



WEEK 20 : May 16 - May 22, 2022

MARKET OUTLOOK

Transportation:

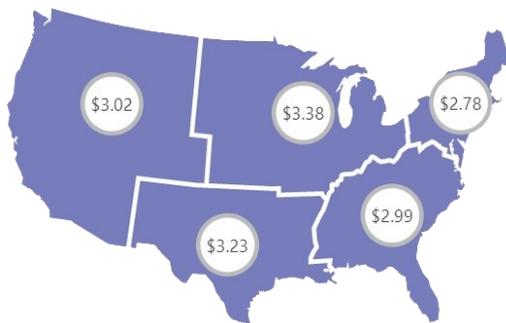
National Diesel Average: \$5.623

Compared to Last Year: \$3.186

National Fuel Surcharge: \$0.80

Shortages: Seeing high freight rates, with **extreme** shortages remain in NC; **slight** shortage in: CO, FL, & GA

National Posted Rate per mile
previous week's average outbound reefer rate for each region



Regional Weather Update:

Oxnard, CA: Sunny with highs in the upper 60s and lows in the 50s.

Salinas, CA: Partly cloudy and sunny throughout the week with highs in the upper 60s to 70s and lows in the upper 40s to 50s.

Yuma, AZ: Sunny with highs in the 90s to 100s and lows in the 60s.

Immokalee, FL: Mostly sunny and some showers throughout the week with highs in the upper 80s to 90s and lows in the 60s to 70s.

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

MARKET ALERT

Berries: Romaine

Carrots

Cauliflower

Celery

Citrus: Limes (Force Majeure)

Mushrooms

Onions

Pepper Chili

Potatoes

MARKET OUTLOOK



Apples



SUPPLY
FAIR
QUALITY
GOOD

The apple market has leveled out and the prices are stable on most items. Prices to remain steady through April, then possibly start to push upward in May as inventory levels drop. The overall crop is down this year, making this the second crop in a row that is smaller than normal. This year crop is at least 3 million cases shorter than the crop last season. The quality of the fruit has been good but will see how the fruit holds up in storage. Pricing overall is higher due to the shorter crop and overall inflation in the growing chain, including labor, picking, packing, and transporting of apples.

Asparagus



SUPPLY
FAIR
QUALITY
GOOD

Peruvian production continues to remain the same as last week. Obregon MX region is winding down quickly due to heat and lower field yields. Asparagus will start to get tight out of Mexico. Southern Baja continues with good production, especially on the Jumbo size. The south is still seeing cooler weather. Market is less active with more domestic regions starting up. Airspace is still very limited. Guanajuato MX region is expected to start in late May/early June.

Avocados



SUPPLY
FAIR
QUALITY
GOOD

Total volumes to the US closed at 45 Mil lbs for last week, a 23% reduction from the previous week. This reduction in volume slowed the pricing slide and the USDA is only down \$2.50 average over all sizes from a week ago – with 40s and larger carrying a bigger adjustment and 48s and smaller offering more stability. Volume projections call for over 55 Mil lbs of harvest for this week, but field trucks are tracking light and looking at a second week with volumes under 50 Mil lbs. Standing inventories in the US are steady at 54.9 Mil lbs, the fluctuation from before and after Cinco was very minimal -meaning Cinco pulls were light and preformed as expected. Average retail pricing continues to adjust weekly and dropped from \$1.58 to \$1.21. The larger size curve is here to stay for a while as both Mexico and Peru are favoring big fruit. The pricing gap between 48s and 60s is closing and smaller fruit will be tight until July when the Flora Loca crop is expected to begin in Mexico.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Weather has been prefect. Availability is picking up and so is the quality.

MARKET ALERT

Berries



SUPPLY
FAIR
QUALITY
GOOD

Blackberries: Prices for Blackberries are trending down this week. Supplies picked up a bit this week. Growers are reporting good quality too. Supply is Fair and Quality is Good.

Blueberries: Prices for Blueberries are trending up this week. Supplies are coming out of Florida, Georgia, California, and Mexico. Supplies out of Georgia were impacted by the freeze earlier this year in Georgia. Production out of Mexico is coming down while domestic fruit is slow to ramp up. Supply and Quality is Good.

