

# Weekly Market Review

September 28, 2017

## Overview

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Lemons, oranges, green onions, broccoli florets, and carrots continue to be in a very EXTREME MARKET. We are also experiencing very extreme supply issues with broccoli, cauliflower, oranges, and some lettuce and leaf items. There is heat damage in almost all leaf and tender leaf products, including broccoli florets. Strawberries are poor in quality and we are seeing a short supply. Asparagus has improved.

## Market Alert

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- Apples – **EXTREME**
- Avocados – **ESCALATED**
- Berries (strawberries, raspberries, blueberries, blackberries) – **EXTREME**
- Broccoli – **ESCALATED/EXTREME**
- Broccoli florets – **ESCALATED**
- Carrots – **EXTREME**
- Cauliflower - **EXTREME**
- Cilantro – **ESCALATED**
- Garlic – **EXTREME**
- Green Onions – **ESCALATED**
- Lemons – **EXTREME**
- Lettuce (Iceberg and Romaine, Romaine Hearts) – **ESCALATED/EXTREME**
- Oranges – **EXTREME**
- Onions – **ESCALATED**
- Potatoes – **ESCALATED**
- Grape Tomatoes – **ESCALATED**
- Cherry Tomatoes – **ESCALATED**
- Round Tomatoes – **ESCALATED**

## Watch List

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*\*Keep an eye on these items and situations. It may be too early to make a call one way or another, but they are forecasted to go up in price and hit extreme markets.*

- Green Bell Pepper
- Roma Tomatoes
- Zucchini and Yellow Squash

## Good Buy

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Autumn is in the air! What better way to celebrate than with bundles and bundles of cool-loving herbs. If you follow Produce Alliance on [Facebook](#) and [Instagram](#), you may have noticed we have been celebrating the great growing status of herbs with our own [#FallHerbWeek](#). From the differences between dried and fresh, to easy and delicious applications, we have been covering all you need to know about your favorite fall herbs. Here are a few quick tips we have shared thus far:








- When growing thyme, don't fuss with it. It nearly grows itself, and tends to rot with too much moisture.

- Cilantro is technically two plants for the price of one: the seeds are called coriander, and the leaves are called cilantro. Both are popular in a wide variety of ethnic dishes.
- Contrary to popular belief, not all herbs are created equal; there are differences in structure and texture (soft vs hard) that set them apart. Rosemary, thyme, and sage all fall in the hard herb category, while cilantro, dill, mint, and basil are all considered soft herbs.
- When is the best time to use fresh herbs versus dried herbs? Dried adds the best flavor DURING cooking, while fresh belongs best AT THE END of cooking to finish the dish. Produce pro-tip: you can substitute dried for fresh, but make sure to generally use 1 1/2 times the amount of fresh as you would dry








Head over to our [Facebook](#) and [Instagram](#) for more herb fun, and be sure to share your own herb tricks, tips, or recipes with us. Simply tag @producealliance and use #PAfallherbs!

## Weather

**SOUTHEAST:** Chance of thunderstorms going into the weekend, but looks to clear up next week with cooler highs and overnight temps.

Thu 09/28	Fri 09/29	Sat 09/30	Sun 10/01	Mon 10/02	Tue 10/03	Wed 10/04
84°   59°	75°   52°	74°   47°	70°   47°	72°   53°	73°   53°	76°   52°
						
Clear	Chance of Rain	Clear	Clear	Partly Cloudy	Partly Cloudy	Clear

**BAKERSFIELD/ CENTRAL VALLEY:** No major changes this week. Plenty of sunshine and mild temps the next 7

Thu 09/28	Fri 09/29	Sat 09/30	Sun 10/01	Mon 10/02	Tue 10/03	Wed 10/04
93°   61°	92°   60°	86°   57°	85°   58°	81°   54°	79°   54°	77°   53°
						
Clear	Clear	Clear	Clear	Clear	Clear	Clear

to 10 days.

