

Weekly Market Review

April 20, 2017

Overview

This month has been very unstable for the industry. We are experiencing EXTREME MARKETS on ALL lettuce commodities, broccoli and cauliflower. We are also experiencing extreme markets with avocados, blueberries, celery, cilantro, garlic, lemons, and now certain sizes of asparagus. It is forecasted that May will be better for many commodities.

Market Alert

- Avocados – **EXTREME**
- Asparagus – **LARGER SIZES**
- Blueberries - **EXTREME**
- Broccoli - **EXTREME**
- Cabbage NAPA - **EXTREME**
- Cauliflower - **EXTREME**
- Celery- **EXTREME**
- Cilantro - **EXTREME**
- Garlic - **EXTREME**
- Lemons- **SIZING**
- Lettuce – All Varieties – **EXTREME**
- Parsley – **ESCALATED**

Good Buy

Limes: Limes are consumed throughout the world in the form of sorbet, beverages, cocktails, pickles, jams, jellies, snacks, candies, sugar boiled confections and in cooking. Get limes now before the rush of Cinco de Mayo! Limes make the perfect Margarita! Lime, agave, and tequila are a perfect all natural margarita mix for any occasion. Limes are also great squeezed on chicken and pork.

Blood Oranges: Named for their deep red flesh and rosy blush on the skin, Blood Oranges are the perfect blend of juicy, sweet and tart. Traditionally grown in Italy, Blood Oranges are popular with chefs for creating amazing sauces, sorbets and desserts. They taste very similarly to ordinary oranges only they're slightly more bitter and less acidic. Some types are actually sweeter than your average orange but there's just something special about a blood orange's flavor. They are great alone as a snack and are packed with Vitamin C. Get some while you can!

Transportation

Trucks are once again in good supply after Easter in California, Washington, Oregon and Texas. Freight rates are firm. Availability has tightened in Florida.

Weather

Clear skies and a warming trend are in the late-week forecast for Central and Southern California. Highs will be in the 60's & 70's along the coast and 70's & 80's inland with lows in the 40's & 50's. Cool weather will return early next week with light rain in the forecast for Salinas on Tuesday and Wednesday. The desert

growing areas of Southern California and Northern Mexico will see highs in the low 100's this weekend followed by a cooling trend. Central Florida temperatures will rise to 90 degrees this weekend, followed by cooler weather and a thunderstorm on Monday. Almost half an inch of rain is in the Sunday forecast for South Georgia, with highs in the 80's followed by a cooling trend.

Fruits & Vegetables

Avocados: EXTREME MARKET We are seeing a tight market and an increase in prices again on avocados.

Bananas: Demand and quality are good and supply is steady.

Grapes: Supplies are improving and demand is lighter than expected. Sugraones and Flame pricing is down this week.

Kiwi: Supplies are good. We are still seeing slightly higher prices with quality being average.

Berries

Blueberries: EXTREME MARKET Availability has tightened due to the freeze damage that occurred during mid-March in Georgia and North Carolina. Tight market conditions continue in the west, as production volume is on the decline in Central Mexico. California is not yet in full production. The spring harvest transition will result in continued tight availability through May.

Blackberries: Blackberries from Central Mexico were in tight supply during Easter with labor shortages and abbreviated hours at the border crossings. No improvement in availability is expected until early next week.

Raspberries: Raspberry production is steady and prices remain firm. Central Mexico is the primary district and is approaching peak season production volume. Oxnard production is increasing. The harvest in Mexico will continue through May.

Strawberries: Oxnard is now the primary growing area, followed by Santa Maria. Driscoll has the entire line-up of mixed berries available to load in Oxnard. The trend for increasing production volume in California will continue. The harvest in Mexico is winding down.

California / Arizona Citrus

Navels: Navels, 88S and smaller, will be very limited until May. Late season variety, 72/56/88 Quality is okay, expect some creasing and puff. Season expected to continue through May. Valencias are available but limited in smaller sizes.

Lemons: Supplies of 140S, 165S and 200S continue to be very tight. Meyer lemons are available. Mostly large fruit available, 75/95/115. South American lemons are expected to start arriving late June.

Limes: Limes are available, packing in Texas. Great quality and color.

Grapefruit: California grapefruit market is increasing. Texas grapefruit is finishing up. California Star Ruby and White grapefruit is available.

Specialties: Minneola season is winding down with few small sizes available. Blood Oranges are in good supply, great color. Cara Caras will be finishing up first week of May. Ojai Pixie tangerines and Golden nuggets are available. Halos will be available through May.

California Lettuce

Butter- EXTREME MARKET – prices are still moving higher and supplies are very light.

Green and Red Leaf: EXTREME MARKET/EXTREME SHORTAGES We are seeing a lot of dirt due to the heavy winds, seeders and tip burn. We are seeing very short supply on green leaf, as well as very high prices, quality is good. Red leaf is now in very short supply and some growers are seeing a gap in supply.

