

# MARKET ALERT



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June 22, 2023

## Avocados – EXTREME ALERT

**Industry experiencing very short supply.** Harvesting the remaining late season crop in the high elevations in Mexico the past days have become more complicated. With minimal available acreage to harvest field pricing raised to more than double. Last week, fruit packed/shipped into the US was at 39 million pounds total. US avocado sales were at 49 million pounds. There will be a limited supply of avocados available for the next few weeks as we await the start of the Flora Loca Crop in the lower elevations in Mexico, and Jalisco. Both regions are being tested, pending maturity - must meet dry matter. The amount of orchards that will be available could be restricted. We are experiencing very short supply until harvest catches up with the demand. Volume coming from Mexico has decreased drastically. Once the summer crop harvest in Mexico ramps up, Peru increases the supply to the US, and with the CA harvest, we should see the supply start to level out. With the demand in coming weeks, markets will have the potential to crash. Recommendation to flex on size, grade, and COO.

## Melons – ON ALERT

By the end of next week, we do anticipate a significant change to begin as Arizona will start to seasonally decline. There will be extremely limited availability the week of 7/3 due the end of Arizona and production in central California not being ready until July 10-12. California's delay was caused by poor weather in March and April which has also impacted all other Arizona and California spring/summer crops. The timing of this gap will actually work out well with the 4th of July falling on a Tuesday which should slow demand that week. Current cantaloupe harvests in Arizona have been peaking on 9s and larger with a healthy percentage of jumbos being packed. Smaller sized fruit (12s) have been extremely limited but new fields breaking this week should provide a little bit of relief on a daily basis. Higher triple-digit temperatures are forecasted for next week which could have an impact on sizing as well. After a rocky start earlier in the month recent quality has been outstanding with good netting and brix levels consistently maintaining a range of 14-16%. The flavor profile has also been very good. Mexican crossings through Nogales have provided some additional inventory to work with. Supply should remain fairly steady over the next 7-10 days which is welcomed. Domestic dews from the desert remain inconsistent with mostly jumbo fruit being harvested. Once we move into California we also expect honeydews to be delayed probably 2-3 days after the cantaloupe begin so we are looking at a July 12-15 start. Once we get to the week of July 17th both cantaloupe and honeydew should be in full swing and all of the problems experienced since late May will be behind us. We expect good consistent supply throughout the second half of July through the middle of October.

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## **Berries (Black & Raz) - ON ALERT**

**Blackberries :** Prices for Blackberries are trending up this week. Production out of Mexico continues to trend down as expected for this time of year. Harvesting in California is just starting. It's expected to ramp up going forward. Growers are expecting the market to remain tight for the next 2 to 3 weeks. **Raspberries :** Prices for Raspberries are trending up this week. Just like with Blackberries, production out of Mexico continues to trend down as expected for this time of year. Harvesting in California is just starting and is expected to ramp up going forward. Growers are expecting the market to remain tight for the next 2 to 3 weeks.

## **Brussels Sprouts - ON ALERT**

Supplies continue to be limited next week. Quality is reported as only fair. Demand continues to remain steady. Supplies from Mexico has finished up. We are waiting for Central CA for better volume. Supplies are expected to be light the next few weeks. Market pricing and contracts will remain escalated. (F.O.B pricing for this week \$44.00 - \$46.00)

## **Celery - ON ALERT**

Supplies will continue to be very limited next week. Quality is reported as only fair, seeder is present. Supplies are currently coming from Santa Maria Ca and Salinas Ca. Market pricing will be escalated for next week. Supplies are expected to slowly improve the next few weeks. Salinas has started with the Celery harvest. (F.O.B pricing for this week \$44.00 - \$46.00)

## **Cilantro - ON ALERT**

Supplies continue to be very light this week. Quality is reported as only fair. Market is higher compared to last week. Supplies are now shipping out of Salinas Ca. and Santa Maria. Growers are reporting less yields this week. Market pricing has escalated due to high demand and limited availability. (\$22.00 - \$24.00)

## **Iceberg - ON ALERT**

Supplies will be light this week. Quality is reported as good. Weights are expected to be lighter than normal. Lettuce will also be on the smaller size. Supplies are forecasted to be lighter next week. Growers are expecting market pricing to increase due to lighter supplies. Contract pricing will be escalated for next week. (F.O.B pricing for this week \$18.00 - \$19.00)

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## **Asparagus - ON ALERT**

Asparagus is looking to be in very short supply for the remainder of this week and going into next week. Back in early March tropical cyclone Yaku affected the northern growing areas of Peru, at that time was estimated a loss of 15-20% of the crop for the following 3 to 4 months. The overall reduction of production in Peru is about 45%. Since Michigan and Canada had an excellent season, market prices were not affected by the decrease of volume from Peru. Currently domestic growing areas are done for the season so we will start feeling the shortages in volume. Canada and Michigan are all but done with their production, Mexican production is about a week away and Peruvian production is low due to excessive heat in northern Peru. Southern Peru is not expected to start until mid-July. Sizing is of high concern, largest sizes are of course the scarcest; recommendation for flexibility on sizing until this market settles out from a supply and sizing standpoint.

## **Tomatoes - ON ALERT**

Prices for 25 lb & 25 lb Round's, Roma's and Grape Tomatoes are trending up this week. Production out of South Georgia & South Carolina is coming to an end. North Carolina and Tennessee are a few weeks from seeing decent volumes. Tomatoes crossing through Nogales AZ is just about done for the season. California is running behind due to rain and cooler weather.

## **Chili Peppers - ON ALERT**

Prices for Chili Peppers are mixed this week but prices remain elevated. Production out of the East Coast has been impacted by numerous storms. Mexico is transiting to new growing areas and has been impacted by hail. Look for the markets to remain unsettled for a few more weeks.

## **Corn - ON ALERT**

Prices for Corn are trending up this week. The market has tightened up in the East and West. Production out of the East has been impacted by Rain and Wind. Corn out of the West is basically nonexistent. All the rains a few months ago in California impacted the normal planting and production cycles.