

# MarketNews

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Market Report - Eggs



Flour Facts



Oil Market Watch



Weekly Market Review



USDA Weekly Livestock, Poultry & Grain Market Highlights



Market updates from The Plastics Exchange



Daily Market Summary



Rice Production update

# Egg Markets

# Week of April 10, 2023

**TONE:** Retail demand poor to fair. Supplies long. Market weak.

The regional egg markets are as follows:

	Northeast	Midwest	South Central	Southeast
Lg	\$2.40	\$2.39	\$2.49	\$2.46
Md	\$1.98	\$1.96	\$2.03	\$2.01

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

March 31, 2023

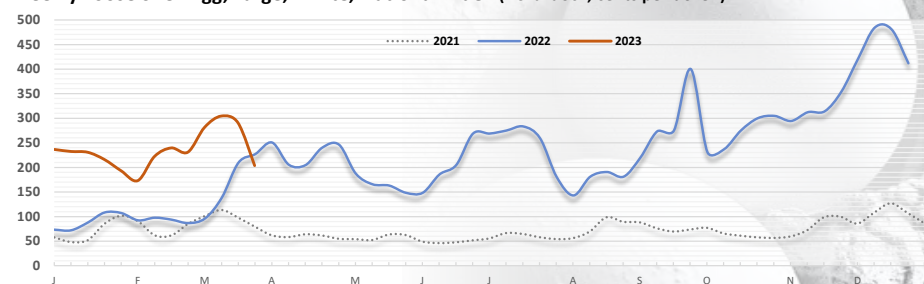
Wholesale prices for cartoned shell eggs began to retreat from the pre-Easter levels as needs for the anticipated holiday demand have been largely filled and demand is on the decline. Offerings and supplies are light to moderate on mixed demand and slowing movement. Wholesale prices for graded loose eggs declined sharply through the week as the market looks past Easter. Supplies and offerings are in a light to moderate balance. Demand is mixed and trading is slow to moderate. The volume of trailer load loose egg sales this week increased 4% from the prior week with 38% for future delivery. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs decreased \$0.87 to \$2.04 per dozen with weak undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers decreased \$0.42 to \$3.09 per dozen with a weak undertone. In the major Midwest production region, the wholesale price for Large, white, shell eggs delivered to warehouses increased \$0.09 to \$3.38 per dozen with a steady undertone while prices paid to producers for Large cartoned shell eggs were down \$0.32 to \$2.87 with a weak undertone. The California benchmark for Large shell eggs increased \$0.26 to \$4.45 per dozen with a steady undertone. Delivered prices on the California-compliant wholesale loose egg market declined \$1.16 per dozen to \$2.89 per dozen with a weak undertone.

Consumer demand for shell eggs over the past week declined in typical fashion as the Easter marketing period is just getting underway with stocks moving into marketing channels to support anticipated holiday demand. Retail grocery promotional activity featuring shell eggs for the holiday are beginning to appear in store ads but the extent is more subdued than in recent Easters – giving the traditional Easter egg hunt a whole new meaning for consumers this season. Egg breakers have struggled with limited availability of spot market offerings but are finding offerings increasingly more available as carton business wanes and wholesale prices have begun to adjust downward. Following Easter, there are fewer opportunities to stimulate consumer shell egg purchasing which may allow prices to retreat to more shopper-friendly levels. The outbreaks of highly pathogenic avian influenza that led to major production disruptions during the Easter 2022 season have yet to return in any significant way this year.

Promotional activity for conventional caged shell eggs in retail outlets remains limited ahead of Easter with a few promotions bringing the average ad price down sharply, off \$3.19 to \$1.75 per dozen, its lowest level in 2023 to date. Promotional activity for specialty shell eggs also remains limited to a few deals on cage-free types. Feature activity for [UEP-defined cage-free](#) shell eggs is limited this week with the average ad price down \$0.33 from the last test to \$3.50 per dozen. Eggs continue to clear store shelves with retailers reluctant to incentivize additional buying ahead of Easter to maintain a consistent offering.

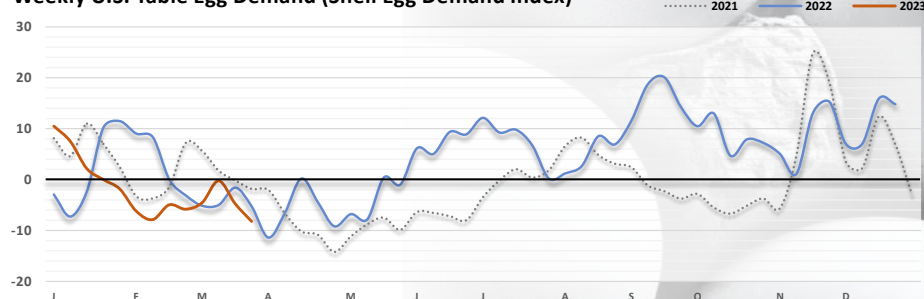
The overall inventory of shell eggs increased 5% and the nation-wide inventory of Large eggs increased 12% as eggs move into marketing channels to support demand for the Easter marketing period. Stocks of Large eggs in the key Midwest production region

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



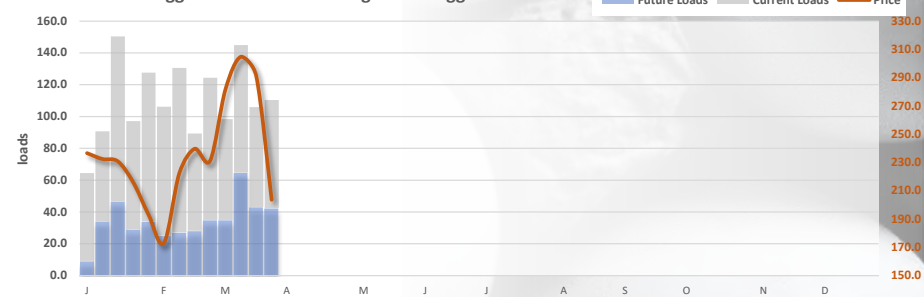
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

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



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

Trailerload Loose Egg Sales vs. National Large Loose Egg Market Price



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

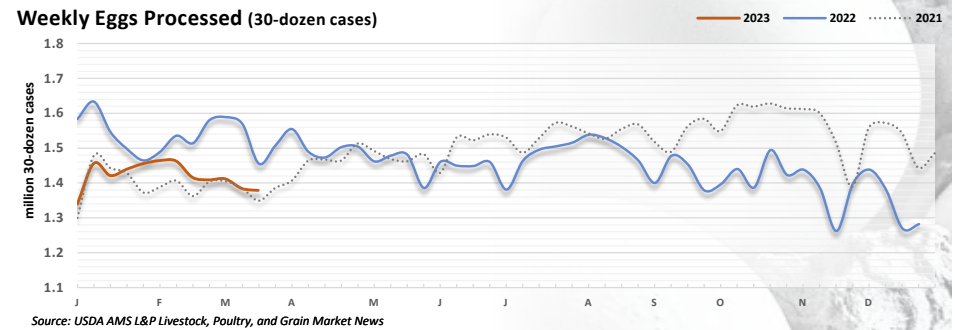
increased 8% as movement from production centers slows. The inventory share of Large class shell eggs increased 3.5% to a 53.5% share of all shell egg stocks on inventory at the start of the week. This is the highest share of stocks Large eggs have held since Easter 2021. Stocks of cage-free eggs increased 13% while the inventory of nutritionally enhanced shell eggs rose nearly 15% in preparation for Easter movement. Stocks of organic eggs decreased 3% while breaking stock inventories increased 6% as breakers have been slowing production and taking advantage on increasing spot market offerings to build inventory. Total estimated table egg production was unchanged from last week and was down slightly from last year to a deficit of 7% from last year, about 11.2 million cases.

Wholesale prices for breaking stock in the Central States moved lower, down \$0.20 to \$2.95 per dozen, and remain weak as offerings are on the rise from a fading carton business. Offerings include graded loose product. Supplies are moderate, demand is light to moderate with moderate trading and full to reduced schedules. The volume of eggs processed over the past week was down a half percent, representing a 29% share of weekly table egg production. Production of whole egg was down 2.5%. Production of whites and yolks both posted a 2.5% increase. The production of dried eggs was increased just over 17.5% while inedible egg production declined 2%. Breaking yields without inedible were down slightly to 41.91 pounds per case broken.

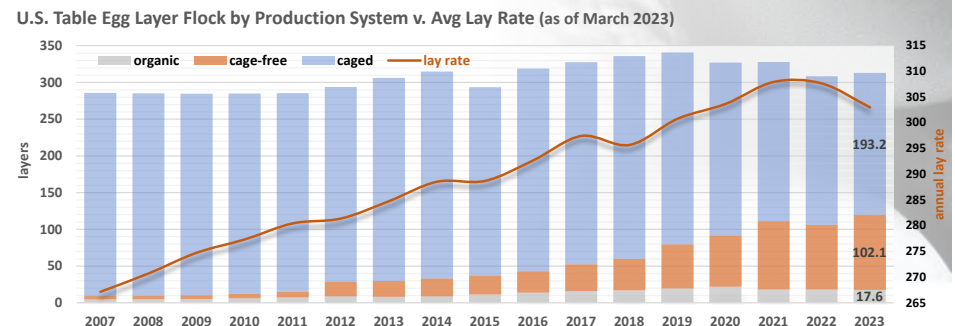
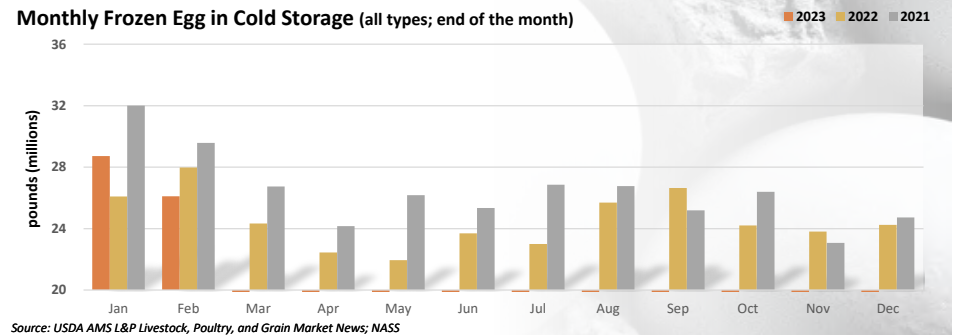
Wholesale prices for liquid egg products are lower with a weak undertone. Offerings are light to moderate; demand is mixed on moderate trading. Prices on frozen whole eggs increased \$0.02 to \$2.64 per pound while those for frozen whites rose \$0.03 to \$2.10 per pound. The undertone is steady to weak for mostly light offerings and supplies. Demand remains mixed and trading is moderate. Prices for dried whole eggs were unchanged at \$14.25 per pound and those for whole dried yolk were unchanged at \$12.25 per pound. The undertone is steady, offerings are light to moderate with light to very light supplies. Demand is moderate to good and trading is moderate to instances active.

