

MarketNews

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Produce Weekly Link

Market Report - Eggs



Flour Facts



Oil Market Watch



Weekly Market Review



USDA Livestock, Poultry & Grain Market Highlights



Market updates from The Plastics Exchange



Daily Market Summary - Plus In Depth Analysis

Egg Markets

AJ PY027

Atlanta, GA Fri. Oct 20, 2023 USDA Market News

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

Regional and California prices are steady. New York egg prices are unchanged on all sizes. Asking prices for next week's deliveries are trending unchanged on all sizes. The undertone is steady. Demand is light to at times fairly good, but mostly moderate. Offerings are light to moderate. Supplies are light to moderate. Market activity is slow to moderate. Breaking stock offerings are light to moderate for the light to at times moderate demand. Light type fowl supplies are light to moderate; processing schedules are normal to less than normal.

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

Prepared: 20-Oct-2023 01:00 PM E NBS



Egg Markets Overview

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



<https://www.ams.usda.gov/sites/default/files/media/Egg%20Markets%20Overview.pdf>
<https://www.ams.usda.gov/mnreports/pybshellegg.pdf>
<https://mymarketnews.ams.usda.gov/viewReport/2733>

USDA Egg Markets Overview

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

October 20, 2023

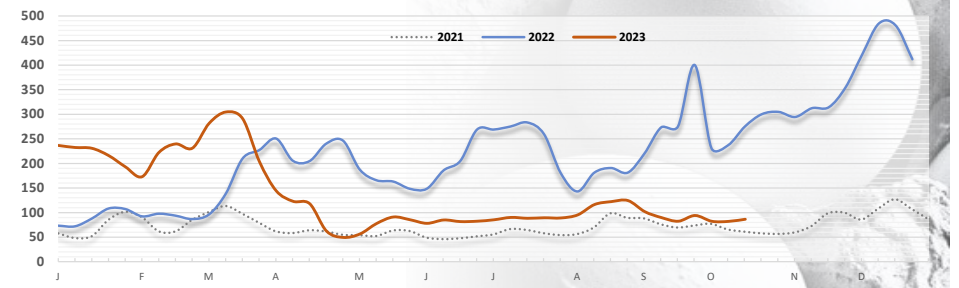
Wholesale prices for cartoned shell eggs held steady through the week on light to mostly moderate and increasing demand and light to moderate offerings. Supplies remain moderate and trading is slow to moderate. Wholesale prices for graded loose eggs are starting to move higher on a range of demand for light to moderate offerings. Supplies are moderate, instances light, and trading is slow to moderate. The volume of trailer load loose egg sales this week declined 29% from last week with 88% for near-term business. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs rose \$0.04 to \$0.87 per dozen with a firm undertone. The wholesale price on the New York market for Large cartoned shell eggs delivered to retailers was unchanged at \$1.30 per dozen with a steady undertone. In the major Midwest production region, the wholesale price for Large, white, shell eggs delivered to warehouses was unchanged at \$1.17 per dozen with a steady undertone while prices paid to producers for Large cartoned shell eggs held at \$0.98 per dozen. The California benchmark for Large shell eggs declined \$0.05 to \$1.66 per dozen with a mixed undertone. Delivered prices on the California-compliant wholesale loose egg market increased \$0.03 to \$1.12 per dozen with a mixed undertone.

Consumer demand for shell eggs continues to weaken into mid-October as it tracks with normal seasonal patterns leading up to the start of the traditional demand push for the Thanksgiving baking season – still 2-3 weeks away. Retailers have been focusing their promotional activities for shell eggs on specialty types and only featuring conventional caged eggs on a 3-week cycle. Demand among egg products manufacturers has been mixed with most content to run schedules primarily from owned production, supplemented where possible with light to moderate spot market offerings. Breakers continue to operate their lines at full to, at times, extended capacity ahead of the anticipated carton demand season.

Promotional activity for conventional caged shell eggs in retail outlets continues at a slow pace with a sharp rise in the average ad price, up \$0.40 to \$1.55 per dozen. Promotional activity for specialty shell eggs continues to slow with nutritionally-enhanced types leading the category. Feature activity for [UEP-defined cage-free](#) shell eggs declines sharply from the last cycle and accounts for 21% of all ad activity this week. The average ad price is down \$0.12 to \$2.64 per dozen and the average ad price spread between 12-packs of Large caged eggs and UEP cage-free eggs narrows by \$0.52 per dozen to a spread of \$1.09 per dozen.

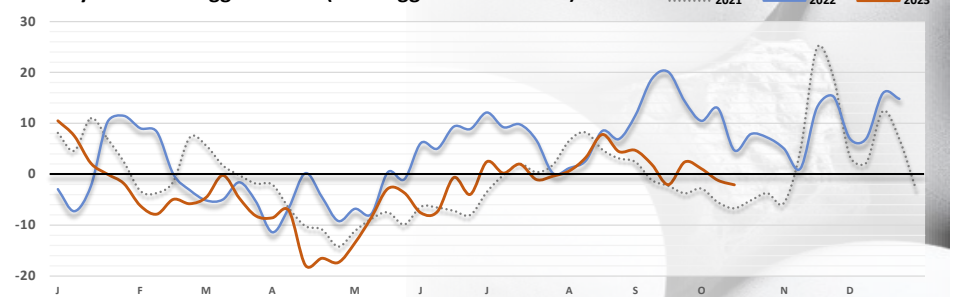
The overall inventory of shell eggs increased just over 1.5% while the nation-wide inventory of Large eggs was about unchanged. The inventory level for Large eggs in the key Midwest production region gained 8.5% as movement into marketing channels has slowed. The inventory share of Large class shell eggs decreased by 1% to a 51.5% share of all shell egg stocks on inventory at the start of the week. Stocks of cage-free eggs declined by 7% following active retail promotions slowed and similarly, stocks of nutritionally-

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



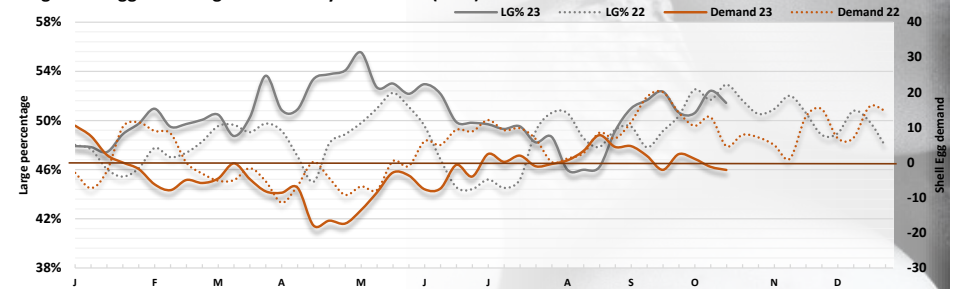
Source: USDA AMS L&P Livestock, Poultry, and Grain Market News

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 Livestock, Poultry, and Grain Market News

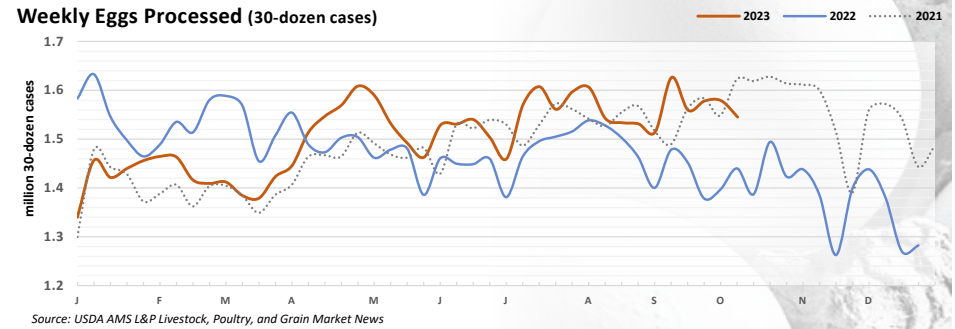
enhanced shell eggs declined 8.5% on active retail promotional activity. Stocks of organic shell eggs increased early 4% as recent active retail features ended. The inventory of breaking stock increased about 3.5% as breakers found spot market availability more favorable to supplementing their owned production to fill their needs. Total estimated table egg production was unchanged from last week and down slightly from last year's level for an estimated equivalent of 3.2 million cases over last year.

Wholesale prices for breaking stock in the Central States held steady at \$0.84 per dozen with a steady undertone. Offerings are light to moderate with a very light to instances moderate level of demand. Supplies are moderate for full-time schedules with slow to moderate trading. The volume of eggs processed over the past week declined 2%, representing a 31% share of weekly table egg production, down a half percent. Production of whole egg declined one percent while egg component production remained mixed with whites up 1% and yolks down just over 9% this past week. The production of dried eggs declined about 6.5% while production of inedible egg declined 1%. Breaking yields without inedible improved slightly to 41.42 pounds per case broken.

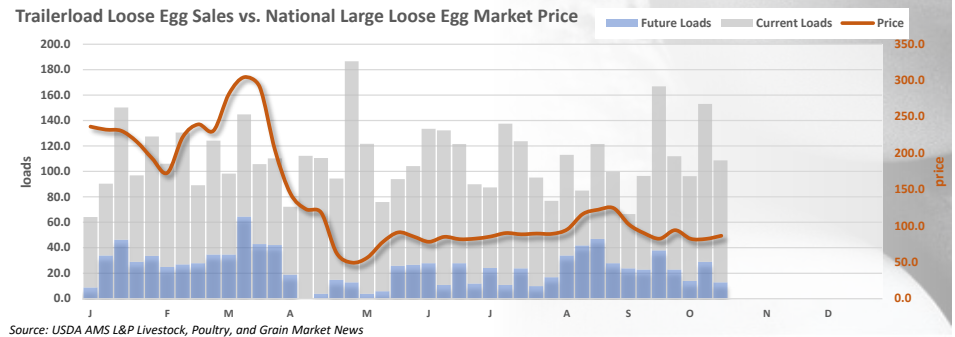
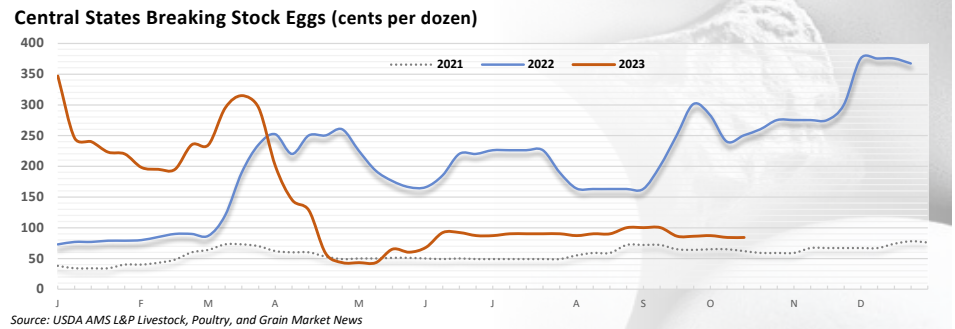
Wholesale prices for certified liquid whole eggs remain untested with a steady to weak undertone. Demand is light to moderate, best for whole egg and yolk. Offerings are light to moderate with mostly moderate trading. Prices on frozen liquid whole eggs increased \$0.03 to \$0.98 per pound while prices for frozen liquid whites declined \$0.09 to \$0.97 per pound. The undertone is mostly steady. Demand is moderate for light to moderate supplies and offerings. Trading is slow to moderate. Prices for dried whole eggs are unchanged at \$7.00 per pound and the price for dried yolk was steady at \$5.45. Prices for dried albumen were too few to report. The undertone is steady for all types with light offerings and supplies. Demand ranges light to moderate and trading is slow to moderate.

According to NASS, the August monthly volume of frozen eggs in storage increased 13% from the prior month, 29% over the year ago level. Stocks of whole frozen egg gained 14%, 49% over last year's reduced production due to avian influenza. The share of whole egg stocks was unchanged at a 43% share of total frozen stocks. Stocks of frozen yolk decreased 1% from last month and were 15% over last year while stocks of frozen egg whites increased 7%, 5% under year ago levels. Stocks of unclassified eggs gained 14% from last month, up 23% from last year. The share of unclassified frozen stocks gained 1% to a 46% share of total frozen stocks.

