

# Weekly Market Review

January 3, 2019

## Overview

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Most commodities have improved. We are still seeing supply issues with red cabbage and celery. Please be aware that we are experiencing winter weather related issues (snow and ice) in our growing regions which is delaying trucks and harvesting. We are keeping a close eye on this and will send out updates accordingly.

## Market Alert

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- Asparagus - **ESCALATED**
- Cabbage (Green & Red) - **ESCALATED**
- Celery – **EXTREME**
- Jalapenos – **ACT OF GOD**
- Mushrooms - **ESCALATED**
- Tomatoes (Rounds & Romas) – **ESCALATED**

## Watch List

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- Mixed Chili Pepper (Anaheim, Poblano, Serrano)
- Red and Green Bell Peppers -West
- Sweet Potatoes and Yams
- Squash- Green and Yellow -West

## 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 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
63°   34°	66°   38°	63°   45°	63°   40°	67°   42°	70°   45°	70°   45°
						
Clear	Clear	Mostly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy








### HERMOSILLO:

Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
70°   38°	78°   47°	73°   52°	61°   50°	72°   49°	73°   51°	74°   51°
						
Partly Cloudy	Clear	Overcast	Rain	Partly Cloudy	Partly Cloudy	Partly Cloudy








### JALISCO:

Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
74°   47°	76°   48°	76°   47°	77°   49°	78°   51°	77°   51°	75°   49°
						
Partly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy







**TORREON:**

Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
58°   32°	62°   36°	67°   45°	74°   54°	75°   51°	72°   49°	71°   50°
						
Partly Cloudy	Clear	Clear	Partly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy







**CULIACAN:**

Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
84°   56°	89°   57°	89°   60°	86°   60°	84°   61°	89°   61°	89°   60°
						
Partly Cloudy	Clear	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear

**PALMETTO:**

Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
81°   67°	78°   63°	68°   52°	72°   52°	77°   57°	76°   57°	71°   53°
						
Partly Cloudy	Chance of Rain	Partly Cloudy	Clear	Clear	Clear	Clear

**YUMA:**

Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09
60°   37°	64°   43°	60°   48°	62°   43°	66°   44°	69°   47°	69°   48°
						
Clear	Clear	Overcast	Partly Cloudy	Clear	Clear	Partly Cloudy

**Good Buys**

Commodity	Market Update	Produce Expert Tip
Delite Mandarins	Plentiful supplies and promotional availability.	Delite mandarins are easy to peel, seedless and super juicy making them perfect for lunch boxes and as a healthy snack on the go.
Meyer lemons	Plentiful supplies and good time to promote.	To use Meyer lemon juice in place of regular lemon juice in your favorite cocktail. Meyer lemons are a naturally sweet variety so be sure to reduce the amount of sugar or sweet liqueur to balance out the drink.
Carrots	Quality is excellent. Supplies and market are steady.	Great in sides, salads, or starters, carrots have the ability to be the star of any plate. Try roasting them to bring out their natural sweetness and put them atop a bed of grains or mixed greens.

**Fruits & Vegetables**

**Avocados:** Supply are expected to remain stable through Super Bowl. Opportunity remains 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. Supplies are good and should remain steady for the first part 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**

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**Blueberries:** Blueberry supplies are improving. We will continue to see improvement over the next few weeks.

**Blackberries:** Supplies are steady, and quality is good.

**Raspberries:** Supplies are steady, and prices are good.

**Strawberries:** Supplies have improved, and prices are improving. We anticipate further improvement over the next two weeks.

## **California / Arizona Citrus**

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**Navels:** Fruit quality this year so far has been excellent. Color is good and eating quality is very good for this early. Cooler temps will bring on more natural color and higher sugar. Large sizes are still struggling at this time.

**Lemons:** Products are currently struggling. We have gone through the first round of picks and there is a lot of small fruit on the trees. As a result, we will slow down on picking to wait on growth in fruit, which will impact availability.

**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
- Fairchild tangerines will be starting
- Minneolas

## **California Lettuce**

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**Butter:** The market has improved and remains steady. Quality is good.

**Green/Red Leaf:** Supplies are fair, due to cold weather impacting our ability to quickly harvest.

**Iceberg Lettuce:** Supplies are slightly better than the last few weeks. Due to the cold weather, harvesting has been very limited and there is a possibility that there could be varying degrees of blister, epidermal peel and burn. Lack of supplies could cause the market to be higher.

**Romaine:** Harvesting has been on the slower side, due to the cold weather. In addition, there could be varying degrees of blister, epidermal peel, and burn.

