

Weekly Market Review

May 13, 2022

Overview

Better volume available on small limes this week, however the larger sizes will continue to be short. and expect this to continue through June. Tomato volume has tightened up as volume is below expectation and we may see this continue through Labor Day as transition to Quincy and South Carolina should begin by the end of the month. On the veg, new crop production in South Georgia has ramped up, good volume available on cucumbers, cabbage, soft squash and bell pepper production will improve this week. Corn is hitting good stride and volume is available out of Belle Glade Florida, as well as the desert.

Market Alert

- Avocados – **ESCALATED**
- Asparagus - **ESCALATED**
- Bell Pepper (Green) – **ESCALATED**
- Cabbage – **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Celery - **ESCALATED**
- Garlic – **EXTREME**
- Ginger – **EXTREME**
- Hot Peppers - **ESCALATED**
- Limes – **ESCALATED**
- Mushrooms – **ESCALATED**
- Oranges - **ESCALATED**

WATCH LIST

- Green Beans
- Snow Peas
- Sugar Snap Peas

Transportation

DAT national load to truck ratio has returned to the levels we were seeing prior to the December/January spike with March 6th reporting a 10.94 load to truck ratio. This reduction in truck demand has also brought the average cost per mile reported by DAT back down from \$3.61 in January to \$3.47 as of March 10th. The \$3.47 average is the same average as December '21. The conflict in Ukraine has brought supply uncertainty to the crude oil market. This uncertainty along with sanctions on Russia has increased crude oil prices from \$86 per barrel in January to \$124/b in the first week of March. This increase in crude oil has caused the average diesel cost to increase from a \$3.72/gal average in January to \$4.84/gal average as of March 7th.

Weather

OXNARD, CA:

Thu 5/12	Fri 5/13	Sat 5/14	Sun 5/15	Mon 5/16	Tue 5/17	Wed 5/18	Thu 5/19
68° 49°F	74° 52°F	74° 55°F	67° 54°F	66° 53°F	67° 53°F	69° 54°F	67° 52°F
							
Mostly Sunny	Sunny	Sunny	Partly Cloudy	Sunny	Sunny	Sunny	Mostly Sunny

CULICAN, MX:

Thu 5/12	Fri 5/13	Sat 5/14	Sun 5/15	Mon 5/16	Tue 5/17	Wed 5/18	Thu 5/19
106° 70°F	96° 68°F	95° 67°F	97° 68°F	97° 67°F	95° 64°F	95° 63°F	96° 63°F
							
Mostly Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Sunny	Mostly Sunny

PALMETTO, FL

Thu 5/12	Fri 5/13	Sat 5/14	Sun 5/15	Mon 5/16	Tue 5/17	Wed 5/18	Thu 5/19
85° 64°F	84° 66°F	87° 69°F	87° 70°F	87° 71°F	88° 72°F	90° 71°F	91° 72°F
							
Mostly Sunny	Partly Cloudy	Mostly Sunny	Mostly Sunny	Sunny	Sunny	Sunny	Sunny

JALISCO, MX:

Thu 5/12	Fri 5/13	Sat 5/14	Sun 5/15	Mon 5/16	Tue 5/17	Wed 5/18	Thu 5/19
89° 63°F	85° 61°F	84° 58°F	83° 59°F	82° 59°F	82° 58°F	84° 56°F	84° 57°F
							
Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Sunny

COACHELLA, CA:

Thu 5/12	Fri 5/13	Sat 5/14	Sun 5/15	Mon 5/16	Tue 5/17	Wed 5/18	Thu 5/19
90° 60°F	101° 67°F	106° 74°F	105° 72°F	104° 71°F	102° 70°F	102° 70°F	100° 67°F
							
Sunny	Sunny	Sunny	Mostly Sunny	Sunny	Sunny	Sunny	Sunny

SALINAS, CA

Thu 5/12	Fri 5/13	Sat 5/14	Sun 5/15	Mon 5/16	Tue 5/17	Wed 5/18	Thu 5/19
65° 45°F	73° 51°F	73° 53°F	69° 53°F	65° 49°F	68° 48°F	72° 53°F	70° 51°F
							
