

# Weekly Market Review

September 20, 2019

## Overview

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Limes and broccoli are both in **EXTREME** markets. The strawberry market is still tight due to quality issues. Pineapples are a good buy.

## Market Alert

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- Broccoli - **EXTREME**
- English Cucumbers - **ESCALATED**
- Limes - **EXTREME**
- Potatoes – **ESCALATED**

## Watch List

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

## Transportation

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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

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### BAKERSFIELD, CA:

Thu 9/19	Fri 9/20	Sat 9/21	Sun 9/22	Mon 9/23	Tue 9/24	Wed 9/25
80°   56°F	85°   59°F	89°   62°F	93°   63°F	86°   63°F	90°   68°F	90°   67°F
						
Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Mostly Sunny	PM Showers

### ASHVILLE, NC:

Thu 9/19	Fri 9/20	Sat 9/21	Sun 9/22	Mon 9/23	Tue 9/24	Wed 9/25
72°   48°F	78°   48°F	82°   51°F	84°   54°F	87°   59°F	82°   55°F	85°   57°F
						
Partly Cloudy	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny	Mostly Sunny

### SALINAS, CA:

Thu 9/19	Fri 9/20	Sat 9/21	Sun 9/22	Mon 9/23	Tue 9/24	Wed 9/25
70°   52°F	77°   55°F	81°   55°F	75°   58°F	73°   58°F	81°   61°F	82°   60°F
						
Partly Cloudy	Sunny	Sunny	Mostly Sunny	Mostly Sunny	Sunny	Sunny

**JALISCO, MX:**

Thu 9/19 81°   65°F  Thunderstorms	Fri 9/20 83°   65°F  PM Thunderstorms	Sat 9/21 83°   66°F  PM Thunderstorms	Sun 9/22 82°   67°F  PM Thunderstorms	Mon 9/23 83°   68°F  Scattered Thunderstorms	Tue 9/24 84°   67°F  Scattered Thunderstorms	Wed 9/25 83°   67°F  Scattered Thunderstorms
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**Good Buys**

Commodity	Market Update	Produce Expert Tip
<b>Pineapples</b>	Good availability and good quality. Sizing will be trending large for the next 4-8 weeks.	Not into pineapple on your pizza? Well, as a fall season is upon us try adding pineapple to your acorn squash. Such a simple fall meal with an amazing sweet tangy flair.

**Fruits & Vegetables**

**Avocados:** Market conditions are stable this week, and Mexico continues to produce decent numbers. The challenge we face, despite the good numbers, is 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 that November/December will be stable.

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

**Pineapples:** Good availability and good quality. Sizing will be trending large for the next 4-8 weeks.

**Grapes:** Red Seedless market remains steady with Scarlet Royal as the main variety. Green Seedless market is beginning to firm up on prices as other varieties finish and Autumn Kings begin to carry the load. The market will continue to rise in October.

**Berries**

**Blueberries:** There is less volume out of the PNW due to rain causing quality issues. Oxnard and Baja will continue to increase until mid-October.

**Blackberries:** Supply out of the PNW are winding down. We remain in a transition period for supply between the USA and CMex regions.

**Raspberries:** Raspberry production has reduced due to the heat. Tight supply is expected.

**Strawberries:** **WATCH LIST** Due to high temperatures in the northern growing districts, we are seeing quality issues on strawberries. The market is tight.

**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**

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**Butter:** Recent weather has reduced overall volumes on butter lettuce. There continues to be occasional irregular sizing. Demand is steady.

**Green Leaf:** Green Leaf fields are producing strong yields. There is occasional irregular sizing and fringe/wind burn. Demand is constant, while market pricing is steady.

**Red Leaf:** Red leaf volumes continue to be on budget. Quality is good. Demand has increased some as market pricing remains steady.

**Iceberg Lettuce:** Supply will be lighter than normal. Quality is fair. The market has been active due to lighter volumes. The forecast for the balance of the week is for even higher prices.

**Romaine:** Supply is stable. Quality is fair; there is still occasional fringe burn. Due to the recent rise in temps, we could begin to see an increase in quality issues. Market pricing has begun to elevate.

**Romaine Hearts:** Supply and quality are fair. Due to the recent rise in temps, we could begin to see an increase in quality issues. Market pricing has begun to elevate.

**Eastern and Western Vegetables**

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**Green Bell Pepper:** Green bell pepper prices are steady to down for the week. Prices out of Mexico are flat, with steady supply. The East is seeing a slight price drop out of one of their growing regions, while the other areas report flat prices. Quality is good.

**Red Bell Pepper:** Red bell peppers are steady to down for the week. Volumes are still light, but the price is dropping.

