

# Weekly Market Review

March 28, 2019

## Overview

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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 and Strawberries are in an **EXTREME** market.

## Market Alert

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- Avocados - **ESCALATED**
- Cabbage (Red) – **ESCALATED**
- Carrots (Jumbo) - **ESCALATED**
- Celery – **EXTREME**
- Limes -**ESCALATED**
- Onions (White) – **EXTREME**
- Strawberry – **EXTREME**

## Watch List

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- Mushrooms
- Sweet Potatoes and Yams

## Transportation

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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

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### COACHELLA:

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
86°   59° F	87°   59° F	89°   60° F	92°   62° F	91°   63° F	89°   59° F	85°   59° F
						
Mostly Sunny/Wind	Mostly Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

### HERMOSILLO:

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
92°   53° F	95°   59° F	92°   54° F	94°   55° F	94°   57° F	91°   56° F	88°   56° F
						
Partly Cloudy	Mostly Sunny	Cloudy	Sunny	AM Clouds/PM	Partly Cloudy	Partly Cloudy

**JALISCO:**

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
88°   52° F	87°   51° F	84°   50° F	85°   51° F	82°   50° F	82°   50° F	84°   49° F
						
Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy

**SALINAS**

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
64°   47° F	64°   44° F	67°   46° F	72°   51° F	71°   53° F	64°   49° F	65°   47° F
						
Mostly Sunny	Mostly Sunny	Mostly Sunny	Mostly Sunny	PM Showers	AM Showers	Partly Cloudy

**CULIACAN:**

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
96°   53° F	96°   57° F	91°   57° F	96°   55° F	92°   55° F	91°   53° F	92°   54° F
						
Sunny	Partly Cloudy	Cloudy	Sunny	Sunny	Partly Cloudy	Sunny

**PALMETTO:**

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
81°   58° F	82°   60° F	82°   61° F	83°   63° F	81°   64° F	78°   58° F	79°   61° F
						
Sunny	Mostly Sunny	Mostly Sunny	Partly Cloudy	Cloudy	Mostly Sunny	Partly Cloudy

**YUMA:**

Thu 3/28	Fri 3/29	Sat 3/30	Sun 3/31	Mon 4/1	Tue 4/2	Wed 4/3
84°   58° F	84°   61° F	87°   62° F	89°   61° F	90°   63° F	90°   61° F	84°   58° F
						
Sunny	Sunny	Partly Cloudy	Sunny	Cloudy	Partly Cloudy	Mostly Cloudy

**Good Buys**

Commodity	Market Update	Produce Expert Tip
<b>Green Onions</b>	Demand, supply, & quality are good.	We have some exciting news! Grilling season is right around the corner and this awesome veg tastes fantastic charred alongside any protein. Lightly brush a coat of oil on all sides with the olive oil, sprinkle with seasoning (salt & pepper), and turn them appropriately and cook to desired color. Enjoy!

**Fruits & Vegetables**

**Avocados:** **ESCALATED** At this time we are experiencing a very active avocado market; pricing has increased by over ten dollars [in one week](#), and we do not see that momentum stopping. Mexican growers are currently

holding back volume, driving the field prices higher. In addition to this, we are also hearing that there are controlled labor strikes taking place, which only complicates conditions in the region. In addition to what's already taking place in the import market, we are seeing lighter estimates out of California, which adds to the uncertainty. We anticipate a very active market for the next 6 to 8 weeks; currently, there are no shortages or pro-rates being reported, but we will keep you posted should there be any issues or concerns.

**Bananas:** Banana supply have transitioned back to "normal" with on-time vessels and arrivals from the tropics. Fruit quality remains good with no real changes in the short term.

**Pineapples:** Pineapple volumes have slowed as yields are lower coming off a strong Q1. There will be promotable supply for the Easter Holiday, but there will not be an oversupply as we have seen in previous periods; weather patterns are the culprit. Quality is otherwise very good, with sizing availability more in the mid-range of 6/7ct.

**Grapes:** The markets for red and green grapes are fairly consistent, with green being slightly more problematic to source than the red. Green will be challenging for the remainder of the import season, whereas red should continue to be plentiful. Sizing is consistent with good color and overall quality across all varieties. Market pricing is about average for this time of the season.

## **Berries**

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

**Blackberries:** We anticipate blackberries to continue trending up week after week.

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

**Strawberries:** **EXTREME** The next three weeks will be challenging for strawberries. Industry-wide volumes will be at least 50% below planned production. The transitions from Florida and Mexico back to California have all been impacted by weather, thereby causing a **significant shortage in the strawberry crop**. California harvests are three weeks behind schedule, and Mexico growers continue to face challenges with growing conditions, diminishing production, and making good arrivals from across the border. Florida strawberry harvests end for the season this week. Essentially, this year there is virtually no harvest overlap between the three primary strawberry regions. Please expect to see higher prices and a shortage in supply.

## **California / Arizona Citrus**

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**Navels:** Navels are in good supply. We will get a little short on 88s and 113s fancy for the next few weeks. We will continue to have a good supply of all sizes. Quality has been holding up considering how much water this fruit has had on it.

**Lemons:** Lemons availability is changing. The wet weather has been good for the fruit except that there has been tremendous size growth. The smaller fruit is now tight.

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

**Grapefruit:** Star Ruby Grapefruit is available. Fruit is very nice and as of right now we have a good run of sizes both grades.

**Imports/Specialties available:**

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

**West Coast Lettuce**

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**Butter:** Supply is good. Quality is fair.

