



**WEEK 33: August 14 - August 20, 2023**

# MARKET OUTLOOK

## Transportation:

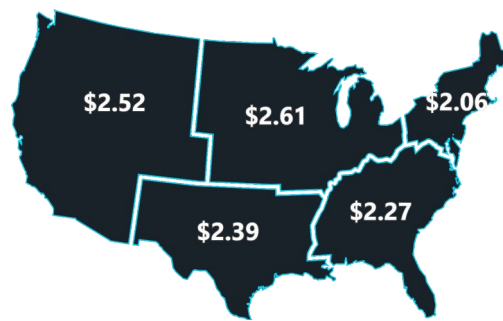
**National Diesel Average:** \$4.239

**Compared to Last Year:** \$3.485

**National Fuel Surcharge:** \$0.52

**Shortages:** Seeing high freight rates, with **extreme** shortages - None; **slight** shortages - DE, IL, IN, MD & VA

**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 and sunny skies with highs in the 70s and lows in the low 60s.

**Salinas, CA:** Partly cloudy and sunny skies with highs in the upper 70s and lows in the upper-50s.

**Yuma, AZ:** Sunny and partly cloudy skies with highs in the 110s and lows in the 80s.

**Immokalee, FL:** PM thunderstorms with highs in the 90s and lows in the 70s with scattered thunderstorms on Wednesday and Friday.

**Idaho Falls, ID:** Sunny and partly cloudy skies with highs in the mid-80s and 0s and lows in the upper 50s.

## MARKET ALERT

**Apple (Radar)**

**Asparagus**

**Avocado**

**Berries: Blackberries**

**& Raspberries**

**Brussels Sprouts**

**Herbs: Basil &**

**Cilantro**

**Iceberg Lettuce**

**Pepper Chili**

**Pineapples**

**Roma Tomatoes**

**Snow Peas (Radar)**

# MARKET OUTLOOK



## Apples



SUPPLY  
GOOD  
QUALITY  
GOOD

**RADAR** Due to cold temperatures in the spring producing later bloom, the new Washington State Apple crop will be 7 to 14 days later than last season. The new crop estimate has not been released to the industry, although it is rumored to be in the 122 million range. While the New crop is on the horizon, the Golden Delicious and Granny Smith are causing a concern. Both are standing with less boxes than anticipated, resulting in an excess of demand over supply. Granny Smith is 2.6 million fewer boxes than this time last year, showing significantly higher market values than usual. Due of the limited supply, it is strongly advised to avoid Granny Smith as much as possible until the new crop is released.

**MARKET ALERT**

## Asparagus



SUPPLY  
LIMITED  
QUALITY  
FAIR

Mexico has very little volume crossing due to the continue effect from El Nino. There could be a potential gap for Mexico mid-August to late-September due to the low supply and high demands. Northern Peru continues to struggle with consistent supplies but expected to improve by October/November. Sizing continues to be a challenge as yields continue to run smaller than normal. Supplies are expected to fluctuate from all growing regions for the next 2-3 months. Overall production is down 40% from Mexico and 60% from Peru. Market is elevated, especially on the larger sizes. Recommend being flexible with sizing at time of loading.

**MARKET ALERT**

## Avocados



SUPPLY  
GOOD  
QUALITY  
GOOD

The extreme weather in Peru has put stress on the trees, and the fruit has not grown to size this season; also, the season will end much sooner than anticipated. Historically, 48s and larger account for 81% of Peruvian exports. However, 48s and larger accounted for only 48% of exported volume in June, with 60s dominating, and this trend has continued and worsened throughout July and into August. CA is 3/4 of the way through the 2023 season. Most of southern acreage has been strip-picked in preparation for the impending heat. If CA continues to harvest at high volumes, the season will end early in August. MX is harvesting "Loca." This crop is known for bringing clean fruit (grade 1), thus there are hardly any #2. The size curve is dominated by small fruits. Summer Mexican Hass contains less oil, and the skin may remain green even when fully ripe. Loca fruit takes longer to ripen and should be stored at 42°F. Getting preconditioned orders in ahead of time helps to ensure that ripening specs are met.

## Bananas



SUPPLY  
GOOD  
QUALITY  
GOOD

Overall quality continues to be good, and there is currently no significant issues with bananas.

## Beans



SUPPLY  
FAIR  
QUALITY  
GOOD

**Green Beans:** Supply is good, and market is stable. Steady supply through September on the East coast. Due to the rain and extreme heat, Mexico production and quality have been impacted. Limited availability out of Mexico.

