

Weekly Market Review

February 17, 2023

Overview

In South Florida and Mexico, we continue to see lighter than expected supply on slicer cucumber and yellow squash. Bell peppers are readily available, and quality is outstanding! Tomato production in Florida was lighter this week and romas are tighter in the west. Corn market will be very short as the freeze is now affecting the crop, causing extremely low yields and unexpected loss. 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-late March. Weather in Yuma is improving with only very slight chances of lettuce ice in the forecast going into next week. Yuma weather has cooled off again with lettuce ice in the fields almost daily. Forecast is for this to continue into early next week before we start to see a slight warming trend. Caborca & San Luis, MX, are expected to receive a freeze over the next few days, which will cause already tight supplies to tighten more. Supplies over the next 14-21 days will remain extremely limited.

Market Alert

- Asparagus – **EXTREME**
- Bok Choy – **ESCALATED**
- Cabbage (Red) – **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Cauliflower – **ESCALATED**
- Corn – **EXTREME**
- Garlic – **ESCALATED**
- Ginger – **EXTREME**
- Green Beans – **ESCALATED**
- Hot Pepper – **ESCALATED**
- Serrano and Anaheim Pepper – **EXTREME**
- Limes – **ESCALATED**
- Melons (Cantaloupe, Honeydew, & Watermelon) – **ESCALATED**
- Mushrooms – **ESCALATED**
- Parsley (Curley & Italian) – **ESCALATED**
- Potatoes (40s & 50s) – **ESCALATED**

Watch List

- Bananas
- Seedless & Mini Seedless Watermelon
- Slicer Cucumber

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 2/16	Fri 2/17	Sat 2/18	Sun 2/19	Mon 2/20	Tue 2/21	Wed 2/22	Thu 2/23
64° 46°F	66° 47°F	67° 44°F	63° 45°F	63° 47°F	61° 46°F	56° 42°F	52° 44°F
							
Mostly Cloudy	Mostly Cloudy	Mostly Sunny	Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny/Wind	Showers

JALISCO, MX:

Thu 2/16	Fri 2/17	Sat 2/18	Sun 2/19	Mon 2/20	Tue 2/21	Wed 2/22	Thu 2/23
74° 53°F	81° 54°F	83° 54°F	83° 54°F	84° 54°F	82° 52°F	80° 51°F	82° 52°F
							
Cloudy	Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Sunny	Mostly Sunny

CULIACAN, SINALOA

Thu 2/16	Fri 2/17	Sat 2/18	Sun 2/19	Mon 2/20	Tue 2/21	Wed 2/22	Thu 2/23
83° 45°F	86° 51°F	91° 52°F	92° 54°F	95° 54°F	91° 55°F	85° 51°F	88° 53°F
							
AM Clouds/PM	Mostly Cloudy	Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy

YUMÁ, AZ

Thu 2/16 64° 43°F  Sunny	Fri 2/17 67° 46°F  Cloudy	Sat 2/18 72° 44°F  Sunny	Sun 2/19 73° 49°F  Mostly Sunny	Mon 2/20 73° 51°F  Partly Cloudy	Tue 2/21 75° 52°F  Mostly Sunny	Wed 2/22 65° 46°F  Partly Cloudy	Thu 2/23 66° 46°F  Partly Cloudy
IMMOKALEE, FL							
Thu 2/16 88° 65°F  Partly Cloudy	Fri 2/17 89° 63°F  Partly Cloudy	Sat 2/18 80° 61°F  AM Clouds/PM Sun	Sun 2/19 88° 60°F  Partly Cloudy	Mon 2/20 86° 57°F  Mostly Sunny	Tue 2/21 87° 62°F  Mostly Sunny	Wed 2/22 90° 63°F  Partly Cloudy	Thu 2/23 93° 62°F  Partly Cloudy

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
Table Grapes	Table grapes going soft? Not to worry, they can have a life after they have been stored for a while. Grapes make the perfect toast topping and not just in the form of jam and jellies, try roasting them! Place grapes on a cookie sheet with some fresh herbs, and roast them until they are soft, then add them atop riccotta on toast!

Fruits & Vegetables

Avocados: The Super Bowl pull was strong this year, with many retailers reporting this as one of the better years since the pandemic started. Strong demand and a lower harvest in the past two weeks are causing the market to gain strength. Harvest for last week came in at 43.5M pounds, about 5M less than projected. 48cts and larger have seen the most significant jump in cost and could continue to get stronger until supply catches up. Markets could potentially adjust upwards over the next week or so until Mexico can catch up and demand wavers. This surge in price could last about another week until the border is resupplied; at that point, markets could adjust back down slightly. March could see slightly higher markets as Jalisco will come to the end of its season.

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 and starting to see a shift and improvement on larger sized fruit.

Table Grapes: Overall import volume is gradually increasing, and supply should be ample by early March, with normal quality.

Berries

Strawberries: Strawberry volumes out of California should begin increasing weekly at the end of February. However, we won't see the typical volume we see in late February through March out of Santa Maria and Oxnard, but we should still see peak production volumes in April-May from those regions. Salinas/Watsonville is following a similar curve of being behind, where we may typically start in late February or March, we are now expecting a start around the first week of April. Florida volumes continue to ramp up and should be in peak volumes in the first few weeks of March but will end quickly towards the end of March or early April. Mexico's volumes will continue to decline over the next several weeks.

