

Weekly Market Review November 23, 2022

Overview

Most Florida commodities continue to struggle and expected to do so for the remainder of the year; there is some good news however as we see improving availability on Squash, cucumbers, and green bells. 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 Otago remain short due to weather impacts and virus. South Georgia is done for the season. Round tomato production out of Mainland Mexico and Florida continue to be short. In Mexico, a rapid decline to critically low availability is driving prices higher. Weather related pressure as well as virus pressure combined with high demand are pushing markets to extreme levels. Florida continues to deal with the impacts of Hurricane Ian. Round Tomatoes in all growing regions are expected to be extremely short and elevated through the end of the year. In the hot pepper markets we are seeing extreme pricing and shortages on Serrano and Anahiem pepper; prices are in the low \$70's on serrano and pushing \$40 on Anahiem. This is due to cold weather impacting the growing regions in Mexico and expect some improvement by Dec 15. Yuma transition is complete with all shippers shipping out of Yuma and the desert regions. Desert temperatures have been below normal and we have been seeing frost most days in the past week with more frost in the forecast into next week. Weather forecast for Yuma is to remain below normal temps which is causing crops are to mature slower than normal, which will continue to put pressure on supplies and markets.

Market Alert

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

WATCH LIST

- Bell Peppers Green
- 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:

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
67° 47°F	69° 51°F	78° 55°F	73° 49°F	67° 47°F	63° 49°F	61° 44°F	59° 45°F	59° 45°F	59° 45°F
									
Sunny 0.0 in	Sunny 0.0 in	Sunny/Wind 0.0 in	Partly Cloudy 0.0 in	Mostly Sunny 0.0 in	Partly Cloudy 0.0 in	PM Showers 0.15 in	Sunny 0.0 in	Partly Cloudy 0.0 in	Partly Cloudy 0.01 in

JALISCO, MX:

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
80° 57°F	79° 55°F	78° 53°F	77° 51°F	78° 50°F	78° 51°F	80° 53°F	79° 53°F	79° 54°F	80° 54°F
									
Mostly Sunny	Partly Cloudy	Mostly Sunny	Partly Cloudy	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny	Mostly Sunny

CULIACAN, SINALOA

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
92° 59°F	90° 58°F	89° 51°F	86° 51°F	88° 52°F	88° 52°F	88° 53°F	87° 54°F	87° 55°F	88° 55°F
									
Sunny	Mostly Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy

SALINAS, CA

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
67° 42°F	69° 43°F	76° 46°F	72° 45°F	62° 41°F	59° 45°F	55° 39°F	56° 39°F	57° 42°F	57° 38°F
									
Mostly Sunny	Partly Cloudy	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Showers	Sunny	Partly Cloudy	Showers

COACHELLA, CA

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
76° 42°F	79° 50°F	77° 44°F	75° 45°F	75° 46°F	73° 45°F	70° 42°F	65° 39°F	64° 40°F	65° 41°F
									
Partly Cloudy	Sunny	Sunny	Mostly Sunny	Sunny	Partly Cloudy	Partly Cloudy	Sunny	Mostly Sunny	Partly Cloudy

IMMOKALEE, FL

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
81° 68°F	81° 66°F	86° 66°F	88° 67°F	88° 68°F	83° 65°F	79° 58°F	80° 58°F	80° 60°F	80° 60°F
									
PM Showers	Mostly Cloudy	Partly Cloudy	Isolated Thunderstorms	Partly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Sunny	Mostly Sunny

YUMA, AZ

Tue 11/22	Wed 11/23	Thu 11/24	Fri 11/25	Sat 11/26	Sun 11/27	Mon 11/28	Tue 11/29	Wed 11/30	Thu 12/1
75° 47°F	76° 55°F	74° 49°F	73° 43°F	74° 45°F	72° 48°F	71° 51°F	66° 44°F	65° 45°F	67° 45°F
									
Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy

Fruits & Vegetables

Avocados: There continues to be good available orchards to harvest in Mexico, but harvest volumes have decreased. Last week around 45M pounds were harvested/packed/shipped to the U.S. market. Mexico accounts for 97%, and light volumes from Chile and Colombia are just trickling in. Market sales last week were up at just under 45M pounds, which was almost 8% higher than the previous

week. The current industry volume sits at around 61M pounds. This inventory is creating two-tiered pricing in the U.S. market. Supply exceeds demand on all sizes, 48s are more closely aligned with supply to demand in volume. Towards the end of December, we expect to see a size curve shifting to bigger fruit as we progress into the Mexican season, with the 60s and smaller pricing potentially strengthening.

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, strawberry yields have been reduced significantly. Mexican volume is slowly increasing, but growers still do not receive enough daily volumes to cover overall demand. Florida is about 7-14 days away from starting. Strawberry yields will be extremely tight for the next 7-10 days and remain limited through the rest of the year.

Blackberries: Watsonville is done for the season, but supplies are increasing from Mexico, and quality is good. 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 finish up next week.

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. 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. Sizing on Iceberg 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. Desert temperatures have been low, and we have been seeing frost most days in the past week with more frost in the forecast going into next week. Supplies on green leaf and romaine are improving slightly but crops are maturing slower than normal, which will continue to put pressure on supplies and markets. 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. South Georgia is done for the season, and we are transitioning to South Florida. In the west, 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/EXTREME In the east, supply is light out of South Florida. In McAllen, volume is lighter on all varieties and seeing quality issues on the tomatillos. Habanero, Jalapeno and Poblano are all holding at higher-than-normal pricing while the shortest availability is on Serrano and Anaheim. We are seeing pricing upwards of 70 dollars on Serrano and mid 40's on Anaheim. We are seeing quality issues and low production from Coahuila, 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 that will hopefully bring off some pressure on McAllen.

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: Markets are easing back as volume improves out of Mainland Mexico. Steady volume in Baja and South Georgia is done. Improving supply out of Central Florida. Quality is good.

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 Florida and South Georgia is finishing up. There are a few beans out west, but markets remain very high and expected to be snug through the Holiday.

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, and Florida. South Georgia is done for the season. 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 continues to improve. 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.

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 We will see the lightest of the Florida arrivals this week and should improve after the Holiday. We do expect to start getting on track with consistent weekly supplies of both cantaloupe and honeydew. Cantaloupe sizing should be peaking with mostly larger fruit (9s and larger) with limited 12s being available. Honeydew availability remains limited but will also begin to pick up next week with primarily 5s and larger fruit.

Watermelon: ESCALATED 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 to continue 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 still slow due to cooler weather in the growing region. Larger sizes are starting to get better. Peruvian production remains good on all sizes. This trend should continue through the first two weeks in December. Markets are still active with the Thanksgiving demand.

Broccoli/Broccoli: ESCALATED Expect light to moderate supplies to continue over the next couple of weeks as the cool weather is slowing growth. Expect pricing to continue very active.

Brussels Sprouts: Good available supplies, market is steady.

Carrots: (JUMBOS) ESCALATED Baby peeled, and food service items are in great supply. Current field sizing is small, so supply is extremely 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 continued uniformity issues. Outlook is for Cauliflower availability to remain extremely light through next week.

Celery: ESCALATED The holiday pull is behind us, but volumes remain limited as a result of industry wide fusarium in Oxnard. The Salinas season is winding down over the next few weeks.

Cilantro: ESCALATED Cilantro supplies are expected to remain light as Salinas has finished for the season and available supplies are not expected to improve until after the Thanksgiving Holiday.

Corn: WATCH LIST Markets are firming up out of Coachella and South Florida, where Georgia is done for the season. 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 with higher pricing.

Green Onions: ESCALATED Market continues strong with light available supplies that will continue through the holidays.

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 will continue to see upward pressure on prices as the Holiday pull is now in full swing and expected to remain that way through New Year's.

