

Market **OUTLOOK**

Week 27: July 1 - 7, 2024



Market ALERT

- Asparagus
- Avocado
- Beans
- Berries
- Broccoli
- Brussels Sprouts
- Citrus
- Herbs
- Lettuce
- Melons
- Onions
- Pepper Bell
- Pepper Chili

transportation

Nat'l Diesel Avg: \$3.769↑

Last Year: \$3.737↓

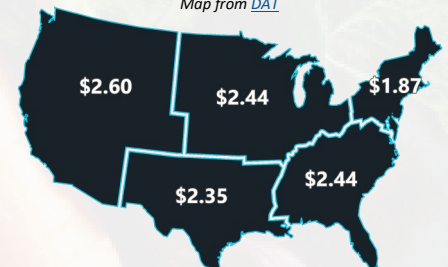
Nat'l Fuel Surcharge: \$0.45

Shortages: Freight rates is flat

- extreme - None
- slight - FL

National Posted Rate per mile

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



weather **OUTLOOK**

Oxnard, CA: Partly cloudy and sunny skies with highs in the 70s and lows in the 60s.

Salinas, CA: Partly cloudy and sunny skies with highs in the 70s and lows in the 50s.

Yuma, AZ: Sunny with highs in the 110s and lows in the low 80s.

Immokalee, FL: Scatter thunderstorms with highs in the 90s and lows in the 70s.

Idaho Falls, ID: Mostly sunny and windy with highs in the 80s and lows in the upper 40s.



Market UPDATE

apples



Golds are expected to be in good supply by the end of August, with many shippers out for the season. Granny Smiths are in good supply, making it to the new crop around mid-September. Gala is 500,00 boxes less than last season, and availability will go through August without gaps before the new crop begins mid-August. Fuji is in good supply, with new crop expected to start around mid-August, and Red Delicious is also in good supply through the summer, with new crop starting around September 12th.

asparagus



Prorates are in effect, and the market is escalating. Peruvian and Mexican volumes have decreased due to heat and lack of rain, causing smaller sizes and difficulty in large sizes. White asparagus is limited in Peru until late July or early August.

avocados



The harvest from Michoacán has been significantly affected, with volumes in the US at a low and Mexico opening in stages. It will take longer than expected to refill the supply chain. It is crucial to stay flexible on sizing and COO during the refill process to help recover to regular programs. Early July will remain volatile, but mid-July will see some summer stability. The size curve favors smaller fruit, so sizing down is recommended.

bananas



The fruit is of excellent quality, but availability may be limited due to unfavorable tropical weather. It is not expected to cause significant issues or concerns.

beans



Green Beans: The transition to the Midwest has started. Supplies and market pricing are expected to return to normal through July.

Snow Peas: **ALERT** Guatemalan and Mexican supply are facing challenges due to heat, lack of rain, and growing region transitions, with volumes being held and the market being escalated.

berries



Blackberries: Prices are stable with good quality. Mexican fruit is showing a nice sheen and color, occasional regression, and overripe fruit. Volumes are increasing in Watsonville and Mexico.

Blueberries: Prices remain stable. The quality remains excellent, with occasional soft fruit in Central Valley and some scarred and shriveled fruit due to hot weather on Mexico products. Central Valley production has reached peak volumes and is expected to drop in early July, while volumes in Mexico are decreasing due to unfavorable weather. The Pacific Northwest region is starting with an increase in volume towards mid-July. Fruit sets look excellent but are slow to bloom due to low temperatures and foggy, rainy days.

Raspberries: Prices are slightly up, and quality remains good, with occasional light-colored fruit from Mexico. Volumes are increasing from both Mexico and Watsonville.

Strawberries: Prices are stable. Santa Maria is yielding good quality with some occurrences of soft-skinned, bruised, or overripe fruit; the season is winding down, and production is reducing week-over-week. Watsonville and Salinas report great quality, a nice sheen, and large sizing with excellent flavor; volumes increase as the weather becomes more favorable. Volumes will be peaking for the next three weeks.



Market UPDATE

broccoli



Broccoli: **EXTREME** The supply situation is light and demand is good, with supplies coming from Salinas and Santa Maria. Mexico has limited supplies, and the quality is only fair. Market pricing is active and will escalate with signs of improvement in the coming weeks.