Partly Cloudy	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny

Good Buys

Commodity	Market Update	Expert Tip
Corn	Good volume available out of Florida and California. South Georgia will ramp up in approximately 3 weeks. Quality is outstanding.	There is nothing like the corn that comes around ever summer! The best way to cook corn, is by these three easy steps. Shuck the corn by peeling down the outside layers one at a time. Remove the silk, then pull the husks back up over the corn. Soak the corn cobs in cool water for at least 20 minutes and then place the corn directly on the grill grates and cook until the husk begins to blacken, then turn. Cook 20 to 22 minutes total, until the corn is cooked through! Enjoy!

Fruits & Vegetables

Avocados: **ESCALATED** Total volumes to the U.S. closed at 45 million pounds for last week, roughly a 23% reduction from the previous week. Volume projections call for over 55 million pounds of harvest for this week, but field trucks are tracking light, and we're looking at a second week with volumes under 50 million pounds. The larger size curve continues and is expected to continue as both Mexico and Peru favor big fruit. The pricing gap between 48 and 60cts is closing, and smaller fruit will be tight until the Flora Loca crop begins in Mexico (July). California has been harvesting around 12-13 million pounds per week, and the size curve favors 60cts, followed by 70cs.

Bananas: Steady volume and good quality available. However, we are seeing firm pricing this quarter due to record high fuel prices.

Pineapples: Pineapple availability continues to be okay. The size profile is trending to size 5 and 6cts and availability on 7cts remains limited.

Grapes: Weather in Chile is ideal for grapes and has been for a few weeks, which is increasing the supply imported into the U.S. Red Grape pricing continues to be fairly low with plenty of supply. Green grapes remain higher as fewer supplies have been shipped.

Berries

Strawberries: Volume is expected to increase out of the northern districts and Santa Maria. Growers continue to see lingering impacts from previous weather events. Oxnard volumes continue to decrease as they see more labor migration into the northern districts.

Blackberries: Growers are in a transition period between Mexico and the US regions. Mexico production is expected to end by mid-June. Oxnard and North Carolina volumes will continue to increase over the next few weeks.

Raspberries: Growers are in peak volumes this week out of Central Mexico. Volume will decrease next week and decline rapidly until the season ends around the beginning of July. Domestic regions will begin their uptrend in volumes over the coming weeks. Santa Maria will start with minimal volumes next week, and British Columbia will start towards the end of June.

Blueberries: Central Mexico production will continue to decrease through the end of May. The San Joaquin Valley has started production and will likely see strong volumes begin in the next 7-10 days. Baja is

producing strong volumes and is expected to continue for the next two weeks. Florida volumes are decreasing quickly and will finish production by next week. Georgia production will continue for the next two weeks.

California

Citrus

Oranges: **ESCALATED** Small oranges remain fairly tight, with market pricing in the low \$20's for choice grade. Few navels remain, but many growers are on to Valencias. Size structure peaking 56/72, with about 75% being fancy grade.

Lemons: Are in full swing, quality has been good.

Limes: **ESCALATED** Volume will continue improving on small limes; however, the crop is simply not sizing up at this point. Growers are optimistic we should see a much-improved size distribution by the middle of June. With this update we expect larger sized fruit to be an issue and ask to be flexible on sizes until we see improvement on volume on large sized fruit.

Grapefruit: Ruby grapefruit now available. Size is peaking on 32s and larger fancy and all small sizes 36s and smaller are tight. Texas is expected to start very late.

Imports/Specialties: Blood oranges are available in good supply. Imported clemens will be available soon.

West Coast Lettuce

Butter Lettuce: Market continues active with very good quality.

Green Leaf: Quality is very good; Market is slightly stronger with slightly lighter supplies from the recent cooler weather.

Red Leaf: Quality is very good with slightly lighter supplies; Market is steady

Romaine and Romaine Hearts: Market continues steady with steady supplies. Quality is very good!

