



WEEK 18: May 1 - May 7, 2023

# MARKET OUTLOOK

## Transportation:

**National Diesel Average:** \$4.077

**Compared to Last Year:** \$2.994

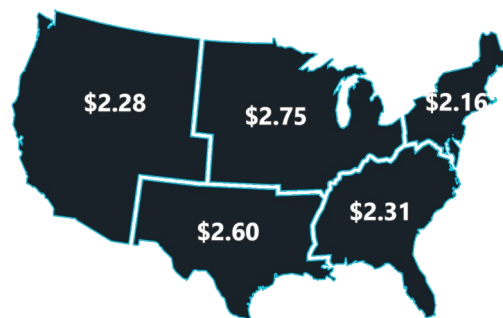
**National Fuel Surcharge:** \$0.53

**Shortages:** Seeing high freight rates, with **extreme** shortages - FL; **slight** shortages - None

## National Posted Rate per mile

previous week's average outbound reefer rate for each region

Map from [DAT](#)



## Regional Weather Update:

**Oxnard, CA:** AM showers, rain, and cloudy skies throughout the week with highs in the upper 50s to 60s and lows in the 40s and 50s.

**Salinas, CA:** Showers, light rain, and cloudy skies throughout the week with highs in the 50s and 60s and lows in the upper 40s.

**Yuma, AZ:** Sunny skies with highs in the 80s and 90s and lows in the 50s to 60s.

**Immokalee, FL:** Sunny and partly cloudy through week with highs in the 90s to 100s and lows in the 60s to 70s.

**Idaho Falls, ID:** Cloudy, showers, and thunderstorms throughout the week with highs in the 60s and 70s and lows in the 40s.

## MARKET ALERT

- Anaheim Peppers
- Arugula Baby
- Berries: Blackberries & Raspberries
- Broccoli
- Broccolini (Extreme)
- Brussels Sprouts
- Cauliflowers (Extreme)
- Grapes
- Green Beans (Radar)
- Herbs: Basil & Cilantro
- Lettuces: Iceberg (Extreme), Green & Red Leaf & Romaine
- Melons (Radar): Cantaloupe & Honeydew
- Mushrooms
- Pepper Bells: Green, Red & Yellow
- Pineapples (Radar)

# MARKET OUTLOOK



## Apples



SUPPLY  
FAIR  
QUALITY  
GOOD

According to a January report from USApple, apple holdings are down 4.1% from previous time period. Total volume of bushes reported on January 1 was 84.2 Mil, which is 12.5% less than the January 5-year average. Report showed Washington continue to produce the most, with 91.9 Mil bushels (42 lbs) during 2022–23 follow by Michigan with 9.9 Mil bushels. Washington production has dropped by 7.3 Mil bushels year-on-year. The production this year is 17.1 Mil bushels lower than the January 5-year average. Gala had the largest production at 21.1 Mil bushels, followed by Red Delicious with 15.8 Mil and Fuji at 12.8 Mil bushels. Per the USDA's projection, follow by back to back years of volume decreased, the U.S. is projected to increase production by 158,000 tons to 4.5 Mil in 2022-23. Despite higher supplies, exports are expected to fall 53,000 to 670,000 tons, marking the third consecutive year of decline on reduced Washington output. With higher shipments from New Zealand, imports are anticipated to increase by 10,000 to 115,000 tons.

## **MARKET ALERT**

## Arugula



SUPPLY  
FAIR  
QUALITY  
FAIR

**ALERT (Baby)** Supplies are light. Quality is fair. Market pricing is steady. Growers are transitioning back to Salinas. Supplies are limited due to the recent floods in Salinas and are expecting to be limited for the next few weeks. (F.O.B pricing for this week \$8.50 - \$9.45)

## Asparagus



SUPPLY  
GOOD  
QUALITY  
FAIR

Mexico is winding down as it transition to the northern growing region. Some fields are done due to seasonality and lack of labor in Mexico. Baja just started with very light volume. Guanajuato will start in a couple of weeks and be available til end of August. Peru production remain light due to warmer weather. Domestic will start mid-May with plenty of volume for Memorial Day promotion. CA has limited supply and WA is slowly starting. Market is active and strong on all sizes. XL and jumbo are tight.

