



WEEK 27: July 3 - July 9, 2023

MARKET OUTLOOK

Transportation:

National Diesel Average: \$3.801

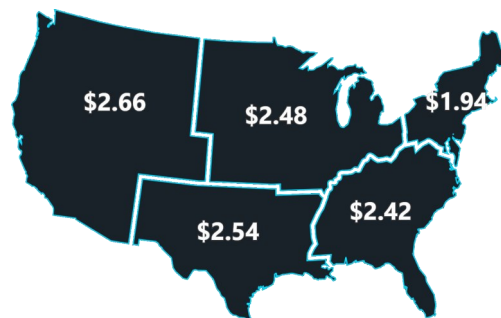
Compared to Last Year: \$1.819

National Fuel Surcharge: \$0.47

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

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 and sunny skies throughout the week with highs in the upper 60s and lows in the upper 50s.

Salinas, CA: Partly cloudy with highs in the upper low 70s and lows in the mid-50s with mostly sunny on Friday.

Yuma, AZ: Sunny skies with highs in the 110s and lows in the high 70s.

Immokalee, FL: PM thunderstorms with highs in the low 90s and lows in the 70s with scattered thunderstorms on Friday.

Idaho Falls, ID: Partly cloudy and sunny skies throughout the week with highs in the upper 80s and lows in the 50s.

MARKET ALERT

Apple (Radar)

Asparagus

Avocado (Radar)

Beans: Green Beans & Snow Peas

Berries: Blackberries & Raspberries

Broccoli

Brussels Sprouts (Extreme)

Celery (Extreme)

Corn

Herbs: Basil & Cilantro

Iceberg Lettuce

Limes

Pepper Chili: Anaheim, Jalapeno, Poblano & Serrano

Pineapples (Radar)

Potatoes

Tomatoes

MARKET OUTLOOK



Apples



SUPPLY
GOOD
QUALITY
GOOD

RADAR Due to cold temperatures in the spring producing later bloom, the new Washington State Apple crop will be 7 to 14 days later than last season. The new crop estimate has not been released to the industry, although it is rumored to be in the 122 million range. While the New crop is on the horizon, the Golden Delicious and Granny Smith are causing a concern. Both are standing with less boxes than anticipated, resulting in an excess of demand over supply. Granny Smith is 2.6 million fewer boxes than this time last year, showing significantly higher market values than usual. Due of the limited supply, it is strongly advised to avoid Granny Smith as much as possible until the new crop is released.

MARKET ALERT

Asparagus



SUPPLY
LIMITED
QUALITY
FAIR

For at least another 2-3 weeks, expect very limited supplies and escalated markets. Mexico asparagus should improve in the next 7-10 days, while Peruvian supply will remain limited for another 2-3 weeks, until southern Peru fields open. El Nino's effects will result in warmer weather and smaller size. Mexico productions are expected to improve mid-July but season may end early August which will shift the pressure to Peru. Baja is starting to wind down and expected to be done mid-July, which will put pressure on Mexico. Mexico is looking at a possible gap in September as growing region transition. Recommend being flexible with sizing at time of loading and offering broccolini as an alternative.

Avocados



SUPPLY
GOOD
QUALITY
GOOD

RADAR With Mexico releasing a few sectors with Flor Loca to replenish the pipeline, the US avocado industry can breathe a little easier. The whole US avocado industry experienced significant difficulties last week because of the unexpected volume decline crossing due to the decreased available orchards to harvest in Mexico. From having a relaxed healthy market, California and other COO were unable to fill the void left by Mexico's unanticipated decline. Mexico current week forecasts are projected to reach 35MM, 10MM more than last week, and California supply is no longer a concern. Mexico continues to supply more than half of the US avocado need, and the industry feels the demand exceed supply, resulting in elevated pricing. California supplies approximately 28% of the US volume and has reached the halfway point of the season's estimated 257 million crop, of which 243 million were Hass. Once Peruvian containers are released, the market is expected to drop. Peru had a slow start compared to last year. Peru supplies just under 16% of the US volume with volume expecting to increase weekly. As summer crops from Mexico begin to arrive, it is crucial to understand that ripening fruit will take longer, and that ripe and ready-to-eat fruit may still be green in appearance. Recommend storing the fruit around 40°F, while late season fruit will ripen faster due to the higher oil content, it's important to keep them at a slightly lower temperature around 38°F.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Bananas are currently solid and consistent.

