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Bean and Rice Market Report

# Egg Markets

## Week of April 11, 2022

**TONE: Retail demand only fair. Supplies increasingly available. Market barely steady.**

The regional egg markets are as follows:

|    | Northeast | Midwest | Central | Southeast |
|----|-----------|---------|---------|-----------|
| Lg | \$3.04    | \$3.01  | \$3.16  | \$3.15    |
| Md | \$2.57    | \$2.52  | \$2.61  | \$2.59    |

Source: Esbenshade, Inc.



### Egg Markets Overview

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



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

# USDA Egg Markets Overview

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

April 08, 2022

Wholesale prices for cartoned shell eggs began to show weakness as the week advanced as the Easter marketing season is peaking and the market is starting to look past. Offerings are becoming more available while supplies are sufficient to ample for current needs. Interest is mostly moderate and trading is moderate. Wholesale prices for graded loose eggs have begun to top out as business slows and supplies are moderate even as offerings remain light. Trading has slowed. The impact on production of recent outbreaks of highly pathogenic avian influenza in commercial flocks has increased demand for breaking stock just as cartoned demand is set to wane in the post-holiday marketplace. The volume of trailer load sales this week increased 57% into next week, driven by demand for breaking stock to offset HPAI bird losses. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs rose \$0.23 to \$2.506 per dozen with a steady undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers declined \$0.03 to \$2.97 per dozen with a barely steady undertone. The Midwest wholesale price for Large, white, shell eggs delivered to warehouses increased \$0.38 to \$2.85 per dozen with a barely steady undertone. Prices paid to producers in the Midwest for Large cartoned shell eggs were unchanged at \$2.66 per dozen with a steady undertone. The California benchmark for Large shell eggs increased \$0.31 to \$3.63 per dozen with a steady undertone. Delivered prices on the California-compliant wholesale loose egg market decreased \$0.57 to \$2.600 per dozen with a weak undertone.

Consumer demand for shell eggs declined as shoppers are finding little incentive at the local grocer to buy beyond normal needs. Plastic eggs have been encroaching on shell egg demand during Easter for years but shell eggs have managed to hold their own for holiday baking needs. However, this Easter is expected to be a low-key affair as higher gas prices are expected to dampen travel plans leading to smaller holiday family gatherings and less demand for baking. This has led to less price pressure in the wholesale market as marketers find their smaller supplies equal to demand. While outbreaks of highly pathogenic avian influenza in the Upper Midwest this past week have focused on commercial turkey flocks, impacts to layer flocks continue to disrupt normal marketing patterns. Significant losses to flocks devoted to egg product formulations has led to sharp rises in breaking stock prices as buyers move aggressively in the open market to replace their lost production necessary to meet their contractual obligations for egg products – both domestic and foreign. As the Easter reaches its peak, marketers are already looking ahead and anticipating demand for breaking stock to pick up the slack from declining post-Easter demand for carton eggs. Many retailers have increased their offerings of more available cage-free shell eggs to soften the shock of higher conventional caged egg prices at the dairy case.

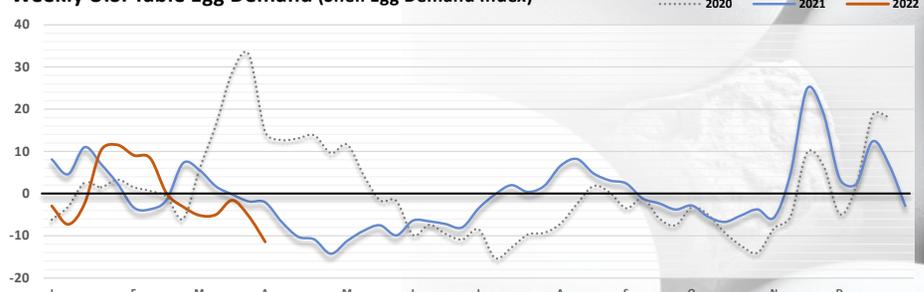
Promotional activity for conventional shell eggs in retail outlets increases into the week before Easter and the average ad price declines \$0.47 to \$1.07 per dozen as holiday deals kick in. Retail purchases for delivery into this week were estimated to rise 1% from the prior week. Promotional activity for specialty shell eggs slows with cage-free offerings continuing to lead the category with increasing promotions for organic. Feature activity

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

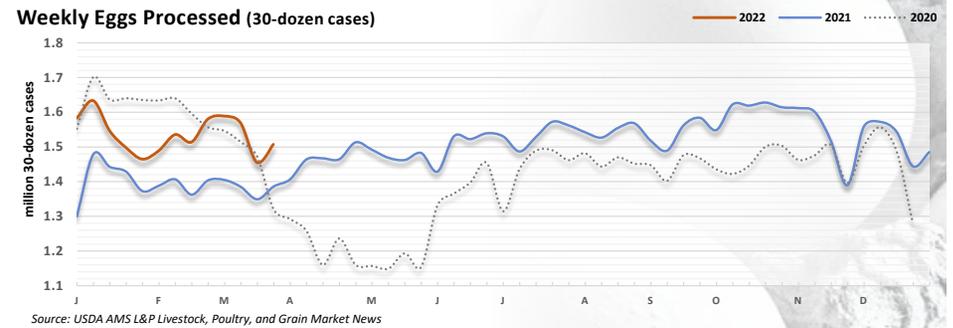
for UEP-defined cage-free shell eggs accounts for 43% of all shell egg types on feature. The average ad price declines \$0.10 to \$2.37 per dozen. The average ad price spread between 12-packs of Large caged eggs and UEP cage-free eggs widens by \$0.36 per dozen to a spread of \$1.30 per dozen. As wholesale prices for caged eggs remain strong, retailers have shifted their focus to promoting cage-free types with a more competitive price point.

The overall inventory of shell eggs gained 2% and the nation-wide inventory of Large eggs was up 1%. The inventory of Large eggs in the key Midwest production region decreased 19% on a combination of product moving into retail channels to support Easter business and reduced production due to recent HPAI outbreaks in the commercial table egg industry. The inventory share of Large class shell eggs declined to a 49% share of all shell egg stocks on inventory at the start of the week. Stocks of cage-free eggs increased 5% at to support active retail promotions. The inventory of nutritionally-enhanced shell eggs was down 8% and supplies of organic eggs rose 6% on increasing retail activity. Breaking stock inventories were down one percent as breakers slowed production to minimize exposure to a very strong spot market. Total estimated table egg production declined 2% from last week and was down 6% from last year at an estimated 8.8 million cases under last year's level. Most of the decline was the direct result of the loss of 18 million layers over the past month due to HPAI.

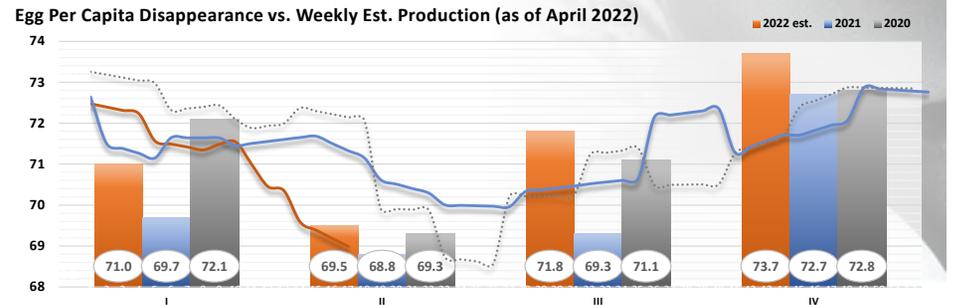
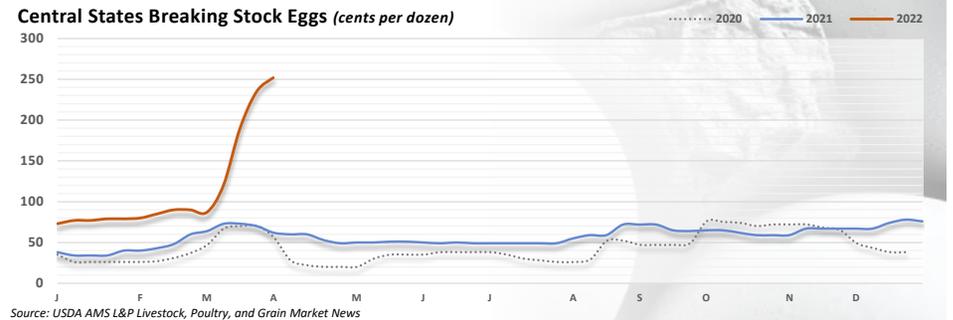
Wholesale prices for breaking stock in the Central States increased \$0.17 to \$2.52 with a weak undertone. Offerings remain light but, as Easter carton business wanes, are expected to become more available. Supplies are light to moderate. Demand is moderate to good and trading is moderate. Schedules are reduced to full-time. The volume of eggs processed over the past week increased nearly 4%, representing a 31.5% share of weekly table egg production. Production of whole egg was down a half percent as was the production of whites. Yolk production increased 6% while dried egg production was down a half percent. Inedible production declined 4%. Breaking yields without inedible declined slightly to 41.10 pounds per case broken,

Wholesale prices for whole certified liquid whole eggs are too few to report with a higher undertone. Offerings are light to short, demand is good, and trading is active. The wholesale price for frozen whole egg products declined \$0.20 to \$3.00 per pound and the price for liquid whites declined \$0.35 to \$2.15 per pound. The undertone is steady to higher. Offerings and supplies are light for good to very good demand and the pace of trading is active. Wholesale prices for dried egg products are too few to report with a firm to higher undertone. Offerings are very light and held with confidence with light to very light supplies and very good demand. Trading is active.

According to NASS, the February monthly volume of frozen eggs in storage increased 7% from January, 5% below the 2021 level. Stocks of whole frozen egg increased 3% from last month and were 12% above year ago levels. The share of whole egg stocks declined 2% to 44% of total frozen stocks. Stocks of frozen yolk declined 7%, 20% over last year's level while stocks of frozen egg whites were down 8%, 11% under last year. Stocks of unclassified eggs gained 19%, 19% below 2021 levels. The share of unclassified frozen stocks grew by 4% to 41%.



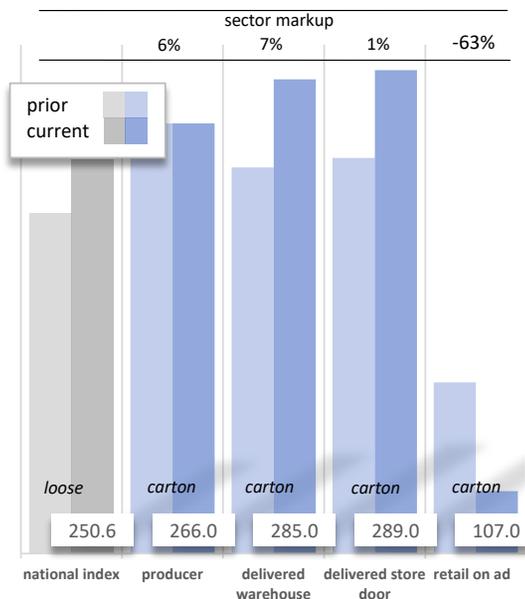
| Eggs Processed Week-to-Week Change |        |         |         |        |         |          |
|------------------------------------|--------|---------|---------|--------|---------|----------|
| total                              | share  | whole   | whites  | yolks  | dried   | inedible |
| ▲ 3.6%                             | ▲ 6.4% | ▼ -0.6% | ▼ -0.4% | ▲ 5.8% | ▼ -0.5% | ▼ -4.1%  |



## Shell Eggs Market Price Comparisons

(as of April 08, 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

|   | 8-Apr  | % Change | Recent History |        |        |        |        |
|---|--------|----------|----------------|--------|--------|--------|--------|
|   |        |          | 1-Apr          | 25-Mar | 18-Mar | 11-Mar | 4-Mar  |
| <b>SHELL EGGS (Large, White, conventional in cents per dozen)</b>     |        |          |                |        |        |        |        |
| National, Loose, (f.o.b. dock prices)                                 | 250.58 | 10%      | 227.11         | 209.89 | 138.59 | 96.43  | 86.88  |
| New York, Carton (price to retailers)                                 | 297.00 | -1%      | 300.00         | 277.00 | 189.00 | 144.00 | 144.00 |
| Midwest, Carton (price dlvr'd to warehouse)                           | 285.00 | 15%      | 247.00         | 154.00 | 129.00 | 129.00 | 137.00 |
| California, Carton, benchmark (cage-free)                             | 363.00 | 9%       | 332.00         | 239.00 | 203.00 | 194.00 | 216.00 |
| <b>National Retail Shell Egg (avg. ad price in dollars per dozen)</b> |        |          |                |        |        |        |        |
| Conventional, Large, White  | 1.07   | -31%     | 1.54           | 1.59   | 1.03   | 1.49   | 1.52   |
| Cage-Free, Large, Brown   | 2.37   | -4%      | 2.47           | 2.86   | 2.73   | 2.11   | 2.22   |
| <b>EGG PRODUCTS (f.o.b. dock prices; dollars per pound)</b>           |        |          |                |        |        |        |        |
| Central States Breaking Stock (dlvd prices per doz)                   | 252.00 | 7%       | 235.00         | 190.00 | 135.00 | 87.00  | 90.00  |
| Whole Frozen Eggs   | 300.00 | -6%      | 320.00         | 203.00 | 130.00 | 125.00 | 122.00 |
| Whole Dried Eggs  | 16.00  | 0%       | 16.00          | 9.30   | 4.60   | 4.50   | 4.25   |
| Processed Share of Weekly Egg Production                              | 31.6%  | 1.9%     | 29.7%          | 31.1%  | 31.5%  | 31.4%  | 30.1%  |
| <b>SHELL EGG DEMAND INDICATOR (no units)</b>                          |        |          |                |        |        |        |        |
|   | -11.4  | -6.0     | -5.3           | -1.6   | -5.0   | -5.2   | -3.1   |

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

## Key Shell Egg Markets Snapshot - 2022

| (Large, White, Conventional Shell Eggs in cents per dozen)    | 8-Apr | Change | 01-Apr | 2022 High | 2022 Low |
|---|-------|--------|--------|-----------|----------|
| National, Loose, (f.o.b. dock prices)                         | 250.6 | ▲ 10%  | 227.1  | 252.6     | 71.4     |
| New York, Carton (price to retailers)                         | 297.0 | ▼ -1%  | 300.0  | 300.0     | 126.0    |
| Midwest, Carton (price dlvr'd to warehouse) <sup>1</sup>      | 285.0 | ▲ 15%  | 247.0  | 285.0     | 111.0    |
| California, Carton, benchmark                                 | 363.0 | ▲ 9%   | 332.0  | 363.0     | 194.0    |
| Central States Breaking Stock (delivered prices) <sup>1</sup> | 252.0 | ▲ 7%   | 235.0  | 260.0     | 73.0     |
| Whole Frozen Egg Products (f.o.b. dock prices)                | 300.0 | ▼ -6%  | 320.0  | 320.0     | 115.0    |
| Whole Dried Egg Products (f.o.b. dock prices)                 | 16.00 | ▬ 0%   | 16.00  | 16.00     | 4.12     |
| Natl Average Retail Ad Price - Conventional                   | 1.07  | ▼ -31% | 1.54   | 1.59      | 0.86     |
| Natl Average Retail Ad Price - Cage-free <sup>2</sup>         | 2.37  | ▼ -4%  | 2.47   | 2.86      | 2.11     |
| Shell Egg Demand Indicator                                    | -11.4 | ▼ -6.0 | -5.3   | 11.5      | -11.4    |

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

The overall export volume of shell egg and egg products in February was unchanged from January, 36 percent under February 2021. The overall value of all table egg and egg product exports increased 11 percent but was down 6 percent from last year. Exports of table shell eggs declined 26 percent, down 64 percent from 2021 as the producers focused on supplying a strong domestic market during that period. Hong Kong remained the top customer for U.S. table shell eggs with 55 percent of monthly and yearly shipments to date. Mexico eased off their January volumes and accounted for 16 percent of exports. Canada picked up their buying from last month but at a fraction of where they ended 2021. The value of table shell egg exports declined 20 percent in February and the average price per dozen increased 9 percent (from \$1.11 to \$1.21 per dozen).

