

# Weekly Market Review

February 14, 2019

## Overview

We are still experiencing winter weather related issues in our growing regions which has caused quality issues with many commodities, especially iceberg, romaine, and romaine hearts. We are keeping a close eye on this and will send out updates accordingly.

## Market Alert

- Cabbage (Red) - **ESCALATED**
- Carrots (Jumbo) – **ESCALATED**
- Celery – **EXTREME**
- Cauliflower - **ESCALATED**
- Green Onions - **ESCALATED**
- Kale – **ESCALATED**
- Limes -**ESCALATED**
- Mixed Chili Pepper (Jalapeno and Serrano) - **ESCALATED**
- Mushrooms – **ESCALATED**

## Watch List

- Melons (Honeydew)
- Sweet Potatoes and Yams

## Transportation

Freight rates have improved as overall fuel costs are down however still expecting equipment and driver shortages nationwide.

Mexico is experiencing a National Fuel Shortage due to alleged corruption. We have not seen this affect supply crossing into the United States quite yet but it could affect imports over the next several weeks. We will keep you informed when we have updates.

## Weather

### COACHELLA:

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
61°   46° F  Rain	67°   47° F Cloudy	67°   45° F Partly Cloudy/Wind	62°   40° F Partly Sunny	64°   39° F Partly Cloudy	63°   39° F Mostly Sunny	62°   43° F Partly Cloudy

**HERMOSILLO:**

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
67°   50° F  Rain	70°   50° F Mostly Cloudy	65°   46° F Partly Cloudy	62°   42° F Mostly Sunny	62°   39° F Mostly Sunny	63°   41° F Sunny	63°   47° F Partly Cloudy

**JALISCO:**

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
81°   52° F  AM Fog/PM Sun	82°   53° F Sunny	83°   52° F Sunny	80°   50° F Sunny	77°   48° F Sunny	75°   46° F Sunny	72°   46° F Partly Cloudy

**TORREON:**

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
83°   53° F  Mostly Sunny	87°   56° F Mostly Sunny	98°   56° F Mostly Sunny	94°   56° F Sunny	88°   55° F Partly Cloudy	83°   48° F AM Clouds/PM Sun	81°   48° F Mostly Sunny

**CULIACAN:**

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
89°   57° F  Mostly Sunny	93°   61° F Partly Cloudy	92°   53° F Mostly Sunny	87°   49° F Sunny	83°   48° F Partly Cloudy	78°   46° F Partly Cloudy	75°   45° F Partly Cloudy

**PALMETTO:**

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
75°   54° F  Mostly Sunny	75°   60° F Sunny	77°   66° F Partly Cloudy	81°   68° F Sunny	83°   68° F Partly Cloudy	84°   67° F Sunny	83°   67° F Sunny

**YUMA:**

Thu 2/14	Fri 2/15	Sat 2/16	Sun 2/17	Mon 2/18	Tue 2/19	Wed 2/20
66°   51° F  Rain	69°   51° F Mostly Cloudy	64°   47° F Partly Cloudy	61°   42° F Mostly Sunny	61°   40° F Mostly Sunny	62°   42° F Sunny	62°   47° F Partly Cloudy

## Good Buys

Commodity	Market Update	Produce Expert Tip
Asparagus	Volume is steadily increasing, and prices are coming down.	Asparagus makes a beautiful, out of the box, shaved salad. Dress with a drizzle of olive oil and pair with arugula and salty cheese (parmesan) and you will have any salad eater going crazy for more!
Blueberries	Supply is steady	Whether you are eating breakfast, a snack, or dessert, blueberries are a great sweet & pop-able addition to any dish. As we continue to make our way through the winter months, try your hand at making a jam or bbq sauce with these naturally sweet berries. This is great on any protein or warm buttered toast.
Red Leaf	Supply, demand and quality are good.	Both green & red leaf lettuce have a smooth, and soft texture with a bit of a crunch. Red leaf lettuce tends to have an earthier flavor profile and is great combined with a variety of different leaf lettuce in your favorite salad.

## Fruits & Vegetables

**Avocados:** Harvest in Mexico remains consistent with no expectation for a change as we hit February. Trees are starting to produce more #2 fruit and the overall crop size is bigger (meaning 70's) and smaller remain tight.

**Bananas:** Supply will be tight for the next 3-4 weeks. Difficult growing conditions are affecting the stubbornness of the fruit. Fruit is taking longer than normal to ripen.

**Pineapples:** Supply is good and is expected to remain healthy thru the month of February. Trending towards smaller sizes but still with good availability of large fruit.

**Grapes:** Market remains unchanged. Very little Chilean product coming in and at this time it is all jumbo size. Volumes keep getting adjusted lower out of Chile. We are hoping volumes for reds pick up in March, however greens look like they will remain tight.

## Berries

**Blueberries:** Supply is steady. Oxnard production will continue to increase each week and we are already seeing significant volume.

**Blackberries:** Volume is slightly down on blackberries and is expected to gradually descend through the month of February. Volumes will remain low until late March.

