



WEEK 39: September 25 - October 1, 2023

MARKET OUTLOOK

Transportation:

National Diesel Average: \$4.633

Compared to Last Year: \$4.302

National Fuel Surcharge: \$0.60

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

Regional Weather Update:

Oxnard, CA: Partly cloudy with highs in the 70s and lows in the low 50s with sunny on Tuesday.

Salinas, CA: Partly cloudy with highs in the 70s and lows in the 50s.

Yuma, AZ: Sunny skies with highs in the low 100s and lows in the low 70s to 80s.

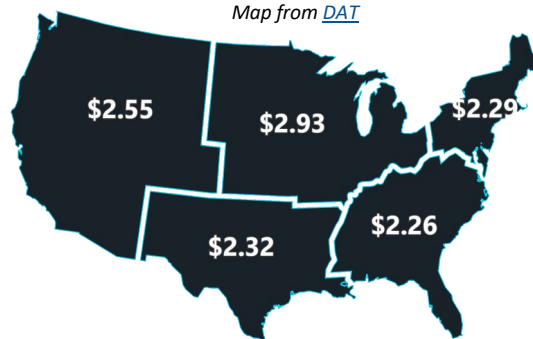
Immokalee, FL: PM thunderstorms with highs in the low 90s and lows in the 70s.

Idaho Falls, ID: Partly cloudy and sunny skies with highs in the 70s to 50s and lows in the upper 40s to 30s.

National Posted Rate per mile

previous week's average outbound reefer rate for each region

Map from [DAT](#)



MARKET ALERT

Asparagus

Bell Peppers: Red & Yellow

Berries: Blackberries, Blueberries, Raspberries & Strawberries

Broccoli & Broccolini

Brussels Sprouts

Celery

Citrus: Lemons, Limes & Oranges

Grapes

Green Onions (Extreme)

Herbs: Chervil & Cilantro

Pepper Chili

Pineapples

MARKET OUTLOOK



Apples



SUPPLY
GOOD
QUALITY
GOOD

The Washington State Apple Crop is experiencing strong growth and good supply, with an estimated 2023 crop of 134 million boxes, compared to 110 million this past season. The size profile benefits the foodservice industry, with a peak of 100/113ct and more 125s than 88ct. All varieties, from Red Delicious to Cosmic, have seen substantial gains, resulting in better value and availability throughout the season. Summer 2024 won't bring Gr Smith's prices to Washington like they did recently. The growing conditions have been ideal, and no weather issues have been reported.

MARKET ALERT

Asparagus



SUPPLY
FAIR
QUALITY
FAIR

New fields in Northern and Southern Baja have increased in volume and sizing but may face seeding issues due to heat in the region. Southern Peru continues to see steady production, but still have heavy production on small and standard sizes. Markets have improved some with better production in Mexico and steady production in Peru, with seeding issues potentially affecting the region. Overall, the new fields in these regions are experiencing increased production.

Avocados



SUPPLY
GOOD
QUALITY
GOOD

The market continues to stay strong with an 11% increase over the previous week. Mexico's volume has increased almost 20%, while Peru and California are rapidly declining. The Aventajada harvest has barely begun, it won't reach a reasonable volume for another two to three weeks. Most of the demand is shifting back to Mexico. A smooth transition into Q4 is highly likely with the start of the Aventajada harvest. While Peru and California are exiting, Mexico has been steadily growing volume week after week. The price differential between 48s and 60s will keep getting smaller over the next several weeks because the size curve doesn't fully match demand. Expect the market for smaller sizes to remain tight, and extra-large fruit to be scarce for several weeks.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Overall quality continues to be good, and there is currently no major concerns about bananas. There is a little vessel delay reaching Galveston, which may affect banana color staging. It may be a stage behind in the ripening process, but it is not expected to cause widespread or serious problems.

Beans



SUPPLY
GOOD
QUALITY
GOOD

Green Beans: Supply is good, and market is stable. Steady supply through September on the East coast. West coast market has come off a bit but still elevated. Due to the rain, heat, and recent hurricane, Mexico production and quality has been impacted with limited availability and the market is escalated.

Snow Peas: Supplies are steady with fair to good quality. Guatemalan production continues to be improved.

MARKET OUTLOOK



MARKET ALERT

Berries



SUPPLY

FAIR

QUALITY

FAIR

Blackberries: Prices for Blackberries are trending down. Production out of Mexico is steady. Growers are reporting some challenges with quality.