**Green/Red Leaf:** Supply is right on budget. We are planning to start Salinas Valley the second week of April. We are seeing a little bit of thrip damage, but other than that, quality is pretty clean. Demand is good, and weights are in the 18-20lbs range.

**Iceberg Lettuce:** Lettuce supply is good; however, there are some very uneven fields, and possible light weights on the bins. With demand up, the market is forecasted to be very active. Quality continues to be fair. We are getting close to the end of the desert season. Huron has pushed back a week, and now is projected for the first week of April.

**Romaine:** Supply is right on budget. Quality is fair because of some bug pressure in the desert. Fields in the Salinas Valley are a bit behind and should be ready the second week of April. Weights are hovering around 33-35lbs.

**Romaine Hearts:** Quality is average due to some bug pressure and internal burn. Weights on the 12x3s have been in the 21-23lb range, with the 48ct weighing 27-31lbs.

**Eastern and Western Vegetables**

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**Green Bell Pepper:** The green bell pepper market is easing back this week as more supply becomes available out of Mexico and Central Florida. Quality is good.

**Red Bell Pepper:** Red bell peppers are dropping this week. Mexico has seen a flush of inventory from the field and from hothouses. Quality is trending up as new fields start up.

**Yellow Pepper:** Yellow bell peppers are easing back and supply is improving. Quality is good.

**Mini Sweet Pepper:** Good supply the next several weeks.

**Mixed Chili Pepper—** Escuinapa is in with good supply, Sonora's new sets have started, and a corridor of Sinaloa (Culiacan, Guasave, Los Mochis) is in full swing on chili peppers. Quality has been fantastic with good size and good-shaped peppers. Look for April to be a good month for hot pepper supply out of Mexico. South Florida farms have light volumes of most varieties available, with no serious quality concerns. Look for more Eastern volume in 3-4 weeks as Plant City starts new crops.

**Eggplant:** Eggplant continues to be steady in price. Supply out of Mexico continues to meet demand, and Florida is starting to ramp up some new fields. Quality is fair until some warmer weather hits the growing regions.

**Cucumbers:** Cucumber prices are mixed this week. Florida has seen some new fields start up, while Honduras is nearing the end of their season. Pricing in the East looks to be steady-to-down for the week. Mexico has started to see better weather conditions and new farms ready for harvest, allowing the price to decrease for the week. Quality is mixed between fair and good due to the transition between new and old crop in both regions.

**English Cucumbers:** Good supply available 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 again this week. Demand remains low to moderate in both the East and West, which is allowing supply to improve. 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 good for zucchini, barring any weather changes.

## 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 supply 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

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**Cantaloupe:** Strong retail promotions continue driving the cantaloupe market with very good demand. Sizing is primarily 9s and larger with smaller percentages of 12/15s coming. Supply from Guatemala will start to decrease over the next 7-10 days, which is a direct result of whitefly influence either with lower yields or acreage having been converted to honeydews. Quality has been excellent on the cantaloupe with good shell color and brix levels mostly in the 11-14% range.

**Honeydew:** Honeydew supply remains consistent with larger fruit being the predominant sizing. 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.

## Mixed Vegetables

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**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 and prices are up.

**Broccoli / Broccoli Florets:** Supply is very light this week because we are finished in the desert, and supply in Salinas will be light for the next few weeks. The demand remains good and the market is firming.

**Brussels Sprouts:** Due to cool weather in the desert and Mexico slowing down production, 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:** Supply is tight, as normal winter varieties are not cooperating this year for us. We continue to struggle with labor; this is also impacting supply.

**Celery:** **EXTREME** Unfortunately at this time we are still experiencing an ongoing extreme market with celery. The severity of this market is a result of several issues. First, the overall acreage dedicated to growing celery this past season in Oxnard was reduced (however, not all celery shippers reduced acreage). Secondly, our Mexican regions experienced cooler temperatures and heavy rainfall off and on, causing inferior celery quality that limited sales into the US. Additionally, the Yuma and Oxnard areas have experienced unseasonably cold temperatures and heavy rains, which has also affected production and quality. Oxnard also had unusually strong winds early in February, which blew over many of our tall processor celery varieties that we use to produce our fresh-cut celery. This caused the young celery to grow twisted and bent and severely affected yields and overall volume for the several weeks that followed. The Yuma season is now complete. Although we have seen temperatures warm up in Oxnard very recently, it is “too little too late”. The two events still in front of us that we see creating extra demand for celery are March Madness and Easter. We generally see celery demand subside after Easter and continue to see improvement through August.

**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:** Supply is good.

**Green Onions:** Demand, supply, and quality are good.

**JICAMA:** Steady supply crossing through Texas.

**Kale (Green):** Supply is steady.

**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, 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 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:**

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**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 hands than expected.

Additionally, Mexico is very short supplied and keeping 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 and these onions have been out of the ground for 7+ months so shelf life is shorter.

### **Potatoes:**

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The Potato market has been stable with good availability on all sizes. Pricing has leveled off, and the consumer market has been on the slower side. The Burbanks remain a smaller profile with limited availability on large cartons. There have been no transportation issues during this time.

### **TOMATOES - EAST**

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**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:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Romas:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.

- **Grapes:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Cherries:** Cherry tomatoes are steady to up this week. Supply remains light, which is causing the slight price increase. Quality is mixed between fair and good in both regions.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

## **TOMATOES - WEST AND MEXICO**

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## **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 80's 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.

## **STONE FRUIT**

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