

Weekly Market Review

September 13, 2019

Overview

Limes are still in an **EXTREME** market. Broccoli is **ESCALATED**. The strawberry market is still tight. Red Pepper is a good buy.

Market Alert

- Broccoli - **ESCALATED**
- English Cucumbers - **ESCALATED**
- Limes - **EXTREME**
- Potatoes – **ESCALATED**
- Tomatoes (Grapes and Cherries-East Coast) - **ESCALATED**

Watch List

- Pineapples
- Tomatoes – Rounds and Romas (East Coast)
- Strawberries
- Sweet Potatoes and Yams

Transportation

Rates continue to their stable pace and no shortages are foreseen through the remainder of September. Last week's National average for diesel was \$3.10 per gallon with California the highest @ \$3.878/gallon.

Weather

BAKERSFIELD, CA:

Thu 9/12	Fri 9/13	Sat 9/14	Sun 9/15	Mon 9/16	Tue 9/17	Wed 9/18
97° 67°F	101° 69°F	103° 70°F	100° 64°F	87° 62°F	81° 59°F	86° 61°F
						
Sunny	Sunny	Sunny	Partly Cloudy	Mostly Sunny	Sunny	Sunny

ASHVILLE, NC:

Thu 9/12	Fri 9/13	Sat 9/14	Sun 9/15	Mon 9/16	Tue 9/17	Wed 9/18
89° 65°F	86° 65°F	80° 63°F	83° 60°F	87° 61°F	86° 62°F	81° 59°F
						
Partly Cloudy	PM	Scattered	Isolated	Mostly Sunny	Mostly Sunny	AM Showers

SALINAS, CA:

Thu 9/12	Fri 9/13	Sat 9/14	Sun 9/15	Mon 9/16	Tue 9/17	Wed 9/18
86° 59°F	89° 57°F	78° 55°F	72° 60°F	72° 53°F	72° 54°F	76° 56°F
						
Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Sunny

JALISCO, MX:

Thu 9/12	Fri 9/13	Sat 9/14	Sun 9/15	Mon 9/16	Tue 9/17	Wed 9/18
85° 66°F	86° 66°F	87° 66°F	86° 67°F	84° 68°F	84° 67°F	83° 67°F
						
Thunderstorms	PM Thunderstorms	PM Thunderstorms	Scattered Thunderstorms	Scattered Thunderstorms	Scattered Thunderstorms	Scattered Thunderstorms

Good Buys

Commodity	Market Update	Produce Expert Tip
Red Bell Pepper	The red pepper market is improving, and quality is good out of Mexico and Somis. Promotions available on reds.	Roasting these beauties are the way to go! After popping red bell peppers in the oven to get a crispy roast on the outside you can use them blended in dips, tossed in a salad, or stirred in pasta.

Fruits & Vegetables

Avocados: Market conditions are stable this week and Mexico continues to produce decent numbers. Challenge we face, despite the good numbers, a market shortage on 60ct fruit and smaller which is expected to be the case through the end of October. Peru fruit will continue to arrive at the ports in a VERY light way this week, inventories are strong on the east coast, but quality is still in question and will not impact the Mexican crop. California is done for the season. Based on the projections, we are anticipating another market jump sometime in October then the long term outlook is November/December would be stable.

Bananas: Bananas are in a good supply. Quality is good with no issues to be expected in the near future.

Pineapples: **WATCH LIST** We are moving into months where we have good availability and good quality. Sizing will be trending large for the next 4-8 weeks.

Grapes: Red Seedless---Mainly picking Scarlet Royal. Market is steady and will continue at these price levels for the next 2 months. A few Krissy and Timco being harvested. Krissy should be finishing up in two weeks and Timco will continue until the Allison's start next month. Green Seedless-Mostly Autumn King being picked for green business. Few Princess still around but should be cleaned up in two weeks. Autumn King will be the horse the rest of the way on Green. We are keeping an eye on the green market as we get to the middle of October. Pre-season estimates will come up short and the numerous rains last winter will have an effect on the Autumn King if growers were not diligent in their spraying protocol. Black Seedless- Still picking Summer Royal with a push to clean them up in the next few weeks. Movement slowed that last 10 days on black so there are some aggressive prices out there but if will be for older pack dated fruit.

Berries

Blueberries: Blueberries are improving.

Blackberries: The heat wave expected in CA will likely reduce volume.

Raspberries: Raspberry volumes are expected to reduce in the next couple of weeks.

Strawberries: **WATCH LIST** The strawberry market is tightening due to quality and volume.

California / Arizona Citrus

Valencias: With schools starting, demand for small fruit will increase.

Lemons: Lemons are in steady supply and quality is good. The industry is seeing a better supply on larger sizes than small. Quality continues to improve each week.

Limes: **EXTREME** Prices continue to rise. Tropical Storm Fernand hit the region of Mexico--where limes are being harvested right now--which caused a bit of a slowdown in harvest. Long term, this should allow for some improvement in the sizing, assuming the trees haven't lost their bloom already. We are still going to see sizing and quality issues for a while; we are doing our best to obtain product and sizing that everyone wants but will need to make substitutions where necessary based on availability. Product is coming in from Mexico very slowly, causing very long wait times and, as we have seen this week, even holdovers until the next day. We apologize for any inconvenience and will keep you informed as soon as we get notified of any information.

