



**WEEK 51 : December 19 - December 25, 2022**

# MARKET OUTLOOK

## Transportation:

**National Diesel Average:** \$4.754

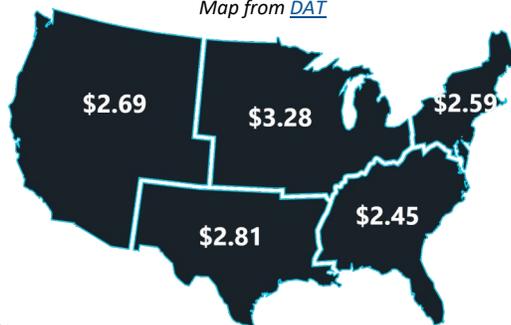
**Compared to Last Year:** \$3.649

**National Fuel Surcharge:** \$0.71

**Shortages:** Seeing high freight rates, with **extreme** shortages - None; **slight** shortages - None

## National Posted Rate per mile

*previous week's average outbound reefer rate for each region  
Map from [DAT](#)*



## Regional Weather Update:

**Oxnard, CA:** Cloudy and sunny throughout the week with highs in the low 60s and 70s and lows in the 40s to 50s.

**Salinas, CA:** Cloudy and sunny throughout the week with highs in the high 50s to high 60s and lows in the 40s.

**Yuma, AZ:** Sunny and partly cloudy through the week with highs in the mid-60s to 70s and lows in the 40s to 50s.

**Immokalee, FL:** Cloudy, thunderstorm, sunny and showers through the week with highs in the high 70s to 60s and lows in the low 60s to 40s.

**Idaho Falls, ID:** Partly cloudy and snow showers through the week with highs in the 20s to 30s and lows in the 10s to 20s.

## MARKET ALERT

- Asparagus (Radar)
- Broccoli (Extreme)
- Brussels Sprouts
- Cabbages
- Cauliflower (Extreme)
- Celery
- Chili Peppers
- Corn (FL)
- Garlic
- Green Onions
- Herbs: Cilantro, Rosemary, Sage  
Thyme
- Lettuces (Extreme): Iceberg, Green & Red Leaf, Romaine, Romaine Hearts & Tender Leaf
- Mushrooms (Extreme)
- Pepper Bell: Red & Yellow
- Potatoes
- Snow Peas
- Strawberries
- Tomatoes (Force Majeure)

# 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

**RADAR** Production from Mexico has slowed down in Baja and San Luis due to the cooler temperature. Peruvian production is steady on all sizes and expected to continue through the mid-January. Labor strikes and logistical delays have been brought on by the political turmoil in Peru. Markets should start reacting at the end of the week.

## Avocados



SUPPLY

GOOD

QUALITY

GOOD

As Aventajada fruit matures, dry matter increases, and holding temperatures should be set at 42 degrees. USDA average pricing has been steady for past 8 weeks. As a result of market's stability, more promotions have been made. The most notable adjustment is the shift in the size curve, a higher percentage of extra-large fruit is coming off the trees and is expected to last several weeks. The upcoming Christmas and New Year's Ads will help move the extra volume, as well as a good indicator for what's in store for the Super Bowl pull.

## Bananas



SUPPLY

GOOD

QUALITY

GOOD

Banana is showing good quality and supply is expecting to remain stable through the remainder of the year. It has gotten a little cooler in the tropics, which is typical for this time of year. Be sure to adhere to best practices when handling bananas, even though quality remain strong.

## **MARKET ALERT**

### Beans



SUPPLY

FAIR

QUALITY

GOOD

**Green Beans:** Volume and quality is expecting to remain strong through the holiday with the Florida crop. Volume and quality is beginning to improve in the West.

**Snow Peas:** **ALERT** California crop is light. Production out of Mexico and Peru has improved. Guatemala continues to struggle on quality issue due to the recent weather.

# MARKET OUTLOOK



## Berries



SUPPLY  
GOOD  
QUALITY  
FAIR

**Blackberries:** Prices for Blackberries are trending slightly down this week. Growers are forecasting steady supplies through the end of the year. Supply and Quality are both Fair.

**Blueberries:** Prices for Blueberries are trending up this week. Production is coming out of California, Mexico, and Chili. Look for tight supplies during the next few weeks. Volume out of Chili will pick up going forward. Supply and Quality are both Good.

**Raspberries:** Prices for Raspberries are trending up this week. Holiday demands has tightened up the market a bit. Looks for improved supplies into the middle of January.

