



MARKET WATCH

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Ingredients for your Success



Poultry

► Production has been constrained from lighter bird weights and lower bird placements. Wings mostly steady on jumbo, lower on medium and small, while still being the best value in the complex. Tenders availability is very tight. The random breast market is very strong. Portion control breasts have strong demand and tight supplies.



Beef

► Foodservice had a favorable Mother's Day and retail was steady at best. Larger harvest and slowdown of out-front commitments has led to softer prices in order to keep inventory moving. Buyers seem content to buy hand to mouth. Rib, strips, tenders should soften until demand from consumers picks up. Chucks and rounds can only hope to maintain current levels and not lose more ground.



Grains / Oil

► We had a break, last week, for soybean oil as fund traders sold some of their positions to take profits. Palm continues higher as Indonesia has not lifted its export moratorium. Flooding in Canada (Canola) along the Red River is keeping farmers from planting.



Pork

► Bone-in and boneless butts are still coming down, we expect this to be the last week of price concessions as demand normally picks up. Spareribs are moving up due to short supplies, all other ribs remained flat. Loins are taking a dip as retail demand has slowed. Bellies are also coming down moving with seasonal trends for this time of year.



Dairy

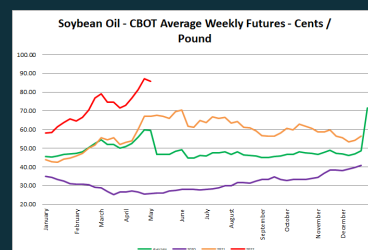
► The cheese markets appear to have leveled out after being on a steady increase since December. Strong Exports have been driving this increase. Eggs continue to move higher with Avian Influenza with cage free eggs taking the brunt of increases. Butter markets were down with soft demand.



Seafood

► Canadian crab cluster season has begun. 50% of the quota has been caught in the Gulf already. There has been some closures due to right whales showing up in fishing areas. Market indexes for groundfish trending higher with active demand from both retail and foodservice. Mid-to-Smaller sizes wild caught domestic shrimp can offer a good value.

Market Headlines



Eggs

Michael Foods is experiencing shortages related to avian influenza. The shortage will affect approximately 25% of their caged egg supply. Expect to see service issues for the next few weeks.

Seafood

The new shrimp season just opened on Monday 5/9 in Louisiana in one zone with all zones scheduled to open by 5/30. Texas season will close on 5/15 and not reopen until 7/15. We have good inventories of mid to smaller PUDs.



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Asparagus

- Market is adjusting as supplies begin to improve as more domestic supplies starts to come on line.

Avocado - Alert

- Mexico –Size curve is seeing larger quantities of 40ct and larger than earlier this season, with lesser amounts of smaller fruit being found in the available groves. #2 fruit making up 15-20% of the pack out. Dry matter out of Michoacan is ranging from 33% to 38% which makes for fruit that has a darker exterior color, even when unripe. Shelf life is shorter however, and maintaining the cold chain is vital for fruit stability.

Anise/Fennel - Alert

- Expect shorter supplies and active markets for the next week.

Broccoli & Cauliflower

- Increased market activity being seen this week on both broccoli and cauliflower.

Cabbage-Bok Choy, Napa, & Red - Alert

- Market is active with less overall supplies available. Active markets for the next 7-10 days.

Carrots - Alert

- No change from the previous weeks. Shredded carrots, rainbow shredded carrots and 2 in peeled carrots are now short in supply in addition to shortages on snack pack and jumbo carrots out of California. Carrot sticks for some also remain a challenge with the main carrot processor only packing a 2-inch stick, instead of a 4-inch stick.

Celery Value-Added - Alert

- Active markets as suppliers are dealing with quality issues out of Oxnard CA and the start of the season in Salinas is still 3-4 weeks out.

Cucumber - Alert

- Active markets continue as supply out of Mexico remains low and full production on the Central Coast of CA is not fully ramped up at this time.

Green Beans- Alert

- Florida - Bean supply light as new areas begin, and older areas finish up. Demand decent, quality good and market strong. Mexico very limited volume as season ends, quality fair and Coachella starting in a very small way. Market active.

Citrus - Alert

- Lemons: The crop is heavy to mostly large fancy grade. Small choice is lighter in supply and prices are increasing
- Market mostly steady. Volume is peaking on large fancy grade. Small choice grade 113-138 counts are getting short in supply. Valencia's have started and are being used to fill in on small sizes. The full transition will take place over the next few weeks.
- Lime: Small fruit still represents majority of yields, while large sizes still extremely scarce. Slightly greater availability on mid-sized fruit. Flexibility is needed on sizing as suppliers will have to sub sizes due to the larger sizes being extremely tight 110s/150s.

Leaf, Iceberg, Romaine

- Stronger markets being seen this week with good demand on all leaf lettuces, romaine, romaine hearts and iceberg lettuce.

Onions

- Market active but should start to settle. Texas should be wrapping up in a couple of weeks. Southern California is picking up volume as new crop continues to come on.

Peppers Chilies- Alert

- Florida Hot pepper supply a little better, quality good and market steady. Florida production anticipated to end within the next week; expect a gap between Florida and Georgia seasons. Mexico producing good supplies and quality. Central California weeks away

Bell Peppers- Alert

- Supplies out of Florida on green bell peppers remain short. New crop Georgia pepper two weeks out. Red and Yellow bells are short and demand good. Mexico green bells winding down with small sizing available. Red peppers will be in extreme short supply for next 7-10 days. Yellow peppers will be snug but available.

PRODUCE MARKET Updates

Parsley - Alert

Italian parsley is being challenged with quality issues causing lighter supplies and stronger markets. Heavy seeder is being seen for some suppliers.

Mushroom - Alert

Markets are adjusting upward due to increasing temperatures out east. Quality and availability will decline through the coming weeks. Mexico season is wrapping up which will drive the market upward out West.

Brussels Sprouts - Alert

Active markets continue as supply out of Mexico remains low and full production on the Central Coast of CA is not fully ramped up at this time.