

# MarketNews

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Dairy Market Link



Produce Weekly  
Link

Market Report -  
Eggs



Flour Facts



Oil Market Watch



USDA Livestock, Poultry &  
Grain Market Highlights



Market updates  
from The Plastics  
Exchange



Daily Market  
Summary



Tomato Harvest  
Update

# Egg Markets

# Week of November 14, 2022

**TONE:** Retail demand fairly good to good. Larger supplies close to tight. Market full steady.

The regional egg markets are as follows:

|    | Northeast | Midwest | Central | Southeast |
|----|-----------|---------|---------|-----------|
| Lg | \$3.88    | \$3.88  | \$4.03  | \$3.99    |
| Md | \$3.38    | \$3.32  | \$3.42  | \$3.37    |

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

November 10, 2022

Wholesale prices for cartoned shell eggs continue higher as the Thanksgiving marketing period is in full force. Offerings are light to, at times, moderate while supplies are light to moderate with moderate to good demand. The pace of trading is moderate to active. Wholesale prices for graded loose eggs are weak to lower for light to moderate offerings and supplies. Interest is moderate to good and trading is moderate to active. The volume of trailer load loose egg sales this week decreased 2% from the prior week with 40% for future delivery. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs declined \$0.10 to \$2.944 per dozen with a steady undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers increased \$0.15 to \$3.84 per dozen with a firm undertone. The Midwest wholesale price for Large, white, shell eggs delivered to warehouses increased \$0.23 to \$3.49 per dozen with a higher undertone. Prices paid to producers in the Midwest for Large cartoned shell eggs rose \$0.18 to \$3.48 with a firm undertone. The California benchmark for Large shell eggs increased \$0.22 to \$5.11 per dozen with a steady undertone. Delivered prices on the California-compliant wholesale loose egg market decreased \$0.46 per dozen to \$4.19 per dozen with a weak undertone.

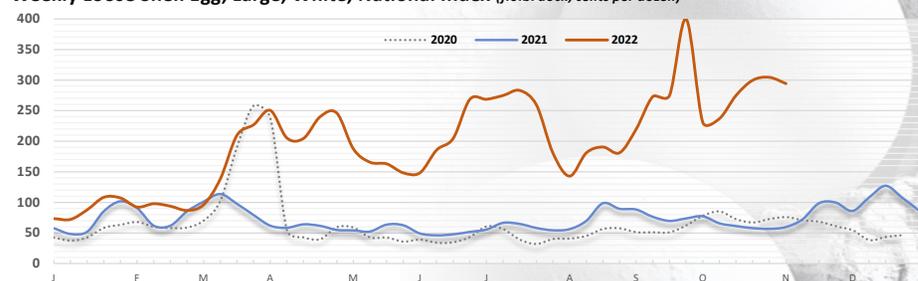
Consumer demand for shell eggs over the past week weakened despite the start of the holiday baking season promotional push in retail grocery chains across the country. Consumers are growing weary of current sticker shock when it comes to eggs with reports on the high cost of eggs a regular on nightly newscasts. The average ad price for conventional caged shell eggs in stores is more than twice that of a year ago and this has placed a damper on consumer demand. Despite expectations of demand following the upward track of recent years, this week, it is moving opposite of these trends and trending lower on the doorstep of Thanksgiving. Demand from breakers has slowed as they face the daily reality of seeing too little offerings in the spot market as supplies are focused on cartoned business. Instead, they have slowed their breaking lines and drawn from their owned production to get past the holiday season. According to the U.S. Bureau of Labor, in October, the Consumer Price Index for eggs rose 10.1%, 43% over the level of October 2021, to an average price of \$3.42 per dozen.

Promotional activity for conventional caged shell eggs in retail outlets drops as sharply as it rose last week and the average ad price rose \$0.78 to \$2.44. Promotional activity for specialty shell eggs is slightly above last week's pace and is split between cage-free and nutritionally-enhanced offerings. Feature activity for [UEP-defined cage-free](#) shell eggs rises slightly and accounts for 28% of all shell egg types on feature. The average ad price declines \$0.22 to \$2.81 per dozen. The average ad price spread between 12-packs of Large caged eggs and UEP cage-free eggs narrows by \$1.00 to a spread of \$0.37 per dozen.

The overall inventory of shell eggs increased 3% and the nation-wide inventory of Large eggs was up 4%. Stocks of Large eggs in the key Midwest production region drew down by 12% as shell eggs cleared into marketing channels to fill orders for increased retail

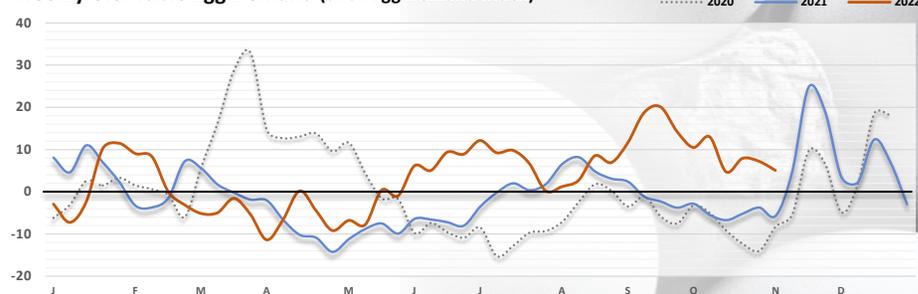
Source: USDA AMS Livestock & Poultry Program, Livestock, Poultry, and Grain Market News Division

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



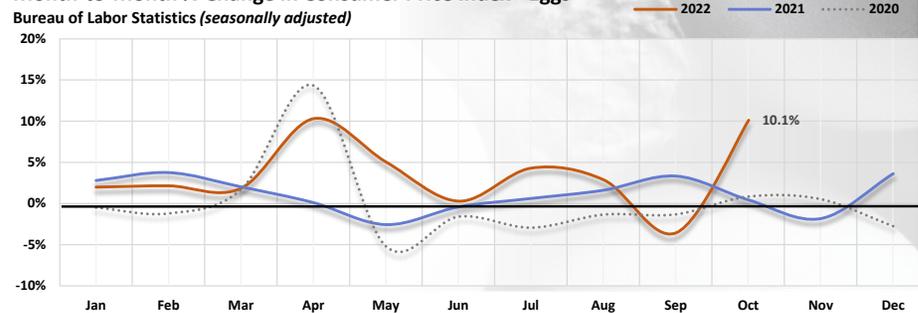
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

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



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

Month-to-Month % Change in Consumer Price Index - Eggs



Source: Bureau of Labor Statistics

Egg Markets Overview

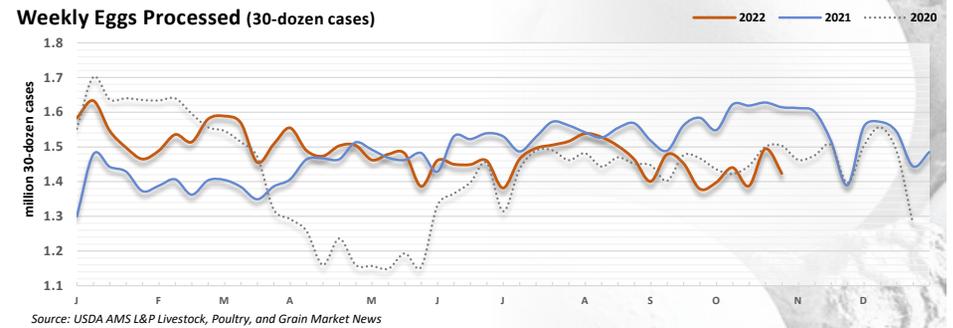
feature activity for the Thanksgiving demand season. The inventory share of Large class shell eggs gained .5% to a 51% share of all shell egg stocks on inventory at the start of the week. Stocks of cage-free eggs increased 8% percent as retail promotions remain limited and as their free range and pastured cousins are favored this cycle. The inventory of nutritionally-enhanced shell eggs rose 11% to stage for ads breaking this week while organic stocks gained 1% as activity slows. Breaking stock inventories were down nearly 8% as breakers work from owned production to offset limited spot market offerings. Total estimated table egg production was about unchanged from last week and remains down 4% from last year with an estimated deficit of 5.6 million cases from last year.

Wholesale prices for breaking stock in the Central States held steady at \$2.75 per dozen with a steady undertone. Offerings are light and supplies are light to, at times, moderate on slow to moderate trading and full to reduced schedules. Interest is light to instances moderate. The volume of eggs processed over the past week decreased 5%, representing a 29% share of weekly table egg production. Production of whole egg declined 3% with whites down nearly 9% and yolk off by 11.5%. Production of dried egg decreased 10.5% while inedible egg production declined 7%. Breaking yields without inedible declined a third of a pound to 41.179 pounds per case broken.

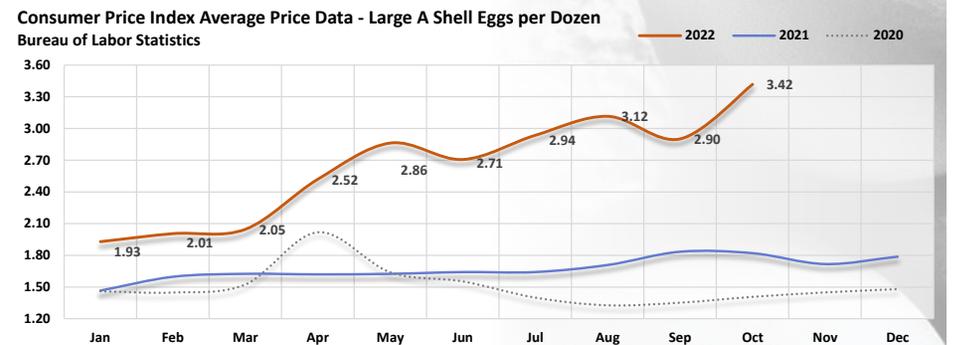
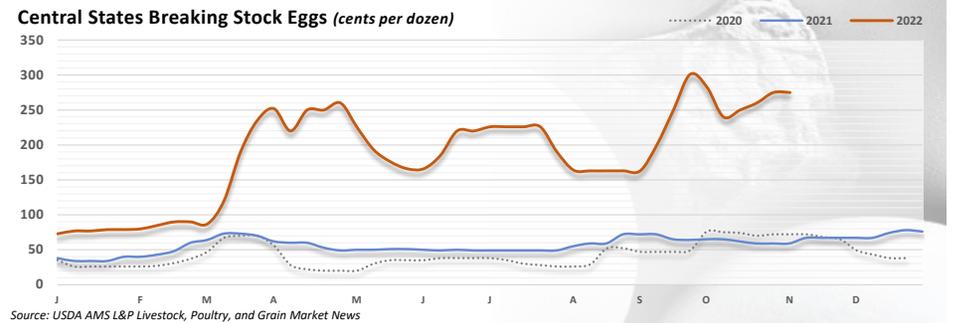
Wholesale prices for liquid egg products are untested with a steady to firm undertone. Offerings are light, demand is moderate to good, and trading is moderate. Prices on frozen whole eggs rose \$0.05 to \$2.70 per pound and those for frozen whites were steady at \$1.80 per pound. The undertone is steady to higher. Offerings are moderate while supplies are very light. Demand is moderate to good and trading is moderate to active. Prices for dried whole eggs are unchanged at \$13.75 per pound while those for dried yolk were unchanged at \$16.30 per pound. Dried albumen prices were untested. The undertone is steady. Offerings are light to moderate, supplies light with moderate to good interest. Trading is moderate to active.

According to NASS, the September monthly volume of frozen eggs in storage increased 4% from August, 6% above the year ago level, the first time in 2022 that he level exceeded 2021. Stocks of whole frozen egg were down 9% from last month and remained 10% under year ago levels. The share of whole egg stocks declined 5% to a 33% share of total frozen stocks. Stocks of frozen yolk decreased 29% but were 38% over last year's level. Stocks of frozen egg whites increased 8% to a level 28% over 2021. Stocks of unclassified eggs rose 15%, 13% over 2021 levels. The share of unclassified frozen stocks increased 5% to 53% of total frozen stocks.

