



WEEK 6 : February 6 - February 12, 2023

MARKET OUTLOOK

WINTER STORM ALERT: A major winter storm has impacted the Central, Eastern and Southern U.S., causing some delay in deliveries. Please reach out to your NPC FB rep/local distributor if you have any concerns.

Transportation:

National Diesel Average: \$4.622

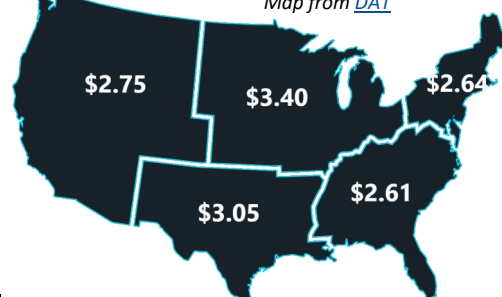
Compared to Last Year: \$3.846

National Fuel Surcharge: \$0.62

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

National Posted Rate per mile

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



Regional Weather Update:

Oxnard, CA: Sunny, cloudy and showers through the week with highs in the 60s and 50s and lows in the 40s and 50s.

Salinas, CA: Sunny, cloudy and showers through the week with highs in the low 60s to high 50s and lows in the upper 30s to 40s.

Yuma, AZ: Sunny and partly cloudy through the week with highs in the 70s and lows in the 50's to 40s.

Immokalee, FL: Sunny, PM thunderstorms and partly cloudy skies through the week with highs in the upper 70s and 80s and lows in the 60s to 50s.

Idaho Falls, ID: Sunny, cloudy, and AM Showers throughout the week with highs in the low 30s and 20s and lows in the low 20s to single digits.

MARKET ALERT

- Berries: Raspberries & Strawberries**
- Cauliflower**
- Celery**
- Chili Peppers: Jalapeno & Serrano**
- Corn**
- Cucumbers: English & Persian**
- Garlic**
- Green Beans**
- Herbs: Chervil**
- Mushrooms (Extreme)**

MARKET OUTLOOK



Apples



SUPPLY

FAIR

QUALITY

GOOD

With less than 100 million boxes, Washington state's crop is the smallest since 2005. The average Washington apple crop is 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. During and after the Covid outbreak, whatever domestic labor was available has lost interest in working. Despite the high cost of the national H-2A immigrant labor program, many growers cannot afford to both hire or not hire H-2A workers.

Asparagus



SUPPLY

FAIR

QUALITY

GOOD

Demand is steady. Peru is finishing up. Mexico volume is starting to increase. Supply on standard and large has improved out of Caborca but XL and jumbo are still fairly light. Market has been trending down.

Avocados



SUPPLY

GOOD

QUALITY

GOOD

While the avocado business has been ramping up for weeks, AFM has released a promotional teaser. Last week's total was 68.8 million pounds, which is still a high sum for Super Bowl pulls. Pricing continues to be favorable for supporting the biggest avocado event of the year. This week will taper off as most volume for promotions is in-place. It's difficult to forecast how the market will react after the Super Bowl, but anticipation for strong pulls are high when price points are good. Mexico is 10% ahead of last year at this time, and available volumes are expected to increase by more than 20% from now through June. Dry matter is gradually rising, and holding temperatures should be set at 38°F. The industry is moving quickly through newly crossed fruit. Smaller sizes are becoming more readily available. Overall market stability is projected to last into February, but an adjustment following The Big Game is possible.

Bananas



SUPPLY

GOOD

QUALITY

GOOD

Due to the cool tropical weather, the volume has decreased slightly. This is, for the time being, partially normal. There are several reported vessel delays, primarily in California.

MARKET ALERT

Beans



SUPPLY

FAIR

QUALITY

GOOD

Green Beans: **ALERT** Current volume has increased, and market prices are lower from last week. Production is expected to increase in the next few weeks and pricing to normalize. Market continues to be active.

Snow Peas: Supplies are back to normal. Quality is good.

