

MarketNews

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Dairy Market Link



Produce Weekly
Link

Market Report -
Eggs



Flour Facts



Oil Market News and
Views



Weekly Market
Review



USDA Livestock, Poultry &
Grain Market Highlights



Market updates
from The Plastics
Exchange



Daily Market
Summary - Plus In-
Depth Analysis

Egg Markets

Week of April 24, 2023

TONE: Retail demand poor. Supplies long. Market weak.

The regional egg markets are as follows:

	Northeast	Midwest	South Central	Southeast
Lg	\$1.63	\$1.62	\$1.72	\$1.69
Md	\$1.46	\$1.44	\$1.51	\$1.49

Source: Esbenshade, Inc.



Egg Markets Overview

The weekly Egg Markets Overview is now available on our website and may be accessed by clicking on the link or graphic below.



<https://www.ams.usda.gov/sites/default/files/media/Egg%20Markets%20Overview.pdf>

USDA Egg Markets Overview

A weekly publication of the USDA AMS Livestock and Poultry Program, Livestock, Poultry, and Grain Market News Division

April 21, 2023

Wholesale prices for cartoned shell eggs entered the week struggling to hold steady before moving lower through the end of the week as offerings and supplies are both moderate to available for trade needs. Demand remains light to moderate and trading is mostly slow. Wholesale prices for graded loose eggs, through weak, managed to hold about steady for the week despite both supplies and offerings at moderate to heavy levels. Demand is mostly light and movement is slow. The volume of trailer load loose egg sales this week decreased 2% from the prior week with 4% for future delivery. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs decreased \$0.05 to \$1.18 per dozen with weak undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers decreased \$0.28 to \$1.49 per dozen with a weak undertone. In the major Midwest production region, the wholesale price for Large, white, shell eggs delivered to warehouses declined \$0.55 to \$1.68 per dozen with a weak undertone while prices paid to producers for Large cartoned shell eggs were down \$0.22 to \$1.27 with a weak undertone. The California benchmark for Large shell eggs decreased \$0.55 to \$2.51 per dozen with a weak undertone. Delivered prices on the California-compliant wholesale loose egg market declined \$0.54 per dozen to \$1.50 per dozen with a weak undertone.

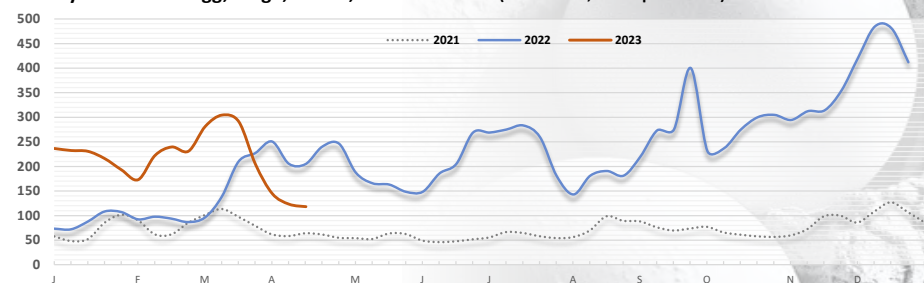
Consumer demand for shell eggs in the post-Easter week drops sharply to its lowest level since the 2019 Easter season. Shoppers saw few deals on shell egg purchases for holiday celebrations at their local grocers but that may not have limited their buying for holiday traditions. Grocery retailers offered very limited holiday promotional incentives, relying on holiday demand to move shell eggs rather than offering price reductions. Based on the most recent data, this strategy may have met with some measure of success as the preliminary estimated disappearance of shell eggs per U.S. household an increase over 2022 of 1.3 eggs per household for a total of 5.7 per household or 2.3 per capita. Despite concerns over shell egg availability, weekly shell egg production into Easter week was an estimated 1% under that of 2022 and the share diverted to egg products production for the same week was 3% behind 2022 resulting in more product being available.

Promotional activity for conventional caged shell eggs in retail outlets retreats post-Easter. The average ad price declines \$0.24 to \$2.50 per dozen. Promotional activity for specialty shell eggs remains limited but a few more ads are showing up for cage-free and nutritionally-enhanced types. Feature activity for [UEP-defined cage-free](#) shell eggs improves but remains limited with the average ad price down \$0.49 to \$3.50 per dozen. Eggs continue to clear store shelves with retailers reluctant to incentivize additional buying as the market moves into the second half of April.

The overall inventory of shell eggs increased over 10% and the nation-wide inventory of Large eggs rose by over 15.5%. Stocks of Large eggs in the key Midwest production region expanded by nearly 26% as post-Easter movement slows considerably. The inventory share

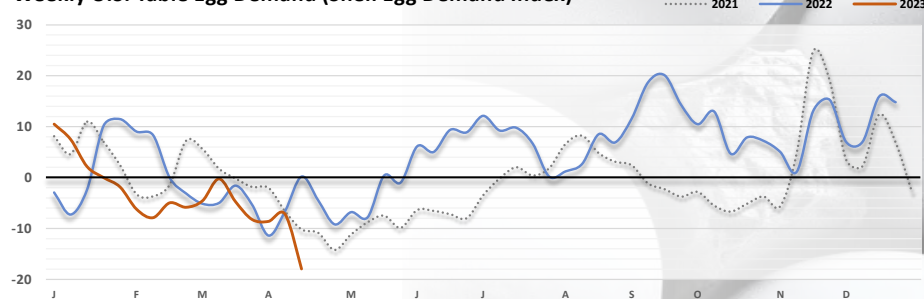
Source: USDA AMS Livestock & Poultry Program, Livestock, Poultry, and Grain Market News Division

Weekly Loose Shell Egg, Large, White, National Index (f.o.b. dock, cents per dozen)



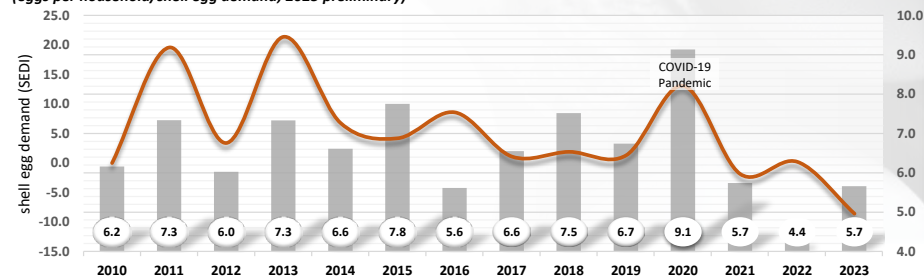
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

Weekly U.S. Table Egg Demand (Shell Egg Demand Index)



Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

Easter Shell Egg Disappearance per Household 2010-2023 (eggs per household/shell egg demand; 2023 preliminary)



Egg Markets Overview

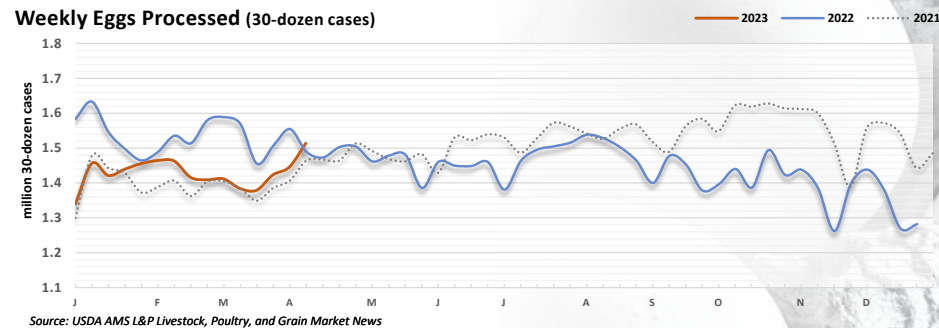
of Large class shell eggs increased 2% to a 53% share of all shell egg stocks on inventory at the start of the week. Stocks of cage-free eggs increased 13% and the inventory of nutritionally-enhanced shell eggs rose nearly 10% and stocks of organic eggs rose just over 4%. Breaking stock inventories increased 9% despite full-time schedules as spot market product availability increased sharply as carton demand falls. Total estimated table egg production was unchanged from last week and from last year at a deficit of 4.5% from last year, about 6.8 million cases.

Wholesale prices for breaking stock in the Central States declined \$0.17 to \$1.28 per dozen with a weak undertone. Offerings are moderate to available while supplies are moderate. Schedules are full-time and movement is slow to moderate on light to moderate demand. The volume of eggs processed over the past week increased nearly 5%, representing a 31.5% share of weekly table egg production. This is the first time this year that the weekly production rate surpassed the 2022 rate. Production of whole egg rose 2% while production of egg components increased – whites by 5% and yolk by over 10%. The production of dried eggs increased 11.5% while inedible egg production was up 7%. Breaking yields without inedible were down a quarter pound to 41.52 pounds per case broken.

Wholesale prices for liquid egg products are too few to report with a weak undertone. Offerings are light to moderate; demand is mostly light. on slow to moderate trading. Prices on frozen whole eggs decreased \$0.50 to \$2.00 per pound while those for frozen whites were up \$0.03 to \$2.09 per pound. The undertone is weak to lower for light to moderate offerings and light supplies. Demand is light to moderate and trading is slow to moderate. Prices for dried whole eggs were down \$0.25 to \$12.25 per pound and those for whole dried yolk declined \$0.50 to \$11.00 per pound. The undertone is steady to weak, offerings are mostly light with light to very light supplies. Demand is moderate to good, best for albumen, and trading is mixed.

According to NASS, the February monthly volume of frozen eggs in storage decreased 9% from the prior month, 7% under the year ago level. This reflects the slowdown in production in February as breakers reduced schedules as they struggled with very limited spot market offerings in the face of strong demand for carton business. Stocks of whole frozen egg saw a 14% decline during the month to a level 8% below last year. The share of whole egg stocks lost 2% to a 43% share of total frozen stocks. Stocks of frozen yolk decreased 10%, unchanged from last year while stocks of frozen egg whites increased 5%, 7% under year ago levels. Stocks of unclassified eggs were down by 8% 4% under 2022 levels. The share of unclassified frozen stocks was unchanged at 42% of total frozen stocks.