MARKET OUTLOOK



MARKET ALERT

Beans



SUPPLY
FAIR
QUALITY
GOOD

Green Beans: Due to adverse weather in some growing areas and transition, green bean supply is projected to be limited, resulting in an elevated market. Georgia's season was cut short due to weather. Northern regions are starting. Supply is expected to be good by the end of July going through September. Mexico supply is limited as they are in transition. Supply is expecting to improve by late July. Market is elevated for next couple of weeks.

Snow Peas: On both coasts, the market is quite elevated. Guatemala is having rain, which is impacting supply. Warm weather is also impacting supply in Peru. Markets are expected to be high for the next few weeks.

MARKET ALERT

Berries



SUPPLY
FAIR
QUALITY
FAIR

Blackberries: **ALERT** Prices for Blackberries are trending slightly down but remain elevated. California production will continue to ramp up in the coming weeks as Mexico finishes their season. California growers anticipate higher volumes in the coming weeks.

Blueberries: Prices for Blackberries are trending down. Growers are reporting good volumes out of New Jersey and California. Production out of Michigan and British Columbia are just around the corner. Volumes from the Pacific Northwest are expected to increase in the coming weeks.

Raspberries: **ALERT** Prices for Raspberries are trending down but remains elevated. Raspberries are extremely tight. Growers anticipate higher volumes in the coming weeks.

MARKET ALERT

Broccoli



SUPPLY
FAIR
QUALITY
FAIR

Broccoli: **ALERT** Supplies are light with high demand. Markets will be escalated. Supplies are available from Salinas, Santa Maria, and Mexico. Supplies are expected to be limited in the next few weeks. Mexico has limited supplies. (F.O.B pricing for this week \$22.75 - \$23.75)

Broccolini: Supplies continue to be good. Demand has slowed down. Supplies are expected to continue improving. Supplies should be steady for the next few weeks. Great time to promote Broccolini. (F.O.B pricing for this week \$21.95 - \$22.75)

MARKET ALERT

Brussels Sprouts



SUPPLY
LIMITED
QUALITY
FAIR

EXTREME Supplies continue to be limited. Quality is fair. Demand continues to remain steady. Supplies are expected to be limited until Salinas Valley has a better volume. Market pricing and contracts will remain escalated. There are some better signs of yields improving. (F.O.B pricing for this week \$44.00 - \$46.00)

Cabbages



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady with good quality. Growers are reporting better availability. Market pricing continues to improved. Products are coming from Salinas and Oxnard. (F.O.B pricing for this week \$15.00 - \$16.00)

MARKET OUTLOOK

Cantaloupes



SUPPLY
FAIR
QUALITY
GOOD

Cantaloupe sizing has been primarily 9s or larger. Markets have softened up on the larger fruit. Smaller fruit remains very limited. California production is expected to start slowly in the second week of July and increase volume by the mid-week. Production is expected to be ramped up around mid-June and consistent through mid-October. The quality is good, and brix has been excellent with a 14-16% range.

Carrots



SUPPLY
GOOD
QUALITY
GOOD

Overall, the quality and supply are good. All contracts are being fulfilled.

