



WEEK 19: May 8 - May 14, 2023

MARKET OUTLOOK

Transportation:

National Diesel Average: \$4.018

Compared to Last Year: \$2.527

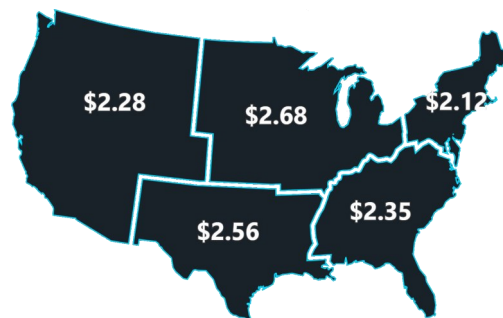
National Fuel Surcharge: \$0.53

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: Sunny skies with highs in the 60s and lows in the 50s.

Salinas, CA: Cloudy and sunny skies through the week with highs in the 60s to 70s and lows in the upper 40s to 50s.

Yuma, AZ: Sunny skies with highs in the 90s to 100s and lows in the 60s to 70s.

Immokalee, FL: Showers, thunderstorms, and cloudy skies throughout the week with highs in the upper 90s and lows in the 60s to 70s.

Idaho Falls, ID: Cloudy with highs in the 60s to 70s and lows in the upper 30s to 40s with AM showers on Thursday.

MARKET ALERT

- Anaheim Peppers
- Arugula Baby
- Broccoli
- Brussels Sprouts
- Cauliflowers (Extreme)
- Celery (Extreme)
- Grapes
- Green Beans (Radar)
- Herbs: Basil & Cilantro
- Lettuces: Iceberg (Extreme), Green & Red Leaf & Romaine
- Melons (Radar): Cantaloupe & Honeydew
- Mushrooms
- Pineapples (Radar)
- Raspberries

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. The production this year is 17.1 Mil bushels lower than the January 5-year average. Gala had the largest production at 21.1 Mil bushels, followed by Red Delicious with 15.8 Mil and Fuji at 12.8 Mil bushels. 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.

MARKET ALERT

Arugula



SUPPLY

FAIR

QUALITY

FAIR

ALERT (Baby) Supplies are light. Quality is fair. Market pricing is steady. Growers are transitioning back to Salinas. Supplies are limited due to the recent floods in Salinas and are expecting to be limited for the next few weeks. (F.O.B pricing for this week \$8.50 - \$9.45)

Asparagus



SUPPLY

GOOD

QUALITY

FAIR

Supplies from Mexico are light. Baja just started with a very light volume. Peru production remain light due to warmer weather. California started with limited supply and Washington is slowly starting. Idaho, Michigan, and Oregon will start later in the week and are expected to go through June. Domestic volumes is expected to be available in all growing region by the end of May. Quality has been excellent Market is active and strong on all sizes.

Avocados



SUPPLY

GOOD

QUALITY

GOOD

Mexico has harvested a lot of volume in the last two weeks in preparation for Cinco de Mayo ads. US avocado sales remain strong. Mexico continues to supply the bulk of the US demand, with CA accounting for roughly 10%. Despite CA late start, they are expected to go through Fall. Mexico will not harvest on May 1st in observance of Labor Day, but anticipate a healthy production will continue, although the glut of large shipping weeks may slow down in the coming weeks, as Mexico begins to wind down the current normal crop in June. Mexico production are forecast to decrease through June, while CA harvest volumes, and Peru arrivals are expected to increase. Mexico fruit shows nice oil content; it is critical to maintain a cold chain and store at 38°F.

Bananas



SUPPLY

GOOD

QUALITY

GOOD

Bananas are currently solid and consistent.

MARKET OUTLOOK



Beans



SUPPLY
FAIR
QUALITY
GOOD

Green Beans: RADAR Beans are in the middle of a transition from South Florida to Central and Northern Florida growing region. Production in Florida is improving. Georgia is starting. Overall supplies are light with high markets for another week until harvest begins in northern regions. Beans on the west coast are elevated due to the extreme cold and rain in Mexico, which is a challenge for the transition. Market remains escalated due to short supply from Mexico and Central America.

