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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 breasts supply has improved as hatchability has improved. Dark meat demand remains very good. Whole birds are mostly balanced.

Pork



Butts have softened as expected but not at the rate forecasted after Memorial Day. Spare ribs remain volatile due to constraints from demand and St. Louis production. Backribs are trending up and should continue throughout June. Boneless loins will follow suit with butts on their normal season decline until later in the month. Bellies continue to be a rollercoaster.

Beef



The market continues to be unsettled as packers and buyer have different ideas on which direction the market will move this summer. Ribs, strips, and top butts are holding steady. Tenders continue to disappoint as consumers shy away from higher prices. Insides, chucks, and grinds are steady as customer look for bargains. Increased harvest could lead to a market adjustment prior to next holiday.

Dairy



Shell egg markets are all up. The latest HPAI outbreaks only directly affect Michael Foods. The two farms are a blend of both Conventional and Cage Free egg layers (hens). The Block & Barrel are decreasing. Cheese production schedules are steady to stronger throughout the U.S. Butter is up. Cream is tightening.

Grains / Oil



Soybean oil futures moved higher last week. With good planting progress, good weather, ample South American supply, and large fund selling, the move seemed more like keeping in step with higher palm than anything else. Expect the market to trend lower into next week. Canola, too, was higher.

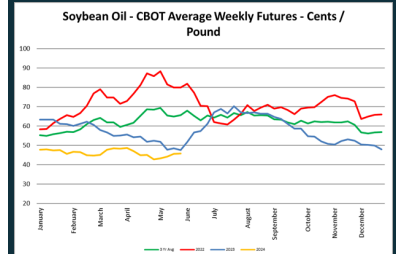
Seafood



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

Through the first four months of 2024, dairy cow harvest is down 12% year over year, leading to shortage of "cow" product available on the open market. Producers have not had to cull herds as they have needed to in years prior.

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.



MARKET WATCH

Ingredients for your Success

Asparagus

Increased volume out of Baja combined with light demand saw market decline. However as local production winds down, market will pick up.

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 pushing higher as growers navigate planting gaps that are limiting supplies.

Cabbage - Green & Red

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

Cauliflower

Production is behind schedule and the market has jumped up quickly, we expect light supplies the next couple of weeks.

Celery

Market mostly steady as we start to see some growers begin to transition North to Salinas from Oxnard, we could see market get a bit active.

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 - Corn quality good, supply very good, demand good. Market remains on the low end. West white production is steady as is the market. Quality is good. Yellow and B-color limited.

Grapes

Good supplies on both coasts from import and Mexico product off to a positive start as well. Expecting tiered market through this and next week, as quality and volume improve and Chilean inventory clears.

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 are extremely limited in supply; 110's & 150's will be almost non-existent if drought conditions continue.

Onions

Supplies are good on all colors in New Mexico with no issues to report. Northern and Southern California are overlapping which is increasing availability. Quality is good. Prices are lower on reds and yellows, whites are steady.

Bell Peppers

East - Green bell supply light, demand very good, quality is good, and market will increase. Red and yellow bells limited supply. West - Green bell peppers are extremely short this week, color are limited as well. Demand has increased and market is trending higher.

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

Markets are steady on all varieties (round, roma, grape, & cherry) with no gap between Georgia/S Carolina and Florida crops, we expect it to remain flat for the next few weeks.

Squash

East - Zucchini and yellow squash are extremely limited. There are small pockets of squash around but difficult to get loaded. Demand is very good and market extremely high. West - Demand exceeds for both zucchini and yellow squash due to late production caused by poor weather.

PRODUCE MARKET Updates

Melons

Cantaloupe volume and quality are improving but not enough yet to fill the pipeline with the increase in demand.

Larger fruit is more readily available. Honeydew remains in the smaller sizing profile while Mexican import helps to fill that void. Market is lower.

Pineapples

Market on big fruit continues to be red hot and short supply. Fruit is just not sizing up with lack of rain and continuous heat and sun. Fruit quality is fair on external but with fruit under so much stress the fruit can look a bit scarred and brown. The internal brix seems to be remaining high at 12.5-14.5 which is most important.

Green Beans

East - beans are very tight, and market is high, plantings are sporadic due to rain and weather issues Georgia has experienced. West Demand Exceeds due to limited volume and transitional growing area late start up due to cooler weather. Not expecting relief for two weeks.

Lettuce Iceberg

Market active and remains elevated due to overall light supplies industry wide. The forecast is for steady prices at current levels. Demand is exceeding supplies.