

Gordon Food Service Market Updates

Grocery & Bakery | Frying Oil

The after effects of Hurricane Ida have led to ag-giant, Bunge, to declare force majeure in relation to palm-based products due to the inability to bring the product into port. At a minimum this will create short-term stress on certain oil and margarine products that use palm inputs. Recovery is solely dependent on how quickly power can be restored to the operations in the gulf port. Domestic grains, meanwhile, are showing signs of potentially backing up. Chinese buyers have notably shifted some of their corn purchases from the U.S. to Brazil due to the delays in port. Estimates are for the facilities in port to be back up-and-running by the end of the month so this temporary supply glut could be short lived and may not impact the soybean supply. Early harvest for soybeans will begin any time. The forecast in the upper Midwest is calling for dry weather so farmers should get a good jump on the harvest.

Grocery & Bakery | Flour

Spring wheat prices have remained relatively firm as speculation continues that the new crop will be of poor quality due to drought conditions. Durum wheat will especially be challenged this year, which will have impacts on pasta prices in 2022. A higher US Dollar and an increased forecast for Australian wheat production has pulled prices down slightly. Any harvest pressure on corn and soybeans may present a buy opportunity for flour buyers.