



Published: December 9, 2021

# MARKET WATCH



*Ingredients for your Success*



## Poultry

The chicken market was quiet except for the breast market.

- ▶ Wings were steady, but we are still seeing ample supply in spot markets. As peak wing season (February/March) approaches, now might be the time to begin thinking about freezing product.
- ▶ Tenders were flat this week as product availability has stabilized.



## Beef

Availability remains on most cuts, adding pressure to a continued softer tone over the last few weeks.

- ▶ Strips showed a slowdown in demand while PSMD prices did show strength.
- ▶ The rib complex continues under performing.
- ▶ Chucks and rounds tend to soften into early December and then move strongly higher from mid-December into the new year as consumers seek out more modestly priced beef.



## Grains / Oil

- ▶ Concerns regarding the Omicron variant caused traders to liquidate positions for energies, equities, and many commodities, including soybean oil.
- ▶ Recent USDA reports highlighting increasing soybean oil supply also helped lower the market.



## Pork

- ▶ Butts saw some strength coming off the holiday week, counter to normal.
- ▶ Ribs are moving up as retailers are filling their shelves with this item along with both foodservice and retail bookings for next year.
- ▶ Fresh bellies are trending higher as suppliers are pushing to produce bacon due to increased demand.



## Dairy

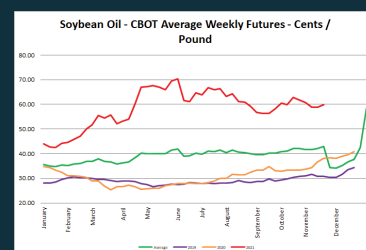
- ▶ The natural cheese market has not moved over the past two weeks while the barrel market continues to go up.
- ▶ The butter market is down.
- ▶ Eggs are higher for the week largely due to retail demand.



## Seafood

- ▶ With the sporadic supply of Groundfish, flexibility with available substitutes can allow access to a wider variety of products.
- ▶ Most of the tilapia being harvested are small and with Covid-19 farmers are not letting the fish stay in the water longer than necessary. There will be a shortage of 7-9oz fillets in the upcoming months.

## Market Headlines



## Frozen Potatoes

Increasing ingredient costs (cooking oil, batters and coatings), labor and supply chain issues, all frozen potato and breaded & battered appetizer items suppliers are taking a significant price increase December 20, 2021.

## Seafood

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

## Mushrooms

Mushrooms are in a dire state. Limited availability and high prices continue to plague the industry.



# MARKET WATCH

*Ingredients for your Success*

## Asparagus

- Mexican supplies continue to decrease as their current regions wind down. Peru supplies have been steady with good volume and quality, making Peruvian supplies on the east coast the main source of supplies for the holidays. Pricing will adjust as holiday demand increases.

## Avocado - Alert

- Increased demand due to the upcoming holidays and not as much fruit on the trees as expected, has caused the market to adjust. Supplies could get very tight around the holidays.

## Bell Peppers - Alert

- Lighter supplies and strong markets remain on both the east and west coasts for the next 2-3 weeks.

## Brussels Sprouts - Alert

- Active market conditions due to shorter overall supplies being available. Strong markets expected through the month of December.

## Carrots - Alert

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

## 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

- Supplies out of Florida remain very tight due to lack of growth for the corn expected this week. The market remains firm with limited supplies.

## Cantaloupes & Honeydews - Alert

- Cantaloupes: Supplies are gradually increasing from Central America with most product coming into Florida and Los Angeles. Mexican cantaloupes are starting to wind down. Quality and sugar is good.
- Honeydews: Supplies are limited from Central America with Mexico being the primary source. Quality is good.

## Green Beans

- Florida supply good, quality good and market a little stronger. Mexico good supplies with decent movement.

## Citrus

- Lemons: The market is steady with good volume from California and Arizona.
- Oranges: Supplies are improving as the navel harvest progresses. Sizing is peaking on 88's and smaller with 56's and larger being fairly limited. Sugar and color are improving weekly
- Lime: The market remains somewhat steady as
- overall availability and movement has slowed due to seasonality trends. Demand is stagnant but will gain momentum again soon in preparation for Christmas & New Year celebrations.

## Garlic - Alert

- There has been some adjustments in the market as more product has been released into the US. It is unknown how long our how much will continue to be available. As a result, the market is predicted to remain unsettled through the rest of the year.

## Mushrooms - Alert

- Demand is outpacing available supply on all mushrooms. We are now seeing different items be discontinued as suppliers can simply not produce. Pricing is at historical highs. Reported challenges relate to labor, freight costs, lack of drivers, peat moss shortages and spawn issues that have caused green mold issues that have crippled yields. All suppliers are having supply issues on multiple types of mushrooms. Specialty mushrooms continue to be very limited and scarce, but now this is being felt across all varieties, browns, whites, and creminis. The industry does not see the conditions changing for the foreseeable future beyond this year and well into the next year.

## Mixed Berries

- Stronger markets this week on blackberry and raspberries, better supplies being seen on blueberries.

## Strawberries - Alert

- Strawberries remain unsettled as some growing regions are faring better than others thus leading to a split market. Santa Maria and Oxnard CA are expected to get rainfall this week and next. Fruit is small, not coloring up and of fair quality. Mexico and Florida continue to try to ramp up but still not enough to meet all demand needs.

## Tomatoes

- Market continues to improve on all varieties due to increasing availability out of FL & MX.

## PRODUCE MARKET Updates

### 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

Markets are starting to stabilize on iceberg, romaine and leaf items as more supply is coming into play out of the desert growing regions

### Hot House

Red peppers very tight and could see prorates, yellow peppers tight holding to averages.

### Chili Peppers

East, Hot pepper supply is light on all varieties except Jalapenos. Jalapenos are lower. The other varieties are extremely short supply and high priced. Mexico moderate pricing on jalapeno with the elongated chilies. Serrano still remain very limited.