



Weekly Market Review July 31, 2025

Overview

Tariff Update: President Trump has officially confirmed that tariffs under the USMCA (United States–Mexico–Canada Agreement) will not be implemented on fresh produce from Canada and Mexico. As such, shipments from these two countries will remain unaffected. However, a 10% tariff will apply to fresh produce imported from other countries, potentially impacting pricing and availability for products sourced outside of Canada and Mexico.

Tomato Suspension Agreement Update

As we continue to navigate the impacts of the Suspension Agreement termination, we want to keep you informed with the latest developments. At this time, duties will be imposed on Mexican tomatoes, as growers were notified just Monday evening of the duties being retroactive. We are actively working with each grower partner to gather a breakdown of how duties will be applied for tomatoes imported from Mexico and will provide updates once we have completed the implementation process.

Post Suspension agreement demand has been decent domestically as well as for Mexico going into the weekend. There is a lot of uncertainty about the cost impacts since the termination of the agreement, at both retail and foodservice. Grape Tomato supply started to improve this week; large rounds remain tight this week while smaller sizes remain in good supply. Romas were firm this week, but supply stayed steady despite the higher demand. Quality across the entire category out of Mexico is excellent while domestic fruit was fair out of North Carolina and Tennessee. California production on tomatoes is strong; production on mixed dry veg will be challenging this week on both coasts due to transition. The tightest items continue to be Green and Color Bell Pepper and Red Fresno and Tomatillo. Grape season is well underway in California; quality and supply are excellent, and we should see steady markets now through late October. Melon supply out of Firebaugh is steady and quality is outstanding. Banana and Pineapple availability remains limited; shippers are asking we continue to be flexible on Pineapple sizes. New crop available out of California on yellow/white Peaches/Nectarines, red/black Plums and Apricots. There are also Peaches available in the East out of Georgia and South Carolina with Cherries out of Washington State. Overall, avocado market conditions remain mostly steady, as the industry maintains strong inventory levels across all current countries of origin. However, Mexican harvests are lighter this week due to higher inventory levels and industry uncertainty due to the tariff scare. There is an ample supply of large, medium, and small fruit. California production is steady but will start to taper down gradually as the region enters the latter part of its season, with harvests expected through September. Peru imports are strong, with great availability on large and jumbo fruit. This is a great time to promote across all sizes and countries of origin. Temperatures in Salinas continue to be on the cooler side but it looks like a heat wave maybe on the horizon. We have continued to see some supply and quality issues arise. Insect pressure and INSV have been reported in the fields. Supplies continue to be light for a few items, and the lettuce market is once again rising. Supplies are still limited with some growers. We are still seeing lighter weights and lower yields due to smaller heads and increased insect pressure. Growers are doing their best to cover averages, but some outside labels are still being used to fill orders. You can still expect to see growers holding to averages on Lettuce and VA Blends until supplies are ample again and we see some. Romaine Hearts are also once again escalated with some growers. Fringe burn and INSV are present in some fields. Broccoli supplies have improved with the CA growers but we are seeing heavy insect pressure, and the markets could start to react. MX growers still expect supply issues throughout the summer. Quality still seems to be good but there have been reports of increased insect pressure. Brussel Sprouts supplies are still very tight. Some growers are losing yields due to quality. Salinas has started up for some growers so supplies should start to improve but for now, the market is still at the extreme level. Growers are holding to 10-week averages when they can, but we are still seeing prorates. Bok Choy, Napa, Endive, Escarole and Leeks remain escalated. Fennel supplies have gotten light, and we have started to see prorates from a few growers. The Fennel market is now at the extreme level. While supplies are starting to improve on some items, we will still have some supply gaps as we continue into the summer. Valencia orange's appearance is excellent, and the juice content is high. Sizing is peaking at 88s, followed by 113s. Some growers are seeing some regreening on the oranges, causing extended gas times. With the gas time varying, please give as much lead time as possible. Choice grapefruit is readily available, but most growers are requiring ample lead time for Fancy grapefruits. With rising temperatures, demand for fresh lemons is increasing. As we push towards the end of District 2's season, things are continuing to remain tight on small lemons. Size structure is peaking at 140/115ct choice. 140/165/200ct Lemons are remaining extremely tight and are projected to remain tight through October. Fancy grade percentage is down this season due to high wind events, which have impacted fruit quality. Volumes are expected to continue to decline as we move into August. District 2's season is anticipated to conclude around mid-September. Weather conditions remain favorable. District 3 is projected to begin in approximately 6 weeks. Growers continue to evaluate fruit across District 3 and are seeing volume fluctuations between regions. Early indicators point to a smaller overall crop this season, though fruit sizing has improved compared to last year. Please note that there is a global strain on lemons. In Mexico, early picks are expected to begin within the next two to three weeks, with initial crossings anticipated in early to mid-August. While the fruit is still maturing, sizing is trending toward 140s, 165s, and 200s, with grade leaning more toward Choice. Argentina continues to ship significant volumes to Europe and Russia, with 4.5 million cases sent to Europe so far, which is a 71% increase over the total volume shipped to that market in 2024. Peak sizes range between 95s, 115s, and 140s. While overall fruit quality is improved compared to last season, it still varies by supplier. We anticipate shipments to the U.S. to continue through mid-August. At this point, Argentina is approximately 70% through its crop. Chile has shipped close to 1,200,000 boxes to the USA. Pack outs have been predominately 115s, 140s, and 165s, with approximately 70-80% of the crop being Fancy. Overall volume is projected to increase by about 5% compared to last year, reaching an estimated 21-22 million boxes. In the recent weeks they have increased shipments to an average of 175k cases per week into the United States, with 70% of the volume headed to the East Coast. That volume is expected to remain the same as Chile is shipping a considerable volume to other markets such as Asia and Europe. Ample lead time will be necessary to place orders, especially on small sizes, with most shippers still holding to averages.