

# Weekly Market Review

## December 15, 2023

### Overview

We are seeing very short markets on mixed vegetables, as well as tomatoes, out of Florida and Mexico this week. Items included but not limited to the following: Beans, Corn, Tomatoes (all Varieties), Squash, Bell Pepper, Hot Pepper, Cucumber and Eggplant. The weather has been unseasonably cool in South Florida and Mexico this fall which has created delays, as well as impacted quality of crops post-harvest and volume. All of this is a result of the change we have seen in the weather pattern as El Nino takes hold on the Southern Hemisphere and impacting start/completion dates, as well as transition schedules on several crops. We expect to see higher markets through the end of the year and potentially into 2024. Additionally, we expect to see availability abbreviated during the Christmas week pull as well as pro-rates, shorts, issues with quality and outside purchasing possible to maintain service level. Market stability on avocados is expected through the Super Bowl with slight weekly adjustments as the harvest size curve strives to match demand. Adjusted holiday schedules will begin next week, and there is plenty of fruit in the pipeline to front load to ensure well-stocked holiday displays. Strawberry supplies will be lower next week due to FL expected rainfall in California. Furthermore, Florida and Mexico's wet and cooler temperatures continue to cause lower yields and we will likely see limited volumes for the next two weeks. Florida's conventional harvest is anticipated to have a gradual increase over the next 3-4 weeks and Mexico should see an increase in January.

**YUMA:** Nighttime temperatures have cooled, and we have seen some lettuce ice a few mornings this week. Expect to see some light peeling on lettuce and romaine.

### Market Alert









- Avocados – **ESCALATED**
- Asparagus – **EXTREME**
- Basil - **ESCALATED**
- Blueberries – **ESCALATED**
- Broccolini - **EXTREME**
- Carrots – **EXTREME**
- Celery - **ESCALATED**
- Hot Pepper (All Varieties) – **EXTREME**
- Mushrooms- **ESCALATED**
- Onions – **ESCALATED**
- Potatoes – **ESCALATED**
- Snow & Sugar Snap Peas – **ESCALATED**
- Tomatoes - (Rounds, Romas, Grape & Cherry) **EXTREME**

### Watch List









- Artichokes
- Florida Veg
- Ginger
- Oranges, small sizes
- Raspberries
- Strawberries

### Weather









#### YUMA, AZ

Thu 12/14	Fri 12/15	Sat 12/16	Sun 12/17	Mon 12/18	Tue 12/19	Wed 12/20	Thu 12/21
72°   46°F	75°   53°F	77°   50°F	76°   53°F	75°   50°F	75°   54°F	73°   54°F	72°   54°F
							
Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Cloudy	Partly Cloudy	PM Showers









#### OXNARD, CA

Thu 12/14	Fri 12/15	Sat 12/16	Sun 12/17	Mon 12/18	Tue 12/19	Wed 12/20	Thu 12/21
69°   52°F	76°   55°F	75°   54°F	71°   57°F	65°   58°F	64°   55°F	65°   54°F	63°   51°F
							
Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Cloudy	Showers	Showers	Rain	Showers









#### CULIACAN, SIN

Thu 12/14	Fri 12/15	Sat 12/16	Sun 12/17	Mon 12/18	Tue 12/19	Wed 12/20	Thu 12/21
95°   54°F	92°   55°F	95°   60°F	93°   61°F	90°   60°F	91°   60°F	88°   61°F	88°   63°F
							
Sunny	Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Cloudy	Cloudy









## JALISCO, NAYARIT

Thu 12/14	Fri 12/15	Sat 12/16	Sun 12/17	Mon 12/18	Tue 12/19	Wed 12/20	Thu 12/21
79°   58°F	84°   58°F	85°   58°F	83°   58°F	82°   58°F	80°   57°F	79°   56°F	79°   56°F
							
Cloudy	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny	Partly Cloudy

## VIZCAINO, BAJA SUR

Thu 12/14	Fri 12/15	Sat 12/16	Sun 12/17	Mon 12/18	Tue 12/19	Wed 12/20	Thu 12/21
81°   50°F	84°   51°F	85°   49°F	85°   53°F	82°   53°F	81°   58°F	77°   57°F	80°   58°F
							
Sunny	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Cloudy	Partly Cloudy

## IMMOKALEE, FL

Thu 12/14	Fri 12/15	Sat 12/16	Sun 12/17	Mon 12/18	Tue 12/19	Wed 12/20	Thu 12/21
72°   66°F	74°   66°F	71°   68°F	74°   59°F	70°   50°F	66°   44°F	68°   50°F	71°   52°F
							
Cloudy/Wind	Cloudy/Wind	Rain/Thunder	Showers	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy

## Fruits & Vegetables

**Avocados: ESCALATED** Last week's harvest came in at 51.9M pounds down 14% from the previous week and a good counterbalance to the 60M pounds harvested the week prior. Retail ads are very strong and expected to remain at current levels leading up to Super Bowl. Volume projections out of Mexico remain strong & steady for the next several weeks. USDA pricing is down an average of \$1, but not evenly across all sizes. We are expecting a slight increase in pricing moving into next week. The size curve coming off the trees is still peaking on 60s but showing signs of sizing up as 40s & larger become more available.

