



Sysco
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food and service

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MARKET WATCH



Ingredients for your Success



Poultry

▶ Wing season is here but 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

▶ Lean hog futures ended weaker. February hit a two-week floor and is nearing oversold status. But, overall pork supplies are tight with inconsistent weather throughout the US. Hams reduced by slower demand. Bellies were steady with light volume. Trims saw strong demand.



Beef

▶ With back-to-back reduced harvest weeks and winter storms rolling across the country, the market seems "frozen" in place. Ribs and tenderloins due to possible low inventories have held firm on close in delivery windows. Strips continue steady, this cut along with top butts have filled buyer needs and recovered from the lows seen only weeks prior. Chucks and rounds are firm.



Dairy

▶ Shell eggs are starting to decrease as higher prices have started to curb demand. Cheese markets rose last week, but have the potential for softness if demand slows. Butter markets continue to fall as holiday buying season ended. Cream and Culture pricing is decreasing for January.



Seafood

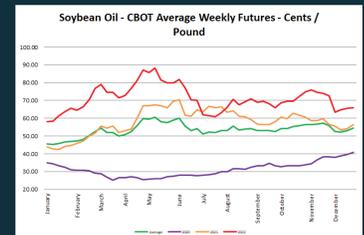
▶ Nova Scotia lobster season is coming to an end. The unfavorable weather has disrupted the chance for the larger tails. Alaska announces quota reductions for Cod and increases for Pollock. The white shrimp season so far has been better than expected with heavy landings, but landings remain below average for brown shrimp.



Grains / Oil

▶ Weather in South America, especially Argentina, is putting pressure on soybean oil prices, in fact the entire soybean complex, due to dry weather. Palm oil is higher with heavy Malaysian rain, affecting production, and Indonesia is once again changing its rules for exports. Canola is largely unchanged.

Market Headlines



Beef

Harvest rates, fed cattle prices, and primal values will all fluctuate well outside historic price patterns as the industry adjusts to dwindling supplies. The decline will be accompanied by reduced supplies on grocery shelves.

Turkey

High Pathogenic Avian Influenza is having its worst outbreak since 2015. Unfortunately, after a quiet couple of months Turkey HPAI cases have started to return. As of today, 9.0 million Turkeys have been lost.

Eggs

No new impacts from Avian influenza on the egg markets to report this week.



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Asparagus - Alert

- Supply continues to be unstable as we see cold weather delaying production out of Mexico, and Peru supply availability continues to fluctuate. Market conditions will be active and firmer.

Avocado

- Supply levels remain stable with good volumes. The size curve is well-balanced across all sizes and grades.

Broccoli

- Broccoli showing some improvement in supplies, but production is still slower with Mexico volume lighter than California. Brocolini continues in a demand exceeds supplies.

Cabbage - Green & Red

- Market steady on both, with the red market firmer, and moderate demand.

Cauliflower

- Market took a small decrease. Moderate volumes this week. Cooler temperatures in Yuma will affect harvest and keep this market active.

Celery

- Market remains firm as production continues to struggle. Expect to see slow improvement in supplies over the coming weeks. Quality is fair to good.

Cilantro

- Parsley market higher as supply is short and not meeting demand. Cilantro market is mostly steady, but supplies are snug.

Citrus

- Lemons – Market is higher. Supplies are good coming from the Southern desert areas, but Central California region will have rain on and off for 10-14 days limiting harvest.
- Oranges - Supply is getting tight due to on going rain in the Central valley. 88s and larger will start to tighten, peaking on 113s and smaller Fancy. Market is expected to become active as rain persists.
- Limes - **Alert** Market rising. Mexico is working through harvest delays – overall availability is deficient, and supply is not meeting demand.

Cucumbers

- East – Market Rising, short supply both East and West. Florida production coming to an end, and Honduran supply has not started in full force. West – Strong demand and limited supplies are pushing this market higher.

Eggplant

- East – Florida production is sporadic this time of year. There are pockets of volume being harvested but quality is hit and miss. Market steady maybe slow rise. West – Limited supplies and good demand have market firming up.

Mushrooms

- Supplies continue to improve, and the market remains steady.

Peppers- Alert

- Green bell supplies very light with cold weather in the East putting pressure on the West. Red tight and Yellow bells are extremely short in both East/West and higher markets expected.

Pineapple

- Production will remain tight on large sizes until about week 3 of January. Brix levels should be rising. Pricing is expected to be elevated through most of January.

Potatoes

- Demand has slowed and will be lighter thru February. Packers are now cutting production to pace themselves thru the season to try to avoid the gap that occurred last season.

Onions

- Super and Colossal are tight coming out of the holiday weekend. Plenty of other supplies available. Quality is still very good in the Northwest. The market has come off a little this week.

Strawberries - Alert

- Strawberries supplies have decreased this week in particular the Oxnard growing region. All areas have a stronger market tone this week.

Tomatoes - Alert

- Markets continue to improve on rounds, grapes, & cherries as supply increases out of Florida & Mexico. Roma availability continues to be light which will elevate pricing. Markets should improve as availability increases into the month of January.

PRODUCE MARKET Updates

Leaf, Iceberg, & Romaine

Improved supplies continue on Green/Red leaf and Romaine. Market has softened some and continues to do so yet with the slow increases in volume pricing expected to move down slowly as well. Lettuce down but remains firm at higher levels.

Bananas

Supplies are expected to be lighter over the next several weeks due to cooler temps in the tropics. Supplies are currently uninterrupted but could become so down the road.

Grapes

Supplies are winding down on good red and green grapes from California. Most demand has transitioned to Peruvian imports. Expecting lighter supplies from Peru for the next few weeks due to the civil disruptions over the last week. Market is stronger.