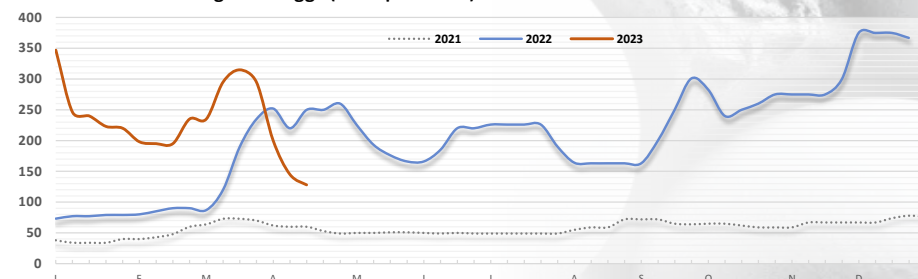
Cage-free commitments as of April 2023 remain about unchanged, requiring 66.7 billion cage-free eggs per year to meet 100% of needs from an approximate cage-free flock of 221.4 million hens (70.5% of the U.S. non-organic flock), indicating a shortage of 118.2 million hens from the current non-organic cage-free flock of 103.2 million hens. The average lay rate for non-organic, barn/aviary cage-free production is currently estimated at 81.4



Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

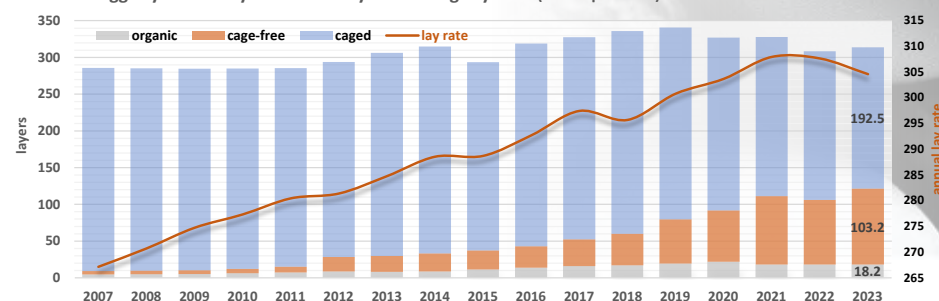
Eggs Processed - Week-to-Week Change						
total	share	whole	whites	yolks	dried	inedible
4.7%	1.7%	2.2%	5.3%	10.2%	11.6%	7.2%

Central States Breaking Stock Eggs (cents per dozen)



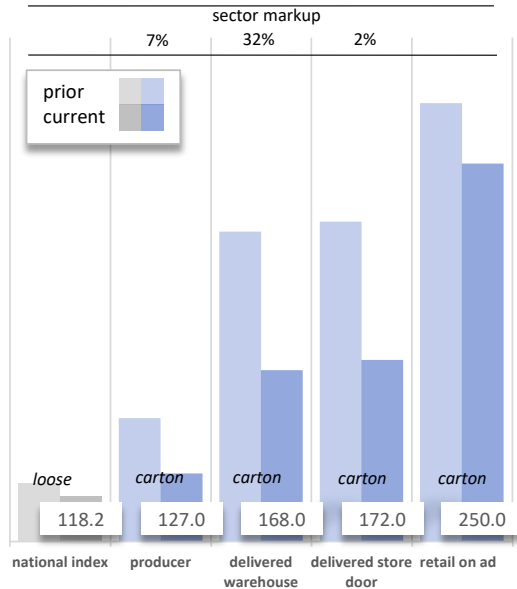
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

U.S. Table Egg Layer Flock by Production System v. Avg Lay Rate (as of April 2023)



Shell Eggs Market Price Comparisons (as of April 21, 2023)

(National Index on a loose-egg basis, all other prices for carton eggs; LG White avg prices in cents per dozen)



Producer, warehouse, & store door = MW; retail no sale NY market; retail on sale Nat'l Retail Feature; loose eggs include minimal

Key Egg Markets Overview

	21-Apr	% Change	Recent History				
			14-Apr	7-Apr	31-Mar	24-Mar	17-Mar
SHELL EGGS (Large, White, conventional in cents per dozen)							
National, Loose, (f.o.b. dock prices)	118.16	-4%	123.13	144.42	203.69	291.00	304.60
New York, Cartonned (price to retailers)	149.00	-16%	177.00	236.00	309.00	351.00	347.00
Midwest, Cartonned (price dlvr'd to warehouse)	168.00	-25%	223.00	306.00	338.00	329.00	292.00
California, Cartonned, benchmark (cage-free)	251.00	-18%	306.00	398.00	445.00	419.00	370.00
National Retail Shell Egg (avg. ad price in dollars per dozen)							
Conventional, Large, White	2.50	-9%	2.74	3.29	1.75	4.94	2.52
Cage-Free, Large, Brown	3.50	-12%	3.99	3.49	3.50	n/a	3.83
EGG PRODUCTS (f.o.b. dock prices; dollars per pound)							
Central States Breaking Stock (dlvd prices per doz)	128.00	-12%	145.00	200.00	295.00	315.00	295.00
Whole Frozen Eggs	200.00	-20%	250.00	280.00	264.00	262.00	247.00
Whole Dried Eggs	12.25	-2%	12.50	13.50	14.25	14.25	13.80
Processed Share of Weekly Egg Production	31.4%	1.6%	29.8%	29.2%	29.0%	29.1%	29.6%
SHELL EGG DEMAND INDICATOR (no units)							
	-17.9	-10.7	-7.2	-8.6	-8.2	-4.7	-0.2

Source: USDA AMS Livestock, Poultry, and Grain Market News; "n/a" = not available.

Key Shell Egg Markets Snapshot - 2023

(Large, White, Conventional Shell Eggs in cents per dozen)	21-Apr	Change	14-Apr	2023 High	2023 Low
National, Loose, (f.o.b. dock prices)	118.2	▼ -4%	123.1	304.6	17-Mar
New York, Cartonned (price to retailers)	149.0	▼ -16%	177.0	474.0	03-Jan
Midwest, Cartonned (price dlvr'd to warehouse) ¹	168.0	▼ -25%	223.0	517.0	03-Jan
California, Cartonned, benchmark	251.0	▼ -18%	306.0	737.0	03-Jan
Central States Breaking Stock (delivered prices) ¹	128.0	▼ -12%	145.0	367.0	03-Jan
Whole Frozen Egg Products (f.o.b. dock prices)	200.0	▼ -20%	250.00	300.0	06-Jan
Whole Dried Egg Products (f.o.b. dock prices)	12.25	▼ -2%	12.50	14.3	24-Mar
Natl Average Retail Ad Price - Conventional	2.50	▼ -9%	2.74	4.94	24-Mar
Natl Average Retail Ad Price - Cage-free ²	3.50	▼ -12%	3.99	4.99	10-Feb
Shell Egg Demand Indicator	-17.9	▼ -10.7	-7.2	10.5	04-Jan

¹ mostly high; ² non-organic

Projected Cage-Free Expansion Plans Relative to Commitments + Legislated Needs

Non-Organic Table Egg Layer Flock in millions of hens

updated April 2023

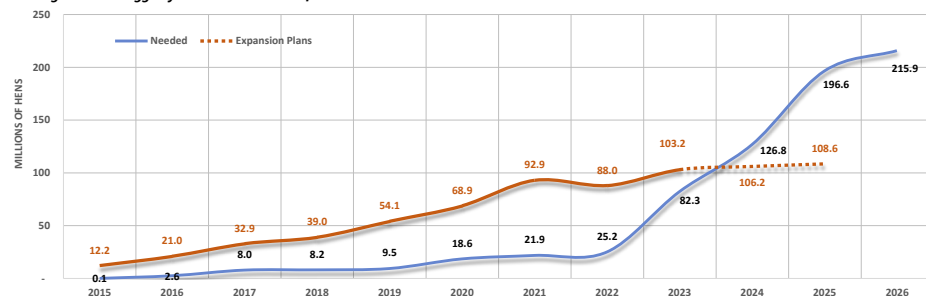
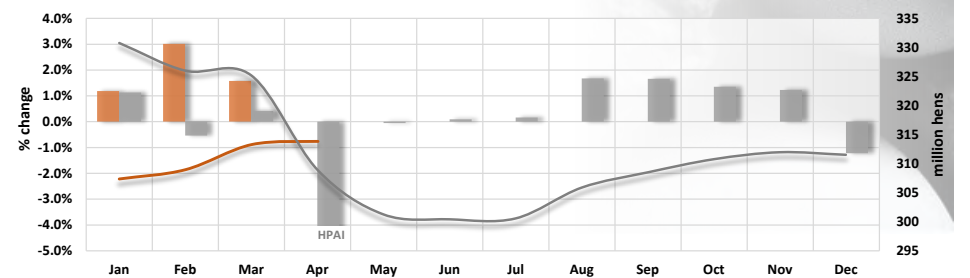


Table Egg Layer Replacement - Net Flock Change

((hens disposed - pullets added)/table egg layer flock at first of the month)



Source: USDA AMS Livestock & Poultry Program, Livestock, Poultry, and Grain Market News Division

U.S. Table Egg Layer Flock Estimates

As of April 2023	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total U.S. Caged¹ Flock:	61.3%	65.9%	66.4%	72.0%	76.6%	82.2%	84.0%	86.6%	87.3%	89.5%	90.3%	90.4%
Layers (millions)	192.5	205.3	219.4	235.5	261.0	276.1	275.1	276.1	256.1	281.6	276.4	265.5
Total U.S. Cage-Free Flock:	38.7%	34.1%	33.6%	28.0%	23.4%	17.8%	16.0%	13.4%	12.7%	10.5%	9.7%	9.6%
Layers (millions)	121.4	106.2	111.1	91.7	79.7	59.9	52.4	42.9	37.3	33.2	29.6	28.3
NON-ORGANIC Cage-Free:	32.9%	28.2%	28.1%	21.4%	17.7%	12.8%	11.1%	9.1%	8.9%	7.8%	7.0%	6.7%
Layers (millions)	103.2	88.0	92.9	69.9	60.3	42.9	36.4	29.0	26.0	24.5	21.4	19.8
▪ Barn/Aviary	31.4%	27.0%	26.9%	19.9%	15.9%	11.6%	10.0%	7.9%	7.7%	6.7%	6.0%	5.7%
Layers (millions)	98.6	84.1	89.0	65.1	54.1	39.0	32.9	25.3	22.5	21.0	18.5	16.9
▪ Free-Range	1.0%	0.8%	0.7%	0.9%	0.8%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.6%
Layers (millions)	3.1	2.4	2.4	2.8	2.9	1.5	1.3	1.6	1.5	1.5	1.7	1.6
▪ Pastured	0.5%	0.5%	0.5%	0.6%	1.0%	0.7%	0.7%	0.7%	0.7%	0.6%	0.4%	0.4%
Layers (millions)	1.5	1.5	1.5	2.1	3.3	2.4	2.2	2.1	2.0	2.0	1.3	1.3
USDA ORGANIC Cage-Free:	5.8%	5.8%	5.5%	6.7%	5.7%	5.1%	4.9%	4.4%	3.9%	2.8%	2.7%	2.9%
Layers (millions)	18.2	18.2	18.2	21.8	19.4	17.0	16.0	13.9	11.4	8.7	8.2	8.5
▪ Organic	3.9%	3.8%	3.5%	4.6%	4.4%	3.9%	3.7%	3.4%	3.1%	2.2%	2.2%	2.5%
Layers (millions)	12.3	11.7	11.7	15.1	14.9	13.1	12.3	11.0	9.0	7.0	6.7	7.3
▪ Organic Free-Range	1.1%	1.2%	1.1%	1.2%	0.9%	0.8%	0.8%	0.7%	0.6%	0.4%	0.4%	0.3%
Layers (millions)	3.6	3.8	3.8	4.0	3.1	2.7	2.6	2.1	1.7	1.2	1.2	1.0
▪ Organic Pastured	0.7%	0.9%	0.8%	0.8%	0.4%	0.4%	0.4%	0.3%	0.2%	0.1%	0.1%	0.1%
Layers (millions)	2.3	2.7	2.7	2.7	1.4	1.2	1.2	0.8	0.7	0.4	0.4	0.3

Note: percentage of U.S. table egg layer flock as reported by NASS; past year annual numbers reflect flock as of the end of each year.

