



**WEEK 36 : September 5 - September 11, 2022**

# MARKET OUTLOOK

**Transportation:**

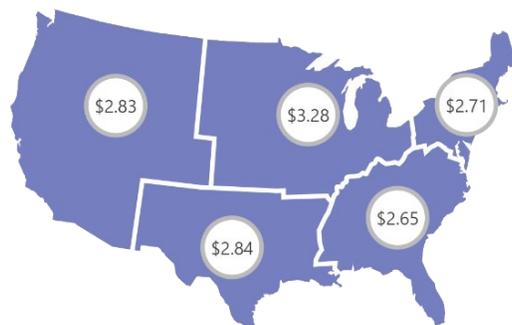
**National Diesel Average:** \$5.115

**Compared to Last Year:** \$3.339

**National Fuel Surcharge:** \$0.70

**Shortages:** Seeing high freight rates, with **extreme** shortages in DE, IN, IL, MD & VA; **slight** shortages - none reported

**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 70s to 80s and lows in the high 50s to 60s.

**Salinas, CA:** Sunny with highs in the high 70s to 90s and lows in the upper 50s to mid-60s.

**Yuma, AZ:** Sunny with highs in the 100s to 110s and lows in the high 70s to 80s.

**Immokalee, FL:** Scattered and PM thunderstorms throughout the week with highs in 90s and lows in the 70s.

**Idaho Falls, ID:** Sunny and party cloudy throughout the week with highs in the high 70s to high 90s and lows in the high-40s to mid-50s.

**MARKET ALERT**

- Asparagus
- Berries: Raspberries & Strawberries
- Cucumbers
- Eggplant
- Garlic
- Green Onions (Extreme)
- Honeydew (Radar)
- Lettuces: Iceberg, Green Leaf, Romaine Hearts (Extreme)
- Mushrooms
- Onions
- Oranges
- Pepper Bell: Red & Yellow
- Peppers Chili
- Potatoes (Extreme)
- Squash

# MARKET OUTLOOK



## Apples



SUPPLY  
FAIR  
QUALITY  
GOOD

The guesstimate for the Washington Apple Crop came out at 108,700,000 which is 11.1% less than last season. This does include Organics. Conventional only – the State is 12% down so basically the shrink is in Conventional where Organics are down slightly. Galas are not growing so peak sizes look to be 113/125 then 100cts. 88ct Galas are going to be extremely tight and very expensive all year. It's very important to move 88ct into 100ct (only 1/4 size difference). There can be significant price difference between. The other varieties are too early to tell the size profile because a lot can happen between now and harvest. The unknown factor is how Michigan, NY and PA will affect movement out of Washington.

### MARKET ALERT

## Asparagus



SUPPLY  
SHORT  
QUALITY  
GOOD

Peru have ramped up their production but will continue to see short supply on larger sizes. Market is extremely active on the bigger sizes due to the short supply. Asparagus availability are day to day on the West coast. Demand exceed supply. Baja to start with limited production mid-September.

## Avocados



SUPPLY  
GOOD  
QUALITY  
GOOD

All 4 countries of origin were down in volumes. Peru is past their peak, but there's another few weeks of strong arrivals on-the-water. California is all but done and Colombia is in their off-season. Mexico's projections are increasing with the addition of Jalisco volume, adding a few million pounds a week to its original Michoacán estimates. With only 55.6 Mil lbs. entering the market last week, many are still working through carryover inventory. Demand remains stagnant, and understandably so after many months of unprecedented high avocado prices and current economic inflation concerns. With the USDA adjusting prices, the market is now inverted with 60s demanding more than 48s. Market Outlook – continued stability into September with pricing continuing to narrow between sizes. 48s and larger are expected to stay in abundance for the next several months.

## Bananas



SUPPLY  
GOOD  
QUALITY  
GOOD

Banana situation is improving with volume beginning to increase.

