

Weekly Market Review

March 21, 2019

Overview

We are quickly approaching transition; most growers will start transition towards the end of March and we expect to be fully transitioned by the end of April. Celery is still in a very **EXTREME** situation. We have seen improvements in most West Coast veg commodities. Strawberries have also improved.

Market Alert

- Bell Pepper (Green, Red & Yellow) - **EXTREME**
- Cabbage (Red/Green) – **ESCALATED**
- Carrots (Jumbo) - **ESCALATED**
- Cauliflower - **ESCALATED**
- Celery – **EXTREME**
- Lettuce (Iceberg/Blends) - **ESCALATED**
- Limes - **ESCALATED**
- Onions (White) - **EXTREME**

Watch List

- Mushrooms
- Sweet Potatoes and Yams
- Tomatoes (Rounds and Romas)

Transportation

Freight rates continue to be above average and available trucks are limited. 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 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
74° 52° F	79° 57° F	82° 56° F	86° 57° F	89° 59° F	90° 59° F	81° 55° F
						
Mostly Sunny	Sunny	Mostly Sunny	Sunny	Partly Cloudy	Mostly Cloudy	Partly Cloudy

HERMOSILLO:

Thu 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
83° 50° F	82° 48° F	86° 50° F	89° 53° F	93° 57° F	96° 59° F	91° 56° F
						
Mostly Sunny	Partly Cloudy	Sunny	Partly Cloudy	AM Clouds/PM Sun	Mostly Cloudy	Partly Cloudy

JALISCO:

Thu 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
84° 52° F	81° 51° F	82° 49° F	84° 50° F	88° 52° F	89° 52° F	85° 53° F
 AM Fog/PM Sun	 Sunny	 Sunny	 Sunny	 Sunny	 Mostly Sunny	 Partly Cloudy

TORREON:

Thu 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
83° 49° F	88° 52° F	85° 51° F	90° 55° F	91° 57° F	87° 54° F	89° 58° F
 Sunny	 Partly Cloudy	 Sunny	 Sunny	 Sunny	 Partly Cloudy	 Mostly Cloudy

CULIACAN:

Thu 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
93° 52° F	91° 51° F	92° 51° F	95° 52° F	97° 55° F	97° 56° F	93° 55° F
 Sunny	 Sunny	 Sunny	 Sunny	 Mostly Sunny	 Mostly Cloudy	 Mostly Cloudy

PALMETTO:

Thu 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
72° 55° F	72° 52° F	78° 56° F	80° 60° F	80° 62° F	77° 57° F	75° 55° F
 Partly Cloudy	 Sunny	 Sunny	 Mostly Sunny	 Sunny	 Sunny	 Partly Cloudy

YUMA:

Thu 3/21	Fri 3/22	Sat 3/23	Sun 3/24	Mon 3/25	Tue 3/26	Wed 3/27
74° 51° F	76° 54° F	81° 56° F	83° 57° F	87° 60° F	90° 63° F	83° 57° F
 Mostly Sunny	 Partly Cloudy	 Mostly Sunny	 Sunny	 Mostly Sunny	 Cloudy	 Partly Cloudy

Good Buys

Commodity	Market Update	Produce Expert Tip
Asparagus	Growers have good supply. Quality is good and steady.	Did you know that there are three different colors of asparagus? Green asparagus, which we are all pretty familiar with. White asparagus, which is essentially green asparagus that has been grown without light and has less nutrients. & Lastly, the purple variety of asparagus, which has a fruity flavor and tastes amazing raw!

Fruits & Vegetables

Avocados: Markets are stronger. A holiday on the 18th and the border cleaning up has led to higher prices in

MX. Demand continues to stay steady. Non-Certified growing areas are still in-between seasons, adding to the demand for smaller fruit. The growing areas are now moving into the higher elevations, where the growers do not need to pick until the market gets better. #2 fruit continues to be available but will increase in value as the #1 markets get stronger.

