



MARKET WATCH

Published: October 28, 2021



Ingredients for your Success



Poultry

The chicken market was lower across most complexes as we are approaching the traditionally slower part of the year.

- ▶ Jumbo wings were down but the free fall we were seeing in previous weeks has stabilized. Medium and small wings were steady this week.
- ▶ Tenders are down and availability is increasing.



Beef

The market traded sideways early this week; although, as the week progressed buyers began to show interest.

- ▶ CAB grade is limited in volume; therefore, cost is higher than Choice & Select grade.
- ▶ Strips, tenders, and ribs are, for the most part reaching levels that are becoming more and more attractive to buyers.



Grains / Oil

Soybean oil markets moved much higher as traders are tying it to the increasing energy markets, though the USDA has reported heavier stocks of soybean oil.

- ▶ Canola oil continues to move higher with the poor crop.
- ▶ Palm oil is higher with strong demand and poor production.



Pork

Pork Butts are now trending with the normal seasonal trends of October and the market is showing weakness.

- ▶ Loins are following suit with butts and coming down. Spareribs continue to dip as well, although, supplies are still tight.
- ▶ Bellies are still on the decline as supply levels have increased on fresh bellies.

Hams are also taking large concessions, expect exports to pick up.



Dairy

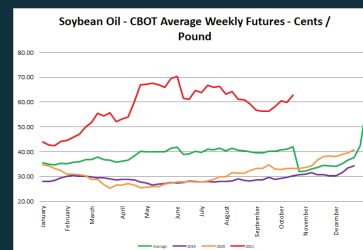
The natural and mozzarella cheese markets are down while the processed cheese markets were up for the week with increased retail demand. The butter market is up with historical demand increases while the egg market is down due to flat demand and good supply.



Seafood

- ▶ Domestic shrimp is in good supply especially on whites and peeled shrimp. Most sizes of shrimp are available in the Sysco Portico brand again.
- ▶ Groundfish supply remains tight with demand increasing until containers can get unloaded.

Market Headlines



Pork

The Alaska snow crab quota has been cut 88% after a population decline in the Bering Sea in the initial test fishery in the summer.

Seafood

Rising costs and inflation persists in most seafood categories as 85% of the seafood consumed in the U.S.A. is imported.

Produce

Markets are in a volatile state. Iceberg is at historical levels on pricing due to lack of needed volume to meet demand. Romaine is also very active along with broccoli, cauliflower, mushrooms and garlic.



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Asparagus

- ▶ Market is adjusting with good supplies on both coasts. Expect market to get active late next week once we get through the peak of volume.

Avocado

- ▶ Due to rain this week harvest has been impacted and field prices are active. Holiday in Mexico next week will also impact harvest. Strong demand currently on 48's and larger with jumbo fruit still tight and hard to get, 60/70/84 are steady to lower. As Peru wraps up next retailers will be moving back to Mexican production, which will increase demand.

Broccoli, Broccolini and Cauliflower- **Alert**

- ▶ Broccoli, Broccolini and Cauliflower are all active out of CA and MX. Relief is not expected until mid-November. Weather events, and quality issues have drastically reduced yields out of both areas.

Bell Peppers -**Alert**

- ▶ Lighter supplies and strong markets remain on both the east and west coasts for the next 7-10 days.

Cabbage - **Alert**

- ▶ Strong markets and good demand remains out on the west coast. Yields are considerably down on both green and red cabbage.

Carrots - **Alert**

- ▶ Demand continues to outpace supply/ capacity of school-sized packs, and larger bulk size supply remains challenged. Stronger and more active markets to be seen.

Celery Value-Added - **Alert**

- ▶ Value Added celery(diced, sticks) is under and demand exceed supply situation due to capacity constraints. Commodity celery is now active as less overall supply is available.

Corn - **Alert**

- ▶ Very light supplies coupled with strong demand on both the East and West coasts.

Cantaloupes - **Alert**

- ▶ Cantaloupe supplies are extremely limited. Arizona (Yuma District), crop has been devastated by virus (white fly) causing growers to get only 30% to 40 % of their crop harvested and some growers experiencing complete crop failure

Green Beans

- ▶ Supplies from GA are still available, though yields are light. The FL season should start by the end of the week, hopefully tempering the market. CA supplies are still limited due the recent rains. New supplies should begin out of Mexico the end of next week. Slow production in all growing areas (Fresno, Santa Maria, Baja).

Citrus

- ▶ Lemons- Good volume and quality continue to improve on the new crop. Oranges- Supplies of 113 and 138 count oranges are short and market is more active this week as the Valencia season finishes.
- ▶ Limes- Limes-Remains steady from the previous week with good supply available.
- ▶ 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.

Garlic - **Alert**

- ▶ Strong markets are being seen now on garlic. For the past month, the garlic market has slowly been getting more active. There is presently a significant void of Chinese garlic thus putting more demand on product from CA. Expect to see active markets for the foreseeable future.

Mushrooms

- ▶ There is not enough supply to meet current demand needs for all mushrooms varieties. Volume is 30-40% short of what is needed to meet demand. Lack of labor, transportation issues, lack of peat moss, fruit fly infestation and green mold issues are plaguing the industry. Conditions will remain through 2022.

Mixed Berries

- ▶ Better supplies being seen on raspberries and blackberries as Mexico continues to ramp up their production. Blueberries for some remain challenged as port congestion and offloading continues to be an issue.

Strawberries

- ▶ The rain event in California took its toll on strawberries. The Northern Ca growing region was ended, and Southern CA was damaged and delayed due to the rain fall. Bulk of the production is now coming from Mexico. Supplies will low for the next 2-3 weeks as Mexico is not in full production and Southern CA looks to recover from the rain events.

Strawberries

- ▶ Market remains active on all varieties due to increased demand and reduced availability both east and west.

PRODUCE MARKET Updates

Onions **ALERT!**

Super colossal and Colossal yellow are very tight with potential subbing. Red onions both sizes are tight as well.

Snow & Snap Peas **ALERT!**

Short and limited supplies on both coasts for the next few weeks.

Processed Onions - **ALERT!**

Capacity issues on both demand outpacing available supply and production availability impacting diced, sliced and whole peeled packs.

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

Markets are extremely active on all leaf, romaine and iceberg as the yields continue to decline as we near the end of the season out of the Salinas Valley. This past week the growing region was hit with heavy rainfall further adding additional challenges to the already limited supply. Commodity and Value-added packs are both impacted. Product out of Mexico continues to be challenged due to rain events.

Dry, Warm Vegetable Items **ALERT**

Items active this week- chili peppers, eggplant. All are limited in supply and expected to see active market conditions for the next 2 weeks.