

Weekly Market Review May 20, 2022

Overview

Lime markets continue to improve this week; however, the larger sizes will continue to be short, and expected to continue through June. Tomato volume has tightened up as volume is below expectation and we may see this continue through Memorial 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. 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**
- Tomatoes (Round & Roma) - **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 5/19	Fri 5/20	Sat 5/21	Sun 5/22	Mon 5/23	Tue 5/24	Wed 5/25	Thu 5/26
62° 55°F	64° 56°F	66° 53°F	65° 52°F	65° 54°F	68° 56°F	70° 56°F	70° 56°F
							
AM Clouds/PM Sun	AM Clouds/PM Sun	Mostly Sunny	Partly Cloudy	Mostly Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy

CULICAN, MX:

Thu 5/19 94° 64°F  Partly Cloudy	Fri 5/20 94° 62°F  Sunny	Sat 5/21 98° 62°F  Sunny	Sun 5/22 98° 62°F  Sunny	Mon 5/23 96° 63°F  Sunny	Tue 5/24 96° 64°F  Sunny	Wed 5/25 97° 67°F  Sunny	Thu 5/26 99° 69°F  Sunny
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PALMETTO, FL

Thu 5/19 87° 73°F  Partly Cloudy	Fri 5/20 85° 72°F  Thunderstorms	Sat 5/21 89° 73°F  Scattered Thunderstorms	Sun 5/22 89° 73°F  PM Thunderstorms	Mon 5/23 90° 72°F  Isolated Thunderstorms	Tue 5/24 90° 73°F  PM Thunderstorms	Wed 5/25 90° 73°F  PM Thunderstorms	Thu 5/26 89° 73°F  PM Thunderstorms
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MOULTRIE, GA

Thu 5/19 94° 70°F  Partly Cloudy	Fri 5/20 91° 71°F  Partly Cloudy	Sat 5/21 82° 68°F  Scattered Thunderstorms	Sun 5/22 82° 68°F  Scattered Thunderstorms	Mon 5/23 81° 66°F  Scattered Thunderstorms	Tue 5/24 86° 67°F  PM Thunderstorms	Wed 5/25 88° 69°F  PM Thunderstorms	Thu 5/26 88° 68°F  Partly Cloudy
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JALISCO, MX:

Thu 5/19 85° 57°F  Sunny	Fri 5/20 85° 59°F  Sunny	Sat 5/21 88° 59°F  Sunny	Sun 5/22 86° 58°F  Sunny	Mon 5/23 84° 56°F  Sunny	Tue 5/24 85° 56°F  Sunny	Wed 5/25 86° 59°F  Sunny	Thu 5/26 87° 61°F  Sunny
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COACHELLA, CA:

Thu 5/19 100° 71°F  Sunny	Fri 5/20 96° 64°F  Sunny	Sat 5/21 93° 64°F  Sunny	Sun 5/22 96° 67°F  Sunny	Mon 5/23 101° 71°F  Sunny	Tue 5/24 104° 73°F  Sunny	Wed 5/25 105° 75°F  Mostly Sunny	Thu 5/26 106° 75°F  Mostly Sunny
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SALINAS, CA

Thu 5/19 72° 49°F  Sunny	Fri 5/20 69° 47°F  Sunny	Sat 5/21 71° 49°F  Sunny	Sun 5/22 72° 51°F  Partly Cloudy	Mon 5/23 75° 53°F  Sunny	Tue 5/24 79° 58°F  Sunny	Wed 5/25 78° 56°F  Mostly Sunny	Thu 5/26 75° 55°F  Partly Cloudy
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Good Buys

Commodity	Market Update	Expert Tip
Zucchini and 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.	Summer squash is the perfect side dish option and such a versatile veg! From grilling and baking to frying and braising, there are so many things you can do with zukes and yellow squash! Try slicing them into fry like shapes, and coating them with panko breadcrumbs, you can then put these in the air frying or bake and it is a great take on your traditional potato fry!

Fruits & Vegetables

Avocados: **ESCALATED** Total volumes to the U.S. closed at 42.6 million pounds for last week, a 5% reduction from the previous week. With a lighter harvest out of Mexico for the past two weeks, the market continues to adjust, but not necessarily the way shippers anticipated. Currently, field pricing is on-the-rise as the amount of small fruit available has tightened. For months, the smaller size curve out of Mexico and California supported the industry sizing down to maximize per each cost. However, the demand for smaller fruit is keeping this market elevated. The California harvest remains in full swing. Exceptional quality fruit continues to be harvested and packed daily. Good supplies of California avocados will remain available through June. The decreasing volume will be felt in July and ultimately finish up during August.

