

MarketNews

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Eggs



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USDA Weekly Livestock,
Poultry & Grain Market
Highlights



Market updates
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Exchange



Daily Market
Summary - Plus In-
Depth Analysis



Market Report

Egg Markets

Week of January 24, 2022

TONE: Retail demand good to very good. Supplies tight to short. Market firm.

The regional egg markets are as follows:

	Northeast	Midwest	Central	Southeast
Lg	\$1.40	\$1.37	\$1.52	\$1.51
Md	\$1.28	\$1.23	\$1.32	\$1.30

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>



Egg Markets Overview

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

January 21, 2022

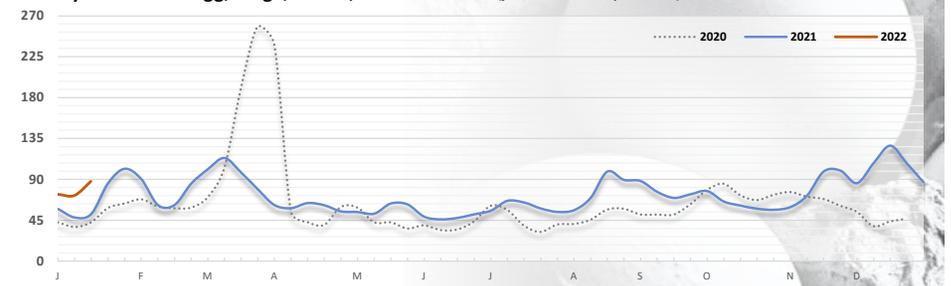
Wholesale prices for cartoned shell eggs advanced through the trading period and remain firm. Supplies are moderate but offerings have decreased and are light. Interest is moderate to good and trading is active. Wholesale prices for graded loose eggs moved higher through the week on light offerings and moderate supplies. Interest is moderate to good and trading is active. The volume of trailer load sales this week decreased into next week indicating declining interest for late January business. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs increased \$0.16 to \$0.880 per dozen with a firm undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers increased \$0.16 to \$1.42 per dozen with a firm undertone. The Midwest wholesale price for Large, white, shell eggs delivered to warehouses declined \$0.17 to \$1.11 per dozen with a higher undertone. Prices paid to producers in the Midwest for Large cartoned shell eggs rose \$0.10 to \$1.02 per dozen with a firm undertone. The California benchmark for Large shell eggs gained \$0.18 to \$2.73 per dozen with a higher undertone. Delivered prices on the California-compliant wholesale loose egg market increased \$0.25 to \$2.438 per dozen with a firm undertone. The California market continues to adjust to the implementation of the Prevention of Cruelty to Farm Animals Act (Prop 12) that requires elimination of the use of cages in table egg production in the state.

Consumer demand for shell eggs over the past week improved in response to aggressive retail promotional activity and improved weather conditions across much of the nation. Recent weather-related disruptions have eased and a normal flow of supply and consumption has returned. In recent years, demand has eased into the new year before rallying mid-month as consumers focus on diets and resolutions reaches its peak before fading into late winter and this year is following a similar pattern. Retailers feature activity is slowing but promotions for conventional caged eggs remain active.

Promotional activity for conventional shell eggs in retail outlets increases its pace into the end of the month and the average ad price declines \$0.10 to \$1.20 per dozen. Retail purchases for delivery into week were unchanged from the prior week. Promotional activity for specialty shell eggs decreased sharply with cage-free offerings dominating the sector. Feature activity for [UEP-defined cage-free](#) shell eggs increases and accounts for 42% of all shell egg types on feature. The average ad price gains \$0.07 to \$2.37 per dozen and the average ad price spread between 12-packs of Large caged eggs and UEP cage-free eggs widens by \$0.17 per dozen to a spread of \$1.17 per dozen.

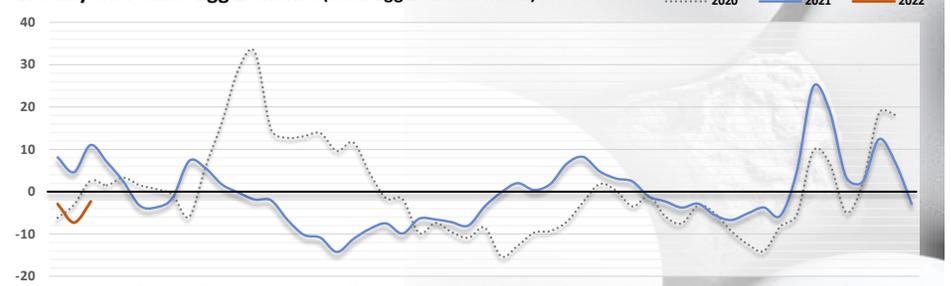
The overall inventory of shell eggs decreased 6% and the nation-wide inventory of Large eggs declined 9.5%. The inventory of Large eggs in the key Midwest production region dropped nearly 20% as supplies cleared into marketing channels to support ongoing retail

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



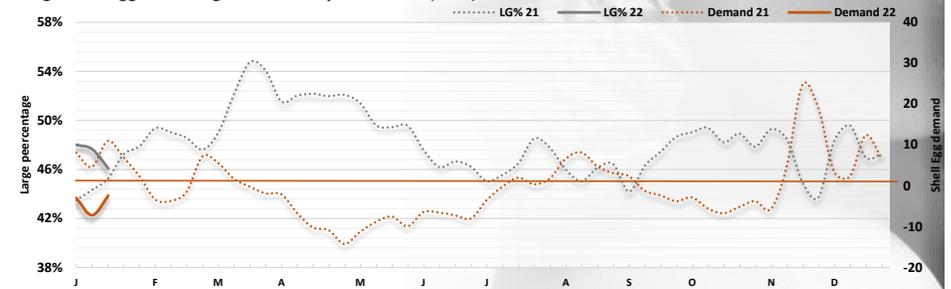
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

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



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

Large Shell Egg Percentage of Inventory v. Demand (SEDI)



Source: USDA AMS L&P Agricultural Analytics

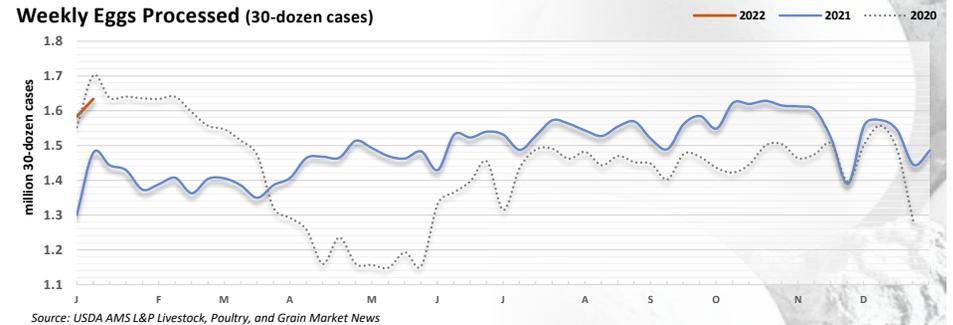
promotional activity. The inventory share of Large class shell eggs decreased to a 46% share of all shell egg stocks on inventory at the start of the week. Stocks of cage-free eggs were down slightly as retail featuring remains strong. The inventory of nutritionally-enhanced shell eggs decreased 13% even as retail business slowed. Breaking stock inventories were down 3% as breaking schedules returned to full-time and increased carton business kept spot market offerings limited. Total table egg production for the week was about unchanged from the prior week and from the prior year ago level. Production is estimated to exceed the prior year level by 3,800,000 cases.

Wholesale prices for breaking stock in the Central States held steady at \$0.77 per dozen with a steady undertone noted. Supplies are moderate for current full-time schedules and offerings are light moderate. Demand is moderate to good and trading is moderate. The volume of eggs processed over the past week increased 3%, representing a 31.5% share of weekly table egg production. Production of whole egg increased nearly 10% while production of whites declined 4% and yolks 10%. The production of dried eggs decreased 5% and the production of inedible egg was increased 12%. Breaking yields without inedible declined improved a quarter pound to 40.83 pounds per case broken.

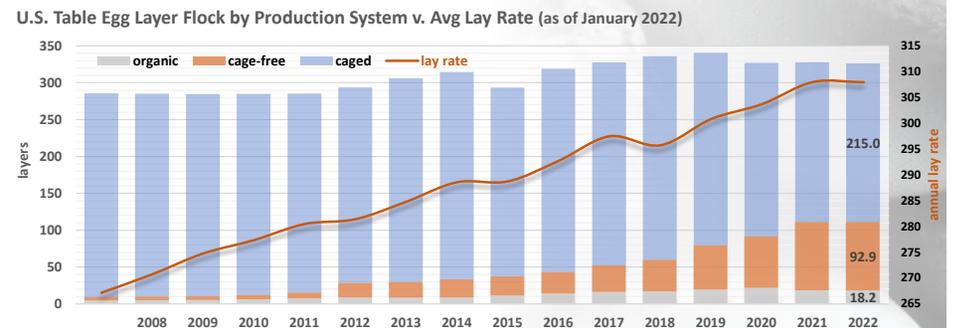
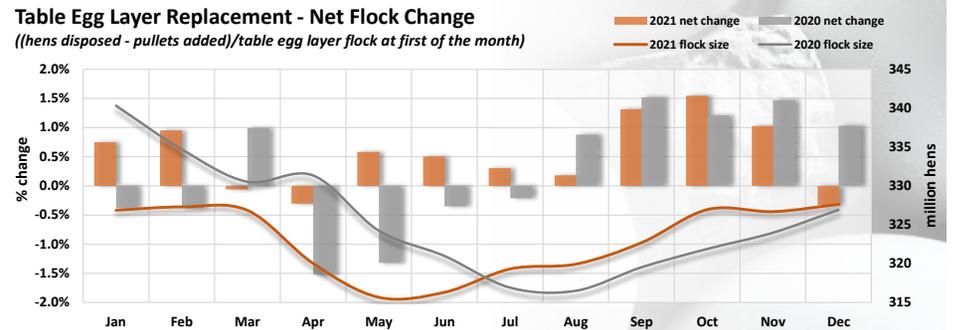
Wholesale prices for whole certified liquid whole eggs are too few to report with a fully steady undertone. Offerings are moderate, demand is moderate. The wholesale price for frozen whole egg products is steady at \$1.17 per pound and the price for liquid whites is unchanged at \$0.68 per pound. The undertone is firm to higher. Offerings are moderate, supplies light to moderate for moderate to good demand. The pace of trading is moderate. Wholesale prices for whole dried egg are steady at \$4.12 per pound as are prices for dried yolk at \$3.60 per pound and those for dried albumen at \$5.00 per pound. The undertone is steady. Offerings are moderate with light to moderate supplies Demand is good. Trading is moderate to active.

According to NASS, the November monthly volume of frozen eggs in storage declined 12% from October, 29% below the 2020 level. Stocks of whole frozen egg increased 2% from last month and were 32% below year ago levels. The share of whole egg stocks gained 6% to 43% of total frozen stocks. Stocks of frozen yolk rose 23%, 5% over last year's level. Stocks of frozen egg whites were down 24% and 24% under last year. Stocks of unclassified eggs were down 22%, 28% below 2020 levels. The share of unclassified frozen stocks lost 6% to 47% of all frozen egg products in storage.

Cage-free commitments as of January 2022 remain about unchanged, requiring 66.7 billion cage-free eggs per year to meet 100% of needs from an approximate cage-free flock of 221 million hens (68% of the U.S. non-organic flock), indicating a shortage of 128 million hens from the current non-organic cage-free flock of 92.9 million hens. The average lay rate for non-organic cage-free production is currently estimated at 82.6%.

