



**WEEK 9: February 27 - March 5, 2023**

# MARKET OUTLOOK

## Transportation:

**National Diesel Average:** \$4.376

**Compared to Last Year:** \$4.055

**National Fuel Surcharge:** \$0.60

**Shortages:** Seeing high freight rates, with extreme shortages - None; slight shortages in NC

## Regional Weather Update:

**Oxnard, CA:** Sunny, rain and cloudy skies throughout the week with highs in the 50s and lows in the 40s.

**Salinas, CA:** Partly cloudy, showers, and sunny skies throughout the week with highs in the 50s and lows in the 30s.

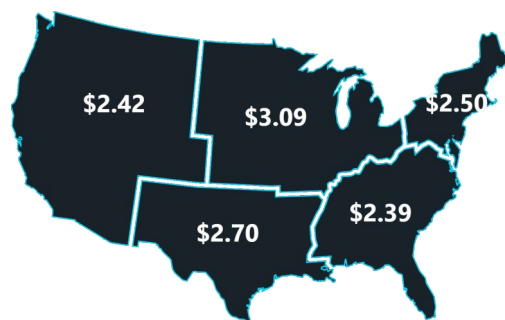
**Yuma, AZ:** Partly cloudy and sunny skies throughout the week with highs in the upper 60s and lows in the high 40s.

**Immokalee, FL:** Partly cloudy and sunny skies throughout the week with highs in the upper 80s and lows in the 60s.

**Idaho Falls, ID:** Snow shower and cloudy skies through the week with highs in the 20s and lows in the teens to single digits.

### National Posted Rate per mile

*previous week's average outbound reefer rate for each region  
Map from [DAT](#)*



## MARKET ALERT

- Arugula Baby
- Asparagus (Radar)
- Berries: Blueberries & Raspberries
- Broccolini
- Cauliflower
- Celery
- Chili Peppers
- Corn
- Cucumbers: English & Persian
- Garlic
- Herbs: Basil, Cilantro & Chervil
- Limes
- Melons (Radar): Cantaloupe & Honeydew
- Mushrooms (Extreme)
- Pepper Bell: Red & Yellow
- Tomatillos

# MARKET OUTLOOK



## Apples



SUPPLY  
FAIR  
QUALITY  
GOOD

With less than 100 million cases, WA crop is the smallest since 2005 with the average usually more than 120 million. Their low volume is a significant issue for growers in Washington State. There is a lack of supplies, a high demand, and obviously regional supplies exist. Michigan and New York both have good crops, so it's about how WA can stay in for as long as possible and take advantage of the various varieties that have been grown. The cost of production labor has skyrocketed. Expecting to remain tight through the season until offshore arrives in April.

## MARKET ALERT

### Arugula



SUPPLY  
LIMITED  
QUALITY  
FAIR

**ALERT (Baby)** Supplies are limited for this week. Some growers are doing better than others. Expect quality to be only fair. Some growers are keeping everyone to strict loading averages and are prorating orders. Expect for this market to be unstable for a few weeks. (F.O.B Pricing for this week - Contract pricing)

## MARKET ALERT

### Asparagus



SUPPLY  
LIMITED  
QUALITY  
GOOD

**RADAR** Mexico volume is slowly increasing but will remain limited for the next 2 to 3 weeks due to the growing regions experiencing unusual cold, rainy, cloudy weather. Market continues to be high with limited availability for standard and large, with XL and jumbos having even lower availability. Demand is expected to decline due to the elevated price. Peru has started with some air shipment.

## Avocados



SUPPLY  
GOOD  
QUALITY  
GOOD

Demand has been strong coming out of Super Bowl with continued promotions. The majority of the US market is still supplied by Mexico. Size coming off the trees has returned to a more "normal" size curve, giving 48s and bigger some value. Mexico is 18% ahead in volume compared to this time last year, and it is expected to increase by far more than 20% from now until June. When dry matter is high, holding temperatures should be set at 38 degrees. California harvest is gradually ramping up, but this week is expected to fall short of the projected 5 million pound. The fruit has been sizing up nicely due to the recent rain. Peak production months are late April through August. The 2023 CA crop is expected to be 7% lower than the previous year.

