



WEEK 31: July 31 - August 6, 2023
MARKET OUTLOOK

Transportation:

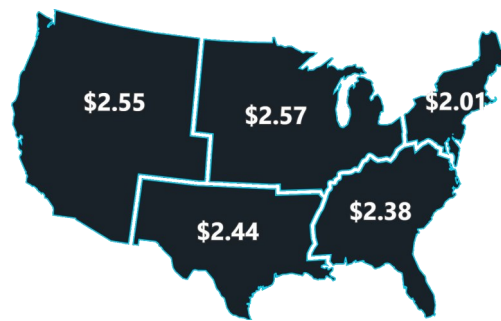
National Diesel Average: \$3.905

Compared to Last Year: \$2.542

National Fuel Surcharge: \$0.47

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 and sunny skies with highs in the 70s and lows in the low 60s.

Salinas, CA: Partly cloudy and sunny skies with highs in the upper 60s and lows in the mid-50s.

Yuma, AZ: Sunny and cloudy skies with highs in the 110s and lows in the 80s.

Immokalee, FL: Thunderstorms with highs in the 90s and lows in the 70s.

Idaho Falls, ID: Cloudy, isolated thunderstorms, and sunny skies with highs in the 80s and mid-90s and lows in the mid-50s.

MARKET ALERT

- Apple (Radar)
- Asparagus
- Berries: Blackberries & Raspberries
- Brussels Sprouts
- Celery
- Herbs: Basil & Cilantro
- Iceberg Lettuce
- Pepper Chili
- Pineapples (Radar)
- Roma Tomatoes
- Snow Peas (Radar)

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

Mexico has very little volume crossing due to the continue effect from El Nino. There could be a potential gap for Mexico mid-August to late-September due to the low supply and high demands. Peru has started to open fields which will alleviate the volume pressure. Northern Peru continue to struggle with consistent supplies but expected to improve by October/ November. Sizing continues to be a challenge as yields continues to run smaller than normal. Supplies are expected to fluctuate from all growing regions for the next 2-3 months. Market is elevated, especially on the larger sizes. Recommend being flexible with sizing at time of loading.

MARKET ALERT

Avocados



SUPPLY
GOOD
QUALITY
GOOD

Mexico fruit has fully transition to Flor Loca, and the size curve has shifted as expected to small sizes. Due to the market being heavy on small sizes and very limited on larger sizes, the 36s and 48s currently have a wide market spread of \$20+ between 60s. Expect this trend to continue for a few weeks. It is strongly advised to stay away from the 48s by looking to downsizing.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Bananas are currently solid and consistent.

Beans



SUPPLY
FAIR
QUALITY
GOOD

Green Beans: Supply is good, and market is stable. Steady supply through September on the East coast. Due to the rain and extreme heat, Mexico production and quality have been impacted. Limited availability out of Mexico.

Snow Peas: **RADAR** On both coasts, the market is quite elevated. California has limited supply. Markets are expected to be high for the next few weeks.

MARKET OUTLOOK

MARKET ALERT

Berries



SUPPLY

FAIR

QUALITY

FAIR

Blackberries: **ALERT** Limited Availability - Prices for Blackberries are trending up. Prices are still escalating, and the market is still very tight. Volumes out of Watsonville is slowly picking up but not enough to cover the shortfall out of Mexico. Growers in California are forecasting higher volumes during the next couple weeks.

Blueberries: Prices for Blueberries are trending down. Production is coming out of New Jersey, California, and the Pacific Northwest. Volume is picking up. Growers are reporting good quality. Supplies are expected to stay abundant throughout the month of July.

Raspberries: **ALERT** Limited Availability - Prices for Raspberries are trending up. Prices are still escalating, and the market is still very tight. Volumes out of Watsonville is slowly picking up but not enough to cover the shortfall out of Mexico. Growers in California are forecasting higher volumes during the next couple weeks.

Broccoli



SUPPLY

GOOD

QUALITY

GOOD

Broccoli: Supplies have improved with good demand. Supplies are available from Salinas, Santa Maria, and limited supplies in Mexico. Supplies are expected to continue improving in the next few weeks. Market pricing has improved. Great time to promote Broccoli. (F.O.B pricing for this week \$13.00 - \$14.00)

Broccolini: Supplies continue to be very 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

FAIR

QUALITY

FAIR

Supplies are light with fair quality. Demand is strong. Market pricing and contracts will remain escalated. Supplies are expected to remain light causing markets to remain high and prices will continue to remain escalated. (F.O.B pricing for this week \$46.00 - \$48.00)

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 \$10.00 - \$12.00)

Cantaloupes



SUPPLY

GOOD

QUALITY

GOOD

Due to the triple digit temperatures, some fields had to be harvested earlier than planned. This will result in a drop in volume over the next week because previously scheduled fields will have already been harvested. Quality has been excellent from California. Sizing is trending primarily 9s follow by 12s, with limited jumbo. Brix levels are in the 14-16% range.



