

# Weekly Market Review

December 27, 2018

## Overview

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Markets have improved and most commodities are steady with good quality. Strawberries and celery are still in an **EXTREME** market and jalapenos are in an **ACT OF GOD**.

## Market Alert

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- Celery – **EXTREME**
- Jalapenos – **ACT OF GOD**
- Green Onions - **ESCALATED**
- Lettuce (Green and Red Leaf) – **ESCALATED**
- Mushrooms - **ESCALATED**
- Red Cabbage – **ESCALATED**
- Strawberries - **EXTREME**
- Tomatoes (Rounds & Romas) – **ESCALATED**

## Watch List

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

## Transportation - EXTREME

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

## Weather

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### COACHELLA:

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
70°   45°	65°   40°	65°   37°	66°   39°	66°   37°	63°   36°	66°   38°
						
Clear	Partly Cloudy	Clear	Clear	Clear	Clear	Clear

### HERMOSILLO:

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
69°   48°	66°   35°	62°   32°	63°   36°	68°   39°	68°   39°	70°   42°
						
Clear	Partly Cloudy	Clear	Clear	Clear	Clear	Partly Cloudy

### JALISCO:

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
73°   43°	73°   46°	74°   46°	70°   47°	69°   46°	72°   48°	74°   50°
						
Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Cloudy	Overcast	Partly Cloudy	Partly Cloudy

**TORREON:**

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
65°   34°	71°   39°	67°   40°	61°   33°	62°   35°	66°   32°	56°   34°
						
Clear	Clear	Mostly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy

**CULIACAN:**

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
77°   47°	81°   49°	79°   48°	72°   42°	79°   44°	81°   47°	83°   51°
						
Clear	Clear	Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy

**PALMETTO:**

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
80°   69°	80°   68°	80°   67°	81°   65°	80°   66°	80°   65°	77°   62°
						
Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Clear

**YUMA:**

Thu 12/27	Fri 12/28	Sat 12/29	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02
66°   42°	59°   39°	59°   36°	61°   38°	62°   41°	60°   37°	62°   39°
						
Partly Cloudy	Partly Cloudy	Clear	Clear	Clear	Clear	Clear

**Good Buys**

Commodity	Market Update	Produce Expert Tip
<b>Green Beans</b>	Quality is strong with good availability in markets across the country.	To trim a bushel of fresh green beans in a snap, line them up so the tough, knobby ends are on the same side and facing the same direction. Then use a knife to slice the knobby ends off in one fell swoop.

**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**

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**Navels:** Navels are in good supply. Size structure is peaking at 88/113/72 and 88/72/113. Quality and flavor are excellent.

**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:** Texas grapefruit is in peak season and demand is very strong.

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

- Blood Oranges
- Cara Caras
- Domestic satsuma mandarins
- Delite mandarins
- Tangerines
- Tangelos
- Pummelos

### **California Lettuce**

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**Butter:** The market has improved and is steady.

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

**Iceberg Lettuce:** The market has improved and is steady.

**Romaine:** The market has improved and is steady.

**Romaine Hearts:** The market has improved and is steady.

### **Eastern and Western Vegetables**

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**Green Bell Pepper:** In the West, green bells are, for the most part, steady. More and more growers have started harvesting, but are experiencing cloud cover and cooler nights, stalling any kind of big volume. Quality is hit or miss, with the hits having excellent color and shape and the misses showing stem issues and thinner walls.

**Red Bell Pepper:** Reds remain very short and will remain this way through New Year's.

**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:** Markets have tightened up and supplies are limited. FOB prices have also increased.

**Mixed Chili Pepper (Jalapenos – ACT OF GOD) (Anaheim, Poblano, Serrano – WATCH LIST):** With growers in Mexico waiting to recover from previous storm damage, chili peppers are still in critical mode with orders on all varieties being prorated daily. Quality is just okay from prior weather issues. The tight situation isn't expected to change until later in January when re-planted crops come to harvest.