**CENTRAL COAST:** No major changes this week. Plenty of sunshine and mild temps the next 7 to 10 days.

Thu 09/28	Fri 09/29	Sat 09/30	Sun 10/01	Mon 10/02	Tue 10/03	Wed 10/04
84°   54°	74°   56°	75°   53°	77°   53°	74°   52°	73°   52°	72°   52°
						
Clear	Clear	Partly Cloudy	Clear	Clear	Clear	Clear

## Transportation

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

## Fruits & Vegetables

**Avocados: ESCALATED** We are finally seeing improving harvest numbers out of Mexico as dry matter continues to improve and yields increase. Reports from the fields are that dry matter is improving. We will see weekly imports to the U.S. improve over the next several weeks. Markets are off substantially, however they will remain firm until the supply chain gets replenished. There are talks of lighter volume crossing over the next few days, however this is not expected to severely impact progress.

**Bananas:** Demand and quality are good and inventories are unchanged this week.

**Grapes:** Weather has started to cool down, so the days are longer and volume is picking up. Quality is good: Greens, the Samson Sorbet, and our Great Green label/variety are in. Quality on Scarlet Royals, Lindy Black and Red Globes are great! Fall Items have started, so the season is about to change.

**Kiwi:** Shipments are for the most part finished out of Chile. What is in storage will be it for the season. Still looking for California to begin harvesting over the next 3 to 4 weeks. Markets remain very active with limited availability on the horizon. Quality is still very nice.

## **Berries**

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**Blueberries: EXTREME** Blueberry availability will continue to decline. Quality is not good due to the heat.

**Blackberries: EXTREME** Blackberries are decreasing in volume. Quality is average due to the heat.

**Raspberries: EXTREME** Volume is light. Flavor and quality have decreased due to heat.

**Strawberries: EXTREME** The market is getting very active. The heat caused significant damage and quality is not good. We are seeing high prices and shortage in supply.

## **California / Arizona Citrus**

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Most shippers are done with Valencia's for the season. There are few larger sizes left. 113S-138S are virtually impossible to get on the open market. There will be a gap in the Valencia/navel season, as navels are not expected to be ready until the 2<sup>nd</sup> to 3<sup>rd</sup> week of October. Import lemons, murrcotts, cara caras and clementine's are available. 140S and larger lemons will remain tight until D3 production is fully ramped up.

**Navels/Valencia's: EXTREME / VERY SHORT SUPPLY OR NO SUPPLY** There will be a gap between Valencia/Navel season. Import Navels are available, with few larger sizes left. Valencia's are EXTREMELY tight, especially 113-138S. Few organics are available. Domestic Navels are expected to be ready mid-October. Expect a tough year.

**Lemons: EXTREME** Domestic lemon supply will remain tight on larger sizes. South American/Mexican lemons are available, good quality. Import lemons are available on the east and west coast. New Zealand/Meyer lemons are available.

**Limes:** Limes are available. Recent weather in Mexico will have an impact on quality.

**Grapefruit:** California Summer Marsh and Rio Reds (Peruvian, also) are available in limited supplies. Organic is available. Mostly choice grade.

### **Specialties:**

- California satsumas will get started mid-October
- Import Cara Caras are available in limited supply.
- Import clementine's are available.
- New Zealand Meyers are available.
- Peruvian Minneola's are available.
- Chilean murrcotts are available as well.

## **California Lettuce**

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**Butter:** Prices are stable. Quality is average due to the heat.

**Green and Red Leaf:** Quality is not good, we are seeing fringe burn. Demand is steady. Supply is below normal.

**Iceberg Lettuce: ESCALATED/EXTREME** Supplies are very light this week. Quality is starting to show signs of heat issues. We are seeing lighter weights and yields in the fields, we expect this market to get very limited in supply and see prices rise fast.

**Romaine: ESCALATED/EXTREME** Average supply. Quality is overall fair to poor. We are still seeing fringe burn and yellowing on the outer leaves and other heat related issues.

**Romaine Hearts ESCALATED/EXTREME** Supplies are average and prices are up. Quality is average to poor; however, growers are able to control some of the quality issues by peeling off some of the outer layers.

