

# Weekly Market Review

April 25, 2019

## Overview

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We are almost done with transition. Celery remains in an **EXTREME** situation; smaller-sized lemons are also **EXTREME**. Strawberries and blackberries are plentiful.

## Market Alert

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- Avocados – **ESCALATED**
- Brussels Sprouts - **EXTREME**
- Cabbage (Red) – **ESCALATED**
- Cauliflower - **ESCALATED**
- Celery – **EXTREME**
- Lemons (small sizes) -**EXTREME**
- Limes -**ESCALATED**
- Onions (White and Red) – **EXTREME**

## Watch List

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- Mushrooms
- Squash (Italian and Yellow)
- 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 4/25	Fri 4/26	Sat 4/27	Sun 4/28	Mon 4/29	Tue 4/30	Wed 5/1
104°   71° F	104°   71° F	102°   68° F	98°   67° F	85°   61° F	87°   60° F	90°   64° F
						
Sunny	Sunny	Mostly Sunny	Mostly Sunny	Mostly Sunny	Sunny	Mostly Sunny

### CULIACAN:

Thu 4/25	Fri 4/26	Sat 4/27	Sun 4/28	Mon 4/29	Tue 4/30	Wed 5/1
97°   59° F	97°   59° F	97°   58° F	97°   58° F	98°   60° F	99°   60° F	101°   61° F
						
Partly Cloudy	Sunny	Partly Cloudy	Cloudy	Cloudy	AM Clouds/PM Sun	Mostly Sunny

**WIMAUMA:**

Thu 4/25	Fri 4/26	Sat 4/27	Sun 4/28	Mon 4/29	Tue 4/30	Wed 5/1
87°   68° F	81°   60° F	87°   63° F	88°   65° F	90°   67° F	91°   67° F	90°   68° F
						
Partly Cloudy	Thunderstorms	Mostly Sunny	Partly Cloudy	Sunny	Sunny	Mostly Sunny

**SALINAS:**

Thu 4/25	Fri 4/26	Sat 4/27	Sun 4/28	Mon 4/29	Tue 4/30	Wed 5/1
71°   50° F	71°   50° F	69°   50° F	67°   51° F	66°   50° F	67°   49° F	69°   49° F
						
Mostly Sunny	Partly Cloudy	Mostly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny

**Good Buys**

Commodity	Market Update	Produce Expert Tip
<b>Strawberries</b>	The strawberry market is good, and quality is getting good. Rain is phasing out and the weather in California is favorable.	Bright, luxurious, and pumped full of natural sweetness, strawberries bring a level of complexity and complements the profile of a variety of dishes. Try slicing them into a fresh salad or including them into your next Charcuterie board.

**Fruits & Vegetables**

**Avocados:** **ESCALATED** As anticipated, there was no harvest at the end of last week in observance of Holy Week and Easter. Meanwhile, we should see lighter harvest this week as the supply pipeline is healthy, combined with an expected slowing of demand after Cinco de Mayo pulls. There are still a lot of unknowns for what May will bring, but we do expect 48s to remain relatively tight with that % being lower than normal.

**Bananas:** Markets remain steady with consistent production and supply. Fruit quality is sound.

**Pineapples:** Pineapple markets continue to strengthen as we are now through the Easter holiday where demand was very strong. We have volume and supplies to work through, however not at the promotable level. We're in the time of year where fruit yields are low and heavier to the larger-size profile. We expect more of the same over the short term. Fruit quality is very good.

**Grapes:** Crimson prices are starting to tick up as movement has been good, and supply coming to the market continues to shrink. Movement should stay good as greens are very tight and very high-priced.

**Berries**

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

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

**Raspberries:** Pricing will increase for the next couple of weeks.

**Strawberries:** The strawberry market is good, and quality is getting good. Rain is phasing out and the weather in California is favorable.

### California / Arizona Citrus

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**Navels:** Navels are steady with good supply of fruit. We are seeing more 88s and 72s choice. We should have fruit into early to mid-June.

**Lemons:** **EXTREME** As a result of the unprecedented amount of rain this winter, lemons have grown extremely large. We are noticing that the fruit is two sizes bigger than it should be (165s are now 115s). At this time, Produce Alliance is in a position where we are not receiving enough 140ct and smaller-sized lemons. Moving forward, please know that we may need to substitute 95 and 115s as these sizes are readily available.

**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 excellent.

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

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

### West Coast Lettuce

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**Butter:** Supply and quality are good.

