

Weekly Market Review

February 28, 2019

Overview

We are still experiencing winter weather-related issues in our growing regions, which has led to quality concerns with many commodities, including iceberg, romaine, and romaine hearts as well as broccoli and cauliflower. We are also seeing shortages in supply. This is an industry-wide issue related to cold weather; please see below for more information regarding updates on other commodities.

Market Alert

- Broccoli - **ESCALATED**
- Cabbage (Red/Green) – **ESCALATED**
- Carrots (Jumbo) - **ESCALATED**
- Cauliflower - **ESCALATED**
- Celery – **EXTREME**
- Green Onions - **ESCALATED**
- Kale (Green) – **ESCALATED**
- Lettuce (Iceberg, blends) – **ESCALATED**
- Limes -**ESCALATED**
- Mixed Chili Pepper (Jalapeno and Serrano) - **ESCALATED**

Watch List

- Mushrooms
- Sweet Potatoes and Yams








Transportation

Freight rates have improved as overall fuel costs are down; however, we are 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, though it could impact imports over the next several weeks. We will keep you informed when we have updates.

Weather








COACHELLA:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
82° 56° F	82° 57° F	78° 53° F	78° 51° F	80° 52° F	81° 57° F	79° 54° F
						
Sunny	Mostly Cloudy	Partly Cloudy/Wind	Partly Cloudy	Sunny	Mostly Cloudy	Partly Cloudy








HERMOSILLO:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
88° 51° F	88° 53° F	88° 53° F	84° 51° F	87° 54° F	90° 60° F	89° 60° F
						
Sunny	Mostly Sunny	AM Clouds/PM Sun	Sunny	Partly Cloudy	Cloudy	AM Clouds/PM Sun








JALISCO:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
81° 53° F	82° 51° F	83° 53° F	83° 52° F	82° 51° F	83° 49° F	85° 51° F
						
Sunny	Sunny	Sunny	Partly Cloudy	Sunny	Sunny	Sunny








TORREON:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
86° 53° F	88° 55° F	92° 58° F	91° 53° F	88° 43° F	75° 40° F	76° 48° F
						
Sunny	Sunny	Mostly Sunny	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy








CULIACAN:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
93° 54° F	92° 55° F	93° 56° F	95° 55° F	92° 55° F	92° 56° F	90° 56° F
						
Sunny	Sunny	Mostly Sunny	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

PALMETTO:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
75° 64° F	80° 62° F	81° 64° F	81° 70° F	79° 64° F	69° 50° F	61° 46° F
						
Partly Cloudy	Cloudy	Partly Cloudy	Partly Cloudy	AM Thunderstorms	Showers	Sunny

YUMA:

Thu 2/28	Fri 3/1	Sat 3/2	Sun 3/3	Mon 3/4	Tue 3/5	Wed 3/6
81° 55° F	81° 60° F	81° 57° F	77° 54° F	79° 54° F	82° 61° F	83° 60° F
						
Mostly Sunny	Mostly Cloudy	AM Clouds/PM Sun	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy

Good Buys

Commodity	Market Update	Produce Expert Tip
Blood Oranges	Fruit has been excellent and we have plenty available.	Blood Oranges are the perfect treat to wind down the winter season. The beautiful bright flesh of the blood complements any entrée and adds that extra boost of flavor. Try combining a blood orange with a navel, sweet dates, and salty feta on a platter and drizzle with some olive oil and fresh mint. Fresh, sweet, and savory!

Fruits & Vegetables

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

Bananas: Supply will be tighter than usual for the next couple of weeks. We are experiencing difficult growing conditions, which impact the fruit, and therefore it is taking longer than normal to ripen.

Pineapples: Supply has tightened up a bit this week as import arrivals are down slightly. This natural dip is expected to increase the market price of fruit moving into the Easter holiday. Promotable volumes are expected at retail.

