

Weekly Market Review

February 9, 2024

Overview

We continue to see experience major shortfalls on several winter veg items out of Mexico and Florida due to the impacts of El Nino and we will see shorts and pro-rates for the next few weeks are slicer cucumber, corn, soft squash, and green bell pepper, with expected improve over the following weeks. Tomatoes out of Florida continue to struggle, with lower yields, less acreage and weather, the supply continues to be snug causing a large variance between the U.S. and Mexico markets. Supply crossing through McAllen and Nogales are improving on rounds, romas and grapes. Grape tomatoes continue to be the shortest and most volatile being triggered with most shippers still. The table grape market is extremely short, late vessels and delays have upward pressure on the entire category and we are forecasting a tight market for the next three weeks as we expect more arrivals later this month. Avocado harvest continues to decrease as we move into higher elevations and demand starts to decrease. Stronger demand on 48s is bringing up the pricing on that size, but smaller sizes are not gaining traction. Late February & March may bring some market volatility as the crop is ahead on its annual cycle, and there could be some volume limitations during this timeframe. Temperatures have dipped again out of Guatemala which have slowed french bean supplies. Desert growing regions of southern California and western Arizona received more rain on Tuesday this week with a few additional showers last night (Weds 2/8). There is no rain in the forecast for the remainder of the week, but muddy fields will slow packing with minor delays at loading. We are seeing blister, peel, and some pinking in lettuce/leafy items.

Market Alert









- Avocados – **ESCALATED**
- Asparagus – **EXTREME**
- Basil – **ESCALATED**
- Cabbage, Red - **ESCALATED**
- Carrots – **EXTREME**
- Corn- **EXTREME**
- Cucumber- **EXTREME**
- Green Beans- **ESCALATED**
- Green Onions – **ESCALATED**
- Table Grapes- **EXTREME**
- Limes - **ESCALATED**
- Mushrooms- **ESCALATED**
- Onions – **ESCALATED**
- Oranges – **EXTREME ON SMALL SIZES**
- Pepper (Green, Red and Yellow Bell)- **ESCALATED**
- Potatoes – **ESCALATED**
- Strawberries - **ESCALATED**
- Snow & Sugar Snap Peas – **ESCALATED**
- Green and Yellow Squash- **EXTREME**
- Tomatoes - (Round, Grape & Cherry) Florida **ESCALATED**

Watch List









- Artichokes
- Broccolini
- Fennel
- Ginger
- Melons
- Raspberries

Weather









YUMA, AZ

Thu 2/8	Fri 2/9	Sat 2/10	Sun 2/11	Mon 2/12	Tue 2/13	Wed 2/14	Thu 2/15
64° 44°F	64° 48°F	65° 43°F	65° 40°F	67° 42°F	70° 44°F	73° 47°F	74° 51°F
							
AM Showers	Partly Cloudy	Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Mostly Sunny
0 in	0 in	0 in	0 in	0 in	0 in	0 in	0 in









OXNARD, CA

Thu 2/8	Fri 2/9	Sat 2/10	Sun 2/11	Mon 2/12	Tue 2/13	Wed 2/14	Thu 2/15
59° 44°F	58° 42°F	60° 44°F	63° 44°F	62° 45°F	63° 47°F	64° 49°F	65° 50°F
							
Mostly Sunny	Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy
0 in	0 in	0 in	0 in	0 in	0 in	0 in	0 in









CULIACAN, SINALOA

Thu 2/8	Fri 2/9	Sat 2/10	Sun 2/11	Mon 2/12	Tue 2/13	Wed 2/14	Thu 2/15
79° 58°F	77° 57°F	81° 49°F	83° 48°F	86° 49°F	85° 54°F	84° 57°F	81° 58°F
							
Cloudy	Cloudy	AM Clouds/PM Sun	Sunny	Sunny	Partly Cloudy	Mostly Cloudy	PM Showers









JALISCO, NAYARIT

Thu 2/8	Fri 2/9	Sat 2/10	Sun 2/11	Mon 2/12	Tue 2/13	Wed 2/14	Thu 2/15
77° 50°F	75° 50°F	74° 53°F	74° 50°F	75° 53°F	74° 55°F	72° 55°F	70° 54°F
							