Cage-free commitments as of September 2023 remain about unchanged, requiring 66.7 billion cage-free eggs per year to meet 100% of needs from an approximate cage-free flock of 221.4 million hens (70% of the U.S. non-organic flock), indicating a shortage of 114.0 million hens from the current non-organic cage-free flock of 107.4 million hens. The average lay rate for non-organic, barn/aviary cage-free production is currently estimated at 81.7%.



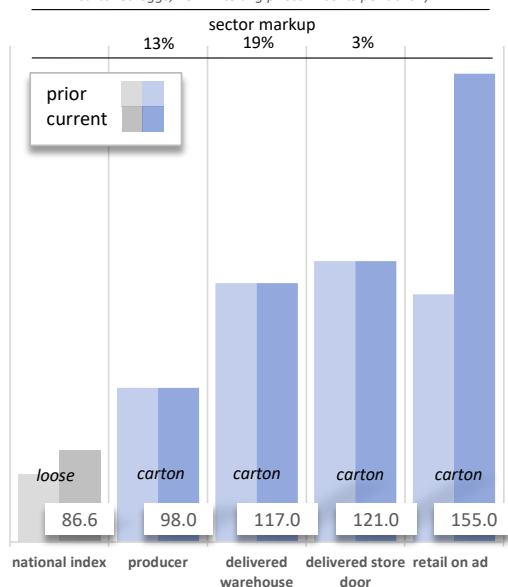
Eggs Processed - Week-to-Week Change						
total	share	whole	whites	yolks	dried	inedible
-2.1%	-0.8%	-1.0%	1.0%	-9.3%	-6.6%	-1.0%



Shell Eggs Market Price Comparisons

(as of October 20, 2023)

(National Index on a loose-egg basis, all other prices for cartoned 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

	20-Oct	% Change	Recent History				
			13-Oct	6-Oct	29-Sep	22-Sep	15-Sep
SHELL EGGS (Large, White, conventional in cents per dozen)							
National, Loose, (f.o.b. dock prices)	86.57	5%	82.21	82.42	94.20	82.55	89.89
New York, Cartoned (price to retailers)	130.00	0%	130.00	130.00	130.00	130.00	136.00
Midwest, Cartoned (price dlvr'd to warehouse)	117.00	0%	117.00	117.00	117.00	127.00	156.00
California, Cartoned, benchmark (cage-free)	166.00	-3%	171.00	191.00	181.00	182.00	211.00
National Retail Shell Egg (avg. ad price in dollars per dozen)							
Conventional, Large, White	1.55	35%	1.15	1.36	1.38	1.41	1.70
Cage-Free, Large, Brown	2.64	-4%	2.76	3.28	2.71	2.98	3.52
EGG PRODUCTS (f.o.b. dock prices; dollars per pound)							
Central States Breaking Stock (dlvd prices per doz)	84.00	0%	84.00	87.00	86.00	86.00	100.00
Whole Frozen Eggs	98.00	3%	95.00	95.00	105.00	98.00	95.00
Whole Dried Eggs	7.00	0%	7.00	7.00	7.00	7.80	7.80
Processed Share of Weekly Egg Production	30.8%	-0.8%	31.6%	31.6%	31.4%	32.8%	30.6%
SHELL EGG DEMAND INDICATOR (no units)							
	-2.1	-0.9	-1.2	1.1	2.4	-2.1	1.9

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

Key Shell Egg Markets Snapshot - 2023

(Large, White, Conventional Shell Eggs in cents per dozen)	20-Oct	Change	13-Oct	2023 High	2023 Low
National, Loose, (f.o.b. dock prices)	86.6 ▲	5%	82.2	304.6	17-Mar
New York, Cartoned (price to retailers)	130.0 ▬	0%	130.0	474.0	03-Jan
Midwest, Cartoned (price dlvr'd to warehouse) ¹	117.0 ▬	0%	117.0	517.0	03-Jan
California, Cartoned, benchmark	166.0 ▼	-3%	171.0	737.0	03-Jan
Central States Breaking Stock (delivered prices) ¹	84.0 ▬	0%	84.0	367.0	03-Jan
Whole Frozen Egg Products (f.o.b. dock prices)	98.0 ▲	3%	95.00	300.0	06-Jan
Whole Dried Egg Products (f.o.b. dock prices)	7.00 ▬	0%	7.00	14.3	24-Mar
Natl Average Retail Ad Price - Conventional	1.55 ▲	35%	1.15	4.94	24-Mar
Natl Average Retail Ad Price - Cage-free ²	2.64 ▼	-4%	2.76	4.99	10-Feb
Shell Egg Demand Indicator	-2.1 ▼	-0.9	-1.2	10.5	04-Jan

¹ mostly high; ² non-organic



FLOUR FACTS

Information Provided by General Mills Foodservice
GeneralMillsCF.com



Weekly Market Highlights

OCTOBER 19, 2023

- Wheat has moderately firmed this week on some short covering and stronger European prices.
- Monday's USDA report showed 68% of winter wheat is now planted. That is 1% below expectations but on par with the five-year average and 1% higher than last year.
- Wheat export inspections reached 13.0 million bushels last week, which was 16% above the prior week's tally. It was also near the middle of analyst estimates, which ranged between 9.2 million and 16.5 million bushels.

Facts on Flour

Gold Medal Semolina and Extra Fancy Durum Patent

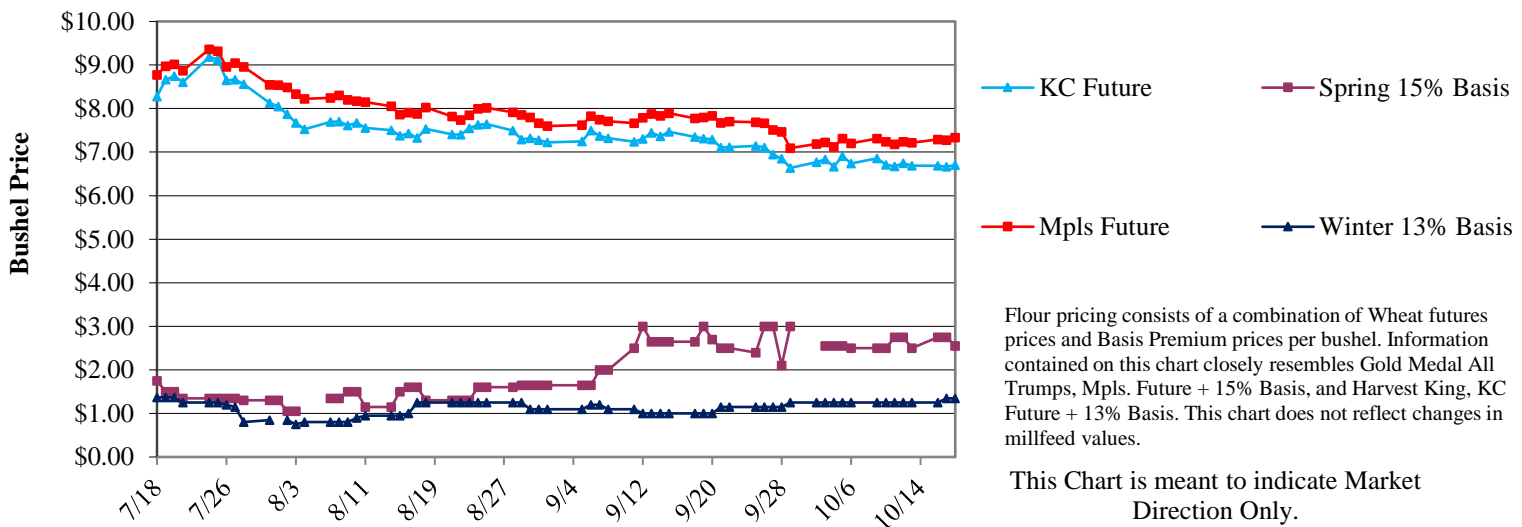
Gold Medal Semolina and Durum are milled from 100 percent durum wheat. Their high protein level and gluten quality gives them the cooking characteristics required for creating the perfect pasta that consumers love.

Description: High quality Semolina or Durum flour milled from 100 percent durum wheat.

Uses: Semolina can be used for any pasta product but is primarily used for long pasta goods. These include spaghetti, fettuccine, vermicelli, linguine or lasagna. Durum is preferable for short pasta products, including elbow macaroni or shells; and sheeted pasta products, including noodles and egg noodles.



Futures & Basis Markets



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

Experience inspires confidence.





Stratas Foods Market Watch 10.20.23

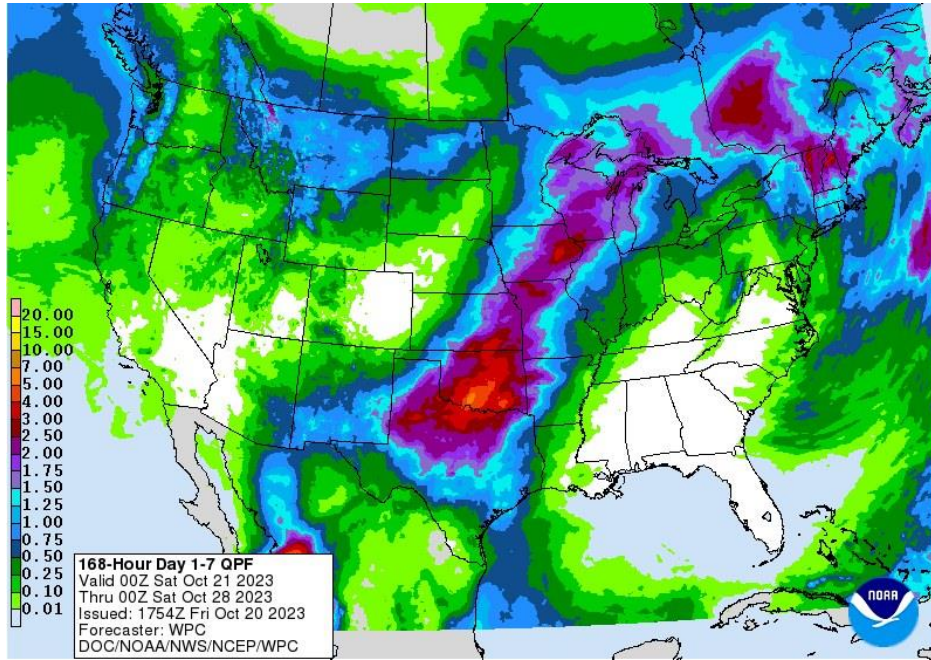
What to Watch For in the Week Ahead

•**Fundamentals**– CFTC COT, Weekly Export data, Crop (Harvest) progress

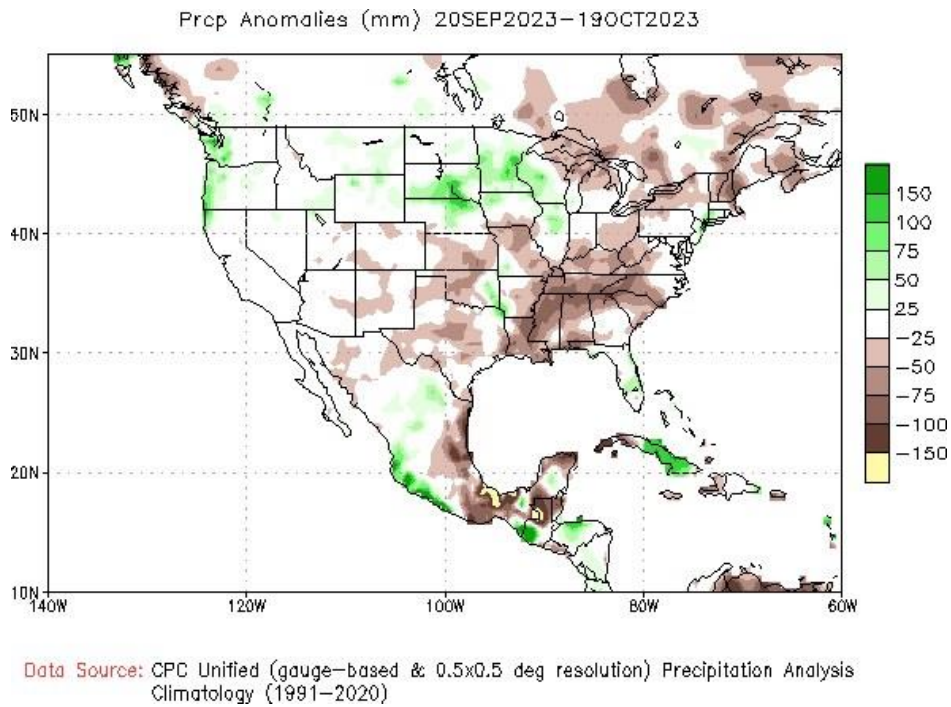
•**Weather** – It's harvest season... at this point rain is back to being bullish as it will slow the crop coming out of the ground. Mississippi River levels are starting to be a concern. South American planting is moving along without major concerns. Oncoming rains in S Brazil and Argentina should help restore soil moisture after last year's drought - some received but more is needed in Argentina especially.