**Bananas:** Steady volume expected through Q4 and quality to be good.

**Pineapples:** Steady volume out of Costa Rica and quality remains good.

**Table Grapes: ESCALATED** Table grapes are done out of California and now completely transitioned to offshore production; markets will be firm the month of December and should start to ease back mid-January. Overall quality is good.

## Berries

**Strawberries: WATCHLIST** California strawberry production remains limited in Santa Maria and Oxnard. Both crops are in winding down due to seasonality, and shelf life is limited. Temperatures remain cooler with highs in the 60s and lows in the 40s. Harvesting is limited, occurring only 3 days a week due to shorter days that are slowing down the ripening cycle. Additionally, rainfall is expected in California next week which will limit harvests. The areas are still fighting with pin rot and crews are working hard to keep a clean pack. Mexico's cold weather and rain has led to reduced estimates. Counts remain varied, with persistent instances of green shoulders and uneven ripening attributed to the weather conditions. Despite these challenges, the overall quality remains consistent. As temperatures rise, it is anticipated that production will rebound and see an increase in January. Florida's weather has caused lower than expected yields.

**Blackberries:** Overall quality is good despite the weather. Humid conditions are affecting the firmness and seeing some unripe fruit.

**Raspberries: WATCHLIST** Supplies are light, and demand will likely exceed supply over the next few weeks. Quality has been good, although there are green and broken fruit occurrences, along with uneven ripening attributed to the colder weather.

**Blueberries: Escalated** Quality is fair to good out of Peru. There have been some reports of soft fruit. There's been ample supply for demand and slower than normal movement with the Thanksgiving holiday. Production is winding down, and we will soon be transitioning to Chilean production. We expect increasing supplies of Chilean fruit in late December and early January 2024. January-February will be a great time to promote blueberries with ample supplies and good quality. There's been some rain in recent forecasts that has decreased Mexican production temporarily. We expect steady production volume and good quality into the new year.

### California Citrus

**Oranges:** Expect fruit to continue tight as we navigate through the Navel season. Throughout the crop, we are seeing more large sizes and believe small fruit will be extremely tight approaching the new year and beyond.

**Lemons:** Very good demand and quality. The desert growing region is currently peaking on fancy 140/165s.

**Limes:** Available supplies continue to increase as demand has declined, market is lower.

**Grapefruit:** California Grapefruit is being packed in Riverside and the central valley.

**Imports/Specialties:** Domestic mandarins are available in the central valley of California. Currently peaking in a 28/32 size structure. Pummelos are available in the central valley of Calif, Cara's are starting in a light way. Blood Oranges will be starting soon.

### West Coast Lettuce

**Iceberg:** Supplies are steady, and quality has been good with slightly lower than average weights and size. The market has leveled out and the forecast is for steady prices at current levels. Expect to see light blister and peel from the cool nighttime temps this week.

**Romaine, Romaine Hearts:** Good supplies with very good quality. Market looks to remain steady through next week. Expect to see light blister and peel from the cool nighttime temps this week.

**Green Leaf, Red Leaf & Butter:** Good supplies with very good quality. Market looks to remain steady through next week.

### Eastern and Western Vegetables

**Green Bell Pepper: WATCHLIST** Better volume available out of Coachella and Mexico this week. Florida will be shorter due to cooler weather and rain. Improving numbers crossing through McAllen and Nogales and peaking on large and XL's Overall quality is good.

**Red Bell Pepper: WATCHLIST** Lighter supply available out of California, Nogales and Baja as our growers are into newer blocks.

**Yellow Bell Pepper: WATCHLIST** Lighter supply available out of California, Nogales, Texas, and Baja as our growers are into newer blocks

**Orange Bell Pepper: WATCHLIST** Lighter supply available out of California, Nogales, Texas, and Baja. Quality remains strong.

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

**Mixed Chili Pepper: EXTREME** In the east, the hot pepper market is hit or miss. Out of South Georgia on the mainland of Mexico, we are seeing very light volume continue with Serrano, Poblano, and Habanero the shortest. There is some volume out of Baja which seems to be improving and California production remains hit or miss currently. Tomatillos will firm up and quality will be fair at best on all varieties.

**Eggplant: WATCHLIST** Overall supply is good out of Nogales while Florida will be short this week. Overall quality is good.