1 - battery and enriched systems

Source: USDA Livestock and Poultry Program, Livestock, Poultry, and Grain Market News Division

Current Estimates of Table Egg Production and Use in States with Cage-Free Legislation - as of March 2023

State	Deadline Date	Layers on Hand (Mar 2023)	Est. Caged Layers	Est. Cage-Free Layers	Est. Annual Egg Production			Est. 2022 Population	Annual Egg Consumption	Self-Sufficiency Rate	
					caged	cage-free	combined			overall	cage-free
California.....	Jan 2022	11,123,000	0	11,123,000	0	3,321,403,526	3,321,403,526	39,029,342	11,181,906,483	30%	30%
Massachusetts*....	Jan 2022	675,000	0	675,000	0	201,559,595	201,559,595	6,981,974	2,000,335,551	10%	10%
Nevada*.....	Jul 2022	5,000	0	5,000	0	1,493,034	1,493,034	3,177,772	910,431,678	0%	0%
Washington.....	Jan 2024	5,533,000	1,837,000	3,696,000	574,687,080	1,103,650,762	1,678,337,842	7,785,786	2,230,627,689	75%	49%
Oregon.....	Jan 2024	1,951,000	1,804,000	147,000	593,804,640	43,895,201	637,699,841	4,240,137	1,214,799,251	52%	4%
Arizona*.....	Jan 2025	8,500,000	5,840,000	2,660,000	1,653,888,000	794,294,109	2,448,182,109	7,359,197	2,108,409,941	116%	38%
Colorado.....	Jan 2025	1,248,000	876,000	372,000	283,508,640	111,081,733	394,590,373	5,839,926	1,673,138,799	24%	7%
Michigan.....	Jan 2025	16,525,000	5,902,000	10,623,000	1,827,967,440	3,172,100,122	5,000,067,562	10,034,113	2,874,773,375	174%	110%
Utah.....	Jan 2025	5,963,000	3,120,000	2,843,000	950,601,600	848,939,155	1,799,540,755	3,380,800	968,599,200	186%	88%
Rhode Island*.....	Jan 2026	56,000	43,000	13,000	12,177,600	3,881,889	16,059,489	1,093,734	313,354,791	5%	1%
* = layers on hand estimated.		51,579,000	19,422,000	32,157,000	5,896,635,000	9,602,299,126	15,498,934,126	88,922,781	25,476,376,757	61%	38%

Note: cage-free includes organic

Source: USDA AMS L&P Livestock, Poultry, and Grain Market News; data derived from USDA NASS and ERS; U.S. Census Bureau



FLOUR FACTS

Information Provided by General Mills Foodservice
GeneralMillsCF.com



Weekly Market Highlights

APRIL 20, 2023

- Wheat is down on the week on news that Ukrainian export vessel inspections continue despite various Eastern European countries banning imports from Ukraine into their country to stabilize their domestic prices. To combat this, the EU wants to facilitate Ukrainian exports into these countries and will give €100 mil to farmers to offset the lower prices.
- The six to 10-day forecast shows rain in Kansas, which is bearish to the market though many wonder if that is too little too late for the Kansas winter wheat crop.
- The winter wheat crop tour is coming up, so be on the lookout for news from the fields to truly understand the impact of the drought in the Plains.

Facts on Flour

The Truth About Futures

While even the most experienced traders are, at times, befuddled by the apparent chaos and volatility amid the noise and confusion, the workings of the grain futures markets are actually rather orderly, highly regulated and very important to the efficient function of the grain and milling industry.

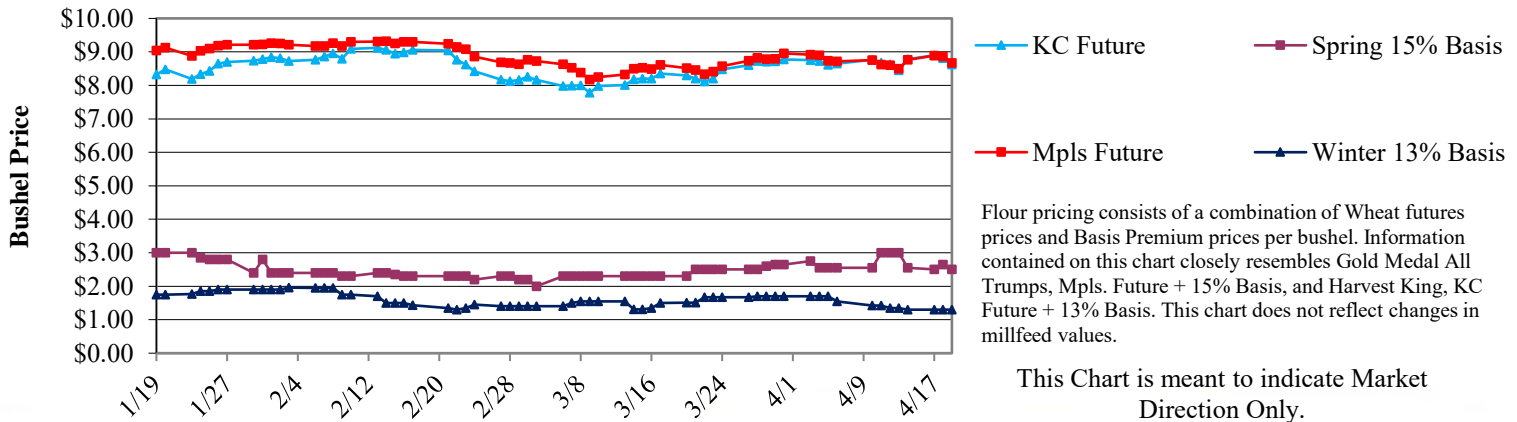
Futures satisfy three very critical economic needs:

1. Price determination in a fair and open marketplace where all participants have equal access.
2. Allocation of grain supply over the entire crop year.
3. Risk avoidance for mills and other participants through “hedge” positions that “insure” against decreases in the value of stored grain.

In the absence of futures markets, grain and flour prices would almost certainly be determined less honestly and efficiently. Supply and prices would be less consistent since there would be no way to encourage sellers to defer grain sales to “future” positions during times of surplus, and grain traders, millers and buyers of flour would shoulder huge risk in owning wheat and flour.



Futures & Basis Markets



General Mills Foodservice is your trusted partner in baking – providing quality products, innovative business solutions and technical support to baking professionals. With product solutions for cakes, pizzas, bagels and breads, we’re backed by trusted brands and recognized industry experts to offer a holistic approach to build your business.

Experience inspires confidence.

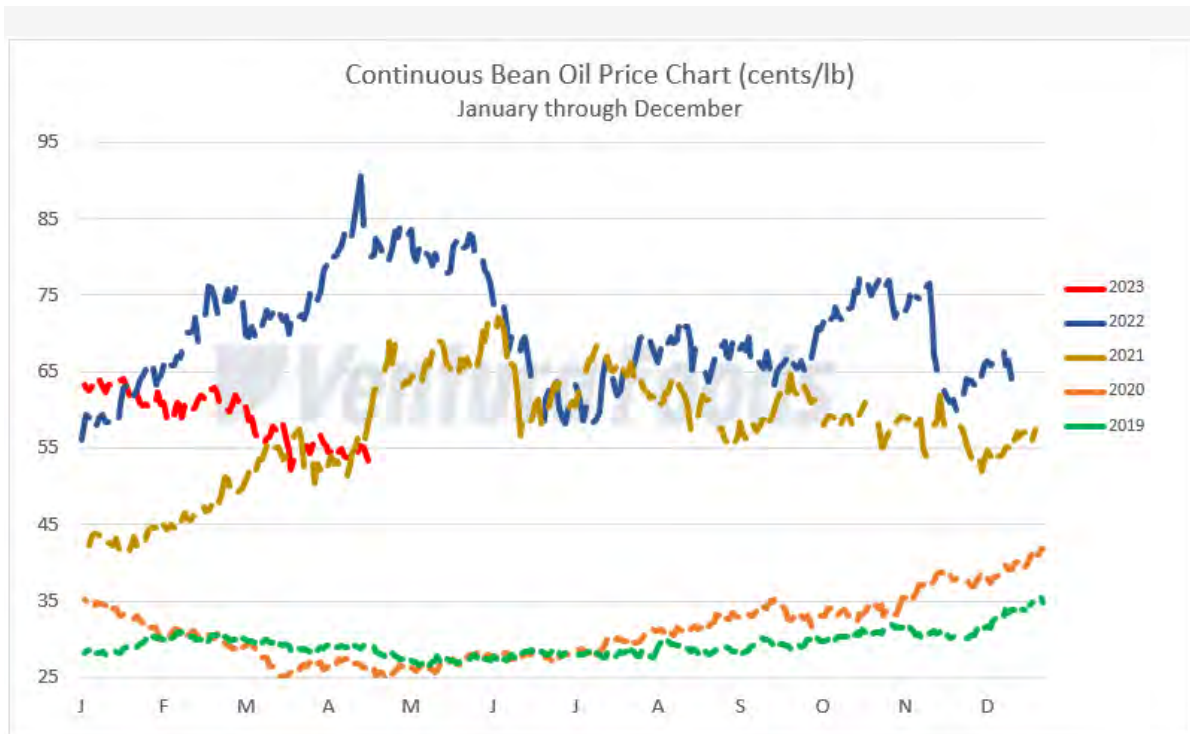


Ventura News & Views

By Ventura Foods Oil Trading Team • Apr 21, 2023

Smart Brevity® count: 2 mins...464 words

Commodities	This Week	Last Week	Last Year	Yr Change
CBOT Soybean oil (¢/lb) May	53.27	53.66	83.26	-36%
Soybean oil as % of crush value	37.41%	36.85%	47.57%	-21%
CBOT Soybean meal (\$/ton) May	445.70	459.70	458.80	-3%
CBOT Soybeans (\$/bu) May	14.8350	15.0050	17.1600	-14%
CBOT Soybean crush margin (¢/bu)	83.01	101.10	209.22	-60%
Canola oil - RBD, West Coast (¢/lb)	88.27	88.66	120.26	-27%
Corn oil - RBD, Midwest (¢/lb)	130.00	130.00	180.00	-28%
Peanut oil - Crude, Southeast (¢/lb)	110.00	110.00	110.00	0%
Cottonseed oil - PBSY, MS Valley (¢/lb)	98.27	98.66	123.26	-20%
CME Butter - AA Grade (\$/lb) Spot	239.75	239.78	276.25	-13%
Coconut oil - Crude CIF US Gulf (¢/lb)	56.25	56.00	109.00	-48%
Lard - Edible, Chicago, IL (¢/lb)	87.00	87.00	82.00	6%
Palm oil - RBD, CIF US Gulf(¢/lb)	58.75	57.50	89.50	-34%



CBOT and Soy Factors



A rally in CBOT soybean oil futures early in the week quickly vanished as May futures closed down -0.7% on the week. Tighter-than-expected March NOPA stocks helped futures gain 3% through Tuesday; however, a weak soybean market, lower energy prices, and a generally well-supplied global vegoil market pulled CBOT soybean oil futures lower the latter half **of the week**. **The USDA's first soybean planting progress** update for the new crop year was released on Monday and showed US soybeans at 4% planted (market expected 2% and 5-year average is 1%). US weather will take center stage the next several weeks as planting progress starts to accelerate, likely keeping basis levels supported. The future of the Black Sea Grain Initiative bears watching as Russia threatens to exit the agreement when it expires on May 18th, which could underpin grain and oilseed markets.