**Raspberries:** Supply is steady, and volume is project to increase through February.

**Strawberries:** The strawberry market is improving. We will keep you updated as the market has been up and down.

## **California / Arizona Citrus**

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**Navels:** Navels are selling well, and flavor is excellent. There is more choice right now and that will continue to be the case for the next month. Large fruit continues to be elusive especially 56s and larger Sunkist grade.

**Lemons:** Lemons are moving well, however sizes are larger and we are very tight on 165s and smaller. At this time, we are almost finished with the desert crop and are getting more fruit picked in the central Valley.

**Limes:** **ESCALATED** Supply remains tight due to lower volume crossing through the border as a result of weather issues in Mexico.

**Grapefruit:** Texas grapefruit supply is tight.

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

- Blood Oranges
- Cara Caras
- Sun Delite
- Minneola
- Pummelos
- Gold Nuggets are expected to start in the middle of February

## **West Coast Lettuce**

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**Butter:** Supply and demand are good. Quality is fair.

**Green Leaf:** Supply and quality are fair. The rain this weekend will continue to take a toll on the crop. We are having issues with slight yellowing and lighter weights. Yields continue to take a hit, which will create lighter supply this week.

**Red Leaf:** Supply, demand, and quality are good.

**Iceberg Lettuce:** Lettuce supply continues to be steady. There will be small signs of mildew stain and some weak-tip damage due to the freezing temperatures.

**Romaine:** Supply has returned to normal; however, the cold over the weekend will adversely affect romaine quality.

**Romaine Hearts:** Demand is good. Supply and quality are fair.

## **Eastern and Western Vegetables**

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**Green Bell Pepper:** Good quality on all sizes and the market is easing back as production numbers are up out of Mexico and Florida.

**Red Bell Pepper:** Excellent quality and availability.

**Yellow Pepper:** Excellent quality and availability.

**Mini Sweet Pepper:** Better supply, good volume next several weeks, great promo item.

**Mixed Chili Pepper (Jalapeno and Serrano – ESCALATED):** Mexico's chili pepper supply is improving on all varieties; however, serrano harvests still have a way to go to reach normal levels. Quality is improving but there's still some misshape, mixed sizing, and weak fruit. Florida has minimal volume until Spring crop begins in late March/April.

**Eggplant:** Warmer weather has bought on better supply and improved quality on Mexico's eggplant. Florida farms have light but steady supply and quality is improving.

**Cucumbers:** Quality is good and import numbers are down on the Honduran cucumbers. Mexico's production has slowed down this week but is expected to pick back up over the weekend. Quality and conditions continue to be nice, particularly out of Sinaloa.

**English Cucumbers:** Supply has firmed up due to the last blast of cold weather to hit central Mexico and very light supply out of the northern greenhouses. Markets should be firm for the next 2 to 3 weeks.

**Green Beans:** Both Florida and Mexico have good supply and quality available this week.

**Zucchini / Yellow Squash:** Excellent quality and supply available out of Mexico and Florida

### Herbs

The growing regions of Southern California have been experiencing freezing temps early in the morning but are warming up to the low sixties. Fresh herbs are growing a little slower than usual, but the frost is doing little to no damage so far. Mexico is starting to feel the effects on the colder temps, and we will be keeping an eye on this and keeping you updated.

**TARRAGON** is the only herb that is still showing some quality issues.

**MINT** continues to be on the small side.

**BASIL** is showing some signs from the cold but we are currently one step ahead of any issues.

HERB	SUPPLY	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 past three weeks have seen predominantly smaller sizes coming from Guatemala. We will finally see a shift back to normalcy as mostly bigger sizes (9s and larger) are projected for the next two weeks. Honduran and Costa Rican production will continue with larger melons. Quality has been outstanding on the current arrivals with improved external color which is common this time of year as the daylight hours get longer.

**Honeydew:** **WATCHLIST** Honeydews remain in a demand exceeds supply scenario (especially on the larger sizes) and this will continue through next week. Whitefly has affected current production which has significantly lowered yields and produced very small sizing (9/10s). We are hoping to see a change in this situation by the week of 2/25.

**Watermelon:** The seedless watermelon market has quickly settled with increased Mexico production.

## Mixed Vegetables

**Artichokes:** Supply industry-wide is fair. Demand is fair and prices are lower.

**Arugula:** Supply is good, but we may start to see mildew because of the rain last weekend. Field ice is expected during the 2nd half of the week, which could cause some yellowing.

**Asparagus:** Volume is steadily increasing and prices are coming down.

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

**Broccoli / Broccoli Florets:** Supply is steady this week in the desert and in Santa Maria. Demand and quality are good.

**Brussels Sprouts:** Cool weather in the desert and Mexico is slowing down production and the market is up from last week. Prices are rising and may continue to rise into next week.

**Carrots:** **ESCALATED** Jumbos are still escalated, but we are seeing improvements.

**Cauliflower:** **ESCALATED** Quality is fair to good. Supply is very tight as a result of cooler weather which has slowed production down.

