



WEEK 24 : June 13 - June 19, 2022

MARKET OUTLOOK

Transportation:

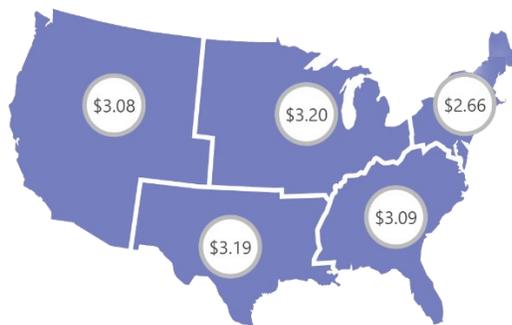
National Diesel Average: \$5.703

Compared to Last Year: \$3.274

National Fuel Surcharge: \$0.81

Shortages: Seeing high freight rates, with extreme shortages remain in FL, NC & SC; slight shortage in: CO & 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 high 60s to 70s and lows in the 50s to 60s.

Salinas, CA: Sunny with highs in the upper 60s to 80s and lows in the 50s with partly cloudy on Sunday.

Yuma, AZ: Sunny all week with highs in the 100s and lows in the 70s to 80s with partly cloudy on Friday.

Immokalee, FL: PM thunderstorms with highs in 90s and lows in the 70s with scattered thunderstorms on Saturday and Sunday.

Idaho Falls, ID: Partly cloudy and sunny throughout the week with highs in the high 50s to 90s and lows in the high 30s to 50s with isolated thunderstorms on Sunday.

MARKET ALERT

Avocado

Brussels Sprouts

Cabbage: Green & Red

Carrots (Jumbo)

Celery

Mushrooms

Potatoes (Radar)

Romaine Hearts

Tomatoes

MARKET OUTLOOK



Apples



SUPPLY
FAIR
QUALITY
GOOD

Apples are currently coming out of WA State. Red Delicious volume is down a million boxes from last year and projected to be out by mid-September. The transition from CA Reds to New Crop Reds is on target so gap is not expected. Golden Delicious are about the same as last season and expecting to be out the first week of August. New crop to start around August 10th. During the Summer, it usually slows down so transitioning into New Crop should be about perfect. Gala volume are less this same time last season and expected to be out the first of August. New Crop Gala is expected to start around August 8th. Fuji volume are down from last year and expected to be done mid-August. There could be a gap on Fuji as New Crop are expected to start mid-September. Granny Smith should transition into New Crop without any issues. Pinks is another variety where WA is in a good position. With movement slower through the summer, CA crop will go through September. New Crop will start middle to end of October so good possibility of a 2-week gap.

Asparagus



SUPPLY
GOOD
QUALITY
GOOD

Mexican asparagus out of Guanajuato is increasing weekly and expected to continue through the end of August. Peruvian production has slowed down because of the cold weather. XL/Jumbo is starting to be short. Market remains steady but expect price to increase on the bigger size asparagus.

MARKET ALERT

Avocados



SUPPLY
FAIR
QUALITY
GOOD

Mexico still harvesting light. Not even with all COO supply is reaching demand. MX is expected to continue producing very light volumes through June – until the *Flora Loca* harvest can begin in July. Back in January, California started their season early and have been going strong week-over-week. More likely CA projections will drop below 10mm lb., after the 4th-of-July. Peru, on the other hand, has increased their projections, by 2-3 Mil lbs./week. Expect June to remain limited on fruit from Mexico and high price points. 2nd week in July should be the next market shift, volumes should increase overall and take pricing down.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Banana availability is starting to increase due to the current issues in Europe. Less fruits are being shipped to Europe, which means more are arriving to the States. Quality is good.

Berries



SUPPLY
FAIR
QUALITY
GOOD

Blackberries: Prices for Blackberries are trending up this week. Growers in Mexico are reporting rain. This is cutting into production. Hopefully volumes will pack up next week. Keep an eye out for quality issues due to the weather.

Blueberries: Prices for Blueberries are trending down this week. Growers out East received some rain and that's slowing things down a bit. Production is up and running in California but not producing enough volume to get the market down very much. Growers out of the Pacific Northwest are reporting at least a couple weeks delay getting their season started.

