

MARKET OUTLOOK



Apples



SUPPLY
FAIR
QUALITY
GOOD

Apples are currently coming out of WA State. Red Delicious volume is down from last year and projected to be out by mid-Sept. The transition from CA Reds to New Crop 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 Aug. New crop starts around Aug. 10th. During the Summer, it usually slows down so transitioning into New Crop should be perfect. Gala volume are less this same time last season and expected to be out the first of August. New Crop is expected to start around Aug. 8th. Fuji volume are down from last year and expected to be done mid-August. There could be a gap as New Crop are expected to start mid-Sept. 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 Sept. New Crop will start mid-to-end of Oct. so good possibility of a two-week gap.

MARKET ALERT

Asparagus



SUPPLY
SHORT
QUALITY
GOOD

Peru continues to experience cold weather, which is hampering growth of the asparagus, especially on the bigger sizes. Historically, mid-August is when Southern Peru starts to ramp up production. Mexico has been experiencing a lot of heat and no rain. Growers in Mexico are expecting short supplies for about the next 3 weeks. Supply continues to tighten up on large, XL, and jumbo. Be open to subbing on sizes and some suppliers are holding orders to a 6-week averages to curtail that. Market is extremely active.

Avocados



SUPPLY
FAIR
QUALITY
GOOD

Last week closed out at 66.3 Mil lbs. for the US, which is the largest volume week of all 2022. MX accounted for almost half of the volume as the COO was up 27% over the previous week. Also of note, Colombia came in for 4.6 Mil lbs, which is their largest arrival to-date. Standing inventories in the US are up considerably to 67 Mil lbs. With this influx of volumes and price relief here to stay for a while it's a good time to get back into promotions: large sizes on Peru and 48s and smaller from MX will continue to bring the most value. The Loca crop is in full swing, and estimates continue to show the 2022/23 season to be at least 20% larger in volume. Additionally, Peru estimates have been revised higher for the next several weeks as fruit is diverted from countries-at-war. With this additional volume comes some long-awaited market stability that's expected to continue into 2023. Last week of this reminder, the Loca fruit will handle differently as the dry matter resets with every new bloom. It will take longer to ripen and have a longer shelf-life. Don't forget to adjust transit and storage temps.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Banana situation is improving but will continue to be light on supplies.

MARKET ALERT

Berries



SUPPLY
FAIR
QUALITY
GOOD

Blackberries: Prices for Blackberries are stable this week. Growers are reporting lower volumes that are typical for this time of year. Production out of California is winding down and moving to the Northwest. Volumes are expected to pick up in August. Supply and Quality are GOOD.
Blueberries ALERT: Prices for Blueberries are trending up slightly this week. Production is up and running in the Pacific Northwest. Supplies remain tight as growers attempt to fill the pipeline. Northwest Growers are reporting good quality and flavor. Quality is FAIR.
Raspberries ALERT: Prices for Raspberries are trending up this week. Volumes are working down and are expected to remain that way for the next few weeks. The weather has been favorable, and growers are reporting good quality.

