



Sysco
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food and service

Published: December 2, 2022

MARKET WATCH



Ingredients for your Success



Poultry

▶ Wing season is here and there are plenty of wings available at favorable prices. Tender availability is increasing, and product is readily available. Breast prices are seasonally low but slower production forecasts through the end of the year will tighten supplies. Boneless thigh meat is readily available.



Pork

▶ Butts are trading sideways but could see some support from retail causing the market to remain level. High cold storage numbers continue to bring the rib complex down market should continue to be weak. Loins like butts saw a little sideways action and could be featured in retail ads soon. Fresh bellies are being pushed into the market as cold storage levels continue to rise.



Beef

▶ As the week progresses, buyers are pumping the breaks as lower pricing is being offered by packers. Ribs and tenderloins continue strong, as limited availability and seasonal demand continues. Strips continue to trade steady, as buyers appear to go hand to mouth and use as lower price point middle meat offering. Chucks and round continue to reflect a weaker tone on good supplies.



Dairy

▶ Butter markets are steady as demand remains good. Shell eggs markets continue to remain up as another outbreak of AI occurs last week. Cheese markets are decreasing despite good demand. Cream and Culture pricing is decreasing for December as butter markets have fallen in last 30 days.



Grains / Oil

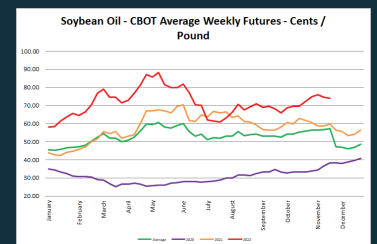
▶ Soybean oil moved slightly lower last week with weaker crude oil futures and an improvement in the logistics along the Mississippi River. Chinese demand is down for Canola, and Canadian futures fell for Canola seed. Palm moved slightly higher, but stocks are very good, and demand is weak.



Seafood

▶ The imported shrimp market is saturated with both Whites and Tigers as the demand has slowed down in the retail sector. Excess inventories are building in the U.S. market, resulting in market fatigue. Lobster season has begun in Nova Scotia, resulting in larger tails.

Market Headlines



Seafood

The imported shrimp market remains unsettled and weak due to excess inventories within the U.S. market.

Veg Oil

The market is awaiting the EPA decision for this year's biofuel mandates which includes whether or not Canola will be allowed to be processed for biodiesel.

Avian Influenza

As of Friday, another 1.7 million birds were identified as HPAI-positive on a commercial egg layer farm in Dixon County Nebraska (northeast corner). This has impacted supply of Processed and Liquid Eggs.



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Asparagus

- ▶ Market balancing out a bit and coming off as we have past the holiday demand. Supplies are still expected to be tight into January.

Avocado

- ▶ Inventories are slightly lower. Anticipate a reduction in harvest as transition to higher elevation, there is a chance that we will see an increase in field prices soon.

Broccoli

- ▶ Market steady but firm, supplies are still snug and cooler weather is slowing production.

Cabbage - Green & Red

- ▶ Supplies slightly lighter and demand slightly higher driving that market up.

Cauliflower

- ▶ Market slightly softer as supplies have improved and demand has softened, but still at extremely high pricing levels.

Cilantro

- ▶ Market softer as supplies have improved and demand has come off.

Citrus

- ▶ Lemons – Supplies are good coming from Central California and the Southern desert areas. Pricing is decreasing.
- ▶ Oranges - Supplies are good on navels. Sugar and color are increasing weekly. Prices are decreasing.
- ▶ Limes- Market steady. Crop yielding very limited volume in small sizes 200s-250s; expect this issue to continue for the next 2-3 weeks.

Cucumbers

- ▶ East – Cucumber supply steady, and market mostly steady. Demand steady. West – Production increasing in the Sinaloa region, prices have dropped slightly, and market is stable.

Eggplant

- ▶ East – Eggplant supply lighter. Demand moderate, market has not reacted due to abundant supply out west. West – Availability has increased substantially; and demand is weak. Market lower.

Mushrooms

- ▶ Supply is improving but still very short, but cautiously optimistic they will start meet the demand. Market mostly steady.

Peppers- *Alert*

- ▶ East – Green bell supply steady, Red and Yellow extremely short, market high. West – Increasing availability from California and Mexico is causing this market to slightly adjust. Red and Yellow extremely short, market high.

Pineapple

- ▶ Good availability on all sizes and prices are mostly steady.

Potatoes

- ▶ Pricing is Firm and still active. Fryers and processors continue looking to purchase product from the fresh market, pricing will remain higher than previous years.

Onions

- ▶ Market is mostly steady. Larger Yellow onion sizes continue to be somewhat scarce. Reds and Whites continue to show good supplies.

Squash

- ▶ East Coast – Market increasing with cooler weather slowing production. Yellow squash short supply. West Coast – Colder weather in Mexico is slowing production down. Expect market to rise. Yellow squash will be light for the rest of the month until Central Mexico starts.

Strawberries - *Alert*

- ▶ Market higher as heavy rains and frost in the California growing regions are preventing harvest creating a demand exceeds supply situation.

Tomatoes - *Alert*

- ▶ Markets are active, with rounds higher. Roma, Cherry and Grapes the market looks like it stabilizing, but remains high. Flexibility in specification, varieties, and sizing is the best way to mitigate the impacts of this supply challenge.

PRODUCE MARKET Updates

Leaf, Iceberg, & Romaine

Leaf, lettuce, holding at current high levels as they move to the Yuma growing region. Market looks to hold on to extremely high prices due to continued very light supplies with heavy demand.

Spring Mix/Spinach

Product remains very short as suppliers continue with the move Yuma region. Expect shortages until we fully transition South to the desert in a few weeks.

Green Beans

East – Bean supply little better post-holiday due to lighter demand. West – Moderate volume out of Mexico, still not enough to fill the pipeline, should remain somewhat limited until late next week, before some relief is seen.