

Weekly Market Review

January 26, 2023

Overview

In South Florida, as well as Mexico, we continue to see very light supply on cucumbers and do not expect improvement for several weeks. Squash and bell peppers seem to be easing and the color pepper supply is excellent! Tomato production is lighter this week in Florida and remains far from normal in a production perspective for this time of year due to several weather impacts over the past three months. We expect lower production and higher than normal market prices, but nothing too concerning. The corn market will be very short as the fallout from last month's freeze is now affecting the crop, causing **EXTREMELY** low yields and more loss than expected. The hot pepper market seems to be staying firm as cold temps and weather damage are 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 will most likely not improve until Mid-February. In Yuma, the weather has cooled with frost showing in the fields each morning, which is affecting a few of the markets. Forecast is for this to continue into next week but is not expected to get **EXTREMELY** cold.

Market Alert

- Cabbage (Red) – **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Celery - **ESCALATED**
- Cilantro - **ESCALATED**
- Corn – **EXTREME**
- Cucumbers - **ESCALATED**
- Garlic – **ESCALATED**
- Ginger – **EXTREME**
- Green Beans – **ESCALATED**
- Green Onions – **ESCALATED**
- 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**
- Tomatoes Florida (Rounds) - **ESCALATED**

Watch List

- Bananas
- Seedless & Mini Seedless Watermelon
- 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 1/26	Fri 1/27	Sat 1/28	Sun 1/29	Mon 1/30	Tue 1/31	Wed 2/1	Thu 2/2
69° 45°F	63° 44°F	59° 47°F	55° 42°F	54° 40°F	57° 40°F	59° 42°F	61° 47°F
							
Sunny/Wind	Sunny	Mostly Sunny	Partly Cloudy/Wind	Partly Cloudy	Sunny	Mostly Sunny	Partly Cloudy

JALISCO, MX:

Thu 1/26	Fri 1/27	Sat 1/28	Sun 1/29	Mon 1/30	Tue 1/31	Wed 2/1	Thu 2/2
78° 51°F	78° 54°F	76° 53°F	81° 54°F	82° 55°F	80° 52°F	78° 50°F	80° 50°F
							
Partly Cloudy	Partly Cloudy	Mostly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Mostly Sunny	Mostly Sunny

CULIACAN, SINALOA

Thu 1/26	Fri 1/27	Sat 1/28	Sun 1/29	Mon 1/30	Tue 1/31	Wed 2/1	Thu 2/2
85° 52°F	84° 54°F	82° 52°F	89° 54°F	89° 57°F	84° 49°F	82° 47°F	86° 48°F
							
Mostly Cloudy	Cloudy	Cloudy	Mostly Sunny	Mostly Cloudy	Partly Cloudy	Sunny	Sunny

YUMA, AZ

Thu 1/26 68° 41°F  Sunny/Wind	Fri 1/27 69° 40°F  Sunny	Sat 1/28 71° 42°F  Sunny	Sun 1/29 68° 44°F  Sunny	Mon 1/30 63° 44°F  PM Showers	Tue 1/31 61° 39°F  Partly Cloudy	Wed 2/1 65° 41°F  Sunny	Thu 2/2 67° 43°F  Mostly Sunny
---	--	--	--	---	---	---	--

IMMOKALEE, FL

Thu 1/26 75° 51°F  AM Showers	Fri 1/27 65° 56°F  Cloudy	Sat 1/28 81° 63°F  Mostly Cloudy	Sun 1/29 87° 64°F  Partly Cloudy	Mon 1/30 89° 63°F  Mostly Sunny	Tue 1/31 89° 63°F  Mostly Sunny	Wed 2/1 90° 62°F  Mostly Sunny	Thu 2/2 88° 60°F  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
Zucchini	Looking to make a quick and easy side dish with zucchini and roma tomatoes? Season the squash and tomatoes with some olive oil, garlic and italian seasoning. Throw in the oven to roast, top with parmesan cheese, and you have a delicious and healthy side dish to pair with any meal!
Roma Tomatoes- Mexico	

Fruits & Vegetables

Avocados: Last week closed out at 57.5M pounds for the US, a 13% increase from the previous week, but there’s still a way to go before hitting the projections of entering the 70M pound range. Mexico is halfway through the Normal season, with plenty of volumes left to harvest. The size curve continues to favor larger sizes – the percentage of 48s and larger continues to increase week-over-week. 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 in the 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 decreases and we may see a slight hike in pricing through mid-February.

