

January 11, 2018

### Overview

---

Lettuce, romaine and leaf items are steady, but there are quality issues. Lemons and oranges are in a very **EXTREME** market. Cilantro, broccoli, tender leaf items (baby spinach, clipped spinach, arugula and baby kale blends), and green onions are **ESCALATED** and we are seeing shorter supplies. Spinach may hit a gap in supply. Strawberry and raspberry supplies have also tightened up significantly due to weather impacts, and we will need to watch closely this week to see if the fruit is further harmed in the fields. The squash market is firmer, but supplies are available. The tomato market is somewhat settling down, but we need to keep a close eye on Florida as weather continues to be an issue with more precipitation forecasted over the next two days. In contrast, we are seeing good volume on vine ripe romas out of Mexico, rounds and snacking tomato volumes are also improving. Basil and thyme supplies are ramping up as well.

### Market Alert

---

- Arugula and Wild Arugula – **ESCALATED**
- Asparagus – **ESCALATED**
- Baby Kale Blends – **ESCALATED**
- Berries (Blueberries, Blackberries, Raspberries, Strawberries) – **ESCALATED**
- Broccoli – **ESCALATED**
- Cilantro – **ESCALATED**
- Green Onions – **ESCALATED**
- Lemons – **EXTREME**
- Mushrooms – **ESCALATED**
- Oranges (Small sizes) – **EXTREME**
- Tomatoes (Rounds, Romas, Grapes, and Cherries) – **(EAST ONLY) ESCALATED**
- Spinach (Baby and Clipped) – **ESCALATED**

### Watch List

---

**SPINACH:** We are seeing prices rise and a shortage in supply that may turn into a gap in supply due to weather-related issues.

**FRESH HERBS:** For **mint and thyme**, A slow recovery from Christmas demand could cause some supply interruptions this week. In addition to mint and thyme, basil production has been down; however, it is ramping back up out of Southern Baja.

**SPRING MIX AND VALU-ADDED LETTUCE:** We could see lighter supplies and higher prices over the next few weeks due to weather impacting supply and quality.

### Market Alert Alternatives

---

Though oranges remain firm, this time of year provides generous and unique access to an array of winter citrus such as blood oranges that can certainly provide similar flavor and texture. Broccoli is also **ESCALATED**; however, green beans and Brussel sprouts can come in handy with the same full effect to many veg-heavy dishes.

## **Good Buys**

---

### **Winter Herbs: Lemongrass and Tarragon!**

Missing extra touches of greenery from summer herbs during these bone-chilling months? Good news is you and your customers don't have to! The winter season brings its own entire set of hardy herbs to the table; coming to the rescue especially when some of our favorites such as basil, mint, and thyme have been struggling with supplies and prices in the market.

That said, we are dedicating this week's good buys to two winter stars worth praising: lemongrass and tarragon!

**Lemongrass:** Relaxing with lemongrass tea is wonderful on winter days, but have you tried experimenting with its savory talents? Lemongrass is a favored herb in many Southeast Asian cuisines, admired for its delicate, lemony notes. Not only are its citrus powers brought out beautifully with bell peppers and plenty other veggies, but it offers a healthy take on hearty comfort food.

**Tarragon:** Though this green is only half hardy, its bittersweet, distinctive flavor brings a much-needed bite to the season. There are two types of tarragon: French (popular preference, delicate and balanced flavors) and Russian (can be more harsh-tasting and less aromatic).

Head over to the Produce Alliance [Instagram](#), [Facebook](#), and [Produce4Life](#) website for more on favorite winter herbs. Plus, January is National Soup Month! Use today's green good buys to celebrate by uniting these two herb powerhouses into this unique broth for a masterful winter soup.

### **Lemongrass and Tarragon Broth**

#### **Ingredients**

- 4 quarts water
- 4 cups coarsely chopped cabbage
- 1 large white onion, coarsely chopped
- 6 ounces fresh shiitake mushrooms
- 2 cups chopped fresh fennel bulb
- 3 large whole lemongrass stalks, cut into 1/4-inch-thick rounds
- 1 large head of garlic, cut crosswise in half
- 1 ounce dried shiitake mushrooms
- 1 tablespoon vegetable oil
- 1/2 cup raw popcorn kernels
- 1/3 cup (packed) chopped fresh basil
- 1/3 cup (packed) chopped fresh mint
- 1/3 cup (packed) chopped fresh tarragon

#### **Directions**

- Combine first 8 ingredients in large pot. Bring to boil over high heat. Reduce heat to medium-low and simmer 30 minutes.
- Meanwhile, heat 1 tablespoon oil in large saucepan over medium-high heat. Add popcorn kernels. Cover; cook until corn kernels stop popping, shaking pot often.