## Avocados



SUPPLY  
GOOD  
QUALITY  
GOOD

Mexico has harvested a lot of volume in the last two weeks in preparation for Cinco de Mayo ads. US avocado sales remain strong. Mexico continues to supply the bulk of the US demand, with CA accounting for roughly 10%. Despite CA late start, they are expected to go through Fall. Mexico will not harvest on May 1st in observance of Labor Day, but anticipate a healthy production will continue, although the glut of large shipping weeks may slow down in the coming weeks, as Mexico begins to wind down the current normal crop in June. Mexico production are forecast to decrease through June, while CA harvest volumes, and Peru arrivals are expected to increase. Mexico fruit shows nice oil content; it is critical to maintain a cold chain and store at 38°F.

## Bananas



SUPPLY  
GOOD  
QUALITY  
GOOD

Bananas are currently solid and consistent.

# MARKET OUTLOOK



## Beans



SUPPLY  
LIMITED  
QUALITY  
FAIR

**Green Beans: RADAR** Beans are in the middle of a transition from South Florida to Central and Northern Florida growing region. Production in Florida is improving from the recent rain and flood. Georgia should start in a week. Mexico is having a challenge in transition due to weather. Market is elevated due to the weather and lack of supplies from both Mexico and Florida. Expecting to remain slightly elevated for a couple of weeks.

**Snow Peas:** Supplies and market are steady on the East coast while it's limited in the West. Some quality issues have been reported.

**MARKET ALERT**

## Berries



SUPPLY  
FAIR  
QUALITY  
FAIR

**Blackberries: ALERT** Prices for Blackberries are trending up. Production out of Mexico is approaching their seasonal low. California is forecasted to come online during the second week of June. Production out of the Southeast is expected to start in 2 to 3 weeks.

**Blueberries:** Prices for Blueberries are trending down but are still a bit elevated. Production is on the upswing. Supplies are coming out of Mexico, Georgia, California, and the Pacific Northwest.

**Raspberries: ALERT** Prices for Raspberries are trending down. Prices remain elevated and supplies are tight. Warm weather has impacted supplies and quality.

**MARKET ALERT**

## Broccoli



SUPPLY  
LIMITED  
QUALITY  
FAIR

**Broccoli: ALERT** Supplies continue to be limited with strong demand. Market continues to remain escalated. Supplies will be coming from Salinas, Santa Maria, and Mexico. Supplies will be limited due to the transition from Yuma to Salinas, for the next few weeks. (F.O.B pricing for this week \$38.00 - \$39.00)

**Broccolini: EXTREME** Supplies have improved. Demand continues to be good. Supplies are expected to continue improving as markets improve. Supplies should be steady going into next week (F.O.B pricing for this week \$21.95 - \$23.55)

**MARKET ALERT**

## Brussels Sprouts



SUPPLY  
FAIR  
QUALITY  
FAIR

Supplies are light. Quality is good. Demand continues to be steady. Volume from Mexico is winding down as growers are transitioning to Salinas. Market pricing is expected to escalate in the next few weeks. (F.O.B pricing for this week \$32.70 - \$34.65)

## Cabbages



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies are better. Market pricing has improved. Prices are steady. Supplies are coming from Oxnard. (F.O.B pricing for this week \$12.70 - \$14.65)

# MARKET OUTLOOK

## Cantaloupes



SUPPLY  
GOOD  
QUALITY  
GOOD

**RADAR** The cantaloupe market has begun to spike. Normal seasonal decreases have begun but are being exacerbated by whitefly pressure experienced by shippers of Honduran crop, which will further reduce availability. With less total Central American volume expected in May, along with a delay start in Arizona, markets might remain elevated until early June. Cantaloupe sizing has shifted to 9/12s followed by 9Js. Quality has remained at peak levels with outstanding internal quality. Brix is 12-14% range.

## Carrots



SUPPLY  
GOOD  
QUALITY  
GOOD

Past rains in California could have made some damage in the carrot regions. Plants due to be harvested in the next 1-3 months may be affected, but it is yet too early to tell. A late summer/early fall crop is a concern. Some crops have transitioned to the desert, which was crucial for a good supply.

