

Weekly Market Review

May 16, 2019

Overview

Celery is still in a very **EXTREME** situation. Smaller size lemons are also **EXTREME**. We are seeing rain in our CA growing regions, but we do not expect to see any major issues from it; we may see a few quality issues but will keep you updated.

Market Alert

- Avocados - **ESCALATED**
- Broccoli (Florets) - **ESCALATED**
- Brussel Sprouts - **EXTREME**
- Cabbage (Red) – **ESCALATED**
- Cauliflower - **ESCALATED**
- Celery – **EXTREME**
- Lemons (small sizes) -**EXTREME**
- Onions (White) – **ESCALATED**

Watch List

- Sweet Potatoes and Yams

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 5/16	Fri 5/17	Sat 5/18	Sun 5/19	Mon 5/20	Tue 5/21	Wed 5/22
84° 60° F	86° 63° F	91° 66° F	82° 59° F	83° 61° F	89° 65° F	88° 62° F
						
Partly Cloudy/Wind	Sunny	Partly Cloudy	Sunny	Mostly Sunny	Sunny	Partly Cloudy

CULIACAN:

Thu 5/16	Fri 5/17	Sat 5/18	Sun 5/19	Mon 5/20	Tue 5/21	Wed 5/22
95° 60° F	93° 58° F	95° 59° F	97° 59° F	97° 59° F	96° 58° F	96° 58° F
						
Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Partly Cloudy	Sunny

WIMAUMA:

Thu 5/16	Fri 5/17	Sat 5/18	Sun 5/19	Mon 5/20	Tue 5/21	Wed 5/22
88° 66° F	89° 66° F	89° 70° F	89° 70° F	90° 69° F	91° 70° F	91° 71° F
						
Partly Cloudy	Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny	Mostly Sunny

SALINAS:

Thu 5/16	Fri 5/17	Sat 5/18	Sun 5/19	Mon 5/20	Tue 5/21	Wed 5/22
61° 52° F	63° 48° F	62° 54° F	61° 52° F	63° 52° F	64° 52° F	62° 51° F
						
Showers/Wind	Partly Cloudy	PM Rain	Showers	Partly Cloudy	PM Showers	Partly Cloudy

Good Buys

Commodity	Market Update	Produce Expert Tip
Mini Pepper	Good supply for the next several weeks.	Try 3-Ingredient Mini Stuffed Peppers at your next gathering; they're a healthy appetizer that's sure to wow your guests. Preheat the oven to 400 degrees F and line a large baking sheet with parchment paper. Cut mini bell peppers in half lengthwise and remove any seeds. Lay them cut-side-up on the baking sheet. Spoon garlic and herb seasoned goat cheese into the center of each pepper half. Lightly drizzle the peppers with 1 tablespoon honey; sprinkle with salt if desired. Bake for 10 minutes and serve warm. If you're feeling ambitious, the base combination of mini peppers and goat cheese is extremely versatile.

Fruits & Vegetables

Avocados: ESCALATED We are seeing a very active avocado market; pricing has increased by over ten dollars in one week, and we do not see that momentum stopping for the next several weeks. Our partners are informing PA that the Mexican growers continue to hold back volume, driving the field prices higher. Mexico does hold the majority share of the supply industry-wide and speculation on the market is being fueled by a lower Negra Crop estimate and an uncertain forecast on the Loca Crop. We do see some relief on the horizon as product from Peru begins to arrive, but this will not impact the market for several weeks due to low volume on the front side of the season. California continues to produce steady numbers, but they are on their seasonal decline at this point. We anticipate a very active market for the next 3 to 6 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: Markets remain steady with consistent production and supply. Fruit quality is not an issue at this time.

Pineapples: Pineapple markets are trending towards smaller sizes. We are expecting to see less 5s and more 7s and 8s for the next two months. Quality is very good right now; the climate in Costa Rica has improved, which is optimal for maintaining good quality.

Grapes: Red Seedless are mostly Crimsons and Timco. The market is steady with good movement and solid condition upon arrival. Mexico and Coachella will begin in a small way with reds during the back end of the

week of 5/20 with light volumes. Green Seedless are mostly storage Thompsons that are moving well and at good prices.

Berries

Blueberries: We expect to see this market get shorter in supply the first week of June; this is due to a gap in supply. Georgia and the majority of east coast berries are done. Baja is also done. The Pacific Northwest will start in July, which will create a very short supply on blues for the month of June.

Blackberries: We are entering the transition period between Mexico and US production. Mexico supply will end around mid-June. In California, cooler, overcast and rainy weather continue to delay the fruit maturation and prevent the transition gap from being shorter. North Carolina is expected to begin within the next two weeks with minimal volume, which will minimize supply issues. Overall supply is steady and quality is good.

Raspberries: Conventional supply is lighter than last week due to a faster decrease in volume out of Mexico and a slower increase in Northern California crop. The Oxnard region has the potential to over produce this week; overall, raspberry production is good and quality is good.

