

MARKET REPORT

POWERED BY:

Fresh
ALLIANCE

June 27, 2024

OVERVIEW

Corn remains the item of the week out of the south with plenty of yellow and bi color corn and the quality is outstanding! South Georgia production continues to increase on several items, bell pepper and tomatoes are the shortest. We are in the middle of transition and should see improvements over the next 7 to 10 days. Hot peppers are still active with shishitos and serranos the most volatile for the next several weeks. Tomato markets have tightened up on both coasts and as the mature green program out of the desert is winding down, the valley is ramping up this week. Local deals out of the Carolinas, Arkansas and Alabama are ramping up, and Tennessee and North Carolina are about ten days out. In the west, steady supply crossing in McAllen and Otay this week on rounds while romas have tightened up, as Florida is mostly done for the season. Table grapes supply is good out of Mexico, and we should see domestic fruit next month. Supply out of the desert on melons has been fair and should go through the first week of July then transition to California. Losing 8 days of avocado harvest from Michoacán is very significant. Volumes in the U.S. are at a low, and with Mexico opening in stages it's going to take longer than expected to refill the supply chain. During the refill process, it's important to stay flexible on sizing and COO to assist in a swifter recovery back to regular preferred programs. Early July will remain volatile. Mid to late July, when Loca is on-hand in the U.S., and the other COOs continue to make significant contributions to the market, some summer stability will be achieved. Size curve will heavily favor smaller fruit and sizing down through the summer is recommended. Warmer weather in the Salinas Valley is continuing. While the early harvesting caused some issues with supplies, things are slowly improving. We are seeing good quality on most items and supply is improving on liner and romaine. The price is still escalated, but relief is on the horizon. When it comes to supply, the big concern this week is brussels sprouts and broccoli. Brussels sprouts are extremely tight and prorates should be expected, and broccoli has improved a bit from last week, but we are still seeing light supply from some sources and the price will remain escalated. While the warmer weather is helping, it will take some time to get back on track and we still have extreme markets on most commodities.

MARKET ALERTS



ASPARAGUS – ESCALATED

Obregon/Southern Baja production has slowed down due to heat in the fields. Guanajuato has been slow to start due to lack of rain and heat. Washington, Michigan and Canada production are all but done for the season. Peruvian volume is down due to cooler temperatures in the northern growing region of Trujillo. White asparagus continues to be out until mid-July. Large sizes will also be difficult to come by for the next few weeks. Warm weather in both Mexico and Peru is causing smaller sizing



ARTICHOKES – ESCALATED

Overall supplies are still light, and quality is good.



AVOCADOS – EXTREME

Last week's harvest closed at 43M pounds, a 20% decrease from the previous week. With Mexico pulling in 10 Mil lbs. from Jalisco, the other countries of origin did some heavy lifting. Mexico only accounted for 24% of the market share last week, and with a soft opening it might take another week or 2 before becoming the leading COO again. Last week's Peruvian arrivals came in at 9M pounds, and this week the U.S. is expecting almost 12M pounds to arrive. Ocean transit time is



FENNEL, ANISE – ESCALATED

The fields are seeing lower yields and therefore there is a shortage in supply. Pricing will stay escalated until supplies improve.



FRENCH BEANS – EXTREME

Due to extreme heat in Guatemala and either no rain in some growing regions or too much rain in others, the French bean supply will be limited to non-existent for at least two to three weeks. Field temperatures are at 20 degrees above normal while supply is at about 30% of normal this week with very elevated markets. Next week, supply is looking to be 5-10% of normal at best.



HOT PEPPERS – EXTREME

Record low supplies and higher demand are pushing prices higher across the entire category. Overall, the quality is fair, but we expect to see a large imbalance in supply over the next few weeks until new crop out of Baja, North Carolina and the central coast of California ramp up.



LIMES – ESCALATED

Lime pricing has escalated along with demand in preparation for the 4th of July holiday. Parts of Mexico received much-needed rain last week, which curtailed harvesting and packing in most growing areas, which is limiting crossings this week. Over the past few months, overall lack of rain paired with high temperatures has impacted sizing and quality. With the recent rain, we will see slight improvement in sizing and quality starting in August.

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3-4 weeks so additional volumes ordered last week are likely just hitting the water now. Peak volumes will arrive will be arriving in 2 weeks and continue through late August when volumes will begin declining. Last week California closed at 19M pounds which is the largest harvest week in four years. With the market expected to stay high, as Mexico's recovery will be slow, the next few weeks will likely continue to exceed expectations. California's revised crop estimate calls for about 260M pounds for the season, 50M pounds over the original, and at the current pace this added volume will be eaten up quickly.



BELL PEPPERS (ALL COLORS) – ESCALATED

- **Green Bell Pepper:** Lighter supply in the east and west has spiked the market and expect conditions to be the same for the next few weeks. Transition in both regions combined with weather related supply as well as quality issues have impacted supply until we can get into newer blocks. In the east is going to be the transition from South Georgia to North Carolina and Tennessee while in the west we expect the desert to wrap up this week with transition to the central valley. Markets will be in the \$30+ range on all sizes with possible pro-rates expected.
- **Color Bell Pepper:** Lighter supply and fair quality will impact the market for the next ten days mostly due to the west coast being in the middle of their transition from the desert to the Central Valley. The heat has complicated this by impacting the tail end of the desert crop resulting in less supply on color pepper.



