

Market OUTLOOK

Week 29: July 15 - 21, 2024



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Market ALERT

Asparagus
Beans
Broccoli
Brussels Sprouts
Citrus
Grapes
Herbs
Lettuce
Melons
Onions
Pepper Bell
Pepper Chili

transportation

Nat'l Diesel Avg: \$3.865↑

Last Year: \$3.806↓

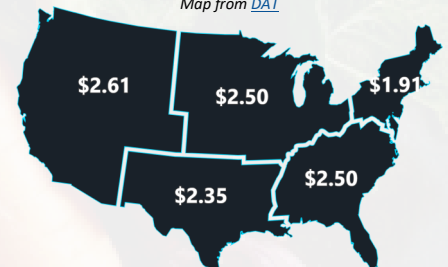
Nat'l Fuel Surcharge: \$0.45

Shortages: Freight rates is flat

- extreme - None
- slight - FL

National Posted Rate per mile

previous week's average outbound reefer rate for each region
Map from [DAT](#)



weather OUTLOOK

Oxnard, CA: Partly cloudy and sunny skies with highs in the 70s and lows in the 60s.

Salinas, CA: Partly cloudy with highs in the high 60s and lows in the 50s.

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

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

Idaho Falls, ID: Mostly sunny and cloudy skies with highs in the 90s and lows in the upper 50s.



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Market UPDATE

apples



Golds are expected to be in good supply by the end of August, with many shippers out for the season. Granny Smiths are in good supply, making it to the new crop around mid-September. Gala is 500,00 boxes less than last season, and availability will go through August without gaps before the new crop begins mid-August. Fuji is in good supply, with new crop expected to start around mid-August, and Red Delicious is also in good supply through the summer, with new crop starting around mid-September.

asparagus



Prorates are in effect, and the market is escalating. Peruvian and Mexican volumes have decreased due to weather, causing x-large and jumbo to be scarce. White asparagus is limited in Peru until the end of July or early August.

avocados



To maintain supply rotation, the industry aims to increase demand. The size curve has changed from what was forecasted 4-6 weeks ago, with the old crop harvest expected to extend longer than initially anticipated. Fruit expectations remain unchanged, with 48s and larger available into August. Loca will favor 60s and smaller, and harvest is slowly ramping up. Volatility is expected over the next few weeks as COOs adjust to harvest volume, size curves, new policies, and dry matter levels.

bananas



Hurricane Beryl has caused delays at Texas ports and reroutes to unload nearby products, causing delays in unloading and product arrival. In rare cases, fruit ripening may delay, resulting in products arriving half-stage to a stage behind in

ripeness, but this is not a major issue.

beans



Green Beans: Hurricane Beryl has created additional challenges in the Midwest growing regions. The intense heat for the past 3 weeks, followed by heavy rain, has ended the mid-west growing season early.

Snow Peas: Guatemalan and Mexican supply are facing challenges due to heat, lack of rain, and growing region transitions, with volumes being held and the market being escalated.

berries



Blackberries: **ALERT** Prices are slightly up with good quality. Mexican fruit has occasional regression, and overripe fruit. Volumes are increasing in Watsonville and Mexico.

Blueberries: Good quality from Mexico, but hot weather is causing scarring and shriveling, affecting volume. The Pacific Northwest has good quality and increased volume.

Raspberries: Prices are slightly up, and quality remains good, with occasional light-colored fruit from Mexico. Volumes are steady from Mexico, while Watsonville has great quality and increased volumes.

Strawberries: Prices remain stable in Santa Maria, but high heat is causing smaller, softer fruit. Production is decreasing weekly, while Watsonville and Salinas have great produce quality. Overripe and misshapen fruit are present. Production has reached its peak and is expected to decrease.

broccoli



Broccoli: **EXTREME** The supply situation is light and demand is good, with supplies coming from Salinas and Santa Maria. Mexico has limited



Market UPDATE

broccoli cont...



supplies, and the quality is only fair. Market pricing is active and will escalate with signs of improvement in the next few weeks.