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: Prices for Blackberries are trending down. Production out of Mexico is approaching their seasonal low. California is forecasted to come online during the second week of June. Production out of the Southeast is expected to start in 1 to 2 weeks.

Blueberries: Prices for Blueberries are trending down. Production is coming out of Mexico, California, the Pacific Northeast, and Georgia. Grower is reporting labor shortages in California and Georgia. Quality is good.

Raspberries: ALERT Prices for Raspberries are trending up. Prices remain elevated and supplies are tight. Watsonville is expected to begin production in mid-June. Warm weather has impacted supplies and quality. Supplies are good with fair quality.

MARKET ALERT

Broccoli



SUPPLY
GOOD
QUALITY
GOOD

Broccoli: ALERT Supplies have improved with good demand. The market continues to remain escalated. Supplies are coming from Salinas, Santa Maria, and Mexico. Supplies are expected to be much better for the next few weeks. (F.O.B pricing for this week \$23.00 - \$25.00)

Broccolini: Supplies have improved. Demand continues to be good. Supplies are expected to be better next week. Supplies should be steady going into next week (F.O.B pricing for this week \$21.95 - \$22.75)

MARKET ALERT

Brussels Sprouts



SUPPLY
FAIR
QUALITY
FAIR

Supplies are light. Quality is good. Demand continues to be steady. Volume from Mexico is winding down as growers are transitioning to Salinas. Market pricing is expected to escalate in the next few weeks. (F.O.B pricing for this week \$36.45 - \$37.75)

Cabbages



SUPPLY
GOOD
QUALITY
GOOD

Supplies are better. Market pricing has improved. Prices are steady. Supplies come from Salinas and Oxnard. (F.O.B pricing for this week \$15.85 - \$16.65)

MARKET OUTLOOK

Cantaloupes



SUPPLY
GOOD
QUALITY
GOOD

RADAR Offshore melon are winding down sooner than expected due to whitefly pressure in Honduras crop, which has affected the crop. Supplies are light from all ports. Sizing is peaking at 12s with good brix and quality. Offshore melons are expected to be tight until domestic get start toward the end of May. Mexico volume are light crossing into Nogales with size peaking on 9s with good brix 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
FAIR
QUALITY
GOOD

EXTREME Supplies will continue to be limited. Market pricing escalated. Supplies are coming from Salinas, Santa Maria, and Mexico. Supplies are expected to improve. Markets pricing is expected to be escalated in the next few weeks. (F.O.B pricing for this week 48.00 - \$52.00)

MARKET ALERT

Celery



SUPPLY
FAIR
QUALITY
FAIR

EXTREME Supplies will be light. Quality is reported as fair, seeder is present. Supplies are coming from Oxnard and Santa Maria. Demand is very good. Market pricing will be escalated. Supplies are expected to be limited for the remainder of the month. Better supplies on 36ct than 24ct. (F.O.B pricing for this week \$28.00 - \$30.00)

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; we should reach total market stability 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

FAIR

QUALITY

FAIR

Prices for Corn are mixed this week. Prices for Corn out of California are coming off a bit. Florida production is hot and cold. Growers are expecting supplies to pick up over the next couple weeks.

Cucumbers



SUPPLY

GOOD

QUALITY

FAIR

Prices for Slicing, English and Persian Cucumbers are trending down. Production is coming out of Central Florida and Georgia. North Carolina and Baja is expected to start in 3 to 4 weeks 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

South America production has quickly declined causing the pipeline to dry up, leaving suppliers to be unable to fulfil all contracts. Mexico is a couple of weeks late, providing a gap before the domestic season begins. The market will be exceedingly volatile, and supplies will be difficult to manage. It is strongly advised to be open to substitutions or alternatives until the third week of May.

