

MARKET OUTLOOK

Apples



SUPPLY

FAIR

QUALITY

GOOD

This year apple crop is on the larger size and higher-grade fruit. Small and off-grade fruits will be on the tighter side for the entire season.

Asparagus



SUPPLY

FAIR

QUALITY

GOOD

Mexican production continues to be slow with less volume crossing each week due to the cooler weather, but larger sizes are improving. Peruvian production is good on all sizes and expected to continue through the mid-January. Market is active with the Thanksgiving holiday demand.

Avocados



SUPPLY

GOOD

QUALITY

GOOD

As Aventajada fruit matures, dry matter increases, and holding temperatures should be set at 42°F. The Loca crop is winding down, and Mexico will be fully in the Aventajada crop in a few weeks, with Normal on its heels – there's plenty of volume to carry us into the spring. Standing inventories are currently at 68.4 Mil lbs, which is roughly the same as a week ago. Jalisco continues to import 3.4 Mil lbs. for Week 45. The holidays are now upon us, and many items will compete for prime retail and promotional space. Avocado demand has historically lagged during the holiday season, but a recent increase in promotional activity has kept the commodity buzzing. There's plenty of volume to continue supporting promotions on your preferred sizing.

Bananas



SUPPLY

GOOD

QUALITY

GOOD

Banana is showing good quality and supply remains stable through the remainder of the year.

MARKET ALERT

Beans



SUPPLY

LIMITED

QUALITY

FAIR

Green Beans: **EXTREME ALERT** Beans out of South Georgia is tight. Florida production has started. Expect shortages and prorating as the Thanksgiving holiday approaches. Light volume with some quality issues out West. Market remains elevated. Demand has exceeded the supplies.

Snow Peas: California crop has started. Mexico supplies are steady with good quality. Production has improved from Guatemala.

MARKET OUTLOOK



Berries



SUPPLY

GOOD

QUALITY

GOOD

Blackberries: Prices for Blackberries are trending down this week. Production out of Watsonville is winding down while Mexico is increasing. Look for stable supplies for the next couple weeks.

Blueberries: Prices for Blueberries are trending up this week. Volume out of Mexico is forecast to pick up slightly during the next few weeks. Production out of Oxnard is increasing slowly. Production out of Chile was impacted by rain and frost a couple week ago.

Raspberries: Prices for Raspberries are trending down this week. Production out of Watsonville is winding down while Mexico is increasing. Look for stable supplies for the next couple weeks.

MARKET ALERT

Broccoli



SUPPLY

FAIR

QUALITY

FAIR

EXTREME ALERT Supplies will continue to be short this week. Strong demand continues for Broccoli. Market pricing continues to be strong and has reached most of our contract caps. Current supplies are coming from Salinas & Santa Maria. Supplies are also coming out of Mexico. (F.O.B pricing for this week \$47.05 - \$48.05)

Brussels Sprouts



SUPPLY

FAIR

QUALITY

GOOD

Supplies will be limited for this week. Quality is reported as good. Demand has increased in the last few weeks. Market has increased and will continue as demand increases for Brussel Sprouts. (F.O.B pricing for this week \$30.45 - \$32.65)

Cabbages



SUPPLY

GOOD

QUALITY

GOOD

Supplies will be light for this week. Growers are reporting lower yields this week. Previous consecutive days with rain and cold weather has slowed down yields. Expect market pricing to possibly increase for next week. (F.O.B pricing for this week \$30.85 - \$31.60)

Carrots



SUPPLY

GOOD

QUALITY

GOOD

Supply is slightly stronger out of California going into Fall. For this time of the year this is expected due to seasonality and weather changes.

Cantaloupes



SUPPLY

FAIR

QUALITY

GOOD

This week's arrivals in Florida are expected to be the lightest of the season, which coincides with the lower demand expected for Thanksgiving holiday. Sizing is peaking mostly 9s or larger with limited availability on 12s.



MARKET OUTLOOK

MARKET ALERT

Cauliflower



SUPPLY
LIMITED
QUALITY
FAIR

EXTREME ALERT Supplies continue to be limited. Market pricing continues to stay strong and has reached most of our contracted caps. Demand continues to be very good for Cauliflower this week. Supplies are currently coming from Salinas and Santa Maria. (F.O.B pricing for this week \$71.60 - \$73.60)

MARKET ALERT

Celery



SUPPLY
FAIR
QUALITY
FAIR

Supplies continue to be light. Quality has been reported as only fair at this time. Supplies are shipping from Salinas and Santa Maria. Market is expected to get stronger as demand starts to increase. Salinas is winding down and will be transitioning to Oxnard. (F.O.B pricing for this week \$31.25 - \$33.70)

Citrus



SUPPLY
GOOD
QUALITY
GOOD

Limes: The market is expected to remain relatively stable throughout November before beginning to rise in December. We are seeing an increased distribution of mid-sized to large fruit. Demand trends are expected to increase, and costing should firm up as we approach the holiday season. Conditional defects in the form of styler-end breakdown and oil spots continue to impact the fruit due to recent inclement weather. In addition, consistent rain events over the past few months are expected to impact the bloom in January in terms of yields and quality. Pricing will certainly spike in January 2023, as it did in January 2022. Production supply chain disruptions are expected during the upcoming holiday season.

