



WEEK 36: September 4 - September 10, 2023

MARKET OUTLOOK

Transportation:

National Diesel Average: \$4.475

Compared to Last Year: \$3.835

National Fuel Surcharge: \$0.52

Shortages: Seeing high freight rates, with **extreme** shortages - None; **slight** shortages - DE, MD & VA

Regional Weather Update:

Oxnard, CA: Sunny and partly cloudy with highs in the 70s and lows in the low 60s.

Salinas, CA: Partly cloudy with highs in the 70s and lows in the 50s.

Yuma, AZ: Sunny skies with highs in the 100s and lows in the 70s to 80s.

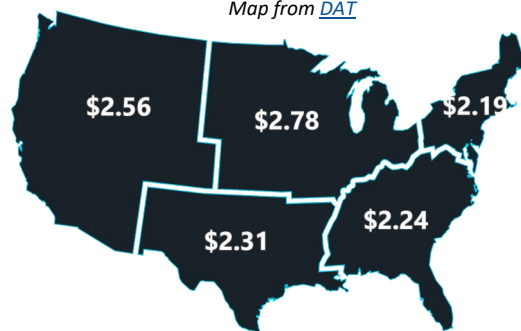
Immokalee, FL: Cloudy and thunderstorms with highs in the 90s and lows in the 70s with sunny skies on Monday.

Idaho Falls, ID: Sunny and partly cloudy skies with highs in the 60s to 80s and lows in the upper 40s with showers on Monday.

National Posted Rate per mile

previous week's average outbound reefer rate for each region

Map from [DAT](#)



MARKET ALERT

- Apple
- Asparagus
- Avocado
- Berries: Blackberries & Blueberries
- Brussels Sprouts
- Cilantro
- Cucumber
- Grapes
- Green Onions (Extreme)
- Pepper Chili
- Pineapples
- Squash
- Tomatoes: Cherry & Grape

A photograph of fresh produce including green beans, red tomatoes, and yellow and red potatoes in blue crates, set against a rustic wooden background.

MARKET OUTLOOK

MARKET ALERT

Apples



SUPPLY
GOOD
QUALITY
GOOD

Granny Smith are the most affected by the crop gapping, followed by Golden Delicious, and Fuji. Highly recommend submitting your orders in with plenty of lead time. However, it is strongly advised to remove Granny Smith for two weeks until the fresh crop begins to harvest.

MARKET ALERT

Asparagus



SUPPLY
LIMITED
QUALITY
FAIR

Asparagus demand is still exceeding supply due to El Nio weather conditions, which have been made worse by recent hurricanes and storms in the growing regions. Sizing continues to be a challenge as yields continued to run smaller than normal. Shortages are expected to last through January. Supplies for Large, XL, and Jumbo continue to be extremely short. The market continues to be elevated, especially on larger, XL and jumbo sizes. Recommend being flexible with sizing at time of loading.

MARKET ALERT

Avocados



SUPPLY
GOOD
QUALITY
GOOD

Mexico continues to harvest healthy volumes of Flora Loca, with a size curve skewing small. The USDA has not reported Mexican 32/36s for the past three weeks due to a lack of supplies. Aside from the 32/36s, there has been more of a balance of supply and demand, which has helped to reduce the cost of harvesting in the fields. When the Aventajada harvest ramps up and moves up in elevation, more sizes should be available. The color of the avocado's skin does not indicate ripeness. Avocados that are ripe and ready to eat may seem green in color, and the skin may be tough to the touch and not offer the same "give" when pressure is applied. When compared to mid and late season avocados, the fruit has less oil and takes longer to ripen.

Bananas



SUPPLY
GOOD
QUALITY
GOOD

Overall quality continues to be good, and there is currently no significant issues with bananas.

Beans



SUPPLY
GOOD
QUALITY
GOOD

Green Beans: Supply is good, and market is stable. Steady supply through September on the East coast. West coast is short due to the recent storm and wind damage. Due to the rain and extreme heat, Mexico production and quality have been impacted with limited availability.

Snow Peas: Supplies are improving in the east. The market is active. Demand are good with fair quality. Guatemalan production is improving. Peru is also improving with good quality.

