

Overview

Lettuce, romaine and leaf items are steady and are still a good buy. Lemons are short in supply, and tomatoes are still very **EXTREME**.

Market Alert

- Avocados – **ESCALATED**
- Cauliflower – **ESCALATED**
- Green Onions – **ESCALATED**
- Lemons – **EXTREME**
- Mushrooms – **ESCALATED**
- Oranges (Small sizes) – **EXTREME**
- Rapini – **ESCALATED**
- Snow and Sugar Snap Peas – **ESCALATED**
- Tomatoes (Cherries, Grapes, Romas, Rounds) – **EXTREME**

Watch List

Alternatives to ESCALATED and EXTREME Items

As tomatoes continue to struggle in the market, we are looking to these steady items that are equally delicious and can be used as substitutes for certain dishes. Try making a sandwich or classic burger Hawaiian style with a pineapple instead of tomatoes.

Good Buys

What's merry, bright, and an absolute delight? Winter citrus, of course! Finding fresh pops of color in the produce aisle during these colder months is truly the gift that keeps on giving. Also, since year-long staples such as lemons and oranges are seeing some struggle as of late, it's a breath of fresh air to find more exotic, specialty citrus blooming beautifully in the market.

So, make it a New Year's resolution to experiment with all the citrus section has to offer! Here are few we suggest adding to your orders, menus, and carts:

- Fairchild Tangerines, Orlando Tangelos, and Minneola Tangelos
- Domestic Blood Oranges
- Cara Caras Oranges
- New Zealand Meyer Lemons
- Sunburst Tangerines
- Halos and Cuties
- Pummelos (or pomelos)
- Mexican Tangerines

Take your pick and plan the perfect citrus meal for the winter season. Enjoy!

Weather

SOUTHEAST: The forecast calls for a mix of clouds and sun over the next week with normal temps expected.

Thu 12/21	Fri 12/22	Sat 12/23	Sun 12/24	Mon 12/25	Tue 12/26	Wed 12/27
81° 63°	84° 62°	83° 60°	83° 59°	79° 57°	79° 61°	81° 63°
						
Partly Cloudy						

HERMOSILLO: Warmer temperatures will be in the forecast with a mix of sun and clouds.

Thu 12/21	Fri 12/22	Sat 12/23	Sun 12/24	Mon 12/25	Tue 12/26	Wed 12/27
73° 40°	67° 44°	77° 47°	82° 52°	83° 54°	82° 56°	79° 54°
						
Partly Cloudy	Clear	Clear	Clear	Clear	Partly Cloudy	Partly Cloudy

CULIACAN: A return to a normal weather pattern expected this week with more seasonal temperatures, however still seeing a lot of cloud cover.

Thu 12/21	Fri 12/22	Sat 12/23	Sun 12/24	Mon 12/25	Tue 12/26	Wed 12/27
79° 63°	83° 60°	89° 61°	92° 60°	94° 60°	92° 59°	88° 58°
						
Overcast	Partly Cloudy					

YUMA: The forecast calls for a mix of clouds and sunshine through next week with highs in the 70's and low 50's to upper 40's at night.

Thu 12/21	Fri 12/22	Sat 12/23	Sun 12/24	Mon 12/25	Tue 12/26	Wed 12/27
61° 40°	63° 40°	68° 47°	72° 47°	76° 48°	75° 52°	74° 49°
						
Clear	Clear	Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy

Transportation – EXTREME

Trucks are extremely tight and rates have increased by more than 25 percent this week. A lot of this is due to Christmas Tree Pulls out of the Northwest. We expect very short logistics options through mid-December.

Fruits & Vegetables

Avocados: ESCALATED We are seeing ongoing issues with the supply of avocados crossing the border from Mexico. These issues are the result of continued closures of several packing sheds in the region. These closures are the result of a politically-driven decision made by the board of elected growers in Mexico. Due to the nature of the root cause of these closures, domestic marketing companies have no control over supply and no way to influence the re-opening of these facilities. As a result, we are anticipating a steady increase in FOB prices at the border over the next several weeks, despite the Minister of Agriculture for Mexico stepping in to attempt to resolve these political issues. We don't have any hard information about a timetable for negotiation or resolution of these issues and have been apprised of rumors of organized shutdowns occurring this weekend, which will further tighten supply. As always, we value your business and will do all we can to find suggested alternatives for you, and of course, will keep you informed as this situation develops. We will also see a short California supply as several major wild fires are affecting growing districts in Fallbrook and Ventura. Several buildings and groves have been destroyed.