Lemons: California lemons has started with good quality. Mexico is wrapping up with limited supplies and quality is declining.

Oranges: California Navels season has started. The overall crop appears to be 15% lower than in a normal year. The Fukamoto variety is available until mid-December and fruit is running heavy to 88s and smaller, perfect for food service.

MARKET ALERT

Corn



SUPPLY
FAIR
QUALITY
FAIR

Prices for White Corn out Florida is trending up this week. Prices for Yellow Corn are stable and Bi-Color Corn prices are trending down. Growers out of the East are reporting challenges with quality. Prices for Corn out of California are trending up. Supplies are extremely tight out of the West.

MARKET OUTLOOK



Cucumbers



SUPPLY
GOOD
QUALITY
GOOD

Prices for Slicing Cucumbers are trending down this week. Production is currently coming out of Baja, Georgia, and Mexico. The markets are expected to remain steady for a couple weeks.

Eggplant



SUPPLY
GOOD
QUALITY
GOOD

Prices for Eggplant are trending down this week. Production is up out of Georgia. Supplies are also coming out of Florida, California, and Mexico.

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

Import Ginger continues getting a little thin due to the increase of overall cost to import and some delay at port.

Grapes



SUPPLY
GOOD
QUALITY
GOOD

Grape quality is still inconsistent, with inferior grapes being placed into terminal markets. There are persistent reports of delays coming from Peru, which could have an impact on Red Grapes. Domestic and imported grapes will coexist on the market during the coming weeks.

Herbs



SUPPLY
GOOD
QUALITY
GOOD

All herbs from Colombia continues to have quality issue due to the rain. Mexico herbs are good in production and quality.

Cilantro: Supplies will be light this week. Quality will only be fair going into next week. Most growers will be shipping out of Oxnard and Santa Maria. Previous consecutive days with rains followed by cold weather has affected yields. (F.O.B. pricing this week \$28.05 - \$28.65)

MARKET OUTLOOK



Honeydews



SUPPLY
FAIR
QUALITY
GOOD

Guatemala honeydews are still in limited supply, but this is expected to change in early December. Expecting 5s and larger in the next week. Domestic honeydew is finishing up for the season. Brix level is good despite some external scarring. Mexican honeydew is available in Nogales. Demand is light. Both quality and brix level are good.

MARKET ALERT

Iceberg



SUPPLY
LIMITED
QUALITY
POOR

EXTREME ALERT Supplies will continue to be limited. Overall quality has been reported as less than fair at this time. Weights are expected to be very light going into next week. We continue to experience quality issues at field level. Early morning frost and cold temperatures are affecting quality. Expect markets to remain escalated for a few weeks. Growers have finally transitioned to Yuma. (F.O.B pricing for this week \$93.65 - \$94.65)

Kale



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be very good this 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 \$11.45 - \$12.65)

MARKET ALERT

Leaf



SUPPLY
LIMITED
QUALITY
POOR

Green & Red Leaf: EXTREME ALERT (Green & Red Leaf) Supplies will continue to be extremely short for this week. Quality will only be fair at this time due to the cold weather and early morning frost. Market pricing will continue to stay escalated going into next week. Expect extreme markets for a few weeks. Growers have finally transitioned to Yuma. (F.O.B pricing for this week \$81.25 - \$83.25)(Red Leaf F.O.B pricing for this week \$74.80 - \$75.25)

Romaine: EXTREME ALERT Supplies will continue to be limited for next week. Overall quality continues to be a challenge. Early morning frost and cold temperatures will affect quality. Romaine heads will also be on the smaller size. Expect extreme markets for a few weeks. Growers have finally transition to Yuma. (Romaine pricing for this week \$82.15 - \$83.70) (Romaine Hearts pricing for this week \$93.15 - \$95.80)

