PRO*ACT

The Source

Commodity of the Month - Onions

JC Watson Packing Company

Wada Farms Marketing Group, LLC

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MARKET ALERTS

Asparagus - Mexico's production is improving across all sizes, Peru's cool weather supports good production, and Washington's season ends this week with Michigan's ending next week. Combined Peruvian, Mexican, and domestic supplies are keeping markets steady.

Avocado - On June 14, 2024, the USDA suspended avocado harvesting and shipments due to a social protest in Aranza, Michoacán, which blocked roads and detained a USDA inspector's vehicle. USDA inspectors were safely returned to Uruapan, and discussions with Mexican authorities are ongoing to resume harvesting. Current supplies will dwindle as no new harvests occur, causing market prices to rise. Suppliers are divided on when force majeure should take effect.

Broccoli - Broccoli supplies are low in Salinas, Santa Maria, and Mexico due to quality issues like pin rot, yellow beads, hollow cores, and decay. Harvesters are leaving affected heads behind, and Mexico's production is further reduced by warm weather and recent hailstorms.

Lemons - Larger fruits (115ct and up) are peaking, smaller sizes (165ct and below) are scarce, and District 2 (Oxnard/Ventura County) is now the main producer. Early July offshore weather will aid domestic lemon growers.

CROP UPDATES

The active weather patterns continue to impact production and quality across the U.S. and Mexico as we move into summer. Out west the heat wave continues in the interior valleys of California and the Southwest as the strong high-pressure ridge remains in place. Temperatures look to peak over the weekend with some relief expected around the middle of next week. Read more

WEATHER

Arizona - The high-pressure ridge returns and winds decrease, causing steady warming through the weekend. Highs rise to 108-114, lows in the 60s-70s, and isolated high elevation showers possible near Maricopa Co.

California - High pressure weakens the marine layer, causing temperatures to be near-average. Lows range from 40s to 50s, with highs in the 60s to 70s near the coast, 70s to 80s in coastal valleys, and 80s to 100 degrees inland.

Florida -Isolated showers through Thursday, increased chances of showers and t-storms on Friday through Sunday, with a strengthening low in the Atlantic approaching the east coast of FL/SE US.

Mexico - Tropical system in Gulf of Mexico will bring increased moisture, with showers and t-storms likely by Thursday evening, resulting in 0.50" to 1.00" of rain.

FREIGHT

Summer temperatures across the US are putting strain on equipment this week. We highly encourage using a Copeland Locus Traxx temperature recorder to keep a close eye on your temperatures in transit.

PRO FRESH LOGISTICS

IN PEAK SEASON

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Commodity Updates

Apples

Apple supplies remain strong. In July, some holes in inventories are expected to appear. Pinks, honeys, and golds will thin out. Galas will remain tight. There will be a good supply of reds, Granny Smiths, and Fuji throughout the summer.

Commodity/Region	Supply	Price	Quality
Hudson, New York (September -June)	Steady	$$$	Good

Asparagus

ALERT

Asparagus supplies will be very light for the next couple of weeks leading into the 4th of July. Many retailers are taking ad volume leading into the holiday. Southern Baja has seen about a week of temps above 100 degrees causing asparagus to go dormant. This is also yielding more smaller sizing as opposed to larger sizing. Peru is also battling very warm weather as well and producing less asparagus. Look for this market to be tight through the 4th of July holiday.

Commodity/Region	Supply	Price	Quality
Caborca (Year Round)	Steady	$$$	Good
Ciudad Obregon (Year Round)	Steady	$$$	Good
Peru (Year Round)	Steady	$$$	Good

Avocados

ALERT

On Friday, June 14, 2024, the USDA suspended avocado harvesting and shipments. In Aranza, Michoacán (Mexico's main avocado-growing region), roads were blocked by a social protest unrelated to avocado production. A USDA inspector's vehicle was detained. USDA security protocol was activated to protect inspectors. After safe transit, both inspectors returned to Uruapan, Michoacan. USDA staff members are working with Mexican authorities to resume harvesting as soon as possible. USDA and Mexican officials will meet this afternoon. While many suppliers have fruit en route that was shipped before the suspension, there is no harvest until an agreement is reached, so supplies will become scarcer. Mexican supplies are insufficient to fill the gap left by California and Peru. Markets will continue to increase until the suspension is lifted due to a shortage of fruit. Some suppliers want force majeure to take effect this week, others want it to take effect next week.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Light	$$$	Good
California (April - July)	Light	$$$	Good

Bell Peppers

The transition of Green Bell out of the Central Valley and NC has been slow, but prices are high and demand is high. The Reds are winding down from Coachella and the markets are reacting positively. Markets will be active until we complete the transition in early July.