Strawberries: California is expecting up to 1.5 inches of rain starting Wednesday evening through next Tuesday; this will impact harvesting schedules. Northern California is harvesting as much as possible before the rain. Santa Maria volumes will be lighter than expected this week due to the weather. We may see a slight deviation in supply, but not as much as anticipated. We are also seeing a variation in sizes due to the unstable weather patterns in our growing regions.

California / Arizona Citrus

Navels: Navels are steady with good supply of larger fruit. Small navels are limited.

Lemons: **EXTREME** Due to an increase in demand we are seeing tighter supply and higher prices on smaller sizes (165s/200/235s). This is also impacting the 140s, as customers move up in size. For now, we have a good supply of 115s and larger but as spring turns into summer they will also get tight.

Limes: The market on limes has improved a lot. April and May have been dry, causing a lack of growth. Growers have already stripped the trees of most medium-sized fruit. The majority of the fruit crossing are small sized, and that will continue to happen unless they get the rain the fruit needs to grow. If they start to see rain, growers will try to hold back on picks to help fruit hang longer and populate the larger sizes. If there's no rain, then growers will have no choice but to continue to ship the small fruit, and we could see the same trend into June. Expect pricing to stay high on large fruit and availability to be tight. Small fruit is plentiful.

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

Butter: Supply and quality are good.

Green Leaf: Supply is slightly above normal. We are seeing mild cupping, but other than that the crop looks beautiful and quality is good. Demand is good.

Red Leaf: Supply and quality are good.

Iceberg Lettuce: This week we are expecting good volume so supply will not be an issue. The rain could cause harvesting and quality issues, but as of right now quality remains good and supply is good.

Romaine: Supply is slightly above normal and will continue to be for the next two weeks. Quality is good. We are packing in Salinas and in Gonzales. Rain is expected in the growing region for the next 5 days; because of that, some quality issues such as mildew could arise.

Romaine Hearts: Supply this week is normal and will continue to be for the next two weeks.

Eastern and Western Vegetables

Green Bell Pepper: Green Bell prices remain firm as supply in Florida as well as Mexico dip. Demand remains good. We are beginning to see numbers pick up out of the desert and quality is outstanding. The Central Valley is projected to scratch the first week of June; however, we could see delays due to the stormfront pushing through the region this week.

Red Bell Pepper: Red bell prices are down this week as supply begins to improve. Canada has ramped up production and Coachella is ramping up as well. We should see Mainland Mexico begin winding down while Baja production slowly starts. Quality is mostly good, but there are still some color issues due to cooler weather in the desert.

Yellow Pepper: The yellow pepper market is mixed; we're seeing higher prices in Nogales and deals being made crossing through San Diego. Supply is expected to improve over the next several weeks as Baja ramps up production.

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

Mixed Chili Pepper: New fields have started out of Sonora, Sinaloa and Baja. Quality is still good overall, but we are seeing early shrivel and pitting on poblano and serrano as well as lighter color on most varieties. California has now started in a light way with volumes on jalapenos and Anaheims. Light supply of chilies is available in the East from Plant City. Availability has been sporadic, as supply is in the hands of a few growers and each one is in and out of fields on a daily basis. We should begin to see minimal volumes from GA next week, with full production coming in the first week of June.

Eggplant: South Florida's eggplant production has one more week to go, then Plant City should be up and running with product. This week's quality is okay, but we could see some trouble spots as we work through the end of the crop. In the West, Mexico growers will continue to work through the seasonal decline this week, then leave production to the CA desert. CA's fruit has nicer quality, but expect a different looking egg, as the varieties grown are larger and more football-shaped.

Cucumbers: Although South Florida farms are finishing up, there's an adequate amount of cucumbers available in the East from Plant City and Georgia. Quality has been pretty good despite the weather issues that have affected some other products. Eastern NC expects to begin harvesting in 2-3 weeks, as do a few other "local" areas. The West is working through a transition from the Mainland to Otay, but there's enough overlap that we shouldn't experience a gap. Quality has been hit or miss.

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

Green Beans: Machine-picked product out of Florida is done, with South Georgia now ramping up while demand still remains light to moderate. Handpicked product out of Coachella Valley California has very nice quality and good supply, while back in the east, quality is fair.

Zucchini / Yellow Squash: Production from Mainland Mexico looks to continue for the next 2-3 weeks but will finish up at the end of the month. The Santa Maria and Fresno growing districts have gotten underway with limited production but are expecting to increase over the next few weeks. Baja will also join the mix at the end of May. In the East, squash production is centered in Georgia, with harvests continuing in the Plant City area. Overall quality is mostly good, but there has been enough precipitation to affect some farms and fields. Look for eastern NC to come online in about 2 weeks.

Herbs

CHERVIL is starting to come back in limited supply, but the rain may affect this. **EPAZOTE** was showing some yellowing on the leaves, but this has been corrected and quality is improving. All other fresh herbs are steady.