Cauliflower



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady with an increase in demand. Markets are not escalated. Supplies are available from Salinas, Santa Maria, and Mexico. Supplies are expected to be good for the next few weeks. (F.O.B pricing for this week \$13.00 - \$14.00)

MARKET ALERT

Celery



SUPPLY
LIMITED
QUALITY
FAIR

EXTREME Supplies continue to be very limited. Quality is reported as fair. Supplies are currently coming from Oxnard and Santa Maria. Market pricing will be escalated. Supplies are expected to slowly improve in the next few weeks. Harvest has started in Salinas. (F.O.B pricing for this week \$62.00 - \$63.00)

Citrus



SUPPLY
GOOD
QUALITY
GOOD

Limes: RADAR The market continues to react, and costs are quickly and steeply rising, ahead of schedule. Costs are rising by about \$2-\$4 each day with little sign of ceasing. Extreme heat and humidity have an effect on quality and shelf life, which contributes to low yields/availability. In most operations, the crop is beginning to peak on mid-sized fruit, including 200s and 175s, with increased volume on 150s. Small fruit will be limited until the new production cycle begins in July. Weather will continue to play a role in overall quality as the summer months progress, affecting the market once again. Pricing could fall in the \$50 range come mid-July, which is contrary to normal/historical trends.

Lemons: Due to this year's heavy rains in California, many lemons were lost. As a result, 140s and smaller are very tight, which has driven up prices to levels that are unusual for this time of year. The 165s and 200s have become quite tight in the last month and are very challenging to cover. Picking has begun in D2 coastal area. There is more choice fruit than normal due to the heavy scarring. Due to the damage, lemons have been difficult to manage.

Oranges: This season's Valencia, which run heavy to 138/113/88s, are ideal for food service. Fruit is tasty, firm, and color great. Brix is at 13-14. In most years, when schools reopen in August because the fruit has grown out of the smaller sizes, the industry faces a demand-supply imbalance. With the amount of small fruit this year, not expecting any big issue. Valencia is not in high demand in July, which will help the overall supply. Valencia is expected to go through October until Navels starts without any gaps.



MARKET OUTLOOK

MARKET ALERT

Corn



SUPPLY
FAIR
QUALITY
GOOD

Prices for Corn are trending up. The market has tightened up in the East and West. Production out of the East has been impacted by rain and wind. The 4th of July holiday demands are high as expected. The market is extremely tight. Corn out of the West is basically nonexistent. All the rains a few months ago in California impacted the normal planting and production cycles.

Cucumbers



SUPPLY
GOOD
QUALITY
FAIR

Prices for Slicing Cucumbers are trending slightly up. Production out of the East has been impacted by rain and wind. Growers are expecting volumes to ramp up after the holiday. Moving to the West, production out of Baja is slowly ramping up. Growers are reporting good quality.

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
LIMITED
QUALITY
GOOD

Fruit crossing Nogales has improved, and the California season has already begun with good quality reds. The pipeline is refilling. Greens are a little behind and the market is reacting to those but should have a healthy domestic season going forward.

MARKET OUTLOOK

MARKET ALERT

Herbs



SUPPLY
LIMITED
QUALITY
FAIR

Mexican production has improved. The availability and quality of most herbs, particularly **basil**, are still impacted by rain in Colombia. Domestic and Mexican options are available on the east coast.

Cilantro: ALERT Supplies continues to be light with fair quality. Market pricing remains high. Supplies are shipping out of Salinas and Santa Maria. Less yields are being reported. Market pricing has escalated due to high demand and limited availability. (F.O.B pricing for this week \$24.00 - \$26.00)

Honeydews



SUPPLY
FAIR
QUALITY
GOOD

Honeydew volume from the desert has increased unexpectedly, and the week is expected to finish strong. Sizing has been a fair mix of 5/6s with a few 8s, but very few, if any, jumbos. California production is expected to start slowly in mid-July with steady supplies through the second half of July through mid-October. Current brix ranges from 12-14%. Suggest being flexible at time of loading.