Cage-free commitments as of October 2022 remain about unchanged, requiring 66.7 billion cage-free eggs per year to meet 100% of needs from an approximate cage-free flock of 221.5 million hens (72% of the U.S. non-organic flock), indicating a shortage of 132.6 million hens from the current non-organic cage-free flock of 87 million hens. The average lay rate for non-organic, barn/aviary cage-free production is currently estimated at 81.9%.



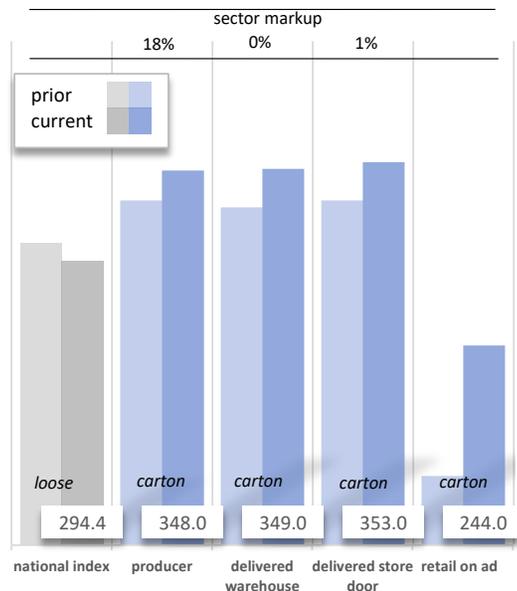
| Eggs Processed - Week-to-Week Change |       |       |        |        |        |          |
|--------------------------------------|-------|-------|--------|--------|--------|----------|
| total                                | share | whole | whites | yolks  | dried  | inedible |
| -4.8%                                | -1.5% | -3.1% | -8.8%  | -11.5% | -10.4% | -7.1%    |



## Shell Eggs Market Price Comparisons

(as of November 11, 2022)

(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

|   | 11-Nov | % Change | Recent History |        |        |        |        |
|---|--------|----------|----------------|--------|--------|--------|--------|
|   |        |          | 4-Nov          | 28-Oct | 21-Oct | 14-Oct | 7-Oct  |
| <b>SHELL EGGS (Large, White, conventional in cents per dozen)</b>     |        |          |                |        |        |        |        |
| National, Loose, (f.o.b. dock prices)                                 | 294.38 | -3%      | 304.71         | 299.90 | 275.07 | 237.08 | 230.91 |
| New York, Cartonned (price to retailers)                              | 384.00 | 4%       | 369.00         | 350.00 | 315.00 | 299.00 | 351.00 |
| Midwest, Cartonned (price dlvr'd to warehouse)                        | 349.00 | 7%       | 326.00         | 289.00 | 280.00 | 352.00 | 402.00 |
| California, Cartonned, benchmark (cage-free)                          | 511.00 | 4%       | 489.00         | 389.00 | 336.00 | 405.00 | 455.00 |
| <b>National Retail Shell Egg (avg. ad price in dollars per dozen)</b> |        |          |                |        |        |        |        |
| Conventional, Large, White  | 2.44   | 47%      | 1.66           | 3.99   | 1.88   | n/a    | 2.86   |
| Cage-Free, Large, Brown   | 2.81   | -7%      | 3.03           | 2.98   | 2.29   | 3.07   | 2.89   |
| <b>EGG PRODUCTS (f.o.b. dock prices; dollars per pound)</b>           |        |          |                |        |        |        |        |
| Central States Breaking Stock (dlvd prices per doz)                   | 275.00 | 0%       | 275.00         | 260.00 | 250.00 | 240.00 | 283.00 |
| Whole Frozen Eggs   | 270.00 | 2%       | 265.00         | 276.00 | 276.00 | 276.00 | 260.00 |
| Whole Dried Eggs  | 13.75  | 0%       | 13.75          | 13.75  | 13.75  | 13.75  | 13.25  |
| Processed Share of Weekly Egg Production                              | 29.1%  | -1.5%    | 30.6%          | 28.5%  | 29.7%  | 29.0%  | 28.7%  |
| <b>SHELL EGG DEMAND INDICATOR (no units)</b>                          |        |          |                |        |        |        |        |
|   | 5.1    | -2.2     | 7.2            | 7.9    | 4.7    | 13.0   | 10.5   |

Source: USDA AMS Livestock, Poultry, and Grain Market News

## Key Shell Egg Markets Snapshot - 2022

| (Large, White, Conventional Shell Eggs in cents per dozen)    | 11-Nov | Change | 04-Nov | 2022 High | 2022 Low |        |        |
|---|--------|--------|--------|-----------|----------|--------|--------|
| National, Loose, (f.o.b. dock prices)                         | 294.4  | ▲ -3%  | 304.7  | 400.0     | 71.4     | 27-Sep | 12-Jan |
| New York, Cartonned (price to retailers)                      | 384.0  | ▲ 4%   | 369.0  | 421.0     | 126.0    | 29-Sep | 13-Jan |
| Midwest, Cartonned (price dlvr'd to warehouse) <sup>1</sup>   | 349.0  | ▲ 7%   | 326.0  | 402.0     | 111.0    | 03-Oct | 18-Jan |
| California, Cartonned, benchmark                              | 511.0  | ▲ 4%   | 489.0  | 511.0     | 194.0    | 07-Nov | 07-Mar |
| Central States Breaking Stock (delivered prices) <sup>1</sup> | 275.0  | ▬ 0%   | 275.0  | 301.0     | 73.0     | 29-Sep | 07-Jan |
| Whole Frozen Egg Products (f.o.b. dock prices)                | 270.0  | ▲ 2%   | 265.00 | 320.0     | 115.0    | 01-Apr | 07-Jan |
| Whole Dried Egg Products (f.o.b. dock prices)                 | 13.75  | ▬ 0%   | 13.75  | 16.00     | 4.12     | 01-Apr | 07-Jan |
| Natl Average Retail Ad Price - Conventional                   | 2.44   | ▲ 47%  | 1.66   | 3.99      | 0.86     | 28-Oct | 28-Jan |
| Natl Average Retail Ad Price - Cage-free <sup>2</sup>         | 2.81   | ▼ -7%  | 3.03   | 3.07      | 2.11     | 14-Oct | 11-Mar |
| Shell Egg Demand Indicator                                    | 5.1    | ▼ -2.2 | 7.2    | 20.1      | -11.4    | 21-Sep | 06-Apr |

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



# FLOUR FACTS

Information Provided by General Mills Foodservice  
GeneralMillsCF.com



## Weekly Market Highlights

NOVEMBER 10, 2022

- Wheat futures have worked their way lower this week on continued exports out of the Black Sea coupled with Wednesday's WASDE report which showed an increase in world production of 1 million metric tons from last month's report. The biggest trade surprise was that Argentina's production estimate was only lowered 2 mmt despite the impact major drought has had on the crop this year.
- Domestic wheat ending stocks were lowered by 5 million bushels to 571 mbu with the average trade guess at 578 mbu heading into the report.
- Winter wheat planting improved to 92% per the USDA's Crop Progress report, up 5% from the previous week, and is currently ahead of both the last year and five-year averages.

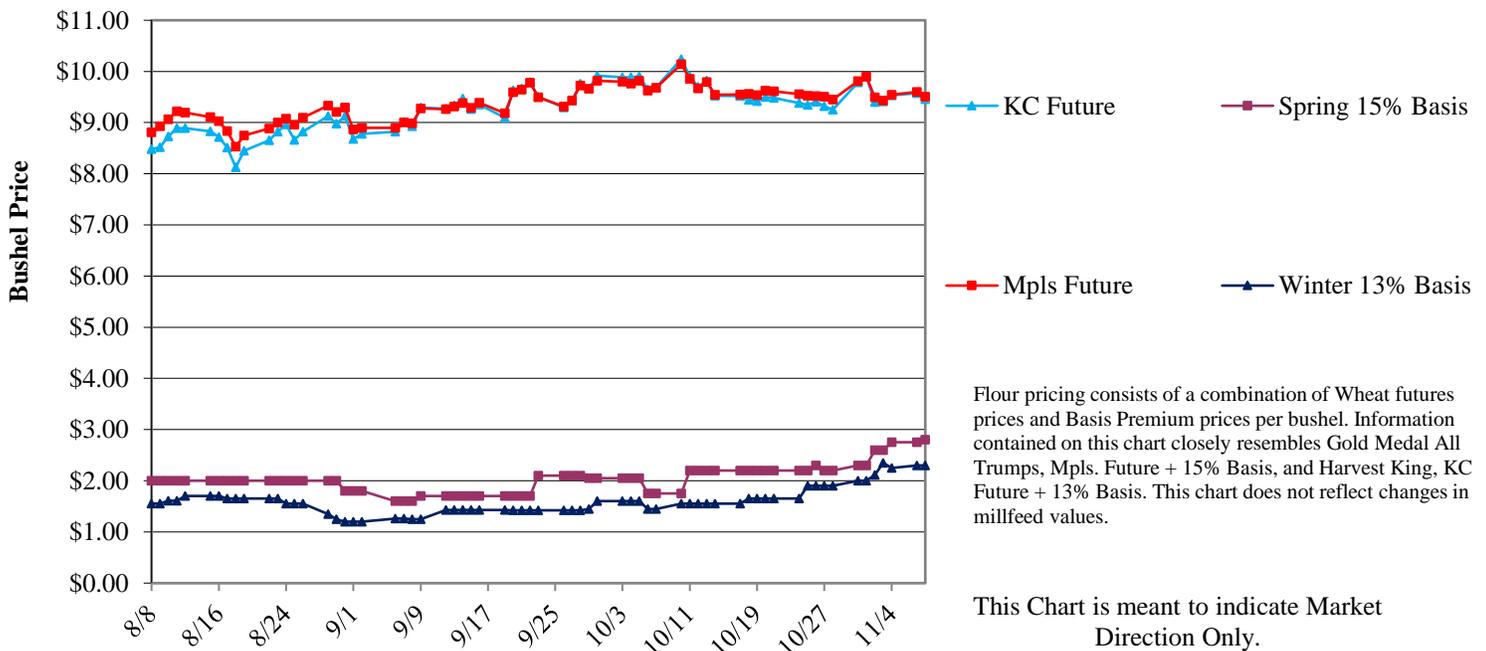
## Facts on Flour

### Soft White Wheat

Soft White Wheat is primarily grown in the Pacific Northwest. It is also grown in areas scattered throughout Montana. Soft wheat flour is used in cakes, crackers, cookies, pastries, quick breads, muffins and snack foods. The bulk of this wheat class is exported for use in flat breads, noodles and sponge cake.

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### Futures & Basis Markets



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

Experience inspires confidence.





