

Weekly Market Review

December 20, 2018

Overview

Due to market disruptions from the CDC Romaine advisory along with the winter growing season experiencing cooler than normal temperatures many items continue to be **ESCALATED but improving**. **Broccoli, cauliflower, kale, iceberg, green leaf, spring mix, arugula, and spinach** crops are showing improvements. The fields are still experiencing lower yields, lighter weights, and poor quality. Overall available volumes/yields continue to be lower with anticipated higher prices. Strawberries and celery are still in an **EXTREME** market and **jalapenos** are in an **Act of God**.

Market Alert

- Arugula – **ESCALATED**
- Broccoli – **ESCALATED**
- Brussel Sprouts - **ESCALATED**
- Cauliflower- **ESCALATED**
- Celery – **EXTREME**
- Jalapenos – **ACT OF GOD**
- Kale - **ESCALATED**
- Lettuce (Green and Red Leaf) – **ESCALATED**
- Mushrooms – **ESCALATED**
- Red Bell Peppers – **ESCALATED**
- Red Cabbage – **ESCALATED**
- Spinach (Baby & Clip) – **ESCALATED**
- Spring Mix – **ESCALATED**
- Strawberries - **EXTREME**
- Tomatoes (Rounds & Romas) – **ESCALATED**

Watch List

- Mixed Chili Pepper (Anaheim, Poblano, Serrano)
- Sweet Potatoes and Yams

Transportation - EXTREME

Freight rates are elevated and trucks are still tight. They are expected to remain this way through the end of the year.

Weather

COACHELLA:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
77° 45°	73° 45°	77° 47°	76° 45°	76° 47°	69° 42°	67° 41°
						
Clear	Partly Cloudy	Clear	Partly Cloudy	Clear	Partly Cloudy	Clear

HERMOSILLO:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
87° 48°	87° 53°	80° 47°	83° 47°	81° 48°	77° 47°	69° 43°
						
Clear	Clear	Partly Cloudy	Clear	Clear	Clear	Clear

JALISCO:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
75° 40°	75° 40°	75° 40°	76° 44°	75° 45°	74° 48°	72° 46°
						
Clear	Clear	Clear	Clear	Clear	Partly Cloudy	Partly Cloudy

TORREON:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
65° 34°	66° 35°	71° 41°	71° 39°	69° 41°	72° 44°	77° 42°
						
Clear	Clear	Clear	Partly Cloudy	Clear	Clear	Clear

CULIACAN:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
89° 54°	91° 53°	89° 53°	87° 53°	88° 52°	87° 49°	82° 49°
						
Clear	Clear	Clear	Partly Cloudy	Clear	Clear	Clear

PALMETTO:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
73° 62°	65° 54°	63° 44°	68° 49°	72° 56°	75° 59°	77° 65°
						
Thunderstorm	Chance of Rain	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy	Partly Cloudy

YUMA:

Thu 12/20	Fri 12/21	Sat 12/22	Sun 12/23	Mon 12/24	Tue 12/25	Wed 12/26
75° 48°	71° 47°	74° 49°	73° 47°	73° 49°	68° 45°	64° 42°
						
Clear	Mostly Cloudy	Clear	Clear	Clear	Partly Cloudy	Clear

Good Buys

Commodity	Market Update	Produce Expert Tip
Avocados	Strong and stable supply	Under ripe avocados got you down? A tip to speed up the ripening process is by placing them in a brown paper bag with an apple or banana for two to three days or until desired ripeness.
Fennel	Specialty item in good supply	Did you know that you can use the entire fennel veg? Fennel fronds are the lacy top portion of the item. Think of these like an herb, they have a subtle anise flavor, and are amazing when used fresh as a garnish on a soup, salad, etc.
Watermelon Radish	Specialty item in good supply	Watermelon radishes are BEAUTIFUL! Typically, you see this item sliced and added to a colorful salad, but when you cook this radish variety it enhances the natural sweetness and reduces some of the spice.
Navel Oranges	Good supply	Navels are that perfect sweet component to any spicy, savory, or salty dish. This citrus pairs well with chicken and fish so be sure to slice, segment, or juice this naturally sweet fruit as a compliment to one of your dishes this holiday season!

Fruits & Vegetables

Avocados: Strong and stable supplies are expected to continue into the New Year and through Super Bowl. There is good opportunity for big promotional activity all throughout January and into the big game with a high level of confidence on supply.

Bananas: Bananas are showing high quality and supplies are good and should remain steady for the remainder of the year.

Pineapples: Pineapple supply remains stable and sizes are trending towards the 7/8 sizes. Market pricing is on the rise, especially on the larger sizes.

Grapes: Domestic grape supplies are expected to be available through January. Some offshore grapes are starting to trickle in.

