

# Weekly Market Review

## September 28, 2023

### Overview

We are starting to transition squash, cucumbers, tomatoes, corn, hot pepper, and bell pepper to South Georgia. The hot pepper market remains very active but starting to see more inventory become available - Habanero and serrano seem to be the shortest. Table grape markets are extreme due to severe losses and impacts of Hurricane Hillary and pineapples remain short which we expect to continue through October. The start of the Aventajada avocado harvest is a very good sign for a smooth transition into Q4. Historically, this timeframe has experienced gaps in supply with multiple transitions occurring simultaneously. While Peru and California are making their exit, Mexico has been comfortably increasing volume week-over-week. The size curve doesn't quite match demand. The pricing spread between the 48s and 60s will continue to narrow over the next few weeks. Additionally, we can expect the market on smaller sizes to stay tight, and it'll be a number of weeks before extra-large fruit becomes readily available. In California, Huron lettuce, romaine, and leaf items will start the week of Oct 16<sup>th</sup>, so we are only 2 weeks away and early reports are quality is good. Like last week, the start of the avocado Aventajada harvest is a very good sign for a smooth transition into Q4. Historically, this timeframe has experienced gaps in supply, with multiple transitions occurring simultaneously. While Peru and California are making their exit, Mexico has been comfortably increasing volume week-over-week. The pricing spread between 48s and 60s will continue to narrow over the next few weeks. We can expect the market on smaller sizes to stay tight, and it'll be several weeks before extra-large fruit becomes readily available.

### Market Alert









- Avocados – **ESCALATED (48cts & larger)**
- Asparagus – **ESCALATED**
- Blueberries – **EXTREME**
- Bok Choy – **ESCALATED**
- Broccoli - **ESCALATED**
- Brussels Sprouts – **ESCALATED**
- Carrots – **ESCALATED**
- Green Beans- **ESCALATED**
- Green Onions - **EXTREME**
- Hot Pepper (All Varieties) – **EXTREME**
- Limes – **EXTREME**
- Napa – **ESCALATED**
- Onions – **ESCALATED**
- Parsley (Curley & Italian) – **ESCALATED**
- Pineapple - **ESCALATED**
- Potatoes – **ESCALATED**
- Snow & Sugar Snap Peas – **ESCALATED**
- Table Grapes- **EXTREME**

### Watch List









- Blackberries
- Broccolini
- Cabbage, Red
- Celery
- Corn
- Eggplant
- Ginger
- Lemons
- Lettuce, Iceberg
- Oranges, small sizes
- Strawberries
- Raspberries
- French Beans

### Weather









#### SALINAS, CA

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
72°   55°F	70°   58°F	64°   53°F	69°   53°F	72°   54°F	75°   57°F	81°   60°F	81°   60°F
							
Partly Cloudy	Partly Cloudy	AM Rain	Partly Cloudy	Sunny	Sunny	Sunny	Sunny









#### OXNARD, CA:

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
71°   59°F	72°   61°F	69°   56°F	66°   54°F	70°   56°F	74°   59°F	78°   62°F	78°   61°F
							
Partly Cloudy	Partly Cloudy	AM Showers	Partly Cloudy	Sunny	Sunny	Sunny	Partly Cloudy









**JALISCO, MX**

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
83°   68°F	84°   68°F	85°   68°F	83°   68°F	84°   68°F	83°   68°F	83°   67°F	83°   66°F
							
PM	PM	PM	PM	PM	Scattered	Scattered	Scattered
Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms









**VIZCAINO, BAJA SUR**

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
93°   59°F	90°   59°F	86°   60°F	85°   59°F	83°   56°F	90°   61°F	92°   63°F	93°   63°F
							
Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny	Sunny









**ARVIN, CA**

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
84°   62°F	88°   62°F	72°   59°F	72°   58°F	78°   60°F	84°   64°F	89°   67°F	91°   68°F
							
Sunny	Sunny	Scattered	Partly Cloudy	Sunny	Sunny	Sunny	Mostly Sunny

**HENDERSONVILLE, NC**

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
74°   54°F	79°   57°F	79°   58°F	76°   54°F	78°   53°F	78°   54°F	76°   53°F	78°   55°F
							
AM Clouds/PM	Mostly Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy

**ADEL, GA**

Thu 9/28	Fri 9/29	Sat 9/30	Sun 10/1	Mon 10/2	Tue 10/3	Wed 10/4	Thu 10/5
81°   65°F	84°   65°F	86°   64°F	84°   61°F	83°   61°F	82°   62°F	83°   62°F	85°   64°F
							
Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Sunny	Sunny	Mostly Sunny	Sunny
0 in	0 in	0 in	0 in	0 in	0 in	0 in	0 in

**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 and yellow squash	Sliced and sauteed zucchini and yellow squash make the perfect side dish! Add oil, onions, zucchini, to a pan and sauté until soft, sprinkle with salt and pepper and some fresh thyme. When the dish is completed, sprinkle with parmesan and enjoy immediately!

