



WEEK 18: May 3 - May 9, 2021

MARKET OUTLOOK

Regional Weather Update :

Oxnard, CA: Sunny to partly cloudy; highs in 70s with lows in 50s.

Salinas, CA: Partly cloudy skies with highs ranging from the mid 60s to 70s and lows in the high 40s to low 50s.

Yuma, AZ: Sunny with highs ranging from mid 90s to 100; lows in the mid 60s.

Immokalee, FL: Partly cloudy for the week; highs around 90 and lows in the 60s.

Idaho Falls, ID: Partly cloudy skies with highs in the 70s and lows in the 30s.

Transportation :

National Diesel Average : \$3.124 **Compared to Last Year:** \$2.440

Shortages : Seeing high freight rates, extreme shortages remain in AZ, CA, CO, FL, Lower Rio Grande Valley, TX, MI—slight shortage in OR/ID, TX & WA.

MARKET ALERT

Asparagus

Berries (All)

Cauliflower

Cucumbers

Green Beans

Grapes (Green)

Limes

Peppers (All Bells)



MARKET OUTLOOK

SUPPLY = GOOD | QUALITY = GOOD

Apples



MARKET ALERT

This year's Washington State Apple Crop is now estimated at 121 million boxes vs shipping 133.5 million last year. This is a significant drop from last season but WA will have Apples to sell throughout the Year. Eastern Washington had 2 major wind storms late September/Early October where in some areas devastated orchards. Plus - some varieties did not bounce back from the year before, we call it a light set. Also, late October - we had a few days between 12 and 18 degrees - some apples did not make it through. Reds, Golds, Galas and Gr Smiths are the varieties mostly impacted by the loss. The Farm to Family Box Program has been a huge part of the price Increases seen in the past 2 Months.

SUPPLY = FAIR | QUALITY = FAIR

Asparagus



Supplies are tight and prices are up this week. Although Peru has increasing volume and good quality, MX is in transition with Caborca season done and volume remains very limited until Central MX & Southern Baja roll in. Look for this market to remain tight.

SUPPLY = GOOD | QUALITY = GOOD

Avocados



Avocado inventory in the US is flirting with the 70 MM pound mark to begin the week. That amount of fruit waiting to be sold has created a rapid inventory rise from the mid-50 million pound range a couple weeks ago. Mexico's was expected to send 59 million pounds across the border, and ended the week with 57 million pounds. California harvested 12.4 million pounds of Hass, 3 million pounds more than projected. High prices have motivated growers to harvest more heavily. The hot and dry weather in Michoacán is reportedly forcing a high rate of harvest, and sizes are skewing larger. As a result, there is some downward pressure on larger Mexican avocado prices (FOB) and some upward pressure on smaller fruit prices. Mexico is projected to deliver under 50 million pounds a week throughout the month of May, but a high level of uncertainty comes with the territory for predicting volumes out of Mexico. Right now, avocado pricing would benefit from the country pumping the brakes on harvest, but if the fruit has to be harvested, no one can expect dropped fruit to beat lower prices. Oil content in fruit is very high at nearly 36%. Makes for outstanding eating quality but kills the shelf life.

SUPPLY = FAIR | QUALITY = GOOD

Bananas



We have seen an increase in demand as the weather is getting better in the US. This process does take longer on the specialty bananas but we do not anticipate any shortages. Regarding 40lb bananas, we see no national issue with supply even though we are still seeing higher farm acquisition costs. Supply is still lower due to the hurricanes in 2020. Quality should not be an issue at this time.

SUPPLY = FAIR | QUALITY = FAIR

MARKET ALERT

Berries



Blackberries– : Prices for Blackberries is trending slightly down this week. Rains in California and Mexico along with the upcoming Mother's Day holiday is helping to keep supplies tight. Growers are forecasting improved supplies after the Mother's Day holiday. **Blueberries**– : Prices for Blueberries is steady this week. Longer term rain events in the East has slowed down production. Look for more availability as the weather improves in Florida and Georgia. **Raspberries**– : Prices for Raspberries his holding steady this week. Just like with all the other bush berries, growers are expecting supplies to pick up after the Mothers Day holiday. We suggest that all arrivals be inspected with extra care. Many growers are reporting some concerns with quality.