**Romaine Hearts:** Due to past and continuing episodes of freezing in the growing areas there could be varying degrees of blister, epidermal peel, and burn.

### **Eastern and Western Vegetables**

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**Green Bell Pepper: WATCHLIST** Green bell peppers are currently steady with good supply loading in Florida. Though there is good supply in the west, that is about to change due to the past several nights of near freezing temps in Coachella and Mexico. Markets will begin to firm up this week.

**Red Bell Pepper: WATCHLIST** Markets remain firm, this week due to very light supply of La Rouge pepper. We are about 4 weeks behind full production as cold weather continues in Mexico. Hot House Red demand remains firm and prices are still active.

**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 and some of the highest pricing on record for some varieties. Quality has been hit and miss on what's available with reports of scarring, misshapen fruit, and small sizing. The extreme supply situation isn't expected to change until late January when re-planted crops come to harvest.

**Eggplant:** Mainland Mexico is in great supplies with promotable volumes available. Weather permitting, expect volume to continue for the next few weeks. Florida farms are also experiencing good yields with plenty of volume and mostly good quality.

**Cucumbers:** Prices are dropping this week as supply from Honduras has increased in the East region. The west is also seeing an increase in supply. Now that most of the old crop is off the market, quality is good.

**English Cucumbers:** Good supply is 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 and quality is nice. Mainland Mexico's steady supply may encounter a hiccup next week as crops react to this weekend's cold weather.

**Zucchini and Yellow Squash: WATCHLIST:** As of today, prices are staying stable, but this is about to change we have experienced several nights at or below freezing in Mexico and it has affected crops. We expect to see the market firm up this week, particularly on yellow squash with zucchini to follow. Supplies are good in the east and markets will react as less inventory through Nogales will be available.

### **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:** The cantaloupe market continued to settle as we moved through the holiday period but still with good demand. Production from Guatemala, which has been affected by whitefly, has been producing smaller sizes (12/15s) while new production in Honduras is primarily larger fruit (9s and larger). Anticipate this trend to continue through next week. Quality remains strong with brix levels in the 11-14% range mostly.

**Honeydew:** Honeydew production has fallen off significantly from Guatemala and has not yet started out of Honduras. This has caused the market to strengthen and should remain consistent over the next 7-10 days. Sizing profiles will be mostly 6/8s with very few larger melons coming.

**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**

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

**Asparagus: ESCALATED** We are transitioning from Peru as it quickly winds down and while volume from Caborca is slowly building, we are experiencing a shortage on the larger sizes such as JMB and XL causing us to see prorated amounts.

**Bok Choy:** Supplies and quality are good.

**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:** Quality is excellent. Supplies and market are steady.

**Cauliflower:** Demand is fair. Supplies and quality are both good.

**Celery: EXTREME** Oxnard is finished. We will have a little Mexico product next week, but total volumes are still very light. The market will stay high. Next week, our second Mexico supplier should start. So, we should be able to cover all orders.

**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: ESCALATED** Due to the cold weather, there will be lighter supplies for the next two weeks.

**Green Onions:** The market is extremely active. Labor is short and the cold weather is reducing how fast crews can harvest. We will continue to see demand exceed supply through next week.

**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.

**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 and Snow Peas:** Quality is excellent. Supplies and market are steady.

**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** The Florida market remains firm on premium sized fruit. The harvest is heavy on medium and small sizes. Quality is being reported as fair to good, which could draw a price difference.
- **Romas: ESCALATED** Prices remain firm on larger sized fruit out of the east and Mexico. The Florida supply is tight due to plant acreage while supplies are ramping up out of Mexico. We should see the markets begin to improve on premium sized fruit by the second week of January.
- **Grapes:** Grape tomato prices continue to drop this week and is showing increased supplies. Current demand is low to moderate, which is giving farmers time to catch up on supplies. Price changes will vary from bulk to pints.
- **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** Rounds remain firm this week and fobs are mostly unchanged. 2-layer vines are tight and shippers are struggling with color. We expect markets to improve by mid-month.
- **Romas: ESCALATED** Prices remain firm on larger sized fruit out of the east and Mexico. The Florida supply is tight due to plant acreage while supplies are ramping up out of Mexico. We should see the markets begin to improve on premium sized fruit by the second week of January.
- **Grapes:** Grape tomato prices continue to drop this week and is showing increased supplies. Current demand is low to moderate, which is giving farmers time to catch up on supplies. Price changes will vary from bulk to pints.
- **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.