



Published: July 28, 2023

MARKET WATCH



Ingredients for your Success



Poultry

► Breast markets have started to strengthen as supply has tightened. Tenders are strengthening and are still in short supply. Whole birds are mostly even. Wings of all sizes are strengthening and expect supply to get tight. Dark meat is steady on solid demand.



Pork

► Butts are still down week over week which is typical post 4th of July Holiday. As expected, the rib complex is now down after remaining relatively flat the past couple of weeks. Boneless Loins saw some declines, while Bone-In Loins were flat this week. Bellies, Hams, & Trimmings continue to increase due to large cold storage supplies.



Beef

► As weather continues to heat up across the country; the industry awaits to see the impact. Middle meat interest is seen as steady and packers are trying to hold the price gap between CAB vs Choice; although, select grade continues to suffer. End cuts appear to have found a steady balance between supply and demand. Grinds, due to reduced harvest, may benefit the most in the weeks ahead; unfortunately, mixed offerings are reinforcing steady tone.



Dairy

► Shell Egg markets remain steady across the country / Cheese and Butter markets both up due to increased demand and tightening production/Cream and Culture pricing will have nominal increases for July/ Processed Eggs will see a decrease for July.



Grains / Oil

► Soybean oil futures were higher again. Many trade commentators have speculated that this market is near its high, and due for a downturn. Poor crop scores from weather and the fall-out from the Ukraine and Russia grain deal dissolving. Canola is higher due to dry hot Canadian weather and palm is moving with soybean oil and higher demand.

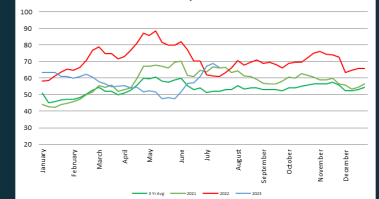


Seafood

► Soft Demand for frozen seafood across the country leading to plateauing prices in the wake of an over-abundance of inventory at warehouses. Snow Crab season in Newfoundland and Labrador has been extended to the end of July, due to late start in their season, but prices are firming on all snow crab.

Market Headlines

Soybean Oil - CBOT Average Weekly Futures - Cents / Pound



Beef

Cattle cycle continues trend lower and it reflects continued tighter supplies into 2025. The replacement #'s for both dairy and beef heifer are only slightly down from a year ago. Calf Crop matched up with beef cow declines implying continued smaller supplies into 2025.

Seafood

Snow crab season has been extended for Newfoundland and Labrador until July 28th. Over 14,000 MT of Quota have yet to be caught as of July 17th.



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Asparagus- Alert

- Supply issues continue. Overall Peru imports are down 20-40%. Higher retail pricing and Ad completion have helped but not enough.

Avocado- Alert

- Tight on larger fruit 60s and larger, high-volume percentage of 70#1s. Short on all #2s and having to sub with #1s, gap between grades is tightening up.. Market is expected to remain firm.

Broccoli

- Market a bit active but growers are reporting good supplies and should be able to keep up to the stronger demand.

Cabbage - Green & Red

- Market steady on both red and green cabbage.

Cauliflower

- Supplies are steady to a little lighter depending on grower. Market is active but nothing too extreme.

Cilantro/Parsley

- Market remains firm as supplies are expected to be on the lighter side for a few weeks on both Cilantro and Parsley.

Citrus

- Lemons -Market is firming up Size structure is Lg-Medium, while small sizes continue to be supply challenge. Quality is ok overall. There are some Argentina & Chilean lemons in the market, that may be a better-quality alternative for some.
- Oranges - Valencia's are in full swing peaking in an 88/113. growers seeing some re-greening due to the extreme heat. An increased amount of choice grade will be packed as well.
- Limes- Costs in Mexico are rising swiftly, which will impact U.S. pricing trends over the next month+. Extreme heat and humidity are impacting quality and shelf life, which is ultimately contributing to low yields/availability.

Celery

- Celery supplies are better, and market is reacting down. Growers are seeing more 24 size celery and starting to meet the demand.

Lettuce and Romaine

- Market stronger as supplies are lighter due to cooler weather slowing growth. Growers are waiting to harvest to allow time to size up.

Peppers

- West - Varying quality reported, fair to good. Heat related issues causing shorter supplies with color peppers affected. East - Green pepper are abundant in multiple growing regions. Demand is steady and supply is plentiful. Red and yellow pepper supply are much scarcer.

Pineapple

- Pineapples are still tight especially on bigger sizes. Prices are up as demand continues to be strong.

Potatoes

- Markets remain steady after last week's short pack. Product was tight to start the week but will improve towards the end of the week on smaller sizes. New crop continues to look on schedule.

Onions

- The market is steady as supplies are good in both New Mexico and California. Overall quality is great for the season! The Pacific Northwest will begin harvest the end of next week.

Squash

- Coastal area damp morning causing mold issues are expected to improve next week. Supply sufficient to meet demand. East - Zucchini and Yellow squash are steady with multiple regions harvesting. Yellow is a little tighter.

Grapes

- This market is steady at current levels. We have now transitioned to the San Joaquin area. Quality on first shipments coming from the San Joaquin Valley is very good.

Tomatoes

- Supply is trending upward on all varieties (round, roma, grape, & cherry). Overall markets will remain stable through next week both east and west. Roma markets are now off alert status.

Eggplant- Alert

West - Light supplies due to weather related damage resulting if fair quality. East - availability is tight, and pricing should continue to stay strong.

PRODUCE MARKET Updates

Peppers - Chilies

West -Extremely light supplies with high probability of prorates, primarily poblano's. Other varieties affected but manageable to cover orders. East - with GA finished for the season, pricing is elevated overall. No major volumes yet.

Brussels Sprouts

Poor yields continue impacting production and market is reacting higher, yields are better in some growing areas, but the overall supplies are struggling to keep up to the demand.