•**Politics/Macro** – Middle East conflict is creating a lot of weekend risk. Gold saw another strong rally into the weekend, but energy finished off the highs for the week.

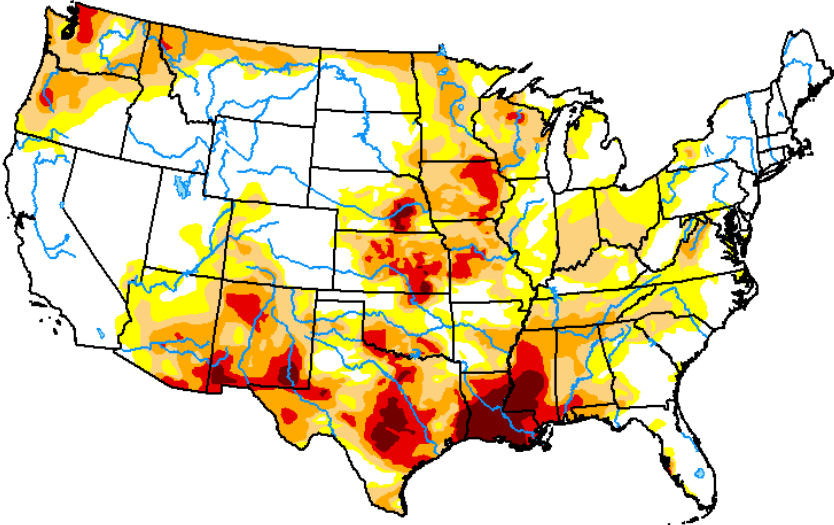
US 7 Day Precipitation



US 30 Day Anomalies

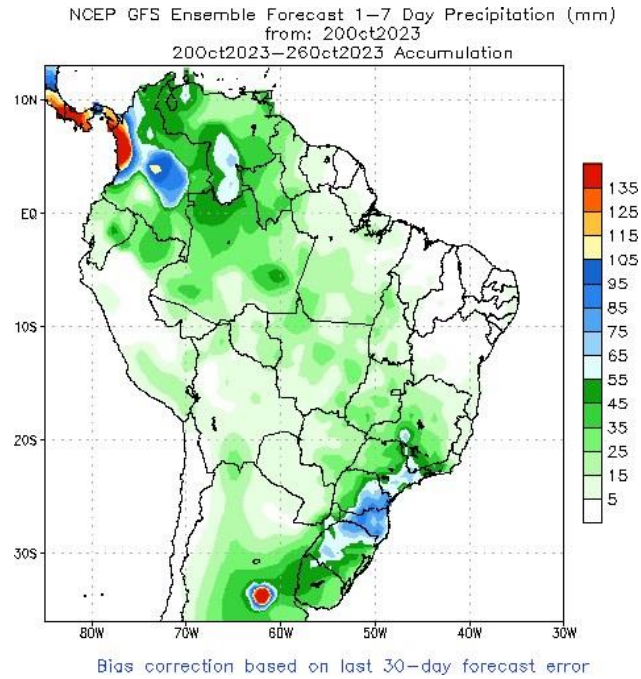


US Drought Monitor

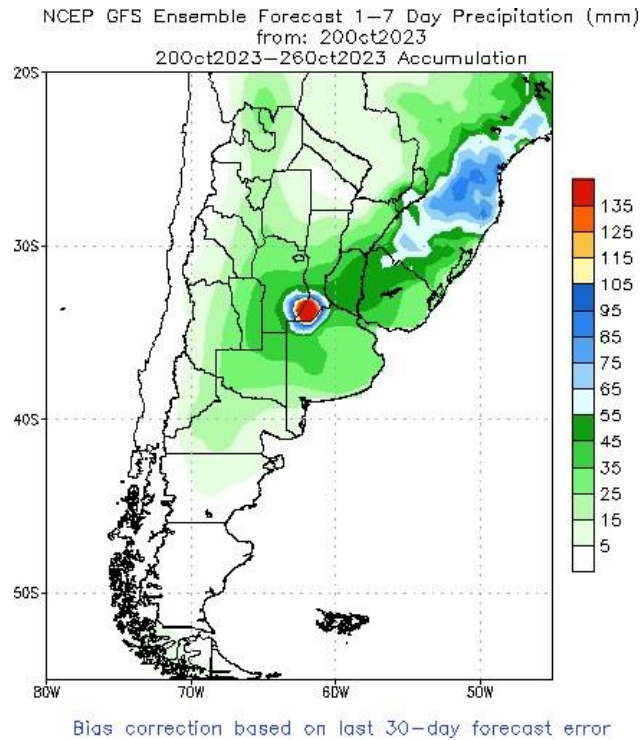


7 Day Precipitation

Brazil

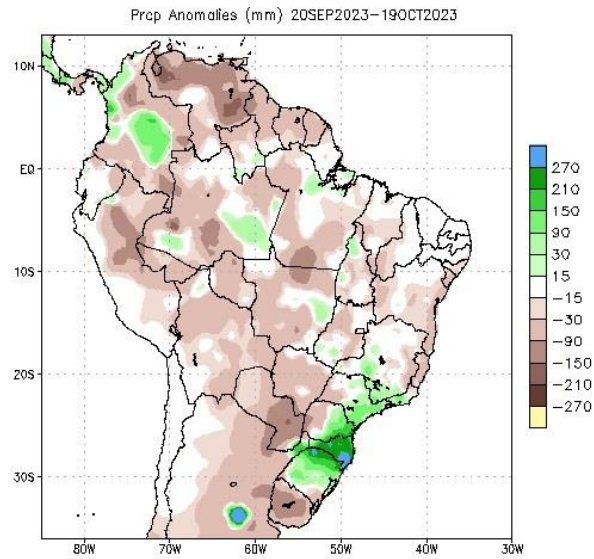


Argentina



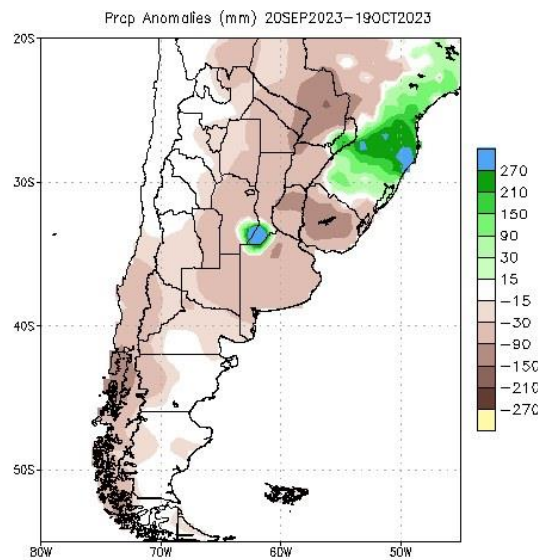
30 Day Anomalies

Brazil



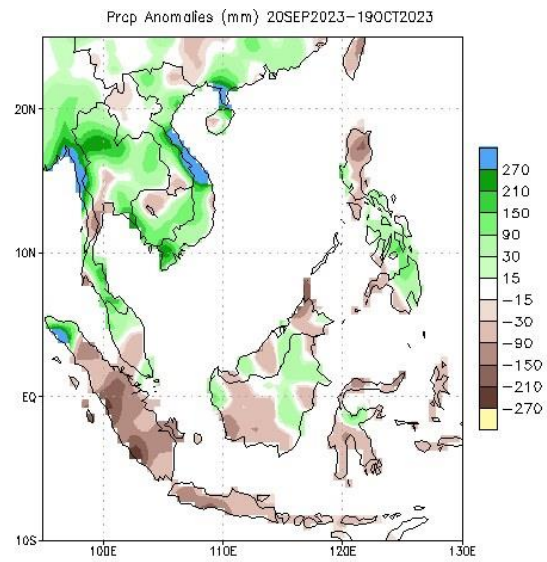
Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

Argentina



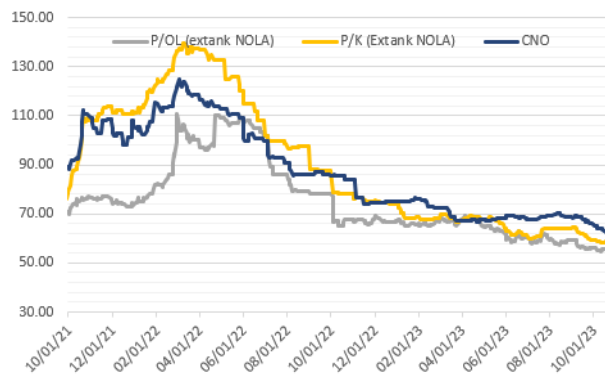
Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

Southeast Asia

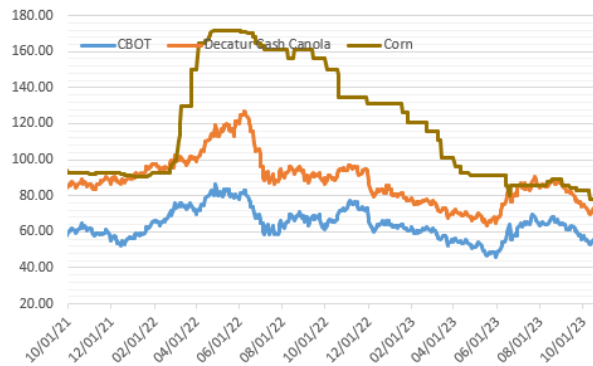


Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1991-2020)

Tropical Oils



North American Oils



Moving Averages

	CBOT	Canola	Palm Olein	Coconut
10/20 Price	53.39	70.39	55.00	61.50
9-day MA	54.03	71.03	55.17	62.99
20-day MA	55.38	72.88	55.45	64.26
50-day MA	60.55	79.78	56.93	66.96
200-day MA	58.47	76.55	62.08	69.10

Soybean Oil

WASDE

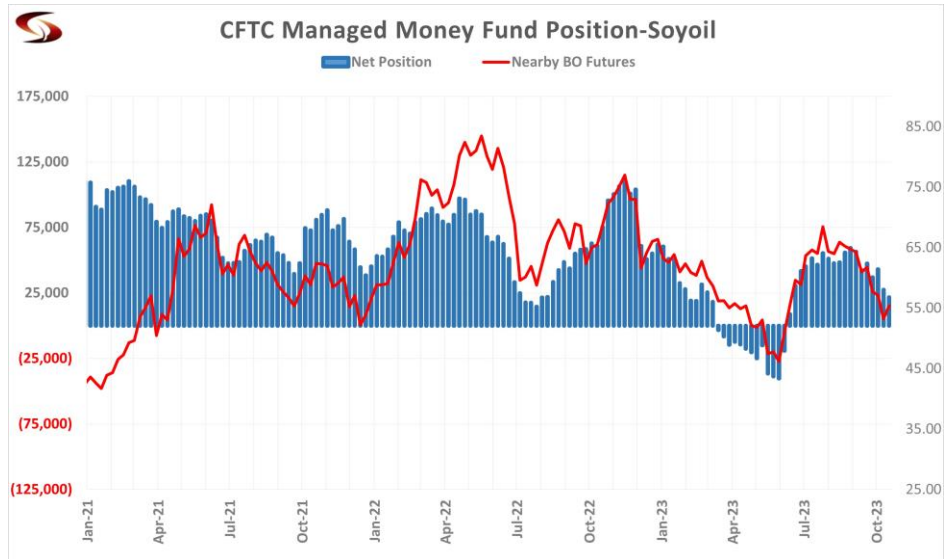
- Yield dropped on soybeans from 50.1 bushels per acre in September to 49.6 bushels per acre in October
 - Soybean oil beginning stocks dropped 100 million pounds from 1,861 to 1,761 million pounds.
 - Soybean oil ending stocks reduced from 1,821 to 1,736 million pounds.
 - Biofuel line was increased by 300 million pounds to 12,800 million pounds.
-

