



# Weekly Market Review

## May 11, 2023

### Overview

Lighter supply out of Ruskin/Palmetto this week on tomatoes and supplies are stable on pepper, cucumber, and corn. The hot pepper market continues to improve, but serrano, shishito and anaheim the highest priced and shortest available. Supply is tighter on round, roma and snacking tomatoes crossing through Nogales and McAllen; the sizing curve however shifted a bit leaning towards smaller fruit on rounds, romas are peaking on XL and jumbo. We will see more transition etc. over the next several weeks Otay/Baja, Coachella, Quincy, and Carolinas are up next. Offshore melons are sung while crossing from Nogales are ramping up. the desert will most likely start in 3 weeks. Supplies are slowly improving in the Salinas Valley, but we still look for supplies to continue to be very unstable through the month of May and into June as the Salinas Valley finds itself behind schedule on many major commodities due to the weather-related issues in California from Jan through March. Post Cinco de Mayo, there is a shift as the three weeks prior, 216M pounds of avocados were harvested for Cinco (exceeding Super Bowl by 15M pounds), and now the industry is adjusting out of one of the largest volume periods of the year. Promotional planning has shifted to Mother's Day this upcoming weekend, and Memorial Day is right around the corner. Market pricing is softer than last week, but harvest volumes this week have been very light, and once inventory levels come back down, markets are expected to increase slightly.

### Market Alert

- Asparagus – **ESCALATED**
- Bok Choy – **ESCALATED**
- Brussels Sprouts – **ESCALATED**
- Cabbage (Red) – **ESCALATED**
- Carrots – **ESCALATED**
- Cauliflower – **ESCALATED**
- Celery - **ESCALATED**
- Garlic – **ESCALATED**
- Ginger – **EXTREME**
- Grapes - **EXTREME**
- Green Beans - **EXTREME**
- Hot Pepper – **ESCALATED** (Shishito, Serrano, Anaheim)
- Lettuce, (Green Leaf, Iceberg, Red Leaf, Romaine) - **ESCALATED**
- Limes (Large Sizes) - **ESCALATED**
- Melons (Cantaloupe, Honeydew) - **ESCALATED**
- Mushrooms – **ESCALATED**
- Napa - **ESCALATED**
- Parsley (Curley & Italian) - **ESCALATED**
- Potatoes – **ESCALATED**
- Snow Peas and Sugar Snap Peas – **ESCALATED**

### Watch List

- Anise/Fennel
- Florida (Tomatoes)

### Transportation

Although diesel rates are near record highs truckload rates continue to decline as consumer spending on durable goods declines reducing demand in the truckload market.

### Weather









#### SALINAS, CA

Thu 5/11	Fri 5/12	Sat 5/13	Sun 5/14	Mon 5/15	Tue 5/16	Wed 5/17	Thu 5/18
64°   50°F	66°   51°F	72°   55°F	73°   54°F	74°   55°F	76°   55°F	73°   54°F	71°   54°F
AM Clouds/PM Sun	Partly Cloudy	Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Partly Cloudy









#### OXNARD, CA:

Thu 5/11	Fri 5/12	Sat 5/13	Sun 5/14	Mon 5/15	Tue 5/16	Wed 5/17	Thu 5/18
64°   52°F	66°   54°F	65°   56°F	70°   57°F	69°   58°F	69°   59°F	70°   58°F	68°   58°F
Partly Cloudy	Mostly Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy









**JALISCO, MX**

Thu 5/11 87°   57°F  Sunny	Fri 5/12 86°   56°F  Partly Cloudy	Sat 5/13 85°   55°F  Sunny	Sun 5/14 85°   57°F  Sunny	Mon 5/15 87°   58°F  Mostly Sunny	Tue 5/16 85°   58°F  Partly Cloudy	Wed 5/17 83°   58°F  Mostly Cloudy	Thu 5/18 84°   57°F  Partly Cloudy
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**WIMAUMA, FL**

