

Weekly Market Review

January 19, 2023

Overview

In South Florida, as well as Mexico, we continue to see lighter supply and firmer markets on green pepper, zucchini, and yellow squash. Cucumbers remain very limited and do not expect improvement for several weeks and the color pepper supply is excellent! Tomato production continues to improve in Florida, but we are far from normal for this time of year due to several weather impacts over the past three months. We expect lower production, higher than normal market prices but nothing too concerning. The hot pepper market seems to be staying firm as cold temps and weather damage are rally causing shortfalls this season, with serrano and anaheim the highest priced and shortest available. Honeydew and cantaloupe have become quite a challenge due to cooler weather and should improve over the next 10-14 days and it is critical to be flexible on size during these times where we are short and managing very limited inventory. In Yuma, supplies continue to increase on most items and markets are stabilize.

Market Alert

- Bell Peppers (Green) – **ESCALATED**
- Cabbage (Red) – **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Celery - **ESCALATED**
- Cilantro - **ESCALATED**
- Corn – **ESCALATED**
- Cucumbers - **ESCALATED**
- Garlic – **ESCALATED**
- Ginger – **EXTREME**
- Green Beans – **ESCALATED**
- Green Onions – **EXTREME**
- Hot Pepper - **ESCALATED**
- Serrano and Anaheim Pepper – **EXTREME**
- Limes - **ESCALATED**
- Melons (Cantaloupe, Honeydew, & Watermelon) - **ESCALATED**
- Mushrooms – **ESCALATED**
- Potatoes (40s & 50s) – **ESCALATED**
- Sugar Snap Peas (West)– **ESCALATED**

Watch List

- Bananas
- Seedless & Mini Seedless Watermelon
- Zucchini/Yellow Squash
- Table Grapes

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 1/19	Fri 1/20	Sat 1/21	Sun 1/22	Mon 1/23	Tue 1/24	Wed 1/25	Thu 1/26
58° 42°F	60° 44°F	63° 43°F	61° 47°F	63° 45°F	63° 46°F	65° 49°F	65° 48°F
							
Mostly Sunny	Sunny	Sunny	Mostly Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny

JALISCO, MX:

Thu 1/19	Fri 1/20	Sat 1/21	Sun 1/22	Mon 1/23	Tue 1/24	Wed 1/25	Thu 1/26
70° 47°F	73° 48°F	73° 47°F	71° 46°F	71° 45°F	75° 46°F	76° 48°F	77° 50°F
							
Mostly Cloudy	Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny	Partly Cloudy

CULIACÁN, SINALOA

Thu 1/19	Fri 1/20	Sat 1/21	Sun 1/22	Mon 1/23	Tue 1/24	Wed 1/25	Thu 1/26
80° 51°F	85° 46°F	86° 45°F	82° 44°F	82° 44°F	84° 45°F	84° 50°F	84° 53°F
							
Mostly Cloudy	Partly Cloudy	Sunny	Sunny	Partly Cloudy	Mostly Sunny	Partly Cloudy	Cloudy

YUMA, AZ

Thu 1/19	Fri 1/20	Sat 1/21	Sun 1/22	Mon 1/23	Tue 1/24	Wed 1/25	Thu 1/26
65° 45°F	64° 43°F	64° 38°F	67° 46°F	64° 41°F	65° 42°F	67° 44°F	68° 45°F
							
Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny

IMMOKALEE, FL

Thu 1/19	Fri 1/20	Sat 1/21	Sun 1/22	Mon 1/23	Tue 1/24	Wed 1/25	Thu 1/26
87° 60°F	84° 60°F	86° 62°F	86° 63°F	86° 61°F	88° 63°F	82° 49°F	75° 47°F
							
Mostly Sunny	Partly Cloudy	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Isolated	Mostly Sunny

Good Buy

Each week, our team spotlights commodities based on how favorable prices, quality, and supply are in the market. Stay ahead of the trends and look to these good buys for their stellar performance in the fields! Please see each individual product for more information below and reach out to your PA representative for more information on adding this to your order guide.

