

Weekly Market Review

April 12, 2024

Overview

We will continue to experience shortfalls on several winter veg items out of Mexico and Florida due to the impacts of the La Nina/ El Niño weather pattern. The shortest item this week is hot pepper with jalapeno, tomatillo, shishito and serrano, all being the most volatile. Markets will continue to be at record highs for this time of year across the entire category. Drought, a wider transition GAP between winter/spring production and poor weather throughout the winter continues to disrupt typically calm seasonal crops. We will see the dip in tomato production continue across the entire tomato category with rounds being the lightest this week. Some growers are already seeing losses in the newer plantings due to pollination issues and lack of yield resulting from late rains and cooler than normal seasonal average temps. We are hoping to see some improvement in the markets 3-4 weeks from now. In Mexico, the government is scheduled to shut water off to the Sinaloa agriculture community this month making the possibilities of shortages a reality. Overall, the current supply remains at record lows and until we see some consistency in weather, this will only continue to hamper a recovery. Table grapes remain extremely short and hope to see some improvement over the next month. As expected, the avocado market is currently in an adjustment period. Excess inventory on larger fruit has softened the spot market, but adjustments are being made, and a more stable market is expected next week. Cinco de Mayo pulls will begin next week, and confidence remains high for a strong promotional lift. There is availability across all sizes, and the industry is supporting a wide range of promotions for the year's 2nd largest avocado pull. Excess inventory in the U.S. needs to be moved through quickly, with dry matter shortening shelf life. The spot market will remain weak for the next few days, but then offers will dry up quickly. Best deals remain on 48s & larger for the short term. California volume is ramping up quickly as higher markets bring favorable grower returns; volumes came in much higher than projections for last week, and similar numbers are expected this week. With higher markets expected to continue through spring, we can expect California to go big early and then finish the season before we're accustomed to it. The size curve out of Peru is projected to be skewed more heavily towards 48s and smaller, which is not what we're accustomed to from this COO. Sizing programs are down for this season is being recommended. As mentioned, Peru estimates that 220M pounds will be imported to the US this year, with peak arrivals from July through August. Furthermore, Cinco de Mayo's demand and Mexico being a month ahead of their annual harvest cycle will keep the overall market elevated through Spring. Longer extending lids remain high & conservative as the market is expected to continue trending higher into June. In California and Arizona, transition from Yuma to Salinas is almost complete with Yuma finished by the end of next week. All wet veg items will be shipping from the Salinas Valley starting the week of 4/22 with a few shippers shipping from Huron for the next 2 weeks. Supplies and quality continue to increase with markets steady to slightly lower on lettuce and romaine but expect pricing to stay escalated through transition. In California, we are seeing a significant size shift on lemons as small fruit is getting exceptionally short with reports that 70-80% of the crop is running 95's/115's and larger with no relief in sight until imports start next month.











Alert

- Asparagus – **ESCALATED**
- Avocados – **ESCALATED**
- Basil – **ESCALATED**
- Broccoli – **ESCALATED**
- Cabbage, Red - **ESCALATED**
- Carrots – **ESCALATED**
- Table Grapes- **EXTREME**
- Hot Peppers (**All Varieties**)- **EXTREME**
- Limes – **ESCALATED**
- Lettuce, (Iceberg Liner, Ctn Romaine, Ctn Romaine Hearts, VA Iceberg, VA Romaine, VA Iceberg/Romaine Blends) – **ESCALATED**
- Onions – **ESCALATED**
- Onions, Green – **ESCALATED**
- Oranges – **EXTREME ON SMALL SIZES**
- Potatoes – **ESCALATED**
- Snow & Sugar Snap Peas – **ESCALATED**
- Tomatoes- **ESCALATED**
- Watermelon- **EXTREME**

Watch List

- Artichokes
- Broccolini
- Fennel
- French Beans
- Ginger
- Lemons, on small sizes
- Lettuce, Green Leaf, Red Leaf and Boston/Butter Lettuce, Better Burger

Weather YUMA, AZ

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
94° 60°F	91° 59°F	85° 57°F	78° 54°F	80° 55°F	86° 58°F	86° 57°F	85° 56°F	85° 59°F	85° 59°F
									
Sunny	Sunny/Wind	Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny

SALINAS, CA

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
70° 48°F	61° 47°F	60° 46°F	59° 46°F	60° 46°F	65° 44°F	66° 44°F	66° 44°F	64° 44°F	67° 48°F
Partly Cloudy	AM Clouds/PM	Showers	AM Showers	AM Clouds/PM	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy

OXNARD, CA

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
69° 53°F	65° 57°F	60° 48°F	59° 47°F	63° 49°F	63° 50°F	67° 50°F	65° 51°F	68° 50°F	68° 54°F
AM Fog/PM	Partly Cloudy	Rain	Showers	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Sunny

CULIACAN, SINALOA

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
97° 62°F	90° 62°F	98° 67°F	104° 64°F	101° 61°F	99° 64°F	98° 62°F	101° 61°F	100° 61°F	97° 58°F
Partly Cloudy	Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Cloudy	AM Clouds/PM	Mostly Sunny	Sunny	Mostly Sunny

JALISCO, NAYARIT

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
87° 59°F	86° 64°F	88° 65°F	88° 61°F	88° 62°F	87° 64°F	86° 66°F	88° 63°F	87° 61°F	86° 57°F
Partly Cloudy	Partly Cloudy	Mostly Cloudy	Mostly Cloudy	Partly Cloudy	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Mostly Sunny

VIZCAINO, BAJA SUR

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
91° 58°F	86° 53°F	83° 57°F	83° 51°F	81° 53°F	86° 54°F	85° 55°F	85° 55°F	85° 55°F	83° 57°F
Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Sunny	Sunny	Sunny

IMMOKALEE, FL

Thu 4/11	Fri 4/12	Sat 4/13	Sun 4/14	Mon 4/15	Tue 4/16	Wed 4/17	Thu 4/18	Fri 4/19	Sat 4/20
88° 64°F	84° 55°F	84° 56°F	87° 59°F	89° 62°F	91° 65°F	93° 67°F	95° 66°F	92° 66°F	92° 67°F
Thunderstorms/Wind	Sunny	Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy

Fruits & Vegetables

Avocados: ESCALATED Last week's harvest closed at 63M pounds up 15% vs. the previous week, and back to falling within the prior 6-week average. Projections are calling for over 70M pounds to be harvested for the US this week, but with the current weakness in the spot market on select sizes - Mexico is finally slowing things down. The size curve coming off the trees continues to favor larger fruit, and this trend will continue through April. The Normal crop continues to mature, and dry matter is averaging 34%. Market pricing fell across all sizes over the past week.

Bananas: We are seeing some delays at the ports, but we are not anticipating any supply issues. In some rare cases fruit may be a color stage behind in ripening. Overall fruit is showing great overall Quality.

Pineapples: We are seeing lighter volume and some delays at the ports causing a few shortages. We should see improvement after the Easter Holiday. Quality remains good.

Table Grapes: EXTREME Grape availability remains at record lows on all varieties, and we expect this to continue through the month with elevated pricing on market business. There is more fruit on the water and scheduled to arrive and conditions are expected to slowly improve over the next 2 weeks. We do expect firm markets until the Mexican crop begins in approximately 4-5 weeks. Quality is fair and we are still asking for subs to black grape since they seem to have the best quality and legs over the red and greens.

Berries

Strawberries: The California season is slow to start due to rainfall and cooler temperatures. The quality is good with good sheen, color, and flavor, but all growers see misshapen fruit, burnt calyx, spongy tips, water damage, and pin rot. Rainfall is expected this weekend, which will continue to delay the start of the peak season. Production-wise, plants are looking to burst and are loaded with strawberries—once dryer weather and warmer temps come back to the area, we will see a huge jump in volume towards the end of the month.

Blackberries: Quality is good, with sizing between the medium to large range, nice sheen, mostly black, and with good firmness. Due to high temps in the regions, we do see some regression in some ranches and some softer fruit as the days get hotter.

Raspberries: Weather has been hot and sunny throughout all regions, with strong, windy days. I see temps at the low 90s (some areas in the 100s) and nights at the mid-50s. Next week is looking to be similarly hot. Generally, the fruit is a good red color, with some slighter in colors in the pack due to picking a bit early ahead of the heat. Sizes are mostly medium to large depending on the ranch from which they are picked. Counts are 40-48. We do see some overripe and crumbled fruit sporadically throughout the packs, but crews are doing their best to keep them out of the packs.