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 March 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 (71% of the U.S. non-organic flock), indicating a shortage of 119.3 million hens from the current non-organic cage-free flock of 102.1 million hens. The average lay rate for non-organic, barn/aviary cage-free production is currently estimated at 80.8%

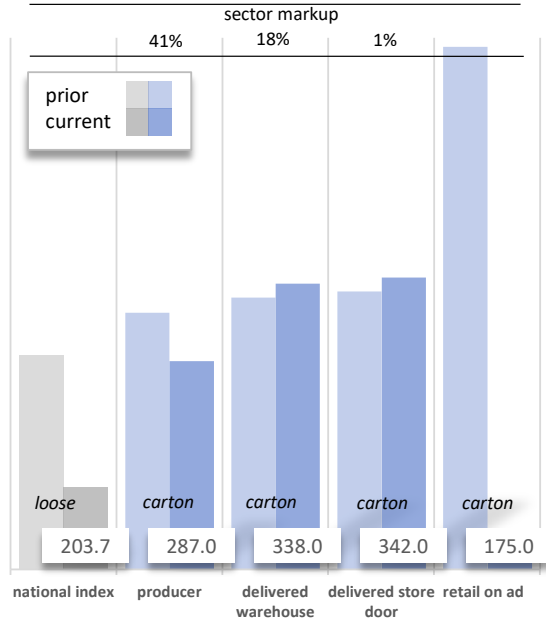


Eggs Processed - Week-to-Week Change						
total	share	whole	whites	yolks	dried	inedible
-0.4%	-0.1%	-2.5%	2.5%	2.4%	-17.6%	2.2%



## Shell Eggs Market Price Comparisons (as of March 31, 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

	31-Mar	% Change	Recent History				
			24-Mar	17-Mar	10-Mar	3-Mar	24-Feb
<b>SHELL EGGS (Large, White, conventional in cents per dozen)</b>							
National, Loose, (f.o.b. dock prices)	203.69	-30%	291.00	304.60	281.62	231.12	239.66
New York, Cartonned (price to retailers)	309.00	-12%	351.00	347.00	315.00	280.00	265.00
Midwest, Cartonned (price dlvr'd to warehouse)	338.00	3%	329.00	292.00	264.00	248.00	226.00
California, Cartonned, benchmark (cage-free)	445.00	6%	419.00	370.00	385.00	425.00	445.00
<b>National Retail Shell Egg (avg. ad price in dollars per dozen)</b>							
Conventional, Large, White	1.75	-65%	4.94	2.52	2.59	2.25	2.54
Cage-Free, Large, Brown	3.50	n/a	n/a	3.83	4.98	3.99	n/a
<b>EGG PRODUCTS (f.o.b. dock prices; dollars per pound)</b>							
Central States Breaking Stock (dlvr'd prices per doz)	295.00	-6%	315.00	295.00	235.00	235.00	195.00
Whole Frozen Eggs	264.00	1%	262.00	247.00	230.00	220.00	220.00
Whole Dried Eggs	14.25	0%	14.25	13.80	12.25	12.25	12.25
Processed Share of Weekly Egg Production	29.0%	-0.1%	29.1%	29.6%	29.5%	29.6%	30.9%
<b>SHELL EGG DEMAND INDICATOR (no units)</b>							
	-8.2	-3.5	-4.7	-0.2	-4.5	-5.8	-5.0

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

## Key Shell Egg Markets Snapshot - 2023

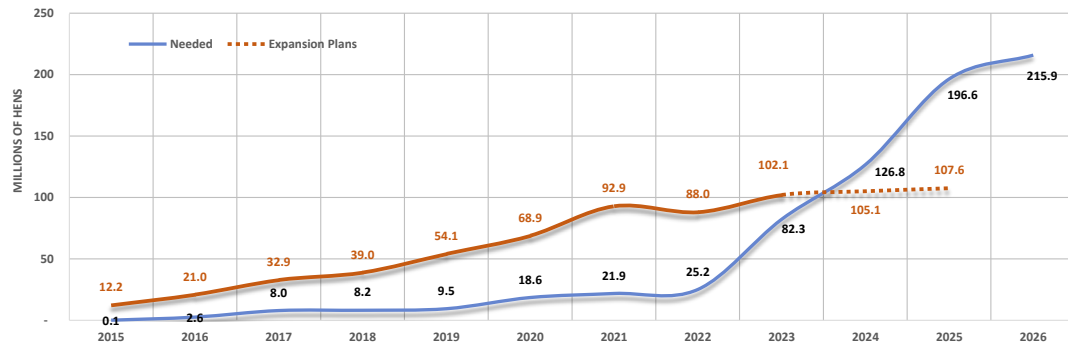
(Large, White, Conventional Shell Eggs in cents per dozen)	31-Mar	Change	24-Mar	2023 High	2023 Low
National, Loose, (f.o.b. dock prices)	203.7	▼ -30%	291.0	304.6	173.1
New York, Cartonned (price to retailers)	309.0	▼ -12%	351.0	474.0	03-Jan
Midwest, Cartonned (price dlvr'd to warehouse) <sup>1</sup>	338.0	▲ 3%	329.0	517.0	03-Jan
California, Cartonned, benchmark	445.0	▲ 6%	419.0	737.0	03-Jan
Central States Breaking Stock (delivered prices) <sup>1</sup>	295.0	▼ -6%	315.0	367.0	03-Jan
Whole Frozen Egg Products (f.o.b. dock prices)	264.0	▲ 1%	262.00	300.0	06-Jan
Whole Dried Egg Products (f.o.b. dock prices)	14.25	■ 0%	14.25	14.3	24-Mar
Natl Average Retail Ad Price - Conventional	1.75	▼ -65%	4.94	4.94	24-Mar
Natl Average Retail Ad Price - Cage-free <sup>2</sup>	3.50	■ 0%	n/a	4.99	10-Feb
Shell Egg Demand Indicator	-8.2	▼ -3.5	-4.7	10.5	04-Jan

<sup>1</sup> mostly high; <sup>2</sup> non-organic

updated March 2023

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

Non-Organic Table Egg Layer Flock in millions of hens



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

Egg Markets Overview

### U.S. Table Egg Layer Flock Estimates

As of March 2023	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Total U.S. Caged<sup>1</sup> Flock:</b>	<b>61.7%</b>	<b>65.9%</b>	<b>66.4%</b>	<b>72.0%</b>	<b>76.6%</b>	<b>82.2%</b>	<b>84.0%</b>	<b>86.6%</b>	<b>87.3%</b>	<b>89.5%</b>	<b>90.3%</b>	<b>90.4%</b>
Layers (millions)	193.2	205.3	219.4	235.5	261.0	276.1	275.1	276.1	256.1	281.6	276.4	265.5
<b>Total U.S. Cage-Free Flock:</b>	<b>38.3%</b>	<b>34.1%</b>	<b>33.6%</b>	<b>28.0%</b>	<b>23.4%</b>	<b>17.8%</b>	<b>16.0%</b>	<b>13.4%</b>	<b>12.7%</b>	<b>10.5%</b>	<b>9.7%</b>	<b>9.6%</b>
Layers (millions)	119.7	106.2	111.1	91.7	79.7	59.9	52.4	42.9	37.3	33.2	29.6	28.3
<b>NON-ORGANIC Cage-Free:</b>	<b>32.6%</b>	<b>28.2%</b>	<b>28.1%</b>	<b>21.4%</b>	<b>17.7%</b>	<b>12.8%</b>	<b>11.1%</b>	<b>9.1%</b>	<b>8.9%</b>	<b>7.8%</b>	<b>7.0%</b>	<b>6.7%</b>
Layers (millions)	102.1	88.0	92.9	69.9	60.3	42.9	36.4	29.0	26.0	24.5	21.4	19.8
▪ Barn/Aviary	31.1%	27.0%	26.9%	19.9%	15.9%	11.6%	10.0%	7.9%	7.7%	6.7%	6.0%	5.7%
Layers (millions)	97.4	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)	1.7	1.5	1.5	2.1	3.3	2.4	2.2	2.1	2.0	2.0	1.3	1.3
<b>USDA ORGANIC Cage-Free:</b>	<b>5.6%</b>	<b>5.8%</b>	<b>5.5%</b>	<b>6.7%</b>	<b>5.7%</b>	<b>5.1%</b>	<b>4.9%</b>	<b>4.4%</b>	<b>3.9%</b>	<b>2.8%</b>	<b>2.7%</b>	<b>2.9%</b>
Layers (millions)	17.6	18.2	18.2	21.8	19.4	17.0	16.0	13.9	11.4	8.7	8.2	8.5
▪ Organic	3.7%	3.8%	3.5%	4.6%	4.4%	3.9%	3.7%	3.4%	3.1%	2.2%	2.2%	2.5%
Layers (millions)	11.7	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 February 2023

State	Deadline Date	Layers on Hand (Feb 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	11,454,000	0	11,454,000	0	3,396,330,832	3,396,330,832	39,029,342	11,181,906,483	30%	30%
Massachusetts*....	Jan 2022	675,000	0	675,000	0	200,150,455	200,150,455	6,981,974	2,000,335,551	10%	10%
Nevada*.....	Jul 2022	5,000	0	5,000	0	1,482,596	1,482,596	3,177,772	910,431,678	0%	0%
Washington.....	Jan 2024	5,560,000	3,064,000	2,496,000	866,989,440	740,111,905	1,607,101,345	7,785,786	2,230,627,689	72%	33%
Oregon.....	Jan 2024	1,905,000	1,758,000	147,000	519,172,560	43,588,321	562,760,881	4,240,137	1,214,799,251	46%	4%
Arizona*.....	Jan 2025	8,500,000	5,840,000	2,660,000	1,511,625,600	788,741,052	2,300,366,652	7,359,197	2,108,409,941	109%	37%
Colorado.....	Jan 2025	1,108,000	736,000	372,000	215,942,400	110,305,140	326,247,540	5,839,926	1,673,138,799	19%	7%
Michigan.....	Jan 2025	16,213,000	5,590,000	10,623,000	1,540,827,600	3,149,923,383	4,690,750,983	10,034,113	2,874,773,375	163%	110%
Utah.....	Jan 2025	5,829,000	3,154,000	2,675,000	881,858,400	793,188,840	1,675,047,240	3,380,800	968,599,200	173%	82%
Rhode Island*.....	Jan 2026	56,000	43,000	13,000	11,130,120	3,854,750	14,984,870	1,093,734	313,354,791	5%	1%
* = layers on hand estimated.		51,305,000	20,185,000	31,120,000	5,547,546,120	9,227,677,273	14,775,223,393	88,922,781	25,476,376,757	58%	36%

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 6, 2023

- Wheat futures edged their way lower this week initially on profit taking and were driven down further yesterday by the NOAA's 8 to 14 day forecast. Projections indicate above normal precipitation for the plains, which could have a major positive impact on a poor HRW crop outlook. The SRW areas are slated for normal precipitation with above normal temps, giving them an opportunity to dry out.
- The USDA released their crop ratings on Tuesday which showed 28% of the winter wheat crop in good-excellent condition, the lowest for this time of year in records dating back to 1989 as the drought in the Plains continues. This was below analysts' expectations, which were an average of 31% good-excellent with a range of 25-36% good-excellent. Currently, 58% of this year's crop is in an area experiencing a drought.

## Facts on Flour

### Flour Pricing Components

Flour prices are influenced each day by three rather independent and potentially volatile components.

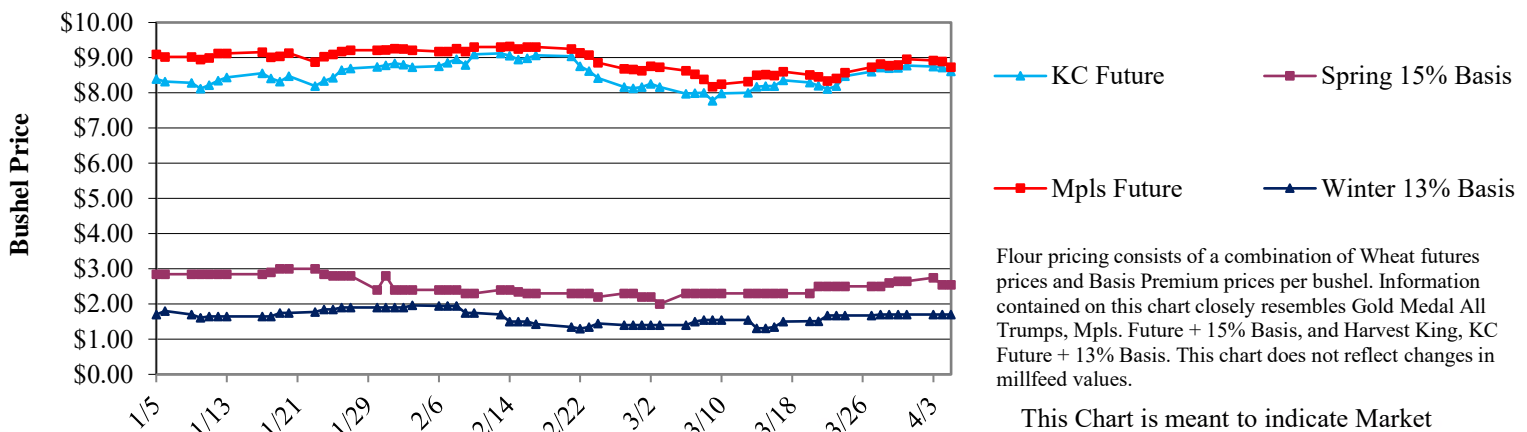
The first component, wheat future prices, forms the base from which actual wheat prices are derived. Futures are standardized, tradable contracts. Parties swap pieces of paper, obligating them to make or take delivery of wheat sometime in the future.

The second component is cash basis. The basis serves to adjust the futures price to better represent the actual cost of delivering wheat to the mill. It also adjusts for the specific grades and quality the miller needs. The basis combined with the futures represent the actual price the miller pays to supply wheat to the mill.

The third component is millfeed. Because just under 80 percent of the wheat kernel can become flour, the flour mill must deal with a by-product referred to as millfeed or millrun. The price that mills receive for by-products is treated as a credit against the cost of the wheat and reduces the price of the flour to customers.



### Futures & Basis Markets



Flour pricing consists of a combination of Wheat futures prices and Basis Premium prices per bushel. Information contained on this chart closely resembles Gold Medal All Trumps, Mpls. Future + 15% Basis, and Harvest King, KC Future + 13% Basis. This chart does not reflect changes in millfeed values.