Commodity	Expert Tip
Pineapples	Roasted veggies are the best, but why not mix it up with a fruit too! Dice red bell peppers, red onions, and pineapples, and then toss them in olive oil and spread them on a large baking sheet. Sweet juicy pineapple is a perfect compliment to the peppers & onions!
Red Bell Pepper - Mexico	

Fruits & Vegetables

Avocados: Last week closed out at 57.5M pounds for the U.S., a 13% increase from the previous week, but there's still a way to go before hitting the projections of entering the 70M pounds range. The size curve out of Mexico continues to favor larger sizes, causing larger sizes to decline while smaller-sized fruit has increased. Avocado Commission released the pre-season 2023 crop estimate at 257M pound, which they predict will mainly be harvested over a 6-month period (March through August). California could start harvesting around 2M pounds per week in February, although, typically, the California growers can wait to harvest in hopes of stronger markets, so it is unknown if there will be much harvest early in the season. The crop will likely favor small fruit early season and size up as the season progresses. The peak in the season volume is estimated to ramp up in May/June and start to decline in August.

Bananas: WATCHLIST Volume is lighter due to weather and higher global demand. No quality issues, but we are seeing smaller fruit, discolor and very light inventory entering the ports. Make certain you are staying ahead of inventory during this next 8 weeks.

Pineapples: Excellent quality peaking on 7 and 8cts; larger sizes have tightened up. Quality is good.

Table Grapes: WATCHLIST Domestic storage fruit is almost done, and we will see less volume through mid-Jan. Due to political unrest in Peru, which is causing port delays, we will have a short-term impact on markets which will cause a 3-week delay. Overall import volume will remain down, but quality should be normal. Demand expected to increase as volume decrease and we may see a slight hike in pricing through early February.

Berries

Strawberries: Rainfall in California has caused a delay in the start of the winter plants. Due to the weather events volumes will be low out of California for the next several weeks. Florida volumes have remained steady. However, cooler temperatures and possible freezes will likely cause volumes to be lower over the next three weeks. Mexico's volumes continue to increase and are tracking stronger toward their peak season. Overall, volumes are expected to remain steady and should begin ramping up in mid-February.

Blackberries: Supply continues to increase gradually out of Mexico. California supplies remain disrupted due to rainfall.

Raspberries: Cooler temperatures have impacted production out of Baja, MX and Oxnard, CA. Oxnard is expected to downtrend rapidly over the next few weeks. Baja volume will continue an uptrend for the next 4-6 weeks. Central Mexico will start to uptrend towards its spring peak in the next 2-3 weeks.

Blueberries: Central Mexico will continue with strong volume towards spring peak in February/March. Peru is past peak arrivals, and we will see good volumes for a few more weeks. Volume out of Baja will slowly increase through the month. Chilean arrivals are at their peak, but volumes will begin to downtrend after this week.

California Citrus

Oranges Navel are showing very good quality, with size structure peak 88/113/72. Weather is creating harvesting challenges this week.

Lemons: Good supply and very good quality.

Limes: **ESCALATED** Not much change from last week with steady pricing as post-holiday demand has decreased. Some new areas are getting started with a slight increase in supplies crossing from Mexico, but we still anticipate lighter volume to continue with demand increasing demand coming into Superbowl. Market remains very unstable as pricing is expected to increase again towards the end of January/early February.

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. Bloods and Caras are available, and Minneolas have started in southern California.

West Coast Lettuce

Iceberg: Good supply and very good quality with no significant quality issues to report. Some fields are still showing minor issues from the freeze we encountered a few weeks ago but any impact is minimal. Market is steady and is now off all escalations

Romaine/Romaine Hearts: Minor blister is still present but overall we are seeing good quality and supply for the next few weeks.

Green Leaf: Overall very good quality with good supply, market is steady.

Red Leaf: Overall very good quality with good supply, market is steady.

Butter: **ESCALATED** Production continues to improve, and overall quality is very good.

Eastern and Western Vegetables

Green Bell Pepper: **ESCALATED** Supply out of Florida remains light due to the freeze last month and expected to remain as such over the next week. With this lighter supply in the east its driving demand west to Nogales and McAllen where we are seeing very active markets and mixed quality due to weather. We hope to see more volume out of the west over the next ten days.

Red Bell Pepper: Excellent supply available out of McAllen and Nogales and quality is good.

Yellow Bell Pepper: Excellent supply available out of McAllen and Nogales and quality is good.

Mini Sweet Pepper: Stable supply, and quality available loading in Nogales.

Mixed Chili Pepper: **ESCALATED** In the east, supply was lighter this week out of South Florida (Cubanelle, Long Hots, Hungarian Wax, Jalapeno and Shishito). In McAllen, volume is lighter on all varieties: habanero, jalapeno and poblano are all holding at higher-than-normal pricing while the shortest availability is on Serrano and Anaheim due to ongoing supply issues from Coahuila and Chihuahua. Markets will remain firm, but we are starting to see some improvement in crossings out of Nogales. Good supply on tomatillos in all growing regions.