SUPPLY = FAIR | QUALITY = FAIR

Beans, Green



Growing region is transitioning from Florida to Georgia. Weather in Florida for the past week has curtailed any picking and packing. Prices are escalated and product is tight. Mostly FOB in bushels is \$26.85



MARKET OUTLOOK

Broccoli



SUPPLY = GOOD | QUALITY = GOOD

Broccoli Supplies continue to be good this week. Growers are reporting very good availability coming from Salinas CA. Very good quality has been reported at this time. Demand for Broccoli Crowns has slowed down this week.

SUPPLY = GOOD | QUALITY = FAIR

Brussels Sprouts



Brussel Sprout supplies will continue to be very good this week. Growers are reporting better availability for next week. Quality is reported as good at this time. Growers are expecting better quality and good supplies the next 2 -3 weeks.

SUPPLY = GOOD | QUALITY = GOOD

Carrots



Cantaloupe production remains strong from both Guatemala and Honduras. The market has maintained steady pricing due to very good demand especially from the retail sector who are running very large promotions as the weather warms in most parts of the country. Sizing has been peaking on larger fruit but there continues to be a good mix with 12/15s accounting for approximately 25% of the overall production. Brix levels, as shown below, have been reaching optimum levels with a range of 11-16% and a very good flavor profile.

SUPPLY = FAIR | QUALITY = GOOD

MARKET ALERT

Cauliflower



Cauliflower supplies extremely short this week. Growers are reporting short supplies with cooler temperatures in the Salinas Valley. Good quality has been reported at this time. Demand for Cauliflower has declined this week. Growers are expecting supplies to be limited until the end of next week .

SUPPLY = GOOD | QUALITY = GOOD

Cantaloupes



Peak volumes on cantaloupes continue with primarily larger fruit hitting the market. Strong retail promotions remain in place which has assisted with keeping the market fairly stable. Some independent growers have already completed their seasons as the Zacapa valley has finished production but we will have production through the week of May 17th arrivals into Florida as we move to our second ranch. Sizing has been primarily more to the 9/9Js but a good amount of 12s are also being harvested. 15ct though will remain in an extremely limited position. Overall quality has been very good as it has been during the entire Spring cycle. Internal quality has consistently been in a 12-14% brix range with good flavor.

SUPPLY = GOOD | QUALITY = GOOD

Celery



Celery supplies continue to be very good for this week. Growers are reporting steady supplies coming from Oxnard CA and Santa Maria CA. Very good quality has been reported at this time. Demand for Celery continues to be good this week.

SUPPLY = GOOD | QUALITY = GOOD

Corn



Prices for Corn out of Florida is steady this week. Growers in the East are expecting cost to stabilize at the current prices through June. California is currently harvesting corn. Prices are higher than corn out of the East but at the same time costs are trending down this week too. Value item!



MARKET OUTLOOK

MARKET ALERT**Cucumbers**

Prices for Cucumbers are trending slightly down this week. Production out of Mexico and Florida is still less than expected but growers are looking for better numbers in the weeks to come. Georgia is expected to start shipping in 2 to 3 weeks.

SUPPLY = FAIR | QUALITY = GOOD**SUPPLY = GOOD | QUALITY = GOOD****Eggplant**

Prices for Eggplant is trending down this week. Production is coming out of Florida and Mexico. Georgia will start production in 3 to 4 weeks.

SUPPLY = FAIR | QUALITY = FAIR**MARKET ALERT**

Red Grape markets continue to be lower than expected. We are seeing a two tier market on the West Coast where slow market has caused older inventory to be priced lower but quality is poor on those. New, Good Quality grapes, have a higher price attached.

Green grapes out of Chile prices continue to climb; supplies are extremely tight as Chilean production is winding down. There are quality concerns in late-season South American Green Grapes. Product is very very tight.

Honeydews**SUPPLY = FAIR | QUALITY = GOOD**

Honeydew production remains fairly limited from the offshore side with Mexican production expected to begin picking up by the first week of May. There has been a very nice spread of sizing which has allowed all orders to be covered as requested. Quality has been mostly good..

SUPPLY = GOOD | QUALITY = GOOD**Iceberg**

Iceberg supplies continue to be very good for this week. Growers have finished in the Huron Valley and are now shipping from Salinas CA . Expect very good quality and excellent weights for this week. Demand for Iceberg Lettuce continues to be good for this week.

