

Weekly Market Review

March 15, 2024

Overview

We continue to experience shortfalls on several winter veg items out of Mexico and Florida due to the impacts of El Niño with the shortest items being slicer cucumber and color pepper. Pro-rates and further price escalations may happen on these items this week as supply gets critically low. Hot pepper and green pepper markets are getting shorter this week; low volume and moderate demand continue to put upward pressure on pricing. Low yields continue to push the prices of red bell peppers to record highs for this time of year. Round and snacking tomatoes out of Florida and Mexico continue to be a struggle due to lower yields, less acreage planted and weather. Current supply remains at record lows and until we see some consistency in weather, this will only continue to hamper a recovery. The table grape market is extremely short; late vessels and delays continue to push pricing to record highs with very little supply available and we expect this to continue for several weeks. Please note that Easter is on the horizon and in Mexico, most harvesters will probably be off between March 27 and April 1. Please make sure you are planning orders and managing inventories accordingly. The next 10 -14 days at the border could get very active and we could see delays and shorts if orders are not planned accordingly. The avocado market is very unstable as a few factors are misaligned. Demand is strong on small fruit, but the size curve coming off the trees is favoring 48s & larger. Harvest has been strong, with good volumes reported, but grower inventory on hand remains low. Two major upcoming national holidays in Mexico will severely limit harvests for the next 2-3 weeks (Benito Juarez holiday next Thursday, 3/21, followed by Semana Santa holy week, 3/24 through 3/31). The volume coming into the US will be down 30-40% during this period, with several days of no harvesting or packing. Demand for fruit in the field will continue to increase through March as the industry preps for Holy Week – this will result in baseline price levels continuing to increase. The size curve is the biggest unknown, and while Mexico remains steadfast in that there’s enough fruit on the trees for a strong Cinco promotion, we recommend that promotions include all sizes, if not stronger, on bigger fruit. Temperatures continue to be cold, slowing production on French beans, baby zucchini, snow peas and sugar snaps. With transition quickly approaching we are seeing lettuce and leafy greens reaching escalated costs. We still expect to see shippers transitioning to Salinas the last week of March and into the first week of April which will help with the low supplies and costs but until then, we can expect to see these escalations continue. Very volatile markets continue on many items in the Desert growing regions due to weather related issues over the last several weeks. We anticipate this to continue through transition to Salinas for the summer.

Alert











- Avocados – **ESCALATED**
- Basil – **ESCALATED**
- Cabbage, Red - **ESCALATED**
- Carrots – **ESCALATED**
- Cucumber- **EXTREME**
- Table Grapes- **EXTREME**
- Hot Pepper- (**WATCHLIST**)
- Limes – **ESCALATED**
- Lettuce, (Iceberg Liner, Ctn Romaine, Ctn Romaine Hearts, VA Iceberg, VA Romaine, VA Iceberg/Romaine Blends) – **ESCALATED**
- Lettuce, Green Leaf, Red Leaf and Boston/Butter Lettuce, Better Burger – **ESCALATED**
- Onions – **ESCALATED**
- Oranges – **EXTREME ON SMALL SIZES**
- Pepper (Red, Orange & Yellow Bell)- **EXTREME**
- Potatoes – **ESCALATED**
- Snow & Sugar Snap Peas – **ESCALATED**

Watch List











- Artichokes
- Broccolini
- Broccoli
- Cauliflower
- Fennel
- French Beans
- Ginger
- Lemons, on small sizes
- Pepper, Green
- Watermelon
- Strawberries
- Raspberries

Weather

YUMA, AZ

| Thu 3/14 | Fri 3/15 | Sat 3/16 | Sun 3/17 | Mon 3/18 | Tue 3/19 | Wed 3/20 | Thu 3/21 | Fri 3/22 | Sat 3/23 |
|---|---|---|---|---|---|--|---|---|---|
| 67° 52°F | 69° 50°F | 72° 52°F | 77° 54°F | 81° 56°F | 84° 58°F | 85° 62°F | 87° 62°F | 85° 60°F | 85° 58°F |
|  |  |  |  |  |  |  |  |  |  |
| Partly Cloudy/Wind | Partly Cloudy | Mostly Sunny | Partly Cloudy | Mostly Sunny | Sunny | Mostly Sunny | Mostly Sunny | Partly Cloudy | Partly Cloudy |

