreasing	Steady-Available	Higher
Ham (23-27 lb)	Decreasing	Steady-Available	Higher
Loin (bone in)	Decreasing	Steady	Lower
Babyback Rib (1.75 lb & up)	Increasing	Steady	Lower
Tenderloin (1.25 lb)	Increasing	Steady	Lower
Boston Butt, untrmd (4-8 lb)	Decreasing	Steady	Lower
Picnic, untrmd	Decreasing	Steady-Short	Higher
SS Picnic, smoker trm box	Increasing	Steady-Short	Higher
42% Trimmings	Decreasing	Steady	Lower
72% Trimmings	Decreasing	Steady-Available	Lower

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Last week, the weekly average USDA pork cutout lost 5.7% from the prior week and was 24.1% lower than a year ago. Pork production was down 1.3% from the prior week but 1.2% larger than a year ago. Year-to-date pork output is running 1.0% better than a year ago but is lagging behind the USDA's Q1 2023 production forecasted rise of 1.4% (y/y). Spot lean hog prices are down 23.7% (y/y). Per the USDA's February livestock slaughter report, February hog slaughter was 0.3% smaller (y/y), and with the average hog weight at 291/lbs., was down 0.7% (y/y). Total pork production for the month was down 0.3% (y/y). According to the USDA, on Feb. 28, total U.S. cold storage pork inventories were up 9.0% (y/y), grew by 0.4% (m/m), but were 31.6% below 2015's record monthly high. Other cold storage pork items stocks (y/y) on Feb. 28 were: pork bellies up 41.6%, ribs up 9.0%, trimmings down 5.3%, and hams were up 1.0% after being down 12.9% (y/y) in December. The recent weakness in wholesale pork prices is counter-seasonal, which hints at lagging demand, but like in beef, the next few weeks' price movement will tell us a lot.



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