### MARKET ALERT

## Broccoli



SUPPLY  
FAIR  
QUALITY  
FAIR

**EXTREME ALERT** Supplies will continue to be limited this week. Good demand continues for Broccoli. Market pricing continues to remain strong. Cold weather has affected the growth on the Broccoli crowns. Current supplies are coming from Yuma AZ & Santa Maria CA. Supplies are also coming out of Mexico. We are expecting for better supplies to be available next week. (F.O.B pricing for this week \$43.00 - \$44.00)

### MARKET ALERT

## Brussels Sprouts



SUPPLY  
FAIR  
QUALITY  
FAIR

Supplies are good this week. Quality is also reported as good. Demand has increased the last few weeks. Market has increased with the increased demand. Steady demand for Brussel Sprouts is expected the next few weeks. (F.O.B pricing for this week \$31.65 - \$32.45)

### MARKET ALERT

## Cabbages



SUPPLY  
FAIR  
QUALITY  
FAIR

Supplies continue to be light for this week. Growers are reporting lower yields this week. Previous consecutive days with cold temperatures has slowed down yields. Expect market pricing to remain strong the next few weeks. (F.O.B pricing for this week \$24.00 - \$26.00)

## 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

The market for cantaloupe has somewhat leveled off from the highs reached over the previous five weeks. 9/12s continue to have very good demand. Recent arrivals have included a diverse range of sizes, including 15s. Cantaloupe The quality of cantaloupe remains excellent, with good external and internal characteristics. Volume is expected to remain mostly limited as the Christmas holiday approaches. Honduran production is expected to begin in early January, providing additional relief to the market.

# MARKET OUTLOOK

**MARKET ALERT**

**Cauliflower**



SUPPLY  
LIMITED  
QUALITY  
FAIR

**EXTREME ALERT** Supplies will continue to be limited this week. Good demand continues for Broccoli. Market pricing continues to remain strong. Cold weather has affected the growth on the Cauliflower crowns. Current supplies are coming from Yuma & Santa Maria. Supplies are also coming out of Mexico. We are expecting for supplies to be available next week. (F.O.B pricing for this week \$60.00 - \$62.00)

**MARKET ALERT**

**Celery**



SUPPLY  
FAIR  
QUALITY  
FAIR

Supplies continue to be light this week. Quality has been reported as only fair at this time. Supplies are currently coming from Salinas and Santa Maria. Market is expected to continue increasing as demand remains high. Salinas is done for the season; we are transitioning to Oxnard and Yuma. (F.O.B pricing for this week \$55.00 - \$57.00)

**Citrus**



SUPPLY  
GOOD  
QUALITY  
GOOD

**Limes:** Quality and shelf life continue to deteriorate as the current production cycle winds down. Weather, including consistent rain events over the past few months, is also a major contributing factor. In response, pack-out yields on U.S. #1 quality fruit have declined, which is expected to impact market pricing in an upward trajectory as we move towards Q1 2023. Costs in Mexico continue to rise, adding pressure to U.S. market pricing. New production harvests will occur the second or third week of January. Yields are expected to plummet in response to weather-related trends and we will likely see a substantial pricing spike come January. In addition, supply chain disruptions in production are expected during the upcoming holiday season. Please plan your needs in advance in order to ensure supply.

**Lemons:** California lemons are being picked in D1. Quality has been good. The appearance is picture perfect with bright yellow with a slivering tinge.

**Oranges:** Weather in California are favorable, with pleasant, cool days. The incredible flavor profile of California citrus so far indicates a great eating season. Navels displaying excellent natural color and increasing brix. While small fruit is peaking, values are in the 88s/113s, with 72s beginning to make volumes.

**MARKET ALERT**

**Corn**



SUPPLY  
FAIR  
QUALITY  
FAIR

**ALERT FOR FL** Prices for Corn out of the East is trending down this week but is still tight. Prices for Corn out of the West is trending down this week. We're expecting to see some corn out of Mexico in the next week to 2. Growers are suggesting extra lead times on orders to help cover supplies around the holidays.

# MARKET OUTLOOK



## Cucumbers



SUPPLY  
GOOD  
QUALITY  
GOOD

Prices for Slicing Cucumbers are trending up this week. Production out of Florida is winding down. Suppliers are looking for volumes out of Honduras to ramp up in the weeks to come. Mexico is crossing fruit, but the market remains tight.

## Eggplant



SUPPLY  
GOOD  
QUALITY  
GOOD

Prices for Eggplant are trending slightly up this week. Same as Yellow and Zucchini Squash, volumes out of Florida have been up due to good weather. Mexico is reporting good volumes too.

## **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

Domestic Grapes are still present, and the remaining fruit is showing good quality. Import Grapes from Peru have begun arriving on the east coast and are showing good quality. We should see an increase in Red Grapes from Peru around week 2/3. Chilean Grapes are scheduled to arrive around week 5.

## **MARKET ALERT**

## Herbs



SUPPLY  
FAIR  
QUALITY  
FAIR

All herbs from Colombia continues to have quality issue due to the rain. Mexico herbs are steady except for specialty herbs, which are day-to-day. Chervil from both domestic and imported are having quality issue. Rosemary, Sage, and Thyme are tight due to the Holiday pull and demand exceed supplies.

