

# Weekly Market Review

May 23, 2019

## Overview

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Celery is still in a very **EXTREME** situation. Smaller-sized lemons are also **EXTREME**. The rain in our CA growing region has mainly affected strawberries; see below for more details. Tomatoes are plentiful.

## Market Alert

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

## Watch List

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- Sweet Potatoes and Yams

## Transportation

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Freight rates continue to be above average and available trucks are still an issue nationwide. 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 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29
82°   61° F	90°   66° F	92°   63° F	85°   58° F	84°   63° F	95°   70° F	98°   72° F
						
Partly Cloudy	Sunny	Sunny	Partly Cloudy	Sunny	Sunny	Mostly Sunny

### CULIACAN:

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29
97°   61° F	101°   63° F	101°   64° F	99°   64° F	100°   61° F	99°   60° F	97°   60° F
						
Sunny	Sunny	Mostly Sunny	Partly Cloudy	Sunny	Mostly Sunny	Sunny

## WIMAUMA:

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29
94°   67° F	94°   69° F	95°   71° F	96°   72° F	96°   72° F	95°   73° F	95°   74° F
 Mostly Sunny	 Sunny	 Sunny	 Sunny	 Mostly Sunny	 Sunny	 Sunny

## SALINAS:

Thu 5/23	Fri 5/24	Sat 5/25	Sun 5/26	Mon 5/27	Tue 5/28	Wed 5/29
66°   54° F	68°   54° F	63°   51° F	59°   51° F	64°   54° F	67°   53° F	70°   54° F
 AM Clouds/PM Sun	 Sunny	 AM Clouds/PM Sun	 Light Rain	 Mostly Cloudy	 Partly Cloudy	 Sunny

## Good Buys

Commodity	Market Update	Produce Expert Tip
<b>Mexican Vine Ripe Roma Tomatoes</b>	Roma prices are down slightly for the week. Demand has dropped and supply is plentiful with good volume out of mainland Mexico; Baja is slow to start. Quality is outstanding.	You might be used to slicing and dicing tomatoes, but grilling...? That's right, a grilled vine ripe roma is sweet, juicy, and delicious! Slice them in half, drizzle with olive oil, salt, and pepper. Heat the grill to medium-high heat and put them cut side down for 3-4 minutes and then flip and grill for another 3-4 minutes. Enjoy!

## Fruits & Vegetables

**Avocados: ESCALATED** We are seeing a very active avocado market; pricing is up again this week, but it will be leveling off some in contrast to the huge jump we saw last week. We still are not anticipating a good market over the next several weeks and expect prices to continue to climb. 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, though they are behind due to the recent rain; they should recoup over the next 5-10 days, but their numbers are on their seasonal decline at this point. We anticipate a very active market for the next 3 to 6 weeks, with no overall shortages despite small fruit being extremely tight; possibilities of subs may be necessary, particularly from 70s to 60s. If pro-rates become necessary, or if there are any issues or concerns, we will keep you posted.

**Bananas:** Markets remain steady with consistent production and supply. Fruit quality is not an issue at this time.

**Pineapples:** Pineapple markets are trending toward smaller sizes. We are expecting to see less 5s and more 7s and 8s for the next 2 months. Quality is very good right now; 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**

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**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 the 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's 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 due to quality and harvest issues out of Mexico and cold weather in California. Production will begin to slightly increase during the next week.

**Strawberries:** **EXTREME** Northern California and Santa Maria volumes are down due to the rain received the last couple of days. Many growers have not been able to get into their fields and most likely will be focusing on cleaning up their fields this week. We expect volumes will continue to drop in the next weeks due to fruit rot. Quality is fair and berry sizes are across the board.

## **California / Arizona Citrus**

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**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 of fruit. Growers have already stripped the trees of most medium-sized fruit. The majority of the fruit crossing are small-sized fruit, 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 is 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

## **West Coast Lettuce**

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**Butter:** Supply is good and quality is fair.

**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 is good, quality is fair.

**Iceberg Lettuce:** Supply is steady for the week. There is a possibility that we won't be able to harvest this week, due to weather. Harvesting is expected to be slower than normal because we are expecting more rain. In addition to the rain, overall temps are below normal. This could slow down crops for the next week or two. Quality is fair, and the market should start to firm up with lighter supply.

**Romaine:** Supply is slightly above normal and will continue to be for the next two weeks. Quality is average due the heavy rain in Salinas. More rain is expected and some quality issues like occasional mildew, dirty boxes, and mud splatter on outer leaves may arise.

**Romaine Hearts:** Supply for the week are above normal and will continue to be for the next two weeks. More rain is expected and some quality issues may arise. Expect occasional mildew, dirty boxes, and mud splatter on outer leaves.

### **Eastern and Western Vegetables**

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**Green Bell Pepper:** Green bell peppers are up in price for another week. Supply continues to be light in the East, with Florida winding down and Georgia still a week or two away from harvest. The West continues to work through transition, which is keeping supply light. Quality is a mix between fair and good, due to the mixture of old and new crop.

**Red Bell Pepper:** Red bell prices are down for the week. Supply continues to improve, with good production from the fields and hothouses. Quality continues to look good.

**Yellow Pepper:** The yellow pepper market is mixed; 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:** Availability is good on most items this week. Tomatillos have tightened up in the past few days and may become more limited over the next two weeks as Baja growers work through a gap between 1st and 2nd plantings. Although quality is still solid on all items (except poblanos) out of Mainland growing areas, we could see heat-related issues as we move into June. In the East, Plant City has excellent quality but light volumes on their usual assortment of chili peppers. Look for Georgia to start in 2-3 weeks before production moves into regional deals.