This Chart is meant to indicate Market Direction Only.

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.





## Stratas Foods Market Watch 4.6.23

### *What to Watch For in the Week Ahead*

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•**Fundamentals**– CFTC COT, Weekly Export data, WASDE, MPOB

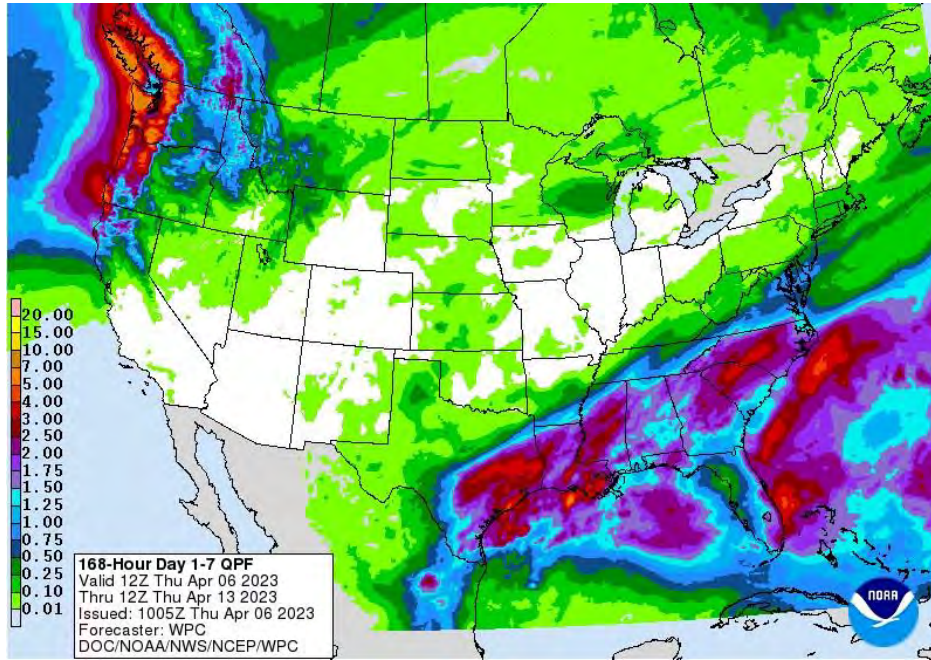
•**Weather** – March is officially over and April has begun. Planting windows are opening up and the global focus is switching to North American production for 2023. Our general rule is we don't worry about planting delays until Mother's Day. Don't get too worked up except for the extremes.

•**Politics/Macro** – OPEC Surprise last weekend, what is in store for the Holiday weekend?

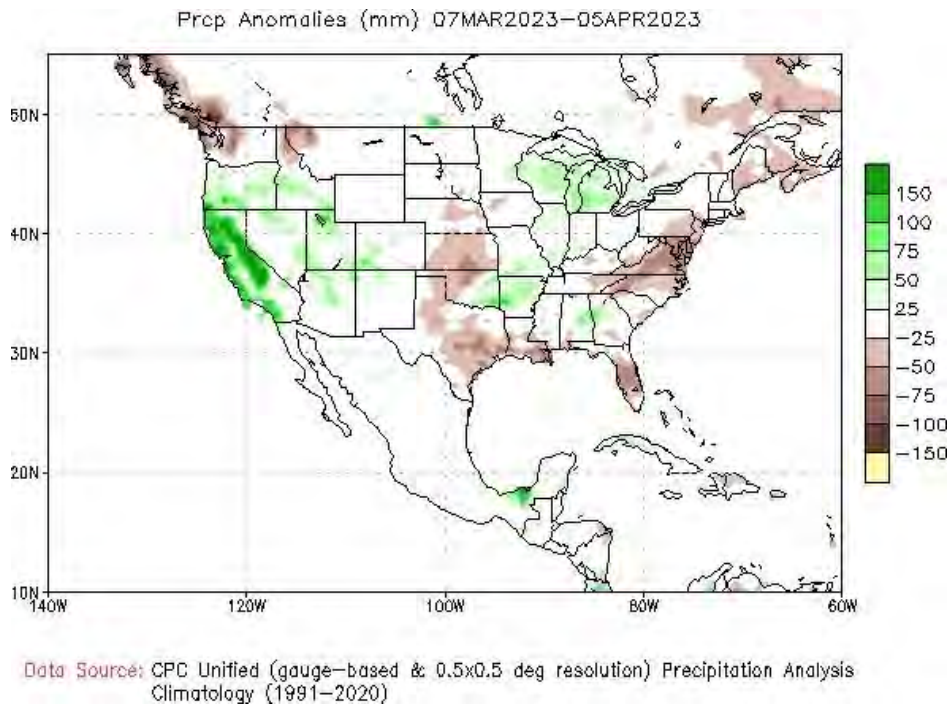
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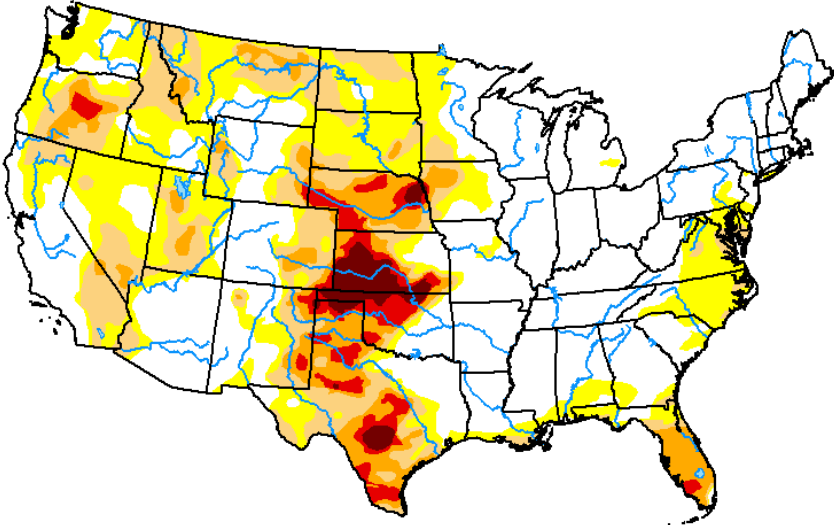
## US 7 Day Precipitation



## US 30 Day Anomalies

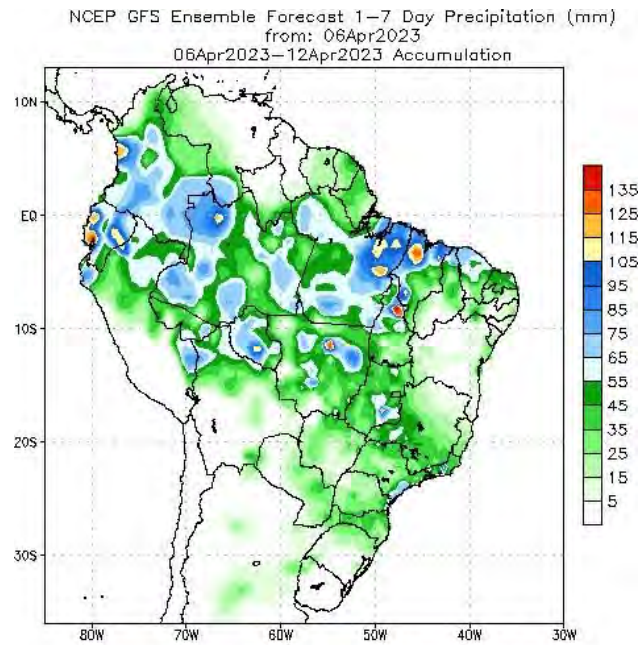


# US Drought Monitor



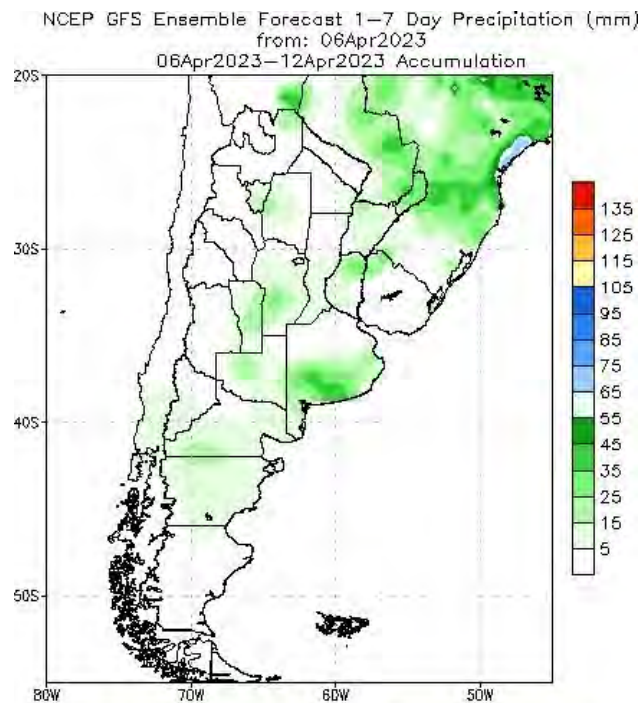
## 7 Day Precipitation

### Brazil



Bias correction based on last 30-day forecast error

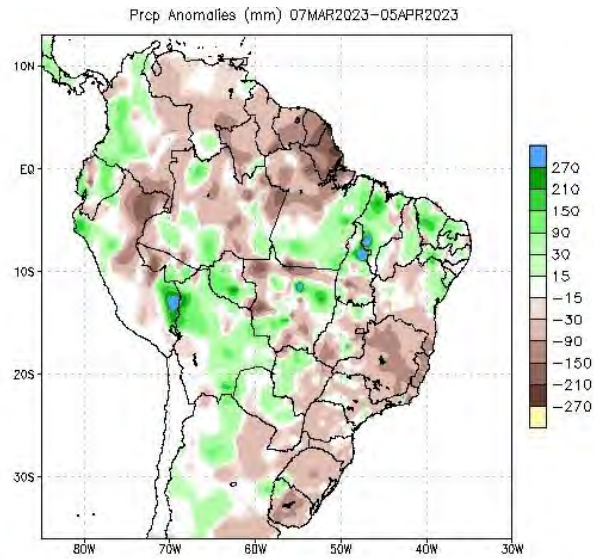
### Argentina



Bias correction based on last 30-day forecast error

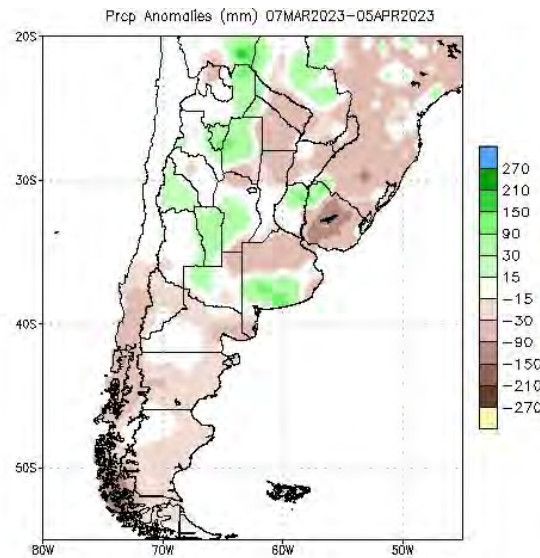
# 30 Day Anomalies

## Brazil



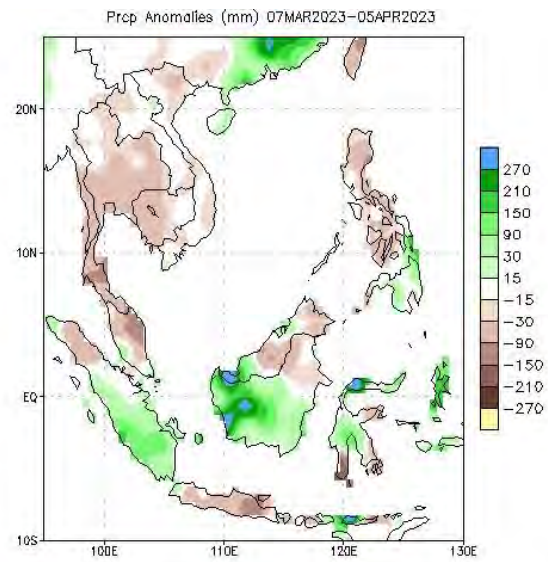
Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

## Argentina



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

## Southeast Asia



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

## Tropical Oils



## North American Oils



## Moving Averages

	CBOT	Canola	Palm Olein	Coconut
4/6 Price	54.53	70.03	68.00	67.00
9-day MA	55.22	70.58	67.83	67.00
20-day MA	55.58	70.88	67.08	68.30
50-day MA	58.64	74.20	66.55	71.57
200-day MA	64.41	85.47	71.73	79.76

