



# MARKET WATCH

Published: September 16, 2021



## Ingredients for your Success



### Poultry

The chicken market was mostly flat this week except breasts.

- ▶ Wings were flat but we are seeing less availability of wings on the open market.
- ▶ Tenders were flat but pricing is still sitting at all-time highs.



### Pork

Butts are still coming down post holiday demand.

- ▶ Boneless butts are still in tight supply due to labor struggles.
- ▶ Bellies have leveled off and are going through a market reset.
- ▶ Loins are also coming down



### Beef

The market appears to be one of pricing corrections ahead as packers show inventory to sell.

- ▶ Rib meat continues to be hard to find and as soon as it pops up, it is sold just as fast.
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- ▶ Rounds and chucks are weak. Strips and tenders continue to adjust down, and demand is lacking.



### Dairy

Natural cheese, mozzarella, and processed cheese markets are up week over week with increased demand.

- ▶ The butter markets are also up week over week as cream supplies tighten.
- ▶ Shell Eggs are down with good inventory levels and slightly lower demand.



### Grains / Oil

The USDA released its monthly report showing less available soybean oil, but less demand from biofuels.

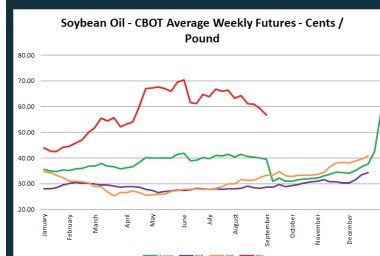
- ▶ The Canola crop is not looking great. This coming years' stocks will be tight.
- ▶ The market fell for soybean oil.
- ▶ Palm is moving higher.



### Seafood

- ▶ Domestic shrimp harvest is going well despite the hurricane disruptions.
- ▶ Catfish harvests continue to yield large fish.
- ▶ Pasteurized crab meat is in extremely short supply with no replacement opportunities.

## Market Headlines



### Wings

Demand is expected to spike on wings as football season has kicked off. While wings are flat this week, expect higher prices coming soon.

### Seafood

The US ports continue to experience delays due to the lack of workers to unload the containers from vessels, causing massive imported seafood shortages. There is a record of 56 vessels sitting off the coast of California.

### 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.



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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 is improving with better supplies being reported.

## Broccoli

- Broccoli is very short and active in the marketplace. As local regional markets finish and Mexico is challenged with supply, CA in not yielding enough to keep up with overall demand. Both commodity and value-added packs are impacted.

## Bell Peppers

- East, Green bells are extremely light, quality good, and market much stronger. Red and yellow bells are extremely short. West, green bells in shorter supply for next several weeks. Red peppers in steady supply, market firming up somewhat due to overall industry supply getting shorter. Yellow bell volume will taper off going forward, with markets adjusting.

## Chili Peppers

- East Coast- Hot pepper supplies light, quality good, and markets stronger. West Coast-Supplies have improved and markets are adjusting.

## Eggplant

- East, eggplant supplies much lighter, quality good, and market stronger. West, steady supplies from Fresno, new fields, and limited volume out of Mexico.

## Asparagus

- Market is firm. Transition in both Peru and Mexico has limited supplies, in addition storms are impacting container ship arrivals. Quality is good.

## 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.

## Green Beans

- Bean supply light in the East, quality good on beans brought in, and market strong. West, supplies are light out of Baja and Santa Maria, and market active.

## Lemons, Limes, & Oranges

- Lemons- Market is firm on good demand and tighter supplies, in particular Fancy grade. California will start to wind down in Ventura county and start to move south to the desert as early as this week for some growers.
- Oranges- Market mostly steady with good demand. 138 ct remain very tight. California Valencia season is winding down and quality marginal. Imports are helping to fill gaps and quality is reported as good.
- Limes- There will be constraints due to growers keeping fruit on the trees longer, challenges from Hurricane Nicholas and the Mexico Holiday on Thursday. Sizing will be tighter on 110/150's.
- Mandarins- Supplies of mandarins are very limited currently due to a back log of unloading ships at the port. All mandarins are imported during the summer months. Domestic supplies will not be available until November

## Green Onions

- Green onion supply continues to be limited in but are showing slow signs of improvement. 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 demand for fresh mushrooms continues to increase at such a rate that suppliers are failing to keep up. Labor is becoming increasingly challenging to come by. Oyster and Shitake continue to be short due the needed material to produce continuing to be very hard to come by.

## Cucumber

- Cucumber supplies lighter, with strong demand. Market is active, however, Georgia cucumbers should pick up this week as older areas finish. West, typical September gap and added pressure with demand from the East; expect strong market.

## PRODUCE MARKET Updates

### Honeydew **ALERT!**

Honeydews are in a demand exceeds supply scenario on larger sizes. The situation looks to remain dire for the balance of the California melon season with no relief in sight until the desert and Mexican production begins which should be around mid-October.

### Strawberries **ALERT!**

Mixed Berries-Market continues to be active on all mixed berries. Labor challenges are on the arise as well from suppliers. Expect to see firm markets for September. Strawberries-Market is adjusting as demand starts subsiding. More product is now available out of the Southern districts as Santa Maria CA continues to ramp up production. Salinas and Watsonville continues with volume and will try to hold on through Oct or until weather or lack of labor dictates differently

### 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