

MARKET REPORT

POWERED BY:
Fresh
ALLIANCE

September 5, 2024

OVERVIEW

Supplies are lighter this week on local corn, bell peppers, hot peppers, squash, and cucumbers. East coast berries and stone fruit are wrapping up while beans continue to be stable. Fall items such as sweet potatoes and pumpkins are expected to be available this week. Tomato markets are still volatile with rounds lighter this week and plenty of romas available. Current table grape supply and demand out of California is strong. Pineapples continue to be short, and shippers are asking to be flexible on sizing to navigate the shortfalls. In the west, tighter supply is available to market on mushrooms. Weather impacts and viral pressure have caused supply shortfalls across the region on all varieties; they are hoping this will improve over the next six weeks. Limes are extremely short as well with marginal quality until the new growing areas get started sometime at the beginning of Q4. The avocado Loca crop continues to favor 60s and smaller, and the USDA is reporting more than a \$20 spread between 48s and 60s. Larger fruit and #2s will be in very tight supply for 4-6 weeks. It is recommended that programs be sized down where possible for the best cost. Late September is looking more favorable as there will be plenty of overlap between Flora Loca and Aventajada crops to supply the U.S. with Mexican avocados during the fall. Q4 is expected to bring strong volumes on all sizes, with plentiful promotional opportunities to carry us into the new year. Weather in the Salinas Valley is still warmer than usual. The Brussels sprout market is no longer extreme but is still escalated. Supplies have improved a lot, and we should see the market continue to come down. The triggers should come off very soon. Endives, escarole, leeks, cilantro and fennel are still escalated but are trending down with supplies improving. Green onions are still at the extreme trigger. They are extremely tight and are suffering from the weather in the growing regions. Expect these to stay escalated for at least a few more weeks. Cilantro is also very tight. You can expect to see growers holding to averages on cilantro and green onions. Cauliflower is no longer at an extreme trigger but is still escalated. Quality is okay but supplies are still tight with some growers still holding to averages. Artichokes are also at the extreme trigger. The supplies are very tight and will be that way for the next few weeks. Growers are holding to averages. Broccoli is still escalated but is trending down and should be off triggered pricing soon. Spinach is not escalated yet, but it is on the watchlist due to tight supplies. Some growers are prorating. Excessive heat in the San Joaquin Valley citrus growing areas have heavily affected supplies on the Valencia orange crop with another heatwave forecasted for the end of this week. Most shippers are reporting probable "Gaps" in production of up to 2 to 3 weeks or more between the end of the Valencia crop and the beginning of the Navel season.

MARKET ALERTS



ASPARAGUS – ESCALATED

Southern/Northern Baja production has remained the same this week, still heavy on smaller sizes. The Central region continues to wrap up their production due to seasonality. Peruvian volume continues to improve, but mostly with smaller sizing. Southern Peru has started to harvest. We should see better production within the next two to three weeks. Markets continue to be less active on smalls and standards, more active on large, XL and jumbo.



ARTICHOKES – EXTREME ON SOME SIZES

Supplies are very tight and will remain that way for at least the next 2 weeks. The market is at the extreme trigger on the 12-24ct. Growers are holding to averages. Quality is good.



AVOCADOS – ESCALATED

Last week closed at 53.2M pounds across all COO's. Peru is concluding as expected – a quick decline. Meanwhile, California's exit from their season is more leisurely. The Loca harvest is strong in Mexico, and plenty of orchards are now



CABBAGE, RED – ESCALATED

Pricing is escalated, and quality is good although supplies continue to be tight. Market remains very active, but things do seem to be improving.



GREEN ONIONS – EXTREME

Due to the extreme heat we have seen over the past few weeks, the supplies have gotten very short on green onions. Prices remain escalated, and many growers will be holding to averages. Supplies are very tight.



FENNEL, ANISE – ESCALATED

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



ENDIVE & ESCAROLE – ESCALATED

Still escalated and will stay that way until we see relief on those supply issues.



HOT PEPPERS (RED FRESNO, SERRANO) – ESCALATED

Supplies in general are good across most varieties out of Mexico and California. In the east, we could see gaps on hot pepper based on the track of Tropical Storm Debby. The shortest items this week are Fresno and Serrano Peppers.

available for harvest. Peru's volumes were under 3M pounds last week, and most programs have ended. The same week last year brought 10.6M pounds from Peru to the U.S. The season is now showing negative growth compared to last year. The total crop is estimated to bring 153M pounds to the U.S. this season. California saw 9.3M pounds come off the trees last week, and while the season is slowing, the numbers continue to impress. The northern region has produced far more than estimated, and being so far ahead of the budget, CAC has been reevaluating the crop estimate process. The pre-season estimate for 2025 is likely to include more grower input, and most are already calling for another large crop year. Overall, dry matter is averaging 26%.



COLOR BELL PEPPERS – ESCALATED

Improving volume on red and yellow Pepper this week. Supply out of Canada is stable; orange pepper availability was lighter this week. Markets are still holding firm, and the quality is good.



BOK CHOY – ESCALATED

Quality is good, but supplies are still limited. The light supplies will keep the market escalated.



BRUSSELS SPROUTS – ESCALATED

The outlook for supplies is improving. The market is still escalated, but is no longer extreme and is trending down as volume is increasing. Quality is good. We should see more relief as supplies improve.



BROCCOLI FLORETS & CROWNS – ESCALATED

Quality and supplies continue to improve but some growers are still seeing lighter supplies, which is keeping the market slightly escalated.



CILANTRO – ESCALATED

The market is active and supplies are very tight. High demand has continued. Growers should be able to cover normal volumes.



CAULIFLOWER – ESCALATED

Quality and supplies are improving. The market is no longer at the extreme trigger but is still triggered. Some growers will be holding to averages, but supplies are improving.



