

MarketNews

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Dairy Market Link



Produce Weekly
Link

Market Report -
Eggs



Flour Facts



Oil Market Watch



Weekly Market
Review



USDA Livestock, Poultry
& Grain Market Highlights



Market updates
from The Plastics
Exchange



Daily Market
Summary - Plus In-
Depth Analysis

Egg Markets

AJ_PY027

Atlanta, GA Fri. May 26, 2023 USDA Market News

SHELL EGGS: Daily National Egg Market-at-a-Glance

Next week's asking prices are higher. New York eggs are steady for Extra Large, Large, and Medium. The undertone is steady. Offerings are light to moderate. Supplies are light to moderate. Demand is moderate. Market activity is moderate. Breaking stock supplies are light to moderate; breaking schedules are varied. Light type fowl offerings are moderate to heavy; processing schedules are normal to less than normal.

SOURCE: USDA Livestock, Poultry & Grain Market News Division
Atlanta, GA 404.562.5850 email: Atlanta.lpgmn@ams.usda.gov
<http://www.ams.usda.gov/market-news/livestock-poultry-grain>

Prepared: 26-May-2023 01:00 PM E NBS



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>
<https://www.ams.usda.gov/mnreports/pybshellegg.pdf>
<https://mymarketnews.ams.usda.gov/viewReport/2733>

USDA Egg Markets Overview

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

May 26, 2023

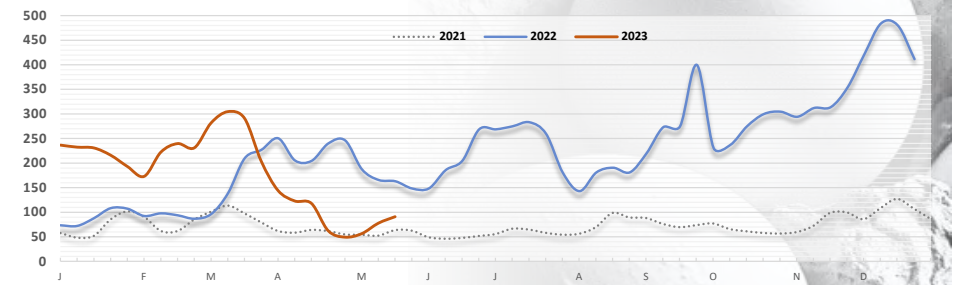
Wholesale prices for cartoned shell eggs rose through the week on moderate to good demand. Offerings were moderate with light to moderate supplies. Trading is moderate to, at times, active. Wholesale prices for graded loose eggs advanced on moderate to fairly good retail interest for light to moderate offerings and supplies. Trading is moderate to active. The volume of trailer load loose egg sales this week increased 24% from last week with 28% for future delivery. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs increased \$0.13 to \$0.92 per dozen with a firm undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers increased \$0.16 to \$1.25 per dozen with a firm undertone. In the major Midwest production region, the wholesale price for Large, white, shell eggs delivered to warehouses increased \$0.11 per dozen with a higher undertone while prices paid to producers for Large cartoned shell eggs gained \$0.23 to \$0.93 per dozen with a firm undertone. The California benchmark for Large shell eggs rose \$0.11 to \$1.59 per dozen with a firm undertone. Delivered prices on the California-compliant wholesale loose egg market rose \$0.10 to \$1.198 per dozen with a firm undertone.

Consumer demand for cartoned shell eggs over the past week showed marked improvement as retail prices are returning to more consumer-friendly levels. Grocers are showing increasing confidence in their ability to support more active shell egg featuring and are passing recent savings in the wholesale market on to their customers. Demand among egg products manufacturers has improved somewhat as they draw down their stocks and look to an increasingly more competitive spot market to supplement their needs. Breakers have been working from owned production and from stocks built up over the past few weeks to keep their breaking lines running full but expect the coming Memorial Day weekend to temporarily disrupt production.

Promotional activity for conventional caged shell eggs in retail outlets retreats sharply from the last cycle moving into the Memorial Day weekend. The average ad price declines \$0.06 to \$1.02 per dozen on the limited test. Promotional activity for specialty shell eggs increases into the weekend led by cage-free offerings and, to a lesser extent, nutritionally-enhanced varieties. Feature activity for [UEP-defined cage-free](#) shell eggs rises slightly from last week and accounts for 35.5% of ad activity. The average ad price declined \$0.80 to \$2.82 per dozen. The average ad price spread between 12-packs of Large caged eggs and UEP cage-free eggs narrows by \$0.58 per dozen to a spread of \$1.96 per dozen.

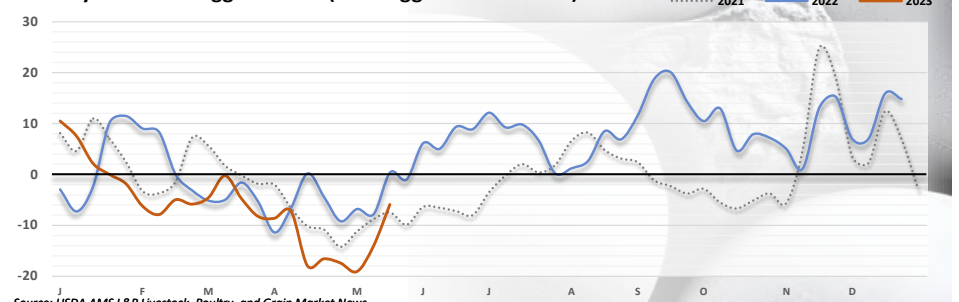
The overall inventory of shell eggs decreased 4% percent while the nation-wide inventory of Large eggs was down 3.5%. Stocks of Large eggs in the key Midwest production region cleared by 10.5% as eggs cleared into retail channels to support rising promotional activity. The inventory share of Large class shell eggs gained a half percent to a 53% share of all shell egg stocks on inventory at the start of the week. Stocks of cage-free eggs drew down

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



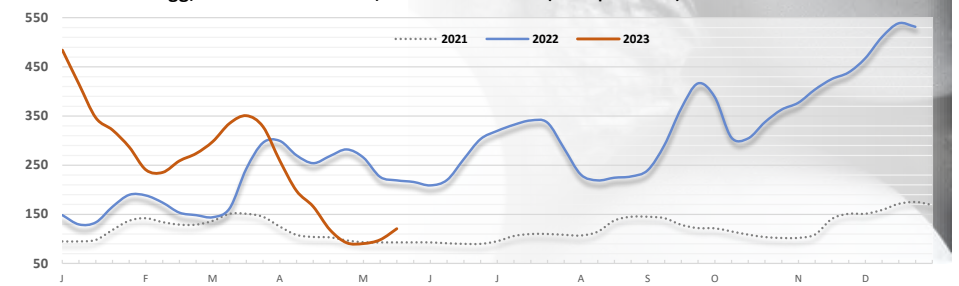
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

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



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

Cartoned Shell Egg, New York LG White, Price to Retailers (cents per dozen)



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

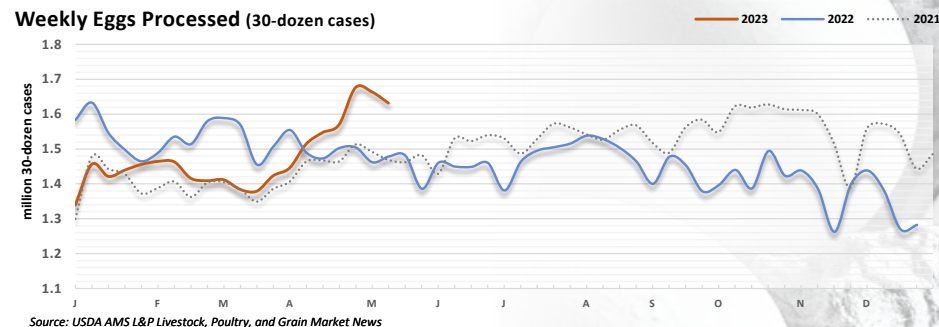
by 6.5% and the inventory of nutritionally-enhanced shell eggs was down 3.5%. Stocks of organic eggs were up 10.5% and breaking stock inventory declined 10% as breakers worked from owned stocks in the face of light to very light spot market offerings. Total estimated table egg production was unchanged from last week but is 2% over the level of a year ago at a surplus of about 2.7 million cases, reflecting last year's drop in production with the onset of avian influenza.

Wholesale prices for breaking stock in the Central States increased \$0.22 to \$0.65 per dozen with a firm undertone. Demand is light to moderate and improving but offerings are limited. Supplies are light to moderate and trading is slow to moderate. The volume of eggs processed over the past week decreased 2%, representing a 34% share of weekly table egg production. Production of whole egg was down 4% while production of components rose with egg whites by 1.5% and yolk by 3.5%. The production of dried eggs increased 2% while inedible egg production decreased 5%. Breaking yields without inedible were about unchanged at 39.01 pounds per case broken.

Wholesale prices for liquid egg products are remain too few to report with a steady to weak undertone. Demand is moderate to good for whole egg, light to moderate of rother types. Offerings are light to moderate on tight supplies and slow to moderate trading. Prices on frozen liquid whole eggs increased \$0.16 to \$1.15 per pound while those for frozen liquid whites were up \$0.36 to \$1.60 per pound. The undertone is mixed for mostly light demand and offerings and light to moderate supplies. Trading is slow. Prices for dried whole eggs were down \$1.25 to \$9.00 per pound and those for whole dried yolk were down \$1.50 to \$7.05 per pound. Dried albumen remains untested. The undertone is steady to weak, offerings and supplies are mostly light with albumen in the tightest position. Demand is mostly light and trading is slow to moderate.

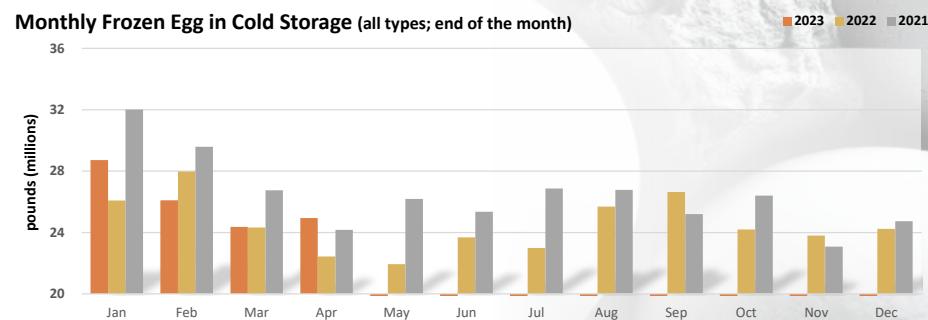
According to NASS, the April monthly volume of frozen eggs in storage increased 2% from the prior month, 11% over the year ago level. Stocks of whole frozen egg gained one percent but were 26% over year ago levels. The share of whole egg stocks declined 1% to a 46% share of total frozen stocks. Stocks of frozen yolk were unchanged from last month and were 6% over last year while stocks of frozen egg whites decreased 7%, 20% under year ago levels. Stocks of unclassified eggs rose 6% from last month and 7% from last year. The share of unclassified frozen stocks gained 2% to a 42% of total frozen stocks.

