



MARKET OUTLOOK

Apples



SUPPLY
FAIR
QUALITY
FAIR

This year's Washington State Apple Crop is now estimated at 121 million boxes vs shipping 133.5 million last year. This is a significant drop from last season but WA will have Apples to sell throughout the Year. Eastern Washington had 2 major wind storms late September/Early October where in some areas devastated orchards. Plus - some varieties did not bounce back from the year before, we call it a light set. Also, late October - we had a few days between 12 and 18 degrees - some apples did not make it through. Reds, Golds, Galas and Gr Smiths are the varieties mostly impacted by the loss. The Farm to Family Box Program has been a huge part of the price Increases seen in the past 2 Months.

MARKET ALERT

Asparagus



SUPPLY
BAD
QUALITY
FAIR

Steady rolling in the East but the West is a different story. Very short supplies, quality is fair on both coasts, and prices are capped out on the west where markets have hit \$40 FOB.

Avocados



SUPPLY
GOOD
QUALITY
GOOD

The current Avocado size curve remains skewed to the larger sizes and that's where the market is weak. Mexico's current crop is winding down, the fruit on the trees is sized up and smaller fruit: 60/70/84s are tight. Additionally, Peru arrivals to the US are mostly 48s and larger adding to the stronger market on small fruit.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Overall Banana quality is good and supply is back to where we would expect it to be during this time of the year.

MARKET ALERT

Berries



SUPPLY
FAIR
QUALITY
FAIR

Blackberries : Prices for Blackberries are trending down this week. Production is coming out of Mexico, California, Georgia and North Carolina. Look for some pressure on supplies and pricing around the 4th July holiday as retail chain stores ramp up their ad activity.

Blueberries : Prices for Blueberries are trending down this week. The warm weather in many parts of the country is accelerating the crop. Production is coming out of California, North Carolina and New Jersey. Look from some pressure on supplies and pricing around the 4th July holiday as retail chain stores ramp up their ad activity.

Raspberries : No changes this week. Price for Raspberries are stable this week but are still elevated. Production is coming out of Mexico and California. Look from some pressure on supplies and pricing around the 4th July holiday as retail chain stores ramp up their ad activity.

MARKET OUTLOOK

Beans, Green



SUPPLY

FAIR

QUALITY

GOOD

Reduced volume seen but good quality and demand. Keep an eye on this next week.

Broccoli



SUPPLY

GOOD

QUALITY

FAIR

Supplies will be steady this week. Demand continues to be good, encountering some occasional brown bead due to hot weather. Supplies will tighten up as yields will decrease due to warmer weather the next few weeks. (F.O.B pricing for this week \$8.05 - \$9.05)

MARKET ALERT

Brussels Sprouts



SUPPLY

FAIR

QUALITY

FAIR

Supplies continue to be very limited this week. Demand continues to be very good, quality has improved. Supplies are starting to improve now that we are seeing product coming from Salinas CA. (F.O.B pricing for this week \$33.45 - \$34.55)

Carrots



SUPPLY

FAIR

QUALITY

GOOD

Some fields are finishing the crop in the Imperial Valley. Partial shortages might occur with jumbos this week and the front part of next week. Next crop out of Kern County should have good size and going forward with no supply issues

Cauliflower



SUPPLY

GOOD

QUALITY

FAIR

Supplies continue to be steady this week. Demand for Cauliflower continued to be light this week, quality is expected to be fair at this time. Supplies are expected to decrease with warmer weather the next few weeks. (F.O.B pricing for this week \$9.90 - \$10.60)

Cantaloupes



SUPPLY

FAIR

QUALITY

FAIR

Very high temperatures experienced the week of 6/14 in Arizona has severely affected sizing where as most being harvested in central AZ and the Imperial Valley are 9s and larger. Very few 12s and 15s are being seen and this trend should continue through the balance of this deal which should conclude by early July. Cantaloupe in the Firebaugh district will begin harvesting in a small way by later next week and pick up momentum the week of 7/5.

MARKET OUTLOOK



Celery



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be very good this week. Celery has fully transitioned Salinas Ca. Demand has improved the last few weeks, quality is good. Supplies are expected to remain steady for a few weeks. (F.O.B pricing for this week \$10.35 - \$10.61)

Corn



SUPPLY

GOOD

QUALITY

GOOD

Prices for Corn out of the East is trending up this week ahead of the 4th of July holiday. Corn out of the West is seeing slightly lower prices. Growers are reporting good quality. Production is also coming out of Scottsdale AZ and Mendota CA. Look for some upward pressure on supplies and prices in the weeks leading up to the 4th of July holiday. Retail ad activity is expected to significantly pick up for the holiday too.

