

Competition is heating up in the meat case. Increased front-page featuring and volume discounts (e.g. buy one, get one free) have been abundant and splashing across grocery flyers. Earlier this week USDA ERS released retail data on the meat spreads, which calculates the different spreads from retail to wholesale to farm level. They use BLS data on retail meat cuts to determine retail prices.

Today we visit the March 2018 numbers. ERS lists the all fresh beef retail value at \$5.60 per pound, only 5 cents lower than last year's price. Retail beef prices have been below \$6 per pound since late 2015, but with more beef on the market and higher production numbers forecast in pork and chicken, the spread between competitive meats is widening. However, with all the major meat products (beef, chicken, pork, and turkey) below \$6 per pound, most consumers are not struggling with the price point.

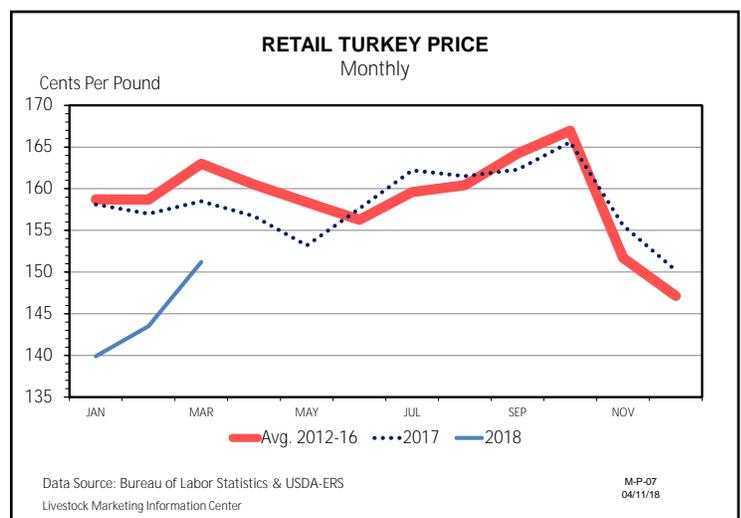
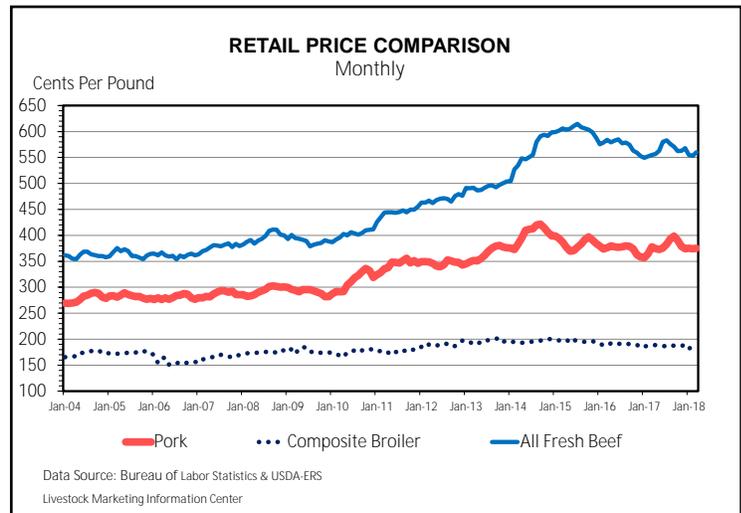
Pork retail price declined 3 cents per pound compared to 2017 but was up 1 cent from February. ERS calculates the pork retail price to be \$3.75 per pound in March. Turkey retail prices are also lower, coming in at \$1.51 per pound, 7 cents lower than last year but 8 cents higher than February. Whole bird chickens increased 4 cent to \$1.50 per pound while the composite retail price declined relative to a year ago, but was even with a month ago at \$1.86 per pound.

The BLS data series that underlie these retail price calculations contain data on 17 retail cuts of beef. Products range from less expensive items such as ground beef and ground chuck to boneless choice steak. Steaks were noticeably higher, increasing 5-6% from last year. "Steak round" (BLS term) increased the most adding 60 cents per pound from March of 2017. Ground chuck and ground beef increased from last year as well, up 4 percent and 2 percent.

Pork products tracked lower for the most part in March across the 9 reported categories. Pork chops decreased 24 cents per pound, from \$3.44 per pound reported last year. Sliced bacon prices also decreased. Chicken legs and breasts were both lower. Boneless chicken breast lost 15 cents compared to last year and bone in legs were 9 cents lower.

Chicken is tracked in 7 categories, while turkey has a single frozen category. Frozen turkey declined 7 cents from 2017.

Eggs, although not part of the meat case, are much more expensive this year. Eggs were 42 cents per dozen higher in 2018 compared to last year and nearly gained 10 cents per dozen since February.



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