Cage-free commitments as of May 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 million hens from the current non-organic cage-free flock of 103.4 million hens. The average lay rate for non-organic, barn/aviary cage-free production is currently estimated at 81.3.

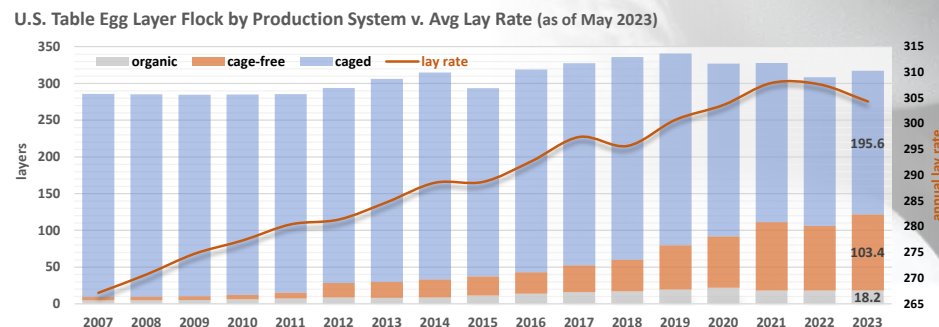


Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

Eggs Processed - Week-to-Week Change						
total	share	whole	whites	yolks	dried	inedible
-1.9%	-0.6%	-4.1%	1.5%	3.5%	2.2%	-5.0%

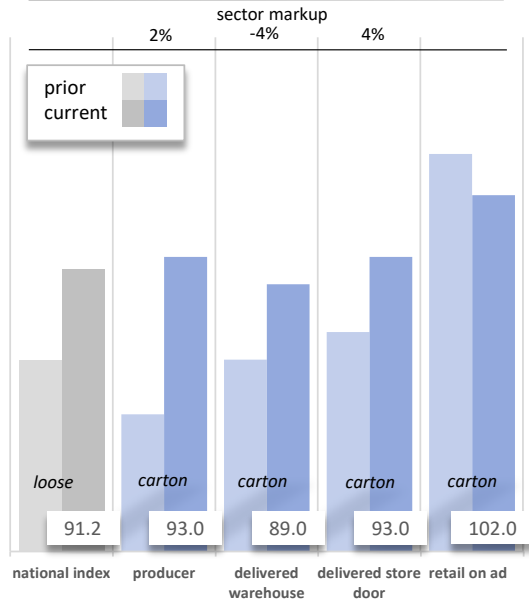


Source: USDA AMS L&P Livestock, Poultry, and Grain Market News; NASS



Shell Eggs Market Price Comparisons (as of May 26, 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

	26-May	% Change	Recent History				
			19-May	12-May	5-May	28-Apr	21-Apr
SHELL EGGS (Large, White, conventional in cents per dozen)							
National, Loose, (f.o.b. dock prices)	91.15	17%	78.00	56.63	49.63	62.62	118.16
New York, Cartonned (price to retailers)	125.00	15%	109.00	91.00	91.00	99.00	149.00
Midwest, Cartonned (price dlvr'd to warehouse)	89.00	14%	78.00	78.00	96.00	146.00	168.00
California, Cartonned, benchmark (cage-free)	159.00	7%	148.00	148.00	168.00	225.00	251.00
National Retail Shell Egg (avg. ad price in dollars per dozen)							
Conventional, Large, White	1.02	-6%	1.08	1.94	1.87	2.28	2.50
Cage-Free, Large, Brown	2.82	-22%	3.62	3.99	3.71	3.61	3.50
EGG PRODUCTS (f.o.b. dock prices; dollars per pound)							
Central States Breaking Stock (dlvd prices per doz)	65.00	51%	43.00	43.00	43.00	58.00	128.00
Whole Frozen Eggs	115.00	16%	99.00	142.00	147.00	164.00	200.00
Whole Dried Eggs	9.00	-12%	10.25	11.25	11.50	12.00	12.25
Processed Share of Weekly Egg Production	33.7%	-0.6%	34.3%	34.4%	32.1%	32.4%	31.5%
SHELL EGG DEMAND INDICATOR (no units)							
	-5.9	8.2	-14.1	-19.0	-17.4	-16.5	-17.9

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)	26-May	Change	19-May	2023 High	2023 Low
National, Loose, (f.o.b. dock prices)	91.2 ▲	17%	78.0	304.6	47.1
New York, Cartonned (price to retailers)	125.0 ▲	15%	109.0	474.0	91.0
Midwest, Cartonned (price dlvr'd to warehouse) ¹	89.0 ▲	14%	78.0	517.0	78.0
California, Cartonned, benchmark	159.0 ▲	7%	148.0	737.0	148.0
Central States Breaking Stock (delivered prices) ¹	65.0 ▲	51%	43.0	367.0	43.0
Whole Frozen Egg Products (f.o.b. dock prices)	115.0 ▲	16%	99.00	300.0	99.0
Whole Dried Egg Products (f.o.b. dock prices)	9.00 ▼	-12%	10.25	14.3	9.00
Natl Average Retail Ad Price - Conventional	1.02 ▼	-6%	1.08	4.94	1.02
Natl Average Retail Ad Price - Cage-free ²	2.82 ▼	-22%	3.62	4.99	2.00
Shell Egg Demand Indicator	-5.9 ▲	8.2	-14.1	10.5	-19.0

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 May 2023

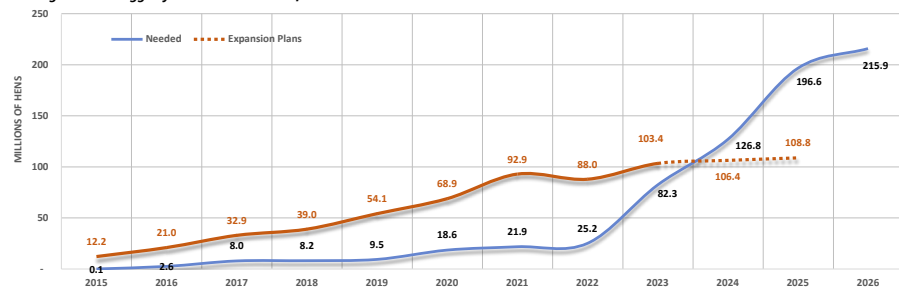
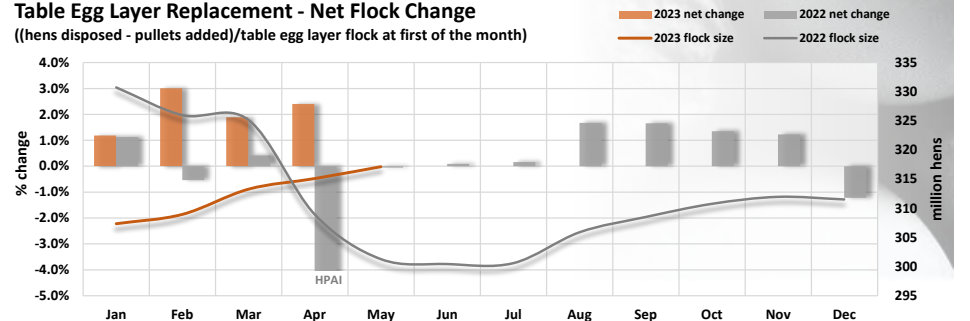


Table Egg Layer Replacement - Net Flock Change

((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 May 2023	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total U.S. Caged¹ Flock:	61.7%	65.9%	66.4%	72.0%	76.6%	82.2%	84.0%	86.6%	87.3%	89.5%	90.3%	90.4%
Layers (millions)	195.6	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:	38.3%	34.1%	33.6%	28.0%	23.4%	17.8%	16.0%	13.4%	12.7%	10.5%	9.7%	9.6%
Layers (millions)	121.6	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:	32.6%	28.2%	28.1%	21.4%	17.7%	12.8%	11.1%	9.1%	8.9%	7.8%	7.0%	6.7%
Layers (millions)	103.4	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)	98.8	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:	5.7%	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 April 2023

State	Deadline Date	Layers on Hand (Apr 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	11,016,000	0	11,016,000	0	3,285,619,735	3,285,619,735	39,029,342	11,181,906,483	29%	29%
Massachusetts*....	Jan 2022	675,000	0	675,000	0	201,324,739	201,324,739	6,981,974	2,000,335,551	10%	10%
Nevada*.....	Jul 2022	5,000	0	5,000	0	1,491,294	1,491,294	3,177,772	910,431,678	0%	0%
Washington.....	Jan 2024	5,476,000	1,780,000	3,696,000	538,912,800	1,102,364,791	1,641,277,591	7,785,786	2,230,627,689	74%	49%
Oregon.....	Jan 2024	2,021,000	1,874,000	147,000	595,032,480	43,844,054	638,876,534	4,240,137	1,214,799,251	53%	4%
Arizona*.....	Jan 2025	8,500,000	5,840,000	2,660,000	1,629,360,000	793,368,600	2,422,728,600	7,359,197	2,108,409,941	115%	38%
Colorado.....	Jan 2025	1,537,000	1,165,000	372,000	353,414,400	110,952,300	464,366,700	5,839,926	1,673,138,799	28%	7%
Michigan.....	Jan 2025	16,522,000	5,899,000	10,623,000	1,772,531,520	3,168,403,998	4,940,935,518	10,034,113	2,874,773,375	172%	110%
Utah.....	Jan 2025	6,055,000	3,212,000	2,843,000	951,651,360	847,949,973	1,799,601,333	3,380,800	968,599,200	186%	88%
Rhode Island*.....	Jan 2026	56,000	43,000	13,000	11,997,000	3,877,365	15,874,365	1,093,734	313,354,791	5%	1%
* = layers on hand estimated.		51,863,000	19,813,000	32,050,000	5,852,899,560	9,559,196,851	15,412,096,411	88,922,781	25,476,376,757	60%	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

MAY 25, 2023

- Wheat futures have been mixed this week but have ultimately worked their way lower.
- Prices rallied earlier this week on sympathy with higher Matif prices after it was reported that Russian exporters who had sold below the “threshold price” were struggling to get phytosanitary certificates. Yesterday, however, prices took a tumble on weaker Matif prices and some hedge selling against harvest which has started in Texas.
- Per the USDA’s crop condition report, winter wheat condition improved to 31% in the good/excellent category — an increase of 2% from the previous week. Spring wheat planted is at 65%, which is above last year’s number of 48% but trailing the five-year average of 73%.