SUPPLY = GOOD | QUALITY = FAIR

Romaine: Romaine supplies are excellent for this week. Growers have finished in the Huron Valley and are now shipping from Salinas CA . Quality is reported as fair with due to occasional fringe burn this week . Demand for Romaine Lettuce continues to be very good for this week.

Green Leaf/ Red Leaf/ Butter (Boston) Lettuce: supplies are good at this time. Very good quality and good weights are been reported at this time.

Tender Leaf: Steady supply and quality.

SUPPLY = BAD | QUALITY = FAIR**MARKET ALERT****Lemons & Limes**

LIMES: Cold weather in February has impacted Gulf of Mexico blooming by about 60% of the crop, while the southern lime region in Tabasco has yet to receive any rain in the last 30 days and is in a drought. Lime trees are stressed, yet there is hope that within the following weeks precipitation will occur which will promote the bloom as well as growth of the existing fruit. Growers will continue to pick ahead of schedule and source limes from all possible regions to try and mitigate the impact of this tight supply. We will continue to see tight supply and do not expect relief anytime soon. Larger fruit is EXTREMELY tight; recommend opening spec. **LEMONS:** Currently picking our D1 (Central Valley) crop and it is very nice but we are seeing some challenges with softer fruit this season due to the weather patterns we have been experiencing. The rain helped with growth on lemons and changed our peak size from a 165 to a 95 size. We would normally end D1 in May but most shippers are talking about having D1 well into June this season.



MARKET OUTLOOK

SUPPLY = FAIR | QUALITY = GOOD

Mushrooms



Mushroom demand will continue to trend upwards, especially with dining in limits being lifted nationally. The Retail business has kept the suppliers a float during the Covid 19 pandemic; however with Foodservice on the rise, suppliers will have to shift volumes around. Consumers continue to look for plant based meat alternatives and mushrooms fit into this eating trend. Consumers are also looking for healthier nutrient dense food options and mushrooms also fit this trend. Some mushroom companies are doing some farm retooling to insure they can anticipate and meet expected demand increase. Suppliers are seeing increases in film, labels and carton, as well as labor costs continue to be on the rise. Suppliers are having a tough time finding the help needed, as un-employment is in many cases the better options short term in hourly pay; currently the suppliers are staffed to cover their needs as they increase wages. As far as new varieties, many new restaurants are focusing on clean and organic produce offerings. Exotic mushroom consumer interest continues to grow with Enoki. Royal Trumpets, Maitake, Piopino, and of course Chantrelle and Morel which are foraged mushrooms and not truly commercially grown.

Onions

SUPPLY = GOOD | QUALITY = GOOD



We have transitioned out to CA from ID/OR. TX/NM will come on here in a few weeks as well. Seeing stable demand, good quality and supply with FOBs on yellow Jbos around \$7-8, supers around \$10; whites \$10-12 and Reds \$8-10.

Onions, Green

SUPPLY = GOOD | QUALITY = GOOD

Green onion supplies continue to be good. Growers are reporting good quality at this time.



SUPPLY = GOOD | QUALITY = GOOD

Oranges



Fruit is great this season, due to the weather patterns we are experiencing in California we are seeing challenges in the fruit getting softer with puff we are working thru these challenges but we are seeing less of a pack out due to this. Fruit is also getting larger in size which is typical for this time of year. Fruit is currently peaking on 56/ 72 /88 – we are seeing a small percentage of 113/138 size fruit. We anticipate this to be the case the rest of navel season, which will mean if we find a strong demand for 113/138's we will start Valencia oranges earlier than normal, possibly the middle of April.

SUPPLY = GOOD | QUALITY = GOOD

Pears



This market remains steady.

SUPPLY = FAIR | QUALITY = FAIR

MARKET ALERT

Peppers, Bell



Prices for Green, Red and Yellow Peppers are trending up this week. The season is wrapping up out of South Florida and New Crop out of Plant City FL is on the upswing. Product out of Mexico is facing challenges with quality. Production out of California is picking up.





MARKET OUTLOOK

Peppers, Chili

SUPPLY = FAIR | QUALITY = FAIR



Prices for Chili Peppers are holding steady this week. Production is winding down out of South Florida. Central Florida & Central Mexico is forecasting production to ramp up. Challenges with weather has impacted volume out of both growing areas. Please check arrivals on product out of Mexico for quality issues.

Pineapples

SUPPLY = GOOD | QUALITY = GOOD



Volumes on smaller sizes are available while the larger size pineapples are still below normal volumes although they are picking back up some.

