

# Weekly Market Review

November 15, 2018

## Overview

The Salinas Valley growing season will be coming to an end. Please refer to the general end dates for Salinas and start dates for Yuma provided. Grapes and eggplant are good buys.

## Transition Schedule – Fall 2018

**Salinas End:** October 26 – November 17

**Yuma Start:** November 7 - December 3

Over the next few months, please keep in mind that optimal temperatures must be maintained as strictly as possible throughout the supply chain. In the past, we have found that late season leafy green vegetables will not hold up as well as the mid-season leafy greens if temperatures are not properly managed. Please actively take the necessary steps to maximize shelf life as this is very important this time of the year.

## Market Alert

- Avocados – **ACT OF GOD/FORCE MAJUERE**
- Broccoli – **ESCALATED**
- Cauliflower - **ESCALATED**
- Corn – **EXTREME**
- Celery - **ESCALATED**
- Green Beans – **ACT OF GOD**
- Green Peppers – **ESCALATED**
- Green Onions – **EXTREME**
- Lettuce (Romaine, Iceberg, Butter, Green and Red Leaf) – **ESCALATED**
- Mushrooms – **ESCALATED**
- Sugar Snap Peas – **EXTREME**
- Tomatoes (Romas, Grapes) – **ACT OF GOD**

## Watch List




- Cantaloupe
- Honeydew
- Mixed Chili Pepper (Jalapeno, Anaheim, Poblano, Serrano)
- Round Tomatoes (East, West, and Mexico)
- Snow Peas
- Sweet Potatoes and Yams
- Tomatoes (Cherries our of the West and Mexico)

## 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 be above normal through the remainder of the summer. We are seeing an average increase of 15 to 20 percent over last year's comps.

## Weather








### COACHELLA:

Thu 11/15	Fri 11/16	Sat 11/17	Sun 11/18	Mon 11/19	Tue 11/20	Wed 11/21
81°   46°	81°   45°	78°   49°	79°   48°	79°   50°	79°   49°	77°   49°
						
Clear	Clear	Clear	Partly Cloudy	Partly Cloudy	Clear	Clear








### HERMOSILLO:

Thu 11/15	Fri 11/16	Sat 11/17	Sun 11/18	Mon 11/19	Tue 11/20	Wed 11/21
81°   49°	81°   51°	80°   51°	80°   50°	83°   53°	82°   52°	80°   55°
						
Clear	Partly Cloudy	Clear	Partly Cloudy	Clear	Clear	Clear








**JALISCO:**

Thu 11/15	Fri 11/16	Sat 11/17	Sun 11/18	Mon 11/19	Tue 11/20	Wed 11/21
74°   47°	75°   47°	75°   47°	77°   48°	78°   48°	78°   48°	77°   51°
						
Clear	Clear	Partly Cloudy	Clear	Clear	Clear	Clear








**TORREON:**

Thu 11/15	Fri 11/16	Sat 11/17	Sun 11/18	Mon 11/19	Tue 11/20	Wed 11/21
61°   34°	66°   41°	71°   43°	71°   47°	67°   44°	69°   45°	71°   48°
						
Partly Cloudy	Clear	Clear	Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear
0 in	0 in	0 in	0 in	0 in	0 in	0 in

**PALMETTO:**

Thu 11/15	Fri 11/16	Sat 11/17	Sun 11/18	Mon 11/19	Tue 11/20	Wed 11/21
73°   51°	67°   50°	74°   58°	78°   63°	76°   61°	77°   60°	78°   60°
						
Mostly Cloudy	Clear	Clear	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy

**YUMA:**

Thu 11/15	Fri 11/16	Sat 11/17	Sun 11/18	Mon 11/19	Tue 11/20	Wed 11/21
78°   48°	78°   48°	77°   50°	77°   50°	77°   51°	77°   51°	76°   53°
						
Clear	Clear	Clear	Partly Cloudy	Clear	Clear	Clear

**Good Buys**

Commodity	Market Update	Produce Expert Tip
Grapes	Plentiful supplies for well into the New Year.	While grapes may be a rather unusual topping, they work wonders in simple recipes. Paired with fresh and nutty pesto and cheeses in a pizza, grapes provide a perfect and beautiful caramelized flavor after time in the oven, taking on a toasty sweetness.
Eggplant	Steady FOBs, good to great quality, and ample supply.	You can slice eggplant into a delicious Italian treat, or make it into fries as a potato substitute, but have you stuffed it before? Enjoy filling the shells with the perfect combination of herbs, grains, cheeses, protein and even try pomegranate seeds!