OXNARD, CA

| Thu 3/14 | Fri 3/15 | Sat 3/16 | Sun 3/17 | Mon 3/18 | Tue 3/19 | Wed 3/20 | Thu 3/21 | Fri 3/22 | Sat 3/23 |
|---|---|---|---|---|---|--|---|---|---|
| 70° 47°F | 67° 48°F | 64° 48°F | 66° 51°F | 70° 53°F | 70° 54°F | 66° 53°F | 64° 53°F | 64° 53°F | 64° 50°F |
|  |  |  |  |  |  |  |  |  |  |
| Sunny/Wind | Mostly Sunny | Partly Cloudy | Sunny | Sunny | Partly Cloudy | Partly Cloudy | AM Clouds/PM | AM Clouds/PM | Partly Cloudy |

CULIACAN, SINALOA

| Thu 3/14 | Fri 3/15 | Sat 3/16 | Sun 3/17 | Mon 3/18 | Tue 3/19 | Wed 3/20 | Thu 3/21 | Fri 3/22 | Sat 3/23 |
|--------------|------------|---------------|--------------|---------------|---------------|------------|------------|------------|--------------|
| 87° 59°F | 85° 55°F | 86° 54°F | 91° 54°F | 91° 59°F | 94° 57°F | 96° 58°F | 95° 55°F | 95° 55°F | 95° 55°F |
| | | | | | | | | | |
| AM Clouds/PM | Sunny | Partly Cloudy | Mostly Sunny | Mostly Cloudy | Partly Cloudy | Sunny | Sunny | Sunny | Mostly Sunny |

JALISCO, NAYARIT

| Thu 3/14 | Fri 3/15 | Sat 3/16 | Sun 3/17 | Mon 3/18 | Tue 3/19 | Wed 3/20 | Thu 3/21 | Fri 3/22 | Sat 3/23 |
|------------|------------|------------|------------|---------------|---------------|------------|------------|------------|------------|
| 80° 53°F | 81° 53°F | 82° 53°F | 83° 55°F | 82° 60°F | 86° 59°F | 87° 59°F | 85° 55°F | 84° 53°F | 84° 51°F |
| | | | | | | | | | |
| Cloudy | Sunny | Sunny | Sunny | Mostly Cloudy | Partly Cloudy | Sunny | Sunny | Sunny | Sunny |

VIZCAINO, BAJA SUR

| Thu 3/14 | Fri 3/15 | Sat 3/16 | Sun 3/17 | Mon 3/18 | Tue 3/19 | Wed 3/20 | Thu 3/21 | Fri 3/22 | Sat 3/23 |
|---------------|---------------|---------------|--------------|---------------|---------------|--------------|------------|--------------|---------------|
| 74° 51°F | 71° 50°F | 75° 47°F | 77° 50°F | 79° 54°F | 82° 54°F | 81° 56°F | 82° 55°F | 83° 55°F | 82° 56°F |
| | | | | | | | | | |
| Partly Cloudy | Partly Cloudy | Partly Cloudy | Mostly Sunny | Partly Cloudy | Partly Cloudy | Mostly Sunny | Sunny | Mostly Sunny | Partly Cloudy |

IMMOKALEE, FL

| Thu 3/14 | Fri 3/15 | Sat 3/16 | Sun 3/17 | Mon 3/18 | Tue 3/19 | Wed 3/20 | Thu 3/21 | Fri 3/22 | Sat 3/23 |
|--------------|--------------|---------------|---------------|---------------|---------------|---------------|------------|----------------------------|---------------------------|
| 87° 65°F | 89° 65°F | 88° 66°F | 89° 70°F | 87° 59°F | 77° 53°F | 81° 59°F | 83° 67°F | 83° 67°F | 82° 64°F |
| | | | | | | | | | |
| Mostly Sunny | Mostly Sunny | Mostly Cloudy | Partly Cloudy | Partly Cloudy | Partly Cloudy | Partly Cloudy | Showers | Scattered Thunderstorms | Scattered Thunderstorm |