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	Good	COLOMBIA
Chervil	Tight		USA
Chives	Great	Good	MEXICO
Cilantro	Steady	Good	USA
Dill	Steady	Good	USA/MEXICO
Epazote	Steady	Good	MEXICO
Lemongrass	Steady	Good	USA
Marjoram	Steady	Good	USA
Mint	Great	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	MEXICO
Thyme	Steady	Good	USA
Lemon Thyme	Steady	Good	USA
Lavender	Steady	Good	USA
Lime Leaves	Steady	Good	USA

Melons

Cantaloupe: Cantaloupe arrivals will continue into Florida through the week of May 20th, which will allow for us to load all contract business until at least 5/24. Sizing from Guatemala has had a very nice mix of 9/12/15s with internal quality being at optimum levels. External quality is strong and will continue to be so the rest of the way through.

Honeydew: Honeydew arrivals remain strong in Florida. With increased production on Mexican crossings through Nogales, the market has started to settle. Early indication is providing caution to the quality on these crossings with low brix levels and external quality issues being reported. As with the cantaloupe, arrivals will continue on offshore fruit for another two weeks into Florida. Sizing on honeydews was primarily jumbo fruit previously, but we have started to see more of a split between 5/6s, which has provided a very nice balance.

Mixed Vegetables

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

Arugula: Supply and quality are good.

Asparagus: Supply and quality are good.

Bok Choy: 50# are in short supply and prices are up.

Broccoli / Broccoli Florets: **ESCALATED (Broccoli Florets)** Supply is lighter this week.

Brussels Sprouts **EXTREME:** Very light availability. We are seeing EXTREME shortages in supply and the quality from Mexico is extremely challenging.

Carrots: Supply and quality on carrots is good. Supply is now available in Georgia as well.

Cauliflower: **ESCALATED** Supply is improving.

Celery: **EXTREME** We are still below normal volume from Mexico this week. The weather has warmed up slightly, and sizing is better out of Mexico. Extremely high open-market

prices. Salinas is behind schedule and is causing a gap in production that we are expecting to remain until the last week of May and into early June. Supply is still very short and prices are extreme.

Corn: Markets are down with good supply available on yellow, white, and bi-color out of Florida and the desert.

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 due to trade tariffs being imposed on products from China.

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 and quality are good.

Green Onions: There is good supply and excellent quality from Mexico. The market is steady and will continue to be a bit sluggish, due to good volume.

JICAMA: Steady supply crossing through Texas.

Kale (Green): Supply and quality are good.

Mache: Availability is adequate.

Mushrooms: Supply is currently stable, and quality is good.

Napa: Quality is good and supply is fair.

Parsley: (Curly, Italian) Quality 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 Peas: Supply is tight, quality is good, volume should be coming on next week.

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** The sweet potato market continues to be tight after many growers were affected by Hurricane Florence in North Carolina last September. Increasing demand and heavy rains in Mississippi, Louisiana, Arkansas and Alabama also created challenges for the other major growing regions but luckily, quality and size is still good. We will continue to see the price of sweet potatoes rise month by month over the summer until we get to next seasons harvest.

Onions:

ESCALATED While Idaho/Oregon and Washington continue to wind down, there still remains another 1-2 weeks of supply to ship out of this region. Growers are feeling pressure to move product before it sprouts or continues to breakdown. Because of this, we are seeing some weakness on all sizes of onions. Texas is full steam ahead on their product and the Imperial Valley, California is also shipping heavy on all sizes and colors. Quality is strong and sizing is heavy to Jumbos and Colossals. 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:

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

- **Rounds:** Palmetto/Ruskin will have another strong week. Then production and size will gradually decrease as farms move to the end of their season. Quincy, FL and South GA will begin at the end of next week.
- **Romas:** Eastern Roma supply is fair, with good quality available.
- **Grapes:** Florida grape tomato deal maintains mostly steady volumes this week. Overall quality is good, but more grading is required on the fruit from later picks.
- **Cherries:** Eastern cherries are steady, with good supply and quality.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

TOMATOES - WEST AND MEXICO

- **Rounds:** The Mainland Mexico deal is still going but will wrap things up toward the end of the month. One grower has started in Baja and we should see more start up over the next few weeks. Additionally, the California desert should begin in a light way later this week.
- **Romas:** West Mexico expects to have consistent roma volumes through the month of May. Both Baja and East Mexico's Torreon area have started in a light way, which should provide a fairly smooth transition.
- **Grapes:** Mexico's supply is light during this time of transition from the Mainland to Baja. Look for improved availability in two weeks.
- **Cherries:** Western cherries are in transition from growing regions, and quality is poor.

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 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

- **Apricots** domestic apricots are available
- **Cherries** domestic cherries are available
- **Nectarines** domestic nectarines are available
- **Peaches** domestic peaches are available
- **Plums** domestic plums are available