**Slicer Cucumbers: WATCHLIST** Steady volume available out of Mexico crossing through McAllen and Nogales. Florida will be shorter this week due to cooler weather and rain. Overall quality is very good.

**English Cucumbers:** Steady volume crossing from Mexico. Quality is good.

**Pickles: WATCHLIST** New crop available out of Florida this week, we are seeing a few more cross in Nogales, and quality is good.

**Green Beans: WATCHLIST** Markets have turned due to lighter volume of Florida and Crossing through Nogales. Overall quality is mixed.

**French Beans:** Guatemala's production and quality are excellent. Light supply and fair quality of conventional out of Mexico.

**Zucchini/Yellow Squash: WATCHLIST** Lighter supply available out of Florida, McAllen and Nogales and quality is good.

### Herbs

Fresh herbs remain steady, with the supply of basil starting to come back just in time for the Holidays. Growers have good supplies on almost all the herbs, but demand is picking up. CHERVIL is the only herb that is short in supply due to yellowing, and growers are actively working with their teams to improve this.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Marginal	USA

Basil	Steady	Steady	MEXICO
Opal Basil	Steady	Steady	USA/MEXICO
Thai Basil	Steady	Steady	MEXICO
Bay Leaves	Steady	Steady	COLOMBIA
Chervil	Limited	Limited	USA
Chives	Steady	Steady	MEXICO
Cilantro	Steady	Steady	USA
Dill	Steady	Steady	USA
Epazote	Steady	Steady	MEXICO
Lemongrass	Steady	Steady	USA
Marjoram	Steady	Steady	MEXICO
Mint	Steady	Steady	USA
Oregano	Steady	Steady	MEXICO
Italian Parsley	Steady	Steady	USA
Rosemary	Steady	Steady	MEXICO
Sage	Steady	Steady	MEXICO
Savory	Steady	Limited	USA
Sorrel	Steady	Steady	USA
Tarragon	Steady	Steady	MEXICO
Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA
Lemon Thyme	Steady	Steady	USA
Lime Leaves	Steady	Steady	USA

### **Melons**

Our growers are forecasting lower melon volume the rest of this month. October rains, combined with cooler November temperatures in Guatemala, caused poor pollination and low fruit sets which have negatively impacted yields. Production in the Zacapa valley will continue through the end of December, so we do not anticipate relief from the current situation until we move on to our farms in other regions for the middle cycle.

**Cantaloupe:** Offshore Cantaloupe production is yielding larger fruit, heavy to 9's shell cast color is a bit greener then expected but brix levels are good, reports are ranging 14-17%. Markets will be firm through December.

**Honeydew:** Offshore honeydew supplies are limited lighter, and sizing is heavy to 5's External quality has been good except for a few scars and Internal quality is providing brix levels in the 10-13% range. We are seeing Mexican product decline and should wrap up over the next ten days.

**Watermelon:** Overall quality is good out of Mexico; markets were much higher this week.

### **Mixed Vegetables**

**Artichokes: WATCHLIST** - Overall industry supplies continue to be very light with strong demand. and most shippers are only able to cover averages until supplies increase. We anticipate supplies to start increasing although holiday demand will keep available supplies.

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

**Asparagus: EXTREME** Asparagus production continues to decrease in southern Baja due to seasonality. Caborca production is also low due to cooler temperatures. Larger sizes are extremely limited in all regions. Peruvian production has dropped due to field transition from the southern to the northern growing regions. Markets are extremely active with less production from all regions.

**Bok Choy:** Good supplies with good quality.

**Broccoli/Broccoli Crowns:** Steady supplies with very good quality. Market is steady with slightly better demand.

**Broccolini: ESCALATED** Expect to see a large supply gap of Broccolini as growing regions transition. This gap is expected to last at least through week until we see supplies from Mexico improve. This supply shortage is caused by two things; lower than expected production as the Salinas growing region finishes for the season and the transition to the Mexico growing region, we are expecting low yields due to weather. Prorates and limited supplies are expected.

**Brussels Sprouts:** Quality is very good with good supplies. Expect demand to increase as we get closer to the Christmas pull.

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

**Cauliflower:** Mild temps in the Yuma area is slowing growth. Quality looks good but expect to see supplies drop over the next couple weeks.

**Celery: ESCALATED** Demand has been trending much higher for the Christmas Holiday pull. Lighter supplies have led to higher markets. This will carry over in the weeks to come.

**Cilantro:** Cilantro supplies, and quality continue to improve.

**Corn: WATCHLIST** Lighter supply this week due to cooler weather in Florida while in the west the season is done out of the desert transitioning to Nogales. Markets will be higher this week, supply short, but quality is good.