**Cilantro: ALERT** Supplies will be light this week. Quality will only be fair going into next week. Most growers will be shipping out of Oxnard and Imperial Valley. Cold temperatures have greatly affected yields and quality. (F.O.B. pricing for this week \$21.45 - \$23.15)

# MARKET OUTLOOK



## Honeydews



**SUPPLY**  
GOOD  
**QUALITY**  
GOOD

As Nogales production begins to wind down, the honeydew market remains very stable, putting additional national pressure on offshore supply. Sizing on the honeydews has finally begun to show a decent spread of 5/6s and some 8s, as opposed to the mostly 5s and larger profile we had previously seen.

**MARKET ALERT**

## Iceberg



**SUPPLY**  
LIMITED  
**QUALITY**  
POOR

**EXTREME ALERT** Supplies will continue to be limited for this week. Overall quality has been reported as only fair at this time. Weights are expected to be better this week. We continue to experience quality issues at field level. Early morning Frost and cold temperatures are affecting quality and yields. Expect markets to remain escalated for a few weeks, we are seeing some relief in the markets. Growers are now harvesting in Yuma. (F.O.B pricing for this week \$74.00 - \$75.00)

## Kale



**SUPPLY**  
GOOD  
**QUALITY**  
GOOD

Supplies continue to be steady for next 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 (\$11.65 - \$12.15)

**MARKET ALERT**

## Leaf



**SUPPLY**  
LIMITED  
**QUALITY**  
POOR

**Green & Red Leaf: EXTREME ALERT (Green & Red Leaf)** Supplies will continue to be short this week. Quality will only be fair at this time. Cold Weather and early morning frost is affecting quality. Market pricing will continue to stay escalated for another week. Markets are starting to show some signs of relief. Harvest is now coming from Yuma. (F.O.B pricing for this week \$38.00- \$40.00)(Red Leaf F.O.B pricing for this week \$41.00 - \$43.00)

**Romaine: EXTREME ALERT** Supplies will continue to be limited for next week. Early morning frost and cold temperatures are affecting quality. Romaine heads are looking better back to normal sizing. Expect escalated markets for a few weeks, we are seeing a very good improvement in the markets. Growers are now harvesting in Yuma. (Romaine pricing for this week \$44.00 - \$46.00) (Romaine Hearts pricing for this week \$73.00 - \$74.00)

**Tender Leaf: EXTREME ALERT** Supplies continue to be limited for this week. Demand has increased for tender greens due to higher prices on Lettuce commodities. Supplies will remain snug for another few weeks. Unusual cold temperatures are greatly affecting yields. Market pricing has escalated. Growers are now harvesting in Yuma. (F.O.B pricing for this week \$7.75 - \$9.75)

# MARKET OUTLOOK



**MARKET ALERT**

**Mushrooms**



SUPPLY  
SHORT  
QUALITY  
FAIR

**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.

**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.

**Onions**



SUPPLY  
GOOD  
QUALITY  
GOOD

Onions are shipping out of Colorado, Idaho, Oregon, Utah, and Washington. All sizes and colors are available. Quality is reporting as good. Demand is slight down. Market is steady. Yields are down, as are acres planted, compared to the previous year. Planting for 2023 season is finishing up. Trucks are starting to get tight and freight cost are rising. This will also have an impact on precut.

**MARKET ALERT**

**Onions Green**



SUPPLY  
FAIR  
QUALITY  
FAIR

Supplies have improved this week. Market pricing has improved this week, we are almost back to normal pricing. Green onions are coming from Mexico. Abnormal cold temperatures have affected yields. (F.O.B pricing for this week \$18.00- \$20.00)

**Pears**



SUPPLY  
GOOD  
QUALITY  
GOOD

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.

**MARKET ALERT**

**Peppers Bell**



SUPPLY  
FAIR  
QUALITY  
GOOD

**ALERT (Red & Yellow)** Prices for Green and Red Bell Peppers are trending down this week. Prices for Yellow Bell Peppers are trending up. Production out of Georgia is winding down and volumes out of Florida is on the upswing. Mexico is crossing fruit. Color bells remain tight with elevated prices.

**MARKET ALERT**

**Peppers Chili**



SUPPLY  
FAIR  
QUALITY  
GOOD

Prices for Chili Peppers are mostly trending down this week. Supplies remain tight due to all the Hurricane activity in Florida and Mexico earlier this year. Look for volumes to pick up going forward. The market has been very HOT, literally.