Blueberries: Prices for Blueberries are trending up. Prices are extremely elevated. Production is coming out of Mexico, Peru, Chile, Argentina, Uruguay, and British Columbia. The South American crop is just hitting the ports. The market remains extremely tight. Growers out of Mexico are reporting good quality.

Raspberries: Prices for Raspberries are trending up. Volume is declining. Growers are reporting some challenges with quality. Look for the markets to remain tight going forward.

MARKET ALERT

Broccoli



SUPPLY

FAIR

QUALITY

FAIR

Broccoli: Supplies are light. Broccoli demand is strong, with supplies coming from Salinas, Santa Maria, and Mexico. Growers report lower yields due to summer defects like brown bead and hollow core. Market pricing for broccoli has increased and is expected to remain strong for a few weeks. (F.O.B. pricing for this week \$24.00 - \$25.00)

Broccolini: Supplies will be light. Demand has increased. Supplies are expected to be limited for a few weeks. Growers are reporting brown bead and flowering defects in Broccolini. Market pricing is higher. (F.O.B. pricing for this week \$28.00 - \$30.00)

MARKET ALERT

Brussels Sprouts



SUPPLY

FAIR

QUALITY

FAIR

Supplies continue to be light with fair quality. Demand is strong. Market pricing and contracts will remain escalated. Supplies will remain light causing markets to remain high and prices continue to remain escalated. (F.O.B. pricing for this week \$50.00 - \$52.00)

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 \$12.00 - \$14.00)

Cantaloupes



SUPPLY

GOOD

QUALITY

GOOD

The Firebaugh district is experiencing cooler temperatures, leading to a smaller sizing profile with more 9/12s, some 15s, and fewer jumbos. This trend is expected to continue for the duration of the California season. Quality remains solid with slightly green caste than in peak season, but brix levels are in the 13-15% 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 steady. Demand for cauliflower has increased. Supplies will be coming from Salinas, Santa Maria, and Mexico. Supplies are expected to be steady for a few weeks. Summer defects and weather causing delays for product to mature are causing lower yields this week. Quality is reported as fair. (F.O.B. pricing for this week \$14.00 - \$16.00)

MARKET ALERT

Celery



SUPPLY

FAIR

QUALITY

FAIR

Supplies are light with fair quality. Supplies are currently coming from Salinas and Santa Maria. Market pricing has escalated compared to the previous week. Summer defects and lower yields have caused most of the market reactions. There is a slight presence of insect damage. Supplies will only be fair the next few weeks. (F.O.B. pricing for this week \$20.00 - \$22.00)

MARKET ALERT

Citrus



SUPPLY

GOOD

QUALITY

GOOD

Limes: The market is elevated, costs continue to increase, and expected to continue increasing through October. Availability will decline in Q4 due to the severe weather a few months prior impacting the new bloom. The heat and humidity have impacted quality and shelf life, contributing to low availability. Quality has reached a seasonal low of 35% pack-out loss of total harvested yields. Peak sizing is currently dominated by small fruit, including 230's and 250's, while large fruit are extremely limited.

Lemons: Lemons have been tight all summer from all regions. D3 shippers had hoped to begin harvesting within the next week, but heavy rains have delayed harvesting until the end of September. Chile, Argentina, and Mexico have been covering but are struggling to maintain a constant weekly supply. Overall supply is expected to be better going into October once D3 starts. If loading oranges out of Florida is feasible, import lemons can be shipped to Florida, allowing trucks to load both. This will require some planning, so keep in touch with your supplier.

Oranges: Valencia 88's and smaller are very tight. Valencia is expected to be done while Navels are delayed until the first or second week of November due to weather. An eminent crop gap is occurring. There are options out of Florida but recommend subbing with grapefruit.

MARKET OUTLOOK



Corn



SUPPLY

GOOD

QUALITY

GOOD

Prices for Corn are trending down. Growers out of the East are reporting good volumes and quality. Prices out of Tracy, California are holding steady, but volume is on the tighter side.

Cucumbers



SUPPLY

FAIR

QUALITY

GOOD

Prices for Slicing Cucumbers are trending down. There's no major volume currently coming out of North Carolina or Mexico. Georgia is expected to start production in a week or two.

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

FAIR

QUALITY

GOOD

Hurricane Hilary caused significant damage to California's table grape vineyards during peak harvest time, causing significant loss and further damage. The aftermath of the hurricane has resulted in additional rain, further exacerbated the situation. The market is expected to remain tight until the import transition ends.