Tender Leaf: EXTREME ALERT Supplies will be limited for this week. Demand has increased for tender greens due to higher prices on Lettuce commodities. Supplies will remain snug for another week due to early morning frost and cold temperatures. Experiencing some excess rains causing shortages with yields. Market pricing has escalated. Growers have finally transition to Yuma this coming week. (F.O.B pricing for this week \$7.75 - \$9.75)

MARKET OUTLOOK



| | | |
|--|----------------|---|
| MARKET ALERT | <u>SUPPLY</u> | 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. |
| <u>Mushrooms</u> | SHORT | |
|  | <u>QUALITY</u> | 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. |
| | FAIR | |
| <hr/> | | |
| <u>Onions</u> | <u>SUPPLY</u> | Onions are shipping out of Colorado, Idaho, and Oregon. All sizes and colors are available. Quality is reporting as good. Demand is good for the Thanksgiving holiday pull. Price is trending up. Yields are down, as are acres planted, compared to the previous year. Planting for 2023 season has begun, but it appears the overall acreage will be reduced due to the lack of water. Trucks are starting to get tight and freight cost are rising slowing. This will also have an impact on precut. |
|  | GOOD | |
| | <u>QUALITY</u> | |
| | GOOD | |
| <hr/> | | |
| MARKET ALERT | <u>SUPPLY</u> | Supplies continue to be limited this week. Market pricing will continue to remain escalated for next week. Green onions are coming from Mexico. Recent excessive rainfall in Mexico has harmed some recent crops. Yields are being impacted by unusual weather, morning frost, and cold temperatures. (F.O.B pricing for this week \$33.25 - \$34.50) |
| <u>Onions Green</u> | SHORT | |
|  | <u>QUALITY</u> | |
| | FAIR | |
| <hr/> | | |
| <u>Pears</u> | <u>SUPPLY</u> | The organic pear crop in the Pacific Northwest appears to be promising, with estimates indicating a volume increase over last year. Most organic varieties are seeing increased volume, which is encouraging in a year when much of Northwest tree fruit volume has been down. Sizing is looking to be two sizes smaller this year on summer pears (red and green Bartlett and, Starkrimson). The whole Northwest pear crop is estimated to be slightly up year-over-year, further strengthening the organic pear category. |
|  | GOOD | |
| | <u>QUALITY</u> | |
| | GOOD | |
| <hr/> | | |
| MARKET ALERT | <u>SUPPLY</u> | ALERT (Red & Yellow) Prices for Green, Red and Yellow Bell Peppers are trending up this week. Georgia is seeing more favorable conditions this week along with higher volumes. Production out of Florida is in its early stages but volumes will pick up each week going forward. The California desert and Mexico is up and running too. |
| <u>Peppers Bell</u> | FAIR | |
|  | <u>QUALITY</u> | |
| | FAIR | |
| <hr/> | | |
| MARKET ALERT | <u>SUPPLY</u> | Prices for Chili Peppers are trending up this week. Supplies for Anaheim and Serrano are extremely tight. Prices on Jalapeno and Poblano are working their way up too. Rain and cool weather have impacted all growing areas. |
| <u>Peppers Chili</u> | FAIR | |
|  | <u>QUALITY</u> | |
| | FAIR | |

MARKET OUTLOOK

Pineapples



SUPPLY
FAIR
QUALITY
GOOD

In the next few weeks, Pineapples are expected to start trending towards smaller sizes. The yield is improving and more 7ct and 8ct Pineapples are expected to be available. Quality is good with good brix level. Market is steady and demand is light.

MARKET ALERT

Potatoes



SUPPLY
FAIR
QUALITY
GOOD

Demand is increasing for the Thanksgiving holiday. The crop will be smaller this season because of the overall yield being lower than last year. Prices are on the rise with the larger sizes fetching a premium. To extend their supply to last through the rest of the 2022 crop season until new crop is available in late Summer 2023, some suppliers will slow down production to 70-80%. Precut potatoes will be impacted as well.

Squash



SUPPLY
FAIR
QUALITY
FAIR

Prices for Zucchini and Yellow Squash is trending up this week. Prices are higher due to the increased volume associated with the Thanksgiving holiday. Cool weather in Mexico and crop damage from hurricanes in Florida are also keeping markets tight.

MARKET ALERT

Strawberries



SUPPLY
EXTREME
QUALITY
POOR

EXTREME ALERT - Supplies are at Critical Level Prices for Strawberries are trending up this week. Volume out of California is still limited due to past cold weather and rain events. Crews are taking extra time to work through quality issues. Production from Mexico and Florida is insufficient to compensate for lower volumes from California. Expect supplies to be tight for at least 2 more weeks. It is advised to submit your orders with extra loading lead times and anticipate loading delays.

