

Weekly Market Review November 18, 2022

Overview

We continue to see struggles with weather in the east that will impact several Florida commodities for the remainder of the year. Color pepper supply continues to remain tight and although we are in transition to Baja and Coachella, we are seeing slow starts. **The entire tomato and mixed vegetable category crossing through Otay remain short due to weather impacts and virus.** Production in South Georgia is slowing down as temperatures drop, but we should start transition to Florida over the next several weeks. Production out of Mainland Mexico on tomatoes continues to be well below normal due to weather and virus pressure and demand is high as consumers move west to source tomatoes since the growing regions of Central and South Florida were ravaged by Hurricane Ian. **We expect extreme markets on tomatoes in all growing regions through the end of the year due to several recent extreme weather events as well as dry veg, and citrus crops throughout the region.** In the west, **Transition from Salinas to Yuma will be complete by the end of this week and we expect volatility across all markets as most shippers have been reaching into their crops early to cover the holiday pull. Cool weather is not pushing the crop forward and most crops have the potential to develop gaps based on the reach and cool temperatures.**

Market Alert

- Arugula. All – **ESCALATED**
- Bell Peppers (Red, Yellow and Mini Sweets) – **ESCALATED**
- Broccoli – **ESCALATED**
- Cabbage, Red & Green- **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Cauliflower – **EXTREME**
- Celery - **ESCALATED**
- Cilantro – **ESCALATED**
- Cucumbers (Slicers) – **ESCALATED**
- French Beans - **EXTREME**
- Garlic – **EXTREME**
- Ginger – **EXTREME**
- Green Beans - **EXTREME**
- Green Onions – **ESCALATED**
- Hot Pepper - **ESCALATED**
- Lettuce (Iceberg, Romaine/Romaine Hearts, Green Leaf & Boston) – **EXTREME**
- Melons - Cantaloupe and Honeydew - **ESCALATED**
- Mushrooms – **ESCALATED**
- Parsley – **ESCALATED**
- Potatoes (40s & 50s) – **ESCALATED**
- Spring Mix – **ESCALATED**
- Spinach - **ESCALATED**
- Strawberries – **EXTREME**
- Sugar Snap Peas – **ESCALATED**
- Tomatoes - **EXTREME**

WATCH LIST









- Bell Peppers Green
- Celery
- Corn
- Eggplant
- Pickles
- Seedless & Mini Seedless Watermelon
- Soft Squash (Zucchini and Yellow Squash)

Transportation




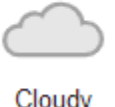




Although diesel rates are near record highs truckload rates continue to decline as consumer spending on durable goods declines reducing demand in the truckload market.

Weather









OXNARD, CA:

Thu 11/17	Fri 11/18	Sat 11/19	Sun 11/20	Mon 11/21	Tue 11/22	Wed 11/23	Thu 11/24
68° 45°F	65° 52°F	69° 48°F	69° 47°F	68° 47°F	66° 48°F	67° 51°F	70° 53°F
							
Partly Cloudy	Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Sunny	Sunny









MOULTRIE, GA

Thu 11/17	Fri 11/18	Sat 11/19	Sun 11/20	Mon 11/21	Tue 11/22	Wed 11/23	Thu 11/24
54° 31°F	57° 36°F	56° 41°F	53° 34°F	61° 42°F	63° 49°F	67° 55°F	70° 56°F
							
Mostly Cloudy	Sunny	Cloudy	Cloudy	Partly Cloudy	Mostly Cloudy	AM Showers	Showers









JALISCO, MX:

Thu 11/17	Fri 11/18	Sat 11/19	Sun 11/20	Mon 11/21	Tue 11/22	Wed 11/23	Thu 11/24
82° 57°F	81° 56°F	80° 58°F	80° 58°F	80° 57°F	81° 56°F	80° 55°F	80° 54°F
							
Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny









CULIACAN, SINÁLOA

Thu 11/17	Fri 11/18	Sat 11/19	Sun 11/20	Mon 11/21	Tue 11/22	Wed 11/23	Thu 11/24
90° 57°F	89° 57°F	88° 57°F	90° 58°F	92° 60°F	91° 59°F	89° 56°F	87° 56°F
							
Sunny	Mostly Sunny	Partly Cloudy	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny









