

# Weekly Market Review

June 14, 2018

## Overview

Most commodities are steady. Valencias are still in an **ACT OF GOD** with higher prices and shortages in supply. Lemons remain higher in prices and tighter in supply. Iceberg lettuce is shorter in supply.

## Market Alert

- Lemons – **ESCALATED**
- Mushrooms – **ESCALATED**
- Oranges (Valencias) – **ACT OF GOD**
- Tomatoes (East Coast – Grapes and Cherries) – **ESCALATED**

## Watch List

**Southeastern Veg:** Cherry tomato and grape tomato production have been severely impacted by heavy rain over the past several and has caused the tail end of the Florida programs to end prematurely while delaying the spring harvest in South Georgia and South Carolina. We do expect these conditions to improve over the next few weeks.

## Transportation - EXTREME

With full implementation of the ELD now in place as well as a nationwide shortage of available trucks on the market, rates are expected to continue to rise through the summer. Rates could jump as high as 20% over the next several weeks and remain the way until the market settles.

## Weather

### MOULTRIE:

Thu 06/14	Fri 06/15	Sat 06/16	Sun 06/17	Mon 06/18	Tue 06/19	Wed 06/20
87°   71°	88°   72°	89°   73°	90°   73°	92°   73°	91°   73°	90°   73°
						
Chance of a Thunderstorm	Chance of a Thunderstorm	Mostly Cloudy	Partly Cloudy	Chance of a Thunderstorm	Mostly Cloudy	Chance of a Thunderstorm

### JALISCO:

Thu 06/14	Fri 06/15	Sat 06/16	Sun 06/17	Mon 06/18	Tue 06/19	Wed 06/20
85°   63°	86°   62°	86°   62°	84°   63°	81°   63°	77°   62°	79°   62°
						
Partly Cloudy	Chance of Rain	Partly Cloudy	Chance of Rain	Thunderstorm	Thunderstorm	Chance of Rain

### SALINAS:

Thu 06/14	Fri 06/15	Sat 06/16	Sun 06/17	Mon 06/18	Tue 06/19	Wed 06/20
66°   55°	64°   54°	66°   53°	69°   54°	71°   55°	72°   55°	71°   55°
						
Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Clear	Clear	Clear

## COACHELLA:

Thu 06/14	Fri 06/15	Sat 06/16	Sun 06/17	Mon 06/18	Tue 06/19	Wed 06/20
109°   77°	103°   71°	97°   68°	96°   68°	99°   71°	101°   73°	98°   72°
						
Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear	Clear	Clear	Clear

## SELMA:

Thu 06/14	Fri 06/15	Sat 06/16	Sun 06/17	Mon 06/18	Tue 06/19	Wed 06/20
101°   58°	98°   56°	90°   55°	83°   58°	89°   63°	94°   66°	96°   66°
						
Clear						

## Good Buys

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### Asparagus!

There are tons of reasons to cook up asparagus this summer. Sure, this bright green vegetable is luckily available year-round, but it often proves to be most enjoyable in its spring/summer prime. At the moment, asparagus is looking mighty fine. (Hey, that rhymed!) The market is currently steady showing great quality and pricing.

When looking to beef up healthy options on your menu, consider this green veg. Asparagus is packed with great vitamins and health benefits. Like berries, it's full of antioxidants helping to boost immune systems. Asparagus is also low in calories and full of fiber making it perfect for transitioning to healthier eating habits!

One asparagus trend to hop on right now, especially with Father's Day coming up, is capturing smoky charred flavors from the grill. However, grilling asparagus tends to be tricky. Try these strategies when looking to singe asparagus into a fast and fancy side:

- Place skewers perpendicularly to the asparagus to ensure easier flipping and avoid falling through the grill.
- Grill over direct heat after everything else is off the grill for about 4 minutes.
- The bigger the asparagus the better, so make sure to pick the thickest and fattest ones!

Don't forget, great grill marks and food-safe plates come from clean, debris-free grates! Keep your grill clean and ready to go beforehand to stay on top of your grill game.