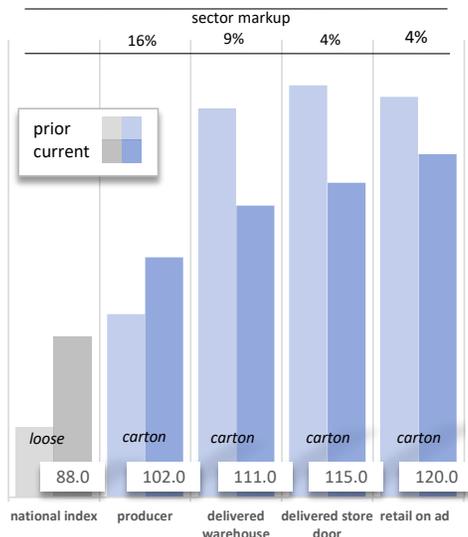


Eggs Processed Week-to-Week Change						
total	share	whole	whites	yolks	dried	inedible
▲ 3.1%	▲ 1.0%	▲ 9.6%	▼ -4.4%	▼ -10.1%	▼ -4.7%	▲ 12.2%



Shell Eggs Market Price Comparisons (as of January 21, 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

U.S. Table Egg Layer Flock Estimates

(layers by system in millions)

System	January 2022	
	Flock	%
Caged ¹	215.0	65.9%
Cage-Free	111.1	34.1%
Organic Total	18.2	5.6%
Organic	11.7	3.6%
Free-range	3.8	1.2%
Pastured	2.7	0.8%
Non-Organic Total	92.9	28.5%
Barn/Aviary	89.0	27.3%
Free-range	2.4	0.7%
Pastured	1.5	0.5%

¹ - battery and enriched systems

Key Egg Markets Overview

	21-Jan	% Change	Recent History				
			14-Jan	7-Jan	31-Dec	24-Dec	17-Dec
SHELL EGGS (Large, White, conventional in cents per dozen)							
National, Loose, (f.o.b. dock prices)	88.00	22%	72.25	75.15	86.75	107.45	127.03
New York, Cartonned (price to retailers)	142.00	13%	126.00	139.00	163.00	175.00	175.00
Midwest, Cartonned (price dlvr'd to warehouse)	111.00	-13%	128.00	148.00	160.00	159.00	147.00
California, Cartonned, benchmark (cage-free)	273.00	7%	255.00	235.00	234.00	234.00	226.00
National Retail Shell Egg (avg. ad price in dollars per dozen)							
Conventional, Large, White	1.20	-8%	1.30	1.00	1.22	1.30	1.38
Cage-Free, Large, Brown	2.37	3%	2.30	2.23	2.22	2.34	2.58
EGG PRODUCTS (f.o.b. dock prices; dollars per pound)							
Central States Breaking Stock (dlvr'd prices per doz)	77.00	0%	77.00	73.00	76.00	78.00	74.00
Whole Frozen Eggs	117.00	0%	117.00	115.00	113.00	113.00	109.00
Whole Dried Eggs	4.12	0%	4.12	4.12	4.12	4.12	4.10
Processed Share of Weekly Egg Production	31.6%	1.0%	30.6%	28.7%	27.7%	29.6%	30.1%
SHELL EGG DEMAND INDICATOR (no units)	-2.3	4.9	-7.3	-2.9	6.9	12.4	2.2

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

Key Shell Egg Markets Snapshot - 2022

(Large, White, Conventional Shell Eggs in cents per dozen)	21-Jan	Change	14-Jan	2022 High	2022 Low
National, Loose, (f.o.b. dock prices)	88.0 ▲	22%	72.3	88.0	21-Jan 71.4
New York, Cartonned (price to retailers)	142.0 ▲	13%	126.0	158.0	03-Jan 126.0
Midwest, Cartonned (price dlvr'd to warehouse) ¹	111.0 ▼	-13%	128.0	148.0	03-Jan 111.0
California, Cartonned, benchmark	273.0 ▲	7%	255.0	273.0	18-Jan 235.0
Central States Breaking Stock (delivered prices) ¹	77.0 ▬	0%	77.0	77.0	13-Jan 73.0
Whole Frozen Egg Products (f.o.b. dock prices)	117.0 ▬	0%	117.0	117.0	14-Jan 115.0
Whole Dried Egg Products (f.o.b. dock prices)	4.12 ▬	0%	4.12	4.12	07-Jan 4.12
Natl Average Retail Ad Price - Conventional	1.20 ▼	-8%	1.30	1.30	14-Jan 1.00
Natl Average Retail Ad Price - Cage-free ²	2.37 ▲	3%	2.30	2.37	21-Jan 2.23
Shell Egg Demand Indicator	-2.3 ▲	4.9	-7.3	-2.3	19-Jan -7.3

¹ mostly high; ² non-organic



FLOUR FACTS

Information Provided by General Mills Foodservice
GeneralMillsCF.com



Weekly Market Highlights

JANUARY 20, 2022

- Tensions between Russia and Ukraine are heating up and causing concern on shipments in and out of the Black Sea ports.
- Crude oil made new 7-year highs, while at the same time fertilizer and farm inputs continue to move into new record high prices.
- The lack of moisture in the southern plains and West Coast have farmers worried about their winter wheat crop.

Facts on Flour

Got Flour?

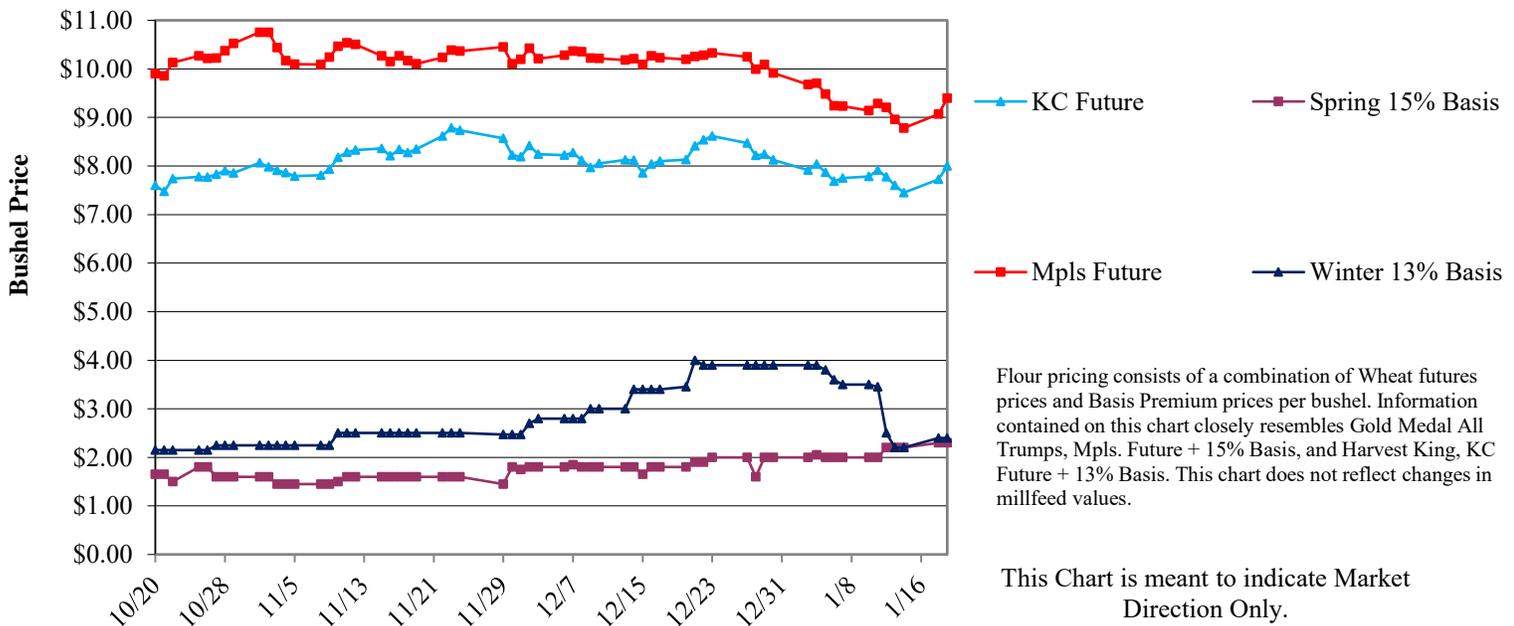
When we talk “flour,” we are talking about wheat flour. Because wheat is the most commonly distributed cereal grain in the world, a reference to flour is generally a reference to wheat flour.

And just as flour is not “just flour,” wheat is not “just wheat.” Wheat can be classified by three major categories: growing season (winter, spring), kernel hardness (hard, soft) and bran color (red, white). These categories have a significant impact on the functionality of the finished flour.

Over the next few weeks, we will be discussing each of these categories more in depth.

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Futures & Basis Markets



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

Experience inspires confidence.





Weekly Market Update



Produce Market Update

For the Week of: January 23rd, 2022

"Produce from the Ground Up"



Strawberry Burrata Pasta Salad

A bright and summery pasta salad topped with fresh strawberries, creamy burrata, and zesty balsamic vinegar. Garnish it off with toasted pine nuts for a bit of crunch and you have the perfect side dish to share!

Ingredients

- 3 Tbsp olive oil
- 2 cups arugula
- 1/2 cup torn basil
- 4 oz. burrata ball
- 1/4 tsp pepper
- 2 Tbsp balsamic vinegar
- 1/2 lb strawberries sliced in half
- 1/4 cup toasted pine nuts
- 1/2 tsp salt

Directions

1. Bring a pot of water to a boil. Pour in the fusilli and cook until al dente, about 10 minutes.
2. Drain the pasta and pour onto a platter or serving bowl. Allow the pasta to cool for 15 minutes.
3. While pasta cools, whisk together olive oil and balsamic vinegar.
4. Toss together arugula and pasta with half of the vinegar mixture. Top with strawberries, basil, toasted pine nuts, and burrata.
5. Drizzle the salad with the rest of the vinegar and top with salt and pepper.

Source: California Strawberry Commission

WEATHER

Nice weather is forecasted for the desert this week and very cold in the East as reported by *Palmer Foods*, who secretly hope for the Bills to beat the Chiefs. No rain is forecasted for the desert or Salinas. A littler warmer Thursday/Friday with temps in the upper 60s to upper 70s. Morning lows in the Mohawk Valley will be in the upper 30s-low 40s most of the week. Strong gusty winds up to 35-40 mph SE CA and 25-30 mph elsewhere Thursday / Friday.

EXTENDED OUTLOOK

Northerly winds continue through Jan 23 with temps near-to-above normal. High pressure ridge could warm temps into the low 70s to low 80s Jan 24-27. Possible cooling (mid 60s to mid-70s) Jan 28-30 should a weak cut-off low develop off the Southern CA coast. Otherwise, afternoon highs will remain unseasonably warm into the beginning of Feb.

AVOCADO -- Alert Supplies are good. Jumbo and #2 70cts are tight. Markets are steady with some corrections depending on the size. Smaller sizes will feel the most pressure. Fruit is smaller from Mexico.

ARUGULA -- Overall good quality & performance. Low percentage of yellowing from cold weather.

ASPARAGUS -- The market is active. Mexican volume is tight due to cold weather, and Peru's volume is declining. Quality is good.

BASIL -- Did you know, the *Pro Mark Group* offers a full line of fresh herbs, grown hydroponically just miles from our largest distribution center and of the highest quality packed in the *Pro Mark* label. Basil Slightly peppery with a hint of sweetness and traces of mint and clove. Blends well with garlic, thyme, and lemon. Enhances salad dressings, sauces, and Italian and French foods.

BOK CHOY -- volume is expected to be plentiful for the next two weeks. Now is a great opportunity for promotion!

BROCOLLI -- Supplies are steady this week.

BRUSSEL SPROUTS -- Alert Volume will be reduced this week as production regions transition and the open market shows no signs of retreating in the near term. Expect to see reduced fill rates on both the bulk 25 lb. pack and the VA category. Improved volume should be in about 2-3 weeks and open market prices should ease.