**Fennel: WATCHLIST** Current supplies are light, quality is good. Expect supplies to remain light.

**Garlic:** The 2023-2024 California Garlic is in full swing. Quality is good.

**Ginger:** Supplies and market are steady

**Green Cabbage:** Supplies are steady with very good quality. Demand is good.

**Green Onions:** Good supplies with very good quality. As we get into the holiday season, expect some volatility in the market as labor becomes hard to find with workers heading home for the holidays.

**Mushrooms: ESCALATED** Quality is good, and supply is volatile as growers scaled back some of their production due to lack of demand in recent weeks. We are seeing very short markets on white and cremini mushrooms. We expect the seasonal volatility through December.

**Napa Cabbage:** Supplies are good with good quality.

**Parsley (Curly, Italian):** Supplies and quality are good, market is steady.

**Rapini:** Good supplies with very good quality in both Salinas and Yuma.

**Red Cabbage:** Supplies are steady with good quality. Demand is good.

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

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

**Snow Peas and Sugar Snaps: ESCALATED** Guatemalan quality and production on both peas continue to improve, and markets continue to come off as supply increases. Snow and sugar snap markets are active out of the west with a light supply. Domestic is gapping while Mexico has started with limited quantities. Expect this trend to continue for the next couple of weeks.

**Onions:**  
**ESCALATED**

Several factors have caused onion markets to double in the last two weeks alone. The first was the hurricane that took place back in the Fall. This weather event negatively impacted the domestic crop due to copious amounts of rain and the Mexican crop. Growers in the Pacific Northwest have been experiencing unusually high levels of shrinkage. On average, they must run 30% more than normal to achieve the same pack out as last year. The early Mexican crop was primarily white onions, so growers were paying top dollar for the domestic product because that crop was lost. We also hear that Japan is without its domestic onions and is leaning heavily on the US

crop. This is all leading to a global shortage that should cause the onion market to remain elevated until Mexico's new crop comes into the mix, which is a big wildcard now. If Mexico's crop is in okay shape and is just delayed, this will help to add supply and alleviate the market a bit. If they are in worse shape than we know, we are likely to see the market remain elevated for a much longer period.

#### **Potatoes:**

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.

#### **Tomato Update:**

We are getting close to the end of the year which means typical seasonal challenges in the tomato category. This time of year, as it gets colder and local production comes to an end, the country leans on Mexico and South Florida. We expect to see lighter volume this year out of Mexico due to the impacts of rain events over the past month which have depleted quality and volume. We do expect to see our contracts perform at their best but can see pro-rates and escalated pricing. We do need to be as proactive as possible by placing orders well in advance and be prepared to see some color challenges due to lighter volume and quicker turnover of inventory at shipping point. As a precaution we recommend holding inventory in distribution to act in the management of color; wrapping pallets and storing inventory in warmer areas of the cooler that can aid in the ripening process. We also need to be cognizant of the possibility we will see shorter shelf life due to the current quality and lastly, flexible on sizing and varieties should there be shortages.

#### **What we can expect over the next month.**

- A later than normal start to the Sinaloa season due to the recent hurricane that impacted the growing regions which could impact the overall tomato supply should Florida not have the ability to support the imbalance.
- Seasonal escalations in the tomato markets due to lighter supply and higher demand. We could see markets in the mid to upper \$40 range over the next 2-3 weeks.

#### **When can we expect to see some relief?**

- Possibly the 3<sup>rd</sup> week of December but could be as late as Mid-January due to the rain events in Mexico causing damage and delays.
- Is there a need to sub? Yes, the need to be flexible on sizing and varieties is critical. Please review your alternate specifications should subs be necessary over the coming weeks.

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

- **Round Tomatoes, Roma Tomatoes, Gape and Cherry Tomatoes: EXTREME:** We expect to see very short crops, escalated pricing, and potential for pro-rates. It has been unseasonably cool in South Florida over this fall, impacting all tomato crops. We expect to see higher markets through the end of the year and potentially into 2024, with availability abbreviated during the Christmas week pull.

#### **Tomatoes: Mexico**

- **Round Tomatoes, Roma Tomatoes, Grape, and Cherry Tomatoes: EXTREME** We expect to see a very short crop condition continue with escalated pricing and potential for pro-rates imminent. We are late starting into the new season in Culiacan and seeing supply GAPS as the late fall Central crops out of Central Mexico finish. Most of this interruption in supply is due to recent rain events throughout Mexico and damage sustained from Hurricane Norma earlier this fall. Markets are expected to be short through the first week of January.
- **Medley Grape Tomatoes: EXTREME** Lighter volume this week with fair quality.
- **Tomato on the Vine: EXTREME** Lighter supply and higher prices this week and quality is good.

#### **APPLES**

**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.

#### **Other Fruit**

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

**Persimmons:** Fuyu and Hachiya varieties available.