Iceberg Lettuce: EXTREME MARKET/EXTREME SHORTAGES Supplies are tight. Quality is average although we are starting to see improvement. Expect some Rib light, cracked rip, and pale color.

Romaine: EXTREME MARKET/EXTREME SHORTAGES - Very light supplies. Quality is hit or miss with epidermal peeling and very light color. Please substitute this item with Iceberg if you can.

Romaine Hearts: EXTREME MARKET/EXTREME SHORTAGES Supplies are VERY light. We are seeing twisting with a Prices are very high, we are seeing a very short supply.

Eastern and Western Vegetables

Green & Red Bell Peppers: Demand remains strong for new crop green bell peppers in the Coachella Valley of California. These bells are priced at a premium compared to Nogales. There is a wide range in size and quality for green bells from Northern Mexico (shipped from Nogales), with the largest sizes commanding premium prices. Large, medium and choice are all in adequate supply. Green bells are in good supply in South and Central Florida; prices remain firm in the east and west. Availability has improved on red bell peppers from Mexico. Coachella will have red bells in late April.

Cucumbers: Availability is steady in the east and west. Prices are moderately higher in Florida and have eased slightly for Mexican product being shipped from Nogales.

English Cucumber: Supplies from Eastern Canada are plentiful. Nogales shippers will have English Cucumbers through mid-May.

Green Beans: Availability is steady in Florida; quality is good. Coachella is now the primary district in the west; supplies are tight and prices are higher.

Zucchini & Yellow Squash: Zucchini and yellow squash are in good supply in all regions (Florida, Georgia, Coachella, and Nogales). Quality is good in all districts.

Herbs

Fresh herbs are very steady. Supplies are looking good on all herbs except **SAVORY** is still limited as it rebounds from the cold and heat we had over the past several weeks.

BASIL continues from our fields in Mexico and our local fields in California. We should be in full local production by the end of the month. The heavy rain this past winter did delay our planting.

HERB	SUPPLIES	QUALITY	COUNTRY OF ORIGIN
Arugula	Good	Good	USA
Basil	Good	Good	USA/MEXICO
Opal Basil	Good	Good	USA/MEXICO
Thai Basil	Good	Good	USA/MEXICO
Bay Leaves	Good	Good	COLUMBIA
Chervil	Good	Good	USA
Chives	Good	Good	USA/MEXICO
Cilantro	Good	Good	USA
Dill	Good	Good	USA/MEXICO
Episode	Good	Good	MEXICO
Lemongrass	Good	Good	USA
Marjoram	Steady	Good	USA
Mint	Good	Good	USA
Oregano	Good	Good	USA
Italian Parsley	Good	Good	USA
Rosemary	Limited	Good	USA
Sage	Good	Good	USA/MEXICO
Savory	Good	Good	USA
Sorrel	Good	Good	USA
Tarragon	Good	Good	MEXICO
Thyme	Good	Good	USA
Lemon Thyme	Good	Good	USA
Lavender	Good	Good	USA
Lime Leaves	Good	Good	USA
Hora Santa	Good	Good	USA

Melons

Cantaloupe: Good volume will continue from the last strong push over the next two weeks. Excellent demand carried us into the Easter holiday and the market is anticipated to stabilize over the next few days. Very large

post-holiday retail promotions will begin later in the week and run for at least the next 10-14 days. Classic Fruit will continue to offer imported melons through the week of 5/22 loading. Please do not hesitate to reach out to us to best coordinate your transition to the domestic melons for the end of May.

Honeydew: Production remains heavily tilted to larger fruit. Honduran supply has been primarily 5s and larger leaving 6s and 8s in a very good position demand wise. That being said, this is anticipated to level off as we move into next week. Quality has been consistently good with internal quality showing brix levels in the 10-13% range.

Watermelon: Seedless varieties remain steady with regards to supply and pricing. We will begin to see a decline in supply next week as the offshore melon season begins to wind down. We anticipate about three more weeks of arrivals.

Mixed Vegetables

Artichokes: We are seeing very high prices and very short supply. Quality is good.

Arugula: Supplies of both baby and wild arugula are light due to mildew.

Asparagus: Market is getting tight. Peru is currently experiencing rain and unusually high temperatures which have combined to slow the production of large caliber spears. The vast majority of product being harvested is in the STANDARD caliber measurements and production of LARGE, XL, AND JUMBO has declined dramatically. It is expected that this condition will persist at least until May 15th. Due to this unforeseen production problem, we will be forced to REDUCE program shipments of LARGE asparagus by 10% in hopes that this will enable us to cover the majority of program requirements.

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

Broccoli: EXTREME MARKET We are seeing an improvement in this market, prices are starting to come down and product is becoming more available. Quality is good.

Brussels Sprouts: Higher prices and tighter supplies remain but are leveling out. Quality is improving.

Carrots: There is a good supply with solid quality.

Cauliflower: EXTREME MARKET We are seeing improvement in this market. Prices are coming down slowly and product is becoming more available. Quality is good.