BLUEBERRIES - EXTREME

The industry is currently experiencing a situation where demand surpasses supply due to a notable shortfall in blueberry production. This condition is anticipated to persist until imports from Peru and Central Mexico begin to arrive in the U.S. markets,



LEMON (SMALL SIZES) – EXTREME

Light supplies continue in California and will continue light until new crop District 3 Lemons get started towards the end of September. Import lemons are arriving with small fruit available. Supplies on lemons from Mexico continue to be very light as drought conditions have affected available fruit to pick. Flexibility on sizing and loading days/areas will be mandatory to get orders filled on orders loading in California!



LIMES – EXTREME

The market has increased significantly as supplies continue to decline. In addition, extreme weather conditions in Mexico from high temperatures and humidity have affected quality, with all fruit showing light coloring and excess skin breakdown. We expect to see defects continue through September with little to no improvement before the end of September or beginning of October. Due to the increasingly short supplies, shippers are doing all they can to cover orders but "Please Expect Prorates" to orders as we work through the next couple of weeks.



MUSHROOMS - ESCALATED

Supply was lighter this week, particularly on Cremini's. In the west, growers from Canada to California are dealing with supply shortfalls across the entire category due to weather impacts as well as virus pressure. We expect to see improved availability in approximately six weeks.



NAPA – ESCALATED

Quality and supplies are improving.



PARSLEY – ESCALATED

Supplies are improving quality is fair.



PINEAPPLE – ESCALATED

Supply was lighter this week and quality remains good. Sizing is going to be a challenge over the next few weeks, and we may need to be flexible on sizing as 5-6ct fruit is very short with 7-8's plentiful. The need to be flexible on sizing may be necessary to maintain consistent supply.



TOMATOES (ROUNDS) – ESCALATED

EAST:

- **Round:** Supply was lighter this week due to weather related delays on greens and VR's. We still recommend subbing to romas as we see volatility in the round market continuing through November.

WEST:

- **Round:** Growers are dealing with quality and supply issues out of Jalisco; the best quality is being harvested on the Baja. Volume was lighter this week crossing Otay and McAllen. We expect to see volatile markets continue through October where we will see flushes of fruit, then tighten back up once again until November. We recommend subbing to romas to avoid supply interruptions.

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with significant volumes expected in early to mid-November. Additionally, mid to late October is projected to witness the lowest overall volumes. In the Pacific Northwest, fresh production is concluding, as late-season high temperatures and rainfall have posed challenges, resulting in lower yields and compromised quality, including issues such as softness, shriveling, and mold. The "storage" blueberries, which were preserved in modified atmosphere containers to extend the season into September, are now exhibiting signs of early deterioration, and their quality does not meet the standards for fresh market packing, leading to a diversion of product to processing. Other domestic regions are also facing similar challenges; for instance, Michigan has experienced multiple rain events late in the season, yielding comparable results.

CALIFORNIA: EXTREME

- There will be more fruit available this week as growers break newer blocks and hopefully bring some stability to the market for the next few weeks.

WEATHER

SALINAS, CA

Thu 9/5	Fri 9/6	Sat 9/7	Sun 9/8	Mon 9/9	Tue 9/10	Wed 9/11	Thu 9/12
78° 56°F	79° 56°F	73° 55°F	72° 56°F	70° 55°F	69° 55°F	72° 55°F	74° 56°F
AM Fog/PM	AM Fog/PM	Partly Cloudy	Partly Cloudy	Partly Cloudy	AM Clouds/PM	Partly Cloudy	Partly Cloudy

OXNARD, CA

Thu 9/5	Fri 9/6	Sat 9/7	Sun 9/8	Mon 9/9	Tue 9/10	Wed 9/11	Thu 9/12
84° 64°F	85° 66°F	85° 68°F	85° 67°F	80° 63°F	75° 62°F	74° 61°F	74° 61°F
Sunny	Sunny	Partly Cloudy	Partly Cloudy	Sunny	Partly Cloudy	Sunny	Sunny

BAKERSFIELD, CA

Thu 9/5	Fri 9/6	Sat 9/7	Sun 9/8	Mon 9/9	Tue 9/10	Wed 9/11	Thu 9/12
105° 75°F	106° 76°F	104° 75°F	103° 74°F	103° 72°F	99° 69°F	95° 67°F	94° 68°F
Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny	Sunny	Sunny	Sunny

JALISCO, NAYARIT

Thu 9/5	Fri 9/6	Sat 9/7	Sun 9/8	Mon 9/9	Tue 9/10	Wed 9/11	Thu 9/12
83° 67°F	82° 67°F	86° 67°F	86° 68°F	86° 67°F	84° 67°F	82° 67°F	80° 67°F
PM	PM	PM	PM	PM	Scattered	Thunderstorms	Thunderstorms
Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms	Thunderstorms

SAN QUINTIN, BAJA

Thu 9/5	Fri 9/6	Sat 9/7	Sun 9/8	Mon 9/9	Tue 9/10	Wed 9/11	Thu 9/12
82° 67°F	85° 69°F	90° 72°F	88° 71°F	87° 71°F	86° 68°F	81° 67°F	80° 66°F
AM Fog/PM	Mostly Sunny	Partly Cloudy	Mostly Sunny	Mostly Sunny	Sunny	Sunny	Partly Cloudy

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HENDERSONVILLE, NC

Thu 9/5	Fri 9/6	Sat 9/7	Sun 9/8	Mon 9/9	Tue 9/10	Wed 9/11	Thu 9/12
75° 55°F	75° 59°F	77° 55°F	72° 51°F	77° 52°F	78° 54°F	77° 56°F	74° 58°F
Partly Cloudy	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Sunny	Mostly Sunny	Partly Cloudy	Showers