BOK CHOY – ESCALATED

Supplies are improving and quality is good. The market is active.



BROCCOLI – ESCALATED

Overall quality is good, but volumes have decreased drastically. Expect short supplies for at least the next 2 weeks and increased pricing.



CABBAGE, RED – ESCALATED

Pricing is escalated, and quality is good although supplies continue to be tight. Market remains very active



CILANTRO – ESCALATED

The market is active and supplies remain tight due to field challenges such as burn, mildew and spotting.



GREEN BEANS - ESCALATED

Supply is lighter this week and quality hit and miss due to weather related pressure. We should see better supply in 2 weeks as we transition to newer growing regions.

LEMON (SMALL SIZES) – EXTREME

We continue to see small Lemons in California exceptionally short with no relief in sight until District 3 fruit gets started late in the summer. Import Lemons are arriving with small fruit available. Flexibility on sizing and loading areas will be mandatory in order to get orders filled on orders loading in California!



LETTUCE– ESCALATED

- **Iceberg:** Lettuce supplies are improving across the board. We are seeing good quality and condition. Pricing has adjusted down and should continue to come down over the next few weeks.
- **Romaine, & Romaine Hearts:** Romaine, and romaine heart production is continuing to improve. Weights and yields are looking good, but pricing on hearts is still escalated but trending down.



NAPA – ESCALATED

We continue to see some quality issues, but we should see an improvement over the next few weeks. Quality and supplies are improving.



PARSLEY – ESCALATED

Supplies are improving quality is fair.



SNOW & SNAP PEAS – ESCALATED

Guatemala production of snow peas and sugar snaps is almost non-existent due to weather issues the past 4-6 weeks. Peruvian snow peas are available in Miami. Markets are very active on all peas. Out of the west, snows continue to be very limited and sugar snaps supply is steady.



TOMATOES – ESCALATED

EAST:

- **Round & Roma:** Markets have firmed up due to transition from Florida and South Georgia to the local regions in the Carolinas, Tennessee, Arkansas and Virginia. We expect to see active markets through July 4th.
- **Grape & Cherry:** Light supply expected for 2-3 weeks due to transition.

WEST:

- **Round and Roma:** Good supply and quality available out of Jalisco and Baja but rain this week could impact Southern Mexico causing delays in harvesting. We will need to watch the outcome of the tropical weather impacting Central and Southern Mexico this weekend. Expect to see higher demand and upward pressure on price as demand will increase from the east as the local transition is underway. This will put upward pressure on FOB prices
- **Grape:** Lighter supply available as Sinaloa is done for the season and Baja is slow to start. We will also see higher demand from the east as the local transition is underway. Expect firmer markets through July 4th.
- **Cherry:** Steady supply and good quality available crossing through McAllen and Nogales.
- **Medley Grape:** Good supply available this week quality is good.
- **Tomato on the Vine:** Steady volume available this week.

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WEATHER

SALINAS, CA

Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
64° 53°F	63° 52°F	68° 54°F	71° 52°F	75° 55°F	76° 59°F	76° 58°F	77° 58°F
Partly Cloudy	AM Clouds/PM	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Sunny

OXNARD, CA

Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
72° 59°F	72° 58°F	72° 60°F	78° 63°F	76° 62°F	75° 62°F	75° 63°F	75° 63°F
Partly Cloudy	Partly Cloudy	Mostly Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

BAKERSFIELD, CA

Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
99° 69°F	101° 69°F	103° 71°F	103° 74°F	103° 76°F	108° 79°F	110° 80°F	109° 79°F
Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Sunny

JALISCO, NAYARIT

Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
80° 67°F	76° 66°F	79° 67°F	81° 68°F	80° 68°F	77° 67°F	78° 66°F	79° 66°F
Mostly Cloudy	Scattered Thunderstorms	Scattered Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms

VIZCAINO, BAJA SUR

Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
96° 65°F	97° 67°F	102° 70°F	102° 72°F	103° 72°F	101° 73°F	98° 73°F	101° 73°F
Mostly Sunny	Partly Cloudy	Sunny	Sunny	Sunny	Mostly Sunny	Sunny	Mostly Sunny

LAKE PARK, GA

Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
90° 75°F	90° 74°F	92° 75°F	89° 75°F	92° 75°F	93° 75°F	95° 75°F	97° 76°F
PM Thunderstorms	Scattered Thunderstorms	PM Thunderstorms	Scattered Thunderstorms	Thunderstorms	Scattered Thunderstorms	Scattered Thunderstorms	Partly Cloudy

HENDERSONVILLE, NC

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Thu 6/27	Fri 6/28	Sat 6/29	Sun 6/30	Mon 7/1	Tue 7/2	Wed 7/3	Thu 7/4
82° 66°F	84° 70°F	84° 71°F	88° 69°F	85° 62°F	82° 65°F	88° 68°F	89° 69°F
AM Showers	PM Showers	Scattered Thunderstorms	PM Thunderstorms	Sunny	Partly Cloudy	Partly Cloudy	PM Thunderstorms