**Eggplant:** This market is providing great supplies with promotable volumes available out of Mexico. Florida farms are also experiencing good yields with plenty of volume and good quality.

**Cucumbers:** With Mexico's production picking up and demand slowing, there is an abundance of cucumbers available in the West. Quality has been really good and the fruit is holding strong. Florida's cucumber harvests are winding down but quality is still good. Honduran imports will pick up steam after next week, which should keep the East in steady supply for the short term.

**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:** Green beans are readily available in both Eastern and Western markets this week. Quality is strong.

**Zucchini and Yellow Squash:** Florida growers were flushed with squash over the weekend, so there's plenty of product available this week. Quality is questionable on yellow, but nice on the zucchini. Mexico's southern growers are rolling now with excellent supply.

**Pumpkins:** Steady supplies continue.

## **Herbs**

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**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:** Production from Guatemala will steadily be decreasing over the next two weeks to close out the first cycle. New growing areas from Guatemala will start being received by the week of 1/14. Honduran production is starting to pick up with cantaloupe but will quickly decline after next week. Sizing profiles have shifted to a nice mix of 9/12/15s with fewer jumbos finding their way into the market. Quality continues to be strong with very good internal characteristics with consistent brix levels and flavor.

**Honeydew:** Honeydew supply is still isolated to only Guatemala because Honduras has not yet started. As with cantaloupe, the honeydew sizing has finally leveled off with a good mix of 5/6/8s coming in. Fruit is clean with good internal quality.

**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. Most of our volume this week is estimated to be 12's, followed by

24's. Demand is good, especially for 12's, 18's, and 24's. Prices are steady.

**Arugula:** This market has improved. Supplies and quality are both good.

**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:** This market has improved. Supplies and quality are both good.

**Brussels Sprouts:** Brussels sprout supplies are good. This market has improved.

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

**Cauliflower:** This market has improved. Supplies and quality are both good.

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

**Corn:** Steady supply and good quality out of Florida.

**Cilantro:** Supplies and quality are both good.

**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: ESCALATED** Supplies are light, due to the slow holiday harvest. 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):** Quality is fair, due to some product having mildew. Supplies are fair/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:** Demand, supply, and quality are all good.

**Parsley: (Curly, Italian)** Supplies and quality are both 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: 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):** Supplies and quality are both good.

**Spinach (Baby):** Supplies and quality are both good.

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

**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:**

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Quality is strong, and sizing remains heavy with 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 sizes of yellow onions. Medium onions remain on the tighter side due to the profile being heavy to larger onions. White onions have strengthened and will likely continue through the remainder of storage season as the Northwest has a shorter supply. 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:**

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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**

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**Rounds: ESCALATED** Round tomato prices are mixed this week due to the crops peaking on smaller sizing (an effect of weather issues). Overall demand on tomatoes remains flat, fortunately. We are currently seeing very light availability on larger fruit despite additional fields breaking. Quality overall is trending towards fair due to transition and weather-related issues.

- **Romas: ESCALATED** Roma tomato volume has tightened back up due to the cooler weather in Mexico. Prices are mixed and pushing back up on larger sizes. The East is seeing light demand, which is certainly a help considering supplies are lighter than expected. One good note, despite the weather in the east, 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**

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- **Rounds: ESCALATED** The West's major round tomato production has now transitioned to Mainland Mexico where both mature greens and vine-ripes are available but very slow to start due to cold weather. We are seeing very light supply and major color issues due to the cold weather. We do anticipate this to continue through the second week of January.
- **Romas: ESCALATED** Roma production in West Mexico has started; however, it is extremely slow to start due to cold weather and as a result we are seeing very light supply and major color issues. We anticipate this to continue through the second week of January.
- **Grapes:** Grape tomato increases have been slow to come in at Nogales, but they should eventually come to market in the next few weeks. There have been some reports of quality issues from early shipments.
- **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**

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**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.