**Fruits & Vegetables**

**Avocados: ACT OF GOD/ FORCE MAJEURE** We will remain in a FORCE MAJEURE condition through next week until we feel confident about the arrival schedules and ripening plans are in place throughout the system. Fruit is expected to begin arriving at the border by Friday afternoon and to the DC's by Monday at the latest. We should be back on contract by Monday the 26<sup>th</sup> should we not experience any events that further delay the process.

**Bananas:** Demand on this item remains firm and supplies are expected to remain good through the rest of the year. Quality is good.

**Pineapples:** Good volumes and high-quality product are predicted for October as sizing has and will continue to improve on larger counts. We do expect good volumes for the remainder of the year.

**Grapes:** With 18 million cases of domestic grapes in storage, grape supplies should be available through January.

**Kiwi:** Good supplies available on Chilean product.

**Berries**

**Blueberries:** Blueberry supplies are down and supplies are tight. Low volumes are expected for the next few weeks; but quality is good.

**Blackberries:** Blackberry production has slowed down. Hurricane Willa is creating a disturbance and is anticipated to be followed by a tropical storm. Supplies are expected to be tight prices are trending higher through late November.

**Raspberries:** Raspberry volume will remain stable into November.

**Strawberries:** Supplies are extremely short due to weather and transition, and quality is average. The Oxnard region has been affected by the fires so we are having to pull from Salinas and Santa Maria. Florida strawberries will be starting in the next few weeks.

### California / Arizona Citrus

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The lemon market is improving and prices are coming down. Markets will remain higher than the previous years as the domestic crop has come up extremely short.

**Oranges:** Most shippers are in full production with CA navels. Size structure is small, peaking at 138/113/88 with mostly fancy grade, and the market remains low.

**Lemons:** The market is showing improvement with new crop out of CA with very few supplies coming out of Mexico.

**Limes:** Quality is good and prices remain fairly low in the market.

**Grapefruit:** CA grapefruit will get started towards the end of November. TX and FL grapefruit is currently available.

#### **Imports/Specialties available:**

- Domestic Satsuma mandarins
- "C1" mandarins
- Chilean clementines
- Halos/Cuties start in November
- Chilean Cara Caras (few available)
- Domestic Kiwi
- Domestic Cara Caras starting at the end of this month

### California Lettuce

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**Butter:** ESCALATED Supplies are very tight, demand exceeds supply, and quality is average.

**Green Leaf:** ESCALATED Supplies are slightly below normal, and demand is good. Growers are transitioning to the desert this week. Quality has been good with some lighter weights.

**Red Leaf:** ESCALATED Supplies are very tight, demand exceeds supply, and quality is average.

**Iceberg Lettuce:** ESCALATED Supplies are slightly below normal, but demand is good. Quality has been good with some lighter weights.

**Romaine:** ESCALATED Supplies are slightly below normal. Demand is very good and quality is fair to good.

**Romaine Hearts:** ESCALATED Supplies are lighter than normal and demand is very good. Quality is average.

### Eastern and Western Vegetables

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***The Torreon region is experiencing freezing overnight temperatures which will drastically affect production across the entire category. We anticipate very short supplies on an already tight Romas and grapes market this week. This also will affect bell peppers, cucumber and squash from the region.***

**Green Bell Pepper:** ESCALATED There is a growing GAP with all Nogales shippers this week. Product is approximately 10 days late. Most of the green pepper out of Hermosillo is not mature, it was delayed due to hurricane damage early last month. A lot of growers suffered heavy bloom drop and are simply behind. We do expect this to improve by late next week and we don't anticipate harvest will begin. What our growers are reporting in the in the fields right now is very brittle product that will not survive packing and shipping. Walls of the fruit are very thin and would see a lot of mechanical damage.

**Red Bell Pepper:** Supplies are snug this week and prices have increased due to volume out of Canada decreasing daily. Quality is good but expect active markets through the middle of the month.

**Yellow Pepper:** Supplies are snug this week and prices have increased due to HH volume out of Canada decreasing daily. Quality is good and expect active markets through the middle of the month.

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

**Mixed Chili Pepper (Jalapeno, Anaheim, Poblano, Serrano): WATCH LIST** Chili peppers are tight across the country due to weather-related issues in all growing regions. Expect very high prices and very short supply due to lower yields, poor quality and disease.