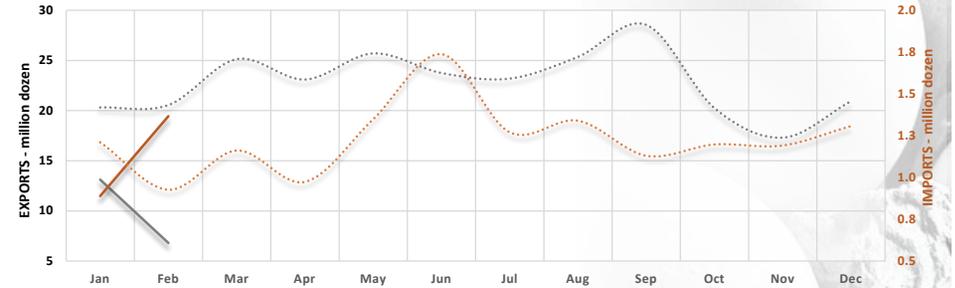
The volume of egg product exports in February increased 24 percent from last month and by 7 percent over last year. The value of all egg product exports likewise rose, up 33 percent. Exports of liquid egg products increased 7 percent with a 10 percent increase in total value. Exports of liquid yolk once again led all types despite less volume for the month. Liquid albumen exports rose sharply as Canada came into the market in a big way over February and accounted for 70 percent of monthly shipments. The Netherlands also increased their buying, accounting for 19 percent on monthly exports. Exports of liquid whole egg declined 5 percent as South Korea cut their buying by two-thirds while other trade partners maintained a steady level of buying. Germany stepped in to buy up 12 percent of the monthly exports of liquid whole egg.

The export volume of dried egg products in February increased 31 percent and the total value was up 65 percent. Exports of dried whole egg dominated all types with a 27 percent rise in volume. Canada held off a rally by South Korea to end up with 50 percent of monthly exports while South Korea accounted for 42 percent. Exports of dried yolk increased 60 percent as Japan doubled their volume during the month and Canada returned as a buyer. The volume of dried albumen posted a 21 percent increase during the month as Japan increased their shipments to account for 61 percent of the month's export volume. Canada also stepped in but at a much lesser rate.

Import volumes of table shell egg and egg products for the month increased 54 percent with a 28 percent rise in total value. No imports of table shell eggs to the U.S. were recorded. Total imports of egg products was up 54 percent for the month while imports of liquid egg rose 34 percent with a 25 percent rise in value. Imports of liquid whole egg rose 41 percent with Canada continuing to be the dominant supplier. Imports of liquid yolk more than doubled in February led by Canada but with China also contributing. Imports of liquid albumen declined by 52 percent as Canada slowed their shipments. Imports of dried egg products was limited to a steady inflow of dried albumen from Canada.

**Table Egg U.S. Trade Balance - 2021-2022**

monthly total shell and egg products imports/exports in dozen shell egg equivalents.



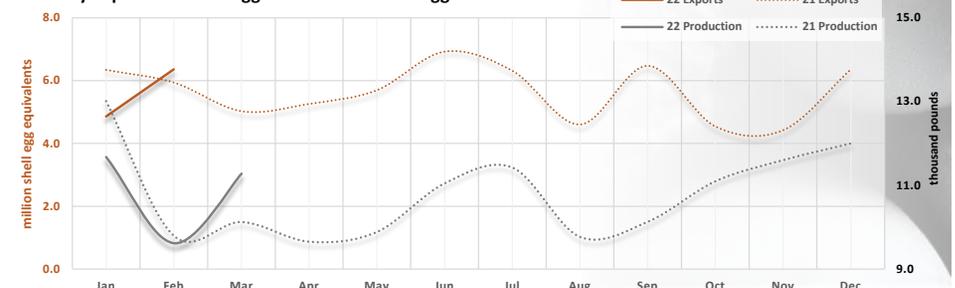
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News, FAS GATS

**Exported Table Shell Egg Avg. Price per Dozen - 2021-2022**



Source: USDA AMS L&P LPGMN, FAS GATS

**Monthly Exports of Dried Egg Products vs. Dried Egg Production**



Source: USDA AMS L&P LPGMN, FAS GATS

**2022 Monthly - U.S. Table Egg Exports** (all numbers in dozen shell egg equivalents)

|                       |              | Shell Eggs | Liquid     |            |            |              | Dried      |            |            |             |
|-----------------------|--------------|------------|------------|------------|------------|--------------|------------|------------|------------|-------------|
| 2022                  | Total Dozens | (dozens)   | Whole      | Yolk       | Albumen    | Total Liquid | Whole      | Yolk       | Albumen    | Total Dried |
|                       |              | 0407210000 | 0408990000 | 0408190000 | 3502190000 |              | 0408910000 | 0408110000 | 3502110000 |             |
| Jan                   | 13,119,711   | 6,117,927  | 435,064    | 1,683,677  | 23,268     | 2,142,009    | 3,092,020  | 739,124    | 1,028,632  | 4,859,775   |
| Feb                   | 13,162,845   | 4,511,616  | 415,311    | 1,587,926  | 289,429    | 2,292,667    | 3,930,209  | 1,180,315  | 1,248,039  | 6,358,562   |
| Mar                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Apr                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| May                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Jun                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Jul                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Aug                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Sep                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Oct                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Nov                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Dec                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| <b>Total Shell</b>    | 10,629,543   |            | 850,376    | 3,271,603  | 312,697    | 4,434,676    | 7,022,229  | 1,919,439  | 2,276,670  | 11,218,337  |
| <b>Total Products</b> | 15,653,013   |            |            |            |            |              |            |            |            |             |
| <b>Total All</b>      | 26,282,556   |            |            |            |            |              |            |            |            |             |

**2022 Monthly - U.S. Table Egg Imports** (all numbers in dozen shell egg equivalents)

|                       |              | Shell Eggs | Liquid     |            |            |              | Dried      |            |            |             |
|-----------------------|--------------|------------|------------|------------|------------|--------------|------------|------------|------------|-------------|
| 2022                  | Total Dozens | (dozens)   | Whole      | Yolk       | Albumen    | Total Liquid | Whole      | Yolk       | Albumen    | Total Dried |
|                       |              | 407210090  | 0408990000 | 0408190000 | 3502190000 |              | 0408910000 | 0408110000 | 3502110000 |             |
| Jan                   | 888,877      | -          | 742,572    | 35,990     | 110,314    | 888,877      | -          | -          | -          | -           |
| Feb                   | 1,367,223    | -          | 1,050,080  | 88,218     | 53,400     | 1,191,698    | -          | -          | 175,526    | 175,526     |
| Mar                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Apr                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| May                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Jun                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Jul                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Aug                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Sep                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Oct                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Nov                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| Dec                   | -            | -          | -          | -          | -          | -            | -          | -          | -          | -           |
| <b>Total Shell</b>    | -            |            | 1,792,652  | 124,208    | 163,714    | 2,080,575    | -          | -          | 175,526    | 175,526     |
| <b>Total Products</b> | 2,256,100    |            |            |            |            |              |            |            |            |             |
| <b>Total All</b>      | 2,256,100    |            |            |            |            |              |            |            |            |             |



| USAPEEC Conversions for MT's to lbs. to dozens |   |
|--|---|
| Whole  | 0408990000 lbs exported x 0.7593        |
| Yolk   | 0408190000 lbs exported x 0.7593        |
| Albumen  | 3502190000 lbs exported x 0.7593        |
| Whole  | 0408910000 lbs exported x 2.2 x 0.7593  |
| Yolk   | 0408110000 lbs exported x 2.2 x 0.7593  |
| Albumen  | 3502110000 lbs exported x 7.71 x 0.7593 |

**U.S. Egg Products Export Destinations**  
**Jan-Feb 2022 (metric tons)**

| Destination            | Total          | Liquid       |                |              |                | Dried          |              |              |                |
|------------------------|----------------|--------------|----------------|--------------|----------------|----------------|--------------|--------------|----------------|
|                        |                | Whole        | Yolk           | Albumen      | Total          | Whole          | Yolk         | Albumen      | Total          |
| <b>TOTALS:</b>         | <b>5,253.4</b> | <b>508.2</b> | <b>1,954.2</b> | <b>186.8</b> | <b>2,649.2</b> | <b>1,906.7</b> | <b>521.1</b> | <b>176.4</b> | <b>2,604.2</b> |
| Japan                  | 1,323.7        | 1.5          | 822.3          |              | 823.8          | 92.3           | 311.3        | 96.3         | 499.9          |
| Canada                 | 1,299.6        | 13           | 65             | 128.3        | 206.3          | 1025.8         | 51.1         | 16.4         | 1,093.3        |
| Korea, South           | 965.2          | 84.5         | 211.9          |              | 296.4          | 668.2          | 0.6          |              | 668.8          |
| Mexico                 | 679.9          |              | 661.4          |              | 661.4          |                | 18           | 0.5          | 18.5           |
| Taiwan                 | 148.3          |              | 136.1          |              | 136.1          | 12.2           |              |              | 12.2           |
| Hong Kong              | 142.8          | 125.4        | 7.4            | 10           | 142.8          |                |              |              |                |
| China                  | 81.6           |              |                |              |                | 6.0            | 35.3         | 40.3         | 81.6           |
| Netherlands            | 81.6           |              |                | 32.6         | 32.6           | 49             |              |              | 49.0           |
| Trinidad and Tobago    | 66.4           | 3.2          |                |              | 3.2            |                | 63.2         |              | 63.2           |
| United Arab Emirates   | 65.4           | 65.4         |                |              | 65.4           |                |              |              |                |
| Bahamas, The           | 64.5           | 57.4         |                |              | 57.4           | 7.1            |              |              | 7.1            |
| Cayman Islands         | 39.0           |              | 14.5           |              | 14.5           | 6.4            | 18.1         |              | 24.5           |
| Germany                | 37.7           | 29.5         |                | 8.1          | 37.6           |                |              | 0.1          | 0.1            |
| Vietnam                | 35.7           |              | 34.0           |              | 34.0           | 0.7            |              | 1.0          | 1.7            |
| Israel                 | 31.9           | 21.9         |                |              | 21.9           |                |              | 10           | 10.0           |
| Dominican Republic     | 28.7           | 28.7         |                |              | 28.7           |                |              |              |                |
| Qatar                  | 21.1           | 21.1         |                |              | 21.1           |                |              |              |                |
| Ecuador                | 19.0           |              |                |              |                | 19.0           |              |              | 19.0           |
| Singapore              | 18.4           |              |                |              |                | 0.6            | 17.8         |              | 18.4           |
| Italy                  | 17.8           | 17.8         |                |              | 17.8           |                |              |              |                |
| Netherlands Antilles   | 16.5           | 14.6         |                |              | 14.6           | 1.9            |              |              | 1.9            |
| Honduras               | 11.9           | 7.4          |                |              | 7.4            | 4.5            |              |              | 4.5            |
| United Kingdom         | 10.9           |              |                |              |                |                |              | 10.9         | 10.9           |
| Barbados               | 10.2           | 10.2         |                |              | 10.2           |                |              |              |                |
| Guatemala              | 8.6            | 2.6          |                |              | 2.6            |                | 5.7          | 0.3          | 6.0            |
| Costa Rica             | 8.2            |              |                |              |                | 7.7            |              | 0.5          | 8.2            |
| Belgium-Luxembourg     | 6.6            | 0.4          |                | 6.2          | 6.6            |                |              |              |                |
| Chile                  | 4.1            |              |                |              |                | 4.1            |              |              | 4.1            |
| Bermuda                | 2.6            | 2.6          |                |              | 2.6            |                |              |              |                |
| Ireland                | 1.7            |              |                | 1.6          | 1.6            |                |              | 0.1          | 0.1            |
| French Pacific Islands | 1.6            |              | 1.6            |              | 1.6            |                |              |              |                |
| Australia              | 1.2            |              |                |              |                | 1.2            |              |              | 1.2            |
| Equatorial Guinea      | 0.9            | 0.9          |                |              | 0.9            |                |              |              |                |
| Panama                 | 0.1            | 0.1          |                |              | 0.1            |                |              |              |                |

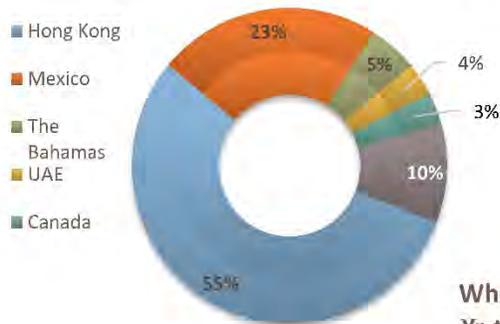


## U.S. Shell Egg and Egg Products Trade Data - as of February 2022

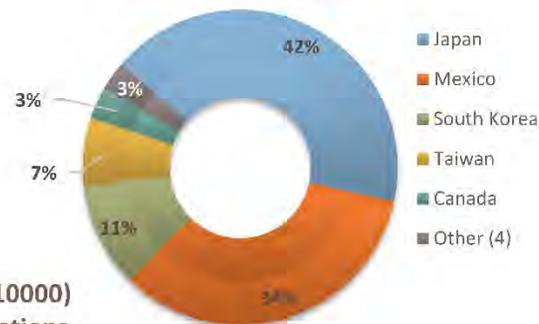
(does not include hatching eggs)

| EXPORTS                 | Volume        |            |            |                    |     | Value     |            |            |                    |       |
|-------------------------|---------------|------------|------------|--------------------|-----|-----------|------------|------------|--------------------|-------|
|                         | Jan 22        | Feb 22     | Feb 21     | Feb 2022 as a % of |     | Jan 22    | Feb 22     | Feb 21     | Feb 2022 as a % of |       |
|                         | (dozens)      |            |            | (percent)          |     | (\$US)    |            |            | (percent)          |       |
| Shell Eggs.....         | 6,117,927     | 4,511,616  | 12,446,500 | 74                 | 36  | 6,789,000 | 5,465,000  | 11,927,000 | 80                 | 46    |
| year-to-date            | 6,117,927     | 10,629,543 | 23,895,701 | 174                | 44  | 6,789,000 | 12,254,000 | 21,439,000 | 180                | 57    |
| Egg Products.....       | (metric tons) |            |            | (percent)          |     | (\$US)    |            |            | (percent)          |       |
| yolk, dried.....        | 200.7         | 320.5      | 335.3      | 160                | 96  | 1,057,000 | 1,981,000  | 1,388,000  | 187                | 143   |
| year-to-date            | 200.7         | 521.2      | 678.4      | 260                | 77  | 1,057,000 | 3,038,000  | 2,629,000  | 287                | 116   |
| yolk, frsh/frz.....     | 1,005.8       | 948.6      | 839.1      | 94                 | 113 | 3,491,000 | 3,066,000  | 2,375,000  | 88                 | 129   |
| year-to-date            | 1,005.8       | 1,954.4    | 2,044.2    | 194                | 96  | 3,491,000 | 6,557,000  | 5,284,000  | 188                | 124   |
| whole, dried.....       | 839.6         | 1,067.2    | 948.2      | 127                | 113 | 2,229,000 | 3,740,000  | 2,645,000  | 168                | 141   |
| year-to-date            | 839.6         | 1,906.8    | 2,125.6    | 227                | 90  | 2,229,000 | 5,969,000  | 5,972,000  | 268                | 100   |
| whole, frsh/frz.....    | 259.9         | 248.1      | 387.3      | 95                 | 64  | 827,000   | 920,000    | 607,000    | 111                | 152   |
| year-to-date            | 259.9         | 508.0      | 672.5      | 195                | 76  | 827,000   | 1,747,000  | 1,144,000  | 211                | 153   |
| albumen, dried.....     | 79.7          | 96.7       | 93.8       | 121                | 103 | 686,000   | 844,000    | 606,000    | 123                | 139   |
| year-to-date            | 79.7          | 176.4      | 151.2      | 221                | 117 | 686,000   | 1,530,000  | 1,233,000  | 223                | 124   |
| albumen, other.....     | 13.9          | 172.9      | 65.5       | 1,244              | 264 | 1,567,000 | 2,514,000  | 90,000     | 160                | 2,793 |
| year-to-date            | 13.9          | 186.8      | 80.5       | 1,344              | 232 | 1,567,000 | 4,081,000  | 135,000    | 260                | 3,023 |
| total egg products..... | 2,399.6       | 2,854.0    | 2,669.2    | 119                | 107 | 9,857,000 | 13,065,000 | 7,711,000  | 133                | 169   |
| year-to-date            | 2,399.6       | 5,253.6    | 5,752.4    | 219                | 91  | 9,857,000 | 22,922,000 | 16,397,000 | 233                | 140   |