- Turn off heat under broth. Add popcorn, basil, mint, and tarragon. Steep 15 minutes. Strain into another large pot, pressing on solids in strainer. Boil until reduced to 9 cups, about 8 minutes. Season with salt and pepper. **DO AHEAD** Can be made 2 days ahead. Cool 1 hour. Cover; chill.

## Weather

**SOUTHEAST:** The forecast calls for mild temperatures through Saturday with a mix of sun and rain, then cooler weather though Wednesday with clear skies.

Thu 01/11	Fri 01/12	Sat 01/13	Sun 01/14	Mon 01/15	Tue 01/16	Wed 01/17
81°   64°	81°   57°	69°   42°	66°   43°	70°   47°	71°   45°	64°   40°
						
Fog	Chance of a Thunderstorm	Partly Cloudy	Clear	Clear	Clear	Clear

**HERMOSILLO:** Mild temperatures will be in the forecast with plenty of sunshine through next week.

Thu 01/11	Fri 01/12	Sat 01/13	Sun 01/14	Mon 01/15	Tue 01/16	Wed 01/17
79°   52°	86°   54°	88°   52°	86°   51°	83°   51°	85°   53°	84°   52°
						
Clear	Clear	Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear	Clear

**CULIACAN:** A normal weather pattern is expected through next week. Perfect growing weather!

Thu 01/11	Fri 01/12	Sat 01/13	Sun 01/14	Mon 01/15	Tue 01/16	Wed 01/17
86°   61°	93°   58°	92°   54°	93°   53°	91°   52°	91°   52°	88°   51°
						
Clear	Clear	Partly Cloudy	Clear	Partly Cloudy	Clear	Clear

**YUMA:** The forecast calls for a mix of clouds and sunshine through next week with highs in the 70's and low 50's.

Thu 01/11	Fri 01/12	Sat 01/13	Sun 01/14	Mon 01/15	Tue 01/16	Wed 01/17
73°   51°	76°   55°	78°   55°	77°   52°	78°   51°	78°   53°	79°   53°
						
Clear	Clear	Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy

## Transportation – EXTREME

Transportation is extremely tight and rates continue to increase as rollout day for e-log approaches when truck drivers will electronically log their hours of service. We are seeing an extreme shortage of drivers in the west due to federal regulations regarding non-citizen drivers not being permitted to drive loads that originate in the United States. We are seeing rate increase requests across the region.

## Fruits & Vegetables

**Avocados:** We are seeing the size curve somewhat settle as the daily harvest forecast improves. We anticipate a firmer market on 70's over the next several weeks. There is also the potential for a flush of #2 fruit on the horizon just in time for Super Bowl demand.

**Bananas:** Demand remains firm and quality is good, but we are seeing short supplies across the country and expect a shortage to continue through 2018 due to virus impacts.

**Grapes:** Quality is good on the offshore fruit and California is done for the season. Offshore varieties available out of Chile and Peru: Sugraone, Falmes, Crimsons and Globes through Philadelphia and New York. FOB port prices are \$28.00 to \$34.00.

**Kiwi:** California crops are now in full swing with ample supply available and showing excellent quality. This new crop will extend all the way through to February.

## **Berries**

---

**Blueberries: ESCALATED** Availability is lighter due to the cooler weather and limited labor in Mexico; FOB prices are high and quality is fair.

**Blackberries: ESCALATED** Volume is light, quality is in question due to weather with the potential for rain on the horizon for this coming week. FOB prices are also high.

**Raspberries: ESCALATED** Volume is very light due to weather impacts and FOB prices are escalated.

**Strawberries: ESCALATED** The market is **VERY ACTIVE** and FOB prices are much higher this week. We are also seeing quality issues due to rain in California as well as Florida with supply shortages eminent over the next week and potentially longer. Supplies are better through McAllen; however, due to logistics shortages, it's very difficult loading trucks out of the region.