Berries

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

Blackberries: Cold days and nights in CA will slow down production along with the possibility of rain. Supplies are expected to be tight and prices are trending higher.

Raspberries: Raspberry volume will remain stable through the end of the year.

Strawberries: **EXTREME** Supplies are extremely short due to the rain in CA and the cold weather in FL. We are experiencing GAPs in supply and extremely high prices. We anticipate seeing improvement in early January.

California / Arizona Citrus

Navels are in good supply. Size structure has been 113/138/88, mostly fancy grade. Market prices remain low. New crop lemons are available in the desert region, peaking 200/165, with good quality. Fairchild tangerines, Halos, Cuties, satsuma and Delite mandarins are available. Blood oranges and Cara Caras are available as well.

Navels: Domestic navels have started and quality is good. FL and TX navels are available.

Lemons: New crop is available out of CA and product is showing good quality.

Limes: Quality is good and the market remains fairly low.

Grapefruit: CA, TX, and FL grapefruit are available.

Imports/Specialties available:

- Domestic satsuma mandarins
- "C1" mandarins
- Chilean clementines
- Halos/Cuties
- Domestic Kiwi
- Domestic Cara Caras are available
- Domestic bloods oranges are available

California Lettuce

Butter: Quality is good, and the market is seeing some improvements.

Green/Red Leaf: ESCALATED The market is slowly improving, and quality is good.

Iceberg Lettuce: The market is improving, and quality is good.

Romaine: Quality is good, and the market is showing improvements.

Romaine Hearts: Quality is good, and the market is showing improvements.

Eastern and Western Vegetables

Green Bell Pepper: With various growing areas in Mexico is suffering crop loss, re-planting, and experiencing cold weather. Supply will remain tough until mid-January, when re-planted crops come to maturity. FL farms do not have much product to help with supply.

Red Bell Pepper: ESCALATED Reds remain very tight and will be up until Christmas, or New Years.

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

Mini Sweet Pepper: Better supplies, and pricing is steady.

Mixed Chili Pepper (Jalapenos – Act of God) (Anaheim, Poblano, Serrano - WATCHLIST): With various growing areas in Mexico suffering crop loss, re-planting, and experiencing cold weather, the chili pepper situation remains critical. Supply will remain tough until mid-January, when re-planted crops come to

maturity. FL farms do not have much product to help with supply. Tomatillos and serranos have become extremely difficult to find.

Eggplant: Prices are down this week. Supply out of the East and West have improved allowing the prices to drop. Quality looks to be good in both regions.

Cucumbers: Cucumber production out of Mexico continues to increase daily with strong quality on the fruit. However, cooler weather has slowed down South FL's production so there is less product available in the East. Despite the cold, quality continues to be nice. Honduras growers are bringing little product in, but volume will remain on the light side until after the first of the year.

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: Florida's green bean supply is adequate in order to meet this week's pre-holiday demand spike, and quality is good. Mainland Mexico production continues to see stronger numbers as growers move deeper into harvests.

Zucchini and Yellow Squash: Due to recent cold weather, availability is down this week. Both Mexico and Florida's crops have lightened up from the recent cooler temps. Volume will pick up as the weather warms, but it may be another 7-10 days before we see significant change. Quality is challenging on yellow (especially in FL), but okay on zucchini.

Pumpkins: Steady supplies continue.

Herbs

TARRAGON: Continues to remain tight in supply, but quality is very good.

BASIL: Remains in good supply, but quality still needs to be checked closely.

MINT and ROSEMARY: Starting to slowdown in growth due to the cooler days and nights. The length will be shorter for the next couple of weeks due to the heavy Holiday demand.

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

Cantaloupe: The cantaloupe market has remained strong over the past week. Anticipate a shift in sizing away from jumbo fruit to regular cartons (including 15ct) by the end of the week arrivals. The first cycle in the Zacapa region of Guatemala will finish in approximately two weeks. Production from this area will drop significantly here at the end due to whitefly pressure but production in Honduras will start to increase next week which should help fill that void. Quality for what has been coming in has been strong with solid internal quality.

Honeydew: Honeydews will most likely end up being the tighter size of the two commodities especially on 6/8s. Current production has been leaning more to the 4/5s which has left smaller fruit in very high demand. Quality on the dewes has also been exceptional with very clean fruit which has been very well received after the late domestic and Mexican deals. Brix levels are mostly 10-13% with very good flavor.

Watermelon: Due to cold weather in Mexico and Florida, watermelon prices have steadily rose over the last few weeks. Pale flesh is hampering quality out of Florida. Quality wise, the smaller fruit (60/80 count bins) have held up the best and remain available. Large, quality fruit is scarce out of Mexico. Pricing is north of .30 per pound.

Mixed Vegetables

Artichokes: Supplies industry-wide are fair. Prices are higher on large artichokes and steady for small sizes.

