



WEEK 21: May 22 - May 28, 2023
MARKET OUTLOOK

Transportation:

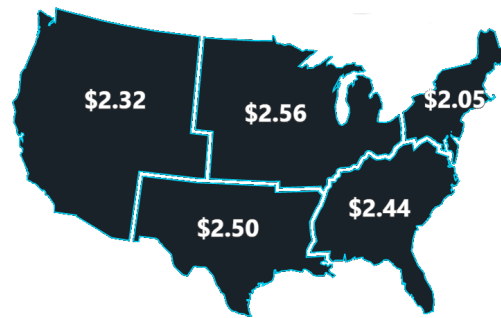
National Diesel Average: \$3.897

Compared to Last Year: \$2.181

National Fuel Surcharge: \$0.50

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

National Posted Rate per mile
previous week's average outbound reefer rate for each region
 Map from [DAT](#)



Regional Weather Update:

Oxnard, CA: Partly cloudy skies with highs in the upper 60s and lows in the 50s.

Salinas, CA: Partly cloudy and sunny skies with highs in the 60s and lows in the 50s.

Yuma, AZ: Sunny skies with highs in the upper 90s and lows in the high 60s.

Immokalee, FL: Scattered thunderstorms with highs in the upper 90s and lows in the 70s.

Idaho Falls, ID: Cloudy and sunny skies with highs in the 70s and lows in the upper 40s with PM thunderstorms on Wednesday.

MARKET ALERT

- Berries: Blackberries & Raspberries**
- Brussels Sprouts**
- Cauliflowers**
- Celery (Extreme)**
- Grapes (Extreme)**
- Green Beans (Radar)**
- Melons (Radar):**
- Cantaloupe & Honeydew**
- Peppers Bell**
- Pepper Chili: Anaheim, Poblano & Serrano**
- Pineapples (Radar)**
- Tomatoes**

MARKET OUTLOOK



Apples



SUPPLY

FAIR

QUALITY

GOOD

According to a January report from USApple, apple holdings are down 4.1% from previous time period. Total volume of bushes reported on January 1 was 84.2 Mil, which is 12.5% less than the January 5-year average. Report showed Washington continue to produce the most, with 91.9 Mil bushels (42 lbs) during 2022–23 follow by Michigan with 9.9 Mil bushels. Washington production has dropped by 7.3 Mil bushels year-on-year. Gala had the largest production at 21.1 Mil bushels, followed by Red Delicious with 15.8 Mil and Fuji at 12.8 Mil. Per the USDA's projection, follow by back to back years of volume decreased, the U.S. is projected to increase production by 158,000 tons to 4.5 Mil in 2022-23. Despite higher supplies, exports are expected to fall 53,000 to 670,000 tons, marking the third consecutive year of decline on reduced Washington output. With higher shipments from New Zealand, imports are anticipated to increase by 10,000 to 115,000 tons.

Asparagus



SUPPLY

GOOD

QUALITY

FAIR

Baja production is light. Peru production has improved. Michigan and Canada started with good supplies. Washington production is good. Light production from California. Domestic volumes are expected to be available in all growing regions by the end of May. Supplies from Central Mexico are light and expecting to increase in early June and run through late August. Market is expecting to trend down with more availability in the coming weeks.

Avocados



SUPPLY

GOOD

QUALITY

GOOD

Mexico accounts for 78% of avocados in the US market, while California is at 21% and Peru is less than 1%. With a healthy inventory on the trees in the higher elevations that harvesting crews have moved into, the recent significant harvest volumes from Mexico have brought the current season into line with years previous. Dry matter is currently between 33% and 35%, which gives the fruit a peak flavor profile and less time to ripen. It is critical to maintain a cold chain and store at 38°F for the longest possible shelf life. Higher altitudes will also provide an abundance of avocados in grade 2 and larger sizes. Previously, the start of the Flora Loca/Summer crops was determined by date, within the first week of July, but this season the Summer Crops in Michoacan and Jalisco can be harvested once the fruit meets a dry matter of 23%, so the harvest of Loca could begin as early as the first week of June, depending on the dry matter. Summer crops, which are harvested at lower elevations, typically have a size curve dominated by 60s and smaller, while the harvest of late season fruit at higher elevations will produce large sizes and grade 2 fruit. Peruvian imports are projected to increase through June before peaking in volume in July. Columbian avocados will enter the market the 2nd week of June through September. Avocado volume and pricing should remain promotional throughout the summer.