MARKET OUTLOOK



<p>Beans</p> 	<p><u>SUPPLY</u> FAIR</p> <p><u>QUALITY</u> FAIR</p> <p>Green Beans: East coast green beans remain good on both quality and production. West coast production remains stable. Quality is being affected due to the heat along with the short shelf life on finished product.</p> <p>Snow Peas: Domestic supplies and quality is fair to good. Central America has improved. Quality is showing to be good.</p>
<p>Broccoli</p> 	<p><u>SUPPLY</u> GOOD</p> <p><u>QUALITY</u> GOOD</p> <p>Supplies have improved this week. Quality is reported as improved. You will occasionally see brown bead and occasional hollow core. Expect market pricing to be steady the next few weeks. (F.O.B pricing for this week \$13.65 - \$14.65)</p>
<p>Brussels Sprouts</p> 	<p><u>SUPPLY</u> GOOD</p> <p><u>QUALITY</u> GOOD</p> <p>Supplies continue to be very good this week. Quality has also improved. Demand for Brussel Sprouts has decreased. Market pricing will continue improving going into next week. (F.O.B pricing for this week \$21.45 - \$23.65)</p>
<p>MARKET ALERT</p> <p>Cabbages</p> 	<p><u>SUPPLY</u> FAIR</p> <p><u>QUALITY</u> FAIR</p> <p>Supplies continue to be fair this week. Growers are reporting better yields during harvest. Supplies are expected to improve the next few weeks. Expect markets to remain strong going into next week. (F.O.B pricing for this week \$21.00 - \$21.35)</p>
<p>MARKET ALERT</p> <p>Carrots</p> 	<p><u>SUPPLY</u> POOR</p> <p><u>QUALITY</u> GOOD</p> <p>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.</p>
<p>Cantaloupes</p> 	<p><u>SUPPLY</u> GOOD</p> <p><u>QUALITY</u> GOOD</p> <p>Very high temperatures continue to hit the primary California growing region. This heat has not only pushed sizing to larger sizes (9s+) but has forced harvest crews to shorten their days as temperatures escalate in the afternoon. Lesser than projected daily numbers are being packed because of these causing delays which has forced some trucks to lay over to the next morning after late arriving fruit has been cooled overnight. Availability of smaller sizes (12/15s) have both been negatively impacted with light availability on most days. Flexibility of sizing may be necessary. Quality of the cantaloupe has been outstanding with an excellent shell color to show a good appearance while producing consistently high brix levels of 14-16%.</p>

MARKET OUTLOOK

Cauliflower



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be good this week. Good quality continues to be reported. Current supplies are coming from Santa Maria, and Salinas CA. Great time to promote Cauliflower. Expect market pricing to remain steady going into next week. (F.O.B pricing for this week \$10.53 - \$10.78)

Celery



SUPPLY

GOOD

QUALITY

GOOD

Supplies are good for next week. Good quality has been reported at this time. Supplies are currently coming from Salinas CA and Santa Maria CA. Expect market pricing to remain steady going into next week. (F.O.B pricing for this week \$14.78 - \$15.36)

Citrus



SUPPLY

FAIR

QUALITY

FAIR

Limes: The market is expected to strengthen as availability declines on U.S. #1-grade fruit due to low pack-out yields. Overall quality is deteriorating, including lighter coloring, decreased shelf life, and increased skin breakdown/styler that typically appears after the fruit is packed and shipped. Please keep in mind that this is typical of seasonality trends caused by extreme high temperatures and humidity.

Lemons: Lemons have started to tighten up. Central Valley is finished for the season. Coastal region has had very little Fancy fruit, very heavy on choice and standards but some rough fruit this season. Fruit is very yellow, soft and has heavy scars; this is normal for this region. Right now, is the only real lemon option for food service. Argentina has started to arrive but only to the East and all 140s and larger Fancy. Chile will arrive and MX will start around mid-July. Due to the quality this season, Coast Region is trying to be done by end of August, they usually go until end of September. Market will be tight until Chilean and MX get started. With all the imports coming in and Coast Region pushing to be done early it may create a congestion in the market and cause the market to tumble. We will be watching this close both Chile and Argentina are hopeful for a good market.

Oranges: CA Valencia is in full swing and expected to last until end of September. Peak sizing on smaller fruit. Quality is excellent. Valencia crop is slightly down from last year. Market will stay strong. The fruit is the smallest it's been in years to start. Many shippers are planning to stop harvesting until August when school starts back up. Most years in mid-August when school start back up, demand has exceeded supply. Some shippers are thinking the market on small Valencia will be \$28-30 in August, so they want to keep fruit for this time frame.

MARKET ALERT

Corn



SUPPLY

FAIR

QUALITY

FAIR

Prices for Corn are trending up this week. California is expecting tight supplies for the next few weeks. Production out of the East has been impacted by heat. Georgia is done and production is working it's way to the North East regions. Most growers aren't taking on any new business. Expect the possibility of order cuts.

Cucumbers



SUPPLY

GOOD

QUALITY

GOOD

Prices for Slicing Cucumbers are trending down this week. Production out of the Northeast is picking up. Many local programs out of the Northeast are ramping up too. Heat will be a factor on volumes and quality for the weeks to come.

MARKET OUTLOOK

MARKET ALERT

Eggplant



SUPPLY
FAIR
QUALITY
GOOD

Prices for Eggplant are trending up this week. Supplies are tight out of the East and West. Growers are expecting elevated prices for the few weeks.