Raspberries ALERT: Prices for Raspberries are trending down this week but are still elevated. Production out of Mexico is steady while domestic fruit is starting slowly out of Watsonville, California. Supply is Fair and Quality is Good.

MARKET OUTLOOK



Beans



SUPPLY

FAIR

Green Beans **RADAR:** Bean supply are tight as Florida finish up. Georgia production will be better next week. Overall quality is good. Market is expected to remain elevated.

QUALITY

GOOD

Snow Peas: Domestic beans has started with good supply and quality. MX production done. Out West, rain has slowed down production and quality will be affected in the coming weeks.

Broccoli



SUPPLY

GOOD

Supplies continue to be good this week. Supplies are coming from Santa Maria, Salinas CA, and Mexico. Good quality is currently being reported. Expect markets to remain steady for a few weeks. (F.O.B pricing for this week \$10.05 - \$10.86)

QUALITY

GOOD

Brussels Sprouts



SUPPLY

GOOD

Supplies will continue to be very limited this week. Quality has been reported as only fair at this time. Strong demand continues for this week for Sprouts. Markets have also gone up with higher demands and lower yields due to quality issues. (F.O.B pricing for this week \$30.45 - \$32.50)

QUALITY

GOOD

MARKET ALERT

Carrots



SUPPLY

POOR

Supply is good on every size except Jumbo carrots. Shortage on jumbo is industrywide and due to the cooler weather, that put the Imperial crop behind. Expecting the jumbos to improve in May. Stick production is expecting to pick up in the next week.

QUALITY

GOOD

Cantaloupes



SUPPLY

GOOD

The market continues to adjust downward with pressure coming from Mexican production. Most offshore shippers will be concluding their season between next week and end of May. Sizing on cantaloupe is starting to get away from the jumbo fruit with a good spread of 9/12/15s coming. Current arrivals have a very nice shell color and brix levels are mostly in the 13-15% range. Overall, this is some of the prettiest fruit we have seen all season.

QUALITY

GOOD

MARKET ALERT

Cauliflower



SUPPLY

GOOD

Supplies will be light this week. Overall quality is reported as good. Current supplies are coming from Santa Maria, and Salinas CA. Expect to see escalated pricing this week. (F.O.B pricing for this week \$17.08 - \$19.01)

QUALITY

GOOD

MARKET OUTLOOK

MARKET ALERT

Celery



SUPPLY
SHORT
QUALITY
FAIR

Supplies continue to be extremely short this week. Quality has been reported as fair with a heavy presence of seeder in every box. Markets are expected to remain escalated for a few weeks until Celery starts in June out of Salinas CA. Supplies are currently coming from Oxnard CA, and Santa Maria CA. (F.O.B pricing for this week \$30.90 - \$31.15)

MARKET ALERT

Citrus



SUPPLY
FAIR
QUALITY
FAIR

Limes ALERT: The market is steadily declining as overall availability ramps up/crossings increase, which is consistent with seasonal production trends. Small fruit still represents majority of yields, while large sizes still extremely scarce. We are seeing slightly greater availability on mid-sized fruit. Market pricing will continue to drop daily until a cost threshold is reached.

Lemons: Harvesting in the Fresno to Bakersfield is coming to an end, with peak sizing on 75s/95s. Lemons has transition to coastal region with peak sizing on 140s/115s/165s. Expect more Choice fruit than Fancy due to the winds in the coastal region, which can ultimately scar the fruit. Volume is abundant with supplies exceeding demand. Imported lemons has started arriving but is all 140s and larger. Expect lemons to start getting tight beginning of June. Chile will start arriving at end of June with 165s/200s. Mexico is expected to start end of July start of August.

Oranges Some growers have move into their late navel crop earlier than expected which will cause the Navels season to be done at the end of May instead of June. Imported navels are expected to arrive in July. The crop is extremely light, and peak sizing will be 72s/56s/88s with limited 113s/138s. CA Valencia has started and expected to last until end of September. Peak sizing on 88s/72s/113s. Valencia crop is slightly down from last year. Market will stay firm due to the high navel market.

Corn



SUPPLY
FAIR
QUALITY
GOOD

Prices for Corn is trending up this week. Corn is coming out of California, Florida, and Mexico. Supplies are expected to get tighter during the Memorial Day holiday. Growers in Georgia are reporting tighter supplies due to the freeze earlier this year.