Raspberries: Prices for Raspberries are still stable this week. Same as Blackberries. Growers in Mexico are reporting rain. This is cutting into production. Hopefully volumes will pack up next week. Keep an eye out for quality issues due to the weather.

MARKET OUTLOOK



Beans



SUPPLY

FAIR

QUALITY

GOOD

Green Beans: Georgia beans are starting to show some quality issues due to the weather. Transition north should start next week. West coast supply and quality remains stable.

Snow Peas: Domestic supplies and quality continues to be good. Central America continues to struggle as the rain has slowed down production and cause product to be tight with some quality issues.

Broccoli



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be very good this week. Broccoli is currently coming from Santa Maria, Salinas, and Mexico. Very good quality continues to be reported at this time. Expect markets to remain steady for a few weeks. (F.O.B pricing for this week \$9.56 - \$10.76)

MARKET ALERT

Brussels Sprouts



SUPPLY

SHORT

QUALITY

POOR

Supplies continue to be limited this week. Quality has been reported as only fair at this time. Strong demand continues for this week. Markets have increased with higher demands and lower yields due to quality issues. (F.O.B pricing for this week \$38.00 - \$38.40)

MARKET ALERT

Cabbages



SUPPLY

FAIR

QUALITY

GOOD

Supplies continue to be limited for this week. Growers are reporting some signs of improvement with better supplies. Supplies are expected to improve the next few weeks. We are waiting for Cabbage yields to improve in Salinas Ca. (F.O.B pricing for this week \$18.00 - \$18.25)

MARKET ALERT

Carrots



SUPPLY

POOR

QUALITY

GOOD

Crop sizing still small, so jumbos are extremely limited. We encourage all to be open to use table carrots instead. Due to some precuts are taken from jumbo, there has been low supply on carrots sticks and other pre-cuts as well.

Cantaloupes



SUPPLY

GOOD

QUALITY

GOOD

Domestic cantaloupe supplies are starting out strong in AZ and Imperial Valley. Warmer temperatures are being realized in the desert region, with very hot (109-113F) expected by the weekend, which is accelerating some fields to harvest earlier than originally anticipated. Current sizing is peaking on 9s and larger with much fewer 12s expected and minimal 15s. This trend is normal from the desert and is expected to continue over the short-term. Quality has been excellent and Brix levels are mostly in the 12-15% range.

MARKET OUTLOOK

Cauliflower



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be very good this week. Very good quality is reported at this time. Cauliflower supplies are coming from Santa Maria, and Salinas CA. Expect markets to remain steady for a few weeks. (F.O.B pricing for this week \$9.60 - \$10.60)

MARKET ALERT

Celery



SUPPLY

FAIR

QUALITY

FAIR

Supplies have improved this week. Improved quality is also reported at this time. Markets are expected to continue improving now that we are in Salinas CA. Supplies are currently coming from Salinas CA and Santa Maria CA. (F.O.B pricing for this week \$19.00 - \$19.50)

Citrus



SUPPLY

FAIR

QUALITY

FAIR

Limes: The market has firmed up a bit this week as rain in Mexico prevents harvesting and packing, leading to fewer crossings and declined availability. Small fruit still represents majority of yields, while large sizes are still scarce. We are seeing slightly greater availability on mid-sized fruit. The price on all sizes has just about bottomed out given current yields per size. Overall volume will peak in the upcoming weeks, with weekly crossings expected to reach 600+. The market is expected to firm up again the first week of July due to drought conditions impacting quality and grove dehydration, leading to fewer yields and higher costs.

Lemons: Lemons has fully transition to Fillmore/Oxnard/Santa Paula region. Peak sizing is 140s/115s/165s with more fancy than choice. Volume is abundance 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. Supplies and Quality are Good.

Oranges: Imported navels are expected to arrive mid-July from Chile and South Africa. CA Valencia is in full swing and expected to last until end of September. Peak sizing on 88s/113s/138s. Quality is excellent. Valencia crop is slightly down from last year. Market will stay firm.

Corn



SUPPLY

FAIR

QUALITY

GOOD

Prices for Corn are trending down this week. Supplies are picking up out of Florida and California. Growers are reporting improved quality. Many locally grown regional growers are ramping up too.