Blueberries: So far, growers have had a slow start to the California season, with low production due to the colder weather. Seeing some soft fruit and redbacks, but the packing house is doing a good job of keeping them out of finished packs. Overall, the quality looks good, and the size and flavor are nice. Peak volume is expected to begin in April and drop in May. Out of the east, temperatures have continued rising as we go further in the Spring. Volume has been ratcheting up quickly as we get into the peak coming in the end of April. Berries are medium to large in size and have excellent quality, size, and flavor. Seeing some attached stems, blush, and scarring here and there in packs. Georgia is about 10 days out for some serviceable volume. Quality and overall production looks to be good with nice size.

California Citrus

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. Early Valencia's are starting in a very light way with sizing trending large as well. **FLEXIBILITY ON SIZING AND LOADING AREAS WILL BE MANDATORY IN ORDER TO GET ORDERS FILLED!**

Lemons: WATCHLIST - We are seeing a significant size shift on Lemons. Small fruit is getting exceptionally short with reports that 70-80% of the crop is running 95's/115's/140's with no relief in sight until imports start in late June. **FLEXIBILITY ON SIZING AND LOADING AREAS WILL BE MANDATORY IN ORDER TO GET ORDERS FILLED!**

Limes: ESCALATED The market continues to soften as overall demand has weakened. We continue to see increased availability on small sizes from new production harvests with large sizes continuing to be limited in supply. We are anticipating a slight increase in demand for Cinco de Mayo but anticipate market to continue to soften throughout Q2.

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

Iceberg: ESCALATED We continue to see a wide range of quality, head size and weights. Market pricing appears to be trending slightly lower. However, industry supplies are still forecasted to remain below normal for this time of year.

Romaine, & Romaine Hearts: ESCALATED Romaine and romaine heart production is steady. Demand continues to show strength with good to fair quality, markets remain strong. Many shippers have finished in Yuma for the season, so we will see supplies out of both Yuma and Salinas through next week.

Green Leaf, Red Leaf & Butter: WATCHLIST Available supplies will vary for each growing region with a wide range in Quality as Salinas is starting and Yuma is finishing up for the season. The market is still trending lower into next week with the market on leaf items expected to be very volatile through the coming weeks during transition.

Eastern and Western Vegetables

Green Bell Pepper: Better supply this week across all sizes and quality is good. The desert is expected to start in May with South Georgia scratching late April.

Color Bell Pepper: Excellent supply and good quality available on all sizes.

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

Mixed Chili Pepper: EXTREME Record low supplies and higher demand are pushing prices higher across the entire category. Overall, the quality is fair, but we expect to see a large imbalance in supply over the next 4-6 weeks. Once some of the newer growing areas begin production, we hope to see some relief. In the meantime, we will continue to see the potential for shorts and escalated pricing.

In Mexico, the main growing regions in Sinaloa are ending and Cadereyta is not starting until the end of this month. Typically, the Sinaloa season goes on for a few more weeks and we don't see this supply GAP. However, due to weather related issues the GAP is bigger this season. In the east, we are seeing the same thing, typically a lot of pepper is available out of Florida this year to offset the transition crops in Mexico, between less acreage being planted and weather we have a lighter supply available for market. We will not see improvement in the east until South Georgia starts Mid-May. Until then markets are going to continue to be firm and see pricing above the \$40 watermark on most varieties.

Eggplant: Good supply and quality available crossing through McAllen and Nogales. New crop will be available in South Georgia in approximately 4 weeks.

Slicer Cucumbers: Steady supply available out of McAllen, Nogales, and Florida. South Georgia is projected to scratch on new crop at the end of April.

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

Pickles: 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 Production from Guatemala has improved, but the heat has hurt some production. Steady supply and improved quality of French beans 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

Basil quality has improved this week. We are still seeing some quality issues with dill, mint, and oregano. Rain continues to affect supply and quality. Chervil production has improved.

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: The cantaloupe market has remained stagnant due to lower demand the past few weeks. Recent sizing has been primarily 9ct as the percentage of jumbo fruit has settled after peaking last week in addition to a good supply of 12s available. Brix levels are steady in the 12-15% range with an excellent flavor profile that resembles summertime fruit.

Honeydew: With limited honeydew crossings currently through Nogales, western demand has started to trickle back to the east and has assisted movement on this side. Current sizing had been primarily 5/5Js from both Guatemala and Honduras production, but we are beginning to see a slight shift with a few more 6s by end of the week arrivals. Quality of the honeydews has been very good especially on second cycle production from Guatemala. Brix is ranging 12-15%

Watermelon: EXTREME Demand exceeds supply conditions as spring arrives. Overall quality is good out of Mexico, and the offshore season is done. We expect to see very high demand and low supply through April.