Arugula: **ESCALATED** Quality is fair due to cold weather preventing the product from sizing up. Market is beginning to improve.

Asparagus: Volume is falling in Peru and prices expected to rise by next week.

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

Broccoli / Broccoli Florets: **ESCALATED** Supplies are improving, and quality is good.

Brussels Sprouts: **ESCALATED** Brussels sprout supplies are low and prices are higher.

Carrots: We are seeing both good quality and volume.

Cauliflower: **ESCALATED** Demand is fair, and supplies are improving, and quality is good.

Celery: **EXTREME** Oxnard quality is fair at best, and supplies are very light. We will have a little Mexico product next week, and total volumes are still very light. The market will stay high.

Corn: Steady supply and good quality out of Florida.

Cilantro: Supplies are fair and quality is improving.

Fennel: Quality is good with great availability.

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 prices are trending downward.

Green Onions: There is lighter volume, due to rain from 10 days ago, which is creating slower production from harvest crews. The Christmas and New Year's pull will create increased demand for the next 10 days as well. Quality is good.

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

Kale (Green): **ESCALATED** Quality is fair due to cold weather preventing the product from sizing up.

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: Demand, supply, and quality are all good.

Parsley: (Curly, Italian) Quality is fair, due to cold weather preventing the product from sizing up.

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: ESCALATED Supplies are lower than normal and prices are rising.

Sugar Snap Peas: Product continues to be tight.

Snow Peas: Volume will start falling next week and prices will start rising.

Spinach (Bunched): ESCALATED Quality is fair due to cold weather preventing the product from sizing up, and the market is improving.

Spinach (Baby): ESCALATED We're seeing some improvements in the market, and quality is fair.

Spring Mix: ESCALATED Market is improving, and quality is fair due to cold weather preventing the product from sizing up.

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:

Quality is strong, and sizing remains heavy to Jumbos and larger. Holiday demand has led to higher than normal shipments over the last few weeks, which has caused growers to firm up on price on all size yellow onions. Medium onions remain on the tighter side due to the profile being heavy to larger onions. White onions have settled as well and will likely not get any lower in price. Reds remain very plentiful, and straight load deals exist out of both Idaho/Oregon and Washington. As is typical for this time of year, we expect to see some incremental price increases on all size colors in the coming weeks as storage supplies begin to dwindle.

Potatoes:

The Carton market continues to rise as demand has increased, especially on the larger sizes. The Burbank crop remains on the smaller side and the holiday push is in full effect. Transportation continues to be a challenge with increasing rates expected through the New Year.

TOMATOES - EAST

- **Rounds: ESCALATED** Round tomatoes are mixed this week. Overall demand on tomatoes is slow moving, following Thanksgiving. Product out of Florida is seeing a slight increase as they transition to Immokalee/ Naples fields. Supply remains light, with expected relief in the next two weeks. Quality overall is trending toward fair, due to transition and weather-related issues.
- **Romas: ESCALATED** Roma tomatoes continue to fall in price this week. The East is seeing light demand, which is helping supplies and allowing a price drop. Harvests in the East remain light in all fields. Even with the bad weather and transition, quality remains good for now.

- **Grapes:** Grape tomato prices continue to drop this week. The East has transitioned to the Immokalee/Naples region, as Palmetto/Ruskin wrap up their harvest. Quality is mixed, as product is transitioning from old to new crop.
- **Cherries:** Cherry tomato prices are mixed this week. The East is reporting a slight drop in price this week, due to weak demand. Quality is trending between fair to good for the week.
- **Organic Tomatoes:** Supplies are tight and demand exceeds supply due to the overall condition on the tomato category. We expect conditions to improve in 7 to 10 days.

TOMATOES - WEST AND MEXICO

- **Rounds: ESCALATED** Round tomatoes are mixed this week. Overall demand on tomatoes is slow moving, following Thanksgiving. The West is battling some rough weather, with heavy rains and freezing temperatures. The light demand is allowing a slight price drop for the week. Quality overall is trending toward fair, due to transition and weather-related issues.
- **Romas: ESCALATED** Roma tomatoes continue to fall in price this week. The West demand is low, which is causing their price to drop this week. Mexico continues to battle poor weather, which is keeping the harvest light. Even with the bad weather and transition, quality remains good for now.
- **Grapes:** Grape tomato prices continue to drop this week. The West is seeing a slight increase in production, which is meeting demand. Quality is mixed, as product is transitioning from old to new crop.
- **Cherries:** Cherry tomato prices are mixed this week. The West is steady to high, due to lack of supply. Quality is trending between fair to good for the week.

APPLES & PEARS

Apples: There are great supplies of all apple varieties out of Washington, New York, California, Pennsylvania, and 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.