**Fruits & Vegetables**

**Avocados: Escalated (48 counts and larger)** Last week closed at 60.8M pounds for the US. The previous two weeks total volume has increased 25% overall and 45% from Mexico. Most growers are currently harvesting Aventajada crop, but it remains a smaller percentage of current avocado supplies. The sizing curve continues to favor larger sizes 48 counts and larger.

**Bananas:** Steady volume on the horizon expected and no quality issues; fruit size will remain smaller than normal but should be improving.

**Pineapples: ESCALATED** We expect to see tighter availability on pineapples through the remainder of the quarter due to a decrease in yields throughout the tropics; most of this can be attributed to the changing of the weather patterns from La Nina to El Nino. As a result of this, many farmers saw their fruiting season start approximately five weeks earlier than normal; factor this with the high drought conditions we are now seeing, the result is some of the lowest fruit production in this current cycle we have seen in years for this time of year. We are also seeing some growers decide to cease operations due to inflationary pressure which is limiting their cashflow for day-to-day farming costs such as labor and fertilizer. Our growers are doing everything they can to navigate through this to ensure we keep the supply chain stable. However, we do feel there might be occasional shortages or pro-rates until we resume a normal availability cycle. We recommend staying in front of this condition by keeping additional inventory on hand as well as planning and placing orders well ahead of time and not on the same day. We hope these adjustments, as well as the ability to be flexible on sizing, will avoid the need to make product substitutions or cause any major shortages. Overall quality remains good.

**Table Grapes: EXTREME** Lighter supply and firmer markets will continue. Some growers are reporting 30%+ losses going into their mid-season varieties and we are starting to receive Force Majeure letters. We will certainly see volume impacting the remainder of the California fresh as well as storage season. We do anticipate a shorter than normal season all around and potentially volatile markets until the offshore deal gets underway. Growers are doing the best they can to pack the best grapes that were not affected by the rain, but we do expect to see quality issues. We are anticipating a supply GAP between December and January therefore ask you prepare by scaling back portions and consider sub to other options such as diced apples, or mixed melon chunks during that estimated timeline.

### **Berries**

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**Strawberries: WATCHLIST** In the Santa Maria growing region temperatures are cool with cloudy mornings each day with late afternoon sun. Temperatures have been in the high 60's to low 70's with no rain in the long forecast. The overall quality is good with less overripe due to cooler temperatures. Organic quality is good with only occasional misshapen. Supplies continue to decline out of the Watsonville and Salinas growing region. Florida planting has begun.

**Blackberries:** California harvest crews are still struggling with the attached calyx. Harvests are steady this week but will begin to drop next week on conventional and organic. Mexico's quality is good, with the occasional red cell. Supplies are steady and should increase in mid-October.

**Raspberries:** Harvests will see a significant drop out of the California growing region. Mexico will see lighter volumes but should begin to pick up in a few weeks. Overall quality is good out of both regions with occasional overripe fruit.

**Blueberries: Extreme** Domestic crops and storage fruit is done for the season. Growers expected to push another week out of British Columbia, but rain ended the season immediately. Mexico's crops are behind, with very little ripe fruit. We expect to see an increase in about three weeks. Peru's volumes are estimated to be 50% lower than anticipated. Between production volume being off and fruit being sent to other countries, we are in a significantly under-supplied situation for the next several weeks.

### **California Citrus**

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**Oranges:** Valencias are peaking on 88's / 72's and small fruit is expected to remain tight through the valencia season. Some shippers are possibly gapping between the end of the Valencia season and the beginning of the navel season with small fruit (88's, 113's and 138's) being in a demand exceeds supply situation. There are going to be Florida oranges available, quality is looking good. Please be sure and book orders early!!