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 Curley Parsley supplies are improving but remain lighter. Italian supplies will continue to be light through next week. Look for supplies to improve the week of 12/5.

Rapini: We continue to see steady supplies, quality is good.

Red Cabbage: ESCALATED Lighter supply with good quality. Market continues active out of California with higher pricing.

Snow Peas and Sugar Snaps: ESCALATED Demand exceeds supply, very limited out of California. Guatemala snow pea supplies have improved, but sugar snap production has slowed down due to cooler weather this week. Expecting Mexico to start production with very limited supply within the next 7-10 days.

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

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

Sweet Potatoes and Yams: New crop is in full swing out of both North Carolina and Mississippi and quality is looking very nice. The holiday pull has been strong before Thanksgiving with a lot of #1 and consumer bags being shipped over the last few weeks. This has led to some deals to be had on jumbos out of both shipping areas. We should expect to see demand continue to be steady throughout the holidays and into the new year.

Onions:

Onion demand has flattened this week, in large part due to it being Thanksgiving week. Buyers have finished their purchasing in advance of the holiday logistics challenges, and interruption in shipping schedule. The market does not appear to be moving anywhere fast any time soon. The long-term optimism on the current crop is beginning to wane a bit – at least for the rest of 2022. If there is going to be a spike in the market, we are looking at 2023 and beyond. Idaho/Oregon maintains that their current pace of shipping, they will be done by the middle of March. This is similar to last season's crop end date. The underlying factors remain in place for a very strong finish – but it will all depend on demand levels. The low yields, and short storage supplies on hand (supported by the NOA report) are good indicators of this. Washington remains in better shape than Idaho from a supply standpoint. Size profiles have been on the smaller end in both regions, with the majority of product sizing in the medium and jumbo range. We have seen some improved availability on colossal and super colossal sized onions in recent weeks, however, this is not believed to be a sustained supply the whole way through. Growers are expressing further concern regarding continually rising overhead costs (fuel, seed, packaging, etc). Their suppliers are all asking for hefty increases for next season above the already inflated overhead in this year's crop. It is not impossible that we see further consolidation among growers and shippers, or just less onion acreage being grown altogether out of the Northwest. Trucks have tightened up some, and rates have increased some. It seems to be as much about weather related challenges, as opposed to heightened levels of Q4 holiday demand.

Potatoes: ESCALATED

Potato demand has flattened this week, in large part due to it being Thanksgiving week. Buyers have finished their purchasing in advance of the holiday logistics challenges, and interruption in shipping schedule. The potato market continues to remain tight, but pricing does appear to have leveled off for the time being. Pricing continues to hold at record levels on just about all sizes/grades for this time of year. Growers continue to receive record offers from processors (even higher than last season), and reports of further record breaking offers for the Spring continue to roll in. Because of this, the fresh market has a 'safety net' of where pricing will likely not fall beneath. We anticipate we will continue to see this trend as a means to get growers to release product on the fresh side. Other growing regions are echoing the same sentiments as well. National supply reports are showing that there are less potatoes this year than this last year – and this is not taking into account the six million pounds plus that have already been sold to processors. The market is as much about what processors are willing to pay, as it is about demand on the fresh side. In a way, the fresh demand is almost a non-factor this season. Trucks have tightened up some, and rates have increased some. It

seems to be as much about weather related challenges, as opposed to heightened levels of Q4 holiday demand.

TOMATOES

East Coast

- **Round Tomatoes: EXTREME** Demand exceeds supply and we will see the 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.
- **Roma Tomatoes: EXTREME** We are still facing escalated markets. We are seeing a shift in demand from rounds to the roma category which is now driving those prices higher with escalations expected through December
- **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 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, a normal downturn in regional production 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.
- **Roma Tomatoes: Roma Tomatoes: EXTREME** While supply is better on roma than the rounds; we are still facing escalated markets. We are seeing a shift in demand from rounds to the roma category which is now driving those prices higher with escalations expected through December when we will see new crop volume out of Sonora and Sinaloa.
- **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.