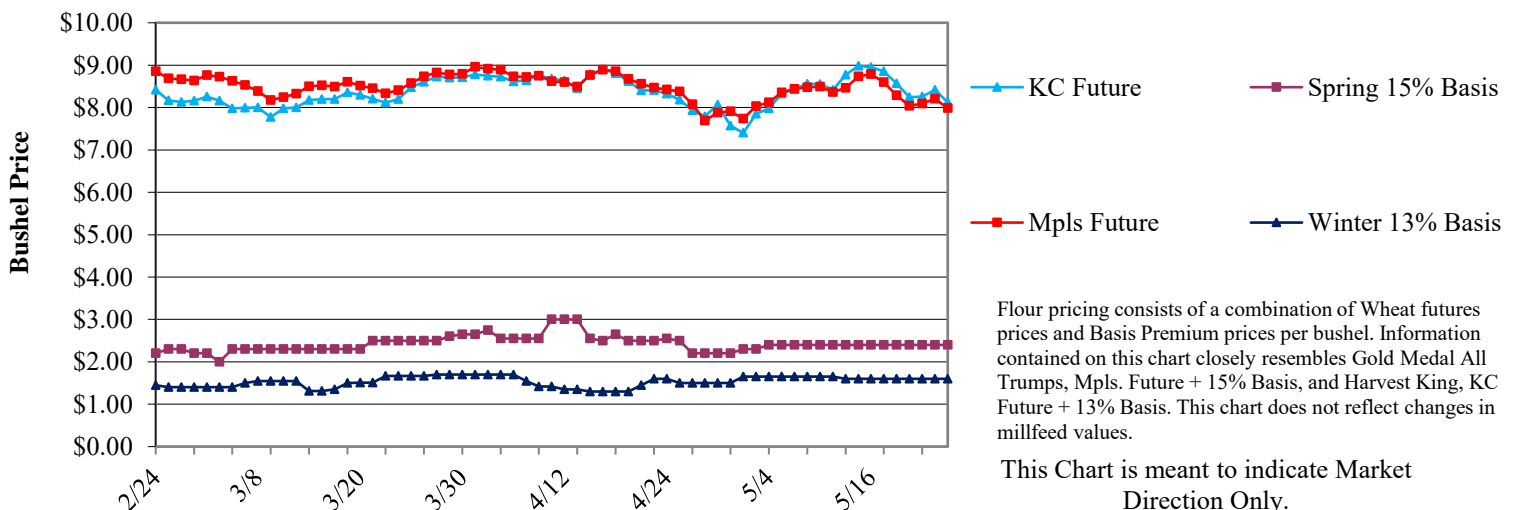
Facts on Flour

Red or White? Perhaps a Blush?

The third major classification category for wheat is bran color – red vs. white. The difference in bran color between wheat types is simply a difference in genetic traits. In the United States we have seen a slight switch of usage from red wheat to white wheat over the past several years. The main reasons for this change? Flour milled can yield slightly more flour per bushel and the taste is slightly “sweeter” compared to flour milled from red winter wheat. Continued focus on the nutritional benefits of whole grains makes the “sweeter” taste of white wheat a good alternative to the traditional red wheat flours for milling whole wheat flours, especially for young consumers, or those who tend not to appreciate the flavor of a whole grain bread product.



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 5.26.23

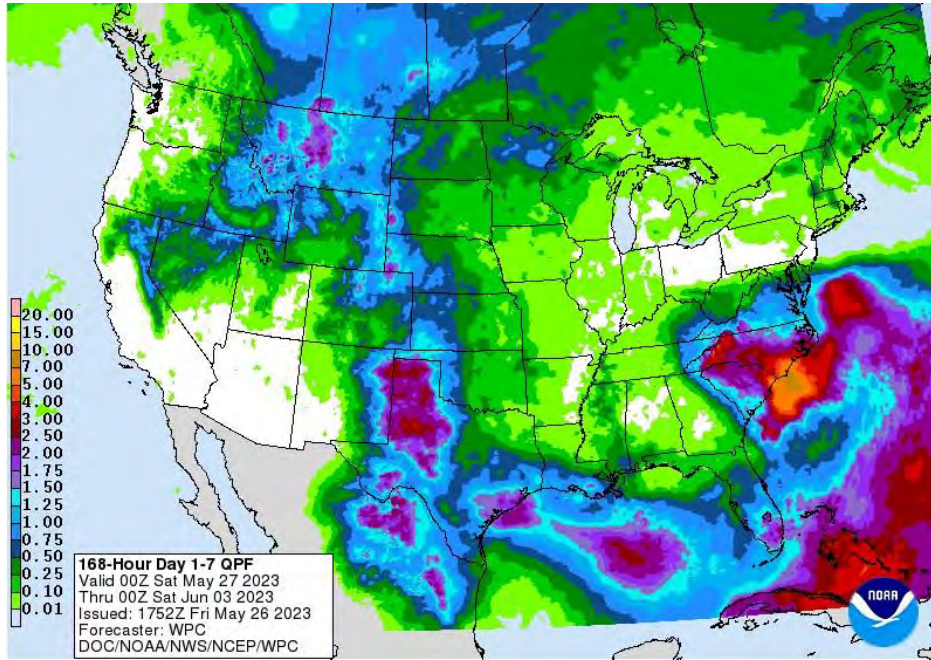
What to Watch For in the Week Ahead

•**Fundamentals**– CFTC COT, Weekly Export data, Crop Progress Report, April Census Crush Report

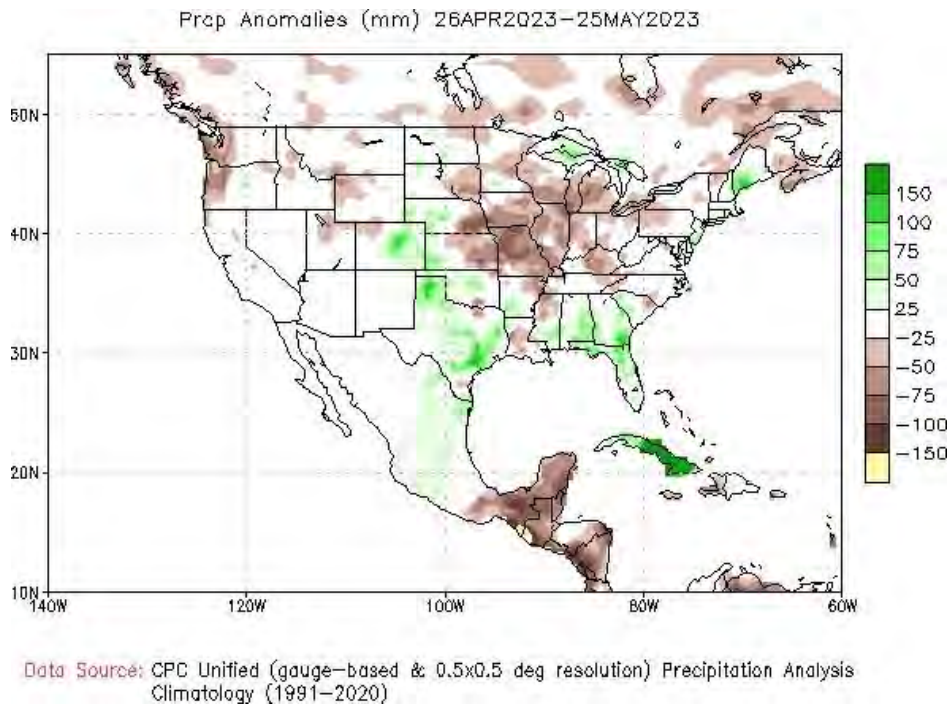
•**Weather** – Planting is progressing quickly, but starting to see heat this weekend. Would like to get some more rain for IL / IN, but not dire needs yet. El Nino concerns continue to build for both US crops and Palm.

•**Politics/Macro** – Debt Ceiling/cliff/apocalypses affecting our markets? Month End next month and long weekend with a US-Only holiday on Monday.

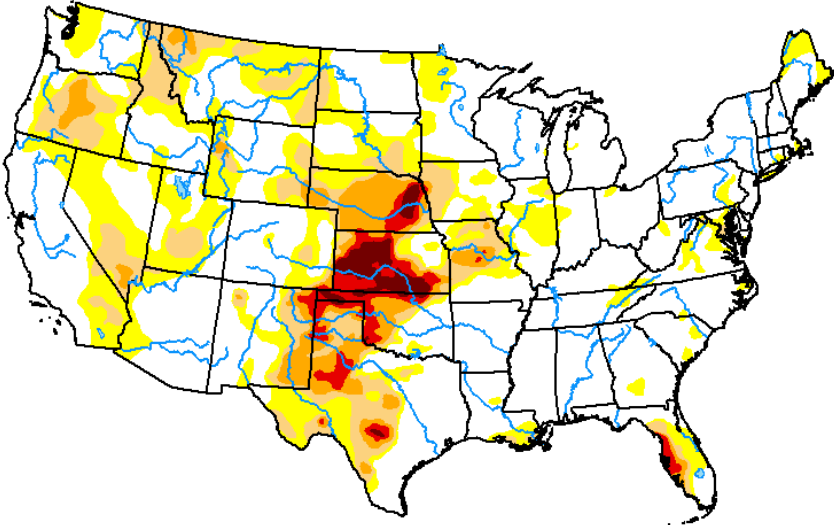
US 7 Day Precipitation



US 30 Day Anomalies

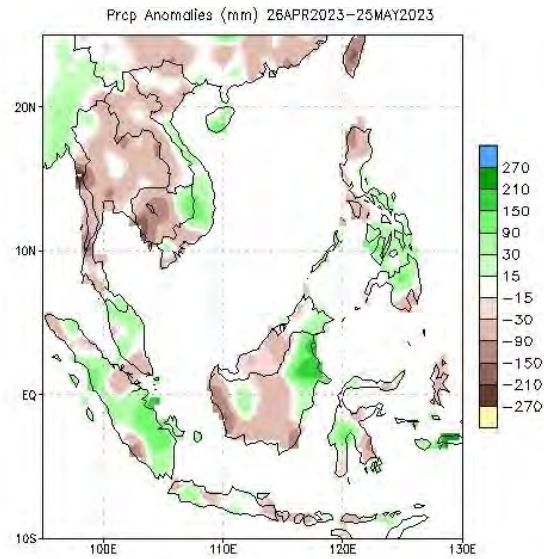


US Drought Monitor



30 Day Anomalies

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
5/26 Price	48.82	67.32	63.00	68.50
9-day MA	47.81	65.42	63.17	68.17
20-day MA	50.12	66.90	63.93	67.70
50-day MA	52.63	68.60	66.01	67.45
200-day MA	62.31	81.18	68.19	75.59