## Bananas



SUPPLY  
GOOD  
QUALITY  
GOOD

Bananas continues to remain tight due to chilly and damp weather conditions in the tropics, but things are improving day by day. Over the next week, bananas ought to be more in line with the desired ripening stages.

## Beans



SUPPLY  
FAIR  
QUALITY  
GOOD

**Green Beans:** Volume has improved in Florida. Market is steady and active. Beans from Mexico continue to struggle on quality and light volume.

**Snow Peas:** Supplies are back to normal, and quality is good.

# MARKET OUTLOOK

**MARKET ALERT**

**Berries**



SUPPLY  
FAIR  
QUALITY  
GOOD

**Blackberries:** Prices for Blackberries are trending up slightly this week. Supplies are expected to be tight & prices are expected to remain elevated through the middle to end of March.

**Blueberries:** **ALERT** Prices for Blueberries are trending up this week. Production out of Chile will continue to drop going forward. The market out of Mexico continues to be tight due to cool weather. Growers are forecasting Florida to come into play sometime towards the end of March.

**Raspberries:** **ALERT** Prices for Raspberries are stable this week. At the same time, the market remains extremely tight. Production out of Mexico is expected to pick up a bit during the weeks to come.

**MARKET ALERT**

**Broccoli**



SUPPLY  
GOOD  
QUALITY  
GOOD

**Broccoli:** Supplies continue to be steady, and demand are good. Market pricing remains steady. Current supplies are coming from Yuma, Santa Maria, and Mexico. Supplies are expected to remain steady the next few weeks. (F.O.B pricing for this week \$14.00 - \$15.00)

**Broccolini:** **ALERT** Supplies continue to be very short. Unusual cold weather has affected supplies. Very strong demand with limited supplies. Quality is Fair. Growers are pro-rating orders to try and supply everyone with something. Market is expected to remain unstable for a few weeks. (F.O.B. pricing for this week \$28.65 - \$35.55)

**Brussels Sprouts**



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies continue to be very good this week. Quality has been reported as good. Demand continues to remain steady. Good volume is coming from Mexico and Oxnard. Steady demand for Brussel Sprouts is expected the next few weeks. (F.O.B pricing for this week \$17.45 - \$18.65)

**MARKET ALERT**

**Cabbages**



SUPPLY  
LIMITED  
QUALITY  
FAIR

Supplies will be limited for next week. Growers are reporting lower yields due to recent cold temperatures. Experiencing some delays with harvest due to early morning frost. Product is coming from Yuma and Imperial Valley. (F.O.B pricing for this week \$24.45 - \$26.65)

**Cantaloupes**



SUPPLY  
FAIR  
QUALITY  
GOOD

**RADAR** Supplies of large cantaloupes continue to be short. Strong retail deals along with a limited number of incoming arrivals are what are driving this situation. 12/15s are available with good demand. Large size melons are expected to remain relatively limited in the next weeks due to more store promotions and strong demand. By next week, the size curve will be primarily 9/12s, with a few jumbos. With additional daylight hours on the way, melons are expected to be bigger, color to improve, and brix levels to peak as Guatemala production moves to the next cycle. Guatemala should produce good amounts in March, with Honduras beginning its second cycle in April. Growers in that country battled whitefly in Jan/Feb, so late season production should be affected, resulting in lower yields and smaller sizes.



# MARKET OUTLOOK

## Carrots



### SUPPLY

GOOD

### QUALITY

GOOD

Weather and supply have improved, but some shippers are still struggling with a few line items out of California.

### MARKET ALERT

## Cauliflower



### SUPPLY

LIMITED

### QUALITY

GOOD

Supplies will continue to be limited for another week. Market pricing continues to remain escalated. Current supplies are coming from Yuma, Santa Maria, and Mexico. We are seeing an improvement on supplies. Cold Weather slowed down the growth causing short supplies. Better availability on small size Cauliflower. (F.O.B pricing for this week \$31.00 - \$33.00)

### MARKET ALERT

## Celery



### SUPPLY

GOOD

### QUALITY

GOOD

Supplies and quality continue to improve. Supplies are currently coming from Oxnard and Yuma. Market is expected to continue improving. Supplies are expected to continue improving the next few weeks. (F.O.B pricing for this week \$17.65 - \$18.35)