CARROTS -- Alert Demand continues to outpace supply. Due to the unprecedented weekly volume needed for new snack pack options for school and community programs we continue to struggle with supply and demand. Pricing is increasing. Did you know ... On children's menus, carrots have increased by 15% in the past four years.

CAULIFLOWER -- Alert Supplies are expected to be lighter than normal for the next few weeks.

CELERY -- Better supplies for us and the industry. Quality is good and the market is steady in Oxnard. We are harvesting in Mexico and Oxnard.

CILANTRO -- volume is expected to be on budget this week. Overall quality is very nice.

GREEN ONIONS -- Alert Market is still active due to cold temperatures the past two weeks and a shortage of labor.

GREEN BEANS -- Florida quality is erratic with sluggish demand. The market is high on good quality beans. Mexican volume is steady with moderate demand. The market is expected to get stronger.

KALE -- supplies are expected to be plentiful for the next few weeks.

LETTUCE -- Supplies will be heavy the next two weeks. Now a good time to increase your ten-week average. Quality has been very good, and the market is steady to slightly softer. Forecast is for prices to be steady at current levels for the next week or two.

LEAF & ROMAINE -- production of Romaine supplies are beginning to trend below budget. We are experiencing some quality issues at the field level ultimately reducing yields but improving. Plants that are healthy are exhibiting good color, texture, and quality overall. We will continue to be subject to occasional fringe burn and lighter weights. Overall demand is steady. Quality in the desert is good on Green Leaf. Demand is good, and pricing remains steady.

MUSHROOMS -- Studies show mushrooms can help with depression and anxiety. Penn State researchers used data on diet and mental health collected from 24,699 U.S. adults between 2005 and 2016. They found that people who ate mushrooms had lower odds of having depression. Also, mushrooms can help with other mental disorders and complaints: Mushrooms contain numerous bioactive compounds that may be associated with reduced anxiety, including vitamin B12, nerve growth factor, antioxidants, and anti-inflammatory agents," according to the U.S National Health and Nutrition Examination Survey, published in November in the Journal of Affective Disorders. White buttons, the most purchased mushroom variety, contain potassium, which is believed to lower anxiety, according to a Penn State news release.

NAPPA -- Volume is expected to be plentiful for the next few weeks.

PARSLEY -- No change, supply is expected to be lighter than normal for the next two weeks.

SPINACH -- Overall good quality, size, and texture. Slight discoloration present from ice damage and colder weather.

SPRING MIX -- We have good supply, color, and outstanding quality.

PEPPERS/CUCUMBERS/ /SQUASH --

Peppers -- Alert Eastern green bell supplies will be light for next few weeks due to warm temps and wind. Mexican supplies of green bells are short due to cold weather. The market on Mexican field red bells is tight; yellow is steady. Quality is very good. A little health information, Rich in folate, our very own red bell peppers can play an essential role in mitigating the impact of mental and emotional disorders. They're also believed to improve cognitive function, such as memory. So don't forget your peppers.

Cucumbers -- We have good supplies of green, red, and yellow bells this week from Nogales. Volume will be on Large and Extra-Large sizes on all colors. movement from Mexico crossings through Nogales, AZ, is expected to increase. Trading was active at much higher prices. Supplies remain heavy with moderate demand as buyers continue purchase only what is needed to fill orders. Movement of Mexican cucumber crossings through Texas is expected to increase slightly. Trading was moderate early and active later with demand improving to moderate. Prices were much higher, though quality is reported as variable.

Squash --Zucchini supply should pick up as weather will be slightly warmer this week, yellow squash volume should increase by next week.

POTATOES – Idaho had leveled off a bit, and the market is steady, with very good quality, especially when packed in the *Pro Mark* label, modestly speaking of course. So, why do we have pro Mark potatoes packed only in Idaho?

- Only Idaho has USDA inspectors-and we happen to have them in every single production facility
- Only Idaho has a size standard to ensure consistent sizing in every bag
- Idaho is the only state that grows over 13 billion pounds every year!
- Idaho's is the only state that provides dedicated category advisors
- Idaho's rich volcanic soil, ideal climate, and mountain-fed irrigation gives Idaho Potatoes their unique texture, taste, and dependable performance.
- Idaho is home to some of the world's most advanced farming practices utilizing the best growing techniques and technology.
- Idaho has extremely stringent quality checkpoints (like third-party inspections by federally trained inspectors) that ensure consistency.
- Idaho invests millions of dollars into research (like determining the optimal shipping temperatures and humidity ratios) to provide reliable, high quality, consistent potatoes.
- Idaho Potatoes have over 80 years of brand investment through wide-reaching marketing strategies aimed at driving consumers to seek out the Grown in Idaho Seal (national TV commercials, Big Idaho Potato Truck, Famous Idaho Potato Bowl, etc.).
- Idaho Potatoes are extremely dependable and available year-round.



ONIONS -- Photo of the Week Prices on onions are holding or pushing up. Tighter supplies have led to stronger pricing on onions and higher freight rates also factor into that pricing. The real value in the Onion market is currently on Medium Yellow. Red onions are in tightest supply. It's the lowest supply available in many, many years. We have very high pricing currently, and I believe that pricing will continue to increase from now through April. Another contributing factor in onion pricing is transportation, both

the lack of it and the cost of it.

TOMATOES --

Rounds: Not much change from last week. Hearing talk about markets getting stronger, however, it seemed as though that was just talk. Florida's production is down slightly, but not enough to really justify taking the market up. Mexico still is not producing enough for the flood gates to open up. Currently status quo for this week. Demand is fair as parts of the country are dealing with a massive snowstorm and very cold weather. Quality continues to be very good from both Mexico and Florida. We are expecting Mexico to keep gaining strength as more and more fields are opening for the Winter season.

Grape: are trending up. Florida had cooler weather recently and picking fewer days than normal this week. There is less volume and they have taken their market up a couple of dollars from last week. At the McAllen crossing point for Mexican grapes, product has been extremely limited. This is forcing buyers to Nogales where there was plenty of supply to start the week but with the current increase in demand it is forcing the market up.

Cherry: Nogales now has increased volume. Three larger growers are crossing product. Florida volume is steady. Quality is good from both areas. The cheaper lots of cherries in Nogales are a softer cherry and may be an issue for some receivers.

Roma: There is currently a split FOB market between Florida (currently higher) and Mexico (currently lower). There is plenty of supply available. Mexico is driving the market as they have most of the volume. Quality is very good.

APPLES -- U.S. fresh apple holdings on Jan. 1 totaled 87.7 million bushels, 2.9% less than the inventories reported a year ago, according to a new report from the Falls Church, Va.-based U.S. Apple Association. Fresh apple holdings on Jan. 1 were about 12% lower than the January 5-year average, according to the survey.

BLACKBERRIES -- Steady supply through January. We are entering the transition period between the early and mid-part of the central Mexico season. The transition will keep the volume steady. California regions will contribute minimal volume due to the rain and cold temperatures expected through the next couple of weeks.

BLUEBERRIES -- Overall fewer Chilean blueberries are making their way to U.S. markets than usual. There are reports that shipments are being delayed by labor shortages in Chile and held up in inspections, as well as diverted to other countries. Movement of Peruvian imports of blueberries arriving through both the Philadelphia and New York City areas and through Southern California ports via boat is expected to decrease as the season nears its end.

CITRUS –

Lemons: demand is picking up here also (exports), Dist. III is finishing up and Dist. I is in full swing. Fruit quality is very nice, especial when it is packed in a *Pro Mark* label.

Limes: Alert The lime market is currently on fire! Limes continue to soar in price. From what our farms are reporting, key limes are the preferred limes used in mainland Mexico and those are tight to non-existent. This is causing more limes to remain in Mexico versus coming up to cross the border. Adding additional stress to the market, lime trees do not have much fruit right now as the bloom back in November/December didn't take very well. There is supposedly a new crop coming on at the end of January to help break the market. At this point, negotiations are ever-changing regarding prices crossing the border. We will continue to monitor this situation and source the best quality limes for the best price possible.

Oranges: Pro Mark Navels are in full swing. Demand has increased as exports are continuing to come in. The market is advancing also. Smaller fruit is demand exceeds; quality is very good. No rain in the forecast for the next 10 days.

GRAPES -- Alert We have had times where supplies are tight, but I do not recall ever being told none! We are currently waiting for Peruvian / Chilean grapes to arrive. All grapes are in a demand exceeds situation and I feel that we will be facing this situation until mid-February. Vessel delays / unloading are compounding the situation.

MANGOES -- The National Mango Board (NMB) said mango consumption in the United States had experienced an interesting and constructive growth in 2021. It was a very difficult year due to the COVID-19 pandemic, but we have a very combative industry and a superfood that captivates consumers of all ages. I always marvel at the consumption of Mango in Mexico compared to the US, but if we as *Pro Mark* members continue to promote our *Preconditioned* Mangos, we will experience growth.

MELONS --

Cantaloupe: Still decent supplies of offshore cantaloupes this week here on the West Coast. The general melon market remains steady. Cantaloupes are in good supply with nine and 12 sizes being readily available. Below, please find some merchandising tips:

- Include cantaloupe on fruit plates and in fruit cups.
- Offer cantaloupe as part of plated salads and on the salad bar.
- Think of cantaloupe as a decorative addition to add color to the plate.
- Hollowed out cantaloupes filled with fruit salad can make a unique presentation.
- Offer sliced cantaloupe as a side dish for lunchtime sandwiches.

Honeydews: supplies are getting better, but market is still very strong on both East and West coast and quality is also good to excellent.

Watermelon: Seedless watermelons are steady and will include the offshore supply, which will raise availability. Quality of the new crop from Mexico is looking very good as well. Mini watermelons have become a huge consumer favorite.

RASPBERRIES -- Alert Supply is low due to cool temperatures throughout all growing regions, as well as rains in California. It is our expectation in the coming weeks, we will see supply improve as Central Mexico and Baja production volume improves. California supply will remain relatively low throughout the next several months.

STRAWBERRIES – Let me count the ways ...

- Use strawberries in baked desserts like pies and shortcakes.
- Use strawberries to make from-scratch jams and jellies.
- Include strawberries on breakfast bars as a topping for yogurt and cereal. Use strawberries in crepes and as a topping for pancakes, French toast and waffles.
- Include strawberries in salads and on the salad bar.
- Put small strawberries or strawberry slices in the bottom of a glass of champagne.
- Use strawberries in drinks like strawberry lemonade.



Ron Orr
Executive Director
Pro Mark
[573] 680-1066
ronorr@promarkproduce.com



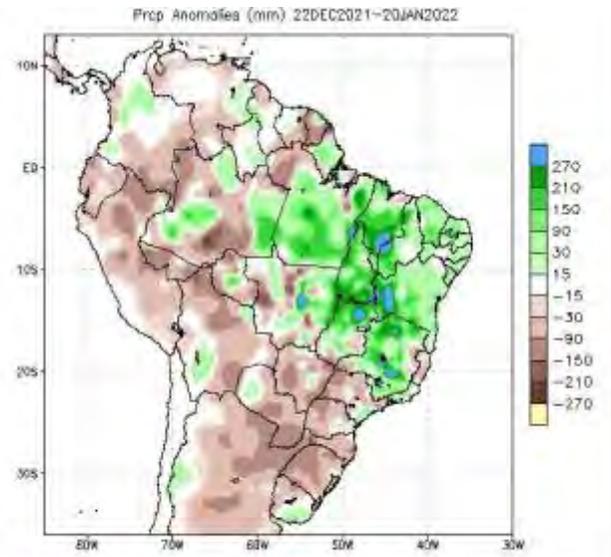
Stratas Foods Market Watch 01.21.22

What to Watch For in the Week Ahead

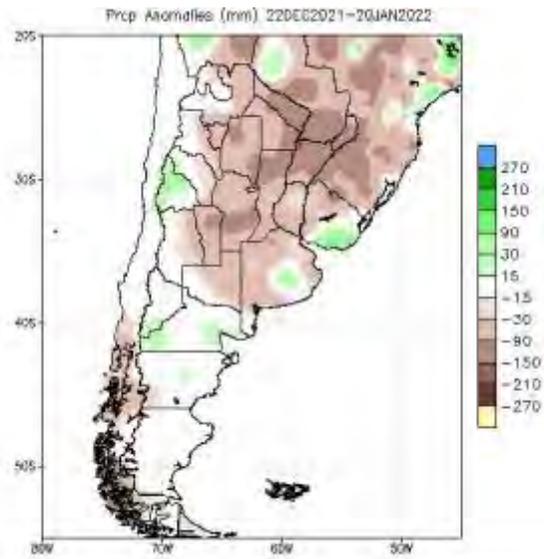
•**Fundamentals**– CFTC COT, Weekly Export data

•**Weather** – Argentina is needing a drink while N/C Brazil needs a break in the rain to get harvest done. US Planting is not that far away and subsoil moisture will begin to be a discussion point in the coming months.