MARKET OUTLOOK

MARKET ALERT

Berries



SUPPLY
FAIR
QUALITY
GOOD

Blackberries: Prices for Blackberries are stable this week. Cool weather is impacting production. Growers are expecting tight supplies for at least the next couple weeks.

Blueberries: Prices for Blueberries are trending slightly up this week. Mexico is moving from their fall crop to their spring crops. Chile is expecting rain and that will slow down production.

Raspberries: **ALERT** Prices for Raspberries are stable this week. Cool weather is impacting production. Growers are expecting tight supplies for at least the next couple weeks. Most Growers are currently cutting orders by around 30%.

Broccoli



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be good this week. Good demand for Broccoli this week. Market pricing increased compared to last week. Current supplies are coming from Yuma & Santa Maria. Supplies are also coming out of Mexico. We are expecting for supplies to remain steady for the next few weeks. (F.O.B pricing for this week \$15.00 - \$16.00)

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. Improved volume coming out of Mexico. Steady demand is expected the next few weeks. (F.O.B pricing for this week \$18.65 - \$19.15)

Cabbages



SUPPLY
GOOD
QUALITY
GOOD

Supplies are much better for this week. Growers are reporting better yields at the time of harvest. Expect market pricing to continue improving the next few weeks. Product is coming from Yuma. (F.O.B pricing for this week \$14.50 - \$16.50)

Carrots



SUPPLY
GOOD
QUALITY
GOOD

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

Cantaloupes



SUPPLY
FAIR
QUALITY
GOOD

Cantaloupe arrivals are limited in all ports and are expected to stay tight throughout the month of February. Demand has been surpassing supply, with no signs of a slowdown soon. Due to low sizing/yields, cantaloupe sizing has been predominantly 9/12s, with very few jumbos being packed. Quality has shown a slightly greener caste, which should continue to be consistent in the next weeks. Brix levels remain consistent in the 11-14% range.



MARKET OUTLOOK

MARKET ALERT

Cauliflower



SUPPLY
LIMITED
QUALITY
GOOD

Supplies are light this week. Market pricing has also increased compared to last week. Current supplies are coming from Yuma, Santa Maria, and Mexico. We are expecting for supplies to remain short for next week, Cold Weather slowed down the growth causing short supplies. Better availability on small size Cauliflower. (F.O.B pricing for this week \$38.00 - \$40.00)

MARKET ALERT

Celery



SUPPLY
IMPROVED
QUALITY
GOOD

Supplies have improved this week. Quality has also improved. 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 \$22.00 - \$24.00)

Citrus



SUPPLY
GOOD
QUALITY
GOOD

Limes: The market remains flat as crossings represent elevated trends. While new production has already began, the old crop is expected to be finished within the next two weeks. Overall quality and shelf life has improved as pack-out yields on U.S. #1-grade fruit have increased approx. 5-10%. Expect the market to react in an upward trajectory within the next 10 days as production fully transition to the new crop. The second half of February through March are forecasted to be extremely tight, which aligns with our seasonal timeline.

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 ALERT

Corn



SUPPLY
FAIR
QUALITY
FAIR

Prices for Corn are trending up this week. Winter crops are usually on the lighter side and are weather dependent. Growers are expecting steady markets for the next weeks. Production is coming out of Florida and Mexico.

MARKET OUTLOOK



MARKET ALERT

Cucumbers



SUPPLY

FAIR

QUALITY

GOOD

ALERT (English & Persian) Prices for Slicing & English Cucumbers are trending down this week. Prices for English and Persian Cucumbers are still elevated. Supplies out of the East are expected to be on the tighter side for the next 3 to 4 weeks. Mexico is working through the impact of cool weather. Look for volumes to pick up a bit in the weeks to come.

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

Arrival of grapes will increase progressively throughout February and will most likely be plentiful by early March. Although there are still a lot of Peruvian Grapes around, Chilean Grapes will be dominant by the end of the month.