Bananas: We are expecting good grade, excellent quality, and back-to-normal supply. This should continue through May.

Pineapples: Conditions in Costa Rica are very dry, which has resulted in slightly lower volumes than expected for this time of year. We do expect the situation to improve within the next couple of weeks. We are preparing for Easter and will have good volumes.

Grapes: Red Seedless market is steady and should remain steady for the next couple of weeks. There will not be the huge crimson volumes this year. Green Seedless market will start to rise rather quickly as we head towards April. Chile was finished picking 10 days ago, and the volume are very light compared to recent years. Red Globes market is stable, mixture of Peru and Chilean available. Black seedless market should firm up in April with Autumn Royals.

Berries

Blueberries: Supply will be low for the next three weeks and then begin to increase.

Blackberries: We anticipate blackberries to continue trending up week over week.

Raspberries: We expect to be stable over the next couple of weeks.

Strawberries: With some favorable weather forecasted this week, we should expect growers to get back on track.

California / Arizona Citrus

Navels: Navels will be available in good volumes for 72s and smaller fancy and choice. We will have most sizes available, but we are still limited on the 56s and larger. We will start to see more and more choice fruit become available as the weather has downgraded the crop.

Lemons: Spring brings warmer weather and that creates higher demand. We continue to watch the small fruit get tighter.

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. California Star Ruby Grapefruit is loading out of the Riverside area only.

Imports/Specialties available:

- Blood Oranges
- Cara Caras
- Sun Delite
- Pummelos
- Gold Nugget

West Coast Lettuce

Butter: Supply is good. Quality is fair.

Green Leaf: Supply is slightly above normal. The issues we are seeing are mainly tip burn and some bug pressure. Yields are getting better. Demand has fallen a bit, and weights are in the 18-20lbs range.

Red Leaf: Supply is good. Quality is fair.

Iceberg Lettuce: **ESCALATED** Lettuce supply is going to be closer to budget. However, there are some very uneven fields, low yields, and possible light weights on the bins. With demand up and supply down, the market is forecasted to be very active. Quality continues to be fair. Last week, we had both rain and ice. We are getting close to the end of the desert season and options are limited. Huron has pushed back a week and is now projected for the week of April.

Romaine: Supply is right on budget and demand has lightened up. Bug pressure in the desert has become a slight issue. Expect to see some bugs in field-packed commodities. The Salinas crop is still small as we prepare to transition in one week. Yields on Romaine continue to improve.

Romaine Hearts: Supply is good and quality is fair.

Eastern and Western Vegetables

Green Bell Pepper: **EXTREME** Green bell peppers continue to see a rapid price increase. The gap between winter and spring harvest will continue for another week or two. Mexico has been battling colder weather, slowing the growth process of the peppers. This results in delayed harvests and a tighter supply. Quality is a mix between fair and good.

Red Bell Pepper: **EXTREME** Red bell pepper prices continue to increase. The market remains extremely tight in both regions. Quality is good for the time being. New fields are expected to start harvesting in the next 2 to 3 weeks.

Yellow Pepper: **EXTREME** Yellow bell peppers are showing rapid growth. The market is extremely tight due to cooler weather.

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

Mixed Chili Pepper– With more players getting in the chili pepper game, production levels are improved this week. Good weather in Sinaloa, with optimal heat levels in the forecast, should bring more volume soon. Escuinapa is pumping out volume, and Culiacan is getting stronger as well. New crops have started in South Florida, bringing light to moderate volumes of select items to the table. Volume will strengthen when Plant City gets rolling in about a month.

Eggplant: Eggplant prices look to be steady for another week. Supply is meeting the currently moderate demand. Quality remains fair to good due to some cooler weather in Mexico.

Cucumbers: Cucumber prices are down this week. The East is down only slightly, as Honduras imports are nearing an end, and Florida is still waiting a week or two to harvest. The West has seen a slight increase in supply as the Baja region starts harvesting. Quality will be mixed as farmers finish picking old fields.