## **MARKET ALERT**

## Cauliflower



SUPPLY  
SHORT  
QUALITY  
FAIR

**EXTREME** Supplies will continue to be extremely limited. Market pricing escalated. Supplies will be coming from Salinas, Santa Maria, and Mexico. Supplies are expected to be extremely limited due to the transition from Yuma to Salinas. Markets pricing is expected to be escalated in the next few weeks. (F.O.B pricing for this week \$68.65 - \$70.25)

## Celery



SUPPLY  
GOOD  
QUALITY  
GOOD

Supplies are fair. Quality is reported as fair, seeder is present. Supplies are currently coming from Oxnard and Santa Maria. Very good demand for celery this week. Market pricing is expected to increase next week. Supplies are expected to decrease going into next week. (F.O.B pricing for this week \$15.40 - \$16.50)

## Citrus



SUPPLY  
GOOD  
QUALITY  
GOOD

**Limes:** As availability increases, the market is beginning to de-escalate, more quickly on small fruit. Recent rain events have aided fruit development and color, but they may also result in conditioned flaws such as styler-end breakdown and oil spots, which can appear days after initial transport. This happens more often with large sizes. Small fruit is still peaking, accounting for 60% of total yields while large fruit will remain scarce for the foreseeable future. Expect a big price gap between small and large sizes if the market potentially descends. Peru and Columbia continue to export to capitalize on the elevated market and cover Mexico's supply gap. We will see more offshore fruit at ports of entry on the East Coast and in South Florida. Due to pricing benefits based on delivery location, demand is elevated, especially for large sizes.

**Lemons:** Weather has been holding up. Shippers will try to stretch current supplies to end of June. Some very late ranches in D1, but this year will end a little early. Fruit is sizing up. Rain has hurt pack-outs for many growers. Peaking on 115s. 140s Fancy are tight as this is the size/grades preferred by national retailers. Argentina will start in June.

**Oranges:** Navels are projecting to end mid-June. Brix is nice with an excellent color. Size is still small and will continue until the end of the Navel season. Peaking on 88s with very limited 48s/56s.

# MARKET OUTLOOK



## Corn



### SUPPLY

FAIR

### QUALITY

FAIR

Prices for Corn are trending down. Corn production out of Florida and Brawley California. Growers are expecting supplies to pick up over the next couple weeks.

## Cucumbers



### SUPPLY

GOOD

### QUALITY

GOOD

Prices for Slicing & Persian Cucumbers are trending up. English Cucumber prices are steady. Production out of Florida is being impacted by rain. Georgia will come online in a week or so. Mexico is packing about normal volumes for this time of year.

## Garlic



### SUPPLY

GOOD

### QUALITY

GOOD

Domestic garlic has improved with steady supplies. Quality is good and the price remains elevated.

## Ginger



### SUPPLY

FAIR

### QUALITY

GOOD

The market for imported ginger is active, and supplies are light.

**MARKET ALERT**

## Grapes



### SUPPLY

LIMITED

### QUALITY

GOOD

South America production has quickly declined causing the pipeline to dry up, leaving suppliers to be unable to fulfil all contracts. Mexico is a couple of weeks late, providing a gap before the domestic season begins. The market will be exceedingly volatile, and supplies will be difficult to manage. It is strongly advised to be open to substitutions or alternatives until the third week of May.

## Herbs



### SUPPLY

FAIR

### QUALITY

FAIR

Herbs from Colombia continues to struggle due to the weather, especially **Basil**. Quality are fair. Expecting to improve in the next few weeks.

**Cilantro: ALERT** Supplies are light with fair quality. Market pricing has increased. Supplies are shipping out of Oxnard and Santa Maria. Supplies will be light for the next few weeks during the transition. (F.O.B price for this week \$21.45 - \$23.75)

# MARKET OUTLOOK

## Honeydews



SUPPLY

FAIR

QUALITY

GOOD

**RADAR** Honeydews continue to be inconsistent, causing the market in turmoil once again. Although there has been some volume in the last two weeks, the current sizing is primary 4J/5Js. Demand for 6/8s have exceeded supplies and there's no relief in sight for the next week or two with offshore production. Mexico production will start to increase through Nogales by first week of May. Recommend being flexible with sizing.

**MARKET ALERT**

## Iceberg



SUPPLY

SHORT

QUALITY

FAIR

**EXTREME** Supplies continues to be very limited. Quality is fair. Weights continue to be down due to smaller heads. Supplies are expecting to be limited for the next few weeks as during the transition back to Salinas and Huron. Some growers have finished harvesting in Yuma and have moved to Huron. Salinas is delayed due to the rain and cold temperatures. Expect escalated markets for the next few weeks. (F.O.B pricing for this week \$48.55 - \$49.55)

## Kale



SUPPLY

FAIR

QUALITY

GOOD

Supplies are steady with good quality. Demand continues to be very good along with steady market pricing. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$14.65 - \$16.45)

