



Sysco
At the heart of
food and service

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MARKET WATCH



Ingredients for your Success



Poultry

▶ Wings and tenders continue to be hottest part of the bird and excess supply is nonexistent. The wing market continues to show growth despite being in a traditional slow time for wing demand. Breast have started to even out. Dark meat demand remains very good. Whole birds are mostly balanced.



Beef

Packers continue to pay more for cattle and are left with the need to balance cost w/ return on investment going forward. Middle meats have slowed and anything grading less than upper 2/3 programs on strip, rib, and sirloin sub-primals are encountering resistance. Insides, chucks, and grinds continue steady; due to need for lean material for ground beef.



Grains / Oil

▶ The soybean oil market was on fire last week. Due to the recent market lows, biofuel manufacturers entered back into the market and pushed the market nearly 16% higher. It took Canola oil and palm oil higher, too.



Pork

▶ Butts continue to come down as post-holiday demand was expected to be weak. Loins are still down as demand has tapered off, but based on historical trends, could still rebound. Ribs took a hit this week, as demand has waned. The belly market continues its downward trend for several weeks, but experts are still calling this market volatile. Trimmings are down with good supply.



Dairy

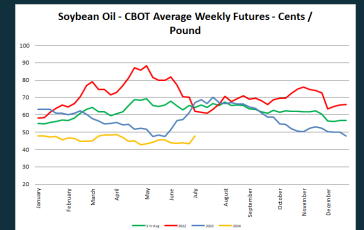
Shell Egg markets remain steady with steady demand. California eggs re still dropping slightly. Cheese and butter markets are both up due to increased demand. Cream and culture pricing will have nominal increases for July. Processed Eggs will see a decrease for July as Avian Influenza is not a factor this season.



Seafood

▶ Wild salmon season is in full swing and domestic shrimp have been at great value all year with steady prices. Wild domestic shrimp and wild domestic salmon are great additions to summer menus that customers look for. Be sure and check out all that Portico fish and shrimp offer in Wild and Domestic selections!

Market Headlines



Shortening & Oil

Over the last 2 weeks, the soybean oil market has risen nearly 16%. This affects soybean oil, Canola, Cottonseed, palm, and blends.

Seafood

The U/10 domestic scallops will be short this year due to the limited number of larger scallops harvested. Prices have jumped substantially in the last few weeks. Consider using U/10 IQF Scallops from Japan as an alternative.

Seafood

Prices of lobster tails and lobster meat have come down due to catches surpassing expectations, and improved supply.



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Asparagus

- ▶ Market remains active and production remains below budget. Supply has improved on Standard and Large sizes but the bigger sizes remain limited. Quality is average to good.

Avocado

- ▶ Mexican imports have started again and size curve for old crop is peaking on 48's and larger and new crop is peaking on 60's and smaller. California market is coming down with more volume from Mexico. Columbian fruit imports have dropped 50% and will continue to drop.

Broccoli

- ▶ Market remains elevated, but supplies are increasing slightly. Expect market to be active for 2-3 weeks.

Cauliflower

- ▶ Improved supplies have the market a bit softer in addition to lighter demand.

Celery

- ▶ Market is steady and supplies continue to meet demand.

Cilantro & Parsley

- ▶ Tight supply continues for Cilantro and the market is firmer with demand exceeding supplies with many growers. Parsley markets active as Italian Parsley supplies remain limited, and quality is fair. Curly parsley supplies are better.

Citrus

- ▶ **Lemons** –California lemon supplies are tight, especially for small sizes (165 to 200-count fruit). The US is receiving more import volume from Argentina and Chile. Mexican lemons are challenged by extreme weather. Suppliers will be holding to 10-week averages on 165s and smaller.
- ▶ **Oranges** – Navels are wrapping up this week, quality is going down fast. Valencia oranges are in high demand now, peaking on 72s, 88s, 56s and will grow a size and small fruit will continue to be in limited supply. Import navels have started arriving.
- ▶ **Limes**—The market has flat lined in response to the post-holiday demand lull. Hurricane Beryl's trajectory altered slightly, sparing the state of Veracruz from impact. Availability on large sizes will soon improve in response to consistent rain over the past few weeks.

Grapes

- ▶ Extreme heat in California's Central Valley is delaying harvest as they can't have harvest crews work in those extreme of temperatures. Market expected to remain steady and supply is on fair at best and demand is good.

Lettuce, Iceberg

- ▶ Market is steady with higher undertones, supplies fair to good. Quality fair to good with an increased presence of insects.

Lettuce, Romaine

- ▶ Quality fair as heat continues in the Salinas Valley increasing the level of pests in the fields. Market mostly steady.

Onions

- ▶ Yellow and Red Markets are steady. Whites are still tight and will remain so until we are solidly transitioned to Northwest new crop. Quality remains excellent and we expect a strong finish to the New Mexico crop in the next 2 to 3 weeks.

Peppers

- ▶ East - bell peppers are extremely limited, quality is good, and market is back to being extremely high again. West – Extreme demand exceeds as heat has all but obliterated this category. Mostly affected are color peppers with green to a slightly lesser extent.

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.

Squash

- ▶ West High temperatures causing quality issues in all varieties of squash. Mold, soft, bloom drop will cause shortage and higher markets. East – zucchini and yellow squash supplies lighter, demand good, and market increasing a little.

Tomatoes

- ▶ Round availability remains stable both east and west, but Roma availability has declined due to weather availability and lack of production out east. Cherry/grape markets continue to improve as additional volume becomes available.

PRODUCE MARKET Updates

Brussels Sprouts

Demand is still exceeding supplies and market pricing continues to move higher. Seasonal quality and transitional challenges have significantly reduced yields.

Pineapple

Quality is getting better as well as the availability. It has and will continue to be a slow improvement but moving in right direction with rain falling in past couple weeks. Production on large sizes remains tight. Condition expected to continue into August.

Hot House

Peppers, cocktail, Heirloom and Beefsteak tomatoes demand exceeds supplies.