

CATEGORY	NEAR-TERM MARKET PRICING TREND	SUPPLY vs. DEMAND	DSR MARKET INSIGHTS COMMENTARY
Beef (Commodity)	Increasing	Available - Mixed	<i>No changes to report in the Beef markets. Packers continue to manipulate harvest levels, disrupt the markets to improve packer margins. No improvement in consumer demand is expected until mid-April.</i>
Butter	Increasing	Available - Steady	<p><i>Retail demand is steady throughout the country. Food service demand is strong in the East region and steady in all other regions. Cream loads are readily available for butter makers to utilize throughout most of the country. Some butter plant contacts expect cream offers to be abundant for the remainder of the month. Butter manufacturers are running busy production schedules to build for anticipated spring demands. Stakeholders note unsalted butter availability is tight. Distributors relay inquiries from international customers have been more frequent recently.</i></p> <p><i>East Region Contacts share that week over week increases in milk components have flattened but that cream availability remains strong in the East. Butter plant managers relay active churning schedules. Processors note that they are focusing on freezing bulk butter inventories to meet anticipated demand later this year. Retail demand is in line with seasonal expectations. Contacts share foodservice demand remains strong.</i></p> <p><i>Central Region Butter markets are steady. Midwestern contacts continue to relay bullish near- and midterm expectations. Inventories for near-term demand are available, but only if buyers are willing to pay premiums. Customers continue to say 82% milkfat (unsalted) loads are notably tight. Butter plant contacts are focused on spring/fall demand inventory building. As cream stores are widely accessible, Midwestern butter plants are running at or near capacity. They say cream offers are abundant and expect them to remain so through the rest of the month.</i></p>

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Cheese	Increasing	Available - Steady	<p><i>Cheese plant managers relay seasonally steady production schedules in the East region. Contacts share block cheese inventories are growing. Cheese demand in the Central region is noted to be seasonally quiet. Contacts in the Midwest are focusing on building inventories for spring demand. Milk availability is tighter than predicted. Some end users report tight milk availability in the West, while others suggest Class III spot loads are generally available when needed. Plant managers share steady cheese production schedules. Spot cheese inventories are noted to be tighter than in recent weeks in the West. A block/barrel inversion has been in place on the CME since last Friday.</i></p> <p><i>East Region Farm level milk outputs have flattened in the East region. Cheese plant managers relay seasonally steady production schedules. Persistent labor issues continue to force some plants to operate below capacity. Contacts share American-type cheese inventories are growing, with cheddar being a focus ahead of spring holiday demand. Closing prices for cheese blocks have dropped from recent highs, causing a block barrel inversion since Friday. Block cheese market tones are bearish. Foodservice demand is steady. Retail demand is seasonally strong.</i></p> <p><i>Central Region Cheese demand notes range from steady to seasonally quiet. Cheesemakers in the Midwest say they are focused on building inventories as spring/spring holiday demand needs draw closer. Some plant contacts say despite cheese demand slowdowns, milk availability is not where it would be expected in mid-February. Spot milk prices underclass have yet to be reported this month and some contacts do not</i></p>
Fluid Dairy	Class I - Decreasing Class II - Steady	Class I Available - Steady Class II Short - Strong	<p><i>February saw a small cost decrease on Milk (Class I). February Cultured/Creams (Class II) costs are steady.</i></p>
Oils/Shortening	Decreasing	Available -Decreasing	<p><i>Commodity oil prices continue their slow downward pricing trend as we have continually seen over recent months. We do not expect to see any near term pricing volatility in street pricing as we move through March. Product availability of all oil types is strong. Premium shortening products have seen some declines in some areas, but appear to be close to the same levels overall that we have seen in recent weeks. We should see solid availability on all products as we move through Spring.</i></p>
Pork (Commodity)	Increasing	Available - Decreasing	<p><i>The butt and sparerib prices are forecasted to increase slightly from here until Mid March then should stabilize. Backribs are set for relative stability with little fluctuation</i></p>