Partly Cloudy	Partly Cloudy	Cloudy	AM Clouds/PM Sun	Mostly Cloudy	Cloudy	Cloudy	Showers

VIZCAINO, BAJA SUR

Thu 2/8	Fri 2/9	Sat 2/10	Sun 2/11	Mon 2/12	Tue 2/13	Wed 2/14	Thu 2/15
69° 45°F	66° 44°F	67° 46°F	65° 43°F	69° 44°F	73° 47°F	74° 50°F	74° 51°F
							
Partly Cloudy 0 in	Partly Cloudy 0 in	Mostly Sunny 0 in	Sunny 0 in	Sunny 0 in	Sunny 2 PM	Partly Cloudy 0 in	Partly Cloudy 0 in

IMMOKALEE, FL

Thu 2/8	Fri 2/9	Sat 2/10	Sun 2/11	Mon 2/12	Tue 2/13	Wed 2/14	Thu 2/15
77° 56°F	80° 59°F	82° 62°F	84° 64°F	86° 64°F	76° 48°F	75° 50°F	76° 52°F
							
Partly Cloudy 0 in	Partly Cloudy 0 in	Partly Cloudy 11 AM	Partly Cloudy 0 in	Sunny 0.05 in	AM Showers 0.02 in	Sunny 0 in	Mostly Sunny 0 in

Fruits & Vegetables

Avocados: ESCALATED Last week's harvest is projected to come in at 53.5M pounds. A volume reduction in three consecutive weeks leading up to the Super Bowl seems counterintuitive, but it puts 2024 YTD volume about the same as 2023. Considering price points on 48s & larger are an average of \$15 more than in 2023, it's a testament to the resilience of avocado demand. The size curves of the trees continue to be fairly equal in the 48s and 60s. The normal crop continues to mature, and the dry matter is averaging 32%, shortening ripening cycles and making for a delicious eating experience.

Bananas: Steady volume expected through Q1 and Quality to be good.

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

Table Grapes: EXTREME Vessel delays are impacting the ports, and we are seeing extremely light supply for market and contract business. We expect this to continue through the month with elevated pricing on market business. Overall quality is good, and we expect volatile markets until the logistics issues are resolved.

Berries

Strawberries: ESCALATED Supplies will be very limited over the next 7-10 days. California's fields are wet and messy, with lots of debris spread around the valley, and many trees, fences, power poles/lines, and the winds significantly damage hoop structures. Harvests have been stalled for this week. Growers expect to make a cleanup pass when things dry out at the end of the week, and confidence is low that we will have clean fruit for the fresh market. We will probably see some long-term damage to the flower and next fruit sets from the wind and rain. We could have some shape issues develop towards the end of the month as the flower begins to mature, and more decay settling into green fruit sets will continue to hold things back; growers will be scrambling to get fungicides applied once fields dry out enough to get equipment through. Seasonably cool temperatures have decreased daily harvests due to slowed ripening of fruit hanging onto the plants out of Florida. Rain hit over the weekend, which will affect supplies for strawberries and long-stems for V-Day. Mexico will see a rise in day temps next week with cooler evenings. Maravatio region is forecasted to be in the upper 70s during the day and mid-30s during the evening. Higher altitude areas will range from the mid-60s during the day while dipping down to the mid-30s in the evening. Michoacan and Jalisco will reach the 80s during the day and dip to the mid-40s during the evening. Production continues with improving quality but with some decrease in sizing. Currently seeing counts of 22-26, with

occasionally reaching 28. Growers are finding some white shoulders from higher altitude regions, but overall coloring is 90-100%. Demand and pricing have increased as V-Day promos for strawberries and long stems are underway.

Blackberries: WATCHLIST Good availability and quality has been good. Very little red cell being reported at field or facility.

Raspberries: WATCHLIST Quality is good with even color, firmness and, continue to see occasional crumble. Supplies are somewhat steady.