**Eggplant:** GA has decent supply considering Hurricane Michael. FL is looking to start in the next week. Weather permitting, it should be a smooth transition. FOBs are steady and quality is good. There is no shortage of eggplant out West as the transition starts to wrap up. FOBs are steady with great quality available. Good supply is available out of Nogales and quality is very nice.

**Cucumbers:** GA is still suffering from Hurricane Michael, but fortunately there is light volume coming from Plant City that is able to help the East. FOBs are down going into the week. Quality has been mostly good, but there are scattered impacts due to rains. The West is improving daily as volume ramps up through Nogales and McAllen. Baja is finally starting to build some decent numbers after all the recent rainfall. Because of this, FOBs are falling around \$3-5. Quality has been mostly good, but there are some scattered impacts due to rains.

**English Cucumbers:** Good supplies are now available from Spain and Holland eliminating pro-rates as well as showing decreases in the market. We should continue to see improvements; new crop from Mexico is ramping up daily and quality is very nice.

**Green Beans: ACT OF GOD** Green Beans are extremely short in the Southeast and Coachella.

**Zucchini and Yellow Squash:** Nogales is crossing soft squash supplies; volume is good but due to increased demand, the market has ticked up.

**Pumpkins:** Steady supplies continue.

### Herbs

Fresh herbs are in high demand this time of year as retailers and foodservice establishments increase demand for the upcoming holiday menus.

**SAGE** is in heavy demand and price has increased till the end of the year, as supplies are light in California and demand is heavy out of Mexico.

**TARRAGON** is very tight as demand has increased and supplies are light. We anticipate the market to be limited for the next two weeks or so.

Supplies are good on chives, mint, parsley, rosemary, thyme and basil.

HERB	SUPPLIES	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Good	USA
Basil	Steady	Good	USA/MEXICO
Opal Basil	Steady	Good	USA
Thai Basil	Steady	Good	USA
Bay Leaves	Steady	Fair	COLOMBIA/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	Fair	Fair	MEXICO
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	USA/MEXICO
Thyme	Steady	Good	USA

Lemon Thyme	Steady	Good	USA
Lavender	Steady	Good	USA
Lime Leaves	Steady	Good	USA

## Melons

**Cold weather in Arizona has almost brought the domestic melons to a finish. Supplies have been extremely limited since last week and with temperatures barely surpassing 60 degrees, it is highly unlikely that additional harvesting will continue.**

**Cantaloupe: WATCH LIST** Cantaloupes from Guatemala have started with arrivals into Florida in a very small way. Cooler weather has also affected our own growing regions which is causing some spacing in harvesting. This is causing a demand exceeds supply scenario. Initial arrivals today showed very good quality with sizing mostly in regular cartons (9/12s) with no jumbos being packed during the first few passes. Internal quality is showing solid brix levels in the range of 11-15%.

**Honeydew: WATCH LIST** Domestic honeydews are facing the same challenges as the cantaloupe, but Mexican dews are now also being affected which has caused a significant decrease in production in the past five days. We anticipate this market to remain very strong for the next 2-3 weeks with the primary sizing being larger fruit.

**Watermelon:** The seedless watermelon market is mixed due to lighter supply, mostly a result of heavy rain in Mexico. Demand remains good and quality is fair. Supplies are loading out of the San Joaquin and Nogales.

## Mixed Vegetables

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

**Arugula:** Quality is good, but supplies are light as production ends this week. They will improve once we start in the desert next week.

**Asparagus:** Prices are steady but should increase after next week in preparation for Thanksgiving. Mexico had good volume and quality. Peru is slowing down and volume is light. Quality is good.

**Bok Choy:** Quality is average, and demand is fair.

**Broccoli / Broccoli Florets: ESCALATED** Supplies are very light this week and will be in the upcoming weeks. Quality is fair to good.

**Brussels Sprouts:** Brussels sprout supplies are plentiful and quality is great. Use this opportunity to add more Brussels sprout sides to your Thanksgiving menu!

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

**Cauliflower: ESCALATED** Supplies are light and pricing has escalated.

**Celery: ESCALATED** Supplies are very tight this week and are expected to remain light for the month of December. Markets are very good and are climbing. We are transitioning to Oxnard at the end of this week, and Salinas will end either this week or early next week. Quality is still fairly good in Salinas. We expect sizing to be heavier for the larger sizes all week in Salinas. Some celery quality issues exist in the Oxnard region.

**Corn: EXTREME** Corn is still very tight across the country.

**Cilantro:** Supplies are fair and quality is improving.

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

**Garlic:** The market is about 50% done with the 2017 crop. Supplies are steady and prices remain high on domestic product.