Brocolini: Supply is on budget and demand is good, with good quality from Salinas. Harvesting is steady, and contract pricing will not escalate.

brussels sprouts



EXTREME The supply is light, and the quality is reported as fair. Demand is good, but market pricing has escalated. Supplies will be limited until supplies start in Salinas, and pricing is expected to remain high for a few weeks.

cabbages



Supplies are steady and of good quality. Availability from Oxnard and Salinas, and the markets and supplies, are expected to remain stable in the coming weeks.

carrots



New crops are on the horizon, with improved supply and quality going forward.

cauliflower



The supply is steady and demand is good, with supplies coming from Salinas and Santa Maria. Mexico has limited supplies, and quality is improving. Expect steady supplies in the coming weeks and steady market pricing.

celery



The supply situation has improved, with current supplies coming from Santa Maria and Salinas, with Salinas showing better numbers. Quality is reported as good, and supply is expected to remain steady for a few weeks.

citrus



Limes: Prices have increased due to higher demand ahead of the July 4th holiday. While Mexico welcomed much-needed rain, it has delayed the harvest, resulting in decreased supplies. Overall, the lack of rain and high temperatures have affected sizing and quality, particularly with large sizes remaining extremely limited. A slight improvement is expected in the upcoming weeks due to the recent rains they received.

Lemons: **ALERT** Pricing is high. 115s and larger sizes continue to be limited. Oxnard is peaking in smaller fruit, and supplies are expected to remain this way until late summer. Some relief is possible with import arrivals in early July.

Oranges: The market is steady. Smaller sizes will be scarce through the summer. Import arrivals in early July could provide some relief. Loading locations will need to be flexible to take advantage of this option.

corn



Pricing is steady. Supplies and quality are both good. It's a good time to promote.

cucumbers



The market is steady. Overall, supplies and quality are good. More growers are expected to come online in the next week or two, adding to supplies.



Market UPDATE

grapes



Good supplies are available from Mexico in all colors. Domestic fruit should be available soon, and the quality is good.

herbs



ALERT (Dill) Basil and oregano have improved, while dill is still under watch due to the weather.

Cilantro: ALERT The supply is light, with less than fair quality. Market pricing has increased, and supplies are shipping out of Oxnard and Salinas. Limited supply expected in the next few weeks.

kale



Supply is steady with good demand and quality. Supplies and market prices are expected to be steady for the next few weeks.

lettuce



Green & Red Leaf: The supply is expected to remain good and of good quality, with steady market pricing for the next few weeks. It's a good time to promote.

Iceberg: ALERT The supply is expected to be light and of fair quality, with lighter weights and smaller heads. Markets are expected to remain high, and contract pricing will escalate for the next few weeks. The next few weeks are expected to be active in the markets.

Romaine: ALERT The supply and quality have improved with good demand from Salinas and Santa Maria. Supplies are expected to remain steady in the coming weeks, and markets are also expected to improve.

Tender Leaf: The supply continues to be steady, with good to fair quality and good demand from Watsonville and Salinas.

melons



Cantaloupe: RADAR Peak volume continues from Yuma, with primarily larger fruit and limited availability for smaller fruit. Optimum quality is seen on the fruit, as current fields have seen ideal conditions throughout the growing cycle. High temperatures result in improved sizing and color, with brix levels consistently hitting the 14-16% range.

Honeydew: RADAR The supply has become increasingly short, with desert production being mostly 5/5Js and little to no 6/8s. Mexican crossings have also dropped as they transition to new areas, providing most of the smaller fruit over the past month. Flexibility in sizing may be required at the time of loading. California production will begin next week, with sizing forecasted to be mostly 5s, followed by 6s. Expect availability to remain fairly limited over the next two weeks.

Watermelons: Production is good in California, Florida, Georgia, Mississippi, and Texas with good demand with Arizona starting.

mushrooms



The weather has improved the quality and supply of brown and white, indicating a steady supply for the next few months. It's a good time to promote.

onions



RADAR The quality is good in all growing regions, with steady demand. Market prices are down slightly. New Mexico has started giving some relief. Whites are starting to decrease and may be limited through the summer.



