

Weekly Market Review

February 23, 2023

Overview

In South Florida and Mexico, we continue to see light supply on slicer cucumber, yellow squash and bell pepper. Tomato production in Florida was lighter this week, but good production continues in the west. The 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 is staying firm as cold temperatures 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. Asparagus volumes out of Mexico remain very limited due to cold weather and logistical issues, but the latter part of this week had better asparagus supply. Peruvian asparagus have started to cut earlier than normal because of the Mexican shortage, so we are beginning to see Peruvian asparagus being flown into Miami. Supply is expected to remain limited for the next 7-10 days. However, extra-large and jumbo asparagus will remain very tight for the next few weeks.

Market Alert

- Asparagus – **EXTREME**
- Bok Choy - **ESCALATED**
- Cabbage (Green & 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 2/23	Fri 2/24	Sat 2/25	Sun 2/26	Mon 2/27	Tue 2/28	Wed 3/1	Thu 3/2
52° 45°F	54° 43°F	51° 38°F	56° 45°F	53° 47°F	54° 42°F	52° 39°F	57° 41°F
AM Showers	Rain/Wind	Showers	Mostly Sunny	Rain	Rain	Showers	Sunny









JALISCO, MX:

Thu 2/23	Fri 2/24	Sat 2/25	Sun 2/26	Mon 2/27	Tue 2/28	Wed 3/1	Thu 3/2
75° 54°F	81° 54°F	81° 53°F	80° 53°F	83° 55°F	83° 53°F	81° 52°F	80° 49°F
Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny









CULIACAN, SINALOA

Thu 2/23	Fri 2/24	Sat 2/25	Sun 2/26	Mon 2/27	Tue 2/28	Wed 3/1	Thu 3/2
84° 54°F	88° 57°F	88° 57°F	88° 51°F	92° 52°F	94° 54°F	91° 54°F	85° 49°F
Partly Cloudy	Partly Cloudy	Mostly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

YUMA, AZ

Thu 2/23 60° 41°F  Few Showers	Fri 2/24 68° 50°F  Mostly Sunny	Sat 2/25 64° 44°F  Partly Cloudy	Sun 2/26 64° 42°F  Sunny	Mon 2/27 68° 46°F  Mostly Sunny	Tue 2/28 69° 48°F  Partly Cloudy	Wed 3/1 66° 45°F  Partly Cloudy	Thu 3/2 65° 42°F  Sunny
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IMMOKALEE, FL

Thu 2/23 94° 64°F  Mostly Sunny	Fri 2/24 94° 62°F  Partly Cloudy	Sat 2/25 93° 61°F  Mostly Sunny	Sun 2/26 92° 59°F  Partly Cloudy	Mon 2/27 91° 62°F  Partly Cloudy	Tue 2/28 89° 64°F  Mostly Sunny	Wed 3/1 90° 60°F  Partly Cloudy	Thu 3/2 92° 65°F  Sunny
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Fruits & Vegetables

Avocados: Last week avocado volumes closed shy of 55M pounds for the U.S., a nice volume recovery after the previous week. Harvest the week of the Super Bowl was down almost 39% (43M pounds) from the volume high of week 3 (71M pounds), and the industry hasn't seen a week that low since last November. Demand has been strong coming out of Super Bowl with continuous promotions and with all projections maintaining plenty of fruit in Mexico. Sizing is trending toward smaller-sized fruit 60cts and smaller, which has caused 48cts and larger markets to see considerable increases. Mexico is now 18% ahead in volumes vs. last year, and it's projected to have over a 20% increase in available volumes from now through June. California is slowly ramping up, and the sizing profile continues to increase due to recent rainfall. The 2023 California crop is estimated at 257M pounds, which is 7% lower than last year's 276M pounds.

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 are lower than expected due to cooler temperatures in the Florida growing region which has delayed fruit ripening. Weather is expected to warm up, which may push more fruit to ripen. Strawberry volumes out of California should begin increasing weekly at the beginning of March. 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 typically starts in late February-March, but we are now expecting a start around the first week of April. Mexico volumes are projected to be slightly higher over the next three weeks due to strong crops maintaining a slower downtrend rate.

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 Pricing continues to increase. New production has begun, and old crop is expected to finish in the next few weeks. Quality and shelf life has improved, as pack-out yields on U.S. #1-grade fruit have increased. Supply will be extremely tight through 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: Supply is starting to slow down due to recent cold and ice. Harvest times have been pushed back on almost a daily basis. Quality is still very good but there may be occasional epidermal peel on the outer layers. The market has been very steady at current levels and any increase in demand will possibly push the market higher.

Romaine/Romaine Hearts: Supply is good with better weights on all packs. Quality on cartons is good except for light blister and peel from cold weather these last few weeks. Hearts are clean, with very light cupping; supply and weight will continue to improve this week.

Green Leaf & Red Leaf: Production in the desert region is steady. Overall quality is looking good with slight signs of wind/fringe burn. Markets are steady and demand is fair.

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

Eastern and Western Vegetables

Green Bell Pepper: Supply out of Florida was lighter this week and expected to be below normal through the rest of February. Nogales and McAllen continue to be the stronghold on volume. Demand is good particularly from the east as Florida production dips. Quality and availability should be improving daily.

Red Bell Pepper: Lighter supply this week and expect to increase next week out of McAllen and Nogales and quality is good.

Yellow Bell Pepper: Lighter supply this week and expect to increase next week 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 Despite improving supply out of Florida on the Honduran imports and prices are still holding firm. 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, but supply is improving slowly. We are still dealing with the impacts of last month's freeze and cool weather keep demand very high. Quality is mixed.

French Beans: Production is back to normal and overall quality continues to improve.

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 but expect improving volume next week.

Herbs

Expect challenges to continue with the quality and supply of all herbs from all growing regions. Weather conditions, lower yields, less acreage, and higher than expected demand will continue through the end of the month.

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 Some Caborca and San Luis ranches reported below freezing temperatures overnight and into this morning. We should have a better assessment next week of the potential damage, but this will slow production even further. With the increased demand, some Peruvian growers have started to cut fern earlier than expected. Markets are highly active and severely short.

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

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

Brussels Sprouts: Volume is good, demand shows signs of improvement. Northern acreage has transitioned to Oxnard and quality is much improved. Good volume is still coming out of Northern MX for the VA category and quality is outstanding.

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 and supplies with a slight increase in supplies. We are seeing a slight decline in the market but pricing remains escalated.

Celery: The market is steady, and 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: ESCALATED Quality is good. Supply is much lighter and will continue for the next 3 weeks due to cooler temperatures.

Green Onions: Quality continues to improve. Supply is better this week, but volume continues to be light due to cool weather.

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 continue 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: Overall excellent out of Guatemala and Mexico, and good supply!

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:** Seeing lighter picks this week and pricing was higher. Quality is good on all sizes.
- **Roma Tomatoes:** Lighter supply continues, 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:** 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.
- **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.