## Citrus



### SUPPLY

GOOD

### QUALITY

GOOD

**Limes:** **ALERT** Prices in Mexico continue to rise, putting pressure on US pricing. Most operations have completed the transition to the new production cycle. Overall quality and shelf life have improved as pack-out yields on U.S. #1-grade fruit have increase. Blanching will become more visible when the fruit's general coloration darkens; please note the distinction between blanching and yellowing, as blanching is a quality defect and yellowing is a conditioned defect. Supplies is expected to be extremely tight throughout March and even into the first few weeks of April. Large fruit will be scarce, with a shortage of 110's and 150's. Consider changing your specification to match crop patterns and ensure supply. These trends correspond to the seasonal cycle.

**Lemons:** California lemons are being picked in D1. February and March will be an excellent promotional time for volume and quality on lemons. There is a lot of new plantings that are coming into production for this season. Lemons do size up quickly when it rains, and we are seeing this as well. Peaking sizes currently are 140/115/95s.

**Oranges:** The rain has helped the fruit size up a little more, which has been extremely good. Navels are mostly in Washington and Fisher varieties. Peaking sizes are 88/113/72; however, we are still a little challenged on larger navels, which is an industry issue, so those sizes are keeping firmer in pricing.



# MARKET OUTLOOK

**MARKET ALERT**

**Corn**



SUPPLY  
POOR  
QUALITY  
FAIR

Prices for Corn are mostly stable this week. Supplies are extremely tight out of Florida and Mexico due to cold weather in all growing areas. Growers are suggesting that orders be booked with extra loading lead times. The extra order lead times is needed to line up product. Growers out of the East expect the market to come off during the next week or so.

**MARKET ALERT**

**Cucumbers**



SUPPLY  
FAIR  
QUALITY  
FAIR

**ALERT (English & Persian)** Prices for Slicing, English Cucumbers and Persian are stable this week. The English and Persian Cucumber market remains very tight. Florida will be transitioning from their Winter to Spring crop in early March. Look for supplies for Slicing Cucumbers to be unstable during that time frame. Growers are reporting that production for Persian and English out of Canada is on the upswing. Growers expect supplies in March to normalize.

**MARKET ALERT**

**Garlic**



SUPPLY  
FAIR  
QUALITY  
GOOD

Domestic garlic continues to remain tight. Harvest started late this season and growers are holding averages to try and minimized company buying heavy early in the season. Quality is good and the price is high.

**Ginger**



SUPPLY  
FAIR  
QUALITY  
GOOD

The market for imported ginger is active, and supplies are light.

**Grapes**



SUPPLY  
GOOD  
QUALITY  
GOOD

Arrivals continuing to increase and will likely be plentiful by early March. There are still a lot of Peruvian Grapes available. Chilean Grapes imports continue to increase and will become dominant by the end of the month.

# MARKET OUTLOOK



**MARKET ALERT**

**Herbs**



SUPPLY  
LIMITED

QUALITY  
FAIR

The weather continues to have an impact on all Colombian herbs, particularly basil. The weather has continued to hinder both imported and domestic chervil production.

**Cilantro: ALERT** Supplies are limited. Quality is fair. Market is more active. The cold weather has hindered supply. Product shipping out of Oxnard and Imperial Valley. Expect supplies to be limited going into next week. (F.O.B pricing for this week \$21.65 - \$22.45)

**MARKET ALERT**

**Honeydews**



SUPPLY  
LIMITED

QUALITY  
GOOD

**RADAR** Demands on honeydew exceeds supply. Suppliers are hoping for additional volume to arrive in Florida by late next week. Sizing flexibility may be necessary at time of loading.