Soybean Oil

Crop Progress

- Soybean plantings at 66% complete vs 47% last year and 52% 5-yr average.
- Soybean crops are 36% emerged vs 19% last year and 24% 5-yr average
- Crop ratings likely to begin next week (Tuesday release due to Memorial Day Holiday)

CFTC Report

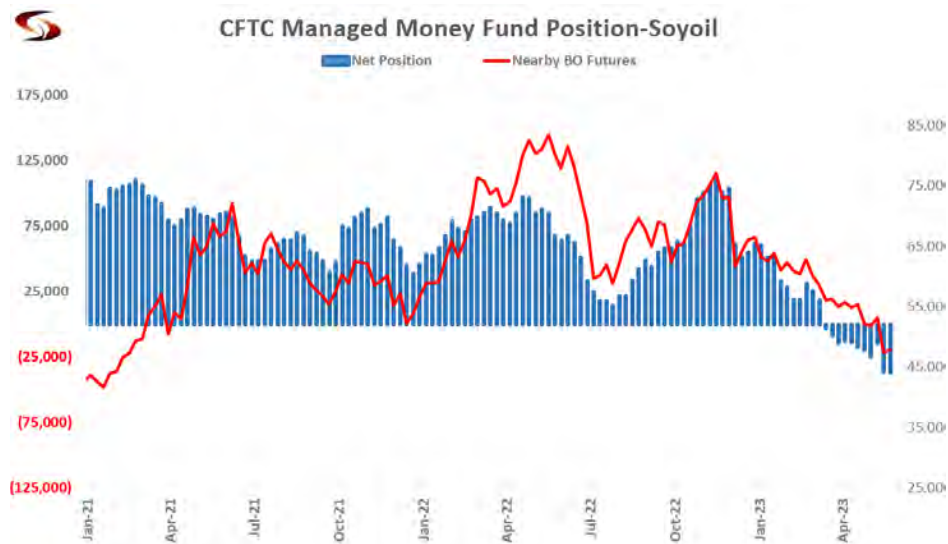
- Managed Money increased their net short +0.5k to 37k net short
- MM reduced their net long SOybean position by 17.5k to 4k net long

- MM reduced their net long Soy Meal position by 5k to 74k net long

Soybean Oil Outlook

- A higher weekly close for the second time this quarter and eighth time this year.
- Open Interest in Soybean oil futures is nearing 550k, which is high for this point in the calendar. Large bets are being placed with June having some big volatility events ahead
- June WASDE (6/9) is expected to tweak the global numbers while potentially giving a look at the EPA's RVO announcement set for 6/14.
- Oilshare rebounded this week back to 37.77% based July futures and 39.23% based December.
- Crush margins suffer for Q3 going into major downtime cycles. Biofuel start ups adding business to the tight balance sheet too. Cash prices firm despite the CBOT price weaker on the month.

- **Expected CBOT Range 47.00 - 52.00**



Canola/Rapeseed Oil



Fundamental Updates

- *Stats Canada reported 21.6M Acres for 2023 (+0.9% YoY)*
 - *US March 2023 Canola crush was 191,291 tons vs 171,529 tons in February and Mar'22 was 163,923.*
 - *Canola oil production increased as well: 155M lbs in Feb'23. This was up 9% vs February and up 1% vs March 2022.*
 - *Canola Seed Stock at the end of March was 5.9mmt, up 800kmt vs last year but below market estimates*
-

Flash Summary

- *Canola seed futures fell to close the week in July and Nov. Both pricing in near their respective contract lows.*
 - *Oil share values were up steadily on the week as oil outperformed vs Meal*
 - *Crush margins were up sharply based on the oilshare strength and lower seed prices*
- *Q2 brings key downtime windows into focus for Canola oil and is going to have to be closely watched.*

- *Q3 volume has traded in good volume in anticipation of Renewable Diesel facilities opening up, with Basis strengthening as a result*
-

Tropical Oils



Fundamental Updates

MPOB:

- *April Production Estimate: 1.196MMT (-7.13%)*
- *April Export Estimate: 1.074MMT (-27.78%)*
- *April Stock Estimate: 1.497MMT (-10.54%)*
- *Palm Futures recovered into the weekend after starting off lower, finishing up 2.2%*
- *Preliminary estimates for May production and exports suggests stocks building in May*
 - *SPPOMA Production May 1-25 is +45% vs April*
 - *AmSpec Exports May 1-25 is +.68% vs April*

- *Indian demand for Palm continues to be slower than normal given cheaper soft oils taking import share*
-

Weekly PRODUCE ALLIANCE Market Report



May 25, 2023

OVERVIEW

Markets remain strong on tomatoes out of Mexico and Florida this week. Fortunately, we are seeing some additional crossings and lighter demand which is holding prices relatively stable, although the next few weeks, may be tricky with delays in Baja, Quincy or South Carolina. We expect to see active markets through the rest of May on and possibly June rounds and romas, with a possibility for shortages. Supplies are stable on pepper, cucumber, squash, and corn out of South Georgia. The hot pepper market continues to improve, poblanos were tighter this week and shishito and mini sweets remain short. Offshore melons are almost done for the season and the market volume will be challenging over the next 7-10 days. The grape market remains very tight and no relief in sight for another 7-10 days. Supply continues to improve in the Salinas Valley and markets continue to settle at lower levels on lettuce, romaine, leaf items, broccoli, and cauliflower. We will still see some growers continue to have unstable supplies through the balance of the month of May and into June, but we are not anticipating and major shortages over the next few weeks. In the next few weeks, the avocado pricing will likely adjust up & down as a few transitions occur. Mexico's current crop is winding down, but it will overlap with the beginning of the Loca harvest, and it is unknown how Jalisco will affect the market this year. More orchards have been approved for export to the U.S., and its biggest impact will be evening out the Michoacán transition between old crop and Loca.

MARKET ALERTS



ASPARAGUS – ESCALATED

Baja production has improved this week, but the heat makes quality an issue. Guanajuato has started with slow production. Peru's volume is steady. However, quality continues to be fair. Washington, Michigan, Canada, continues with good volume and excellent quality. Markets have started to slow down due to the increased production from multiple regions.



BOK CHOY – ESCALATED

Market continues active with very light supplies.



BRUSSELS SPROUTS – ESCALATED

Supplies will continue to be light on both the 25lb bulk and VA categories through next week with many shippers pro-rating due to these light supplies. Expect supplies to continue light, and market strong heading into the first of June.



CABBAGE (RED) – ESCALATED

We will experience a shortage of supplies in the upcoming weeks until the beginning of the new crop up north becomes available.



CARROTS (Jumbo) – ESCALATED

Overall supplies are good but, Jumbos are still slow getting ramped up. Quality is good.



CELERY – ESCALATED

Many suppliers are in a demand exceeds position as seeders and other quality issues continue to plague general production in Oxnard. Because of seeders, many are harvesting weeks ahead of maturity date to save the celery from bolting,



MELONS (CANTALOUPE & HONEYDEW) – ESCALATED

Cantaloupe: We are the last arrivals of winter melon and will see limited availability out of Florida. Next week will start shifting some volume to the Desert as growers start to scratch; seeing some good quality on the first picks, peaking in 12-15ct with a few 9's. This should improve as the crop matures. There is also Athena Melons available out of Central Florida and improving supply crossing through Nogales.

Honeydews: (OFFSHORE) Offshore fruit is for the most part done and could see some shortages, particularly on 5/6's so flexibility on sizes will be imperative this next ten days or so. There are dewes available out of Nogales but limited today.



TOMATOES (ROUNDS/ROMAS) FLORIDA AND MEXICO - ESCALATED

East Coast:

Round Tomatoes: Overall inventory will remain short over the next couple of weeks keeping upward pressure on the market. With Ruskin and Palmetto wrapping up we turn to a quick stop in Quincy and South Georgia then to South Carolina over the next few weeks. We expect very light volume and good quality through June.

Roma Tomatoes: Overall Florida supply is extremely short driving prices high and seeing pro-rates. Quincy, South Georgia and South Carolina are still a few weeks away from production. We do not expect any relief on east coast romas until Mid-June.

Mexico:

making the large sizes 24's/30's very limited. Projections for the next coming weeks are extremely light as the industry gets closer to the transition from Oxnard to Salinas. The volume shift has moved to smaller sizes, 36, 48, and hearts. Over the last two weeks, smaller sizes have been much cheaper than 24/30s. However, with less overall product available and many customers switching over to 36s, the overall market on all sizes has tightened. We are also seeing some additional pull due to Memorial Day weekend, also forcing FOB higher. We expect the overall industry to be light on volume through the middle of June. Warm weather will help with sizing in Oxnard, but it may be too little too late.

GARLIC – ESCALATED

Quality is good with moderate supplies



GINGER – EXTREME

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



GRAPES (ALL COLORS) – EXTREME

Market is extremely tight this week with the major reliance now on Mexican fruit. We are seeing extremely light crossings this week but post-Memorial Day we expect to see more fruit crossing with reds being very short initially then gradually improve. It will still take several days after the volume starts to cross to really fill the supply chain. Relief on price and availability will most likely be mid-June. Over the next two weeks, shorts will occur and substitutions to alternate items such as mixed melons will be necessary to keep the supply chain constant.