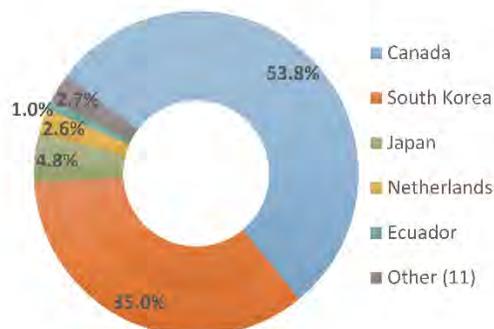
Shell Eggs (0407210000)  
Yr-to-Date Export Destinations



Egg Yolk frsh/frzn (0408190000)  
Yr-to-Date Export Destinations



Whole Dried Egg (0408910000)  
Yr-to-Date Export Destinations



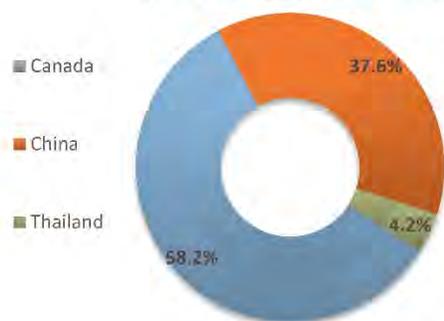
Source: USDA AMS L&P LPGMN; USDA Foreign Agricultural Service, Global Agricultural Trade System (GATS)

## U.S. Shell Egg and Egg Products Trade Data - as of February 2022

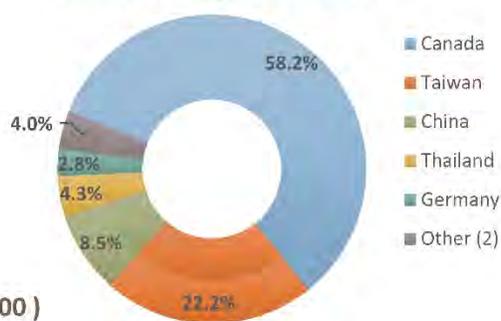
(does not include hatching eggs)

| IMPORTS                 | Volume        |         |         |                    |     | Value     |           |           |                    |     |
|-------------------------|---------------|---------|---------|--------------------|-----|-----------|-----------|-----------|--------------------|-----|
|                         | Jan 22        | Feb 22  | Feb 21  | Feb 2022 as a % of |     | Jan 22    | Feb 22    | Feb 21    | Feb 2022 as a % of |     |
|                         | (dozens)      |         |         | (percent)          |     | (\$US)    |           |           | (percent)          |     |
| Shell Eggs.....         |               |         |         |                    |     |           |           |           |                    |     |
| year-to-date            |               |         |         |                    |     |           |           |           |                    |     |
| Egg Products.....       | (metric tons) |         |         | (percent)          |     |           |           |           | (percent)          |     |
| yolk, dried.....        |               |         |         |                    |     |           |           |           |                    |     |
| year-to-date            |               |         |         |                    |     |           |           |           |                    |     |
| yolk, frsh/frz.....     | 21.5          | 52.7    | 92.1    | 245                | 57  | 203,000   | 263,000   | 356,000   | 130                | 74  |
| year-to-date            | 21.5          | 74.2    | 175.7   | 345                | 42  | 203,000   | 466,000   | 634,000   | 230                | 74  |
| whole, dried.....       |               |         |         |                    |     |           |           |           |                    |     |
| year-to-date            |               |         |         |                    |     |           |           |           |                    |     |
| whole, frsh/frz.....    | 443.6         | 627.3   | 397.7   | 141                | 158 | 1,354,000 | 1,718,000 | 843,000   | 127                | 204 |
| year-to-date            | 443.6         | 1,070.9 | 830.1   | 241                | 129 | 1,354,000 | 3,072,000 | 1,850,000 | 227                | 166 |
| albumen, dried.....     |               |         |         |                    |     |           |           |           |                    |     |
| year-to-date            |               |         |         |                    |     |           |           |           |                    |     |
| albumen, other.....     | 65.9          | 31.9    | 30.7    | 48                 | 104 | 68,000    | 54,000    | 43,000    | 79                 | 126 |
| year-to-date            | 65.9          | 97.8    | 87.6    | 148                | 112 | 68,000    | 122,000   | 142,000   | 179                | 86  |
| total egg products..... | 531.0         | 725.5   | 524.8   | 137                | 138 | 1,625,000 | 2,078,000 | 1,255,000 | 128                | 166 |
| year-to-date            | 531.0         | 1,256.5 | 1,144.4 | 237                | 110 | 1,625,000 | 3,703,000 | 2,769,000 | 228                | 134 |

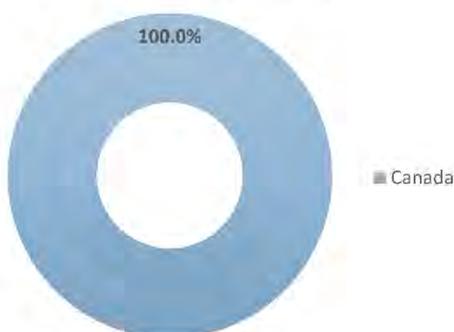
**Yolk frsh/frzn (0408190000)**  
Yr-to-Date Import Sources



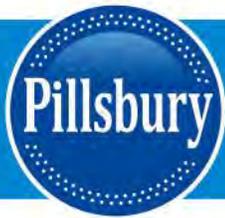
**Whole Egg frsh/frzn (0408990000)**  
Yr-to-Date Import Sources



**Liquid Albumen (3502190000)**  
Yr-to-Date Import Sources



Source: USDA AMS L&P LPGMN; USDA Foreign Agricultural Service, Global Agricultural Trade System (GATS)



# FLOUR FACTS

Information Provided by General Mills Foodservice  
GeneralMillsCF.com



## Weekly Market Highlights

APRIL 7, 2022

- Fertilizer prices continue to climb as farmers who weren't covered try to scramble to find some as we get into planting season. I've heard that U.S. manure prices have doubled recently due to increased fertilizer costs.
- Crop progress report shows that corn is now 2% planted, oats at 25% and spring wheat 3% planted.
- Winter wheat conditions posted a 34% fair, 27% good and only 3% excellent.

## Facts on Flour

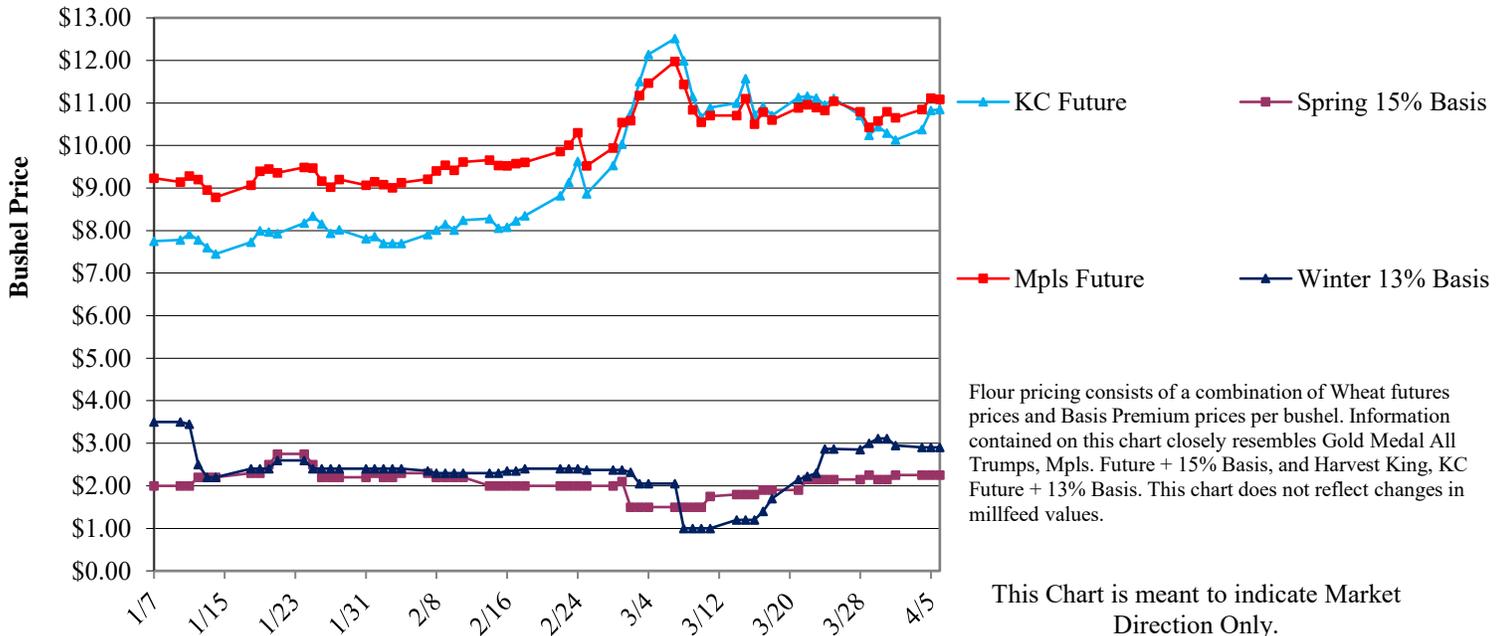
### Bleaching Flour

The term "bleaching" is a traditional baking industry term that refers to the whitening and sometimes the maturing (aging) of flour. Bleaching best describes the process of whitening. Technically speaking, the carotenoid (yellow) pigments in the flour are oxidized to produce whiter flour. Oxidization can occur naturally, over time, with the exposure of flour to air. Historically, millers would age flour for several weeks to achieve white flour. This natural oxidation, however, was an uneven process requiring considerable time and space.

Today the bleaching process is accomplished by the use of bleaching agents. The two most common bleaching agents are benzoyl peroxide and chlorine gas. Flours treated with bleaching agents must be labeled as bleached flour. Next week we'll talk about flour maturing.

◇ ◇ ◇

## 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.





# Weekly Market Update



## Produce Market Update

*For the week of: April 10<sup>th</sup>, 2022*

*"Produce from the Ground Up"*

*Green Salad with Honey-Lemon Vinaigrette*

### Ingredients

- 1/4 cup olive oil
- 3 tablespoon(s) fresh lemon juice
- 1 teaspoon(s) Dijon mustard
- 1 teaspoon(s) honey
- Kosher salt
- Pepper
- 2 shallots, finely chopped
- 2 head(s) (about 12 cups) green leaf or Boston lettuce, leaves torn
- 1 bunch(es) radishes, thinly sliced
- 1 cup(s) frozen peas, thawed
- 1 cup(s) fresh Pro Mark dill sprigs



### Instructions

1. In a small bowl, whisk together olive oil, lemon juice, mustard, honey, 1/2 teaspoon salt, and 1/4 teaspoon pepper; stir in shallots.
2. In a large bowl, toss lettuce, radishes, peas, and dill. Toss with vinaigrette just before serving.

Source: Woman's Day Kitchen, posted on *Delish.com*

**WEATHER** It will be hot both in the desert and Salinas with no rain forecasted.

**ARUGULA --** Very Good quality and supply.

**ASPARAGUS --** is showing good volume coming out of Mexico. Demand is light on a steady market. The weather has been very favorable for growth. Prices are attractive now but may rise as we get closer to Easter ad promotions.



**AVOCADO --** Calavo, a global avocado industry leader and provider of value-added fresh food, debuted a brand refresh of the company logo, tagline, and brand personality to fully support *Calavo One Company* vision. The new look and feel of the brand refresh are thoughtfully designed to signal an evolution of this legacy brand as Calavo looks to the future an innovator in the industry.

**BOK CHOY --** volume is slowly picking back up with more supply in Santa Maria.

**BROCOLLI -- Alert** Supplies are expected to be short this week.

**BRUSELL SPROUTS --** The sprout category will continue to be well supplied for the week. The market tone is essentially steady to slightly better demand. Quality is very good. The sprouts are clean with good color and density. Sprouts are an excellent choice for Easter promotion for both VA and bulk packs. Please pre book for holiday needs as soon as possible. Production and import challenges could be possible for the week of 11-April-2022.

**CABBAGE --** Steady availability continues out of Florida and Texas. In the west, weights are improving because of crop movement although we are seeing cone shape heads for this week.

**CARROTS -- Alert** Carrot yields are lower due to an unusually wet winter. Prices for Mexican jumbo carrots crossing Texas are high. Sweet-corn prices are nearing last year's record-high prices. In late January, areas as far south as Belle Glade, FL, endured freezing temperatures and frost. Farmers reported a good amount of damage to cornfields, reducing winter yields. Mexican supply is also light.

**CAULIFLOWER --** Supplies are expected to be on the lighter side again this week.

**CELERY --** Lighter supplies for us and the industry. Quality is good and the market is slightly lower in Oxnard. We are harvesting in Mexico and Oxnard.

**CILANTRO --** supplies are expected to be on the lighter side again this week.

**GREEN ONIONS --** Supplies are fair. There are no ice delays.

**KALE --** supplies are expected to be on budget this week. The quality is reported as good, by Mr. Tucker, however demand is soft.

**LETTUCE --** Here is a tentative timeline for transition.

**First Day Shipping Salinas**

April 18<sup>th</sup> Taylor and Church

We will continue to harvest Lettuce in Yuma through next week. This will align with our process plant move as we're a one stop shop. Salinas Lettuce is roughly one week behind at this point. Quality in Yuma is still overall good. The market is trying to find the correct level. Yuma lettuce will be a premium due to the loading location.

**LEAF & ROMAINE --**

Quality in the desert is good but slightly lighter in color and appearance. There is heavy bug and insect presence as the desert season is quickly winding down. Experiencing some irregular sizing, but weights are good. Markets and demand are good. We are on the verge of transitioning to the Salinas Valley.

**NAPPA --** Volume is expected to be plentiful for the next few weeks as we are growing in two regions: Yuma and Santa Maria.

**ONIONS -- Quality Alert**

Taylor Farms Quality Assurance advises us of the following. As the season winds down and supply becomes increasingly scarce out of the Pacific Northwest, we are entering the most challenging time of year for onion quality. The remaining storage supplies will begin to exhibit a sharp decline in crop health. We are starting to see an increase in soft rot, skin mold, and under-sizing well above historical averages. The NW growing region continues to experience underlying crop fatigue from atypical cooler-wet weather conditions back in the early Fall of 2021. As the season progresses and yields decline these patterns will have a significant impact on supply and quality through the transitional period.