## **California / Arizona Citrus**

---

The California navel market is in a demand exceeds supply situation on small fruit. The size structure for 113S and 138S navels are expected to be down by 30-50% during the first quarter of 2018, with fruit peaking 72/56S. Prices will remain higher than usual. The Ventura County fires have had an impact on that growing region, but it is too early to assess all the damage.

**Navels/Valencia's: EXTREME** California orange supplies during Quarter 1 will carry a larger than normal size structure, making 88S/113S/138S increasingly difficult. Shippers are expecting a 30% reduction in 113S and a 50% reduction in 138S versus this time last year. Expect higher prices overall with fruit expected to peak 72/56.

**Lemons: EXTREME** All crops came up very short, we are in a demand exceeds supply on all small fruit and expect to see this issue for the next eight weeks. We suggest moving to bigger fruit.

**Limes:** This market is active with higher FOB prices and some quality issues.

**Grapefruit:** Texas grapefruit is available. Florida Star Ruby/Red is available. California Star Ruby are available.

### **Specialties:**

- Fairchild Tangerines, Orlando Tangelos, and Minneola Tangelos have started.
- Domestic blood oranges and Cara Caras are now available.
- New Zealand Meyers are available.
- Sunburst Tangerines are available out of FL.
- Halos and Cuties have started.
- Pummelos are available.
- Mexican Tangerines are available out of TX.

## **California Lettuce**

---

**Butter:** Prices are stable. Quality is good.

**Green and Red Leaf:** Quality is good. Prices are good.

**Iceberg Lettuce:** Supplies are normal, with no supply gaps forecasted. Quality is overall good and the market is steady.

**Romaine:** Supplies will be light for the next couple of weeks due to ice in the fields. Quality is average. We are still seeing heavy rib and some twisting. Pricing is a wide range due to the quality issues.

**Romaine Hearts:** Supplies will be normal for the next few weeks. Quality has improved, as most issues with quality can be peeled off. Pricing is a wide range due to quality.

### **Eastern and Western Vegetables**

---

***We are seeing some quality issues on vegetables in general out of the southeast this week due to last week's freeze in Florida.***

**Green Bell Pepper:** Supplies are very limited out of the east and showing freeze-related quality issues. We do not expect to see improvement in this market over the next couple of weeks. Out of the west, supplies and quality are very good. The market is stable through Nogales.

**Red Bell Pepper:** Supplies are now shipping primarily through Nogales and the FOB prices are unchanged this week. Quality is outstanding.

**Yellow Pepper:** Supplies are unchanged loading through Nogales. FOB prices are mostly unchanged as well.

**Mini Sweet Pepper:** Supplies are tighter as heat has affected supplies in the west and crops in the east have been damaged by Irma. Markets are expected to remain firm for the remainder of the month.

**Eggplant:** Supplies are lighter this week out of Florida and showing some quality issues due to the cold weather last week. Nogales is mostly unchanged. Markets are up slightly this week.

**English Cucumber:** There are excellent supplies crossing through Nogales and McAllen.

**Cucumbers:** Good offshore supplies are available out of Florida; though East Coast domestic supplies are limited. The markets are down slightly. Supplies are unchanged and are plentiful out of Nogales and McAllen. Pole cucumber quality out of the shade houses in Mexico are gorgeous, showing dark green fruit with very little blemish or defect.

**Green Beans:** Supplies will remain firm loading through McAllen, Nogales and Florida. Quality is an ongoing issue in all regions. We anticipate a firm market and will advise week-to-week.

**Zucchini and Yellow Squash:** Supplies have decreased in the east on domestic as well as offshore production resulting in a jump in FOB prices. Import volume out of Mexico has also taken a turn due to increased cloud cover this past week and quality issues. Prices are up this week and expected to continue to rise.

### **Herbs**

---

**MINT: WATCHLIST** In addition to the heavy demand for Christmas, the cooler weather at night has caused supply to slow down. We will have mint, but the stems will be shorter (it is harder to make the bunches, and the bunches will be smaller and with less weight). We expect light supplies over the next four weeks.

**BASIL** While supplies will continue to improve over the next several weeks out of Mexico, we will see firmer pricing due to crop losses late last month.

**DILL:** The cooler weather has caused this herb to slow in growth as well. Expect the length to be shorter for the next several weeks.

**THYME: WATCHLIST** Due to the heavy demand during the Christmas Break, thyme supplies are lighter this week, we do not anticipate inventories to improve until late next week.