Herbs



SUPPLY

FAIR

QUALITY

FAIR

Herbs from Colombia continues to struggle due to the weather, especially **Basil**. 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: ALERT Supplies are light with fair quality. Market pricing has increased. Supplies are shipping out of Oxnard and Santa Maria. Supplies will be light for the next few weeks during the transition. (F.O.B price for this week \$20.45 - \$21.60)

MARKET OUTLOOK

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. The market has increased. Supplies are steady until mid-May and will start to decline for the transition to the desert. Arizona is expected to start towards the end of June.

MARKET ALERT

Iceberg



SUPPLY

FAIR

QUALITY

FAIR

EXTREME Supplies continues to be light. Quality is fair. Weights continue to be down due to smaller heads due to the cold temperature. Supplies are expecting to be limited for the next few weeks as during the transition back to Salinas and Huron. Growers are now harvesting in Salinas and Huron. Expect escalated markets for the next few weeks. (F.O.B pricing for this week \$48.00 - \$49.00)

Kale



SUPPLY

FAIR

QUALITY

GOOD

Supplies are steady with good quality. Demand continues to be very good along with steady market pricing. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$14.65 - \$16.45)

MARKET ALERT

Leaf



SUPPLY

FAIR

QUALITY

FAIR

Green & Red Leaf: ALERT Supplies have improved. Quality is good. Expect to see fringe smaller heads and lighter weight on the field pack cartons. Cold temperatures cause smaller heads at tie of harvest. Expect escalated markets for the next few weeks. (Green Leaf F.O.B. pricing for this week \$30.00 - \$33.00)(Red Leaf F.O.B. pricing for this week \$36.00 - \$38.00)

Romaine: ALERT Supplies continue to be light. Quality is fair. Expect smaller heads due to cold temperature. Weight has improved. Expect market pricing to be escalated for the next few weeks. Supplies are expected to improve in the next few weeks. (Romaine F.O.B pricing for this week \$28.00 - \$29.00)(Hearts F.O.B pricing for this week \$29.00 - \$32.00)

Tender Leaf: Supplies are better. Demand continues to be good. Quality is fair. Market pricing is steady. Growers have finished in Yuma and have transitioned to Salinas. Some tender leaf crops have been delayed due to the recent floods and cold temperatures in Salinas. (F.O.B pricing for this week \$4.75 - \$5.50)

MARKET OUTLOOK

MARKET ALERT

Mushrooms



SUPPLY

FAIR

QUALITY

GOOD

The mushroom industry continues with a shortage of labor, as well as cost inflation increases in raw materials. Specifically corrugated cardboard and packaging materials. Expect for Mushroom pricing to remain strong.

Shitake: Shitake mushroom supplies will be short due to an uncontrollable rise in the cost of imported Shitake logs from China. Shitake mushrooms supplies will be short, prices will be changing almost weekly. Increase pricing in raw materials is also causing price increases.

Onions



SUPPLY

FAIR

QUALITY

GOOD

Onions are coming out of Arizona, California, Idaho, Georgia, Oregon, Texas, and Washington. Demand is good. Quality is good. The market is firm due to the Northwest wrapping up in the next week and Imperial Valley just started. Eagle Pass will start next week. All colors available. There are some imported onions available. Planting for next season is on track for all growing regions. This will also have an impact on precut.

Onions Green



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be steady. Market pricing is normal. Supplies coming from Mexico. Past cold temperatures slowed down the supplies. Current supplies are expected to continue improving for the next few weeks. (F.O.B pricing for this week \$10.75 - \$11.45)

Peppers Bell



SUPPLY

GOOD

QUALITY

GOOD

Prices for Green, Red and Yellow Bell Peppers are trending down. Growers are reporting good supplies of Peppers in Central Florida. Production out of Georgia should begin in a couple weeks. We should also we product out of the California Desert in a week or so as Mexico winds down.

MARKET ALERT

Peppers Chili



SUPPLY

GOOD

QUALITY

GOOD

ALERT (Anaheim) Prices for Chili Peppers are mixed this week. Prices for Poblano Peppers are elevated. Production is coming out of Central Florida. Georgia and Baja start up around the end of the month.