**Green Leaf:** Supply and quality are good.

**Red Leaf:** Red leaf supply is light.

**Iceberg Lettuce:** Huron is finished for the season--we will be in Salinas for the rest of the season. Supplies will be plentiful, with strong quality that can travel anywhere.

**Romaine:** Supply is slightly above budget this week and will continue to be for the next three weeks. Quality is good and the product is looking clean, with some occasional mildew. Weights are hovering around 34-36lbs.

**Romaine Hearts:** Supply this week is normal and will continue to be for the next three weeks. Weights on the 12x3s have been in the 21-23lb range, with 48ct coming in at 27-31lbs.

### Eastern and Western Vegetables

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**Green Bell Pepper:** Florida's pepper supply is holding its own for the East this week. Production has increased a bit as the weather has been excellent. Plant City has gotten rolling, and older fields in the southern part of the state are still harvesting. Supply should be fairly consistent for the next week or two, but southern farms expect to wrap up by May 1. Georgia is on tap to begin around May 15, so hopefully Plant City can keep the ball rolling until then. Quality has been pretty good, although there have been weather effects on some lots

recently. The Western pepper scene is a tale of two crops--older fields in the short rows in Mexico and fresh, new crops from the Coachella, CA area. Mexico's plants are getting tired and we're seeing thinner walls, some shrivel, and the occasional turner. On the other hand, California's fruit is beginning to size up and has strong walls and excellent color.

**Red Bell Pepper:** The red bell pepper market has turned back around as numbers are falling short crossing through Nogales. We expect a three-week active market and should see relief once Baja and Coachella ramp up.

**Yellow Pepper:** The yellow pepper market has turned back around as numbers are falling short crossing through Nogales. We expect a three-week active market and should see relief once Baja ramps up.

**Mini Sweet Pepper:** Good supplies for the next several weeks. Demand is better.

**Mixed Chili Pepper:** With an active national market and the holiday, Mexico's chili pepper crossings look to be lighter going into the weekend. Quality has been mostly good up to this point, but will likely begin to decline as heat takes a toll on the older plants in production. In the East, Plant City is starting to pick up steam with more volume and varieties available this week. Tomatillos are still 2-3 weeks away, but are coming. Quality is nice on this new-crop fruit.

**Eggplant:** Florida's eggplant numbers are steady but lighter than expected, as yields seem to be down this season. Quality is pretty solid, but there have been some scarring concerns reported. Mexico farms are steady on eggs, with plenty of supply to meet holiday demand.

**Cucumbers:** Cucumber volume out of mainland Mexico is still increasing, and supply is plentiful. Some growers have been struggling with quality, but it seems to be getting better. Baja farms are also in the mix, with good quality and more volume on the way. With the east coast, west coast, and Plant City in production, there are also plenty of cucumbers in Florida. Overall quality has been good. We've seen light scarring from some growers, but it hasn't been a real issue yet. There are a few late crops planted in South Florida that will harvest during the first two weeks of May, but most southern farms will be wrapping up by then.

**English Cucumbers:** There is a steady supply available through Nogales and Canada. Volume deals are being made.

**Green Beans:** There have been several Florida areas harvesting beans for the past few weeks (South FL, Lake area, Plant City area), and supply has been over the top. Some growers, particularly in the southern areas, harvested what they had sold, then plowed under remaining fields due to low market prices. We should see volume drop a bit next week as the South finishes up. Although there seems to be plenty of product in the ground now, depressed market prices could throw a wrench in supply. The West also has multiple areas in both Mexico and California in production and expects good supply for the immediate future. Quality is best from newer fields and areas.

**Zucchini / Yellow Squash:** **WATCH LIST** Florida's yellow squash supply is light as most of the southern crops are finished, leaving Plant City as the primary sourcing area this week. Scarring and scuffing are definitely an issue, and it's been difficult to get product that meets retail specs. Look for some possible relief from Georgia as they get up and running with their first fruit of the season over the weekend. Expect this new volume to be light for a week or so then kick in after that. On the other hand, zucchini availability is solid. Quality is better than yellow, but is best described as average. The story is similar in Mexico, with much better volumes and

quality on zucchini than yellow. Barring weather issues, the Sonora area should have a fairly steady stream of supply for the next few weeks, at least on zucchini.

## **Herbs**

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**BASIL** supply continues to improve locally, and we should be in full swing by the first week of May. All other fresh herbs are steady.