Blueberries: Quality is good out of Chile and Mexico; cool morning temps are preventing soft fruit. The fruit is a good size with good bloom and only occasional ripped calyx.

California Citrus

Rain events in California will be affecting the citrus growing areas in Central California as well, which could disrupt harvests, causing delays in orders getting filled.

Oranges: EXTREME ON MEDIUM & SMALL SIZES Small size Oranges continue to be in extremely short supply and will remain in short supply for the remainder of the season. Weather related issues early in 2023, followed by favorable growing conditions over the summer, accelerated fruit growth this season and the industry is projecting a much larger size structure for all Oranges in California. Early reports were that we were not going to see the situation get to a critical point until a little later in the season, but we have spoken to several growers that have reported small fruit has run out now, with only larger sizes available for the remainder of the Navel season and into the Valencia season. In addition, rain in the Orange growing regions in Central California will lead to delays in harvesting and trucks getting out timely. Be sure all orders are placed in advance. **AS WE PROGRESS THROUGH THE BALANCE OF THE 2023 CALIFORNIA ORANGE SEASON, FLEXIBILITY ON SIZING AND LOADING AREAS WILL BE MANDATORY IN ORDER TO GET ORDERS FILLED.**

Lemons: Rain continued this week in the lemon growing regions in central California leading to a few delays in harvesting. Weather looks to be improving but extremely wet fields continue to slow harvesting. Going forward, we will start to see a decrease in supplies, especially small sizes, starting in early March so plan accordingly and be sure all orders are placed in advance.

Limes: ESCALATED Crossings from Mexico have declined with steady demand. Market is higher with many sizes still escalated.

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

Imports/Specialties: Domestic mandarins Pummelo's and Blood Oranges are available in the central valley of California.

West Coast Lettuce

NOTE: Due to episodes of freezing temperatures, all iceberg lettuce, romaine, romaine hearts, green leaf, red leaf and butter lettuce will exhibit some degree of blister and peel.

Iceberg: Supplies are steady, but rain will continue to delay harvesting through the week due to muddy fields. Overall, quality has been good, but wet lettuce can cause discoloration and pink ribs. The market is fairly steady, but we anticipate a slight increase next week.

Romaine, Romaine Hearts: We continue to see steady supplies of both carton romaine and romaine hearts although muddy fields continue to slow harvesting. We are still seeing slight blister and epidermal peel in some lots although growers are working hard on the harvesting level to eliminate these issues as much as possible. The market and demand remain steady.

Green Leaf, Red Leaf & Butter: Steady supplies continue on both green leaf and red leaf, market is steady. Supplies on butter lettuce have declined, market is much stronger.

Eastern and Western Vegetables

Green Bell Pepper: ESCALATED Very tight supply this week out of Mexico and Florida. Quality is good.

Color Bell Pepper: ESCALATED Improving supply available out of Mexico this week, we hope to see Florida to follow in the coming weeks as our growers break newer blocks. Quality out of Mexico is good.

Mini Sweet Pepper: Improving supply this week loading in Nogales.

Mixed Chili Pepper: Improving supply available from Sinaloa as well as Florida. Tomatillo, Cubanelle and Poblano seem to be the tightest this week. Quality is good on all varieties.

Eggplant: ESCALATED Overall supply will be improving out of Nogales while Florida will be short this week. Overall Quality is good.

Slicer Cucumbers: EXTREME Limited volume available out of Mexico crossing through McAllen and Nogales. Honduran import volume was short as well loading in Miami. Overall quality is fair but we recommend subbing to english cucumbers if necessary.

English Cucumbers: Steady volume crossing from Mexico; markets were firmer this week due to lighter supply of slicer cucumber. Quality is good.

Pickles: WATCHLIST New crop available out of Nogales and Quality is good.

Green Beans: ESCALATED Markets are higher due to lighter volume of Florida and Crossing through Nogales. Overall Quality is mixed.

French Beans: Production has slowed down due to weather in Guatemala. Rainfall in Mexico has slowed production out of Mexico. Expect markets to be slightly higher over the coming weeks.