**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)** With multiple production areas in play, Mexico continues to have steady volumes on most chili pepper items. Los Mochis is seeing mixed sizing on tomatillos, smaller than normal serranos, and some shelf-life issues on the thinner-walled chilies, but should see improvements in 10 days when new blocks get started. CA's Santa Maria area will continue to add to the mix until first frost or quality declines, whichever comes first. The East has a consistent supply out of MI and continues to see fruit from various local deals.

**Eggplant:** Eggplant is in good supply this week. CA's Central Valley is plugging along as the weather cools down a bit, providing better supply on 24ct than 18ct fruit. We're already seeing Mexican product in Nogales, so the fall transition looks to be a smooth one in the West. Eastern farms in MI, NC, SC, GA, etc. have more than enough product to meet market needs, and quality is good from most areas.

**Cucumbers:** Cucumber prices are mixed for the week. The East Coast is seeing a steady supply, allowing prices to remain flat. Mexico, however, is seeing supply tighten up, so the price is going up. Quality in both regions is good.

**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. Imported haricot verts are up, with lighter supply and good demand reported. Machine-picked product out of New York is steady, with moderate supply and demand.

**Zucchini/ Yellow Squash:** Yellow Squash is steady for the week. Supply is meeting current demand in both regions. Quality is fair on yellow squash, with wind scarring being the biggest issue. Zucchini prices are steady to down for the week. The West is seeing steady supply, so prices are flat. The East is mixed, with some fields reporting lower prices. Quality is good on zucchini.

## **Herbs**

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**TARRAGON** is limited in supply due to the heat 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 remains very limited overall. As we move into the fall season, less acreage has been planted as some California growers will be concluding their seasons over the next 10-14 days. Much cooler weather (highs in the upper 70's) and even some rain yesterday curtailed harvests, leaving availability short since late last week. Classic Fruit will have fruit late into October from its California production. Sizing had been mostly larger fruit, but with the cooler weather we anticipate a slight slowdown which should spread out the sizing availability to include 12s and even a few 15s. Arizona production will start in a small way the first week of October.

**Honeydew:** Honeydews have been mostly steady, with good supply and a nice spread of sizing between 5/6s. The market on the dewes should hold consistent over the next 7-10 days.

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

### **Mixed Vegetables**

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**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:** **EXTREME** Supply continues to be light due to poor yields and quality issues.

**Brussels Sprouts:** Supply and quality are good.

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

**Cauliflower:** We are expecting to have good supply this week.

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

**Corn:** Markets are stable despite lighter supply out of New York and Michigan; we will see Georgia and Florida ramp up in approximately ten days, which will make up for the deficits as the northeast and Midwest continue to slow down for the season. Out west, California will be ramping up for the fall crop, and Colorado will continue bringing market prices down in the west.

**Cilantro:** Supply and quality are fair.

**Fennel:** Supply 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:** The market is seeing lighter supply from Northern Mexico due to the very hot and humid conditions over the past six weeks. The heat and humidity have reduced yields for many growers in the region. We will continue to see lighter volume for the balance of month, along with slightly higher prices.

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

**Kale (Green):** Supply is plentiful and quality is good.

**Mache:** Availability is adequate.

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

**Napa:** Supply is steady and quality is good.

**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:**

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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**

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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**

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- **Rounds:** **WATCH LIST** We are seeing steady prices and steady supply on rounds out of the East. However, quality is poor.
- **Romas:** **WATCH LIST** Roma tomatoes continue to rise. Roma harvests in the East continue to be light.
- **Grapes:** Supply has slightly improved in the East. Quality has played a part in pricing, with low-quality product seeing a larger price drop. Quality for now is a mix of fair and good.
- **Cherries:** Cherry tomatoes appear to be flat out of the East. Quality is fair at best.
- **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**

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- **Rounds:** Mexico and California are reporting better supply of rounds, allowing their price to drop. Quality is poor.
- **Romas:** **WATCH LIST** Roma tomatoes continue to rise. The West is still seeing light supply out of both California and Mexico. Quality is fair to poor.
- **Grapes:** Supply has slightly improved in the West. Quality has played a part in pricing, with low-quality product seeing a larger price drop. Quality for now is a mix of fair and good.
- **Cherries:** Mexico is reporting a price decrease. Quality is fair at best.

## **APPLES & PEARS**

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**Apples:** Gala apples are finishing. Granny Smiths are available.

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

## **STONE FRUIT**

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- **Cherries:** Limited supply out of Canada and Washington. North American cherries will be done for the season any day.
- **Nectarines:** Nectarines are done for the season.
- **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.