**LEMON THYME, OPAL BASIL, SAVORY, MARJORAM:** All four of these herbs are very limited in supply for the next three weeks due to weather issues.

All other herbs are steady.

HERB	SUPPLIES	QUALITY	COUNTRY OF ORIGIN
<b>Arugula</b>	<b>Light</b>	<b>Fair</b>	<b>USA</b>
Basil	Improving	Good	USA/MEXICO
<b>Opal Basil</b>	<b>Limited</b>	<b>Good</b>	<b>USA/MEXICO</b>
Thai Basil	Good	Good	USA/MEXICO
Bay Leaves	Good	Good	COLUMBIA
Chervil	Good	Good	USA
Chives	Good	Good	USA/MEXICO
<b>Cilantro</b>	<b>Light</b>	<b>Good</b>	<b>USA</b>
Dill	Good	Good	USA/MEXICO
Episode	Good	Good	MEXICO
Lemongrass	Good	Good	USA
<b>Marjoram</b>	<b>Limited</b>	<b>Good</b>	<b>USA</b>
<b>Mint</b>	<b>Limited</b>	<b>Good</b>	<b>USA</b>
Oregano	Good	Good	USA
Italian Parsley	Good	Good	USA
<b>Rosemary</b>	<b>Limited</b>	<b>Good</b>	<b>USA</b>
<b>Sage</b>	<b>Limited</b>	<b>Good</b>	<b>USA/MEXICO</b>
<b>Savory</b>	<b>Limited</b>	<b>Good</b>	<b>USA</b>
Sorrel	Good	Good	USA
Tarragon	Good	Good	MEXICO
<b>Thyme</b>	<b>Limited</b>	<b>Good</b>	<b>USA</b>

Lemon Thyme	Good	Good	USA
<b>Lavender</b>	<b>Limited</b>	<b>Good</b>	<b>USA</b>
Lime Leaves	Good	Good	USA
Hora Santa	Good	Good	USA

## **Melons**

---

**Cantaloupe:** Offshore supplies will remain lighter over the next few weeks as a result of late plantings in the fall. Import quality has been strong with firm fruit and good internal quality as brix levels have been mostly in the 10-13% range. Good supplies are available on 9-12 ct with supply on 15's limited.

**Honeydew:** Mexico is now done. Offshore availability remains steady with 5-6's being the peak size. Smaller fruit (8/9s) will remain very limited. Brix levels are 11-16% range, and markets are firm.

**Watermelon:** This item remains very active and continues to be short on all sizes crossing through Nogales and McAllen. We expect the market will remain active for the next 2 to 3 weeks.

## **Mixed Vegetables**

---

**Artichokes:** Steady market with higher prices. Quality is good.

**Arugula:** **ESCALATED** Supplies are limited and we are seeing quality issues due to cooler weather.

**Asparagus:** **ESCALATED** Supplies are short and prices are higher, but quality is good.

**Bok Choy:** Quality is average and we are seeing some higher quotes on WGA cartons.

**Broccoli / Broccoli Florets:** **ESCALATED** Supplies have improved. Quality is good and market is steady.

**Brussels Sprouts:** Markets are improving as additional inventory becomes available. Quality is good.

**Carrots:** Due to the heat and rain, we are seeing some quality issues and a shortage on jumbo supplies as well as tables and cellos. This market is improving, but prices are still higher.

**Cauliflower:** Supplies have improved. Quality is good. Wide range of pricing.

**Celery:** Market is steady. We are seeing good quality and steady supplies.

**Corn:** Sweet corn markets have firmed up slightly out of South Florida; we are seeing some availability crossing through Nogales. Quality is good.

**Cilantro:** **ESCALATED** Supplies are limited and we are seeing quality issues due to cooler weather.

**Fennel:** Supplies for the week will be good and quality is good.

**Garlic:** **EXTREME** We have now fully transitioned from common storage garlic to cold storage product. Fortunately to date, our recoveries are faring relatively fine through the cracking/peeling process. Concerning

the future/2018 crop, we are 85% completed with our planting season. Provided the weather (and that Mother Nature cooperates), we should finish planting within the next two weeks. In the coming months, we'll hope for cold enough weather and decent rainfall (similar to last year) to help facilitate the growth of the bulbs.