SALINAS, CA

Thu 11/17	Fri 11/18	Sat 11/19	Sun 11/20	Mon 11/21	Tue 11/22	Wed 11/23	Thu 11/24
65° 40°F	62° 39°F	67° 40°F	69° 39°F	67° 43°F	64° 45°F	64° 45°F	67° 46°F
							
Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny

COACHELLA, CA

Thu 11/17	Fri 11/18	Sat 11/19	Sun 11/20	Mon 11/21	Tue 11/22	Wed 11/23	Thu 11/24
74° 39°F	75° 42°F	71° 40°F	74° 41°F	73° 44°F	74° 45°F	77° 49°F	79° 50°F
							
Partly Cloudy	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny

IMMOKALEE, FL

Thu 11/17 73° 56°F  Partly Cloudy	Fri 11/18 75° 59°F  Partly Cloudy	Sat 11/19 83° 65°F  Partly Cloudy	Sun 11/20 74° 65°F  Showers	Mon 11/21 77° 70°F  Showers	Tue 11/22 81° 71°F  Scattered Thunderstorms	Wed 11/23 83° 70°F  PM Thunderstorms	Thu 11/24 86° 70°F  PM Thunderstorms
---	---	---	---	---	--	---	---

Fruits & Vegetables

Avocados: Last week closed out at 60M pounds for the US, a 13% increase from the previous week. The industry hasn't been above 60M pounds since the beginning of August and only reached these levels for seven weeks in 2022 vs. 15 times in 2021 YTD. The dry matter continues to increase with Aventajada fruit maturing and holding temperatures should be set at 42 degrees. The Loca crop is winding down, and a couple more weeks until Mexico is fully in the Aventajada crop, with Normal on its heels. Avocado demand historically lags through the holiday season, but the recent increase in promotional activity has kept the commodity steady.

Bananas: Volume is lighter due to weather impacts, higher global demand, and lighter production. No quality issues currently.

Pineapples: Supply improving and expected to be stable, and quality is good.

Table Grapes: Growers in the Central Valley are pulling from storage and starting to see a wide range of quality as daily harvesting will end this week. We are seeing an uptick on demand for larger fruit while medium sized fruit is steady. Autumn Kings, Scarlett Royals and globes are showing good quality and color. First import estimates are forecasted to be down 7-10%. We will see the first arrivals from Peru this week.

Berries

Strawberries: **EXTREME** Due to previous weather events and the freezing temperatures in Santa Maria this week, strawberry yields have been reduced significantly. Crews will be dropping more fruit due to quality issues and are also struggling to meet estimates due to a lack of color. Mexican volume is slowly increasing, but growers still do not receive enough daily volumes to cover overall demand. Unfortunately, Florida is still at least two weeks away, and growers do not have other options. Strawberry yields will be extremely tight for the next 10-14 days and remain limited through the rest of the year.

Blackberries: Supplies are increasing from Mexico and quality is good. Watsonville is decreasing and will be done next week, and volumes are expected to hit peak production by early December.

Raspberries: Mexico is down-trending through the remainder of the year and the current quality is good. Watsonville is decreasing and will be done by the end of the month.

Blueberries: Central Mexico continues to ramp up quickly as the season starts. South American imports from Peru, Argentina, Uruguay, and Mexico are arriving on both coasts. The fruit quality is excellent, and the berry size is large.

California

Citrus

Oranges: All shippers have transitioned to Navels, although there are a handful of Valencia's still available. Quality is good with most shippers peaking on smaller sizes.

Lemons: Good availability, very good quality and sizing is peaking on 165's and larger.

Limes: The market is expected to remain steady with very good quality through November. Current sizing is running heavier to the mid-range but looks to be shifting more towards medium to large sizes. We will likely see a substantial spike in pricing in Jan 2023, as we did this past Jan 2022 due to recent weather-related events and potential rains brought on by cold fronts in the North.

Grapefruit: Good supply and very good quality out of Texas and California.

Imports/Specialties: The California mandarin season has started with good availability and outstanding quality.

West Coast Lettuce

Lettuce, Iceberg, Romaine, Romaine Hearts, Green Leaf, Red Leaf & Butter): EXTREME Salinas and Huron have finished for the season and all lettuce items are now shipping from Yuma and the Desert regions. Quality and condition are good, but supplies continue to be light from weather related issues. Sizing is running small to medium with very light weights as shippers continue to reach in the fields with most shippers reporting seeder pressure. In addition, cooler weather is not pushing crops forward which could potentially develop gaps. Expect markets to remain strong.