Blackberries: Supplies are expected to remain at the current levels through the rest of the month. Supplies should begin to increase in early March. California's growing regions will see minimal volumes for the next two months.

Raspberries: Mexico volumes will continue to increase steadily until early May. We should see larger increases in March. Overall fruit quality and size is very good. Mexico will continue to be the main supplier for the next few months.

Blueberries: Mexico's volumes are expected to remain steady through March. Peru may have a few containers left out there, but it's all drying up very quickly. Chile's season has ended quickly due to heat waves and wildfires in the growing regions. There are a few containers on the water set to arrive later this week and early next week. Quality has been mixed from Chile all season.

California Citrus

Oranges Navels are showing very good quality, with size structure peak 88/113/72. Larger sizes are becoming more available. Good buys remain on 138s/163s.

Lemons: Good supply and very good quality.

Limes: ESCALATED The market is reacting, and pricing has begun to climb. While the new production has already began, the old crop is expected to be finished within the next few weeks. Overall quality and shelf life has improved, as pack-out yields on U.S. #1-grade fruit have increased. Expect the market to remain somewhat level until fully transitioned to new crop towards the end of February. Expect supply to be extremely tight through the month of April.

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: Lettuce is tightening up as cold weather is slowing growth. No shortage expected but shippers are holding closer to averages.

Romaine/Romaine Hearts: Good supply on both romaine/romaine hearts. Blister and peel from the cold weather is still present in romaine, but overall quality is still good for the next few weeks. Romaine heart quality is very good, and markets remain steady

Green Leaf Overall very good quality with some minor quality effects from the cold weather. We continue to see good supplies, market is steady.

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

Butter: Good supplies with overall good quality and market is steady.

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: Hit and miss 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, Poblano, 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: Good quality and supply in South Florida and crossing through Nogales.

Slicer Cucumbers: WATCHLIST Supply has been improving all week out of Florida on the Honduran imports and prices are easing back. Demand is fair and, in the west, we are a slight dip in production due to cooler weather and crossings through Texas and Nogales are down. Markets are mixed due to the unstable supply, and we expect active and short markets for the next two to three weeks.

English Cucumbers: WATCHLIST Supply slowly improving, 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 supply will be light through Mid- 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. Quality is mixed.

French Beans: French bean supplies are steady from both Guatemala and Mexico, quality fair to good.

Zucchini/Yellow Squash: Excellent supply and quality available in Nogales and Florida with deals being made on Italian. Yellow got a little tighter in Mexico due to cooler weather.

Herbs

Labor shortages affect 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.

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

Limited melon arrivals continue into all ports and should remain snug through Mid-March. Poor weather patterns in late December-early January negatively affected yields impacting current arrivals. Demand is outpacing supply with no slowdown expected in the short-term.

Cantaloupe: ESCALATED Cantaloupe arrivals are slowly improving however sizing is heavy to 9's and 12's which is an after-effect of the cooler temps. Quality remains strong, but we are seeing a greener cast than normal. Internal brix levels of 11-14%.

Honeydew: ESCALATED Demand exceeds supply situation in all areas (Central America and Mexico). Our shippers are restricting volume to cover contract only to get us through this period there is not enough supply to cover everyone. We expect supply to begin to pick up to more consistent levels for several weeks. Sizing will peak on 5/6's and advanced ordering is necessary and flexibility on sizes a must 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: We are seeing a slight increase in supplies, but overall supplies remain light. Market remains very active and most artichokes are frosted due to cold weather

Arugula: Very quality, supplies are slightly lighter due to cold weather.

Asparagus: EXTREME Cold, rainy, and cloudy weather continues to impact overall yields severely. Unfortunately, a freeze is expected to impact the Mexican growing regions by Thursday/Friday this week, with lows in the 30s and 40s through the weekend. These weather issues have caused production to decrease by as much as 70%. Overall supplies will remain very limited for at least 14-21 days.

Bok Choy: ESCALATED Market is extremely active with very light supplies.

Broccoli/Broccoli: Overall supplies remain steady; quality is very good.

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, but supply continues to be extremely light from the cold weather over the last few weeks. Market will continue in a demand exceeds supply situation at least through next week although market has adjusted downward slightly.

Celery: ESCALATED - The market continues a slow downward trend. Quality is very good

Cilantro: Pricing is in a downward trend with improving supplies. 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: Quality is very good, but supplies are extremely light due to the cold weather the last few weeks. Look for supplies to continue light through at least next week.

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: Steady supplies with very good quality

Green Onions: Quality is very good. Supplies have declined somewhat due to the cold weather in the desert, market is active.

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: Quality continues to improve with good supplies, market is steady

Parsley (Curly, Italian): ESCALATED Quality is very good although supplies continues to be very light. Market is very active.

Rapini: We continue to see light 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: Production of snow peas and sugar snaps peas is back to normal out of Guatemala. Excellent supply of sugar snaps and a good supply of snow peas from Mexico.

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 years' 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 is stable this week, pricing is mainly unchanged, and quality is good on all sizes.
- **Roma Tomatoes:** Lighter supply this week and quality remains good.
- **Grape and Cherry Tomatoes:** Good quality available this week.

Mexico

- **Round Tomatoes:** Excellent supply, particularly on larger sized fruit while mid-sized fruit is getting a premium. Excellent quality available this week crossing through Texas and McAllen.
- **Roma Tomatoes:** As we transition to newer blocks, we are seeing lighter crossings this week and higher pricing. We should see this condition over the next 10 days. 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.