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 storage Reds. Scarlet Royals and Crimson are the varieties that are available and remaining in California. Offshore varieties are available out of Peru and Sagraone, Falmes, Crimsons and Globes are available 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: Blueberry availability is steady, prices are high and quality is good.

Blackberries: Blackberries are average in volume. Quality is good and prices are high.

Raspberries: Volume is steady, quality is good, and prices are high.

Strawberry- The market is getting very active, with much higher prices. Quality is good.

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: Limes are available.

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 have been up this week. Prices are good. Quality is average as we are seeing bottom rot and weak tip.

Romaine: Supply and pricing are good. Quality is overall fair, but improving. We are seeing heavy rib and some twisting. Crops have come up short, so we may see shorter supply within the next few weeks.

Romaine Hearts: Supplies are good and prices have improved. Quality has improved. Most issues with quality can be peeled off. Crops are coming up short, so we may see a shorter supply in a few weeks.

Eastern and Western Vegetables

Green Bell Pepper: Supplies are very limited out of the east and do not expect to see improvement in this market over the next couple of weeks. Out of the west, supplies will continue to improve out of Nogales. Desert crops are now done until the spring.

Red Bell Pepper: Supplies are now shipping primarily through Nogales. The desert is winding down fast and supplies are lighter this week. We expect markets to remain firm another week at the very least. FOB prices are higher again this week. Expect to see smaller sized choice fruit through the first of the year. HH Markets are also very short.

Yellow Pepper: Supplies are unchanged loading through Nogales. 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 expected to remain firm for the remainder of the month.

Eggplant: Supplies are improving in the east with Florida production ramping up and will continue to improve as new fields will break late next week. There are good supplies in the west loading in Nogales. Markets are down across the country.

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

Cucumbers: Good supplies are available out of Florida; however, this could change due to recent freezing temps in North Florida. We have not seen any damage yet but expect to see some issues soon. Markets are mostly 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. We are still expecting markets to firm this week.

Green Beans: Supplies will remain firm loading through McAllen, Nogales and Florida. We anticipate a firm market through Christmas.

Zucchini and Yellow Squash: Supplies have firmed up crossing through Nogales as well as South Florida. We are seeing this as a result of transitions to newer blocks in all growing areas. There is a mix of quality and sizing expected through Christmas. FOB prices will remain firm.

Herbs

BASIL: Supplies will remain very tight at least till the end of the year. Demand is very heavy and supply is very light coming out of Mexico. The high winds from last week and the overcast skies have cut the supply nearly in half. The regrowth takes about 21-28 days and we are currently in the second week of this. We are anticipating our fill rate to be close to 50% or less and we are working diligently to find quality supplies to fill the gap.

SAVORY, MARJORAM, OPAL BASIL, LAVENDER: These are all limited in supply due to our local growers affected by the over cast skies from the fires.

ROSEMARY, SAGE and THYME: These are recovering from the heavy demand from Thanksgiving. Overcast skies also continue to slow the growth.

All other herbs are steady.

HERB	SUPPLIES	QUALITY	COUNTRY OF ORIGIN
Arugula	Good	Good	USA
Basil	Limited	Good	USA/MEXICO
Opal Basil	Limited	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	Limited	Good	USA
Mint	Good	Good	USA
Oregano	Good	Good	USA
Italian Parsley	Good	Good	USA
Rosemary	Limited	Good	USA

Sage	Limited	Good	USA/MEXICO
Savory	Limited	Good	USA
Sorrel	Good	Good	USA
Tarragon	Good	Good	MEXICO
Thyme	Limited	Good	USA
Lemon Thyme	Good	Good	USA
Lavender	Limited	Good	USA
Lime Leaves	Good	Good	USA
Hora Santa	Good	Good	USA

Melons

Cantaloupe: Supplies are lighter this week on all sizes for offshore fruit. Desert fruit is done. Import quality has been strong with firm fruit and good internal quality as brix levels have been mostly in the 11-15% range.

Honeydew: There are still some dewes hanging around in Nogales; however, quality is marginal. Offshore availability is ramping up. 5-6 is the peak size, and smaller fruit (8/9s) will remain very limited. Brix levels are 11-16% range. Markets are firm.

Watermelon: This 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 rest of the calendar year.