Grapes: Green seedless remains tight and we do not see much relief coming for the rest of the season with increased volumes. Red seedless pricing is decreasing; pricing may decrease to normal levels as we get into the Crimson crop towards the end of March. Black seedless remains abundant in the industry. Red Globes are mostly from Peru, Jumbo and XL sizing available.

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. Volumes will remain low until late March.

Raspberries: Supply is steady, and volume is projected to increase in March.

Strawberries: The strawberry market is improving and quality looks good. We will continue to keep you updated as the market has been up and down.

California / Arizona Citrus

Navels: Navels will remain tight, especially the larger sizes. We will not have 56 and larger in any quantity. We will have plenty of 72 and 88 choice going into the week, so push these sizes for the best values.

Lemons: Lemons are starting to pick up even more. We will continue to have a majority of larger sizes as fruit has been growing. 165s and smaller will be tight and will get very limited shortly.

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
- Pummelos
- Gold Nugget

West Coast Lettuce

Butter: Supply is fair. Quality is poor due to weather-related issues.

Green Leaf: Supply and quality are fair to poor. We are having issues with slight yellowing and lighter weights. Yields continue to take a hit, which will create lighter supply.

Red Leaf: Supply, demand, and quality is fair.

Iceberg Lettuce: ESCALATED Supply this week will be lower than anticipated as a result of Yuma being pushed back one week due to cold weather. There will continue to be freeze damage after three days of ice last week. On top of the freeze damage, there are occasional mildew stains and light weights. The market is very active and anticipate it to continue that way because of low yields and light weights industry-wide.

Romaine: Supply is below normal. Romaine yields have improved somewhat, but epidermal peel and blister are still present.

Romaine Hearts: Romaine hearts may have occasional blister and peel. Supply and quality are fair to poor due to weather-related issues.

Eastern and Western Vegetables

Green Bell Pepper: Green bell peppers have leveled off and are holding steady due to cooler weather in all growing regions. Prices have started to balance out between the regions. Quality remains fair to good.

Red Bell Pepper: Supply is tight due to cooler weather. We expect shorter supplies for the next week.

Yellow Pepper: Supply is tight due to cooler weather. We expect shorter supplies for the next week.

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

Mixed Chili Pepper: ESCALATED (Jalapeno and Serrano) – Hot peppers, for the most part, are at normal levels for this time of year with the exception of jalapenos & serranos. While we expected improvements this month, it's now looking like it will be March before availability rebounds to more normal levels. Quality is all over the place as growers haven't fully recovered from past weather patterns. We're seeing internal decay, shoe polish, mixed sizes, and scarring on some crossings and nicer quality on others.

Eggplant: Florida doesn't have a whole lot of eggplant as crops just never quite recovered from the previous cool and rain they experienced. Quality is decent, but there have been considerable reports of scarring. We don't expect much change in volume until the 2nd or 3rd week of March. Meanwhile, Mexico's eggplant harvests are ramping up with better volumes and quality this week.

Cucumbers: Cucumber prices are mixed this week. Florida is seeing an increase in pricing due to the lack of imports arriving from Honduras. Mexico has good volumes, allowing prices to be flat this week. Quality is fair from Honduras and good out of Mexico.

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 1 to 2 weeks.

Green Beans: Mexico's numbers are expected to remain steady for the next few weeks barring any weather issues. Florida's yields are down due to past weather, but there's an adequate amount of product available to meet the market's light demand. Quality is good from both areas.

Zucchini / Yellow Squash: Quality remains good from all regions; demand has firmed up, pushing fob pricing up this week.

Herbs

BASIL: Quality has been marginal in some growing regions, and we are keeping an eye on this. Supplies may be a little light this week.

TARRAGON: Quality has been a little iffy on this herb, and supplies are very tight. Market is up on the price.

LIME LEAVES and BAY LEAVES: Quality has been improving, but supplies remain tight and the market is higher.