Eastern and Western Vegetables

Green Bell Pepper: WATCH LIST Supply is lighter this week and overall quality has been good out of South Georgia, but will be winding down. We are starting new crop out of the desert and seeing light numbers cross through Nogales; quality is strong overall.

Red Bell Pepper: ESCALATED Markets are holding strong as supply remains limited this week. We are scratching this week in the desert and quality is very nice.

Yellow Bell Pepper: ESCALATED Markets are holding strong as supply remains limited this week and do expect to see pro-rates.

Mini Sweet Pepper: ESCALATED Supply is lighter this week and pricing is higher.

Mixed Chili Pepper: ESCALATED In the east, supply is light out of South Georgia and waiting for transition to Florida. In McAllen, volume is lighter on all varieties and seeing quality issues on the tomatillos. Anaheim, serrano, and jalapeno are all holding at higher-than-normal pricing. We are seeing quality issues and low production from Coahuila and Chihuahua and California is about done for the season. Markets will remain firm until we start seeing crossings in Nogales over the next several weeks.

Eggplant: WATCH LIST Supply winding down out of South Georgia. In the west, quality is very nice and Nogales is ramping up as well as the desert.

Slicer Cucumbers: **ESCALATED** Markets remain firm as volume is lighter out of Baja and South Georgia. Improving supply crossing through Nogales and Texas as well, but we hope to see improvement over the next 10 to 14 days barring any further weather events.

English Cucumbers: Good supply and excellent quality available.

Pickles: **WATCH LIST** Lighter volume available this week and quality will be mixed out of Mexico.

Green Beans: **EXTREME** Extremely limited supply available out of South Georgia. There are a few beans out west, but markets remain very high and expected to be snug through the Thanksgiving Holiday. Florida will be heavily impacted by Tropical Storm Nicole causing major shortages for the Holiday Pull.

French Beans: **EXTREME** French beans demand exceeds supplies from Mexico and Guatemala; quality is fair to good. Guatemala's supply will continue to be light as the weather has hampered harvesting and quality.

Zucchini/Yellow Squash: **WATCH LIST** Mixed markets this week, yellow squash is firmer while Zucchini remains stable. In Nogales, South Georgia, and Florida. Quality is mixed and seeing some prominent scarring on product in the east and good quality out west. Yellow squash is tight and will be for the next 10 days.

Herbs

Quality and production remain good from Mexico, and **CHIVES** production has improved. Imported **CHERVIL** production has continued to be affected by weather, while domestic production remains the same. **MARJORAM**, **SORREL**, and **TARRAGON** supply will continue to be day-to-day. **ROSEMARY**, **SAGE**, and **THYME** are steady, although demand continues to increase due to the holiday.

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

Marjoram	Limited	Flowering	MEXICO
Mint	Steady	Steady	USA
Oregano	Limited	Flowering	MEXICO
Italian Parsley	Steady	Steady	USA
Rosemary	Steady	Steady	MEXICO
Sage	Steady	Steady	MEXICO
Savory	Steady	Steady	USA
Sorrel	Limited	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 and Honeydew: ESCALATED Even though offshore arrivals have started in Florida demand continues to outpace the supply. We started to see a big shift from the desert last week which has contributed to keeping the market very strong. We expect limited supplies to continue through the rest of November in Florida with volume not increasing until probably December 1st. Sizing on the cantaloupe has been mostly peaking with 9s followed by 9Js and 12s. Early quality has been very good as we are seeing decent shell color with internal quality being excellent with brix levels ranging from 12-16%. Honeydews remain very limited from offshore with increased numbers expected to also begin around December 1st. Current sizing has been pretty between 5s and 6s.

Watermelon: WATCH LIST Overall quality is very nice, strong demand and light volume are keeping markets firm this week. We are starting to see more limits on loading options as the season winds down; Nogales and McAllen are the primary shipping points. Mini watermelons seem to be easing back in price as store sets change and demand drops.