2. Canola Factors



Canola seed futures followed soybeans lower this week, losing -1.6% and trading down to a 1-month low. Early planting progress is expected to slow over the coming days as a mix of rain and snow is forecasted across canola planting regions in Canada. Weather will continue to be a key input for canola price trends the next several weeks. A public worker strike in Canada could impact up to 65% of the employees at the Canadian Grain Commission, which includes inspectors at outbound grain ports. Market participants will be watching strike progress closely as a prolonged stalemate could potentially slow Canadian canola exports.

3. Palm Factors



Malaysia is on holiday today and will remain so until Tuesday April 25th. Palm markets have been & will continue to be thinly traded until that time.

Palm futures followed soy oil futures higher to start the week but trended lower into the long weekend. Macro markets are weighing on palm with future demand remaining a question mark. Malaysian exports to India specifically were down -25% for the FH April. However, both Indonesia and Malaysia have low stocks which will keep somewhat of a floor under prices in the short term. **Indonesia's stocks through Feb 28th** were reported at 2.6 mil MT and the market is awaiting Malaysian data for April. With exports slowing and production starting to increase, the market is trading an expectation of a build in Malaysian stocks. Moving forward, the question will be how quickly palm production can ramp up as Malaysia sees additional harvest workers and the seasonal upswing begins. Coming out of Ramadan, eyes are watching to see how quickly Indonesia will relax the Domestic Marketing Order in order to release additional product to the market. But, let us not forget that the B35 program there could start to gain a greater foothold and keep supply within their domestic market.

Have a great weekend!

Weekly PRODUCE ALLIANCE Market Report



April 20, 2023

OVERVIEW

Markets are firming up a bit on tomatoes as we begin transitioning to the Ruskin/Palmetto region in Florida. We also have been seeing rain throughout the Sunshine State which has slowed production down on peppers, squash and cucumber. The hot pepper market is slowly improving with serrano, shishito and anaheim the highest priced and shortest available. Round and snacking tomatoes out of Mexico are still in excellent supply at all shipping points while romas continue to firm up. Offshore honeydews continue to be tight and are expected to be this way through the rest of the season; transition to the desert will be in May. Transition is in full swing with most shippers having transitioned to Salinas and the remaining transitioning this week, except GreenGate. GreenGate will transition the first week of May with their start date in Salinas set for May 8th. The Salinas Valley finds itself well behind schedule, with early reports showing far below budget yields on all major commodities. This will continue to keep the USDA prices at extremely high levels and this is expected to last for several weeks on most of the wet veg items coming from Salinas, Watsonville and Santa Maria. Current markets reflect delayed harvest in Salinas with quality and supply challenges for the end of Yuma. It is no surprise that we are seeing the impact of the heavy rains and flooding from January through March. Expectations are that **THERE WILL BE DISRUPTION AND VOLATILITY** in the coming month. Prorates and 10-week averages *may* come into play in the coming weeks.

MARKET ALERTS



ASPARAGUS – ESCALATED

Growers in Caborca/San Luis have started to close fields due to seasonality and lack of labor. Peru's volume is still low due to warm weather in the region and some rain. Markets remain extremely active due to the weather and transition from Sonora to Baja.



HOT PEPPER – ESCALATED

In the east, chilies were still tighter than normal; however, expect to see some improvement in two weeks on Cubanelle, Long Hots, Poblano, Hungarian Wax, Jalapeno and Shishito (very short). In McAllen, volume is gradually improving on all varieties but Yellow Caribe and Serrano. Pricing remains firm but there is downward pressure on most varieties. Tomatillos are stable.



BOK CHOY – ESCALATED

Market continues active with very light supplies.



LIMES – ESCALATED

Supplies on smaller sizes are accounting for approx. 60% of the overall yields although large sizes remain extremely light and will remain scarce for the foreseeable future. Recent rain events have promoted fruit growth and coloring. Expect a potential price gap between small and large sizes to continue through the first to second week in May. Overall, the market is adjusting downward with availability on small sizes.



BROCCOLI – EXTREME

We continue to see light supplies on Broccoli with an extremely active market. March rain along with recent cool weather has decreased available supplies to start off the Salinas season. Currently, market is demand exceeds supply and we anticipate light supplies here as well through the end of the month and into the first of May.



MUSHROOMS – ESCALATED

Quality is good despite supply being lighter than expected. We continue to see lack of labor, shortages in component of growing such as peat moss and other inflationary pressures. We expect to see this continue to be a challenge until some of the growing costs can get under control of this particularly labor intensive and cost sensitive item.



BROCCOLINI – ESCALATED

We are still seeing a few prorates but Broccolini supplies are continually improving and supplies are starting to increase in Salinas. Stalks are thin and there is some flowering, especially with Mexican product.



CARROTS (Jumbo) – ESCALATED

Overall supplies are improving, including Jumbos. Quality is good.



CAULIFLOWER – EXTREME

Supplies on Cauliflower remain limited due to the cooler temps. At this point, Cauliflower appears to be more impacted than other crops by the weather. The current market remains in a demand exceeds supply situation and we anticipate supplies to continue to be light at least through the month of April and into early May.



GRAPES (ALL COLORS) – EXTREME

We are starting to see a rapid decline in volume on offshore grapes and now spot market inventory is becoming difficult to source. Importers are holding onto remaining inventory in order to manage programed business while any additional volume from Chile has been diverted to Europe and Asia due to weak U.S. markets in February and March, leaving much less fruit in the U.S. for April. Brazil's second crop is beginning to arrive on the east coast, but those supplies will not be enough to meet overall demand and Mexico will be delayed several weeks. The industry may experience a supply gap in the coming weeks, pushing spot market pricing to extremely elevated levels on all colors. We do not expect supply to be available out of Mexico until the 3rd week of May. In the coming weeks, substitutions to alternative colors or items such as mixed melons/other fruit may be necessary to keep the supply chain constant.



GINGER – EXTREME

Chinese supply will be very sporadic due to delays in unloading containers and inspecting at the ports. Pricing will be climbing daily.



GARLIC – ESCALATED

Quality is good with moderate supplies



NAPA – ESCALATED

Effects of the warm weather last week in the desert, along with the weather events in California in March, are affecting quality on Napa out of all areas. Market is active.



LETTUCE, ICEBERG – ESCALATED

The lettuce market continues strong with light supplies. As we transition from Yuma to Salinas



MELONS (CANTALOUPE & HONEYDEW) – ESCALATED

Cantaloupe: ESCALATED We are seeing a rapid shift in the cantaloupe market now that we have passed the peak production of the past two weeks; we are also seeing a shift in sizing away from the excessive jumbo fruit and more to 9/12s. Demand has started to pick up as springtime temperatures are experienced in most regions of the country with large retail promotions developing. Overall volume will begin to decrease each week over the next month until our season is completed. We should see some fruit out of the desert right around Memorial Day. Quality on the cantaloupe has been outstanding with excellent color externally and a strong flavor profile. Brix levels have been mostly in the 13-15% range with some peaking higher.

Honeydew: ESCALATED The honeydew market remains very strong. And seeing more larger sized fruit. 6-8 ct are drawing a premium. Overall quality remains strong with very good internal/external color and brix levels are in the 12-14% range.



PARSLEY (CURLY & ITALIAN) - ESCALATED








Some shippers are starting to see some minor seeder in the Italian parsley as well as some slight yellowing/burn in some of the fields.










POTATOES - ESCALATED

Potato demand on cartons has returned to normal levels during Q1. While we have not seen carton pricing take any sharp increase, we are seeing product significantly tighten up. We are beginning to approach the point where growers start to wind down on their Norkotah supplies. Once we get to the middle/end of April, we should see growers shipping Burbanks just about exclusively. Growers continue to receive record offers from processors (even higher than last season), and reports of further record breaking offers for the Spring continue to roll in. Because of this, the fresh market has a 'safety net' of where pricing will likely not fall beneath. We anticipate we will continue to see this trend as a means to get growers to release product on the fresh side as we head into the Spring/Summer. Other growing regions are echoing the same sentiments as well. We have already seen Nebraska finish up, and we are seeing much less supply out of Colorado and Wisconsin as well. Both of these regions will finish up over Q2, and it could potentially mean a volatile Summer ahead. National supply reports are showing that there are approximately 3% less potato stocks on hand than there were during this time last year. Depending on how product stores, as well as what happens with demand, will really determine where the market will climb to.








CULIACAN, SINALOA

Thu 4/20	Fri 4/21	Sat 4/22	Sun 4/23	Mon 4/24	Tue 4/25	Wed 4/26	
96° 60°F	101° 62°F	99° 59°F	97° 58°F	94° 57°F	94° 56°F	95° 55°F	
							M
Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy	Mostly Sunny	Sunny	

YUMA, AZ

Thu 4/20	Fri 4/21	Sat 4/22	Sun 4/23	Mon 4/24	Tue 4/25	Wed 4/26	
88° 59°F	95° 61°F	98° 66°F	95° 63°F	92° 61°F	90° 61°F	93° 63°F	
							P
Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Sunny	Mostly Sunny	

IMMOKALEE, FL

Thu 4/20	Fri 4/21	Sat 4/22	Sun 4/23	Mon 4/24	Tue 4/25	Wed 4/26	
90° 65°F	96° 66°F	95° 66°F	98° 65°F	95° 66°F	92° 68°F	94° 70°F	
							Th
PM Thunderstorms	Mostly Sunny	Mostly Sunny	Mostly Sunny	PM Thunderstorms	PM Thunderstorms	Scattered Thunderstorms	



PA Market Alert: Table Grapes

April 17, 2023

We are starting to see a rapid decline in volume decreasing on offshore grapes and now spot market inventory is becoming difficult to source. Importers are holding onto remaining inventory in order to manage programmed business while any additional volume from Chile has been diverted to Europe and Asia due to weak U.S. markets in February and March leaving much less fruit in the U.S. for April. Brazil's second crop is beginning to arrive on the east coast, but those supplies will not be enough to meet overall demand and Mexico will be delayed several weeks. The industry may experience a supply gap in the coming weeks, pushing spot market pricing to extremely elevated levels on all colors. We do not expect supply to be available out of Mexico until the 3rd week of May.