Iceberg Lettuce: Supply is projected to be lighter than normal due to the cooler weather. Lighter weights and lower pounds per acre are predicted. Quality has been very good with the current weather situation. Demand has been higher than normal and the market is currently active and will continue to improve.

Eastern and Western Vegetables

Green Bell Pepper: **ESCALATED** Overall markets are easing back as more volume becomes available out of North Florida. In Mexico, volume is light as the season winds down over the next several weeks. Coachella is slowly ramping up and quality out of the region is very nice. South Georgia is also ramping up and quality is beautiful, we should see steady markets and improved fob prices continue over the next week.

Red Bell Pepper: Good Supply and quality available

Yellow Bell Pepper: Good supply and quality available

Mini Sweet Pepper: Good supply and quality available

Mixed Chili Pepper: ESCALATED We will continue to see marginal quality and light supply out of Florida; South Georgia should ramp up late next week on hot pepper. In McAllen and Nogales, prices remain firm this week but much improved availability on Anaheim's, Jalapeno, Serrano, and Poblano. Jalapeno and tomatillos are firm but should improve as volume ramps up out of Baja.

Eggplant: Good supply available out of Florida and Mexico. Georgia and Coachella are about 3 weeks from starting.

Slicer Cucumbers: Florida supply will be wrapping up this week and transition to South Georgia where we are seeing better availability daily. Volume and quality crossing through McAllen and Nogales remains strong.

English Cucumbers: Good quality and supply available out of Mexico.

Pickles: Supply was lighter this week crossing through Nogales and quality is very nice. We are seeing better numbers out of South Florida this week as well.

Green Beans: WATCH LIST Bean supply in the east is tight as the last of the Florida crops finishes, we should see better volume once we transition to South Georgia later this week. In the west, Mexico is about done with transition to Coachella in full swing followed by Fresno. FOB prices are expected to remain elevated for the next few weeks.

French Beans: Excellent supply and quality out of Guatemala

Zucchini/Yellow Squash: Excellent supply and quality available out of Florida, South Georgia, and Crossing through Nogales. California is about 10 days from scratching new crop.

Herbs

Fresh herbs remain stable. **Thai Basil** is a little short till next week as growers' transition too locally grown. **Italian Parsley** was impacted by recent weather/heat issues, but this should only last about 10 days.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Steady	USA
Basil	Steady	Steady	MEXICO
Opal Basil	Steady	Steady	MEXICO
Thai Basil	Steady	Steady	MEXICO
Bay Leaves	Steady	Steady	COLOMBIA
Chervil	Steady	Steady	USA
Chives	Steady	Steady	MEXICO
Cilantro	Steady	Steady	USA
Dill	Steady	Steady	MEXICO
Epazote	Steady	Steady	MEXICO

Lemongrass	Steady	Steady	USA
Marjoram	Steady	Steady	MEXICO
Mint	Steady	Steady	USA
Oregano	Limited	Steady	MEXICO
Italian Parsley	Steady	Steady	USA
Rosemary	Very Limited	Steady	MEXICO
Sage	Steady	Steady	MEXICO
Savory	Steady	Steady	USA
Sorrel	Steady	Steady	USA
Tarragon	Limited	Steady	MEXICO
Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA
Lemon Thyme	Steady	Steady	USA
Lime Leaves	Steady	Steady	USA

Melons

Cantaloupe: The market for cantaloupe continues to adjust downward with pressure coming from Mexican production. On the east coast, most offshore shippers will be concluding their season over the next 7-10 days. Sizing on cantaloupe is moving away from the jumbo fruit with a good spread of 9, 12, and 15 counts. Current arrivals have a very nice shell color and good brix levels. Overall, this is some of the prettiest fruit we have seen all season.

Honeydew: The market for cantaloupe continues to adjust downward with pressure coming from Mexican production. On the east coast, most offshore shippers will be concluding their season over the next 7-10 days. Honeydew arrivals on the east coast have been relatively light, with the majority of the fruit being 5 jumbos and larger. Cheaper fruit crossing through Nogales has impacted the east coast market even with the higher freight.