GREEN BEANS – EXTREME

We are seeing a split market. Short volume in the west as transition to the desert is delayed and there are few crossings through Nogales. In the east, we are expecting stable supply, however we may see some rain delays. Quality is good.



HOT PEPPER – ESCALATED

In the east, chilies were still tighter than normal however expect to see some improvement in two weeks on in general we are seeing good volume on Cubanelle, Long Hots, Anaheim, Hungarian Wax, Jalapeno. Shishito and poblanos are short).



LIMES – ESCALATED ON LARGE SIZES

Overall supply and quality has improved, and the market is steady. Supply will continue to improve into June.



Round Tomatoes: Improving volume on all sizes this week out of Jalisco as transition continues. Improving quality but we are short on mid to upper range sizes and left with availability in 3X4's and smaller fruit. Growers are still making deals out there but quality on cheaper fruit may be compromised. With the increased demand out of Florida and delays in California, we could see active markets over the next 3-4 weeks.

Roma Tomatoes: Improving supply has kept the market mostly stable, but we are still seeing good demand from the east keep pushing prices above normal. We are still in the seasonal transition from Sinaloa to Southern and Central Mexico. We are seeing a few crossings in Ota as well with good quality being reports at all crossings. Expect higher markets through the rest of May.

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.



PARSLEY (CURLY & ITALIAN) - ESCALATED

Quality is improving but market is still active as we continue to see 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 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 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.



GOOD BUYS

Commodity	Expert Tip
Heirloom Tomatoes	Heirloom tomatoes are quite a treasure! Not only are they beautiful and unique on the outside, they are just as gorgeous on the inside. Slice some thick slices of heirloom tomatoe, and fan them out on a plate, additionally add some fresh herbs, a drizzle of olive oil, a squeeze of lemon, with some salt and pepper! 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.



SALINAS, CA

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
65° 53°F	65° 53°F	65° 52°F	64° 52°F	65° 52°F	65° 52°F	64° 52°F	63° 51°F
Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	AM Clouds/PM /

OXNARD, CA:

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
63° 54°F	63° 54°F	61° 55°F	62° 55°F	62° 53°F	61° 53°F	61° 53°F	61° 53°F
M Clouds/PM	Partly Cloudy	Partly Cloudy	AM Clouds/PM	Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy

JALISCO, MX

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
86° 59°F	87° 60°F	85° 59°F	85° 58°F	85° 56°F	86° 57°F	87° 55°F	87° 56°F
Mostly Cloudy	Sunny	Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Sunny

VIZCAINO, BAJA SUR

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
80° 55°F	81° 55°F	81° 55°F	82° 54°F	82° 54°F	79° 55°F	79° 54°F	77° 54°F
M Clouds/PM	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy

ADEL, GA

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
82° 62°F	75° 58°F	71° 55°F	77° 60°F	82° 63°F	85° 65°F	88° 68°F	89° 69°F
Partly Cloudy	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy	Mostly Sunny

COACHELLA, CA

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
95° 64°F	94° 63°F	97° 67°F	98° 66°F	97° 64°F	95° 64°F	95° 64°F	95° 64°F
Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny	Sunny	Sunny

SELMA, CA

Thu 5/25	Fri 5/26	Sat 5/27	Sun 5/28	Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1
84° 54°F	84° 55°F	88° 58°F	88° 57°F	88° 56°F	87° 57°F	89° 57°F	87° 56°F
Sunny	Sunny	Sunny	Partly Cloudy	Mostly Sunny	Sunny	Sunny	Partly Cloudy

Hogs and Pork

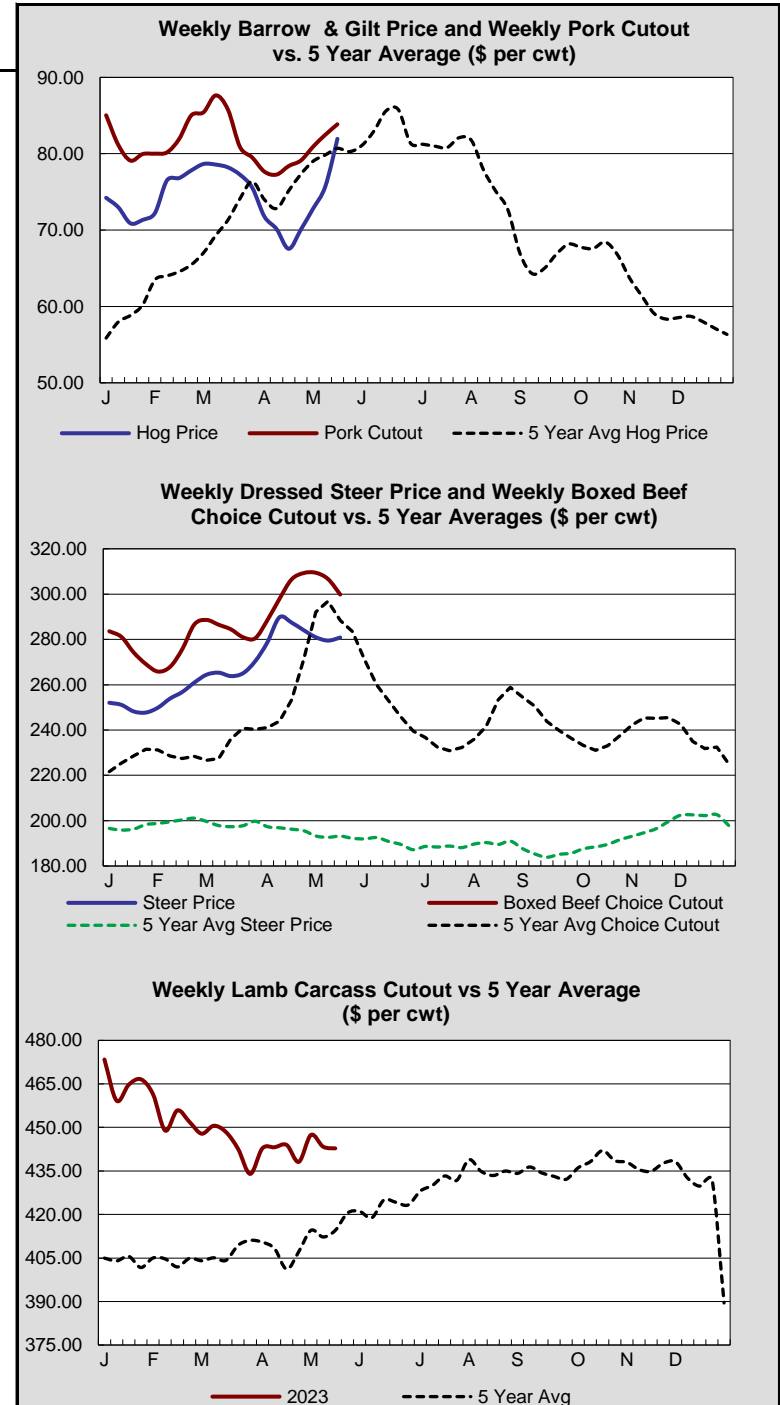
	Current Week	Change From Past Week	Change From Past Year
Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt)	81.95	8.3%	-26.2%
Pork Carcass Cutout FOB Plant (\$/cwt)	83.86	1.7%	-19.0%
Segregated Early Weaned (SEW) Feeder Pigs (\$/head)	10.92	7.2%	-76.2%
Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)	285.0	-0.2%	-0.5%
Est. Hog Slaughter	2,408,000	1.7%	0.2%
YTD Est. Hog Slaughter	49,376,000	N/A	1.5%
Est. Pork Production (mil lbs)	521.4	1.5%	-0.2%
YTD Est. Pork Production (mil lbs)	10,717.8	N/A	0.8%

Cattle and Beef

Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)	175.15	0.6%	24.9%
Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt)	280.84	0.5%	24.4%
Boxed Beef Cutout, Choice (\$/cwt)	299.80	-2.2%	14.9%
Boxed Beef Cutout, Select (\$/cwt)	283.90	-0.3%	15.5%
Boxed Beef, Choice/Select Spread (\$/cwt)	15.90	-5.97	0.66
By-Product Drop Value, Steer (\$/cwt live)	12.95	-1.1%	N/A
CME Feeder Cattle Index (\$/cwt)	204.70	2.1%	33.7%
Est. Cattle Slaughter	642,000	-0.6%	-5.2%
YTD Est. Cattle Slaughter	12,565,000	N/A	-3.3%
Est. Beef Production (mil lbs)	523.2	-0.6%	-5.2%
YTD Est. Beef Production (mil lbs)	10,311.8	N/A	-4.7%

Lamb and Veal

Slaughter Lamb, Negotiated, Live Wtd Avg Price (\$/cwt)	151.50	-2.9%	-29.9%
Lamb Carcass Cutout (\$/cwt)	442.78	-0.1%	-23.3%
Est. Sheep Slaughter	35,000	0.0%	16.7%
YTD Est. Sheep Slaughter	722,000	N/A	6.6%
Est. Lamb Production (mil lbs)	2.2	0.0%	4.8%
YTD Est. Lamb Production (mil lbs)	46.5	N/A	2.4%
Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)	421.79	-0.1%	2.4%





Weekly Livestock, Poultry & Grain Market Highlights
May 22, 2023

Grain

	Current Week	Change From Past Week	Change From Past Year
Central Illinois Avg Corn Price (\$/bu)	5.8900	-4.4%	-24.1%
Central Illinois Avg Soybean Price (\$/bu)	13.5000	-2.7%	-22.0%
Central Illinois 48% Soybean Meal, Rail (\$/ton)	415.10	-5.4%	-7.5%
Hard Red Winter Wheat Truck to Kansas City (\$/bu)	8.9075	-30.5%	-29.2%
Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)	9.9450	-4.9%	-32.5%
Soft White Wheat Portland (\$/bu)	7.3071	1.3%	-35.3%
Sorghum, Kansas City, Truck (\$/bu)	6.3125	-0.6%	-15.9%

