

MARKET REPORT

POWERED BY:

Fresh
ALLIANCE

June 20, 2024

OVERVIEW

We are watching a few tropical disturbances that will impact supplies out of Central Mexico this week. We expect to see some heavy flooding in most areas as they are expected to see up to a foot of rain in some areas. In the west and northeast heat is expected to remain the concern for several crops with highs well above normal for the next several days. South Georgia production continues to increase on several items, but bell pepper will be the shortest as we are starting to wind down for the season and transition north. In the west, the transition is underway from the desert to Arvin and when you combine this with the eastern transition the result is a very short market across the country. We expect to see tight markets in the region and on the west coast for the next ten days. Hot peppers are still somewhat active with shishitos and serranos being the most volatile for the next several weeks. Tomato markets have tightened on both coasts and new crops out of the California desert on mature greens are winding down and, in the east, the transition is underway to the Carolinas and Tennessee. Steady supply crossing in McAllen and Otay, this week, on rounds while romas have tightened up and Florida is mostly done for the season. Supply out of the desert on melons has been fair and should go through the first week of July then transition to California. A security issue involving two USDA inspectors in Michoacan halted the export of Michoacan's avocados, which account for a significant portion of the U.S. supply. The last time such an incident occurred, Mexican U.S. avocado export activity was suspended for seven days. This disruption is expected to have significant repercussions on the market, which had been hoping for stabilization of prices and inventory levels with the New Crop incoming. Growers had enough fruit on hand for 7-8 days' worth of supply, but by mid-week next week, supply is expected to decrease significantly. The avocado pipeline will take two weeks to fill, and there will likely be a gap in Mexican production of 5-9 days, dependent on the distance from the Mexican border. Harvested fruit takes 2 days to reach the border, 2-3 days for ripening, and 1-4 days for transit time. The weather in the Salinas Valley is heating up and early harvesting is still causing some issues with supply, but things are slowly improving. While the warmer weather is helping, it will take some time to get back on track. As a result, we will have extreme markets on most commodities. Broccoli fields are very far behind and therefore supply has become very short, although quality is not a problem. Broccoli will likely be escalated throughout the rest of the month.

MARKET ALERTS



ASPARAGUS – ESCALATED

Obregon/Southern Baja production continues to improve. Guanajuato should start in the next 7-10 days. Washington, Michigan and Canada production have started wind down due to seasonality. Peruvian volume remains unchanged from last week. Markets continue to be sluggish to do multiple regions in production. White asparagus continues to be very limited to non-existent from Peru, likely until 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 54.1M pounds, a 7% decrease from the previous week. Mexico only lost Friday and Saturday harvests in these numbers, and both California and Peru experienced a nice increase. Due to no harvests this week out of Mexico, pricing has increased considerably across all sizes and COOs. Mexico's



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.



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

The severe drought in Mexico continues to effect limes. The market is strengthening on all sizes as supplies are decreasing and quality continues to be a struggle. In addition, a tropical storm will be dropping a significant amount of rain over the next week in lime growing areas which will make it difficult for growers to get into the fields and pack, decreasing the available supplies crossing the

MARKET REPORT



OXNARD, CA

Thu 6/20 70° 57°F Partly Cloudy	Fri 6/21 71° 58°F Partly Cloudy	Sat 6/22 71° 61°F Partly Cloudy	Sun 6/23 75° 62°F Partly Cloudy	Mon 6/24 74° 61°F Mostly Sunny	Tue 6/25 72° 61°F Sunny	Wed 6/26 73° 62°F Sunny	Thu 6/27 74° 62°F Sunny
---------------------------------------------	---------------------------------------------	---------------------------------------------	---------------------------------------------	--------------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

COACHELLA, CA

Thu 6/20 108° 78°F Sunny	Fri 6/21 112° 77°F Sunny	Sat 6/22 111° 83°F Sunny	Sun 6/23 111° 85°F Partly Cloudy	Mon 6/24 112° 84°F Sunny	Tue 6/25 113° 84°F Sunny	Wed 6/26 114° 82°F Sunny	Thu 6/27 112° 78°F Sunny
--------------------------------------	--------------------------------------	--------------------------------------	----------------------------------------------	--------------------------------------	--------------------------------------	--------------------------------------	--------------------------------------

BAKERSFIELD, CA

Thu 6/20 95° 66°F Sunny	Fri 6/21 100° 71°F Sunny	Sat 6/22 108° 75°F Sunny	Sun 6/23 107° 76°F Sunny	Mon 6/24 104° 74°F Sunny	Tue 6/25 103° 73°F Sunny	Wed 6/26 101° 71°F Sunny	Thu 6/27 99° 68°F Sunny
-------------------------------------	--------------------------------------	--------------------------------------	--------------------------------------	--------------------------------------	--------------------------------------	--------------------------------------	-------------------------------------

JALISCO, NAYARIT

Thu 6/20 77° 68°F Rain	Fri 6/21 79° 68°F Thunderstorms	Sat 6/22 80° 67°F Thunderstorms	Sun 6/23 75° 67°F Thunderstorms	Mon 6/24 73° 66°F Thunderstorms	Tue 6/25 71° 65°F Thunderstorms	Wed 6/26 71° 65°F Showers	Thu 6/27 76° 65°F Thunderstorms
------------------------------------	---------------------------------------------	---------------------------------------------	---------------------------------------------	---------------------------------------------	---------------------------------------------	---------------------------------------	---------------------------------------------

VIZCAINO, BAJA SUR

Thu 6/20 100° 63°F Partly Cloudy	Fri 6/21 98° 75°F Mostly Cloudy	Sat 6/22 97° 71°F Partly Cloudy	Sun 6/23 95° 69°F Mostly Sunny	Mon 6/24 98° 69°F Mostly Sunny	Tue 6/25 97° 68°F Partly Cloudy	Wed 6/26 97° 68°F Mostly Sunny	Thu 6/27 96° 69°F Mostly Sunny
----------------------------------------------	---------------------------------------------	---------------------------------------------	--------------------------------------------	--------------------------------------------	---------------------------------------------	--------------------------------------------	--------------------------------------------

LAKE PARK, GA

Thu 6/20 93° 70°F Partly Cloudy	Fri 6/21 93° 74°F Partly Cloudy	Sat 6/22 95° 74°F Scattered Thunderstorms	Sun 6/23 95° 75°F PM Thunderstorms	Mon 6/24 96° 76°F PM Thunderstorms	Tue 6/25 97° 74°F PM Thunderstorms	Wed 6/26 95° 74°F Scattered Thunderstorms	Thu 6/27 95° 74°F Scattered Thunderstorms
---------------------------------------------	---------------------------------------------	----------------------------------------------------------	---------------------------------------------------	---------------------------------------------------	---------------------------------------------------	----------------------------------------------------------	----------------------------------------------------------