

# Weekly Market Review

## May 24, 2024

### Overview

We will begin to see transitions to new crop in the east, South Georgia and in the west, Coachella or Baja. The shortest item this week is hot peppers with tomatillos, shishitos and serranos all being the most volatile. Markets will continue to be at record highs for this time of year across the entire category. We will continue to see hit and miss tomato production across the entire category this week as Culiacan is now done for the season and transition to Jalisco is well underway. Florida spring production is steady this week on rounds and snacking tomatoes, romas will be short this week, and mature greens out of the desert have started. Table grapes are finally easing back as more production becomes available out of Mexico and we should see domestic fruit next month. We will start to transition melon supply from the offshore season to our domestic programs; good supply expected out of the desert over the next 7-10 days. The country-of-origin options has multiplied as California, Peru and Colombia saw significant growth in volumes. With the added sourcing opportunities, the industry advocates increasing promotional activity to close the gap between demand and supply. The inventory coming out of Cinco de Mayo has remained elevated longer than anticipated. The feared gap in supply from old crop to Loca out of Mexico is lessening in likelihood, and the main concern has shifted to how to manage 4 countries of origins with similar size curves. The summer is expected to bring an abundance of small sizes, and requests for programs to size down are forthcoming. Red onions are still in short supply, causing the market to remain at high levels. This has not yet materialized despite our expectations for improved supply in May to lower market prices. Issues with moisture and mildew in Brawley have led to reduced yields, and other major growing regions for red onions, like Washington and Texas, have a completely depleted pipeline. Relief is not expected until June when Central CA and New Mexico start their season, offering a more abundant supply. However, there may be similar moisture and mildew challenges in Central California as seen in Southern California. Nevertheless, the simultaneous start of both regions should help alleviate pricing pressures on red onions. The weather in the Salinas Valley has been in the low to mid 60's for the last few weeks. The late rain this year added a lot of moisture causing a slow-down in the crop maturity and added challenges. The weather looks favorable for the future and things should improve if temperatures continue to slowly rise, volumes will increase across all fields.

### Alert









- Asparagus – **ESCALATED**
- Artichokes-**ESCALATED**
- Avocados – **ESCALATED**
- Bok Choy – **ESCALATED**
- Broccoli - **ESCALTED**
- Cabbage, Red - **ESCALATED**
- Cantaloupe- **ESCALTED**
- Celery – **ESCALATED**
- Cilantro - **ESCALATED**
- Hot Peppers (**All Varieties**)- **EXTREME**
- Limes – **ESCALATED ON SOME SIZES**
- Lettuce, (Iceberg Liner, Ctn Romaine, Ctn Romaine Hearts, VA Iceberg, VA Romaine, VA Iceberg/Romaine Blends, Red Leaf, Green Leaf) – **ESCALATED**
- Napa – **ESCALATED**
- Oranges – **EXTREME ON SMALL SIZES**
- Lemons – **EXTREME ON SMALL SIZES**
- Parsley (Curly & Italian) - **ESCALATED**
- Snow Peas – **ESCALATED**
- Tomatoes (Romas)- **ESCALATED**

### Watch List








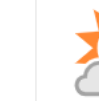
- Artichokes
- French Beans
- Ginger
- Carrots – Jbo, Med & Cello
- Lettuce, Boston/Butter Lettuce, Better Burger
- Spinach

### Weather









#### SALINAS, CA

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29	Thu 5/30
64°   52°F	60°   53°F	61°   48°F	62°   48°F	65°   49°F	66°   50°F	67°   49°F	69°   50°F
							
Sunny	AM Clouds/PM Sun	AM Clouds/PM Sun	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy









#### OXNARD, CA

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29	Thu 5/30
63°   54°F	63°   53°F	66°   53°F	63°   53°F	65°   54°F	66°   56°F	68°   56°F	68°   56°F
							
AM Clouds/PM Sun	AM Clouds/PM Sun	Mostly Sunny	Partly Cloudy	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy









**COACHELLA, CA**

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29	Thu 5/30
96°   68°F	94°   64°F	90°   63°F	97°   68°F	101°   71°F	103°   72°F	105°   73°F	105°   72°F
							
Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Sunny









**JALISCO, NAYARIT**

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29	Thu 5/30
88°   60°F	89°   61°F	89°   62°F	87°   61°F	85°   63°F	86°   65°F	88°   65°F	88°   63°F
							
Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny

**VIZCAINO, BAJA SUR**

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29	Thu 5/30
90°   53°F	92°   55°F	95°   56°F	95°   57°F	99°   62°F	101°   62°F	98°   60°F	97°   59°F
							
