



WEEK 28: July 5 - July 11, 2021

# MARKET OUTLOOK

## Regional Weather Update :

**Oxnard, CA:** Sunny; High in the 70s with lows in the 60s.

**Salinas, CA:** Partly Cloudy skies with highs low 70s to lows in the mid 50s.

**Yuma, AZ:** Sunny with highs ranging from 102° to 109° to lows in the mid 80s.

**Immokalee, FL:** 40 to 50% chances of rain all week; highs in the high 80s to low 90s and lows in the 70s.

**Idaho Falls, ID:** Sunny with highs in the 90s and lows in the mid 50s.

## Transportation :

**National Diesel Average :** \$3.30 Compared to Last Year: \$2.43

**Shortages :** Seeing high freight rates, with extreme shortages remain in CO, N & W FL, E NC, S SC, & S NM slight shortage in: AZ, CA, GA, ID, NY, S TX, WA & C WI.

## MARKET ALERT

Apples

Asparagus

Brussel Sprouts

Cucumbers

Honeydews

Mushrooms

Peppers, Red & Yellow

Squash

# MARKET OUTLOOK



**MARKET ALERT**

**Apples**



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

Inventories are reaching very low numbers while demand still strong. We might experience some shortages in sizes and varieties. Result of this, prices are going up significantly. Until new crop starts, we expect this market trend to be strong and tight. Golden, Reds, Honeycrisp, Granny and Gala are the most hit. We encourage to use Fuji as much as possible. Some Galas and Granny are coming from abroad but not reaching all market places. Local WA pears will start within a month.

**MARKET ALERT**

**Asparagus**



**SUPPLY**  
BAD  
**QUALITY**  
FAIR

Market on the west is on high alert, some prorates in effect. Central MX is behind and quality is fair. Bigger grass is hardest to come by with rarely any JBO/XL available. Recommend flexing spec where possible. Even standard and large are close to hitting \$40 FOB out west. If you find larger it will be in the \$40s FOB. In the east JBO & XL remain tight, but markets are about \$10 below the west in the high \$30s.

**Avocados**



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

Hurricane Enrique and the heavy rainfall it brought is the talk of the week. While the hurricane doesn't pose an immediate threat to our growing regions, the heavy rainfall has postponed and cancelled some early week harvest. With limited volumes filling the pipeline pricing has strengthened, however demand is lacking for a holiday week.

**Bananas**



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

Overall Banana quality is good and supply is back to where we would expect it to be during this time of the year.

**Berries**



**SUPPLY**  
FAIR  
**QUALITY**  
FAIR

**Blackberries** : Prices for Blackberries are flat with a slight downward bias this week. Production is coming out of Mexico, California, Georgia and North Carolina.

**Blueberries** : Prices for Blueberries are steady this week. The warm weather in many parts of the country is accelerating the crop. Production is coming out of California, North Carolina and New Jersey.

**Raspberries** : Prices for Raspberries are mixed this week. Production is coming out of Mexico and California. Production out of California is on the upswing. Growers are looking for prices to come off a bit over the next few weeks.

# MARKET OUTLOOK

## Beans, Green



SUPPLY

FAIR

QUALITY

GOOD

Beans remain slightly tight with lower volume and steady demand.

## Broccoli



SUPPLY

GOOD

QUALITY

FAIR

Supplies will be light this week. Demand continues to be good, encountering some quality issues on the Broccoli crowns. Supplies will continue to be light for the next few weeks. (F.O.B pricing for this week \$8.05 - \$9.05)

**MARKET ALERT**

## Brussels Sprouts



SUPPLY

FAIR

QUALITY

FAIR

Supplies have improved this week. Demand continues to be very good, quality has improved. Supplies are starting to improve now that we are seeing product coming from Salinas CA. (F.O.B pricing for this week \$31.65 - \$32.45)

## Carrots



SUPPLY

FAIR

QUALITY

GOOD

Some fields are finishing the crop in the Imperial Valley. Partial shortages might occur with jumbos this week and the front part of next week. Next crop out of Kern County should have good size and going forward with no supply issues

## Cauliflower



SUPPLY

GOOD

QUALITY

GOOD

Supplies will be good this week. Demand for Cauliflower continues to be light, quality is expected to be good. Supplies are expected to decrease with warmer weather the next few weeks. (F.O.B pricing for this week \$10.35 - \$11.50)

## Cantaloupes



SUPPLY

FAIR

QUALITY

FAIR

Production from within the Imperial Valley will be finishing for most growers by this coming Wednesday. Central AZ production will continue on into the first week of July and Westside production, in Central CA, will begin in a small way as early as this coming weekend. Californian supplies will be fairly limited in the early part of the deal with increased supply anticipated by mid-July. Sizing from California should be close to an even split between 9s and 12s which will keep pricing on larger melons at a premium in the short-term.