MARKET ALERT

Tomatoes



SUPPLY
EXTREME
QUALITY
BAD

FORCE MAJEURE - Supplies are at Critical Level Prices for 20 lb Rounds, Cherries, and Roma are trending up this week. Prices for 25 lb Rounds and Grapes are stable. There have been no significant changes since last week's update. Supplies are extremely tight on the East Coast due to all the hurricane activity in the Southeast over the last few months. Mexico's production will not reach significant volumes until first of the year. Until then, expect higher prices and limited supply.

Watermelons



SUPPLY
FAIR
QUALITY
GOOD

Supplies on Seedless and minis continue to be tight. Market will be very tight in December and January. Florida has light volumes. Northern Mexico is wrapping up and Southern Mexico will start up out of Edinburg and Nogales after the first of the year. Offshore watermelon is expecting to start in December.



MARKET OUTLOOK

What's Up with the Diesel Fuel Supply and Prices

By Allen Schaeffer | 11/08/22 | FEATURED POLICY INSIDER

Diesel is the lifeblood of the global economy. Trucks, trains, tractors, boats, barges, machines, and more all rely substantially on diesel and the US consumed about [34 billion gallons](#) of it last year. It's a casual statement we've repeated countless times in reports and news releases. With prices hitting record highs and concern about potential shortages, let's take a closer look at the current situation, which factors are driving prices and inventories, and the outlook for lowering prices back down and increasing the supply.

Prices are rising. The national average for diesel is \$5.31, down about 2 cents from last week, but up \$1.59 from a year ago according to the [Energy Information Administration \(EIA\)](#). In California where prices are \$6.25 a gallon; diesel prices are down about 7 cents from the previous week, but up \$1.60 a gallon from a year ago. Basic economics drive fuel prices: higher demand and tighter supplies.

Inventories are low. The [EIA](#) notes that US inventories of distillate fuel oil have been below the five-year (2017–2021) low since the start of 2022 and more than 20% below the five-year average. Inventories are low due to refinery maintenance, lingering effects of the COVID pandemic, labor shortages, as well as slowed production.

We're going into the winter demand season. This time of year is to diesel what the vacation driving season is to gasoline; a period of surging demand but with some new variables thrown in.

Harvest time is here, driving an uptick in demand for the off-road diesel fuel supply for farmers to power their combine harvesters, corn pickers, and other diesel-powered machines essential for getting product out of the field. This boost in demand for diesel then trickles down to transporting bulk grain, beans, corn, and other commodities to market via railroad, river barge, or truck. In 2020, the farm sector used about 3.6 billion gallons of distillate fuel oil

Home heating oil demand is about to rise. It is essentially #2 diesel fuel. The Northeast, which accounts for 85% of all US residential heating oil sales, used [2.6 billion](#) gallons in 2020; that was about 5.3 million households. During a typical New England winter, a 2,500 square foot home might use about 5-7 gallons of heating oil each day. This competes with highway diesel fuel in the marketplace.

Refinery maintenance and reduced supplies remain a factor. Inventories of diesel fuel are low; no question about it. According to the EIA, distillate fuel supplies are the lowest since they started keeping records in 1951. Coming out of the pandemic, US refining has been seeking a return to normal cycles of production and maintenance. October had the most refinery maintenance in a while and, therefore, disrupted production more than in previous years.

Global factors have cut into refining capacity since 2020, including lower refinery utilization in Europe following labor strikes. Action by Organization of Petroleum Exporting Companies (OPEC) to curtail production by 2 million barrels a day has helped boost prices. Also, [according to EIA](#), the ongoing Ukraine-Russia conflict has further impacted the global supply of crude and other petroleum products. For example, reduced natural gas imports into Europe from Russia may be driving up distillate demand as a potential alternative fuel for home heating oil or electric power generation.

Outlier labor issues could be a factor. Other factors don't have anything to do with the cost of crude or refining it, but rather ease of delivering it to market. The maritime labor rules known as the Jones Act requires the use of US flagged vessels to deliver shipments between US ports with American crews. This [means getting fuel from the gulf coast to NY Harbor could be more expensive than shipping it across the Pacific Ocean to export to Europe.](#) Today, the US exports about a million barrels of distillate fuel daily. Some have called for the Administration to waive the Jones Act requirements temporarily to ease pressure in the Northeast, as was done during the [cyberattack](#) on the Colonial Pipeline, and to provide a shipment of diesel fuel to Puerto Rico after Hurricane Maria.

On the upside, there are some factors that will help improve the current diesel fuel price and supply situation:

Seasonal refinery maintenance is mostly done- meaning a return to normal output levels soon, which should help allay fears of shortages, especially....

[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