Broilers

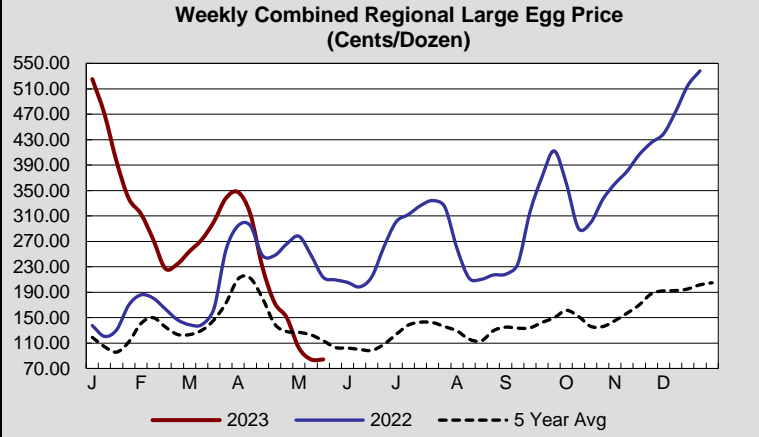
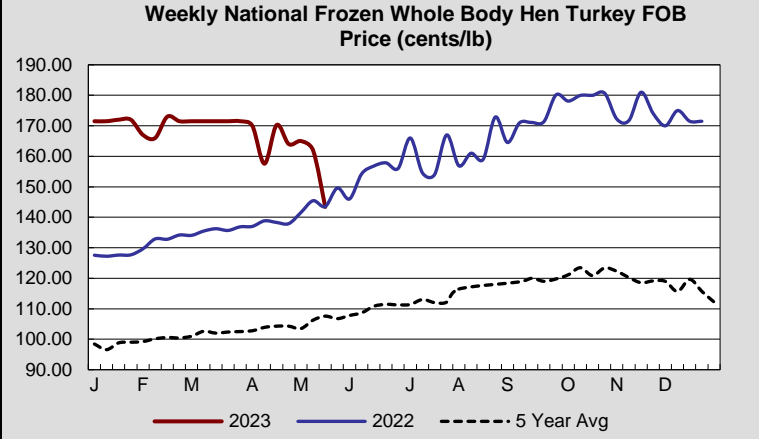
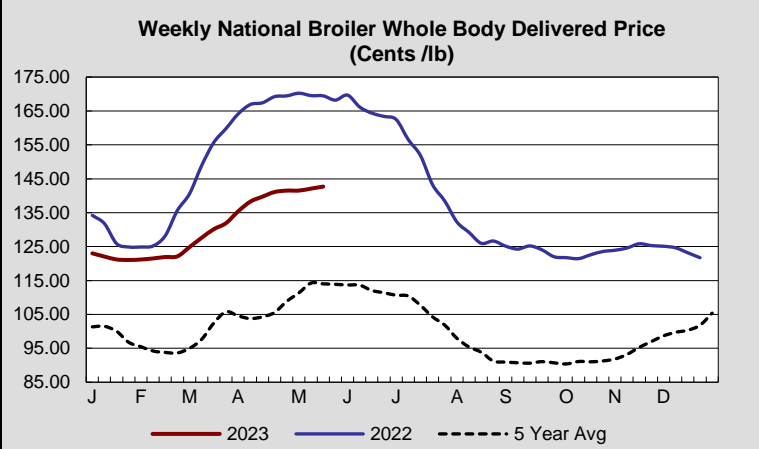
Nat'l Delivered Whole Body Price (cents/lb)	142.69	0.4%	-15.8%
Est. Young Chicken Slaughter - Current Week (000's)	160,673	0.8%	N/A
Actual Slaughter of Young Chickens (000's)	166,554	0.0%	0.9%
YTD Actual Slaughter of Young Chickens (000's)	3,151,741	N/A	1.1%
Actual RTC Pounds of Young Chickens (000's)	818,979	1.9%	3.0%
YTD RTC Pounds of Young Chickens (000's)	15,234,269	N/A	1.6%

Turkeys

Nat'l FOB Frozen 8-16 lb. Hens, Wtd Avg Prices, cents/lb	143.38	-11.5%	-1.4%
Actual Slaughter of Turkeys (000's)	4,022	-0.7%	9.1%
YTD Actual Slaughter of Turkeys (000's)	71,558	N/A	1.3%
Actual RTC Pounds of Turkeys (000's)	101,472	0.3%	11.4%
YTD RTC Pounds of Turkeys (000's)	1,834,445	N/A	-0.6%

Eggs

Combined Regional Large Eggs (cents/dozen)	84.18	0.0%	-66.1%
National Shell Egg Inventory (30 doz. Cases/000,s)	1374.6	-4.1%	N/A
Shell Egg Demand Indicator (SEDI)	-14.10	-0.26	-6.30
Central States Breaking Stock Av. Price (cents/dozen)	43.50	4.8%	-75.4%
National Breaking Stock Inventory (30 doz. Cases/000's)	299.6	-9.9%	N/A
Eggs Broken Under Federal Inspection (30 doz cases)	1,663,558	-0.7%	13.8%
YTD Eggs Broken Under Federal Inspection (30 doz cases)	27,879,251	N/A	-3.7%



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



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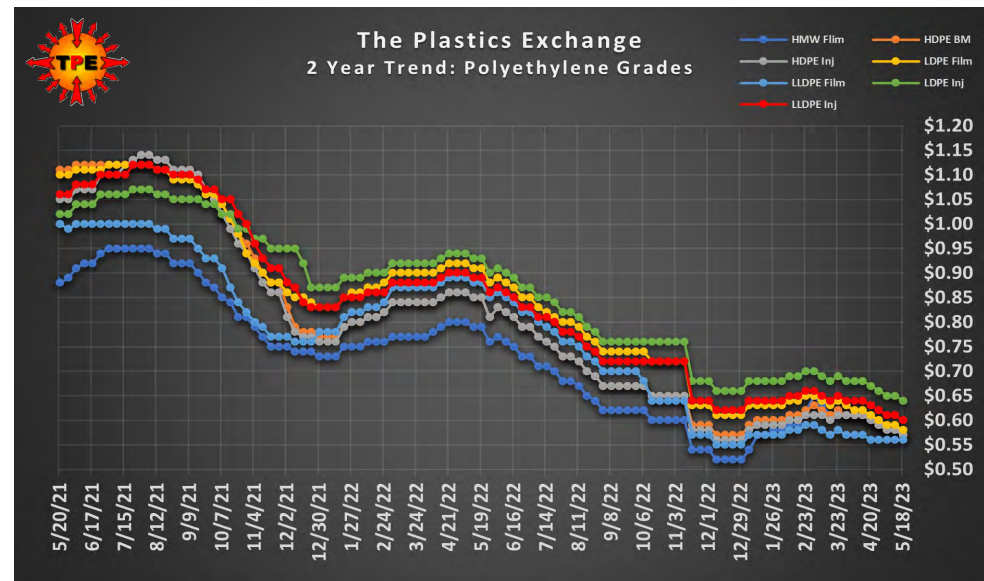
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Market Update — May 19th, 2023

Spot resin trading improved substantially, resulting in our best week so far this year; completed volumes were nicely above the 2023 average and the performance was even pretty good on historic standards. Spot availability was ample though some materials remained a challenge to source, still dealings were easier to conclude than in recent weeks. Demand was better, suppliers were more liberal with their pricing, and for a change railcar transactions exceeded truckloads. Our prices for both Polyethylene and Polypropylene continued to slide and a penny peeled off of many commodity grades. Export interest was solid, and best sales were to Mexico, while rest of the world price expectations have dropped faster than Houston levels, complicating incremental sales. Price increases have little chance to implement in May, producers would be happy to hold PE contracts flat if possible, and PP contracts will follow PGP costs lower and finalize with a large single digit loss.

The Polyethylene market was more active as upstream inventories have swelled, encouraging spot railcar discounting. Buyers were able to take advantage of the widespec deals and prime railcars that were available for the asking. The heavier flow of offerings was supported by ACC data for April released last week, showing a second consecutive large monthly build in domestic stockpiles, alongside a drop in sales and exports. CP Chem has now lifted its Force Majeure on PE just a week after Ineos did the same on HDPE at its La Porte facility. There are still 2 FMs in place (Nova, and Formosa), but these are also expected to be cleared soon. However, Shell's PE facility in the Northeast has been offline with no clear re-start date known, commissioning a brand new Petrochemical complex is no easy task. Most PE grades were down a penny with the exception for LLDPE Butene, which managed flat from the week prior. LLDPE was by far the more preferred resin with transactions spread across Film and Injection grades. HDPE Blow Mold also saw good turnover, while LDPE interest was comparably scant. It is highly unlikely that the current nickel price increase will take hold in May, so at best contracts should remain up \$.06/lb for 2023, with some erosion possible as processors are clamoring for the contentious \$.03/lb increase to come back off.

Resin for Sale 15,310,165 lbs		Spot Range		TPE Market	
Resin	Total lbs	Low	High	Bid	Ask
PP Homo - Inj	2,785,945	\$ 0.455	\$ 0.575	\$ 0.490	\$ 0.560
LDPE - Film	2,452,664	\$ 0.515	\$ 0.600	\$ 0.530	\$ 0.580
HDPE - Inj	2,102,596	\$ 0.500	\$ 0.580	\$ 0.520	\$ 0.570
PP Copo - Inj	1,985,490	\$ 0.520	\$ 0.630	\$ 0.550	\$ 0.620
HDPE - Blow	1,954,220	\$ 0.500	\$ 0.590	\$ 0.520	\$ 0.570
LLDPE - Film	1,497,036	\$ 0.490	\$ 0.575	\$ 0.510	\$ 0.560
LLDPE - Inj	1,102,840	\$ 0.510	\$ 0.620	\$ 0.550	\$ 0.600
HMWPE - Film	834,552	\$ 0.500	\$ 0.570	\$ 0.520	\$ 0.570
LDPE - Inj	594,822	\$ 0.575	\$ 0.630	\$ 0.590	\$ 0.640