Commodity/Region	Supply	Price	Quality
California (May - October)	Light	$$$	Good
Georgia (May - June)	Light	$$$	Fair
Ohio/NC/MI/NJ (June - September)	Light	$$$	Good

Price Key: $$$ -Low, $$$ -Steady, $$$ -High

Key Partners

Commodity Updates

Berries (Blackberries)

From Mexico and the West Coast, we are seeing good numbers of new products entering the market. Georgia's season is coming to an end. Central Mexican transfer trucks continue to arrive in moderate numbers.

Commodity/Region	Supply	Price	Quality
California (Year Round)	Steady	$$$	Good
McAllen, Texas (October-May)	Steady	$$$	Good
Georgia (April - July)	Light	$$$	Good

Berries (Blueberries)

Due to recent high temperatures, fewer products are coming into the market from the West Coast and Mexico. The Pacific Northwest has begun from Oregon, with Washington and Vancouver not far behind. Michigan will come into play in another two weeks. New Jersey's season is also underway. Central Mexican transfer trucks are still arriving in moderate numbers.

Commodity/Region	Supply	Price	Quality
California (Year Round)	Light	$$$	Fair
Dover, Florida (Year Round)	Light	$$$	Good
McAllen, Texas (October-May)	Steady	$$$	Good

Berries (Raspberries)

The Central California Coast area is experiencing steady supplies due to continued Mexican fruit transfers. Central Mexican transfer trucks are still arriving in smaller numbers. The majority of the product is being sent to DCs on the west and east coasts of the US.

Commodity/Region	Supply	Price	Quality
California (Year Round)	Steady	$$$	Good
Dover, Florida (Year Round)	Steady	$$$	Good
McAllen, Texas (October - May)	Steady	$$$	Good

Berries (Strawberries)

The production in the Salinas and Watsonville areas is still strong. Only a few weeks remain until Santa Maria's season ends, and numbers are declining there. The markets have firmed up ahead of the Independence Day holiday.

Commodity/Region	Supply	Price	Quality
California (Year Round)	Steady	$$$	Good
Dover, Florida (Year Round)	Steady	$$$	Fair

Price Key: $$$ -Low, $$$ -Steady, $$$ -High

Key Partners Driscoll's Only the Finest Berries™ naturipe FARMS

Commodity Updates

Broccoli

ALERT

In Salinas, Santa Maria, and Mexico, broccoli is in short supply. Low yields caused by quality issues are driving overall lighter supplies. There are signs of pin rot, yellow beads, hollow cores, and decay reducing production in the fields. The majority of these quality issues are visible at harvest, and harvesters are leaving affected heads behind. As a result of the warmer weather and recent hailstorms, Mexico's supplies are also limited.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Light	$$$	Fair
Santa Maria, California (Year Round)	Light	$$$	Fair
Salinas (May - October)	Light	$$$	Fair

Brussel Sprouts

Brussel sprout supply remains tight. Mexico's warm weather is causing discoloration and an increase in bugs. Next week, this market is likely to trend higher.

Commodity/Region	Supply	Price	Quality
Mexico (December-August)	Light	$$$	Fair
Oxnard, CA (May - July)	Light	$$$	Fair

Carrots

There is a steady market for whole carrots. The main growing region is now Bakersfield. The size looks good. For the foreseeable future, there will be no issues.

Commodity/Region	Supply	Price	Quality
Imperial Valley (February - May)	Steady	$$$	Excellent
Kern County (October - Feb)	Steady	$$$	Excellent

Cauliflower

Cauliflower quality and supply remain good. This market is expected to remain steady as the weekend approaches.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Steady	$$$	Good
Santa Maria, California (Year Round)	Steady	$$$	Good
Salinas, California (May - October)	Steady	$$$	Good

Celery

This market is steady. All sizes are available, but the better availability is in the large sizes, especially the twenty-four counts. The quality of the crop remains above average, aside from the light seeder. Production is coming out of northern as well as southern CA.

Commodity/Region	Supply	Price	Quality
Oxnard, California (Year Round)	Steady	$$$	Good

Price Key: $$$ -Low, $$$ -Steady, $$$ -High

Key Partners

Commodity Updates

Citrus (Lemons)

ALERT

The fruit is at its peak in 115ct and larger sizes. 165ct and smaller sizes will remain extremely tight throughout the summer. Markets for 140ct and smaller will remain strong. District 1 (San Joaquin Valley) is finished, leaving District 2 (Oxnard/Ventura County) to produce the largest fruit. The offshore weather on the West Coast is expected to come into play early July, providing some relief for domestic lemon growers.