**Snow Peas:** **RADAR** On both coasts, the market is quite elevated. California has limited supply. Markets are expected to be high for the next few weeks.

# MARKET OUTLOOK

**MARKET ALERT**

**Berries**



SUPPLY

POOR

QUALITY

GOOD

**Blackberries:** **ALERT** *Limited Availability* - Prices for Blackberries are trending up. Volume is picking up out of California. Availability out of Mexico is extremely tight.

**Blueberries:** Prices for Blueberries are stable. Blueberries are currently the best value in the berry category. Production is coming out of New Jersey, California, British Columbia, and the Pacific Northwest. Volume is picking up with good quality. Supplies are expected to stay abundant throughout the month of August.

**Raspberries:** **ALERT** *Limited Availability* - Prices for Raspberries are trending up. Volume is picking up out of California. Availability out of Mexico is extremely tight but it's expected to increase in the weeks to come.

**Broccoli**



SUPPLY

GOOD

QUALITY

GOOD

**Broccoli:** Supplies are light with strong demand. Supplies are available from Salinas, Santa Maria, and limited supplies in Mexico. Lower yields are being reported. Market pricing for Broccoli has increased and is expected to remain strong for a few weeks. (F.O.B pricing for this week \$17.00 - \$18.00)

**Broccolini:** Supplies continue to be very good. Demand has slowed down. Supplies are expected 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 light with fair quality. Demand is strong. Market pricing and contracts will remain escalated. Supplies are expected to remain light causing markets to remain high and prices will continue to remain escalated. (F.O.B pricing for this week \$48.00 - \$50.00)

**Cabbages**



SUPPLY

GOOD

QUALITY

GOOD

Supplies are steady with good quality. Growers are reporting better availability. Market pricing has improved. Products are coming from Salinas and Santa Maria. (F.O.B. pricing for this week \$10.00 - \$12.00)

**Cantaloupes**



SUPPLY

GOOD

QUALITY

GOOD

Supplies are consistent and demand has dropped. Size trending are a mix of 9/9J/12s. Quality is excellent. Brix levels are in the 14-16% range.



# MARKET OUTLOOK

## Carrots



### SUPPLY

GOOD

### QUALITY

GOOD

Overall, the quality and supply are good. All contracts are being fulfilled.

## Cauliflower



### SUPPLY

GOOD

### QUALITY

GOOD

Supplies are very good with slow demand. Markets remain steady. Supplies are available from Salinas, Santa Maria, and Mexico. Supplies are expected to be steady for the next few weeks. Great time to promote Cauliflower. (F.O.B. pricing for this week \$10.00 - \$11.00)

## Celery



### SUPPLY

GOOD

### QUALITY

GOOD

Supplies have improved with good quality. Supplies are currently coming from Salinas and Santa Maria. Market pricing has improved and no longer escalated. Salinas celery harvest is in full swing. Markets are expected to be good for the next few weeks. Good time to promote Celery. (F.O.B. pricing for this week \$11.00 - \$12.00)

## Citrus



### SUPPLY

GOOD

### QUALITY

GOOD

**Limes:** While momentum in the United States has declined and price trends have followed suit, Mexico remains elevated. Extreme heat and humidity are affecting quality and shelf life, contributing to low yields/availability. Overall crossings have declined, and current pack-out yields account for a 20-25% loss on the line, which has improved from prior weeks. Most operations are transitioning to the new production cycle. Peak sizing consists of 230s & 250s with limited availability in larger fruit. As the summer progresses, the weather will continue to play a role in overall quality. It is advised to be aware of changes in advertised grade specifications.

**Lemons:** Due to this year's heavy rains in California, many lemons were lost. As a result, 140s and smaller are very tight, which has driven up prices to levels that are unusual for this time of year. The 165s and 200s have become quite tight in the last month and are very challenging to cover. Picking has begun in D2 coastal area. There is more choice fruit than normal due to the heavy scarring. Due to the damage, lemons have been difficult to manage.

**Oranges:** This season's Valencia, which run heavy to 138/113/88s, are ideal for food service. Fruit is tasty, firm, and color great. Brix is at 13-14. In most years, when schools reopen in August because the fruit has grown out of the smaller sizes, the industry faces a demand-supply imbalance. With the amount of small fruit this year, not expecting any big issue. Valencia is not in high demand in July, which will help the overall supply. Valencia is expected to go through October until Navels starts without any gaps.



