



MARKET WATCH

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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 big and supply is prevalent. Medium and small wings were steady this week.
- ▶ Tenders are down and availability is increasing.



Beef

The market appears to be near the bottom and setting up for a bounce higher.

- ▶ 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

With harvest nearing its end and soybean stocks and soybean oil stocks moving higher, futures prices moved lower last week.

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



Pork

The gains we saw with pork butts were short-lived; the market has come back down going into next week.

- ▶ Loins dropped further than butts following seasonal trends.
- ▶ Bellies appear to have hit the ceiling and searching for a new level.
- ▶ Hams are still coming down due to low exports to Mexico.



Dairy

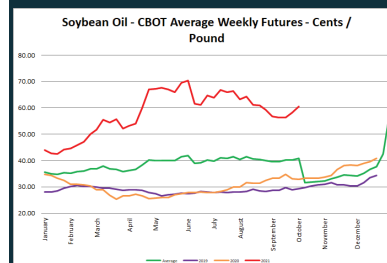
The natural, mozzarella and processed cheese markets were down for the week despite stronger demand. The butter market is up with tightening cream supplies, while the egg market is down for the week with poorer demand.



Seafood

- ▶ 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.
- ▶ North Atlantic quota announcements for Cod and Haddock show reductions of 20%.
- ▶ Domestic shrimp is in good supply despite the hurricane disruptions. Most sizes of shrimp are available.

Market Headlines



Pork

Pork plants are seeing increased labor struggles, expect boneless product supply to tighten up due to their labor intensive nature.

Seafood

Despite the Port of LA running their operations 24/7, the ports in California continue to experience backlog due to the lack of workers, drivers, and equipment to unload the containers from vessels, causing massive seafood shortages

Produce

Markets are in a volatile state. Issues with capacity constraints continue. Suppliers are being faced with shortages on labor and the needed inputs (pallets, film, drivers) are keep all from meeting demand needs.



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Asparagus

- Markets are adjusting as Mexico volume improves and Miami catches up from supply chain issues.

Avocado

- Markets remain unsettled on avocados. Harvest projections came in 15% lower than anticipated for last week. Size curve is peaking on 48ct. Jumbo sizes are still tight, as are #2's.

Broccoli, Broccolini and Cauliflower- **Alert**

- Broccoli, Broccolini and Cauliflower are both 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.

Brussels Sprouts

- Market remains strong with good demand. Insect pressure and sizing concerns continue to linger.

Bell Peppers -**Alert**

- Lighter supplies and strong markets remain on both the East and West coasts. Relief expected in the next 7-10 days, weather permitting.

Cabbage - **Alert**

- Very strong markets and good demand remains out on the west coast. Yields are considerably down on both green and red cabbage. Other regional growing areas are being looked at to fill in and help with needed product to meet all demand needs.

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 in better shape but expected to start see increased market activity in next 3-4 weeks and be very limited in Nov and Dec.

Corn - **Alert**

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

Green Beans

- Bean supply increased in the East, however due to scattered plantings this could be short lived. California supplies are still limited, and quality is marginal. Recent rain will make these even more scarce. Look for new supplies to begin out of Mexico towards the end of the month.

Citrus

- Lemons- Supplies continue to improve and markets are adjusting.
- Oranges- Supplies of 113 and 138 count oranges are light.
- Limes- Good volume on all sizes, quality overall has improved.
- 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

- Mushrooms are in a dire state. Several supplier are facing severe challenges with crop failures and limited supplies across all varieties. Fill rates will be impacted. It will be very challenging through the rest of the year on fresh mushroom supply.

Mixed Berries

- Blackberries – Supplies continue to be hit or miss as port delays continue with product coming in from Peru and Uruguay. Mexico is starting to improve with there supply. Market expected to improve in the next 2-3 weeks.
- Raspberries- CA is wrapping up their season and is expected to be finished in the next 7-10 days. Mexico is starting up but does not have enough supply to meet all demand needs.
- Blueberries- Supplies continue to be hit or miss as port delays continue with product coming in from Peru and Uruguay. Mexico is starting to improve with there supply. Market expected to improve in the next 2-3 weeks.

Strawberries

- The industry out of the Salinas and Watsonville growing regions are expecting a significant decrease in production as more ranches are being removed for the season and Oxnard's production has yet to ramp up.

PRODUCE MARKET Updates

Honeydew & Cantaloupes **ALERT!**

Central California is almost finished. Most production has transitioned to Southern Cal and Arizona. A newly discovered virus is causing crop losses which is expected to affect the cantaloupe supplies. Honeydews remain limited but volume is increasing. Some substituting from large to smaller sizes is occurring.

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 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. Commodity and Value-added packs are both impacted. Product out of Mexico continues to be challenged due to rain events. Markets are expected to see increased market activity for the rest of October

Dry, Warm Vegetable Items **ALERT**

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