

FRESH LINK MARKET REPORTS

July 25th, 2024 Fresh-Link Fruit 559.306.6900 | infoFLF@freshlk.com

MARKET UPDATE FOR TABLE GRAPES

WEEK OF JULY 22 - JULY 28

It has not been an easy start for California table grape growers, as they have had to deal with extremely hot temperatures and higher than expected labor costs. Even though the weather this past week helped many growers get back on track, temperatures are once again expected to reach 110 degrees in the valley. Labor costs are up by almost 25% as crews are spending significantly more time cleaning fruit in the field to keep up with demanding retail specifications. The California table grape commission came out with an estimate of 94.4 million 19# boxes for 2024, however pack outs have dropped by as much as 30% in some varieties. With more challenges ahead, it would not be a surprise to see this year's crop fall to 85 million. Although we still have a long way to go, indicators all point to less fruit and higher costs, putting grower profits at significant risk.

RED SEEDLESS

The early Flame crop in California is packing out much lighter than expected. More cleaning in the field and shorter workdays have impacted daily volumes. Some growers continue to fight color and sugar and this week's heat will certainly impact fruit quality. As labor costs on Flames soar, growers will struggle to maintain profitability, especially once promotions and lower contracted pricing kicks in. Currently, the spot market ranges from the mid to high 20s, with programs locked in at lower pricing. If this trend continues as we start harvesting Magenta and other varieties in August, we could see the floor of the spot market holding in the high 20s FOB. For now, growers are focused on packing quality first, and will deal with markets and contracts later.

GREEN SEEDLESS

Green seedless varieties seem to be packing out better than the early Flames, but growers are still dealing with higher labor costs and extensive cleaning in the fields is still a priority in making a great finished product. Ivory and Sugraone are topping the shipping reports, with some proprietary varieties like Honey Pop following behind. Spot market pricing has adjusted a bit lower over the past 10 days, but we are likely to see pricing hang in at current levels thorough the balance of the month. The spot market ranges from the low to high 20s, with the mostly market for a premium box in the mid 20s. Some retail programs are set at lower prices, so growers will be pushing their marketing teams to reach for those higher spot sales.

FRESH LINK MARKET REPORTS

Citrus

Extreme heat in the San Joaquin Valley has continues to create challenges for harvesting. Sizing has now flipped to being mostly on the smaller end with little available in the 56/Larger size spectrum. Expect pricing to continue to trend up as schools prepare to start back in August. Import Mandarins are now available on both east and west coast, expect some variation in availability as Chile had a freeze that has restricted supply from that region. District 2 Lemons has good supply of both fancy and choice mostly in the mid to small size spectrum. Small sizes are in high demand. Grapefruit is coming to an end, still some limited availability - mostly for bagged product.

Melons

Extreme heat in the west coast has pushed cantaloupe production and also pushed sizing into majority 9s/J9s with very few 12s. Quality on the fruit is great to excellent. Deals to be had on larger sizing, with the 12ct market remaining stronger heading into the weekend. The Central Valley is expected to see some cooler weather heading into the weekend/start of next week, which will bring a much needed slow down to production.

The desert deal on watermelons is down. The extreme heat we endured for the last 12-14 days cut a lot of growers season short by 10 days or so. Majority of seedless watermelon are coming from Central Valley/Northern California with a few growers still going in Bakersfield. After the 4th of July, the market and demand has significantly softened.