### MARKET ALERT

## Berries



SUPPLY  
FAIR  
QUALITY  
GOOD

**Blackberries:** Prices for Blackberries are trending down this week, but the market remains tight. Growers are expecting Blackberry production to increase in the weeks to come.

**Blueberries:** Prices for Blueberries are trending up this week. Growers in most areas arise reporting a downward trend at production level. Look for continued tight supplies going forward.

**Raspberries:** **ALERT** Prices for Raspberries are trending down this week and the market remains tight. Growers are forecasting production to increase during the weeks to come.

# MARKET OUTLOOK



## Beans



SUPPLY

FAIR

QUALITY

FAIR

**Green Beans:** East coast green beans production has slow down due to the heat in the northern US regions and transition south. Quality remains an issue due to the heat. Supply and quality on the West coast will be affected for the next three weeks due to the heat, humidity, heavy rain and flooded field in Sonora, Mexico.

**Snow Peas:** Domestic and Mexico supplies are light. Market and prices continue trending upward for the next few weeks. Central America production continues to improve.

## Broccoli



SUPPLY

GOOD

QUALITY

GOOD

Supplies are right at budget this week. Market is more active this week. Demand has also increased. Market pricing has increased, and we should expect for pricing to continue climbing. (F.O.B pricing for this week \$15.73 - \$16.73)

## Brussels Sprouts



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be good this week. Quality has also good. Demand for Brussel Sprouts is steady. Market pricing will continue to remain the same for a few weeks. (F.O.B pricing for this week \$22.00 - \$22.75)

## Cabbages



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue improving this week. Growers are reporting better yields during harvest. Supplies are expected to improve the next few weeks. Expect market pricing to improve for next week. (F.O.B pricing for this week \$15.45 - \$16.45)

## Carrots



SUPPLY

GOOD

QUALITY

GOOD

Shippers fulfilling 100% on jumbo carrots now. Availability and quality are good. Some packing out of Salinas and crop looking great.

## Cantaloupes



SUPPLY

GOOD

QUALITY

GOOD

Bigger fruit availability is light with high demand heading into the holiday weekend. Larger sizes are costing higher while smaller fruit remain challenging. Cantaloupe are coming from California and Arizona. Quality and sugar level has remained excellent.

# MARKET OUTLOOK

## Cauliflower



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies are right at budget this week. Market is more active this week. Demand has also increased. Market pricing has increased, and we should expect for pricing to continue climbing. (F.O.B pricing for this week \$14.10 - \$14.58)

## Celery



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies continues to be good for next week. Excellent 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 \$9.05 - \$10.45)

## MARKET ALERT

## Citrus



SUPPLY  
FAIR  
QUALITY  
FAIR

**Limes:** As new production harvests began, quality continues to be compromised by weather, including consistent rain events paired with high temperatures and humidity. Reported crossings have been elevated, however, there is declined representation of US #1-grade fruit due to low pack-out yields. Fruit is currently representing lighter coloring, decreased shelf life, and increased skin breakdown/styler that typically appears after the fruit is packed and shipped. We do ask customers to notify their QC inspectors of current trends. Good delivery tolerances may be enforced.

**Lemons:** Domestic lemons are coming from the coastal region in California. Quality is very yellow, soft and has heavy scares, this is normal for this region lemons. Growers are grading as hard as they can and working thru it. This growing region is the only real lemon option for food service and seems to be working both price wise and quality wise. Argentina is arriving to the East and sizes are all 140's and larger Fancy, so not workable for foodservice. Chile has just started to come in but quality this year has been tough, and growers are demanding too much money right now. Mexico production has been delayed until mid-August, drought has suspended the growth timeline. They were scheduled to start mid-July.

