



Beef- The weather bomb cyclone that battered parts of the Southern Plains and Midwest tempered total beef production last week, but an aggressive Saturday harvest salvaged some of those losses. Packers' need to slaughter the 50k head on Saturday speaks to the beef sales committed for delivery into the early spring. This lessens the likelihood for a sharp pullback on production schedules. Wholesale beef prices continue to escalate, with Choice end cuts making the largest gains as of late. Beef prices usually retreat during this time of year before they accomplish their annual highs which typically occur during May or June.

The Kitchen Sink (Various Markets)- Nearby cocoa futures this past week have fallen and are down 10.9% so far this year. West Africa's main crop cocoa harvest has culminated, and reports are that bean shipment arrivals are up 11.4% year-over-year. Nearby cocoa futures could decline to the quarterly pivot \$1 at \$2.119 before April.

Grains- Heavy rainfall and snow melt have flooded notable portions of the western grain belt. Concerns are building that the planting season for grains could be further delayed. Although there is a lack of correlation between crop yields and planting timing, delays should shift some acreage out of corn. The grain markets could firm this spring.

Dairy -The cheese markets are trending higher, and the butter markets remain steady. Per the USDA, February milk production was up just .2% due in part to a .8% smaller milk cow herd and a 1% gain in milk-per-cow yields (vs's 2018). Perhaps most important however was the milk cow herd was unchanged from January making two straight months without any herd loss. This suggests that milk output gains may improve from here. Strong exports have supported the cheese markets this year, but prices usually top in mid-April. This spring's seasonal move upward for butter is likely to be tempered.

Pork- Severe winter weather last week caused the extended closure of at least one production plant which limited total pork output. Last week, pork production was down 3.3% week-to-week, but was up 1.6% from a year ago. Pork belly prices are moving sharply higher, but pricing in the \$1.30's is expected to curb some buying enthusiasm in the coming weeks. Since 2014, the average move for the pork belly primal during April was down 16.2%. China remains a bullish story and is supporting lean hog futures as expectations grow for increasing pork exports. Prices USDA, FOB per pound.

Poultry- For the week ending March 9th, total chicken slaughter was near even with both last week and last year. However, lighter year-over-year bird weights pulled ready to cook (RTC) chicken production down near 1%, bringing the 6-week average to 1.2% below a year ago. Chicken production is expected to begin expanding as early as April, and wholesale prices will likely decline in response. Chicken wing prices have notched a modest bump which is seasonally in line with fill-in needs ahead of March Madness. Yet, wing prices are expected to seasonally decline well into the summer. Price gains for leg quarters have been sharp, hinting a resurgence of chicken export demand.

Seafood- The snow crab leg markets remain inflated, although well off their 2018 highs. U.S. snow crab imports during December were solid, up 45% year-on-year. Despite a bigger fishing season in Alaska, world snow crab supplies are anticipated to remain limited for the next several months due to a small Newfoundland harvest. This could underpin snow crab leg prices.