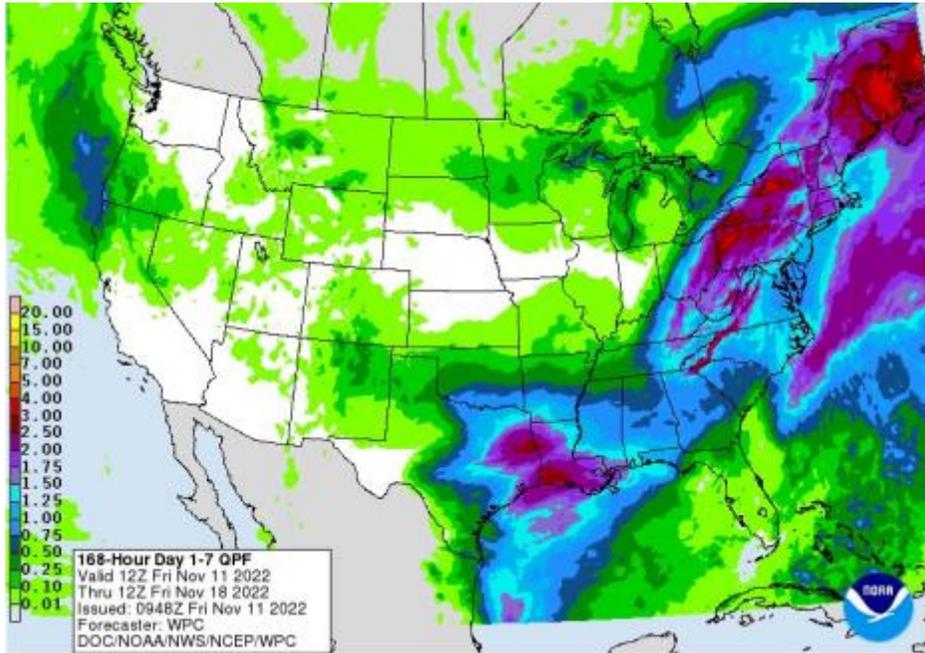
## Stratas Foods Market Watch 11.11.22

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

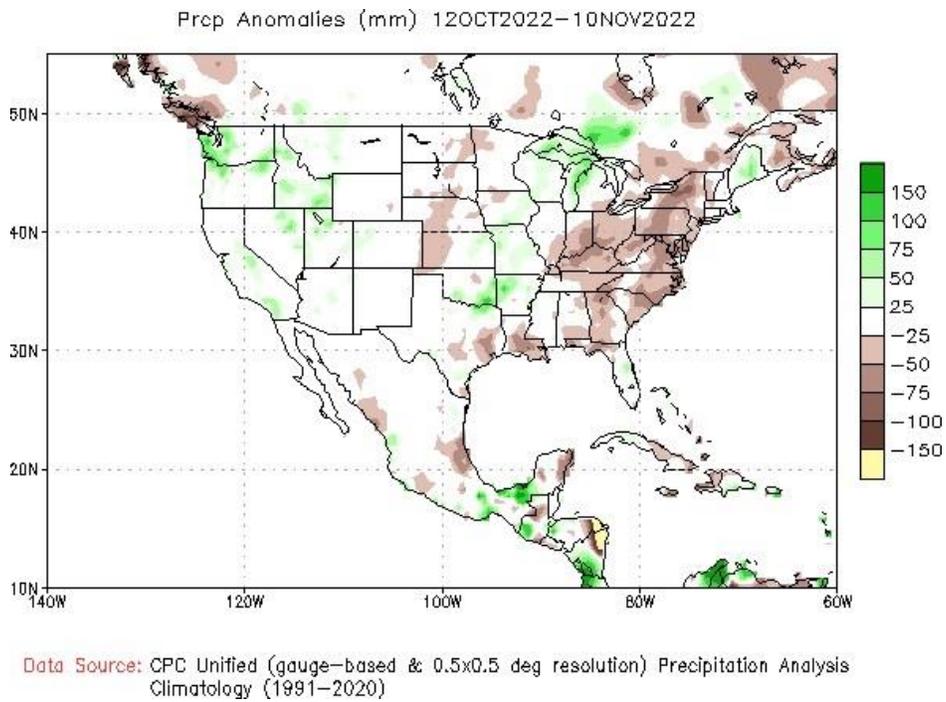
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- **Fundamentals**—CFTC COT, Weekly Export data, Crop Progress
  - **Weather** – Rain is needed to refill the Mississippi River, but it's not going to help harvest. South American weather will be increasingly important through the fall.
  - **Politics/Macro** – Fed rates jump, US election still TBD but looks like there will be a turnover in the House.
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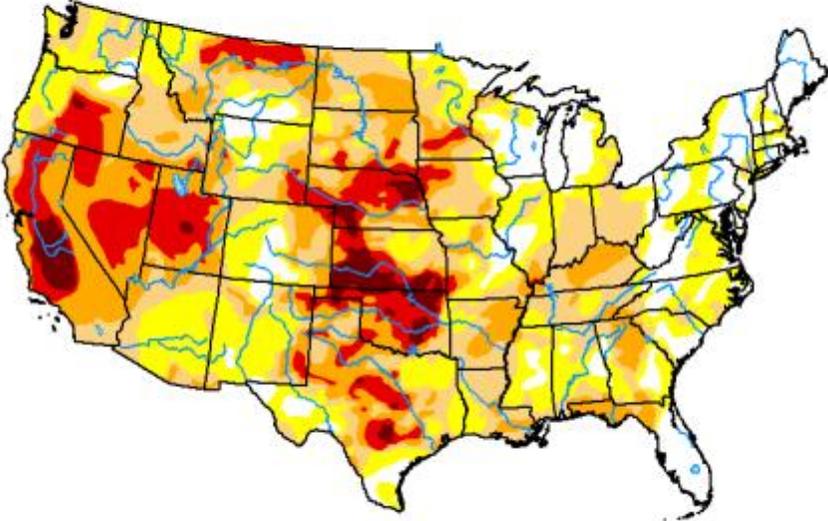
## US 7 Day Precipitation



## US 30 Day Anomalies

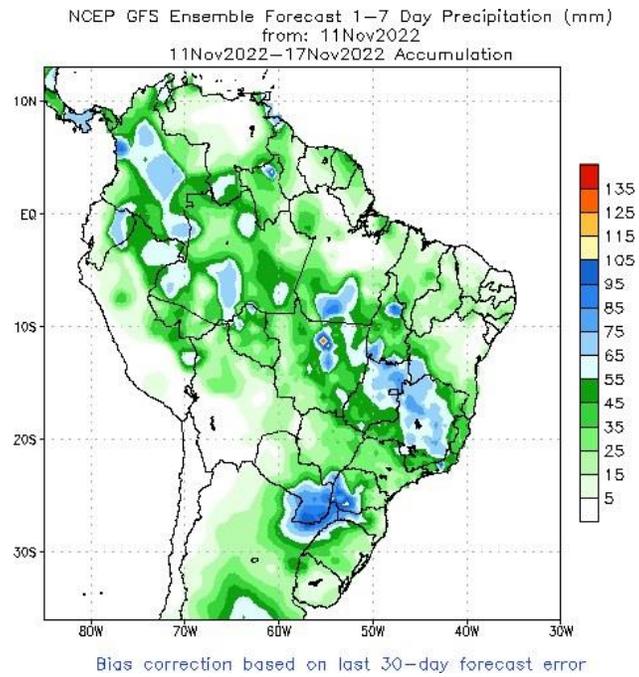


US Drought Monitor

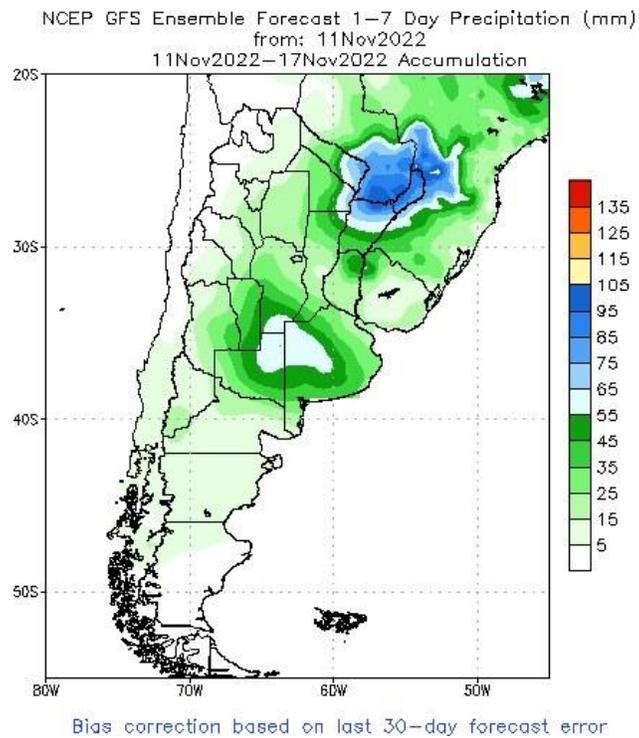


## 7 Day Precipitation

### Brazil

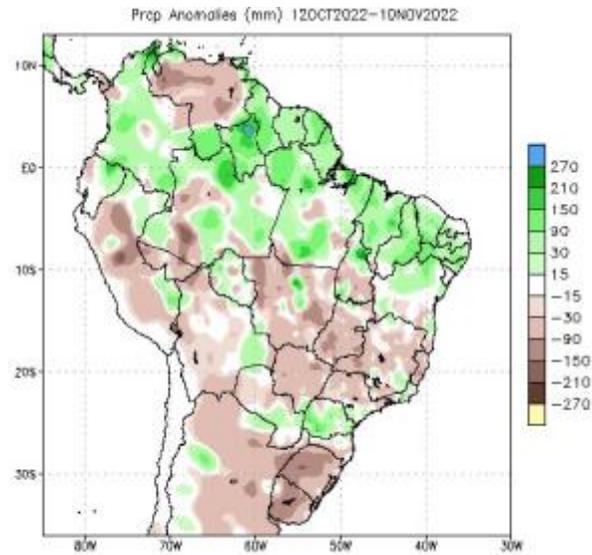


### Argentina



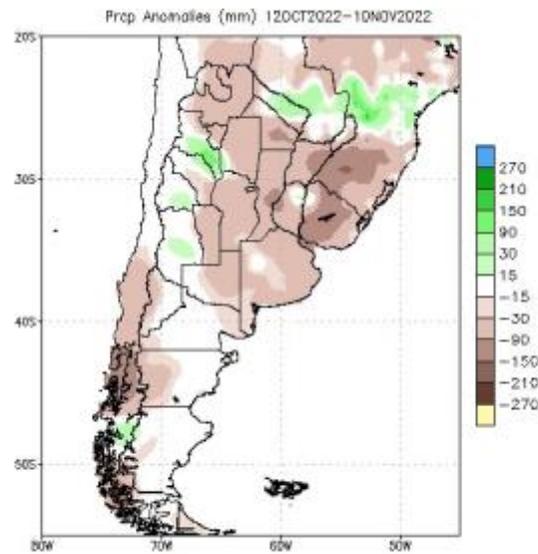
## 30 Day Anomalies

### Brazil



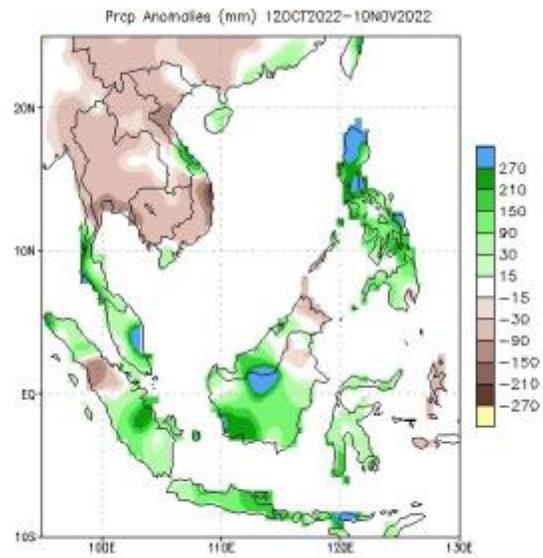
Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

### 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 |
|-------------|-------|--------|------------|---------|
| 11/11 Price | 76.97 | 95.97  | 67.50      | 76.50   |
| 9-day MA    | 73.83 | 95.16  | 67.17      | 83.06   |
| 20-day MA   | 70.67 | 93.12  | 66.65      | 84.18   |
| 50-day MA   | 67.97 | 91.53  | 72.62      | 85.36   |
| 200-day MA  | 71.03 | 100.54 | 90.36      | 101.08  |

## Soybean Oil

### Flash Summary

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**WASDE**

**Soybeans**

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- Yield revised back up over the magic number of 50. Bushels per acre moved from 49.8 in the October WASDE to 50.2.