Grapes



SUPPLY
GOOD
QUALITY
GOOD

California grape season are in full swing despite Mexico supply falling short. Overall quality and supply from California is good. The general expectation on final prices is vague due to packing cost materials and inflation.

MARKET ALERT

Herbs



SUPPLY
GOOD
QUALITY
FAIR

Chervil: Supply is very short due to the heat California is experiencing in the growing regions. The heat is causing some plants to burn up and growers are not replanting until they have cooler temperature. Other herbs are showing some tip burn and brown spotting. Rain is affecting all herbs from Columbia. Mexico quality and production has improved.

Cilantro: Supplies continues to be very light this week. Fair quality is only reported at this time. Most growers will be shipping out of Salinas and Santa Maria. Growers are expecting for better supplies next week. (\$21.85- \$24.65)

Honeydews



SUPPLY
SHORT
QUALITY
GOOD

We are seeing a similar pattern with honeydews as sizing has been almost exclusively bigger fruit (5s and larger). Flexibility of sizing may be required if smaller fruit (6/8s) has been ordered. Quality of the dewes remains strong with high brix levels. California production we will remain here through mid-October.

Leaf



SUPPLY
GOOD
QUALITY
FAIR

Romaine: Supplies have improved for Romaine Hearts. Overall quality continues to be a challenge. Due to the warmer weather quality will only be fair with Prescence of Fringe Burn. Average weights are to be expected for next week. Romaine Lettuce is also having quality issues due to the warmer weather. (Romaine pricing for this week \$9.68 - \$11.00) (Romaine Hearts pricing for this week \$16.20 - \$17.80)

Green & Red Leaf Lettuce: Supplies will be steady going into next week. Quality will be fair with occasional fringe burn. Warmer weather has added some additional challenges to leaf items. Warm weather is also creating Heavy Bug Pressure. Market pricing will be steady going into next week. (F.O.B pricing for this week \$10.08 - \$10.68)

Tender Leaf: Supplies continue to be steady going into next week. Demand continues to be good, quality has also been reported as good. Supplies will remain steady for a few weeks. Warm weather is causing some challenges to the tender leaf growers. (F.O.B pricing for this week \$4.65 - \$4.75)

MARKET OUTLOOK



Iceberg



SUPPLY
GOOD
QUALITY
FAIR

Supplies will be good for this week. Overall quality has been reported as only fair at this time. Weights will be on the lighter side not normal weights. Expect market pricing to remain steady for next week. Warm weather is affecting yields and quality at field level. (F.O.B pricing for this week \$14.81 - \$15.81)

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 are coming out of California, New Mexico, and Washington. Quality has been good overall. California onions are expected to finish mid-August. Market remains steady for yellows, and demand are good on Medium and Jumbo. Demands on reds has come slowed down and the market has softened up a bit. This is affecting pre-cut as well. Freight and fuel rate continues to escalate.

Onions Green



SUPPLY
GOOD
QUALITY
GOOD

Supplies are fair for next week. Market pricing continues to be steady this week. Green onions are coming from Mexico. Growers down South are having some labor shortages. (F.O.B pricing for this week \$11.45- \$12.45)

MARKET ALERT

Peppers Bell



SUPPLY
FAIR
QUALITY
FAIR

Prices for Bell Peppers are trending up this week. All Bell Peppers is tight out of all growing areas. Growers are expecting tight supplies and higher prices for the next few weeks.

Peppers Chili



SUPPLY
FAIR
QUALITY
FAIR

Prices for Chili Peppers are mostly stable this week. Production out of the Northeast is steady. Heat could be a factor on volumes and quality going forward. Production out of Baja is up and running.

MARKET OUTLOOK

Pineapples



SUPPLY

FAIR

QUALITY

GOOD

RADAR: While we are ending the Natural Flowering time of year, which gives us a higher % of smaller fruit, we are starting to see the effects of La Nina. For Costa Rica La Nina brings increased rain to the Northern, Central and Pacific growing regions while the Caribbean side of the country experiences drought like conditions. We are encouraging all customers to be flexible regarding sizing to avoid disruptions in deliveries.