Fruits & Vegetables

Avocados: ESCALATED Last week's harvest closed at 59.9M pounds, 10% up from the previous week and very close to projected volumes. The industry is working toward being fully stocked to coast through week 13, where only 38M pounds are projected for the week. Many growers take off to celebrate Holy Week, and with only a week & a half left, the pressure is on to increase days-of-supply across all sizes to ensure no interruptions in service. Prices continue to rise quickly. The normal crop continues to mature and dry matter averages 33%. California harvests are expected to begin ramping up in the next few weeks.

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; 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. We are seeking subs from green and reds to black grapes in some circumstances to cover program business. Overall quality is good, and we expect volatile markets until the logistics issues are resolved.

Berries

Strawberries: WATCHLIST Strawberry supplies continue to increase out of California. Production is projected to gradually increase weekly, with significant surges anticipated as we move into more stable, dry weather conditions. Efforts to limit pin rot and botrytis issues in packs have been largely successful; while pin rot remains challenging due to recent rains, the focus remains on maintaining strong, clean packs. The fruit currently exhibits good sheen, shape, and firmness, with a decent size and coloring between 90%-100%. Supplies out of Florida are beginning to decline and the Florida season is roughly 2-3 weeks from finishing up for the season due to seasonality.

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

Raspberries: WATCHLIST Overall, packs appear visually appealing with a consistent and uniform color. The fruit is predominantly medium-sized. Some packs may contain sporadic instances of green or crumbled fruit.

Blueberries: Chile's production has finished for the season and the rest of its fruit is headed toward the US. We will have availability through March. The quality is mostly good but there are some defects in the soft and shriveled fruit. Florida began harvesting and will do so for the next several weeks. The volume is light but will increase considerably. Georgia's blueberry start date remains at week 14.

California Citrus

Continued 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 AND SMALL SIZES Small size oranges continue to be in extremely short supply and will remain in short supply for the remainder of the navel season and into the valencia season. In addition, forecasted rain in the orange growing regions in central California will lead to delays in harvesting and trucks getting out timely. **FLEXIBILITY ON SIZING AND LOADING AREAS WILL BE MANDATORY IN ORDER TO GET ORDERS FILLED!**

Lemons: WATCHLIST We continue to see a significant decrease in small size lemons and an increase in large sizes so please plan accordingly and be sure all orders are placed in advance.

Limes: ESCALATED Market is steady with all sizes still escalated. As the religious holidays approach, expect markets to strengthen as labor becomes scarce.

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 and rain, all Iceberg lettuce, romaine, romaine hearts, green leaf, red leaf and butter lettuce will exhibit various degrees of blister, peel, and weather-related issues.

Iceberg: ESCALATED Current supplies continue to be very low and quality is fair due to the recent rain and frost. Some damage is likely to appear going forward and we expect lighter color and weights. The weather forecast is expected to improve over the next week, but supplies will remain low due to transition. We expect to see effects of weather in iceberg lettuce, romaine, and romaine hearts.

Romaine, & Romaine Hearts: ESCALATED Romaine supplies continue to be very low and demand is still very high. Due to the recent weather, we are experiencing lower yields and seeing a slight increase in defects such as blister and peel. Romaine heart supplies are very low and are seeing a decrease in yields with lighter weights. Both items will continue to see low yields through transition. We expect to see effects of weather in romaine and romaine hearts.

Green Leaf, Red Leaf & Butter: ESCALATED We continue to see a decrease in available supplies with the reduced yields from the previous weather. The market is still trending much higher than normal and will continue into next week. These leaf items are expected to be escalated in the coming weeks and we expect to see effects of weather on leaf items as well.

