



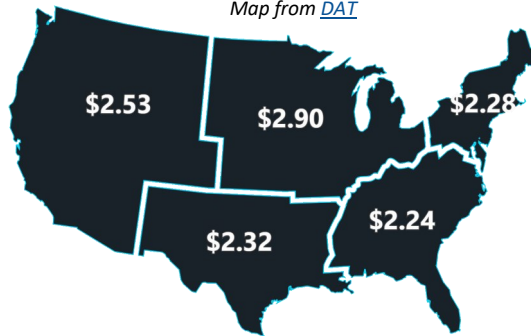
WEEK 41: October 9 - October 15, 2023

MARKET OUTLOOK

Transportation:

National Diesel Average: \$4.593
Compared to Last Year: \$4.35
National Fuel Surcharge: \$0.60
Shortages: Seeing high freight rates, with **extreme** shortages - None; **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: Partly cloudy with highs in the 70s and lows in the upper 50s with sunny on Tuesday.
Salinas, CA: Partly cloudy with highs in the 60s to 70s and lows in the 50s.
Yuma, AZ: Sunny and partly cloudy skies with highs in the mid-90s and lows in the low 70s.
Immokalee, FL: Scatter thunderstorms and cloudy with highs in the 80s and lows in the 70s with PM Showers on Tuesday.
Idaho Falls, ID: Partly cloudy and sunny skies with highs in the 70s to 50s and lows in the upper 30s to 40s.

MARKET ALERT

- Berries: Blackberries, Blueberries (Force Majeure) & Raspberries
- Broccoli & Brocolini
- Brussels Sprouts
- Carrots
- Celery
- Citrus: Lemons, Limes & Oranges
- Grapes (Radar)
- Green Beans
- Green Onions (Extreme)
- Melons (Radar): Cantaloupe & Honeydew
- Pepper Chili
- Pineapples

MARKET OUTLOOK



Apples



SUPPLY
GOOD
QUALITY
GOOD

The Washington State Apple Crop is experiencing strong growth and good supply, with an estimated 2023 crop of 134 million boxes, compared to 110 million this past season. The size profile benefits the foodservice industry, with a peak of 100/113ct and more 125s than 88ct. All varieties, from Red Delicious to Cosmic, have seen substantial gains, resulting in better value and availability throughout the season. Summer 2024 won't bring Gr Smith's prices to Washington like they did recently. The growing conditions have been ideal, and no weather issues have been reported.

Asparagus



SUPPLY
GOOD
QUALITY
FAIR

Asparagus are improving on all sizes and expecting good volume for the upcoming weeks. Mexico volume increased from Baja California and Central Mexico, but quality has been poor due to weather conditions. The short season is projected to last until October/November, nearing its peak. Peruvian volume has decreased due to field transitions and increased demand from Europe. Trujillo and Ica are producing and expected to continue until the end of the season.

Avocados



SUPPLY
GOOD
QUALITY
GOOD

The majority of volume crossing into the US are the Aventajada, with a higher percentage of 48s and larger fruits coming off the trees and narrowing pricing gaps. This trend is expected to continue as the size curve normalizes. Standing inventory has increased to 60.9 million lbs. Aventajada and Loca Crop both have comparable dry matter, so the suggested storage temperature of 45F remains the same. Aventajada is driving strong Q4 volumes, with Mexico exceeding projections for the last three weeks in a row, and the country is expected to end the year with the highest export volumes to the US on record.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Overall quality continues to be good, and there is currently no major concerns about bananas. There is a little vessel delay reaching Galveston, which may affect banana color staging. It may be a stage behind in the ripening process, but it is not expected to cause widespread or serious problems.

MARKET ALERT

Beans



SUPPLY
GOOD
QUALITY
FAIR

Green Beans: **ALERT** Supplies are limited. The market will remain elevated for the next 3-4 weeks. Beans are transitioning to Florida. Hurricanes impacted the growing regions of Georgia and Mexico, resulting in crop losses. Production and volume are expected to be limited and challenging until the end of October. Volume is expected to increase in November for the Thanksgiving holiday.

Snow Peas: Supplies are steady with fair to good quality. Guatemalan production continues to be improved.

MARKET OUTLOOK

MARKET ALERT

Berries



SUPPLY

FAIR

QUALITY

FAIR

Blackberries: Prices for Blackberries are trending up. Volume expected to increase in late October.

Blueberries: **FORCE MAJEURE** Prices for Blueberries are trending up. Recent rains have impacted domestic crops in the Northwest. Imports from Peru normally begin in September. Due to El Nino, their crop is suffering from higher-than-normal temperatures. This has reduced the plants' normal pollination cycle. Growers in Peru anticipate a 50% crop reduction this year. Prices are expected to increase, and orders cut until the end of the year. Suggest offering other berries whenever possible on the menu.