Zucchini/Yellow Squash: EXTREME Shipping out of Florida, McAllen and Nogales and Quality is fair. We expect to see pro-rates this week due to cool weather and very light supply. Markets expected to improve in 2 weeks.

Herbs

Fresh herbs are somewhat steady this week, but we will likely see upcoming quality issues due to the rainfall in California. We should be able to have our normal 100% fill rate, but quality took a little hit from the cold and rain. Dill, Thyme, and Oregano will turn purple due to the cold, and some locations have this issue. Although the herbs are fine to cook with, their appearance will throw you off.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Marginal	USA
Basil	Limited	Steady	USA/MEX
Opal Basil	Steady	Steady	USA
Thai Basil	Steady	Steady	USA/MEX
Bay Leaves	Steady	Steady	USA/COL
Chervil	Limited	Limited	USA
Chives	Short	Steady	MEX
Cilantro	Steady	Steady	USA/MEX
Dill	Steady	Steady	USA/MEX
Epazote	Steady	Steady	MEX
Lemongrass	Steady	Steady	USA
Marjoram	Steady	Steady	USA
Mint	Steady	Steady	USA
Oregano	Steady	Steady	USA
Italian Parsley	Steady	Steady	USA
Rosemary	Steady	Steady	USA
Sage	Steady	Steady	USA
Savory	Steady	Limited	USA
Sorrel	Steady	Steady	USA
Tarragon	Steady	Steady	MEX
Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA
Lemon Thyme	Steady	Steady	USA
Lime Leaves	Steady	Steady	USA

Melons

Cantaloupe: WATCHLIST We are seeing stable supply this week from Guatemala and Honduras. We still anticipate Guatemala's second cycle production from the Zacapa region to kick off by late February. Cooler weather in the growing regions over the past 10-14 days has resulted in a smaller sizing profile where we are now seeing more 12/15s and few 9/9Js. Cantaloupe quality has been solid with good external characteristics and brix levels are holding in that 12-15% range.

Honeydew: WATCHLIST Honeydew production from Honduras has been providing primarily larger fruit leaving 6/8s somewhat limited up until today as we started to see an improved spread of sizing from Guatemala. Mexican crossings, especially on smaller dews, have started to increase over the past week which has pressured that market off from its highs. Quality on the dews has been some of the best we have seen so far this season. Brix levels are mostly in the 12-14% range.

Watermelon- WATCHLIST: Overall Quality is good out of Mexico as well as offshore. Markets remain strong this week.

Mixed Vegetables

NOTE: Due to episodes of freezing temperatures, all Items grown in the Desert growing regions of California and Yuma, may exhibit some degree of freeze related issues. Recent cold weather and significant rain in the desert growing regions of Southern California and Western Arizona (Yuma), Arugula and other tender leaf vegetables are in very short supplies. Many shippers have reported lighter supplies and are prorating orders.

Artichokes: Supply and production are in full swing and size profile is generally to the larger sizes with 12 – 24ct being readily available. We still see reports of frost damage on the chokes but quality is getting much better however more cold temps are in the forecast so we could see more frost damage over the next several weeks.

Arugula: Lighter supplies continue with some harvesting being delayed due to the rain last week.

Asparagus: EXTREME Asparagus production continues to improve from all regions in Mexico. We continue to see some rain and cold mornings & nights. Peruvian production will be finishing up next week due to seasonality. Quality is fair due to heat in the northern growing region of Trujillo. Larger sizes are still extremely limited from Peru. Markets have become less active with the increased production from Mexico.

Bok Choy: Good supplies with good Quality.

Broccoli/Broccoli Crowns: Quality is good with good supplies, market is steady. Rain is temporarily slowing production, but overall supplies will be good through next week.

Broccolini and Sweet Baby Broccoli: WATCHLIST Broccolini growing regions have been hit with extreme weather and excessive rainfall. Due to the amount of water in the fields, causing hazards and safety conditions, machinery access is limited, and production will be minimal. Available supplies have decreased significantly with orders being prorated by up to 50%. Fields are expected to dry out by the beginning of next week.