Cucumbers



SUPPLY
GOOD
QUALITY
GOOD

Prices for Slicing Cucumbers are trending up this week. Production is coming out of Florida, Georgia and Mexico. Florida is on the downhill side of production while Georgia, is picking up on volumes. Harvesting out of North Carolina is expected to start in June.

Eggplant



SUPPLY
GOOD
QUALITY
GOOD

Prices for Eggplant are trending down this week. Production is currently coming out of Florida, California and Mexico. Georgia will start ramping up during the beginning of June.

MARKET OUTLOOK



Grapes



SUPPLY
GOOD
QUALITY
FAIR

Import season usually wind down by mid-May and transition to Mexico, but delay in transit and terminal congestion have led to unusual heavy arrivals in May. Those volume will go into June, putting pressure on early Mexican FOBs. Will continue to see wide range in pricing between Mexican fruit, quality import, and weaker lots through the end of May.

Herbs



SUPPLY
GOOD
QUALITY
GOOD

Cilantro: Supplies continue to be good this week. Good quality has been reported for this week. Most growers will be shipping out of Salinas CA and Santa Maria CA. (\$11.45-\$13.55)

Honeydews



SUPPLY
FAIR
QUALITY
GOOD

The market continues to adjust downward with pressure coming from Mexican production. Honeydew arrivals on the east coast have been light with most of the fruit being jumbos (4J/5J). Cheaper fruit crossing through Nogales has started to impact our east coast market even with the higher freight.

Iceberg



SUPPLY
FAIR
QUALITY
GOOD

Supplies are steady this week. Quality will only be fair this week. Lettuce weights will be on the lighter side this week. Expect for markets to continue improving and steady supplies the next few weeks. (F.O.B pricing for this week \$14.88 - \$15.88)

MARKET ALERT

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Romaine ALERT: Supplies continue improving this week. Romaine supplies are good this week. Romaine Heart supplies continue to improve this week. We are expecting supplies and markets to continue improving. Good quality and weights are to be expected for next week. (Romaine pricing for this week \$10.95 - \$12.25) (Romaine Hearts pricing for this week \$17.55 - \$19.48)

Green & Red Leaf Lettuce: Supplies will be fair this week. Quality has also improved now that we are in Salinas CA. We are expecting fair supplies and good quality the next few weeks. (F.O.B pricing for this week \$12.50 - \$13.28)

Tender Leaf: Supplies continue to be good this week. Demand is good on tender leaf; quality is very good. Supplies should remain steady for a few weeks now that we are back in the Salinas Valley. (F.O.B pricing for this week \$4.65 - \$4.75)

MARKET OUTLOOK



MARKET ALERT

Mushrooms



SUPPLY
SHORT
QUALITY
FAIR

Shitake Mushrooms: 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.

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.

MARKET ALERT

Onions



SUPPLY
FAIR
QUALITY
GOOD

Market remains strong in the Imperial Valley. Quality is excellent and demand is high. Imperial Valley will move to San Joaquin in a month. The crop looks very good, and the area has had great growing weather this season. There is little bit out of NM/TX/AZ and MX. Supply short, cost is up, but should settle in a week or two. This is affecting precut onions as well. Freight and fuel rate continues to remain high this season.

Onions Green



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady this week. Market pricing has improved with better supplies. Green onions are coming from Mexico supplies continue to be stable the next few weeks. (F.O.B pricing for this week \$10.95 - \$11.20)

Pears



SUPPLY
FAIR
QUALITY
FAIR

Anjou supplies are good and are not expecting to end until June/July. Imported Bartletts are arriving along with small volume of Bosc. Expect higher price on the import fruit since the ocean container freight cost are much higher this year.

Peppers Bell



SUPPLY
FAIR
QUALITY
FAIR

Prices for Green Bell Peppers are trending down this week. Prices for Red and Yellow are trending up. Peppers are coming out of California and Florida. Production out of Georgia is expected to ramp up in a week or so. Volumes are still on the low side and prices are expected to remain elevated.