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MARKET UPDATE

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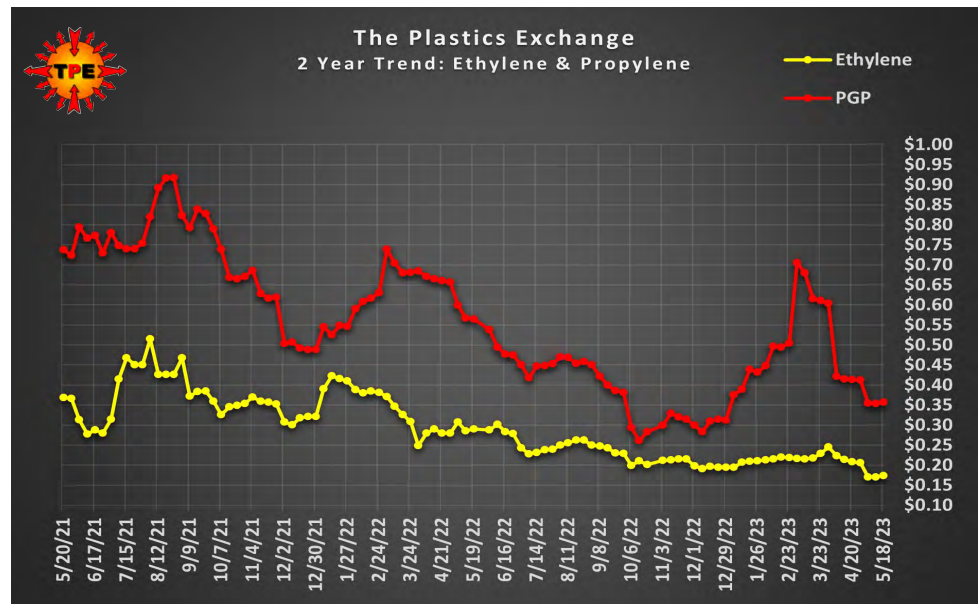
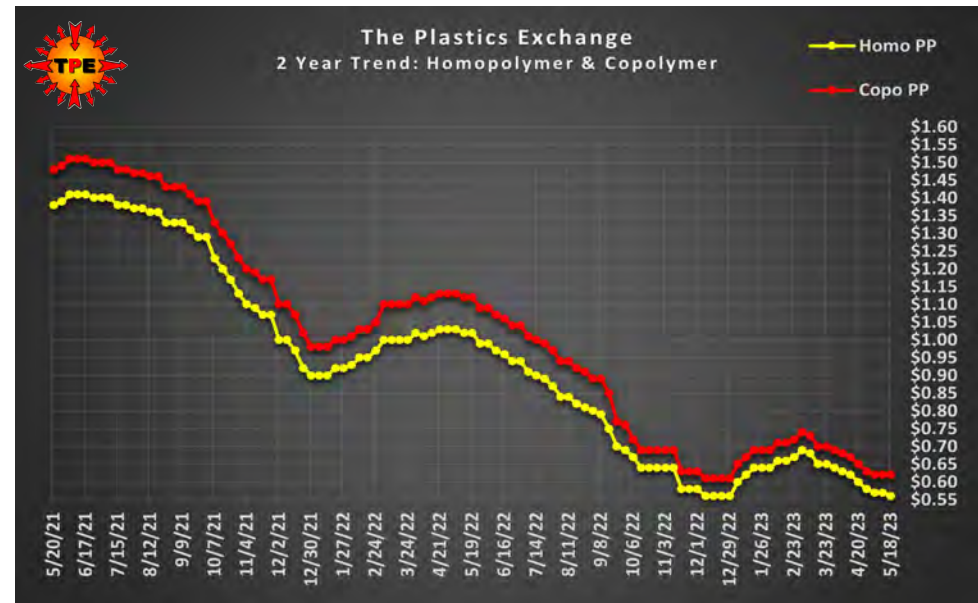
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Market Update — May 19th, 2023

Spot Polypropylene trading was robust, processors that had been on the sidelines waiting for special purchasing opportunities were apparently pleased with the railcar discounts afforded this past week. Prices for prime HoPP grades sank another cent, while CoPP, which is somewhat scarce, held firm. With the drop in HoPP, the discount to CoPP grew for the first time since late September 2022. A good volume of material changed hands in both railcar and truckload quantities; transactions were well split between HoPP and CoPP, though more Copolymer would have sold if more competitive offers were made available. Resellers have thinned their inventories and some CoPP grades are considered tight including 20+ melt 2 izod and No Break resins, as such, buyers continued to pay a premium for packaged material to tie them over until new railcars arrive. May Polypropylene contracts should settle down \$.07-.08/lb along with PGP contracts, wiping away another chunk of the first quarter gains. There is still much uncertainty about the economy and markets, but it felt like there was a hint of enthusiasm in the air as demand picked up and buyers became more bold in their procurement efforts.

Monomer markets saw average volume, and prices ultimately inched higher. May Ethylene first changed hands Monday in Louisiana at \$.14625/lb, the next day it sold at \$.145/lb and then at \$.14375/lb. Over in Texas, prompt May Ethylene traded three times at \$.17/lb. On Thursday several deals were put together in TX, May Ethylene flipped ownership twice at \$.1725/lb and then at \$.175/lb, while June Ethylene transacted at \$.175/lb and then at \$.1775/lb. One final transaction was seen Friday morning when traders dealt May LA Ethylene at \$.1475/lb. By Friday afternoon, benchmark May TX Ethylene had posted a half-cent gain to settle slightly above \$.175/lb, a 4% price increase on the week. The forward curve moved in tandem and remained in a normalized contango.

Polymer Grade Propylene started with strength but interest curtailed by midweek. On Monday spot May PGP traded twice at \$.375/lb, June swapped ownership at \$.365/lb and a deal for Q1'24 PGP deliveries was completed at \$.385/lb. Late on Tuesday afternoon another deal for Q1'24 was inked a half-cent lower at \$.38/lb.



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MARKET UPDATE

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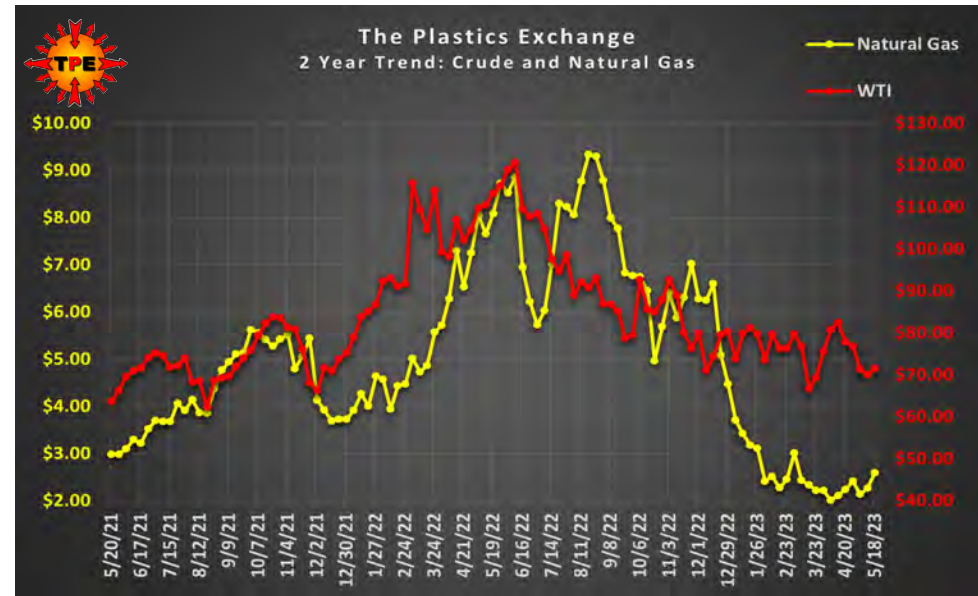
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Market Update — May 19th, 2023

A few more bids and offers dotted the market but visible Propylene dealings diminished and interest dwindled the later part of the week. The weighted spot May PGP average tacked on a little more than a quarter-cent and finished Friday at \$.356/lb. Deferred contracts saw mixed pricing and helped to narrow the forward curve's contango. April PGP had settled down 11 cents to \$.47/lb and based on spot activity during the month and current levels, we expect May PGP to settle at \$.40/lb or just below, which would be another large contract decrease of 7-8 cents.

The Energy Complex was mostly firmer, with lows generally established on Monday and the highs recorded on Friday. Crude Oil was supported by renewed demand expectations and optimism over US debt ceiling discussions, while Nat Gas prices rose on the back of lower production expectations heading into the summer months. June WTI bottomed on Monday at \$69.41/bbl before gaining nearly \$4.00/bbl to a Friday ceiling of \$73.40/bbl. The June WTI contract came off nearly \$2/bbl before the close, but still ended with a \$1.51/bbl gain to settle at \$71.55/bbl. As usual, Brent Oil followed suit and took a weekly low on Monday at \$73.49/bbl, before rising \$4/bbl to reach its high of \$77.5/bbl on Friday. Brent also parred its gains before the close, and ended the week at \$75.58/bbl, up a net \$1.41/bbl. June Nat Gas troughed Monday at \$2.25/mmBtu and then gained a whopping 43.5 cents during the week to \$2.685/mmBtu, the market shed a dime before the bell and went into the weekend at \$2.585/mmBtu, up nearly 32 cents, a large 14% gain. NGLs were mixed; Ethane was up nearly a penny at \$.207/gal (\$.087/lb) while Propane eased fractionally to \$.655/gal (\$.185/lb).



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

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MARKET UPDATE

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05/26/2023
Dairy Market

BLOCK:	Down .0425	@ \$ 1.4775	9 Sales
BARRELS:	Down .0100	@ \$ 1.4900	7 Sales
BUTTER:	Up .0125	@ \$ 2.4300	1 Sales
NFDM Grade A:	Unchanged	@ \$ 1.1700	0 Sales
CME Dry Whey	Unchanged	@ \$.2750	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>
05/22/2023	1.6000	Up .0650	2	1.5150	Up .0450	11	0.0850
05/23/2023	1.6525	Up .0525	3	1.5150	Unchanged	8	0.1375
05/24/2023	1.5775	Down .0750	2	1.5150	Unchanged	1	0.0625
05/25/2023	1.5200	Down .0575	6	1.5000	Down .0150	2	0.0200
05/26/2023	1.4775	Down .0425	9	1.4900	Down .0100	7	-0.0125
Average Market:	1.5655		22	1.507		29	

<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>
05/22/2023	2.4500	Down .0100	1	1.1600	Up .0075	2
05/23/2023	2.4375	Down .0125	0	1.1525	Down .0075	0
05/24/2023	2.4375	Unchanged	0	1.1575	Up .0050	4
05/25/2023	2.4175	Down .0200	1	1.1700	Up .0125	7
05/26/2023	2.4300	Up .0125	1	1.1700	Unchanged	0
Average Market:	2.4345		3	1.162		13