**Oranges:** **ALERT** Valencia and Navels transition is approaching but with not good news. It is almost eminent that California will experience a 3-week gap at the end of September until Navels start on October 20<sup>th</sup>. We encourage all to possible substitute with another citrus or fruit. Valencia is showing to be 25%-30% down as an industry peaking on smaller fruit. Due to the industry being down this season we are anticipating the market to stay very, very strong all summer. With a high demand we do think the industry will be out of Valencia mid-September and not starting Navels until mid-October, leaving a 3-to-4-week gap on oranges. Chile had a freeze and lost a large % of their late navels which usually come in September and October leaving us unable to depend on them. Florida is hopeful to start first week of October. We are looking into each country to see if there are any other options for Oranges but there may be a gap which we have not seen in past years.

## Corn



SUPPLY  
FAIR  
QUALITY  
GOOD

Prices for Corn out of the East & West are trending slightly up this week. Looks for supplies to increase after the Labor Day holiday. Demand is expected to come off post-holiday.

# MARKET OUTLOOK

**MARKET ALERT**

**Cucumbers**



SUPPLY

FAIR

QUALITY

GOOD

Prices for Slicing Cucumbers are trending up this week. Growers are transitioning from Summer to Fall crops. This is causing some gaps in supplies. Volumes are expected pick up in the next couple weeks.

**MARKET ALERT**

**Eggplant**



SUPPLY

FAIR

QUALITY

GOOD

Prices for Eggplant are trending down this week. But the market remains tight. Supplies are still inconsistent due to weather. Growers are expecting tight supplies for at least the next couple weeks.

**MARKET ALERT**

**Garlic**



SUPPLY

FAIR

QUALITY

GOOD

Domestic garlic continues to remain tight. Harvest started late this season and growers are holding averages to try and minimized company buying heavy early in the season. Quality is good and the price is high.

**Ginger**



SUPPLY

FAIR

QUALITY

GOOD

Import Ginger has been getting a little thin due to the increase of overall cost to import.

**Grapes**



SUPPLY

GOOD

QUALITY

GOOD

Grape availability is looking good at this point. There was an improvement vs. last week. The demand for green grapes continues to be slow and pricing is beginning to reflect that low demand.

**Herbs**



SUPPLY

GOOD

QUALITY

FAIR

**Chervil:** Supplies continue to be light with day-to-day availability due to the heat in Mexico and the domestic growing regions.

**Cilantro:** Supplies are better this week. Quality has also improved. Most growers will be shipping out of Salinas CA and Santa Maria CA. Growers are expecting for supplies to continue improving. (\$15.60- \$16.35)

# MARKET OUTLOOK

## Honeydews



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

**RADAR** Honeydew supplies continues to remain tight. Need to be flexible of sizing at time of loading. California production will remain through mid-October. Quality has been good.

**MARKET ALERT**

## Iceberg



**SUPPLY**  
LIMITED  
**QUALITY**  
POOR

Supplies will be extremely limited for next week. Overall quality has been reported as only fair to poor on some occasions. Weights will be on the lighter side, not your normal weights. We are experiencing some quality issues at field level due to plant fungus. Yields will be highly impacted by fungus (*Fusarium*). (F.O.B pricing for this week \$27.50 - \$28.50)

## Kale



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

Supplies continue to be very good this week. Demand is down on Green Kale for this week. Good quality has been reported at this time. Supplies should remain steady for a few weeks. Market pricing is improving. (F.O.B pricing for this week (\$10.45 - \$12.65)

**MARKET ALERT**

## Leaf



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

**Green & Red Leaf: ALERT (Green Leaf)** Supplies continue to be very light this week. Quality will only be fair with occasional fringe burn and occasional presence of seeder. Warm weather is also creating Heavy Bug Pressure. Market pricing will continue to stay escalated going into next week. (F.O.B pricing for this week \$15.90 - \$25.00) Green leaf supply is limited, and quality is fair. Red leaf supply and quality are both fair.