### **Eastern and Western Vegetables**

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**HURRICANE IRMA UPDATE:** We will see a very active market and potential supply interruptions on all east coast vegetable items due to the aftermath of Hurricane Irma. Several of our partner growers have sustained severe damage to infrastructure, as well as crops. Fortunately, the forecast calls for favorable weather in the region over the next several days, which will assist in the recovery process. We expect to see very active markets over the next two to three months due to the damage of the fall crops in North Florida and South Georgia. We are anticipating a bold recovery in the Immokalee and Naples area in the next 4 to 6 weeks barring no additional severe weather events.

**Green Bell Pepper: WATCH LIST** Pepper supplies and quality are favorable; however, we still anticipate a shift in sizing and lighter production due to cooler overnight lows in all growing regions. South Georgia is expected to start harvesting within the next 1-2 weeks. However, weather impacts from Hurricane Irma are expected to harm quality and supply. California/ Central Coast production is very good, though we will need to keep a close eye on quality due to the last heat wave that hit the central valley and intercoastal regions. Currently, quality is outstanding and FOB prices are mostly unchanged.

**Red Bell Pepper:** Red Pepper Supplies are lighter this week. We expect good quality to continue with more favorable weather patterns in the extended forecast, however we still need to watch quality as shelf life remains a concern due to the heat wave last month. FOB quotes are up slightly this week.

**Yellow Pepper:** Supplies have been manageable and expect good quality over the next week. FOB prices are mostly unchanged.

**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 firming up.

**Eggplant:** Supplies are available out of South Georgia; however, we expect to see some quality issues due to flooding and wind damage from Hurricane Irma. We are still seeing good supply in the west and expect to see new crop product out of Nogales mid-October. Markets are mostly unchanged.

**English Cucumber:** Supplies are mostly unchanged. We should see some improvement as greenhouse production in Mexico is anticipated to ramp up over the next 10 to 14 days. Markets remain mostly unchanged.

**Cucumbers:** There is still production in Michigan, however expect to see that conclude soon, as transition to South Georgia happens. Quality has improved out of Georgia and markets are adjusting. We still expect to see escalated markets and potential supply interruptions through November. In the west, we see improving numbers and good quality. We expect to see Nogales ramp up over the next two weeks. Markets are down.

**Green Beans:** Supplies are good out of Michigan this week. Quality has also improved, seeing less rust and mildew issues. Supplies in the west have improved slightly as well however need to watch as there are some heat related issues which are expected to be ongoing through the remainder of the California season. FOB prices are mostly unchanged for next week.

**Zucchini and Yellow Squash: WATCH LIST** Domestic supplies have made a slight turn as South Georgia ramps up driving FOB prices go down slightly this week. We are seeing fair quality and expect this market to remain tight through November. In the west, high temperature, rain and humidity have impacted production in Fresno and Santa Maria. We expect to see lighter supplies and quality issues such as surface mold, pitting and scarring. Nogales will ramp up over the next 10 days supporting demand in the west.

## Herbs

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All Herbs are steady this week.

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	Fair	Fair	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**

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Good movement on cantaloupe has created a steady market. Overall, supply has started to decrease, but there is still another 2-3 weeks to go with most growers providing less supply each week than anticipated. All growers are now into the LSL (Harper) varieties which are more conducive to the fall conditions (cooler temps and rain). These varieties have proven to be very strong against the elements while still providing good internal quality. Central Arizona is 10 days away from getting started.

There has been a lot of activity with the honeydew market and supply will continue to get lighter as we are seeing severe disease issues in the fields lower production yields. Markets will remain short until Arizona starts next week

**Watermelon:** The Westside region will continue to have supply through the middle of October while production in the Midwest is winding down. Seed varieties used in the fall for the past few seasons have been expanded, as they proved to be resistant to cooler weather that hits that region in October. Central Arizona should be ready in early October. Markets have firmed up due to lighter volume this week. Guatemala started planting last week with an early to mid-November start expected.

## **Mixed Vegetables**

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

**Arugula:** Supplies are low for baby and wild. Quality is fair. Prices are rising.

**Asparagus:** Good supply, prices are back to normal and quality is good.

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

**Broccoli:** **ESCALATED/EXTREME** Prices are high and in escalation. Supplies are on the lighter side due to the heat and being pro-rated. Quality is average. **Broccoli florets are ESCALATED** and we are seeing a shortage in supply.