SUGGESTIONS & SUBSTITUTIONS:

In the coming weeks, substitutions to alternative colors or items such as mixed melons/other fruit may be necessary to keep the supply chain constant.

We will keep you posted as soon as we have any additional updates and thank you for your patience during this volatile transition.

Hogs and Pork

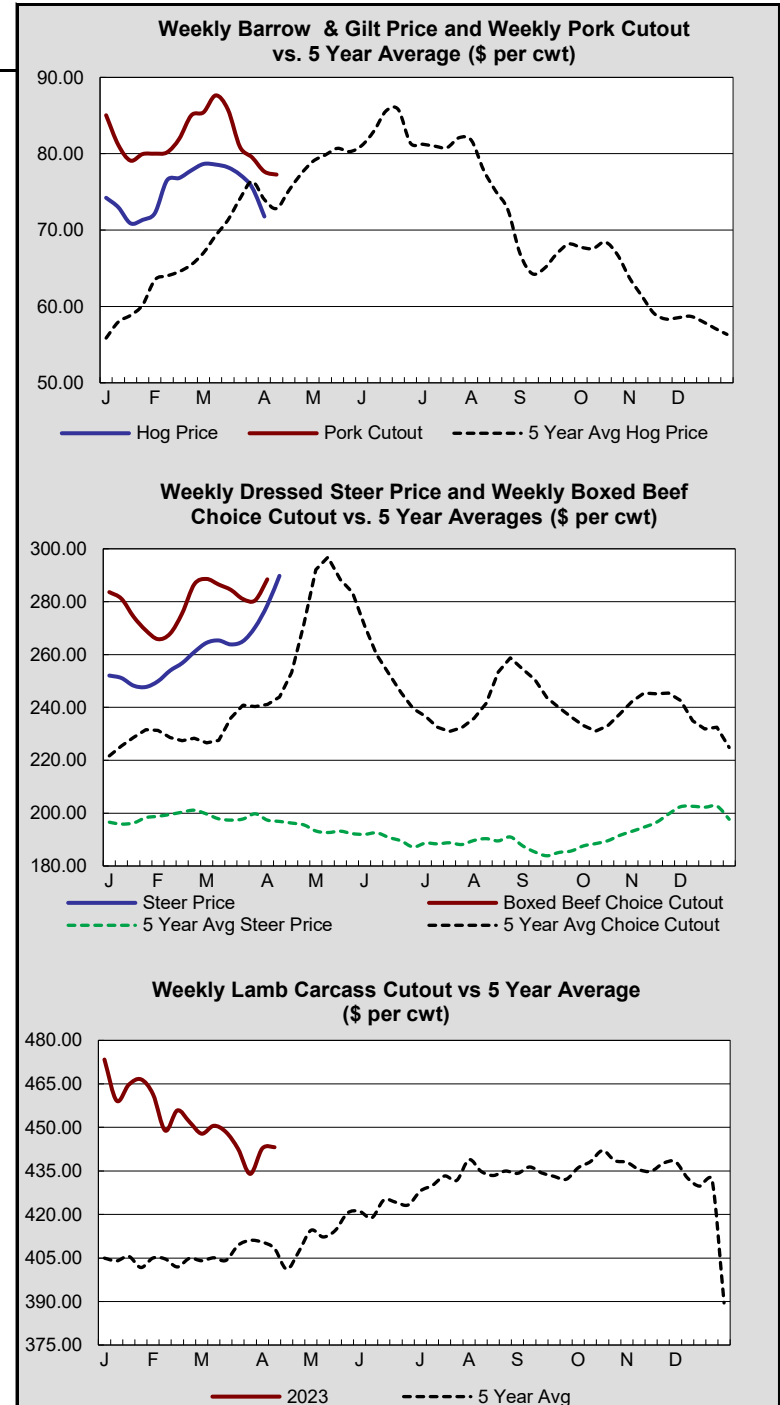
	Current Week	Change From Past Week	Change From Past Year
Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt)	70.14	-2.3%	-28.5%
Pork Carcass Cutout FOB Plant (\$/cwt)	77.27	-0.5%	-28.6%
Segregated Early Weaned (SEW) Feeder Pigs (\$/head)	23.11	-17.6%	-63.4%
Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)	287.4	0.1%	-0.5%
Est. Hog Slaughter	2,438,000	2.9%	3.9%
YTD Est. Hog Slaughter	37,326,000	N/A	1.6%
Est. Pork Production (mil lbs)	529.1	2.9%	3.5%
YTD Est. Pork Production (mil lbs)	8,107.2	N/A	0.9%

Cattle and Beef

Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)	180.44	4.2%	28.0%
Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt)	289.77	4.0%	28.3%
Boxed Beef Cutout, Choice (\$/cwt)	297.91	3.3%	9.3%
Boxed Beef Cutout, Select (\$/cwt)	281.90	1.9%	8.5%
Boxed Beef, Choice/Select Spread (\$/cwt)	16.01	4.10	3.33
By-Product Drop Value, Steer (\$/cwt live)	12.80	0.1%	N/A
CME Feeder Cattle Index (\$/cwt)	201.31	4.2%	29.1%
Est. Cattle Slaughter	613,000	1.7%	-3.9%
YTD Est. Cattle Slaughter	9,404,000	N/A	-2.9%
Est. Beef Production (mil lbs)	502.8	1.6%	-5.0%
YTD Est. Beef Production (mil lbs)	7,739.2	N/A	-4.6%

Lamb and Veal

Slaughter Lamb, Negotiated, Live Wtd Avg Price (\$/cwt)	154.43	-3.6%	-30.7%
Lamb Carcass Cutout (\$/cwt)	443.16	0.1%	-23.5%
Est. Sheep Slaughter	34,000	0.0%	-12.8%
YTD Est. Sheep Slaughter	529,000	N/A	5.0%
Est. Lamb Production (mil lbs)	2.2	0.0%	-12.0%
YTD Est. Lamb Production (mil lbs)	34.5	N/A	2.1%
Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)	426.17	-0.8%	10.5%



Grain

	Current Week	Change From Past Week	Change From Past Year
Central Illinois Avg Corn Price (\$/bu)	6.6100	N/A	-13.7%
Central Illinois Avg Soybean Price (\$/bu)	14.8000	N/A	-11.0%
Central Illinois 48% Soybean Meal, Rail (\$/ton)	468.70	1.2%	-2.7%
Hard Red Winter Wheat Truck to Kansas City (\$/bu)	9.2875	N/A	-20.1%
Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)	10.3625	N/A	-21.9%
Soft White Wheat Portland (\$/bu)	7.6000	N/A	-32.3%
Sorghum, Kansas City, Truck (\$/bu)	6.8600	-0.4%	-10.0%

Broilers

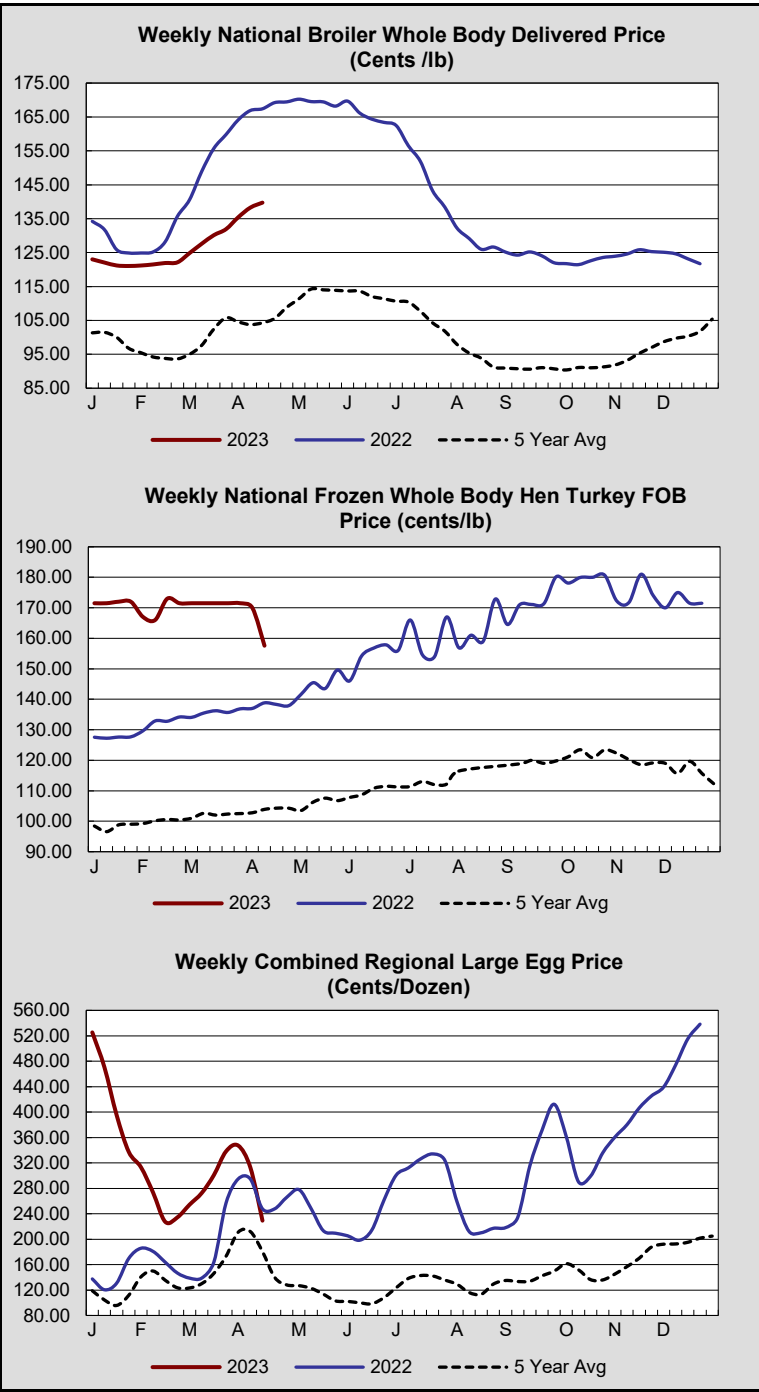
Nat'l Delivered Whole Body Price (cents/lb)	139.73	1.1%	-16.3%
Est. Young Chicken Slaughter - Current Week (000's)	157,299	-0.7%	N/A
Actual Slaughter of Young Chickens (000's)	164,108	1.3%	-0.2%
YTD Actual Slaughter of Young Chickens (000's)	2,319,364	N/A	0.7%
Actual RTC Pounds of Young Chickens (000's)	782,007	0.8%	-0.9%
YTD RTC Pounds of Young Chickens (000's)	11,204,577	N/A	1.0%

Turkeys

Nat'l FOB Frozen 8-16 lb. Hens, Wtd Avg Prices, cents/lb	157.57	-7.3%	15.0%
Actual Slaughter of Turkeys (000's)	3,185	-21.2%	-19.9%
YTD Actual Slaughter of Turkeys (000's)	51,443	N/A	-3.3%
Actual RTC Pounds of Turkeys (000's)	80,111	-21.5%	-19.9%
YTD RTC Pounds of Turkeys (000's)	1,326,993	N/A	-6.0%