SUPPLY = GOOD | QUALITY = GOOD

Potatoes



Potato market remains steady with good quality, supply and demand. Big spuds took a slight increase this week hitting \$12, 60s settling around \$10.75/11, & 100s around \$6-7. Norks the same or up a buck over bur-banks; not seeing a strong spread right now.

SUPPLY = GOOD | QUALITY = FAIR

Squash



Prices for Green and Yellow Squash is trending up this week. Production is winding down out of South Florida. Growers out of Central Florida, Georgia and Baja are seeing increases in supplies. Many growers out of the East are reporting challenges with quality due to recent rains.

SUPPLY = FAIR | QUALITY = FAIR

MARKET ALERT

Strawberries



Prices for strawberries are slightly up this week. Production in California is feeling the impact of longer term cold / wet weather. Demand are picking up for the Mother's Day holiday. This will put pressure on supplies through next week. Growing conditions has improved this week. Growers are expecting prices to work down the week after the Mothers Day holiday.

SUPPLY = FAIR | QUALITY = GOOD

Tomatoes



Prices for 20lb Rounds and Roma's spiked up on Thursday. Florida experienced some rain last week that cut into production. The season out of Mexico is past the peek and that's helping to put some pressure on the markets too. The California Desert is currently scheduled to start picking on the second week of May.

SUPPLY = FAIR | QUALITY = GOOD

Watermelons



Prices for Watermelons is trending down this week. Supplies are coming out of Florida and Mexico. Prices will continue to work down as more fruit becomes available. We've received pictures from growers this week. The quality has been excellent.

SUPPLY = GOOD | QUALITY = GOOD





MARKET OUTLOOK

Mexico ends decades-long ban on U.S. fresh potato imports

April 29, 2021

"The Mexican Supreme Court ruled April 28 by a unanimous vote of five to zero in favor of overturning a 2017 lower court decision that prevented the Mexican federal government from implementing regulations to allow for the importation of fresh U.S. potatoes throughout the country. The ruling, cheered by the National Potato Council and Potatoes USA, marks the end of a decades-long legal process that began when Mexico's potato industry sued its government to prevent competition from imports.

"This ruling is consistent with Mexico's obligations under the USMCA and the WTO. It represents a major step forward in the U.S. potato industry's efforts to provide consumers throughout Mexico access to fresh, healthy U.S.-grown potatoes," said Jared Balcom, vice president of trade affairs for the National Potato Council and potato grower from Pasco, WA. "After decades of delay, we hope this ruling represents a light at the end of the tunnel and that Mexican regulators will immediately begin working on regulations to allow for the importation of fresh U.S. potatoes throughout their country."

"Mexican consumers and the chip manufacturers in Mexico have waited way too long to access fresh U.S. potatoes," said Jaren Raybould, chair of Potatoes USA and a potato grower in Saint Anthony, ID. "We are hopeful that with this ruling the authorities will quickly reimplement the market access agreement and allow for high quality U.S. potatoes to be enjoyed throughout Mexico."

Since it first allowed for the importation of fresh U.S. potatoes in 2003, Mexico has restricted those potatoes to a 26-kilometer area along the U.S.-Mexico border. That restriction has violated Mexico's obligations under numerous trade agreements, including NAFTA, WTO and now the U.S.-Mexico-Canada Agreement. The Mexican government finally agreed to allow U.S. potatoes full access to their market beginning in May 2014; however, immediately after that was implemented, the National Confederation of Potato Growers of Mexico sued its government, claiming Mexican regulators have no authority to determine if agricultural imports can enter the country.

"We are thrilled with yesterday's long-awaited announcement that U.S. potatoes will be allowed to ship beyond the 26-kilometer border restriction into all of Mexico," said Frank Muir, president and CEO of the Idaho Potato Commission. "We don't know the details of timing but we are anxious to work with Idaho shippers and Mexican retailers to begin shipping Idaho potatoes beyond our current stores in Mexico. We also anticipate doing our part in building the entire potato category in Mexico, including locally grown potatoes, through the advertising and promotions we will do to further expand usage of potatoes in Mexico. We applaud the National Potato Council and Idaho's senators and congressmen and their staffs in their concerted efforts to see this announcement come to pass."

<https://thepronewsonline.com/potatoes/mexico-ends-decades-long-ban-us-fresh-potato-imports>

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