Commodity/Region	Supply	Price	Quality
Oxnard/Ventura (October - February)	Light	$$$	Good
San Joaquin Valley (October - May)	Light	$$$	Good

Citrus (Limes)

Veracruz is expected to receive much-needed rain this week. The rain will delay harvest and the 4th of July pull next week, resulting in slightly higher prices. Rain will, however, help fruit as we move into summer. Larger sizes remain limited, with fruit peaking in the 200-250ct range.

Commodity/Region	Supply	Price	Quality
Veracruz (Year Round)	Steady	$$$	Good

Citrus (Oranges)

Navels are pretty much finished; Valencia's are the main variety. The Valencia crop will mirror the Navel crop. Fruit will peak at 72ct and larger; 88/113/138ct will be tight through the Valencia season once summer break is over for schools. Valencias are currently available in the Central Valley and Riverside. Brix on the Valencia's are in the 12 range.

Commodity/Region	Supply	Price	Quality
San Joaquin Valley (Year Round)	Steady	$$$	Good

Cucumber

There are good supplies available from Baja, Nogales, McAllen, and Georgia.

Commodity/Region	Supply	Price	Quality
Georgia (May - June)	Steady	$$$	Good
Mexico (November - May)	Light	$$$	Good
Baja California (May - October)	Steady	$$$	Good

Eggplant

Market is steady. The Fresno area is the main source of eggplant, while Georgia is the main source of eggplant for eastern markets.

Commodity/Region	Supply	Price	Quality
California (May - October)	Steady	$$$	Good
Georgia (May - June)	Steady	$$$	Good

Price Key: $$$ *-Low,* $$$ *-Steady,* $$$ *-High*

Key Partners Sunkist FRESH LINK

Commodity Updates

Garlic

Garlic is in short supply on the domestic market. This week marks the beginning of the transition to Mexican peeled garlic. The garlic market is expected to become more volatile and tight over the next few months.

Commodity/Region	Supply	Price	Quality
East Coast (Year Round)	Light	$$$	Good
Bakersfield, California (Year Round)	Light	$$$	Good
Gilroy, California (Year Round)	Light	$$$	Good

Grapes (Green)

Grapes from Mexico are crossing in Nogales at full speed with good volume and quality. As with Nogales, Coachella is in full harvest at much higher prices than Nogales. Chilean grapes are done. In the second week of July, Bakersfield will be the next district to start.

Commodity/Region	Supply	Price	Quality
Chile (January - April)	Steady	$$$	Good
Mexico (May - June)	High	$$$	Good

Grapes (Red)

Grapes from Mexico are crossing in Nogales at full speed with good volume and quality. As with Nogales, Coachella is in full harvest at much higher prices than Nogales. Chilean grapes are done. In the second week of July, Bakersfield will be the next district to start.

Commodity/Region	Supply	Price	Quality
Chile (January - April)	Steady	$$$	Good
Mexico (May - June)	High	$$$	Good

Green Onions

There is a good supply of green onions this week, with better quality. It should be a good week for supplies next week.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	High	$$$	Good

Kale

This week, kale supplies are expected to be plentiful and of good quality. There is a great opportunity for Kale to be promoted at the moment.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Steady	$$$	Good
Oxnard, California (Year Round)	Steady	$$$	Good
Salinas, CA (May - OCT)	High	$$$	Good

Price Key: $$$ *-Low,* $$$ *-Steady,* $$$ *-High*

Key Partners

Commodity Updates

Lettuce Iceberg

With this commodity, better supplies have been available, but the market remains firm. The escalation of pricing on value added products is likely to continue into the middle of next week at least. Thus, both northern and southern California have seen an increase in supplies over the past few weeks. Quality has been above average with weights ranging from 38-42 pounds with multiple shippers.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Steady	$$$	Good
Santa Maria, California (March-December)	Light	$$$	Fair
Salinas, California (May - October)	Light	$$$	Fair

Lettuce Leaf

Multiple suppliers have been able to supply romaine, green leaf, and red leaf due to ideal weather conditions. It is a very competitive market. Quality has been good, with minimal tip and fringe burn reported. Weights and sizes have been above average. There is no escalation on value-added leaf items of any kind. As much as possible, promote romaine hearts to shippers. Supplies look to be good throughout the week.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Steady	$$$	Good
Salinas, California (May - October)	Steady	$$$	Fair