**Ginger:** Chinese ginger supplies are steady. Quality is good.

**Green Cabbage:** Supplies have tightened and markets have firmed on both coasts, but quality remains good.

**Green Onions: ESCALATED Iced** We are still seeing elevated prices; however, the market is beginning to improve.

**JICAMA:** Prices are firming up and inventories are lighter. We are seeing some quality and shelf life issues in storage product.

**Kale (Green):** Quality is average and supplies are fair.

**Mache:** Availability is adequate.

**Mushrooms: ESCALATED** Mushroom growers have suffered damage in the South and Southeast, as well as Puerto Rico. Hurricane Harvey and Irma have resulted in a tightening market, and the American Mushroom Institute said it expects supply to be affected for several months.

**Napa:** Supplies are steady and quality is good.

**Parsley (Curly, Italian):** Quality and supplies are fair.

**Rapini:** Supplies have improved and markets are down. Quality is average.

**Radishes:** Quality is good and supply is slowing down. Expect to see stronger markets through the summer.

**Red Cabbage:** Quality and sizing have been great with good color. The market is firming.

**Snow and Sugar Snap Peas:** Snow and sugar snap peas supplies are improving through Miami.

**Spinach (Bunched): WATCHLIST** Supplies are light and quality is fair. The colder nights and warm days have prohibited the growth of this item. Supplies are expected to improve as the weather warms up.

**Spinach (Baby): ESCALATED** Baby and clipped spinach supplies are low. We are seeing average to poor quality.

**Spring Mix: WATCHLIST** Supplies are good and quality is fair.

### **Onions:**

---

All indications are showing that supplies are significantly shorter than previous seasons. It is likely that we will see pricing remain elevated as demand exceeds supplies. Sizing is peaking mostly on mediums and jumbos with fewer big onions, but size overall has become better.

Transportation in this region has been the largest factor keeping pricing where it is as trucks have been extremely tight. This is forcing heavier movement from regions outside of the northwest which has forced that area to keep pricing where it is at.

### **Potatoes:**

---

Demand in the state is fair and prices are steady. This week is a short production week for all operations and next week will be similar. If tradition holds true, there should be a very good demand for the first two/three weeks of January. Prices should also remain steady. The transportation problems will continue to have adverse effects in this market.

### **TOMATOES - EAST**

---

- **Rounds: ESCALATED** We are seeing vastly improved FOB markets, however in Florida we are also seeing a slowdown in production due to the cold front that pushed through the region last week. Once the weather improves, the market should improve daily. Quality is good.
- **Romas: ESCALATED** We are still seeing production numbers ramp up, but not as fast as expected. We have seen prices drop thanks to volume increasing out of Mexico. FOB prices are down slightly this week.
- **Grapes: ESCALATED** Supplies are improving, yet we are still seeing inventory shortfalls resulting in a very firm market. FOB prices are down slightly this week.
- **Cherries: ESCALATED** Pricing is still firm, but improving as volume and quality improve.

### **TOMATOES - WEST AND MEXICO**

---

- **Rounds:** Vine-ripe production will begin to increase as production ramps up out of Culiacan and cross through Nogales and McAllen. We expect improvements in price and supply moving forward barring no major weather events. Small sizes are tight due to crown picks over the next week. FOB prices are slightly down this week and quality is outstanding.
- **Romas:** Volume continues to ramp up as production out of Culiacan crossing through Nogales and McAllen. FOB prices are down significantly and quality is outstanding.
- **Grapes:** Crossings continue to improve daily, but still are down over forecasts resulting in an active market. We are still looking at the end of the month to return to normal production. Quality is excellent and FOB prices are down slightly from last week.
- **Cherries:** We are seeing supplies improve out of Nogales and McAllen, FOB prices are down slightly and quality is very good.

### **APPLES & PEARS**

---

**Apples: PROMOTIONAL VOLUME AVAILABLE ON FOOD SERVICE/SMALL SIZED FRUIT** New crop now available we are seeing the pressure on the market decrease and shortages diminish. Excellent quality available on all varieties; however, we are seeing less production of Golden Delicious as the trees are being pulled and replaced with more favorable varieties. Please make note that volume orders on food service grade apples must be pre-booked to ensure they are not packed with PLU stickers.

**Pears:** Still good availability on Golds out of California while we see good supply available on Bartlett and D'Anjou out of the Pacific Northwest.