MARKET ALERT

Iceberg



SUPPLY
FAIR
QUALITY
FAIR

Supplies are light. Quality is reported as fair. Weights are expected to be lighter than normal. Supplies are forecasted to be lighter next week. Market pricing is expected to increase due to lighter supplies. Contract pricing will be escalated. (F.O.B pricing for this week \$23.00 - \$25.00)

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 (\$12.65 - \$14.45)

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Green & Red Leaf: Supplies are good with good quality. Sizing and carton weights are better. Expect markets and supplies to remain steady for the next few weeks. (Green Leaf F.O.B pricing for this week \$10.00 - \$11.00)(Red Leaf F.O.B. pricing for this week \$11.00 - \$12.00)

Romaine: Supplies continue to be good with fair quality. Weights are reported to be light. Expect market pricing to steadily increase for the next few weeks with steady supplies. (Romaine F.O.B pricing for this week \$12.00 - \$14.00)(Hearts F.O.B pricing for this week \$16.00 - \$18.00)

Tender Leaf: Supplies are good with good quality and demand. 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
FAIR
QUALITY
GOOD

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

Onions



SUPPLY
GOOD
QUALITY
GOOD

Quality is very good. Demand is good. The market is steady. Kansas will be ready in late August while Washington will be ready in early August. Idaho and Oregon will start a little later than usual. Mid-August is when we anticipate beginning. This will also have an impact on precut.

Onions Green



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be very good with normal market pricing. Green onions are coming from Mexico. Warmer weather will bring better supplies and availability. Growers are expecting steady market pricing and steady supplies for the next few weeks. (F.O.B pricing for this week \$8.00 - \$10.00)

Peppers Bell



SUPPLY
GOOD
QUALITY
GOOD

Prices for Green Bell Peppers are trending up. Prices for Red and Yellow Bell Peppers are trending slightly down. Production out of the East has been impacted by rain & wind. Growers are expecting volumes to ramp up after the holiday. Production out of the West is transitioning out of the CA Desert over to Bakersfield.

MARKET ALERT

Peppers Chili



SUPPLY
FAIR
QUALITY
GOOD

ALERT (Anaheim, Jalapeno, Poblano & Serrano) Prices are Chili Peppers are mixed this week, but prices remain elevated. East Coast production has been impacted by numerous storms. Mexico is transitioning to new growing areas and has been impacted by hail. Look for the markets to remain unsettled for a few more weeks.

Pineapples



SUPPLY
FAIR
QUALITY
GOOD

RADAR Droughts are reducing pineapple yields in certain Costa Rican regions this summer. Recommend being flexible with sizing and giving plenty of lead time when ordering. Keep your inventory well stocked.

MARKET OUTLOOK

MARKET ALERT

Potatoes



SUPPLY
FAIR
QUALITY
GOOD

Some of the larger sizes are starting to become scarcer, which is driving up the market price. Overall demand exceeds supply slightly. Potatoes will shrink somewhat during storage due to water loss. Remaining supplies are Burbank, which typically have a smaller size profile than Norkotah, therefore, its anticipated that the remaining supplies will have a smaller size profile than those shipped earlier in the season. This indicates that, while there is still availability in the 40s to 60s, as the season progresses, there will be further pressure on the market. Growers were able to get into the field to evaluate the progress of the new crop after a couple of weeks delay due to the abnormal winter. They are reporting good soil temp which means the potatoes are coming up slightly faster than last year. Because of the delayed planting, there may be a gap in August between the old and new crops. Overall, it seems to be a week or two weeks later than usual. This will also affect precut.

Squash



SUPPLY
GOOD
QUALITY
GOOD

Prices for Yellow and Zucchini Squash are trending up. Production out of the East has been impacted by rain and wind. Growers are expecting volumes to ramp up after the holiday. Production out of the West is coming out of Baja and the Northwest.

Strawberries



SUPPLY
GOOD
QUALITY
FAIR

Prices for Strawberries are trending slightly down. Growers are reporting good holiday demand. Look for supplies to pick up after the July 4th holiday. Good weather is in the forecast. Growers are reporting good quality.