•**Politics/Macro** – EU/Russia/Ukraine/NATO/US - lots of big players lining up with very different risk tolerances (and presumably responses) to a minor incursion in Ukraine. What will the fallout be? Indonesia officially announced an export limiting plan. Specifics still to come.

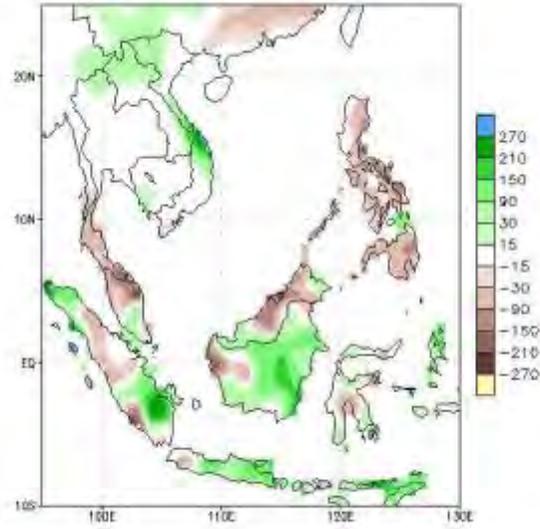


Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)



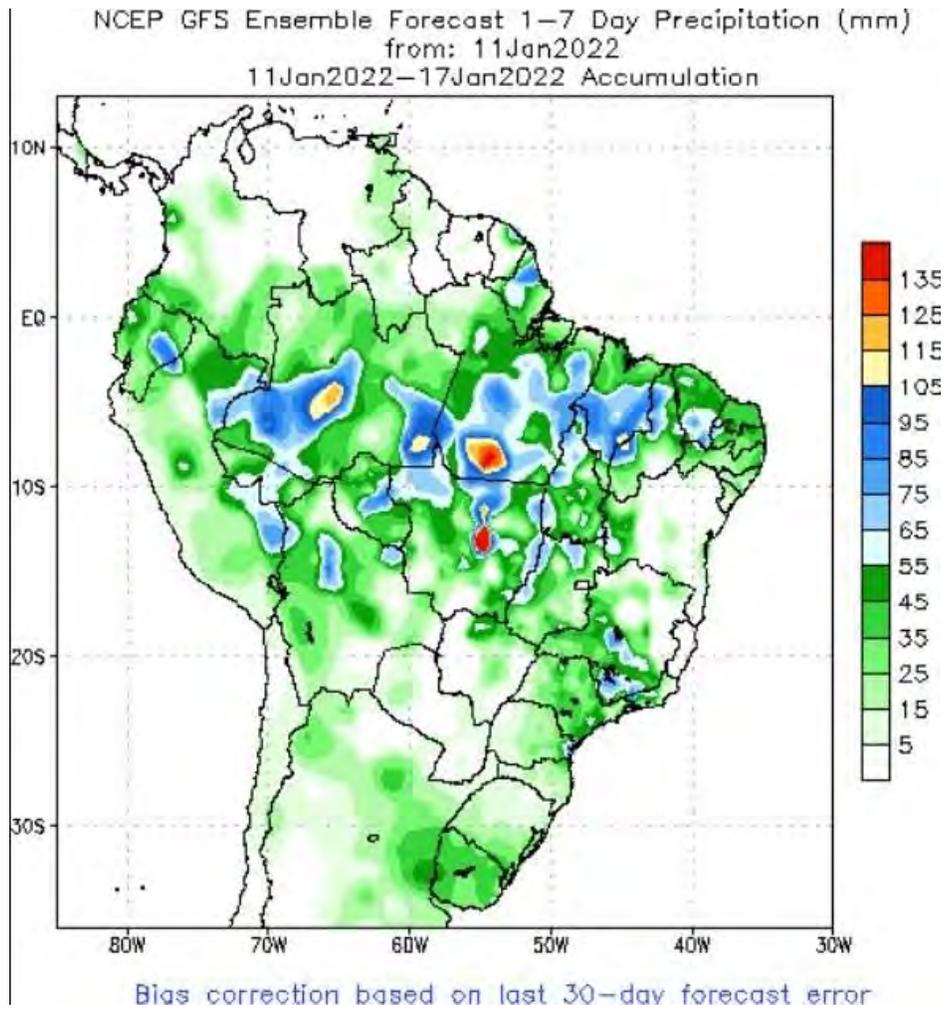
Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

Prcp Anomalies (mm) 22DEC2021-20JAN2022



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

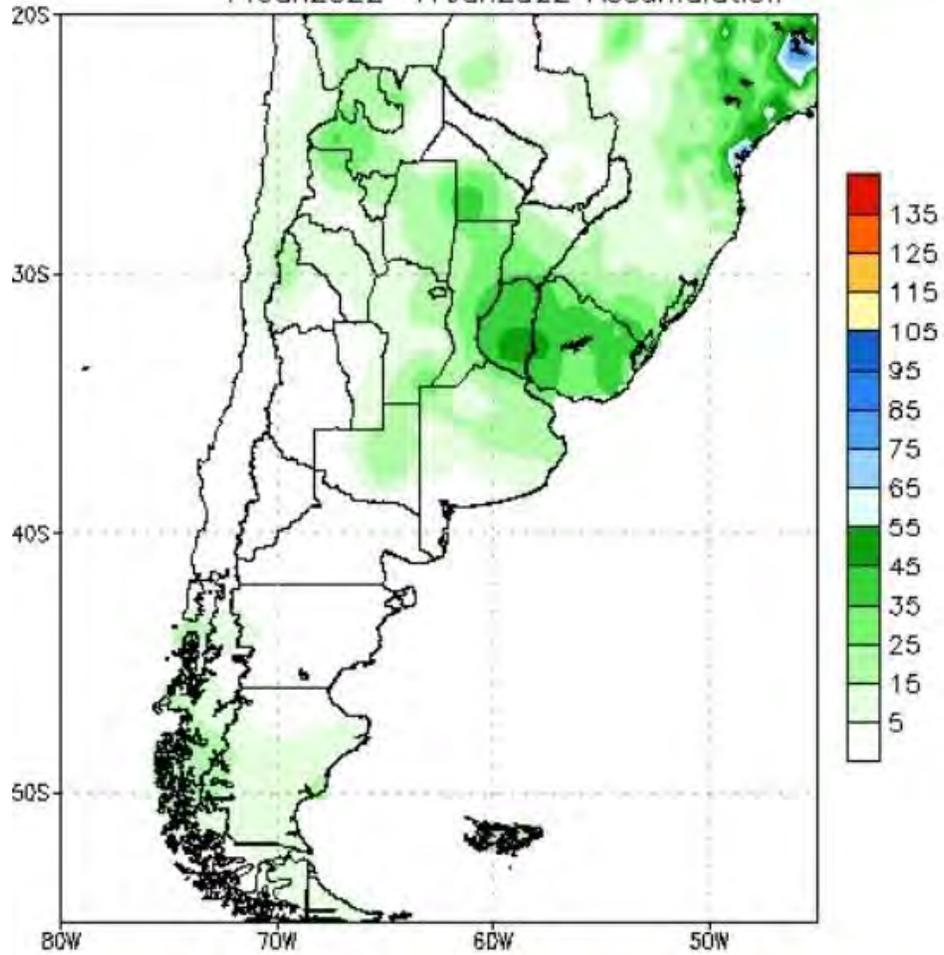
Brazil 7 Day Forecast



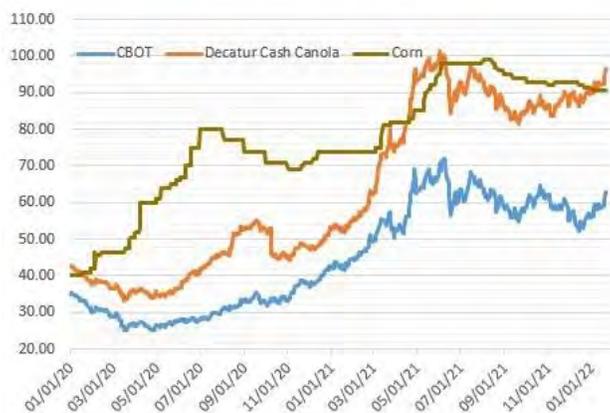
Argentina 7 Day Forecast

NCEP GFS Ensemble Forecast 1–7 Day Precipitation (mm)
from: 11Jan2022

11Jan2022–17Jan2022 Accumulation



Bias correction based on last 30-day forecast error



	CBOT	Canola	Palm Olein	Coconut
1/20 Price	62.88	96.38	77.50	105.50
9-day MA	59.41	92.91	75.94	103.78
20-day MA	57.92	91.55	74.90	103.93
50-day MA	57.34	89.15	75.18	103.98
200-day MA	60.85	89.54	73.11	95.62

Soybean Oil

NOPA Highlights

- **Largest 1 month crush in NOPA history - 186.438 M bu.**

- *US Soy Oil stocks rose to 2.031 B lbs from 1.832 B lbs.*
 - *Oil yield was 11.75.*
-

Flash Summary

- *Futures ran away higher throughout the week spurred by the rally in the Crude oil while the Argentine rains may have been enough for funds to exit short oil share trades.*
 - *Oil share values rose each day this week back to threaten December's highs. We closed the week at 44.51%.*
 - *Soybean oil demand can see a bump from the export market as the Indonesian CPO export limitations have pushed BMD prices higher making US oil more attractive.*
 - *Crude oil rallying has re-opened the door on biodiesel blending.*
 - *Renewable Diesel plants have been delayed, but will there be a renewed push to get their final materials now that the profit margins are expanding.*
 - *Technical indicators are pushing higher with the moving averages tilting upward.*
- ***Expected CBOT Range 59.00 - 65.00***
-

Canola/Rapeseed Oil



Fundamental Updates

- *STATS CANADA estimated production at 12.6 MMT.*
 - *US Canola crush for November was 195,735 T vs 196,646 T last month and 207,700 last year. Crude canola oil production was 155M lbs - down 11% vs last year.*
-

Flash Summary

- *Canola seed futures continued their break to start this week but managed a rally with the soy crossing back above \$14.*
 - *Canola/Wheat will be the decision facing many Farmers in the North American Prairies (especially Canadian) this Spring. Fertilizer costs could be a deciding factor and those are working lower.*
 - *Canola crush margins surged higher on the futures purge. However, prices are still deeply negative on board levels.*
 - *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?*
 - *Announced this week was the plans to build a renewable diesel plant in Saskatchewan for 2024 production.*
-

Tropical Oils



Fundamental Updates

MPOB December:

- *Production: 1.45 MMT (-11%)*
 - *Exports: 1.41 (-4%)*
 - *Domestic Use: 0.37 (+32%)*
 - *Stocks: 1.58 (-13%)*
-