**MARKET ALERT**

## Leaf



SUPPLY

FAIR

QUALITY

FAIR

**Green & Red Leaf: ALERT** Supplies will be very limited. Quality is fair. Expect to see fringe burn and smaller heads. Market price has increased as growers are finishing up in Yuma and transitioning to Salinas. Expect escalated markets for the next few weeks. (Green Leaf F.O.B. pricing for this week \$30.25 - \$31.75)(Red Leaf F.O.B. pricing for this week \$34.75 - \$35.70)

**Romaine: ALERT** Supplies continue to be limited. Quality is fair. Expect to see fringe burn and smaller heads. Some growers are finished in Yuma and have transitioned to Salinas. Expect market pricing to be escalated for the next few weeks. Supplies will remain a challenge for the next few weeks during the transition from Yuma to Salinas. (Romaine F.O.B pricing for this week \$26.45 - \$27.95)(Hearts F.O.B pricing for this week \$28.50 - \$30.25)

**Tender Leaf:** Supplies are better. Demand continues to be good. Quality is fair. Market pricing is steady. Growers have finished in Yuma and have transitioned to Salinas. Some tender leaf crops have been delayed due to the recent floods and cold temperatures in Salinas. (F.O.B pricing for this week \$4.75 - \$5.50)

A photograph of fresh produce including green beans, potatoes, and tomatoes in blue crates, set against a rustic wooden background.

# MARKET OUTLOOK

**MARKET ALERT**

**Mushrooms**



SUPPLY

FAIR

QUALITY

GOOD

The mushroom industry continues with a shortage of labor, as well as cost inflation increases in raw materials. Specifically corrugated cardboard and packaging materials. Expect for Mushroom pricing to remain strong.

**Shitake:** Shitake mushroom supplies will be short due to an uncontrollable rise in the cost of imported Shitake logs from China. Shitake mushrooms supplies will be short, prices will be changing almost weekly. Increase pricing in raw materials is also causing price increases.

**Onions**



SUPPLY

FAIR

QUALITY

GOOD

Onions are coming out of Arizona, California, Idaho, Georgia, Oregon, Texas, and Washington. Demand is good. Quality is good. Market is escalated. California just started while some are done in Texas due to all the rain. Eagle Pass is expected to start the first week of May. Idaho and Washington are wrapping up and will be done in a week or two. All colors available. Vidalia just started. There are some imported onions available. This will also have an impact on precut.

**Onions Green**



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be steady. Market pricing is steady. Supplies are coming from Mexico. Past cold temperatures slowed down the supplies. Current supplies are expected to continue improving for the next few weeks. (F.O.B pricing for this week \$9.75 - \$11.45)

**MARKET ALERT**

**Peppers Bell**



SUPPLY

GOOD

QUALITY

GOOD

Prices for Bell Peppers are trending up. Production out of South Florida has been impacted by rain. Production is moving to Central and Northern Florida. Mexico is still in production and the California Desert will be online soon.

**MARKET ALERT**

**Peppers Chili**



SUPPLY

GOOD

QUALITY

GOOD

**ALERT (Anaheim)** Prices for Chili Peppers are trending up. Growers are reporting that the Anaheim pepper market is tightening up this week. Growers are reporting that volume out of Central Florida is tightening up. Mexico is reporting light volumes.

# MARKET OUTLOOK

## Pineapples



SUPPLY

FAIR

QUALITY

GOOD

**RADAR** The pipeline is yet to be back to normal. Supply has not increased, and fruit availability is quite limited. Pineapples are beginning to shift from larger to smaller sizes in the coming weeks.

## Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Demand is slightly down. Supply and market pricing are steady. Crops are still down from the previous year. Suppliers are anticipating it will get tighter in the next month or so. Planting for next season has been delayed due to the cold temperatures and snow in the growing regions. Idaho has planted 15% of the total acreage so far, compared to 32% the last 5-year for this time period. Wisconsin This will affect the pre-cut as well.

## Squash



SUPPLY

GOOD

QUALITY

GOOD

Prices for Yellow & Zucchini Squash are trending up. Production out of Florida has been impacted by rain. Georgia starts packing product in a week or two. North Carolina is not far behind.

## Strawberries



SUPPLY

GOOD

QUALITY

GOOD

Prices for Strawberries are trending down this week. Growers are currently reporting good weather. Growers are forecasting volumes to pick up in the weeks to come.

## Tomatoes



SUPPLY

GOOD

QUALITY

GOOD

Prices for Tomatoes are trending up slightly. Prices are still a good value. Growers out of Florida are reporting normal volumes for this time of year. Production out of Mexico is working its way down as expected. New production areas out of Mexico will be coming online in the weeks to come.