## Soybean Oil

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### *Prospective Planting*

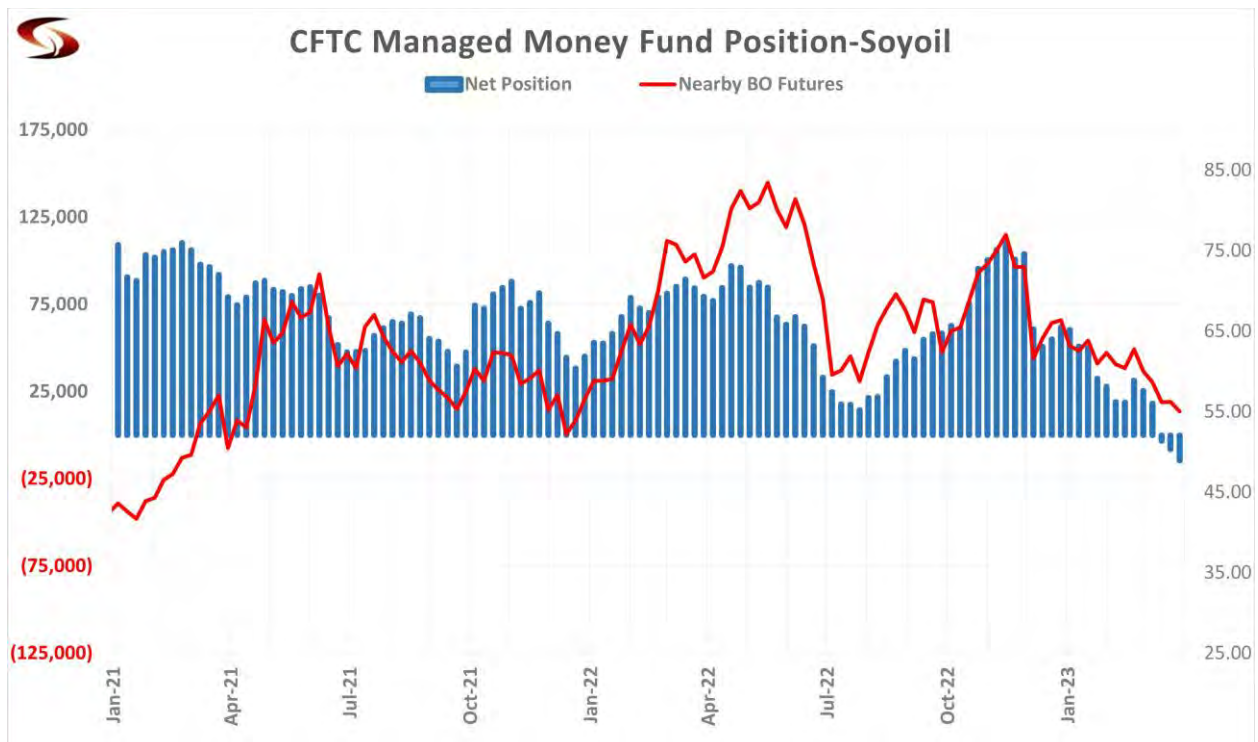
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- Soybean acres at the low end of the expected range with 87.5 million acres versus the average trade guess of 88.2 million acres.
  - Corn acres picked up the soybean acre slack and came in above average estimate with 92 million acres versus the average of 90.9 million acres.
    - Soybean stocks came in 57 million bushels under the trade expectations.
- 

### *Soybean Oil Outlook*

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- *Initial shock of OPEC+ announcement over the weekend had us moving up for exactly one day before pulling back on the next 3 trading sessions. Thursday's close ended beneath where last week ended.*
- *Oilshare didn't move much until Thursday but we still wrapped the week at 37.50%.*
- *All the moving averages are well beneath the 200 day. There is a ~7 cent gap between the 9 day moving average and the 200 day. 9 day closing in on the 20 day moving average.*
- *CFTC report showed that managed money added to short position in bean oil while actively selling out of meal and beans. ~40k meal contracts sold in past 3 weeks with ~45k bean contracts sold.*
- *Late trading period bump up in the soybean oil contracts as it looked like someone forgot the CBOT is closed tomorrow and had to cover.*
- **Expected CBOT Range 50.00 - 60.00**



## Canola/Rapeseed Oil



### Fundamental Updates

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- *Stats Canada reported 19.5 MMT production for 2022*
  - *US January 2023 Canola crush was 204,340 tons vs 181,455 tons in December and Jan'22 was 136,632.*
  - *Canola oil production increased as well: 166M lbs in Jan'23. This was up 14% vs December and up 47% vs January 2022.*
- 

### Flash Summary

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- *Canola seed futures were largely flat on the week*
  - *Soybean meal and oil prices fell over the week, taking crush margins lower*
  - *Oil share values were up marginally on the week*
  - *Q2 brings key downtime windows into focus for Canola oil and is going to have to be closely watched.*
-



## Tropical Oils



## Fundamental Updates

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### **MPOB:**

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- *March Production Estimate: 1.28MMT (-1%)*
  - *March Export Estimate: 1.39MMT (+25%)*
  - *March Stock Estimate: 1.75MMT (-17%)*
  - *Palm Futures gained \$9/mt on the week*
  - *Malaysia March stocks are being estimated to fall to around 1.75 mmt*
  - *Indonesia's Domestic Market Order is being tightened to limit exports and ensure available domestic supplies through Ramadan*
  - *Port stocks in China and India continue to be high, limiting new buying*
  - *US Customs cleared Malaysian Palm producer Sime Darby of forced labor practices, opening up the capacity for exports to the US*
-

# Weekly PRODUCE ALLIANCE Market Report



April 6, 2023

## OVERVIEW

In South Florida and Mexico, we will see ample supply on slicer cucumbers, green squash, corn and tomatoes. At this time, volume continues to be low on peppers as both growing regions are down and quality will be hit and miss. The hot pepper market is slowly improving with Serrano, Shishito and Anaheim the highest priced and shortest available. Tomatoes are the talk of the town; ample supply available in all shipping points. Offshore melons continue to be tight and are expected to be this way through the rest of the season and transition to the desert will be in May. *Due Holy Week in Mexico, we may see limited border crossings over the next several days that could impact orders loading into Monday/Tuesday of this coming week; our team remains in front of this event as much as possible to limit our risk of shortages.* Early stages of transition from Yuma to Salinas have started. Expect very unstable supplies on many of the wet veg items during transition.

## MARKET ALERTS



### ASPARAGUS – ESCALATED

No change in the weather in Caborca/San Luis, Mexico. Production remains good, but there is less large sizing asparagus due to Easter ads. Peru's volume remains unchanged. Markets are active due to the Easter ads and the anticipation of Easter business next week.



### BOK CHOY – ESCALATED

Market is extremely active with very light supplies.



### BROCCOLI – ESCALATED

Market continues to be very active with limited supply as a result of cooler temps in the Salinas Valley. Overall quality is good, although there are reports of some pinrot from the sustained rains in California.



### CARROTS (Jumbo) – ESCALATED

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



### CAULIFLOWER – ESCALATED

With the season coming to an end in the desert, along with cool temperatures in the Salinas Valley creating slower growth, supplies on Cauliflower have declined significantly and look to continue in the coming week, possibly longer. Market is demand exceeds supply with less than normal fill rates and prorates. Quality is generally good with some occasional discoloration noted.



### GINGER – EXTREME

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



### MELONS – ESCALATED

Peak volume continues from both Guatemala and Honduras as we approach the Easter holiday. We anticipate a slight decrease in arrivals from this week's highs beginning next week which will continue for two weeks before realizing a final uptick post-Easter.

Cantaloupe: Sizing is pushing excessively to jumbo fruit (9Js and larger). We anticipate this sizing trend to continue at least over the next 10-14 days. Quality is excellent and great color is followed by high brix levels with a very good flavor profile. This is some of the best fruit we have seen so far this season.

Honeydew: The honeydew market remains very strong and we are seeing 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

Quality is very good, although supply continues to be very light due to cooler weather. Market is very active.



### 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



**GARLIC – ESCALATED**

Quality is good with moderate supplies.



**LETTUCE, ICEBERG – ESCALATED**

A few shippers have transitioned to Huron with more transitioning over the next week to Huron and Salinas, although the majority of volume will still be in Yuma. As the Yuma season finishes, Salinas is behind schedule due to rain and cool weather, so anticipate supplies for the balance of April and into May to be lower than normal with medium quality. Currently, market is demand exceeds supply with increased pricing and will be very unstable as we go through transition.



**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.



**LIMES – ESCALATED**

We continue to see a decline in volume on Limes, and the market continues to strengthen. Light supplies are expected to continue through mid to late April, which will add pressure to market pricing. Majority of the volume arriving is running heavy to small sizes with 175's and larger being very scarce. There is indeed a new crop coming which we will start seeing in late April, however supply will remain very light, especially on medium to large sizes. It's very important to allow substitutions for smaller fruit for a while until we get into the new crop and fruit sizes up.



**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.

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.



**STRAWBERRIES - ESCALATED**

California's weather has improved, and we anticipate the favorable weather will promote plant growth. The rainfall out of California this past week has caused some damage to the fruit. The cooler temperatures experienced over the past several weeks have also delayed plant growth. Volumes over the next two weeks will remain lower. Mexico volumes will remain very light due to Holy Week this week. Florida volumes are finishing for the season due to warmer weather.

**GOOD BUYS**

Commodity	Expert Tip
Green Beans	Green Beans are in excellent supply! Green Beans are a perfect side dish to a lunch or dinner meal. A delicious way to prepare green beans is to sauté with garlic and olive oil. Simply boil the green beans until tender, drain them, and toss in a skillet with a few cloves of garlic. Enjoy!

**TRANSPORTATION & WEATHER**



Although diesel rates are near record highs truckload rates continue to decline as consumer spending on durable goods declines reducing demand in the truckload market.



**OXNARD, CA**

Wed 4/5 --   45°F  Partly Cloudy	Thu 4/6 69°   47°F  Sunny	Fri 4/7 61°   49°F  Partly Cloudy	Sat 4/8 62°   50°F  Partly Cloudy	Sun 4/9 64°   51°F  Mostly Sunny	Mon 4/10 64°   53°F  Mostly Sunny	Tue 4/11 65°   51°F  Partly Cloudy	Wed 4/12 61°   47°F  Partly Cloudy
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**JALISCO, MX**

Wed 4/5 --   53°F  Partly Cloudy	Thu 4/6 80°   53°F  Sunny	Fri 4/7 82°   54°F  Sunny	Sat 4/8 85°   56°F  Mostly Sunny	Sun 4/9 86°   58°F  Mostly Cloudy	Mon 4/10 86°   57°F  Partly Cloudy	Tue 4/11 87°   55°F  Sunny	Wed 4/12 86°   54°F  Mostly Sunny
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**CULIACAN, SINALOA**

Wed 4/5 --   51°F  Clouds Early/Clearing	Thu 4/6 92°   51°F  Mostly Sunny	Fri 4/7 94°   54°F  Sunny	Sat 4/8 97°   55°F  Partly Cloudy	Sun 4/9 97°   58°F  Partly Cloudy	Mon 4/10 98°   57°F  Partly Cloudy	Tue 4/11 99°   56°F  Sunny	Wed 4/12 96°   56°F  Mostly Sunny
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**YUMA, AZ**

Wed 4/5 --   52°F  Mostly Clear	Thu 4/6 79°   49°F  Mostly Sunny	Fri 4/7 85°   56°F  Partly Cloudy	Sat 4/8 88°   59°F  Mostly Sunny	Sun 4/9 93°   63°F  Sunny	Mon 4/10 98°   63°F  Sunny	Tue 4/11 97°   63°F  Mostly Sunny	Wed 4/12 92°   58°F  Partly Cloudy
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**IMMOKALEE, FL**

Wed 4/5 --   68°F  Partly Cloudy	Thu 4/6 94°   67°F  Partly Cloudy	Fri 4/7 95°   64°F  Partly Cloudy	Sat 4/8 92°   67°F  PM Thunderstorms	Sun 4/9 92°   66°F  Isolated Thunderstorms	Mon 4/10 86°   64°F  Scattered Thunderstorms	Tue 4/11 83°   63°F  Showers	Wed 4/12 82°   62°F  Scattered Thunderstorms
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**Hogs and Pork**