Value Item

Cucumbers



SUPPLY

FAIR

QUALITY

FAIR

Prices for Cucumbers are trending up this week. Production is on the decline out of Georgia. Growers are reporting concerns with quality due to heat and wet weather. Baja is up and running. Growers are reporting great quality. Production out of New Jersey, North Carolina and Michigan are getting ready to come on board.

Eggplant



SUPPLY

GOOD

QUALITY

GOOD

Prices for Eggplant is trending down this week. Production is currently coming out of Georgia and California. North Carolina is projected to start picking next week. Keep an extra eye on product from Georgia. Growers are reporting heat and rain related quality challenges.

Grapes



SUPPLY

FAIR

QUALITY

FAIR

The Mexican grape market is showing pretty high prices but will come down here within the next week or so. Markets continue to decrease. Mexico continues to experience heavy rains this week delaying the harvest process and causing quality issues on the fruit. Product will take around 3-4 days to start showing quality issues. With the excess of rain and high temperatures shelf life will be affected.

MARKET ALERT

Honeydews



SUPPLY

FAIR

QUALITY

FAIR

Honeydew production remains in a close to demand exceeds situation. Very few honeydews have been grown this season in the desert and even fewer have been crossing through Nogales. Honeydew programs in central CA will begin approximately seven days after the cantaloupes start. Lower supply and strong pricing is projected to continue over at least the next two weeks.

MARKET OUTLOOK



Iceberg



SUPPLY
GOOD
QUALITY
FAIR

Supplies continue to be good this week. Demand is light this week, overall quality is fair. Expect some occasional fringe burn due to warmer weather. Supplies should remain steady, markets are expected to increase with the Hot weather. (F.O.B pricing for this week \$12.83 - \$13.83)

Leaf



SUPPLY
GOOD
QUALITY
FAIR

Romaine: Supplies continue to be steady for this week. Demand continues to be light this week, expect occasional fringe burn due to hot weather. Supplies should remain steady, markets are expected to increase with the warmer weather. (F.O.B pricing for this week \$11.15 - \$11.53) **Hearts** (\$13.28 - \$14.65) **Green & Red Leaf Lettuce:** Supplies continue to be steady this week. Demand continues to be very light for this week, occasional fringe burn due to hot weather on Red & Green leaf. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$7.08 - \$7.83) **Tender Leaf:** Supplies continue to be excellent this week. Demand is steady on Tender Leaf, occasional fringe burn due to hot weather. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$4.25 - \$4.75)

Lemons

& Limes



SUPPLY
GOOD
QUALITY
GOOD

LIMES: Small sizes are basically free and abundant at this point with a wide range of FOBs from \$5-15. 150s and bigger are still tighter, USDA still not quoting but suppliers bringing them back down into normal range as well. Seeing good demand and quality.

LEMONS: Lemons are absolutely crazy tight right now due to a major labor shortage in CA. Losing picking crews daily due to Cherries and blueberries being picked. Shippers doing everything they can to cover contract business but struggling daily. Chilean import lemons have started to arrive which will help supply and relieve this shortage.

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. Additionally, the price increases in freights nationally have greatly impacted cost to mushroom growers. Pricing on mushrooms must increase at this time due to Labor, Transportation, and packaging.

Onions



SUPPLY
GOOD
QUALITY
GOOD

Steady market with a little movement about half a buck this week. FOBs on yellows around \$7 with supers at \$10-11. Whites around \$8-12 and reds steady about \$8. Seeing good quality and supply and will stay out west another month.

MARKET OUTLOOK

Onions, Green



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be good this week. Demand is steady on Green Onions. Quality remains good this week, supplies should remain steady for a few weeks. (F.O.B pricing for this week \$9.00 - \$9.35)

Oranges



SUPPLY

FAIR

QUALITY

FAIR

The pipeline is starting to flow, excess inventories are gone. Most of the new fruit is on medium and big sizes (72/56s/48s). Small sizes (138/113) starting to be limited and will be for the rest of the season.

Pears



SUPPLY

FAIR

QUALITY

FAIR

Pears are reaching the end of the season out of WA. Some varieties available out of CA but small sizes very limited.

MARKET ALERT

Peppers, Bell



SUPPLY

FAIR

QUALITY

FAIR

Prices for Green Peppers are trending down this week. Prices for Red and Yellow Peppers are working their way up. Production is coming out of Florida, Georgia, the Carolina's, California and Mexico. Production out of Bakersfield CA & The Carolina's is ramping up. Production in New Jersey is forecasted to start in a few weeks. Lot's of small local growers are putting pressure on pricing too.

Peppers, Chili



SUPPLY

GOOD

QUALITY

GOOD

Prices for Chili peppers are mixed this week. There's good volume coming out of Georgia and Baja. It is suggested that receivers take extra care inspecting arrivals. Grower are reporting some concerns with quality due to heat and wet weather.

