

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Stable	Available - Steady	<i>USDA Prime and Upper 2/3 Choice quality grading continues to be under pressure and underperforming. Seasonal downward price corrections continue within the middle meat markets.</i>
Butter	Stable	Available - Strong	<i>Butter inventories increased year over year and are in line with the five-year average. Hot, dry weather in the U.S. will hinder milk production and keep the market from dropping too much.</i>
Fluid Dairy	Increasing - Class 1 Increasing - Class 2	Available - Steady - Class 1 Short - Strong - Class 2	<i>After many months of increases, July costs will continue to be fairly steady on Milk (Class I) &amp; Cultured (Class II) products.</i>
Cheese	Stable	Available - Strong	<i>May cold storage report for cheese shows an increase in stock and ahead of the five-year average. Hot, dry weather in the US will hinder milk production and keep the market from dropping too much.</i>
Oils/Shortening	Mixed	Mixed - Strong	<i>The availability of high oleic, canola and sunflower products remain limited in some markets. Manufacturers are trying to cover existing customers until fall crop harvest. Soybean oil products persists to sell at historically high levels and will not have significant change anytime soon. Availability of soybean products is more plentiful than some other oils, but still may be limited in some areas. We suggest that operators manage their fryers properly to extend shelf life as long as possible.</i>
Canned Fruits & Vegetables (Peas, Corn, Various Fruits)	Increasing	Short - Strong	<i>Producers of foodservice size peas are now underway with new pack production. Corn, root crops, and canned fruits(peaches, pears, and mixed fruits) continue to experience shortages in supply. These items will experience supply challenges until 2022 new pack production is available.</i>
Canned Fruits & Vegetables (Canned Pudding & Cheese Sauces)	Increasing	Short - Strong	<i>Industry wide shortages of modified food starch (used extensively in the production of puddings and cheese sauces) continue today. However, production and availability of finished products should start improving in August.</i>
Pork (Commodity)	Mixed	Available - Strong	<i>Pork butt price should be at or near its peak, while sparerib prices should begin to decline along with back ribs.</i>
Pork (Value-Added)	Mixed	Mixed - Strong	<i>Bacon prices should continue to appreciate through August, along with pork based Frank's, sausage and pizza toppings.</i>

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Poultry (Chicken)	Mixed	Mixed – Steady	<i>Boneless breasts and wing pricing has stabilized and is remaining steady. Spot availability is showing on all sizes. Demand on whole chickens and WOGS remains steady with little spot availability. Demand for the back half of the bird has started to slightly decline and spot availability is showing.</i>
Poultry (Turkey)	Increasing	Short – Strong	<i>Breast meat prices remain at all-time highs, as do the rest of the parts of the bird. Availability on whole toms and hens is scarce with prices at all time highs. This trend is expected to continue through the summer.</i>
Produce	Decreasing - Tomatoes Steady - Avocados, Strawberries, Carrots Increasing - Onions, Garlic, Iceberg, Romaine & Idaho Potatoes	Available -Steady - Carrots & Tomatoes Available - Strong - Strawberries Short - Strong - Avocados, Garlic, Romaine, Iceberg, Onions & Idaho Potatoes	<i>Strawberries' peak production is keeping pricing deflated. Avocados market has peaked and supply light due to seasonal harvest drop. Onions are experiencing shortages due to weather, medium is peak size. Carrot supplies remain short on jumbo, but ample on small sizes. Domestic garlic persists to experience tight supplies and inflated levels. Tomatoes production is in full swing. Market is slightly deflated. Romaine and iceberg experiencing supply issues due to high temperatures. Market is expected to inflate. Idaho potatoes limited supplies driving market higher. Storage supplies will likely be exhausted prior to new crop in August.</i>
Seafood	Decreasing	Available - Strong	<i>Shrimp, swai, tilapia, crab, and others prices continue to decline rapidly. In some cases, market prices have deflated by more than 25% in the last month.</i>
Shell Eggs	Stable	Short - Strong	<i>No recent Avian Influenza cases reported; however, pricing is still relatively firm as supply hasn't recovered as of yet.</i>
Sugar(Bulk)	Increasing	Short - Strong	<i>Sugar will remain in tight supply at least until fall. Pricing has inflated significantly on all sugar products (and finished-goods containing significant sugar content) through the spring months. We are expecting these inflated prices to remain in place at least until October. The government has not allowed any increase in imported refined sugar so far this year. Domestic producers are working diligently to keep up with demand. However, demand seems to be outpacing supply at this time.</i>
Wheat (Flour Based Products)	Mixed	Mixed - Strong	<i>It is expected that we may see fluctuation in pricing levels of flour products, but we will not see any large price deflation in the near term. Pricing on flour and flour-based products is to maintain higher levels versus past years based on continued world-wide tight supply levels. At this time, it is largely unknown as to when levels may decline significantly.</i>

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