- *Ending stocks revised up from 200 million bushels in October to 220 million bushels in November*
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### ***Soybean Oil***

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- *Production revised up from 26,195 million pounds in October to 26,310 million pounds in November*
  - *Ending stocks increased from 1,846 million pounds in October to 1,859 million pounds in November*
  - *Board moving strong for the 3rd week in a row. Weakness seen at the end of Friday's trade.*
  - *Oilshare strong at 48.58%. Oil is driving the train right now in the complex. BOZ contract high in oil share was just shy of 50% in June. Could we see headwinds up here?*
  - *Brazilian and Argentinian crops in good shape. Argentina got some good rain the past week as La Nina lingers.*
  - *Mississippi River running very low and barges are stuck on the sides of the river. Grain looking for homes on trains as the river traffic has slowed to a crawl.*
  - *Loss of the river transportation should not be missed as it reduces Bean and Meal prices (can't sell as much to export) to the point that it will likely slow the crush. WASDE was released and better than anticipated for the meal story. Production of meal moved up and oil stocks moved slightly up.*
- ***Expected CBOT Range 68.00 - 78.00***
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## Canola/Rapeseed Oil



### Fundamental Updates

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- *Stats Canada reported 19.5 MMT production for 2022*
  - *US September Canola crush was 197,508 tons which was up vs August (171,334) and September '21 (168,464)*
  - *Canola oil production increased as well: 163M lbs in September '22. This was up 21% vs August and 17% vs September 2021.*
- 

### Flash Summary

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- *Canola seed futures weaker with soy this week, but Canadian exchange was closed on Friday for Veteran's Day so it did not experience the soybean rally.*
- *Canola crush margins have softened after an early October rally, but they are holding the level thanks to firm oil share. Forward margins are still strong and the oil is leading the Soy complex higher. Values are volatile but trade-able.*
- *Chinese buyers have shown up in the Vancouver ports for seed and oil. This is putting a floor in the market at the moment. Export sales should be watched in case there is a rush to buy forward Canola on the impending EPA announcement.*

- *RFS pathway for canola oil seems like a matter of "when" more than "if" at this point. However, the crowd is moving towards 2023 expectations rather than Q3/Q4 of this year. Hearing more and more about biodiesel plants confirming that they can run the canola if it is finally approved.*
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## Tropical Oils



## Fundamental Updates

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### **MPOB:**

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- *October MPOB stocks at 2.4MMT vs 2.5 expectations*
  - *Palm oil continues to deepen its discount to Soy in the futures markets. There is little to be bullish about in palm oil and it's being dragged higher by soy.*
  - *MPOB reaction muted as the market is really moving higher on American oil competitiveness (or lack thereof).*
  - *Chinese demand is likely going to pick up if they have supply disruptions from North America, but they did buy some Vancouver Canola last*
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**Hogs and Pork**

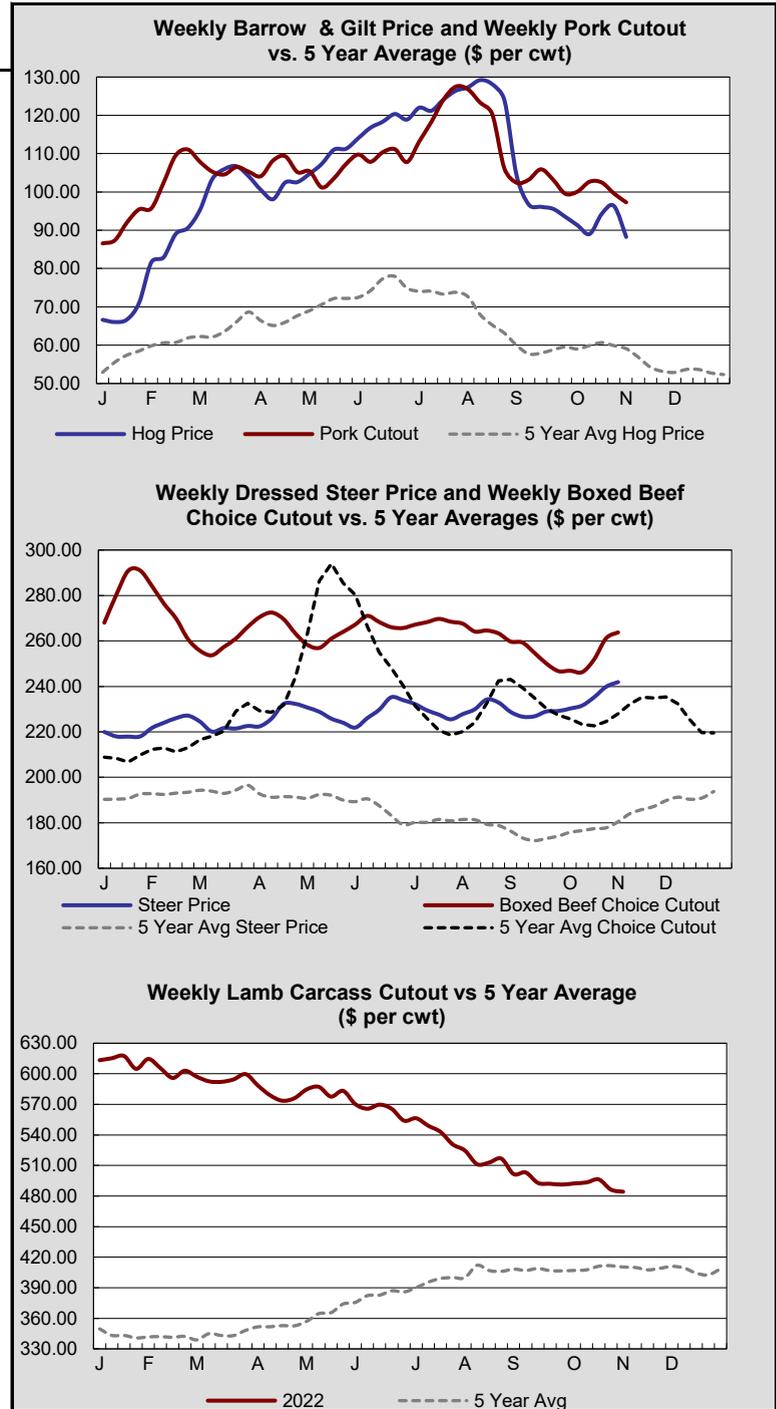
|   | Current Week | Change From Past Week | Change From Past Year |
|---|--------------|-----------------------|-----------------------|
| Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt) | 88.26        | -8.4%                 | 46.0%                 |
| Pork Carcass Cutout FOB Plant (\$/cwt)                        | 97.29        | -2.3%                 | 1.1%                  |
| Segregated Early Weaned (SEW) Feeder Pigs (\$/head)           | 37.93        | 15.2%                 | -28.6%                |
| Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)                | 284.0        | 0.0%                  | -1.9%                 |
| Est. Hog Slaughter  | 2,577,000    | 0.8%                  | -1.3%                 |
| YTD Est. Hog Slaughter  | 105,649,000  | N/A                   | -2.9%                 |
| Est. Pork Production (mil lbs)                                | 551.5        | 1.1%                  | -2.1%                 |
| YTD Est. Pork Production (mil lbs)                            | 22,747.4     | N/A                   | -2.4%                 |

**Cattle and Beef**

|  |            |       |        |
|--|------------|-------|--------|
| Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)    | 151.98     | 0.0%  | 17.6%  |
| Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt) | 241.90     | 0.9%  | 19.3%  |
| Boxed Beef Cutout, Choice (\$/cwt)               | 263.74     | 1.0%  | -8.6%  |
| Boxed Beef Cutout, Select (\$/cwt)               | 233.06     | 1.5%  | -12.6% |
| Boxed Beef, Choice/Select Spread (\$/cwt)        | 30.68      | -0.92 | 8.84   |
| By-Product Drop Value, Steer (\$/cwt live)       | 14.81      | -0.1% | N/A    |
| CME Feeder Cattle Index (\$/cwt)                 | 176.99     | -0.3% | 14.0%  |
| Est. Cattle Slaughter                            | 667,000    | -0.1% | 2.3%   |
| YTD Est. Cattle Slaughter                        | 28,708,000 | N/A   | 1.6%   |
| Est. Beef Production (mil lbs)                   | 553.9      | 0.0%  | 2.5%   |
| YTD Est. Beef Production (mil lbs)               | 23,690.9   | N/A   | 1.5%   |

**Lamb and Veal**

|   |           |       |        |
|---|-----------|-------|--------|
| Slaughter Lamb, Comprehensive, Carc. Wtd Avg Price (\$/cwt) | 118.56    | 2.6%  | -48.9% |
| Lamb Carcass Cutout (\$/cwt)                                | 484.25    | -0.4% | -21.9% |
| Est. Sheep Slaughter  | 34,000    | 6.3%  | -10.5% |
| YTD Est. Sheep Slaughter                                    | 1,468,000 | N/A   | -9.7%  |
| Est. Lamb Production (mil lbs)                              | 2.1       | 5.0%  | -12.5% |
| YTD Est. Lamb Production (mil lbs)                          | 97.7      | N/A   | -5.3%  |
| Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)     | 437.96    | 0.0%  | 18.3%  |





**Weekly Livestock, Poultry & Grain Market Highlights**  
**November 07, 2022**

**Grain**

|  | Current Week | Change From Past Week | Change From Past Year |
|--|--------------|-----------------------|-----------------------|
| Central Illinois Avg Corn Price (\$/bu)            | 6.5600       | -1.2%                 | 22.4%                 |
| Central Illinois Avg Soybean Price (\$/bu)         | 14.1300      | 6.6%                  | 19.5%                 |
| Central Illinois 48% Soybean Meal, Rail (\$/ton)   | 445.40       | -1.1%                 | 29.4%                 |
| Hard Red Winter Wheat Truck to Kansas City (\$/bu) | 10.1825      | -2.4%                 | N/A                   |
| Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)  | 11.5700      | -2.1%                 | 2.0%                  |
| Soft White Wheat Portland (\$/bu)                  | 9.0438       | -0.7%                 | -15.2%                |
| Sorghum, Kansas City, Truck (\$/bu)                | 7.3275       | 6.8%                  | 22.0%                 |

**Broilers**

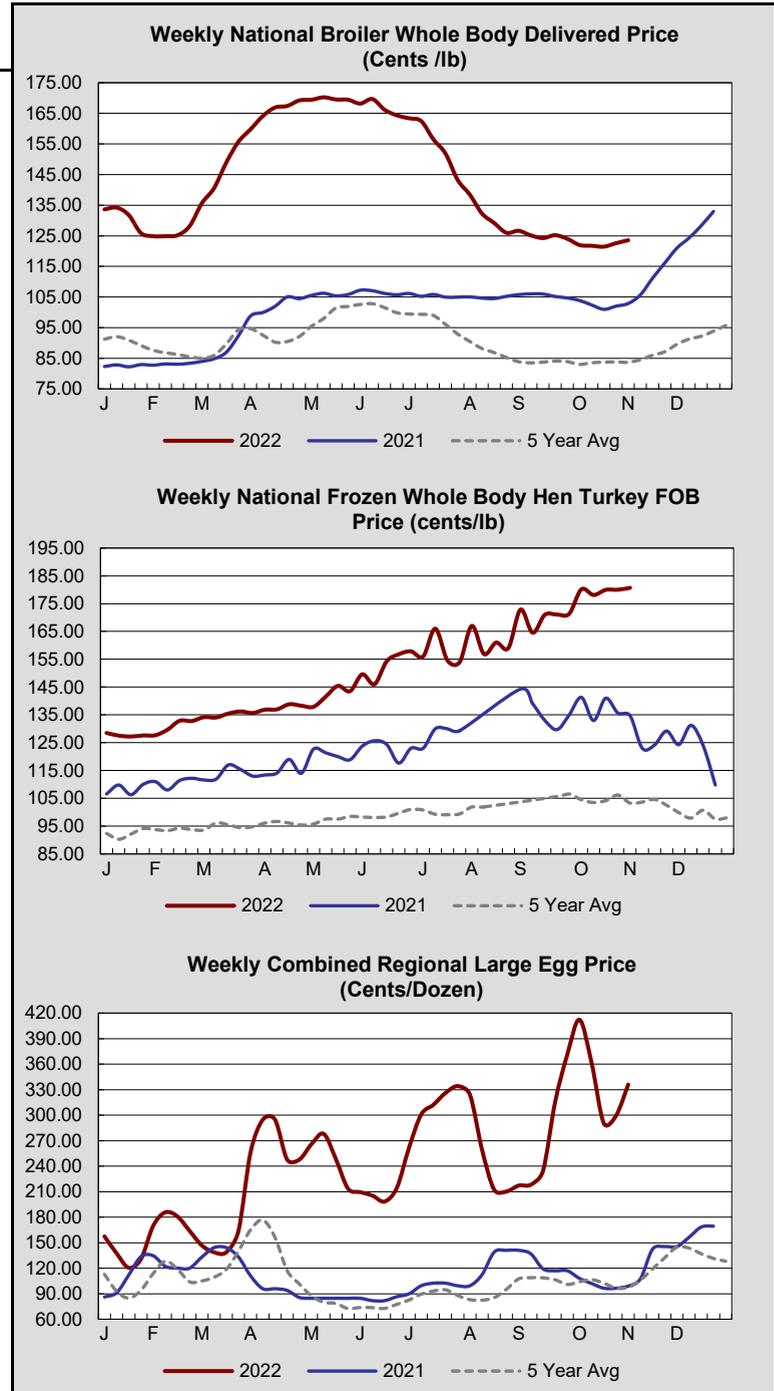
|   |            |      |       |
|---|------------|------|-------|
| Nat'l Delivered Whole Body Price (cents/lb)         | 123.55     | 0.8% | 21.1% |
| Est. Young Chicken Slaughter - Current Week (000's) | 165,394    | 0.0% | N/A   |
| Actual Slaughter of Young Chickens (000's)          | 175,425    | 0.8% | 6.8%  |
| YTD Actual Slaughter of Young Chickens (000's)      | 7,314,453  | N/A  | 2.2%  |
| Actual RTC Pounds of Young Chickens (000's)         | 879,932    | 0.5% | 10.9% |
| YTD RTC Pounds of Young Chickens (000's)            | 35,504,403 | N/A  | 2.5%  |