Mixed Vegetables

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

Arugula: Supplies are low for baby and wild. Quality is average to poor.

Asparagus: Good supply, and prices are higher on smaller sizes. Quality is good.

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

Broccoli / Broccoli Florets: Supplies are good, showing good quality and prices. Crops are coming up shorter than expected, and we may start to see a shorter supply as a result.

Brussels Sprouts: Very high prices and tighter supplies remain but are leveling out. Quality is improving. We expect improvement in about 2 to 3 weeks.

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: ESCALATED Though quality is looking good, prices on cauliflower are high. Cool nights have slowed the growth, and supplies industry wide are very short.

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

Corn: Sweet corn supplies are very good out of South Florida. Promotable volume available.

Cilantro: Quality and prices are good with steady supply.

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: Supply is good on both coasts, quality is good.

Green Onions ESCALATED Iced: We are seeing a shortage in supply due to demand of the holiday pull. Expect higher prices.

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

Kale (Green): Demand is steady and quality is average. Supplies are steady.

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 normal. Quality is good.

Parsley (Curly, Italian): Prices are stable and quality is average. Steady supply.

Rapini: ESCALATED Supplies are very limited and prices are very high. 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. Market is stable.

Snow and Sugar Snap Peas: ESCALATED Snow and sugar snap peas are in high demand and markets are extremely tight.

Spinach (Bunched): Supply is good and quality is just fair due to the ice and heat.

Spinach (Baby): Baby and clipped spinach supplies are good, showing average to poor quality.

Spring Mix: Supplies are good and quality is average to poor.

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 fairly good on both consumers and cartons. We have seen prices remain steady at this time and expect that trend to continue. Truck and rail shortages still curtails movement in the state. You are going to experience short work weeks, next week and the following week. Some operations will only run three days next week and others will run four days. The following week we can expect all operations running four days. This situation should keep supplies tight and pricing steady.

TOMATO WEATHER UPDATE – EAST WEST AND MEXICO

EXTREME Ruskin/ Palmetto region will be severely short as we are just not seeing plants come on as estimated, in addition to ongoing gaps in production. We are witnessing the situation we have all been aware was coming for some time now. On September 10, 2017, Hurricane Irma devastated several growing districts throughout Florida with winds over 100 miles per hour and catastrophic flooding. This weather event is currently impacting harvest of all vegetable items in the Ruskin/ Palmetto region resulting in extreme yield deficits coming from the fields. In addition to this event in the east, we are seeing major issues with Roma tomato, Grape tomatoes and Round tomatoes out of Central Mexico as cold nights have literally stopped production. We do not anticipate seeing any relief until the week of Christmas.

TOMATOES- EAST

- **Rounds: EXTREME** The Ruskin/Palmetto region is still seeing shortfalls, as well as a demand exceeds supply condition. We are seeing some relief as production is beginning slowly, however we still do not expect any major relief for another week to ten days. On product that is available, quality is good and FOB prices are down slightly from last week.
- **Romas: EXTREME** We are still seeing production numbers ramp up, however we expect similar conditions as the Rounds. We do not expect to see any relief until the week of Christmas, however FOB prices are down slightly this week.
- **Grapes: EXTREME** Ruskin/Palmetto are seeing major supply shortfalls, however supplies are improving. Please note that we are still seeing a demand exceeds supply condition. For product that is available, quality is good and FOB prices have increased. We expect no significant relief until at least the middle of December. Grape tomato prices are up this week.
- **Cherries: EXTREME** Ruskin/Palmetto are seeing major supply shortfalls. For product that is available, quality is good.

TOMATOES- WEST AND MEXICO

- **Rounds: EXTREME** Vine-ripe production is at an all-time low crossing through Otay and McAllen. We are seeing signs volumes are coming back, however we will still see light supply conditions on all Mexican production this week. All of this is a result of cold weather in Central Mexico that has literally stopped production. FOB prices are down slightly this week.
- **Romas: EXTREME** We are seeing volume ramp back up with production out of Culiacan crossing through Otay and McAllen. We expect relief late next week, fortunately FOB prices are down this week.
- **Grapes: EXTREME** Crossings have improved slightly, but we continue to see all-time lows this week due to bloom drop and supply gaps in all Baja districts. Grape tomato FOB prices are up again this week.
- **Cherries: EXTREME** We are seeing a demand exceeds supply condition this week and we expect no relief until another two weeks from now.

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.