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Pork (Value-Added)	Steady	Available – Steady	<i>The belly value is relatively flat with a slight increases, now through Mid-March so expect bacon prices to increase accordingly.</i>
Poultry (Chicken)	Increasing	Available – Steady	<i>Severe winter weather has impacted processing for chicken. Overall markets are experiencing inflation for all cuts. Wings are experiencing strong inflation as the NFL Playoffs and Super Bowl seasons are in full swing.</i>
Poultry (Turkey)	Increasing	Available – Steady	<i>Current frozen turkey pricing has strengthened but is still well below the five-year average. Poultry placements have been reported as being down sharply for December, so the expectation is that availability in the first half of 2024 may be reduced over the previous year, which may in</i>
Produce	<p>Lower -</p> <p>Steady - Apples, Broccoli, Lemons, Carrots, Romaine, Russet Potatoes, Oranges</p> <p>Higher - Avocados, Bell Peppers, Iceberg, Grapes, Strawberries, Onions, Tomatoes, Oranges</p>	<p>Improving/Steady - Carrots</p> <p>Good/Strong - Apples, Lemons, Broccoli, Romaine, Russet Potatoes</p> <p>Short/Strong - Avocados, Bell Peppers, Iceberg, Tomatoes, Oranges, Strawberries, Grapes, Onions</p>	<p><i>Apples, cheapest deals have cleaned up. Good quality.</i></p> <p><i>Avocados, MX market rising. Short ripening times. Good quality.</i></p> <p><i>Bell Peppers, very short until March, due to weather. Quality good.</i></p> <p><i>Broccoli, good supplies. Yuma, AZ has fair quality.</i></p> <p><i>Carrot, supply light but improving. GA harvesting. Good quality.</i></p> <p><i>Iceberg, freezes, hail & rain, have supplies limited. Quality fair.</i></p> <p><i>Romaine, rib blister & peel. Hearts are the cleanest. Quality good.</i></p> <p><i>Fresh Cut Lettuces will have shorter life due to weak ingredients.</i></p> <p><i>Grapes, imports tight until April due multiple issues. Good quality.</i></p> <p><i>Tomatoes, headed higher as FL production is low. Good quality</i></p> <p><i>Strawberries, weather resulted in severe shortage. Fair quality.</i></p> <p><i>Oranges, CA 88, 113, & 138s scarce, likely through Nov. Good quality.</i></p> <p><i>Lemons, CA/AZ producing. Smaller size fruit tightening. Quality is fair.</i></p> <p><i>Onions, few imports to supplement storage Onions. Excellent quality.</i></p> <p><i>Russet Potatoes, abundant supplies, high quality and low cost.</i></p>
Bulk Sugar	Steady	Mixed - Steady	<i>Bulk sugar pricing is still maintaining similar levels to those seen so far this year. As product is tight out of Louisiana on Cane, this has caused firmer pricing versus last year in general on canes sugar. Beet Sugar prices are holding steady at lower levels than we had last year, but still higher than long-term historic levels. Product is available to cover domestic demand from the US harvest. Imported products are not ample this season. Look for near term pricing to remain near current levels.</i>

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Shell Eggs	Increasing	Available - Steady	<i>Demand for shell eggs continues to recede from January highs and is now near average for the first time since early last December. Wholesale prices for cartoned eggs are weak with light to moderate supplies and light offerings. Interest remains moderate to good and trading is moderate. Prices on the loose egg market are weak to lower with moderate supplies and light to moderate offerings. Wholesale breaking stock prices are steady with light offerings and mostly moderate supplies. Schedules are full to reduced and interest is light to moderate with moderate trading. The preliminary survey of retail outlets indicates minimal activity a sharp decline in the average ad price on the very limited test. Source: USDA AMS as of February 21</i>
Seafood	Shrimp Steady	Shrimp Available - Steady	<i>Shrimp has continued to remain steady and at the 52-week low.</i>
Wheat (Flour Based Products)	Steady	Mixed – Steady	<i>Commodity Flour Products and products with Flour as a primary ingredient are maintaining recent pricing trends with minimal price adjustments from manufacturers. There is ample world supply as this time and domestic crops in the ground are holding steady. This translates to a calm wheat market for traders and relatively steady pricing for Foodservice.</i>
<p><i>All UniPro Foodservice DSR Market Insights information is based on domestic US market data only, unless indicated otherwise. The UniPro Foodservice Market DSR Insights update is not a recommendation to buy or sell a commodity. While this update is based on sources we believe to be reliable and accurate, UniPro Foodservice does not guarantee the accuracy of the information presented.</i></p>			