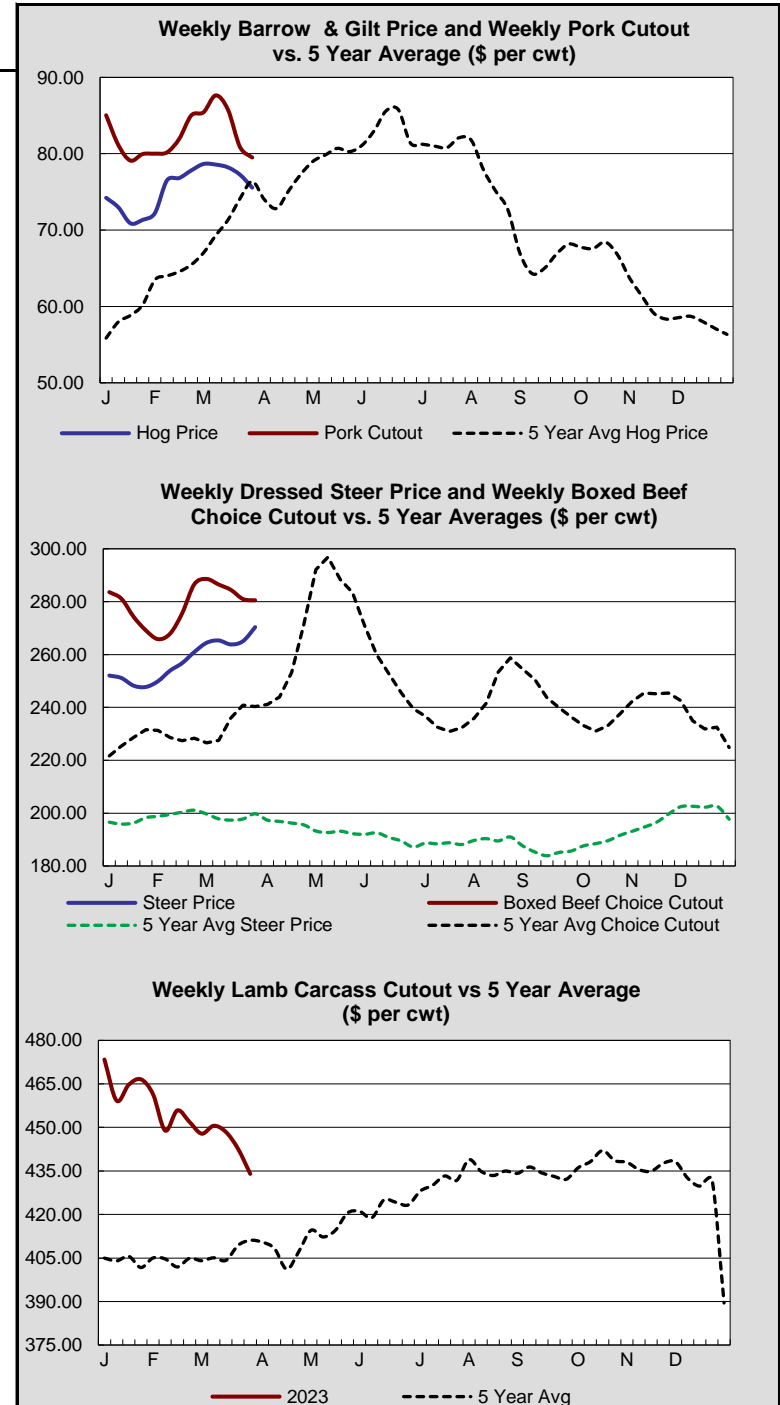
	Current Week	Change From Past Week	Change From Past Year
Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt)	75.56	-2.2%	-27.4%
Pork Carcass Cutout FOB Plant (\$/cwt)	79.51	-1.7%	-24.5%
Segregated Early Weaned (SEW) Feeder Pigs (\$/head)	34.29	-13.5%	-53.0%
Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)	287.7	0.3%	-0.1%
Est. Hog Slaughter	2,497,000	1.6%	2.4%
YTD Est. Hog Slaughter	32,515,000	N/A	1.7%
Est. Pork Production (mil lbs)	542.0	1.8%	1.5%
YTD Est. Pork Production (mil lbs)	7,062.5	N/A	1.0%

**Cattle and Beef**

Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)	168.74	2.6%	21.1%
Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt)	270.36	2.0%	21.5%
Boxed Beef Cutout, Choice (\$/cwt)	280.51	-0.2%	5.4%
Boxed Beef Cutout, Select (\$/cwt)	269.63	-0.4%	4.2%
Boxed Beef, Choice/Select Spread (\$/cwt)	10.88	0.49	3.39
By-Product Drop Value, Steer (\$/cwt live)	12.79	-0.9%	N/A
CME Feeder Cattle Index (\$/cwt)	193.34	2.4%	23.9%
Est. Cattle Slaughter	651,000	4.0%	1.9%
YTD Est. Cattle Slaughter	8,192,000	N/A	-2.3%
Est. Beef Production (mil lbs)	535.0	3.8%	0.8%
YTD Est. Beef Production (mil lbs)	6,748.0	N/A	-4.0%

**Lamb and Veal**

Slaughter Lamb, Negotiated, Live Wtd Avg Price (\$/cwt)	142.82	-0.7%	-34.0%
Lamb Carcass Cutout (\$/cwt)	433.98	-1.9%	-27.6%
Est. Sheep Slaughter	38,000	2.7%	-9.5%
YTD Est. Sheep Slaughter	451,000	N/A	6.4%
Est. Lamb Production (mil lbs)	2.5	0.0%	-10.7%
YTD Est. Lamb Production (mil lbs)	29.6	N/A	3.5%
Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)	428.60	0.0%	12.6%





**Weekly Livestock, Poultry & Grain Market Highlights**  
**April 03, 2023**

**Grain**

	<b>Current Week</b>	<b>Change From Past Week</b>	<b>Change From Past Year</b>
Central Illinois Avg Corn Price (\$/bu)	6.5700	2.3%	-8.0%
Central Illinois Avg Soybean Price (\$/bu)	15.0200	6.2%	-3.7%
Central Illinois 48% Soybean Meal, Rail (\$/ton)	476.00	4.1%	1.3%
Hard Red Winter Wheat Truck to Kansas City (\$/bu)	9.2775	3.3%	-8.0%
Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)	10.5075	2.0%	-14.6%
Soft White Wheat Portland (\$/bu)	7.6583	1.2%	-28.8%
Sorghum, Kansas City, Truck (\$/bu)	6.8225	2.6%	-2.3%

**Broilers**

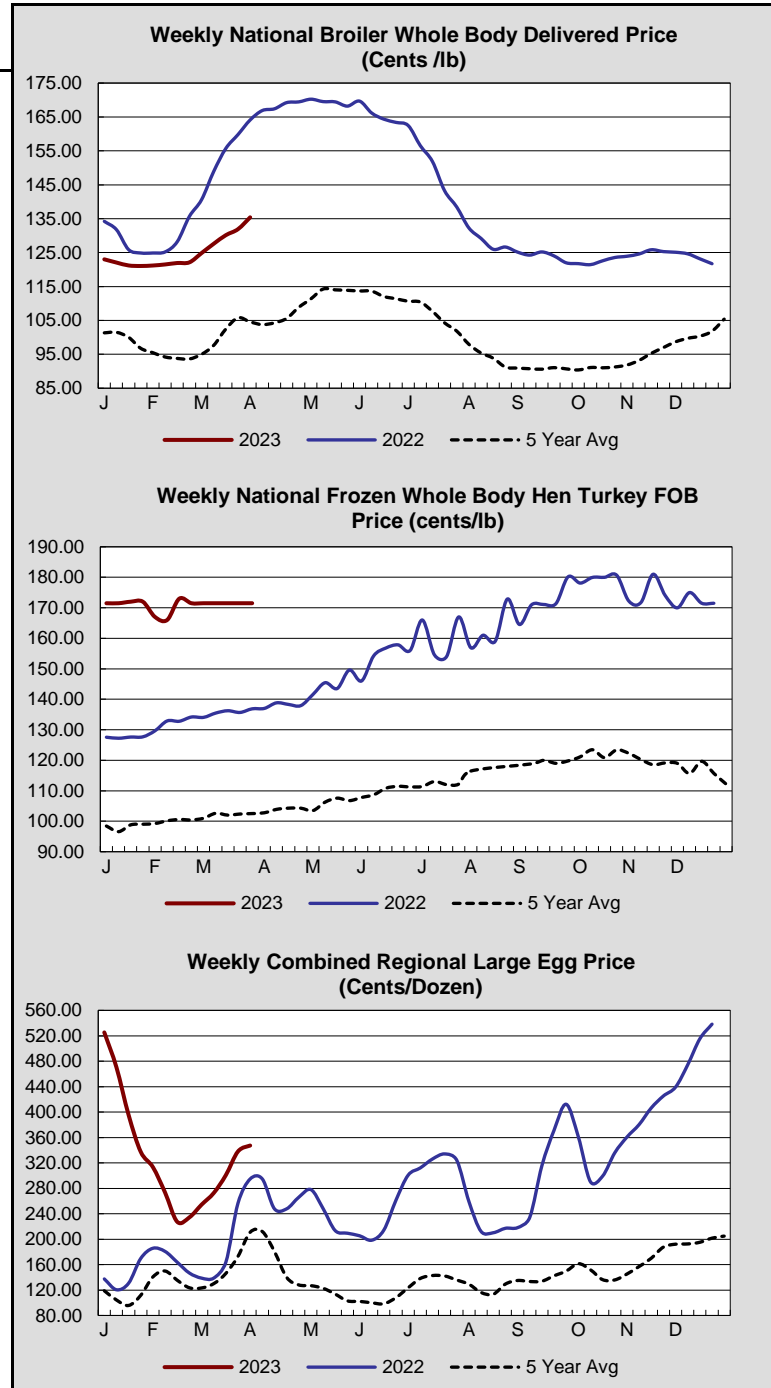
Nat'l Delivered Whole Body Price (cents/lb)	135.40	2.6%	-15.3%
Est. Young Chicken Slaughter - Current Week (000's)	156,848	0.4%	N/A
Actual Slaughter of Young Chickens (000's)	164,150	-0.1%	-0.8%
YTD Actual Slaughter of Young Chickens (000's)	1,993,247	N/A	1.0%
Actual RTC Pounds of Young Chickens (000's)	792,188	-0.1%	0.0%
YTD RTC Pounds of Young Chickens (000's)	9,646,871	N/A	1.3%

**Turkeys**

Nat'l FOB Frozen 8-16 lb. Hens, Wtd Avg Prices, cents/lb	171.50	0.0%	26.4%
Actual Slaughter of Turkeys (000's)	3,762	4.2%	-7.8%
YTD Actual Slaughter of Turkeys (000's)	44,216	N/A	-2.6%
Actual RTC Pounds of Turkeys (000's)	95,145	3.7%	-9.2%
YTD RTC Pounds of Turkeys (000's)	1,144,778	N/A	-5.5%

**Eggs**

Combined Regional Large Eggs (cents/dozen)	347.32	2.7%	35.3%
National Shell Egg Inventory (30 doz. Cases/000,s)	1380.0	-1.8%	N/A
Shell Egg Demand Indicator (SEDI)	-8.20	0.74	-2.90
Central States Breaking Stock Av. Price (cents/dozen)	280.00	-8.9%	21.7%
National Breaking Stock Inventory (30 doz. Cases/000's)	310.2	1.6%	N/A
Eggs Broken Under Federal Inspection (30 doz cases)	1,378,850	-0.4%	-5.2%
YTD Eggs Broken Under Federal Inspection (30 doz cases)	17,040,947	N/A	-7.7%



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



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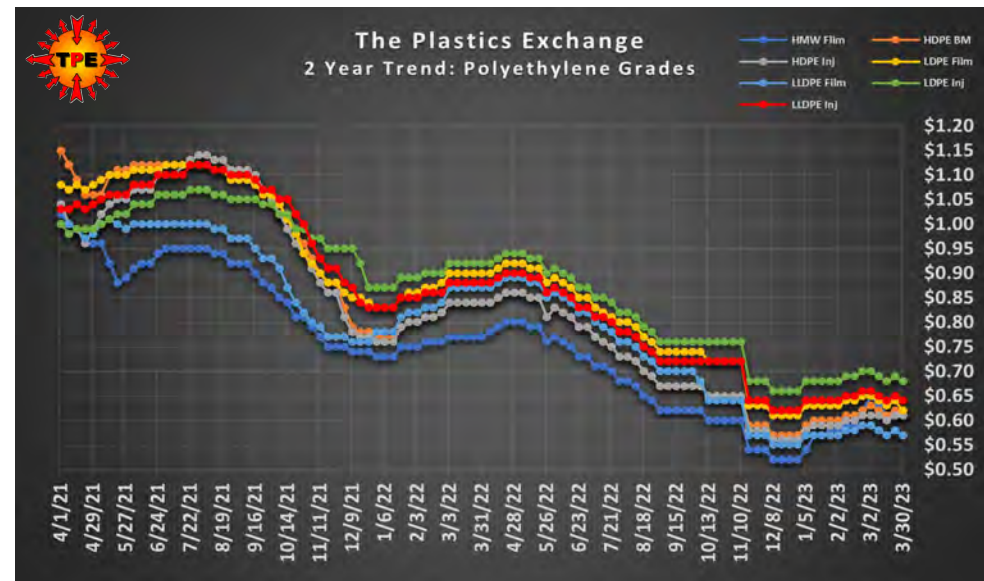
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## Market Update — March 31st, 2023

Spot resin trading continued to improve away from the mid-month doldrums as the 1st quarter came to a close, it was enough to not only salvage March, but to turn it into our best month so far of 2023, though still weak compared to Q1'22. There was a flurry of discounted Polyethylene and Polypropylene month-end deals offered, which met solid demand from a series of buyers that had been on the sidelines awaiting good opportunities. Completed volumes were evenly split between domestic and export and also between PE and PP. Spot prices for most Prime commodity grade resins slid back a cent, essentially erasing the previous week's penny gain. Although there are several force majeure in place for both PE (4) and PP (2), which has provided some support behind Mar and Apr price initiatives, we have recently seen some better supplies develop in HDPE resins, which had been the most affected by these outages. Still overall spot availability for most materials remained snug as supply / demand has been brought back closer to balance after more than a half-year of reduced resin production. The upward cost-push pricing pressure from feedstock monomer also eased toward the end of March, mostly in PGP. The baseline of export sales remains elevated, though some incremental sales to Latin America have been challenged by competitive offers coming from Asia. Recent weakness in the US dollar coupled with rising Oil prices could lend support to US exports though there are also headwinds including global economic concerns such as high inflation, rising interest rates and bank failures.