**Turkeys**

|  |           |      |       |
|--|-----------|------|-------|
| Nat'l FOB Frozen 8-16 lb. Hens, Wtd Avg Prices, cents/lb | 180.69    | 0.4% | 33.2% |
| Actual Slaughter of Turkeys (000's)                      | 4,613     | 5.4% | 0.2%  |
| YTD Actual Slaughter of Turkeys (000's)                  | 163,371   | N/A  | -2.3% |
| Actual RTC Pounds of Turkeys (000's)                     | 107,988   | 5.4% | 1.7%  |
| YTD RTC Pounds of Turkeys (000's)                        | 4,099,945 | N/A  | -4.6% |

**Eggs**

|   |            |       |        |
|---|------------|-------|--------|
| Combined Regional Large Eggs (cents/dozen)              | 335.97     | 12.3% | 248.4% |
| National Shell Egg Inventory (30 doz. Cases/000,s)      | 1352.7     | 3.3%  | N/A    |
| Shell Egg Demand Indicator (SEDI)                       | 7.20       | -0.09 | 10.90  |
| Central States Breaking Stock Av. Price (cents/dozen)   | 267.50     | 4.9%  | 369.3% |
| National Breaking Stock Inventory (30 doz. Cases/000's) | 318.5      | -7.6% | N/A    |
| Eggs Broken Under Federal Inspection (30 doz cases)     | 1,494,446  | 7.7%  | -7.4%  |
| YTD Eggs Broken Under Federal Inspection (30 doz cases) | 63,938,585 | N/A   | -0.3%  |



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



# ThePlasticsExchange

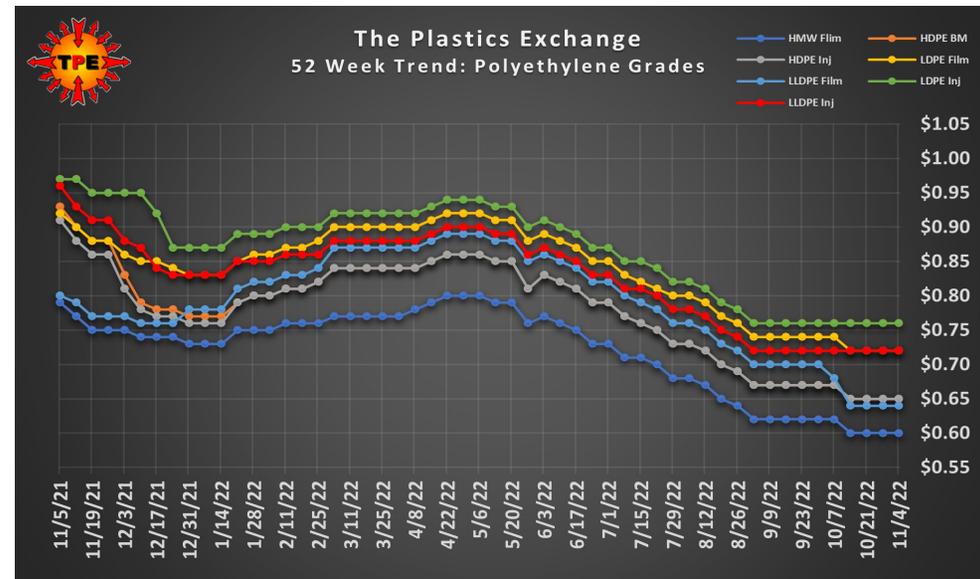
bringing the market to you

## Market Update — November 4th, 2022

Spot resin trading continued to improve, our completed volumes exceeded those during the last week of October, which was already the best tally since May. While the spot market is still generally amply supplied across most commodity grade resins, the flow of fresh railcar cars offers has diminished, bringing more buyers to the table asking for material. Strong underlying demand has been developing, we are working customer orders for a couple dozen railcars of offgrade Polyethylene and Polypropylene, but at prices not seen for several weeks. It seems that some buyers might have missed the boat and price expectations need to be adjusted higher. A wide range of prices were quoted and transacted across our trading platform, and while levels were slightly firmer this past week, it was not enough to move the needle. We again held our official prices steady for both Prime Polyethylene and Polypropylene, reflecting our stance that this market has been establishing a broad floor. PE contracts rolled flat in October, while PP contracts are decreasing \$.15/lb on average, mostly attributed to a PGP monomer cost decrease, while production margins also contracted. As usual, there is a PE price increase on the table this month, but it is rare to see one implemented in November. We currently do not expect to see a big change in Nov PP contracts based on stable spot PGP and somewhat better balanced supply / demand dynamics, but it is still very early in the month.

We are starting to see a notable change in market sentiment - after a long and steep downtrend since May, and more recently neutral amid pricing stability, we are now shifting into the mildly bullish zone. The feeling is that the market has already come down so hard, and now that the market has stabilized while supplies have been tightening, there is relatively little downside risk at this point. We do not think that the spot market is necessarily poised for an immediate sharp and steep runup, for that we need to see significantly better buying develop, and not just processors procuring resin to restock, but actual stronger throughput driven by improved consumer demand. In the meantime, producers have slashed operating rates limiting new production while at the same time purging surplus inventory into the export market, PE more so than PP. It has been indicated that producers intend to maintain restricted production through the end of the year and if so, the inventory drawdowns, which have already been substantial, can soon shove supply below demand, providing producers with the renewed pricing power that they have been seeking.

| Resin for Sale 15,033,469 lbs |           | Spot Range |          | TPE Market |          |
|-------------------------------|-----------|------------|----------|------------|----------|
| Resin                         | Total lbs | Low        | High     | Bid        | Ask      |
| LLDPE - Film                  | 2,355,232 | \$ 0.550   | \$ 0.650 | \$ 0.590   | \$ 0.640 |
| PP Homo - Inj                 | 2,341,208 | \$ 0.530   | \$ 0.650 | \$ 0.570   | \$ 0.640 |
| HDPE - Inj                    | 2,159,613 | \$ 0.560   | \$ 0.660 | \$ 0.600   | \$ 0.650 |
| LDPE - Film                   | 1,986,416 | \$ 0.620   | \$ 0.720 | \$ 0.670   | \$ 0.720 |
| HDPE - Blow                   | 1,731,864 | \$ 0.550   | \$ 0.660 | \$ 0.600   | \$ 0.650 |
| PP Copo - Inj                 | 1,686,668 | \$ 0.520   | \$ 0.710 | \$ 0.630   | \$ 0.690 |
| HMWPE - Film                  | 1,322,760 | \$ 0.470   | \$ 0.640 | \$ 0.550   | \$ 0.600 |
| LLDPE - Inj                   | 1,041,484 | \$ 0.610   | \$ 0.720 | \$ 0.670   | \$ 0.720 |
| LDPE - Inj                    | 408,224   | \$ 0.680   | \$ 0.760 | \$ 0.710   | \$ 0.760 |



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MARKET UPDATE

Michael Greenberg  
312.202.0002



# ThePlasticsExchange

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## Market Update — November 4<sup>th</sup>, 2022

Polyethylene trading began November strong, healthy volumes of material changed hands across most major commodity grades. Higher volumes could have been achieved if there was better availability for some of the more obscure commodity PE grades. Suppliers had relatively few Generic Prime railcars to offer and asking prices were the same as weeks past, with little follow-up by sellers, expressing that if it sells, it sells, but there was little interest in discounting as margins have already been squeezed. While offgrade prices inched higher, our Prime prices held flat for a fourth consecutive week. There was a steady flow of normal demand and some light restocking beyond typical usage, but we have yet to see robust and widespread demand develop as high inflation and economic uncertainty lingers. Though Houston warehouses remain stuffed with material, much of it has been pre-sold into the export market awaiting shipment. Houston traders are keeping uncommitted inventories somewhat thin and their asking prices for Prime packaged material edged a tad higher, as carrying costs including storage and interest rates continue to rise along with the upcoming year-end tax. It seems that producers have remained disciplined with their throttled back production through October as supplies have been tightening. We expect another major drawdown and it will be very interesting to see upcoming production, sales and inventory figures released in the coming days.