Eastern and Western Vegetables

Green Bell Pepper: WATCHLIST Lighter supply and escalated pricing expected over the next 10 days. Lower yields combined with a very firm and short color pepper market continues to push pricing higher. Quality is good.

Color Bell Pepper: EXTREME Very light supply crossing through Nogales and McAllen this week. We expect to see pro-rates and escalated pricing for the next several weeks due to low yields, maturity issues and lack of color preventing a stable harvest.

Mini Sweet Pepper: Supply will be hit and miss this week loading in Nogales.

Mixed Chili Pepper: ESCALATED Lighter supply and higher demand are pushing prices higher across the entire category. Overall, the quality is good. We expect active markets through Easter week and recommend pre-booking orders and managing enough inventory to keep supplied through Easter. In Mexico, harvesters will be off approximately March 27-April 1 and we could see gaps due to no harvest.

Eggplant: Very strong Easter demand is keeping markets active, but supply is stable. Overall quality is good.

Slicer Cucumbers: EXTREME Limited volume continues from Mexico crossing through McAllen and Nogales. We will see pro-rates and escalated pricing continue through March. Honduran import volume continues to fall short of expectations pushing demand to Mexico and causing major shortages. Overall quality is fair, and 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 Lighter supply available out of Nogales and quality is good.

Green Beans: Steady supply and good quality available out of Florida and Mexico this week.

French Beans: WATCHLIST The markets are split on both coasts. Out of the east, production has slowed down again due to cold weather in Guatemala. In the west, supplies are steady and quality is improved out of Mexico.

Zucchini/Yellow Squash: Shipping out of Florida, McAllen, and Nogales. Good supply and quality available in general. Best quality continues to be on zucchini while yellow squash, with its tender skin far more vulnerable to imperfections, seems to remain very light in supply.

Herbs

Fresh herbs remain steady this week. 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 | Steady | 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 | Steady | 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: Markets remain steady this week. First cycle production from Honduras and secondary regions in Guatemala has concluded and those areas will gap for 3-4 weeks. Second cycle production from the Zacapa region (primary growing area) in Guatemala is in full swing and providing some excellent quality cantaloupe. Sizing is heavy to (9Js and larger), the quality of the pack is solid (46+ lbs. on a 9J) and internal quality has been consistently good with brix levels in the 12-16% range but more importantly they have an excellent flavor profile.

Honeydew: Honeydew production from Guatemala remains steady but we are seeing some stronger arrivals from Honduras. Primary sizing continues to be in the 5/5J range but good percentages of 6ct are being realized along with a few 8s. Honeydew quality

continues to improve from new growing regions showing mostly clean external characteristics with brix levels holding a range of 12-14%.

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

Mixed Vegetables

Due to recent cold weather and significant rain in the desert growing regions of Southern California and Western Arizona (Yuma), Arugula and other tender leaf vegetables have been affected by tip burn, yellowing and occasional discoloration. Shippers continue to report lighter supplies and are prorating orders.

Artichokes: Supplies and production are in full swing. Sizing is still running heavy to larger sizes, quality is good although we continue to see frost damage due to recent cold weather.

Arugula: Lighter supplies continue with some harvesting being delayed due to weather related issues.

Asparagus: Asparagus production continues to be excellent from all regions in Mexico. Markets continue to be less active with abundant supply.

Bok Choy: Good supplies with good Quality.

Broccoli/Broccoli Crowns: WATCHLIST The Yuma season is winding down with the market trending higher. We will start to see some supplies starting in Salinas towards the middle of March, so Salinas is right around the corner.

Brocolini and Sweet Baby Broccoli: WATCHLIST Mexico volumes have increased but not to normal levels. Salinas is starting next week with very light supplies.

Brussels Sprouts: Supplies and quality remain good as Mexico and the Oxnard growing regions are in full production, market is steady.