Spot Polyethylene volumes were robust in the final week of March as ongoing Force Majeures sent buyers to the market to supplement supplies and producers sought to sell off some extra pellets at quarter-end. Not all resin grades participated in the discounts and some low-ball buyers were left with unfilled demand. While our activity was amongst the best of the year, it was still well below our historic trading averages. Spot Polyethylene availability has been fairly tight, but demand has lacked the oomph to carry prices higher and most PE grades relinquished the penny gain garnered in the previous week. Although spot HDPE resins gave back a net \$.01-.02/lb this month, they have been the strongest of the Polyethylene grades so far in 2023, averaging up \$.06/lb.

Resin for Sale 13,401,598		Spot Range		TPE Market	
Resin	Total lbs	Low	High	Bid	Ask
PP Homo - Inj	2,685,760	\$ 0.480	\$ 0.660	\$ 0.570	\$ 0.640
PP Copo - Inj	2,205,448	\$ 0.560	\$ 0.720	\$ 0.620	\$ 0.690
HDPE - Blow	1,745,748	\$ 0.530	\$ 0.620	\$ 0.560	\$ 0.610
LDPE - Film	1,652,852	\$ 0.550	\$ 0.640	\$ 0.580	\$ 0.630
HDPE - Inj	1,550,208	\$ 0.560	\$ 0.640	\$ 0.570	\$ 0.620
LLDPE - Film	1,455,472	\$ 0.520	\$ 0.630	\$ 0.520	\$ 0.570
LLDPE - Inj	843,560	\$ 0.585	\$ 0.695	\$ 0.590	\$ 0.610
HMWPE - Film	718,900	\$ 0.530	\$ 0.625	\$ 0.560	\$ 0.610
LDPE - Inj	543,650	\$ 0.600	\$ 0.700	\$ 0.630	\$ 0.680



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MARKET UPDATE

Michael Greenberg  
312.202.0002



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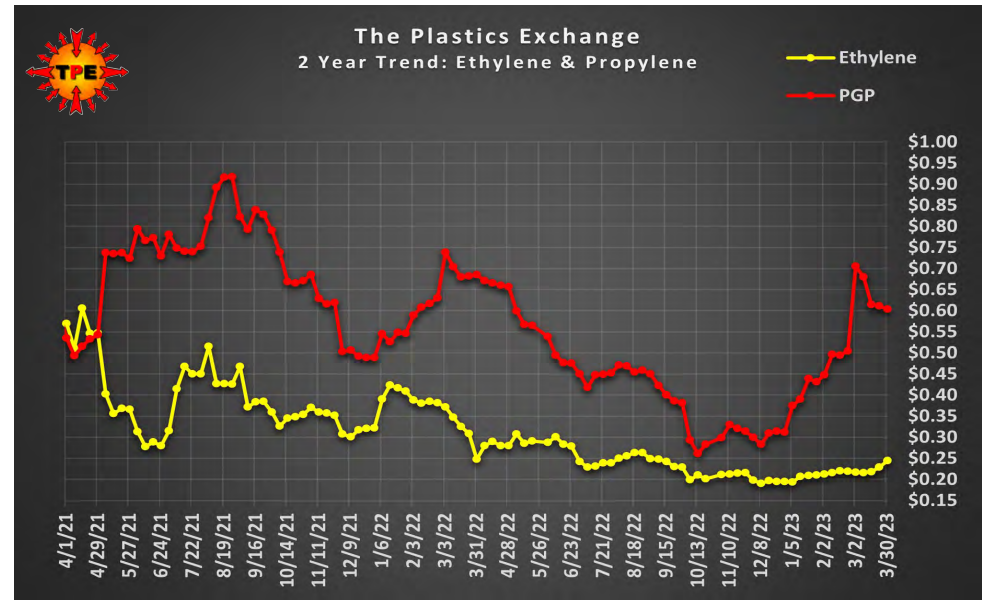
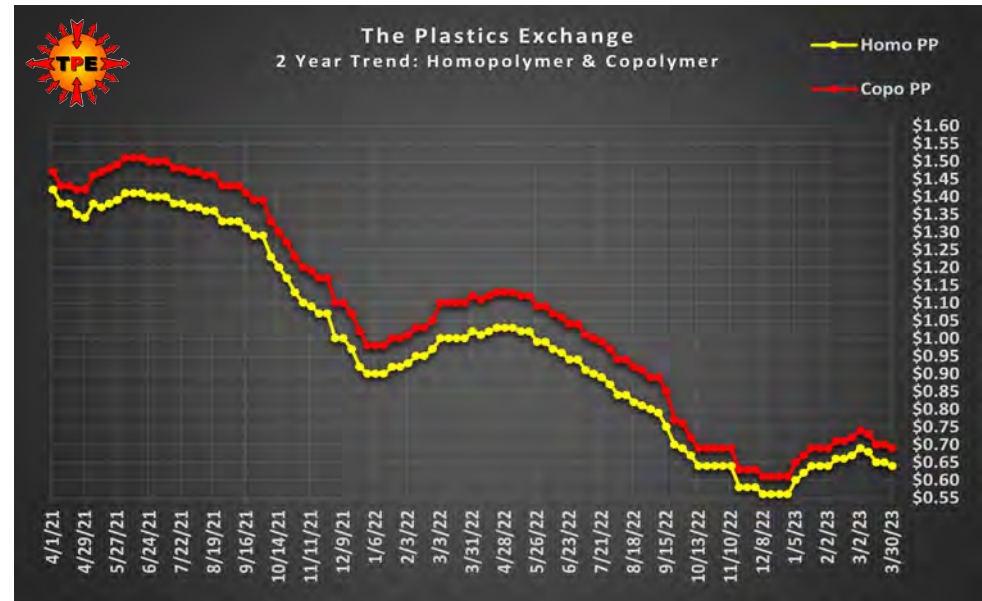
bringing the market to you

## Market Update — March 31st, 2023

LDPE and LLDPE grades also slid \$.02/lb in the spot market during March and remain up \$.02/lb for 2023. Based on our daily trading activities and spot prices, we have felt that the March increase, which had relaxed to \$.03/lb, was not appropriate to implement, despite others saying that it would stick. Five producers have also nominated another nickel for April, but now at the end of the month, contracts are not completely settled, and we still think they should be flat, holding on to the \$.03/lb Jan gain, and the outstanding increase should be attempted again in April in case conditions turn more bullish.

Spot Polypropylene trading was very good this past week, completed volumes were high and prices followed spot PGP lower. Although the flow of offgrade railcars was not particularly heavier than we have seen this year, several groups of offers, both HoPP and CoPP, were exceptionally priced and caught the attention of buyers who felt the deals were too good to pass up. Resellers had thinned their inventories as the fierce monomer rally finally busted, lending solid demand for Prime packaged PP resins and many of them transacted on our Platform this week. While PP orders were already better during the second half of March, many buyers that resisted purchasing beyond bare minimums this year might start to replenish their inventories as April contracts are already pointing lower based on falling monomer costs. In the meantime, March contracts are settling up \$.08/lb to bring this year's total increase to \$.23/lb or so, considering an average \$.03/lb margin crunch during Q1. We feel that the actual margin compression was much more in the spot market as our PP prices peaked in early March up a total of \$.13/lb before eroding a nickel over the balance of the month. With spot PP already starting to recognize imminent April PGP-led cost relief, our prices could soften further, but need not tumble from here as they price good value and are already discounted to anticipated April contract levels.

Spot monomer interest waned along with lower pricing; Ethylene activity exceeded Propylene and overall volumes were relatively soft. Ethylene remained in the spotlight after traders digested Nova's announcement in the previous week that one of their steam crackers had gone offline.



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MARKET UPDATE

Michael Greenberg  
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bringing the market to you

## Market Update — March 31<sup>st</sup>, 2023

On Monday morning a deal for Apr Ethylene in Texas exchanged hands at \$.24/lb. On Tuesday, a deal flipping Mar and Apr Ethylene timeframes in Louisiana was reached at even money, a transaction involving the same months was completed in Texas with a penny premium attached to Mar. The premium to swap the same months in TX increased by about a penny the next day. Thursday saw the largest daily volume and numerous Ethylene trades executed; in Texas, May Ethylene sold using future pricing, Apr Ethylene transacted twice at \$.22/lb and a deal for 1Q '24 deliveries was finalized at \$.21/lb. Over in LA, participants brokered spot Mar Ethylene one final time at \$.185/lb. Bids and offers were presented on Friday but no further deals came to completion. Spot Mar Ethylene chopped off nearly \$.02/lb during the week and settled Friday afternoon at \$.245/lb. Steeper losses were seen in deferred months and the backwardated curve widened, all months during Q4 '23 all dipped below \$.20/lb.

