



Published: July 22, 2022

MARKET WATCH



Ingredients for your Success



Poultry

▶ Product availability is good and excess supply has hit the market. Wings in all sizes are readily available and prices were down again this week. Wings are approaching a 10-year low in pricing and supplies are ample. Tenders availability is very tight with high prices. The random breast market dropped this week with excess supply.



Pork

▶ Butts continue to increase due to retail and should move up for another week or so. Supply on boneless butts are tight and could push this market up. Loins are also being driven up by retail. Ribs are down and demand has let up due to strong inventory levels. Bellies continue to rise with low harvest levels. Hams moved up again next week with exports being up.



Beef

▶ Conversation continues this week from packers of well sold positions and export strength. Although, with large harvest numbers last week and expected this week, some buyers are more hesitant to long-term commitments. Ribs and tenders are in a pattern of steady, while strips continue to hold strong demand and pricing. End cuts continue to muster interest and hold value.



Dairy

▶ Cheese markets were lower with weaker demand and steady to strong production. Butter was down with strong manufacturing and weaker foodservice demand. Eggs continue to move higher with good retail and foodservice demand.



Seafood

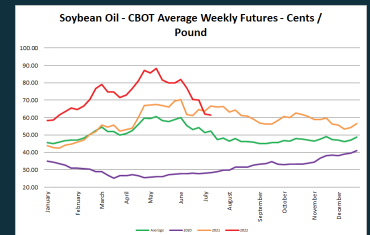
▶ Domestic brown shrimp season has kicked off last Friday. The forecast is calling for a good harvest, similar to the white season. Landings are heavy all around for domestic shrimp. Catfish production improves as fish continue to grow larger.



Grains / Oil

▶ Soybean oil futures moved lower again last week as large fund traders sold off long positions, and much lower palm oil. Canola oil also softened as growing weather is ideal. Moving lower also last week were corn, soybeans, and wheat.

Market Headlines



Beef

PRIME and CAB PRIME graded product continues to be very difficult to find; please make sure to open with a lead time of three to four weeks MINIMUM and large quantities and contracts are not likely.

Turkey

Avian Influenza is having its worst outbreak since 2015. 5.5 million Turkeys have been lost Making up 2.5% of the US Turkey population. Supply is extremely constrained with suppliers output reduced by 20-33%.



MARKET WATCH

Published: July 22, 2022

Ingredients for your Success

Asparagus

- ▶ Market continues to be active. Peru is dealing with cooler weather and Mexico is hot and dry affecting supply.

Avocado - Alert

- ▶ Mexico – Harvest has stabilized as the Local crop is the main fruit being harvested. Size curve on the summer crop is heavy to 48's and 60's, with a lot less #2 fruit California – Harvest is slowing down. Size curve is peaking on 48 and 60ct. Peru – Arrivals into the US are picking up some steam, with strong supplies being delivered this week and more on the water.

Bananas - Alert

- ▶ Supplies remain impacted from Guatemala due to tropical storm damage to the crop and transportation infrastructure. Supplies are lighter and demand is strong.

Cabbage - Green & Red - Alert

- ▶ Out of Mexico and CA, green and red cabbage continue in limited in supply with active markets. Expect to see continued market volatility for the next 8 weeks.

Corn - Alert

- ▶ East – Supplies are limited as production is scattered in local areas. West - Still in Major production GAP, with less acreage planted this year due to growing cost and water restrictions. Central California production 7-10 days out from starting some production. Some supply out of Colorado but not enough to make a dent. No relief until possibly late next week.

Broccoli & Cauliflower

- ▶ Good supplies along with steady markets are being reported for this week. Local production continues in some regions, thus allowing for less pressure and demand for product out of CA.

Blueberries - Alert

- ▶ Active market conditions continue this week as the Pacific Northwest (PNW) is yet to produce at expected levels. The PNW will need to carry most of the supply burden as NJ is mostly done, Michigan was rained out over the weekend and are hoping to rebound this week and lastly BC has been pushed off another week.

Pineapple- Alert

- ▶ Demand is steady but supplies are lighter due to summer growing conditions. Sizing is lighter on large sizes. Market is adjusting due lighter overall supplies available.

Citrus - Alert

- ▶ Lemons: The market is steady on all lemons. California is heavy to small choice grade with lighter volume on large sizes and fancy grade. Fancy and some choice grade Imports from Argentina and Chile are coming into the East and West Coast.
- ▶ Oranges: The market is very strong. California Valencia's are peaking on 88/72. Supplies are light and growers are limiting packing to lighter as we move thru the summer. Fancy grade Imports from Chile are arriving which is helping but demand still exceeds supplies on California Valencia's.
- ▶ Lime: The market is expected to strengthen as availability declines on U.S. #1-grade fruit due to low pack-out yields. Overall quality is deteriorating, including lighter coloring, decreased shelf life, and increased skin breakdown/styler that typically appears after the fruit is packed and shipped.

Leaf, Iceberg, Romaine

- ▶ Markets are steady this week with quiet demand. Good supplies reported on all iceberg, romaine, and leaf items for this week to meet needed demand.

Eggplant - Alert

- ▶ East - Eggplant market is active due to limited supplies. NC is one of the only regions producing this week. MI should start harvest next week West - Very short supplies out of California with limited supplies out of Mexico.

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.

Onions - Alert

- ▶ In general, the onion category remains under pressure. The market has increased a bit on JBO Yellows. Demand is very good on both yellows and whites. The red market is adjusting as demand softens. Overall, we expect demand to stay high until the Pacific Northwest is fully operating.

Fingerling Potatoes - Alert

- ▶ Market continues to short with limited supplies for the 4-5 weeks.

PRODUCE MARKET Updates

Russet Potatoes

The industry is facing shortages due to suppliers having reduced volume caused by the previous heat events that took place last June. The storage crop is currently coming to an end with significantly less volume that is needed to meet all demand. Relief is not expected until mid-August when out the new crop out of Washington starts with Idaho to follow.

Tomatoes

Roma, grape, & cherry markets remain elevated due to declining volume out West. Round availability remains stable.