Cucumbers



SUPPLY

GOOD

QUALITY

GOOD

Prices for Slicing Cucumbers are slightly down this week. Florida is just about done with Cukes. Production is currently coming out of Georgia. New Jersey will start in a week or two. Production out of Baja is picking up. Growers are reporting good quality.

MARKET OUTLOOK



Eggplant



SUPPLY

GOOD

QUALITY

GOOD

Prices for Eggplant are trending down this week. Production out of Plant City Florida is declining and Georgia is slowly ramping up. That's keeping supplies on the tighter side. Production out of Coachella is winding down and moving to the Selma/Fresno area.

Grapes



SUPPLY

GOOD

QUALITY

FAIR

The red grape market is still lower than desired for growers, but the green grape market has really come up this week as the supplies are extremely limited. We have entered a demand exceeds supply situation.

Honeydews



SUPPLY

SHORT

QUALITY

GOOD

Some domestic honeydew production has started over the past week in a limited capacity. Sizing with that fruit is primarily 5s and larger. This has caused a hybrid plan of action to include Mexican production as well which has had a good mix of 5/6s.

Iceberg



SUPPLY

GOOD

QUALITY

GOOD

Supplies are very good this week. Quality continues to be good this week. Weights will be back to normal, improved weights. Expect for markets to continue improving and steady supplies the next few weeks. (F.O.B pricing for this week \$11.03 - \$12.03)

MARKET ALERT

Leaf



SUPPLY

GOOD

QUALITY

GOOD

Romaine (ALERT Romaine Hearts): Supplies continue improving this week. Romaine supplies are very good this week. Romaine Heart supplies continue to struggle 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 \$12.00 - \$12.13) (Romaine Hearts pricing for this week \$17.00 - \$19.28)

Green & Red Leaf Lettuce: Supplies continue to be very good this week. Quality has also improved now that we are in Salinas CA. We are expecting better supplies and good quality the next few weeks. (F.O.B pricing for this week \$10.85 - \$11.85)

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.

Onions



SUPPLY
GOOD
QUALITY
GOOD

Onions has transition to Central California and supplies are ramping up. Market remains steady. Quality is excellent and demand is good. NM is in full swing. AZ will be done in a couple of weeks while TX/MX and CA is expected to go through August. Freight and fuel rate continues to escalate.

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 \$8.45 - \$9.78)

Pears



SUPPLY
GOOD
QUALITY
GOOD

Anjou supplies are good and are not expecting to end until June/July. Pricing is steady. 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
GOOD
QUALITY
GOOD

Prices for Green, Red and Yellow Bell Peppers are trending down this week. Volumes for Bell Peppers is picking up out of Georgia. South Carolina is a week or two away. North Carolina will start after that. Production out of the California Desert is falling short. Bakersfield California is a week or two away.

Peppers Chili



SUPPLY
FAIR
QUALITY
FAIR

ALERT on Poblanos: Prices for Chili Peppers are stable this week. Production is moving out of Plant City Florida to Georgia. Volume is picking up a bit. Mainland Mexico is winding down and moving to Baja. Poblano Peppers is currently extremely tight.

MARKET OUTLOOK

Pineapples



SUPPLY

GOOD

QUALITY

GOOD

Costa Rica volume is up. Quality is reported as good but still experiencing some water spotting due to the rain, especially on the large fruit. Mexico's season is wrapping up. 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 moderate, and market is steady.

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

RADAR: Markets are up another \$.50-\$1.00 as things will remain tight the rest of the summer as we finish through the Burbank storage crop. As with every summer supply will continue to dwindle along with quality but there aren't extreme concerns just yet. Big spuds are more competitive than smaller potatoes right now which is usually backwards. FOBS: 40s @ \$16, 60s-80s @ \$19, 100s @ \$13-14. Very wide range market on #2s.

Squash



SUPPLY

GOOD

QUALITY

FAIR

Prices for Yellow Squash are stable this week. Prices for Zucchini Squash are trending Down. The markets are trying to tighten up a bit out of Georgia. Production out of the Northeast will come online soon. Production out of the West is coming out of California. Watsonville and Salinas will start up on a week or two.