Brussels Sprouts: Current size profile is heavy towards JBOs but still see good supplies of mediums as well, small sizes are extremely tight. Some water damage is apparent due to the rain the last several weeks. Market is steady to slightly lower.

Carrots: (JUMBOS, MEDIUMS and CELLOS) EXTREME Supply on Jumbo and Medium Carrots in California continue light. We have seen an increase in supplies.

Cauliflower: Quality and supply are good, and market is steady. Rain this week continues to slow production.

Celery: Quality is good with good supplies, market is steady.

Cilantro: Cilantro supplies, and Quality continue to improve.

Corn: EXTREME Lighter supply continues due the cold weather and lack of sun in Florida this season. In the west, Nogales is dealing with the same issues resulting in very light supply. Markets are pushing the \$40 dollar range FOB for fair quality. We do not expect and supply improvement for the next few weeks.

Fennel: WATCHLIST Supplies continue light with many shippers holding to strict averages.

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: ESCALATED Rain in the growing areas continues to slow production. Quality is good, market remains firm.

Mushrooms: ESCALATED Quality is good, and supply will remain volatile through January. We are seeing very short markets on white and cremini mushrooms.

Napa Cabbage: Supplies are good with good Quality.

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

Rapini: Good quality, supplies are lighter.

Red Cabbage: - ESCALATED Quality is good although supplies continue lighter. Market is steady.

Spinach (Bunched & Baby): Supplies are lighter as growers are still working through the effects of the rain. Market is steady.

Spring Mix: Supplies are lighter as growers are still working through the effects of the rain. Market is steady.

Snow Peas and Sugar Snaps: ESCALATED Guatemala's production on snow peas and sugar snaps is good with steady markets on the east. Snow peas and sugar snap markets are very active, with a light supply coming from Mexico.

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:

The market continues to feel stable on all sizes and grades for the moment, with the exception of 40ct potatoes. While potatoes as a whole should remain plentiful, we do anticipate 40ct commanding a premium more often than not until the end of the crop. They have continued to be available for mixers, but we are not seeing very much straight load availability, or even availability in heavy volume. There will be some lots that are better than others throughout the season, but this does appear to be a theme moving forward. Because of this, we do anticipate that we may see a pretty big gap between 40ct/50ct and the rest of the sizes. The good news is that food service sized cartons in the middle size range (60/70/80) appear to be plentiful. Unfortunately, at their current return levels on 90s/10s/2s and retail bags, growers are losing quite a bit of money. The rest of Q1 will be a combination of both Burbanks and Norkotahs being shipped, and during the beginning of Q2 (in April), we will see Norkotahs wind down and will be shipping exclusively Burbanks until new crop in The Fall. In general, there are no major headwinds expected in the potato market during the first half of the year.

Tomato Update:

Tomatoes: East Coast

- **Round Tomatoes: ESCALATED** Markets will remain light this week on rounds with no expected improvement for the next two weeks at minimum. Quality is fair.
- **Roma Tomatoes:** Improving supply this week and the markets are easing back. Quality is good.
- **Grape, and Cherry Tomatoes: EXTREME** We expect to see very short crops, escalated pricing, and potential for pro-rates continue through late February or Early March.

Tomatoes: Mexico

- **Round Tomatoes-** Good Supply available on large fruit, we should see size distribution level out over the next ten days. Subs to larger sizes may be needed. Quality is outstanding.
- **Roma Tomatoes-** Good quality and supply available.
- **Grape, and Cherry Tomatoes: ESCALATED:** We expect to see very short crops, escalated pricing, and potential for pro-rates continue through next mid-February.
- **Medley Grape Tomatoes: ESCALATED** Lighter volume this week with fair Quality.
- **Tomato on the Vine:** Improving supply with excellent quality available this week.

APPLES

Apples: Washington State Apples remain in good promotable volumes on all varieties. Quality has been very good and is expected to remain good for the foreseeable future. Sizing is trending toward smaller sizes, 100s and smaller.

Pears: We will continue to see good availability and Quality of pears over the next several weeks.

Other Fruit

Pomegranates: Early Granada varieties available in the west.

Persimmons: Fuyu and Hachiya varieties available.