Bananas



SUPPLY

GOOD

QUALITY

GOOD

Bananas are currently solid and consistent.

MARKET OUTLOOK



Beans



SUPPLY
GOOD
QUALITY
GOOD

Green Beans: **RADAR** Production started in Northern Florida with good quality. Overall supplies for green beans is expected to remain limited for the next week. Market is strong. Mexico transition continues to be challenging due to the extreme cold and rain followed by extreme heat. Market is expecting to trend back to normal once Georgia is in full production.

Snow Peas: Supplies and market are steady on the East coast while it's limited in the West. Some quality issues have been reported.

MARKET ALERT

Berries



SUPPLY
FAIR
QUALITY
FAIR

Blackberries: **ALERT** Prices for Blackberries are trending slightly down. Production out of Mexico is approaching their seasonal low. California is forecasted to come online during week 2nd week of June. Production out of the Southeast is slowly picking up.

Blueberries: Prices for Blueberries are trending down. Production is coming out of Mexico, California, the Pacific Northeast, and Georgia. Growers are still reporting labor shortages in California and Georgia, but the situation seems to be improving.

Raspberries: **ALERT** Prices for Raspberries are trending up this week. Prices remain elevated and supplies are tight. Growers are reporting that demands is higher than supplies. Watsonville is expected to begin production in Mid-June.

Broccoli



SUPPLY
GOOD
QUALITY
GOOD

Broccoli: Supplies are much improved. Good demand continues for Broccoli. Markets are not escalated. Supplies will be coming from Salinas Ca, and Santa Maria Ca. There is product available from Mexico as well. Supplies are expected to remain steady for a few weeks. Great time to promote Broccoli. (F.O.B pricing for this week \$14.00 - \$15.00)

Broccolini: Supplies continue to be good. Demand has slowed down this week. We expect the supplies to continue improving. Supplies should be steady for the next few weeks. Great time to promote Broccolini. (F.O.B pricing for this week \$21.95 - \$22.75)

MARKET ALERT

Brussels Sprouts



SUPPLY
FAIR
QUALITY
FAIR

Supplies are very light this week. Quality is reported as only fair. Demand continues to remain steady. We are transitioning back to Salinas.. We are expecting supplies to slightly improve in the next few weeks. Market pricing is escalated. (F.O.B pricing for this week \$46.35 - \$48.85)

Cabbages



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady for this week. Growers are reporting better availability. Market pricing has also improved. Prices will not be escalated for next week. Product is coming from Salinas and Oxnard. (F.O.B pricing for this week \$15.65 - \$16.75).

MARKET OUTLOOK

Cantaloupes



SUPPLY
GOOD
QUALITY
GOOD

RADAR Offshore melon continues to wrap up. Desert production is starting. Mexico volume are light crossing in Nogales with little open market. Size peaking on 9s with good sugar and quality.

Carrots



SUPPLY
GOOD
QUALITY
GOOD

Past rains in California could have made some damage in the carrot regions. Plants due to be harvested in the next 1-3 months may be affected, but it is yet too early to tell. A late summer/early fall crop is a concern. Some crops have transitioned to the desert, which was crucial for a good supply.

