

Weekly Market Review

June 6, 2019

Overview

Celery is still in a very **EXTREME** situation. Smaller-sized lemons are also **EXTREME**. Strawberries are improving quickly.

Market Alert

- Avocados - **ESCALATED**
- Brussel Sprouts - **EXTREME**
- Cabbage (Red) – **ESCALATED**
- Celery – **EXTREME**
- Lemons (small sizes) -**EXTREME**

Watch List

- Sweet Potatoes and Yams
- Iceberg

Transportation

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

COACHELLA:

Thu 6/6	Fri 6/7	Sat 6/8	Sun 6/9	Mon 6/10	Tue 6/11	Wed 6/12
103° 73° F	102° 72° F	103° 75° F	109° 78° F	110° 78° F	113° 81° F	113° 77° F
						
Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy

CULIACAN:

Thu 6/6	Fri 6/7	Sat 6/8	Sun 6/9	Mon 6/10	Tue 6/11	Wed 6/12
93° 67° F	97° 69° F	97° 71° F	97° 73° F	98° 74° F	99° 75° F	98° 74° F
						
Partly Cloudy	Sunny	Partly Cloudy	Mostly Cloudy	Mostly Sunny	Sunny	Mostly Sunny

WIMAUMA:

Thu 6/6	Fri 6/7	Sat 6/8	Sun 6/9	Mon 6/10	Tue 6/11	Wed 6/12
89° 76° F	91° 76° F	92° 76° F	87° 75° F	86° 75° F	87° 75° F	88° 75° F
 PM Thunderstorms	 Cloudy	 Scattered Thunderstorms	 Thunderstorms	 Thunderstorms	 Thunderstorms	 Scattered Thunderstorms

SALINAS:

Thu 6/6	Fri 6/7	Sat 6/8	Sun 6/9	Mon 6/10	Tue 6/11	Wed 6/12
66° 51° F	70° 51° F	79° 57° F	87° 60° F	86° 59° F	78° 58° F	76° 57° F
 AM Clouds/PM Sun	 Partly Cloudy	 Sunny	 Partly Cloudy	 Cloudy	 Partly Cloudy	 Partly Cloudy

Good Buys

Commodity	Market Update	Produce Expert Tip
Ojai Pixie Tangerines	Great fruit with excellent flavor. Plenty of fruit available.	Tangerines are featured for this week's #Goodbuy Friday! A juicy and delicious fruit that is high in fiber, and a lot easier to digest than oranges. Adding fiber to your diet, helps lower cholesterol levels, balance blood sugar, and promote healthy weight loss. If you are looking for a healthy and refreshing snack for the summer heat, tangerines should be your first choice!

Fruits & Vegetables

Avocados: ESCALATED – Industry volumes are steady, and pricing continues to remain strong; we expect a stable market for the month of June. California volume has increased--with shippers chasing good quality fruit for retail programs--while Mexico nears the end of the crop with more grade 2s. Peruvian arrivals have been well-received as retail programs begin, providing a stable source of supply. Small-sized fruit remains extremely short and subs to larger sizes might be necessary, particularly from 70s up to 60s.

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 two months. Quality is very good right now; climate in Costa Rica has improved, which is optimal for maintaining good quality.

Grapes: Imports are finished, and we have moved to loading out of Coachella and some of Mexico. Larger sizes of red grapes are still tight due to the later start and cooler weather. For green grapes, Mexico is finishing up with perlettes and Early Sweets. Sugrones are just starting in both Mexico and Coachella. Blacks were delayed with the cooler weather and will begin to increase the next two weeks.

Berries

Blueberries: 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 in a transition period between Mexico and US production. Mexico's supply is decreasing while CA regions are slowly increasing. We anticipate CA regions to ramp up in the next 4-5 weeks. North Carolina will also increase in supply.

Raspberries: With the CMEX/CA transition just about over, CA will finally start picking up. Expect volume to increase the next few weeks.

Strawberries: Strawberries will remain steady through June, with Santa Maria and Oxnard decreasing and Salinas and Watsonville increasing. Santa Maria is also decreasing their forecast due to smaller fruit size. Northern California has increased volume due to less fruit damage than last week. The weather forecast is showing an increase in temps, which could affect the fruit size in all producing areas.

California / Arizona Citrus

Navels: We will have fruit through the end of the month unless things change. We should have a good run of smaller sizes that will continue to be tight.

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 good supply of 115s and larger, but as spring turns into summer they will also get tight. Prices are rising.

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
- Gold Nugget
- Ojai Pixie

West Coast Lettuce

Butter: Supply is good and quality is fair.

Green Leaf: Supply is slightly above normal. Quality is fair as we continue to see some occasional fringe burn. Demand is good.