Mixed Vegetables

Artichokes: Expect lighter supplies over the next several weeks

Arugula: ESCALATED Lighter available supplies, market is stronger. Expect unstable supply through the end of the month due to the cooler weather in the desert

Asparagus: ESCALATED Mexican production is slightly better this week, and larger sizes are starting to rebound. Peruvian production has continued to improve on all sizes. This trend should continue through November and markets are still very active, with a slight change in volume from Mexico.

Broccoli/Broccoli: ESCALATED Expect light to moderate supplies to continue over the next couple of weeks, crowns will be at a premium. Expect pricing to continue very active.

Brussels Sprouts: Good supply continue with significantly increased demand from the Holiday's, market is stronger

Carrots: (JUMBOS) ESCALATED Baby peeled, and food service items are in great supply. Current field sizing is small, so supply is limited on Cellos/Jumbos in California. Regionally Colorado, Michigan and MN are in good supply with Cellos and Jumbos.

Cauliflower: EXTREME Cauliflower supply continues to be limited because of slower growing conditions from the cool weather and the extreme heat conditions early on. Overall quality is generally good but expect uniformity issues.

Celery: ESCALATED The outlook for the next 4 weeks is not good as this year there are some issues with disease (Fusarium) in many of the celery blocks in Oxnard and poor yields going through Christmas. Expect market to remain strong with an increase in pricing.

Cilantro: ESCALATED Cilantro supply is going to continue to be light, but improving, as yields continue to be light due to the recent heat and adverse weather in all growing areas.

Corn: WATCH LIST Markets are firming up out of Coachella and South Georgia and quality is very nice.

Fennel: Good supply continues with very good quality

Garlic: EXTREME New crop California has started although domestic supply is very tight, and shippers are holding to averages. We expect this volatile market to continue through the summer.

Ginger: EXTREME Chinese supply will be very sporadic due to delays in unloading containers and inspecting at the ports. Pricing will be climbing daily.

Green Cabbage: ESCALATED Lighter supply with good quality. Market continues active out of California.

Green Onions: ESCALATED Market is strengthening again with lighter available supplies as we transition and head into the holiday.

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

Mushrooms: ESCALATED Quality is good despite supply being lighter than expected. We continue to see lack of labor, shortages in component of growing such as peat moss and other inflationary pressures. 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. We should begin to see seasonal price increases as the holidays approach and supply gets tighter as retail pulls increase on an already strained supply

Napa Cabbage: Market continues to be very active as shippers continue to see the effects of the heat. Seeing some quality issues as we get to the end of the Salinas season with some bottom rot. Crews are doing their best to get ahead and stay ahead of this issue.

Parsley (Curly, Italian): ESCALATED Market is stronger, supply is average, with improving quality.

Rapini: We continue to see good quality although supplies are lighter. Market is slightly stronger.

Red Cabbage: ESCALATED Quality remains good with declining supplies.

Snow Peas and Sugar Snaps: ESCALATED Production on both snow peas and sugar snaps has improved from Guatemala. However, markets remain in demand exceeds supply due to past storms in California, which flooded fields combined with lower overall yields out of Guatemala.

Spinach (Bunched & Baby): ESCALATED Lighter available supplies, market is stronger. Expect unstable supply through the end of the month due to the cooler weather in the desert.

Spring Mix: ESCALATED Lighter available supplies, market is stronger. Expect unstable supply through the end of the month due to the cooler weather in the desert.

Sweet Potatoes and Yams: There is plenty of availability across all sizes out of North Carolina with some good deals to be had on straight loads of #1's. There seem to be more potatoes available out of North Carolina compared to Mississippi who anticipate finishing the current crop just in time for new crop to be cured. We are also currently seeing a small gap with some specialty sweets like Red Garnets out of Livingston, CA. They expect to be back in with their new crop at the beginning of August.

Onions:

The market continues to have a 'softer' feel overall. Demand has been sluggish out of all regions – in large part due to change of season/weather, and some growing concerns regarding the economy. Growers are beginning to finish up harvest, which is earlier than normal. During years where supply is plentiful, growers will harvest until the end of October. The fact that they are finishing as early as they are in Idaho/Oregon, is pretty telling as to just how short the crop is. Some fields are yielding better than others, however, the overall sentiment in Idaho/Oregon is that this will be the fewest onions they have ever had in their region. Washington does seem to be in better shape than Idaho, and they are estimated to be about 80% of their normal supply. It only takes about 10% of a shortage or surplus to 'make or break' a market. The long-term optimism is present from growers. The crop is expected to be very similar to last season and has the possibility of being even shorter. Obviously the 'wild-card' in this market will be the demand. The elevated foodservice demand we experienced during COVID seems to have dissipated, and we are back to a more normal level of demand. What has not changed, however, is the input costs growers are experiencing on the current crop. There is concern that if the crop cannot yield similar returns, or better, to last years' crop, that growers will simply not be able to cover their costs. While it had felt like trucks were tightening up the last several weeks, they now feel plentiful again. We do anticipate a Q4 push is coming at some point, which should force rates to increase some.