Lettuce Tender Leaf

The supply of tender leaf items such as cilantro and Italian parsley remains limited. Quality is experiencing bacterial spotting due to all the rains and excessive moisture. These markets will remain tight for the next few weeks.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Steady	$$$	Fair
Oxnard, California (Year Round)	Light	$$$	Fair
Salinas, California (May - October)	Light	$$$	Fair

Melon (Cantaloupe)

After the holidays, Cantaloupe demand has normalized and the market has remained steady. This week smaller cantaloupes are harder to come by and larger sizes have been supplied. The week of 6/24 is expected to bring lower yields as growers transition to central California. There are organic and specialty varieties available in the Brawley, CA/Holtville area.

Commodity/Region	Supply	Price	Quality
Central America (December - May)	Steady	$$$	Good

Price Key: $$$ -Low, $$$ -Steady, $$$ -High

Key Partners Taylor Farms, Andy Boy, Dole, Mann's, Queen

Commodity Updates

Melon (Honeydew)

As a result of additional crossings from Mexico, the honeydew market has remained stable. Domestic honeydews are peaking in larger sizes, while smaller sizes are becoming at a premium. During the week of 6/24, growers will transition to Central California, which may tighten markets.

Commodity/Region	Supply	Price	Quality
Arizona (June-July) (October-November)	Light	$$$	Good
Central America (December - May)	Light	$$$	Good

Melon (Watermelon)

This week, Mexican watermelons are available from Nogales and Texas. There has been steady demand for Mexican Fruit and California product will be available this month. The warmer weather in Northern Mexico has improved the quality and yield of the crops. The quality of Florida watermelons has improved, and additional supplies are available. Suppliers are looking to capitalize on the upcoming holiday and deals will be available for ADS.

Commodity/Region	Supply	Price	Quality
Arizona (June-July) (October-November)	Light	$$$	Fair
Central America (December-May)	Light	$$$	Fair

Mushroom

Supply and availability are excellent.

Commodity/Region	Supply	Price	Quality
Nationwide	Steady	$$$	Good

Onions

Supplies are improving in CA's Central Valley. The red onion market remains elevated, however with more regions coming into play, prices for all colors are softening.

Commodity/Region	Supply	Price	Quality
South Texas (July-April)	Steady	$$$	Good
Tri-Cities, Washington (July-April)	Light	$$$	Fair
California Desert (April - May)	High	$$$	Excellent

Pears

New crop California Bartletts will start shipping just south of Sacramento during the second week of July, causing the pear market to remain tight. About 80% of last year's crop is expected to be harvested in California in the early part of the year. There are only small inventories of Anjou, Bosc, and Red Anjou remaining for Washington shippers. Only a few shippers will still have Anjou at the beginning of July. Early California crop looks about 80% of last year's. Both coasts now have imported Bartletts available.

Commodity/Region	Supply	Price	Quality
Hood River, Oregon (August-July)	Light	$$$	Good
Yakima, Washington (August-July)	Light	$$$	Good

Price Key: **$**$$ *-Low,* **$$**$ *-Steady,* **$$$** *-High*

Key Partners JC Watson Packing Company, Rainier Fruit Company

Commodity Updates

Pineapples

Suppliers have limited spot market opportunities since they focus on contracts. Fruit matures faster in the tropics, resulting in lower yields. The lack of rainfall in the tropics is expected to continue throughout the summer. Larger fruit is impacted after the holiday and demand remains steady. The Mexican pineapple shortage has been supplemented by tropical pineapples.

Commodity/Region	Supply	Price	Quality
Costa Rica (Year round)	Light	$$$	Good

Potatoes

There is a limited supply of 40 - 70 CT. 80 - 120 CT are in surplus with load volume deals available on 6 ounce #2s. The quality is excellent, although pressure bruising usually begins to appear at this time of year.

Commodity/Region	Supply	Price	Quality
Bancroft, Wisconsin (August-July)	Steady	$$$	Excellent
Idaho Falls, Idaho (August-July)	High	$$$	Excellent
Monte Vista, Colorado (August-July)	Steady	$$$	Excellent
Pasco, Washington (August-July)	High	$$$	Excellent

Squash

Several growing districts across the west and east are contributing to the increase in supplies. Prices are trending down as supplies start to regionalize. As availability increases, expect steady to lower markets over the next few weeks.