Red Leaf: Supply is good, quality is fair.

Iceberg Lettuce: **WATCH LIST** Supply continues to be behind schedule due to cooler weather, but quality is good. The market last week started to get a little higher towards the end of the week, and this trend will continue. Anticipate higher prices due to lighter volume.

Romaine: Supply is slightly above normal. Quality issues such as mildew, fringe burn, and intern burn are still lingering.

Romaine Hearts: Supply for the week is above normal and will continue to be for the next couple of weeks. More rain is expected, and some quality issues may arise. Quality issues such as mildew, fringe burn, and intern burn are still lingering.

Eastern and Western Vegetables

Green Bell Pepper: There's plenty of pepper in Georgia this week. Quality has been nice with no significant issues. Eastern North Carolina is on tap to start in two weeks, with numerous regional deals to follow shortly thereafter. In the West, Nogales is winding down with less #1 fruit available daily. The California desert is the place for quality and has good availability on larger sizes and choice.

Red Bell Pepper: Red bell prices are steady and delayed out in California; we expect a snug market for the remainder of the week. Once Coachella ramps up, we should see markets ease up. Quality continues to look good.

Yellow Pepper: The yellow pepper market is mixed with 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: Mexico has experienced some weather conditions (rain then heat) that are affecting quality on some of the varieties. 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. Quality is solid on Jalapenos, tomatillos, and we are seeing some issues on serrano's, Anaheim's, and poblano. 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: Good-quality eggplant is very short this week as both the East and West work through transitions between growing areas. Plant City's eggplant crops are holding on, but acreage is low, plants are tired, and there's not much time left in their season. There are numerous reports of sunken/pitted areas and scarring. Georgia is just getting started and should bring a very welcome change to the market over the next 7-10 days. The situation is similar in the West: Mainland Mexico is still going but quality is poor. The California desert has been slow to start but should see better volume as temperatures rise.

Cucumbers: Georgia's cucumber volumes have been strong, but crops are starting to show some yield issues due to the heat. Quality has been pretty good despite some reports of scarring and misshape on supers. New growing areas are coming up soon, with Eastern North Carolina starting Monday and a few other local deals on tap to begin late next week. In the West, Mainland Mexico will continue for another 2-3 weeks, but quality is starting to show issues. Cucumbers look good upon arrival but have a short shelf life. Fortunately, more

shippers have started out of Otag and production will continue to increase through June as more shippers start up. Quality has been strong out of Baja and we expect a consistent supply as we transition.

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

Green Beans: Despite various transitions and weather issues in the West, there are enough areas in Mexico and California going to meet market demand. In the East, Georgia crops are coming on strong with good volumes and quality. This should carry on for 4-5 weeks unless bad weather plays a part. Eastern NC will begin in the next 2 weeks.

Zucchini / Yellow Squash: There's less squash in the East this week. Quality has been hit or miss, with scarring on yellow. We're approaching the time when squash regionalizes and is available from many Eastern areas. NJ, KY, VA, SC, and NC have already started squash harvests in a light way and will be joined by other states over the next few weeks. The better quality squash in the West is coming out of California growing areas where warmer weather should start to bring volume in the coming days. Nogales shippers are dropping off rapidly and farms are leaving fruit behind due to quality issues.

Herbs

BASIL With warmer weather ahead, the color of the basil will be a darker/fuller green as we head into summer.

All other herbs are steady in supply and quality.

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

Cantaloupe: Cantaloupe production has increased since last week, with good volume anticipated over the next few weeks as the Imperial Valley and Central AZ production overlaps. Sizing has really been leaning to the larger sizes with mostly 9Js being packed, leaving smaller fruit limited and at a premium. Quality has been very strong with solid external quality (good size, color, etc). Internal quality is also at optimum levels with brix levels showing a range of 11-14% currently.

Honeydew: Honeydew production has been slow to start with the domestic crop. Nogales crossings have dropped off significantly over the past week as the Mexican fruit struggled with quality at the end. We expect the domestic honeydews to fetch solid numbers over the next 7-10 days, with supply remaining limited. Sizing has been a nice mix of 5/6s. Quality out of Arizona has been clean with very good internal quality.

Watermelon: Good supply crossing through Nogales and McAllen. New crop is also available out of the desert and South Georgia. Quality is outstanding and promotions are available.

Mixed Vegetables

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

Arugula: Supply and quality are good.

Asparagus: Standard has good volume; the larger sizes have limited volume.

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

Broccoli / Broccoli Florets: Supply has improved and looks very steady for the next few weeks.

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: Supply is expected to be very good this week.