Broccolini: Supply is on budget and demand is good, with good quality from Salinas. Harvesting and market pricing are steady.

brussels sprouts



EXTREME The supply is light, and the quality is reported as fair. Demand is good, but market pricing has escalated. Supplies will be limited until supplies start in Salinas, and pricing is expected to remain high for a few weeks.

cabbages



Supplies are steady and of good quality. Availability from Oxnard and Salinas, and the markets and supplies, are expected to remain stable in the coming weeks.

carrots



New crops are on the horizon, with improved supply and quality going forward.

cauliflower



The supply and demand are good, with supplies coming from Salinas and Santa Maria, and some from Mexico. Quality is improving, and market pricing remains steady for the next few weeks.

celery



The supply situation has improved, with current supplies coming from Santa Maria and Salinas, with Salinas showing better numbers. Quality is reported as good, with supply and market pricing expected to remain steady for a few weeks.

citrus



Limes: Pricing is trending down. 200s and smaller sizes are more readily available. Recent rain is helping with some size increases, but the drought experienced over the last several months may continue to affect sizes 175s and larger through August.

Lemons: **ALERT** Pricing is high. California faces a severe shortage of small lemons; relief is expected only when District 3 starts in mid-to-late September. Imports and Mexican supply remain limited due to the drought. Flexibility is needed for sizing and loading locations in California to fulfill orders.

Oranges: The market is steady. Fruit is peaking at size 72 and larger. Smaller fruit is currently available but will continue to be scarce throughout the Valencia season in California. Imports will help with the smaller size profiles, but flexibility with loading locations will be essential.

corn



Pricing saw a slight increase due to the holiday. Supplies and quality are good on both coasts. The heat on the West Coast could potentially affect supplies in the next week, which will impact pricing in the coming weeks.

cucumbers



The market is down. The East has transitioned north with good supplies and great quality. Additional regions are expected to increase production, further increasing supplies. The West also reports excellent quality and good supplies.



Market UPDATE

grapes



Supply is decreasing due to weather challenges in Mexico, causing quality issues and rejections at the border. California production has started with exceptional quality and higher initial pricing, which is expected to stabilize in the coming weeks.

herbs



Cilantro: ALERT Supply continues to be light, with less than fair quality. Market pricing has escalated, and supplies are shipping out of Oxnard and Salinas. Limited supply expected in the next few weeks.

kale



Supply is steady with good demand and quality. Supplies and market prices are expected to be steady for the next few weeks.

lettuce



Green & Red Leaf: Good supplies and quality, with steady market pricing for the next few weeks. However, due to the warm weather in Salinas, growers are anticipating tip burn on the outer leaves.

Iceberg: ALERT The supply is light and of fair quality, with expected improvements in weights for next week. Markets remain escalated, and most contract pricing will not be escalated. Expect some improvement in supplies in the next week.

Romaine: Supplies are steady, of fair quality, and in good demand from Salinas and Santa Maria. However, warm weather in Salinas has caused tip burn on outer leaves, and markets are expected to remain steady in the coming weeks.

Tender Leaf: The supply continues to be steady,

melons



Cantaloupe: RADAR The current sizing is mostly 9/9Js, with a limited number of 12s due to heat. The brix levels range from 14-17% with full straw color. Peak volume will continue through July, and sizing flexibility may be necessary.

Honeydew: RADAR Quality is high, with clean fruit and brix exceeding 15%. The majority of the sizes are 5/5Js. Production may decrease temporarily due to additional crews in cantaloupe fields, which are more susceptible to heat. Flexibility in sizing may be necessary.

mushrooms



The weather has improved the quality and supply of brown and white, indicating a steady supply for the next few months. It's a good time to promote.

onions



RADAR The quality is good in all growing regions, with steady demand. Market prices are slightly up on reds and whites. New Mexico has started giving some relief. Whites are starting to decrease and may be limited through the summer, along with the reds.

onions green



Supply remains steady, primarily from Mexico, with increased demand in recent weeks due to warmer weather. Market pricing and quality are expected to improve, indicating steady supply and pricing in the coming weeks.



Market UPDATE

pears



Bartletts and Bosc are done for the season, with some available but at a very high market price. Avoid them and switch to D'Anjous if possible, which will be available until next season starts.

peppers bell



Pricing is high. Hot weather and transition continue to impact supplies of all colors on both coasts.

peppers chili



Pricing remains high. Supply remains at record lows. The East Coast faces shortages of hot peppers due to the weather. Mainland Mexico is experiencing rain delays and potential hurricane impacts, tightening markets.

pineapples



Supply remains tight, and it's advised to be flexible with pineapple sizing, exploring 8ct and possibly 7ct for optimal services. As mid-July approaches, better availability is expected for all sizes. Hurricane Beryl has caused delays at Texas

ports and rerouted vessels, potentially causing delays in unloading and product arrival to the DC. Shorts may occur over the next few days.