Raspberries: Prices for Raspberries are trending up. Volume is declining. Growers are reporting some challenges with quality. Look for the markets to remain tight going forward.

MARKET ALERT

Broccoli



SUPPLY

FAIR

QUALITY

FAIR

Broccoli: Supplies are light. Broccoli demand is strong, with supplies coming from Salinas, Santa Maria, and Mexico. Growers report lower yields due to summer defects like brown bead and hollow core. Market pricing for broccoli has increased and is expected to remain strong for a few weeks. (F.O.B. pricing for this week \$23.00 - \$24.00)

Broccolini: Supplies will be light. Demand has increased. Supplies are expected to be limited for a few weeks. Growers are reporting brown bead and flowering defects in Broccolini. Market pricing is higher. (F.O.B. pricing for this week \$30.00 - \$32.50)

MARKET ALERT

Brussels Sprouts



SUPPLY

FAIR

QUALITY

FAIR

Supplies continue to be light with fair quality. Demand is strong. Market pricing and contracts will remain escalated. Supplies will remain light causing markets to remain high and prices continue to remain escalated. (F.O.B. pricing for this week \$48.00 - \$50.00)

Cabbages



SUPPLY

GOOD

QUALITY

GOOD

Supplies are steady with good quality. Growers are reporting better availability. Market pricing has improved. Products are coming from Salinas and Santa Maria. (F.O.B. pricing for this week \$14.00 - \$16.00)

Cantaloupes



SUPPLY

GOOD

QUALITY

GOOD

RADAR California season is wrapping up in the next two weeks and sizes has been predominant with 6J/9J. Transition to Yuma by end of the week with similar sizing profile. Florida will follow the second week of November. Quality remains solid with brix levels are in the 13-15% range. Flexibility of sizing may be required due to the large fruit.

MARKET OUTLOOK

MARKET ALERT

Carrots



SUPPLY

GOOD

QUALITY

GOOD

California and other carrot regions are experiencing weather-related challenges, with jumbos and cellos in low supply. Prorates may be expected and suggest to sub with table carrots.

Cauliflower



SUPPLY

GOOD

QUALITY

GOOD

Supplies are steady. Demand for cauliflower has increased. Supplies will be coming from Salinas, Santa Maria, and Mexico. Supplies are expected to be light for a few weeks. Summer defects and weather causing delays for product to mature are causing lower yields this week. Quality is reported as fair. (F.O.B. pricing for this week \$18.00 - \$20.00)

MARKET ALERT

Celery



SUPPLY

FAIR

QUALITY

FAIR

Supplies are steady with fair quality. Supplies are currently coming from Salinas and Santa Maria. Market pricing has escalated compared to the previous week. Summer defects and lower yields have caused most of the market reactions. There is a slight presence of insect damage. Supplies will only be fair the next few weeks. (F.O.B. pricing for this week \$18.00 - \$22.00)

MARKET ALERT

Citrus



SUPPLY

GOOD

QUALITY

GOOD

Limes: With almost a \$20 spread across the size spectrum, the lime market is expected to stay escalated. Large fruit remains escalated and scarce. Severe weather events have affected the new bloom, which has resulted in record-breaking prices and availability in Q4. The quality and shelf life have also been impacted by the extreme heat and humidity, which has decreased availability. Approximately 70% of the total harvested yields are currently made up of small fruit. Peak sizing are currently 230s and 250s.

Lemons: Lemons have been tight all summer from all regions. D3 shippers had hoped to begin harvesting within the next week, but heavy rains have delayed harvesting until the end of September. Chile, Argentina, and Mexico have been covering but are struggling to maintain a constant weekly supply. Overall supply is expected to be better going into October once D3 starts. If loading oranges out of Florida is feasible, import lemons can be shipped to Florida, allowing trucks to load both. This will require some planning, so keep in touch with your supplier.

Oranges: Valencia 88's and smaller are very tight. Valencia is expected to be done while Navels are delayed until the first or second week of November due to weather. An eminent crop gap is occurring. There are options out of Florida but recommend subbing with grapefruit.

MARKET OUTLOOK



Corn



SUPPLY

GOOD

QUALITY

GOOD

Prices for Corn are trending down. Production out of Georgia is increasing. Western Corn will be tight throughout the winter.

Cucumbers



SUPPLY

GOOD

QUALITY

GOOD

Prices for Slicing Cucumbers are trending down. Production is working its way down from the Northeast to Southern regions. Growers are forecasting steady supplies for the next 2 or 3 weeks.