MARKET ALERT

Tomatoes



SUPPLY
FAIR
QUALITY
GOOD

Prices for 20 lb Round, Roma, and Grape Tomatoes are trending up. Prices for 25 lb Round Tomatoes are trending slightly down. Production out of South Georgia and South Carolina is coming to an end. North Carolina and Tennessee are a few weeks from seeing decent volumes. Bad weather in the East has impacted production. Tomatoes crossing through Nogales are ending for the season. California is running behind due to rain and cooler weather.

Watermelons



SUPPLY
FAIR
QUALITY
GOOD

Supplies will be tight for another couple of weeks. Georgia has start with primarily 36ct seedless. Mississippi is starting soon. Mexican melons are shipping out of Edinburg and Nogales, but production is starting to slow down. Arizona just started.



MARKET OUTLOOK

Produce Category Overview

Asparagus will be tight going into July due to Mexico experiencing lack of rain and domestic finish for the season. **Brussels sprouts** are on extreme alert due to Mexico finishing up and waiting for Central California to start. Extreme alert for **Celery** as seeders and other quality issues continues to be challenged in production and expected to be very limited for a few weeks. **Iceberg** and **Romaine** are both experiencing lighter weight than usual. Good time to promote **Broccolini**, **Cauliflower**, **Green and Red Leaf**.

USTR announces repeal of India's tariff on U.S. apples, walnuts

By **THE PACKER STAFF** June 22, 2023

Industry organizations are praising a June 22 announcement from U.S. trade officials that India will soon lift its 20% retaliatory tariff on some U.S. agricultural products.

The Office of the United States Trade Representative has reported that India will lift its tariff on apples and walnuts produced in the U.S. within the next 90 days, according to a news release.

U.S. Apple was an invited guest of the White House at the arrival ceremony for India's Prime Minister Narendra Modi, the group said in a news release.

"We were honored to be part of this important day for U.S.-India relations," U.S. Apple President and CEO Jim Bair said in the release. "U.S. apple growers can now begin the work of competing for, and hopefully regaining, this critical market. We look forward to once again shipping great apples to this valued trading partner."

The Northwest Horticultural Council has advocated for the repeal of the retaliatory tariff since its announcement by India in 2018, the group said.

This tariff has had a significant economic impact on apple growers. India was once the second largest export market for Washington apples, but exports to India dropped more than 99%, from \$120 million in 2017 to barely \$760,000 this season, the release said.

Washington growers lost substantial market share to foreign competitors and hundreds of millions of dollars in export sales over the last four-plus years, the release said.

With the removal of this damaging tariff, work can now begin to rebuild this important market, Mark Powers, president of the NHC, said in a news release. Elected representatives and government officials have been actively engaged in negotiations to remove this retaliatory tariff from the time it was imposed, he said.

"This is a win for apples," Powers said. "We are eager to get back to business in India, for our growers to quickly engage in rebuilding this important market, and to once again sell our high-quality, healthful apples to the consumers in India."

The NHC commended the efforts by USTR, including U.S. Trade Representative Katherine Tai and Chief Agricultural Negotiator Doug McKalip, according to the release. The NHC also recognizes and appreciates the perseverance of the many U.S. government officials under Tai, as well as at the USDA, who worked toward the resolution, the group said.

"The NHC is immensely grateful to Sen. Maria Cantwell (D-Wash.) and Rep. Kim Schrier (D-Wash.) for their direct work towards the removal of the harmful tariff," the group said. "The NHC also thanks Sens. Ron Wyden (D-Ore.) and Mike Crapo (R-Idaho), Reps. Dan Newhouse (R-Wash.) and Suzan DelBene (D-Wash.), and the rest of the Pacific Northwest congressional delegation for their continued support on this consequential issue."

Steve Reinholt, chair of the NHC's Foreign Trade Committee, said he is thrilled with the news.

"The apple industry applauds the repeal of the retaliatory tariff, which has...."

[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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