potatoes



The market is flat, with good quality. Idaho is shipping Burbank with a sizing profile smaller than Norkotahs, which is causing the 40–60ct price to increase and be a bit short. Idaho has plenty of availability, making it a good time to promote potatoes.

squash



Pricing is steady. There are several areas with ample supply. Overall, the quality is good. However, some growing regions in the East and West have experienced high heat and rain, which has caused some quality challenges.

tomatoes



Market is up with fair quality. While supplies from Mexico are good, the transition in California and the shift from Florida and South Georgia to the Carolinas, Tennessee, Arkansas, and Virginia have reduced overall supply, resulting in higher pricing.

commodities alert overview

Asparagus are limited on x-large and jumbo due to temperature in growing region and are being prorated. **Beans green** are getting tight due to heat and the recent hurricane. **Iceberg** are on extreme alert with light availability. **Lemons** are peaking on large fruit, with small fruit being limited. **Bell peppers** remains high with low supplies due to transition and high heat. **Chili peppers** remain high with low supplies due to weather. It's a good time to promote **Corn**, **Mushrooms** and **Potatoes**.



Market UPDATE

in the news...

Rabobank: Consumers pull back on spending after years of inflation fatigue

By **TOM KARST** | June 27 2024 | **THE PACKER**

Inflation has battered consumers over the past four years, and a Rabobank analysis says U.S. consumers have finally hit the wall.

In a report on the cost of a Fourth of July barbecue, Rabobank analysts said consumers are trading down and eating out less often in response to long-running inflation.

"The consumer is waving the white flag on food inflation," Tom Bailey, senior consumer foods analyst at Rabobank, said in a news release. "With an added 2% in price hikes in 2024 coupled with the cost disparity between dining out and cooking at home at its widest margin in history, we're seeing heightened fatigue and frugality."

The 2024 Rabobank BBQ Index, which measures the cost of staple ingredients for a 10-person barbecue, shows that it will cost \$99 to host a cookout on the Fourth of July this year, up from \$97 last year and \$73 in 2018. Cookout

ingredients are 32% higher food costs in 2024 compared with 2019, according to Rabobank.

The index showed that the average U.S. consumer has to work an hour to earn enough money for a six-pack of beer and a burger in 2024, up from 51 minutes in 2019, and they'll have to work nine hours to pay for a barbecue this year, up 32% since 2019.

Produce prices for the BBQ Index are mostly tame compared with a year ago, Rabobank economists said. California's drought in 2023 sent lettuce prices to more than \$100 a carton, well above the average range of \$15 to \$20 per carton. Rabobank analysts said lettuce prices have come down significantly in 2024.

"We expect leafy greens to have steady supplies, good quality and decent prices," Rabobank economists said in the release.

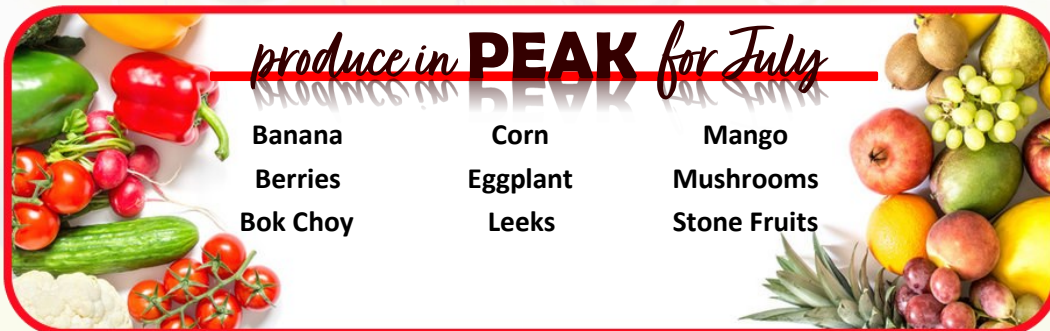
Potatoes, also hit hard by drought last

year, have rebounded with greater supply based on expanded acreage harvested in the fall of 2023. Potato prices are about half of year-ago levels, the index showed.

On the other side of the ledger, Rabobank analysts said tomato prices have moved higher in 2024 as dry weather in Mexico has curtailed production and overall availability. Rabobank analysts said a reported 68% of people polled by Vericast say they are switching from restaurants — where the tab is up 4.4% annually — to grocery stores, which have seen only a 1.1% price.

Consumers are pulling back all purchases because of tight budgets, Rabobank officials said. Retail sales were weaker than expected in May as higher borrowing rates and inflation discouraged purchase decisions, Rabobank economists said...

[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 jhoppe@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 Powered by Foodbuy Staff