**Iceberg**




SUPPLY  
GOOD

QUALITY  
GOOD

Supplies are lighter this week. Quality will only be fair at this time. Weights are expected to be also on the lighter side. Expect to see some epidermal peel and some blistering on the Lettuce. Early morning frost is delaying harvest. Growers will be doing everything they can to pack the cleanest product possible. Growers are now harvesting in Yuma and Imperial Valley. (F.O.B pricing for this week \$16.00 - \$17.00)

**Kale**



SUPPLY  
GOOD

QUALITY  
GOOD

Supplies are down compared to last week. Demand continues to be steady. Good quality has been reported at this time. Supplies should remain steady for a few weeks. Market pricing is higher this week compared to previous week. (F.O.B pricing for this week \$16.45 - \$16.65)

**Leaf**



SUPPLY  
GOOD

QUALITY  
GOOD

**Green & Red Leaf:** Supplies continue to be very good. Quality is fair. Expect to see Fringe burn, and some frost damage. The desert region has endured some unusual cold temperatures last few days. Markets are stable for now, there has been some morning harvest delays. Harvest is coming from Imperial Valley and Yuma. (Green Leaf F.O.B. pricing for this week \$9.00 - \$11.00)(Red Leaf F.O.B. pricing for this week \$10.00 - \$11.00)

**Romaine:** Supplies are steady. Quality is fair. Weights are expected to be on the lighter side. Expect to see some epidermal peel and some blistering. Early morning frost is delaying harvest. Growers will be doing everything they can to pack the cleanest product possible. Growers are now harvesting in Yuma and Imperial Valley. (F.O.B pricing for this week \$15.00 - \$16.00)

**Tender Leaf:** Supplies are steady. Demand continues to be good. Fair quality has been reported by growers. Market pricing has returned to normal. Growers are now harvesting in Yuma. (F.O.B pricing for this week \$4.75 - \$5.15)

# MARKET OUTLOOK

**MARKET ALERT**

**Mushrooms**



SUPPLY  
SHORT  
QUALITY  
FAIR

**Shitake Mushrooms: EXTREME ALERT** Due to uncontrollable rise in cost of imported Shitake logs from China. Shitake mushrooms supplies will be short, prices will be changing almost weekly. Long delays to unload shipments at the ports have caused some interruptions with supplies. This is caused by labor shortage and limited freight availability.

**EXTREME ALERT** The mushroom industry continues with a shortage of labor, as well as cost inflation increases in raw materials. Specifically corrugated cardboard and packaging materials. Additionally, the price increases in freights nationally have greatly impacted cost to mushroom growers. Pricing on mushrooms must increase at this time due to Labor, Transportation, and packaging.

**Onions**



SUPPLY  
GOOD  
QUALITY  
GOOD

Onions are shipping out of Idaho, Michigan, North Dakota, Oregon, Utah, and Washington. Quality is good. Demand is trending down. Market has softened a little more. Imported volume are plentiful in the Northwest. Super Colossal and Colossal Yellow onions continue to fetch a premium pricing due to the limited availability. All colors available. Trucks are plentiful. This will also have an impact on precut.

**Onions Green**



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies are lighter this week. Market pricing will be escalated this week. Green onions are coming from Mexico at this time. Abnormal cold temperatures have slowed down the supplies. Market pricing is expected to escalate due to limited supplies and high demand. (F.O.B pricing for this week \$18.00 - \$19.00)

**MARKET ALERT**

**Peppers Bell**



SUPPLY  
FAIR  
QUALITY  
GOOD

**ALERT (Red & Yellow)** Prices for Green, Red and Yellow Bell Peppers are trending up this week. Growers planted less acreage in Florida this year. That's keeping the markets a bit tighter than usual. Parts of Mexico are working through recent rain events and cool weather. Growers out of Mexico are reporting that the market is currently unstable.

**MARKET ALERT**

**Peppers Chili**



SUPPLY  
FAIR  
QUALITY  
FAIR

**ALERT (Chili Peppers & Tomatillos)** Prices for Chili Peppers are mostly stable this week. Prices for Serrano and Jalapeno Peppers are elevated. Production tightened up recently due to cool weather and some rain. The winter crop is winding down and the spring crop is still a few weeks away. Look for tight supplies for at least the next couple weeks.

# MARKET OUTLOOK

## Pineapples



SUPPLY

FAIR

QUALITY

GOOD

Larger sized Pineapples continued to increase in volume. There is availability on 5ct Pineapples, however the size curve will transition to smaller pineapples in the following weeks.

## Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Supply is steady and demand is slightly down. Market is steady due to the overall short crop this season. There is availability to meet demand. Precut potatoes will be impacted as well.

## Squash



SUPPLY

GOOD

QUALITY

FAIR

Prices for Zucchini Squash are trending up this week but it's still a good value. Prices for Yellow Squash is stable. The market for Yellow Squash is currently somewhat tight. Production is expected to pick up in March as growers move from the Winter to Spring crops.