Eggplant: Improving supply available and quality is good in South Florida and crossing through Nogales.

Slicer Cucumbers: **ESCALATED** Short supply out of Florida, mostly an impact of last month's freeze while Honduran imports are slow to start and are very inconsistent in quality. In the west, we see lighter crossings through Texas and Nogales continue to put upward pressure on pricing. We are seeing some hit and miss quality on cucumbers across the spectrum, mainly pitting, virus pressure, shorter than normal shelf life and yellow belly. We expect active and short markets for the next two to three weeks.

English Cucumbers: **ESCALATED** Lighter supply and firmer markets hold this week as demand remains strong and excellent quality.

Pickles: Steady volume available this week and quality will be mixed out of Mexico.

Green Beans: **ESCALATED** Despite the post-Christmas drop in demand, the market remains firm due to the freeze in Florida driving demand to Nogales and McAllen where prices are **EXTREME**ly high and supply limited due to cooler weather. Mixed quality reported.

French Beans: Supplies have improved in Guatemala and Mexico, with quality fair to good.

Zucchini/Yellow Squash: **WATCHLIST** With cooler weather impacting all growing regions we are seeing much lighter volume this week and markets have firmed up. Particularly in Florida where the freeze hurt several acres of squash and will be limited for the next several weeks. Overall good quality will be expected on the horizon and Mexican crossing should improve over the next week.

Herbs

Labor shortages have affected harvest times and packing slowdowns on all herbs from Mexico. Both imported and domestic **CHERVIL** production has continued to be affected by the weather. Additionally, supply is tight on **DILL** and **OREGANO** due to the weather. Weather continues to affect all herbs from Colombia, especially **MINT**, **ROSEMARY**, and **OREGANO**.

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

Hami and Dino Melons now available in Pompano! The colder temperatures that hit the growing regions and have caused a disruption in the market. There have been so many weather patterns affecting the growing regions that have had an impact on yields and quality. Cold temperatures and some moisture immediately after Christmas affected harvests for almost two weeks. The past ten days have seen a significant and unexpected drop in arrivals on the east coast but expect some return to normalcy by next week. The west coast on the other hand will continue to feel the effects of this disruption of supply until late next week with limited arrivals this week.

Cantaloupe: ESCALATED Cantaloupe arrivals for the end of the week will see a shift more to smaller sizes (9/12/15s) which is also an after effect of the cooler temps. Quality has remained strong with good color for this time of year and internal brix levels of 11-14%.

Honeydew: ESCALATED Honeydews remains in a demand exceeds supply situation in all areas (Central America and Mexico) and there is not enough supply to cover the needs of everyone. Our shippers are restricting volume to cover contract only to get us through this period. We do expect supply to begin to pick up to more consistent levels by next week in Florida, but we are anticipating a shift in sizing to 6/8s as fruit did not size up during the cold snap. Advanced ordering and size flexibility may be necessary until supply increases.

Watermelon: ESCALATED Overall quality is very nice, still seeing firm pricing and moderate demand. Nogales and McAllen are the primary shipping points and mini watermelons seem to be easing back in price as store sets change and demand drops. Offshore watermelons are limited but we are shipping a few 4/5ct this week.

Mixed Vegetables

Artichokes: Expect lighter supplies to continue over the next several weeks.

Arugula: Quality and supply is very good.

Asparagus: ESCALATED Mexican production continues to be very low due to cooler temperatures in San Luis and Caborca. We should see better production in San Luis starting in 10 days. Peruvian production is continuing to slow down due to seasonality. Markets have become more active due to seasonality and the cooler weather in Mexico.

Broccoli/Broccoli: Quality is very good with good supplies. The desert is seeing some slightly cooler weather so we could see supplies effected slightly but no severe shortages are anticipated.

Brussels Sprouts: Good available supplies with very good quality, market is steady.

Carrots: (JUMBOS) ESCALATED Heavy rain in California continues to affect available supplies as shippers are not able to get all product needed out of the fields. Rain is forecast to continue through mid-week next week before we see fields starting to dry out. Shippers continue to struggle with supply on Jumbos as sizing remains small.

Cauliflower: Quality is very good with good supplies. The desert is seeing some slightly cooler weather so we could see supplies effected slightly but no severe shortages are anticipated.

Celery: ESCALATED Pricing remains very active although market has come down slightly and supply and quality continue to improve.