MARKET OUTLOOK

MARKET ALERT

Berries



SUPPLY

FAIR

QUALITY

FAIR

Blackberries: **ALERT** Prices for Blackberries are trending up. Growers are reporting limited supplies out of the Pacific Northwest and Mexico. Growers in Mexico are forecasting increased supplies in the weeks to come.

Blueberries: **ALERT** Prices for Blueberries are trending up. Production is coming down out of the Pacific Northwest. The season is well past the peak. Quality is good.

Raspberries: Prices for Raspberries are trending down. Growers are reporting limited supplies out of the Pacific Northwest and Mexico. Growers in Mexico are forecasting increased supplies in the weeks to come.

Broccoli



SUPPLY

FAIR

QUALITY

GOOD

Broccoli: Supplies continue to be fair with good quality. Supplies are available from Salinas, Santa Maria, and Mexico. Lower yields are being reported due to summer defects and growing gaps. Market pricing for Broccoli has increased and is expected to remain strong for a few weeks.

Broccolini: Supplies continue to be very good. Demand has slowed down. Supplies are expected to continue improving. Supplies should be steady for the next few weeks. Great time to promote Broccolini.

MARKET ALERT

Brussels Sprouts



SUPPLY

FAIR

QUALITY

FAIR

Supplies continue to be light with fair quality. Demand is strong. Market pricing and contracts will remain escalated. Supplies will remain light causing markets to remain high and prices continue to remain escalated.

Cabbages



SUPPLY

GOOD

QUALITY

GOOD

Supplies are steady with good quality. Growers are reporting better availability. Market pricing has improved. Products are coming from Salinas and Santa Maria.

Cantaloupes



SUPPLY

FAIR

QUALITY

GOOD

The cantaloupe market had been trending higher for the past couple of weeks with limited availability, especially in the smaller sizes. Primary sizing are 9/9J. Brix is good.



MARKET OUTLOOK

Carrots



SUPPLY

GOOD

QUALITY

GOOD

Overall, the quality and supply are good. All contracts are being fulfilled.

Cauliflower



SUPPLY

GOOD

QUALITY

GOOD

Supplies continue to be good. Demand is trending down. Quality is good. Supplies are available from Salinas, Santa Maria, and Mexico. Supplies are expected to be steady for the next few weeks. Great time to promote Cauliflower.

Celery



SUPPLY

GOOD

QUALITY

GOOD

Supplies are fair with good quality. Supplies are currently coming from Salinas and Santa Maria. Market pricing has improved and no longer escalated. Markets are expected to be good for the next few weeks. Good time to promote Celery.

Citrus



SUPPLY

GOOD

QUALITY

GOOD

Limes: The market is elevated, and costs have increase. Northern Mexico has received heavy rain in recent weeks because of the various hurricanes and tropical storms that have impacted the surrounding area. The combination of supply shortages and increased Labor Day demand has created a supply chain imbalance. Extreme heat and humidity have impacted quality and shelf life, contributing to low availability. Quality has reached a seasonal low of 35% pack-out loss of total harvested yields. Within the following two or three weeks, expect to see an overall improvement in pricing, quality, and availability. Peak sizing is currently dominated by small fruit, including 230's and 250's; large and mid-sized fruit will become more available as the current production cycle progresses.

Lemons: Due to this year's heavy rains in California, many lemons were lost. As a result, 140s and smaller are very tight, which has driven up prices to levels that are unusual for this time of year. The 165s and 200s have become quite tight in the last month and are very challenging to cover. Picking has begun in D2 coastal area. There is more choice fruit than normal due to the heavy scarring. Due to the damage, lemons have been difficult to manage.

Oranges: This season's Valencia, which run heavy to 138/113/88s, are ideal for food service. Fruit is tasty, firm, and color great. Brix is at 13-14. In most years, when schools reopen in August because the fruit has grown out of the smaller sizes, the industry faces a demand-supply imbalance. With the amount of small fruit this year, not expecting any big issue. Valencia is not in high demand in July, which will help the overall supply. Valencia is expected to go through October until Navels starts without any gaps.



MARKET OUTLOOK

Corn



SUPPLY
GOOD
QUALITY
GOOD

Prices for Corn are mostly stable. Prices are expected to come off a bit after the Labor Day Holiday.

MARKET ALERT

Cucumbers



SUPPLY
FAIR
QUALITY
GOOD

Prices for Slicing Cucumbers are trending up. Supplies remain tight in the East and West. Production out of the East will start transitioning South in the weeks to come.

