



MARKET WATCH

Published: February 25, 2022



Ingredients for your Success



Poultry

- Wings are readily available. Tenders availability is tightening. The random breast market is very strong and continues to increase quickly due to further processor demand. Portion control breast have strong demand and have tight supplies due to labor. Boneless thigh meat price is stable and supply is becoming more available.



Pork

- Bone-in butts continue to move up as retail demand has picked up. Boneless butts remain relatively flat for next week. Hams are moving up at a rapid pace after their lows over the last month. Bellies continue to gain strength as cold storage levels are low. Loins are trading sideways as demand is steady. Ribs remain flat for next week.



Beef

- With cattle harvest approaching pre-COVID levels and multiple other factors "stressing" demand; attractive pricing opportunities by packers to keep consumers / buyers spending dollars. Rib, tenders, and strips continue to flirt with lows and overall opinion is a possible "bounce" on these cuts is in the near horizon. End cuts (Chucks/rounds) continue under pressure.



Dairy

- The block and barrel markets are up due to domestic supply and a tight world market. The butter markets are up for the week. The egg markets are down for the week due to a downturn in retail demand.



Grains / Oil

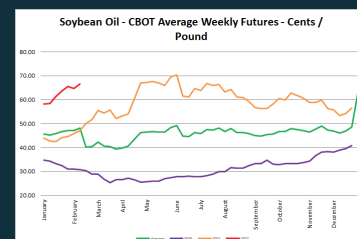
- There was a large rally last week for soybean oil with continued tensions between Russia and Ukraine, dryness in South America, increased exports from the US and higher palm prices. 60% of the world's sunflower oil comes from Ukraine which is causing severe tightness and increased prices.



Seafood

- Record low harvest for Gulf Oysters due to mortality rate and all Texas fishing areas being closed. Frozen Half shell oysters will be tight through summer. Mahi-mahi portions supply will be tight this year due to below average harvest in the 2021/22 season in South America. Swordfish is considered as a great alternative to Mahi.

Market Headlines



Vegetable Oil

Expect large increases in vegetable oils with the Russian invasion of Ukraine, as these oils are tied to crude oil.

Seafood

Yellowfin tuna fishing remains slow. Available inventory in the US is minimal and customers will need to consider multiple sizes to meet their demand. Pricing is trending higher.

Produce

Avocados- On Feb 18th the suspension on avocados from Mexico was lifted. It will take 7-10 days for the pipeline to get filled back up with needed supply. Different countries of origin and sizes may be needed until then.



MARKET WATCH

Ingredients for your Success

Asparagus

- ▶ Active markets continue as weather continues to hamper production. Demand exceeds supplies. Warming trend next week expected to help growth and improve supplies.

Avocado - Alert

- ▶ On February 18th, the U.S. lifted the suspension of avocado shipments from the Mexican state of Michoacan. Product that was sitting in Mexico already packed waiting to be released began to cross over the weekend equaling 15-million-pound (25% of a week's usage) Packers will do everything they can to replenish inventories, short-term market will remain active and will take 7-10 days to settle back down. Alternative countries of origin and flexibility on size maybe needed until the pipeline is filled back up.

Broccoli & Baby Broccoli

- ▶ Markets remain steady growing regions for broccoli and baby broccoli(broccolini) out of CA, AZ, and Mexico.

Brussels Sprouts

- ▶ Good availability on conventional and organic sprouts. Markets continue to adjust as they come down from the previous elevated market conditions.

Carrots - Alert

- ▶ Carrot suppliers remain at max capacity on their snack pack carrots and jumbo carrots out of CA. Market will be shorter and limited in supply as a result. Expect very active carrot markets for 2-3 more weeks

Celery Value-Added - Alert

- ▶ Value Added-Processed (sticks, diced) celery is under and demand exceed supply situation due to capacity constraints. Relief not expected till the beginning of March. Commodity celery out of CA, and AZ is more active this week as well due to overall lighter supplies.

Cucumber - Alert

- ▶ Honduran volume continues to decline, supplies very light, quality good and market very high. Florida projected to start cucumber production up again mid-March. Mexico supplies moderate with good movement; market is active and will remain active another week.

Egg Plant

- ▶ Florida supply is very light, quality is fair and demand strong. Expect demand to exceed supply until new spring eggplant begins in a few weeks. Mexico supplies moderate, strong demand starting for the Lenten season, expect supplies to remain tight through mid-April.

Citrus

- ▶ Lemons: Steady markets, demand expected to increase in the coming weeks.
- ▶ Oranges: Market steady with moderate to good demand.
- ▶ Lime: Market is challenged with limited supplies, due to low yields, delays with inbound and outbound logistics due to weather, along with more rain in the forecast.

Garlic - Alert

- ▶ Supplies of California garlic continue to decline. The next harvest will be in late June and early July. With less CA garlic available, orders will look to be supplemented with garlic from Argentina, Spain, and Mexico, starting in mid-March through the time of the new harvest. Expect to see stronger markets starting at that time.

Mushrooms - Alert

- ▶ Strong demand and active markets continue across the mushroom industry. Challenges remain with labor shortages, freight costs, lack of drivers, and peat moss shortages. The industry does not see the conditions changing for the foreseeable future.

Onions - Alert

- ▶ Market active as some grower's finish packing for the Idaho/Oregon season. Mexico crossing into Texas are limited as demand South of the border exceeds supply. Quality is fair in the NW and good from Mexico. VA red onions very active and will become very limited in supply in the coming weeks.

Peppers - Alert

- ▶ Florida green bell supply very good, quality good and market higher; red and yellow bells extremely short in Florida. Mexico producing moderate supply of green bells; red and yellow bells still in short supply, market stronger.

Cauliflower

- ▶ Market conditions are adjusting for this week as supplies as Mexico is rebounding with improved supplies.

PRODUCE MARKET Updates

Iceberg, Leaf, & Romaine

Stronger markets on iceberg, green, leaf lettuces for this week. Romaine markets are very active this week with some suppliers becoming increasingly more limited on supply. Organic romaine is seeing a very high amount of aphid pressure.

West Coast Commodity Transition

The annual move from the desert growing regions to the CA Central Coast growing regions is on the horizon. Look for more updates over the next 4-6 weeks.

Hot House

Peppers all colors demand exceeds supplies. Campari tomatoes short in supply and Cucumber are snug depending on region.