Watermelon: Good volume available out of Florida and quality is very nice. Good volume also crossing through McAllen and Nogales on Minis and Seedless.

Mixed Vegetables

Artichokes: Quality has improved significantly, with good supply.

Arugula: Quality has improved with much better available supplies, market is steady

Asparagus: **ESCALATED** Hot weather continues in Oregon, which is causing low yields due to seeding. Southern Baja continues with better production this week, and this should continue for the next two weeks. Guanajuato should start-up in the next two weeks. Peruvian production continues to increase in the north and southern Peru is still experiencing cooler weather. Markets are less active at the end of this week with the Mother's Day rush finished.

Broccoli/Broccoli Florets: Market continues steady with very good quality.

Brussels Sprouts: Quality is good with very good demand; market continues active with slightly higher pricing.

Carrots: **ESCALATED** Current demand exceeds predicted supply while lower than average yields caused by cold wet weather has limited availability. Shippers continue to struggle with labor due to COVID and not having enough workers show daily to pack carrots.

Cauliflower: Quality is very good but with increased demand. Market continues strong and will remain active through next week.

Celery: **ESCALATED** Celery market is very active as we continue to see quality issues in the fields in Oxnard. We are seeing seeders in all fields which is reducing available supply. Look for market to remain strong for while growers navigate through the quality problems.

Corn: Good volume available out of Florida and California. South Georgia will ramp up in approximately 3 weeks. Quality is outstanding.

Fennel: Considerably better supply with very good quality, prices are lower.

Garlic: **EXTREME** Domestic supply is very tight, and shippers are holding to averages but we expect this volatile market to continue through next summer. Garlic Company is now shipping product of Mexico until new crop garlic gets started in mid-July.

Ginger: **EXTREME** Ginger is very volatile due to very inconsistent supply and market is higher. Supply remains tight for the foreseeable future.

Green Cabbage: **ESCALATED** Quality is good, supplies are lighter. Market is very active

Green Onions: Supply is good with very good quality, Market is steady

Jicama: Steady supply available crossing through McAllen.

Kale (Green): Supply is steady, quality is very good

Mushrooms: **ESCALATED** Quality is good, although supply is down and markets are higher primarily due to a lack of labor, shortages in component of growing such as peat moss and other inflationary pressure. We expect to see this continue to be a challenge until some of the growing costs can get under control of this particularly labor intensive and cost sensitive item.

Napa Cabbage: Quality and supplies are improving.

Parsley (Curly, Italian): Supply will be lighter going through next week, quality is very good

Rapini: Excellent supply this week and next.

Red Cabbage: - **ESCALATED** Quality is good, supplies are lighter. Market is very active

Snow Peas and Sugar Snaps: **WATCH LIST** We have started to see some quality issues due to rain in the snow peas at the field level. Sugar snap supply continues to improve. Mexico production is winding down quickly; the product available will be suspect to fair quality at best. US production has started in a small way, and the quality is good. We should see volumes continue to increase weekly.

Spinach (Bunched & Baby): Supply and quality are good.

Spring Mix: Supply and quality are good.

Sweet Potatoes and Yams: Demand continues to be stable across all sizes and varieties. There are deals to be had on both #1's and Jumbos out of North Carolina. FOB's out of Mississippi are a bit higher but quality out of that region has been outstanding. We should see prices gradually start to rise throughout the summer months and into the new crop.