MARKET ALERT

Herbs



SUPPLY

GOOD

QUALITY

GOOD

The cooler weather continues to be a challenge on all herbs in all growing regions. Labor has improved in Mexico. Weather conditions, less yields, fewer acres, and higher-than-expected demand will continue until mid-February.

Chervil: **ALERT** Both domestic and imported chervil production are affected by the weather.

Cilantro: Both supplies and quality has improved. Markets are better compared to last week. Most growers will be shipping out of Oxnard and Imperial Valley. Expect supplies to be steady for a few weeks. (F.O.B pricing for this week \$13.50 - \$14.50)

MARKET OUTLOOK

Honeydews



SUPPLY
FAIR
QUALITY
GOOD

Honeydew production remains quite limited in all growing regions. The majority of what has arrived has been in 5/6 sizes, with a few jumbos. Quality has been very good with brix levels ranging 11-13%. California honeydew continues to be limited. Advanced ordering is strongly advised, and size flexibility may be required.

Iceberg



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady this week. Overall quality is good, Weights and quality are expected to continue improving. Markets have increased compared to last week. Growers are now harvesting in Yuma and Imperial Valley. (F.O.B pricing for this week \$16.25 - \$17.25)

Kale



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be steady for next week. Demand is down on Green Kale for this week. Good quality has been reported at this time. Supplies should remain steady for a few weeks. Market pricing is improving. (F.O.B pricing for this week \$12.65 - \$14.45)

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Green & Red Leaf: Supplies continue to be very good this week. Quality has improved. Expect to see occasional wind/Fringe burn. Market pricing has improved and is not escalated. Harvest is coming from Imperial Valley and Yuma. (Green Leaf F.O.B pricing for this week \$9.75 - \$11.00)(Red Leaf F.O.B pricing for this week \$10.55 - \$13.00)

Romaine: Supplies continue improving this week. Romaine heads are looking better, and weights have also improved. We expect markets to continue improving, that will reflect on market pricing. Growers are now harvesting in Yuma and Imperial Valley. (Romaine pricing for this week \$11.55 - \$13.50) (Romaine Hearts pricing for this week \$15.70 - \$17.70)

Tender Leaf: Supplies are very good for this week. Demand continues to be good this week. Supplies are steady. Improved 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, Oregon, Washington, and Wisconsin. Quality is good. Demand and Market are slightly down. Super Colossal and Colossal Yellow onions continue to fetch a premium pricing due to the limited availability. Yields are down, as are acres planted, compared to the previous year. Trucks are plentiful. This will also have an impact on pre-cut.

Onions Green



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be very good this week. Quality is also reported as improved. Expect to see occasional wind/Fringe burn. Market pricing has improved and is not escalated. Harvest is coming from Imperial Valley, and Yuma. (F.O.B pricing for this week \$9.75 - \$11.00)

Peppers Bell



SUPPLY
GOOD
QUALITY
GOOD

Prices for Green, Red and Yellow Bell Peppers are trending down this week. Volumes out of Florida are on the upswing. At the same time, volumes out of Mexico are off a bit due to cooler and wet weather over the last month. Red and Yellow Bell Pepper prices are finally back to normal levels.

MARKET ALERT

Peppers Chili



SUPPLY
FAIR
QUALITY
GOOD

ALERT (Jalapeno & Serrano) Prices for Chili Peppers are mostly trending down this week. Prices for Serrano and Jalapeno Peppers are still elevated. Production out of Florida is expected to pick up a bit in 2 to 3 weeks. Mexico will see more volume as warmer weather moves in the area.

MARKET OUTLOOK

Pineapples



SUPPLY

FAIR

QUALITY

GOOD

Larger sized Pineapples arrivals remain tightened slightly. Arrivals of larger sizes should continue to slowly increase over the next few weeks.

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Supply is steady and demand is slightly down. Market is slightly trending down on larger sizes. Even though the potato supply is still short, the decline in demand will allow for better availability and slightly lower prices for the next few weeks even. Precut potatoes will be impacted as well.