**Eggplant:** Eggplant is a bit challenging this week as both Eastern and Western production works through growing area transitions. New crops have been slow to come on, creating a snug situation in the interim. The California desert expects stronger numbers in 7-10 days, while the East is patiently waiting for Georgia fruit to come online within the next two weeks.

**Cucumbers:** Cucumbers are steady to down for the week. There is good supply in both Florida and Mexico for the time being. Quality remains good in both regions.

**English Cucumbers:** There is a steady supply available from Florida, Mexico, and Canada. Volume deals are being made.

**Green Beans:** The green bean market is mixed this week. Imported haricot verts are up, with moderate supply and demand. Handpicked product out of Coachella Valley California is down, with moderate supply and lighter demand. Product out of South Georgia is down, with moderate supply and demand. Quality will vary depending on the growing region.

**Zucchini / Yellow Squash:** Yellow squash prices continue to drop. The East has a plentiful supply, but it remains at a higher price, due to it being a better quality than Mexico. Mexico supply is a little snug, but due to the poor quality there is available supply. Wind scarring continues to be the main struggle. Zucchini prices are steady to down for the week. The East looks to be flat in pricing, while Mexico shows a price drop. Supply out of Mexico has improved, which has allowed the price drop. Quality in both regions is good and prices are now equal.

## **Herbs**

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**CHERVIL** Quality and supply issues have increased.

**EPAZOTE** Quality and supply issues have increased.

**BASIL** has shown a little wetness due to the rain but we are using extra absorption towels to combat this during this week. There should be no issue due to this.

**CHIVES** continue to be very strong in quality and shelf life.

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	Good	USA
Chives	Great	Good	USA/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**

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**Cantaloupe:** Desert production has been slow to start due to cooler temperatures. Cantaloupes sizing has been leaning heavily toward the smaller fruit. Volumes should start increasing by the first week of June in the Imperial Valley and Central AZ, with the market starting to settle after the Memorial Day holiday.

**Honeydew:** Domestic honeydew production has been very slow early on with Mexican crossings still in very good supply on all sizes. Expect CA/AZ production to begin picking up in early June as well.

## **Mixed Vegetables**

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

**Arugula:** Supply might be light due to rain. There is a possibility of mechanical damage from the rain.

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

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

**Broccoli / Broccoli Florets:** **ESCALATED** Supply is light and will be even lighter next 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 this is causing a gap in production that we are expecting to remain until the last week of May and early June. Supply is still very short, and this week we have seen severe shortages and prices have gotten higher.

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

**Cilantro:** Supply might be light due to rain. There is a possibility of mechanical damage from the rain.

**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)** Supply might be light due to rain. There is a possibility of mechanical damage from the rain.

**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):** Supply might be light due to rain. There is a possibility of mechanical damage from the rain.

**Spinach (Baby):** Supply might be light due to rain. There is a possibility of mechanical damage from the rain.

**Spring Mix:** Supply might be light due to rain. There is a possibility of mechanical damage from the rain.

**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:**

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**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 break down. Because of this, we are seeing some weakness on all sizes of onions. South Texas is winding down this week, and we will see North Texas onions hit the market starting next week. The Imperial Valley, California continues shipping heavy on all sizes and colors, and has about 1-2 weeks available before finishing up. The New Mexico crop has also begun shipping this past week and should continue to pick up in volume next week. The San Joaquin Valley Crop is expected to be affected by the hail and rainstorms in Central California this past week; we do not know the extent of the damage, and the effects are primarily on the later fields. We continue to 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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Almost all of the Norkotah crop has concluded for the season, and there will be Burbanks through the end of the season. Due to the lack of size in the Burbank crop, we are seeing elevated prices on all large Cartons. Demand has been strong and there have been no issues with transportation.

### **TOMATOES - EAST**

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- **Rounds:** Round tomatoes are up in price for another week. Supply continues to be limited in Florida. Prices look to be up on all sizes right now, with Medium and Large sizes seeing larger price increases. Tomatoes are trending toward XL sizes currently. Quality is good out of Florida.
- **Romas:** Roma prices are down slightly for the week. Demand has dropped, even with supply being light.
- **Grapes:** Grape tomatoes are flat for the week. Supply continues to be light out of Florida, but demand is also weak. Quality is good out of Florida.
- **Cherries:** Cherry tomatoes are flat in price for the week. Supply remains steady in the East, with moderate demand. Quality in the East is good.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

### **TOMATOES - WEST AND MEXICO**

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- **Rounds:** Round tomatoes are up in price for another week. Supply continues to be limited in Mexico. Prices look to be up on all sizes right now, with Medium and Large sizes seeing larger price increases. Tomatoes are trending toward XL sizes currently. Some soft fruit has been reported out of Mexico.
- **Romas:** Roma prices are down slightly for the week. Demand has dropped and supply is plentiful with good volume out of mainland Mexico; Baja is slow to start. Quality is outstanding.
- **Grapes:** Grape tomatoes are flat for the week. Supply continues to be light in Mexico due to transition into Baja. Quality is mixed out of Mexico.

- **Cherries:** Cherry tomatoes are flat in price for the week. Production in the West remains light due to transition. Quality in the West is fair.

## **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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- **Apricots** Domestic apricots are available but could see harvest delays due to rain in the West.
- **Cherries** Domestic cherries are available but have suffered potential damage due to recent rain in the West.
- **Nectarines** Domestic nectarines are available.
- **Peaches** Domestic peaches are available out of South Carolina and Central Georgia.
- **Plums** We are seeing potential harvest delays due to recent rain in the West.