Onions:

Product has loosened up in Texas as they have dried out from their bouts of rain last week. It seems like they have approximately 1-2 weeks remaining. Size and quality remain strong on all colors and sizes out of this region. We are not seeing an overabundance of any one particular size/color down here as well. It appears to be mostly mixed across the board. The Northwest is essentially finished up outside of maybe one or two growers in Washington primarily covering contracts. This is likely going to be the scenario for another 2-3 weeks out of this region. Any open market product still being shipped in this region is being kept close and mostly staying on the West Coast. Production has ramped up in the Imperial Valley, CA despite heavy labor challenges. We do anticipate there is another 'gear' to hit here in terms of production volume. We will likely see that many more onions shipping out of CA in the coming weeks. Originally, the industry was expecting further downward pressure on pricing out of California than we have seen thus far. This still may take place, but until production can reach its peak, pricing will likely stay relatively flat. Their size profile has been heavier to large onions. They are peaking on Jumbo size and beyond, with mediums becoming much tighter than we have seen in quite some time. While growers still feel there is a higher percentage of seeders in this crop than normal, we have not been seeing these upon arrival, which is positive. The next major shipping region to come online will be New Mexico in about 3-4 weeks' time. Hopefully Southern California can get production ramped up in time to help alleviate overlapping supplies as much as possible. Trucks have remained plentiful, and rates continue to reflect healthy capacity, with some reduced demand. However, we do expect the rates will take an increase as trucks begin moving to California for the Salinas transition.

Potatoes:

The potato market has stabilized on all sizes now. While size profiles had been mixed throughout the state, we are seeing #1 count cartons continuing to tighten up all over. The tightest range of size appears to be on 60/70/80 count potatoes. We are beginning to see the market begin to move up again because of this. Pricing had been relatively flat for the last several weeks, but this is beginning to change relatively quickly. Historically, the market pricing is typically heavier to a specific profile, and we see pricing reflective of this. This season, we are generally not seeing pricing reduced on any specific size count cartons or #2s. This is a testament to just how short the crop is, and how spread-out demand is across the spectrum of grades and sizes in Idaho. Growers are beginning to get into their last remaining Norkotah cellars and should finish

them up over the course of the next month or two. Growers do see a decrease in production when switching from Norkotahs to Burbanks, as the Burbanks do not pack out with the same level of production than Norkotahs do. The concern this year is that the drop off will be significant as the Burbanks were believed to have taken the brunt of the heat wave this past summer. If that does take place, we will see a fast upturn in market pricing across all sizes and grades of potatoes. Processor demand remains heightened and continues to put pressure on the fresh crop as they are offering record prices for bulk product. Growers in all regions are preparing for a very strong April, where product is expected to significantly tighten up and remain snug until new crop in August. Additionally, freight has returned a much more 'normal' state for this time of year. We are seeing rates that we have not seen since early 2020, before the Pandemic. Despite hefty fuel increases, this has not materialized yet in higher rates. Rates are expected to increase in April as we move toward Summer.

TOMATOES

East Coast

- **Round and Roma Tomatoes:** Markets were higher this week as volume starts to wind down out of the Ruskin area. We should see tighter markets over the next 2 weeks as transition begins from Central Florida north to Quincy/ Bainbridge and South Carolina. Quality is outstanding
- **Grape and Cherry Tomatoes:** Volume was lighter this week and quality remains strong. We expect lighter availability through Labor Day and should improve with transition.
- **Organic Tomatoes:** Supply will remain limited this week.

Mexico

- **Round and Roma Tomatoes:** Lighter volume with a wide range of quality continues as winter production winds down and transition to spring crops begin out of Baja, Sonora, and Jalisco. We should see volume continue to improve this week and quality be much improved.
- **Grape Tomatoes and Cherry Tomatoes:** With the Sinaloa Season ending and production set to ramp up out of Baja and Central Mexico by the first of the month; we expect good availability to continue through Memorial Day. Overall quality remains good.
- **Medley Grape Tomatoes:** Strong numbers continue out of all regions and quality is outstanding.
- **Tomato on the Vine:** Excellent quality and supply available.

APPLES & PEARS

Apples: West coast new crop apples are being packed; however small sizes remain tight. East coast apples are available as well. Market price remains firm on small fruit as local schools take most of the volume.

Pears: This year's pear crop was down significantly, with mostly larger fruit available. Growers are trying to drag out supply as best as possible until new crop starts next August.