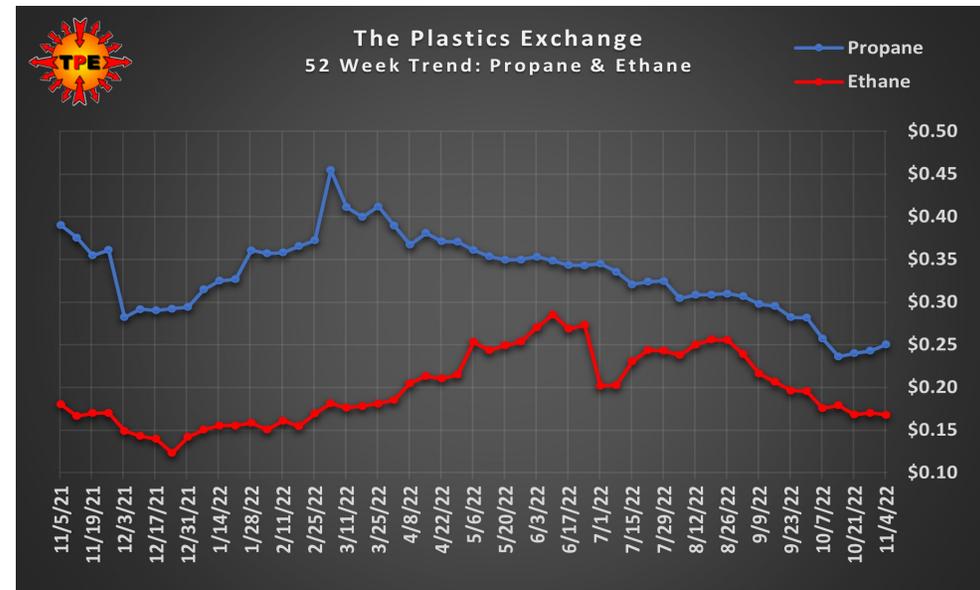
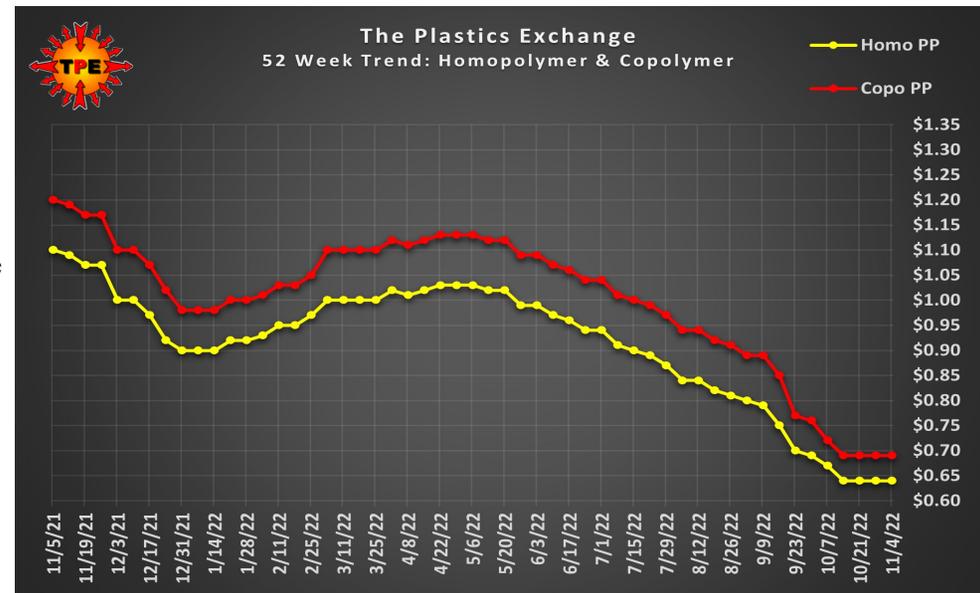
Polypropylene trading built on last week's momentum, completed volumes increased significantly to our highest level since June. In addition, we were good buyers for our market making inventory. Our Prime prices held steady for the third week in a row while Offgrade prices rose a couple of cents. PP Homopolymer supplies remain ample and there was a good flow of both prime and offgrade railcars shown to the market; however, fresh Copolymer offers were out right scarce, though producers were still taking Prime orders for material through the end of the year. Widespec HoPP was the main mover, there was solid demand for both quick truckloads and railcars still to ship. Copolymer sales would have been better if more well-priced resin was made available and we see this as supportive to near-term market pricing. For the first time in months, PP contracts ahead appear steady as monomer prices capitulated in October and have already recovered enough to note fair value in PGP contract levels. There could still be some margin erosion justified as spot fell faster than contracts, but if reactor rates have indeed remained reduced, producers will rightly dig in firm.

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MARKET UPDATE

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# ThePlasticsExchange

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## Market Update — November 4<sup>th</sup>, 2022

While there are bullish signs building in the market, there is still plenty of uncertainty looming at the processor level, which is lending to subdued demand, which could hamper recovery. Do note though that processor resin stocks have also dwindled, so there would be plenty of pent up buying if sentiment were to turn outright bullish.

Monomer markets continued to see robust interest and activity, prices moved higher on lower volumes as the calendar flipped to November. The Ethylene market opened with several bids Monday morning and with sellers mostly absent, the market ticked slightly higher. On Tuesday, traders were able to match up on price and Dec Ethylene exchanged hands at \$.2075/lb. Market gains continued on Wednesday and several deals were solidified, Nov Ethylene deliveries were inked twice at \$.2125/lb, a transaction for Dec Ethylene was done at \$.2125/lb and a late afternoon deal for Nov was completed at \$.2075/lb. On Thursday, material for prompt Nov delivery swapped ownership at \$.21/lb and then again at \$.2125/lb, each deal noting previously agreed upon pricing. Spot Ethylene bids remained at \$.21/lb but offers were pulled and the market rested. By Friday afternoon, spot Nov Ethylene had jumped up over 7% settling at \$.2125/lb, for a net gain of nearly \$.015/lb. Back month Ethylene chopped around throughout the week and the normalized contango flipped to a slightly backwardated curve into 2024.

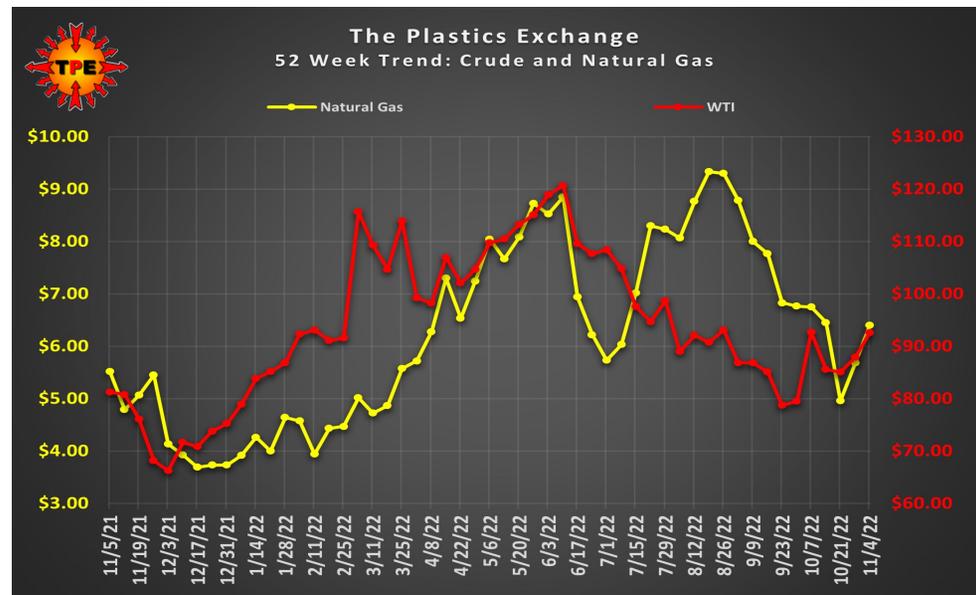
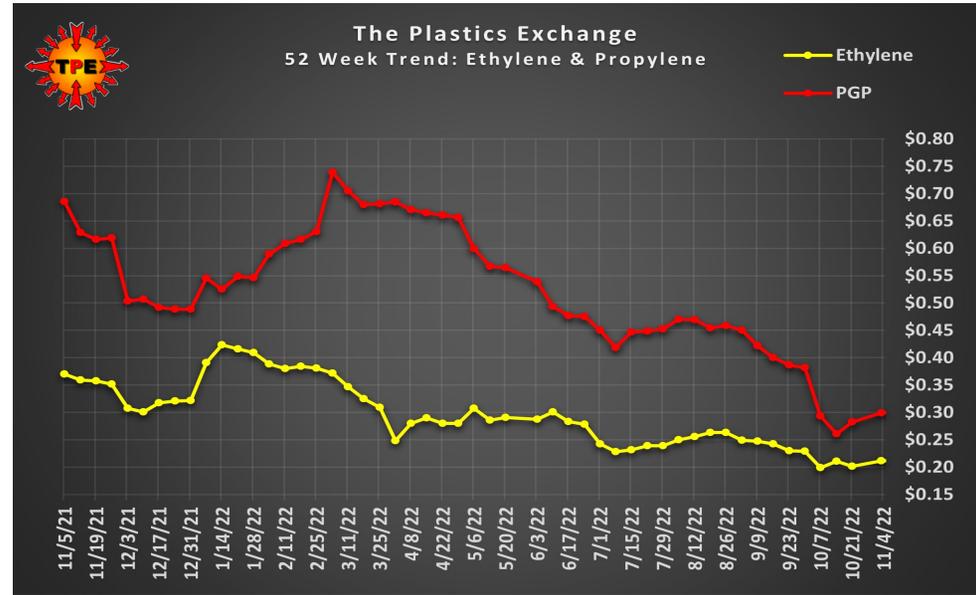
Polymer Grade Propylene maintained a slightly bullish tone amid stout participation. Spot officially flipped to Nov on Tuesday and two transactions were inked for prompt delivery at \$.295/lb, a completed deal for 4Q '23 PGP was also noted much higher at \$.3625/lb. On Wednesday morning spot Nov exchanged hands twice at \$.295/lb and a contract for 2H '23 PGP deliveries was executed at \$.355/lb. Later that afternoon, spot PGP exchanged ownership two more times with dated pricing previously agreed upon at \$.295/lb. Another deal for spot Nov PGP was completed at \$.295/lb Thursday afternoon, along with two deals for deliveries during 2H '23 finalized at \$.355/lb. A few more bids and offers scattered the market on Friday, but no further deals were seen. Spot Nov PGP finished out the week down just under a penny, settling a hair below \$.30/lb. Deferred contract months managed only fractional gains and the forward curve's contango narrowed. October PGP settlements have yet to be formally agreed, though a decrease of \$.12/lb is expected from the previous Sept settlement of \$.44/lb.

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MARKET UPDATE

Michael Greenberg  
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**11/11/2022**
**Dairy Market**

|               |           |             |         |
|---------------|-----------|-------------|---------|
| BLOCK:        | Up .0650  | @ \$ 2.2000 | 1 Sales |
| BARRELS:      | Up .0225  | @ \$ 2.0625 | 2 Sales |
| BUTTER:       | Unchanged | @ \$ 2.9050 | 0 Sales |
| NFDM Grade A: | Up .0300  | @ \$ 1.4300 | 6 Sales |
| CME Dry Whey  | Unchanged | @ \$ .4400  | 1 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> |
|------------------------|---------------|---------------------|--------------------|----------------|----------------------|--------------------|---------------|
| 11/07/2022             | 2.0300        | Up .0200            | 2                  | 1.9850         | Up .0100             | 7                  | 0.0450        |
| 11/08/2022             | 2.0250        | Down .0050          | 0                  | 1.9850         | Unchanged            | 0                  | 0.0400        |
| 11/09/2022             | 2.0650        | Up .0400            | 0                  | 2.0100         | Up .0250             | 1                  | 0.0550        |
| 11/10/2022             | 2.1350        | Up .0700            | 2                  | 2.0400         | Up .0300             | 2                  | 0.0950        |
| 11/11/2022             | 2.2000        | Up .0650            | 1                  | 2.0625         | Up .0225             | 2                  | 0.1375        |
| <b>Average Market:</b> | 2.0910        |                     | <b>5</b>           | 2.0165         |                      | <b>12</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> |
|------------------------|---------------|----------------------|---------------------|--------------|---------------------|--------------------|
| 11/07/2022             | 2.8700        | Up .0975             | 4                   | 1.3850       | Down .0150          | 3                  |
| 11/08/2022             | 2.8000        | Down .0700           | 1                   | 1.3850       | Unchanged           | 0                  |
| 11/09/2022             | 2.9025        | Up .1025             | 5                   | 1.3850       | Unchanged           | 0                  |
| 11/10/2022             | 2.9050        | Up .0025             | 3                   | 1.4000       | Up .0150            | 2                  |
| 11/11/2022             | 2.9050        | Unchanged            | 0                   | 1.4300       | Up .0300            | 6                  |
| <b>Average Market:</b> | 2.8765        |                      | <b>13</b>           | 1.3970       |                     | <b>11</b>          |

| <u>Date</u>            | <u>Dry Whey</u> | <u>Dry Whey Change</u> | <u>Dry Whey Sales</u> |
|------------------------|-----------------|------------------------|-----------------------|
| 11/07/2022             | 0.4450          | Down .0225             | 2                     |
| 11/08/2022             | 0.4350          | Down .0100             | 2                     |
| 11/09/2022             | 0.4350          | Unchanged              | 0                     |
| 11/10/2022             | 0.4400          | Up .0050               | 2                     |
| 11/11/2022             | 0.4400          | Unchanged              | 1                     |
| <b>Average Market:</b> | 0.4390          |                        | <b>7</b>              |

**--Year Ago--**

| <u>Date</u> | <u>Blocks</u> | <u>Barrels</u> | <u>Butter</u> | <u>NFDM Grade A</u> | <u>Dry Whey</u> |
|-------------|---------------|----------------|---------------|---------------------|-----------------|
| 11/09/2021  | 1.7150        | 1.5400         | 1.9650        | 1.5700              | 0.6600          |
| 11/10/2021  | 1.8000        | 1.5450         | 1.9750        | 1.5600              | 0.6600          |
| 11/11/2021  | 1.8100        | 1.5500         | 1.9575        | 1.5600              | 0.6600          |
| 11/12/2021  | 1.7500        | 1.4975         | 1.9500        | 1.5500              | 0.6700          |