Thu 5/11 94°   70°F  PM Thunderstorms	Fri 5/12 92°   70°F  PM Thunderstorms	Sat 5/13 91°   67°F  PM Showers	Sun 5/14 91°   69°F  Partly Cloudy	Mon 5/15 91°   70°F  PM Thunderstorms	Tue 5/16 91°   71°F  Scattered Thunderstorms	Wed 5/17 90°   72°F  Partly Cloudy	Thu 5/18 91°   72°F  Partly Cloudy
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**ADEL, GA**

Thu 5/11 87°   66°F  PM Thunderstorms	Fri 5/12 87°   66°F  PM Thunderstorms	Sat 5/13 86°   67°F  PM Thunderstorms	Sun 5/14 91°   67°F  Partly Cloudy	Mon 5/15 90°   65°F  PM Thunderstorms	Tue 5/16 86°   66°F  Partly Cloudy	Wed 5/17 88°   66°F  PM Thunderstorms	Thu 5/18 88°   67°F  Scattered Thunderstorms
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**COACHELLA, CA**

Thu 5/11 91°   66°F  Sunny	Fri 5/12 101°   72°F  Sunny	Sat 5/13 107°   73°F  Sunny	Sun 5/14 104°   73°F  Sunny	Mon 5/15 101°   76°F  Sunny	Tue 5/16 102°   75°F  Partly Cloudy	Wed 5/17 101°   73°F  Partly Cloudy	Thu 5/18 98°   72°F  Partly Cloudy
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**Good Buy**

Each week, our team spotlights commodities based on how favorable prices, quality, and supply are in the market. Stay ahead of the trends and look to these good buys for their stellar performance in the fields! Please see each individual product for more information below and reach out to your PA representative for more information on adding this to your order guide.

Commodity	Expert Tip
Arcadian Blend	Let's talk about the IDEAL salad! A beautiful base of any delicious green.. in this case, Arcadian Blend, topped with some beautifully sliced heirloom tomatoes, with some fresh diced cucumbers, and green peppers. Next, the best way to mix up any delicious salad, is grilled veggies. Slice summer squash length wise and grill, then grill the corn with the husk still on. After the squash and corn is grilled, shuck the corn and dice the squash. Drizzle the salad with olive oil, a squeeze of lemon juice and a dash of salt and pepper!
New Crop Heirloom Tomatoes - Canada	
Slicer Cucumber	
Italian Squash/ Yellow Squash	
Green Bell Pepper	
Sweet Corn	

**Fruits & Vegetables**

**Avocados:** Last week's harvest dropped 26%, closing at 54.4M pounds for the U.S. There was a day of harvest lost to holiday, but the volume reduction is welcome to facilitate moving excess inventories from the previous three weeks of very strong volumes. Mexico is expected to begin harvesting in the mid-40M pound range for the next several weeks, with bigger increases coming from California and Peru to keep the market hovering below 60M pounds. California volumes exceeded the 10M pounds mark and have now unofficially entered their peak, continuing through June. The overall crop estimate remains at 243 million pounds for the season, and the late start will likely result in higher volumes through July and not extend the overall season. Volumes from Peru continue to trickle in, and next week could break the 1M pound mark. Expectations remain for a 13% increase in volume to the US this season, with a size curve favoring 40s and larger. The Peru season is expected to stretch later into the fall.

**Bananas:** Steady volume on the horizon expected and no quality issues; fruit size will remain smaller than normal but should be improving.

**Pineapples:** Supply remains tighter than normal at the ports. Sizing options can be limited, quality remains good.

**Table Grapes: EXTREME** We are starting to see a rapid decline in volume decreasing on offshore grapes and now spot market inventory is becoming difficult to source. Importers are holding onto remaining inventory in order to manage programmed business while any additional volume from Chile has been diverted to Europe and Asia due to weak U.S. markets in February and March leaving much less fruit in the U.S. for April. Brazil's second crop is beginning to arrive on the east coast, but those supplies will not be enough to meet overall demand and Mexico will be delayed several weeks. The industry may experience a supply gap in the coming weeks, pushing spot market pricing to extremely elevated levels on all colors. We do not expect supply to be available out of Mexico until the late May. In the coming weeks, substitutions to alternative colors or mixed melons/other fruit may be necessary to keep the supply chain constant.