<u>Date</u>	<u>Dry Whey</u>	<u>Dry Whey Change</u>	<u>Dry Whey Sales</u>
05/22/2023	0.2550	Down .0100	7
05/23/2023	0.2600	Up .0050	0
05/24/2023	0.2775	Up .0175	9
05/25/2023	0.2750	Down .0025	15
05/26/2023	0.2750	Unchanged	5
Average Market:	0.2685		36

--Year Ago--

<u>Date</u>	<u>Blocks</u>	<u>Barrels</u>	<u>Butter</u>	<u>NFDM Grade A</u>	<u>Dry Whey</u>
05/24/2022	2.3400	2.3300	2.8850	1.8200	0.4950
05/25/2022	2.3000	2.3000	2.8950	1.8425	0.5000
05/26/2022	2.2800	2.2850	2.8900	1.8550	0.5100
05/27/2022	2.2800	2.2950	2.8775	1.8600	0.5225



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May 26, 2023

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What you need to know

- GDT Pulse was down 1.4% from the prior GDT Event, SGX futures have trended lower
- Apr. U.S. cheese stocks were a little lower than expected and down 1.2% YoY
- U.S. gov't announced solicitation for 47.6 mil. lbs. of cheese
- Apr. NZ exports and milk production were stronger than expected

Dairy Prices (USD)

Cheese	Last (lb.)	Chg.	Last (MT)	WMP	Last (lb.)	Chg.	Last (MT)
CME Blocks (Wk Avg)	\$1.58	\$0.07	\$3,483	US	\$2.00	-\$0.10	\$4,409
CME Barrels (Wk Avg)	\$1.51	\$0.05	\$3,327	Dutch	\$1.66	\$0.01	\$3,656
EU Gouda	\$1.62	-\$0.01	\$3,575	GDT (Avg)	\$1.47	\$0.00	\$3,244
GDT Cheddar (Avg)	\$2.00	\$0.00	\$4,407				

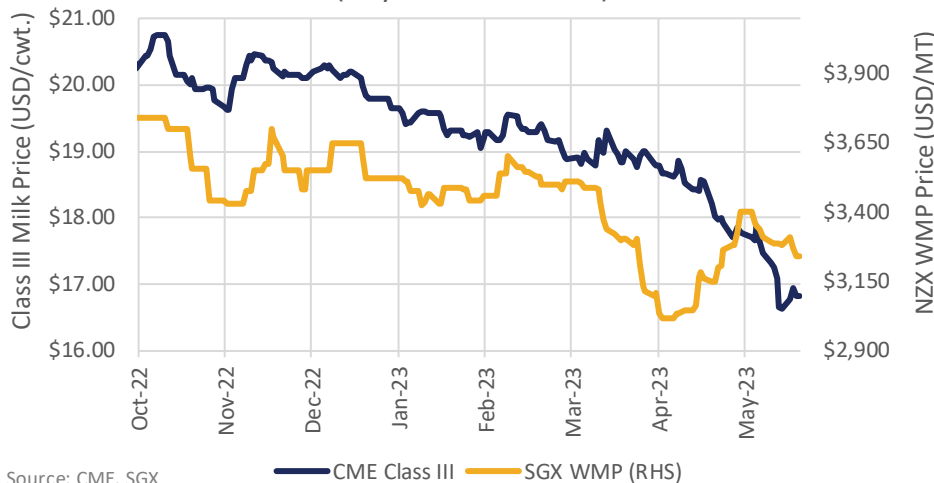
Butter	Last (lb.)	Chg.	Last (MT)	Dry Whey	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$2.43	-\$0.02	\$5,354	Central US	\$0.33	-\$0.03	\$717
EEX Index	\$2.27	-\$0.02	\$5,002	EEX Index	\$0.31	\$0.00	\$683
GDT (Avg)	\$2.30	\$0.00	\$5,068	US WPC34	\$1.05	-\$0.04	\$2,315
				US Lactose	\$0.26	\$0.00	\$562

SMP/NFDM	Last (lb.)	Chg.	Last (MT)	Rennet Casein	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$1.16	\$0.00	\$2,557	US	\$4.75	\$0.00	\$10,472
EEX Index	\$1.19	\$0.00	\$2,622				
GDT (Avg)	\$1.25	\$0.00	\$2,766				

Sources: CME, USDA, EEX, GlobalDairyTrade, Dutch Dairy Board, Trigona, FRED

USD/euro rate used: 1.075, -0.008

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



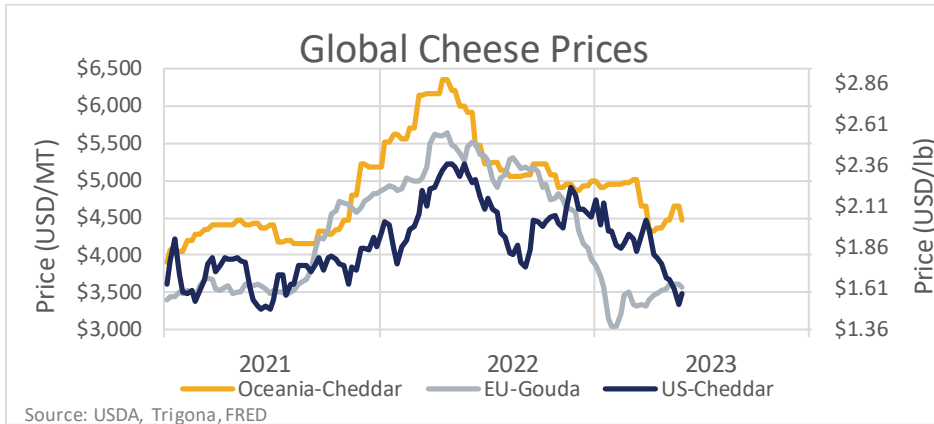
Source: CME, SGX

Market Summary

Those who are bullish in Europe are pointing toward the steady to higher spot prices in recent weeks as well as the expected slowdown in milk production. But everyone agrees that domestic demand in Europe is down and is unlikely to get better in coming months. We're seeing similar trends in the U.S. with food service sales slowing down. The U.S.+EU together are close to 900 million people and some of the highest per capita consumers, which makes a demand slowdown for both regions a little scary. YiFan Li, our Head of Asia Dairy, has been traveling around China, and despite Chinese imports bottoming out in recent months, demand inside China still appears to be a little weak. Traders we talk with aren't seeing much interest from China for the second half of the year either.

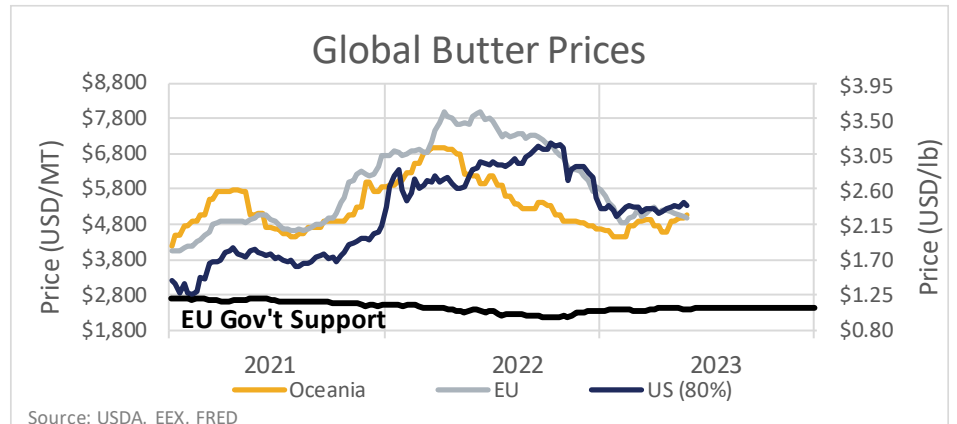
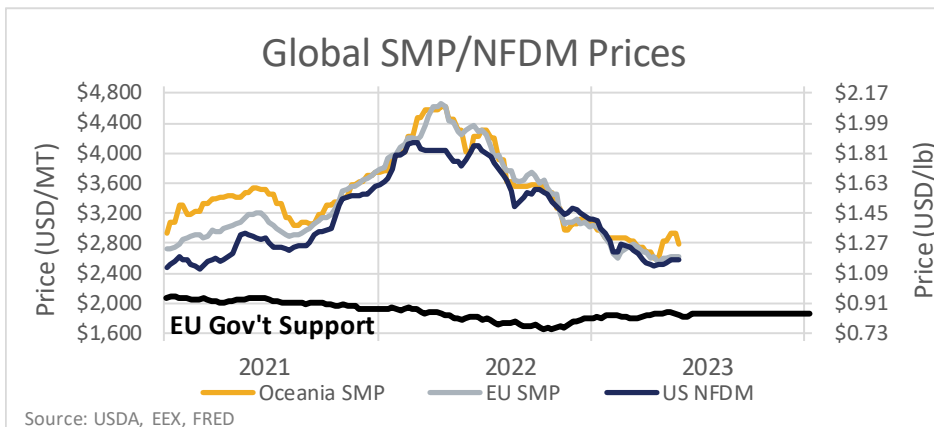


Product Markets



Butter: Cream supplies across the U.S. are relatively available and the CME spot butter price trended a little lower for the week. U.S. butter stocks at the end of April were a little lower than expected, but still up 9.8% from last year. The USDA did revise up March stocks by a surprising 16.8 million pounds which means domestic demand in March was only up 10.3% YoY instead of the 19.8% that was previously reported.

Cheese: The CME spot cheese market rallied early in the week. Maybe some value buying, maybe a little bit of spot export sales, and certainly news of the USDA putting out a solicitation for 47.6 million pounds of cheese (21.5k MT) likely drove the market higher. But cheese availability remains ample and the spot market fell during the second half of the week. EU cheese prices were steady to higher in euro terms and slightly lower in U.S. dollar terms.



Powders: GDT Pulse was down 1.4% from the prior GDT Event and WMP futures have shifted lower this week. U.S./EU NFDM/SMP prices were roughly steady on the week. There is some talk that end users still need to cover Q3 which could give the market a little support, but it is hard to argue for a big rally. The entire whey complex remains heavy in the U.S. and EU. We're getting down to levels where buyers are willing to stock up, but the supply is still heavy and consumer level demand for whey products seems to be down.



May 26, 2023

Udder Intelligence



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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.

Understand – Global supply and demand drive dairy prices. Working across the globe, our team tracks, models and forecasts supply, demand and prices across all of the major dairy exporting regions, as well as dozens of importing countries. This provides you with critical insights into the important drivers behind dairy prices.

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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