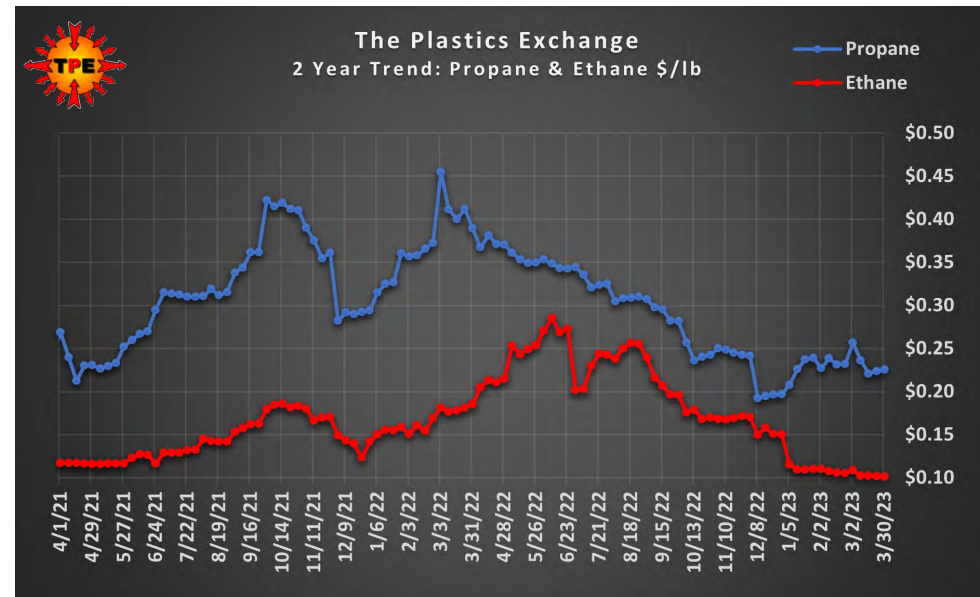
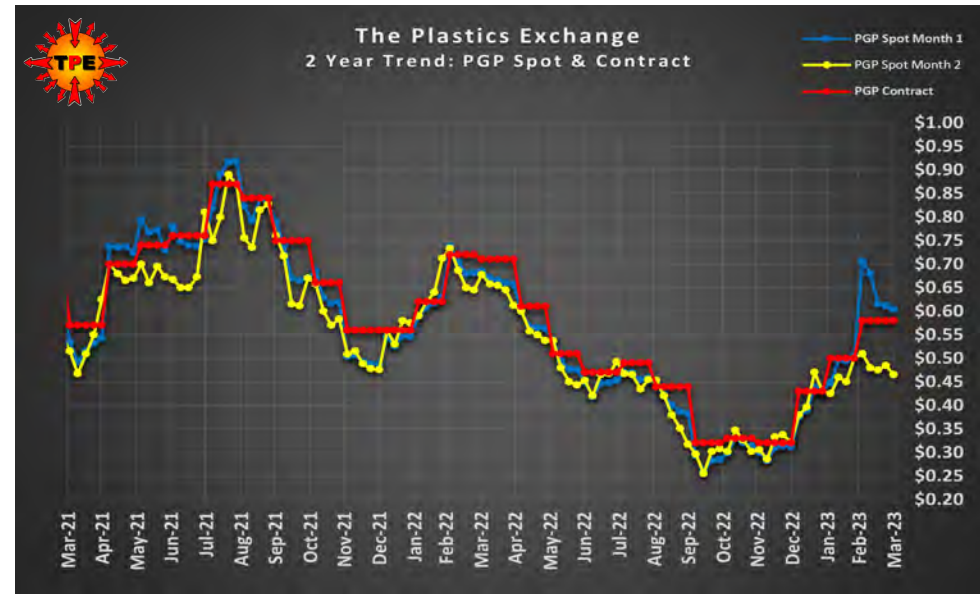
Polymer Grade Propylene activity was muted until Wednesday afternoon as many participants attended an industry conference. The first PGP transaction was not seen until Thursday morning when a deal for April delivery was completed at \$.49/lb. The market then began to tick lower, Apr PGP swapped ownership at \$.4825/lb, at \$.475/lb, and then at \$.47/lb to close out the trading day Thursday. On Friday afternoon, Apr PGP sliced off another half-cent and a transaction was inked in at \$.465/lb down \$.02/lb for the week; a deal for spot Mar PGP at \$.47/lb was also seen before that contract officially went off the board. During its final trading week as prompt, the weighted Mar PGP average settled just a touch below \$.605/lb, down \$.0075/lb. Losses in deferred contracts tallied almost two cents in many cases and the backdated forward curve widened. It was announced Friday that contract negotiations had concluded and an official settlement was issued for Mar PGP at \$.58/lb. This was a sizable \$.08/lb increase, but much milder than it appeared to be heading when spot traded at \$.73/lb in early Mar as PDH production problems persisted. Production issues eventually resolved and spot prices unraveled the rest of the month, still the PGP Q1 '23 contract gains totaled a huge \$.26/lb. With spot April PGP already priced at a steep discount to the Mar settlement, it looks like price relief is right around the corner and could be a double-digit decrease.

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Michael Greenberg  
312.202.0002



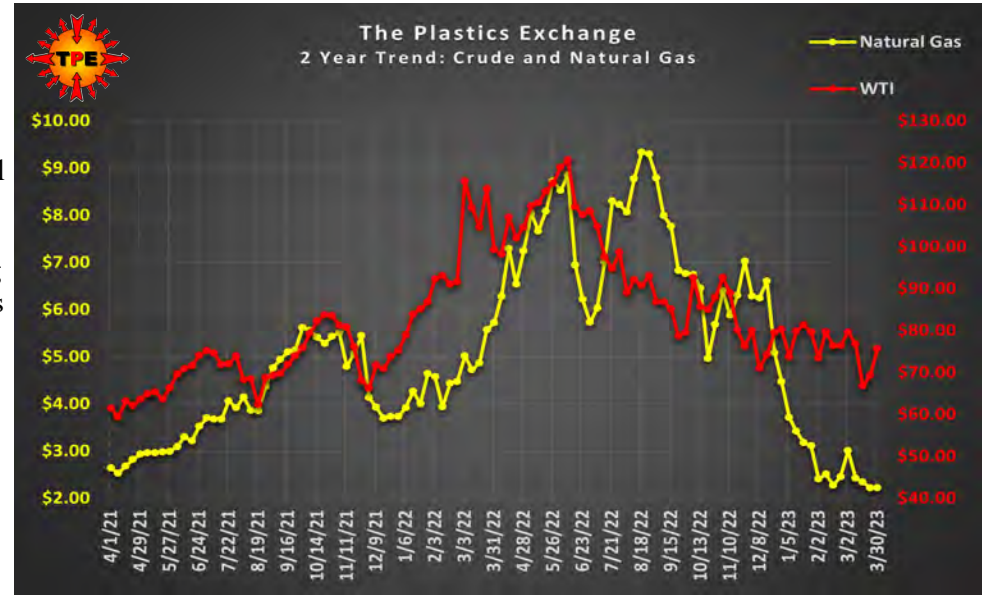


# ThePlasticsExchange

bringing the market to you

## Market Update — March 31<sup>st</sup>, 2023

The Energy complex was mixed in the final week of March as Crude Oil extended its gains amid a reduction in domestic reserves and a stoppage in exports from Iraq's Kurdistan region. Nat Gas drifted lower as spring temperatures reduced demand while production continued near record levels. May WTI dropped to a low of \$69.13/bbl on Monday, before rebounding \$6.54/bbl to settle Friday at \$75.67/bbl, for a weekly net gain of \$6.41/bbl (+9.3%). Similarly, May Brent dropped to a floor of \$74.80/bbl on Monday before picking up nearly \$5/bbl to close at \$79.77/bbl on Friday. May Nat Gas futures rolled to the front month this week and prices fell. Monday saw May Nat Gas rise to a weekly high of \$2.299/mmBtu before dropping roughly \$.23/mmBtu to a low of \$2.074/mmBtu on Friday. The week finished with May Nat Gas at \$2.216/mmBtu, down just a bit more than 12-cents from the previous Friday. NGL prices were also mixed again as Ethane was down fractionally to \$.240/gal (\$.101/lb) while Propane gained just over a half-cent to \$.795/gal (\$.225/lb).



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

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www.ThePlasticsExchange.com

MARKET UPDATE

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bringing the market to you

Market Update — March 31<sup>st</sup>, 2023

Supply Chain Table	2023 Change	Mar Change	End of Mar	End of Feb	End of Jan	Start of Year	2022	Start of Year	2021	Start of Year
Spot	Mixed	Mixed	3/31/2023	2/28/2023	1/31/2023	1/1/2023	Mixed	1/1/2022	Mixed	1/1/2021
HDPE Film \$/LB	0.090	-0.020	0.610	0.630	0.580	0.520	-0.210	0.730	0.180	0.550
HDPE Blow \$/LB	0.040	-0.010	0.610	0.620	0.600	0.570	-0.200	0.770	0.190	0.580
HDPE Inject \$/LB	0.050	0.000	0.610	0.610	0.590	0.560	-0.200	0.760	0.180	0.580
LLDPE Film \$/LB	0.020	-0.020	0.570	0.590	0.630	0.550	-0.230	0.780	0.230	0.550
LDPE Film \$/LB	0.010	0.030	0.620	0.650	0.570	0.610	-0.220	0.830	0.150	0.680
LDPE Inject \$/LB	0.020	-0.020	0.680	0.700	0.680	0.660	-0.210	0.870	0.240	0.630
LLDPE Inject \$/LB	0.020	-0.020	0.640	0.660	0.640	0.620	-0.210	0.830	0.160	0.670
HoPP Inject \$/LB	0.080	-0.040	0.640	0.680	0.640	0.560	-0.340	0.900	0.130	0.770
CoPP Inject \$/LB	0.080	-0.040	0.690	0.730	0.690	0.610	-0.370	0.980	0.150	0.830
Ethylene \$/LB	0.052	0.024	0.245	0.221	0.211	0.193	-0.128	0.321	-0.016	0.338
Propylene (PGP) \$/LB	0.281	0.014	0.604	0.590	0.425	0.323	-0.166	0.489	-0.066	0.555
Crude WTI \$/BBL	-4.590	-1.380	75.670	77.050	78.870	80.260	5.050	75.210	26.690	48.520
Crude Brent \$/BBL	-6.140	-3.680	79.770	83.450	85.460	85.910	8.130	77.780	25.980	51.800
Ethane \$/GAL	-0.065	0.006	0.240	0.234	0.255	0.305	-0.031	0.336	0.125	0.211
Propane \$/GAL	0.015	-0.051	0.795	0.845	0.896	0.780	-0.257	1.037	0.436	0.601
Natural Gas \$/MBTU	-1.888	-0.531	2.216	2.747	2.684	4.104	0.374	3.730	1.191	2.539

[www.ThePlasticsExchange.com](http://www.ThePlasticsExchange.com)

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**04/06/2023**
**Dairy Market**

BLOCK:	Up .0175	@ \$ 1.8300	2 Sales
BARRELS:	Down .0300	@ \$ 1.7200	14 Sales
BUTTER:	Unchanged	@ \$ 2.3175	3 Sales
NFDM Grade A:	Down .0050	@ \$ 1.1250	0 Sales
CME Dry Whey	Down .0450	@ \$ .3650	5 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>
04/03/2023	1.8000	Down .0500	5	1.8000	Down .0075	0	0.0000
04/04/2023	1.8150	Up .0150	1	1.7925	Down .0075	0	0.0225
04/05/2023	1.8125	Down .0025	8	1.7500	Down .0425	1	0.0625
04/06/2023	1.8300	Up .0175	2	1.7200	Down .0300	14	0.1100
<b>Average Market:</b>	<b>1.8144</b>		<b>16</b>	<b>1.7656</b>		<b>15</b>	

<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>
04/03/2023	2.3500	Down .0475	1	1.1600	Unchanged	0
04/04/2023	2.3275	Down .0225	0	1.1600	Unchanged	0
04/05/2023	2.3175	Down .0100	3	1.1300	Down .0300	2
04/06/2023	2.3175	Unchanged	3	1.1250	Down .0050	0
<b>Average Market:</b>	<b>2.3281</b>		<b>7</b>	<b>1.1438</b>		<b>2</b>

<u>Date</u>	<u>Dry Whey</u>	<u>Dry Whey Change</u>	<u>Dry Whey Sales</u>
04/03/2023	0.4600	Up .0125	2
04/04/2023	0.4400	Down .0200	2
04/05/2023	0.4100	Down .0300	8
04/06/2023	0.3650	Down .0450	5
<b>Average Market:</b>	<b>0.4188</b>		<b>17</b>

**--Year Ago--**

<u>Date</u>	<u>Blocks</u>	<u>Barrels</u>	<u>Butter</u>	<u>NFDM Grade A</u>	<u>Dry Whey</u>
04/04/2022	2.2625	2.2675	2.7200	1.8500	0.5900
04/05/2022	2.2625	2.2600	2.7400	1.8400	0.5900
04/06/2022	2.3100	2.3000	2.7475	1.8150	0.6175
04/07/2022	2.3100	2.3125	2.7825	1.8175	0.6350
04/08/2022	2.3200	2.3675	2.7825	1.8225	0.6350



# UDDER INTELLIGENCE

In-Depth Analysis

  
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# Udder Intelligence



March 30, 2023

Understand · Simplify · Succeed

## What you need to know

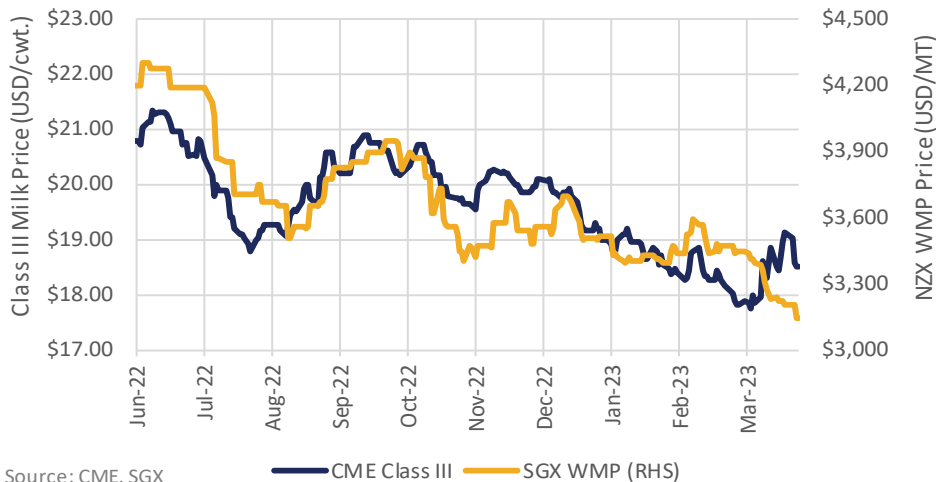
- GDT Pulse was down 1.9% and the GDT Event next week is expected to be down 2% or more
- Chinese imports for January were weaker than expected, which has pulled our price forecasts lower
- Exporters note weaker demand from South-east Asia and Middle East in recent weeks, reversing the strength we saw in 2H-22