Market UPDATE

onions green



Supply remains steady, primarily from Mexico, with increased demand in recent weeks due to warmer weather. Market pricing and quality are expected to improve, indicating steady supply and pricing in the coming weeks.

pears



Bartletts and Bosc are done for the season, with some available but at a very high market price. Avoid them and switch to D'Anjous if possible, which will be available until next season starts.

peppers bell



Pricing is high. Slow transitions and high heat in current growing areas on both coasts are hampering supplies, quality ranges from fair to good.

peppers chili



Pricing remains high. Low supplies due to high heat in growing areas and high demand continue to keep the market up across all chili peppers. The current market status is expected to remain through July.

pineapples



In July, it is expected that the sizing curve will shift towards 5ct and 6ct, and there will be improved availability by mid-July. However, there are no major changes, and it is advised to be flexible in sizing, exploring 8ct and possibly 7ct for the best service levels.

potatoes



The market is flat, with good quality. Idaho is shipping Burbank with a sizing profile smaller than Norkotahs, which is causing the 40–60ct price to increase and be a bit short. Idaho has plenty of availability, making it a good time to promote potatoes.

squash



Pricing is down. Supplies and quality have improved considerably, with several regions having good supplies.

tomatoes



Pricing is up. Transitions from southern areas to the north are in full swing on both coasts. As the southern areas are winding down, supplies have tightened up. Supplies are expected to improve in the upcoming weeks.

commodities alert overview

Avocado from Mexico is slowly filling the pipeline after the recent shutdown. **Asparagus** are limited due to temperature in growing region and are being prorated. Recommend subbing with beans. **Iceberg** are on extreme alert with light availability. **Lemons** are peaking on large fruit, with small fruit being limited. **Bell peppers** remains high with low supplies due to transition and high heat. **Chili peppers** remain high with low supplies due to weather. It's a good time to promote **Corn**, **Mushrooms** and **Potatoes**.



Market UPDATE

in the news...

Rabobank: Consumers pull back on spending after years of inflation fatigue

By TOM KARST | June 27, 2024 | THE PACKER

Inflation has battered consumers over the past four years, and a Rabobank analysis says U.S. consumers have finally hit the wall.

In a report on the cost of a Fourth of July barbecue, Rabobank analysts said consumers are trading down and eating out less often in response to long-running inflation.

“The consumer is waving the white flag on food inflation,” Tom Bailey, senior consumer foods analyst at Rabobank, said in a news release. “With an added 2% in price hikes in 2024 coupled with the cost disparity between dining out and cooking at home at its widest margin in history, we’re seeing heightened fatigue and frugality.”

The 2024 Rabobank BBQ Index, which measures the cost of staple ingredients for a 10-person barbecue, shows that it

will cost \$99 to host a cookout on the Fourth of July this year, up from \$97 last year and \$73 in 2018. Cookout ingredients are 32% higher food costs in 2024 compared with 2019, according to Rabobank.

The index showed that the average U.S. consumer has to work an hour to earn enough money for a six-pack of beer and a burger in 2024, up from 51 minutes in 2019, and they’ll have to work nine hours to pay for a barbecue this year, up 32% since 2019.

Produce prices for the BBQ Index are mostly tame compared with a year ago, Rabobank economists said. California’s drought in 2023 sent lettuce prices to more than \$100 a carton, well above the average range of \$15 to \$20 per carton. Rabobank analysts said lettuce prices have come down significantly in

2024.

“We expect leafy greens to have steady supplies, good quality and decent prices,” Rabobank economists said in the release.

Potatoes, also hit hard by drought last year, have rebounded with greater supply based on expanded acreage harvested in the fall of 2023. Potato prices are about half of year-ago levels, the index showed.

On the other side of the ledger, Rabobank analysts said tomato prices have moved higher in 2024 as dry weather in Mexico has curtailed production and overall availability.

Rabobank analysts said a reported 68% of people polled by Vericast say they are switching from...

[Read full article HERE](#)

produce in **PEAK** *for July*

Banana	Corn	Mango
Berries	Eggplant	Mushrooms
Bok Choy	Leeks	Stone Fruits

If you have any specific questions or concerns on any commodities not mentioned in this report, please feel free to reach out to jhoppe@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!

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