MARKET ALERT

Potatoes



SUPPLY

LIMITED

QUALITY

FAIR

EXTREME ALERT: The potato market continues to be extremely tight on all size and grades. Old crop storage supplies are very low, and some are already out. Some suppliers are expecting a 4-week gap. Quality is still a concern with hollow hearts and pressure bruising from storage. Expect orders to be short as there are no open market product available. Need to be flexible with sizing, state of origin, and open to alternative such as sweet potatoes, reds or yellow during the shortage. Marketing is hitting \$30 FOB. This is affecting precut potatoes as well. Demands exceed supplies. New crop Norkotahs are expected to begin in August, but it will take at least 10-14 days to refill the pipeline.

Squash



SUPPLY

GOOD

QUALITY

GOOD

Prices for Green and Zucchini Squash are trending down this week. Production out of the Northeast is picking up. Many local programs out of the Northeast are ramping up too. Heat will be a factor on volumes and quality for the weeks to come. Washington State and California are reporting good volumes for the West.

Strawberries



SUPPLY

GOOD

QUALITY

GOOD

Prices for Strawberries trending up slightly this week. Volumes are coming down a bit as expected. Growers are seeing a lot of Ad Activity from Retail Grocery Chain Stores. That's taking a lot of fruit out of the market. Growers are expecting volumes to pick up a bit in the weeks to come.

Tomatoes



SUPPLY

FAIR

QUALITY

FAIR

ALERT - Roma: Prices for Tomatoes are trending up this week. Product out of the East remains a bit tight as production works its way Northward. California is producing good volumes. Mexico is seeing it's seasonal light volumes.

Watermelons



SUPPLY

FAIR

QUALITY

GOOD

Supplies on Seedless and minis will be tight. North Carolina and Missouri continue to be light on supplies. Yuma and Phoenix are winding down. Southern California has started with light supplies. Supplies are expecting to get better in August.



MARKET OUTLOOK

Truckers vow to keep Oakland port paralyzed as California Governor stands firm

July 22, 2022

A group of truckers vowed to continue their blockade of freight shipments at the Port of Oakland through Thursday amid deepening concerns over major supply chain disruptions at one of the West Coast's largest ports.

Truckers have been protesting since Monday against a California labor law called AB5 which will make it harder for independent truckers to operate.

The Port of Oakland says that operations at its shipping terminals have been "effectively shut down" since Wednesday.

A growing chorus of protesters said they planned to continue halting cargo movement until Gov. Gavin Newsom signals that he is listening to their demand to exempt truck drivers from AB 5, a state law that will require thousands of independent truck drivers to register as employees, Los Angeles Daily News reports.

The protestors are also reportedly stopping dockworkers from reaching their posts for loading and unloading ships.

The governor's office "came back with nothing," Navdeep Gill, the owner of a small freight company, who has been negotiating with port officials, was quoted as saying by the website.

"Give us something in writing on what the governor's office is working on," Gill said in an interview. "Are they buying time? Or giving us an exemption? Or what?"

Meanwhile, the Wall Street Journal quoted a spokesperson for Gov. Newsom as saying on Thursday: "Although it has been the subject of litigation, AB 5 was enacted in 2019, so no one should be caught by surprise by the law's requirements at this time."

The stoppages are particularly hurting the region's agricultural exporters who use Oakland as a hub, according to the WSJ.

Nina Solari, vice president of food safety and quality control at Avanti Nut Co., a family-owned walnut processor in Stockton, said two shipments scheduled to go out this week are delayed and customers are canceling orders.

"If this carries on, I don't know what we are going to do," Solari was quoted as saying. "We will literally be sitting on the last of our 2021 crop and not being able to ship it."

AB5 is state law adopted in 2018 that the courts have affirmed when the United States Supreme Court denied review of the law.

The law requires companies that hire independent contractors to reclassify them as employees, but there are some exceptions in the law across industries.

The majority of truck drivers in California are owner-operator and many in this job category are concerned about their future. An estimated 70,000 truckers who own and drive their own trucks would fall under this law and they do not want to become an employee or part of a union in order to work.

Dan Schnur, a California political strategist, was quoted by Mercury News as saying: "When Newsom first signed this bill, no one really thought much about supply-chain demand."

"But that was before COVID. And before the war in Ukraine. Now it's gotten a lot more complicated for him."

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For full article: <https://www.freshfruitportal.com/news/2022/07/22/truckers-vow-to-keep-oakland-port-paralyzed-as-california-governor-stands-firm/>

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