# UDDER INTELLIGENCE

In-Depth Analysis



  
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# Udder Intelligence



November 10, 2022

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## What you need to know

- U.S. government announced some purchases, not much price impact expected
- GDT WMP down 0.8% from last week
- Covid cases in China continue to spike, which should weigh on GDT prices next week
- U.S. butter and cheese prices bounced higher, doesn't seem to be much change in fundamentals

## Dairy Prices (USD)

| Cheese               |            |         |           | WMP       |            |         |           |
|----------------------|------------|---------|-----------|-----------|------------|---------|-----------|
|                      | Last (lb.) | Chg.    | Last (MT) |           | Last (lb.) | Chg.    | Last (MT) |
| CME Blocks (Wk Avg)  | \$2.07     | \$0.09  | \$4,561   | US        | \$2.45     | \$0.00  | \$5,401   |
| CME Barrels (Wk Avg) | \$2.01     | \$0.05  | \$4,440   | Dutch     | \$1.97     | -\$0.02 | \$4,332   |
| EU Gouda             | \$2.10     | -\$0.05 | \$4,635   | GDT (Avg) | \$1.49     | \$0.00  | \$3,279   |
| GDT Cheddar (Avg)    | \$2.18     | \$0.00  | \$4,802   |           |            |         |           |

| Butter            |            |         |           | Dry Whey   |            |        |           |
|-------------------|------------|---------|-----------|------------|------------|--------|-----------|
|                   | Last (lb.) | Chg.    | Last (MT) |            | Last (lb.) | Chg.   | Last (MT) |
| CME Spot (Wk Avg) | \$2.87     | \$0.13  | \$6,317   | Central US | \$0.44     | \$0.00 | \$970     |
| EEX Index         | \$2.87     | -\$0.03 | \$6,332   | EEX Index  | \$0.41     | \$0.01 | \$900     |
| GDT (Avg)         | \$2.21     | \$0.00  | \$4,868   | US WPC34   | \$1.82     | \$0.00 | \$4,007   |
|                   |            |         |           | US Lactose | \$0.49     | \$0.00 | \$1,069   |

| SMP/NFDM          |            |         |           | Rennet Casein |            |        |           |
|-------------------|------------|---------|-----------|---------------|------------|--------|-----------|
|                   | Last (lb.) | Chg.    | Last (MT) |               | Last (lb.) | Chg.   | Last (MT) |
| CME Spot (Wk Avg) | \$1.39     | -\$0.01 | \$3,062   | US            | \$6.13     | \$0.00 | \$13,514  |
| EEX Index         | \$1.39     | -\$0.06 | \$3,066   |               |            |        |           |
| GDT (Avg)         | \$1.35     | \$0.00  | \$2,972   |               |            |        |           |

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

USD/euro rate used: 1.008, +0.022

CME Class III and SGX WMP Futures Prices  
(December 2022 Contracts)



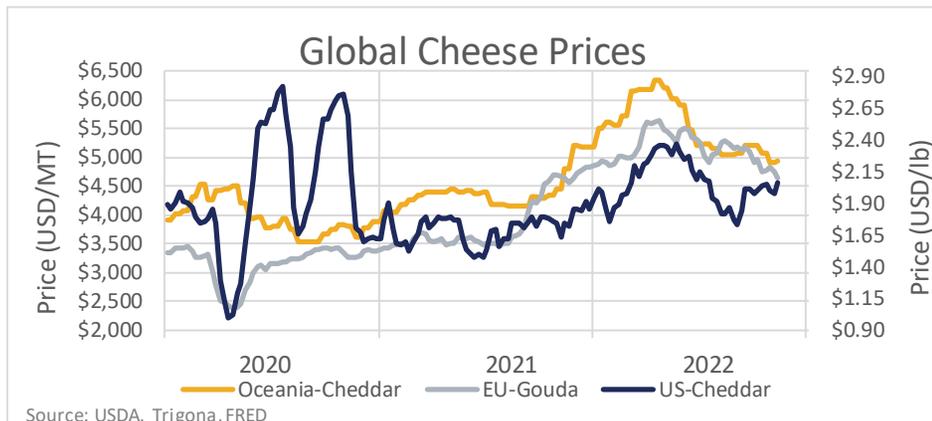
Source: CME, SGX

## Market Summary

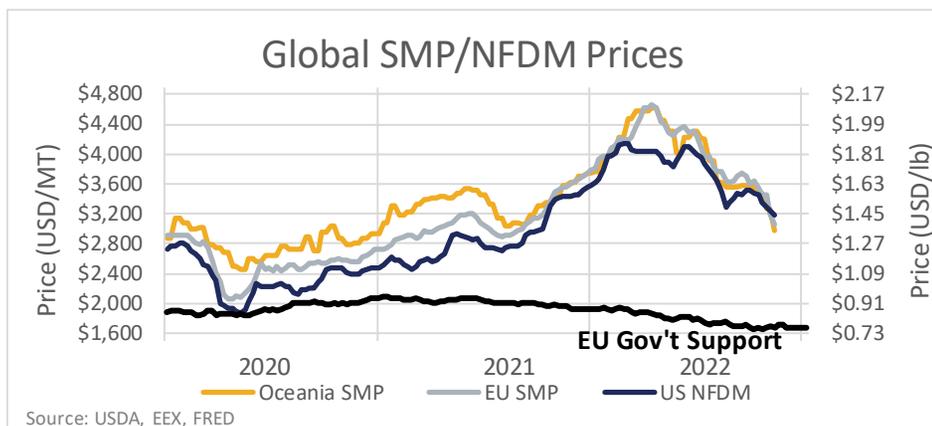
Surging covid cases and tightening lockdowns in China have many commodity markets nervous. SGX and EEX dairy futures were relatively stable this week and the futures are currently pricing in a small increase for GDT next week, which I think is unlikely (but anything is possible). U.S. spot and futures prices bounced higher. The only news has been the pre-solicitation announcement from the USDA, but the volume that they are likely to purchase won't have much impact on the market and should have next to no impact on current spot prices. I said it last week, and I still think it is true, price direction is going to hinge on China. If Chinese import demand stabilizes, then prices can too, but it is hard to see the current covid spike as good for Chinese demand.



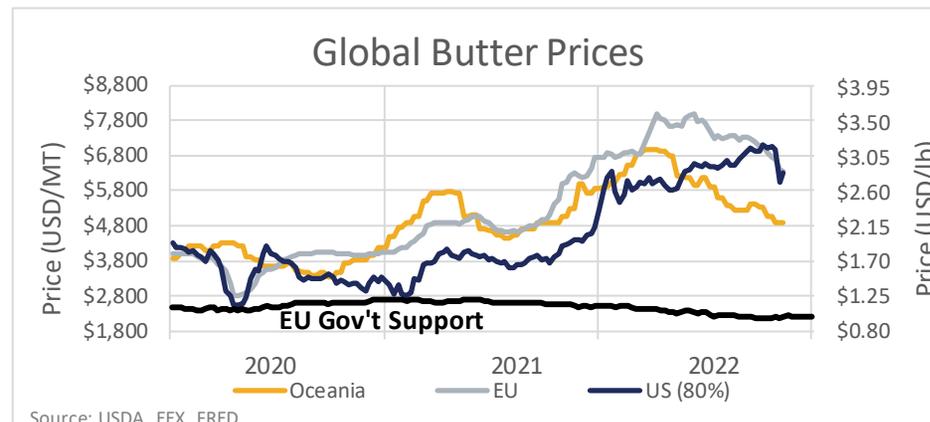
## Product Markets



**Butter:** Who knew butter was so bouncy? After dropping hard last week, CME spot butter rebounded. Maybe there is still some late holiday related demand to fill...but the expectation is still that butter prices will shift lower again in the next month. EU butter futures bounced a little higher this week before sellers came in and pushed it back down. Milk production has been better than some processors were expecting.



**Cheese:** CME spot cheese prices were up this week with blocks a little tighter than barrels. The only real news this week was the pre-solicitation notice from the USDA about 2023 dairy purchases. With the current funding they have, they will likely be purchasing 3 to 4 million pounds of cheese per month, which is a drop in the bucket. EU cheese prices (in euro terms) were weaker with reports that consumption has slowed and stocks are backing up a bit through the supply chain.

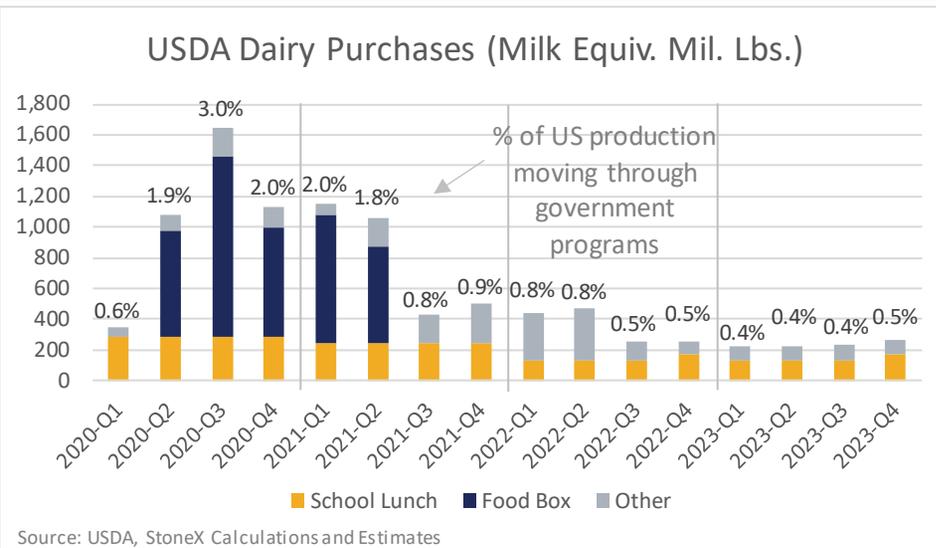


**Powders:** NFDM/SMP still sounds heavy in the U.S. and EU. SMP at the GDT event last week was down 8%, and the futures are only expecting a 2% bounce next week (which might be optimistic). Traders are talking about a tender from Algeria, but it will do little to shift the supply and demand balance by itself. Food grade dry whey prices were a little weaker in Europe and up a little in the U.S.



## In-Depth Analysis - U.S. Government Purchases

In unrelated but coincidental news, someone won \$2.04 billion in the PowerBall lottery and the U.S. government put out a pre-solicitation to purchase commodities as part of the \$2 billion American Agriculture to Feed Kids & Families package. This package of spending was first announced back in September. This week the USDA put out the pre-solicitation notice saying that they plan to buy \$943 million in commodities for distribution through The Emergency Food Assistance Program (TEFAP), which provides food to food shelves and other qualified organizations. The other money in the package will be used to increased school lunch subsidies and to purchase locally produced food for food shelves (which is an ongoing program, I haven't heard of any significant impact on local dairy supplies from this). So the biggest direct impact to dairy prices from this package would come from the TEFAP commodity purchases.



\$943 million in commodity purchases sounds like a lot. Fears of record high cheese prices and extreme price volatility in 2020, driven largely by government purchases, are still very fresh in everyone's mind. But let's put this in perspective. First, administrative and distribution costs are subtracted from the \$943 million total (which are typically around 20%). So the USDA will be spending about \$754 million on the physical commodities. Those purchases will be spread over 2023 with delivery happening into 2024. The Federal fiscal year ends in September, so the purchases will happen over a 9 month period with delivery over a 21 month period. I'm guessing most of the dairy products will be delivered in 2023 (there will be a reluctance to offer fixed price offers for delivery in 2024). In these commodity purchase programs, about 20% of the money is typically spent on dairy commodities, so we are talking about a total spend of \$151 million on dairy products. I think the purchases will mostly be in the form of cheese and bottled milk. They could purchase butter as well, but given the high price and lessons learned in 2020, I think they will be careful about disrupting dairy markets and will stay away from the tight butter market. Working through the numbers, these TEFAP purchases add up to about 0.16-0.18% of total milk production in Jan-Sep 2023. Purchases could be around 3.2 million pounds of cheese a month and 7 million pounds of bottled milk (800,000 gallons) per month. The purchases would drop off to 0.05% of milk production in the 2024 fiscal year.