MARKET OUTLOOK

Carrots



SUPPLY

GOOD

QUALITY

GOOD

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

Cauliflower



SUPPLY

GOOD

QUALITY

GOOD

Supplies are very good with slow demand. Markets are not escalated. Supplies are available from Salinas, Santa Maria, and Mexico. Supplies are expected to be steady for the next few weeks. Great time to promote Cauliflower. (F.O.B pricing for this week \$11.00 - \$12.00)

MARKET ALERT

Celery



SUPPLY

FAIR

QUALITY

FAIR

Supplies continue to be light with fair quality. Supplies are currently coming from Salinas and Santa Maria. Market pricing will be escalated. Supplies are showing signs of improvement. Markets are expected to improve in the next weeks as availability improves. (F.O.B pricing for this week \$22.00 - \$24.00)

MARKET ALERT

Citrus



SUPPLY

GOOD

QUALITY

GOOD

Limes: **ALERT** Costs in Mexico are rapidly rising, which will have an impact on pricing trends in the US over the next month. Extreme heat and humidity are affecting quality and shelf life, contributing to low yields/availability. Overall crossings have declined, and current pack-out yields account for a 30% loss on the line. Most operations are transitioning to the new production cycle. Peak sizing consists of 230s & 250s with limited availability in larger fruit. As the summer progresses, the weather will continue to play a role in overall quality. It is advised to be aware of changes in advertised grade specifications.

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

Corn



SUPPLY
GOOD
QUALITY
GOOD

Prices for Corn are trending down. Production out of the East and West continues to pick up. Corn Quality is excellent. Pricing is currently attractive.

MARKET ALERT

Cucumbers



SUPPLY
FAIR
QUALITY
FAIR

Prices for Slicing Cucumbers are trending up. Supplies are snug. Recent weather and smoke from the recent fires in Canada impacted the Growth Cycle. Growers are expecting tight supplies for the next couple of week.

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 being refilled. 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 continues to remain high. Supplies are shipping out of Salinas and Santa Maria. Lower yields are being reported. Market pricing has escalated due to high demand and limited availability. (F.O.B pricing for this week \$22.00 - \$24.00)

Honeydews



SUPPLY
FAIR
QUALITY
GOOD

Honeydew is in full production. Sizing is between 5/6s with limited jumbo. Supplies are expected to remain steady. Quality is good. Brix level is in the 13-15% range.

MARKET ALERT

Iceberg



SUPPLY
FAIR
QUALITY
FAIR

Supplies are light with fair quality. Weight is expected to be light and lettuce heads will be under sized. Yield are expected to be under budget, causing markets to escalate. Market pricing is expected to remain high for the next few weeks. Contract pricing will be escalated. (F.O.B pricing for this week \$28.00 - \$30.00)

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 - \$13.45)

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. Great time to promote Green and Red Leaf Lettuce. (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 are very good with good quality. Carton weights are better. Expect market pricing to steady along with supplies. Great time to promote Romaine. (Romaine F.O.B pricing for this week \$11.00 - \$12.00)(Hearts F.O.B pricing for this week \$15.00 - \$17.00)

Tender Leaf: Supplies are good with good demand. Quality is fair to good. 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.

Onions



SUPPLY

GOOD

QUALITY

GOOD

Quality is good with steady demand. The market is steady. Colorado and Wisconsin are scheduled to begin harvesting around Labor Day and continue until the end of the year, while Utah will begin harvesting in early fall. Northwest is starting early. California is wrapping up. New York is about to start. This will also have an impact on pre-cut.

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 \$9.00 - \$10.00)

Peppers Bell



SUPPLY

GOOD

QUALITY

GOOD

Prices for Green Bell Peppers are trending down. Prices for Red and Yellow Bell Peppers are trending up. Production is coming out of North Carolina, New Jersey, and California. Michigan, New York, and Canada are just starting production.

MARKET ALERT

Peppers Chili



SUPPLY

FAIR

QUALITY

POOR

Prices for Chili Peppers are mostly trending up. Growers are reporting challenges with quality. Production out of the East continues to suffer from the recent rounds of bad weather. Volumes are light coming from California and Baja due to weather related challenges.