Eggs

Combined Regional Large Eggs (cents/dozen)	229.18	-26.8%	-22.2%
National Shell Egg Inventory (30 doz. Cases/000,s)	1481.7	10.3%	N/A
Shell Egg Demand Indicator (SEDI)	-7.20	-0.16	-0.60
Central States Breaking Stock Av. Price (cents/dozen)	139.00	-25.9%	-32.2%
National Breaking Stock Inventory (30 doz. Cases/000's)	347.0	8.8%	N/A
Eggs Broken Under Federal Inspection (30 doz cases)	1,445,477	1.6%	-7.0%
YTD Eggs Broken Under Federal Inspection (30 doz cases)	19,909,558	N/A	-7.5%



Source: [USDA AMS Livestock, Poultry & Grain Market News Portal](https://www.ams.usda.gov/market-news-portal)
[LSWLPGMrktHighlight](#)



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Market Update — April 14th, 2023

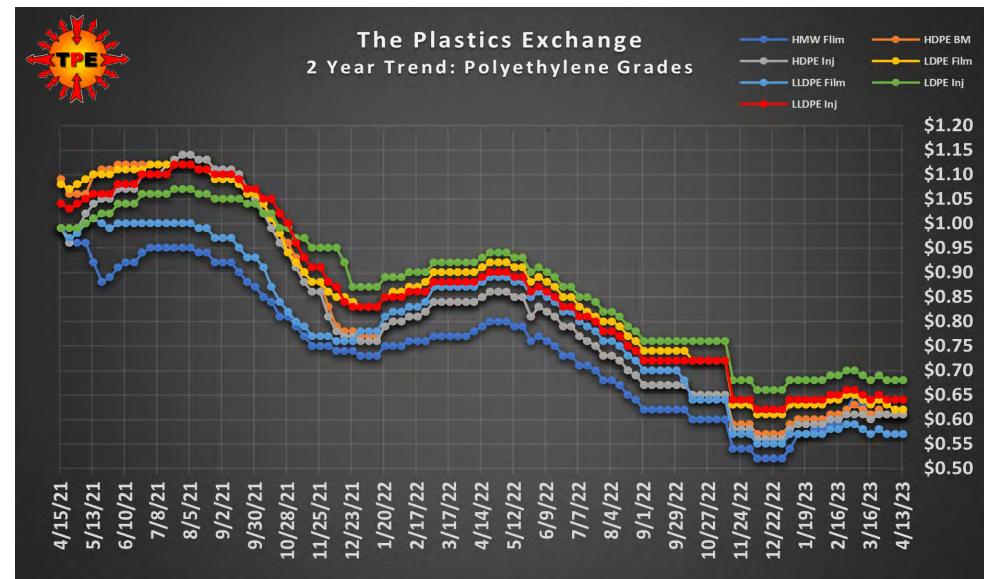
Spot resin trading had another off week, activity during the first half of April was more reminiscent of the mostly sluggish first quarter rather than the fairly robust final 2 weeks of March. Neither buyers nor sellers expressed significant enthusiasm this past week, and price quotes were more voluminous than actual trades. Truckload transactions were more common than railcars dealings and after several months of drawing down some of our market-making inventories, we lightly replenished where needed. The flow of Polyethylene railcar offers was generally slow, there was a typical stream of widespec, but if Prime was needed, it had to be requested. HDPE remained snugly supplied and overall PE prices held steady. Polypropylene availability improved, but not at the deeply discounted levels prevalent at the end of March and buyers were in no mood to pay up, thus limiting completions. Prime PP prices slid another cent working towards the large PGP cost-relief price decrease that surely comes through in April.

While direct resin export sales remained strong from the US, incremental sales to Latin America were still challenged by competitive offers coming from Asia; large international traders will have plenty to discuss as they converge at ChinaPlas this coming week. Early predictions for the upcoming hurricane season came out this week and were surprisingly light, which was a reminder of the uneventful 2022 hurricane season that came and went without infrastructure damage. The early 2023 forecast is calling for just 13 named storms, including 6 hurricanes, and 2 major hurricanes during the Atlantic summer storm season, which officially begins June 1st though typically intensifies in the late summer / early fall after Gulf water temps become well-heated.

Spot Polyethylene trading continued its pullback; prices were flat and our completed volumes were below average this past week. Processors were adequately supplied, but willing to buy if the price was right; however, producers kept offers close to their vest, limiting availability and tightening the spot market after bleeding discounted resin at the end of the first quarter. Film grades for LDPE and LLDPE changed hands the most, while HDPE, our major mover from a week earlier, saw little interest this time around.

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Resin for Sale 14,430,176		Spot Range		TPE Market	
Resin	Total lbs	Low	High	Bid	Ask
PP Homo - Inj	3,122,164	\$ 0.550	\$ 0.710	\$ 0.600	\$ 0.670
PP Copo - Inj	2,483,360	\$ 0.550	\$ 0.710	\$ 0.600	\$ 0.670
HDPE - Inj	1,719,588	\$ 0.500	\$ 0.620	\$ 0.560	\$ 0.610
HDPE - Blow	1,675,496	\$ 0.510	\$ 0.620	\$ 0.560	\$ 0.610
LLDPE - Film	1,541,128	\$ 0.500	\$ 0.580	\$ 0.520	\$ 0.570
LDPE - Film	1,322,760	\$ 0.530	\$ 0.630	\$ 0.570	\$ 0.620
LLDPE - Inj	1,171,564	\$ 0.530	\$ 0.630	\$ 0.570	\$ 0.620
HMWPE - Film	925,932	\$ 0.520	\$ 0.630	\$ 0.560	\$ 0.610
LDPE - Inj	468,184	\$ 0.570	\$ 0.660	\$ 0.630	\$ 0.680



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Market Update — April 14th, 2023

Producers secured \$.06/lb of contract increases during Q1, the 3-cents implemented in January was logical given a series of production disruptions while the March increase taking hold was a surprise, as production surged, and spot prices lingered. Polyethylene producers have another nickel increase on the table for April and timely implementation seems very unlikely.

Initial Polyethylene supply / demand data was released by the ACC but so far only for HDPE and LDPE; both PE groups showed the return of very high operating rates. Domestic PE sales were better than average and total exports should ultimately run near the 2 billion mark, but together fall short of the increased production to yield a substantial build in producers' collective PE inventories. Again, the data released was only initial, LLDPE will still follow, and revisions are likely. We encourage you to subscribe to the American Chemistry Council (ACC) for the actual fundamental supply / demand figures.

Polypropylene trading activity was reduced, a small smattering of both HoPP and CoPP still changed hands, though volume was not as hefty as we have seen in the past several weeks. Our spot PP prices fell another penny and the decline followed direction from the continued weakness seen in PGP monomer. Resin availability grew, especially in offgrade railcars as producers have increased run rates, though some prime allocations from FM's remain in place. An April PP margin increase could offset a large decline in the upcoming monomer contract by a bit, though we expect an overall large price decrease for April PP contracts as the market gives back a chunk of the cost-push hikes from the first quarter. Preliminary industry data for March also emerged this week for PP showing reactor rates up, running about 75% of nameplate capacity, domestic sales a tad below average, exports similar to the past couple months and not overly significant, all together yielding a third consecutive monthly build in domestic stockpiles, albeit modest, but again nearing a record level.

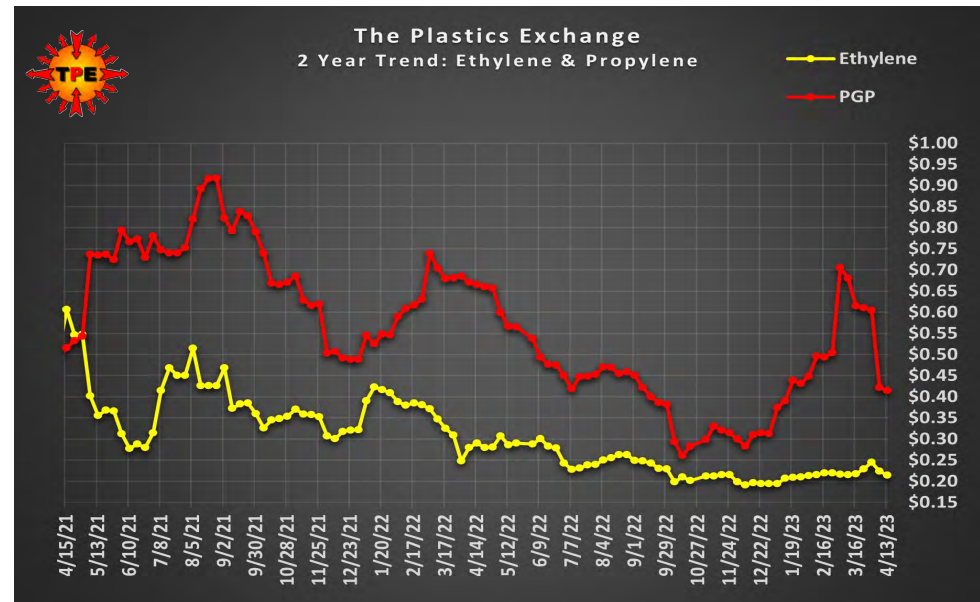
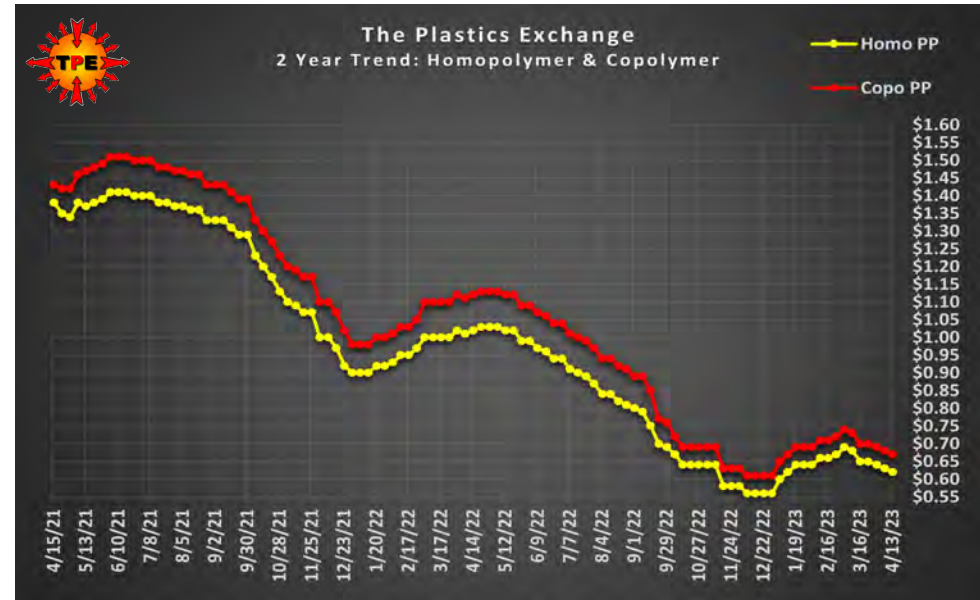
Monomer markets saw heavy participation, Ethylene led the charge showcasing stout volume as prices drifted lower. Participants returned from the holiday weekend ready to transact, deals for TX material were seen daily but the preponderance of trade focused on deliveries in Louisiana.