**Lemons: WATCHLIST** Demand is high on Fancy grade and small sizes will continue to be extremely tight. Current import season from Argentina is finished for the year, Chile is finishing this week and volume from Mexico is lighter than in years past. Expect to see light supplies through the month of October. Please be sure and book orders early!!

**Limes: EXTREME** Pricing remains elevated; demand is steady with availability continuing to decline week after week. The market is expected to be relatively stable over the next few weeks although demand will dictate. Limes have moved to the new growing areas, although we continue to see the impacts to the new bloom which has been heavily impacted by severe weather events over the last few months. We anticipate availability to sharply decline in Q4, with growers reporting supplies to be at an extreme low during the month of October. Pricing will continue to climb with a volatile market through all of Q4, possibly into Q1 2024. In addition, extreme heat and humidity have impacted quality and shelf life, which is also contributing to low availability. Quality continues to reach seasonal lows, with growers seeing very low pack-outs of the total harvested yields.

**Grapefruit:** Star Ruby Grapefruit is being packed in Riverside and the central valley. Currently peaking in a 56/48/40.

**Imports/Specialties:** Imported mandarins on both the east and west coasts.

### **West Coast Lettuce**

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**Iceberg: WATCHLIST** Sizing is medium to medium plus with a nice green color. Weights ranging from 36 to 42lbs depending on pack and field location. Supplies are trending lower due to declining yields as we approach the fall season. Demand for West Coast product is increasing as market pricing continues to advance. Huron is only 2 weeks away as Huron Lettuce will be starting the week of Oct 16th.

**Romaine, Romaine Hearts:** Romaine and romaine hearts are still shipping from the Salinas Valley. Supplies will remain steady with good quality. We are still getting reports of some light to moderate tip-burn, but overall quality is good on both carton romaine and romaine hearts. Market is steady to slightly stronger.

**Green Leaf, Red Leaf & Butter:** Production in Salinas is steady with good supplies. Weights are slightly lower with some light insect presence and light fringe burn but overall quality is good. Current market is slightly stronger with good demand.

### **Eastern and Western Vegetables**

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**Green Bell Pepper:** Steady volume out of California, the east coast volume is steady out of North Carolina and Michigan. South Georgia should start scratching over the next 10-14 days. Overall quality is good.

**Red Bell Pepper:** Excellent quality and volume available out of California as our growers are into newer blocks of fall pepper.

**Yellow Bell Pepper:** Excellent quality and volume available out of California as our growers are into newer blocks of fall pepper.

**Orange Bell Pepper:** Markets are steady. Quality remains strong.

**Mini Sweet Pepper:** Excellent supply this week loading in Oxnard.

**Mixed Chili Pepper: EXTREME** In the east, the hot pepper market is hit or miss out of Michigan. On the mainland of Mexico, we are still dealing with heat, cloudy conditions and transitional gaps on chilies and tomatillo, which is keeping prices firm on several varieties. Serrano and Habanero seem the shortest. There is some volume out of Baja which seems to be improving post-Hilary. California production remains hit or miss at this time.

**Eggplant: WATCHLIST** We are seeing a split market with tight supply in the west, and moderate supply in the east. Quality is fair in general.

**Slicer Cucumbers:** Good volume and quality available.

**English Cucumbers:** Markets have firmed up as supply on # 1 fruit is limited. Canada is winding down and Mexico is just scratching. We should see availability improve over the next 3-4 weeks.

**Pickles:** Lighter supply out of Michigan this week and quality will be mixed.

**Green Beans: ESCALTED** Markets are mixed, and there is a wide range of quality by region.

**French Beans: WATCHLIST** Quality and supply continues to improve as weather improves in certain Guatemalan growing regions. Rain is forecasted for the weekend, though. Light supply and fair quality of conventional out of Mexico.

**Zucchini/Yellow Squash:** Good supply available out of South Georgia on new crop while local deals in North Carolina, Michigan, and Tennessee continue production. In the west, we continue to cross supply in McAllen and Nogales is slated to start in October. Santa Maria continues to see lower numbers.

### **Herbs**

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Overall quality has improved with better weather. Dill production is still being affected by heat. Due to weather and pest issues, domestic and imported chervil production continues to be low. Italian Parsley can be used as a substitute, and fresh Tarragon at 1/2 the amount. 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**

California production will continue to decline then transition to Yuma in approximately 3 weeks. We should see slightly lower yields in the desert in general but are hoping to see good volume out of Mexico on Honeydew during that same period. Once the desert wraps up we will transition to offshore around the 6<sup>th</sup> of November.