**PARSLEY --** Both quality and demand are good. Supplies are expected to be on budget this week.

**PEPPERS/CUCUMBERS/ /SQUASH --**

**Pepper:** Pepper supplies are probably going to be a bit more than last year. Peppers are one of the strongest veg commodities and out of Sinaloa, our grower is going to be good until about the end of May and then we switch over to Central Mexico.

**Cucumber:** Volume continues to have to be a challenge in Mexico; winter crops in Sinaloa and Sonora are coming to an end, and spring crops won't start with volume for another 15 days or so. The offshore Honduran program in the East is quickly coming to an end; however, Florida production is set to start this week. The short-term outlook has cucumber supplies compromised for the next 2 weeks; there won't be promotional volume available until after April 10th, so expect active markets and retail sizes to continue to be short.

**Squash:** Inconsistent production continues to hamper Florida growers and has driven prices higher this week. We are seeing a lot of quality issues in the fields due to last week's rain and wind events. We hope to see a few new fields breaks next week which should bring some relief. Projections call for hit and miss volume over the next several weeks barring any additional weather-related events. Domestic quality is poor, seeing a lot of heavy scarring from the wind. In Mexico, we are seeing lighter numbers due to cooler weather as well as transition. Shifting demand from the east is putting pressure on supply and price, but we hope to see some improvement over the next two weeks as weather conditions improve, and growers break new fields. Yellow squash is much higher this week due to lower yield and poor quality.

**POTATOES --** The potato market has stabilized on all sizes. Overall, the market has remained relatively 'flat' in terms of pricing this month. We are seeing smaller size profiles on potatoes than we previously had, which is helping to lower the FOBs on those items. Non-size A potatoes, and #2s are more plentiful than they have been in recent months as well. Processor demand remains heightened and continues to put pressure on the fresh crop as they are offering record prices for bulk product. Growers in all regions are preparing for a very strong April, where product is expected to significantly tighten up and remain snug until new crop in August.

**SPINACH --** Good supply for current demand. Overall good quality, size, and texture.

**SPRING MIX --** Our Spring Mix is triple-washed and ready to use, with a target blend of 70% greens and 30% reds.

**SWEET POTATOES:** New crop cured is in full swing with heavy shipments over the holidays. Growing conditions were optimal for this year's crop out of North Carolina and Mississippi. Expect good supply with a wide size variety.

## **TOMATOES --**

**Cherry --** crossing through Nogales, AZ are very short. They are getting high FOB and that product is mainly staying west of the Rockies. Cherries crossing in Texas and in Florida are a lot cheaper. The demand has been low this spring, so they have not really been able to push markets up on this item yet.

**Grape --** are in a gap in Florida. There is some supply but not a lot. Mexico is filling the gap. The market has gone up, but not to a degree to make things crazy. They pushed the market too fast and too high anticipating demand to be better. But, because they didn't show any restraint, the market is trying to find the right level and that meant they had to back off the higher prices they were trying to get.

**Roma --** Florida is in a gap in supply this week from a bloom drop earlier in the crop development. They have some supplies but very limited. Mexico, last week they were a little shorter in supplies and behind in picking because of a holiday. They really pushed the market, especially the shipper's crossing product through McAllen. However, the FOBs they were trying to push, didn't work. This week the market out of Mexico has leveled off at lower prices, still a decent market, just not what they tried to manipulate and push at. Most of the size coming up from Mexico is XLG and Jumbos which indicates new fields. There should be plenty of volume coming but demand is also expected to pick up in the next few weeks with better weather in the United States.

**Round --** Markets are on the rise as Florida is seeing the full effect of the bloom drop from the freezing temps earlier this year. Quality has not really been affected, but quantity has. Field managers are saying this should be the worst of it for diminished production. As the production has slowly ramped down, it will turn around and slowly ramp back up. It will not be instant.

It is expected to take a few weeks to get back to "normal" production for this time of year. Mexico has increased markets as well as Florida's supply has weakened. Quality from both areas is good currently. Demand seems to be steady.

**APPLES** -- Prices are unchanged. Washington MFC Fuji, Gala, Golden Delicious, Granny Smith, and Red Delicious Apples are on the market; 88- to 113-count sizes dominate storage stocks. Quality is excellent: sugar levels range from 12 to 14 Brix.

**BLACKBERRIES** -- Growers are in a transition period, and volumes out of Mexico remains light. Volume is expected to improve in the next 5-7 days and each week until peak volumes in mid-April. Favorable temperatures are expected in California, which can lead to a slight spike in supply.

**BLUEBERRIES** -- Central Mexico production is past its spring peak, and volumes will slowly decrease over the next few months. Baja production continues to increase, and South American production is finished for the season, while Florida production continues to ramp up.

## **CITRUS** --

**Oranges:** This season's supplies of navel oranges out of California is limited. Last season, the weather and growing conditions for California navel oranges resulted in a longer season, taking us through most of August. Any time we have a long season, it is usually followed by a shorter season due to the trees being "tired" and not having the energy to produce a normal bloom in the corresponding Spring. So, this season, the California crop is expected to wrap up around mid-June

**Lemons:** Supplies of lemons are steady with good quality fruit coming from California. At the same time demand is very good for lemons. This week particularly so given the popularity of lemons in the run up to Easter and throughout Lent.

**Limes:** Limes are at historic pricing right now. We're selling limes for very high prices, which I've seen in the past, but not stay up as long as it has. That's because of a weather issue in Mexico.

## **GRAPES** -- *Photo of the Week*



U.S. imports of Mexican table grapes should start as early as mid-April this year, with volume picking up significantly in May and continuing into June. Growers anticipate good quality and increased volume.

Mexican growers are expected to produce about 25.5 million 18-pound boxes of table grapes this season for shipment to the U.S., an increase from last year's pack out of about 21.3 million boxes.

Vineyards in Jalisco begin in April, which will be great for having fresh, flavorful crop at a time

where South America is starting to wind down

Predictions are for strong volume by Memorial Day, May 30, with peak volume hitting in June.

**KIWI** -- California and Imported kiwi are available. California sizes mostly 36 and smaller, larger sizes are limited. Fruit is firm with some soft in box.

## MELONS --

**Cantaloupe:** production is currently peaking from Guatemala. With springtime promotions continuing as temperatures warm, we anticipate this stronger demand to continue. Sizing has started to shift to premium sizing 9/12 counts compared to being heavier in the 12/15 count range. We are beginning to see quality reach optimum levels with improved external color and a higher range of brix results. This trend should continue until the import season finishes in late May.

**Honey Dews:** supply remains in a very limited overall position. We are seeing a big shift in sizing from strong volumes of 6/8cts to more 5cts and 5 jumbos. This will cause the smaller sizes to fetch premium once arrivals begin hitting eventually. Honeydew quality is improved from what was received earlier in the season. External quality has been clean besides the occasional scarring, and internal quality has shown a higher range of brix levels as we continue to experience days with longer sunlight hours.

**Watermelons:** Supplies on seedless and minis are tight. Southern Mexico is starting to wind down shipping from Arizona and Texas. Florida has limited supplies of offshore melons. Domestic Florida will start this week with light volume, and it will stay local. Supplies will pick up in April. Our Yucatan, Mexico crop is going with better volume out of Pelham, Georgia. Supplies will be tight in March on seedless and minis. Northern Mexico will start around the third week in March with better supplies in April.

**RASPBERRIES --** Growers are in the middle of one of the biggest transition periods of the year. Over the next 7-10 days, volume will remain lower than previously anticipated. Fortunately, we should see an increase at the beginning of April, and volume should continue to increase week over week towards the spring peak. Mexico will continue to be the main contributor for the next 5 weeks.

**STRAWBERRIES –** The news on berries has been ever changing, yes we have berries, no we don't, yes we do! Over the next several weeks, volumes will see reductions primarily driven by decreased supply out of Florida and Central Mexico. Florida has received unfavorable weather resulting in some growers ending production earlier than expected. Mexico continues its downtrend as growers focus on packing the highest quality fruit. California supply will continue to increase weekly, barring any weather-related issues.



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## Stratas Foods Market Watch 04.08.22

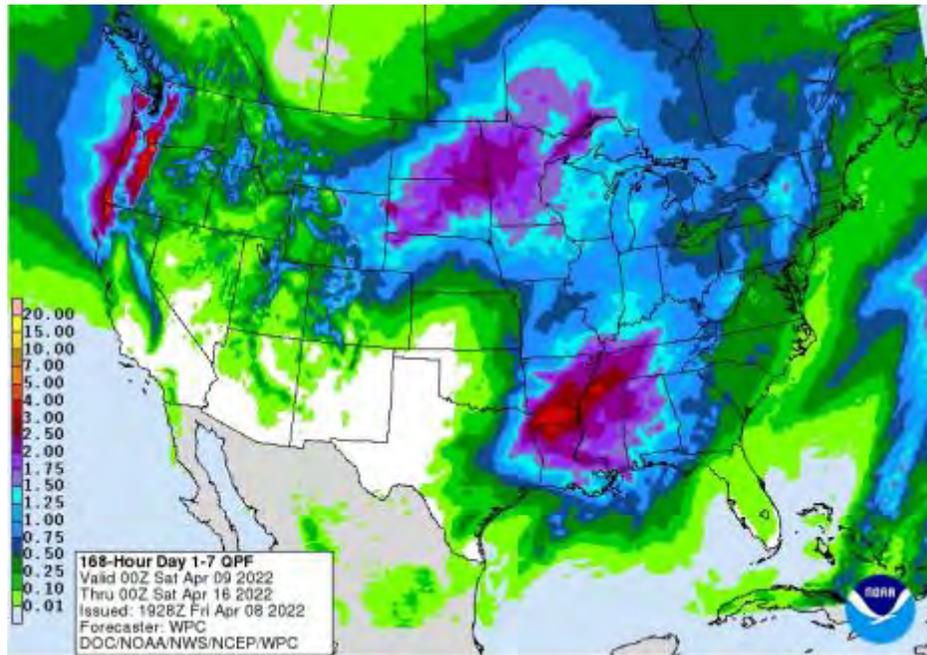
### *What to Watch For in the Week Ahead*

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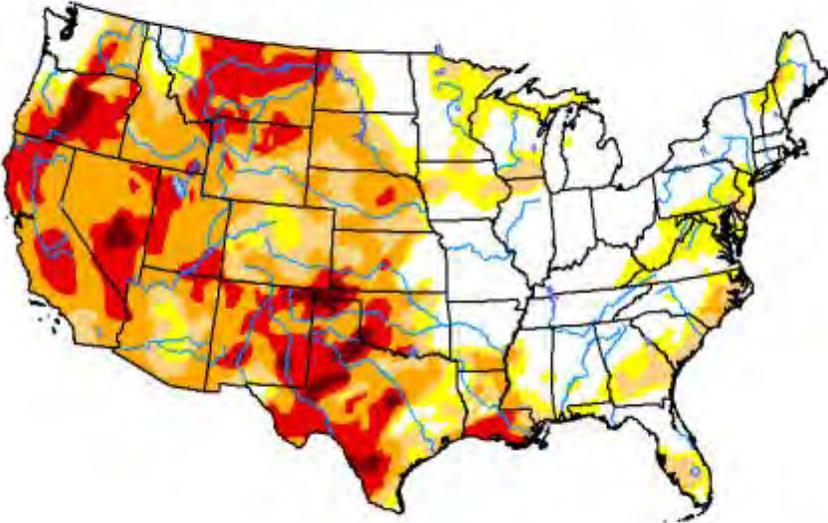
•**Fundamentals**—MPOB, CFTC COT, Weekly Export data

- Weather** – North American farmers (at least in the Southern US) are cleared to begin field work for the 2022 season. Each week, more and more counties will be "allowed" to begin planting. Acres will be closely scrutinized given the surprise from Washington this week
  - Politics/Macro** – Chinese officials continue to lockdown Shanghai and more and more attention is being paid. Ukraine/Russia war putting strains on European Nations as Energy prices hold higher values and Russia demands payment in Rubles or Gold.
-