Grapefruit: Good supply available.

Imports/Specialties available:

- Blood Oranges
- Offshore Delites

West Coast Lettuce

Butter: Strong volumes are available. 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 and market pricing are steady.

Red Leaf: Supply is fair to good. Demand has increased and market pricing remains steady.

Iceberg Lettuce: Supply will be lighter than normal due to quality. There have been more cosmetic issues than normal, mostly rib lit and mildew. This week, we should see higher markets and narrower ranges.

Romaine: Supply is stable. Quality is fair there is occasional fringe burn. Market pricing lowered slightly.

Romaine Hearts: Volume is steady. Quality is good.

Eastern and Western Vegetables

Green Bell Pepper: Green peppers are steady to down for the week. California and Mexico appear to be flat in price for the week. The East is seeing price drops out of Michigan and parts of North Carolina. Quality is mixed between fair and good.

Red Bell Pepper: The red pepper market is improving, and quality is good out of Mexico and Somis. Promotions available on reds.

Yellow Pepper: The yellow pepper market is improving, and quality is good out of Mexico and Somis.

Mini Sweet Pepper: Baja remains on the lighter side of production but new blocks will begin over the next 2 weeks. CA and WA programs continue to offer steady availability and overall nice quality.

Mixed Chili Pepper: (Jalapeno, Tomatillo, Serrano, Poblano, Anaheim) Markets are stable crossing through McAllen however they are seeing quality issues due to last week's perception in states of Tamaulipas and Nuevo Leon. Light volume crossing through Otoy and domestic volume is light. The East continues light supply on the local deal with hit or miss availability.

Eggplant: Eggplant markets remain steady. Quality has been good on both sides of the country, but there are occasional issues on older crops.

Cucumbers: Cucumber prices are steady to up for the week. The East Coast is seeing mixed pricing, with Michigan being steady and New York going up. Mexico is mixed between the crossing regions, but has leveled out. Quality, however, remains strong.

English Cucumbers: **ESCALATED** The market will continue to be firm through the end of October as production GAPS are expected in Canada and they are beginning to wind down for the season. Mexico will start light production the third week of October.

Green Beans: The green bean market is steady to up this week. According to analysts, imported haricot verts are up, with lighter supply and a demand exceeding supply. Machine-picked product out of New York is steady, with moderate supply and demand reported.

Zucchini/ Yellow Squash: Yellow squash is steady to up for the week. There is steady volume out of California, allowing prices to stay flat. The East is seeing a price increase as they battle cool/rainy weather. Quality is fair on yellow squash, with wind scarring being the biggest issue. Zucchini prices are steady to up. There are steady volumes out of Santa Maria as they enter new fields. The East continues to be spread out, with only North Carolina reporting a price increase for the week. Quality is good on zucchini.

Herbs

- **TARRAGON** is limited in supply due to the heave wave and the effects on the plant. Price has moved up due to supply and quality.
- **THYME** is limited in supply due to the heat wave. Price has moved up due to the supply and quality.
- **CHERVIL** supply is starting to settle down and although limited, we should be good for this week.
- **LAVENDER** took a beating last week due to the heat. Price has gone up as supply is very limited.

All other fresh herbs are steady in supply and quality.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Good	USA
Basil	Steady	Good	USA
Opal Basil	Steady	Good	USA
Thai Basil	Steady	Good	USA
Bay Leaves	Steady	Good	USA

Chervil	Extremely Limited	Fair	USA
Chives	Steady	Good	MEXICO
Cilantro	Steady	Good	USA
Dill	Steady	Good	USA/MEXICO
Epazote	Steady	Good	MEXICO
Lemongrass	Steady	Good	USA
Marjoram	Steady	Good	USA
Mint	Steady	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	USA
Thyme	Steady	Good	USA
Lemon Thyme	Steady	Good	USA
Lime Leaves	Steady	Good	USA

Melons

Cantaloupe: Cantaloupe production has significantly fallen off since last week that has been close to bringing about a demand exceeds supply scenario on smaller sizes (12/15s). Cooler weather has slowed down maturity (low brix) of some fields which has created a slight gap in production waiting on this fruit to be ready leaving the pipeline mostly empty across the country. New fields are scheduled to be broken by later this week which will assist in keeping regular orders covered. With smaller sizes being limited there is the possibility that flexibility of moving smaller fruit up one size will be required. As we move into the Fall season expect much lower daily pack-outs which means more shipping will be done with fruit harvested same day so there could possibly be delays in loading by a few hours to allow the cantaloupes to be cooled.

Honeydew: Honeydew production remains mostly limited as overall volume this season is down considerably. Sizing has been mostly heavier to the larger sizes but a good percentage of 6s are also being packed to satisfy orders that require smaller fruit. Wind scarring has been commonly seen on melons harvested the past few weeks and this will continue as we move into the Fall season. Internal quality has been excellent with strong brix levels as high as 15% with the mostly range 12-13%.