Sunny	Sunny	Partly Cloudy	Sunny	Partly Cloudy	Mostly Sunny	Sunny	Sunny

**WIMAUMA, FL**

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29	Thu 5/30
95°   70°F	94°   73°F	96°   72°F	95°   73°F	95°   76°F	94°   75°F	95°   74°F	94°   73°F
							
Sunny	Mostly Sunny	Mostly Sunny	Sunny	Mostly Sunny	Sunny	Sunny	Sunny

**Fruits & Vegetables**

**Avocados: ESCALATED** Last week's harvest closed at 57.3M pounds up 5% from the previous week. Harvest for this week is tracking 25% down as the industry continues to mitigate excess supply. California volume is ahead of their weekly projections as harvest continues at a strong pace. Many growers are satisfied with harvesting early and strengthening their trees for a more robust set next season. With the last several weeks of harvest exceeding projections, the California season will be concentrated from now through June. The Normal crop continues to mature, with dry matter averaging 36.5%, ripe cycles are shorter, and fruit is at a peak eating experience. Markets saw a slight decrease across all sizes. The sizing curve slightly favors smaller fruit 60s and smaller.

**Bananas:** Steady supply and quality remain good.

**Pineapples:** Steady supply and quality remain good.

**Table Grapes:** Grape availability is slowly improving as more Mexican fruit crosses the border. Quality is mixed on the offshore fruit that is lingering and excellent in Mexico.

**Berries**

**Strawberries:** In Watsonville/Salinas, the week has been cool and drizzly with low temperatures in the 60s during the day and 50s at night. This has caused a slowdown in production with some issues like misshapen fruit and dry calyx. Next week is expected to be similar. In Santa Maria, the weather has been cloudy and foggy with daytime temperatures in the low 60s and nighttime temperatures in the low 50s. Production has slowed due to the cold weather, but overall plant and fruit health have been maintained. Next week's forecast is also similar. No labor issues have been reported in both areas

**Blackberries:** Quality is good, with sizing between the medium to large range, a nice sheen, mostly black, and good firmness. Due to high temps in the Mexico regions, growers see some regression in some ranches and softer fruit as the days get hotter. Volume has been dipping due to the heat and will be limited for a while until another minor peak comes again towards mid-June. Flowers have started to bloom in the Watsonville region, and growers should start to see the harvest of small scratch picks beginning at the end of this week.

**Raspberries:** Weather has been hot and sunny throughout all regions, with cooler mornings this week. Seeing temps in the high 90s (almost 100) and nights in the mid-60s. Production has been down overall due to the recent hot weeks in the 90s, causing frequent rejections when received by our QC team. Overall, the fruit looks good with a strong red color, with some fruit lighter in color in the pack due to picking a bit early ahead of the heat. Sizes are primarily medium, with larger berries here and there. 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:** We are seeing some issues of shriveling, scarring, and deformities out of Mexico. Overall, the blueberries' color, size, and flavor are good. Production has been down due to the high heat over the last few weeks. Central Valley conventional production volumes have begun picking up steam and will continue increasing for the next few weeks. Organic volume is quickly approaching its peak. Warmer weather has been causing a nice ramp-up in volume, and we should continue to double it for another two weeks, hitting a peak at the end of May. Seeing some soft fruit and red backs, but the packing house is doing a good job keeping them out of finished packs. Overall, the quality looks good, and the size and flavor are nice. Conventional blues will peak in mid-June. Rain has adversely affected Florida and Georgia, causing widespread rain damage in this area and largely reducing our original estimates in this region. The Florida region is expected to be done for the season. Once rain clears up and crews can clean up the plots in Georgia, production will continue to rise back up. Peak volume is still expected to come towards the beginning of June but will be reduced due to the rain.

#### **California Citrus**

**Oranges: EXTREME ON MEDIUM AND SMALL SIZES** No Changes this week on the orange crop from California. The Valencia season is underway, as the Navel season continues to wind down. Small size oranges, including Valencia's, continue to be in extremely short supply and will remain in short supply until the Navel crop gets started in the fall. FLEXIBILITY ON SIZING AND LOADING AREAS WILL BE MANDATORY IN ORDER TO GET ORDERS FILLED!

**Lemons: EXTREME ON SMALL SIZES** We continue to see small Lemons in California exceptionally short with no relief in sight until District 3 fruit gets started late in the summer. Import Lemons are starting to arrive in a small way with small fruit available. FLEXIBILITY ON SIZING AND LOADING AREAS WILL BE MANDATORY IN ORDER TO GET ORDERS FILLED ON ORDERS LOADING IN CALIFORNIA!