Garlic



SUPPLY
GOOD
QUALITY
GOOD

Domestic garlic has improved with steady supplies. Quality is good and the price remains elevated.

Ginger



SUPPLY
FAIR
QUALITY
GOOD

The market for imported ginger is active, and supplies are light.

MARKET ALERT

Grapes



SUPPLY
FAIR
QUALITY
GOOD

Hurricane Hilary devastated crops last week. 20% of the remaining crops were lost. This will take effect immediately and will last until mid-November. 20% of the remaining crops were lost. This will take effect immediately and will last until mid-November. A strong market is expected, as well as constrained supply in some cases. Although it is too early to tell, this issue may complicate the domestic/import transition.

MARKET OUTLOOK



MARKET ALERT

Herbs



SUPPLY
FAIR
QUALITY
FAIR

Mexican production has improved. The availability and quality of most herbs are still impacted by rain in Colombia. Domestic and Mexican options are available on the east coast.

Cilantro: ALERT Supplies are limited and quality is fair. Market pricing has escalated. Supplies are now shipping out of Salinas and Santa Maria. Growers are reporting lower yields. Growers are reporting market conditions to continue for a few weeks.

Honeydews



SUPPLY
GOOD
QUALITY
GOOD

Honeydew supplies are steady. Sizing profile has shifted to 5/5J causing 6/8s to be limited. Quality is good with high brix level.

Iceberg



SUPPLY
GOOD
QUALITY
GOOD

Supplies are good with improved quality. The weight is expected to improve and lettuce heads will be back to normal. Yield is looking better, causing markets to improve. Market pricing is lower and expected to continue improving. Great time to promote iceberg lettuce.

Kale



SUPPLY
GOOD
QUALITY
GOOD

Supplies are steady with good quality and demand. Supplies should remain steady for a few weeks. Market pricing is steady.

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Green & Red Leaf: Supplies are good with fair quality and heavy insect presence due to warm weather. Sizing and carton weights are good. Markets and supplies to remain steady for the next few weeks.

Romaine: Supplies are very good with good quality and heavy. Insect presence due to warm weather. Carton weights are good. Expect market pricing to be steady along with supplies. Great time to promote Romaine.

Tender Leaf: Supplies are good with good demand. Quality is fair to good. Supplies and availability are improving due to better weather. Steady Market pricing and supplies are to be expected in the next few weeks.

MARKET OUTLOOK



Mushrooms



SUPPLY
FAIR
QUALITY
GOOD

Mushrooms supplies have improved in the last few months. Growers are reporting better availability across the mushroom category. Price increases seem to have stabilized. Markets are expected to remain steady.

Onions



SUPPLY
GOOD
QUALITY
GOOD

Quality is good with steady demand. The market is steady. All colors and sizes are shipping out of the Northwest. Colorado is expected to start after Labor Day. Wisconsin is starting to harvest and will continue until the end of the year, while Utah will begin harvesting in early fall. Transportation has been a bit of a challenge for some in the Northwest. Freight is slightly higher in the Northwest. This will also have an impact on precut.

MARKET ALERT

Onions Green



SUPPLY
FAIR
QUALITY
FAIR

EXTREME Supplies will be very limited for the next few weeks. Hurricane caused heavy rains and extreme wind conditions resulting in damage to the crops. Current supplies are coming from Mexico. The market will be escalated for the next few weeks. Expect fair quality for the next few weeks.

Peppers Bell



SUPPLY
FAIR
QUALITY
GOOD

Prices for Green Bell Peppers are stable. Red and Yellow Bell Peppers are trending up. Production is coming out of Michigan and Local Programs in the Northeast. Growers are currently reporting steady supplies. Color Bell Peppers continue to be on the tighter side.

MARKET ALERT

Peppers Chili



SUPPLY
POOR
QUALITY
POOR

Prices for Chili Peppers are trending down slightly. Prices are still extremely escalated. Growers are expecting the market to remain tight for another 4 weeks.

MARKET ALERT

Pineapples



SUPPLY
FAIR
QUALITY
GOOD

Pineapple continues to be extremely tight, particularly in 5ct and 6ct. Crownless pineapples have also tightened up. 8ct pineapples still available. In September, the size curve is likely to shift again toward larger fruit. Advise to be flexible on sizing at time of loading.