SPPOMA

- *Production: - 16.7%*
 - *Yield: - 13.43%*
- *Palm markets ramped throughout the week on the back of the Indonesian announcement*

- *Production still providing the nearby bullish fundamentals*
 - *How will India respond to limited exports from Indonesia? How will China react when it returns from CNY/Olympics?*
-

Hogs and Pork

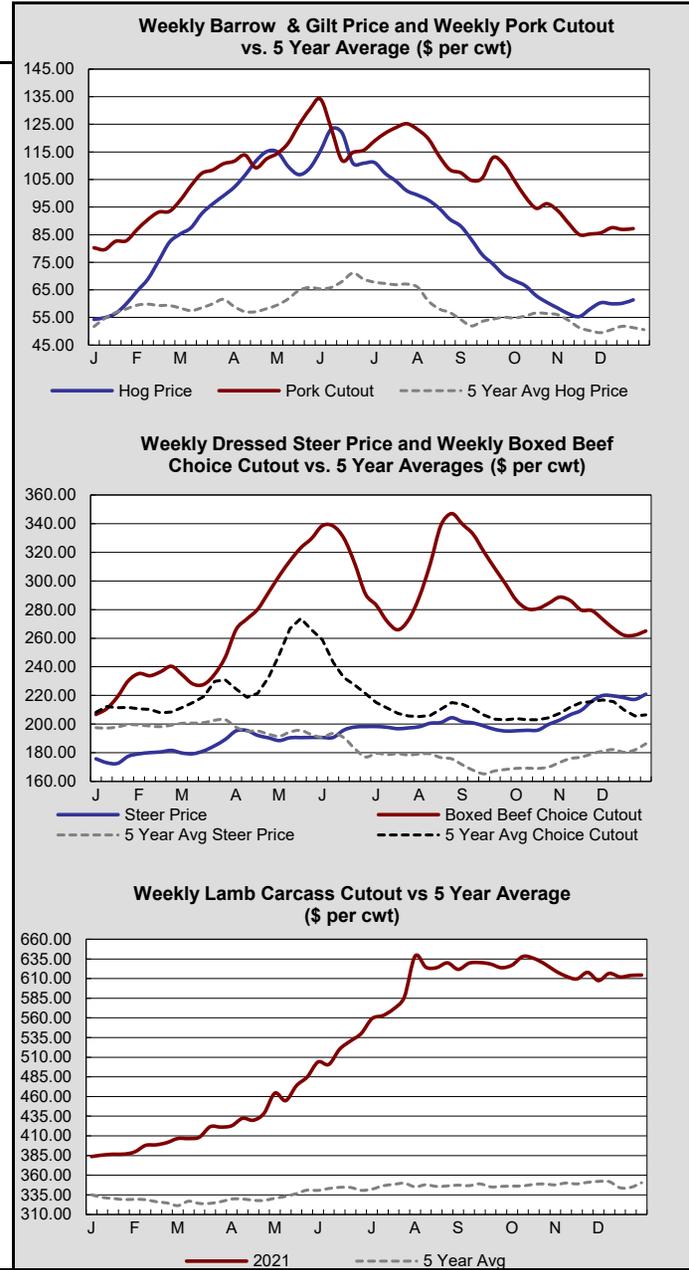
	Current Week	Change From Past Week	Change From Past Year
Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt)	66.04	-0.9%	21.6%
Pork Carcass Cutout FOB Plant (\$/cwt)	87.37	0.9%	8.9%
Segregated Early Weaned (SEW) Feeder Pigs (\$/head)	67.02	3.8%	16.4%
Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)	292.2	0.3%	-0.3%
Est. Hog Slaughter	2,407,000	-6.3%	-9.0%
YTD Est. Hog Slaughter	4,975,000	N/A	-14.2%
Est. Pork Production (mil lbs)	522.3	-6.3%	-10.4%
YTD Est. Pork Production (mil lbs)	1,074.2	N/A	-16.3%

Cattle and Beef

Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)	136.61	-1.3%	24.7%
Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt)	217.99	-0.9%	26.0%
Boxed Beef Cutout, Choice (\$/cwt)	280.27	4.6%	32.9%
Boxed Beef Cutout, Select (\$/cwt)	270.57	4.1%	35.7%
Boxed Beef, Choice/Select Spread (\$/cwt)	9.70	1.57	-1.71
By-Product Drop Value, Steer (\$/cwt live)	14.03	2.0%	51.2%
CME Feeder Cattle Index (\$/cwt)	161.80	0.0%	20.3%
Est. Cattle Slaughter	621,000	0.2%	-4.8%
YTD Est. Cattle Slaughter	1,241,000	N/A	-9.5%
Est. Beef Production (mil lbs)	521.9	0.4%	-5.2%
YTD Est. Beef Production (mil lbs)	1,035.2	N/A	-10.5%

Lamb and Veal

Slaughter Lamb, Comprehensive, Carc. Wtd Avg Price (\$/cwt)	236.57	0.9%	49.6%
Lamb Carcass Cutout (\$/cwt)	615.26	0.3%	59.6%
Est. Sheep Slaughter	33,000	-5.7%	-8.3%
YTD Est. Sheep Slaughter	68,000	N/A	-2.9%
Est. Lamb Production (mil lbs)	2.1	-4.5%	-12.5%
YTD Est. Lamb Production (mil lbs)	4.2	N/A	-10.6%
Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)	368.53	0.2%	25.4%





Weekly Livestock, Poultry & Grain Market Highlights
January 18, 2022

Grain

	Current Week	Change From Past Week	Change From Past Year
Central Illinois Avg Corn Price (\$/bu)	5.8300	-1.9%	11.8%
Central Illinois Avg Soybean Price (\$/bu)	13.4300	-3.2%	-4.5%
Central Illinois 48% Soybean Meal, Rail (\$/ton)	431.10	-1.8%	-6.4%
Hard Red Winter Wheat Truck to Kansas City (\$/bu)	7.6650	-3.8%	14.7%
Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)	10.6825	-1.8%	43.7%
Soft White Wheat Portland (\$/bu)	10.7288	0.4%	N/A
Sorghum, Kansas City, Truck (\$/cwt)	10.9985	-2.9%	5.0%

Broilers

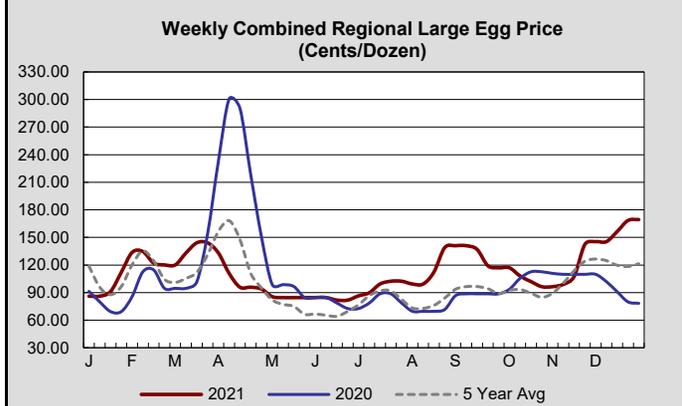
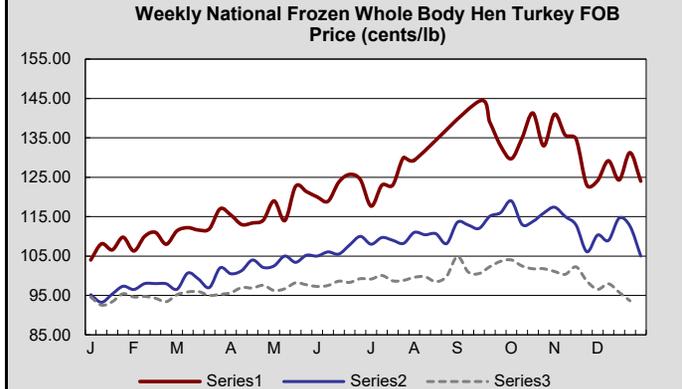
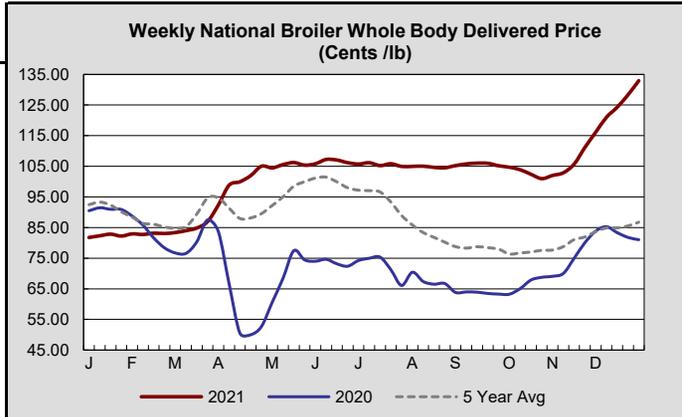
Nat'l Delivered Whole Body Price (cents/lb)	134.21	0.4%	63.1%
Est. Young Chicken Slaughter - Current Week (000's)	162,912	2.8%	N/A
Actual Slaughter of Young Chickens (000's)	163,246	12.5%	-3.8%
YTD Actual Slaughter of Young Chickens (000's)	308,322	N/A	0.2%
Actual RTC Pounds of Young Chickens (000's)	790,307	12.7%	-3.7%
YTD RTC Pounds of Young Chickens (000's)	1,491,546	N/A	0.0%

Turkeys

Nat'l FOB Frozen 8-16 lb. Hens,Wtd Avg Prices, cents/lb	127.55	-0.7%	18.0%
Actual Slaughter of Turkeys (000's)	3,425	28.7%	-12.4%
YTD Actual Slaughter of Turkeys (000's)	6,087	N/A	-6.8%
Actual RTC Pounds of Turkeys (000's)	93,086	35.0%	-11.0%
YTD RTC Pounds of Turkeys (000's)	162,051	N/A	-9.5%

Eggs

Combined Regional Large Eggs (cents/dozen)	137.43	-12.7%	59.6%
National Shell Egg Inventory (30 doz. Cases/000,s)	1629.9	-6.4%	N/A
Shell Egg Demand Indicator (SEDI)	-7.30	1.52	-11.90
Central States Breaking Stock Av. Price (cents/dozen)	74.00	2.1%	127.7%
National Breaking Stock Inventory (30 doz. Cases/000's)	320.2	-3.3%	N/A
Eggs Broken Under Federal Inspection (30 doz cases)	1,583,290	6.6%	7.1%
YTD Eggs Broken Under Federal Inspection (30 doz cases)	1,583,290	N/A	7.1%



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



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Market Update — January 14th, 2021

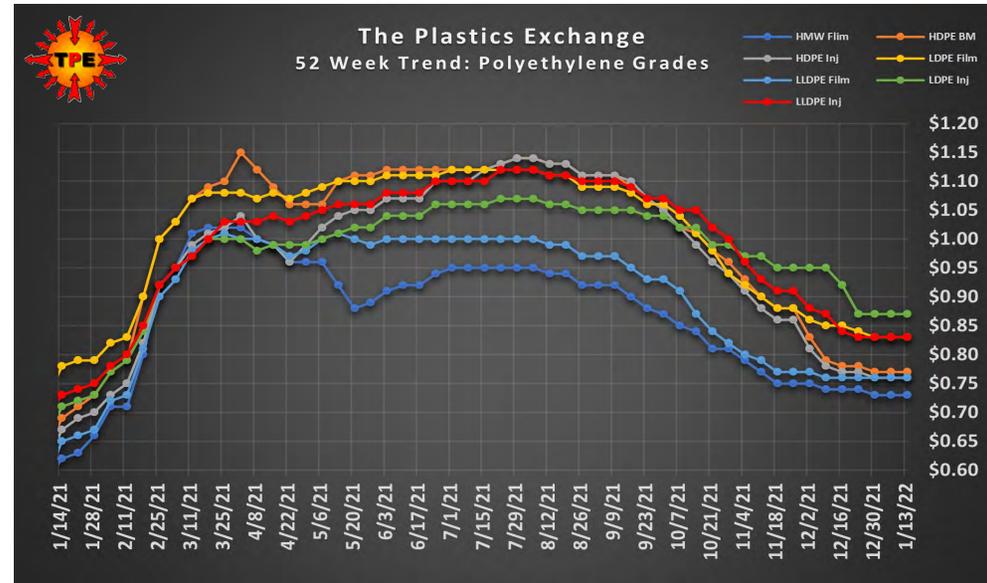
The spot resin markets heated up as the New Year ushered in, trading activity began at the get go and continued to improve through mid-Jan. We expected business to resume when market participants returned from the yearend holiday break, but still, after a relatively slow Nov and Dec, it was very nice to serve a steady flow of buyer requests, which returned the best two-week performance since October. PE and PP resin availability was fairly flush the first week of Jan, but as resin sold, producers became a bit bolder with their offers and material tightened up a bit into mid-month. While there has been a wide range of prices transacting in the spot market, our official prime levels have held steady so far in early 2022. The lack of prime pricing movement could be construed as somewhat bullish having bucked the steady 4th quarter price erosion, which was sometimes extreme. PE producers signaled their desire to stem the slide in later Dec by issuing a mostly \$.04/lb price increase for Jan contracts, and while the spot market has been exhibiting some firmness this month, it does not seem likely that the increase will take hold at this time, and some even remain hopeful for additional price relief this month. PP contracts will likely see very little movement in Jan, though we are seeing the spot market begin to firm back up.