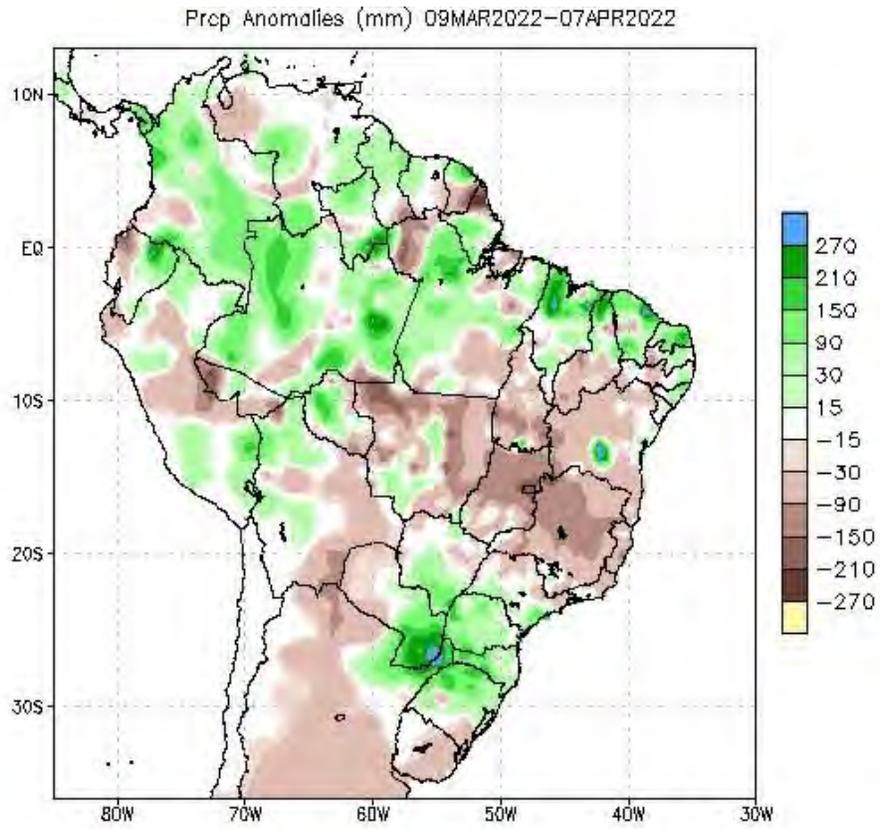
# US 7 Day Precipitation



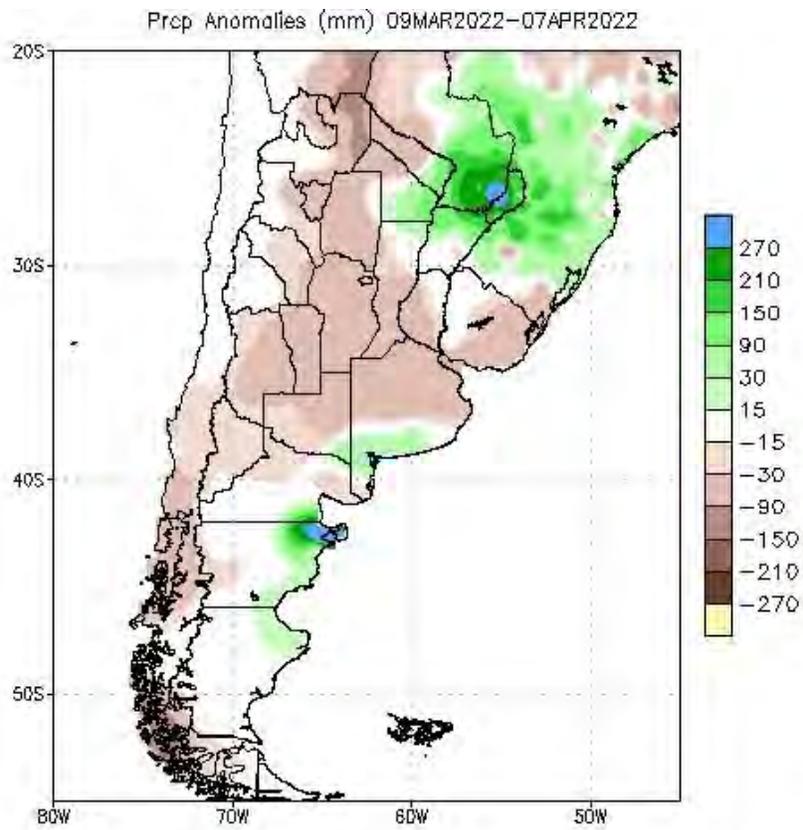
US Drought Monitor



## 30 Day Anomalies

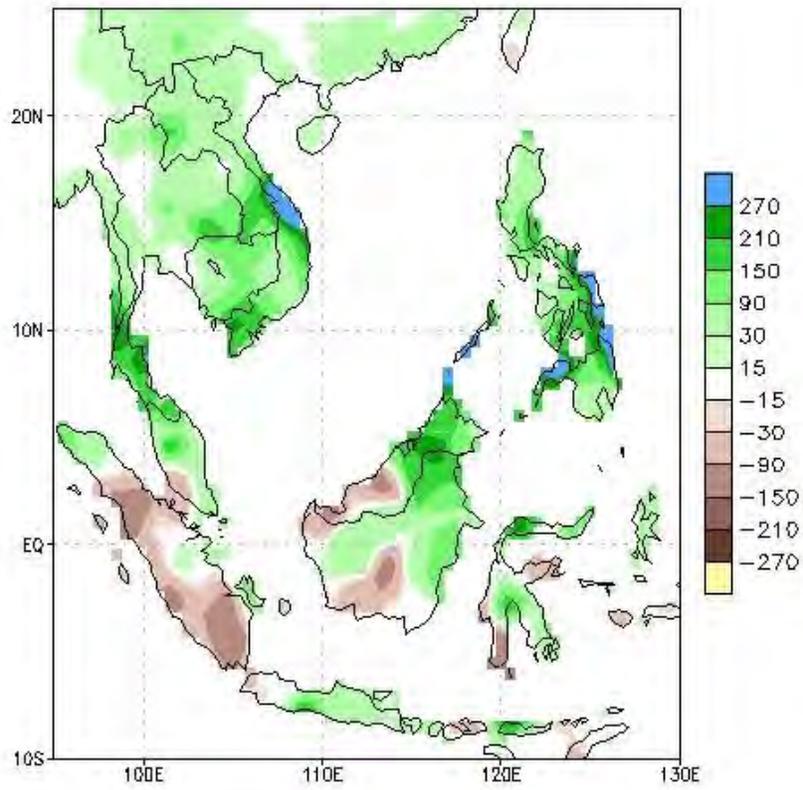


Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)



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

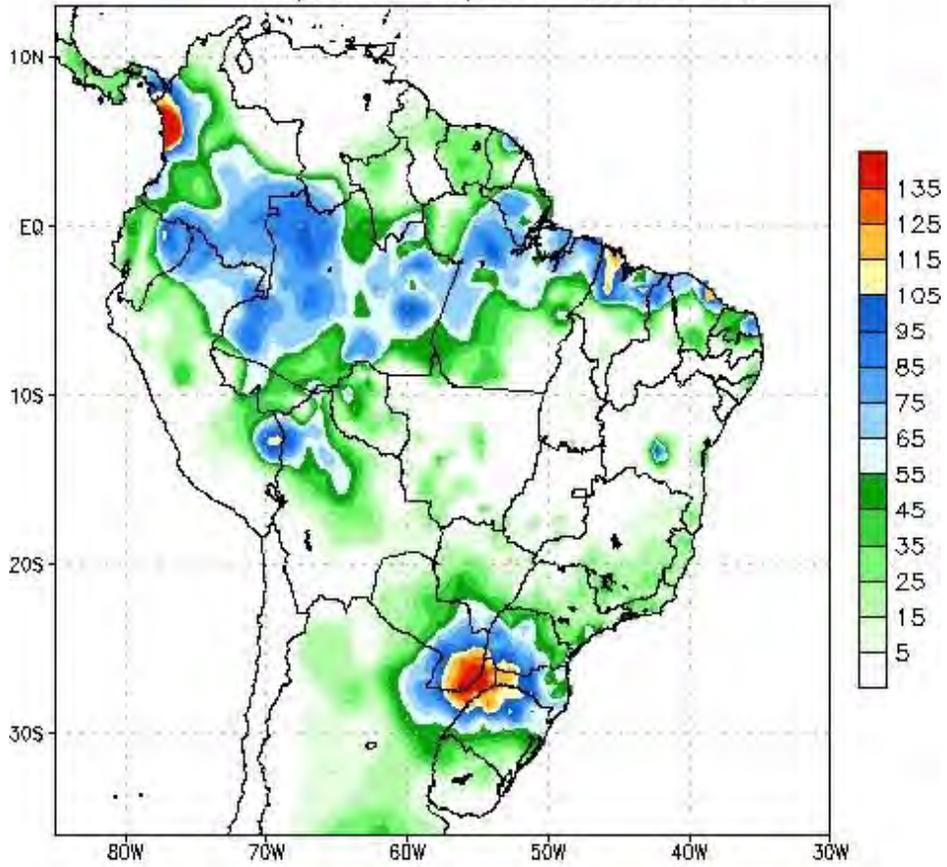
Prcp Anomalies (mm) 09MAR2022-07APR2022



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

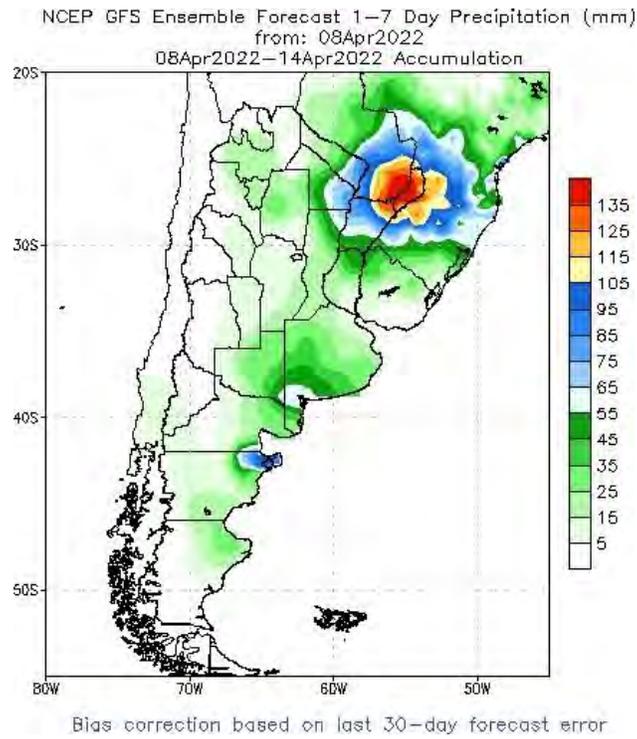
## Brazil 7 Day Forecast

NCEP GFS Ensemble Forecast 1-7 Day Precipitation (mm)  
from: 08Apr2022  
08Apr2022-14Apr2022 Accumulation



Bias correction based on last 30-day forecast error

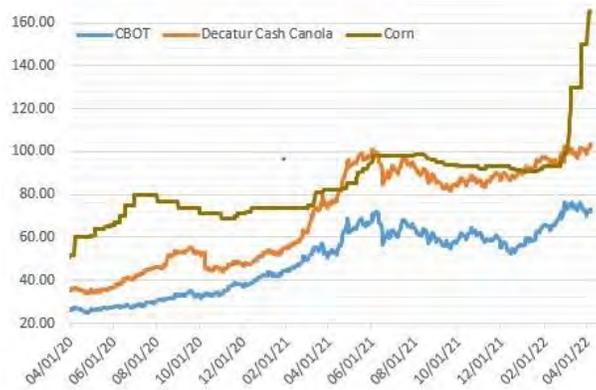
## Argentina 7 Day Forecast



## Tropical Oils



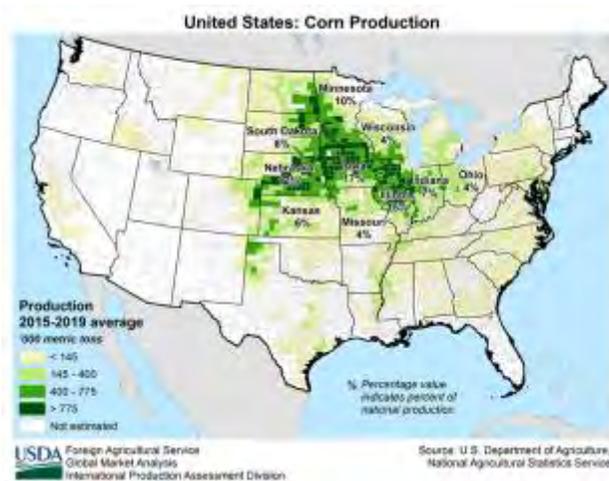
## North American Oils



## Moving Averages

|            | CBOT  | Canola | Palm Olein | Coconut |
|------------|-------|--------|------------|---------|
| 4/7 Price  | 73.02 | 103.52 | 97.00      | 115.50  |
| 9-day MA   | 71.90 | 101.34 | 98.56      | 117.17  |
| 20-day MA  | 73.22 | 100.35 | 100.20     | 118.50  |
| 50-day MA  | 70.59 | 98.51  | 94.43      | 117.36  |
| 200-day MA | 62.60 | 91.25  | 78.25      | 101.16  |

## US Corn & Soy Production





## Ukraine Production



### Ukraine: Corn Production



USDA Foreign Agricultural Service  
U.S. DEPARTMENT OF AGRICULTURE

Source: State Statistics Service of Ukraine (Rosstat for Crimea Oblast)  
Average Corn Production: 2016-2020

### Ukraine: Wheat Production



USDA Foreign Agricultural Service  
U.S. DEPARTMENT OF AGRICULTURE

Source: State Statistics Service of Ukraine (Rosstat for Crimea Oblast)  
Average Wheat Production: 2016-2020

Soybean Oil

- 
- *Soybean carryout dropped 25 M bushels as exports were increased by the same amount*
  - *Soybean oil carryout dropped 100 M lbs as exports were increased by the same amount*
- 

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***Global soybean balance sheet:***

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- *Soybean ending stocks dropped from 89.96 MMT to 89.58*
  - *Brazil's production was reduced from 127 MMT to 125*
  - *Chinese imports were reduced from 94 MMT to 91*
- 

## Flash Summary

---

- *Futures were up nearly 400 points this week thanks to the late session rally Friday*
  - *Technical picture: nearby momentum has turned positive with the long-term momentum still intact from the bullish perspective.*
  - *The WASDE did little to change the mind of traders. Bullish move after was either foolish shorts covering or people hedging weekend risk.*
  - *Funds remain overweight on the long side of the trade for soybean oil. They are in the money on their positions but they are going to struggle to find a buyer at these levels. We are 2 days into the Goldman Roll.*
- ***Expected CBOT Range 71.00 - 77.00***
-

## Canola/Rapeseed Oil



## Fundamental Updates

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- *USDA estimates that Canola Acres for 2022 are more or less unchanged at 2.158M Acres*
  - *US Canola crush for February was 130,398 T vs 136,632 T last month and 162,675 T last year. Crude canola oil production was 97.1M lbs - down 29% vs last year.*
- 

## Flash Summary

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- *Canola seed futures for new crop set new contract highs three of the five days this week. Planting is still a month away for the Canadian Prairies, but the oilseed is bidding to protect their acreage.*
  - *Canola crush margins ended the week well but still well below the Q1 highs.*
- *Reports of the Australian rapeseed crop are disappointing. Will this push their export customers to N Europe or Canada? Canadian export business would quickly run through the canola seed reserves and push prices higher.*
- *Long term, if oilseeds are grown for their oil (and not the protein meal), can Canola win farmers' hearts and minds? There is roughly 50% more oil per acre of Canola vs Soy. How about Wheat prices? Will canola lose acres to the grain trade?*

- *Three major producers are going to have limited production runs in Q2 which is keeping the industry tight. The Q3 oil availability will be largely focused on how Q2 downtimes go.*
- 

## Tropical Oils



## Fundamental Updates

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### **MPOB:**

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- *Production: 1.32-1.34 MMT estimates*
  - *Exports: 1.17-1.20*
  - *Stocks: 1.49-1.56*
- *Palm values were reluctantly higher*
- *Ukraine officials state that they are not going to plant sunflowers for 2022 to focus on Wheat. How will this affect global vegoil demand? This will likely keep Indian buyers bidding for palm, even if it is at lower levels.*
- *Chinese lockdowns have forward demand somewhat in question, however, the Black Sea conflict could have the market firm for edible oils well into the summer*

- *If Chinese soybean imports continue to fall, that means there is less soybean oil being created domestically. This should be imported in the form of palm oil. How will this be affected by the domestic lockdowns of a 0 Covid policy?*
  - *What will next week bring? If China/Taiwan goes hot, then Palm oil will be more closely affected than Ukraine/Russia. Black Sea Sun Oil is a competitor with Palm, but it's not a competitor on volume. If the South China Sea sees naval battles, the export markets could look very different very fast.*
-

**Hogs and Pork**

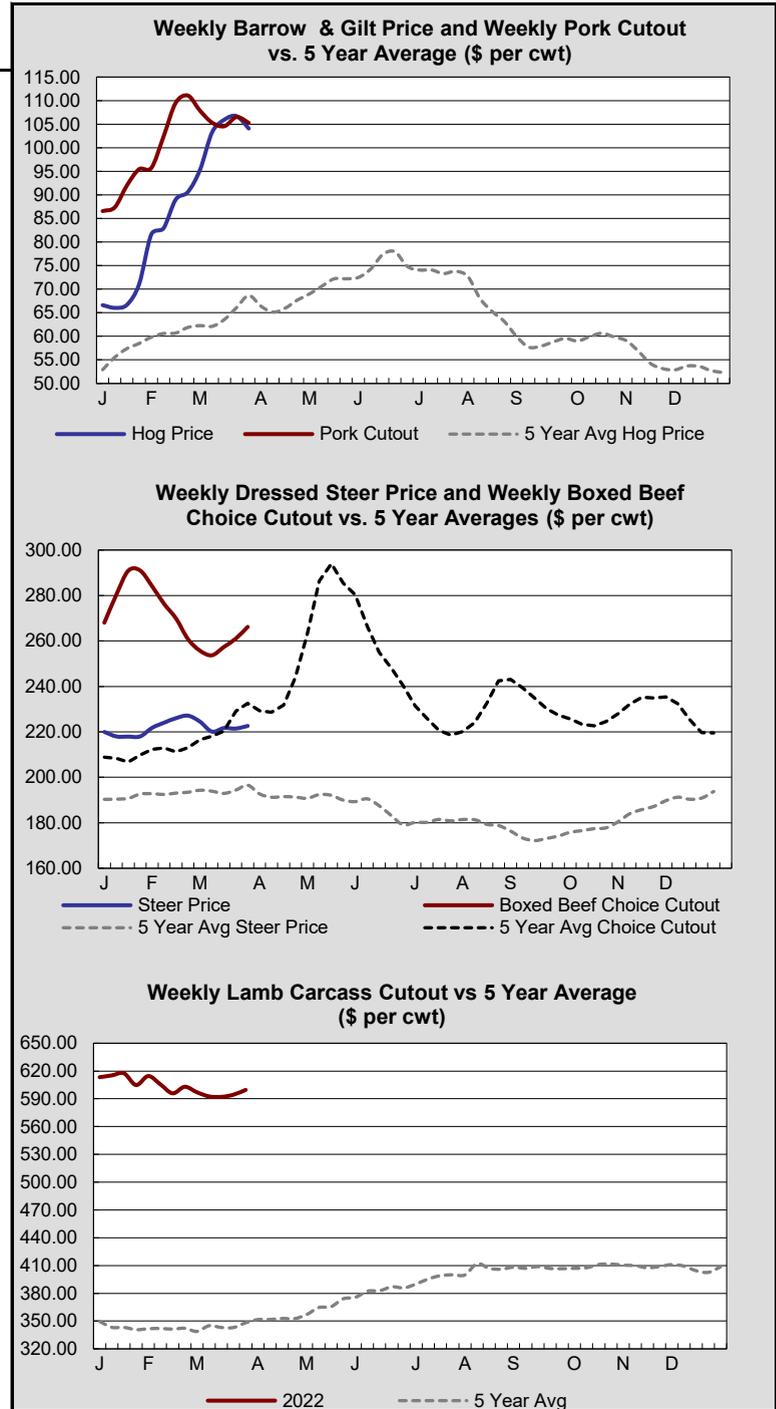
|   | Current Week | Change From Past Week | Change From Past Year |
|---|--------------|-----------------------|-----------------------|
| Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt) | 104.08       | -2.5%                 | 8.3%                  |
| Pork Carcass Cutout FOB Plant (\$/cwt)                        | 105.28       | -1.2%                 | -2.9%                 |
| Segregated Early Weaned (SEW) Feeder Pigs (\$/head)           | 72.92        | 1.7%                  | 32.8%                 |
| Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)                | 287.9        | -0.1%                 | 0.1%                  |
| Est. Hog Slaughter  | 2,442,000    | 1.0%                  | -0.7%                 |
| YTD Est. Hog Slaughter  | 31,985,000   | N/A                   | -6.6%                 |
| Est. Pork Production (mil lbs)                                | 532.7        | 1.0%                  | -0.1%                 |
| YTD Est. Pork Production (mil lbs)                            | 6,983.5      | N/A                   | -6.5%                 |