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

**Carrots:** **EXTREME** Due to the heat and rain, we are seeing some quality issues and a shortage on jumbo supplies as well as tables and cellos.

**Cauliflower: EXTREME** We are experiencing a shortage in supply, very high prices and average quality.

**Celery:** Oxnard is done and we are now in Salinas for 100% of supply. Prices are stable and quality is good.

**Corn:** Volumes are declining in all markets; however, demand is flat. The market is mostly unchanged, and quality is still good on yellow, white and bicolor.

**Cilantro: ESCALATED** Quality is poor; there is still yellowing with some decay. Prices are high.

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

**Garlic: EXTREME** We just finished our 2017 harvest this week. We have fortunately harvested our most normal crop since 2014. Our yields were pretty much as expected, nothing extraordinary, but a good crop of garlic. Presently, demand for domestic garlic still exceeds supply. We had a slight lull the first week of back to school/Labor Day, but otherwise, demand has been good and strong.

**Ginger:** Chinese ginger supplies have tightened up putting upward pressure on prices across the country. This is still a better dollar value than ginger from Hawaii, Brazil, Thailand and Costa Rica.

**Green Cabbage:** Supply is good on both coasts, quality is good.

**Green Onions ESCALATED:**

**Iced:** Prices are up, quality is poor with heat related damage.

**Iceless:** This market is steady and we are seeing heat related quality issues.

**JICAMA:** Normal prices and quality is good.

**Kale (Green):** Demand is steady and quality is just fair. Supplies are starting to lighten up with product being affected by heat damage.

**Mache:** Availability is adequate.

**Mushrooms:** Damage suffered by mushroom growers 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. **(Lead Story - The Packer)**

**Napa:** Supplies are normal. Quality is good.

**Parsley (Curly, Italian):** We are seeing prices that are still higher, the warm temperatures have cause quality issues.

**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. Market is stable.

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

**Spinach (Bunched):** Supply is average and quality is poor due to heat-related issues. We are seeing prices rise.

**Spinach (Baby):** Baby and clipped spinach supplies are low. Quality is poor due to heat-related issues and occasional reports of mildew. Prices are somewhat up.

**Spring Mix:** Supplies are average with fair quality.

### **Onions ESCALATED**

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All supplies are shipping from the northwest and all indications are showing that supplies are significantly shorter than previous seasons. It is likely we will see pricing remain elevated as demand exceeds supplies. While sizing continues to be a challenge, we are starting to see some improvement. Sizing is peaking mostly on mediums and jumbos with much fewer big onions. We can expect that this will continue get better as we transition from the harvest onions into storage onions, but even with this, it is likely that we will see pricing on large onions remain elevated this season and supplies to remain tight.

### **Potatoes: ESCALATED**

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Demand on consumer packs in the state is good at very stable prices. Demand on the larger counts 40/70 is fair with lower pricing, but they are not too stable at this time. Deals are available on 40's through 80's. The smaller counts, 90/100's are a little tighter, but prices are pretty stable. Harvest has been moving along at a very brisk pace this week. You should see at least 50% of the crop under cover by the end of the week. The yields are expected to be a little lower than last season, but not significant enough to cause too much concern. We are noticing a little better size profile in the Burbank's than the Norkotah's at this time. The weather has been cool this week and that is perfect to getting this crop put into storage in good condition. Quality of the crop has been very good. We have not heard any quality issues on arrivals at this time. Truck transportation has been better this week with better availability on trucks throughout the state. Rates are a little higher, but at least we are able to secure transportation.

### **TOMATOES-**

#### **EAST**

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**HURRICANE IRMA UPDATE:** We will see a very active market and potential supply interruptions on all east coast vegetable items due to the aftermath of Hurricane Irma. Several of our partner growers have sustained severe damage to infrastructure as well as crops. Fortunately, the forecast calls for favorable weather in the region over the next several days which will assist in the recovery process. We expect to see very active markets the next two to three months due to the damage of the fall crops in North Florida and South Georgia. We are anticipating a bold recovery in the Immokalee and Naples area in the next 4 to 6 weeks barring no additional severe weather events.

