

Market Report

5/9/22 - 5/14/22

WEATHER: Morning lows will be in the mid-30s to upper 40s with daytime highs near 60 at the coast to the mid-80s well inland. High pressure strengthens over the area Tuesday turning winds offshore and bringing a heat wave thru Thursday with max temps in the 60s to 70s near the coast and up to the mid-90s further inland.

EXTENDED WEATHER: Looking ahead the next 6 to 8 days, the system keeps temps near to slightly above average through the weekend. High pressure returns early next week bringing dry, warm conditions thru next week and next weekend. No significant chance for any rainfall expected through mid-month.

ARUGULA -- Quality has improved with much better available supplies, market is steady

ASPARAGUS -- Demand is good with a higher market and an increase in Peruvian production. New Jersey product is now in seasonal availability with the U.S. supply coming on strong.

AVOCADO -- The market price for avocados has been very strong since January, but it received an unintended bump from the USDA in mid-February and has been steadily climbing ever since. During Super Bowl weekend (Feb. 12-13), shipments from Mexico were suspended because of a threat to a USDA inspector who was conducting inspections in a Michoacan packing shed. The week-long suspension impacted shipments for two weeks with Mexico only sending about 40 million pounds to the U.S. market during that period, which was only about 40 percent of what typically would have been shipped.

BOK CHOY -- Production is steady. Overall quality is good as well as appearance. Ongoing rain in the forecast may impact harvest times.

BROCOLLI -- Supplies are good this week. Crop showing good quality and color overall.

BRUSSEL SPROUTS -- Sprout volume will remain below budget this week for the coming week. Expect reduced fill rates on both VA and bulk categories. Quality has improved but some soft texture and lighter density is noted. Expect to see continued strong demand on tight supplies. The market will be advancing.

CARROTS -- Current demand exceeds predicted supply while lower than average yields caused by cold wet weather has limited availability. Shippers continue to struggle with labor due to COVID and not having enough workers show daily to pack carrots.

CABBAGE -- Quality is good. Demand is good but the numbers are lower than what we were able to pull from Texas. Quality is great out of Florida.

CAULIFLOWER -- Overall good supply for current demand. Quality, sizing & texture look good.

CELERY -- Much lighter supplies for us and the industry. Quality is fair at best with seeders present in every box. The market is higher in Oxnard.

CABBAGE -- Quality is good. Demand is good but the numbers are lower than what we were able to pull from Texas. Quality is great out of Florida.

CILANTRO -- Supplies look to be back on budget with more volume expected to increase more by next week.

GREEN ONIONS -- Supplies are light and quality is fair. There are no ice delays.

KALE -- supplies are expected to be very good this week.

LETTUCE -- Supplies overall are right on budget. Cooler weather has given us the ability to push or pull fields to match sales. We are harvesting to order and keeping holdovers to a minimum to keep it fresh. Quality has been very good. The market has been steady, but demand has been very good with the Mother's Day additional demand. The forecast is for steady to slightly higher markets for the week.

LEAF & ROMAINE -- Production in Salinas is steady on Green Leaf. . Overall quality in the desert is good with some signs of bacteria and light fringe burn. Markets are slightly stronger with good demand. Romaine supplies are at budget. Quality is good and plants that are healthy are exhibiting dark green color. Light windburn from wind may be noticeable. Overall demand is good and steady.

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NAPPA -- Started with the second grower just this week and quality is great. Supplies this week are good; however, there is some internal burn present.

SPINACH -- Good supply for current demand. Overall good quality, size, and texture.

SPRING MIX -- Good supply for current demand. Overall good quality, size, and texture.

PEPPERS/CUCUMBERS/ /SQUASH --

Green Peppers: Supplies are increasing out of Canada with a steady market, moderate demand, leading to very promotable loose or packaged product — quality is excellent on greenhouse peppers.

Cucumbers: The market is very promotable with good supply, moderate demand, and excellent clean quality

Squash/Zucchini: Excellent supply and quality available out of Florida and Crossing through Nogales. Roasting vegetables is a simple and easy side dish or entrée for any lunch or dinner.

SWEET POTATOES- Availability continues to be good out of North Carolina on jumbos, #1's and #2's. Volume has picked up the past few weeks in anticipation of the Easter holiday. The market has been relatively flat all season, but we should expect to see prices gradually start to climb as we enter the summer months.

POTATOES – We have finished our Norkotah crop, and we will conclude our season with Burbank variety. It appears to be a bit of a mixed profile depending on the different growers around the state. Some are in a larger size profile, whereas some are heavier to smaller potatoes. Overall, the market continues to remain relatively 'flat' in terms of pricing this month. However, we are beginning to see the market tighten on large size count cartons throughout the state. We are seeing smaller size profiles on potatoes than we previously had, which is helping to lower the FOBs on those items. Non-size A potatoes, and #2s are more plentiful than they have been in recent months as well.

PARSLEY -- Supplies are expected to be off a little this week.

ONIONS -- ALERT -- Onions in the NW are done. Market is steady. Will be in CA May to mid- August. The crop looks very good, and the area has had great growing weather this season. Imperial Valley will move to San Joaquin in a month. There is little bit out of NM/TX/AZ and MX. Supply short, cost is up, but should settle in a week or two. Freight and fuel rate continues to remain high this season.