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.

Grapes



SUPPLY

FAIR

QUALITY

GOOD

RADAR The grape market is currently stable, with a slight increase expected around Thanksgiving. Grapes are of good quality, with most volume remaining in XL and Large sizes, with medium-sized grapes becoming more available towards the end of the season.

MARKET OUTLOOK



MARKET ALERT

Herbs



SUPPLY
FAIR
QUALITY
FAIR

The quality of herbs has improved with better weather, but domestic and imported **Chervil** production remains low due to weather and pest issues, resulting in inconsistent supply and day-to-day availability.

Cilantro: ALERT Supplies are limited, and the quality is fair. Market pricing has escalated. Supplies are shipping out of Salinas and Santa Maria. Growers are reporting lower yields and fair quality. Market conditions are expected to continue for a few weeks. (F.O.B. pricing for this week \$21.00 - \$22.00)

Honeydews



SUPPLY
GOOD
QUALITY
GOOD

RADAR California season is wrapping up in the next two weeks and sizes have been predominant with 4J/5J. Transition to Yuma by mid-October with similar sizing profile. Florida will follow the second week of November. Quality remains good with occasional external scarring. Brix levels are in the 12-14% range. Flexibility of sizing may be required due to the large fruit.

Iceberg



SUPPLY
GOOD
QUALITY
GOOD

Supplies will be light. Quality is also reported as fair. Weights are expected to be average; lettuce heads are expected to be smaller Yields are lower, causing the markets to increase. Market pricing is steady, but weather changes are starting to influence the market. Good time to promote Iceberg Lettuce. (F.O.B. pricing for this week \$16.00 - \$17.00)

Kale



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady with good quality and demand. Supplies should remain steady for a few weeks. Market pricing is steady. (F.O.B. pricing for this week \$11.65 - \$13.65)

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Green & Red Leaf: Supplies are good with fair quality and heavy insect presence due to warm weather. Sizing and carton weights are expected to be good. Expect markets and supplies to remain steady for the next few weeks. Seeders are presence. (Green Leaf F.O.B. pricing for this week \$11.00 - \$12.00)(Red Leaf F.O.B. pricing for this week \$11.00 - \$13.00)

Romaine: Supplies continue to be very good with good quality and heavy bug presence due to warmer weather. Carton weights are good. Expect market pricing to increase in the next few weeks along with supplies. Great time to promote Romaine. (Romaine F.O.B. pricing for this week \$12.00 - \$13.00)(Hearts F.O.B. pricing for this week \$17.00 - \$19.00)

Tender Leaf: Supplies are good with good demand. Quality is good to fair. Supplies and availability are improving due to better weather. Steady Market pricing and supplies are to be expected in the next few weeks. (F.O.B. pricing for this week \$4.75 - \$5.00)

MARKET OUTLOOK



Mushrooms



SUPPLY
GOOD
QUALITY
GOOD

Mushrooms supplies have improved in the last few months. Growers are reporting better availability across the mushroom category. Price increases have stabilized. Markets are expected to remain steady.

Onions



SUPPLY
GOOD
QUALITY
GOOD

Quality is excellent with demand slightly down. The market is trending down. All colors and sizes are shipping out of the Northwest. Freight is trending down a little in some regions. This will also have an impact on precut.

MARKET ALERT

Onions Green



SUPPLY
FAIR
QUALITY
FAIR

EXTREME Supplies will be very limited for the next few weeks. Previous hurricanes and extreme heat waves have caused some crop damage. Current supplies are coming from Mexico. In the next few weeks, the market is expected to continue to escalate. Expect fair quality for the next few weeks. (F.O.B. pricing for this week \$39.00 - \$41.00)

Pears



SUPPLY
GOOD
QUALITY
GOOD

The Pear crop is expected to be of excellent quality, like the Apple Crop. Bartlett Crop is projected to have the same amount as last season, while Bosc is expected to have a larger crop, making prices on 100s and smaller better. Red Pears are expected to peak on 80/90ct, while Anjou's in the Pacific Northwest is down by 20%. Overall, the quality is good with size a profile 80/90/100ct.

Peppers Bell



SUPPLY
FAIR
QUALITY
GOOD

Prices for Green Bell Peppers are trending up. Prices for Red and Yellow Bell Peppers are trending down. Production is transiting from the Northeast to Georgia. Growers are forecasting supplies to pick up in the weeks to come.

MARKET ALERT

Peppers Chili



SUPPLY
POOR
QUALITY
POOR

Prices for Chili Peppers are mixed but still elevated. Supplies continue to be tight. Growers are currently forecasting the market to remain elevated for the next 4 weeks.