CFTC COT

-
- *Fund longs 57,566 cts (-3,628 on the week) as of 10/17*
 - *Fund shorts 35,715 (+1,982 on the week)*
 - ***Net Fund position: +21,851 (-5,610 on the week)***
-

Soybean Oil Outlook

- *The week ends lower than the previous week as Tuesday, Wednesday and Thursday featured a solid trade downwards. Friday's close was an absolute collapse in the last 15 minutes. Last trade was 24 points beneath the settlement price 5 minutes earlier.*
 - *Oilshare has gotten absolutely decimated in the past week as meal strength has led to sub 40 oilshare percentage for the first time since the end of June.*
 - *Energy has stayed strong as crude oil shows staying power in the upper 80s for the time and heating oil fluctuates around 3. Fairly firm floor in the oil market as the White House wants to refill the Strategic Petroleum Reserve ~79 dollars a barrel.*
 - *Friday's trade showed hesitance to breakthrough the 9 day moving average and we fell down in the last 2 hours of trading.*
 - *Soybean harvest has gapped over the 5 year average as we are 62% harvested in beans versus the 5 year average of 52%.*
 - ***Expected CBOT Range 52.00-58.00***
-



Canola/Rapeseed Oil



Fundamental Updates

-
- *Stats Canada reported 22.1M Acres for 2023 (+0.5 from March estimates)*
 - *US August 2023 Canola crush was 190,240 vs 209,247 tons in July and Aug'22 was 171,334 tons.*
 - *Canola oil production was at 155 mln lbs in July'23. This was down 7% vs July and up 15% vs Aug 2022.*
-

Flash Summary

- *Canola seed futures diverged from Beans on the week, losing apprx 3%.*
 - *Despite Oil being down, Meal strength relative to Canola seed losses took crush margins up to recent highs seen from mid Sept through early October. Whisper numbers have the Canola crop above Stats Can's latest estimate to between 18-19mmt.*
 - *Canola harvest is almost (if not completely) done. New crop seed looks good and prices into the US are competitive with Soy Oil in most markets.*
 - *Biofuel interest in Canola is expected to grow in 2024. Basis for Q1-Q3 should be considered given the smaller well to draw from vs soybean oil. Once it starts to trade, it could move higher quickly.*
-

Tropical Oils



Fundamental Updates

*MPOB September **Actual** vs Estimates:*

- *Production: **1.83** vs 1.86 MMT*

- Exports: **1.20** vs 1.32 MMT
 - Ending Stocks: **2.31** vs 2.41 MMT
 - After pushing up above 3800 in the first half of the week, the BMD sold off on Thursday before finding support at 3700 and ending the week at 3771.
 - Exports MoM are +10% with production updates out on Monday and expected to start to flatten out before the seasonal decline begins. Stocks in Oct are still expected to build slightly up towards 2.5mmt.
 - Indian imports for August had Palm volume up 13.7% and Sun up 12%, taking stocks to recent highs at 3.7 mmt. Coupled with concerns over the Chinese economy, this creates some uncertainty over forward export demand.
 - El Nino concerns remain on the horizon with potential production impacts in 2024 though rains thus far have largely been normal. With that said we are starting to hear more about some pockets of dryness, particularly in Indonesia.
 - A counter to the El Nino production concerns voiced by the MPOB suggest that increased labor availability and higher yielding younger trees could minimize the weather impact. The market will trade the weather ahead of the harvest so any dampening of the El Nino bull effect would come later on real production.
-

Weekly PRODUCE ALLIANCE Market Report



October 19, 2023

OVERVIEW

Weather this week in the Southeast will slow down production on squash, cucumbers, corn, and bell pepper out of South Georgia, but it should ramp back up over the weekend. Tomatoes will wrap up out of the local and mountain regions over the next week, South Georgia and Quincy are scratching supply which is expected to be stable on rounds and romas through October, then transition to the Ruskin Palmetto region in early November. The California season is finishing up over the next week while we expect the early fall and winter programs out of Central Mexico to increase over the next three weeks. Hot pepper will be very active over the next several weeks, Hurricane Lidia hit the major growing regions of Nyarit bringing heavy rain damaging crops. Inventories will be extremely light over the next week and could get worse, but Habanero and Serrano seem to be the shortest. With the avocado size curve quickly adjusting to bring availability back across the board, and weekly projections stable out of Mexico through year-end, it's time to consider moving back to preferred sizes. There's plenty of volume on the trees and once the supply chain is whole again, it's full steam ahead for promoting avocados in Nov. & Dec. USDA pricing is stronger than last week & expecting price points to rise until more supply is in place.

- **Guatemala Update:** Political unrest continues with political protests throughout the country limiting the ability to get tropical trade to the ports for export. At this time, there are some commodities being impacted more than others, such as highly perishable like french Beans. Freight and logistics companies in Guatemala are beginning to close until access to the ports is safe. Should this not get resolved soon, we will see this escalate and affect arrivals and unloading at the U.S. Ports which receive Guatemalan products. The following commodities may be affected: bananas, plantains, french beans, peeled baby carrots, peeled baby carrots tricolor, broccoli florets, snow peas, sugar snap peas, baby squash, and specialty tomatoes.
- **Storm Alert:** We are watching a storm off the coast of Mexico that could impact the winter crops in Sinaloa, Mexico and will keep you posted as the storm moves toward mainland Mexico.
- **California:** Warm weather is expected again in Central California, to end this week, which could continue to affect quality on lettuce, leaf, romaine, and tender leaf items as we finish the season in the Salinas Valley. Huron has started with iceberg lettuce and a few leaf items. The transition to Yuma is fast approaching as we will see a few items starting out of Yuma the first week of November with most shippers being transitioned the week of November 13th. Please see transition schedule attached to the market report email.

MARKET ALERTS



AVOCADOS – ESCALATED (48 CTS & LARGER)

Last week there was rain in Mexico with two days of light harvest volumes and 15.6% less avocados shipped into the U.S. compared to the week prior. Last week's total inbound just under 37 million pounds and there has not been much change in U.S. avocado market sales at around 44 million pounds in the past two weeks. The current U.S. inventory is almost 20% less than the prior week and is about 45 million pounds. Mexico is feeding 98% of the U.S. avocado inventory, with Peru and Chile combined around 2%. There was a slight increase in field costs on the 48s and larger this week.



ASPARAGUS – ESCALATED

Production continues to be low due to heat in Northern and Southern Baja. Growers are still seeing seedlings and spreading due to the weather. Fields have started to close due to



TABLE GRAPES – ESCALATED

Lighter supply and firmer markets will continue as growers continue to harvest and put grapes away for the storage season, which is expected to be shorter than normal due to the impacts of Hurricane Hillary. Growers are doing the best they can, but we do expect to see quality issues as storage fruit gets into the supply chain. We could experience supply GAPS between December and January and ask you to scale back portions or consider subbing to diced apples, or mixed melon chunks.



HOT PEPPER – EXTREME

In the east, the hot pepper market is hit or miss out of South Georgia on the mainland of Mexico, we are seeing very light volume as the growing regions are recovering from Hurricane Lidia. Serrano, Poblano, and Habanero seem the shortest. There is some volume out of Baja which seems to be improving post-Hilary. California production remains hit or miss at this time.

seasonality. Peru's volume is steady, but quality is still fair at best. With more fields opening in the south, we will see larger sizing available starting in seven days. Markets have become very active, with less volume available from Mexico.



BLUEBERRIES – EXTREME

Early weather in the Peruvian season negatively affected crops and subsequent production. Yields are less than 50% from areas, and some crops were utterly wiped out. The El Niño phenomenon brought both extreme heat and windy, wet weather. Supplies out of Peru are expected to improve mid-November but tail off quickly in December. Supplies remain very light out of Mexico, and crops are behind 4-5 weeks. Furthermore, growers saw tropical weather last week that decreased estimates by 30-50%. The markets are not expected to be completely corrected until Chilean arrivals begin to enter the U.S. in late December or early January.



BROCCOLI/BROCCOLI CROWNS – ESCALATED

Although pricing remains escalated, supplies are increasing and quality is good.



BRUSSELS SPROUTS – ESCALATED

We are seeing steady supplies, and most shippers will be covering averages. Sizing is heavier to medium and small, large sizes remain short. Market remains strong although we should see pricing start to settle over the next few weeks although demand will increase significantly as we head into the holidays.



CAULIFLOWER – ESCALATED

Industry volumes have increased this week and will be steady next week. Market has trended lower with less demand. Overall quality has been good.



CARROTS (MEDIUM & JUMBO) – ESCALATED

Very limited supply on Jumbo and Medium Carrots in California and growers are in a demand exceeds supply situation. Fields in the Salinas and Bakersfield region are not sizing up. Expect Jumbo carrots to remain in light supply, well into Q1, 2024.



GREEN BEANS - ESCALATED

Markets are very strong, and supply is limited out of South Georgia. There are some local beans available by region, however a wide range of quality will be present. This is expected to improve over the next few weeks as we prepare for Thanksgiving.



LIMES - EXTREME

Pricing remains elevated on large sizes, and market continues strong on the small sizes. Large sizes remain in demand exceeds supply situation and we expect this to continue for several weeks. Limes have moved to the new growing areas, although we continue to see the impacts to the new bloom which has been heavily impacted by

Tomatillo will firm up and quality will be fair at best on all varieties.



POTATOES – ESCALATED

We are beginning to see some stability in the market at the current price levels. Even though potatoes have not been through the sweat yet, and cannot be stored, there is not much room left for the market to fall. Growers will likely have the luxury of being able to turn down prices if they are too low and focus on storing. We are seeing Washington's early potatoes sizing on the larger range – so 40ct through 70ct have been plentiful, and there have been a lot of straight load deals. In Idaho, tuber counts are high, which tells us that yields are strong. The unknown there will be how the crop is sizing overall. Due to the high levels of heat, they have experienced over the last several weeks, it is possible we see smaller potatoes more plentiful this season. The outlook remains optimistic this season on yields, sizing, and quality. Barring any unforeseen weather events that would negatively impact harvest or storage, the industry should be in for some much-needed relief on fresh potatoes this season. Truck rates continue to increase back to more healthy rates as well and should continue to remain firm or increase as we move into Q4.



SNOW & SNAP PEAS – ESCALATED

Supplies in the east is extremely tight, due to protests in Guatemala, that did not allow containers to leave the country. Out of the west, snow and sugar snaps pea supply is improving with good quality.



PINEAPPLE – ESCALATED

We expect to see tighter availability on pineapples through the remainder of the quarter due to a decrease in yields throughout the tropics; most of this can be attributed to the changing of the weather patterns from La Nina to El Nino. As a result of this, many farmers saw their fruiting season start approximately five weeks earlier than normal; factor this with the high drought conditions we are now seeing, the result is some of the lowest fruit production in this current cycle we have seen in years for this time of year. We are also seeing some growers decide to cease operations due to inflationary pressure which is limiting their cashflow for day-to-day farming costs such as labor and fertilizer. Our growers are doing everything they can to navigate through this to ensure we keep the supply chain stable. However, we do feel there might be occasional shortages or pro-rates until we resume a normal availability cycle. We recommend staying in front of this condition by keeping additional inventory on hand as well as planning and placing orders well ahead of time and not on the same day. We hope these adjustments, as well as the ability to be flexible on sizing, will avoid the need to make product substitutions or cause any major shortages. Overall quality remains good.

severe weather events over the last few months. In addition, rain this week from the rain that moved across the lime growing areas has decreased available supply. We expect light supplies to continue through Q4, with growers reporting supplies to be at an extreme low during the months of October and into November. Pricing will continue strong with a volatile market through all Q4, possibly into Q1 2024. In addition, extreme heat and humidity have impacted quality and shelf life, which is also contributing to low availability. Quality continues to reach seasonal lows, with growers seeing very low pack-outs of the total harvested yields.



MUSHROOMS – ESCALATED

Quality is good, and supply is volatile as growers scaled back some of their production due to lack of demand in recent weeks. We are seeing very short markets on white and cremini mushrooms. We expect the seasonal volatility to further increase as Thanksgiving demand will increase at retail over the next few weeks. Markets will most likely remain volatile through December.



NAPA – ESCALATED

Supplies and quality are improving.