MARKET OUTLOOK



MARKET ALERT

Herbs



SUPPLY
FAIR
QUALITY
FAIR

The quality of herbs has improved with better weather, but domestic and imported **Chervil** production remains low due to weather and pest issues, resulting in inconsistent supply and day-to-day availability.

Cilantro: ALERT Supplies are limited, and the quality is fair. Market pricing has escalated. Supplies are shipping out of Salinas and Santa Maria. Growers are reporting lower yields and fair quality. Market conditions are expected to continue for a few weeks. (F.O.B. pricing for this week \$18.00 - \$19.00)

Honeydews



SUPPLY
GOOD
QUALITY
GOOD

Honeydew supplies are steady. Sizing profiles are primarily 5/5J causing 6/8s to be limited and fetching a premium price. Demand is strong on 6/8s. Quality is good with occasional external scarring with brix level of 14-16% range.

Iceberg



SUPPLY
GOOD
QUALITY
GOOD

Supplies will be good. Quality is also reported as improved. Weights are expected to be improved; lettuce heads will also be back to normal. Yields are looking good, causing the markets to improve. Market pricing is lower and is expected to continue improving. Good time to promote Iceberg Lettuce. (F.O.B. pricing for this week \$15.00 - \$16.00)

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 - \$13.65)

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Green & Red Leaf: Supplies continue to be good with fair quality and heavy insect presence due to warm weather. Sizing and carton weights are expected to be good. Expect markets and supplies to remain steady for the next few weeks. (Green Leaf F.O.B. pricing for this week \$11.00 - \$13.00)(Red Leaf F.O.B. pricing for this week \$11.00 - \$13.00)

Romaine: Supplies continues to be very good with good quality and heavy bug presence due to warmer weather. Carton weights are good. Expect market pricing to be 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. 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
GOOD
QUALITY
GOOD

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

Onions



SUPPLY
GOOD
QUALITY
GOOD

Quality is excellent with steady demand. The market is slightly trending down. All colors and sizes are shipping out of the Northwest. Medium Red is a little tight. Colorado and Michigan have started. Wisconsin is in full swing and will continue until the end of the year, while Utah will begin harvesting in early fall. Some growers have started to put onions in storage. Freight is up in some regions. This will also have an impact on pre-cut.

MARKET ALERT

Onions Green



SUPPLY
FAIR
QUALITY
FAIR

EXTREME Supplies will be very limited for the next few weeks. Previous hurricanes and extreme heat wave have caused some crop damage. Current supplies are coming from Mexico. In the next few weeks, the market is expected to continue to escalate. Expect fair quality for the next few weeks. (F.O.B. pricing for this week \$40.00 - \$42.00)

Pears



SUPPLY
GOOD
QUALITY
GOOD

The Pear crop is expected to be of excellent quality, similar to the Apple Crop. Bartlett Crop is projected to have the same amount as last season, while Bosc is expected to have a larger crop, making prices on 100s and smaller better. Red Pears are expected to peak on 80/90ct, while Anjou's in the Pacific Northwest is down by 20%. Overall, the quality is good with size a profile 80/90/100ct.

MARKET ALERT

Peppers Bell



SUPPLY
FAIR
QUALITY
GOOD

ALERT (Red & Yellow) Prices for Green Bell Peppers are trending up. Red and Yellow Bell Peppers are trending down. Wet weather in the East impacted volumes. Production out of Georgia is expected to start in four weeks.

MARKET ALERT

Peppers Chili



SUPPLY
POOR
QUALITY
POOR

Prices for Chili Peppers are trending slightly down. Production out of the Northeast, Mexico and California remains tight. Growers are forecasting the market to remain tight for another two or three weeks.

MARKET OUTLOOK

MARKET ALERT

Pineapples



SUPPLY
FAIR
QUALITY
GOOD

Pineapple continues to be extremely tight, particularly in 5ct and 6ct. Crownless pineapples have also tightened up. There are still 8ct pineapples available. The size curve is likely to shift again toward larger fruit this month. Advise to be flexible on sizing at time of loading. The main cause of the limited availability is the due to the unique weather patterns in the tropics.

Potatoes



SUPPLY
GOOD
QUALITY
GOOD

Good quality from all growing regions. The market continues to trend down as new crops are being shipped from all growing regions. Yields are up by 8.3% overall from previous year. This year potato crop is in good condition. This will also affect precut.