### **Berries**

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**Strawberries:** For the upcoming weeks, volume projection for the Salinas/Watsonville districts will steadily increase weekly and plants show vigorous growth and have decent fruit sizes. In Santa Maria, the overall volume projection for the next three weeks was reduced due to after-rain quality concerns and slow maturation. In Oxnard, volume projection for next week has been slightly reduced due to cooler weather and potential after-rain pin rot concerns. Mexico's volumes continue to decrease rapidly due to fruit quality.

**Blackberries:** Supply will descend weekly as Mexico is past peak production. Supply from Mexico will decrease weekly until the season ends in mid-June. Production will shift from Mexico into the U.S., with Oxnard, Watsonville, and North Carolina ramping up in late May.

**Raspberries:** Overall supply will continue a downtrend for the next 7-10 days and remain stable as Central Mexico continues to downtrend and California continues to be uptrend. Central Mexico will finish the season in seven weeks. Baja will remain stable and continue a stable uptrend towards its late spring peak. Oxnard will continue to uptrend aggressively for the next four weeks until they reach their spring peak. Salinas/Watsonville started its production season last week, and they will uptrend gradually for the next two weeks and then uptrend aggressively towards their spring peak. Santa Maria harvested minimal volume this week.

**Blueberries:** Mexico is past its spring peak, and volume will continue to downtrend. Baja volume will continue to increase as they enter their spring peak. Florida and Georgia season is past peak and will downtrend over the next few weeks and North Carolina will begin production this week. The Central Valley started production last week with light volumes and an uptrend over the next few weeks.

### **California Citrus**

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**Oranges:** Navels are winding down as we approach the end of the Navel season. Size structure is peaking 72/88 choice. Some shippers are starting Valencias with more available on smaller sizes, although they remain tight.

**Lemons:** The market is continuing to get tighter on 165/200s, particularly 200s. We do not see foresee this situation getting better anytime soon as it is starting to have an impact on the 140s as well. We are seeing longer wait times to get trucks loaded as trucks are having to wait for product to be packed, so moving from a 200 to a 165 or 140 will help.

**Limes: ESCALATED ON LARGE SIZES** Overall supply and quality have improved, market is lower. We look for supplies to continue to improve through the balance of the month.

**Grapefruit:** Good supply and very good quality out of Texas and California.

**Imports/Specialties:** The California mandarin is in full swing, good availability and outstanding quality. Bloods and Caras are available, and Minneolas are available as well.

### **West Coast Lettuce**

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**Iceberg: ESCALATED** Current supplies are slowly increasing but normal growing cycles are still off schedule due to storms earlier in the year. Quality is much improved although weights and head size are still a little lower than normal and the market has been active with wide ranges in prices and quality.

**Romaine & Romaine Hearts: ESCALATED** The Salinas season is in full swing, but weights are still light to start the season, and there is light cupping on the romaine hearts. Quality is good on both cartons and hearts,

**Green Leaf, Red Leaf & Butter: ESCALATED** Production in Salinas is steady, and quality has improved with good weights and sizing. Current markets are good, and demand is steady

### **Eastern and Western Vegetables**

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**Green Bell Pepper:** Firm markets continue out of Florida as transition to South Georgia ramps up. Nogales and McAllen continue to have the stronghold on volume while Coachella is quickly ramping up and quality is outstanding.

**Red Bell Pepper:** Supply expected to be tight as volume begins to decrease out of Mexico. We will also see lighter volume in Florida. Red Pepper supply could get tricky over the next several weeks as we transition to Baja, Coachella, and Canada.

**Yellow Bell Pepper:** Good supplies crossing through McAllen and Nogales and quality is good. We should see red pepper out of the desert in 2-3 weeks.

