

Weekly Market Review

March 3, 2023

Overview

In South Florida and Mexico, we are seeing more local volume to complement inbounds from the offshore deal on slicer cucumber. Squash and tomato volume is steady while bell pepper remains light, but quality is outstanding! 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.

Market Alert

- Asparagus – **ESCALATED**
- Bok Choy - **ESCALATED**
- Cabbage (Red & Green) – **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Cauliflower – **ESCALATED**
- Celery – **ESCALATED**
- Cilantro - **ESCALATED**
- Corn – **EXTREME**
- Garlic – **ESCALATED**
- Ginger – **EXTREME**
- 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
- Green Bell Pepper
- Seedless & Mini Seedless Watermelon

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 3/2	Fri 3/3	Sat 3/4	Sun 3/5	Mon 3/6	Tue 3/7	Wed 3/8	Thu 3/9
57° 42°F	57° 43°F	56° 44°F	55° 44°F	56° 41°F	58° 43°F	58° 42°F	57° 43°F
							
Sunny	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny

JALISCO, MX:

Thu 3/2	Fri 3/3	Sat 3/4	Sun 3/5	Mon 3/6	Tue 3/7	Wed 3/8	Thu 3/9
79° 48°F	78° 45°F	79° 49°F	81° 51°F	82° 54°F	81° 53°F	80° 51°F	78° 50°F
							
Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy	Sunny	Partly Cloudy

CULIACAN, SINALOA

Thu 3/2	Fri 3/3	Sat 3/4	Sun 3/5	Mon 3/6	Tue 3/7	Wed 3/8	Thu 3/9
84° 44°F	85° 46°F	87° 48°F	92° 51°F	94° 53°F	93° 54°F	91° 54°F	88° 56°F
							
Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Cloudy

YUMA, AZ

Thu 3/2	Fri 3/3	Sat 3/4	Sun 3/5	Mon 3/6	Tue 3/7	Wed 3/8	Thu 3/9
68° 42°F	70° 45°F	75° 47°F	72° 49°F	70° 48°F	71° 48°F	72° 50°F	69° 47°F
 AM Showers	 Mostly Sunny	 Mostly Sunny	 Partly Cloudy	 Mostly Cloudy	 Partly Cloudy	 Partly Cloudy	 Partly Cloudy

IMMOKALEE, FL

Thu 3/2	Fri 3/3	Sat 3/4	Sun 3/5	Mon 3/6	Tue 3/7	Wed 3/8	Thu 3/9
93° 66°F	92° 69°F	93° 64°F	91° 68°F	90° 66°F	91° 63°F	93° 65°F	92° 63°F
 Sunny	 Partly Cloudy	 Mostly Sunny	 Partly Cloudy	 PM Rain	 Mostly Sunny	 Partly Cloudy	 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
Tomatoes (Round, Roma & Grape)	Tomatoes are low in calories and provide nutrients like vitamin C and potassium. Did you know that they are also rich in antioxidants—one called lycopene, responsible for tomatoes' characteristic color, is linked to several benefits.
Brussels Sprouts Green Beans	Roasting is one of the easiest applications when it comes green beans and brussels sprouts. Both of these items can be tossed in olive oil, a sprinkle of salt and pepper and a garlic clove or two and spread out on a baking sheet and roast for 10-15 minutes. Enjoy!

Fruits & Vegetables

Avocados: Last week's volume is tallying very similar to Week 7 currently 54M pounds. After a slight dip in volume, it's steadily back on-track and demand continue to be strong. California harvest is slowly ramping up, but the rainfall in California will cause fruit to continue to size up. Peak production is expected in late April and the 2023 CA crop is estimated at 257M pounds, which is 7% lower than last year's 276M pounds. Peru's forecasted export volumes are 12.5% higher in 2023 – totaling 624,000 tons globally. The U.S. is expected to get at least the same amount as last year – approximately 125,000 tons. This stronger market is holding, and current price points could be the new base. The next shift will likely be a modest pricing separation between extra-large and large fruit. The size curve and market demand are working together to find balance.

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: Excellent supply and quality available.