MARKET OUTLOOK

MARKET ALERT

Pineapples



SUPPLY

FAIR

QUALITY

GOOD

The pineapple volume is strong, but the size curve is not stable, so it's recommended to be flexible. Younger fruit was harvested, and sugar content remained stable, with brix level ranging from 13.5-15.5%.

Potatoes



SUPPLY

GOOD

QUALITY

GOOD

Harvesting will be wrapping up in the next two weeks and potatoes are going into storage. Good quality from all growing regions. The market continues to trend down as new crops are being shipped from all growing regions. Yields are up by 8.3% overall from the previous year. This year potato crop is in good condition. This will also affect precut.

Squash



SUPPLY

GOOD

QUALITY

GOOD

Prices for Yellow and Zucchini Squash are trending down. Supplies are coming from all over the USA and Mexico. Growers are forecasting steady supplies through the end of October.

Strawberries



SUPPLY

GOOD

QUALITY

FAIR

Prices for Strawberries are trending down. Growers are reporting good volumes. Growers are reporting occasional challenges with quality. Production is forecast to start out of Florida in late November.

Tomatoes



SUPPLY

GOOD

QUALITY

GOOD

Prices for Tomatoes are mostly trending down. Production out of the East is working its way down from North Carolina and Tennessee to South Georgia. Growers are currently forecasting steady supplies for the next couple weeks.

Watermelons



SUPPLY

FAIR

QUALITY

GOOD

Watermelon and minis supplies are becoming very limited as supplies are finishing up in Delaware and Indiana. California is starting to wind down while Nogales is starting. Mexico has limited supplies crossing into Southern Texas.



MARKET OUTLOOK

Produce Category Overview

Blackberries, Blueberries (FORCE MAJEURE), Raspberries have quality challenge due to weather with **Blueberries** being declared as FORCE MAJEURE. **Brussels Sprouts** are slightly better but remain escalated. **Chili Peppers** remain tight due to the weather. **Green Beans** supplies are limited due to the hurricanes and crop loss in some of the growing regions. The market is expected to be escalated for the next 3-4 weeks. **Green Onions** are extreme alert with limited supplies due to recent hurricanes and heat waves. Domestic **Lemons** are tight due to heavy rains, causing delays in harvesting but are expected to improve in October. **Limes** supplies are declining in Q4 due to severe weather impacting the crops. **Navels** are delayed until the first or second week of November and there will be a gap. **Pineapples** volume are strong but sizing curve is not stable. Good time to promote **Green and Red Leaf Lettuce, Iceberg, Kale, Pears, Potatoes, and Romaine.**

Report: U.S. foodservice sales back on track for good growth

By **TOM KARST** | September 28, 2023

Growth in U.S. foodservice sales will bump up a notch in the next few years, according to a new economic analysis from Agriculture Canada.

The report said the U.S. is in a position to remain the largest global consumer market through the report forecast period (2040) due to its substantial population, significant representation and concentration of affluent consumers, and positive economic outlook.

In 2022, the U.S. economy grew 2.1% in annual real gross domestic product, the report said. In 2023, economic development is anticipated to stabilize, with annual real GDP growing by 1.1%.

However, the long-term outlook is good for the U.S., according to the report.

Despite rising inflation and global economic uncertainties, the U.S. is expected to remain the largest global consumer market in terms of total expenditure, as private consumption is expected to increase by 32% between 2022 and 2040, according to the report.

In 2022, the U.S. population was 333.3 million with a median age of 38.9 years, and by 2040, the population will increase to 360.5 million with a median age of 42.4 years, the report said. By 2040, Generation Z (aged 30-45) will become the most prevalent consumer segment.

Expanding income inequalities in the U.S. continue to position the lower-income class segment as the majority of total consumers, the report said.

FOODSERVICE GROWTH

The foodservice market will continue to grow after setbacks during the pandemic, the report said.

“The U.S. consumer foodservice industry initially experienced value declines from early government imposed pandemic restrictions related to on-premise dining, and increased inflation in 2022,” the report said, noting that consumer demand for restaurant dining and eating outside of the home increased as pandemic restrictions eased.

The foodservice (food and beverage) market in the U.S. was valued at \$680.2 billion in 2022, growing at an average compound annual growth rate of 3.6% from \$568.8 billion in 2017. That is despite a 17.8% decline in foodservice sales from 2019 to 2020.

“The foodservice market remains in the recovery phase post-pandemic displaying promising growth of 21.4% evident in 2020 to 2021 as values sales increased from \$496.8 billion to...

[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 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!

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