Commodity/Region	Supply	Price	Quality
Georgia (May - June)	Steady	$$$	Good
California (May - Oct)	High	$$$	Good
Ohio/MI/OH/NJ/NC (June - September)	Steady	$$$	Good

Stone Fruit

There is a good supply of peaches, plums, and nectarines in the central valley. Throughout the month, the size of the plants will increase, and better varieties will be available in July. Cherry season is over in California. Washington cherries are starting to come into better volume at the end of June and the beginning of July. Chile's kiwi market is stable to slightly down.

Commodity/Region	Supply	Price	Quality
San Joaquin Valley (May-October)	High	$$$	Excellent

Tomatoes

Western Mexico and Central Florida are finished, so markets are active. As newer areas on both coasts get going, markets should remain fairly active until early July.

Commodity/Region	Supply	Price	Quality
Mexico (Year Round)	Steady	$$$	Good
Florida (November-May)	Light	$$$	Good
Baja California (Spring/Summer - NOV)	Steady	$$$	Good
California (July - OCT)	Light	$$$	Good

Price Key: $$$ -Low, $$$ -Steady, $$$ -High

Key Partners

Weather Updates

CALIFORNIA

Throughout the weekend, high pressure weakens the marine layer and causes temperatures to be near to above average. Lows in the morning will range from the low 40s to mid 50s, with highs in the low 60s to low 70s near the coast, mid 70s to mid 80s in coastal valleys, and mid 80s to low 90s inland. Coastal valleys will experience low-mid 80s and inland will see upper 80s to 100 degrees as the high strengthens Friday. There will be a peak in the heat on Saturday before a slight cooling trend begins on Sunday.

MEXICO

A tropical system in the Gulf of Mexico, along with other humid air, will bring increased moisture into the region late tonight into Thursday. Showers and t-storms are more likely to develop by Thursday evening. Most of the region will receive 0.50" to 1.00" of rain. Some t-storms may produce higher totals. Shower activity will become more isolated to scattered by Friday and through the weekend.

FLORIDA

There will be isolated showers through Thursday, followed by a greater chance of showers and t-storms on Friday through Sunday. In the Atlantic, a low is also being monitored for strengthening as it approaches the east coast of FL/SE US on Friday and Saturday. Through the weekend, temperatures will remain warm.

ARIZONA

As a result of a return of the high-pressure ridge and decreased winds, a steady warming is expected through the weekend. By Sunday afternoon, the highs will rise from 103-105 in most fields to 108-114. Our morning lows will be in the upper 60s-low 70s for most today, warming to the low-mid 80s by Sunday morning. In the vicinity of Maricopa Co. on Sunday, some isolated high elevation showers are possible.

For more information: https://www.ventusky.com/?p=31.4;-89.7;3&l=rain-3h

Crop Update

The active weather patterns continue to impact production and quality across the U.S. and Mexico as we move into summer. Out west the heat wave continues in the interior valleys of California and the Southwest as the strong high-pressure ridge remains in place. Temperatures look to peak over the weekend with some relief expected around the middle of next week.

Another heat wave will settle in across the Great Lakes, Ohio Valley, and the Northeast over the next few days. Widespread record to near record high temperatures is forecast with overnight lows only reaching the mid-70s providing little relief from the heat. These types of temperatures generally occur later in the summer months in the August/September time frame across these regions. Local/regional production is set to begin in the near future across the various production regions and these temperatures may impact supplies and quality when harvests begin.

A disturbance in the Gulf of Mexico will likely become the first Tropical Cyclone of the season before making landfall in Northeastern Mexico by early Thursday. Heavy rain and tropical-storm-force winds well north of the circulation are expected to move on shore across southern Texas today. Rainfall totals of 5-10 inches are possible from northeast Mexico into South Texas before tapering off by early Friday. This will bring much needed precipitation to Mexico which has been ravaged by drought. Of course, too much rain too fast can cause flooding, landslides and road closures depending on where and how much rain falls.

Back in California Growersremain ahead of schedule in many fields due to the cool spring temperatures holding back acreage causing growers to reach for supplies. Iceberg lettuce supplies while gradually improving remain on the light side for the near term. Cilantro and parsley production continues to be impacted by disease pressure and weather issues. Very hot temperatures are now expected to impact these fields in the near term. These tender items do not handle extreme heat well and supplies may once again feel the impact. Broccoli fields remain behind schedule mostly due to cool temperatures and growers reaching for product. Brown beads, discoloration and hollow core are also prevalent in the fields lessening yields and overall supplies for the mid-term. Supplies look to remain limited for the next couple of weeks at a minimum.

All these factors will keep overall supplies on the lighter side as we move through June.

TIM LYNCH
QUALITY ASSURANCE MANAGER