English Cucumbers: Supply has improved through Nogales.

Green Beans: The green bean market is mixed this week. Imported haricot verts are up, with moderate supply and demand. Machine-picked product out of Florida is down. There is moderate supply with lighter demand. Quality is good. Hand-picked product out of Mexico is down, with moderate supply and light demand. There is a wide range in quality.

Zucchini / Yellow Squash: Squash prices are dropping this week. Supply has started to improve as winter demand has dropped. Both Florida and Mexico are seeing a drop in price. Quality remains a challenge in yellow squash, with reports of heavy discoloration and scarring. Zucchini prices are dropping this week; demand is down in both regions, which is allowing supply to increase. Quality is mixed between fair and good for zucchini.

Herbs

March is the month for transition from Mexico to California on most of the fresh herbs. Plantings were delayed slightly with all of the rain this winter, but this should not affect supply. Our growers are looking at our local basil to start in a few weeks, with good supply by the end of April.

The warmer weather has helped our local winter crop to rebound and supplies should be stronger by the end of the month on **MINT, OREGANO** and **PARSLEY**.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Good	USA
Basil	Steady	Fair	MEXICO
Opal Basil	Steady	Fair	USA
Thai Basil	Steady	Good	USA/MEXICO
Bay Leaves	Steady	Good	COLOMBIA
Chervil	Steady	Good	USA
Chives	Steady	Good	MEXICO
Cilantro	Steady	Good	USA
Dill	Steady	Good	USA/MEXICO
Epazote	Steady	Fair	MEXICO
Lemongrass	Steady	Good	USA
Marjoram	Steady	Good	MEXICO
Mint	Steady	Good	USA/MEXICO
Oregano	Steady	Good	USA/MEXICO
Italian Parsley	Steady	Good	USA
Rosemary	Steady	Good	USA/MEXICO

Sage	Steady	Good	USA/MEXICO
Savory	Steady	Fair	USA
Sorrel	Steady	Good	USA
Tarragon	Steady	Fair	MEXICO
Thyme	Steady	Good	USA/MEXICO
Lemon Thyme	Steady	Good	USA
Lavender	Steady	Good	USA
Lime Leaves	Steady	Fair	USA

Melons

Cantaloupe: Strong retail promotions are driving the cantaloupe market right now with good demand. Sizing is primarily 9s and larger with smaller percentages of 12/15s coming. A decrease in overall supply is expected to begin with next week's arrivals as the presence of whitefly in Guatemala continues to be felt. We anticipate steady pricing over the next 7-10 days. Quality is at optimum levels right now with consistent internal quality (11-14% brix levels) and good external color.

Honeydew: Honeydew supply remains consistent with larger fruit being the predominant sizing we are seeing. Good volumes will remain over the next 14-21 days, which will keep the market in a steady price range. The honeydew quality remains very clean, with good brix levels in the 10-13% range.

Watermelon: Classic Fruit's seedless watermelon program will conclude with our last arrivals by Friday. We will intentionally carry some fruit into next week to continue covering the consistent orders we have been receiving.

Mixed Vegetables

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

Arugula: Supply is steady to good.

Asparagus: Growers have good supply. Quality is good and steady.

Bok Choy: Supply for 30lb and 50lb are both short.

Broccoli / Broccoli Florets: Supply is going to be short for the next 3 to 4 weeks.

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** Supply is very tight as normal winter varieties are not cooperating this year. We continue to struggle with labor; this is also impacting supply.

Celery: **EXTREME** We will have fair to light volume from Mexico this week. The weather has warmed up slightly, but sizing is still a little smaller than we would like. Extremely high, open-market prices for celery.

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

Cilantro: Quality is improving and supply is good.

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, and Honduras and Peru with no major quality issues being reported.

Green Cabbage: **ESCALATED** Due to the cold weather, there will be lighter supply for the next week.

Green Onions: Due to rain and recent freezes, we are seeing product with weaker quality. Some light-colored onions will be present over the next few weeks.