**Cattle and Beef**

|  |           |       |       |
|--|-----------|-------|-------|
| Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)    | 139.32    | 0.3%  | 18.0% |
| Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt) | 222.61    | 0.5%  | 17.6% |
| Boxed Beef Cutout, Choice (\$/cwt)               | 266.19    | 2.0%  | 7.8%  |
| Boxed Beef Cutout, Select (\$/cwt)               | 258.70    | 2.5%  | 8.0%  |
| Boxed Beef, Choice/Select Spread (\$/cwt)        | 7.49      | -1.06 | 0.27  |
| By-Product Drop Value, Steer (\$/cwt live)       | 13.36     | 0.9%  | 28.0% |
| CME Feeder Cattle Index (\$/cwt)                 | 156.05    | 0.8%  | 11.2% |
| Est. Cattle Slaughter                            | 639,000   | -3.0% | 6.0%  |
| YTD Est. Cattle Slaughter                        | 8,387,000 | N/A   | 0.3%  |
| Est. Beef Production (mil lbs)                   | 534.8     | -3.2% | 7.1%  |
| YTD Est. Beef Production (mil lbs)               | 7,034.1   | N/A   | 0.7%  |

**Lamb and Veal**

|   |         |      |        |
|---|---------|------|--------|
| Slaughter Lamb, Comprehensive, Carc. Wtd Avg Price (\$/cwt) | 216.24  | 0.7% | 19.2%  |
| Lamb Carcass Cutout (\$/cwt)                                | 599.65  | 0.9% | 42.4%  |
| Est. Sheep Slaughter  | 36,000  | 0.0% | -14.3% |
| YTD Est. Sheep Slaughter                                    | 416,000 | N/A  | -14.4% |
| Est. Lamb Production (mil lbs)                              | 2.5     | 4.2% | -3.8%  |
| YTD Est. Lamb Production (mil lbs)                          | 28.0    | N/A  | -14.6% |
| Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)     | 380.66  | 0.4% | 27.8%  |





**Grain**

|  | <b>Current Week</b> | <b>Change From Past Week</b> | <b>Change From Past Year</b> |
|--|---------------------|------------------------------|------------------------------|
| Central Illinois Avg Corn Price (\$/bu)            | 7.1400              | -2.6%                        | 29.2%                        |
| Central Illinois Avg Soybean Price (\$/bu)         | 15.5900             | -7.3%                        | 11.8%                        |
| Central Illinois 48% Soybean Meal, Rail (\$/ton)   | 470.00              | -7.9%                        | 17.9%                        |
| Hard Red Winter Wheat Truck to Kansas City (\$/bu) | 10.0875             | -8.5%                        | 69.5%                        |
| Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)  | 12.3025             | -2.5%                        | 72.2%                        |
| Soft White Wheat Portland (\$/bu)                  | 10.7500             | -6.9%                        | 49.3%                        |
| Sorghum, Kansas City, Truck (\$/bu)                | 6.9850              | -3.0%                        | 29.5%                        |

**Broilers**

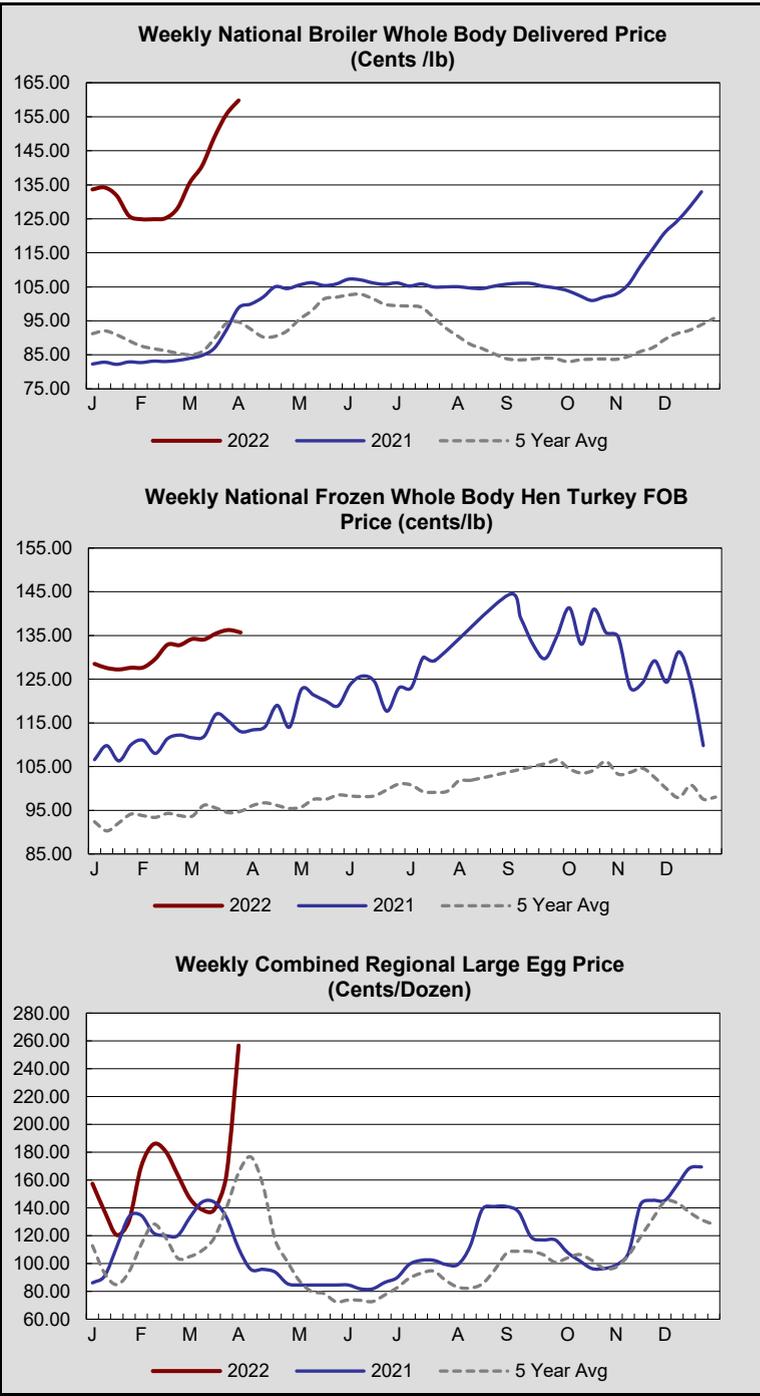
|   |            |      |       |
|---|------------|------|-------|
| Nat'l Delivered Whole Body Price (cents/lb)         | 159.81     | 2.6% | 73.0% |
| Est. Young Chicken Slaughter - Current Week (000's) | 157,116    | 2.0% | N/A   |
| Actual Slaughter of Young Chickens (000's)          | 165,477    | 1.1% | -0.3% |
| YTD Actual Slaughter of Young Chickens (000's)      | 2,117,998  | N/A  | 1.5%  |
| Actual RTC Pounds of Young Chickens (000's)         | 792,304    | 0.8% | 0.1%  |
| YTD RTC Pounds of Young Chickens (000's)            | 10,224,407 | N/A  | 1.5%  |

**Turkeys**

|  |           |       |       |
|--|-----------|-------|-------|
| Nat'l FOB Frozen 8-16 lb. Hens, Wtd Avg Prices, cents/lb | 135.68    | -0.4% | 17.6% |
| Actual Slaughter of Turkeys (000's)                      | 4,082     | 1.0%  | 1.3%  |
| YTD Actual Slaughter of Turkeys (000's)                  | 48,068    | N/A   | -0.8% |
| Actual RTC Pounds of Turkeys (000's)                     | 104,772   | -2.1% | -2.6% |
| YTD RTC Pounds of Turkeys (000's)                        | 1,280,313 | N/A   | -1.8% |

**Eggs**

|   |            |       |        |
|---|------------|-------|--------|
| Combined Regional Large Eggs (cents/dozen)              | 256.72     | 56.8% | 92.8%  |
| National Shell Egg Inventory (30 doz. Cases/000,s)      | 1646.4     | 2.2%  | N/A    |
| Shell Egg Demand Indicator (SEDI)                       | -5.30      | 2.31  | -3.40  |
| Central States Breaking Stock Av. Price (cents/dozen)   | 230.00     | 24.3% | 274.0% |
| National Breaking Stock Inventory (30 doz. Cases/000's) | 304.9      | -1.2% | N/A    |
| Eggs Broken Under Federal Inspection (30 doz cases)     | 1,455,182  | -7.3% | 5.0%   |
| YTD Eggs Broken Under Federal Inspection (30 doz cases) | 18,456,323 | N/A   | 9.8%   |



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



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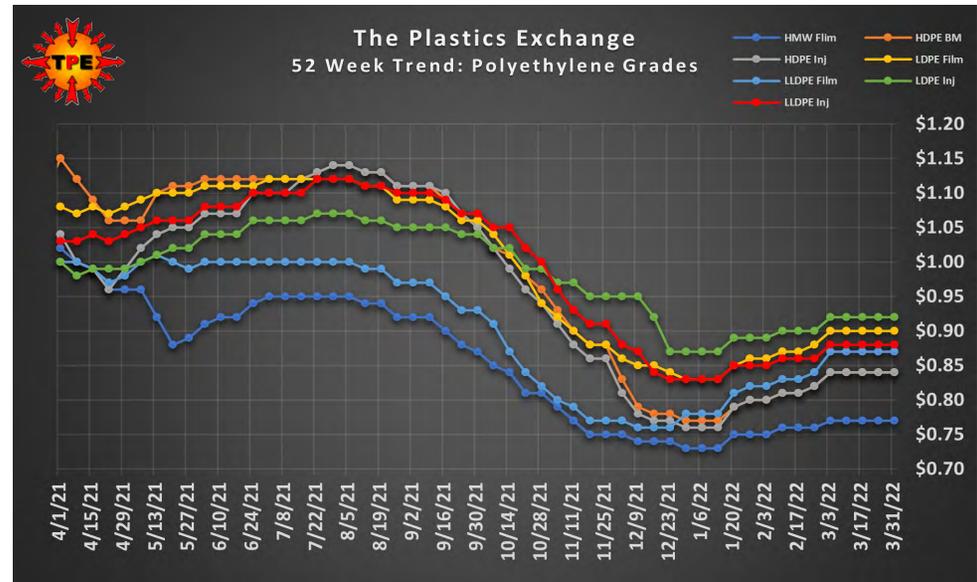
Market Update — April 1st, 2022

Spot resin trading slowed a bit as March came to a close, which was a noticeable turn compared to a week earlier which saw robust trading and healthy volumes changing hands. Though it was really just a little quarter-end pause as strong overall demand did not let up, while strained availability across most resin commodity grades was still prevalent as more resin then transacted on Friday, April 1st (no fooling!) than the rest of the week combined. Our Q1'22 trading results were very strong compared to 4Q'21, but fell short of our year-ago performance when the industry flocked to the spot market in the aftermath of the historic Houston freeze. Polyethylene prices were mostly steady for a fourth week in a row, as spot prices had already advanced ahead of the March \$.04/lb price increase, which was finally implemented on its 3rd attempt - contracts just needed to catch up. Spot Polypropylene prices rose a couple of cents to match the year's high which had been established earlier in the month, as PGP costs began heading higher again. March PP contracts are jumping a solid dime, locked in step with the same rise in PGP contracts. There are fresh April increases on the table for both PE and PP resins. Export demand for US resin has also been chomping at the bit, but ongoing equipment and ocean freight constraints have kept a short leash on incremental offshore sales, leaving Mexico as the main surplus outlet for logistics challenged exports.

The Energy complex showed mixed direction amid volatile trading as Crude Oil saw another significant price swing, this time to the downside, while Nat Gas extended gains for a third straight week. The decline in WTI and Brent Crude Oil was primarily driven lower by President Biden's announcement to release 1 million bb/day of crude from the Strategic Petroleum Reserve for six months, which at 180 million barrels is the largest release ever from the US stockpile. Other member nations from the International Energy Agency (IEA) agreed to join the US but did not yet set volumes or commitments. May WTI established the week's high of \$112.93/bbl on Monday before eroding nearly \$8/bbl later in the day. By Friday, May WTI had fallen some \$15/bbl, taking prices below the \$100/bbl mark, to a low of \$97.78/bbl before settling at \$99.27/bbl for a net loss of \$14.63/bbl (-12.8%). June Brent futures followed a similar trend, dropping from a Monday high of \$116.81/bbl, and falling nearly \$14.5/bbl to a low of \$102.37/bbl the following day, before ending the week at \$104.39/bbl for a loss of almost \$13/bbl (-11%). In Nat Gas, late winter weather conditions and demand strength lifted prices further above \$5/mmBtu. May Nat Gas, which became the new front month, dropped to a low of \$5.27/mmBtu on Wednesday, only to rebound a whopping \$.56/mmBtu the following day to establish the week's peak of \$5.83/mmBtu. May Nat Gas then finished Friday at \$5.72/mmBtu for a weekly gain of almost \$.11/mmBtu (+1.9%).

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| Resin for Sale 12,900,184 lbs |           | Spot Range |          | TPE Market |          |
|-------------------------------|-----------|------------|----------|------------|----------|
| Resin                         | Total lbs | Low        | High     | Bid        | Ask      |
| HDPE - Inj                    | 2,601,428 | \$ 0.740   | \$ 0.860 | \$ 0.790   | \$ 0.840 |
| HDPE - Blow                   | 2,011,496 | \$ 0.760   | \$ 0.870 | \$ 0.790   | \$ 0.840 |
| PP Homo - Inj                 | 1,979,956 | \$ 0.890   | \$ 1.060 | \$ 0.920   | \$ 1.020 |
| LLDPE - Inj                   | 1,292,300 | \$ 0.790   | \$ 0.920 | \$ 0.830   | \$ 0.880 |
| LDPE - Film                   | 1,135,932 | \$ 0.835   | \$ 0.930 | \$ 0.850   | \$ 0.900 |
| LLDPE - Film                  | 1,096,024 | \$ 0.800   | \$ 0.930 | \$ 0.820   | \$ 0.870 |
| PP Copo - Inj                 | 1,081,380 | \$ 0.980   | \$ 1.180 | \$ 1.020   | \$ 1.120 |
| HMWPE - Film                  | 1,014,116 | \$ 0.750   | \$ 0.810 | \$ 0.730   | \$ 0.780 |
| LDPE - Inj                    | 687,552   | \$ 0.820   | \$ 0.920 | \$ 0.870   | \$ 0.920 |



www.ThePlasticsExchange.com MARKET UPDATE

Michael Greenberg  
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## Market Update — April 1st, 2022

NGL prices were also mixed as Ethane added about a cent to \$.439/gal (\$.185/lb) while Propane shaved a sizable slice of \$.11/gal to \$1.37/gal (\$.387/lb).