TOMATOES (GRAPE) – ESCALATED

EAST COAST: Grape tomato supply will be short this week, FOB prices will continue to escalate this week. We may see lighter markets for the next two to three weeks.

MEXICO: Lighter supply and increased demand from the east has pushed pricing higher this week on volume crossing through McAllen, Nogales and Otay. Overall quality is good off the mainland crossing in McAllen while still hit and miss in Otay from the Baja. We could see stronger markets for the next 2-3 weeks.

GOOD BUYS

Commodity	Expert Tip
Italian Squash and Yellow Squash	Soft squash might be one of those underrated vegetable, and this application is going to make you have a newfound appreciation for zucchini and yellow squash. Cut squash into ½” slices and toss with olive oil, then combine parmesan cheese, panko, lemon pepper, paprika, and salt in a bowl. Next, toss the squash with the dry mixture and place the coins on a baking pan and roast for 12-15 minutes or until squash is tender. Enjoy!

WEATHER



SALINAS, CA

Thu 10/19	Fri 10/20	Sat 10/21	Sun 10/22	Mon 10/23	Tue 10/24	Wed 10/25	Thu 10/26
86° 55°F	67° 56°F	69° 56°F	69° 55°F	67° 51°F	72° 50°F	70° 50°F	69° 50°F
Sunny	Partly Cloudy	AM Clouds/PM	Partly Cloudy	AM Clouds/PM	Partly Cloudy	Partly Cloudy	Partly Cloudy









OXNARD, CA

Thu 10/19	Fri 10/20	Sat 10/21	Sun 10/22	Mon 10/23	Tue 10/24	Wed 10/25	Thu 10/26
69° 58°F	70° 58°F	70° 56°F	69° 57°F	69° 54°F	72° 56°F	70° 54°F	68° 54°F
AM Fog/PM Sun	AM Fog/PM Sun	AM Fog/PM Sun	Partly Cloudy	Partly Cloudy	Sunny	Partly Cloudy	Partly Cloudy









CULIACAN, SIN

Thu 10/19	Fri 10/20	Sat 10/21	Sun 10/22	Mon 10/23	Tue 10/24	Wed 10/25	Thu 10/26
101° 76°F	97° 76°F	86° 76°F	90° 75°F	88° 73°F	85° 71°F	88° 68°F	90° 66°F
Partly Cloudy	Cloudy	Scattered Thunderstorms	Thunderstorms	Scattered Thunderstorms	Thunderstorms	AM Thunderstorms	Sunny









JALISCO, NAYARIT

Thu 10/19 75° 66°F  Cloudy	Fri 10/20 82° 65°F  Cloudy	Sat 10/21 79° 64°F  Scattered Thunderstorms	Sun 10/22 79° 63°F  Scattered Thunderstorms	Mon 10/23 78° 63°F  Scattered Thunderstorms	Tue 10/24 78° 63°F  Scattered Thunderstorms	Wed 10/25 79° 62°F  Partly Cloudy	Thu 10/26 79° 60°F  Partly Cloudy
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VIZCAINO, BAJA SUR

Thu 10/19 101° 75°F  Sunny	Fri 10/20 103° 71°F  Mostly Sunny	Sat 10/21 99° 69°F  Mostly Sunny	Sun 10/22 95° 62°F  Sunny	Mon 10/23 89° 56°F  Sunny	Tue 10/24 79° 56°F  Sunny	Wed 10/25 82° 59°F  Sunny	Thu 10/26 85° 58°F  Sunny
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ARVIN, CA

Thu 10/19 95° 65°F  Sunny	Fri 10/20 96° 64°F  Sunny	Sat 10/21 85° 58°F  Mostly Sunny	Sun 10/22 77° 59°F  Sunny	Mon 10/23 65° 55°F  AM Showers	Tue 10/24 78° 57°F  Sunny	Wed 10/25 79° 56°F  Mostly Sunny	Thu 10/26 76° 55°F  Mostly Sunny
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ADEL, GA

Thu 10/19 76° 56°F  Mostly Sunny	Fri 10/20 78° 52°F  PM Showers	Sat 10/21 78° 55°F  Sunny	Sun 10/22 80° 51°F  Mostly Cloudy	Mon 10/23 77° 52°F  Partly Cloudy	Tue 10/24 79° 53°F  Sunny	Wed 10/25 79° 57°F  Mostly Sunny	Thu 10/26 81° 59°F  Partly Cloudy
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RUSKIN, FL

Thu 10/19 82° 62°F  Mostly Sunny	Fri 10/20 81° 69°F  Sunny	Sat 10/21 85° 64°F  Sunny	Sun 10/22 85° 63°F  Partly Cloudy	Mon 10/23 87° 66°F  Partly Cloudy	Tue 10/24 86° 67°F  Mostly Sunny	Wed 10/25 85° 68°F  Mostly Sunny	Thu 10/26 86° 68°F  Partly Cloudy
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Hogs and Pork

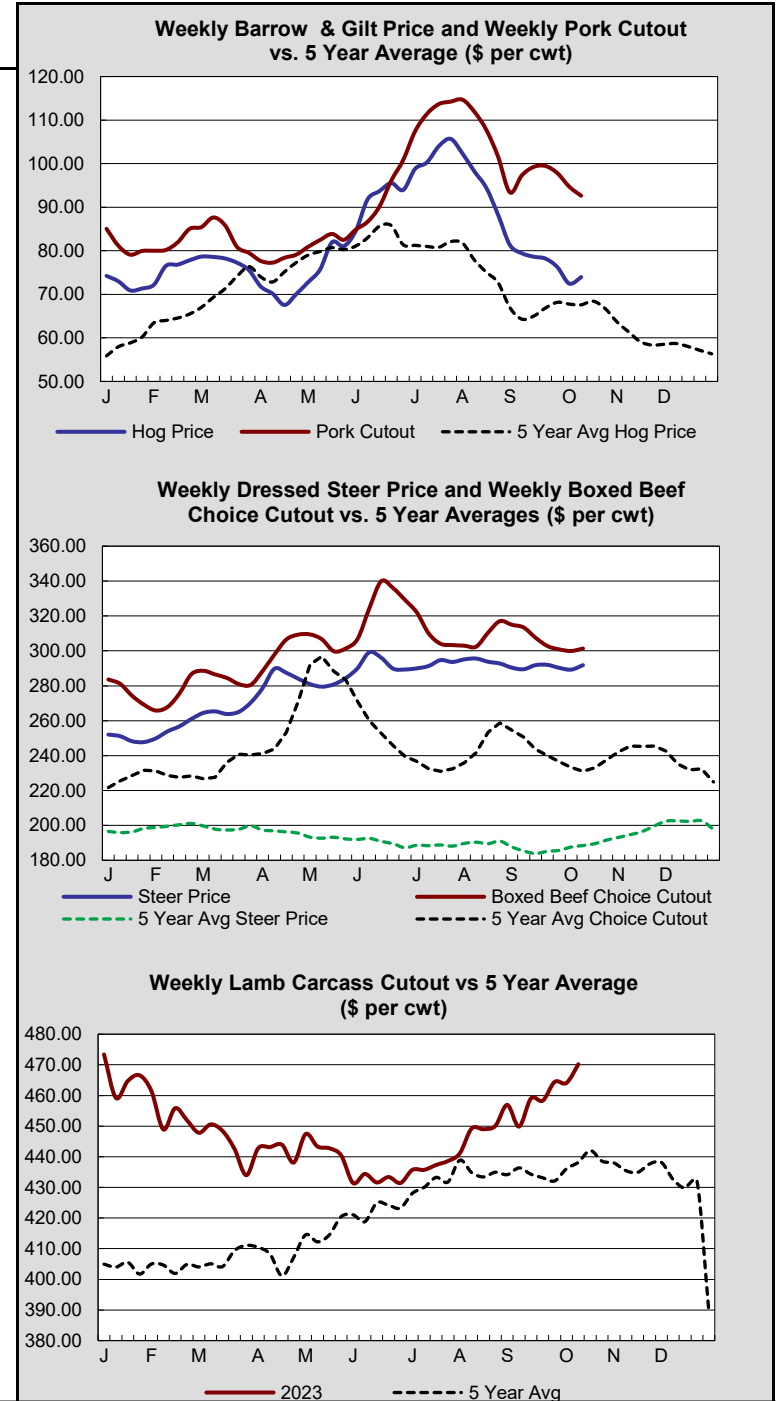
	<u>Current Week</u>	<u>Change From Past Week</u>	<u>Change From Past Year</u>
Nat'l Purchased Carc Wtd Avg Price - Barrows & Gilts (\$/cwt)	73.96	2.1%	-16.9%
Pork Carcass Cutout FOB Plant (\$/cwt)	92.63	-2.2%	-9.8%
Segregated Early Weaned (SEW) Feeder Pigs (\$/head)	23.68	4.5%	-22.0%
Iowa/So. Minn Avg Weight Barrows & Gilts (lbs)	281.9	0.0%	-0.1%
Est. Hog Slaughter	2,609,000	1.8%	2.1%
YTD Est. Hog Slaughter	99,288,000	N/A	1.4%
Est. Pork Production (mil lbs)	545.0	2.2%	-0.3%
YTD Est. Pork Production (mil lbs)	21,140.6	N/A	0.2%

Cattle and Beef

Live Wtd Avg Steer Price, 5 Area FOB (\$/cwt)	184.30	0.9%	25.4%
Dressed Wtd Avg Steer Price, 5 Area Del (\$/cwt)	291.83	0.9%	26.0%
Boxed Beef Cutout, Choice (\$/cwt)	301.35	0.5%	22.3%
Boxed Beef Cutout, Select (\$/cwt)	275.89	0.1%	28.5%
Boxed Beef, Choice/Select Spread (\$/cwt)	25.46	1.12	-6.11
By-Product Drop Value, Steer (\$/cwt live)	13.23	-2.1%	N/A
CME Feeder Cattle Index (\$/cwt)	248.26	-0.6%	42.6%
Est. Cattle Slaughter	617,000	-1.8%	-6.8%
YTD Est. Cattle Slaughter	25,485,00	N/A	-6.8%
Est. Beef Production (mil lbs)	510.0	-1.8%	-7.3%
YTD Est. Beef Production (mil lbs)	20,874.0	N/A	-5.2%

Lamb and Veal

Slaughter Lamb, Negotiated, Live Wtd Avg Price (\$/cwt)	195.94	-5.2%	58.2%
Lamb Carcass Cutout (\$/cwt)	470.23	1.3%	-4.7%
Est. Sheep Slaughter	34,000	0.0%	6.3%
YTD Est. Sheep Slaughter	1,414,000	N/A	3.4%
Est. Lamb Production (mil lbs)	2.1	5.0%	0.0%
YTD Est. Lamb Production (mil lbs)	89.0	N/A	-2.8%
Veal Carcass Wtd Avg Packer & Non-Packer Owned (\$/cwt)	441.32	0.0%	0.7%





Weekly Livestock, Poultry & Grain Market Highlights
October 16, 2023

Grain

	Current Week	Change From Past Week	Change From Past Year
Central Illinois Avg Corn Price (\$/bu)	4.6000	0.2%	-30.8%
Central Illinois Avg Soybean Price (\$/bu)	12.3700	1.0%	-8.6%
Central Illinois 48% Soybean Meal, Rail (\$/ton)	398.50	5.3%	-9.8%
Hard Red Winter Wheat Truck to Kansas City (\$/bu)	7.0200	-0.7%	-31.0%
Dark Northern Spring Wheat, 14%, MN, Rail (\$/bu)	8.8200	1.3%	-19.4%
Soft White Wheat Portland (\$/bu)	6.9056	-0.3%	-24.5%
Sorghum, Kansas City, Truck (\$/bu)	5.1050	-0.4%	-26.3%