Mixed Vegetables

Artichokes: WATCHLIST Lighter supplies out of Oxnard the next two weeks. Demand has been strong during the Easter pull with higher pricing; quality has improved.

Arugula: Supplies are improving as we transition to Salinas, and quality is fair.

Asparagus: ESCALATED Asparagus production continues to decrease from Mexico due to seasonality. Peru has started with light production and markets have begun to react due to the anticipated lower volume at the end of next week. Due to seasonality and shed maintenance, white asparagus will remain very limited from Peru until mid-June.

Bok Choy: The market is active and supplies are light due to the rain and cold weather during the growing period leading up to transition.

Broccoli/Broccoli Crowns: ESCALATED Salinas broccoli volumes are increasing but still below normal. Market remains firm at higher prices and quality is very nice.

Broccolini and Sweet Baby Broccoli: WATCHLIST Salinas is showing good quality with increasing volumes.

Brussels Sprouts: Overall Supplies and Quality remain good as Mexico and the Oxnard growing regions are in full production. Demand is increasing.

Carrots: (JUMBOS, MEDIUMS and CELLOS): ESCALATED Steady supplies continue with good quality. Shippers still have light volume on Jumbos out of California.

Cauliflower: Supplies continue to improve with good quality.

Celery: The market is trending higher as we head into next week with decreased supplies anticipated over the next few weeks.

Cilantro: Cilantro supplies, and Quality continue to improve.

Corn: Good supply available out of Florida and Mexico this week. Quality is good out of the southeast and South Georgia projected to start the 2nd week of May.

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: ESCALATED The market remains strong as growers are facing some quality issues in the growing areas of Mexico. Market is expected to continue strong through next week.

Mushrooms: Stable supply and good Quality available.

Napa Cabbage: We are seeing some quality issues with many shippers reporting some seeder issues to start the season. We should see an improvement in quality through the month.

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 good with very good quality. Market is steady.

Spring Mix: Supplies are good with very good quality. Market is steady.

Snow Peas and Sugar Snaps: ESCALATED Guatemala's snow peas and sugar snaps production remains unchanged but will decrease within the next two weeks due to the heat. Out of the west, a steady supply of snows and sugar snaps.

Onions: ESCALATED

The onion market remains strong, but for a third consecutive week, it did not increase. White onions remain nonexistent 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 have an effect on 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 potatoes will continue to command 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 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. We will see Norkotahs wind down around the middle of Q2 and will be left exclusively with Burbanks (around the end of April). This will continue until new crop Norkotahs begin shipping fresh from the field in August. In general, there are no major headwinds expected in the potato market during Q2.

Tomatoes: East Coast

- **Round Tomatoes: ESCALATED** Markets remain escalated as weather last week caused delays and yield loss in the older crops throughout Immokalee, which has put extra pressure on the market until growers can start packing the spring regions. We expect higher markets through the 3rd week of April when we expect to see more volume out of the newer areas. Quality will be hit and miss over the next week.
- **Roma Tomatoes:** Markets remain unstable with good volume available this week. Quality is much better this week.
- **Grape Tomatoes:** Good supply and quality available
- **Cherry Tomatoes: ESCALATED** We expect to see very short crops, escalated pricing, and potential for pro-rates continue through March.

Tomatoes: Mexico

- **Round Tomatoes: ESCALATED** With the ongoing issues with the winter Mexican tomato season. We are now in spring decline out of Sinaloa, combined with a very slow Sonoran season we are seeing high markets and short supply once again. The Mexican Government is slated to start reducing water allocations in Sinaloa which will force some farmers to cease operations prematurely. We will see some supply GAPS until Sonora can effectively start harvesting fruit. Currently, they are behind and already projecting below normal yields; ongoing cold weather combined with late rains have hurt pollination and maturation of the fruit and plants. We hope to see some of this improve over the next 4 weeks as other growing regions throughout Mexico are scheduled to ramp up and assist in some of the current shortfalls but that is still weeks away.
- **Roma Tomatoes:** Good supply and quality available this week. We expect volatility in the roma market over the next 3 weeks.
- **Grape Tomatoes:** Steady supply and good 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.

California Tomatoes

- Slated to begin mature greens out of the desert in late May.

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.