**Romaine: EXTREME ALERT (Romaine Hearts)** Supplies will be extremely limited this week for Romaine and Romaine Hearts. Overall quality continues to be a challenge. We are seeing the effect of the INSV virus in the Romaine fields. Average weights and only fair to poor quality is to be expected next week. (Romaine pricing for this week \$27.00 - \$27.40) (Romaine Hearts pricing for this week \$31.90 - \$33.88)

**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 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 OUTLOOK



<b>MARKET ALERT</b>	<u>SUPPLY</u>	Onions are coming out of Idaho, Oregon, and Washington. Quality has been good overall. California is done. Some gapping until the Northwest region can ramp up. Idaho and Oregon are slowly starting with very tight supply on larger sizes. Quality has been good. Yield for new crop is very concerning. Peak sizing will trend smaller, and yields will be impacted slightly due to the cooler weather and rain in the spring. Market is strong. Demand is exceeding supplies. Colorado are expecting to start production after Labor Day.
<p><u>Onions</u></p> 	FAIR	
	<u>QUALITY</u>	
	GOOD	
<hr/>		
<b>MARKET ALERT</b>	<u>SUPPLY</u>	<b>EXTREME ALERT</b> Supplies will be extremely, extremely short this week. Market pricing will continue to be escalated going into next week. Green onions are coming from Mexico. Growers in Mexico are experiencing extreme limited supplies due to young plants dying due to extreme heat conditions. Shortage of labor is also adding to limited harvest affecting supplies. (F.O.B pricing for this week \$35.50- \$37.00)
<p><u>Onions Green</u></p> 	LIMITED	
	<u>QUALITY</u>	
	FAIR	
<hr/>		
<p><u>Pears</u></p> 	<u>SUPPLY</u>	The Pacific NW organic pear crop looks promising, as estimates point to an increase in volume over last year. Most organic varieties are seeing volume increases, which is welcome in a year where much of northwest tree fruit volume has been down. Sizing is looking to be two sizes smaller this year on summer pears (red and green Bartlett and Starkrimson). The whole NW pear crop is estimated to be slightly up year-over-year, further strengthening the organic pear category. The crop will continue harvesting through October and into early November, pending geography and variety.
	GOOD	
	<u>QUALITY</u>	
	GOOD	
<hr/>		
<b>MARKET ALERT</b>	<u>SUPPLY</u>	<b>ALERT (Red &amp; Yellow)</b> Prices for Green Bell Peppers is trending down this week. Red & Yellow Bell Peppers are stable. Availability on Bell Peppers is pretty much Weather driven right now. Expect gaps from areas impacted by rain.
<p><u>Peppers Bell</u></p> 	GOOD	
	<u>QUALITY</u>	
	GOOD	
<hr/>		
<b>MARKET ALERT</b>	<u>SUPPLY</u>	Prices for Chili Peppers are mixed this week. Serrano and Anaheim Peppers are extremely tight right now. Supplies remain tight out of the Northeast. Mexico has managed to keep up with demands but is facing supply gaps due to rains. Expect tight supplies during the weeks to come.
<p><u>Peppers Chili</u></p> 	FAIR	
	<u>QUALITY</u>	
	FAIR	
<hr/>		
<p><u>Pineapples</u></p> 	<u>SUPPLY</u>	We are still feeling the effects of the Natural Flowering portion of the year, which gives us a higher % of smaller fruit. Couple that with the effects of La Nina and the results are not favorable. The volume on 5cts and 6cts are limited and to ensure supply, would suggest that all customers move to 7s or 8s to get product. This situation will go on for the next few weeks. This will be the case for all grower shippers of pineapple from Costa Rica.
	FAIR	
	<u>QUALITY</u>	
	GOOD	

# MARKET OUTLOOK

## MARKET ALERT

### Potatoes



SUPPLY  
LIMITED  
QUALITY  
FAIR

**EXTREME ALERT** The potato market continues to be extremely short. Yields on early harvested potatoes are down. Number of acres planted in Idaho is down from last season. Extremely short supply on all sizes and grades. Market continues climbing to mid-40s and new crop has NO size at all, everything being harvested is super small. Be flexible on sizing, demand exceeds supply. This is affecting precut potatoes as well.