Pineapples



SUPPLY

FAIR

QUALITY

GOOD

Volumes of 6cts are tight but 5s, 7s and 8s are available. Quality is good and supply will be really good for the foreseeable future.

MARKET OUTLOOK

Potatoes



SUPPLY

GOOD

QUALITY

GOOD

New week same story. Up about a buck across the board. Big spuds hitting \$19 FOB with smaller potatoes around \$7-9. Supply headed down and quality a slight concern but nothing too dramatic at this time. Keeping an eye on the heat and volume as sheds near the end for the season.

MARKET ALERT

Squash



SUPPLY

FAIR

QUALITY

GOOD

Prices for Green and Yellow Squash are significantly trending higher this week. Production is coming out of Georgia, North Carolina, New Jersey, California and Baja Mexico. Quality on product out of Georgia is going downhill. Currently demand exceeds supplies.

Strawberries



SUPPLY

GOOD

QUALITY

FAIR

The 4th of July Holiday - Strawberries or Raspberries (Red), Whip Topping (White), Blueberries (Blue)

Prices for Strawberries are trending slightly down this week. The markets are starting to feel some pressure from the 4th Of July Holiday supplies but have been offset a bit by the warmer weather in California. There has been a bit more fruit than expected on the market but growers are expecting tighter supplies in a few weeks. Keep an extra eye on arrivals for heat related quality issues.

Tomatoes



SUPPLY

Good

QUALITY

GOOD

Prices for all Tomatoes are trending down this week. Rain and Hot weather are the wild cards for the Tomato crop right now. Production is picking up out of multiple areas as well as in many local regions. Production is currently coming out of Quincy FL, South Carolina, Baja & California. Harvesting out of Virginia, North Carolina, Tennessee, Arkansas & Alabama is forecasted to begin next week.

Watermelons



SUPPLY

GOOD

QUALITY

GOOD

Prices for Seedless Watermelons are down slightly this week. Prices for Seeded Watermelons are steady. Production is coming out of California, Georgia, Texas, Mexico, Florida as well as many small local deals. Look for some upward pressure on supplies and pricing in the upcoming weeks associated with the 4th of July holiday. Retail chain stores are expected to heavily promote watermelons in their weekly ads.



MARKET OUTLOOK

California's Drought Is So Bad That Almond Farmers Are Ripping Out Trees

Elizabeth Elkin

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(Bloomberg) -- Christine Gemperle is about to do what almond farmers fear the most: rip out her trees early.

Water is so scarce on her orchard in California's Central Valley that she's been forced to let a third of her acreage go dry. In the irrigated areas, the lush, supple trees are dewy in the early morning, providing some relief from the extreme heat. Walking over to the dry side, you can actually feel the temperature start to go up as you're surrounded by the brittle, lifeless branches that look like they could crumble into dust.

"Farming's very risky," said Gemperle, who will undertake the arduous process of pulling out all her trees on the orchard this fall, replacing them with younger ones that don't need as much moisture. It's a tough decision. Almond trees are typically a 25-year investment, and if it weren't for the drought, these trees could've made it through at least another growing season, if not two. Now, they'll be ground up into mulch.

"I don't think a lot of people understand just how risky this business is, and it's a risk that's associated with something you can't control at all: The weather," she said.

It's a stark reminder of the devastating toll that the drought gripping the West will take on U.S. agriculture, bringing with it the risk of food inflation. Dairy farms are sending cows to slaughter as they run short of feed and water. Fields are sitting bare, because it's too costly to irrigate the rows of cauliflower, strawberries and lettuce that usually flourish in abundance. Meanwhile, fieldworkers are being put into life-threatening conditions as the brutal temperatures increase the risk of heat stroke and dehydration.

The famed farming valleys of California were once romanticized as an Eden for the Joad family escaping the Oklahoma dust bowl in John Steinbeck's "Grapes of Wrath." The state's more than 69,000 farms and ranches supply over a third of U.S. vegetables and two-thirds of its fruit. The annual almond harvest accounts for about 80% of global production. But after years of what seems like permanent dryness, some growers are starting to wonder if Steinbeck's story will start playing out in reverse, with unstoppable drought posing an existential threat to the future of agriculture in the state.

"Are we going to be able to farm here?," asks Sara Tashker, who's worked at Green Gulch Farm just outside of San Francisco for almost 20 years. This is the first time she's ever seen the reservoirs the farm depends on to water its lettuce, broccoli, cauliflower and cabbage, not fill with winter rain.

<https://finance.yahoo.com/news/california-drought-bad-almond-farmers-110027048.html>

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!