**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 are improving and priced are trending downward.

**Green Onions: EXTREME Iced:** We are starting to finally see better yields from the Northern Mexico growing areas. Market pricing will begin to ease down a bit. Demand is very good this week because of Thanksgiving pull. **Iceless:** Similar to iced, yields have increased per acre the past few days. We are expecting to see better volumes in the future. Thanksgiving demand, along with contracts and pre-commitments, will keep the market very active next 10 days.

**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 fair.

**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 are close to normal this week. Demand is steady and quality is good.

**Parsley: (Curly, Italian)** Quality and supplies are good.

**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:** Supplies are improving and prices are trending downward.

**Sugar Snap Peas: EXTREME** Sugar snap peas will be EXTREMELY tight for the next 3+ weeks, this is going to affect the volumes available for Thanksgiving. Pricing will be higher and will be prorated by 50%.

**Snow Peas: WATCH LIST** Snow peas are coming in steadily, but there is not a lot of volume is available. Our teams are keeping an eye on this as pricing rises.

**Spinach (Bunched):** Quality is good, but supplies are light through transition week.

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

**Spring Mix:** Quality is good, but supplies are light through transition week.

**Sweet Potatoes and Yams: WATCH LIST** This market has spiked due to heavy damage in the Carolinas. Growers are currently assessing the damage, so it is still too soon to react. However, supplies are still good out of Mississippi. We are reviewing daily and will continue to keep you posted.

#### **Onions:**

The Northwest is finished with harvest. From here on out, we will be shipping exclusively out of storage. Quality is strong, and sizing and yields are very good. The onions have full skin and will have good shelf life. We are seeing a surplus of Colossal and Super Colossal in better supply, which has resulted in some reduced pricing on these items. Medium onions are on the tighter side due to the profile being heavy to larger onions. White onions have decreased in price as well with better supplies available. Reds remain very plentiful, and we have seen those markets settle out. There are straight load red deals available in Washington below USDA market price. Overall, the season appears to be leaning toward a more 'normal' year in terms of size, yield and quality. What was once expected to be a very large crop has reduced size in part to the heat wave that the Northwest has been experiencing over the last several weeks.

#### **Potatoes:**

Demand has continued to be strong through the holidays with limited availability for consumers. There has been Burbank and Norkotah availability, and the Norkotah profile remains on the larger side. While the Norkotah crop has been on the larger side, the Burbanks have been showing smaller sizes. Quality has been excellent and transportation has been a challenge.

#### **TOMATOES - EAST**

- **Rounds: WATCH LIST** We are seeing lighter volume and skyrocketing prices due to the increased demand of Romas and grapes even though they are short.
- **Romas: ACT OF GOD** There is very limited supply and an ACT OF GOD being enforced. We are recommending moving to round tomatoes where possible.
- **Grapes: ACT OF GOD** We are looking at a major production GAP and expect this to improve for next week.
- **Cherries:** Cherry supply has been steady. There has been no change in demand, supply, or FOBs. Good quality is available.
- **Organic Tomatoes:** Good supplies on organic tomatoes have ramped up from our grower.

#### **TOMATOES - WEST AND MEXICO**

*The Torreon region is experiencing freezing overnight temperatures which will drastically affect production across the entire category. We anticipate very short supplies on and already tight Romas and grapes market this week. To further complicate the situation, Culiacan experienced flooding earlier last month which has delayed early production on most vegetables grown in the region. We do anticipate some relief by December 15 on the Romas market and grapes possibly by end of month.*

- **Rounds: WATCH LIST** We are seeing lighter volume and skyrocketing prices due to the increased demand of Romas and grapes even though they are short.
- **Romas: ACT OF GOD** There is very limited supply and an ACT OF GOD being enforced. We are recommending moving to round tomatoes where possible.
- **Grapes: ACT OF GOD** We are looking at a major production GAP and expect this to improve for next week.
- **Cherries: WATCH LIST** Supply is still very snug, but steady. Look for FOBs to remain constant for next week. Quality is poor to fair at best.

#### **APPLES & PEARS**

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**Apples:** There are great supplies of all apple varieties out of Washington, New York, California, Pennsylvania, Michigan. We are also seeing local product available throughout the US with a full range of sizes as well. Quality is at its best.

**Pears:** New crop Bartlett pears have started with good supply available especially on the larger (70's to 100's) sizes. New crops of Bosc and D'Anjou pears are also now available.

#### **STONE FRUIT**

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- **Red and black plums are available**