## MARKET ALERT

### Squash



SUPPLY  
FAIR  
QUALITY  
FAIR

Prices for Yellow and Zucchini Squash are trending down slightly this week. Growers are in transitioning from Summer to Fall Crops. Growers out of the Northeast have been fighting quality issues associated with rain. Supplies out of the West are tight too.

## MARKET ALERT

### Strawberries



SUPPLY  
FAIR  
QUALITY  
FAIR

Prices for Strawberries trending down this week. Growers are still reporting tight supplies as expected for this time of year. Some growers are noting some quality issues in the fields that's resulting in a lot of product loss at the time of harvesting. Look for tight supplies for the next few weeks or until new fall crops come online.

### Tomatoes



SUPPLY  
FAIR  
QUALITY  
GOOD

Prices for Tomatoes are trending slightly up this week. Many growers are transitioning from Summer to Fall crops and that's causing gaps in availability. Roma are being impacted by rains in the Northeast and Mexico. Growers are forecasting tight supplies going forward for the unforeseeable future. 20 lb & 25 lb Round prices are elevated.

### Watermelons



SUPPLY  
FAIR  
QUALITY  
GOOD

Supplies on Seedless and minis. Light supplies are coming from California, Indiana, and North Carolina. Arizona is starting up. Supplies are expecting to get better out of Oregon and Washington.



# MARKET OUTLOOK

## Mexico looks to increase avocado exports to Europe with new route

August 30, 2022

The Association of Growers and Exporter Packers of Mexican Avocados (APEAM) is this season aiming to increase exports to Europe and other markets, in addition to boosting the boom in the U.S.

Armando López, General Director of the Association said: "Our proposal is to find a fast route from Mexico to Europe which reduces the arrival through the Port of Rotterdam by 12 or 14 days because we have very important markets in Europe, in countries like France and Spain. Although there are new players in Europe, we want to stand out for the preference and quality of the Mexican avocado."

The expert highlighted that the Association wants to reconquer markets through logistics, and also to grow in the East, in countries like China and Korea, as well as boost the consumption of avocados in Russia and Arab countries.

New strategies are aiming to match the boom in the Mexican avocado industry in the U.S., where consumption went from approximately 500 grams of avocado in the year 2000, to 4 kilos of avocado per capita.

This growth, said Lopez, is thanks to good advertising campaigns in two important areas, the Anglo-Saxon market, i.e. the Americans themselves and the Latin American market, which has been a loyal consumer and has made the Mexican avocado the preferred avocado throughout America.

"These have been the guiding axes of growth. Today we are exporting 1.2 million tons," he added.

The General Director of APEAM also explained the importance of advertising for the Super Bowl: "every year, together with the Executive Board of Avocados From Mexico, we meet in Boston to define the advertising strategies and messages for the Super Bowl.

"We use the most important U.S. stores to advertise Mexican avocados in the U.S. We rely on artists, chefs and well-known people to make it more attractive for consumers to select and buy their avocados."

In addition, prices have remained high in the U.S. market. López detailed that they have been working on advertising because when avocado exports from Mexico began, a tax of 2.5 cents per pound was charged upon entry to the United States, which makes up a fund that is sent to the Hass Avocado Board.

"For every dollar the Hass Avocado Board receives, they send us Mexican hass avocado importers 85 cents of every dollar. With that resource plus the one we send from APEAM to our agency called Avocados From Mexico, which is in Dallas, the advertising budget is made," said Lopez.

This season, "we are noticing compensation through e-commerce sales. Perhaps because of the confinement, many people chose to eat avocado, thinking of eating healthily at home. The pandemic boosted avocado consumption through e-commerce, and fortunately consumption did not fall."

**For full article:** <https://www.freshfruitportal.com/news/2022/08/30/mexico-looks-to-increase-avocado-consumption-in-europe-with-new-access-route/>

*Published by FreshFruitPortal.com*

**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!**

Your Dedicated NPC, LLC Staff