Berries

Strawberries: Both Santa Maria and Oxnard have received a significant amount of rain since this weather event started last week and still counting. More rain is expected through the end of the week. We have also had very cold days, freezing temps overnight, snow at higher elevations but also in lower elevations where we don't typically see it. California crops are expected to be delayed 2-3 weeks. Florida production has continued to increase due to warmer weather. 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: Central Mexico will continue with strong production as they are in peak season. Peru volumes will continue for another few weeks. Baja volumes will continue to increase as their season uptrends. Chile is finished for the 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 new production cycle has fully transitioned in most operations. Overall quality and shelf life has improved, including higher pack-out yields on U.S. #1-grade fruit. Forecast is for market to be tight throughout March and potentially into the first few weeks of April. Pricing is subject to change on a day-to-day and/or hourly basis without prior notice pending availability. Large fruit will be scarce, with insufficient supply on 110's & 150's. Consider altering your spec to complement crop trends and ensure supply.

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 steady, and we are anticipating increased demand as weather starts to warm up after the current cold weather moves on. Growers in the Imperial Valley are getting ready to finish for the season and move back to Yuma to finish the season. Quality overall continues to be good. The markets have remained steady even with cold weather across the nation. Forecast is steady to possibly higher with better demand.

Romaine/Romaine Hearts: Supply is good with better weights on all packs, market is steady. Quality on cartons although we continue to see light blister and peel from the cold weather these last few weeks. Supplies and weight will continue to improve this week.

Green Leaf & Red Leaf: Production in the desert region remains 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: WATCHLIST 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: Improving supply out of Florida while supply out of Honduras is fair. In the west, good supply and excellent quality available crossing through Texas and Nogales.

English Cucumbers: Good supply available with excellent quality.

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

Green Beans: Much improved supply available loading in Florida and Nogales.

French Beans: Production is back to normal and overall quality continues to improve. Container delays are affecting supply this week.

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

Domestic herb supplies have slowed due to rainfall and cooler temperatures, especially chervil, thyme and tarragon. Additionally, winter storms have affected air freight. Weather continues to impact herbs from Colombia. Labor issues continue to improve in Mexico.

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

Supply slowly improving at all ports and should remain snug through Mid-March until we get caught up. Poor weather patterns in late December-early January negatively affected yields impacting current arrivals. Demand still outpaces supply with no slowdown expected in the short-term.

Cantaloupe: ESCALATED Cantaloupe arrivals are slowly improving however sizing is heavy on 12's . Overall 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 over the next two weeks. Sizing will peak on 5/6's and advanced ordering is necessary and flexibility on sizes.

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: ESCALATED Cooler weather and high winds are being reported in Caborca and San Luis. Market remains high which is causing retailers to switch to other commodities. Peru has started with air shipments this week and markets continue to be somewhat active, but pricing has declined on smaller sizes. Jumbo and extra-large asparagus remains tight with higher pricing.

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

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

Brussels Sprouts: Volume remains strong from both Northern and MX production locations. Quality is excellent and both VA and bulk categories are great promotion candidates

Carrots: (JUMBOS) ESCALATED. Overall supplies are improving, although shippers continue to struggle with supply on Jumbos as sizing remains small in California.

Cauliflower: ESCALATED Supplies are expected to be light for at least another week due to cooler than normal temperatures.

Celery: ESCALATED Quality is very good; supplies are lighter due to the rain and cooler weather in the Oxnard area.

Cilantro: ESCALATED Quality is very good, supplies remain light.

Corn: EXTREME Markets remain firm out of Nogales and South Florida; quality is fair as we are now harvesting in younger fields that were affected by last month's freeze. We are seeing heavy losses and mixed quality which will be the expectation through into Late 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 Light supplies will continue for the next 2-3 weeks due to cooler temperatures. Quality is good.

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

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 due to cooler weather. 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 on Snow peas continues to be excellent. Sugar Snap production has slowed down due to market conditions, expect higher pricing over the next few weeks.

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:** Steady harvest this week on all sizes, markets are down due to heavy inbounds from Mexico. Quality is good on all sizes.
- **Roma Tomatoes:** Steady supply continues, and quality remains good.
- **Grape and Cherry Tomatoes:** Good quality available this week.

Mexico

- **Round Tomatoes:** Excellent supply on all sizes. Excellent quality available this week crossing through Texas and McAllen.
- **Roma Tomatoes:** Excellent supply, on all sizes. 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 F

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.