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. In Mexico we are seeing good volume and light demand on New Crop Flames and Perlettes.

Berries

Strawberries: This week, we saw slightly lower production out of California due to cold and windy temperatures, which slowed fruit maturation. Warmer temperatures are expected, which will likely help production bounce back. Salinas, Santa Maria, and Watsonville will continue to ramp up while Oxnard is expected to decrease. The quality is good with consistent sizing. Growers see some wind damage in the Santa Maria region.

Blackberries: The industry is in the transitional period between central Mexico and California. The central Mexico season will likely end in mid-June. Oxnard, Santa Maria, and Watsonville supplies are increasing, with Oxnard being the primary producing region in California.

Raspberries: Central Mexico will continue to wind down until the end of its season around the end of July. Baja volumes are expected to increase for the next two weeks and will rapidly decline at the beginning of June. The California growing regions will continue to see an uptrend in volumes over the next several weeks.

Blueberries: Mexico production continues to ramp down through the month of May. The San Joaquin Valley is in production and should see good volumes moving forward. Baja is expected to be at its spring peak in the next few weeks. Georgia volumes are trending down, and the season is expected to finish up in the next 2-3 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 (150 counts and larger)** 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** Improving volume has become available out of Florida and should see South Georgia should ramp up late next week. In McAllen and Nogales, prices remain firm this week but much improved availability on anaheims, 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 2 weeks from starting.

Slicer Cucumbers: Florida supply will be wrapping up this week, South Georgia is seeing strong productions and outstanding quality. 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 Florida is now done while South Georgia is slow to ramp up. 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 3-5 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: Most import shippers are wrapping up their seasons, so we are starting to see less fruit available on the east coast. Growers will transition to the Arizona growing region over the next 2-3 weeks. Quality on cantaloupe remains strong with a good mix of sizing.

Honeydew: Most import shippers are wrapping up their seasons, so we are starting to see less fruit available on the east coast. Growers will transition to the Arizona growing region over the next 2-3 weeks. Quality on honeydews remains strong and cheaper fruit crossing through Nogales continues to impact the east coast market.

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** Warner weather in Oregon continues to cause lower yields due to seeding. Southern Baja continues with good production, especially on the Jumbo size. Guanajuato should start-up in the next two weeks and Peruvian production remains the same from last week in the north. The south is still seeing cooler weather and markets are less active with more domestic regions starting up and Peru and Mexico with good production.

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 continues out of Florida and California. South Georgia will ramp up in approximately 3 weeks. Quality is outstanding. We expect markets to firm up as Memorial Day demand at retail increases this week for add promotions.

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** Rain has slowed down the production of snow peas, and quality will be affected in the coming weeks. Sugar snap supply is steady out of Guatemala and Mexico sugar snaps are limited, and snow peas are done. US production has started with good supply and quality.

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 mostly finished up in Texas, and there is essentially just clean up product to ship at this point. 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 1-2 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 and should remain this way for another 2 weeks approximately. Because they started their shipping season several weeks earlier in April, they are going to finish their crop a little bit earlier than normal. Because of this, the San Joaquin valley region will likely be able to hold the market up from falling much further come June. There may be some occasional deals, and a little bit of downward pressure once both California and New Mexico start around June 1st, but it appears pricing will likely stay relatively flat. The size profile in CA is heavy to larger size onions, however, they are balancing out to be a good mix across the board. We continue to see East Coast onion options gain popularity due to freight challenges. The round onion program in Georgia and North Carolina is beginning to become a consistently reliable option as growers are increasing their investment out of these regions year over year. Trucks have remained plentiful up until this past week when DOT inspections have caused them to tighten. This is likely a short-term situation, however, it could change the trajectory some and start inching rates back up.

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. Trucks have remained plentiful up until this past week when DOT inspections have caused them to tighten. This is likely a short-term situation, however, it could change the trajectory some and start inching rates back up.

TOMATOES

East Coast

- **Round and Roma Tomatoes:** **ESCALATED** Volume continues to be a struggle as the Palmetto season is rapidly coming to an end and expect active markets through Memorial Day. We should see relief once we transition to South Georgia and South Carolina by the end of the month.
- **Grape and Cherry Tomatoes:** Volume was lighter this week and quality remains strong. We expect lighter availability through Memorial Day and should improve with transition.
- **Organic Tomatoes:** Supply will remain limited this week.

Mexico

- **Round and Roma Tomatoes:** **ESCALATED** 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.