

# Weekly Market Review

April 27, 2017

## Overview

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This month has been very unstable for the industry, we are seeing a lot of improvement and expect to see improvement every week. We are still experiencing Escalated MARKETS on ALL lettuce commodities, broccoli and cauliflower. We are still experiencing extreme markets with avocados, blueberries, celery, cilantro, garlic, lemons, and now certain sizes of asparagus. We anticipate prices will drop with each week that passes.

## Market Alert

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

## Good Buy

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**Chilean Gala Apples** are a great source of fiber as they contain the highest amount of pectin (type of fiber) in any fruit. Due to their high level of flavonoids they are proven to be anti-viral, anti-allergic and anti-inflammatory. Try sautéing some gala apples over the stove to lightly caramelize and serve over ricotta and popovers for delicious dessert.

**Argentinian Packham Pears** are not typically known as a miracle fruit but they have tons of nutritional benefits! Pears are a great source of fiber which many Americans lack in their diet. Fiber also is an important factor in fullness and snacking on pear is a great way to keep you fuller, longer. Try a light salad with manchego and mustard dressing for an easy spring lunch.

## Transportation

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Trucks are in good supply in California, Arizona, Washington and Texas. Freight rates are firm. Availability has tightened in Florida as well as Eastern Oregon.

## Weather

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The weekend forecast calls for sunshine and above-average temperatures for the coastal and inland districts of Central and Southern California, with highs in the 70's and lows in the high 40's to mid 50's. A warming trend is in progress in the desert regions of Southern California and Northern Mexico; highs will reach the mid

90's by Sunday. Hot weather is in the weekend forecast for Central Florida and South Georgia, with highs in the 90's.

### **Fruits & Vegetables**

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**Avocados: EXTREME MARKET** we anticipate an active market through early May despite the Cinco De Mayo pull already winding down. Long term market forecasts still show winter Mexican crop slowing down faster than expected while Peru and California are slow to ramp up making late spring a very active avocado market.

**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**

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**Blueberries: EXTREME MARKET** We are seeing a slight increase in overall supply, as new areas begin to supplement existing growing areas (Georgia, Florida, Southern California, Baja California). The harvest in Central Mexico is on the decline; North Carolina will begin next week.

**Blackberries:** The harvest transition will soon be underway from Central Mexico to California; availability will continue to tighten.

**Raspberries:** Raspberries are in peak season production in Central Mexico and Southern California, with plentiful availability through mid-May. Central California growers are now harvesting as well.

**Strawberries:** Strawberries from Central and Southern California will be in good supply for Mother's Day. The size profile has increased with fields now yielding larger-sized berries. Stem strawberries have become available although supplies remain tight.

### **California / Arizona Citrus**

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

**Lemons: EXTREME** Supplies of 140S, 165S and 200S continue to be very tight. And will continue to get tighter and more expensive. Meyer lemons are available. Mostly large fruit available, 75/95/115. South American lemons are expected to start arriving late June and we will not see much improvement with lemons until June.

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

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

**Specialties:** Minneola season is winding down with a few small sizes available. Blood Oranges are in good supply and 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.

**PINEAPPLE:** Supply continues to be tight. Vessel delays have caused orders to be pushed back.

### California Lettuce

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**Green and Red Leaf:** Quality is better. We are seeing improvement but still have some shortages on supply. Red leaf is improving as well.

**Butter:** Prices are improving; supplies are very light but expected to get better weekly.

**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:** **ESCALATED** still seeing light supplies. Quality has improved. Market is improving weekly.

**Romaine Hearts:** **ESCALATED** Supplies are increasing weekly. Prices are high but coming down. Quality is improving.

### Eastern and Western Vegetables

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**Green & Red Bell Peppers:** Ideal weather in the east and west has contributed to increased availability on green bell peppers. Quality is very good in Central Florida. Coachella is now the primary district in the west. Quality continues to be good for late-season green bells in Nogales. Large sizes continue to fetch premium prices. Red bell peppers are in good supply in Nogales. Harvesting will begin in Coachella late next week.

**Cucumbers:** Prices remain firm in Florida, South Georgia and Nogales (product from Northern Mainland Mexico). The harvest in Baja California will be in full swing by mid-May. Quality is good in all areas.

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

**Green Beans:** Availability has tightened in Florida and prices are higher. Tight supplies will continue until mid-May, when the harvest in Georgia will be underway. Supplies are also tight in the west; Nogales is winding down and production volume in Coachella does not replace the loss in volume from Mexico.

**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

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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
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Arugula	<b>Good</b>	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**

Good volume continues for cantaloupe as a last strong push will be made over the next two weeks. Excellent demand carried us into the Easter holiday and we anticipate the market to stabilize somewhat 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 import melons at least 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 demand position. We anticipate this leveling 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**

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**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: EXTREME - 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 15<sup>th</sup>. 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: ESCALATED** 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: Escalated 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**

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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**

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The demand on consumer packs in Idaho has been poor this week following the Easter holiday. The demand on larger counts, 40's thru 70's continues to be very good, very tight on those sizes. The demand on the 80's

through 100's is fair. We have seen prices increase on the larger counts and the remaining cartons prices are steady. There are deals to be made on the smaller counts, not large price reductions but some operations have the smaller sizes to move. The growers are continuing to plant, however the weather is slowing this down and the forecast looks like continued rain for the next few days, possible snow, but light. The government indicated that they may have underestimated the yields on last year's crop that we are currently shipping and it appears we have an ample supply of fresh potatoes left to move. No major transportation issues at this time.

## **TOMATOES**

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### **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, prices have fallen and 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**

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**Apples:** Demand and movement is steady on the larger sized fruit across all grades. Golds and Grannys remain extremely short with the industry still seeing better yields on 100s and smaller for all other varieties. We expect to see this continue through the rest of the season. Offshore deals remain steady; Galas are plentiful and the Granny volume is ramping up.

**Pears:** Bosc and Anjou are readily available domestically out of Washington. We expect to see California begin in July. Offshore Bosc and Packham supplies are steady.

### **Stone Fruit: Offshore**

- Peaches: About done for the season
- Nectarines: About done for the season
- Plums: About done for the season

**Stone Fruit: Domestic**

- Nectarines: Reports of a few cleanup picks already this season
- Plums and Apricots on the horizon