



Published: June 14, 2024

# MARKET WATCH



Ingredients for your Success

## Chicken



Tenders continue to be hottest part of the bird and excess supply is nonexistent. Wings continue to be in high demand despite the summer season being here and supply is limited. Jumbo and medium breasts supply has improved as hatchability and bird weights are improving. Dark meat demand remains very good.

## Pork



Pork butts are finally trending down coming off the Memorial Day. As supplies tighten and customers prepare for the July 4th holiday expect markets to hold strong. Ribs are still considered a strong market even though we are seeing spares come down, backribs and St. Louis continue to rise. Bellies are relatively flat for next week as demand is steady. 72 trim is up.

## Beef



Economic strains on the consumer are pushing focus to value cuts. Flank and flap, appear to be in a lull due to a possible price reset. Ribs and tenders continue to disappoint as buyers steer clear of high prices. Top sirloins and strips are stars leading to higher prices. Insides, chucks, and grinds continue steady; supporting each other due to use of lean material for Father's Day.

## Dairy



Shell egg markets flat this week except for Large & Medium shell eggs. California and Northwest markets are also flat. The Block is up & Barrel are flat. Some manufacturers have shared they are seeing increased interest in aged cheeses. Butter is up. Bulk butter overages range from 1 to 10 cents above markets.

## Grains / Oil



The whole soybean complex was lower. The lower markets are pointing to lower soybean oil in the future. Crush margins are falling again for crushers, which, if sustained, could lead to higher basis levels. Planting is doing very well. It is wet in some areas, but overall planting for beans is ahead of schedule.

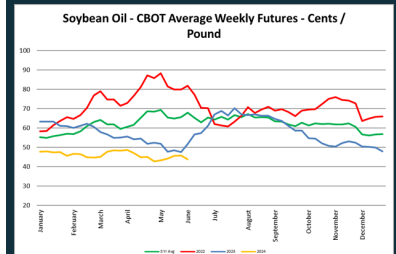
## Seafood



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

Grading seasonally declines during the summer. Although, due to lack of replacement cattle, this will likely continue to incentivize feedlots to feed animals longer. This should lead to higher graded product.

## Dairy

Two new HPAI outbreaks have affected 5.7M birds. The last outbreak have only affected Michael Foods. All other Sysco egg suppliers (Fresh Shell) are not impacted at this time and will continue to ship products with no interruptions.



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## Asparagus

Demand remains moderate as the increased supply from all regions has made for a lower market.

## Avocado

Prices are expected to rise this week, with steady increases throughout the month of June. Harvests are lighter and packers expect fruit to be limited until August in Mexico.

## Broccoli

Market pushing higher as growers contend with lower yields that are limiting supplies and the Mexico season winding down. Expect supplies to be snug the next couple of weeks.

## Cabbage - Green & Red

Red pricing remains elevated as supplies continue to be snug. Supplies and quality good on green that market is mostly steady on the West Coast.

## Cauliflower

Market is lower on moderate demand, supplies are currently meeting demand.

## Celery

Market lower as we continue to transition North to Salinas, growers do not anticipate any gap issue on supplier.

## 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 remain limited, curly parsley supplies are better.

## Corn

East - supplies from Florida are wrapping up. Georgia is going, however there seems to be a trend of being ahead in harvest. This may cause a supply issue closer to the 4th of July West moderate volume due to transitional growing areas. Market expected to increase with a possible gap in the next two weeks.

## Grapes

Mexico - Continued large spread in pricing between Mexican (lower) and California (higher) product. Sizing on Mexican product medium to large, very few XL. Coachella quality higher and sizing larger. Expect to see the Mexican market continue at very low levels

## Citrus- Alert

Lemons -**Alert**-California is still experiencing a shortage of small lemons. General lemon demand remains strong. Some small, imported lemons are starting to arrive. Supply is exceeded by demand. The lemon market will continue to be tight throughout the summer.

Oranges -**Alert**-The Valencia orange season is underway in California. Overall, the quality is very good. The industry is experiencing shortage of smaller sized oranges. However, seeing a slight reprieve with schools out for summer break.

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 110/150 CT are extremely limited in supply and do not see relief in the coming weeks.

## Onions

Supplies are good on all colors in New Mexico and California with no issues to report. Quality is good. Prices are lower on reds and yellows and are expected to downtrend next week as well. Whites are steady.

## Bell Peppers

East - green bells extremely short supply, quality is good, and market is very high. Red and yellow bells are extremely short. West - Green bells are extremely short as San Joaquin district just starting but not with volume needed. Red and Yellow are also very short, expecting increased markets on all bell peppers for at least two weeks.

## Potatoes- Russets

Supplies are 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. Quality is good.

## Tomatoes

Markets remain steady with good quality and availability on rounds, grapes, & cherries. Roma markets are increasing due to lack of availability both east and west.

## Squash

East - zucchini and yellow squash supplies increased, quality is good, and market will continue to fall the next few days. West larger sizing extremely short for both zucchini and yellow squash. Both remain in demand exceed status with higher markets.

## PRODUCE MARKET Updates

### Melons

Cantaloupe finally seeing production increase which brings a steadier market. Smaller sizing is slightly limited, quality and condition is good. Honeydew volume is up due to heat in growing region, sizing is also larger than anticipated with good quality.

### Blueberries

Supplies are declining for the next couple weeks before rebounding, pushing that market higher. Quality is reported as good.

### Green Beans

East - bean supply extremely light, quality good, and market very high. Georgia growing season is coming to an end and production is moving to more northern growing regions. West Volume has increased but is expected to decline. Market expected to hold steady.

### Lettuce Iceberg

Market is still elevated but is starting to soften, supplies are still light but lower demand is helping.