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

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Demand is a little soft with good quality. Larger sizes will get a little tighter in the first part of August with some upward trends in the market. Kern County is winding down by the end of the month. Some growers have slowed down new crops are expected to start at the end of August. USDA is reporting an increase in acreage for 2023 crops by 5.3% increase vs 2022. California, Idaho, Florida, Nebraska, and Michigan are reporting a percentage increase while Minnesota, Oregon, and Texas have decreased. The new crop russet will be limited from Columbia Basin, Kansas, Texas, and Virginia in late July. Idaho new crop is expected to start around the first of August. Michigan and Wisconsin new crop are anticipating starting mid-August. San Luis Valley new crop usually starts early September. This will also affect precut.

Squash



SUPPLY

GOOD

QUALITY

FAIR

Prices for Yellow and Zucchini Squash are trending down. Past weather events impacted the growth cycles for squash but lots of local programs are in play. Growers are forecasting steady supplies for the next couple weeks.

Strawberries



SUPPLY

GOOD

QUALITY

GOOD

Prices for Strawberries are trending up. Growers are currently reporting good quality. Growers in Watsonville and Salinas are expecting steady supplies through September.

MARKET ALERT

Tomatoes



SUPPLY

GOOD

QUALITY

FAIR

ALERT (Roma) Prices for Tomatoes are trending. Volumes are down due to all the wind and rain in the East. Cool weather and rain have impacted production in the West. Growers are expecting tight supplies for at least the next couple weeks.

Watermelons



SUPPLY

GOOD

QUALITY

GOOD

Supplies are good. Arizona, Georgia is wrapping up. Indiana, Missouri, and North Carolina have good supplies. Supplies are available in Central and Southern California, Oregon, Texas, and Washington.



MARKET OUTLOOK

Produce Category Overview

Asparagus are light due to the weather and expected to experience a potential gap mid-August to late September from Mexico. **Blackberries** and **Raspberries** have limited supplies and are expected to have better availability in the next couple of weeks. **Brussels Sprouts** are slightly better but remain escalated. **Celery** continues to be limited with supplies expecting to get better in a few weeks. **Chili Peppers** remain tight due to the weather. **Iceberg Lettuce** is light in weight and lettuce head are undersized. Good time to promote **Broccoli, Broccolini, Carrots, Cauliflowers, Green and Red Leaf Lettuce, Kale, and Romaine.**

Drought and extreme heat burn through farmers' margin for error — and it's only July

By Annie Probert, J.J. McCorvey and Evan Bush | July 13, 2023

Record-breaking heat and pockets of drought are baking farmland across the country, threatening crop yields and squeezing out any remaining wiggle room to cope with more extreme weather this summer.

Throughout the Sun Belt, an extended heat wave is sending temperatures soaring into the triple digits and risking heat stress to crops. At the same time, breadbasket states in the Midwest are struggling to manage a drought that's affecting some areas for a second year in a row. Nearly two-thirds of Kansas is in severe, extreme or exceptional drought, according to the U.S. Drought Monitor, and about half of Missouri and Nebraska are in the same rough shape.

"As long as we have irrigation, we can keep up," said Jay Reiners, who runs a farm outside Hastings, Nebraska. But "irrigation is meant to supplement Mother Nature, not replace Mother Nature," he said. "It makes me really nervous."

This year's severe dry weather comes on the heels of last summer's, when 60% of the Great Plains was under moderate to extreme drought. While Reiners' 3,000-acre farm is mostly irrigated, it includes some dryland crops like corn and soybeans that are "holding on" but will "go backwards really fast" if more rain doesn't arrive soon, he said.

"We didn't have an inch of rain until I think May of this year, and we've only had a couple inches," he said, "so we're starting to feel the effects of the two-years-in-a-row drought."

Industry experts say fresh July rains across much of the Midwest came just in time for many crops to recover from weather that analysts had warned could deal a historic blow to grain harvests.

As a result, grocery store shoppers aren't likely to feel the pinch, said Nick Paulson, a professor in the agricultural school of the University of Illinois at Urbana-Champaign. A combination of crop insurance and the mix of economic factors that determine commodity prices mean weather-related impacts to crop yields typically "don't end up translating into as large fluctuations at the retail and consumer level," he said.

But "farmers are definitely not out of the woods yet," Paulson cautioned. "We are entering a critical period for moisture, particularly for corn, as we get into the end of July and into August," meaning rainfall levels in the weeks ahead will be decisive.

Many growers are still "living off surface moisture, as we call it — rain by rain, week by week," said Dan Basse, the president of AgResource, an agriculture advisory firm. At this rate, he expects corn and soybean yields to be off by only about 3% to 5% but warned that another dry spell would cause big trouble.

"It's important that we don't have any lasting heat and dryness — or any extreme heat for that matter — because crops have nothing in the tank to fall back on," he said.

Predictable seasonal norms are becoming rarer, as evolving weather patterns...

[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!

Your Dedicated NPC FB, LLC Staff



Powered by Foodbuy