**Orange Bel Pepper:** Good supply crossing through McAllen and Nogales. Quality is good.

**Mini Sweet Pepper:** Stable supply, and quality available loading in Nogales.

**Mixed Chili Pepper: ESCALATED** In the east, chilies were still tighter than normal however expect to see some improvement in two weeks on (Cubanelle, Long Hots, Poblano, Hungarian Wax, Jalapeno and Shishito-very short). In McAllen, volume is gradually improving on all varieties but Yellow Caribe and serrano. Pricing is remains firm but there is downward pressure on most varieties. Tomatillos are stable.

**Eggplant:** Good quality and supply in South Florida and crossing through Nogales. South Georgia expected to scratch in three weeks.

**Slicer Cucumbers:** Light volume out of Florida and expect transition to South Georgia in approximately three weeks. McAllen and Nogales we continue to see strong volume and outstanding quality.

**English Cucumbers:** Good supply available with excellent quality.

**Pickles:** Steady volume available this week and quality will be mixed out of Mexico and South Georgia.

**Green Beans: EXTREME** Bean demand exceeds supply in many markets due to lack of supply and quality. Markets in Nogales are extreme as the season starts to wind down, transition to Coachella very soon and South Georgia started this week. We hope to see downward pressure on price as more supply becomes available.

**French Beans:** The rainy weather in Guatemala has affected production and quality.

**Zucchini/Yellow Squash:** Excellent supply and quality available in Nogales on Italian and Yellow. In Florida squash supply will is fair; We will also see an increase in scarring due to the wind from the storms going through the region this past week. Good volume out of South Georgia.

## **Herbs**

Domestic supply remains steady on most herbs, with good quality and supply. Parsley has some issues with bolting, but supplies should be fine by the weekend. Lemon grass supplies are slightly limited, but we should see supplies back to normal in roughly two weeks. We still see weather impacting herbs from Colombia and Mexico's labor issues.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Steady	USA
Basil	Steady	Steady	MEXICO
Opal Basil	Steady	Steady	USA/MEXICO
Thai Basil	Steady	Steady	MEXICO
Bay Leaves	Steady	Steady	COLOMBIA
Chervil	Limited	Marginal	USA
Chives	Steady	Steady	MEXICO
Cilantro	Steady	Steady	USA
Dill	Steady	Steady	USA
Epazote	Steady	Steady	MEXICO
Lemongrass	Steady	Steady	USA
Marjoram	Limited	Flowering	MEXICO
Mint	Steady	Steady	USA
Oregano	Limited	Flowering	MEXICO
Italian Parsley	Steady	Steady	USA
Rosemary	Steady	Steady	MEXICO

Sage	Steady	Steady	MEXICO
Savory	Steady	Steady	USA
Sorrel	Limited	Steady	USA
Tarragon	Limited	Steady	MEXICO
Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA
Lemon Thyme	Steady	Steady	USA
Lime Leaves	Steady	Steady	USA

## Melons

**Domestic Outlook:** Desert production will have some delays, like all other spring crops, by 10-14 days caused by very cold temperatures in late winter/early spring. Higher temperatures are forecasted to start on Friday in Yuma with 98–100-degree temps maintained for the foreseeable future which will hopefully help in accelerating the maturity. Early harvesting forecasted to peak on 12s with larger sized fruit projected to start once later fields break sometime between June 1st thru 5th.

**Cantaloupe: ESCALATED** We are starting to hit the home stretch with offshore melons and anticipate steady supplies through this week before we begin to see seasonal declines the week of 5/15. Good availability on the cantaloupe continues with a nice spread of sizing. There are some Athena Melons available out of Central Florida and improving supply crossing through Nogales.

**Honeydews: ESCALATED** Offshore fruit is rapidly declining while we are seeing some improvement on supply crossing through Nogales. Flexibility of sizing may be required at time of loading.

**Watermelon:** Overall quality is very nice, and demand continues good as retailers start pulling for promotions leading into Memorial Day. Central Florida, Nogales and Texas are the primary shipping points yet still seeing offshore watermelons available at the

## Mixed Vegetables

**Artichokes:** We are seeing a slight increase in supplies, market remains very active, and most artichokes are frosted due to cold weather.