Broilers

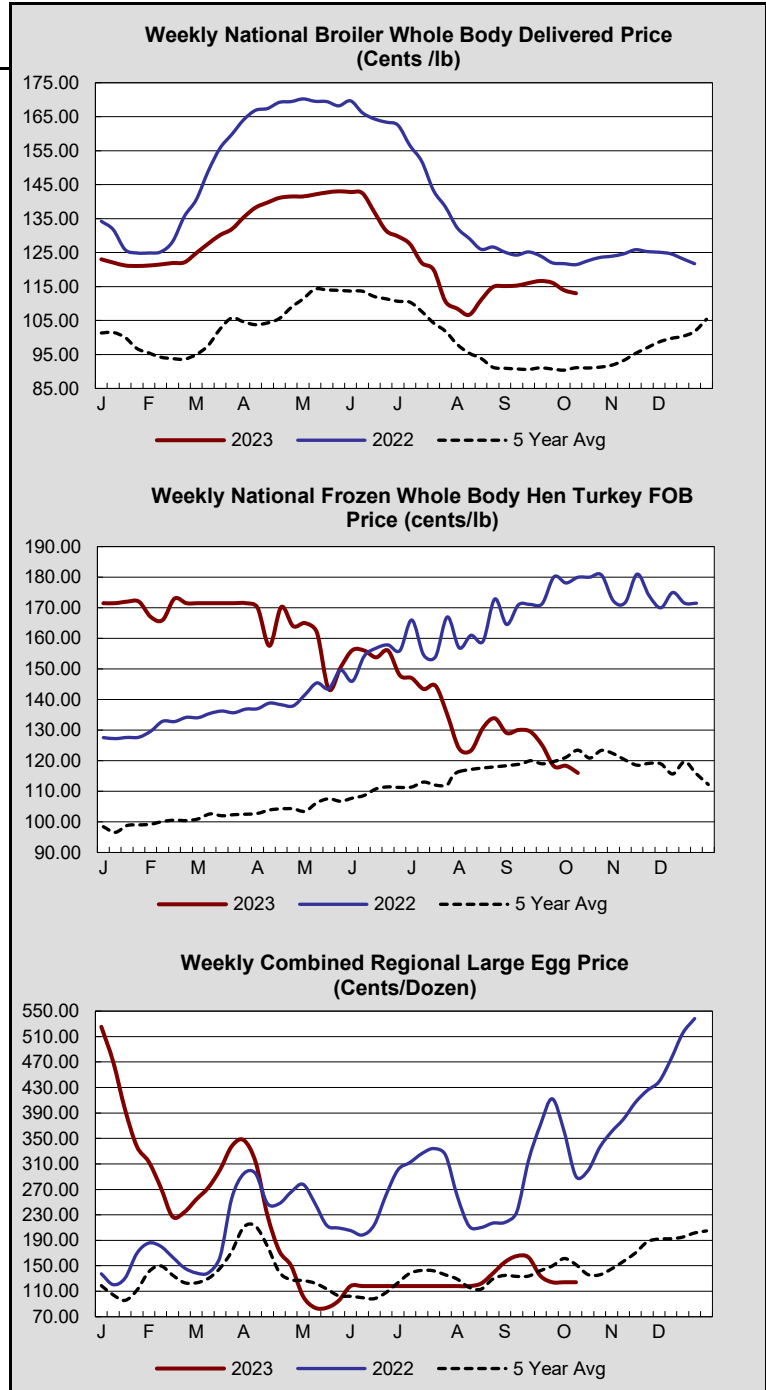
Nat'l Delivered Whole Body Price (cents/lb)	113.01	-0.8%	-7.2%
Est. Young Chicken Slaughter - Current Week (000's)	160,135	0.7%	N/A
Actual Slaughter of Young Chickens (000's)	170,233	-0.2%	-4.4%
YTD Actual Slaughter of Young Chickens (000's)	6,658,911	N/A	0.2%
Actual RTC Pounds of Young Chickens (000's)	843,539	-0.5%	-6.0%
YTD RTC Pounds of Young Chickens (000's)	32,224,883	N/A	0.1%

Turkeys

Nat'l FOB Frozen 8-16 lb. Hens, Wtd Avg Prices, cents/lb	116.00	-2.0%	-34.9%
Actual Slaughter of Turkeys (000's)	3,747	-3.3%	-4.1%
YTD Actual Slaughter of Turkeys (000's)	153,983	N/A	4.5%
Actual RTC Pounds of Turkeys (000's)	96,412	-1.6%	-1.0%
YTD RTC Pounds of Turkeys (000's)	3,882,845	N/A	4.5%

Eggs

Combined Regional Large Eggs (cents/dozen)	124.22	0.0%	-65.6%
National Shell Egg Inventory (30 doz. Cases/000,s)	1504.9	1.7%	N/A
Shell Egg Demand Indicator (SEDI)	-1.20	-2.09	-14.2
Central States Breaking Stock Av. Price (cents/dozen)	83.00	2.5%	-64.9%
National Breaking Stock Inventory (30 doz. Cases/000's)	352.9	3.4%	N/A
Eggs Broken Under Federal Inspection (30 doz cases)	1,578,580	0.0%	13.0%
YTD Eggs Broken Under Federal Inspection (30 doz cases)	60,187,055	N/A	1.0%



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



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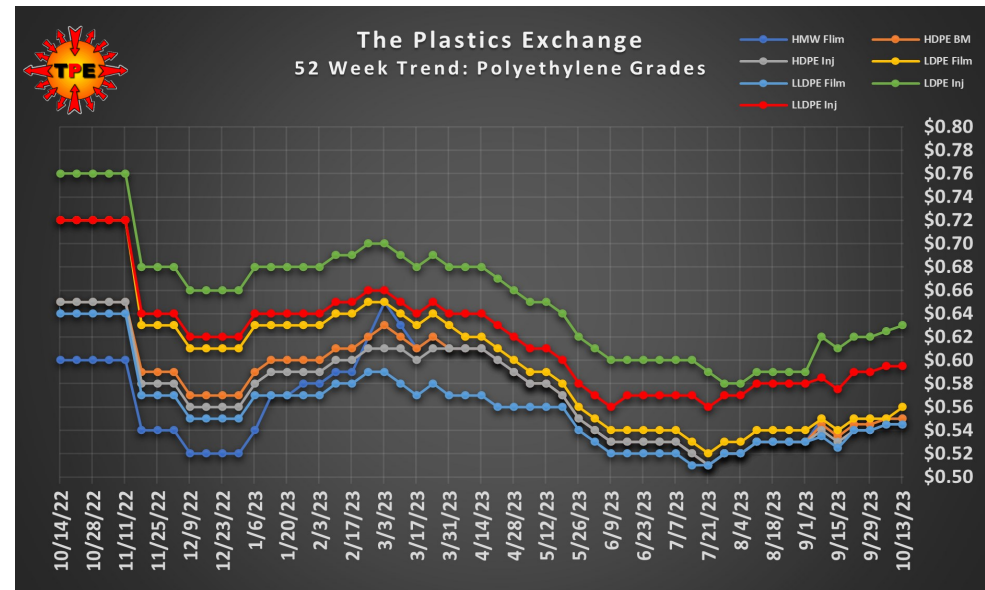
Market Update — October 13th, 2023

Spot resin trading maintained its elevated level of activity through mid-October. Overall demand was very good and again a high volume of material transacted again across our marketplace. The horrific terror attack in Israel and subsequent military response on Gaza may have contributed to some additional resin demand. The potential for the conflict to expand within the region seems to have encouraged additional purchases as some processors voiced their desire to build an extra inventory buffer as a precaution. The flow of railcar offers improved a bit, there was a consistent flow of offgrade material and resellers offered us prime railcars from their forecasted supplies. Our prime Polyethylene prices were steady to a penny higher depending on grade, Polypropylene levels were flat but firm and have been consolidating along the higher side of the price range. We have been seeing fewer low-ball buying attempts as buyers become more acclimated to the market's up-cycle; dealings have been in higher volume too, often for multiple truckloads or railcar quantities. We are finding most traders / resellers to be holding a limited amount of inventory and they have been tapping our spot market for ready to go truckloads. Some exporters have shown us availability, which could be indicative of international resin buyers' reticence once the cost-push Crude Oil rally retraced a chunk of its recent gains. Producers are looking to implement their third straight \$.03/lb monthly Polyethylene price increase; while Polypropylene contracts will endure a back-to-back cost-push increase in October and the magnitude might very well match the \$.045/lb hike seen in Sept.

The Polyethylene market remained strong, there was processor buying for both immediate needs and restocking with adequate supplies available at rising levels. Pricing for most materials were fully firm while LLDPE injection edged up a half-cent and LDPE for film added a full penny. Our transacted volumes were above average and well spread across primary HD, LD and LL grades while fringe materials remained difficult to source and those asking prices were not enticing. We continued to field an elevated flow of export requests coming from various regions. Nova is still on its Force Majeure in Canada, and while CP Chem has reportedly restarted their HDPE unit at its Orange, TX facility, the FM remained in place.

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Resin for Sale 16,401,718 lbs		Spot Range		TPE Market	
Resin	Total lbs	Low	High	Bid	Ask
PP Homo - Inj	2,854,196	\$ 0.510	\$ 0.610	\$ 0.530	\$ 0.590
PP Copo - Inj	2,656,250	\$ 0.540	\$ 0.670	\$ 0.590	\$ 0.650
LLDPE - Film	2,105,895	\$ 0.515	\$ 0.585	\$ 0.495	\$ 0.545
LDPE - Film	2,045,784	\$ 0.525	\$ 0.585	\$ 0.510	\$ 0.560
HDPE - Blow	1,859,888	\$ 0.510	\$ 0.575	\$ 0.500	\$ 0.550
HDPE - Inj	1,654,685	\$ 0.495	\$ 0.570	\$ 0.495	\$ 0.545
LLDPE - Inj	1,354,568	\$ 0.530	\$ 0.610	\$ 0.545	\$ 0.595
HMWPE - Film	1,245,892	\$ 0.510	\$ 0.585	\$ 0.505	\$ 0.555
LDPE - Inj	624,560	\$ 0.565	\$ 0.650	\$ 0.580	\$ 0.630



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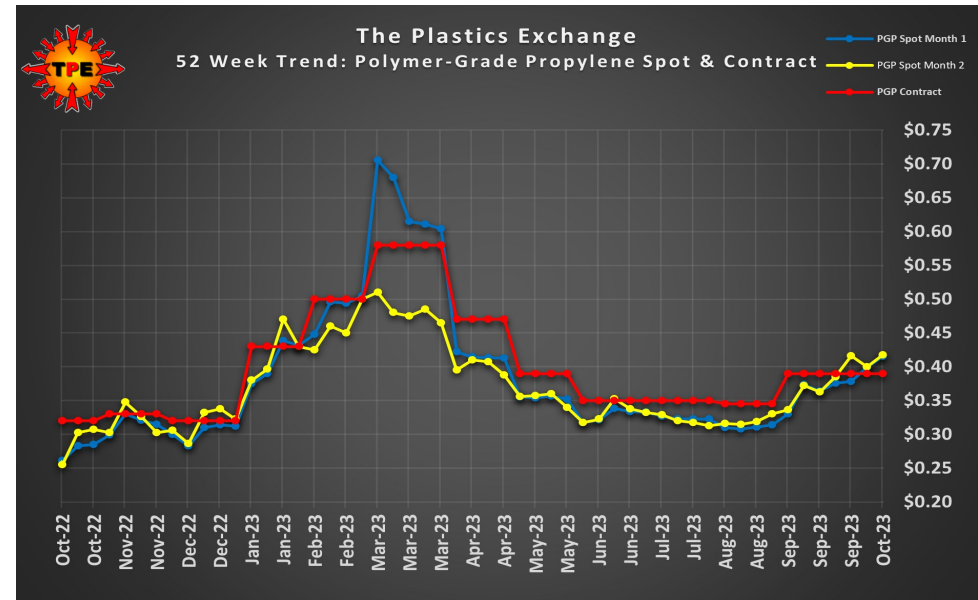
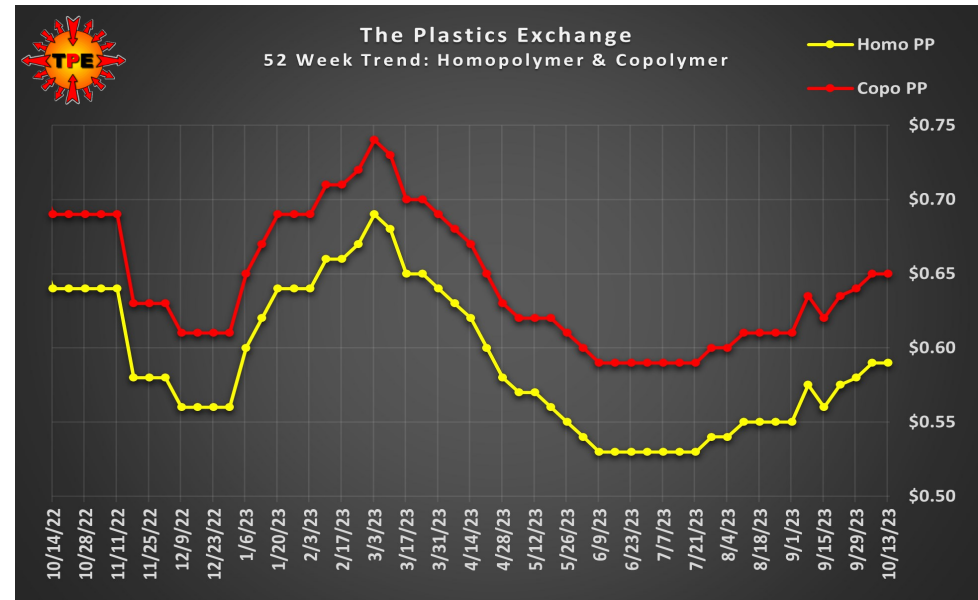
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Market Update — October 13th, 2023

Preliminary supply / demand data for September has been released by the American Chemistry Council (ACC), revealing that after two months of growth, Polyethylene production was reduced back to its lowest level since February 2023. PE exports, while off a tad, remained robust; it was the fifth straight month above two billion pounds. Domestic PE demand was average, actually 99% of the trailing 12-month average. Altogether, this generated a nearly 2% reduction in PE producers' collective resin inventories, pulling back to their lowest level since February 2023. Producers have well managed supply / demand these past several months, leaning on massive exports facilitated by elevated Crude Oil prices, to regain pricing power. Baystar's newly commissioned PE unit in Texas should further enhance supply availability and could be the catalyst to push overall exports, which have been running above 45% of total sales since June, actually beyond domestic PE sales.