MARKET OUTLOOK

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

Demand is solid with good quality from all growing regions. The market is trending down as more growing areas begins to ship new crops. Idaho started with Reds, Yellows, and Russets. Washington is shipping new crops with size primarily small with few 40-60ct. Michigan and Wisconsin new crops are starting soon. San Luis Valley new crop usually starts early September. Expecting better yields this year due to more acreage compared to last few years. This will also affect precut.

MARKET ALERT

Squash



SUPPLY

FAIR

QUALITY

FAIR

Prices for Yellow and Zucchini Squash are trending up. Growing areas in the Northeast are reporting cooler weather. Production out of the East is working its way South. Georgia was impacted by Hurricane Idalia. Look for the markets to be unstable during the weeks to come.

Strawberries



SUPPLY

GOOD

QUALITY

FAIR

Prices for Strawberries are trending down. California experienced some heat this week and fruit is coming on faster than forecasted. Growers are working hard to remove any fruit that has poor quality.

MARKET ALERT

Tomatoes



SUPPLY

FAIR

QUALITY

FAIR

ALERT (Cherry & Grape) Tomato prices are mixed. The impact on the markets from Hurricane Idalia is unknown. The market should find their footing next week. The Grape Tomato market is off a little but is still extremely tight. Production has been impacted by heat and hurricane in the East plus the recent hurricane out West. Supplies out of the East were already tight.

Watermelons



SUPPLY

GOOD

QUALITY

GOOD

Supplies are good. Supplies are available in Central and Southern California, Delaware, Indiana, Missouri, North Carolina, Oregon, Texas, and Washington. Limited supplies in Texas.



MARKET OUTLOOK

Produce Category Overview

The impact on the market from Hurricane Idalia is unknown. The commodities that may be impacted are corn, cucumbers, bell peppers, hot peppers, squash, and tomatoes.

Asparagus are extremely limited on Large, Jumbo, and XL. **Avocados** are limited on 48s and larger due to weather. **Blackberries** and **Raspberries** have limited supplies. **Brussels Sprouts** are slightly better but remain escalated. **Chili Peppers** remain tight due to the weather. **Grapes** have been impacted and reduced by 30% due to the recent Hurricane in the west, causing a possible gap before offshore is available in at the end of the year. **Iceberg Lettuce** is light in weight with undersized head. Good time to promote **Broccolini, Carrots, Cauliflowers, Celery, Iceberg, Green and Red Leaf Lettuce, Kale, and Romaine.**

Supermarkets ask: Dine in, carry out or delivery?

By **AMY SOWDER** August 28, 2023

Wander through some grocery stores and you feel as if you're in a buffet, fast-casual restaurant or food court. The chef-helmed delis and salad bars tempt shoppers to carry out some kale salad punctuated with pink pomegranate arils and pine nuts. The caramelized, crispy Brussels sprouts glisten with bacon, and the cold, crunchy broccoli salad is sweetened with raisins.

Meal kits are proliferating for shoppers who still want to cook but with shortcuts. In between, there are heat-and-eat options — sometimes delivered through a third-party app.

"When you go in a store, we're foodservice as well. You can sit down or carry out. We're trying to meet the customer where they want to be," said Steve Mayer, president of Bashas', based in Chandler, Ariz.

With the return of restaurants after tanking in 2020 and 2021, the competition has fired up in 2023 for grocery retailers trying to nab share of the consumer's 35 meals a week.

In total food and beverage sales, rising inflation increased the retail share in 2022, but foodservice improved in the first quarter of 2023, reported Circana, the consumer behavior analytics firm that merged IRI and NPD's retail-foodservice power.

Bashas' offers foods from popular local eateries, and it hired trend-focused chefs at AJ's, its gourmet banner, to meet the demand.

PRODUCE IN FOODSERVICE-ORIENTED RETAIL

As supermarkets transform at an ever-quickenning pace, where does produce play a role?

International Fresh Produce Association's global Technomic data revealed 64% of consumers use foodservice in supermarkets a few times a month or more. Only 17% of consumers believe that fresh produce is not represented well in supermarket foodservice, but two-thirds of shoppers want more prepared options that are healthful, as well as more heat-and-eat vegetables, side dishes and globally inspired choices...

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