**Arugula:** Supplies are good with very good quality

**Asparagus: ESCALATED** Baja continues with slow production. Guanajuato should start in 10 days and go through the end of August. Peru's volume is still low due to warm weather in the region. Quality has been fair at best. We should start seeing more Peruvian arrivals beginning at the end of next week. Washington production has started, and Michigan should begin in two weeks. Markets remain active due to the weather, transition in Mexico, and Mother's Day demand.

**Bok Choy: ESCALATED** Market continues active with very light supplies.

**Broccoli/Broccoli Crowns:** Supplies have improved with very good quality.

**Broccolini:** Supplies remain light with good demand.

**Brussels Sprouts: ESCALATED** Supplies will continue to decrease on both bulk pack 25lb and VA category. Yields are dropping and there are still issues with quality. Expect to see short supplies and rising prices for the next 4-6 weeks as we will see a drop in volume.

**Carrots: (JUMBOS): ESCALATED** Overall supplies are good but, Jumbos are still slow getting ramped up. Quality is good.

**Cauliflower: ESCALATED** Supplies have improved and although pricing is still escalated, market is slowly adjusting downward. Quality is good and we look for volume to continue to increase although we still anticipate unstable supplies through the month.

**Celery: ESCALATED** Supplies will continue to be light with a very active market for the next few weeks. Disease pressure and seeders are present, so lighter yields. Market is stronger with pricing escalated.

**Cilantro: - ESCALATED** Lighter supplies continue, market continues to be very strong. We continue to see.

**Corn:** Supply is steady, quality is good out of Florida. In the west we are seeing new crop out of the desert and quality is outstanding. South Georgia expected to start by Memorial Day.

**Fennel: WATCHLIST** We will be seeing light supplies for the next 2 to 3 weeks due to quality issues. Market remains active with shippers covering averages only.

**Garlic: ESCALATED** Quality is good with moderate supplies.

**Ginger: EXTREME** Chinese supply will be very sporadic due to delays in unloading containers and inspecting at the ports. Pricing will be climbing daily.

**Green Cabbage:** Quality remains good with increasing supplies.

**Green Onions:** We are seeing good supplies with very good quality.

**Kale (Green):** Supply is steady with good quality. Market is active.

**Mushrooms: ESCALATED** Quality is good despite supply being lighter than expected. We continue to see lack of labor, shortages in component of growing such as peat moss and other inflationary pressures. We expect to see this continue to be a challenge until some of the growing costs can get under control of this particularly labor intensive and cost sensitive item.

**Napa Cabbage: ESCALATED** Effects of the warm weather last week in the desert, along with the weather events in California in March are affecting quality on Napa out of all areas. Market is active.

**Parsley (Curly, Italian): ESCALATED** Quality is improving but market is still active as we continue to see some slight yellowing/burn in some of the fields.

**Rapini:** Supplies are improving but still below average. Quality is very good, market remains active.

**Red Cabbage: ESCALATED** Supplies have decreased; market is much stronger due to the lighter supplies.

**Spinach (Bunched & Baby):** Supplies are good with very good quality.

**Spring Mix:** Supplies are good with very good quality.

**Snow Peas and Sugar Snaps:** Production remains the same on Snow peas. Sugar snaps continue to be slow due to the weather. We continue to see quality issues on Sugar snaps.

#### **Onions:**

Onion demand continues to remain flat. The market does not appear to be moving anywhere fast any time soon now. Northwest supplies are beginning to dwindle in Idaho/Oregon. Washington will be able to ship longer than Idaho/Oregon based on their remaining supply. We are beginning to see Colossal and Super Colossal onions get very tight. This is pretty typical for this time of year as the longer-term storage varieties generally do not size as big as the earlier varieties. The Northwest continues to battle internal onion quality, which is not abnormal for this type of year. We are seeing the occasional rotted brown ring, and some random translucent scales. Mexican onions continue to cross as they are into the bulk of their product. Texas product will begin to ramp up in the coming weeks to finish off the month of March. April will be a mixed bag of remaining supplies in the Northwest, coupled with both Mexican grown onions and Texas onions shipping out of McAllen, and then finally – Imperial Valley, CA toward the end of the month. The biggest headwind expected for Q2 is how the cool temps and rain will affect the California and New Mexico onions. There is expected to be some size challenges, and potentially some gaps in supply in July/August as the later fields were delayed in planting due to fields being too wet. New Mexico does appear to be in better shape from this regard.