Celery: EXTREME MARKET / EXTREME SHORTAGES unfortunately, we have not seen much improvement in this market. Prorates have been ranging between 35 %-50% this week. We are done in Yuma and the Oxnard crop is behind schedule. Quality is just fair. There will be issues for another 4-6 weeks.

Corn: Florida Sweet Corn is plentiful out of Florida and pricing is fair to good, making it good for promoting. Quality is outstanding and the outlook should hold steady all the way through Memorial Day.

Cilantro: EXTREME MARKET/EXTREME SHORTAGES Quality is variable as there is still yellowing with some decay. Price are high and we are seeing shortages.

Fennel: Supplies for the week will be light.

Garlic: EXTREME MARKET The supply of domestic garlic remains tight. Pricing on domestic peeled 4x5s is still high.

Ginger: Chinese ginger is in good supply. It is being offered at a substantial discount compared to ginger from Brazil.

Green Cabbage: Green cabbage is in light supply and should be steady this week. Quality is good.

Green Onions:

Iced: This market has leveled off with steady crossings last week. The crossings should remain at current levels with good supplies.

Iceless: This market has leveled off and should remain steady. Contracts and pre-commitments are holding the market firm.

JICAMA: Normal prices and quality is good.

Kale (Green): Demand is steady and quality is average. We are seeing some mildew.

Mache: Availability is adequate.

Napa: EXTREME MARKET Supplies are very tight.

Parsley (Curly, Italian): ESCALATED We are seeing prices remain VERY high and supplies being short.

Radishes: Quality is good and supply is slowing down.

Red Cabbage: Quality and sizing have been great, with good color. Overall, the market is strong.

Snow and Sugar Snap Peas: Snow and sugar snap peas are in high demand with good quality.

Spinach (Bunched): Supply is average, quality is only fair. We are still seeing some mildew in this product.

Spinach (Baby): Baby and clipped spinach supplies are light. Quality is fair to good, with good prices. There are some reports of mildew.

Spring Mix: There is plenty of product with good quality.

Onions

Pricing has likely peaked on yellow and red onions out of all growing regions. The Imperial Valley growing area in California has started shipping this week and more growers will start next week. Onions remain in Idaho, Washington, and Texas. Texas continues to yield a small size profile heavy to mediums and small jumbos due

to diseased fields. White onions have gotten very strong in price due to a lack of supply in the Northwest and less Mexican supply crossing through South Texas. We should see pricing relief on all three colors in the coming weeks.

Potatoes

Demand on large count cartons continues to be very good. The consumer demand in the state is also good, no real movement in price. The shipping community appears to be moving the larger cartons up in price in a very orderly fashion. If demand continues to move forward you can expect these price increases to continue on the larger count cartons. We need to keep this crop moving out of the state, it appears the growers have an adequate supply of product. The grower could potentially have more potato supply than it can move. Quality may play an important part in this. We have seen some quality issues but nothing serious at this time.

Planting of the new crop Idaho's is well under way in the Blackfoot area of the state and we can expect to move north from here for the coming weeks. The area has seen adequate moisture which has not really slowed any planting at this time. You will not see any shortage of water for the state this year, you may even see some flooding in certain areas of the state. We enjoyed a great snowpack this past winter. Truck transportation is still adequate at this time, see no major issues to deal with in the foreseeable future.

TOMATOES

East:

- **Rounds** – Supplies in the east are good as the transition from Southern Florida to the Ruskin area continues. We do not foresee any supply interruptions, however, sizing has shifted again towards larger fruit as the new plants are being harvested. Pricing will remain steady this week and we do not expect any major changes. Stronger fruit comes with newer stronger plants so we are also seeing very good quality.
- **Roma** – Harvest forecasts are mostly unchanged and quality is good. Pricing is mostly unchanged.
- **Grapes** – Supplies are improving daily and prices are gradually beginning to fall. Quality is excellent.
- **Cherries** – Demand is up as quality product is difficult to find in the west. FOB prices are mostly unchanged, quality is outstanding.

West/Mexico:

- **Rounds** – Vine-ripe production is lighter this week through Nogales as the season winds down. McAllen and Otay will continue to see improvement in volume. FOB prices are unchanged and quality will remain very good.
- **Romas** – Supplies and quality are good through McAllen and Otay and are expected to remain unchanged over the next several weeks. Nogales is starting to see a decline in quality as production slows down in Sinaloa. We will continue to see aggressive pricing from the growers this week.
- **Grapes** – Crossings are improving however quality is very inconsistent depending on the growing region. Prices are down across all three points this week.
- **Cherries** – Supplies are good and quality is improving and gradually driving demand for east coast product down. We do not anticipate any major change this week, however should begin to see a change in pricing next week.

APPLES, PEARS, & TREE FRUIT

Apples: Demand and movement is steady with supplies readily available in most sizes and grades with the exception of golds and grannys. Supply remains tight on 100s and smaller on all grades except premium. 125s and smaller sizes in all varieties will continue to be tight all season.

Pears: Demand and movement are steady. Most supplies are now coming out of California. Prices remain high on D'Anjous, 100s and smaller whereas Bartletts have a much better value.