

December 28, 2017

Overview

Lettuce, romaine and leaf items are steady, but there are quality issues. Lemons and oranges are in a very **EXTREME** market. Broccoli, green onions, and cauliflower are **ESCALATED** and we are seeing shorter supplies. Spinach may hit a gap in supply, while berries are steady and squashes are readily available.

Market Alert

- Asparagus – **ESCALATED**
- Avocados – **ESCALATED**
- Broccoli – **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) – **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.

Market Alert Alternatives

As tomatoes continue to struggle in the market, we are looking to 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. Oranges are in a similar position, however, with the access of winter citrus such as blood oranges, similar alternatives are certainly available. Broccoli and cauliflower are also both **ESCALATED**, but green beans and Brussel sprouts can bring the same green, flavorful effect to many veg-heavy dishes.

Good Buys

Pineapples!

Roasted veggies may be one of winter's greatest gifts, but don't count out fresh fruit just yet! Contrary to popular belief, (and as demonstrated with last week's winter citrus good buy) there's plenty of summer season produce to go around when you're in the mood for it. In fact, if you avoid using these items for longer periods of time throughout the year, it puts pressure on other seasonal fruits and vegetables that might be struggling in the market and can contribute to a larger problem: food waste.

Take pineapple, this week's good buy for example! Pineapples are a great alternative to tomatoes, which are **ESCALATED** at the moment, as they bring a Hawaiian style twist to any burger. Pineapple is also loaded with health benefits, including plenty of vitamin C, fiber, and manganese, a nutrient involved in bone formation.

Ring in the New Year with this fan-favorite fruit and make this decadent Cranberry Pineapple Punch to cheers with at midnight. Enjoy!

Cranberry Pineapple Punch

Ingredients

- 4 cups cranberry juice
- 4 cups pineapple juice or blended pineapple
- 1 cup silver rum
- 1 cup coconut rum
- 2-liter ginger ale
- juice of 1-2 limes

Garnish





- 2 limes, sliced (plus more for glasses)
- 1 cup fresh cranberries, frozen

Directions








1. Combine cranberry juice, pineapple juice, silver and coconut rum, and lime juice in a pitcher
2. Add lime slices and fresh cranberries to the pitcher
3. Top off with ginger ale or just add directly to a glass when serving, and enjoy!

Weather








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

Thu 12/28	Fri 12/29	Sat 12/30	Sun 12/31	Mon 01/01	Tue 01/02	Wed 01/03
81° 60°	78° 55°	77° 54°	76° 52°	73° 55°	69° 53°	69° 47°
						
Partly Cloudy	Clear	Clear	Clear	Chance of Rain	Chance of Rain	Chance of Rain








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

Thu 12/28	Fri 12/29	Sat 12/30	Sun 12/31	Mon 01/01	Tue 01/02	Wed 01/03
85° 57°	87° 57°	87° 55°	84° 55°	84° 54°	84° 55°	82° 54°
						
Clear	Clear	Clear	Clear	Clear	Clear	Partly Cloudy

CULIACAN: A return to normal weather patterns are expected this week with more seasonal temperatures; however, there is still a lot of cloud cover.

Thu 12/28	Fri 12/29	Sat 12/30	Sun 12/31	Mon 01/01	Tue 01/02	Wed 01/03
90° 64°	90° 62°	89° 58°	88° 55°	91° 56°	91° 55°	88° 55°
						
Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	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 12/28	Fri 12/29	Sat 12/30	Sun 12/31	Mon 01/01	Tue 01/02	Wed 01/03
78° 49°	78° 48°	78° 47°	75° 49°	77° 51°	75° 52°	75° 52°
						
Clear	Clear	Clear	Clear	Partly Cloudy	Clear	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 still are seeing an active market despite the increased volume this week. However, due to holidays, we expect to see a drop in production by approximately 20 million lbs. We do anticipate an increase in volume the week after New Year's.

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 Sugaone, 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 continue to drop due to the cold weather and ice. Quality is steady, but the cold could create gaps in supplies which will cause the prices to rise.

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

Green Bell Pepper: Supplies are very limited out of the east. We 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 and the FOB prices are down as supplies improve. 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 excellent out of Florida as well as 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 for domestic as well as offshore. Quality is good. 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 be firm this week.

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 improved as volume of offshore product increases. We are still seeing some quality issues with Florida product. Import volume out of Mexico has increased due to warm weather. FOB prices are down.

Herbs

MINT: The heavy demand from the past three weeks and 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).

BASIL: The challenge for the past several weeks has been reduced supplies due to wind damage. The plants are starting to come back and supplies should pick back up the start of January. Prices are starting to climb as the growers try to recover from the reduced harvest the past three weeks. Look for price increases as we start off the New Year. Supply has also been reduced due to the labor force taking a three-day holiday for Christmas, and should happen again for New Year's.

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.

LEMON THYME, OPAL BASIL, SAVORY, and 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
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: Offshore supplies will remain lighter over the next few weeks as a result of late plantings in the fall. 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 dews 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 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 three to four weeks.

Mixed Vegetables

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

Arugula: Supplies are tightening up, and quality is fair.

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 are short and prices are high, but quality is good.

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 supplies are fair.

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): 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: 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): WATCH LIST Supplies are limited and prices are rising, so we may see a gap in supply. The colder nights and warm days have prohibited the growth of this item.

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

Spring Mix: 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 finally seeing improving numbers out of Immokallee and the worst is finally behind us. We are still seeing a very firm market; however, this is expected to improve daily. We should continue to see relief over the next 7-14 days. Quality is good and FOB prices are down significantly this week.
- **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 this week.
- **Cherries: ESCALATED** For product that is available, quality is good.

TOMATOES - WEST AND MEXICO

- **Rounds: ESCALATED** Vine-ripe production will begin to increase as production ramps up out of Culiacan and cross through Nogales and McAllen. We expect improvements to take approximately two weeks. Small sizes are tight due to crown picks. FOB prices are slightly down this week.
- **Romas: ESCALATED** We are seeing volume ramp back up with production out of Culiacan crossing through Nogales and McAllen. FOB prices are down slightly this week as production is slowly ramping up.
- **Grapes: ESCALATED** 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 down slightly this week.
- **Cherries: ESCALATED** 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.