

Weekly Market Review

August 16, 2019

Overview

Lettuce, cauliflower, and broccoli continue to be steady. Asparagus is **EXTREME** and smaller-sized lemons are still very **EXTREME**. Cantaloupe is a good buy.

Market Alert

- Asparagus - **EXTREME**
- Avocados – **ESCALATED**
- English Cucumbers -- **ESCALATED**
- Grape Tomatoes -- **ESCALATED**
- Lemons (small sizes) -- **EXTREME**
- Potatoes -- **ESCALATED**

Watch List

- Sweet Potatoes and Yams
- Pineapples
- Bell Pepper- Red and Yellow

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

BAKERSFIELD, CA:

Thu 8/15	Fri 8/16	Sat 8/17	Sun 8/18	Mon 8/19	Tue 8/20	Wed 8/21
107° 77° F	108° 72° F	102° 68° F	96° 67° F	96° 69° F	100° 72° F	102° 73° F
 Sunny	 Sunny	 Sunny	 Mostly Sunny	 Sunny	 Sunny	 Sunny

ASHVILLE, NC:

Thu 8/15	Fri 8/16	Sat 8/17	Sun 8/18	Mon 8/19	Tue 8/20	Wed 8/21
86° 62° F	87° 64° F	89° 66° F	88° 66° F	85° 66° F	83° 65° F	83° 66° F
 Partly Cloudy	 Sunny	 Mostly Sunny	 PM Thunderstorms	 PM Thunderstorms	 Scattered Thunderstorms	 Scattered Thunderstorms

SALINAS, CA:

Thu 8/15	Fri 8/16	Sat 8/17	Sun 8/18	Mon 8/19	Tue 8/20	Wed 8/21
78° 55° F	73° 56° F	69° 58° F	69° 58° F	70° 56° F	72° 57° F	77° 58° F
 Sunny	 Sunny	 Partly Cloudy	 Partly Cloudy	 Partly Cloudy	 Partly Cloudy	 Sunny

JALISCO, MX:

Thu 8/15	Fri 8/16	Sat 8/17	Sun 8/18	Mon 8/19	Tue 8/20	Wed 8/21
86° 67° F	84° 67° F	82° 67° F	81° 67° F	85° 67° F	88° 67° F	87° 68° F
						
PM Thunderstorms						

Good Buys

Commodity	Market Update	Produce Expert Tip
Cantaloupe	Heat has hit the growing region which has accelerated some cantaloupe fields a little earlier than anticipated. The small gap experienced the past few weeks due to delays in planting back in the Spring will cause some fields to double up on growers as the harvest schedule bunches up some. This will cause more fruit to hit the market at once, which will apply some pressure to the market. Sizing, which has seen a decent mix the past two weeks, will once again push larger as the warmer temperatures push the fruit to increase by at least one size. The quality and pack continue to produce optimal levels both externally and internally. Brix levels are mostly in the 12-15% range with some attaining higher levels.	We CAN'T get enough of this week's good buy... CANTALOUPE! It may not be the first item on your grocery list, but here's why it should definitely start making its way to the top. Cantaloupe contains more beta carotene than apricots, grapefruit, oranges, nectarines, mangoes, and peaches. Beta carotene is a type of carotenoid that is either converted into vitamin A or converted into an antioxidant, after consumed. This fruit also contains a large amount of Vitamin C, fiber, and potassium. Make the summer last a little longer and pick up some sweet, refreshing cantaloupe!

Fruits & Vegetables

Avocados: ESCALATED – The industry is strengthening on all sizes and grades as we continue to move through existing inventories. As we enter September, expect the market to continue to strengthen as the California and Peruvian seasons finish and Mexico becomes the main source of supply. Large sizes will continue to be a challenge as Mexico's size curve skews towards smaller fruit.

Bananas: Supply and quality are good.

Pineapples: WATCH LIST Supply is expected to remain low, at least until the end of August. Sizing trend is moving slowly towards larger sizes, which will help with 5 and 6ct availability. Quality is pretty good and expected to remain good through the end of the year.

Grapes: Red Seedless Flames will be finishing up in the next two weeks; we will begin to see Magenta, Krissy, and Scarlet Royals. Movement has been good and prices will be stable through August. Green Seedless are finishing up on Sugraones and moving to Princess and Thompsons.

Berries

Blueberries: Blueberries are improving.

Blackberries: We will continue to see low volumes for the next few weeks. We are seeing some quality issues.

Raspberries: We will continue to see low volumes for the next few weeks. We are seeing some quality issues.

Strawberries: Strawberry volumes are improving. We are seeing some quality issues.

California / Arizona Citrus

Valencias: Good supply available.

Lemons: **EXTREME** We continue to have tighter supply and higher prices on smaller sizes (165s/200/235s). This is also impacting the 140s as customers move up in size. We still have more 115s and larger, but we are going to get tight on those sizes.

Limes: The market remains firm while demand exceeds supply on 175ct and larger. This is due to fewer crossings and decreased availability for this time of year. Rain in Veracruz and Michoacán this week have put an even greater damper on an already tight market. These trends will remain consistent until late August/early September when the new crop officially begins. With fewer trucks crossing and less product available, layovers and loading delays are to be expected.