MARKET ALERT

Cauliflower



SUPPLY
GOOD
QUALITY
GOOD

Supplies are much improved for this week. Good demand continues for Cauliflower. Some markets are escalated. Supplies will be coming from Salinas, Santa Maria, and Mexico. Supplies are expected to remain steady for a few weeks. Supplies are expected to continue improving. (F.O.B pricing for this week \$18.75 - \$22.25)

MARKET ALERT

Celery



SUPPLY
FAIR
QUALITY
FAIR

EXTREME Supplies will be light for next week. Quality is reported as only fair, seeder is present and disease pressure. Supplies are currently coming from Oxnard and Santa Maria. Very good demand continues for celery this week. Market pricing will be escalated for next week. Supplies are expected to be limited for the rest of the month. Better availability on 36ct Celery. (F.O.B pricing for this week \$43.35 - \$45.45)

Citrus



SUPPLY
GOOD
QUALITY
GOOD

Limes: Market pricing continues to decline as overall yields increase. Recent rain events have promoted fruit growth and coloring but may lead to conditional defects in the form of styler-end breakdown and oil spots that can appear days after initial transport. This is more frequent in large sizes. The crop is peaking on small and mid-sized fruit. Crossings are expected to be elevated throughout the month of May. Small fruit has just about bottomed out in price. Total market stability is expected in the coming weeks.

Lemons: Weather has been holding up. Shippers will try to stretch current supplies to end of June. Some very late ranches in D1, but this year will end a little early. Fruit is sizing up. Rain has hurt pack-outs for many growers. Peaking on 115s. 140s Fancy are tight as this is the size/grades preferred by national retailers. Argentina will start in June.

Oranges: Navels are projecting to end mid-June. Brix is nice with an excellent color. Size is still small and will continue until the end of the Navel season. Peaking on 88s with very limited 48s/56s.



MARKET OUTLOOK

Corn



SUPPLY

GOOD

QUALITY

GOOD

Prices for Corn are mostly trending down. Production is coming out of Florida Georgia, California & Mexico. Growers out of California are reporting excellent quality.

Cucumbers



SUPPLY

GOOD

QUALITY

FAIR

Prices for Slicing Cucumbers are trending down this week. Prices for English and Persian Cucumbers are trending up. Production out of Florida and Mexico is declining for the season. Volume out of Georgia is expected to increase going forward. North Carolina & Baja is expected to start soon followed by New Jersey.

Garlic



SUPPLY

GOOD

QUALITY

GOOD

Domestic garlic has improved with steady supplies. Quality is good and the price remains elevated.

Ginger



SUPPLY

FAIR

QUALITY

GOOD

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

MARKET ALERT

Grapes



SUPPLY

LIMITED

QUALITY

GOOD

EXTREME Import season has ended earlier, and Mexico is running late to bridge between imports and California season. Supply has become extremely challenging in addition to quality concerns coming from the tail of the imported fruit. The market is exceedingly volatile, and supply is difficult to cover. It is strongly advised to be open to substitutions or alternatives through the rest of May.

MARKET OUTLOOK

Herbs



SUPPLY

FAIR

QUALITY

FAIR

Herbs from Colombia continues to struggle due to the weather. Quality are fair. Expecting to improve in the next few weeks. Herbs from Mexico has improved along with labor but still struggle with quality.

Cilantro: Supplies are much better this week. Quality will is also reported as improved. Market pricing is lower this week. Supplies are now shipping out of Salinas Ca. and Santa Maria. With warmer weather expect better supplies the next few weeks. (\$14.65 - \$16.30)

Honeydews



SUPPLY

FAIR

QUALITY

GOOD

RADAR Honeydews continue to struggle with sizing from Mexico. Sizing are primarily 5s with good brix and quality. Flexibility with sizing is recommended at the time of loading. Production is expected to get better. Market has increased. Supplies are steady until mid-May and will start to decline for the transition to the desert. Early fields will be predominant with 12s. Larger sizes are projected to start once later field break sometime between June 1st to 5th. Expect to see a potential gap as grower transition to the San Joaquin Valley, as the start date is delay until July 10th.