# MARKET OUTLOOK



## Celery



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be steady this week. Demand has improved the last few weeks, quality is good. Supplies are expected to remain steady for a few weeks. (F.O.B pricing for this week \$10.75 - \$10.90)

## Corn



SUPPLY

GOOD

QUALITY

GOOD

Prices for Corn are trending up this week. California and Georgia is experiencing warm weather. Production out of Georgia is also starting to wind down as production in the Northern states starts to pick up. Growers out of Brentwood and Mendota seeing good numbers too. Demands are expected to settle down after the holiday. That should help to keep some pressure on prices.

## MARKET ALERT

## Cucumbers



SUPPLY

FAIR

QUALITY

FAIR

Prices for Cucumbers spiked higher this week. Supplies are tight as production transitions out of Georgia and up to New Jersey. Michigan is forecasted to start harvesting in the middle of July. Many local programs are ramping up but demand exceeds supplies right now. Growers are expecting volumes to pick up in the weeks to come.

## Eggplant



SUPPLY

GOOD

QUALITY

GOOD

Prices for Eggplant are trending down this week. Production is currently coming out of Georgia and California. North Carolina and Eastern Washington is projected to start picking next week. Keep an extra eye on product from Georgia. Growers are reporting heat and rain related quality challenges.

## Grapes



SUPPLY

FAIR

QUALITY

FAIR

This commodity has been complicated since Chilean import season. Now again transitioning from MX to domestic – CA. This is adding some stress and market prices to be all over the board. Once domestic settles down we should go smoother for several weeks.

## MARKET ALERT

## Honeydews



SUPPLY

FAIR

QUALITY

FAIR

Honeydew production remains in a close to demand exceeds situation. Very few honeydews have been grown this season in the desert and even fewer have been crossing through Nogales. Production from California is expected to begin the latter part of next week. Lower supply and strong pricing is projected to continue over at least the next two weeks.

# MARKET OUTLOOK



## Iceberg



SUPPLY  
GOOD  
QUALITY  
FAIR

Supplies are light this week. Demand has increased with retail and foodservice, overall quality is fair. Expect some occasional fringe burn due to warmer weather. Expect lighter weights, markets are expected to increase for the next few weeks. (F.O.B pricing for this week \$13.10 - \$14.10)

## Leaf



SUPPLY  
GOOD  
QUALITY  
FAIR

**Romaine:** Supplies are good this week. Demand has improved, expect occasional fringe burn due to hot weather. Supplies should remain steady, markets are expected to increase with the warmer weather. (F.O.B pricing for this week \$11.15 - \$11.35) **Hearts** (\$13.23 - \$14.65) **Green & Red Leaf Lettuce:** Supplies continue to be steady this week. Demand continues to be very light for this week, occasional fringe burn due to hot weather on Red & Green leaf. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$7.08 - \$7.93) **Tender Leaf:** Supplies continue to be excellent this week. Demand is steady on tenderleaf, expect occasional fringe burn due to hot weather. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$4.25 - \$4.75)

## Lemons

## & Limes



SUPPLY  
GOOD  
QUALITY  
GOOD

**LIMES:** Limes remain low and steady, finally bigger fruit has stabilized and while there is still a spread in the market in regards to cost and quality, FOBs are between \$7-15, 175+ have improved availability, etc.

**LEMONS:** Lemons are absolutely crazy tight right now due to a major labor shortage in CA. Losing picking crews daily due to Cherries and blueberries being picked. Shippers doing everything they can to cover contract business but struggling daily. Chilean import lemons have started to arrive which will help supply and relieve this shortage.

## MARKET ALERT

## Mushrooms



SUPPLY  
FAIR  
QUALITY  
GOOD

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

Slow and steady wins the race, no news in this market. Will remain out west for another month. Yellows \$7-12, reds \$7-9, whites \$10-13.

# MARKET OUTLOOK

## Onions, Green



### SUPPLY

GOOD

### QUALITY

GOOD

Supplies continue to be good this week. Demand is steady on Green Onions. Quality remains good this week, supplies should remain steady for a few weeks. (F.O.B pricing for this week \$9.95 - \$10.05)

## Oranges



### SUPPLY

FAIR

### QUALITY

FAIR

The pipeline is starting to flow, excess inventories are gone. Most of the new fruit is on medium and big sizes (72/56s/48s). Small sizes (138/113) starting to be limited and will be for the rest of the season.

## Pears



### SUPPLY

FAIR

### QUALITY

FAIR

Pears are reaching the end of the season out of WA. Some varieties available out of CA but small sizes very limited.

## **MARKET ALERT**

## Peppers, Bell



### SUPPLY

FAIR

### QUALITY

FAIR

Prices for Green are trending up this week. Prices for Yellow & Red Peppers are steady. Production out of Georgia is winding down while production out of the Carolina's is going strong. Growers are reporting that labor shortages are impacting their operations in a negative way. Growers are expecting New Jersey to start up towards the middle of July.