Strawberries



SUPPLY

GOOD

QUALITY

GOOD

Prices for Strawberries are trending down this week. Prices are near the bottom. Some growers are sending excess fruit to the freezers due to the warmer weather in Santa Maria/Watsonville region to keep harvest quality consistent and be able to maintain the inventory levels. The market only has one direction to go and that's up.

MARKET ALERT

Tomatoes



SUPPLY

FAIR

QUALITY

FAIR

Prices for 20 lb Round Tomatoes & Roma's are trending up this week. Prices for 25 lb Rounds, Grapes and Cherries are trending down. Production out of the Ruskin Florida area is winding down. It's moving up to Quincy and South Carolina. Supplies will continue to be tight out of the East for a while longer. Production out of Mexico is primarily coming out of Baja and Eastern Mexico.

Watermelons



SUPPLY

GOOD

QUALITY

GOOD

Supplies on Seedless remain good while minis are still tight. Volume is starting to wind down from Southern Florida Northern Florida volume is good. Georgia is expecting to start soon. Northern Mexico is starting to drop off a bit, while Yuma is getting started. Quality has been very good.



MARKET OUTLOOK

Peru to play important role in summer avocado season

By **JENNIFER STRAILEY** June 10, 2022

This summer, Peru expects record exports to the U.S. — an unprecedented 250 million pounds of avocados — according to the Peruvian Avocado Commission. The increase in Peru's avocado export volume from last year will allow the South American country to play an important role in supplying avocados to the U.S. market.

"This [additional volume] will fit nicely into the U.S. market, which is facing a shorter than typical California avocado season and volatility in the Mexican market as we transition into the new crop," Carson McDaniel, director of business development for McDaniel Fruit Co. in Fallbrook, Calif., said. "Sizing will peak on 48s and larger, which will complement the introduction of the Mexican flora loca crop, which typically consists of smaller avocados."

And as global supply chain disruption persists, elevated volume on Peruvian avocados will further help suppliers and retailers keep pace with demand.

"Global conflicts and challenges in the supply chain continue to change every week, with struggles in movement around the globe," Rodrigo Lopez, category director of citrus and avocados for Oppy, said. "Specifically, the Russian invasion of Ukraine has caused pressure on growers to ship volumes to the North American market. We predict a 30% increase in Peruvian avocado supply compared to last year because of this."

Big merchandising opportunities

This season, Peru is also expected to supply promotable volumes of large fruit — size 40 and larger, said Patrick Cortes, senior director of business development and foodservice for Mission Produce, adding that the larger fruit is typical from the South American country.

The stable, high-quality volumes of fruit throughout the summer, indicate strong opportunities for promotions at retail, Cortes continued.

As the Oxnard, Calif.-based Mission develops its retail programs according to the volume and sizing of the fruit to be harvested, the company plans to offer its Jumbo bags this season to promote enhanced value for its customers and their consumers, Cortes said.

When it comes to promoting avocados in-store, bigger is better. "If you can display more, you can generally sell more," Cortes said. "Offering a mix of different sizes and SKUs can also help promote an increase in sales as it allows the retailer to satisfy various consumer lifestyles."

Peruvian avocados ripe for the picking

As consumers continue to crave the rich, creamy texture and healthy, satiating fats found in avocados, consumption of the fruit in the U.S. has increased more than 278% from 2000 to 2021, according to the Hass Avocado Board, in Mission Viejo, Calif. And while displaying ripe avocados at retail has helped drive continued sales of the fruit for years, not all avocados can be tested for ripeness the same way.

"When it comes to Peruvian avocados, education is key," Cortes said. "Because of their characteristically thick, bumpy skin, we recommend consumers to gently feel the neck of the avocado to judge for ripeness."

To help educate shoppers on the finer points of Peruvian avocado selection, Mission has developed a "Thick Skin" campaign. Designed to provide retailers with information on handling the typical thick, bumpy skin of a Peruvian avocado, the campaign includes educational materials, such as a backroom poster and shelf talker.

The collateral, said Cortes, shows store personnel how to feel for ripeness in Peruvian avocados "in order to promote a positive point-of-sale experience."

Education is key with Peruvian avocados, McDaniel agreed.

"We've found the greatest success at...."

For full article: <https://www.thepacker.com/news/produce-crops/peru-play-important-role-summer-avocado-season>

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

