



Published: December 31, 2021

MARKET WATCH



Ingredients for your Success



Poultry

The chicken market was quiet except for the breast and WOG market.

- ▶ Wings were steady and we are still seeing ample supply in spot markets.
- ▶ Tenders were steady this week and product availability has stabilized.
- ▶ The breast market was higher.



Pork

- ▶ Butts are showing a little support going into next week as demand looks to pick up after the holidays.
- ▶ Loins are trading sideways right now and should continue throughout the week.
- ▶ Spareribs still continue to gain strength with retail driving the market. Lean trimmings are holding strong as they are seeing increased demand.



Beef

The market demand continues to soften, packers continue to maximize profits before year end, harvesting as many animals as possible.

- ▶ Strips continue to outperform ribs and psomos; although, middles continue to depreciate.
- ▶ Chucks and rounds are following seasonal trend, as they slow into mid-December.



Dairy

- ▶ The natural and mozzarella cheese markets are down.
- ▶ The processed cheese markets is also down for the week.
- ▶ Both the butter and egg markets are up.



Seafood

- ▶ Portico imported Calamari is available again, as new shipments have arrived.

The sporadic supply of Ground fish, flexibility with available substitutes can allow access to a wider variety of products.

- ▶ Atlantic Salmon portions have arrived to bolster inventories.

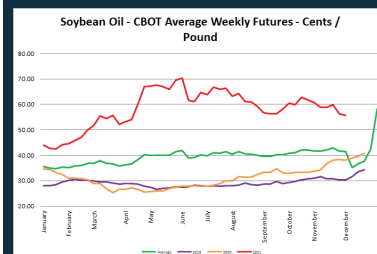
- ▶ Most of the tilapia being harvested are small.



Grains / Oil

- ▶ Trade last week was two-sided but ended the week in negative territory as traders are still looking at the Omicron variant and increasing soybean oil supplies.
- ▶ Also driving the market lower was the lackluster EPA report surrounding bio-fuels.

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 inflation persists in most seafood categories as 85% of the seafood consumed in the U.S.A. are imported with additional freight being added to cost of goods.

Mushrooms

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



MARKET CORNER

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Asparagus-Alert

Market remains active as Mexico continue to tighten up through mid-January. Peru volume is a little better but increased demand from the West will put pressure on that market as well.

Avocados-Alert

Strong demand with active markets due to harvest disruptions from the back to back holiday weeks. Once we move past the holiday weeks, look for improving supply with pricing remaining strong. Stronger harvest will begin after the Epiphany holiday as the industry ramps up into Super Bowl promotions.

Broccoli and Cauliflower-Alert

Broccoli and Cauliflower remains unsettled out both Mexico and CA as rain events out of CA has disrupted supply for some suppliers. Cauliflower is very active as yields have dropped considerably from the previous weeks. Baby broccoli and broccolini has become challenged as well due to rain events in the growing regions. Expect disruptions in supplies for the next 7-10 days.

Bell Peppers Red and Yellow- Alert

East,-Red and Yellow bells are short supply on both the east and west coasts. Green bell peppers are in good supply on the west coast but seeing more market activity on the east coast due to lighter supplies.

Brussel Sprouts-Alert

Quality issues are being reported as suppliers are dealing with light insect damage and sizing issues. Strong demand and light supplies will continue until Mexico starts in mid January. Very active market condition at this time, and market remains in a demand exceeds supply scenario.

Cantaloupes-Honeydews

Cantaloupes-Supplies are steady from Central America with most product coming into Florida and Los Angeles. Quality and sugar is good. Mexican cantaloupes are done. Honeydews-Supplies are limited from Central America with sizing being mostly large. 6 ct are very limited. Mexican supplies are good on all sizes.

Carrots- Alert

Snack pack size will remain limited through the end of the school year 2022. Sizing for some suppliers is also now an issue with less baby peeled being available.

Celery-Akert

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.

Green Beans-

Florida supply plentiful, with excellent growing conditions. Market could firm up due to higher demand for the holidays. Mexico moderate volume expected with better movement this week. Cooler temps and a chance of rain mid-week.

Green Onions-Alert

Following the back to back holiday weeks, coupled with lack of labor and colder weather in the growing regions, green onions are very short and limited in supply as result. Market to be active for the next 2-3 weeks.

Lemons, Oranges and Limes-Alert

Oranges and Lemons-Due to the inability to harvest as a result of back-to-back rain over the past few weeks, lemons and oranges are very limited and some substitutions of size may occur. Limes- - Supplies are extremely short, strong retail demand, along with shortages due to labor and holiday packing schedule. This will continue next week as limited harvest for the next 10 days.

Mushrooms-Alert

Demand continues to outpace available supply on all mushrooms. Supplies remain challenged and the lack of available peat moss for production needs continues to be a major concern. Improvements not expected for the foreseeable future.

Mixed Berries-

Stronger blueberry market as supplies from Peru start to wind down and Chile and Mexico work to increase production. Steady supplies on Blackberries and Raspberries coming out of the Mexico growing region.

Strawberries-Alert

Strawberries remain unsettled as some growing regions are faring better than others thus resulting in split markets based on growing regions. Santa Maria and Oxnard CA are dealing with rainfall this week and next and it is not recommended to be pulling fruit out of CA at this time. Quality will be fair and the shelf life will be minimal out of CA. Mexico and Florida continue to try to ramp up with better supplies being seen each week.

Tomatoes-

Market continues to adjust due to increasing volume on all varieties out of FL & MX.

Top Produce Items

Below are additional items on Alerts

Processed Onions-

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

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

Hot House-

Cucumbers are heavy to mediums, large are tight. Red peppers and yellow peppers are very tight and subject to limited fill rates.

Chili Peppers-

East, Hot pepper supply very short on certain varieties. Overall, less planted this season. Jalapenos are plentiful, all other varieties are short supply. Mexico's chile volume will be moderate this week with better movement. Jalapeno supply will lighten up this week. Anticipate better supplies in a week.