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MARKET WATCH



Ingredients for your Success

Chicken



As hatchability of eggs remains an issue, we continue to see supply shortages especially on wings and tenders. Breast demand has started to level off. Wings demand continues to be strong. Tenders demand is very strong and remain the hardest offering to find. Dark meat demand remains very good. Whole birds are mostly steady.

Pork



Butts will start to trend downwards now that we have passed the Memorial Day holiday. Ribs are holding relatively flat as demand is steady and supplies are steady as well. Boneless Loins are holding strong due to exports. Bellies are coming down but will be short lived as the market is expected to rise.

Beef



Reduced harvest continues to limit transactions. Ribs, strips, and top butts continue to drift higher due to solid demand. Tender prices remain steady, as consumers shy away from higher priced cut. Insides, chucks, and grinds continue to support each other; limited trimmings are facilitating the use of these cuts into grinds.

Dairy



Shell egg markets are all up. Reported 4.2-million-layer farm in the Midwest has contracted the H5N1 virus, bringing the total number of hens lost this month to 7.4 million. The Block & Barrel are decreasing. Cheese production schedules are steady to stronger throughout the U.S. Butter is up. Cream is tightening.

Grains / Oil



Large fund buying, soybean oil stocks drawdown, and wet weather in the US growing region, aided in the futures market for soybean oil moving higher. Canola moved higher with the possibility of a rail strike and wet weather there, too. Palm was slightly lower with good production. Exports, though, are looking to increase.

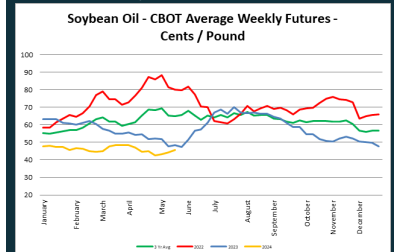
Seafood



North Atlantic Lobster tails supply is improving, and prices are coming down. Markets are steady week-over-week. Seafood sector is gearing up for big holidays going into summer and operators are revamping summer menus.

Market Headlines

Soy Bean Oil



Beef

Cattle placements were lower than a year ago and the lowest so far this year. Placements are lower across all groups; critical # will impact the expectations for supply later this year.



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Asparagus

Western demand is good, and supplies are improving as is Peruvian import. Local production is winding down, quality is reported as good from all growing regions.

Avocado

Prices are expected to rise this week, with steady increases throughout the month of June. Harvests are lighter and packers are chasing fruit, driving field prices higher in Mexico.

Broccoli

Market a little softer as supplies are adequate and meeting demand.

Cabbage - Green & Red

Red pricing remains elevated as supplies are expected to be tight for the next couple of weeks. Supplies and quality good on green that market is mostly steady.

Cauliflower

The market is a bit softer on good supplies with moderate demand.

Celery

Supplies remain snug and market remains firm. We do not anticipate any significant relief until Salinas starts up in June.

Cilantro/Parsley

Tight supply continues and Cilantro and market is firm with the strong demand. Quality is ok but weather is impacting yields. Parsley markets active as Italian Parsley supplies will be limited for the next few weeks and quality is fair, curly parsley supplies are better.

Corn

East - supply and quality good, and market low. West - seeing predominantly white color corn with lesser supplies of yellow and even less bi-color. Quality is good, demand is higher, and market is slightly higher.

Grapes

All quality is good, tiered market California top, Mexico middle, remaining Chili product lower. Market will level out as inventories clear.

Lettuce Romaine

Production is steady and the quality is good. Markets remain elevated to a bit lower, and demand remains strong. Heart market is higher on all packs.

Citrus- Alert

Lemons -**Alert**-District 1 fruit is mostly Large (115 & larger). Consequently 140s & smaller are very tightly supplied. The lemon market will continue to be tight throughout the summer (mostly May & June) or until the relief of imports. Small lemons demand exceeds supplies.

Oranges -**Alert**-Navels begin to wrap up for the season. Most of the volume on 88's and smaller are Valencia's Oranges. Export Navel season is finished. Smaller sizes are better supplied, as the demand of schools have decreased.

Limes - Overall lack of rain and high temperatures will affect sizing and quality/shelf life. The trees are stressed. The crop is currently peaking on 230's & 200's. Larger sizes are extremely limited in supply; 110's & 150's will be almost non-existent if drought conditions continue.

Onions

Supplies are improving on all colors in New Mexico. California is seeing steady availability as we near the start of the transition from South to Central. Quality is good. Prices are lower.

Bell Peppers

East - Green bell supply better, quality is good, and market is weaker. Red and yellow bells are in short supply and the market is stronger. West Green pepper supplies will decline, the market is higher, with good demand. Color pepper market is mostly higher. Quality is improving.

Potatoes- Russets

Supplies are very light on 40-50 ct from most suppliers. 90-120 ct are plentiful. This now looks to be the case through the summer months. Demand is following supply accordingly. Prices are steady on large and lower on smaller sizes.

Tomatoes

Roma, cherry, and grape markets are weak to flat due to Florida volume, Georgia starting in a small way and still plenty of small fruit coming out of Mexico.

Squash

East - Both squash are in short supply, quality is good, and markets are very high; new growing areas will start to pop up. West - Demand exceeds due to unusually cool spring weather. Shortages expected in both zucchini and yellow squash which is expected to improve by weekend and weather warms up.

PRODUCE MARKET Updates

Melons

Cantaloupe demand exceeds with sub sizing requests at time of loading as cooler weather has affected growing pattern. Quality is improving. Relief expected in 10 days. Honeydews are experiencing the same with limited volume and fair quality.

Pineapples

Sizing continues to be shifted to smaller sizes. 5ct will be very tight for the next couple weeks with more 7ct available. No real peak expected this summer.

Eggplant

East - Green bell supply better, quality is good, and market is weaker. Red and yellow bells are in short supply and the market is stronger. West with 40% less acreage planted volume will be lower throughout the summer season. For now, market is steady, and quality is good.

Lettuce Iceberg

Market active and remains elevated. Crops continue to be behind due to the cold and windy weather. Ground temperatures are below normal, and crops are just not growing. Demand is exceeding supplies.