Grapefruit: Good supply available.

Imports/Specialties available:

- Blood Oranges
- Offshore Delites

West Coast Lettuce

Butter: Good volumes are available on butter lettuce. We are still seeing some irregular sizing, and demand is steady.

Green Leaf: Supply is good. There is some irregular sizing and fringe/wind burn. Demand continues to be moderate as market pricing is steady.

Red Leaf: Red leaf volumes are strong. Quality is fair to good.

Iceberg Lettuce: Supply is very steady. Demand and quality are good.

Romaine: Demand is fair. Quality and supply are fair to good.

Romaine Hearts: Quality and supply are fair to good. Demand is fair.

Eastern and Western Vegetables

Green Bell Pepper: Green peppers are down in price for the week. Supply has improved in all growing regions; Mexico and California are supplying the West while the East is supplied with growing areas from the Carolinas to Michigan during summer harvests. Quality is fair due to a mix of old and new crop.

Red Bell Pepper: **WATCH LIST** Red bell peppers are steady to up for the week, depending on the size and grade. Supply remains tight, with supply coming from Mexico and hot houses. Quality for now is good, especially out of the hot houses.

Yellow Pepper: **WATCH LIST** The yellow pepper market is also very short, with limited supply out of Mexico and Canada. Quality is very good.

Mini Sweet Pepper: Mini sweet production has picked back up in Canada this week. With a couple more growers onboard in Baja, Mexico's supply has also strengthened. Fruit quality is good.

Mixed Chili Pepper: Both Santa Maria and Baja have good volumes of chilies available this week. A new grower with good-sized acreage has begun in Baja, which will hopefully help with the occasional quality issues we've been seeing on larger cavity chilies like poblanos and Anaheims. The East is puttering along with small local deals with hit or miss availability.

Eggplant: Eggplant is readily available in Fresno and WA state for the West and in several states in the East. Quality has been good on both sides of the country, but Fresno's fruit has sized down a notch.

Cucumbers: Cucumber prices are up in all growing regions for this week. Supply is tight out of Baja and Central Mexico. The East has been dealing with rainstorms in several of the growing areas. Quality is fair at best.

English Cucumbers: **ESCALATED** The market will continue to be firm through the end of the month as production GAPS are expected in Canada. We see lower numbers in the west as well due to heat-related issues.

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 New York is steady, with moderate supply and demand.

Zucchini/ Yellow Squash: Yellow squash is steady to down for the week. Supply continues to improve in all growing regions. The most significant issue right now continues to be heavy wind scarring, which is prevalent in all growing areas. Zucchini is flat for the week. Both regions are reporting steady supply. Quality continues to be good.

Herbs

CHERVIL continues to be the only fresh herb that is tight in supply due to weather.

All other herbs remain steady and supply and quality should be good.

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/MEXICO
Bay Leaves	Steady	Good	COLOMBIA
Chervil	Tight	Good	USA
Chives	Great	Good	MEXICO
Cilantro	Steady	Good	USA
Dill	Fair	Good	USA
Epazote	Steady	Good	MEXICO
Lemongrass	Steady	Good	USA
Marjoram	Steady	Flowering	USA
Mint	Great	Good	USA
Oregano	Steady	Flowering	USA
Italian Parsley	Steady	Good	USA
Rosemary	Steady	Good	USA
Sage	Steady	Good	USA/MEXICO
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: Heat has hit the growing region which has accelerated some cantaloupe fields a little earlier than anticipated. The small gap experienced the past few weeks due to delays in planting back in the Spring will cause some fields to double up on growers as the harvest schedule bunches up some. This will cause more fruit to hit the market at once, which will apply some pressure to the market. Sizing, which has seen a decent mix the past two weeks, will once again push larger as the warmer temperatures push the fruit to increase by at least one size. The quality and pack continue to produce optimal levels both externally and internally. Brix levels are mostly in the 12-15% range with some attaining higher levels.

Honeydew: Honeydew production has seen a shift with sizing mostly in the mid-ranges (6/8s) now. Strong demand on smaller fruit has the 8s fetching a premium in the market. We expect daily harvests to remain consistent over the next 7-10 days. Aside from occasional wind scarring on some of the honeydews externally, the overall fruit has been very good. Honeydews have been cutting with a range of 11-14% brix levels dependent upon sizing.

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: Lighter supply is forecasted for the coming weeks. Demand is good and prices are steady.

Arugula: Supply and quality are good.

Asparagus: **EXTREME** We expect supply issues and increased freight costs for the next three weeks. Due to the colder-than-normal weather in Peru, we have seen shorter supply of larger sizes, and now it is affecting smaller sizes. In Mexico, where typically they would have product through September, most growers have completely stopped harvesting, so there is no longer volume coming from the region.

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

Broccoli / Broccoli Florets: Supply, demand, and quality are good.

Brussels Sprouts: Supply is plentiful, and quality is good.

Carrots: Supply and quality are good.