<b>HERB</b>	<b>SUPPLY</b>	<b>QUALITY</b>	<b>COUNTRY OF ORIGIN</b>
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:** We advised last week that less overall cantaloupe volume was finding its way to the market, and arrivals this week have dropped even more. Less supply, combined with contracts and retail promotions, has created an almost demand-exceeds-supply situation with cantaloupe. Limited weekly supply will continue for another 3-4 weeks, which should be enough to cover weekly contractual commitments. Fruit from the Imperial Valley has been delayed by 10-14 days--dependent upon region (AZ/CA)--which will have them starting the week of 5/13, with no real volume picking up until the week of 5/20. We believe we will be able to keep the east coast OPCO's loading out of Florida through the week of 5/20, just prior to Memorial Day, before having to transition.

**Honeydew:** Honeydew volume remains strong for Classic Fruit but with larger fruit. Due to whitefly pressure earlier in the season, a larger percentage of cantaloupe acreage was transitioned to honeydew fields as the honeydew plants are more resistant to the whitefly than the cantaloupe. This is also part of the reason for the current situation with less lopes and more dews. Sizing has been extraordinarily large, with mostly jumbo fruit (4J/5Js) being packed. Smaller fruit will continue to be a small percentage of the harvest.

## **Mixed Vegetables**

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

**Arugula:** Supply and quality are good.

**Asparagus:** Growing region has changed to Peru; Mexico is done for the season. Quality is good, market is steady, and good volume is available.

**Bok Choy:** Supply is fair and quality is good.

**Broccoli / Broccoli Florets:** Supply is very good.

**Brussels Sprouts** **EXTREME:** Very light availability this week, we are seeing shortages in supply.

**Carrots:** Carrots are improving. Supply now available in Georgia as well.

**Cauliflower:** **ESCALATED** Supply is light.

**Celery:** **EXTREME** We will have 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. Many growers in California lost crops due to seeders, which is caused by unfavorable weather creating premature blooming that makes crops unable to be harvested. We are hoping to see relief in this market by the end of June.

**Corn:** The market ticked up a tad, but there is still good 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--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, Peru and Thailand.

**Green Cabbage:** Supply is good with available loading through Texas.

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

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

**Kale (Green):** Supply is steady and quality is good.

**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:** Supply and quality are good.

**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.

**Red Cabbage: ESCALATED** Supply continues to be light.

**Sugar Snap Peas:** Supply is extremely tight, quality is good, and volume should increase in two weeks.

**Snow Peas:** Supply is increasing, quality is good.

**Spinach (Bunched):** Quality and supply are good.

**Spinach (Baby):** Supply and quality are good.

**Spring Mix:** Supply and quality are good.

**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 remain extreme as supply is very limited. While Idaho/Oregon and Washington continue to wind down, there still remains another 3-4 weeks of supply to ship out of this region. Growers are feeling pressure to move product before it sprouts or continues to break down. Because of this, we are seeing some weakness on all sizes of yellow onions. Texas is full steam ahead on their product and will likely ship strong until the second week of May. The Imperial Valley, California also started shipping this past week. To start, they are primarily shipping yellow onions, with volume on reds to start next week and whites starting the following week. Quality is strong and sizing is heavy to Jumbos and Colossals. We anticipate the market will remain fairly steady over these next few weeks as new growing regions will take the place of the decrease in supply in the Northwest. We will likely see a tiered market between old crop prices and new crop prices until the Northwest is fully out of the picture.

## **Potatoes:**

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The Potato market remains stable, with good availability on all Cartons and Consumers. There will be some Norkotah availability for another month before we see only Burbanks. 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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- **Rounds:** Florida's round tomato supply is a little stronger this week as more growers get started in the Ruskin/Palmetto area. Sizing is on the larger side as growing conditions have been favorable and most are in crown picks. Overall quality from all growers/areas is nice.
- **Romas:** Roma availability is steady but light as new growers gradually come online.
- **Grapes:** Grape tomato farms have worked their way through a flush and are back down to normal levels. There's still plenty of nice-quality fruit to meet demand, mostly from the Palmetto/Ruskin growing zone.
- **Cherries:** Cherry tomatoes are steady to up. 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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- **Rounds:** With Mainland Mexico's round tomato crops nearing the end of the season, volume and sizing will decline over the next few weeks until they finish sometime in early May. Baja is expected to begin new crops in the next 7-10 days and the CA desert will crank up in mid-May, keeping a mostly steady stream of round supply in the West.
- **Romas:** Romas are in good shape as well, with West Mexico's new crops rolling and Baja scheduled to start next week.
- **Grapes:** Quality and volumes are declining on current crops.
- **Cherries:** Cherry tomatoes are steady to up. Supply remains light, which is causing the slight price increase. Quality is mixed between fair and good in both regions.

## **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 72s to 88s although the pricing on the crop 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**

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