

JALAPENOS

MARKET UPDATE OCTOBER 2023

The Mexican jalapeno market is facing substantial challenges due to prolonged adverse climatic conditions, notably the extended El Niño effect into 2024, alongside abnormal regional rainfall and fluctuating Pacific sea surface temperatures.

- **Extended El Niño Effect:** The El Niño phenomenon is anticipated to persist through the first half of 2024, bringing abnormal rainfall across Latin America and raising agricultural concerns.
- **Pacific Sea Surface Temperatures:** Recent surges in Pacific sea surface temperatures, especially along the South American coast, could exacerbate regional climatic adversities.
- **Regional Rainfall Disparities:** Forecasts for Q1 2024 indicate more rain than usual in some regions, including Mexico, while others continue to experience dry conditions, potentially impacting jalapeno cultivation.
- **Crop Yield Disparities:** Our suppliers, alongside a Peruvian manufacturer, reported diminished jalapeno yields due to extreme temperatures, hinting at a broader market tightness.
- **Economic Vulnerability of Agriculture:** A recent Food and Agriculture Organization of the United Nations (FAO) report highlights the economic vulnerability of the agricultural sector during extreme weather conditions and drought, underscoring financial implications for jalapeno growers.
- **Market Repercussions:** The scarcity of jalapenos has led to supply-demand imbalances, with price increases in related products indicating market sensitivity to jalapeno supply fluctuations.
- **Mitigation Prospects:** Suggested long-term solutions include relocating cultivation to less climatically vulnerable regions and breeding weather-tolerant chilli varieties.

The ongoing climatic adversities significantly impact the Mexican jalapeno market, necessitating adaptive strategies and robust contingency planning to ensure a stable supply chain. Continuous monitoring and strategic adaptations are crucial to navigate through these climatic uncertainties and secure a reliable jalapeno supply amidst evolving market dynamics.

PRODUCTS

Canned 6 x 2.8KG from Mexico

Diced Jalapenos in Brine

Nacho Sliced Jalapeno in Brine

Nacho Sliced Red Jalapeno in Brine

Chipotle Peppers in Sauce



For more information and assistance please get in touch!

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