APPLES-- The apple market has leveled out and the prices are fairly stable on most items. Prices to remain steady through April, then possibly start to push upward in May as inventory levels drop. The overall crop is down this year, making this the second crop in a row that is smaller than normal. This year crop is at least 3 million cases shorter than the crop last season. The quality of the fruit has been good but will see how the fruit holds up in storage. Pricing overall is higher due to the shorter crop and overall inflation in the growing chain, including labor, picking, packing, and transporting of apples.

TOMATOES --

Rounds: The tomato markets are slightly higher than last week. The old Mexican fields are all but done for the season. What is left from those fields comes in looking good but does not have very good shelf life. We expect the quality to come back once they transition into the newer growing areas. Florida is producing a nice crop at this time and they are commanding a little more money as Mexico has less product to go around. Quality is very good from Florida, so the slightly higher price seems to be working. Demand seems to be picking up on tomatoes as well as warmer weather is finally starting to set in.

Grape: Supplies are tightening up in the west. Mexico is getting strong demand and crossings are down. They are firmer on their prices, and some have started raising them higher. Florida has had hot weather and is still producing at a good rate. The hot weather has caused staggered plantings to blend which means there will be a gap or short supply situation in about 7 days. Expect this market to take off when the gap hits.

Cherry: Florida has steady volume and prices. Quality has been good, but the sizing has been on the higher side. Cherries out of mainland Mexico are in short supply and priced \$3 to \$4 dollars higher than Florida. Baja, Mexico has begun cherries, but that supply is remaining mostly on the west coast at this time.

Roma: There is a split market out of Mexico on Roma's. The older growing area is cheaper but has questionable quality. The new growing area is more expensive and has better quality. Florida's market matches the higher quality product coming out of Mexico. Baja, Mexico has started as well. Most of that fruit is staying out west at this time but

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Market Report Continued

will be factor going forward as their volume increases.

BLACKBERRIES -- We are seeing great quality with very good flavor. Supplies will be good through the next week, but then we may hit somewhat of a supply gap.

BLUEBERRIES --Central Mexico is producing large and decreasing volumes. Florida is on the back end of its season's peak, but Baja production is increasing toward its spring peak. Georgia started last week, and volume is expected to ramp up next week.

CITRUS –

Lemons: Supplies of lemons are steady with good quality fruit coming from California.

Limes: Lime market is coming down, especially on the smaller fruit with crop still peaking on 200ct/230ct/250ct sizing. Large fruit market is not budging and is also extremely scarce, currently accounting for only approx. 10-15% of total yields. There are a few rainy days expected in Mexico towards the end of this week; however, multiple dry days are expected to follow (this combination of heat and moisture may affect quality on next cycle). We highly recommend considering altering your spec during this time from a pricing/availability standpoint. The fruit is unable to obtain appropriate sizing and yields due to lack of rain paired with frequent harvesting to take advantage of high market costs. Demand trends will dictate the velocity of further cost shifts. During this time, please plan supply in advance and be cognizant of frequent price changes and availability shortages.

Oranges: The California navel season is nearing its end with growers expecting to ship through the end of May. Supplies of smaller sizes (113s and 138s) are tightening, with elevated prices expected for the remainder of the navel season.

GRAPES-- Weather in Chile is going perfectly for grapes and has been for a few weeks which is increasing the supplies being imported into the US. Red Grape pricing continues to be low with plenty of supply. Greens remain firmer as fewer supplies have been shipped

KIWI FRUIT -- California and Imported kiwi are available. California sizes mostly 36 and smaller, larger sizes are limited. Fruit is firm with some soft in box.

MELONS --

CANTALOUPE: Production remains consistent with grower projections. However, they continue to face challenges with limited availability with ocean carriers which is not allowing them always to send their fruit to preferred destination ports. Recent sizing has been primarily 9cts and larger, with a considerable amount of jumbo fruit being packed. This trend has left 12/15cts in an extremely limited position. The cause for this has been hotter temperatures in the growing areas. Melons are coming in with some of the best exterior color of the season, and we are seeing average brix levels increasing slightly.

HONEY DEW: production is even shorter than the cantaloupe. Growers are harvesting mostly 5cts and larger leaving the 6/8cts in an extremely limited position. With lower overall production, the significant shift in sizing to larger fruit truly magnifies the shortage of the smaller sizes. Fortunately, incoming fruit has been very good quality with good brix levels.

WATERMELONS -- Supplies on seedless are starting to pick up while minis are still tight. Supplies will continue to pick up and there will be good volume in May. Our Yucatan, Mexico crop is still going in the East for another 1-2 weeks. Florida is going and Arcadia, Florida is starting as well. North Florida is 3 to 4 weeks away. Out West, Northern Mexico is picking up in volume with good quality. May will be a good month to promote seedless watermelons.

RASPBERRIES - Driscoll is advising they see the supply side improving over the next six (6) weeks as we head toward the spring peak. Salinas will start harvesting the tail end of this month, if not the first of May for certain.

STRAWBERRIES - California peak strawberry harvest season got off to a strong start and is proceeding as expected, despite less-than-optimal rainfall during the growing season.

Market Reprt Summarized from our Friends at Legacy Foodservice and ProMark

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