

Gordon Food Service Market Updates

Grocery & Bakery | Soybean Oil

What a difference a week makes. After noticing a drop in the market last week due to waning export demand, this week saw a rebound in oversea orders for U.S. corn and soybeans. News of the harvest in Brazil being delayed by a few weeks led to Chinese buyers extending their positions from the U.S. beyond the Lunar New Year. Soybean oil prices have rallied, as a result, up to a new annual high. There is still sentiment throughout the industry that the South American harvest will bring relief, but until we see shipments we can expect the market to be choppy for the next month.

Grocery & Bakery | Flour

Wheat prices have flattened, taking a breather after a run of higher prices dating back to early December. While demand fundamentals haven't changed in any major way, the propped values for corn and soybeans are continuing to uphold flour prices. These grains will need to take a step back before any changes to flour pricing occur. The coverage recommendation for buyers is to stay hand-to-mouth and secure needs within a quarter at a time until an opportunity arises.