**Cantaloupe:** Quality is good, and we are seeing a bit more of a green cast on shell color; brix levels were also down averaging 13-15%. Sizing is trending mostly to the smaller end this week but should even out as our growers break fields over the weekend that look heavier to 6's and 9's.

**Honeydew:** We are starting to see less volume being packed throughout the industry. Lower production will lead to stronger pricing in the short term and maintain higher levels until Mexican production starts to impact the industry which most likely will not be until the middle of October. Current sizing profiles have been mostly jumbo fruit (4J/5Js), but we expect sizing to slide down very soon.

**Watermelon:** Markets will be tight this week as many local deals start to wrap up. Overall quality is good out of Michigan, Virginia, North Carolina, and Illinois.

## **Mixed Vegetables**

**Artichokes:** Supplies continue to improve, especially on larger sizes, market remains active.

**Arugula:** Supplies are good with very good quality

**Asparagus: ESCALATED** Production continues to be steady from Northern and Southern Baja. We are still seeing seedling and spreading due to the heat in these growing regions. Production in Southern Peru is also steady. We have started to see bigger sizing due to more fields opening in the South. Markets have come off with better production in Mexico and Peru.

**Bok Choy:** Supplies are increasing with very good quality.

**Broccoli/Broccoli Crowns: ESCALATED** Industry supplies are lighter on broccoli crowns and bunched broccoli. Market tone is firm at higher prices. Industry yields continue to be lower due to humidity and higher sustained temps this summer.

**Broccolini: WATCHLIST** Broccolini supplies will continue to trickle up through next week. We expected slightly better supplies this week but haven't really seen it yet but expect much better supplies 2 weeks out.

**Brussels Sprouts: ESCALATED** We continue to see increasing supplies and most shippers will be covering averages which is good as we start to plan for the Holiday season. Sizing is heavier to medium and small, large sizes remain short. Market remains strong although we should see pricing start to settle over the next few weeks.

**Carrots: (JUMBOS) ESCALATED** Very limited supply on Jumbo Carrots in California and growers are in a demand exceeds supply situation. Fields in the Salinas region are not sizing up. Expect Jumbo carrots to remain in light supply, well into Q1, 2024.

**Cauliflower:** The quality, condition, and color remain very nice. Increased supply industry wide has resulted in lower pricing although we look for this to change by the front part of next week as we anticipate higher FOBS.

**Celery: WATCHLIST** Demand has increased significantly. Supplies remain strong although yields are down industry wide as growers continue to deal with some insect pressure and minor quality issues. Expect higher pricing for next week.

**Cilantro: ESCALATED** Cilantro supplies continue to be lighter than normal this week, but quality is good.

**Corn: WATCHLIST** We expect to see a split market on price; west coast pricing being significantly higher as the valley crop winds down then transition to the desert and eventually Mexico over the next 2-3 weeks. In the east, markets are mostly down, but that will change quickly as the summer harvest comes to an end in the upper Midwest and New York. We have new crop out of Iron City, Georgia which will bridge back to Florida for the winter. We expect markets to firm up as supplies in the east tighten. Quality will also change as we transition from the summer crop to fall crop; generally, you will see smaller ears and less developed kernels.

**Fennel:** Good supplies with very good quality.

**Garlic:** The 2023-2024 California Garlic season has started. The Market continues active as supplies ramp up, quality is looking good.

**Ginger:** Supplies and market are steady

**Green Cabbage:** Supplies continue to improve with very good quality. Demand is good.

**Green Onions: EXTREME** Green onions continue to remain in extremely short supply with marginal quality due to weather related issues over the summer. Most shippers are in a demand exceeds supply situation and need to pro-rate to get orders shipped. We expect this current situation to continue into early to mid-October when new fields can be harvested.

**Mushrooms:** Quality is good, and supply is stable.

**Napa Cabbage: ESCALATED** Supplies are still very light, and the market remains very active.

**Parsley (Curly, Italian): ESCALATED** - Quality is improving, market remains active.

**Rapini:** Good supplies with very good quality.

**Red Cabbage: Watchlist** - Supplies are lighter, market is stronger.

**Spinach (Bunched & Baby):** Good supplies and good quality.

**Spring Mix:** Supplies are good with very good quality.

**Snow Peas and Sugar Snaps: ESCALATED** Guatemala's production on both peas continues to improve. Peruvian pea production is decreasing due to seasonality. Out of the west, the snow pea supply is steady, and the market is higher with fair to good quality. Sugar snaps supply is gapping out of California, and the market is very active.