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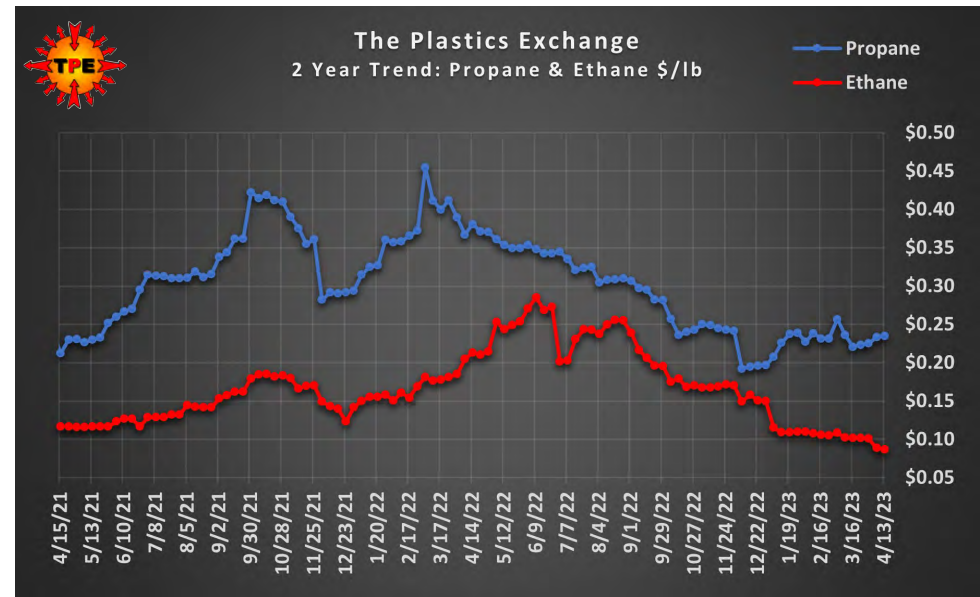
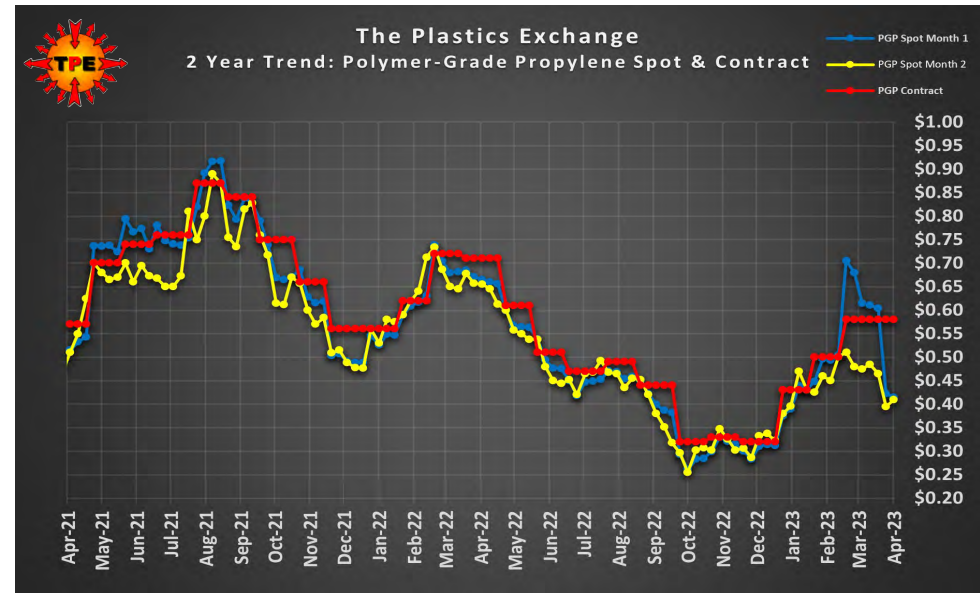
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Market Update — April 14th, 2023

Between Mon/Tue Ethylene April and May Ethylene in LA transacted at least 10 times at \$.195/lb, while in TX, traders swapped spot material twice at \$.23/lb and then at \$.225/lb. Midweek, April and May prices for LA deliveries began to slide down to \$.185/lb in a series of trades. Texas material followed suit, April was brokered at \$.2175/lb and then at \$.215/lb on Wednesday. The weaker trend continued and nearby months in LA shed another cent to \$.175/lb by Friday's close, while Texas Ethylene last changed hands at \$.21/lb. Also on Friday, deals for 3Q and 4Q Ethylene deliveries in TX were inked at \$.20125/lb before the market came to rest. Spot TX April Ethylene managed to clip off nearly \$.015/lb during the week and settled at \$.21/lb. Nearby contracts through July saw losses up to a half-cent while remaining deferred months saw weekly gains, the backdated forward curve continued to flatten out and at current levels will flip to a contango once April goes off the board.

Polymer Grade Propylene took a back seat to Ethylene but was able to muster up a handful of trades mid-week. The first PGP deals did not materialize until Wednesday afternoon, April was brokered twice at \$.41/lb and then twice more at \$.405/lb, while the forward curve flipped to a slight contango as deals for 2Q and 3Q PGP deliveries were both completed at \$.41/lb. A few straggling bids and offers hit the market through Friday afternoon but no further deals were seen completed. For the week, the weighted spot April PGP average shaved off nearly three-quarters of a cent to end Friday just shy of \$.415/lb. Deferred PGP contracts through the end of the year moved in opposition to spot and posted weekly gains, all settled at \$.41/lb or higher after previously dipping into the high \$.30's/lb last week. The PGP market has seen quite a shift after reaching as high as \$.73/lb just 5 weeks ago. As a reminder, March PGP settled up \$.08/lb to \$.58/lb, which brought Q1 '23 contract gains to \$.26/lb. Ample time remains for market movement, but at current price levels a large decrease, which should break into the double-digits, now looms for April PGP contracts.



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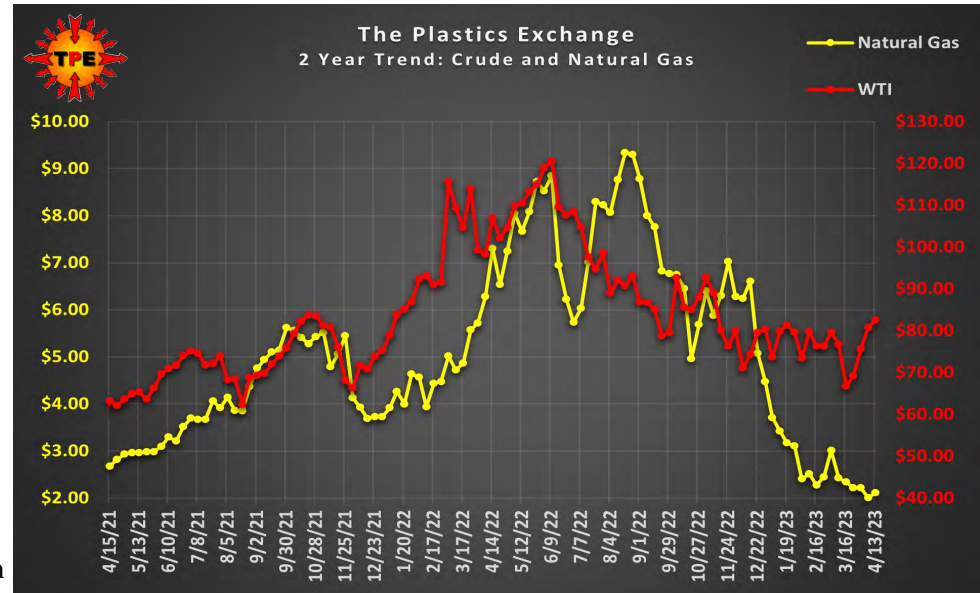


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Market Update — April 14th, 2023

The Energy complex rose across the board as Crude Oil continued its rally after the International Energy Agency (IEA) warned that deep production cuts from OPEC+ could exacerbate a supply deficit as demand recovers to a forecasted record 101.9 million bbl/day. Nat Gas also finished higher on the week amid volatile weather conditions which has led to mixed demand expectations. May WTI was initially pressured and dropped to a low of \$79.37/bbl on Tuesday before gaining \$4.16/bbl to a mid-week high of \$83.53/bbl. May WTI settled Friday at \$82.52/bbl, up \$1.82/bbl on the week. June Brent, in similar fashion, hit a Tuesday floor of \$83.75/bbl and rebounded \$4.15/bbl to a high of \$87.49/bbl the following day. June Brent ended the week at \$86.31/bbl, up \$1.19/bbl. Nat Gas futures hit its high on Tuesday at \$2.247/mmBtu before eroding 30 cents to a Friday low of \$1.946/mmBtu, before bouncing back a bit before the close. When the dust settled, the May futures contract stood at \$2.114/mmBtu, up just more than a dime for the week. NGLs stayed mixed as Ethane shed a half-cent to \$.205/gal (\$.087/lb) while Propane earned a fractional gain to \$.829/gal (\$.234/lb).



Visit our website or contact our trading desk for your spot resin needs.