## Strawberries



SUPPLY

GOOD

QUALITY

GOOD

Prices for Strawberries are trending down this week. Production out of Central Mexico and Florida us coming down. Baja and California are seeing production pick up.

## Tomatoes



SUPPLY

GOOD

QUALITY

GOOD

Prices for 20 lb Round and Roma tomatoes are trending down this week. Prices for 25 lb Rounds, Grapes and Cherries are trending up. Growers are forecasting steady supplies for all Tomatoes over the next couple weeks. As you know Weather is always the key factor in respect to volumes.

## Watermelons



SUPPLY

FAIR

QUALITY

GOOD

Watermelons are a little tight. Seedless are shipping from Mexico while mini are out of Edinburg and Nogales. Quality has been good. Florida is expecting to start harvesting in March.





# MARKET OUTLOOK

## Produce Category Overview

The produce industry continues to experience unprecedented quality and yield issues due to weather that caused crop failures, poor product quality, and impacted availability. The annual transition from Arizona's growing season to California is expected to happen soon, which will have an impact on all lettuces, greens, broccoli, cauliflowers, and cabbages. Due to the recent floods in the Salinas Valley, the transition dates from Arizona to California, are only tentative and are subject to change. **Tender leaf** growers are looking to transition the first week of April, **commodity carton** growers are looking into transition mid-April, and **processors** growers/shippers are looking to transition late April and early May. It could be delayed a week or two. **Limes** are transitioning now through April, elevated prices and lower quality are expected. Both domestic and imported grapes and melons are expecting to transition in May. **Cucumbers** in Florida is expecting to transition from their Winter crop to Spring in early March. Availability on slicing cucumbers will be unstable during that time. **Baby arugula** are being prorated by some growers. **Asparagus** remained limited with an active market with elevated prices.

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## *California fruit growers relieved by projected increase to water allocation*

By **KRISTIN LEIGH LORE** February 23, 2023

The California Department of Water Resources announced modest increases in forecasted State Water Project deliveries this year, in part because of early gains in the Sierra snowpack. The department now expects to deliver 35% of requested water supplies, up from 30% forecasted in January, according to a news release.

According to the department, record-breaking atmospheric rivers that flooded the state in January gave way to a mostly dry February that saw less than an inch of precipitation statewide.

The Fresno, Calif.-based California Fresh Fruit Association expressed relief in response to the initial water allocation of 35%.

"After two years of receiving an initial 0% allocation, the California Fresh Fruit Association and our members are grateful for the 35% that will go to the Central Valley Project contract holders," Ian LeMay, president of the association, said in a news release.

Having a reliable water supply is critical for California's fruit growers, packers and shippers to continue growing fresh fruit for the nation, LeMay added. The association said in the release that it will continue to advocate for needed changes to water regulations, along with additional water conveyance and infrastructure solutions at the federal and state levels.

"After experiencing significant rainfall in December and January, it has been made even more apparent California's need for improvements to our storage and conveyance infrastructure, as well as changes to the regulations that manage our water systems. I cannot help but wonder how much higher this allocation could have been with the ability to capture more water during the wet periods," LeMay said in the release.

The California State Water Project will continue to optimize water storage in Lake Oroville to support environmental needs in the summer and allow for carryover storage for next year if the spring becomes extremely dry, according to the release from the state water resources department. Additionally, the forecasted allocation could be lowered if extreme dry conditions warrant.

"We're hopeful that more storms this week are a sign that the wet weather will return, but there remains a chance that 2023 will be a below average water year in the northern Sierra," California Department of Water Resources Director Karla Nemeth said in the release. "Careful planning and the use of advanced forecasting tools will enable the department to balance the needs of our communities, agriculture, and the environment should dry conditions continue this spring and into next year."

[Read full article HERE](#)

If you have any specific questions or concerns on any commodities not mentioned in this report, please feel free to reach out to [dforsythe@nproduce.com](mailto:dforsythe@nproduce.com) and we will be happy to give you those current market conditions. Also look for our Spanish version that will be released on Monday. Have a great week!

Your Dedicated NPC FB, LLC Staff