Potatoes: ESCALATED

The potato market continued to see increases due to processors purchasing fresh potatoes. We are seeing the size profiles in Idaho flip to being more plentiful on middle and larger size cartons, with 90ct and smaller being extremely tight. A big reason for this change is that growers have significantly slowed down production. Instead of a normal 5 day per week schedule, we are seeing growers taking 1-2 days off these last several weeks. Returns have fallen below the cost of production, and what growers can sell to processors for. Instead of continuing to compound the situation and adding more supply to a market with sluggish demand, growers are happy to shut down production and focus on storing until the market improves. The state of Idaho is adamant that they have less supply than they did last year. Other growing regions are echoing the same sentiments as well. The overall concern regarding total tonnage in the potato crop remain alive and well, and growers are optimistic that pricing levels will reach similar levels to last season or will maintain a higher average return price all the way through with less of a spike toward the tail end.

TOMATOES

East Coast

- **Round and Roma Tomatoes: EXTREME** Supply will be at its shortest over the next few weeks and quality is fair at best. We continue to see salvage harvesting in the Ruskin/Palmetto region which was hit hardest by Hurricane Ian, they will have very little supply and quality will be well below normal expectations. With force majeure declarations still in place by many regional growers, we will likely see this type of market environment through the end of the year. We need to keep flexible on varieties and size to help navigate through this trying time so we can do our best to keep the supply chain consistent.
- **Grape and Cherry Tomatoes: EXTREME** We are seeing demand exceeds supply conditions on all the snacking varieties due to the impacts of Hurricane Ian. Growers are declaring Force Majeure as we expect type of market environment through the end of the year. We ask to keep flexible on varieties and size to help navigate through this trying time so we can do our best to keep the supply chain consistent
- **Organic Tomatoes: EXTREME** Extremely limited supply available.

Mexico

- **Round and Roma Tomatoes: EXTREME** Mainland Mexico and Baja have been impacted by several weather events over the past two months that have either damaged crops or have delayed them. We are also dealing with increased virus pressure on plantings that are older, which are more susceptible to disease, and we are seeing large yield losses in several key growing regions. Between these conditions and the strong market pressure from the east coast, we expect to volatile markets through the end of the year as we transition to Sinaloa on the mainland around Mid to late December and from Central Baja to Southern Baja over the next 2-3 weeks. We ask to keep flexible on varieties and size to help navigate through this trying time so we can do our best to keep the supply chain consistent.
- **Grape Tomatoes and Cherry Tomatoes: EXTREME** Baja should be our main supplier for the fall and unfortunately that crop was decimated by Hurricane Kay. We are doing everything we can keep supply moving but are seeing significant pro-rates and shorts. Growers are declaring Force Majeure and expect volatile conditions through December. We ask to keep flexible on varieties and size to help navigate through this trying time so we can do our best to keep the supply chain consistent.
- **Medley Grape Tomatoes:** Strong numbers and excellent quality continue out of Mexico and Canada.
- **Tomato on the Vine:** Excellent quality and supply available.

APPLES, PEARS, STONE

FRUIT

Apples: The 2022/23 Apple Crop out Washington was damaged by Severe High Temps last July and extremely low temps in mid-April 2022. Washington apple crop is projected to be around 108.7 million 40-pound boxes, roughly an 11% decrease from the 122.3 million boxes from last year's crop. Growers are still evaluating the impact of the prolonged cold weather that hit the Pacific Northwest. Markets are expected to settle slightly coming into Q4 as growers continue harvesting.

Pears: This year's pear crop will likely be down significantly due to Severe High Temps last July and extremely low temps in mid-April 2022. Growers are harvesting and will have numbers by December. Markets will likely remain higher this year.