Berries

Strawberries: Strawberry volume out of California will remain limited for the next 4-5 weeks. Fortunately, we should see volume increase quickly by the end of February. Out of Florida, volume is down due to cold temperatures and is expected to be lower for the next several weeks. Mexico’s volume is expected to maintain steady levels for the next several weeks.

Blackberries: Supply continues to increase gradually out of Mexico. Domestic supplies remain minimal due to weather events.

Raspberries: Volumes will remain lower than expected for the next 7-10 days due to a gap in production caused by cooler temperatures. Mexico is expected to begin its uptrend towards the end of next week and hit peak production by late May. California volumes will remain over the next few months. Baja volumes should reach peak production in 5-6 weeks.

Blueberries: Mexico continues with strong volumes toward its spring peak in late February-early 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 end of the month. Chilean arrivals are at their peak, but volumes will begin to downtrend after this week.

California Citrus

Oranges Navels are showing very good quality, with size structure peak 88/113/72. Larger sizes remain fairly tight.

Lemons: Good supply and very good quality.

Limes: ESCALATED Pricing still represents somewhat elevated trends; however, demand has lost momentum over the past 3+ weeks. Crossings have increased throughout January, including variable quality grades. However, this week's crossings are expected to decline again due to rain in the main growing region. The current production cycle is coming to an end; some growers have already begun harvesting the new crop. Overall quality and shelf life will demonstrate improvement and peak sizing will shift towards small fruit. Pricing is expected to increase again towards early February. Overall yields are expected to plummet as the new crop is harvested in response to weather-related trends (cooler temperatures lead to slow crop growth), which aligns with our seasonal timeline.

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 frost we are currently seeing. Market is steady to slightly stronger.

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: Supply out of Florida is gradually improving, currently peaking on jumbos, but should level out over the next few days. Nogales and McAllen and starting to see more volume due to more crossings and less demand from the east as Florida ramps up. Quality and availability should be improving daily.

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 are seeing more crossings through Texas and Nogales and markets are mixed due to hit and miss quality and volatile supply. 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 Market remains firm, and supplies will be light through February. We are still dealing with the impacts of last month's freeze. Cool weather and high demand in the west are keeping price **EXTREMELY** high crossing through Nogales. Mixed quality reported.

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

Zucchini/Yellow Squash: Improving supply and quality available in Nogales and Florida with deals being made on mediums.

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

The colder temperatures that hit the growing regions have caused a disruption in the market. There have been so many weather patterns affecting the growing regions that have impacted 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 Mid-February.

Cantaloupe: ESCALATED Cantaloupe arrivals for the end of the week will see a shift to smaller sizes (9/12/15s) which is also an after- effect of the cooler temps. Quality remains 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 has improved this week, with the first shipments arriving at the border over the weekend. This trend should continue over the next 4-5 weeks. Peruvian production continues to decrease due to seasonality. High waves in the port of Paita and Callao aren't allowing ships to be loaded with outbound containers. Markets continue to be active with less availability during the transitional period from Peru to 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. Overall supplies are improving, although shippers continue to struggle with supply on Jumbos as sizing remains small in California.

Cauliflower: **ESCALATED** Quality is very good. The desert is seeing some slightly cooler weather, so supplies are lighter and the market is much stronger.

Celery: **ESCALATED** Pricing remains very active, although the market continues a slow downward trend. Quality will continue to improve.

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

Corn: **EXTREME** Markets remain firm out of Nogales and South Florida; quality will start to decline as we are now harvesting in those younger fields that were affected by last month's freeze. We are seeing heavy losses and mixed quality which will be the expectation through February and into March.

Fennel: Very good quality. Supplies are lighter due to the cooler weather.

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** Quality is very good, and supply continues to improve. Market continues a slow downward trend.

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 are seeing lighter supplies from the cooler weather, 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) Guatemala's production on snow peas is steady and sugar snap production has improved. Excellent supply of sugar snaps from Mexico, light out of California due to rain. A good supply of snow peas from Mexico, light out of California.

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: ESCALATED** Supply was lighter this week mainly due to cooler weather, causing 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:** Demand was lighter this week, driving markets down. Markets are crashing in the west. Supply was stable and quality is good.
- **Grape and Cherry Tomatoes:** Good quality available; markets did firm up a tad as supply got lighter this week.

Mexico

- **Round Tomatoes:** Improving numbers this week and pricing was down. Quality is outstanding on the new crop crossing through Texas and McAllen.
- **Roma Tomatoes:** Good supply 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.