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 cantaloupe market remains mostly steady as second cycle production from Guatemala begins. Honduran and Costa Rican production will gap over the next two weeks. Sizing on new fruit from Guatemala is leaning more to the larger sizing (9s and larger), which should allow for a slight premium to be fetched on the smaller fruit. Very large retail promotions are in place to begin pulling by 2/28, which should keep the market in a strong position. Current quality is the best we have seen all year, with very good external color and strong internal qualities. Brix levels have been in the 11-14% range with very good flavor.

Honeydew: Honeydew production has increased, causing the market to finally settle off of its highs. New fields are leaning very heavily to the larger sizes, which should create demand for the smaller fruit over the next 3-7 days. Honeydews have been very clean, good brix levels.

Watermelon: We are experiencing a temporary gap in seedless watermelon with limited supplies over the past week. Our grower will start to pick back up again next week.

Mixed Vegetables

Artichokes: Supply industry-wide is fair. Demand is fair and prices are steady to higher.

Arugula: Supply is light. We are starting to see mildew from rain we received last week.

Asparagus: Volume is steadily increasing and prices are good.

Bok Choy: Supply and quality are good.

Broccoli / Broccoli Florets: **ESCALATED** Supply is down slightly due to the cold and rainy weather.

Brussels Sprouts: Cool weather in the desert and Mexico is slowing down production and the market is up. Prices are rising and may continue to rise in the coming weeks.

Cabbage (Green): **ESCALATED** Due to the cold weather, there will be lighter supply for the next two weeks.

Cabbage (Red): **ESCALATED** Supply remains very short and markets are firming up.

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. We are seeing supply issues.

Celery: EXTREME We will have Mexico product, but the volume is low; total volumes are still below average. The weather has been cold, making size very small. This has created huge issues with our stick supply as sticks use a much larger stalk before being processed. We are seeing shortages in supply and high prices. We do not anticipate relief until the middle to end of March.

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

Cilantro: Supply is improving but will continue to be light next week. 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 smaller fennel this week - 18s and 24s 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, Honduras and Peru with no major quality issues being reported.

Green Onions: ESCALATED Due to continued cold temps, the market will remain firm. Current supply is reduced because of cold weather.

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

Kale (Green): ESCALATED Supply is improving.

Mache: Availability is adequate.

Mushrooms: WATCH LIST: Mushroom growers are still recovering from the severe damage in the South and Southeast, as well as in Puerto Rico. Hurricanes 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. Sizing is small.

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.

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

Spinach (Bunched): We are seeing some mechanical damage; however, quality is fair.

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, have driven down supply. Growers can't get into the fields to harvest/move product quickly enough to meet demand and therefore market pricing is up. 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.

Potatoes:

The Potato market has increased demand with very limited availability on all large cartons. Demand is very high and the size profile remains on the smaller side. Much of the Norkotah crop is winding down, and many growers are moving to Burbanks with higher pricing.

TOMATOES - EAST

- **Rounds:** Round tomatoes are steady this week. Supply is steady. Quality is mixed.
- **Romas:** Roma tomatoes are steady this week. Supply is steady. Quality is mixed.
- **Grapes:** Grape tomato prices are flat. Demand remains sluggish, and supply is meeting demand in both regions.
- **Cherries:** Cherry tomatoes continue to be flat. Supply and quality continue to improve slowly.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

TOMATOES - WEST AND MEXICO

- **Rounds:** Round tomato supply has lighted up a tad this week as we are now hitting a cycle where the plants are producing less fruit. Quality has been affected as well; we are seeing fruit with decay, blotchy ripening, and grey wall. We could see markets turn up over the next two weeks until we cycle through this period of the tomato harvest.
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APPLES & PEARS

Apples:

GRANNY SMITH - The Granny Smith holdings in Washington are low 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 72s to 88s, although the pricing will continue to increase throughout the balance of the marketing season.

FUJIS - Fujis are peaking on 64s to 88s 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 80s to 113s.

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 88s to 113s. 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 100s.

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.