JICAMA: Steady supply crossing through Texas.

Kale (Green): Supply has increased a bit.

Mache: Availability is adequate.

Mushrooms: **WATCH LIST:** 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: We will have limited supplies of the 50lb, but we have good supplies of 30lb. Quality is fair.

Parsley: (Curly, Italian) Quality is fair to good. Supply is steady.

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 continues to be light.

Sugar Snap/Snow Peas: Supply is tight, quality is good, and demand should be increasing.

Spinach (Bunched): Quality has improved and supply is good.

Spinach (Baby): Supply is good and quality has improved.

Spring Mix: Supply has improved.

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 quickly enough to meet demand, and therefore market pricing is up. We do not anticipate any change as most regions and weather have magnified the short year's issues with availability. We anticipate pricing will only rise further come summertime.

Onions:

White Onions: **EXTREME** White onions are extreme as supply is very limited. Idaho/Oregon is finishing up and Mexico is crossing in limited supply.

Onions have continued to increase as storage reports indicated lower stock on hand than expected.

Additionally, Mexico is very short-supplied and is keeping the majority of their crop within Mexico. Texas is 3-4 weeks away from starting domestic supply, and their crop is also short by about 25-30%. It is likely we will see this market remain volatile for the next 6-8 weeks until summer onions really ramp up in May. It is imperative to stay ahead of this market while also remembering that it is mid-March already; these onions have been out of the ground for 7+ months, so shelf life is shorter.

Potatoes:

The Potato market has increased demand with very limited availability on all large cartons. Pricing continues to rise each week on cartons, while the consumer market has been steady. 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

Tomatoes are in a production dip out of Mexico as we are now harvesting the part of the crop that was affected by the deep freeze that sunk into Mexico in January. We do not anticipate any supply interruptions, but please place orders in advance to get them filled with the right quality and color.

- **Rounds:** **WATCH LIST** Round tomato market remains mixed due to declining harvest numbers as we near the end of the winter crop, and spring crop is still a week or two away. Quality, however, is mixed, with reports of stem decay and yellow coloring.
- **Romas:** **WATCH LIST** Roma market remains mixed due to declining harvest numbers as we near the end of the winter crop, and spring crops are just being cleaned up. Relief isn't expected until late March. Quality, however, looks to be good, barring any more weather-related issues.
- **Grapes:** Grape tomato market has ticked up this week as harvest numbers are down slightly in Florida. We anticipate volume to rebound over the next two weeks. Quality is a mix of fair to good.
- **Cherries:** Cherry tomatoes are steady to up this week. Supplies remain light, which is causing the slight price increase. Quality is mixed between fair and good in both Eastern and Western growing regions.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

TOMATOES - WEST AND MEXICO

Tomatoes are in a production dip out of Mexico as we are now harvesting the part of the crop that was affected by the deep freeze that sunk into Mexico in January. We do not anticipate any supply interruptions but please place orders in advance to get them filled with the right quality and color.

- **Rounds: WATCH LIST.** Round tomato market remains mixed due to declining harvest numbers as we near the end of the winter crop, and spring crop is still a week or two away. Quality, however, is mixed, with reports of stem decay and yellow coloring.
- **Romas: WATCH LIST** Roma market remains mixed due to declining harvest numbers as we near the end of the winter crop, and spring crops are just being cleaned up. Relief isn't expected until late March. Quality, however, looks to be good, barring any more weather-related issues.
- **Grapes:** Grape tomato market is mixed crossing through Texas and Nogales as shippers continue to battle color and weather-related issues. We anticipate this to improve over the next two weeks.
- **Cherries:** Cherry tomatoes are steady to up this week. Supplies remain light, which is causing the slight price increase. Quality is mixed between fair and good in both Eastern and Western growing regions.

APPLES & PEARS

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 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 of 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.

STONE FRUIT

- **Peaches** are available
- **Nectarines** are available