In effort to better balance supply / demand, resin producers curtailed production of both PE and PP during the 4th quarter while also trying to export as much material as possible. However, producers and resellers continue to face difficulties moving all the desired inventory due to supply chain issues, a lack of containers, personnel, and ship space. The shortage of truck drivers has hit petrochemical and resin companies especially hard as packaging materials, labor, warehousing, freight, and terminal costs keep increasing. Petrochemical producers have already announced updated freight surcharges for Jan. An ongoing shortage of Peroxide which helps to increase Polypropylene melt flow has created scarcity in high flow PP materials. Polyethylene Film grade resins are likely to see tight availability for slip additives from one large supplier following a fire and subsequent force majeure on products from its Memphis, TN facility during this past week.

Upward international resin pricing pressure is also coming from the Energy futures complex which realized further gains as Crude Oil prices rose for a fourth consecutive week, and Nat Gas trended higher for a second straight week.

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Resin for Sale 21,852,476 lbs		Spot Range		TPE Market	
Resin	Total lbs	Low	High	Bid	Ask
HDPE - Blow	3,640,120	\$ 0.690	\$ 0.800	\$ 0.720	\$ 0.770
LDPE - Film	3,335,728	\$ 0.730	\$ 0.860	\$ 0.780	\$ 0.830
PP Copo - Inj	2,835,840	\$ 0.830	\$ 0.990	\$ 0.880	\$ 0.980
HDPE - Inj	2,748,644	\$ 0.670	\$ 0.830	\$ 0.710	\$ 0.760
PP Homo - Inj	2,535,196	\$ 0.720	\$ 0.970	\$ 0.800	\$ 0.900
LLDPE - Inj	2,242,300	\$ 0.770	\$ 0.950	\$ 0.780	\$ 0.830
HMWPE - Film	2,072,324	\$ 0.690	\$ 0.750	\$ 0.680	\$ 0.730
LLDPE - Film	1,895,956	\$ 0.750	\$ 0.890	\$ 0.730	\$ 0.780
LDPE - Inj	546,368	\$ 0.780	\$ 0.920	\$ 0.820	\$ 0.870



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Michael Greenberg
312.202.0002



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Market Update — January 14th, 2021

Crude Oil has jumped more than 10% since the start of 2022, driven mostly by a combination of geopolitical and supply concerns. US inventories have fallen to their lowest levels since Oct 2018, while production outages in Canada, Kazakhstan, and Libya also impacted markets. Besides the political unrest in Kazakhstan and Libya, Crude futures also rallied on worries of a possible attack by Russia on neighboring Ukraine. In each of the first 2 weeks of Jan, oil prices established their lows on Monday and their highs on Friday; this past week, Feb WTI traded in a range of \$77.83/bbl to \$84.45/bbl, ending Friday at \$83.82/bbl for a weekly gain of \$4.92/bbl. Mar Brent followed a similar trend, gaining strength as the week wore on, before settling Friday at \$86.06/bbl, for a net gain of \$4.31/bbl.

Meanwhile, Nat Gas futures have soared nearly 14% since the start of the year, coming on the back of freezing winter weather conditions and stronger heating demand. Four US states on the East Coast (Virginia, North Carolina, South Carolina, Georgia) declared a state of emergency ahead of a large snowstorm that was expected ahead of this extended holiday weekend. From a Monday low of \$3.977/mmBtu, Feb Nat Gas peaked on Wednesday at \$4.879/mmBtu. By Friday, Nat Gas eased to close at \$4.262/mmBtu, down less than a percentage point on the day, but up by a hefty \$.35/mmBtu on the week. NGLs also firmed with Jan Ethane edging up more than a penny to \$.368/gal (\$.155/lb) and Jan Propane jumping \$.035/gal to \$1.145/gal (\$.324/lb).

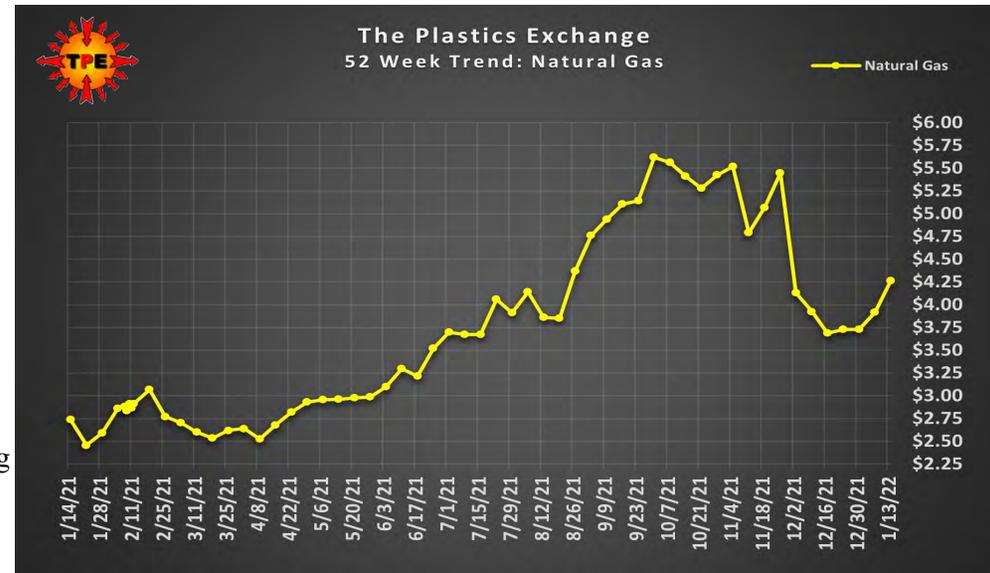
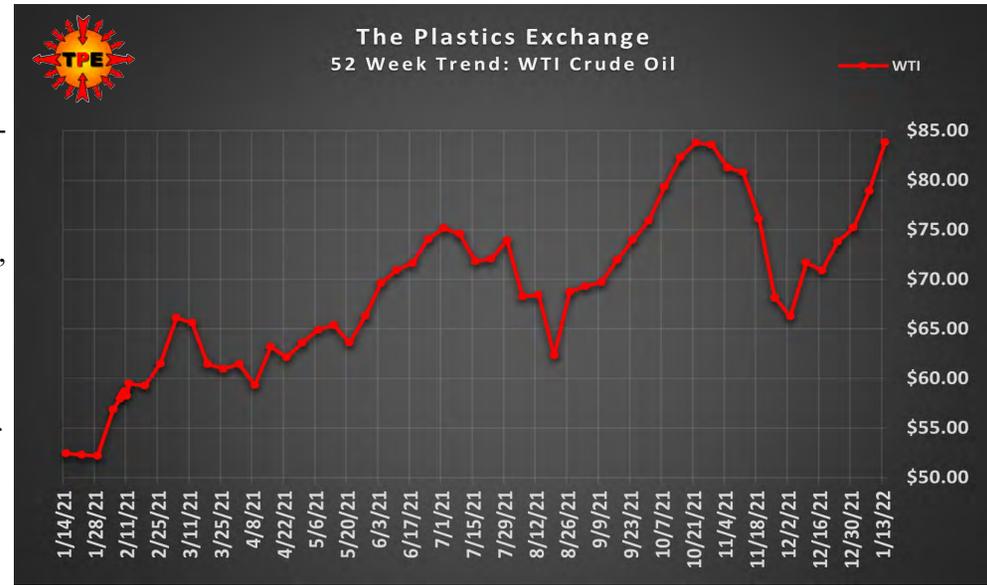
Trading activity also picked up in the downstream Monomer markets during the first half of the month, alongside vigorous interest, higher prices, and resurging volumes. Jan Ethylene rose into the high \$.30s/lb during the first week of Jan and continued to rally into mid-month amid heightened interest. This past week, spot Jan Ethylene began transacting on Monday at \$.385/lb for LA delivery. By Wednesday, Jan Ethylene traded at \$.42/lb before easing a tad. The TX Ethylene benchmark ended Friday at \$.445/lb, gaining more than a nickel on the week and up a whopping 27% so far in this young year. Further out, Ethylene remained backwardated with Feb changing hands midweek at \$.3825/lb in LA, and again in LA on Thursday at \$.395/lb. Mar delivery was also done for LA on Wed at \$.375/lb and at \$.385/lb on Thursday.

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MARKET UPDATE

Michael Greenberg
312.202.0002





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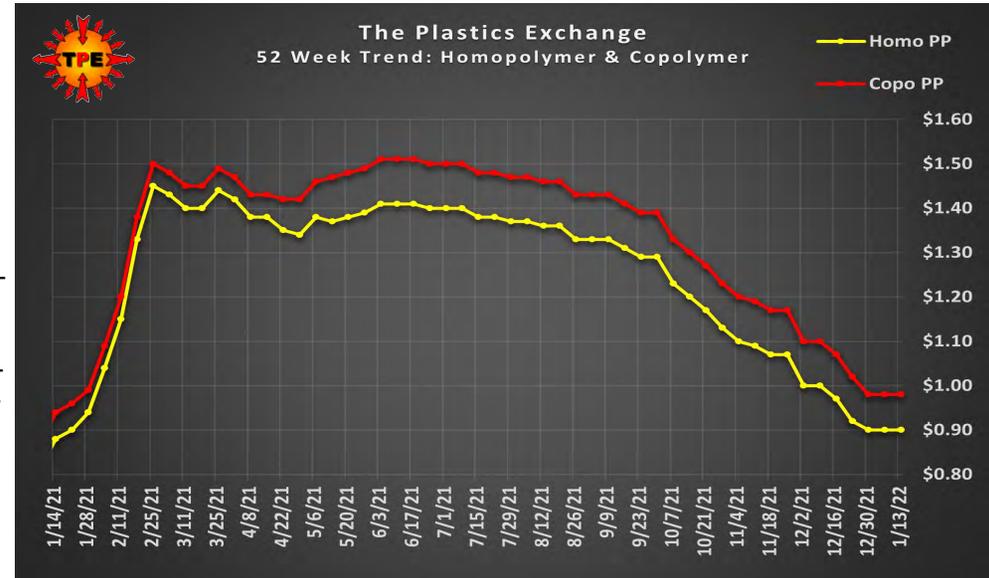
Market Update — January 14th, 2021

PGP trading activity outshone Ethylene in the beginning on Jan triggered by a PDH outage which sent prices higher but left the spotlight this past week as the production issue was resolved. PGP for Jan delivery was completed a couple of times on Tuesday at \$.545/lb, and drifted lower to end Friday at \$.525/lb, for a weekly loss of nearly \$.02/lb. Spot PGP is still up by more than 10% so far during Jan, limiting the potential decrease in upcoming Jan PGP contract negotiations. Deferred months were more active this past week as Feb PGP was sold at \$.55/lb on Monday. Spot pricing trended lower the following days with a trio of transactions at \$.545/lb on Tuesday, and a couple of deals at \$.535/lb on Wednesday. The forward curve remained flat overall, but far back contract months beyond May 2023 saw deeper losses, dipping below \$.52/lb. Though ample time remains for market movement, current spot levels suggest an minimal Jan PGP contract decrease of perhaps \$.01-.02/lb below the Dec PGP contract settlement of \$.56/lb.