Spot monomer activity began slowly, but both volumes and prices picked up as the week wore on. Prompt April Ethylene recouped a scant half-cent after massive losses in the previous 2 weeks, while PGP jumped a solid \$.04/lb, recovering previous weeks' losses. Spot Ethylene was mostly quiet until Wednesday morning when an April deal transacted at \$.245/lb for TX delivery. April business was also confirmed on Thursday for LA delivery at \$.245/lb, which was at relatively rare parity with TX monomer. By Friday, the April TX benchmark settled a tad under \$.25/lb, which was up just more than a half-cent from the previous week's April close. In forward trading, May/June delivery changed hands a couple of times midweek at \$.24/lb, followed by a couple of 2Q deals at \$.25/lb on Thursday. The rest of the curve saw fractional gains and remained in a slight contango through year-end.

PGP market interest was slow to materialize until midweek when a prompt March deal transacted just shy of \$.64/lb. PGP pricing firmed the following day as traders shifted focus to April with several deals beginning with one at \$.665/lb, then a couple more at \$.68/lb, and finally a fourth at \$.67/lb. Second Half April PGP also transacted at \$.67/lb. Friday closed with April PGP at \$.685/lb, for a weekly net gain of \$.04/lb from the previous Friday's April close. Deferred month trading was not as active but stayed in backwardation and the forward curve narrowed a tad. Even more noteworthy than the sizable weekly gain was that March PGP contracts settled by a majority of participants at \$.72/lb, it was a huge \$.10/lb increase from the February contract price of \$.62/lb. The March settlement was in line with discussions at the level a week earlier but was above the mid-month expectations for an \$.08/lb increase. The PGP contract now sits \$.02/lb above year-ago levels when the Houston freeze brought petrochemical and resin production to a standstill, but almost triple from where they were 2 years ago during the early days of Covid.

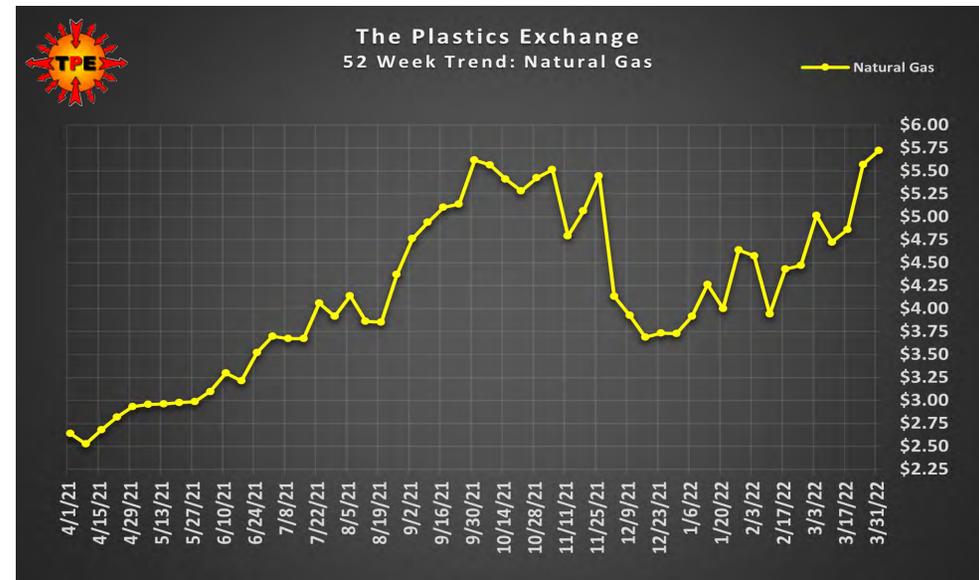
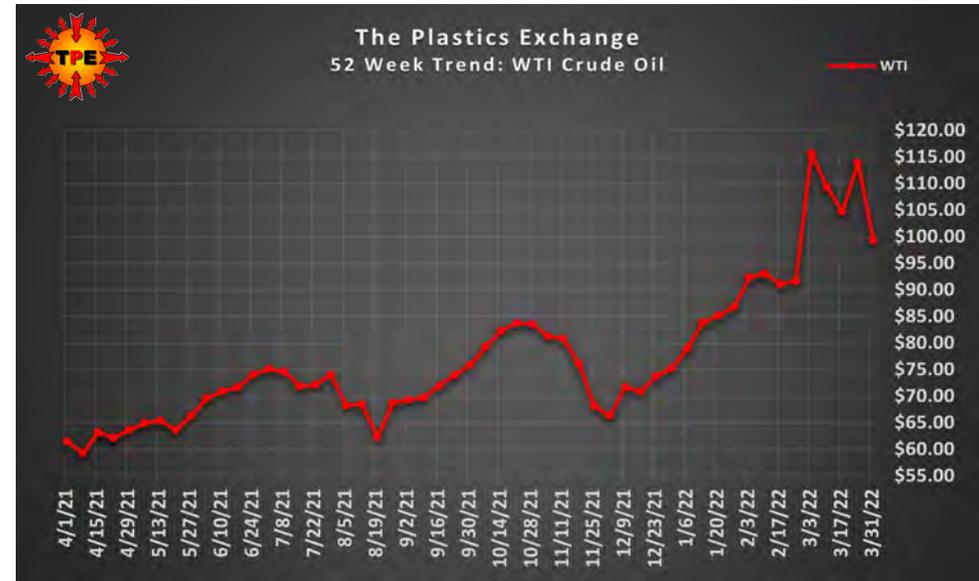
Polyethylene trading may have slowed down alongside reduced volumes this past week, but strong sustained demand and overall tight availability kept commodity grade pricing well elevated at season highs. There were few new prime railcars to be had as the month drew towards a close as March sales were solid and our trading partners had already sold out their forecasted allotments. LLDPE was the primary mover followed by lighter turnover of HDPE and LDPE resins; prime materials from our market making inventories alone outstripped our total offgrade sales this week.

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MARKET UPDATE

Michael Greenberg  
312.202.0002





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Market Update — April 1st, 2022

Export offers were again limited as logistics constraints kept incremental shipments curtailed so there was little reason for producers to pile on product to exporters already teeming with resin and backed up ocean bookings. Despite more production capacity on the way later this year, cost-advantaged North American PE producers also appear content to keep operating rates high and build more inventory even as warehouses remained packed solid, rather than open the floodgates with excess supply, which might up-end the current rally in PE pricing. Producers were able to implement their \$.04/lb increase on to March contracts, but are not done yet, there is an April initiative on the table at an average of \$.06/lb. Securing the March increase has placed the PE market officially back on an upswing after decreasing some \$.15-.17/lb in 4Q'21.

Polypropylene trading was active, driven by good demand, tighter supplies and rising feedstock PGP costs. As a result of these underlying factors, HoPP and CoPP prices rose a couple of cents to match the season's highs established earlier in March. North American PP production was also dealt a significant blow during the week following a pair of force majeure (FM) declarations, one in Louisiana, and the other in California, which will no doubt challenge resin availability even more. With supplies further strained, HoPP offers were on the lighter side and CoPP even less. Demand was solid and we still did a good amount of business, which was mostly filled from our market-making inventory, while the cramped accessibility and bullish market tone challenged spot supplies and back-to-back transactions. Low melt HoPP was the biggest mover with a heavy amount of widespec transacting, followed closely by Prime low melt and Raffia grade. There were a number of Prime HoPP 12 and 20 melt deals as well as CoPP high flow and No Breaks completed, but as in past weeks, our transacted volumes were limited by resin availability. The lack of prompt PP material and fresh FM's encouraged our trading desk to continue re-stocking our inventories as well-priced offers were presented. March PP contracts are expected to finalize with a dime increase, following the March PGP contract increase of the same level. There was not a concerted effort by producers to support the \$.04/lb margin enhancing increase announced for April, perhaps we will see more announcements for May.

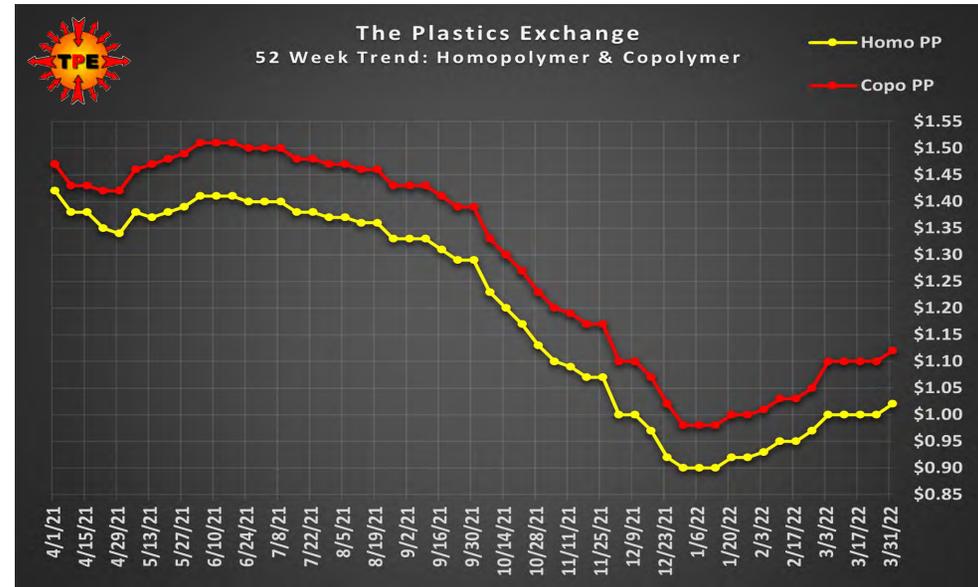
As market makers, we began a serious PE and PP restocking effort in December, remained bullish throughout the first quarter and still maintain our upward bias on both demand and resin pricing. However, we do see the potential for some market hiccups if the economy were to be badly impacted by inflation, and we are also leery of rising upstream inventories and new capacity coming on stream. In the meantime, we anticipate a strong trading month ahead in April and welcome new participants into our market – who needs some spot resin??

**Don't forget to check out our end of month supply chain table on page 4.**

**And be sure to follow us on Twitter and LinkedIn for daily news updates!**

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

**312.202.0002**



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Market Update — April 1st, 2022

| Supply Chain Table    | 2022 Change | End of Week | End of Mar | End of Feb | End of Jan | Start of Year | 2021 Change | Start of Year |
|-----------------------|-------------|-------------|------------|------------|------------|---------------|-------------|---------------|
| Product               | Mixed       | 4/1/2022    | 3/31/2022  | 2/28/2022  | 1/31/2022  | 1/1/2022      | Mixed       | 1/1/2021      |
| HDPE Film \$/LB       | 0.050       | 0.780       | 0.770      | 0.760      | 0.750      | 0.730         | 0.180       | 0.550         |
| HDPE Blow \$/LB       | 0.070       | 0.840       | 0.840      | 0.820      | 0.800      | 0.770         | 0.190       | 0.580         |
| HDPE Inject \$/LB     | 0.080       | 0.840       | 0.840      | 0.820      | 0.800      | 0.760         | 0.180       | 0.580         |
| LLDPE Film \$/LB      | 0.090       | 0.870       | 0.870      | 0.840      | 0.820      | 0.780         | 0.230       | 0.550         |
| LDPE Film \$/LB       | 0.070       | 0.900       | 0.900      | 0.880      | 0.860      | 0.830         | 0.150       | 0.680         |
| LDPE Inject \$/LB     | 0.050       | 0.920       | 0.920      | 0.900      | 0.890      | 0.870         | 0.240       | 0.630         |
| LLDPE Inject \$/LB    | 0.050       | 0.880       | 0.880      | 0.860      | 0.850      | 0.830         | 0.160       | 0.670         |
| HoPP Inject \$/LB     | 0.120       | 1.020       | 1.020      | 0.970      | 0.920      | 0.900         | 0.130       | 0.770         |
| CoPP Inject \$/LB     | 0.140       | 1.120       | 1.120      | 1.050      | 1.000      | 0.980         | 0.150       | 0.830         |
| Ethylene \$/LB        | -0.073      | 0.248       | 0.249      | 0.373      | 0.410      | 0.321         | -0.016      | 0.338         |
| Propylene (PGP) \$/LB | 0.196       | 0.685       | 0.680      | 0.713      | 0.547      | 0.489         | -0.066      | 0.555         |
| Crude WTI \$/BBL      | 24.060      | 99.270      | 100.280    | 95.720     | 88.150     | 75.210        | 26.690      | 48.520        |
| Crude Brent \$/BBL    | 26.610      | 104.390     | 104.710    | 97.970     | 91.210     | 77.780        | 25.980      | 51.800        |
| Ethane \$/GAL         | 0.103       | 0.439       | 0.433      | 0.403      | 0.376      | 0.336         | 0.125       | 0.211         |
| Propane \$/GAL        | 0.336       | 1.373       | 1.399      | 1.385      | 1.166      | 1.037         | 0.436       | 0.601         |
| Natural Gas \$/MBTU   | 1.990       | 5.720       | 5.642      | 4.402      | 4.874      | 3.730         | 1.191       | 2.539         |

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04/08/2022

**Dairy Market**

BLOCK: Up .0100 @ \$ 2.3200 4 Sales  
 BARRELS: Up .0550 @ \$ 2.3675 8 Sales  
 BUTTER: Unchanged @ \$ 2.7825 2 Sales  
 NFDM Grade A: Up .0050 @ \$ 1.8225 2 Sales  
 CME Dry Whey Unchanged @ \$ .6350 0 Sales

| <u>Date</u>            | <u>Blocks</u> | <u>Block Change</u> | <u>Block Sales</u> | <u>Barrels</u> | <u>Barrel Change</u> | <u>Barrel Sale</u> | <u>Spread</u> |
|------------------------|---------------|---------------------|--------------------|----------------|----------------------|--------------------|---------------|
| 04/04/2022             | 2.2625        | Down .0325          | 4                  | 2.2675         | Up .0150             | 5                  | -0.0050       |
| 04/05/2022             | 2.2625        | Unchanged           | 0                  | 2.2600         | Down .0075           | 0                  | 0.0025        |
| 04/06/2022             | 2.3100        | Up .0475            | 1                  | 2.3000         | Up .0400             | 8                  | 0.0100        |
| 04/07/2022             | 2.3100        | Unchanged           | 0                  | 2.3125         | Up .0125             | 0                  | -0.0025       |
| 04/08/2022             | 2.3200        | Up .0100            | 4                  | 2.3675         | Up .0550             | 8                  | -0.0475       |
| <b>Average Market:</b> | 2.2930        |                     | <b>9</b>           | 2.3015         |                      | <b>21</b>          |               |

| <u>Date</u>            | <u>Butter</u> | <u>Butter Change</u> | <u>Butter Sales</u> | <u>Grd A</u> | <u>Grd A Change</u> | <u>Grd A Sales</u> |
|------------------------|---------------|----------------------|---------------------|--------------|---------------------|--------------------|
| 04/04/2022             | 2.7200        | Up .0100             | 10                  | 1.8500       | Unchanged           | 5                  |
| 04/05/2022             | 2.7400        | Up .0200             | 0                   | 1.8400       | Down .0100          | 0                  |
| 04/06/2022             | 2.7475        | Up .0075             | 0                   | 1.8150       | Down .0250          | 6                  |
| 04/07/2022             | 2.7825        | Up .0350             | 7                   | 1.8175       | Up .0025            | 3                  |
| 04/08/2022             | 2.7825        | Unchanged            | 2                   | 1.8225       | Up .0050            | 2                  |
| <b>Average Market:</b> | 2.7545        |                      | <b>19</b>           | 1.8290       |                     | <b>16</b>          |

| <u>Date</u>            | <u>Dry Whey</u> | <u>Dry Whey Change</u> | <u>Dry Whey Sales</u> |
|------------------------|-----------------|------------------------|-----------------------|
| 04/04/2022             | 0.5900          | Down .0200             | 2                     |
| 04/05/2022             | 0.5900          | Unchanged              | 5                     |
| 04/06/2022             | 0.6175          | Up .0275               | 0                     |
| 04/07/2022             | 0.6350          | Up .0175               | 1                     |
| 04/08/2022             | 0.6350          | Unchanged              | 0                     |
| <b>Average Market:</b> | 0.6135          |                        | <b>8</b>              |