# MARKET OUTLOOK

## Corn



SUPPLY  
FAIR  
QUALITY  
GOOD

Prices for Corn out of the West are trending down. Prices out of the East are trending up. Growers are reporting good quality.

## Cucumbers



SUPPLY  
GOOD  
QUALITY  
FAIR

Prices for Slicing Cucumbers are trending down. There are lots of local programs up and running. Please keep an eye out for heat related quality issues when inspecting arrivals.

## 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.

## Grapes



SUPPLY  
GOOD  
QUALITY  
GOOD

Red and green grapes in large sizes continue to have good quality and availability. Medium and smaller size grapes should start to become available in low volumes starting in September.

# MARKET OUTLOOK

## Herbs



SUPPLY  
GOOD  
QUALITY  
GOOD

Mexican production has improved. The availability and quality of most herbs are still impacted by rain in Colombia. Domestic and Mexican options are available on the east coast.

**Cilantro:** Supplies have improved along with quality. Market pricing has also improved. Supplies are now shipping out of Salinas and Santa Maria. Growers are reporting lower yields. Market pricing will not be escalated this week. Growers are reporting better availability. (F.O.B. pricing for this week \$15.00 - \$17.00)

## Honeydews



SUPPLY  
FAIR  
QUALITY  
GOOD

Honeydew supplies are consistent. Sizing is between 6/8s with some 5s. Supplies are expected to remain steady. Quality is good with occasional scarring. Brix level is in the 13-15% range.

## **MARKET ALERT**

## Iceberg



SUPPLY  
FAIR  
QUALITY  
FAIR

Supplies are light with fair quality. The weight is expected to be light and lettuce heads will be under sized. Yield is expected to be under budget, causing markets to escalate. Market pricing is expected to remain high for the next few weeks. Contract pricing will be escalated. (F.O.B. pricing for this week \$26.00 - \$28.00)

## Kale



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies are steady with good quality and demand. Supplies should remain steady for a few weeks. Market pricing is steady. (F.O.B. pricing for this week \$11.65 - \$13.45)

## Leaf



SUPPLY  
GOOD  
QUALITY  
GOOD

**Green & Red Leaf:** Supplies are good with fair quality and slight insect presence. Sizing and carton weights are good. Expect markets and supplies to remain steady for the next few weeks. Great time to promote Green and Red Leaf Lettuce. (Green Leaf F.O.B pricing for this week \$13.00 - \$14.00)(Red Leaf F.O.B. pricing for this week \$13.00 - \$14.00)

**Romaine:** Supplies are very good with good quality. Carton weights are good. Expect market pricing to steady along with supplies. Great time to promote Romaine. (Romaine F.O.B pricing for this week \$11.00 - \$12.00)(Hearts F.O.B pricing for this week \$15.00 - \$17.00)

**Tender Leaf:** Supplies are good with good demand. Quality is fair to good. Supplies and availability are improving due to better weather. Steady Market pricing and supplies are to be expected in the next few weeks. (F.O.B. pricing for this week \$4.75 - \$5.00)

# 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.

## Onions



SUPPLY  
GOOD  
QUALITY  
GOOD

Quality is good with steady demand. The market is trending down. Red and White onions are tight. Idaho and New York just started. Colorado and Wisconsin are scheduled to begin harvesting around Labor Day and continue until the end of the year, while Utah will begin harvesting in early fall. California and New Mexico are wrapping up. This will also have an impact on precut.

## Onions Green



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies continue to be very good with normal market pricing. 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 \$10.00 - \$12.00)

## Peppers Bell



SUPPLY  
GOOD  
QUALITY  
GOOD

Prices for Green Bell Peppers are trending down. Prices for Red and Yellow Bell Peppers are trending up. Lots of local programs are up and running adding to the overall supply of green peppers in the marketplace. Supplies of Color Peppers are running on the tighter side and are expected to remain the same for the next couple of weeks.

**MARKET ALERT**

## Peppers Chili



SUPPLY  
POOR  
QUALITY  
POOR

Prices for Chili Peppers are mixed but they're still elevated. Chili Peppers remain tight even for poor quality lots. Growers are forecasting tight supplies and low quality for at least another week or two. The market has been HOT for a long time.