Carrots: (JUMBOS, MEDIUMS and CELLOS): ESCALATED We have seen a slight increase in supplies with very good quality now that the Desert season has gotten started although sizing has gotten smaller and Jumbos supplies are light. Market is steady.

Cauliflower: WATCHLIST The Yuma season is winding down with the market trending higher. We will start to see some supplies starting in Salinas towards the middle of March, so Salinas is right around the corner.

Celery: Good quality and supplies. Market is steady.

Cilantro: Cilantro supplies, and Quality continue to improve.

Corn: Lower demand and more supply are putting downward pressure on FOB pricing. We are still seeing a wide range in quality across the growing regions but should see improvement over the coming weeks.

Fennel: Market is steady. Quality and supplies are good.

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 quality and supplies. Market is steady.

Mushrooms: Stable supply and good quality available.

Napa Cabbage: Supplies are good with good Quality.

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

Rapini: Quality is good, supplies continue light. Market is strong with supplies continuing light through next week.

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 recent adverse weather. Market is steady.

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

Snow Peas and Sugar Snaps: ESCALATED Due to the weather, Guatemala's snow pea and sugar snap production is down. We should see an improvement next week. Snow peas are in steady supply out of Mexico and the sugar snap supply is improving.

Onions: ESCALATED

The onion market remains strong, but for a third consecutive week, it did not increase. White onions remain non-existent in Idaho/Oregon, and extremely tight in Washington. We did begin to see a few more Mexican whites, and even a handful of yellows begin to cross in a small way this week. This would line up with the reports that Mexico has quit purchasing the domestic supply out of the Pacific Northwest as well. We are anticipating that in the next 1-2 weeks, Mexico will start bringing across a large enough crop to help ease the supply concerns in the Pacific Northwest. We should see Texas onions start about the first or second week in March as well. For the first time in a long while, it would appear that there is some relief around the corner. Growers in the Northwest continue to experience a decrease in packouts with each passing week that the onions sit in storage. While this is often a recipe for the market to increase, we are seeing more growers want to run higher volumes of product at the current FOB levels, and not risk further shrink and claims as we get later into the season. If there are no weather events or unexpected supply interruptions, we feel there is a good chance that we have hit the ceiling on the current market for the time being. This can change very quickly should a weather event occur down in Texas/Mexico. California has experienced quite a bit of rain, and Summer onion growers are becoming bullish that this may affect yields this Summer. However, it is still too early to tell how supply and FOBs will behave from May and beyond.

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.

Tomatoes: East Coast

- **Round Tomatoes:** Markets remain slightly escalated but improving with spring harvest just around the corner. Quality and supply are good.
- **Roma Tomatoes:** Stable supply and good quality available.
- **Grape Tomatoes:** Markets remain slightly escalated but improving with spring harvest just around the corner. Quality and supply are good.
- **Cherry Tomatoes: EXTREME** We expect to see very short crops, escalated pricing, and potential for pro-rates continue through March.

Tomatoes: Mexico

- **Round Tomatoes:** Good quality and supply available loading McAllen and Nogales. Larger fruit is still slightly short.
- **Roma Tomatoes:** Excellent quality and supply crossing through McAllen and Nogales.
- **Grape Tomatoes:** Improving supply and quality available crossing through McAllen and Nogales.
- **Cherry Tomatoes: ESCALATED** Crops out of Mexico are slowly improving and we are seeing a downward trend on price as the volume increases. Unfortunately, with the imbalance on the east coast due to less acreage planted and weather-related pressure, markets remain at record highs. We will see this continue until Florida can produce volume consistently.
- **Medley Grape Tomatoes: ESCALATED** Lighter volume this week with fair quality.
- **Tomato on the Vine:** Steady volume available this week.

APPLES

Apples: Washington State Apples remain in good promotable volumes on most 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. Gala apples are seeing roughly one million fewer packages than last year.

Pears: Availability is down on Anjou, and Bartlett is expected to see a rise in markets over the coming weeks.

Other Fruit

Pomegranates: Early Granada varieties available in the west.

Persimmons: Fuyu and Hachiya varieties available.