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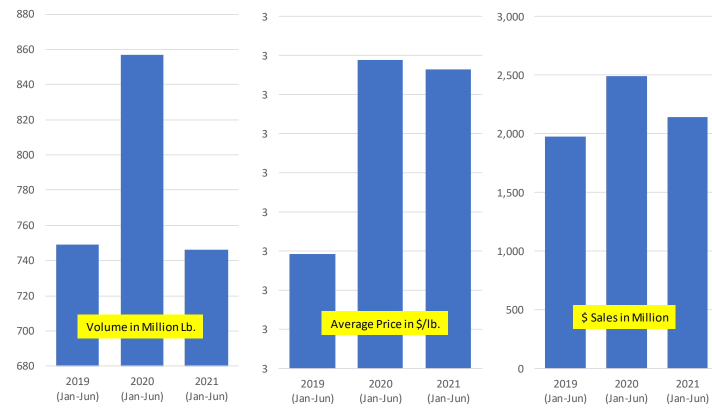
<u>While there is a fair amount of information in the market about trends at wholesale or in livestock markets, there is usually less visibility as to what is happening at retail and foodservice.</u> Which is why we try to include some of this information when we can. In the past we have highlighted some of the data provided by USDA, showing the number of features at the retail locations surveyed and the average price of those features. However, one thing that is always missing is data on the volume of product sold and how that relates to prices paid. Often the tendency is to look at higher prices or higher sales and conclude that demand must be better. The right way to talk about demand, of course, is to view it in relation to volume sold. If the consumer is wiling to pay a higher price while maintaining the same volume or buying more, then we can appropriately talk of better demand. Thanks to data provided by the National Pork Board and purchased with checkoff dollars, we were able to get some visibility in this regard. In the case of pork, through mid June, the volume of pork sold at all tracked retail locations was 12.9% lower than the COVID inflated numbers a year ago but only 0.4% less than the same period a year ago. During this period, the average price of pork sold at retail was about the same as last year and 8.9% higher than in 2019. Demand for pork at retail has clearly improved compared to 2019 levels considering retailers were able to charge almost 9% more for pork and sell roughly the same amount. That trend continued during the key holiday period. In the last six reported weeks (through June 13), the average price of pork sold at retail was 12% higher than the same period in 2019 while the volume of pork sold was 3% lower.

<u>Other proteins have performed just as well during this period, suggesting that the improvement in demand broad based</u>. Beef volume sales from the start of the year through mid June were 8.8% lower than last year but still as much as 4.2% higher than in 2019. It is quite impressive that retailers were able to keep volume sales above 2019 despite the higher prices and increased competition from foodservice. The average price of beef sold at retail increased compared to a year ago and it was 12.3% higher than in 2019. Pent up demand, excitement about lifting of restrictions and spring grilling season all appear to have bolstered consumer beef demand this year. Chicken demand was also quite strong. Higher prices for other proteins appear to have helped sales for this segment of the market. The average price of chicken at retail year to date was 9% higher than in 2019 even as the volume of product sold was slightly higher than during that year. During May and June, the volume sold was 2.6% lower than in 2019 and yet the average price of product sold was 12% higher than that year.

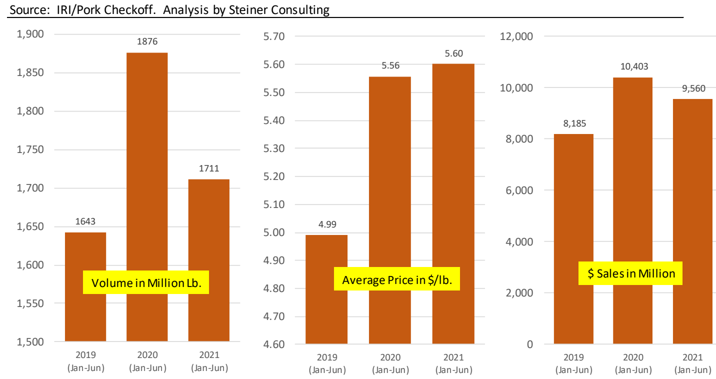
Pork Sales at Retail

Source: IRI/Pork Checkoff. Analysis by Steiner Consulting



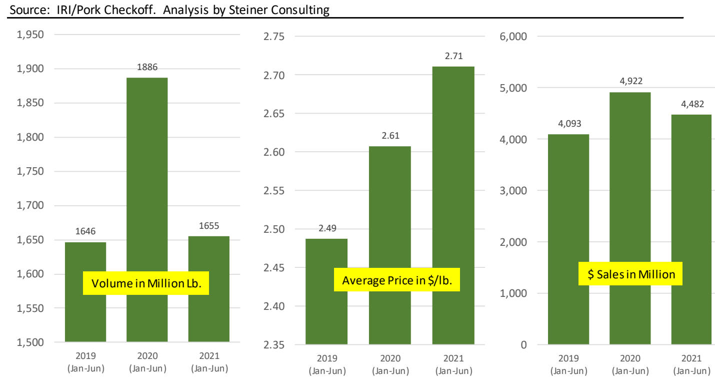
Beef Sales at Retail

Source: IRI/Pork Checkoff. Analysis by Steiner Consulting



Chicken Sales at Retail

Source: IRI/Pork Checkoff. Analysis by Steiner Consulting



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PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending 7/17/2021

Source: Various USDA Agricultural Marketing Service reports. Some data are preliminary. *Weekly Avg. Prices*

	Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
			17-Jul-21	10-Jul-21		18-Jul-20			
	Total Beef, Pork, Chicken, Turkey	**mil lbs., cwe**	**1,809**	**1,775**	1.90%	**1,970**	-8.18%	**54,270**	0.7%
	FI Slaughter	Thou. Head	653	575	13.57%	646	1.07%	17,938	4.7%
C	FI Cow Slaughter **	Thou. Head	119	129	-7.82%	106	11.84%	3,421	4.1%
T	Avg. Dressed Weight	Lbs.	815	815	0.00%	830	-1.81%	828	0.3%
T	Beef Production	Million Lbs.	531.2	467.9	13.53%	535.5	-0.80%	14,852	5.0%
L	Live Fed Steer Price	$ per cwt	122.80	122.16	0.52%	96.36	27.44%		
E	Dressed Fed Steer Price	$ per cwt	197.75	198.33	-0.29%	157.56	25.51%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	163.90	N/A	N/A	146.04	12.23%		
&	Choice Beef Cutout	$ per cwt	271.81	283.03	-3.96%	201.24	35.07%		
	Hide/Offal	$ per cwt, live wt	13.00	12.82	1.40%	6.92	87.86%		
B	Rib Primal, Choice	$ per cwt	388.57	385.68	0.75%	326.94	18.85%		
E	Round Primal, Choice	$ per cwt	228.33	237.31	-3.78%	166.21	37.37%		
E	Chuck Primal, Choice	$ per cwt	226.85	232.73	-2.53%	163.40	38.83%		
F	Trimmings, 50%	$ per cwt	124.33	118.12	5.26%	48.26	157.63%		
	Trimmings, 90%	$ per cwt	281.05	280.73	0.11%	243.33	15.50%		
	FI Slaughter	Thou. Head	2,280	1,923	18.56%	2,517	-9.42%	69,287	-0.2%
	FI Sow Slaughter **	Thou. Head	56.2	59.7	-5.81%	50.6	11.04%	1,669	-3.1%
H	Avg. Dressed Weight	Lbs.	210.0	211.0	-0.47%	212.0	-0.94%	216	0.3%
O	Pork Production	Million Lbs.	479.1	406.7	17.80%	533.3	-10.16%	14,978	0.1%
G	Iowa-S. Minn. Base	Wtd. Avg.	111.88	110.91	0.87%	31.13	259.40%		
S	Natl. Base Carcass Price	Wtd. Avg.	106.01	104.18	1.76%	50.74	108.93%		
	Natl. Net Carcass Price	Wtd. Avg.	108.37	106.55	1.71%	52.83	105.13%		
	Natl. Early Wean Feeder	Wtd. Avg.	40.87	40.79	0.20%	15.83	158.18%		
	Pork Cutout	205 Lbs.	118.94	115.67	2.83%	68.25	74.27%		
	Ham Primal	$ per cwt	101.65	95.99	5.90%	61.40	65.55%		
	Loin Primal	$ per cwt	109.31	105.52	3.59%	66.25	65.00%		
	Belly Primal	$ per cwt	200.21	182.83	9.51%	99.48	101.26%		
	Trimmings, 72%, Fresh	$ per cwt	133.46	116.03	15.02%	83.95	58.98%		
	Hog By-Product Value	$ per cwt, live wt	5.00	4.98	0.40%	3.61	38.50%		
C	Young Chicken Slaughter *	Million Head	146.9	172.3	-14.78%	165.2	-11.10%	4,506	-1.6%
H	Avg. Weight (RTC)	Lbs.	4.89	4.73	3.54%	4.78	2.38%	6.36	1.1%
I	Young Chicken Production (RTC)	Million Lbs.	718.7	814.6	-11.77%	789.6	-8.98%	21,761	-0.6%
C	Eggs Set (19-state)	Million	238.4	238.5	-0.03%	230.6	3.38%	6,665	1.7%
K	Chicks Placed (19-state)	Million Head	187.2	188.9	-0.91%	191.2	-2.08%	5,236	0.5%
E	National Composite Whole Bird	Composite	105.24	106.17	-0.88%	71.25	47.71%		
	Northeast Breast, B/S	$/cwt	183.44	182.78	0.36%	113.3	61.91%		
	Northeast Leg Quarters	$/cwt	45.13	46.07	-2.04%	27.2	65.92%		
T	Total Turkey Slaughter *	Million Head	3.068	3.335	-8.01%	4.372	-29.83%	102.407	-6.9%
U	Avg. Weight (RTC)	Lbs.	26.04	25.78	1.00%	25.54	1.95%	32.54	0.1%
R	Turkey Production (RTC)	Million Lbs.	79.9	86.0	-7.08%	111.7	-28.45%	2,678	-7.0%
K	National Hen (8-12 lb)	8-16 Lbs.	123.00	117.67	4.53%	109.00	12.84%		
G	Corn, Omaha	$ per Bushel	6.24	6.18	0.97%	3.13	99.36%		
R	Soybeans, Cntrl IL	$ per Bushel	14.88	13.96	6.59%	8.97	65.89%		
A	Soybn Meal 48%, Cntrl IL	$ per Bushel	362.50	362.10	0.11%	287.50	26.09%		
I	Distillers Grain, IL	$ per Bushel	176.50	177.50	-0.56%	142.50	23.86%		

* Chicken & turkey slaughter. Production, egg sets are 1 week earlier than the date at the top of this sheet.
** Cow and sow slaughter reflect levels from two weeks ago due to reporting lag.
*** Please note that the number of business days is different from one year to the next, which affects the YTD calculation