MARKET ALERT

Peppers Chili



SUPPLY
FAIR
QUALITY
FAIR

Prices for Chili Peppers are slightly trending down this week. More volume is coming out of Plant City Florida. Production out of Georgia is expected to ramp up in the weeks to come. Baja is currently picking too.

MARKET OUTLOOK

Pineapples



SUPPLY

FAIR

QUALITY

GOOD

Costa Rica's rainy season is present in most areas, but some areas of the Caribbean closer to the coast will remain dryer for the next few weeks. Quality is reported as good but heavy downpours will affect the quality of the fruit. Expect water spotting along with lower brix due to high water saturation in the fruit. Harvest and transportation logistics may also be difficult in some areas. Mexico's inbound volume increased significantly. Quality is reported as good. Yields are still lower on small-count fruit, with the curve leaning more toward 5s/6s and limited availability on 7s. Demand is good, and market is steady.

MARKET ALERT

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Potatoes started moving this week and will continue to see that climb through the summer so it's only just beginning. Reds are also gapping.

Squash



SUPPLY

FAIR

QUALITY

GOOD

Pricing for Yellow and Zucchini Squash are trending up this week. Production is coming out of Florida, Georgia, California, and Mexico. Production out of Mexico is winding down. The markets are currently unstable.

Strawberries



SUPPLY

FAIR

QUALITY

GOOD

Prices for Strawberries are trending up this week. Temperatures have been running cooler at night and it's taking longer for fruit to ripen. Production is coming out of Santa Maria, Salinas & Watsonville. Salinas is winding down. Look for the market to tighten up a bit around the Memorial Day holiday.

Tomatoes



SUPPLY

FAIR

QUALITY

GOOD

Prices for Tomatoes are working their way up this week. Production out of Florida has been recently impacted by rains. Mexico is winding down while Baja is slowly ramping up. Northern California will begin harvesting in a week or two. The San Joaquin Valley is forecasted to start production in 3 to 4 weeks.

Watermelons



SUPPLY

GOOD

QUALITY

GOOD

Supplies on Seedless are good for the next couple of weeks while minis are still tight. Watermelons will get a bit tight for the holiday pull. Volume in Southern Florida is good while Northern Florida is light. Northern Mexico is ramping up on volume. Quality has been very good.

National Potato Council Applauds First Shipments of U.S. Fresh Potatoes to Mexico in 25-plus Years

May 12, 2021 | National Potato Council

WASHINGTON – The National Potato Council today welcomed the news that the first shipments of U.S. fresh potatoes crossed into Mexico yesterday, May 11. The successful crossings signal the start of Mexico’s process to restore full market access for U.S. fresh potatoes after decades of disputes and legal obstructions.

“This is an important moment for the U.S. potato industry and our partners in the federal government who have fought for decades to restore access to this vital market, but we know the work is not over if we are to keep the border open,” said NPC President and Washington state potato grower Jared Balcom.

The shipments come after more than 25 years of regulatory and legal obstructions by Mexico, and one year after the Mexican Supreme Court ruled unanimously that U.S. fresh potatoes were legally authorized to be imported.

“Today’s news wouldn’t be possible without the tireless work of Secretary Tom Vilsack, Ambassador Katherine Tai, and their outstanding teams at USDA and USTR,” said NPC CEO Kam Quarles. “Both agencies have made the restoration of U.S. potato access a top U.S. trade priority. We thank them for getting us to this important step and we will need their continued partnership to ensure that the border remains open as we seek to grow the Mexican market for potatoes.”

Mexico is the largest export market for U.S. potatoes and products valued at \$394 million in 2021. Despite the previous restriction to the 26-kilometer border region, Mexico was the second-largest market for fresh potato exports in 2021, accounting for 124,449 metric tons valued at \$60 million last year. The U.S. potato industry estimates that access to the entire country for fresh U.S. potatoes will provide a market potential of \$250 million per year, in five years.

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The National Potato Council represents the interests of U.S. potato growers on federal legislative, regulatory, environmental and trade issues. The value of U.S. potato production is over \$4.5 billion annually and supports hundreds of thousands of jobs both directly and indirectly.

For full story: <https://www.nationalpotatocouncil.org/national-potato-council-applauds-first-shipments-of-u-s-fresh-potatoes-to-mexico-in-25-plus-years/>

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