**Celery:** **EXTREME** We will have Mexico product this week, but total volumes are still below average. The weather has been cold, so sizing is smaller.

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

**Cilantro:** Supply is improving. Quality is fair.

**Fennel:** Supply on fennel will be short for the next few weeks due to frost damage and the Yuma season finishing with light supply. We will continue to see a majority of 24/30ct this week - 18s and 36s will remain limited.

**Garlic:** Supply is firming up and markets are active.

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

**Green Onions:** **ESCALATED** Supply is lighter than expected, but we can expect to see improvement.

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

**Kale (Green):** **ESALATED** Supply is improving.

**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:** Supply and quality are good. Demand is fair.

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

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

**Radishes:** Markets are firming up due to heavy precipitation and wind damage to fields. We see FOB pricing ticking up this week.

**Red Cabbage:** **ESCALATED** Supply is fairly tight.

**Sugar Snap/Snow Peas:** Quality is good, and supply is increasing.

**Spinach (Bunched):** We are seeing some mechanical damage; however, quality is fair. This issue could continue from recent rain.

**Spinach (Baby):** Supply is good. There could be some quality issues, due to cold weather.

**Spring Mix:** There are possible cold-weather defects causing premature breakdown. The recent rain could cause this issue to continue.

**Sweet Potatoes and Yams:** **WATCH LIST** Hurricane Florence damage, coupled with heavy rains over the winter months has driven down supply. Growers can't get into the fields to harvest/move product quick enough to meet demand and therefore market pricing is up. We do not anticipate any change as most all regions and weather have magnified the short year's issues with availability. We anticipate pricing will only rise further come summertime.

#### **Onions:**

Weather across the country has caused a lower demand which has now become equal to supply. This has caused the market to stabilize across the board. Size profiles remain heavy to Jumbos and Colossals, with Medium onions remaining on the tighter side. White onions have become extreme in price, with very little supply available and this will likely continue through the remainder of storage season as the Northwest has a short supply. Reds remain more plentiful than other colors, and straight load deals exist out of both Idaho/Oregon and Washington. Typically, during this time, we begin to see Mexican product crossing, which usually creates downward pressure on pricing. However, because Mexico is keeping their supply for their local market, we are not seeing any increase in supply. We will likely not see Mexican onions cross through South Texas until the second week of February. Until this occurs, we will likely see incremental increases in price on all colors and sizes.

#### **Potatoes:**

The Potato market continues to rise as demand and pricing have increased each week. Large cartons are extremely limited as more growers are moving to Burbanks. There is very little size in the Burbank crop which has put tremendous pressure on the Norkotah crop. Transportation is readily available.

#### **TOMATOES - EAST**

- **Rounds:** Supply tightened up on 5X6 and 6X6's but the overall market has a steady flow of product on a daily basis. Quality is outstanding.
- **Romas:** Excellent supply and quality available out of Florida and Mexico.
- **Grapes:** Grape tomato prices are steady. Quality is good.
- **Cherries:** Cherry tomatoes continue to be flat this week. Supply and quality continue to improve slowly.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

## **TOMATOES - WEST AND MEXICO**

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- **Rounds:** Quality and supply are excellent out of Nogales and McAllen.
- **Romas:** Quality and supply are excellent out of Nogales and McAllen.
- **Grapes:** Grape tomato prices are steady. Quality is good.
- **Cherries:** Cherry tomatoes continue to be flat this week. Supply and quality continue to improve slowly.

## **APPLES & PEARS**

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### **Apples:**

**GRANNY SMITH** - The Granny Smith holdings in Washington are low as compared to last year's crop. We will have some supply of Grannys through the balance of the season. The best values will be on Exfcy # 1 72's to 88's although the pricing on will continue to increase throughout the balance of the marketing season.

**FUJIS** - Fujis are peaking on 64's to 88's with most grower lots heavy to Exfcy # 1 grade. **GALAS** - The quality of the Gala apples is very good. Most grower lots are peaking on Premium Exfcy 80's to 113's.

**HONEYCRISP** - We will pack Honeycrisp through about the middle of June. The overall pricing on Honeycrisp this season is much less than the past several years due to increased production. Prices will increase over the next couple months.

**CRIPPS PINK** - We will have Cripps Pink apples through the summer months. Most grower lots are peaking on Premium Exfcy 88's to 113's. The pricing is fairly high at this time and should remain fairly steady through the spring months.

**BRAEBURNS** - We will have Braeburn apples through June. Most grower lots are peaking on Premium Exfcy 80s' to 100's.

**CRIMSON DELIGHT** - The Crimson Delight is a sweet tart apple with good blush red color. They are very crisp and keep very well. We will have plenty of supply through about the 1st of June.

**Pears:** The Anjou, Bosc, and red pears are available and we will have good supply of US#1 pears available through about the 1st of June. The pear market has been lower this season due to additional supply, so pears are a great value at this time.