# 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

The crop will be smaller this season because of the overall yield being lower than last year. Demand is strong for the holiday season. Prices is trending up as the volume in storage starts to become short. Limited volume on the larger sizes. Packer are trying to stretch their inventory until New Crop start. Suggest staying ahead of inventory as prices are expected to raise and transportation will become a challenge through the holiday. Precut potatoes will be impacted as well.

## Squash



### SUPPLY

GOOD

### QUALITY

GOOD

Prices for Zucchini and Yellow Squash is trending down this week. Volumes out of Florida has been up due to good weather. Mexico is reporting good volumes too.

### MARKET ALERT

## Strawberries



### SUPPLY

POOR

### QUALITY

POOR

Prices for Strawberries are trending down this week. Volumes are picking up out of Mexico and Florida. Growers out of California are working on recovering from last week's rains. Growers out of Santa Maria reported over two inches of rain last week. Look for volumes to pick up in the weeks to come.

### MARKET ALERT

## Tomatoes



### SUPPLY

BAD

### QUALITY

BAD

**FORCE MAJEURE** Prices for Tomatoes are trending down this week. We're seeing lower prices that are mostly lack of demand driven. Volumes are expected to pick up in the weeks to come. The winter crop out of Mexico is expected to begin around the first or second week of January. That will put a lot of pressure on pricing. As you know there was a lot of hurricane activity in Mexico earlier this year. There could be some impact to volumes out of Mexico, mostly weather related.

## 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 starting with light volume.



# MARKET OUTLOOK

## Drought emergency declared for all Southern California

BY HAYLEY SMITH, IAN JAMES | DECEMBER 14, 2022

As California faces the prospect of a [fourth consecutive dry year](#), officials with the Metropolitan Water District of Southern California have declared a regional drought emergency and called on water agencies to immediately reduce their use of all imported supplies.

The decision from the MWD's board came about eight months after officials [declared a similar emergency](#) for 7 million people who are dependent on supplies from the State Water Project, a vast network of reservoirs, canals and dams that convey water from Northern California. Residents reliant on California's other major supply — the Colorado River — had not been included in that emergency declaration.

"Conditions on the Colorado River are growing increasingly dire," MWD Chairwoman Gloria Gray said in a statement. "We simply cannot continue turning to that source to make up the difference in our limited state supplies. In addition, three years of California drought are drawing down our local storage."

Officials said the call for conservation in Colorado River-dependent areas could become mandatory if drought conditions persist in the coming months, which some [experts say is likely](#). By April, the MWD will consider allocating supplies to all of its 26 member agencies, requiring them to either cut their use of imported water or face steep additional fees. The agencies together serve about 19 million people.

"Since this drought began, we have been steadily increasing our call for conservation. If we don't have an extremely wet winter, we will need to elevate to our highest level — a water supply allocation for all of Southern California," said MWD General Manager Adel Hagekhalil. "Substantial and immediate conservation now and in the coming months will help lessen the potential severity of such an allocation."

MWD member agencies, which include the Los Angeles Department of Water and Power, the Municipal Water District of Orange County and the Inland Empire Utilities Agency, will implement voluntary and mandatory conservation measures at the local level based on their particular circumstances, officials said. Those with local supplies or other alternative options may be able to rely on them in the interim.

The DWP, which imports state and federal water as well as water from the Owens Valley via the Los Angeles Aqueduct, has been under [Level 3 of its water shortage contingency](#) plan since June, including two-day-a-week outdoor watering limitations.

During a board meeting Tuesday, DWP senior assistant general manager Anselmo Collins said MWD's decision was "setting the stage" for the entire region to see similar rules should the Colorado order become mandatory.

"We already have a budget that's been given to us, so to us [in Los Angeles] it's probably not going to be any different," he told the board. "It is going to be for the other 20 member agencies that are currently not under a water supply allocation. ... They would too be put on some kind of volumetric budget, or one-day-a-week requirement."

About half of the MWD's imported water comes from the State Water Project and half from the Colorado River — both of which have become "extraordinarily stressed by prolonged drought exacerbated by climate change," the agency said.

The Colorado River has fallen to such historic lows that Lake Mead and Lake Powell — the nation's two largest reservoirs — [could reach "dead pool"](#), or the point at which water no longer passes downstream from a dam. California and six other states that rely on the river have [been under pressure from the federal government](#) to drastically reduce their use.

In October, some California water agencies, including the MWD, [pledged usage reductions](#) of up to 400,000 acre-feet per year, or about 9% of the state's total 4.4 million water allotment from the river, through 2026. Still, other states are demanding that California do more to cut usage.

The drought emergency declaration came as representatives of the MWD and other water districts gathered in Las Vegas with officials from all seven states, the federal government and tribes for the annual conference of the Colorado River Water Users Assn. Attendees are discussing various issues about how the river is managed, including measures to address the severe shortage.

"It's a good step for sure," conference attendee.....

[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!

Your Dedicated NPC, LLC Staff