Iceberg



SUPPLY

GOOD

QUALITY

GOOD

Supplies have improved for this week. Quality is reported as fair to good. Weights and sizing on Iceberg continue to be lower than normal. We expect supplies to continue improving in the next few weeks. Growers are expecting market pricing to continue improving next week. (F.O.B pricing for this week \$19.10 - \$20.10)

Kale



SUPPLY

GOOD

QUALITY

GOOD

Supplies are steady this week. Demand continues to be very good. Good quality has been reported, supplies should remain steady for a few weeks. Market pricing is steady this week. (F.O.B pricing for this week (\$13.65 - \$14.45)

Leaf



SUPPLY

FAIR

QUALITY

FAIR

Green & Red Leaf: Supplies are much improved. Quality is good. Better quality this week on sizing and carton weights. Expect markets to continue improving. Growers are expecting steady supplies in the next few weeks. (Green Leaf F.O.B. pricing for this week \$14.00- \$16.25)(Red Leaf F.O.B. pricing for this week 14.00- \$16.25)

Romaine: Supplies continue to be light with good quality. Weights are reported as improved. Expect market pricing to improve in the next few weeks. We should start to see improvement with supplies in the next few weeks. (Romaine F.O.B pricing for this week \$20.65 - \$22.45) - (Hearts F.O.B pricing for this week \$24.65 - \$26.65)

Tender Leaf: Supplies are much improved. Demand continues to be good with good quality. Warmer weather will bring better supplies and availability. Steady Market pricing and supplies are to be expected the next few weeks. (F.O.B pricing for this week \$4.75 - \$5.50)

MARKET OUTLOOK

Mushrooms



SUPPLY
FAIR
QUALITY
GOOD

Mushrooms supplies have improved in the last few months. Growers are reporting better availability across the mushroom category. Price increases seem to have stabilized. Markets are expected to remain steady for now.

Onions



SUPPLY
GOOD
QUALITY
GOOD

Onions are available from Arizona, California, Idaho, Georgia, New Mexico, New York, North Carolina, Oregon, Texas, Washington, and Wisconsin. Demand is good. Quality is good. Market is trending up. All colors available. Colossal and Super Colossal are tight out of California. Supplies out of Georgia is tight. Washington and Texas is finishing up. Some growers have started shipping out of New Mexico and Arizona. Production in New York is ramping up. There are some imported onions available. This will also have an impact on precut.

Onions Green



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be very good this week. Market pricing is back to normal. Green onions are coming from Mexico. Warmer weather will bring better supplies and availability. Growers are expecting steady market pricing and steady supplies for the next few weeks. (F.O.B pricing for this week \$9.75 - \$10.85)

MARKET ALERT

Peppers Bell



SUPPLY
FAIR
QUALITY
GOOD

Prices for Green Bell Peppers are trending up. Prices for Red and Yellow Bell Peppers are trending down. Production out of Florida and Mexico is declining for the season. Volume out of California is running lower than usual for this time of year. Volume out of Georgia is still a few weeks away.

MARKET ALERT

Peppers Chili



SUPPLY
FAIR
QUALITY
GOOD

ALERT (Anaheim, Poblano & Serrano) Prices for Chili Peppers are mostly trending up. Production out of South Fl is finishing up and has moved to Plant City. Georgia is ramping up slowly. Production out of Baja and California is expected to begin in early June.

Pineapples



SUPPLY
FAIR
QUALITY
GOOD

RADAR The pipeline is yet to be back to normal. Demand exceeds supplies. Supply has not increased, and fruit availability is quite limited. Pineapples are beginning to shift from larger to smaller sizes in the coming weeks.

MARKET OUTLOOK

Potatoes



SUPPLY
FAIR
QUALITY
GOOD

Some of the larger sizes are starting to become scarcer, which is continuing to push up the market cost. Overall demand exceeds supply slightly. This will affect the precut as well.