Cilantro: ESCALATED Pricing is still **ESCALATED** but supplies are improving. Quality is very good.

Corn: ESCALATED Markets remain firm out of Nogales and South Florida and quality is very nice, however it's still too soon to truly assess any freeze impacts in Florida.

Fennel: Very good quality with much better supply and market is stabilizing.

Garlic: EXTREME Quality is good with moderate supplies.

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: Supply is improving, quality is very good.

Green Onions: ESCALATED Supply continues to slowly improve although market remains very active. Quality continues to improve.

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.

Napa Cabbage: Market continues to be very active; quality continues to improve.

Parsley (Curly, Italian): ESCALATED Supply continues to be light, and quality is very good.

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

Red Cabbage: ESCALATED Supplies are improving but market remains very active, pricing is steady. Quality is good.

Snow Peas and Sugar Snaps: ESCALATED (West Coast) Excellent supply of sugar snaps from MX, light out of California due to rain. A good supply of snow peas from MX, light out of California. Guatemalan production of snow peas is steady, but sugar snaps have slowed down due to quality caused by market conditions.

Spinach (Bunched & Baby): Quality and supplies are very good.

Spring Mix: Quality and supplies are very good.

Sweet Potatoes and Yams: New crop is in full swing out of both North Carolina and Mississippi and quality is looking very nice. Supply is very good.

Onions:

Onion demand continues to remain flat. The market does not appear to be moving anywhere fast any time soon during Q1. If there is going to be a spike in the market, we are going to need to see demand patterns change, which is certainly possible during Q1. We will likely start to see Mexican onions crossing in January, and then Yellows about a month after in mid to late February. Idaho/Oregon maintain that their current pace of shipping, they will be done by the middle of March. This is like 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 most product sizing in the medium and jumbo range. We have seen some improved availability on colossal and super colossal sized onions in recent weeks, but this may get tougher in Q1 as the later storage varieties generally do not size as big. Growers are expressing further concern regarding continually rising overhead costs as it relates to next season's crop (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.

Potatoes: ESCALATED

Potato demand on cartons has significantly flattened during this past quarter. Q1 generally brings an increase to the market as begin to near the tail end of Norkotah supplies in March. 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 to get growers to release product on the fresh side. Other growing regions are echoing the same sentiments as well. We will see Nebraska finish up, and less supply out of Colorado and Wisconsin toward the end of Q1. These should give the overall market a boost as well. National supply reports are showing that there are less potatoes this year than last year – and this is not considering the 6M lbs. plus that have already been sold to processors.

TOMATOES

East Coast

- **Round Tomatoes:** Supply was lighter this week mainly due to cooler weather and we did see an uptick in pricing. We will continue to see up and down markets over the next few weeks as growers struggle to get more consistency in harvest projections.
- **Roma Tomatoes:** Supply was lighter this week mainly due to cooler weather and we did see an uptick in pricing. We will continue to see up and down markets over the next few weeks as growers struggle to get more consistency in harvest projections.
- **Grape and Cherry Tomatoes:** Good quality and supply available.

Mexico

- **Round Tomatoes:** Stable numbers this week, mostly due to cooler temps keeping prices higher than normal this week crossing through Nogales and Texas. Quality is outstanding on the new crop.
- **Roma Tomatoes:** Good supply and quality expected for the next several weeks crossing through Nogales and Texas. Quality is outstanding on the new crop.
- **Grape Tomatoes and Cherry Tomatoes:** Strong numbers and excellent quality continue out of Mexico.
- **Medley Grape Tomatoes:** Strong numbers and excellent quality continue out of Mexico.
- **Tomato on the Vine:** Excellent quality and supply available.

APPLES, PEARS, STONE FRUIT

Apples: Washington State Apple Crop looks to be around 100M boxes vs. 122M the last two years and 132M 3 years ago. With the number of Trees in the ground – this number is shocking. The last crop we saw 100M boxes was in 2007. Mid-April 2022 – Eastern Washington experienced 20-degree temperatures with apple trees in bloom which caused a significant loss in the crop. Additionally, cooler temperatures in the Spring with **EXTREME** Summer Temps also played a negative role in the supply of apples combined with two devastating hailstorms causing some blocks of Orchards not to be harvested. Furthermore, Fujis and granny smiths are known for alternate-bearing crops. Last year were heavy crops, so this year both are down significantly.

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. Cooler temperatures in the Spring with **EXTREME** Summer Temps also played a negative role in the supply of pears combined with two devastating hailstorms causing some blocks of Orchards not to be harvested.