Cauliflower: Supply is expected to be plentiful this week. Demand and quality are good.

Celery: Plenty of supply is available. Quality is excellent.

Corn: Markets are getting active due to lighter supply out of Indiana, Southern Illinois, and Iowa; New York and Michigan are ramping up. We are seeing active markets in the west.

Cilantro: Supply is tight this week.

Fennel: Volume is projected to be lower this week and potentially the next few weeks. Quality remains strong overall.

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: 50# are in short supply. Prices are steady and quality is good.

Green Onions: There is good volume and light demand.

JICAMA: Storage product available--will see blemishing due to the fact it's storage fruit. Good supply available.

Kale (Green): Supply is plentiful. Quality is fair.

Mache: Availability is adequate.

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

Napa: Supply is steady. Quality is fair.

Parsley: (Curly, Italian) Supply is fair and quality is good.

Rapini: Supply has improved, and markets are steady. Quality has improved.

Red Cabbage: Supply is steady this week.

Sugar Snap / Snow Peas: Quality and supply are good.

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** Growers are just now beginning to dig their new crop of sweet potatoes for the upcoming season. This past year was a very volatile one for sweet potatoes due to hurricanes on the east coast affecting much of the crop; we saw prices on #1 sweets rise to almost \$30 FOB. Growers are hoping the weather this year is much more favorable to avoid another year of tight supply and high prices.

Onions:

The onion market has declined as supply on both red and yellow onions exceed demand. Growers in New Mexico and CA are trying to finish while Washington, Idaho, and Oregon new crop are starting to ramp up volume. The majority of growers in Idaho/Oregon have started this week, but we really expect to see heavy volume starting next week. We expect pricing to continue to ease as the northwest continues to bring on more volume. The size profile is peaking on mediums and Jumbos in the northwest and this is the expectation for the northwest crop.

Potatoes: ESCALATED

Burbank supply are dwindling with growers finishing up in the coming weeks. Burbank quality is fair, which is leading to decreased pack outs and higher shrink. The lower production is causing carton FOB pricing to remain elevated. Size profiles remain heavy to smaller-size cartons and consumer bags, and we anticipate this will be the case until new crop Norkotahs start. New crop Norkotahs will begin shipping fresh out of the field in the coming weeks. We will continue to see strength in the coming weeks as growers are stretching out their season until new crop becomes plentiful enough to fill the supply pipeline.

TOMATOES - EAST

- **Rounds:** Round tomato harvests have been light to moderate in most Eastern production areas this week. Small fruit is on the short side and quality can vary from really good to just okay. Eastern supply may remain somewhat snug for the next couple of weeks.
- **Romas:** Roma tomatoes are up for the week. Quality has been a struggle due to the recent high temperatures and rainstorms.
- **Grapes:** **ESCALATED** Grape tomatoes are flat for the week. Supply in both the East and West are meeting current demand. Quality is fair, due to the high temperatures and rainstorms hitting the growing regions.
- **Cherries:** Cherry tomato prices are up for the week. Supply has tightened up, with limited supply coming out of the East. The West has started to send product east to help cover the demand. Quality is poor to fair, due to the high heat and recent rainstorms.
- **Organic Tomatoes:** Seeing a mixed market as we transition from Jasper to the Carolinas and Virginia. FOB prices will be up this week and quality will vary due to the transition.

TOMATOES - WEST AND MEXICO

- **Rounds:** The CA deal is also shipping less cases this week as farms work through plantings affected by June's heat wave. East Mexico and Baja continue with steady numbers on vine-ripes. Small fruit is also short in the West, as the three major production areas are currently heavier to larger sizes.
- **Romas:** Roma tomatoes are up for the week. The West is being supplied from California and Mexico. Quality has been a struggle due to the recent high temperatures and rainstorms.
- **Grapes:** Grape tomatoes are flat for the week. Supply in both the East and West are meeting current demand. Quality is fair due to the high temperatures and rainstorms hitting the growing regions.
- **Cherries:** Cherry tomato prices are up for the week. Supply has tightened up, with limited supply coming out of the East. The West has started to send product east to help cover the demand. Quality is poor to fair, due to the high heat and recent rainstorms.

APPLES & PEARS

Apples: C/A apples are winding down. We will experience some gaps on select varieties, depending on shipper. Reds should go the distance.

New crop Galas have started, peaking on premiums and wash Exfcy #1. Golds & grannies should start after Labor Day and other varieties later in the month.

Pears: Just started packing new crop Bartletts. So far peaking on 90/100s us #1, very few smaller. Few if any fancy grade.

STONE FRUIT

1. **Apricots:** Apricots are winding down.
2. **Cherries:** Excellent supply on Bings out of Yakima and markets are falling. Quality is outstanding. Rainiers now available as well.
3. **Nectarines:** Domestic nectarines are available through September. Quality is very good.
4. **Peaches:** Domestic peaches are available out of California, South Carolina, and Central Georgia through September. Light volume is being reported out of New Jersey. Quality is very good.
5. **Plums:** Fruit is steady with plenty of supply. Plums will go into November.