Polypropylene trading has become more interesting, processors have seemingly completed their drawn out destocking efforts and have been re-engaging the market with more fervor. This contributed to another solid trading week as offgrade railcars were bid up lifting the lower end of the pricing spectrum and buyers with short term needs aggressively purchased packaged truckloads. Transactions were ultimately well split between Prime and widespec and HoPP outshone CoPP. Prices in Houston finished flat but firm on the week and asking prices for Prime domestic railcars continued to rise along with PGP monomer. Buyers that resisted too long missed the boat as the over-supply has cleaned up and producers seem content to moderate production and re-establish better margins for incremental sales. We maintain our bullish outlook on PP pricing as PGP monomer supplies are tight and the market remains well bid, with very little room afforded for any additional production disruptions. As such, we continued to replenish our market-making inventories as well sell off current stocks to meet customer demand. According to initial ACC data released this week, Polypropylene production was reduced in September. After operating rates had been ramped above 80% in both July and August, reactors were throttled back down below 75% like they were in the previous five months.



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Market Update — October 13th, 2023

PP exports were healthy, 7% more than the trailing 12-month average while domestic buying was almost 3% higher than the trailing 12-month average. The net result was a sizable 3% reduction in PP producers' collect resin inventories, drawing them down to the lowest level since Nov 2022. For detailed figures, we recommend that you subscribe directly to the ACC.

Monomer market activity picked up a bit, bringing healthy volumes as prices reversed course and moved higher during the week. Ethylene sparked excellent interest for prompt material and this high demand theme remained throughout the week. On Monday morning a deal for spot Oct Ethylene spread against future delivery was inked and prices added a half-cent. Prices continued to rise on Tuesday amid better volumes as Oct Ethylene was dealt twice at \$.225/lb, and then at least five more times at \$.2275/lb. Prices turned South on Wednesday, when three deals for spot Oct Ethylene were solidified at \$.225/lb. Another four trades for Oct Ethylene were logged Friday morning at \$.2225/lb and although buyers and sellers continued to test the market, price ideas were too far apart to conduct further business. When the dust settled, spot Oct Ethylene had added nearly a penny during the week and ended at \$.2225/lb, back month options moved alongside spot and the forward curve essentially remained flat.

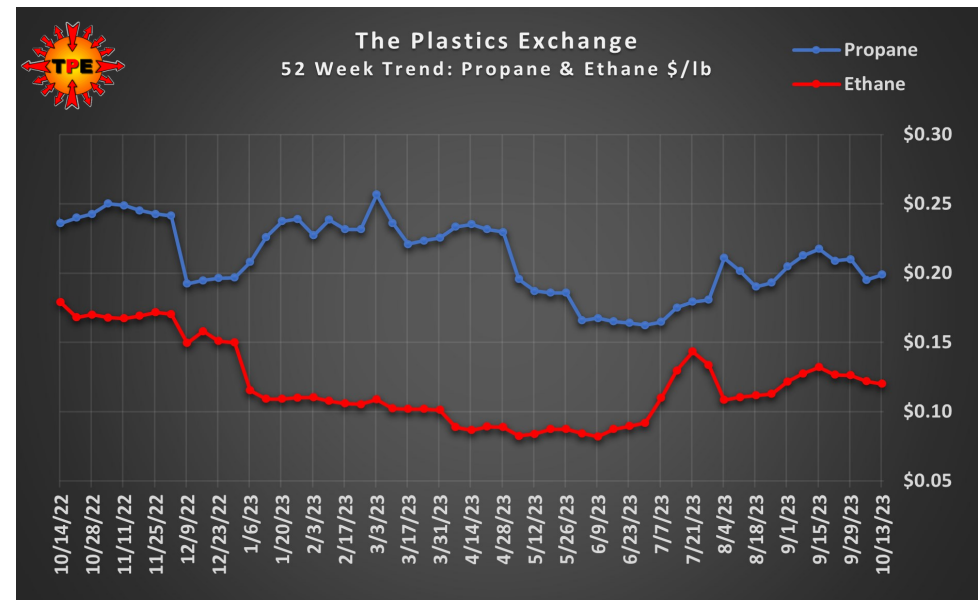
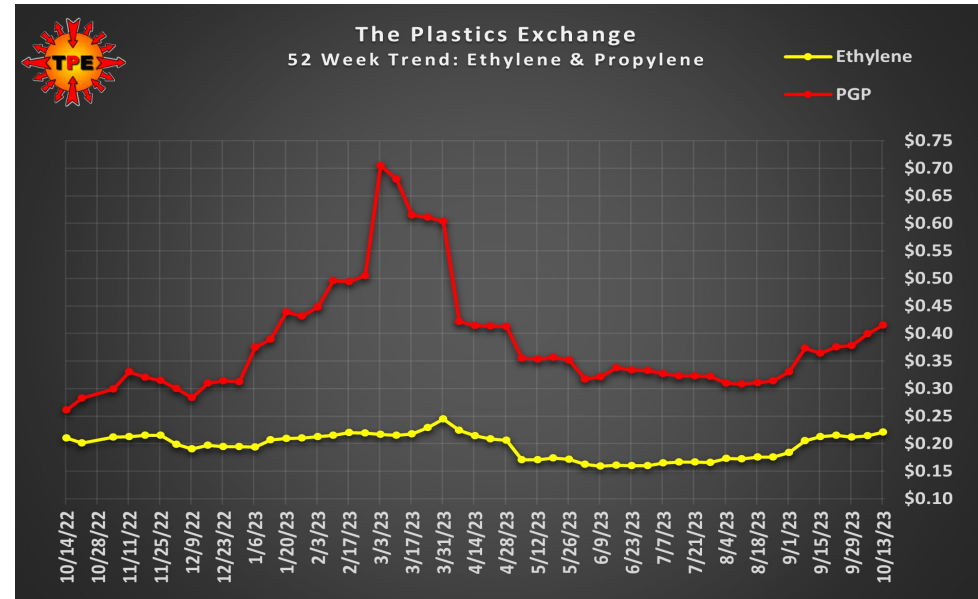
Propylene reestablished dominance between the two monomers, posting staggering weekly volume and traders wasted no time transacting following the weekend break. On Monday morning, Oct PGP crept up a half cent and exchanged hands at \$.405/lb, a deal for PGP deliveries throughout 2024 was also completed at a penny discount to prompt. Later that afternoon, a couple more deals for spot PGP were again finalized at \$.405/lb, along with a second deal for 2024 PGP deliveries also at \$.395/lb. Prices remained flat on Tuesday while participants transacted monthly deliveries for all of 2024 twice more at \$.395/lb. The market was bid higher midweek and on Thursday a handful of transactions were recorded; Dec PGP was brokered at \$.4075/lb, traders flipped Oct/Dec and Dec/Jan deliveries, and a deal involving Dec/Q1 PGP was also executed. Bids/offers began to back off on Friday and further deals were elusive.

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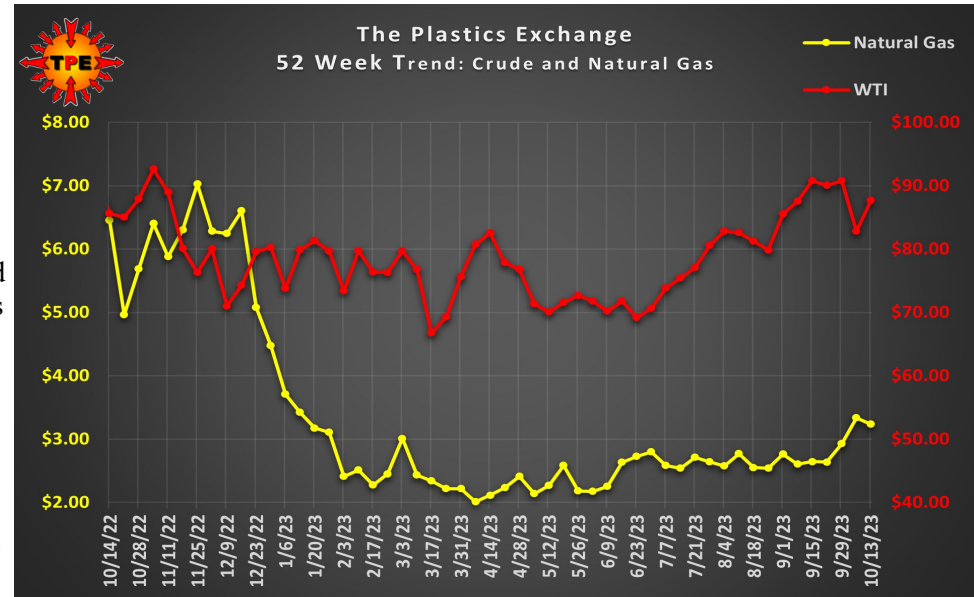
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Market Update — October 13th, 2023

The weighted spot average for Oct PGP added more than a \$.015/lb during the week and on Friday afternoon, prompt PGP settled just north of \$.415/lb. Many deferred months saw smaller gains, prices begin to taper off into the new year and the forward market curve flips to an inverse starting in Jan. With the upward momentum maintained, current spot prices reflect an upcoming PGP increase of 4-5 cents, though some time still remains before contracts are finalized.

The energy complex was mixed again, the Crude Oil market rebounded substantially as the Middle East conflict intensified, and Nat Gas prices eased on milder weather and weakening demand. November WTI futures were very volatile and moved around within a \$5.52/bbl range. It began with a large \$3.59/bbl jump on Monday and then whittled away its gains to finally, albeit briefly, dip into negative territory on Thursday when it made its weekly low of \$82.31/bbl. The market snapped back strongly on Friday and went into the weekend at \$87.60/bbl, a net gain of \$4.90/bbl. December Brent saw similar action and whipsawed within a \$5.81/bbl band making its low of \$85.18/bbl on Thursday before rebounding sharply to end the week up a net \$6.31/bbl to \$90.89/bbl. November Nat Gas rallied more than 13 cents on Monday to establish a fresh 10-month high at \$3.471/mmBtu before giving back the gains and then some. By Friday, the market had shed 27 cents to \$3.203/mmBtu and ended the week at \$3.236/mmBtu, down around a dime on the week. NGLs were also mixed, Nov Ethane sliced off a half-cent to \$.284/gal (\$.120/lb), while Propane added over a penny to \$.70/gal (\$.198/lb).

We have seen a much more balanced resin supply / demand picture develop since early summer, which contributes to our continued upward bias towards resin prices in the US. However, the Crude Oil market is a wild card as elevated cost have buoyed international resin prices, and consequently US domestic levels as well. Now that the Crude rally has taken a step back, the cost-push support could be challenged. However, the terrible terrorism by Hamas against Israel and the consequential military retaliation on Gaza could erupt into a wider regional conflict, which would be quite bullish to the Crude market. The entire situation is fluid and requires keen monitoring, so as a buffer, we recommend keeping ample resin supplies on hand.