## Peppers, Chili



### SUPPLY

GOOD

### QUALITY

GOOD

Prices for Chili Peppers is trending up this week. Volume out of Georgia is winding down. Volume out of The Carolina's, Baja & California is starting to pick up.

## Pineapples



### SUPPLY

FAIR

### QUALITY

GOOD

Volumes of 6cts are tight but 5s, 7s and 8s are available. Quality is good and supply will be really good for the foreseeable future.

# MARKET OUTLOOK



## Potatoes



### SUPPLY

FAIR

### QUALITY

FAIR

Big spuds up again, FOBs hitting \$20. Small spuds remain competitive and steady. We are in the last months of the season and deep into storage at this point. Keep an eye on quality.

## Squash



### SUPPLY

GOOD

### QUALITY

FAIR

Prices for Yellow & Green Squash are trending up this week. Production out of Georgia is wrapping up and moving North. Supplies are uneven as various local programs ramp up around the country. Growers are expecting supplies to improve in the weeks to come.

## Strawberries



### SUPPLY

GOOD

### QUALITY

GOOD

Prices for Strawberries are trending slightly down this week. Demands usually drop after the 4th of July Holiday. That should put some pressure on pricing. Warmer than normal weather in the West is accelerating the crop thus adding extra fruit to the pipeline. Look for tighter supplies during the next few weeks. It is suggested that extra time be allowed for inspecting arrivals. Growers are reporting some bruising and heat related quality challenges.

## Tomatoes



### SUPPLY

FAIR

### QUALITY

GOOD

Prices for 20 lb. Round, Grapes and Roma's are trending up this week. Prices for 25 lb. Rounds are trending down and prices for Cherries are stable. Looks for tight supplies for another week or so. Rain and heat are the wild cards for the Tomato crop right now. Production is picking up out of multiple areas as well as in many local regions. Production is currently coming out of South Carolina, Baja & California. Harvesting out of Virginia, North Carolina, Tennessee, Arkansas & Alabama is starting up now.

## Watermelons



### SUPPLY

GOOD

### QUALITY

GOOD

Prices for Seedless and Seeded Watermelons are trending down this week. Growers are seeing good production numbers. Prices usually come off after the 4th of July Holiday as consumer demands drop a bit after the 4th of July holiday. Production is coming out of California, Georgia, Texas, Mexico & Florida as well as many small local deals.

## Labor shortage for restaurants brings implications for foodservice suppliers

By [TOM KARST](#) June 29, 2021

The labor shortage at restaurants has implications for produce suppliers.

First of all, demand may not open back up to full throttle until more workers are hired. Secondly, restaurants that are short of workers may demand more value-added produce to save labor at the restaurant level.

Restaurants are coming back every week but are challenged by tight labor, said Alex DiNovo, president of [DNO Produce](#), Columbus, Ohio. “Really, a lot of the problems that I’m hearing about is finding personnel, finding workers; a lot of restaurants even have limited hours and limited seating because they can’t find the staff to help.”

According to National Restaurant Association statistics, just 8% of restaurant operators rated recruitment and retention of employees as their top challenge at the beginning of the year.

By April, that number rose to 57%, according to the association.

Industry sources surveyed by The Packer in late May and early June responded to the question, “Are restaurants having trouble finding labor in your region? Will that increase demand for value-added/cut produce from suppliers?”

Here are selected responses:

- “With the labor shortage we are actively marketing more value-added produce and have seen an uptick. The complication to this is that processors are experiencing labor shortages too.”
- “Demand is increasing on cut produce. We are having to increase our staff as a result.”
- “We are hoping for the workforce to come back and resume what we had prior to the pandemic.”
- “Yes, significantly short and that will continue to inflate demand.”
- “Yes, labor saving alternatives are needed.”

Most polled indicated that value-added produce is more important for foodservice sales than it was prior to the pandemic.

[https://www.thepacker.com/news/foodservice/labor-shortage-restaurants-brings-implications-foodservice-suppliers?mkt\\_tok=ODQzLVIHQi03OTMAAAF9-GUQ3ONCGyAydqk6WZdQ7pP1gKBI5832uR\\_7NK9M0BwFGSeNskcPrMJnk7ddsOz2R8814oU8sSJW5JRt0WQdN7jpFFoMRpGsl7ggbTRQclqyUDGm](https://www.thepacker.com/news/foodservice/labor-shortage-restaurants-brings-implications-foodservice-suppliers?mkt_tok=ODQzLVIHQi03OTMAAAF9-GUQ3ONCGyAydqk6WZdQ7pP1gKBI5832uR_7NK9M0BwFGSeNskcPrMJnk7ddsOz2R8814oU8sSJW5JRt0WQdN7jpFFoMRpGsl7ggbTRQclqyUDGm)

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!