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MARKET WATCH



Ingredients for your Success



Poultry

Labor is still constrained across the industry but many processors hope that labor availability will improve in upcoming weeks.

- ▶ Wings availability is tightening and demand is expected to pick more as football season nears.
- ▶ Tenders are at premium pricing and are difficult to find. The random breast market is trending higher.



Pork

After the Holiday we are seeing primal markets come down.

- ▶ Butts have seen slight relief after Labor Day.
- ▶ Spareribs and back ribs are coming down after demand from bookings has let up. St. Louis ribs have moved the opposite direction and are seeing an increased market.
- ▶ Bellies are still coming down



Beef

With a perceived feeling of softness of the beef complex, most purchases slowed down.

- ▶ Last minute demand on middles, mostly those in need of rib meat, helped support a weakening end cut complex.
- ▶ Rounds, Chucks, and Briskets appear to have hit a price point ceiling, that has slowed buyer interest.



Dairy

Natural cheese, mozzarella and processed cheese markets are down. Supply is adequate for demand.

- ▶ The butter markets were up week over week with an increase in demand.
- ▶ Shell Eggs were down week over week, though demand remains fair to good.



Grains / Oil

Good weather, meaning rain, has helped the soybean crop as it nears the end of the crop year. This helped move the soybean oil market lower.

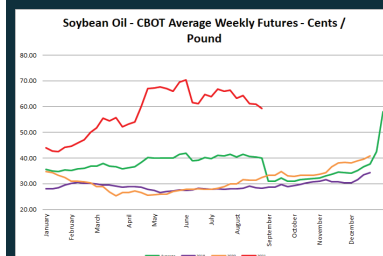
- ▶ Hurricane Ida has damaged Louisiana ports and soybeans, corn, etc. cannot be exported having the effect of moving the markets lower.
- ▶ Canola is moving higher with the poor crop situation.



Seafood

- ▶ The North Atlantic Lobster tails (6-7oz and larger) are on allocation until December, when Nova Scotia season starts again.
- ▶ Warm water lobster tails from the new season are now available in the U.S.
- ▶ Pasteurized crab meat is in extremely short supply.

Market Headlines



Pork

Pork plants are seeing worsening labor issues, so expect boneless products to increase as these are labor intensive cuts.

Seafood

US ports continue to experience delays due to the lack of workers to unload the containers from vessels, causing massive imported seafood shortages. The public freezers have been overwhelmed.

Produce

Lack of consistent labor continues to challenge the industry. Suppliers continue to struggle to keep up with demand as production reaches capacity limits for some.



MARKET WATCH

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Avocados

- ▶ Mexico market firm as storms have limited harvest and what is getting picked is heavy to smaller sizes with very little #2 fruit. California harvest is light, and market is like Mexico. Peru arrivals are starting to decline and heavy to jumbo, 48 ct are very sporadic.

Brussel Sprouts

- ▶ Market continues to be strong with good demand. Small sizes are still being seen with large and jumbo sizing hard to come by. Heavy insect pressure continues to reduce yields.

Broccoli

- ▶ Markets are reacting due to increased demand that is now coming back into the CA market as regional markets come to an end. Expect to see active markets and less overall supply available for the next 2-3 weeks.

Bell Peppers

- ▶ East, green Bell pepper is expected to get extremely short in supply. Significant weather events will hurt supply. Bell pepper market will be significantly active next week. Red and yellow pepper very short supply, quality TBD, and market strong. West, green bell supply will be shorter next week. Red bells will begin to decline in volume beginning next week. Markets are active.

Chili Peppers

- ▶ East, Hot pepper supply very light, quality good, and market strong. West, decent supplies and quality on all varieties.

Cilantro

- ▶ Better supplies continue to be seen with improved quality.

Eggplant

- ▶ Supply light, and market could get stronger post-holiday depending on damage in New Jersey. New eggplant in Georgia starting this weekend/early next week. West, steady supplies in Fresno with good quality, Mexico with limited volume.

Asparagus

- ▶ Demand exceeds supply and market is firm. Expect to see Peru and Mexico volume to start to improve in the next 10 – 14 days. Quality is fair to good.

Green Beans

- ▶ Supply light in the East, quality fair, demand fair and market strong. Significant rain around the area has hurt crops. West, supplies are very light out of Baja and Santa Maria, with fair quality, market very active.

Lemons, Limes, & Oranges

- ▶ Lemons-Supplies are very good due to increased import volume. California fruit continues to grade heavy too choice grade.
- ▶ Oranges-Demand is good on small sizes and slow on large Valencia's creating a wide gap in pricing between sizes.
- ▶ Limes- Crossings are expected to remain elevated as availability flourishes.

Green Onions

- ▶ Green onion supply continues to be limited due to conditions in the growing region of Sonora MX. Yields have been reduced due to a previous heat wave, followed by heavy rainfall causing a supply shortage and increased markets industry wide. Market expected to be active through September.

Mushrooms

- ▶ The mushroom category remains challenged on supply and labor issues.
- ▶ Challenges are expected to last for several months.
- ▶ Multiple varieties are impacted. Shiitake and oyster mushrooms remain in a demand exceed supply situation.

Carrots

- ▶ Supplies continue to be challenged on jumbos and all snack pack value added carrots. Suppliers are not able to keep up with demand as schools are back in session. Capacity is maxed out and the labor force continues to be limited.

Cucumber

- ▶ Supply on the east coast as improved with new areas starting back up. Quality is good along with good demand. West-product is short to growing regions changing. Expect relief over the next 7-10 days. Demand exceeds supplies.

PRODUCE MARKET Updates

Labor and Freight

Challenge continues with lack of labor, high freight costs, shortage of pallets, higher fuel cost, plastic shortages and corrugate shortages in all segments of the business, making for challenges in the executions of the supply chain flow from harvest to shipping to receiving.

Mixed Berries **ALERT!**

All mixed berries are being challenged this week. Supplies are limited on each and active markets are expected through the month of September as all are going through transitions of growing regions.

Strawberries **ALERT!**

Market continues to be active. Strong demand continues as yields continue to drop in the Salinas/Watsonville regions. Labor challenges are on the rise as well from suppliers. Expect to see firm markets for September

Iceberg, Romaine, and Leaf Lettuces **ALERT!**

Market on green and red leaf are mostly steady, but on romaine and iceberg, the markets are stronger this week due to yields dropping and more insect and quality issues start to be seen. Markets are expected to be unsettled over the next 2-4 weeks as we start to look towards the annual fall transition from CA to AZ