#### **Potatoes: ESCALATED**

Potato demand on cartons has returned to normal levels during Q1. While we have not seen carton pricing take any sharp increase, we are seeing product significantly tighten up. We are beginning to approach the point where growers start to wind down on their Norkotah supplies. Once we get to the middle/end of April, we should see growers shipping Burbanks just about exclusively. Growers continue to receive record offers from processors (even higher than last season), and reports of further record breaking offers for the Spring continue to roll in. Because of this, the fresh market has a 'safety net' of where pricing will likely not fall beneath. We anticipate we will continue to see this trend as a means to get growers to release product on the fresh side as we head into the Spring/Summer. Other growing regions are echoing the same sentiments as well. We have already seen Nebraska finish up, and we are seeing much less supply out of Colorado and Wisconsin as well. Both regions will finish up over Q2, and it could potentially mean a volatile Summer ahead. National supply reports are showing that there are approximately 3% less potato stocks on hand than there were during this time last year. Depending on how product stores, as well as what happens with demand, will really determine where the market will climb to.

#### **TOMATOES**

##### **East Coast**

- **Round Tomatoes: WATCHLIST** Markets ticked up a bit this week as transition to Ruskin is complete. Sizing is peaking on 5X6's this week with smaller sizes being a bit tighter. Overall quality is hit and miss. We anticipate markets over the next few weeks as we transition to Quincy then South Carolina.

- **Roma Tomatoes:** **WATCHLIST** Markets firmed up slightly this week. Quality is hit and miss on all sizes.
- **Grape Tomatoes:** Markets remain flat this week despite the rain and harvest delays. Good quality available on all sizes.
- **Cherry Tomatoes:** Stable supply and availability expected this week.

#### **Mexico**

- **Round Tomatoes:** Lighter supplies on big fruit this week as we ramp up transition to Central Mexico. Overall quality is hit and miss as we are dealing with supply from various regions on the market. Older fruit is cheaper, but quality is fair with shorter shelf life while new crop looks amazing. We expect gradual improvement over the next week and markets are slowly ticking up as demand from the east increases due to less supply in Florida.
- **Roma Tomatoes:** Good supply crossing through Nogales and McAllen. We are seeing a few crossings in Otay as well with good quality being reports at all crossings.
- **Grape Tomatoes and Cherry Tomatoes:** Strong numbers and excellent quality continue out of Mexico. Currently seeing larger sized fruit as growers break new shade house production. This should settle back into a good mix of sizing over the next week.
- **Medley Grape Tomatoes:** Strong numbers and excellent quality continue out of Mexico.
- **Tomato on the Vine:** Excellent quality and supply available.
- **California Tomatoes:** We are about one week from harvest in the desert.

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#### **APPLES, PEARS, STONE FRUIT**

**Apples:** Washington State Apple Crop looks to be around 100M boxes vs. 122M the last two years and 132M 3 years ago. With the number of Trees in the ground – this number is shocking. The last crop we saw 100M boxes was in 2007. Mid-April 2022 – Eastern Washington experienced 20-degree temperatures with apple trees in bloom which caused a significant loss in the crop. Additionally, cooler temperatures in the Spring with extreme Summer Temps also played a negative role in the supply of apples combined with two devastating hailstorms causing some blocks of Orchards not to be harvested. Furthermore, Fujis and granny smiths are known for alternate-bearing crops. Last year were heavy crops, so this year both are down significantly.

**Pears:** This year's pear crop will likely be down significantly due to severe high temps last July and extremely low temps in mid-April 2022. Cooler temperatures in the Spring with extreme Summer Temps also played a negative role in the supply of pears combined with two devastating hailstorms causing some blocks of Orchards not to be harvested.

**On the Horizon:** Cherry, Yellow peaches, and Nectarines, apricots- all should start scratching in about two weeks.