Squash



SUPPLY
FAIR
QUALITY
GOOD

Prices for Yellow and Zucchini Squash are trending down this week. Production is coming out of North Carolina, Michigan, Tennessee, Mexico, and Santa Maria. The volume is still on the lighter side.

MARKET ALERT

Strawberries



SUPPLY
FAIR
QUALITY
FAIR

Prices for Strawberries are trending up. Production is coming out of Watsonville, Salinas, and Santa Maria. Cool weather in California is restricting volumes. Growers are reporting some challenges with quality.

Tomatoes



SUPPLY
GOOD
QUALITY
GOOD

Prices for 20 & 25 lb Round, Grape and Cherry tomatoes are trending down. Roma tomato prices are mostly stable. Production for tomatoes is currently coming out of many areas in the Northeast, California, and Mexico. Demands are off a bit and that is helping to keep prices down too. Production out of Georgia is just around the corner. The Northeast is past their peak. Production will be moving South in the weeks to come.

Watermelons



SUPPLY
FAIR
QUALITY
GOOD

Watermelon and minis supplies are becoming limited as supplies are declining in California, Delaware, Indiana, North Carolina, Oregon, Texas, and Washington. Mexico will begin the second week of October with limited supplies from Nogales.



MARKET OUTLOOK

Produce Category Overview

Asparagus are improving, but heat may cause seeding issues. **Blackberries, Blueberries, Raspberries, and Strawberries** have quality challenge due to weather. **Brussels Sprouts** are slightly better but remain escalated. **Chili Peppers** remain tight due to the weather. **Grapes** have been impacted and reduced by 30% due to the recent Hurricane in the west, causing a possible gap before offshore is available at the end of the year. **Green Onions** are extreme alert with limited supplies due to recent hurricanes and heat waves. Domestic **Lemons** are tight due to heavy rains, causing delays in harvesting but are expected to improve in October. **Limes** supplies are declining in Q4 due to severe weather impacting the crops. **Navels** are delayed until the first or second week of November and there will be a gap. **Pineapples** 5/6ct are extremely tight due to weather. Good time to promote **Carrots, Celery, Green and Red Leaf Lettuce, Iceberg, Kale, and Romaine.**

String of unlucky weather slows Peruvian avocado and asparagus exports

By **KRISTIN LEIGH LORE** | September 20, 2023

Up-and-coming agricultural powerhouse Peru has enjoyed several years of growth in U.S. markets, steadily expanding market share in fresh produce commodities such as blueberries, grapes, avocados, onions and asparagus.

But will a recent spate of bad weather, combined with El Niño, slow down across-the-board optimism for this South American exporter?

The 2023 Peruvian avocado season was caught in a series of ill-timed weather events, upending early-season crop forecasts and resulting in low volumes at harvest. Chilly temperatures in the summer months delayed the start of the season, followed by a winter heat wave that stunted fruit growth and dried up volumes, according to Mission Produce's CEO Stephen Barnard, on a recent earnings call.

What's more, other commodities such as asparagus and onions have also experienced weather-related supply dips.

"Both Peru and Mexico have reduced imports in 2022, due to many contributing factors with mostly due to weather conditions. This decline in volume has continued into 2023 and has challenged industry and retailers," Priscilla Lleras, executive director of the Peruvian Asparagus Importers Association, said in a news release.

A recent USDA statistics update echoed this year-over-year decline for asparagus, reporting that of the total imports for 2022, the U.S. imported 13% less in volume of Peruvian asparagus than the previous year.

With an El Niño weather pattern likely to disrupt typical weather patterns in Peru in the coming months, layered with the unpredictable effects of climate change, how do suppliers ride out weather-related hiccups?

QUICK PIVOTS POSSIBLE WITH A DIVERSE SOURCING STRATEGY

A leading supplier of avocados, Mission Produce was recently caught in the crosshairs of unfortunate weather events. The company reported lower-than-expected profits in the third quarter after "abrupt change in growing conditions" upended Peru's harvest, CEO Stephen Barnard said on a recent third-quarter earnings call with investors.

The late season heat "negatively impacted anticipated volumes and fruit size across the Peruvian growing region," Barnard said on the call. Mission Produce had set lower prices for customers earlier in the year anticipating a strong harvest. To pivot, the fresh produce broker leaned on its abundant supply out of Mexico and California to help offset lost volume from Peru.

"Our sourcing strategy diversifies our avocado procurement across multiple growing regions year-round. If supply is tight in one region due to natural or other causes, we source from other regions..."

[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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