MARKET OUTLOOK

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.

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Demand is slightly down. Supply and market pricing are steady. Crops are still down from the previous year. Suppliers are anticipating it will get tighter in the next month or so. Planting for next season in eastern Idaho is finishing up. An ongoing dispute between surface water irrigators and groundwater pumpers could impact eastern Idaho growers for the coming season. This will affect the pre-cut as well.

Squash



SUPPLY

GOOD

QUALITY

GOOD

Prices for Yellow and Zucchini Squash are trending down. Production is coming out of Central Florida and Georgia. North Carolina, California, Baja is expected to start at the end of May.

Strawberries



SUPPLY

GOOD

QUALITY

GOOD

Prices for Strawberries are trending down. Growers are reporting good sales for the Mother's Day Holiday. It is suggested that orders be placed early with a little extra order loading lead time. California production is being impacted by rain this week.

Tomatoes



SUPPLY

GOOD

QUALITY

GOOD

Prices for 20 lb and 25 lb Round Tomatoes and Grape Tomatoes are stable. Prices for Roma and Cherry Tomatoes are trending down. The weather in Florida and Mexico has been favorable. Tomatoes are currently great value.

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. Volume is expected to ramp up in a couple weeks.



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 in progress and supplies has been impacted on all lettuces, greens, broccoli, cauliflowers, and cabbages. **Processors** growers/shippers are looking to transition late April and early May. It could be delayed a week or two. **Grapes** and **melons** are expecting to transition in May from imports to domestic, with grapes experiencing limited volume with the unexpected drop in production from South America. **Baby arugula** are being prorated by some growers with fair quality. **Broccoli** will be limited. Extreme alert for **Celery** with light supplies for May. Extreme alert for **Iceberg** and **Cauliflower** due to the transition; supplies will be limited.

El Niño is coming. Here's what that means for weather in the U.S.

By Bill Chappell | May 3, 2023

As hot as the Earth's weather has been in recent years, it's about to get hotter: El Niño is on the way, with warmer sea temperatures promising new weather extremes, U.S. and international forecasters say.

For several years now, a persistent La Niña pattern in the equatorial Pacific Ocean has been easing some of the worst temperature rises, as well as shaking up precipitation patterns. But the World Meteorological Organization says that's all about to change.

"We just had the eight warmest years on record, even though we had a cooling La Niña for the past three years," WMO Secretary-General Petteri Taalas said.

In the U.S., the shift promises relief in other forms, as the outgoing La Niña is associated with more hurricane activity in the East and drought in the West.

Here's a quick guide to these two influential climate patterns:

They affect hurricanes and other weather

El Niño usually brings a quieter Atlantic hurricane season and more hurricane activity in the Pacific, while La Niña does the opposite — a dynamic that the National Oceanic and Atmospheric Administration has compared to a seesaw.

El Niño's warmer waters can also push the Pacific jet stream south. When that happens, the NOAA says, "areas in the northern U.S. and Canada are dryer and warmer than usual. But in the U.S. Gulf Coast and Southeast, these periods are wetter than usual and have increased flooding."

La Niña said farewell in March; since then, U.S. forecasters have mounted an El Niño Watch.

"There's a 62% chance that El Niño will develop during the May–July period, and more than 80% chance of El Niño by the fall," according to NOAA's Emily Becker.

La Niña cools, and El Niño warms

La Niña "acted as a temporary brake on global temperature increase," Taalas said. That's because the pattern occurs when sea surface temperatures are unusually cold and are forecast to stay that way for several months.

We've been seeing La Niña conditions since late 2020, triggering forecasts of below-normal winter temperatures for much of the northern U.S. and higher temperatures in much of the South.

But because of the new trend of warmer sea surface temperatures, Taalas added, "El Niño will most likely lead to a new spike in global heating and increase the chance of breaking..."

[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!

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