## Watermelons



SUPPLY

FAIR

QUALITY

GOOD

Supplies are good on large fruit, but minis remain a little tight in all areas as offshores are winding down. Small seedless watermelons are tight. The volume out East and Florida is good. Mexican melons are shipping out of Edinburg and Nogales. Out West, the volume is expected to pick up at the end of April.





# MARKET OUTLOOK

## Produce Category Overview

The produce industry continues to experience unprecedented quality and yield issues due to weather that caused crop failures, poor product quality, and impacted availability. The annual transition from Arizona's growing season to California is in progress and supplies has been impacted on all lettuces, greens, broccoli, cauliflowers, and cabbages. **Processors** growers/shippers are looking to transition late April and early May. It could be delayed a week or two. **Grapes** and **melons** are expecting to transition in May from imports to domestic, with grapes experiencing limited volume with the unexpected drop in production from South America. **Baby arugula** are being prorated by some growers with fair quality. **Broccoli** will be limited. Extreme alert for **Broccolini** due to weather and will be unstable for a few weeks. Extreme alert for **Iceberg** and **Cauliflower** due to the transition; supplies will be limited.

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## U.S. Citrus Production – An Uphill Battle to Survive

By Daniel Munch | April 25, 2023

While many people enjoy a hot cup of coffee or an iced latte in the morning, others, including myself, prefer a cold, crisp glass of orange juice to start the day. Known for the hefty dose of vitamin C they provide in their original form, as well as their use as fragrances and as flavors for sweets and teas, fruit classified under the genus "citrus" are often identifiable by a thick and usually firm rind and pulpy interior flesh. Oranges, grapefruit, tangerines, limes and lemons are just a few of the many citrus crops adored by consumers around the world. Once leaders in citrus crop production, citrus farmers in the United States, particularly in Florida, have faced numerous challenges that have led to an unfortunate decline in domestic supply. In this Market Intel we provide an update on domestic citrus production and the factors driving U.S. market share across borders and overseas.

### Florida Citrus Growers Face Unique Challenges

Citrus fruits account for 14% of total fresh fruit volume available to Americans, with oranges ranking fourth behind bananas, apples and melons in terms of per capita availability. Four states, Florida, California, Arizona and Texas, have been overwhelmingly responsible for citrus production in the United States since oranges were first grown domestically when Pedro Menéndez de Avilès founded St. Augustine in 1565. Citrus fruits have geographic roots in what is now northeastern India, southwestern China, Burma and the Malay Archipelago. The climate requirements of these crops contribute to their unique geographic distribution, as well as exposure to a number of climate- and biological-related challenges. Destructive weather events like tropical storms and hurricanes are common in many citrus-growing regions and often result in significant loss of crop as well as injured or uprooted groves. Many citrus trees take as many as 15 years from seed or three to five years from grafting to begin bearing fruit. Any conditions that interrupt this process risk long-term production and revenue for farmers. For instance, on Sept. 10, 2017, Hurricane Irma's high winds and damaging rains battered key citrus-producing regions in Florida, resulting in the smallest Florida crop yield in over 70 years. More recently, on Sept. 23, 2022, Hurricane Ian hammered southwest Florida, destroying between \$416 million and \$675 million of citrus crop and perennial infrastructure.

Heightened weather-associated production risk in Florida has been overshadowed by the ongoing presence of citrus greening disease – a currently incurable disease carried by the Asian citrus psyllid, a small sap-sucking insect invasive to the Western Hemisphere. Citrus greening was first detected in Florida in 2005, thought to have been brought through the Port of Miami. According to the American Society of Horticultural Sciences, as trees are affected by the disease they suffer premature fruit drop, the fruit harvested is smaller and misshapen and the juice quality is compromised, all resulting in lower yields. Since 2005, orange production in Florida has dropped 90%, from 150 million boxes to a mere 16 million boxes expected in 2023. Between 2002 and 2017, the number of citrus growers in Florida decreased from 7,389 to 2,775 (a 62%....

[Read full article HERE](#)

If you have any specific questions or concerns on any commodities not mentioned in this report, please feel free to reach out to [dforsythe@nproduce.com](mailto:dforsythe@nproduce.com) and we will be happy to give you those current market conditions. Also look for our Spanish version that will be released on Monday. Have a great week!

Your Dedicated NPC FB, LLC Staff



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