## Dairy Prices (USD)

Cheese	Last (lb.)	Chg.	Last (MT)	WMP	Last (lb.)	Chg.	Last (MT)
CME Blocks (Wk Avg)	\$1.98	-\$0.05	\$4,373	US	\$2.15	\$0.00	\$4,740
CME Barrels (Wk Avg)	\$1.91	-\$0.04	\$4,219	Dutch	\$1.66	\$0.01	\$3,657
EU Gouda	\$1.54	\$0.03	\$3,391	GDT (Avg)	\$1.46	\$0.00	\$3,228
GDT Cheddar (Avg)	\$1.84	\$0.00	\$4,052				
Butter							
CME Spot (Wk Avg)	\$2.38	\$0.00	\$5,250	Dry Whey			
EEX Index	\$2.40	\$0.03	\$5,288	Central US	\$0.44	\$0.01	\$970
GDT (Avg)	\$2.15	\$0.00	\$4,748	EEX Index	\$0.32	\$0.00	\$709
SMP/NFDM							
CME Spot (Wk Avg)	\$1.15	-\$0.01	\$2,531	US WPC34	\$1.30	-\$0.01	\$2,866
EEX Index	\$1.22	\$0.00	\$2,691	US Lactose	\$0.34	\$0.00	\$739
GDT (Avg)	\$1.20	\$0.00	\$2,648	Rennet Casein			
				US	\$5.80	-\$0.02	\$12,787

Sources: CME, USDA, EEX, GlobalDairyTrade, Dutch Dairy Board, Trigona, FRED USD/euro rate used: 1.085, +0.006

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



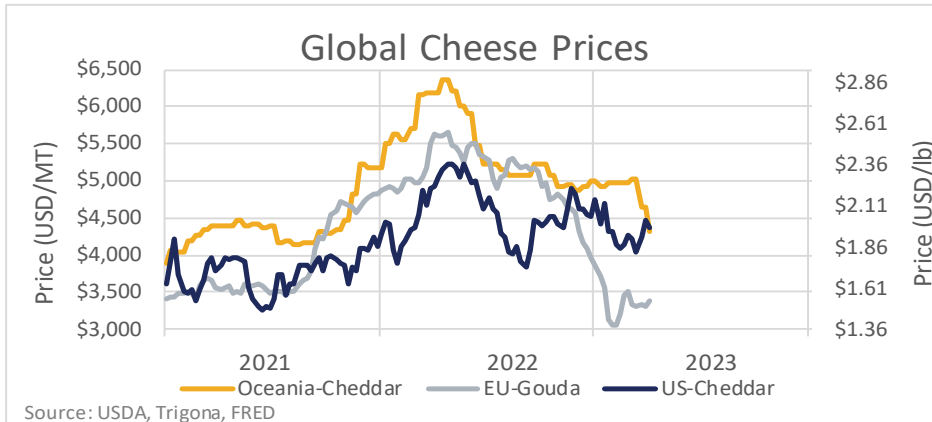
Source: CME, SGX

## Market Summary

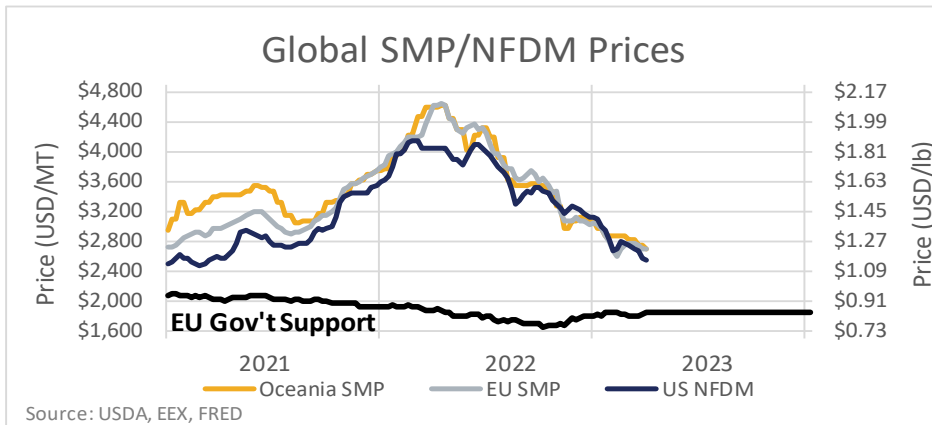
EU prices were mostly lower in euro terms, but a weaker dollar pushed them up in USD terms. U.S. and Oceania prices were almost all down. Chinese imports for January were down 45% YoY, which was weaker than expected. Import demand by countries other than China was weaker than expected in January too and anecdotally, buyers are covered short-term and are waiting for prices to fall further. U.S. milk production did come in a little weaker than forecast for February, but production in Europe still looks strong and good weather in New Zealand is adding milk to the end of their season. The flooding in California has impacted milk production and processing, but not as badly as feared. The only bullish item I can point to is Feb. U.S. cheese and butter stocks a little lower than forecast.



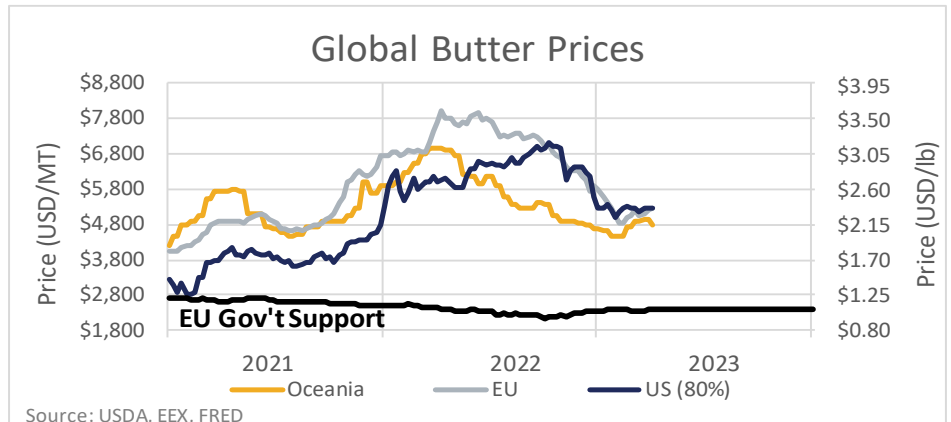
## Product Markets



**Butter:** CME spot butter was roughly steady this week. U.S. butter stocks for February were weaker than expected, but still up 12.2% from last year. My guess is domestic sales for February jumped a bit, and it's possible exports (to Canada) are holding up better than expected. The U.S. butter market was looking increasingly bearish, but the price forecast has shifted higher with the market bottoming out in the low \$2.30s. (\$5,100).



**Cheese:** It is hard to see the fundamentals that pushed CME blocks over \$2.00 (\$4,400/MT), but my guess is exports have remained a little better than expected and domestic demand jumped a little too with concerns about production in California. Cheese stocks for February were weaker than expected, but even with stocks down 1.4% YoY, they would suggest block price around \$1.90 (\$4,200). Cheese in Europe firmed this week despite softer prices for most other products. Demand was reportedly good.



**Powders:** NFDM/SMP prices remain weak across all the major exporters with the CME spot NFDM price hitting the lowest level in more than 2 years. Exporters from all regions are mentioning generally weak demand right now with buyers generally having enough coverage and sitting on the sidelines. U.S. dry whey prices are holding up a little better than expected, but buyers are pushing back at Q2 pricing. SGX WMP futures were hit hard this week and the GDT Event is expected to be down next week.



# Udder Intelligence



March 30, 2023

Understand · Simplify · Succeed

This report is an abbreviated version of our weekly Udder Intelligence report that has been exclusively produced for Schreiber Foods customers. The StoneX Dairy Market Insight team is spread across the US, Europe and Asia. We produce daily, weekly and monthly reports covering the supply, demand prices of dairy products around the world. We work hard to help you understand, simplify and succeed.

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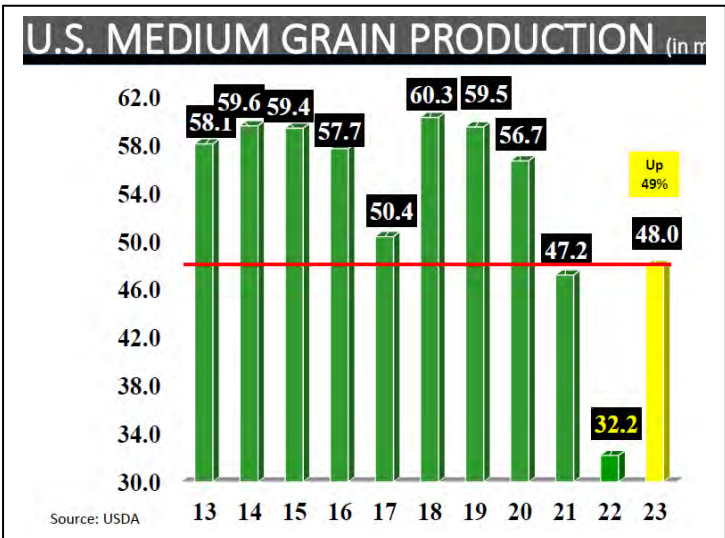
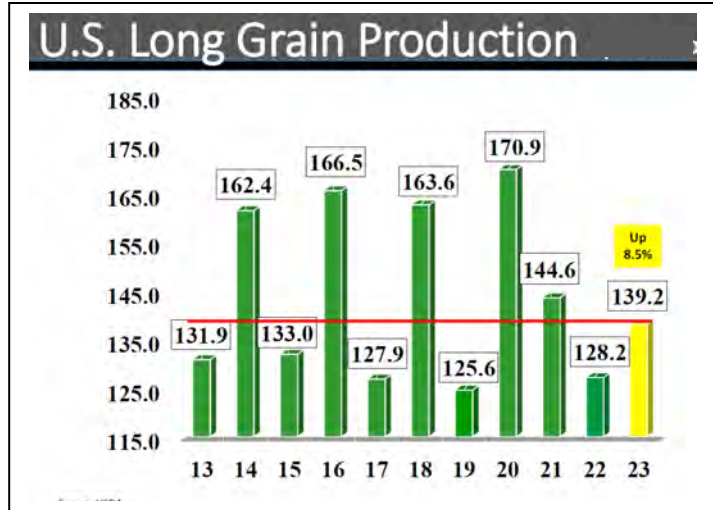
**To: Producers Rice Mill Customers**  
**From: Gary Reifeiss, Producers Rice Mill, Inc**  
**Re: Rice Market Update: April 2023**

**General:** Early spring is traditionally a quiet time for the industry. February & March are a time of reflection on market conditions and planning the 2023/24 new rice crop. This time last year we saw rising soybean prices due to a reduction in the South American soybean crop. Because of this, rice “lost ground” (pun intended) to soybeans as our 2022/23 rice crop suffered a loss of acreage. This year has reversed that trend. April brings the first official forecasted size of new crop. The USDA gathers information from farmers on the number of acres they intend to plant of each type of crop. Their general review follows:

**New crop long grain statistics:** The good news is the acreage for the nation’s most popular rice grain is expected to be up 9% from last year with Arkansas accounting for 90% of the net increase in acres. Due to a continued drought and a reduction in available agriculture water, Texas is the only southern state projecting less acreage. Although up significantly, the new long grain crop is still projected 4% below the 10-year average and 18% below the 2020 crop.

**New crop medium grain statistics:** Arkansas and California will account for most of the 49% total increase in medium grain production. California lost significant acres last year due to water shortages. With Arkansas farmers benefiting from last year’s reduced medium grain crop, Arkansas’ production of medium grain could be up over 50%. California is still king in medium grain acreage and with abundant water this year, will plant almost 60% additional acres over last year and produce 72% of the nation’s medium grain crop. Medium grain which has been in tight supply, has a promising outlook for this year’s new crop. However, even with the large increase in acres, medium grain production will still be 11% below the 10-year average crop size. All and all, expectations are positive for both the long and medium grain rice crop for the 2023/24 crop year.

In million cwts:



**Current crop status:** The March USDA supply/demand report reduced the expected total sales by 3% and increased carry over inventories by 12%. Exports of both rough rice and milled rice are less than year-to-date sales from last year. However, even with less exports than last year, because of the smaller crop size, this year’s carry over inventory is still expected to be smaller than last year.

**Summary:** The domestic market continues to be strong but impacted by parboiled rice supply chain issues. The primary inconvenience is longer than normal lead times. This disruption is not a result of a shortage of supply but technical issues within the industry that are expected to improve over time.