- **Rounds: ESCALATED** Supplies in the east are tight through all eastern regions however markets were off slightly this week. All sizes and quality will be hit and miss due to the weather-related impacts of Hurricane Irma. We expect a severe supply shortage over the next several months due to the damages done to the fall transition crops in North Florida.
- **Romas: WATCH LIST** Supplies are lighter this week and prices are mostly unchanged. Quality remains an ongoing issue throughout the eastern growing districts due to the ongoing rain issues. We expect a severe supply shortage over the next several months due to the damages done to the fall transition crops in North Florida. Markets are off slightly this week



- **Grapes: ESCALATED** Supplies have tightened up significantly out of the Carolinas and Virginia however prices are down slightly this week due to lighter demand. Quality will remain an ongoing issue from weather and disease impacts. We expect a severe supply shortage over the next several months due to the damages done to the fall transition crops in North Florida.
- **Cherries: ESCALATED** Supplies have tightened up significantly and will continue to see quality issues. We expect a severe supply shortage over the next several months due to the damages done to the fall transition crops in North Florida.

## **TOMATOES- WEST AND MEXICO**

**WEST COAST WEATHER STATEMENT:** Last week California experienced severe weather including rain, high humidity and wind. Combine these events with several heat waves over the past several weeks, and it does not impact crops in a positive manner. We are seeing heavy bloom drop and damage to fruit maturing on the plants. We expect an early completion of the tomato and squash season in the west adding additional concerns for shortages of supply over the next few months as Florida begins to recover from Irma.

- **Rounds: ESCALATED** Vine-ripe production continues through Otay and McAllen. The green market in California continues to struggle due to heat-related quality issues such as lower shelf life and soft fruit. We could see a potential GAP between the California season and the fall crop in Nogales due to a potential bloom drop as well. We are receiving reports of production issues in Southern Baja as well as added demand from the east as a full evaluation of the damages caused by Hurricane Irma continue. Markets are mostly unchanged this week.
- **Romas: WATCH LIST** Supplies are improving daily through Otay and McAllen. California is lighter than normal. We are seeing downward pressure on pricing. California quality will be in question due to the excessive heat. We continue to see tender fruit that will not have good shelf life.
- **Grapes: ESCALATED** Crossings have improved slightly this week from Baja; however, quality and color issues are persistent due to weather related impacts. FOB prices remain mixed this week.
- **Cherries: ESCALATED** Supplies are a tad better this week however demand and prices remain firm. Quality and sizing are good.

## **APPLES, PEARS, & TREEFRUIT**

**Apples EXTREME:** Demand from retail is extreme causing shortages industry wide. Golds and Granny's remain extremely short causing a shift in demand to all other varieties. We expect to see this continue through the rest of the season. Offshore deals are also very active due to the shortages in the Pacific Northwest. Gala and Red Delicious are steady and good quality.

**Pears:** They started in California and we will see them in Washington soon. Anjou pears are steady and supply is good.

## **STONE FRUIT: DOMESTIC LOADING CENTRAL VALLEY, CA**

- **Yellow Peaches:** Supplies winding down and very limited out of California.
- **White Peaches:** Supplies are winding down and very limited out of California.
- **Yellow Nectarines:** Supplies are winding down out of California.
- **White Nectarines:** Supplies are winding down out of California.
- **Red Plums:** Good supplies on all sizes, and excellent quality and flavor. Supply is plentiful on Flavor Fall variety. There are good supplies on excellent eating fruit through September. We have many new late varieties that will be available through November: October Red, Fall Fiesta, Ruby Sugar, and Autumn Red.

- **Black Plums:** Good supplies on Black Onyx, Black Jack and Black Honey. Angelino's will start next week and have good supplies through October.
- **Red and Black Pluots:** We will have supplies on pluots through October; sweet and juicy varieties.
- **Mottled Pluots:** Mega Dino and Dinosaur Egg varieties are available now. Supplies are winding down.