--Year Ago--

| <u>Date</u> | <u>Blocks</u> | <u>Barrels</u> | <u>Butter</u> | <u>NFDM Grade A</u> | <u>Dry Whey</u> |
|-------------|---------------|----------------|---------------|---------------------|-----------------|
| 04/06/2021  | 1.7850        | 1.5300         | 1.8325        | 1.1825              | 0.6600          |
| 04/07/2021  | 1.8000        | 1.5800         | 1.8150        | 1.1925              | 0.6600          |
| 04/08/2021  | 1.8075        | 1.5850         | 1.8450        | 1.2050              | 0.6400          |
| 04/09/2021  | 1.8300        | 1.6925         | 1.8800        | 1.2050              | 0.6300          |



# UDDER INTELLIGENCE

In-Depth Analysis

  
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# Udder Intelligence



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April 7, 2022

## What you need to know

- GDT auction was down on weak North Asia (China) buying
- Feb. U.S. exports were a little stronger than expected, down 0.7% YoY
- Feb. AU production was a little weaker than forecast, -6.1% YoY
- More and more recession/weak consumer demand talk globally

## Dairy Prices (USD)

| Cheese               | Last (lb.) | Chg.   | Last (MT) | WMP       | Last (lb.) | Chg.    | Last (MT) |
|----------------------|------------|--------|-----------|-----------|------------|---------|-----------|
| CME Blocks (Wk Avg)  | \$2.29     | \$0.05 | \$5,038   | US        | \$2.26     | \$0.00  | \$4,982   |
| CME Barrels (Wk Avg) | \$2.28     | \$0.07 | \$5,035   | Dutch     | \$2.57     | -\$0.02 | \$5,675   |
| EU Gouda             | \$2.57     | \$0.02 | \$5,659   | GDT (Avg) | \$2.06     | -\$0.03 | \$4,532   |
| GDT Cheddar (Avg)    | \$2.94     | \$0.03 | \$6,472   |           |            |         |           |

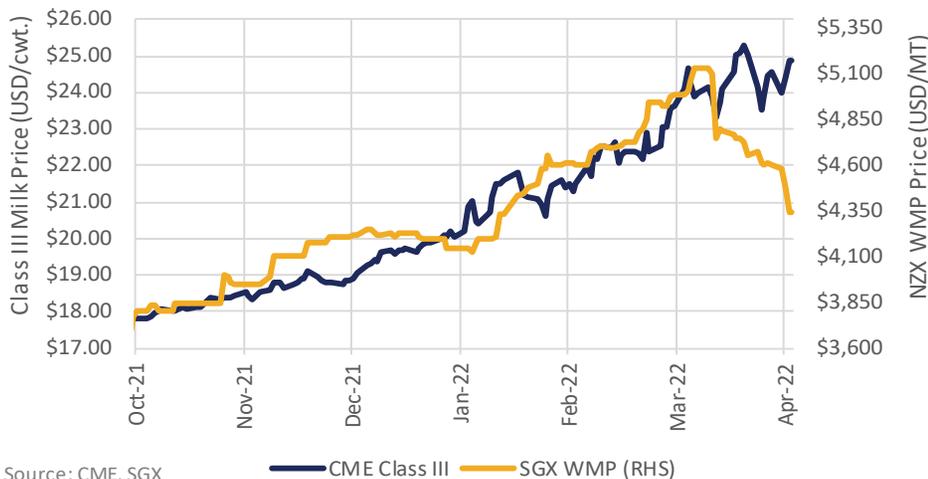
| Butter            | Last (lb.) | Chg.    | Last (MT) | Dry Whey   | Last (lb.) | Chg.    | Last (MT) |
|-------------------|------------|---------|-----------|------------|------------|---------|-----------|
| CME Spot (Wk Avg) | \$2.76     | \$0.04  | \$6,076   | Central US | \$0.65     | -\$0.07 | \$1,422   |
| EEX Index         | \$3.64     | \$0.15  | \$8,015   | EEX Index  | \$0.72     | \$0.00  | \$1,588   |
| GDT (Avg)         | \$3.13     | -\$0.03 | \$6,891   | US WPC34   | \$1.78     | \$0.04  | \$3,921   |
|                   |            |         |           | US Lactose | \$0.43     | \$0.01  | \$937     |

| SMP/NFDM          | Last (lb.) | Chg.    | Last (MT) | Rennet Casein | Last (lb.) | Chg.   | Last (MT) |
|-------------------|------------|---------|-----------|---------------|------------|--------|-----------|
| CME Spot (Wk Avg) | \$1.83     | -\$0.01 | \$4,031   | US            | \$5.17     | \$0.01 | \$11,398  |
| EEX Index         | \$2.10     | \$0.00  | \$4,623   |               |            |        |           |
| GDT (Avg)         | \$2.09     | \$0.02  | \$4,599   |               |            |        |           |

Sources: CME, USDA, EEX, GlobalDairyTrade, Dutch Dairy Board, Trigona, FRED USD/euro rate used: 1.094, -0.014

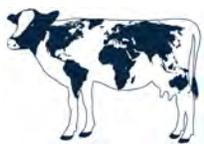
CME Class III and SGX WMP Futures Prices  
(May 2022 Contracts)



Source: CME, SGX

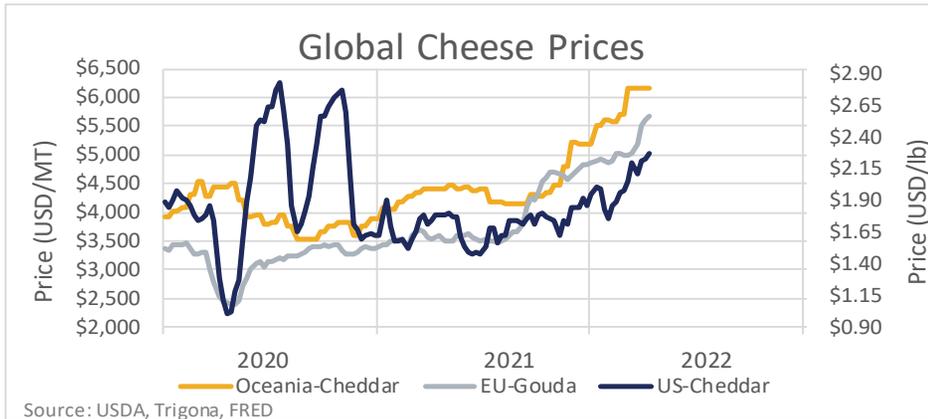
## Market Summary

It was a mixed weak. GDT was down on weaker North Asia buying and high prices limiting demand. That fed through to some weakness in Europe and U.S. markets. The financial media is talking more about recession risks coming from three sources; the lockdowns in China, energy costs/geopolitical tensions and inflation fighting rate hikes. If we hold everything else constant in the model, a 1% change in global GDP is a 10% impact to prices. We can't ignore the risk that recession knocks dairy prices back, but the recession fears are mostly in the future (2023) and as far as I can tell, milk production is still weak across the major dairy exporters. I still lean more bullish than bearish until we see a sustained improvement in milk production. Although a big slowdown by China would be a near-term risk.



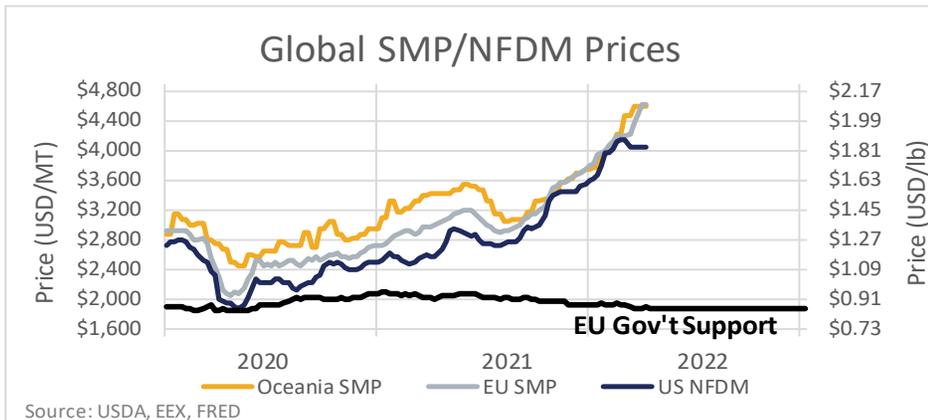
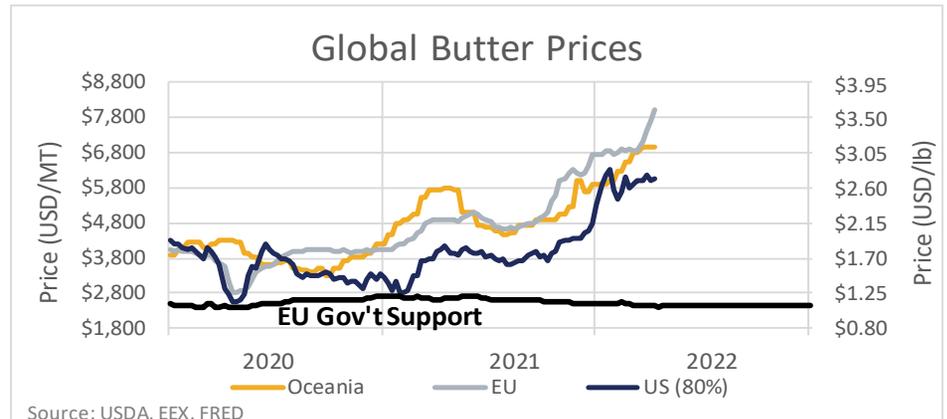
April 7, 2022

## Product Markets

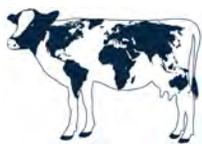


**Butter:** GDT butter was down as high prices limit global demand while EU/US prices were higher. EEX futures set a new daily record for butter volume on heavy selling. U.S. butter production was stronger than forecast for February, but still down 1.4% from last year. U.S. butter exports were stronger than forecast, up 47.1% YoY. But domestic disappearance was very weak, down 17.3% YoY.

**Cheese:** Cheese prices were higher across all the major exporters this week. Anecdotally, available supplies out of the EU and NZ are still tight. Given the relative prices, we should be seeing some milk shift out of WMP and into cheese in NZ. U.S. fundamentals were more bearish than expected for February with cheese production much stronger than forecast, up 6.3% from last year while exports were weaker than forecast, but still up 9.2% from last year. Domestic cheese disappearance was bullish, up 6.5% YoY.



**Powders:** While EU SMP was up in euro terms, it was steady in U.S. dollar terms and U.S. NFDM prices were a little weaker. Anecdotally, SMP is still tight in Europe and the GDT SMP price was up. U.S. product is seasonally heavier and logistics problems are dampening exports while Mexico also pushes back at current prices. The U.S. NFDM market does feel heavy right now, but if EU/Oceania prices stay at current levels (or move higher), then we'll see U.S. prices bounce higher in coming months.



April 7, 2022

# 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.

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## Clemens Food Group

- Pork Market Commentary Sunday, April 3, 2022
- USDA's March 30 Hog & Pigs report said that total hog inventory is 72.2 million head, down 2.33% from last year, on the low side of industry expectations, and tighter than forecast.
- Hogs available to harvest in March through May show a reduction of 3.7% from last year, tighter than expected, with June through August showing 1.5% fewer hogs than last year to harvest.
- US pork production for 2022 is now forecast lower than previously expected, 2.4% below 2021, and now below 2019 levels.

### **Hams:**

- Hams found some final strength going into the last of the Easter ham preparations, but not expected to continue like last year, when China was targeting hams.
- Labor and cold storage efforts will be focused on other things during April, which should make hams risk off for the next few weeks.

### **Bellies:**

- Belly prices averaged lower last week, in line with the seasonal move, expected to continue somewhat through April.
- Cold storage programs should be slowing down, as labor and time do not warrant strong rotations through April, bringing some additional product to the fresh market and easing prices.

### **Butts:**

- Butts found additional strength last week, in line with the seasonal pull.
- April usually sees some price concessions as butts do not typically make it into cold storage rotation any longer, since they rotate out in May.
- Look for seasonal weakness the next three weeks, however, likely to maintain a price premium to last year for the short term.

### **Ribs:**

- Sparerib prices looked like they might soften last week, but did not break down as buyers continue to be insecure about forward product availability.
- Minor weakness could be in play the next two weeks, seasonally, before the final rally in May and June.
- Like butts, fresh-only buyers will keep prices supported and moving higher through May, not likely to break down during that time.

### **Trim:**

- 72s saw minor lift again last week, atypical as the lead-in to April usually invites softer prices when the heavy, secondary processing from March slows down.
- April could see chop and minor softness, but consistently easing markets are not likely, as buyers will continue to take product at these levels and hold in private cold storage to avoid any upcoming summer shortages.

## March 2022 Bean & Rice Market Update

### Bean Market Update:

On the final day of the month, the USDA released their first glance into the upcoming 2022 crop year with their Prospective Plantings Report. This survey of over 70,000 growers is historically fairly accurate, but it is important to note that with the volatility and dramatic changes in the markets day to day, nothing will be certain until it is in the ground. As it stands, growers intend to plant 1.31 million acres of Dry Edible Beans in 2022. This is down 6% from 2021, and almost 24% from the large 2020 crop. The market expected a very competitive landscape around acreage this year given the bullish activity in most of the competing crop markets, which this report affirms. Although Corn acres appear to be down a few percentage points, Soybeans and Wheat are reporting higher acreage intentions compared to last year. The low carry-over situation we are currently in makes it that much more important the market gets as many acres as possible to ensure sufficient supply in 2022/23.

Moving on to the Garbanzo and Pulse markets, it is more of a mixed-bag with respect to projected acreage. Garbanzo Beans are looking at a significant decrease in planted acres of almost 20%. On the other hand, Lentil and Dry Edible Pea acres are looking at increases at this point in time, both by about 10%. Bear in mind that although the intentions indicate plans to plant good acres, the area affected by a severe drought last growing season is showing some extremely dry conditions at this point in time (see below). The market needs strong acres and yields to get back to a healthier supply & demand picture as demand and Government purchasing have remained robust in the 2021/22 marketing year. Again, it is crucial to note that these figures are results of surveys being taken in March, and there is still time for growers to change their minds due to market movement, spring weather, etc. The volatility we have seen across the board this year will leave many markets feeling uncertain of their future until the USDA publishes their first Acreage Report in June.

### Map released: March 31, 2022

Data valid: March 29, 2022