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04/21/2023
Dairy Market

BLOCK:	Up .0050	@ \$ 1.7500	7 Sales
BARRELS:	Up .0075	@ \$ 1.5525	23 Sales
BUTTER:	Up .0050	@ \$ 2.4000	6 Sales
NFDM Grade A:	Up .0050	@ \$ 1.1650	3 Sales
CME Dry Whey	Up .0075	@ \$.3625	7 Sales

<u>Date</u>	<u>Blocks</u>	<u>Block Change</u>	<u>Block Sales</u>	<u>Barrels</u>	<u>Barrel Change</u>	<u>Barrel Sale</u>	<u>Spread</u>
04/17/2023	1.7650	Down .0100	9	1.5125	Unchanged	11	0.2525
04/18/2023	1.7650	Unchanged	0	1.5150	Up .0025	3	0.2500
04/19/2023	1.7600	Down .0050	3	1.5300	Up .0150	26	0.2300
04/20/2023	1.7450	Down .0150	10	1.5450	Up .0150	22	0.2000
04/21/2023	1.7500	Up .0050	7	1.5525	Up .0075	23	0.1975
Average Market:	1.757		29	1.531		85	

<u>Date</u>	<u>Butter</u>	<u>Butter Change</u>	<u>Butter Sales</u>	<u>Grd A</u>	<u>Grd A Change</u>	<u>Grd A Sales</u>
04/17/2023	2.3525	Up .0250	4	1.1225	Down .0075	2
04/18/2023	2.3700	Up .0175	0	1.1300	Up .0075	0
04/19/2023	2.4025	Up .0325	2	1.1600	Up .0300	2
04/20/2023	2.3950	Down .0075	4	1.1600	Unchanged	0
04/21/2023	2.4000	Up .0050	6	1.1650	Up .0050	3
Average Market:	2.384		16	1.1475		7

<u>Date</u>	<u>Dry Whey</u>	<u>Dry Whey Change</u>	<u>Dry Whey Sales</u>
04/17/2023	0.3500	Down .0125	9
04/18/2023	0.3775	Up .0275	7
04/19/2023	0.3825	Up .0050	4
04/20/2023	0.3550	Down .0275	8
04/21/2023	0.3625	Up .0075	7
Average Market:	0.3655		35

--Year Ago--

<u>Date</u>	<u>Blocks</u>	<u>Barrels</u>	<u>Butter</u>	<u>NFDM Grade A</u>	<u>Dry Whey</u>
04/19/2022	2.3600	2.3950	2.7175	1.7975	0.6350
04/20/2022	2.3350	2.3425	2.7200	1.7925	0.6350
04/21/2022	2.3625	2.3700	2.6900	1.7775	0.6400
04/22/2022	2.3925	2.3700	2.6675	1.7550	0.6350



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April 20, 2023

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What you need to know

- GDT was much stronger than expected with the index up 3.2%, driven largely by MENA
- Feb. EU27+UK headline production was up 0.8%, component adjusted up 1.9%
- Mar. U.S. milk production was very close to forecast, up 0.5% but the herd continues to expand more than expected
- Feb. EU27+UK milk equivalent exports were up 3.1%, cheese was weak, but SMP strong

Dairy Prices (USD)

Cheese	Last (lb.)	Chg.	Last (MT)	WMP	Last (lb.)	Chg.	Last (MT)
CME Blocks (Wk Avg)	\$1.76	-\$0.04	\$3,882	US	\$2.10	\$0.00	\$4,630
CME Barrels (Wk Avg)	\$1.52	-\$0.05	\$3,361	Dutch	\$1.63	-\$0.03	\$3,600
EU Gouda	\$1.58	\$0.00	\$3,474	GDT (Avg)	\$1.40	\$0.02	\$3,089
GDT Cheddar (Avg)	\$2.00	\$0.11	\$4,411				

Butter	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$2.38	\$0.03	\$5,243
EEX Index	\$2.36	\$0.01	\$5,211
GDT (Avg)	\$2.19	\$0.10	\$4,821

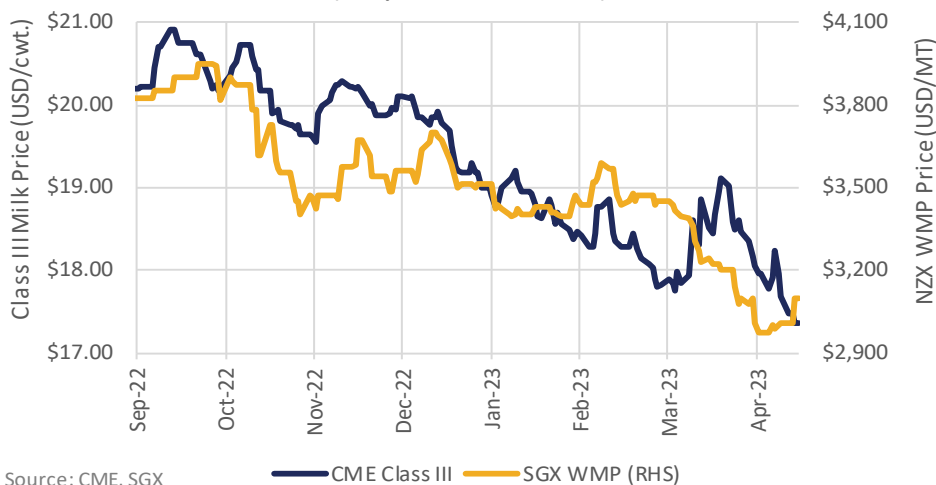
SMP/NFDM	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$1.14	\$0.00	\$2,519
EEX Index	\$1.15	-\$0.03	\$2,535
GDT (Avg)	\$1.26	\$0.09	\$2,776

Dry Whey	Last (lb.)	Chg.	Last (MT)
Central US	\$0.44	\$0.00	\$965
EEX Index	\$0.32	\$0.00	\$697
US WPC34	\$1.22	\$0.00	\$2,679
US Lactose	\$0.28	\$0.00	\$617

Rennet Casein	Last (lb.)	Chg.	Last (MT)
US	\$5.55	-\$0.25	\$12,236

Sources: CME, USDA, EEX, GlobalDairyTrade, Dutch Dairy Board, Trigona, FRED USD/euro rate used: 1.094, -0.001

CME Class III and SGX WMP Futures Prices
(May 2023 Contracts)



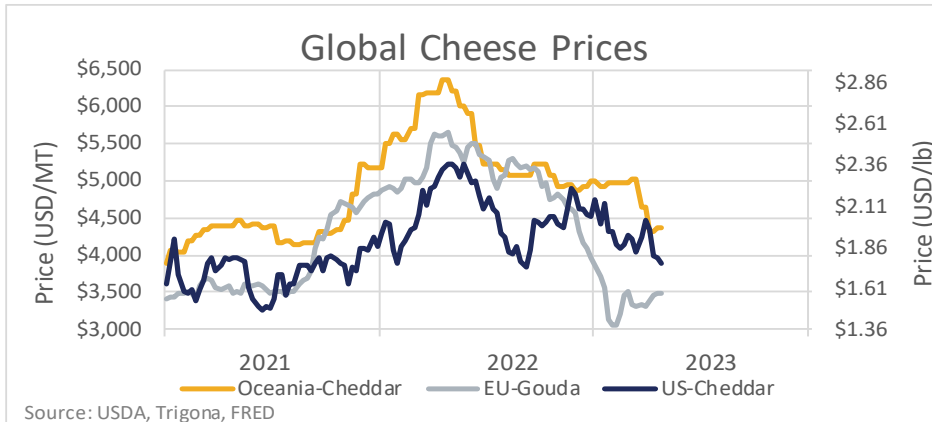
Source: CME, SGX

Market Summary

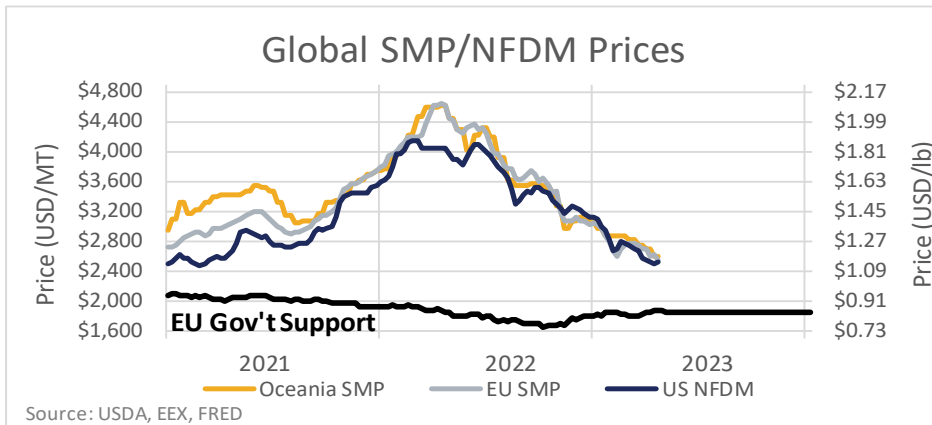
The GDT Event was stronger than expected, especially for SMP. The buying was driven by the Middle East. North Asia (China) backed off as price levels rose. Some of the Chinese metrics looked a little better this week with Q1 GDP beating forecasts, the farm gate milk price steady and food service sales up 26.3% YoY in March. But they were unwilling to chase the market as prices rose at the auction, so there must be enough coverage to feel comfortable waiting for prices to pull back again. EU and U.S. milk production data for Feb/March confirms production is still growing, and the weather remains very good in New Zealand which should give us a strong end to the season. Despite the GDT rally, I'm not sure the fundamentals have shifted in any significant way yet.



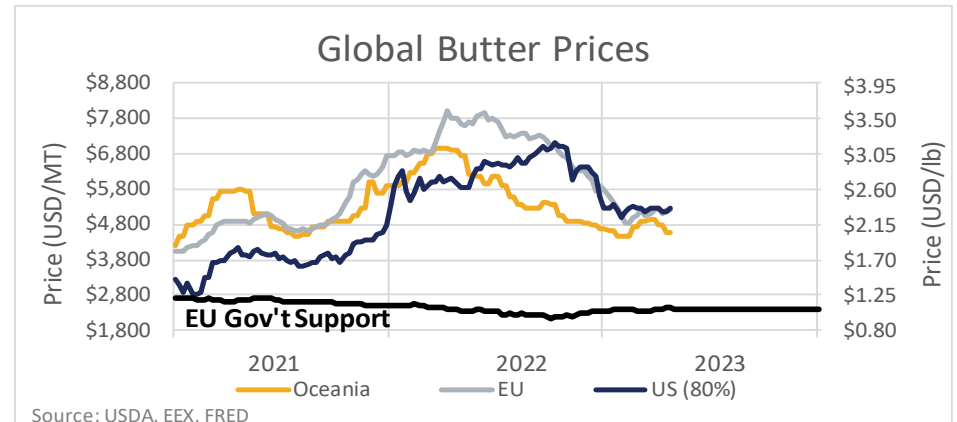
Product Markets



Butter: The CME spot butter price was bid up to the high side of the recent range (\$2.40/\$5,300) this week. Cream might be slightly tighter, but it is still available and butter inventories are both building seasonally and up from last year. EU27+UK butter production was weaker than expected in February and down 1.4% YoY. EU butter exports were better than forecast, up 17.1% despite Oceania prices undercutting Europe for the past year.



Cheese: CME spot cheese prices were roughly steady through the course of the week, although the averages are down from last week. Barrel sellers have been aggressive, but buyers have been equally aggressive and willing to absorb offered loads in the low \$1.50s (\$3,300/MT). EU27+UK cheese production was weaker than expected in February, but still up 1.1% from last year. EU cheese exports for February were weaker than expected, down 7.6% YoY.



Powders: Powder prices were surprisingly higher at the GDT Event this week, which CME NFDM unconvincingly following GDT higher. The industry sentiment is that the GDT Event was an anomaly driven by some Middle East buyers who were caught short after Ramadan and we could see prices weaken again. EU27+UK SMP production was lower than forecast for February, up just 0.6% from last year. EU exports in February were stronger than forecast, up a surprising 42.3% YoY.



April 20, 2023

Udder Intelligence



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Simplify – Data overload is a real problem in today’s market analysis. While we track millions of data points, we distill of this information down to indicators, commentary and forecasts that are clear and easy to understand.

Succeed – The more you understand the underlying drivers in the market, the easier it becomes to make better, more informed decisions.

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