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

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MARKET UPDATE

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10/20/2023
Dairy Market

BLOCK:	Down .0250	@ \$ 1.7875	2 Sales
BARRELS:	Up .0100	@ \$ 1.7100	0 Sales
BUTTER:	Down .0375	@ \$ 3.3600	1 Sales
NFDM Grade A:	Down .0025	@ \$ 1.2325	3 Sales
CME Dry Whey	Up .0075	@ \$.3950	3 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>
10/16/2023	1.7000	Unchanged	5	1.6425	Down .0025	5	0.0575
10/17/2023	1.7025	Up .0025	6	1.6450	Up .0025	1	0.0575
10/18/2023	1.7600	Up .0575	5	1.6825	Up .0375	5	0.0775
10/19/2023	1.8125	Up .0525	11	1.7000	Up .0175	4	0.1125
10/20/2023	1.7875	Down .0250	2	1.7100	Up .0100	0	0.0775
Average Market:	1.7525		29	1.676		15	

<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>
10/16/2023	3.3500	Down .0100	5	1.2200	Unchanged	0
10/17/2023	3.4100	Up .0600	3	1.2300	Up .0100	10
10/18/2023	3.4175	Up .0075	0	1.2200	Down .0100	1
10/19/2023	3.3975	Down .0200	4	1.2350	Up .0150	4
10/20/2023	3.3600	Down .0375	1	1.2325	Down .0025	3
Average Market:	3.387		13	1.2275		18

<u>Date</u>	<u>Dry Whey</u>	<u>Dry Whey Change</u>	<u>Dry Whey Sales</u>
10/16/2023	0.3350	Unchanged	12
10/17/2023	0.3700	Up .0350	7
10/18/2023	0.3850	Up .0150	4
10/19/2023	0.3875	Up .0025	4
10/20/2023	0.3950	Up .0075	3
Average Market:	0.3745		30

--Year Ago--

<u>Date</u>	<u>Blocks</u>	<u>Barrels</u>	<u>Butter</u>	<u>NFDM Grade A</u>	<u>Dry Whey</u>
10/18/2022	2.0500	2.1900	3.2000	1.4675	0.4375
10/19/2022	2.0500	2.2050	3.2000	1.4400	0.4350
10/20/2022	2.0575	2.1450	3.2000	1.4250	0.4400
10/21/2022	2.0575	2.0900	3.2000	1.4200	0.4400



UDDER INTELLIGENCE

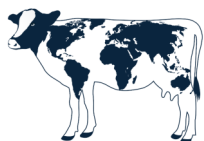
In-Depth Analysis



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Udder Intelligence



October 19, 2023

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What you need to know

- GDT was stronger than expected, up 4.3% with every product up
- Aug. EU-27+UK headline production up 0.1%, component adjusted up 1.7%
- Aug. EU exports were stronger than forecast, up 4.1% YoY
- Sep. U.S. headline milk production was down 0.2% YoY, component adjusted +0.8%

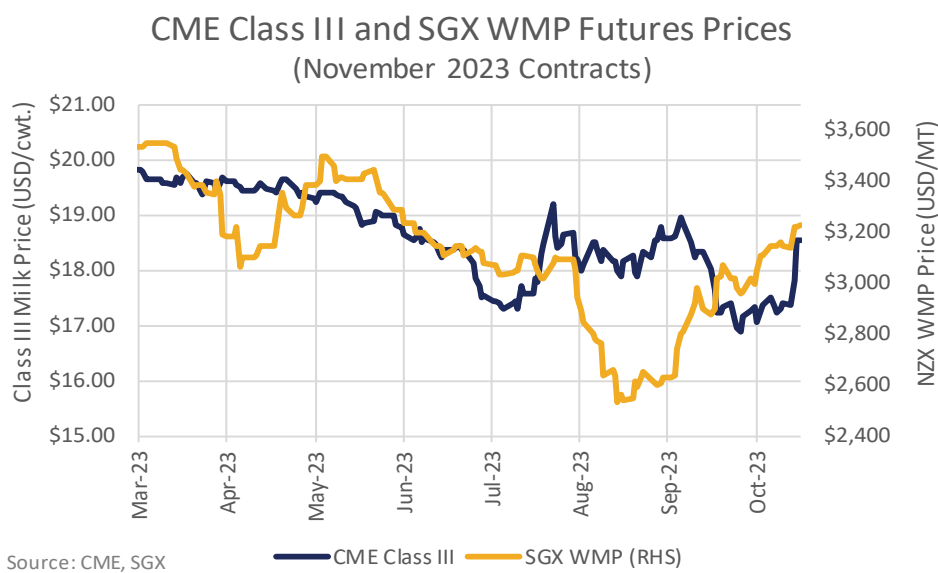
Dairy Prices (USD)

Cheese	Last (lb.)	Chg.	Last (MT)	WMP	Last (lb.)	Chg.	Last (MT)
CME Blocks (Wk Avg)	\$1.76	\$0.06	\$3,874	US	\$1.98	\$0.00	\$4,354
CME Barrels (Wk Avg)	\$1.67	\$0.06	\$3,691	Dutch	\$1.65	\$0.03	\$3,644
EU Gouda	\$1.81	\$0.04	\$3,987	GDT (Avg)	\$1.39	\$0.06	\$3,059
GDT Cheddar (Avg)	\$1.75	\$0.00	\$3,858				

Butter	Last (lb.)	Chg.	Last (MT)	Dry Whey	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$3.39	-\$0.06	\$7,463	Central US	\$0.34	\$0.02	\$739
EEX Index	\$2.33	\$0.02	\$5,141	EEX Index	\$0.36	\$0.02	\$801
GDT (Avg)	\$2.24	\$0.06	\$4,940	US WPC34	\$0.87	\$0.01	\$1,918
				US Lactose	\$0.25	\$0.01	\$543

SMP/NFDM	Last (lb.)	Chg.	Last (MT)	Rennet Casein	Last (lb.)	Chg.	Last (MT)
CME Spot (Wk Avg)	\$1.23	\$0.02	\$2,701	US	\$3.80	-\$0.05	\$8,378
EEX Index	\$1.22	\$0.02	\$2,686				
GDT (Avg)	\$1.21	\$0.05	\$2,659				

Sources: CME, USDA, EEX, GlobalDairyTrade, Dutch Dairy Board, Trigona, FRED USD/euro rate used: 1.056, -0.001

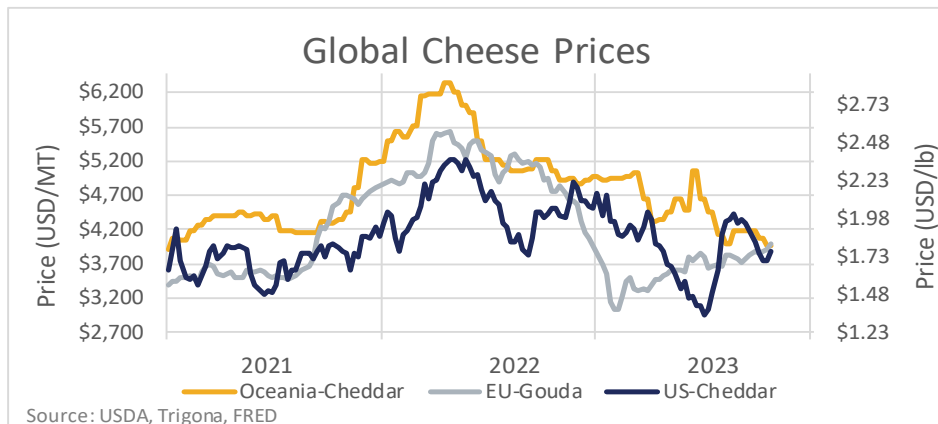


Market Summary

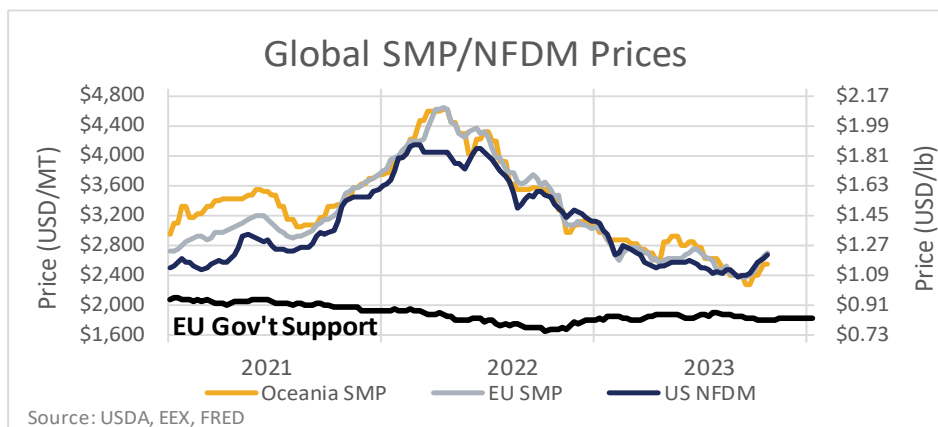
Prices keep moving higher, but I don't think we've seen the fundamentals that justify it yet. It could take another month for that data to show up, or maybe the data gets released and isn't bullish. Production growth is slowing down across the major exporters, so the supply side is becoming more supportive, but we need to see better demand combined with that weaker production to sustain a rally. I think there is some risk that the demand side is disappointing and prices pull back a bit from current levels, but it increasingly feels like the bottom has been made. Tomorrow we should get CN imports for Sep., which I expect will be down 10-15% YoY. We should also get NZ exports for Sep., which are forecast down 10.8% YoY.



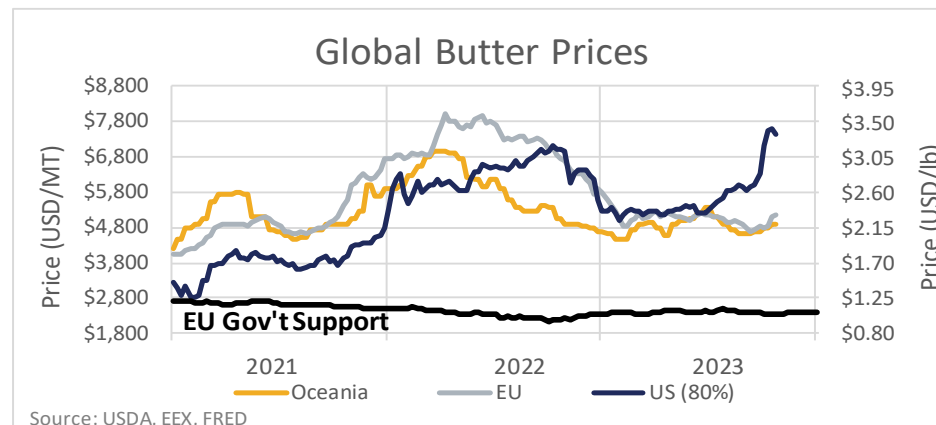
Product Markets



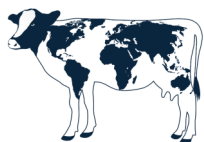
Butter: CME spot butter bounced around a little, but the weekly average was down from last week. Cream is a little looser seasonally, but isn't abundant. The U.S. butter market often breaks seasonally lower sometime between mid-October and mid-November, I think we are approaching the big shift lower, but the November CME futures contract rallied this week and is implying still high prices well into November.



Cheese: Cheese prices were higher in the U.S. and EU while GDT Cheddar was steady. My guess is the mild strength is a combination of year-end holiday demand, still seasonally low production and some buyers feeling that a bottom might be close doing a little extra buying. Or maybe it is sellers hoping a bottom has been made that are keeping it supported. I think cheese prices are range bound near current levels with all the major exporters a little long on cheese and competing in the export market.



Powders: NFDM/SMP prices were stronger again this week. I'm still not hearing much about improved end user/import demand, but this rally just keeps going. EU-27+UK exports of SMP in August were much stronger than expected, up 11% from last year. Dry whey prices were higher in the U.S. and roughly steady in Europe. The high protein side of the market continues to be the main driver. Dry whey prices seem to be hitting some resistance in the low 40 cent range (\$925/MT).



Udder Intelligence



October 19, 2023

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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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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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