**Limes: ESCALATED ON SOME SIZES** Lime market has stabilized with increased demand for Memorial Day. We expect to see increased overall availability as weather trends become more favorable. The overall lack of rain paired with extreme temperatures over the last month will affect sizing and quality/shelf life. The crop continues to peak on 230's & 200's; with 175's also increasing in volume. Large sizes are still limited in supply.

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

**Imports/Specialties:** Domestic mandarins Pummelo's are available in the central valley of California. Volume on import lemons is increasing.

#### **West Coast Lettuce**

**Iceberg: ESCALATED** Lettuce supplies and quality are tight. Warmer weather is on the horizon, but supplies are light because of cold weather. Prices are still escalated and will continue to be until the weather cooperates. The forecast for quality is continuing to improve.

**Romaine, & Romaine Hearts: ESCALATED** Supplies of romaine and romaine hearts remain limited coming out of the Salinas Valley. Anthracnose and mildew continue to limit production, quality, and weights. The industry is still recovering from reaching into acreage early. Demand remains extremely strong and supplies that are available are good quality. Supplies will remain light on both carton & hearts as market remains to be active. Pricing is still escalated.

**Green & Red Leaf: ESCALATED** Production in the Salinas Valley is steady. Overall quality is good, and current markets remain strong with good demand. Prices are still escalated.

**Butter: WATCHLIST** Production in Salinas Valley is steady. Overall quality is good.

#### **Eastern and Western Vegetables**

**Green Bell Pepper:** Good supply available across all sizes and quality is good out of all locations.

**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, however in the meantime we will continue to see the potential for shorts and extreme escalation in 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 will start scratching this week. California and Baja will start in 4 weeks.

**Eggplant:** Good supply and Quality available crossing through McAllen and Nogales. New crop will be available in South Georgia in approximately 3 weeks.

**Slicer Cucumbers:** Steady supply available out of McAllen, South Georgia, and Florida. Baja is scratching and overall quality is good.

**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 continues to improve in Guatemala. Steady supply and improved quality of conventional French beans out of Mexico.

**Zucchini/Yellow Squash:** Shipping out of Florida, South Georgia and finishing up out of Nogales. Good supply and quality available.

### Herbs

Basil supply and quality continue to improve. We are still seeing some quality issues with dill and oregano.

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: ESCALATED** Yuma cantaloupe season started on Monday 5/20. Early fields will be providing smaller sized melons (12/15s) initially and this should hold true until at least the middle of next week. Once new fields are broken next week, we anticipate an uptick in sizing which is expected to continue throughout the month of June with good volume each week. Early reports from the fields are advising brix levels are in the 11-14% range but should improve as we move on from the earlier fields which were more impacted by weather throughout the growing cycle as all melon producers are in the same boat. Flexibility of sizing may be required at time of loading.

**Honeydew:** New production will begin later this week. As with the cantaloupe, we are expecting primarily smaller sizing (6/8s) initially until we get a good week into production. Flexibility of sizing may be required at time of loading. Mexican honeydew crossings on larger fruit (5/6s) basically ceased last Tuesday which has pushed their market to higher levels as the market they were experiencing was not sustainable

**Watermelon:** Good supply available as new crop is being harvested out of North and Central Florida as well as Mexico. Overall, the quality is good.

### Mixed Vegetables

**Artichokes: ESCALATED** Overall supplies are still light and quality is good.

**Arugula:** Supplies are good, Quality is improving.

**Asparagus: ESCALATED** Obregon/Southern Baja continues with low production and small sizing. Peru continues to increase production. Washington, Michigan, and Canadian production has increased this week as well. Peru's delayed vessel is scheduled to arrive next week. All markets are very heavy on standard size asparagus. Markets were better this week due to the Peruvian vessel delay, but that will change next week due to its arrival. White asparagus continues to be very limited to non-existent from Peru.

**Bok Choy: ESCALATED** Supplies are light due to the rain and cold weather during the growing period leading up to transition. The market is active. Warmer weather is helping the product and it should be in better shape soon.

**Broccoli/Broccoli Crowns:** Salinas broccoli volumes have improved; market is slightly improved. Supplies look steady going into next week with very good quality.

**Broccolini and Sweet Baby Broccoli:** 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.

**Carrots: (JUMBOS, MEDIUMS and CELLOS): WATCHLIST** Steady supplies continue with good quality. Shippers still have light volume out of California, but volume is improving.