## **Onions**

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The market appears to have settled out in Northwest. While California is down to only a few shippers, they are still showing a presence on the USDA Market Report. For the most part, everything is coming out of the Northwest. White onions remain in tight supply and their elevated price is reflective of that. We are seeing much better size on yellows in the Northwest as well, with Colossal and Super Colossal sizes being in good supply. To the surprise of many, the market has remained relatively stagnant across the board on all colors and sizes. It was expected to come down pretty fast with the typical tidal wave of new supply entering the market all at once. This season, there has been enough rain delay during harvest that has made the volume much more manageable from a shipping standpoint. It is believed that next week growers will hit their harvest stride and supply could become much more plentiful in both Idaho/Oregon and in Washington. Barring any unexpected weather setbacks, there are no major headwinds expected in this year's Pacific Northwest onion crop. Truck rates continue to increase back to more healthy rates as well and should continue to remain firm or increase as we move into Q4.

## **Potatoes: ESCALATED**

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We are beginning to see some stability in the market at the current price levels. Even though potatoes have not been through the sweat yet, and cannot be stored, there is not much room left for the market to fall. Growers will likely have the luxury of being able to

turn down prices if they are too low and focus on storing. We are seeing Washington's early potatoes sizing on the larger range – so 40ct through 70ct have been plentiful, and there have been a lot of straight load deals. In Idaho, tuber counts are high, which tells us that yields are strong. The unknown there will be how the crop is sizing overall. Due to the high levels of heat, they have experienced over the last several weeks, it is possible we see smaller potatoes more plentiful this season. The outlook remains optimistic this season on yields, sizing, and quality. Barring any unforeseen weather events that would negatively impact harvest or storage, the industry should be in for some much-needed relief on fresh potatoes this season. Truck rates continue to increase back to more healthy rates as well and should continue to remain firm or increase as we move into Q4.

#### **Tomatoes: East Coast**

- **Round Tomatoes:** Steady volume on all sizes as the weather improves. Forecast is calling for normal conditions, which will make for favorable harvest conditions. Fruit in general looks good and we should see new crop out of South Georgia and Florida over the next two weeks.
- **Roma Tomatoes:** Lighter volume this week on all sizes as we see a dip in production, but the forecast does continue to call for favorable harvest conditions over the next week. Fruit in general looks good, but we are seeing some quality issues related to rain for the remainder of the season. We expect to see new crop out of South Georgia and Florida over the next two weeks.
- **Grape Tomatoes:** Grape tomato supply and quality has improved, and FOB prices were stable this week.
- **Cherry Tomatoes:** Stable supply available this week.

#### **Tomatoes: Mexico**

- **Round Tomatoes:** Markets are mostly flat this week, and moderate crossings continue through McAllen and Otay. Overall quality is excellent on new crop fruit.
- **Roma Tomatoes:** The market has eased back on romas with more volume coming available in Mexico. Quality will be hit and miss for the next several weeks out of Baja.
- **Grape Tomatoes:** Excellent supply crossing through McAllen and Otay as growers start fall production. Overall quality is good off the mainland crossing in McAllen while still hit and miss in Otay from the Baja.
- **Cherry Tomatoes:** Stable supply and good quality available this week.
- **Medley Grape Tomatoes:** Stable volume this week with fair quality.
- **Tomato on the Vine:** Excellent quality available. Supply was tighter this week and prices were up due to increased demand.
- **California Tomatoes:** Steady volume and slightly improved quality. Still peaking on large and xl's. California season expected to continue through October.

#### **APPLES**

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**Apples:** We will see excellent availability now through the new year on apples as growers continue harvesting the new crop. Apple supplies are anticipated to be 30% higher than last year. Growers are seeing higher percentages of extra fancy and premium apples.

**Pears:** We will see excellent availability now through the new year on pears as growers continue harvesting the new crop. Unfortunately, pear supplies are expected to be slightly lower than last year but will be plentiful through Q4.

#### **Stone Fruit**

**Figs:** Supply will be limited and finish up over the next week.

**Plums:** Still some late variety red and black varieties available out of California

**Pomegranates:** Early Granada varieties available in the west.