The new year resurgence in Polyethylene trading activity was spread across a good mix of most HDPE, LDPE, and LLDPE grades. Supplies had improved substantially during Dec, including better availability for the less liquid grades like LDPE and LLDPE injection which had remained scarce the longest. Relatively large volume of these injection grades have again been selling into the happy hands of buyers in need. HDPE for Blow Mold and Injection were quite loose into the calendar turn, but spot supplies of these grades have tightened substantially into mid-month. LDPE Film grades have remained plentiful in Jan and demand has improved especially for Frac Melt, so good volumes have been changing hands across our platform. All LLDPE Film grades including Butene, Hexene, Octene and Metallocene remain exceedingly tight, most fresh offers sell to awaiting buyers with nary an excess pellet floating around long. In the meantime, it is still too early to gauge the prospects of the nominated Jan contract increase. Dec PE contracts were confirmed at a decrease of \$.05-.07/lb, which closed Q4 out with as much as \$.17/lb of price relief. Although the Dec contract price came down, PE contracts finished 2021 up a net \$.24-.26/lb increase for the year. Should producers not find success with price increases announced at \$.04-.07/lb in Jan, they could realize a better opportunity in Feb as they seek to tip the supply/demand balance back into the sell side.

Polypropylene trading has been solid the first two weeks of 2022, with a good mix of Homopolymer and Copolymer offers coming to market alongside better demand, so completed volumes improved further after a strong close to 2021. Pricing for Prime PP grades remained under \$1.00/lb with the HoPP/CoPP spread still running at \$.08/lb. Dec PP contracts were finalized in early Jan at a \$.14-15/lb drop from Nov, a dime of which can be attributed to PGP contracts and up to a nickel of PP margin contraction. The decrease in Dec PP contracts capped off 2021 with a decline of as much as \$.415/lb over the past four months, although 2021 contracts still managed to end the year up a net \$.215/lb. After working down imports and waiting out the market as it declined throughout Q4 of 2021, we started to see signs of buyers getting back into the market and picking off truckloads here and there, but demand enhanced only slightly alongside flush inventory levels and very good availability. However, the first week of Jan saw solid sales for HoPP very high melt (melt blown) used for face masks as well as HoPP Raffia, CoPP 20 melt and above as well as Prime CoPP Random Clarified at a variety of melt flows. There were plentiful offers for Prime and widespec HoPP railcars as well, higher quality material sold quickly, while low end material lingered. This past week saw some good turnover of both bulk railcar and packaged truckloads as processors restocked with more vigor. Should PGP pricing show additional strength in Jan, it may prompt a more aggressive rush of additional buyers into the PP market.

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01/21/2022

Dairy Market

BLOCK: Down .0375 @ \$ 1.8075 0 Sales
 BARRELS: Down .0050 @ \$ 1.8125 2 Sales
 BUTTER: Up .0350 @ \$ 2.9350 18 Sales
 NFDM Grade A: Up .0050 @ \$ 1.8150 3 Sales
 CME Dry Whey Unchanged @ \$.8000 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>
01/18/2022	1.8800	Down .0400	4	1.9550	Down .0050	0	-0.0750
01/19/2022	1.8450	Down .0350	0	1.9050	Down .0500	0	-0.0600
01/20/2022	1.8450	Unchanged	0	1.8175	Down .0875	0	0.0275
01/21/2022	1.8075	Down .0375	0	1.8125	Down .0050	2	-0.0050
Average Market:	1.8444		4	1.8725		2	

<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>
01/18/2022	2.7800	Up .0550	4	1.8500	Up .0350	3
01/19/2022	2.8825	Up .1025	8	1.8500	Unchanged	0
01/20/2022	2.9000	Up .0175	2	1.8100	Down .0400	1
01/21/2022	2.9350	Up .0350	18	1.8150	Up .0050	3
Average Market:	2.8744		32	1.8312		7

<u>Date</u>	<u>Dry Whey</u>	<u>Dry Whey Change</u>	<u>Dry Whey Sales</u>
01/18/2022	0.7800	Up .0100	1
01/19/2022	0.7800	Unchanged	0
01/20/2022	0.8000	Up .0200	1
01/21/2022	0.8000	Unchanged	0
Average Market:	0.7900		2

--Year Ago--

<u>Date</u>	<u>Blocks</u>	<u>Barrels</u>	<u>Butter</u>	<u>NFDM Grade A</u>	<u>Dry Whey</u>
01/19/2021	1.8000	1.5600	1.4050	1.2150	0.5350
01/20/2021	1.7300	1.4400	1.4550	1.2000	0.5350
01/21/2021	1.6525	1.3900	1.4025	1.1825	0.5400
01/22/2021	1.6100	1.3925	1.4025	1.1725	0.5400



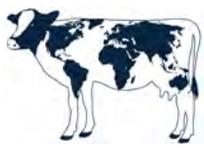
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Udder Intelligence



January 20, 2022

Understand · Simplify · Succeed

What you need to know

- GDT was stronger than expected, up 4.6%, driven by WMP +5.6% and SMP +5.0%
- CME cheese hit some resistance and NFDM pulled back from \$1.85 (\$4,075)
- NZ weather remains dry and the milk production forecast has been revised down (again)
- Big week with USDA reports and IDFA conference next week

Dairy Prices (USD)

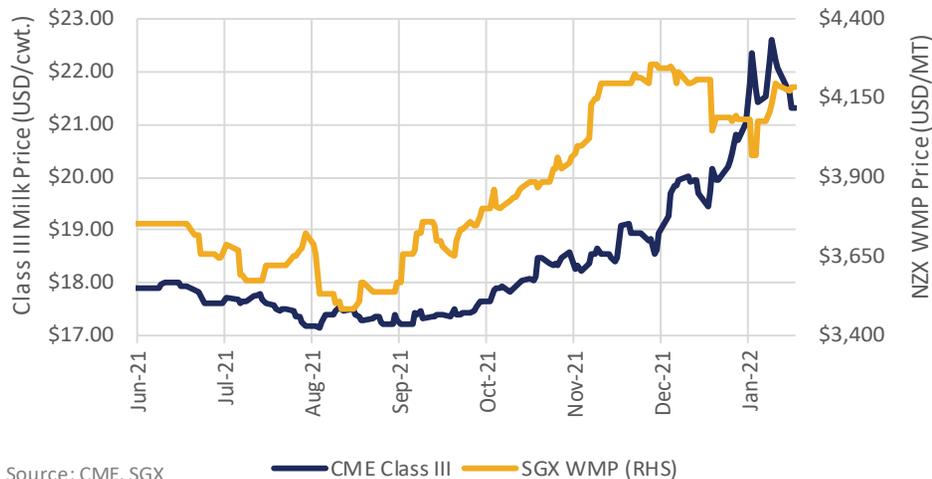
Cheese	Last (lb.)	Chg.	Last (MT)	WMP	Last (lb.)	Chg.	Last (MT)
CME Blocks (Wk Avg)	\$1.85	-\$0.15	\$4,087	US	\$2.10	\$0.04	\$4,624
CME Barrels (Wk Avg)	\$1.87	-\$0.02	\$4,130	Dutch	\$2.23	\$0.02	\$4,920
EU Gouda	\$2.22	-\$0.01	\$4,903	GDT (Avg)	\$1.85	\$0.10	\$4,082
GDT Cheddar (Avg)	\$2.52	\$0.03	\$5,546				

Butter	Last (lb.)	Chg.	Last (MT)	Dry Whey	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$2.85	\$0.06	\$6,290	Central US	\$0.74	\$0.02	\$1,620
EEX Index	\$3.01	-\$0.02	\$6,632	EEX Index	\$0.67	\$0.02	\$1,468
GDT (Avg)	\$2.79	\$0.13	\$6,158	US WPC34	\$1.45	\$0.04	\$3,186
				US Lactose	\$0.41	\$0.00	\$893

SMP/NFDM	Last (lb.)	Chg.	Last (MT)	Rennet Casein	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$1.83	\$0.07	\$4,034	US	\$4.98	\$0.03	\$10,968
EEX Index	\$1.81	\$0.01	\$3,991				
GDT (Avg)	\$1.80	\$0.09	\$3,963				

Sources: CME, USDA, EEX, GlobalDairyTrade, Dutch Dairy Board, Trigona, FRED USD/euro rate used: 1.134, -0.006

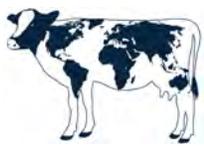
CME Class III and SGX WMP Futures Prices
(February 2022 Contracts)



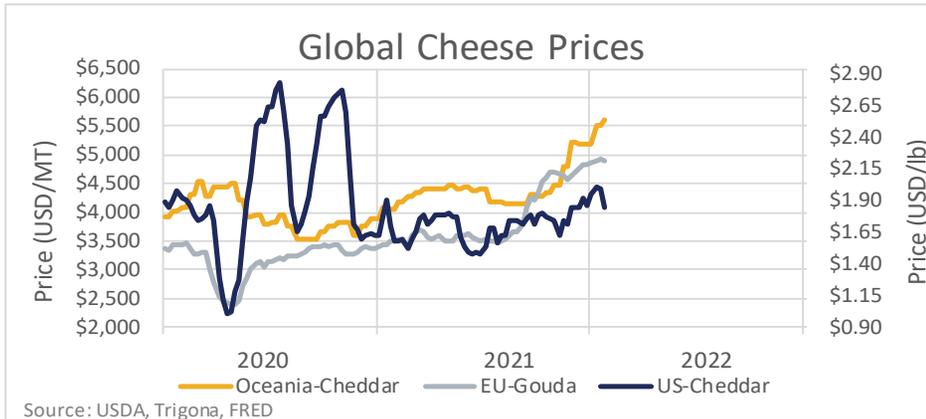
Source: CME, SGX

Market Summary

It was a holiday shortened week in the U.S. which seems to have thrown everyone off a bit. GDT prices were stronger than expected, but even with a 4.6% increase, most products are still at a discount to European prices which are currently leading the complex. The only product not playing along is U.S. cheese, which dropped significantly this week. I've spent 2 weeks arguing it should not have rallied as much as it did and this pull back gets it back close to fair value. With cheese still tight in the EU/Oceania, there are upside risks for U.S. cheese. Next week is the big IDFA conference in the U.S. and the USDA will be releasing the December Milk Production and Cold Storage reports on Monday, so there should be plenty of fundamentals and rumors to dissect.