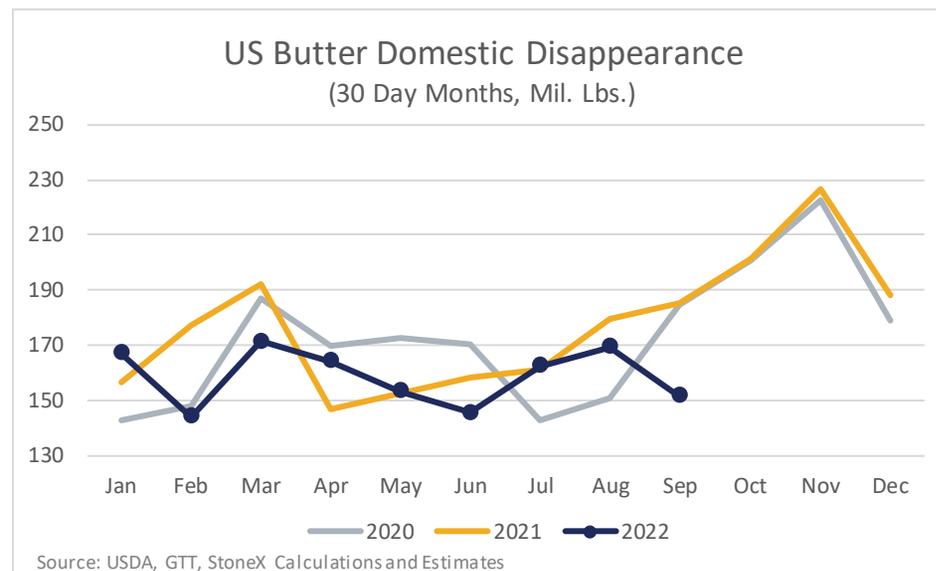
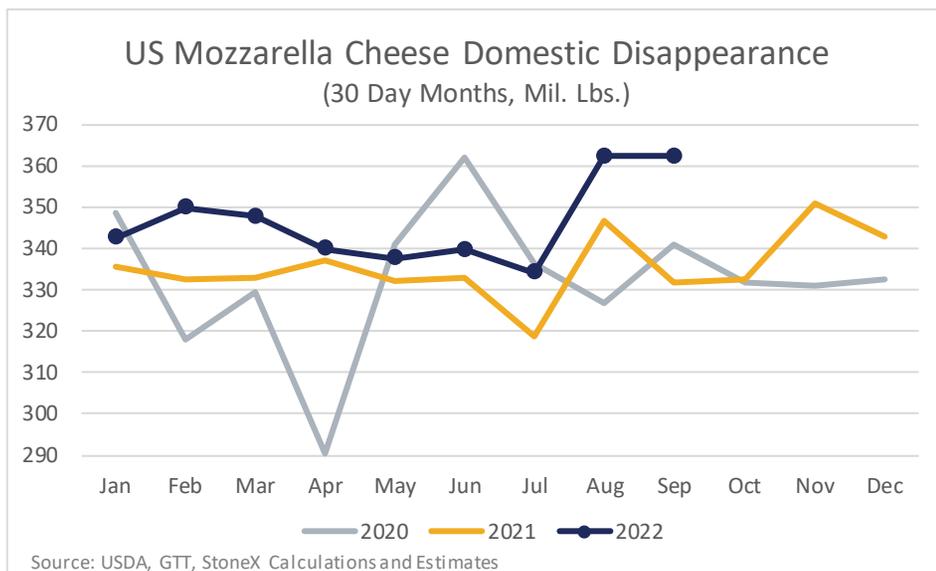
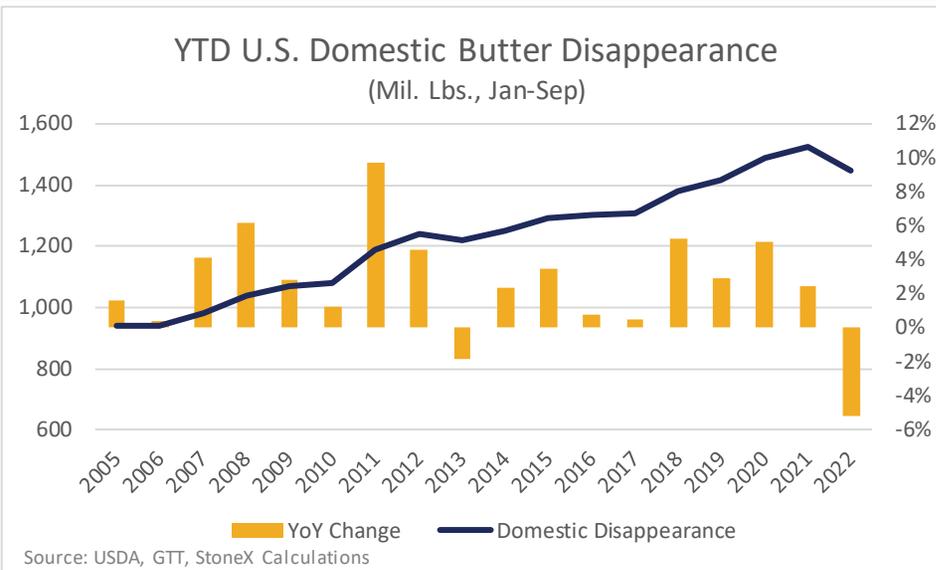
Any time you give something away from free, demand/consumption is going to be higher than it otherwise would have been. So this program is going to increase dairy demand/consumption. But the increase in demand is small and spread over a long period with plenty of lead time for the industry to plan around this demand. This shouldn't have much impact on dairy prices.



## In-Depth Analysis - U.S. Domestic Disappearance

U.S. domestic butter disappearance was very weak in September, down 18.4% from last year. That puts year-to-date disappearance down 5.2% which is the biggest drop in more than 20 years. It's possible the September data will be revised higher, or maybe October will come in much stronger than last year, but even if we ignore September, YTD disappearance through August was down 3.4% which is still the weakest we've seen since 2001. Record high retail butter prices since the middle of the year and a return to pre-pandemic patterns (less home baking) explain some of the drop. But the use of butter in processed foods/food service must also be down too.

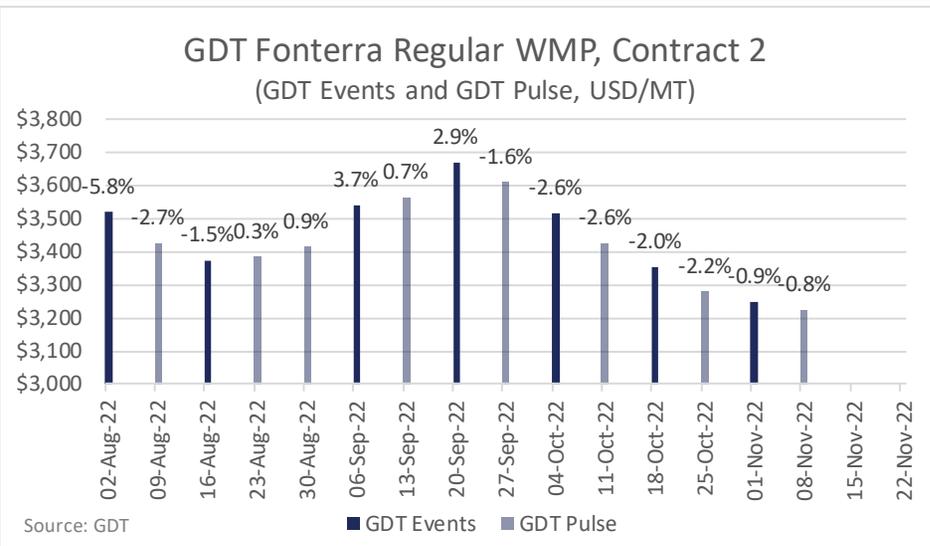
Domestic disappearance of cheese was good, up 3.5% from last year in September, driven by mozzarella which was estimated up 9.2%. Same store sales improved at Dominos (+2%) and Pizza Hut (+1) in Q3, but that can't explain all of the growth in mozzarella disappearance.





## In-Depth Analysis - GDT Event 320

I want to be bullish (or at least neutral) on the GDT event next week. Our price forecasts are calling for a bottom in Oceania prices soon, but I think the sentiment in China is too negative to drive an increase in prices. Covid cases in China have gone parabolic over the past two weeks, including in Beijing. Airports across the country saw widespread flight cancellations, with cancellation rates topping as high as 98% in some airports on Wednesday. With that kind of disruption, and anecdotally still plenty of product available in the domestic market, why be aggressive at GDT? If Chinese imports flatten out at current levels, then we should start to see some support in prices, but I just don't think it will happen this auction.



| GDT Event 320 Futures and Price Forecast Analysis |                   |                   |                |                    |                 |                |                            |                |
|---|-------------------|-------------------|----------------|--------------------|-----------------|----------------|----------------------------|----------------|
|   | Offer Q Last (MT) | Offer Q Next (MT) | Percent Change | Previous GDT Price | Nate's Forecast | Percent Change | SGX Futures Close (Oct 13) | Percent Change |
| AMF   | 3,160             | 3,160             | 0.0%           | \$5,562            | \$5,651         | 1.6%           | <b>\$5,525</b>             | <b>-1.3%</b>   |
| Butter  | 3,145             | 3,145             | 0.0%           | \$4,868            | \$4,830         | -0.8%          | <b>\$4,835</b>             | <b>-0.6%</b>   |
| Cheddar   | 750               | 750               | 0.0%           | \$4,802            | \$4,750         | -1.1%          |                            |                |
| SMP   | 8,270             | 8,270             | 0.0%           | \$2,972            | \$2,975         | 0.1%           | <b>\$3,000</b>             | <b>2.0%</b>    |
| WMP   | 14,503            | 13,502            | -6.9%          | \$3,279            | \$3,240         | -1.2%          | <b>\$3,250</b>             | <b>0.0%</b>    |
| Estimated GDT Index % Change:                     |                   |                   |                |                    |                 | -0.4%          |                            | <b>0.2%</b>    |

Source: GDT, SGX, Fonterra, StoneX Calculations, Estimates and Forecasts



# Udder Intelligence



November 10, 2022

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 INTL FCStone 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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## One for the books!

### 2022 Tomato Crop Update

October 31, 2022

Our 80th tomato season was “one for the books.” Once we got through the first few weeks, most of our Growers were blessed with unprecedented, consistent, record-breaking high yields. In the Midwest, our typical average tons per acre is in the mid 30’s. This season, week after week, many of our growers nearly doubled that average,

## a new company record.

Even better than these high numbers was the quality of the fruit. We started off red and ripe at the beginning of the season and remained that way until the very end.



## Even better than our high yield was our quality fruit

Mother Nature was on our side during the pack season, as we experienced overall limited rainfall, which allowed the growers to work in ideal conditions throughout most of the season. They worked tirelessly to harvest and transport their tomato crop, hauling tens of thousands of loads during the approximate 60-day fresh pack harvest season.

Our Growers’ hard work and perseverance were matched by dedication and tenacity of the employees at each of our manufacturing facilities. They processed this bumper crop in a timely manner, capturing the fruit’s quality at its highest levels. We have always been proud of the quality of our tomatoes, but this year was just over the top!

Records were set this year with a one-day tonnage record for all three factories of over 9,000 tons. The Geneva factory broke its own record by processing over 4,000 tons in one single day. Elwood’s manufacturing facility processed tomatoes for 45 days straight, the facility in Orestes processed for 60 days straight and the Geneva plant processed for 61 days straight. We were able to get all of the tomatoes packed away and the fresh pack harvest season wrapped up on October 16th.

We are grateful for the successes we’ve experienced in the 2022 season and we are already looking forward to what we can achieve in 2023.