**Cauliflower:** Quality is very good. Pricing is no longer escalated, and industries supplies are on the rise.

**Celery: ESCALATED** Quality in Oxnard has been a challenge for the industry with fusarium impacting many of the growers with lighter supplies continuing into next week, market is very active.

**Cilantro: ESCALATED** Cilantro supplies are getting tight, and we are seeing bacterial leaf spotting in the Salinas area. Mexico supplies are currently good, but those supplies will be tight in the next 3 to 4 weeks once the Salinas supplies get back to normal.

**Corn:** Good supply available out of Florida and Coachella. Quality is good out of the southeast and South Georgia projected to start soon.

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

**Garlic:** The 2023-2024 California Garlic will come to an end, prior to the new crop being ready for harvest. Look for subs to Mexican product during transition, starting approximately June 1<sup>st</sup>. Quality is good.

**Ginger:** Supplies and market are steady

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

**Green Onions:** We continue to see better supplies out of Mexico, with very good quality.

**Mushrooms:** Stable supply and good Quality available.

**Napa Cabbage: ESCALATED** We continue to see some quality issues, but we should see an improvement over the next few weeks. Quality and supplies are improving.

**Parsley: ESCALATED (Curly, Italian):** Supplies will be limited for the next few weeks, quality is fair.

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

**Red Cabbage: ESCALATED** Pricing is escalated. quality is good although supplies continue to be tight. Market is stronger.

**Spinach WATCHLIST** Supplies are good, quality continues to improve

**Spring Mix:** Supplies are good, quality looks very good.

**Snow Peas and Sugar Snaps: ESCALATED** Guatemala's production of snow peas remains low due to the heat and lack of rain. Sugar snap production is back to normal, and markets are still very active on snow peas. Out of the west, snow peas are limited due to weather and demand on the East Coast. Sugar snaps are in much better shape this week.

#### **Onions: ESCALATED**

Red onions remain extremely short, leading to higher market prices. We are optimistic that May will bring some relief, although significant changes may not occur until the middle of the month. With low inventory levels, growers will need to sell their produce at lower prices to reduce the FOB prices. Texas has mostly completed their crop, except for yellow and white onions. New Mexico is expected to join the market towards the end of May, but their production peak is anticipated in June.

#### **Potatoes:**

There are no significant changes or obstacles anticipated. The market is projected to remain relatively stable. In May, we anticipate a slight increase in Burbanks and a decrease in Norkotahs. By the end of the month, all growers should have completed harvesting Norkotahs and transitioned exclusively to Burbanks until the new crop of Norkotahs is harvested in August.

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

**Round Tomatoes:** Markets remain soft on rounds this week with the spring harvest now in full swing. Quality remains fair at best and peaking on larger sizes. We expect to see more local regions start harvesting the first of June in South Georgia and South Carolina.

- **Roma Tomatoes: ESCALATED** Market firmed up a bit this week due to lighter projections. Overall, the quality is good.
- **Grape Tomatoes:** Excellent supply and quality available.
- **Cherry Tomatoes:** Excellent supply and quality available.

#### **Tomatoes: Mexico**

**Round Tomatoes:** Culiacan is now done for the season, and we have completely transitioned to Jalisco. Currently, they are behind and already projecting below normal yields but should see some improvement over the next week. Baja's volume expected to ramp up over the next week. Overall quality has been good on the new crop we have seen thus far.

- **Roma Tomatoes: ESCALATED** Higher demand and good supply have kept the roma prices in the west under control. Florida's lack of acreage is keeping markets firm in general. Quality is mixed, with the older fruit that is lingering there will be quality issues, on the new crop fruit overall quality is excellent however you will need to manage color a bit as its still lighter in color at shipping point. Romas are expected to be volatile over the next three to four weeks.
- **Grape Tomatoes:** Steady supply and good Quality available crossing through McAllen and Nogales.
- **Cherry Tomatoes:** Steady supply and good Quality available crossing through McAllen and Nogales.
- **Medley Grape Tomatoes: ESCALATED** Lighter volume this week with fair Quality.
- **Tomato on the Vine:** Steady volume available this week.

#### **California Tomatoes**

Seeing mature greens out of the desert available this week and Valley fruit should start in early June.

#### **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**

- California is scratching peaches and cherries this week.
- Nectarines and Apricots should ramp up by the end of month.
- California Table grapes should start in the desert in June.
- Georgia is projected to start peaches Late-May.