Celery: **EXTREME** This is one of the longest runs of extreme pricing on celery this industry has ever experienced. The Oxnard crop is still experiencing very short supply and very high pricing, and we have just a few weeks left in this region. As we start harvesting the next few weeks in Salinas, we do expect some much-needed relief. We are hoping to start seeing some lower prices by mid-June and for the industry to improve slowly week to week. We also anticipate supply to improve weekly from this point.

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

Cilantro: Supply is good and quality is fair to 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 is fair and quality is 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 fair.

Mache: Availability is adequate.

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

Napa: Quality and supply are fair.

Parsley: (Curly, Italian) Parsley has started to lighten up industry-wide this week. Supply and quality are both fair to good.

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.

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

Sugar Snap Peas: Fields have shut down due to the recent market pricing. Volume is extremely limited.

Snow Peas: Fields have shut down due to the recent market pricing. Volume is extremely limited.

Spinach (Bunched): Supply and quality 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 season's harvest.

Onions:

New crop onions have firmed in pricing due to the weather in CA and a transition gap from Southern CA to Central CA. South Texas is finishing this week, and we are now seeing North Texas start in a small way though weather has prohibited harvest in this region for several days. The New Mexico crop has also begun shipping this past week and should continue to pick up in volume next week, but this region alone does not have sufficient volume to supply the country. We should see relief once all regions are back shipping.

Potatoes:

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

- **Rounds:** The Palmetto/ Ruskin deal is coming to an end, with most growers having already finished or picking the last crowns this week. Quality has mixed reviews as there's been a lot of heat, some rain, and the natural decline in quality as crops near the end of their run. Starting up this weekend, South Carolina will help to bridge the gap until Quincy/South Georgia comes into volume a few weeks behind schedule. The bulk of Quincy/ South GA production won't begin for another 7-14 days.
- **Romas:** With the Ruskin/ Palmetto area winding down, it's Roma production next week. Availability will be very light in the East for the next month or so. There are only a few deals in the Quincy area that plant Romas, and volume is traditionally on the light side. Eastern Roma supply will be snug until regional deals start up around the 4th of July.
- **Grapes:** Grape tomato numbers are slacking in Florida as the heat, rain, etc. have taken a toll on later picks and older plants. Quality is mixed and pack outs are generally low. Both South Carolina and Quincy should begin to harvest grapes over the next week or so, but numbers are expected to be light.
- **Cherries:** Cherry tomatoes are flat in price. 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

- **Rounds:** Mainland Mexico's volume and quality continue to decline as they approach the end of the season. New crops are coming on in Eastern Mexico and Baja with sizing heavier-to-big fruit. The only mature green fruit is coming from the short-lived So. Cal deal, which should end about the time that northern California production gets going.
- **Romas:** In the West, Roma numbers and quality are declining as supply transitions to East Mexico and Baja.
- **Grapes:** Western markets are looking to Baja for grape tomatoes now as the Mainland deal in Nogales is just about to end. Quality is much better on new crops from Baja.
- **Cherries:** Cherry tomatoes are flat in price. Production in the West remains light due to transition. Quality in the West is fair.

APPLES & PEARS

Apples:

- **RED DELICIOUS:** We will have good supply of Red Delicious apples through the rest of the season. Most grower lots are peaking on 72s to 100s. The condition and quality are excellent at this time. The best values and promotional items will be Premium and Exfcy # 1 Red 80s to 113s.
- **GOLDEN DELICIOUS:** Golden delicious supply in Washington is very tight and will continue to be tight through the balance of the season. There will be little supply through the end of the season, with some growers finishing up in early August.
- **GRANNY SMITH:** 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 Grannys will continue to increase throughout the balance of the marketing season.
- **FUJIS:** The Fujis remain steady and are peaking on 64s to 88s with most grower lots heavy to Exfcy # 1 grade. Expect some shippers to finish up within the next few weeks, leaving a short supply to the end.
- **GALAS:** The quality of the Gala apples is very good. Most grower lots are peaking on Premium Exfcy 80s to 113s. Again, some shippers will be finishing in a few weeks while others will have product until new crop begins.
- **HONEYCRISP:** Demand and movement have been excellent. Prices have increased considerably over the past several weeks with overall pricing between \$5 to \$70 per carton on Premiums. Several shippers are finishing up this month.
- **CRIPPS PINK:** There will be pinks available through the summer months; however, some shippers will be finishing in the next few weeks. Most grower lots are peaking on Premium Exfcy 88s to 113s.

Pears: The Anjou, bosc, and red pears are all winding down and maybe finished by the end June, depending on demand. Supply mainly consist of 100s and larger, US#1, very few fancy. Quality remains good.

STONE FRUIT

- **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.