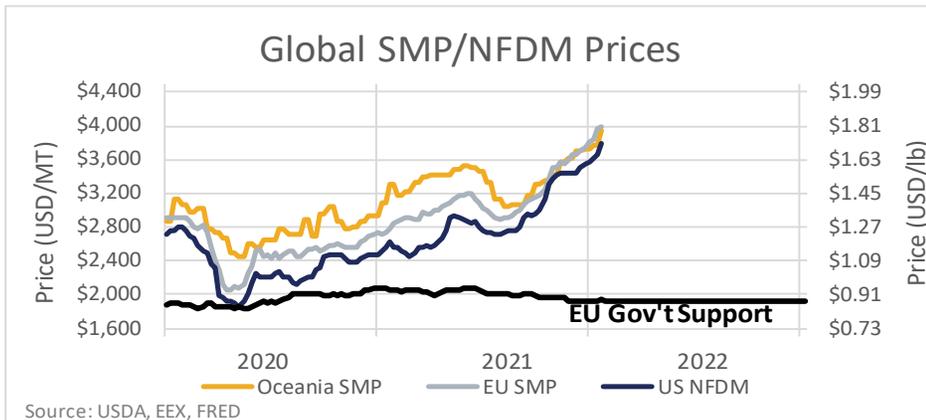
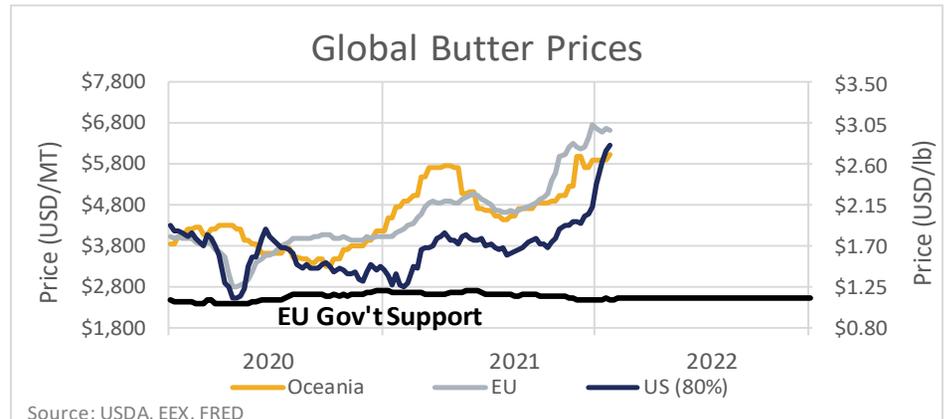


Product Markets

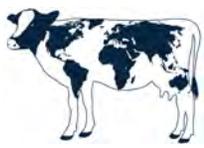


Butter: CME butter was up again this week and is above GDT, but below European prices. Anecdotal comments suggest domestic demand in the U.S. is still good, but some end users are starting to push back at the higher prices. Salted butter is reportedly more available than unsalted and cream is available in the West, but logistics are making it tough to get it to the Central region.

Cheese: CME blocks have been pressured lower, dropping from \$2.05 (\$4,520) last Wednesday to \$1.85 (\$4,075) this Wednesday. Based on where cheese stocks are, \$1.70-\$1.80 is probably a fair price, but with milk/Cheddar production weak and EU/Oceania prices north of \$2.30 (\$5,075), there continues to be some upside risk for U.S. cheese. Cheese was up at the GDT auction, but only by 1.1%. The returns on cheese are well above WMP and some milk is likely shifting toward cheese production in NZ.



Powders: It feels like Europe and the U.S. have moved into the leader's seat while GDT is now following (at least for SMP). CME spot NFDM rallied to \$1.85 (\$4,075) on Tuesday, but pulled back to \$1.81 (\$3,990) on Thursday. Anecdotally, at least some of the ONIL SMP tender went to Turkey, which is unusual, but the price was apparently right. WMP was stronger than expected at the GDT auction, but it is still undervalued relative to the other major dairy products. Dry whey prices continue to firm.



Udder Intelligence



January 20, 2022

Understand · Simplify · Succeed

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

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

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

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

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F21-Period 12

USDA Daily Market Quote - MPR Weighted Average

W/O 12/27/2021	27-Dec	28-Dec	29-Dec	30-Dec	31-Dec	Wk Ave.	Diff LW	Last Year	Diff to LY
Hog Slaughter	473	480	474	458	296	2,181	Total	2,182	-0.05%
National Base Hog Price	\$ 59.75	\$ 61.77	\$ 61.25	\$ 61.50		\$ 61.07	Average	\$49.99	22.16%
Carcass Cutout	86.33	86.89	84.29	91.35		\$ 87.22	Average	\$73.86	18.08%
20/23 Hams	51.34	50.71	49.85	49.49		50.35	(5.14)	54.76	(4.41)
23/27 Hams	49.16	50.14	50.47	51.25		50.26	(2.65)	50.14	0.12
3 Muscle Bnls Ham	219.81	219.81	219.81	219.81		219.81	13.02	200.81	19.00
1/4" Trim Bone In Loin	76.42	79.14	70.13	69.52		73.80	(1.74)	82.09	(8.29)
Bnls CC Loin Strap Off	145.8	141.13	145.89	146.55		144.84	(2.40)	142.79	2.06
Tenderloins	210.8	209.57	213.69	209.68		210.94	(1.22)	175.54	35.40
9/13 DeRind Bellies	171.21	167.1	150.48	174.36		165.79	5.19	129.22	36.57
13/17 DeRind Bellies	158.77	149.62	156.92	168.79		158.53	7.91	126.03	32.49
Bnls Picnics, 72%	74.86	79.36	83.81	83.26		80.32	6.93	82.03	(1.70)
Pork Trimmings 42%	32.26	31.62	40.03	48.44		38.09	3.48	22.39	15.70
Pork Trimmings 72%	70.53	72.42	78.92	79.8		75.42	7.21	68.73	6.69
Beef Trimmings 50%	95.94	95.94	93.5	94.24		94.91	3.65	34.67	60.24
Beef Trimmings 85%	251.21	251.21	248.08	244.18		248.67	0.39	178.06	70.61

W/O 01/03/2022	3-Jan	4-Jan	5-Jan	6-Jan	7-Jan	Wk Ave.	Diff LW	Last Year	Diff to LY
Hog Slaughter	471	467	463	465	715	2,581	Total	2,849	-9.41%
National Base Hog Price	\$ 61.72	\$ 63.09	\$ 67.82	\$ 68.60	\$ 66.95	\$ 65.64	Average	\$54.46	20.52%
Carcass Cutout	\$ 86.02	\$ 85.47	\$ 85.92	\$ 89.56	\$ 85.90	\$ 86.57	Average	\$78.77	9.90%
20/23 Hams	51.97	51.36	51.12	44.28	45.07	48.76	(1.59)	59.22	-17.67%
23/27 Hams	50.56	49.07	47.76	46.41	44.35	47.63	(2.63)	59.48	-19.93%
3 Muscle Bnls Ham	222.58	183.42	183.42	200.24	225.97	203.126	(16.68)	202.14	0.49%
1/4" Trim Bone In Loin	73.67	74.9	76.79	78.23	78.46	76.41	2.61	83.25	-8.22%
Bnls CC Loin Strap Off	146.14	140.84	147.44	154.79	144.93	146.828	1.99	139.57	5.20%
Tenderloins	193.72	205.14	206.6	213.64	208.62	205.544	(5.39)	175.83	16.90%
9/13 DeRind Bellies	164.31	173.09	185.82	173.26	168.64	173.024	7.24	159.94	8.18%
13/17 DeRind Bellies	168.98	169.78	175.32	174.08	173.58	172.348	13.82	157.43	9.48%
Bnls Picnics, 72%	85.13	86.61	87.26	86.72	86.09	86.362	6.04	86.85	-0.57%
Pork Trimmings 42%	42.35	41.71	39.4	48.1	48.55	44.022	5.93	21.48	104.98%
Pork Trimmings 72%	78.5	82.11	82.91	85.84	87.64	83.4	7.98	78.60	6.11%
Beef Trimmings 50%	99.1	100.43	100.84	100.35	103.92	100.928	6.02	40.39	149.86%
Beef Trimmings 85%	248.66	250.99	248.53	247.37	248.29	248.768	0.10	181.08	37.38%

W/O 01/10/2022	1/10/2022	1/11/2022	1/12/2022	1/13/2022	1/14/2022	Wk Ave.	Diff LW	Last Year	Diff to LY
Hog Slaughter	448	453	433	461	612	2,407	Total	2,667	-9.75%
National Base Hog Price	\$ 65.89	\$ 66.99	\$ 66.07	\$ 66.33	\$ 63.84	\$ 65.82	Average	\$54.34	21.13%
Carcass Cutout	\$ 86.42	\$ 81.62	\$ 84.46	\$ 95.28	\$ 89.07	\$ 87.37	Average	\$80.26	8.85%
20/23 Hams	43.67	44.13	41.15	43.43	42.5	42.976	(5.78)	64.40	-33.27%
23/27 Hams	41.13	40.02	40.08	43.05	44.73	41.802	(5.83)	66.55	-37.18%
3 Muscle Bnls Ham	227.22	206.24	206.24	191.91	225.97	211.516	8.39	203.52	3.93%
1/4" Trim Bone In Loin	78.29	82.18	82.43	85.85	88.52	83.454	7.04	82.23	1.49%
Bnls CC Loin Strap Off	143.85	145.1	146.46	154.23	145.6	147.048	0.22	139.40	5.48%
Tenderloins	216.39	213.19	216.75	219.58	215.47	216.276	10.73	178.45	21.20%
9/13 DeRind Bellies	178.37	168.64	185.74	196.11	177.67	181.306	8.28	166.44	8.93%
13/17 DeRind Bellies	171.56	166.49	178.86	179.9	177.9	174.942	2.59	150.07	16.58%
Bnls Picnics, 72%	88.6	92.07	100.51	101.72	100.21	96.622	10.26	88.21	9.54%
Pork Trimmings 42%	50.08	47.22	49.99	49.26	52.7	49.85	5.83	23.00	116.74%
Pork Trimmings 72%	87.46	90.1	93.78	100.14	103.09	94.914	11.51	82.70	14.77%
Beef Trimmings 50%	107.61	111.58	113.52	117.03	122.59	114.466	13.54	44.67	156.26%
Beef Trimmings 85%	249.52	252.31	247.68	249.45	249.66	249.724	0.96	185.62	34.54%

W/O 01/17/2022	1/17/2022	1/18/2022	1/19/2022	1/20/2022	1/21/2022	Wk Ave.	Diff LW	Last Year	Diff to LY
Hog Slaughter						0	Total	2,738	-100.00%
National Base Hog Price							Average	\$55.00	
Carcass Cutout							Average	\$79.61	
20/23 Hams								64.17	
23/27 Hams								61.13	
3 Muscle Bnls Ham								197.37	
1/4" Trim Bone In Loin								91.16	
Bnls CC Loin Strap Off								139.53	
Tenderloins								182.43	
9/13 DeRind Bellies								159.19	
13/17 DeRind Bellies								149.94	

Bnls Picnics, 72%							89.22	
Pork Trimmings 42%							25.61	
Pork Trimmings 72%							82.72	
Beef Trimmings 50%							52.96	
Beef Trimmings 85%							192.56	

W/O 01/24/2022	24-Jan	25-Jan	26-Jan	27-Jan	28-Jan	Wk Ave.	Diff LW	Last Year	Diff to LY
<i>Hog Slaughter</i>						0 Total		2,664	-100.00%
<i>National Base Hog Price</i>						Average		\$56.40	
<i>Carcass Cutout</i>						Average		\$82.60	
20/23 Hams								62.93	
23/27 Hams								61.11	
3 Muscle Bnls Ham								188.63	
1/4" Trim Bone In Loin								97.82	
Bnls CC Loin Strap Off								146.12	
Tenderloins								186.86	
9/13 DeRind Bellies								155.74	
13/17 DeRind Bellies								157.72	
Bnls Picnics, 72%								89.86	
Pork Trimmings 42%								27.09	
Pork Trimmings 72%								75.86	
Beef Trimmings 50%								60.06	
Beef Trimmings 85%								192.84	