**MARKET ALERT**

## Pineapples



SUPPLY  
FAIR  
QUALITY  
GOOD

Unique weather patterns in the tropics are driving an off sizes fruit market. Pineapple continues to be extremely tight, particularly in the 5ct and 6ct sizes. Crownless pineapples are tight because of the overall decline in crop yields. Currently, 8ct pineapples are the most availability. In September, the size curve is likely to shift toward larger fruit. Advise being flexible with sizing (open your size spec) for the majority, if not the entire summer, to ensure all fruit supply.

# MARKET OUTLOOK

## Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Demand is solid with good quality. Kern County is winding down by the end of the month. Market is trending down due to new crop is arriving and there is still some supply from last year harvest. Washington has started shipping new crop with size primarily small with few 40-60ct. Michigan and Wisconsin new crops are starting soon. San Luis Valley new crop usually starts early September. This will also affect precut.

## Squash



SUPPLY

FAIR

QUALITY

FAIR

Prices for Yellow and Zucchini Squash are trending up. Lots of local deals are up and running but growing conditions haven't been optimal. Heat, wind, rain and even smoke from the recent wildfires in Canada are keeping volumes down.

## Strawberries



SUPPLY

FAIR

QUALITY

FAIR

Prices for Strawberries are trending up. Growers are currently reporting tight supplies. The quality of fruit is fair. Growers are forecasting supplies to be on the tighter side for the next 2 or 3 weeks.

## **MARKET ALERT**

## Tomatoes



SUPPLY

GOOD

QUALITY

GOOD

**ALERT (Roma)** Prices for tomatoes are trending down while Roma tomato prices remain elevated. Supplies are expected to tighten up for all tomatoes through the rest of August. Growers are expecting the supply situation to improve during the first few weeks of September.

## Watermelons



SUPPLY

GOOD

QUALITY

GOOD

Supplies are good. Arizona, Georgia is wrapping up. Indiana, Missouri, and North Carolina have good supplies. Supplies are available in Central and Southern California, Oregon, Texas, and Washington.





# MARKET OUTLOOK

## Produce Category Overview

**Asparagus** are light due to the weather and with larger size being limited. **Avocados** is limited on 48s and larger due to weather. **Blackberries** and **Raspberries** have limited supplies and are expected to have better availability in the next couple of weeks. **Brussels Sprouts** are slightly better but remain escalated. **Celery** continues to be limited with supplies expecting to get better in a few weeks. **Chili Peppers** remain tight due to the weather. **Iceberg Lettuce** is light in weight and lettuce head are undersized. Good time to promote **Broccoli, Broccolini, Carrots, Cauliflowers, Green and Red Leaf Lettuce, Kale, and Romaine.**

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## Plunging freight rates could head upward

By **TOM BURFIELD** August 7, 2023

Produce shippers have been enjoying a substantial drop in transportation costs this year after enduring some of the highest freight rates ever during the COVID-19 pandemic.

Those rock-bottom prices could be short-lived, however.

Freight costs in January 2022 for a load of refrigerated produce out of California to the East Coast averaged \$5.19 per mile, according to the USDA. In late July this year, the rate was \$3.55.

Just one year ago, a 2,781-mile trip from Fresno, Calif., to Baltimore cost \$14,433. By late July this year, the cost had plummeted to \$9,872.

The industry's transportation woes started in 2020 when the pandemic shut down driver training schools, resulting in a shortage of truck drivers, said Dean Croke, principal industry analyst at DAT Freight & Analytics, with headquarters in Beaverton, Ore., and Denver.

But when Paycheck Protection Program loans ended July 2020, there was a rush to join the trucking industry from people who had never been in the industry or who had been driving for a larger fleet and bought their own trucks because rates were so high.

At the same time, during the second half of 2020, diesel prices dropped to \$2.40 a gallon, and spot rates for freight increased about \$1 per mile — from \$1.30 to \$2.30, Croke said.

“The diversion of those two data points away from each other was really what started the whole ball rolling,” he said.

After PPP loans ended, about 100,000 carriers joined the ranks of the trucking industry over a 12-month period.

Carriers already were making good money because of all the disruptions caused by the pandemic, and they were making even more money because of the low cost of diesel fuel, Croke said.

“When the pandemic hit, it kind of put the transport people on the map,” said Michael Fernandes, director of sales for John Greene Logistics, Titusville, Fla.

Companies that routinely sought out cheaper trucks “learned the lesson that cheaper is not always the best way to go,” he said.

Suppliers that had built relationships with carriers and treated them as equal partners came through the pandemic in much better shape transportationwise than those who consistently...

[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!

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