Watermelon: Supply is limited. Quality is still pretty good overall.

Mixed Vegetables

Artichokes: Average supply of artichokes available this week with good supply forecasted for the coming weeks. Most of our volume this week is estimated to be 12's and 18'S. Quality is excellent. Demand for artichokes is good, prices are steady to higher depending on size.

Arugula: With recent cooler weather, supply is readily available and quality has improved.

Asparagus: Volume increasing from Peru and Mexico also has started with volume.

Bok Choy: All pack sizes are in short supply.

Broccoli / Broccoli Florets: **ESCALATED** Supply is much lighter this week and the market is higher.

Brussels Sprouts: Supply and quality are good.

Carrots: Supply and quality are good.

Cauliflower: Supply, 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 fair.

Fennel: Suppl is slightly above demand. We will continue to see a majority of production available by way of 18ct and 24ct throughout the week. Quality remains strong with no issues to note.

Garlic: Supply is fairly tight, and the overall market remains volatile.

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 steady; demand and quality are good.

Green Onions: There is good volume and movement. Pricing is fair.

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

Kale (Green): Supply and quality are fair.

Mache: Availability is adequate.

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

Napa: Supply and quality are fair.

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

Rapini: We are expected to be below budget this week on Rabe. Product had been moving forward due to the heat we've been experiencing but that has stopped this week. Our next block has not come forward yet, creating lighter supply this week. We can expect the market to go up and supply to be tighter for the next few weeks. There are currently no issues to report on quality.

Red Cabbage: Supply is steady this week.

Sugar Snap / Snow Peas: Volume is good, quality could become an issue depending on the weather.

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 settled out as we are exclusively shipping out of the Northwest. Intermittent rain has interrupted harvest this past week, and has helped control supply that growers are able to run. Demand has improved and growers are no longer long on any particular size or color. We are continuing to see sizing peak on mediums and Jumbos, with volume on colossal and supers being limited. Straight load red deals are available out of both Washington and Idaho/Oregon. Overall, The Idaho/Oregon and Washington crops appear to be mostly normal, with some regions down in yields a bit more than others. We believe there will be strong supply and quality throughout the season, but not a surplus of supply at any point. Available transportation has started to tighten up, and railcar availability is expected to be limited once the onions are through the sweat.

Potatoes: ESCALATED

Intermittent rain showers have interrupted harvest as the fields have been too wet to get into. This has helped limit the usual surplus of supply during harvest, and has helped control pricing, as growers have been prevented from their normal production schedules. While it is believed that size profile will still lean heavier to a smaller-size profile to start, we are starting to see better availability on the mid to large sizes, with consumer small bags being in short supply. Availability seems to be peaking on the 60/70/80 size range. 40ct and 50ct remain in tight supply. #2 grade potatoes remain very tight, as the new crop is still not generating very many of them. Warm temperatures in Idaho may help the Norkotahs and Burbanks still left in the ground size up better, but we will have a better outlook once harvest is complete around the second week of October. We do not anticipate seeing new crop Burbanks until around the first or second week of October.

TOMATOES - EAST

- **Rounds:** **WATCH LIST** Quality and availability is varied in all regions. We do not anticipate improvement until transition to Banbridge and Quincy starts late next week. Local deals in Michigan, Tennessee, and the Carolinas is wrapping up quickly
- **Romas:** **WATCH LIST** Quality and availability is varied in all regions. We do not anticipate improvement until transition to Banbridge and Quincy starts late next week. Local deals in Michigan, Tennessee, and the Carolinas is wrapping up quickly.
- **Grapes:** **ESCALATED** Volumes out of the East continue to be light, which is driving up the cost. East Coast farms are now battling rain to add to the light harvest.
- **Cherries:** **ESCALATED** Cherry tomatoes are steady for the week. Farms continue to see light harvests. Current supply is meeting the current demand. Quality is fair.
- **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:** Mexico is reporting price increases across all sizes, while California looks to be steady to slightly down.
- **Romas:** The West is still seeing production out of California, but quality is poor, increasing pressure on Mexico.
- **Grapes:** There's finally a little more volume coming out of Baja and we expect production to increase to more normal levels as we move further into September.
- **Cherries:** Cherry tomatoes are steady for the week. Farms continue to see light harvests. Current supply is meeting the current demand. Quality is fair.

APPLES & PEARS

Apples: Fair supply of Galas and Granny Smiths have started.

Pears: Bartletts are in good supply. Bosc are limited. Fair supply of red pears. Asian pears have started.

STONE FRUIT

- **Apricots:** Done
- **Cherries:** Limited supply out of Canada and Washington...North American Cherries will be done any day for the season.
- **Nectarines:** Steady supply remaining out of California Quality is very good.
- **Peaches:** Steady supply remaining out of California Quality is very good.
- **Plums:** Splendors are still available out of California. Quality is fair.
- **Figs:** Light offerings on Calimyrna, Black Mission and Brown Turkey are available.