## Fruits & Vegetables

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**Avocados:** Despite lower harvest volumes out of California and a slightly lower volume crossing from Mexico, we are seeing a slight tick upwards in the market on #2 fruit this week. Fortunately, as a whole, the market is not as active as it could be due to the increase of availability on Peruvian product. The target weekly volume remains near 50 million pounds nationwide. We will see a spike in demand over the next few days due to retail ad pulls for 4<sup>th</sup> of July.

**Bananas:** Demand on this item remains firm; however, prices will continue to ease. Quality will remain inconsistent due to weather that has impacted the growing regions in Guatemala, Mexico, and Costa Rica. This only further complicates an already short banana market across the country due to virus impacts. Due to improving inventories, we should no longer see ripening issues.

**Pineapples:** Demand remains firm, quality is good, and supplies are stable. FOB quotes at the port are mostly unchanged.

**Grapes:** This is a mixed market at the moment. The Chilean season is over while Mexican volume is down because of low yields and ongoing quality issues due to weather impacts. Coachella is ramping up and drawing a premium on all sizes, colors and grades. This market is projected to stabilize as Coachella continues to ramp up and Arvin being on the horizon.

**Kiwi:** New Crop, Chilean fruit is available. Supply and quality are both good.

## **Berries**

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**Blueberries:** Availability is steady, Georgia blues started last week in a very small way, they are a few weeks behind due to the rain which is causing some shortages in supplies. Prices are higher.

**Blackberries:** The market on blackberries is extremely short in supply. We are seeing very high prices with little fruit available.

**Raspberries:** We are seeing some shortages in supply in this market, quality is good.

**Strawberries:** The market is tightening up again because of rain. Supplies are steady, but not as plentiful.

## **California / Arizona Citrus**

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The lemon market is getting tighter. Upcoming issues with weather may potentially create issues with supply and quality. We will keep you posted. The demand for CA navels has far exceeded supply. Markets will remain high until the domestic Valencia market kicks in.

**Navels/Valencia's: ACT OF GOD** Our Valencia growers in the San Joaquin Valley were affected by extreme heat which caused post bloom conditions in our fruit. As a result, this has caused a lighter crop and there is virtually no small fruit available. At this time, our growers suggest moving to a larger size Valencia. We also have one supplier that will not have any small fruit at all and has evoked an **ACT OF GOD**. We apologize for this disruption and recommend that you take oranges off your menu or change to a larger size at this time. We are monitoring this situation closely and will update you with more information regarding Valencias as the week continues. Thank you again for your support and understanding.

**Lemons: ESCALATED** This is a very active market. Prices are still higher than normal, but quality is good. Imports start in June.

**Limes:** The market will be mostly stable for the next few weeks.

**Grapefruit:** Texas grapefruit is available. Florida Star Ruby/Red is available. California grapefruit has started.

## **Specialties:**

- Pink Lemons are available.
- Gold Nugget mandarins are available.
- Ojai Pixie Tangerines are available.
- Only a few Minneola's are left.
- Domestic Blood oranges and Cara Caras are available showing good quality.

- New Zealand Meyers are available.
- Halos and Cuties are available.

### **California Lettuce**

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**Butter:** Demand is good, and quality is average.

**Green and Red Leaf:** Red leaf quality and demand are average and supplies are normal. Green leaf supplies exceed demand and quality has been good with occasional fringe burn.

**Iceberg Lettuce:** Supplies are lower due to cooler weather. Supplies are short and prices are high.

**Romaine:** Produce Alliance continues to purchase CA product only. Supplies exceed demand and quality is good.

**Romaine Hearts:** Supplies exceed demand and quality is very good.

### **Eastern and Western Vegetables**

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**Green Bell Pepper:** The green bell pepper market continues to improve daily as fields dry out and normal early summer weather patterns in the East return with sunny days and showers in the afternoons. In the West, we are seeing good numbers out of the desert, while finishing up the transition to the Central Valley has begun. Quality in the West is very nice while East Coast product is a hit and miss.

**Red Bell Pepper:** The market is snug and expected to remain this way for a few days pushing FOB prices up on all sizes this week. Quality is good through Coachella and starting in Bakersfield. Product out of Nogales is now done for the season while Hot House product is crossing through McAllen.

