



MARKET WATCH

Published: July 1, 2022



Ingredients for your Success



Poultry

- Product availability is good but dynamics could change with extreme hot weather and a shortened July 4 production week. Jumbo wings pricing has been steady with product available. Medium and small wings were down. Tenders availability is very tight with high prices. The random breast market price drop has stabilized.



Beef

- Sales coming out of the weekend were again lackluster. As the market heads into a short harvest week, packers are doing best they can to increase their margins. Ribs continue for most part steady, with some discounts on Select. Loins for most part remain strong and tight in supply. Tenderloin supply continues to keep trades active to keep them moving. Ends are steady.



Grains / Oil

- Soybean oil futures fell as large funds liquidated very high positions following the interest rate hike, but mostly because palm oil fell nearly 30% last week. Canola prices started to move lower, too, falling in step with soybean and palm oils.



Pork

- As the July 4th holiday approaches, the butt market continues to move up, expect another strong week and then declines in the market. Ribs are surprisingly coming down next week, as most of the ribs sold were pre-booked. Loins are coming off a weak week and now trending higher. Bellies have softened up going into next week. Green meats are seeing more interest especially fresh hams.



Dairy

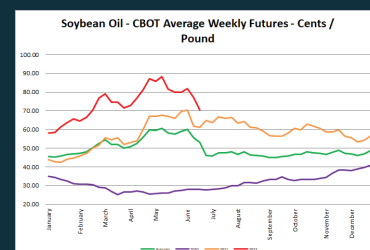
- Butter and cheese markets were weaker with concerns about demand. Shell Egg markets continue to climb with good demand and less production. Cream and Culture pricing is increasing for July. The butter market was slightly weaker this week, but buying is aggressive.



Seafood

- Mid-to-Smaller Sizes wild-caught domestic shrimp can offer a good value now and are ideal for seasonal business should be featured as summer specials. The 2022 wild salmon harvest has started, and the Sockeye harvest is off to a strong start.

Market Headlines



Turkey

Avian Influenza is having its worst outbreak since 2015. As of today 5.5 million Turkeys have been lost which make up 2.5% of the US Turkey population. Turkey supply is extremely constrained across the market.

Seafood

Scallop season has begun, and the landings have been much slower than normal. The sizing of the meats is consistent with this past year, where majority are 10/20's, or smaller.

Eggs

Current loss of impacted layers is at 31.4 million birds about 9% of the nation's hen population. The majority of the impacts have been at farms located the north east and north west.



MARKET WATCH

Ingredients for your Success

Asparagus

- Domestic asparagus production continues to wrap up and imports will become the main players in the next week or so. Production in Peru continues to be good, though cool weather is slowing production a bit. Mexico continues with production, and availability should continue to slowly ramp up in the coming weeks.

Avocado - Alert

- Out of Mexico, markets remain very active as the crop continues to transition from the old crop to the new Local crop. Sizing is heavy to 48ct and 60cts with less availability of #2's. California, harvest remains in peak production and will start to slow down toward mid July. Good supplies but not enough to meet all demand that is needed. Limited supplies from Peru and Columbia continue to find their way into the marketplace.

Brussels Sprouts - Alert

- Supplies have tightened up as quality issues continue to persist. The sprouts are showing seeder as well as puffiness, which is causing the sprout to feel less firm and a bit soft. Lighter volumes are expected to be seen through mid-July.

Cabbage - Green & Red - Alert

- Limited supplies on red cabbage available on the west coast. Green cabbage very limited out of MX.

Corn - Alert

- Strong demand with active markets as the industry heads into the 4th of July holiday in the US. Out west the crop has been slow to come on thus leading still to active market conditions.

Cucumbers - Alert

- GA cucumbers have finished, and cucumbers have gotten very tight for both coasts. Supplies are very light, with strong markets. Shortages should continue for the next 7-10 days. The West Coast is currently in a transition with moderate volume and very good demand.

Green Beans- Alert

- East Coast- GA has finished beans. Next volume to come out of TN starting the end of the week. Market and demand strong at this time. West Coast-Supplies remain fair with good demand. Quality issues are present as the new crop is showing signs of distress following high heat events.

Citrus - Alert

- Lemons: The peak sizing and grades have shifted from large fancy to smaller choice on the Central California Coast. Fancy grade Import lemons from Argentina and Chile are coming into the East and West Coast.
- Oranges: Market is firm. California Valencia's are peaking on 88/72. Supplies will be lighter as we move through the summer. Fancy grade Imports from Chile and South Africa will begin arriving in early July.
- Lime: Market is still limited on the 110 and 150ct. Growers are expecting to see more market activity as we move through July.

Leaf, Iceberg, Romaine

- Coming into a holiday weekend, demand has softened, but markets are unsettled following the previous week warmer weather. Several suppliers are starting to report reductions in yields on iceberg and lettuce, leading all to believe that we are in for some active market conditions over the next 2-3 weeks.

Eggplant - Alert

- GA eggplant remains in high volume this week. Good quality and volume will continue through the month of June. For the west coast, California has fair quality. Production out of Central California is still a few weeks out.

Peppers - Green, Red, Yellow & Chili - Alert

- Markets active on all types of fresh chili peppers as well as all bell peppers, green, gold and red. Expect active markets for the next few weeks.

Potatoes - Alert

- Markets continue to be active for both WA and ID. The demand is exceeding supplies across the board with lower pack out yields.

Bananas - Alert

- Supplies will be negatively impacted for quite some time from Guatemala due to tropical storm damage to the crop and transportation infrastructure. Consistent rain and cloud cover is also slowing growth and maturity. Guatemala is a significant source for one of the largest banana suppliers but others source from other countries. Supplies overall are lighted and demand is very good.

PRODUCE MARKET Updates

Blueberries

Market is in a demand exceeds supply situation. Production out of the Pacific Northwest and Michigan are delayed. The western crop sustained damage due to serve heat reducing availability. The season is close to an end out of FL and GA and NC is only producing 50% due past freeze damage.

Hot House

Cucumber, Beefsteak and TOV good supply, no fill issues expected Peppers tight with prorates expected especially reds.

Onions

Onion supplies are tight this week heading into the Holiday Weekend. We expect CA shippers to tighten up with the reduced availability in New Mexico. Size profile continues to be on the small side with Supers and Colossal yellow onions slim to non-existent. Weather continues to be an issue in New Mexico, causing gaps in the ability to get the crops harvested. Markets are reacting and are showing an increase on gapping varieties and sizes.