Squash



SUPPLY
GOOD
QUALITY
GOOD

Prices for yellow Squash are trending slightly up. Prices for Zucchini Squash are trending down this week. Production is coming out of Central Florida, Georgia & Mexico. Mexico is winding down as their winter season ends. Growers out of Georgia are reporting good weather. North Carolina, California, Baja is expected to start production at the end of May.

Strawberries



SUPPLY
GOOD
QUALITY
GOOD

Prices for Strawberries are trending down. Production is coming out of Santa Maria, Oxnard, Salinas Watsonville & Baja. The good weather in California is having a positive impact on volumes right now.

MARKET ALERT

Tomatoes



SUPPLY
FAIR
QUALITY
GOOD

Prices for all Tomatoes are trending up. Production out of Florida is declining for the season and will finish up during the next 10 days. Production out of Georgia and South Carolina will start in about 2 weeks. The winter season out of Mexico is closing out in late May. Look for tighter supplier during the next few weeks.

Watermelons



SUPPLY
FAIR
QUALITY
GOOD

Supplies are good on all sizes excepts for small seedless are a bit tight. Minis remain a little tight in all areas as offshore are winding down. Volume out East and Florida is good. Mexican melons are shipping out of Edinburg and Nogales. Mexico volume is expected to ramp up in a couple weeks. Texas production is ramping up.



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. **Melons** are expecting to transition in May from imports to domestic. Extreme alert on **Grapes** due to the offshore season ending early and Mexico has been delay in starting due to weather. Extreme alert for **Celery** with light supplies for May.

Demand softens as the summer heat begins

By Mark Campbell | May 15, 2023

An unusually early-season heat wave in the Pacific Northwest is shattering records. The weather throughout the region is forecasted to run in the 90s, 20 degrees above average for this time of year.

To put the rarity of this weather event in perspective, in 70 years, temperatures have only reached these heights a handful of times and never this early in May.

On the opposite corner of the country, Florida Governor Ron DeSantis signed into law this past week a bill that requires private employers to use the federal E-Verify system to confirm workers' immigration status. This is alarming news for fresh produce growers and shippers in an exceedingly tight labor market.

The unspoken reality is that under-documented workers are the backbone of much of Florida's agriculture supply chain (along with other labor-intensive industries: landscaping, construction, and hospitality). Florida has an estimated 455,000 employees not authorized to work in this country. With an unemployment rate of only 2.6 percent, tightening the labor supply will cause wage inflation.

This change in Florida policy will undoubtedly negatively affect prices for already struggling consumers and thrust unauthorized workers further into the dark economy. As a result, many are planning moves to states that haven't adopted a show-me-your-papers strategy.

Overall produce prices are running below average. Down another -5 percent, prices are contradicting historical norms for week #19

Green beans find their ceiling. Even on low supply, prices are down -4 percent over the previous week. Florida is nearly finished, and Mexican supply is following a similar trajectory.

Georgia growers are still a week out but should provide some relief to Eastern markets within the next 7-10 days.

A delayed start to California's Spring brussels season is pushing prices to a shocking \$41. These are the second-highest prices seen in the last ten years. Oxnard, Santa-Maria, and Salinas-Watsonville growers are an estimated three weeks behind schedule.

As a result, buyers are looking to weather-weary Mexican growers to cover the gaps. Due to inclement weather, week #19 brussel volume from Mexico is on the lower end of the historical spectrum. Some quality issues, such as seeders, have been reported, leading to reduced yields and smaller sizing.

As grape import supply grinds to a halt, average prices catapult another +15 percent over the previous week to a mind-numbing \$37. The transition to Mexico is an estimated ten days behind schedule, and the transition to California could be up to three weeks behind the usual start date.

With that in mind, markets are in uncharted territory, with the worst supply woes...

[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 FB, LLC Staff



Powered by Foodbuy