**Yellow Pepper:** Production has tightened up and markets are active. Quality is very nice.

**Mini Sweet Pepper:** Good supplies are available. These are excellent for fajitas and stir fry, call for deals on mini sweet peppers!

**Eggplant:** This market is fair as we transition from winter crops to summer crops. South Georgia quality is very nice and improving daily, we should be in full production by the first of the month from the region. Out west, Nogales is quickly winding down while Coachella is experiencing perfect harvest conditions. The Central Valley is also just days away from scratching. Quality is outstanding in California.

**Cucumbers:** Cucumber prices are down this week due to good quality and supply from South Georgia, Baja through Otay and Sinaloa through Nogales.

**Green Beans:** Markets are improving as more green beans are being harvested in Georgia now that the rain has eased. Quality is going to be hit and miss due to the moisture. In contrast, excellent quality and improving supplies are arriving out of the desert and central valley. Markets are mixed based on regions and quality.

**Zucchini and Yellow Squash:** FOB prices are mostly unchanged this week as supplies remain stable out of South Georgia and the Carolinas. Florida and Hermosillo are for the most part done now. Quality and supply in the West are very nice.

## Herbs

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We usually have what we call "JUNE GLOOM" weather patterns this time of year with early morning fog followed by afternoon sunshine. This year, June is starting off with warm mornings and hot afternoons. This affected the **DILL** crop a few weeks ago and this week the heat is affecting the **CHERVIL** crop. Dill is starting to recover, but there will be limited supplies on chervil this week and next.

So far, **BASIL, MINT AND PARSELY** have not been affected, but we will keep you posted if there are any changes. These three fresh herbs usually do well with the warmth.

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

## **Melons**

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**Cantaloupe:** The cantaloupe market is easing up as we see volume continue to increase in the West with weather conditions near perfect. Sizing is still leaning on the larger side, quality on the new crops is outstanding, and brix levels are at 12-14% with occasional higher levels with a good external appearance showing even netting and full slips.

**Honeydew:** Good demand has kept the market firm despite a slow start in the desert. However, it is expected to ramp up and Mexico is gapping while the offshore season is now done. Our growers are anticipating an active market for the next two weeks.

**Watermelon:** Seedless watermelons remain steady with a decent demand on larger sizes (4/5s). Movement on smaller sizes has been limited. Growers of seedless melons from Central America are done for the season.

## **Mixed Vegetables**

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**Artichokes:** Quality is excellent, and demand is good.

**Arugula:** Quality is fair due to the recent cold weather.

**Asparagus:** The market is steady showing good quality and prices.

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

**Broccoli / Broccoli Florets:** Supplies look to be steady for the next few weeks. Demand is good and the market is steady.

**Brussels Sprouts:** Supplies are light and quality is good. Prices are steady.

**Carrots:** We are seeing both good quality and volume.

**Cauliflower:** Supplies are strong and quality is outstanding.

**Celery:** Demand is average, but quality is fair to good.

**Corn:** Good volume continues on yellow and white out of the desert. Georgia sweet corn (yellow, white and bi-color) market is marginal; quality has been hit or miss due to the recent rains. We expect a spike in demand over the next several days due to retail ad pulls for 4<sup>th</sup> of July ad.

**Cilantro:** Supplies are good. Quality is fair.

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

**Garlic:** We are about 50% done with the 2017 crop. Supplies will remain tight between now and July. Prices remain high.

**Ginger:** Chinese ginger markets are mixed, but quality is good. Also, product is available at higher costs from Brazil, Costa Rica and Honduras and Peru with no major quality issues being reported.

**Green Cabbage:** Supplies have improved in the southeast as well as in the West. FOB calls are down, and quality remains very nice.

**Green Onions:** Good volume crossing from Mexico. Quality should improve with night time harvesting.

**JICAMA:** Markets remain firm due to ongoing short supplies and will continue to see some quality and shelf life issues.

**Kale (Green):** Quality and supplies are good.

**Mache:** Availability is adequate.

**Mushrooms: ESCALATED** Mushroom growers are still recovering from the severe 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 has said it expects supply to be affected for several months. We are starting to see some improvement of supply and will keep you informed of any changes.

