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food and service

# MARKET WATCH

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## Ingredients for your Success



### Poultry

Weather and COVID are effecting overall fresh chicken production this week.

- ▶ Wings are more available on all sizes.
- ▶ Tenders are becoming more available.
- ▶ The random breast market is increasing as there is constraining of supply due to labor and weather.



### Beef

As the first week of the year came and went, the beef market gave a sense of Groundhog Day. COVID, a new strain, cattle prices, weather, and reduced harvest allowed packers to drive prices up on limited inventory levels.

- ▶ Strips & tenders traded higher, top butts garnered more interest.
- Ribs benefited as well,
- ▶ allowing prices to firm and show some strength.
- Chucks, rounds, and
- ▶ grinds are all following seasonal trend, as they muster retail interest and climb in price.



### Grains / Oil

- ▶ Dryness in South America for their soybean crop is causing concern for soybean oil pricing.
- ▶ Higher crude oil and palm oil values, too, are causing pressure for soybean oil.
- ▶ Canola continues to move higher.



### Pork

- ▶ Butts showed a slight dip in the market, but with labor issues in the plants this could be short-lived.
- ▶ Hams are continuing to trend down, its expected that they will hit their bottom and begin to trend back up.
- ▶ Bellies also continue to gain strength after a short harvest week and labor issues.



### Dairy

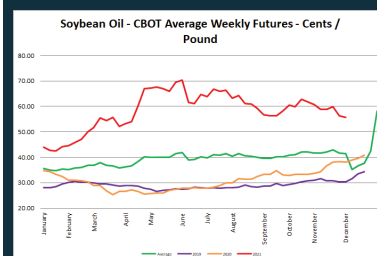
- ▶ The natural, mozzarella, processed cheese and milk markets are up for the week due to tightened milk supplies.
- ▶ The egg markets are up due to higher retail demand as companies and schools return to remote operations.



### Seafood

- ▶ Pangasius supply has become tighter due to reduced production capacity and shipping delays in Vietnam.
- ▶ Portico imported Calamari are available again as the new shipments have arrived.
- ▶ Supply is tight due to the lack of raw materials and shipping delays. Record low harvest for Gulf Oysters due to mortality rate.

## Market Headlines



### Poultry

Bad weather in the East and Mid-West coupled with staffing issues in the South is impacting production for poultry across the country pushing many cuts higher.

### Seafood

Record low harvest for Gulf Oysters due to mortality rate and several fishing areas being shut down.

### Seafood

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



# MARKET WATCH

*Ingredients for your Success*

## Asparagus

- ▶ Market active. Peru supplies will start to come off and Mexico production is still very low for the next 7-10 days. Quality is good.

## Avocado - Alert

- ▶ Pack size 32's & 36's remains very tight. Peaking on 48's with strong pressure on 60ct remains. Markets will start to increase as we get closer to Super Bowl and anticipate smaller sizes to jump quickly as retail promotes these sizes due market conditions (possibly this week). California will start harvesting next week with limited volume, many growers are waiting on size.

## Bell Peppers - Alert

- ▶ Green pepper demand has increased due to supply shortage on east and west coasts. Mexican crossings have slowed recently due to rains and cooler weather, leaving demand exceeding supply. Florida volume is decreased this week due to rain and cool temperatures across the state.

## Brussels Sprouts - Alert

- ▶ Market continues to be very short and limited in supply. Relief is not expected until the start of February. Harvest finished in Salinas a month early than planting schedules showed and Mexico continues to run behind due to labor and weather challenges.

## Carrots - Alert

- ▶ Carrot suppliers remain at max capacity on their snack pack carrots. All are reporting now issues with labor due to high absentee rates due to increase COVID cases. Limited production runs are being seen, resulting in supply fill rate challenges.

## 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.

## Broccoli, Baby Broccoli & Cauliflower - Alert

- ▶ Broccoli and Cauliflower remain unsettled from both Mexico and CA due to colder weather conditions.
- ▶ 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.

## Green Beans

- ▶ Florida supply light, quality good and demand good. Mexico volume steady with moderate demand expected this week with better quality into new acreage. Market stronger going into the weekend.

## Citrus

- ▶ Lemons: Market mostly steady. Desert region is winding down and volume is coming on in the North right now heavier to Fancy fruit.
- ▶ Oranges: Market small fruit as the mid-season varieties are a larger sized, peaking on 56/72 ct, overall fruit remains a bit tight with last week's weather and now some morning fog slowing the harvest.
- ▶ Lime: Market continues too rapidly advance. Supplies very tight due to lack of Key Limes and a surge in purchasing of Persian Limes from the Mexico's National market which has dramatically increased cost. February is where mother nature will be providing less fruit. Fruit will continue to cross but planning is best to navigate through, not to mention the logistical issue and labor shortages due to COVID.

## Green Onion - 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.

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

## Strawberries - Alert

- ▶ Supplies out of CA continue to be challenged due the previous rain events and colder weather. Florida's market has gotten stronger due to colder weather. Mexico, volumes are average, but there is labor and freight challenges that the growers are working through that is causing some disruption in the marketplace.

## Squash - Alert

- ▶ Active markets on both east and west coast on zucchini. Yellow squash is limited as well.

## PRODUCE MARKET Updates

### Cucumbers

Cucumbers are tighter and are heavy to small/Mediums. TOV, Medley and Campari tomatoes short in supply.

### Grapes

California supplies are basically done, and the import supply chain struggles continue with container and labor shortages. Chilean break bulk vessels are starting to arrive and should alleviate some pressure late next week in the East, the West Coast has longer delays and meaningful volume not likely until the week of the 24th.

### Onions

**Processed:** 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.

### Eggplant

Florida availability on quality fruit is hit and miss. Market stronger for fancy and choice as supplies are slightly down. Mexico production impacted from viral issues, volume will fall off considerably and prices will spike late week.

### Tomato

Round market continues to escalate due to rain and cool weather in South Florida. Roma, grape, and cherry markets are steady with good availability and quality. Out west, markets are expected to improve in February when MX production peaks.