Squash



SUPPLY

GOOD

QUALITY

GOOD

Prices for Yellow and Zucchini Squash are trending down this week. Volumes out of Florida are steady but there is less availability due to lower acreage planted. Mexico is working through cool weather. Warmer temperatures are in the forecasted for next week and it's expected to give production a lift.

MARKET ALERT

Strawberries



SUPPLY

POOR

QUALITY

POOR

Prices for strawberries are trending slightly down this week. Demands presently exceed supplies. Growers are expecting the market to tighten even more with the Valentine's Day Holiday just around the corner. California, Florida, and Mexico have been impacted by cool and rainy weather. Mexico and Florida are forecasted to get some warmer weather next week. That will help to life volumes a bit. Volumes are expected to pick up in upcoming week.

Tomatoes



SUPPLY

FAIR

QUALITY

GOOD

Prices for Tomatoes are trending down this week. Volumes out of Florida are steady. Florida's winter production volumes are traditionally lower than in the spring and summer. Production out of Mexico is steady. Their volumes are helping to keep a lid on the markets.

Watermelons



SUPPLY

FAIR

QUALITY

GOOD

Supplies on Seedless and minis are still in short supply. Market will be very tight through February. Florida has light supplies with small fruit. Southern Mexico has begun to ship out of Edinburg and Nogales. There is little offshore production.



MARKET OUTLOOK

California growers determine options in wake of flooding

FEB 2, 2023

With the rains that flooded much of California since late December abating, growers are beginning the complicated process of calculating the damage.

Norm Groot, executive director of the Monterey County Farm Bureau, joined experts from the International Fresh Produce Association for a Feb. 1 webinar to provide updates on the status of the state's crops.

Groot sounded a positive note, pointing out that the floods struck during a time when many area fields are fallow.

"Most of the fields at this point are idle because we are producing most of our leafy greens and vegetable crops in the desert areas of California and Arizona," he said.

Of the 220,000 acres of irrigated land in Monterey County, home to the fertile Salinas Valley, an estimated 20,000 acres were affected by flooding, Groot said, with strawberries being the main crop affected. While that translates to an estimated \$40 million in losses, Groot said the area had braced for worse.

"The predictions that we saw where we were going to have bridge failures and roadways impacted – we do have some of that, but it's not nearly as extensive as originally predicted," he said.

With water still standing in some fields and the Salinas River still flowing south to north at about 800 cubic feet per second, "it may take several weeks before we have access to some of these areas and really can determine how much damage there is," Groot said. "It's taking time to get back into those fields. There's still a lot of mud and there's still a lot of debris that has to be dealt with."

Groot said the area was able to collect some of the water in reservoirs and that shallow aquifers have benefited from groundwater absorbed through porous soil. While many of the area's dirt levees overtopped or failed, some of those breaks helped relieve pressure from the river.

Growers are expressing concerns about fixing those levees, Groot said, though that process is complicated by the fact that the Salinas River is privately owned.

Landowners are responsible for river channels and surrounding levees but also regulated by numerous agencies that Farm Bureau is helping growers navigate.

Groot also hears from growers asking how long before they can do their first planting, but that answer is also up in the air as the fields and their infrastructure recover.

As for crops harvested from flooded fields, the Food and Drug Administration can deem them unacceptable for consumption because of microbiological and/or chemical contaminants.

FDA guidance is clear, said Jennifer McEntire, IFPA chief food safety and regulatory officer.

"If floodwater has contacted the edible portion of the crop, that is considered adulterated," McEntire said. "That's fairly straightforward (and) includes crops that grow underground. ... Simply having excess rainwater, that's not floodwater. That's pooled water. You may have some concerns around it, but it doesn't render the product adulterated upon contact."

Growers should have a plan of action in...

— Melinda Waldrop, Organic Grower managing editor

[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 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, LLC Staff