**Napa:** Supplies and demand are steady.

**Parsley: (Curly, Italian)** Quality is fair and supplies are a bit shorter so prices may begin to rise.

**Rapini:** Supplies have improved, and markets are steady. Quality has improved.

**Radishes:** Supplies are steady, and quality is good shipping through Arizona and Florida.

**Red Cabbage:** Quality has been hit and miss while sizing remains good. We are seeing some external quality and color issues causing markets to remain firm in the East as well as Texas. West Coast volume is improving.

**Snow and Sugar Snap Peas:** Snow and sugar snap peas supplies are steady through Miami and prices are higher.

**Spinach (Bunched):** Quality is fair with some sizing issues due to recent cold weather.

**Spinach (Baby):** Baby and clipped spinach supplies are good, and quality is fair.

**Spring Mix:** Supplies and quality are good.

### **Onions:**

Southern California and South Texas are winding down but Central California, New Mexico and North Texas are running strong. Yellow onions have leveled off as supply and demand are leveling off. Red onions are strengthening as all regions are hitting short supply gaps. This is expected to remain for the next 2 weeks or so. Size profiles across the board are peaking on larger onions creating a surplus of Colossal and Super Colossals.

## **Potatoes:**

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Demand continues to be strong on all cartons and consumer packs. Pricing continues to increase each week and large cartons are sparse. The Burbank crop has much lower pack-outs. Transportation also continues to be challenging and rates have increased significantly.

## **TOMATOES**

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- **Rounds:** Weather-related impacts will continue to hamper the tail end of the Central Florida programs while North Florida is still at least one week out from casting a major dip in production. We expect markets to remain volatile and quality to be marginal over the next 10 to 14 days. South Carolina and Tennessee expected to start up over the next 2 to 3 weeks.
- **Romas:** Roma prices are flat due to a soft demand; however, they are still volatile and expected to remain this way for the next 2-3 weeks due to quality issues related to the rain.
- **Grapes: ESCALATED** Supplies remain snug as transition continues to central and north Florida. Quality is questionable due to the rain, and we expect to see heavy discoloration and splitting on the last of the Florida crops. We will continue to see firm markets for another 2 to 3 weeks.
- **Cherries: ESCALATED** Supply is marginal, FOB prices are up, and quality will be hit and miss due to the recent rain.

## **TOMATOES - WEST AND MEXICO**

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- **Rounds:** Sinaloa continues to wind down while Baja is ramping up and keeping FOBs stable; however, large-sized fruit is short and drawing a premium. Quality is beginning to decline out of Sinaloa as the season ends, so please make sure to manage inventory levels properly. Baja quality is outstanding. Central Valley should ramp up over the next two weeks while the desert might see some issues with daytime temps in the 100s could affect quality.
- **Romas:** Volume and quality are outstanding from all regions and expected to remain steady through Mid-May; however, prices are moving upwards as demand from the East increases.
- **Grapes:** Supply is sharply declining this week from Central Mexico while Baja continues to produce decent numbers causing a split market. FOB prices are firming up and demand is higher due to lighter supplies in the East.
- **Cherries:** Mainland production continues to show quality issues while new crop out of Baja is outstanding.

## **APPLES & PEARS**

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**Apples:** We will continue to have good supply of the major varieties of apples through the spring and summer. We have finished packing some varieties of apples for the season so the emphasis for balance during the season will be on the six or seven remaining varieties. The quality, condition, and color on almost all varieties looks very good, and since we normally harvest the late storage apples first in the season I expect the condition on the remaining production to be very good.

**Pears:** Both Anjou and Gold Bosc pears are available especially on the larger (70's to 100's) sizes, but they are beginning to wind down for the season. Most of the supply that is left in the Northwest will either come from the Hood River Oregon area or from the Wenatchee area in Washington.

## **STONE FRUIT AND CHERRIES**

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- **Plums:** Very light supply because the harvest is late.
- **Peaches:** Supplies are ramping up daily out of the San Joaquin Valley as well as the Southeast. Yellow and white peaches are available today!
- **Nectarines:** Improving supplies are available on white and yellow flesh varieties out of the San Joaquin Valley.

- **Cherries:** Quality is hit or miss and supplies are loading out of the San Joaquin Valley.