

Weekly Market Review

April 17, 2020

Overview

Most product is readily available on the grower level. Oranges, garlic and ginger remain active, and tomatoes are getting active as we are seeing some growers having to walk away from product due to the Coronavirus pandemic. We are seeing a huge disruption in our distribution which has caused prices to vary greatly.

PLEASE NOTE:

Green Gate will continue to harvest, pack and ship fresh product from YUMA daily through next week

Market Alert

- Asparagus – **EXTREME**
- Garlic – **EXTREME**
- Ginger- **EXTREME**
- Navel - **EXTREME**
- Round and Roma Tomatoes (Mexico) - **ESCALATED**

WATCH LIST

Tomatoes and Dry Veg: Conditions over the last few weeks, as a result of government mandates and impact of the pandemic, has led to the loss of entire fields in Mexico and Florida. In Mexico, overall production, which is normally already on the downslide for the season, is further impacted and will be for the next 6 to 8 weeks by more than 30%. On top of this, USDA border inspections started on April 4, 2020 and this new process is affecting overall supply for the entire Mexican tomato industry. The industry in general is adapting to the new inspection standards and is making necessary adjustments to ensure a zero-percentage failure rate. We are confident that growers will adapt to the new standards and align the packing sheds to mirror inspection criteria. Additionally, social distancing measures have been implemented to protect the entire agriculture workforce from COVID-19 thus lowering production numbers by having fewer people working in the fields and packing sheds.

Transportation

Freight rates were mixed this week and LTL trucks have been extremely difficult to find due to the massive increase in retail demand. Fuel prices are mostly unchanged and expected to ease back as the economy dramatically slows to a halt; the East Coast is averaging \$2.67/gallon, while California's average for diesel remains the highest at just under \$3.40/gallon. We could see a nationwide shortage on trucks once the recovery from the slowdown takes place.

Weather

PALMETTO, FL:

Thu 4/16	Fri 4/17	Sat 4/18	Sun 4/19	Mon 4/20	Tue 4/21	Wed 4/22	Thu 4/23	Fri 4/24	Sat 4/25
69° 66°F  PM Showers	86° 73°F  Cloudy	84° 73°F  PM Thunderstorms	87° 77°F  Cloudy	83° 72°F  Scattered Thunderstorms/Wind	83° 67°F  Partly Cloudy	87° 74°F  Partly Cloudy	88° 75°F  PM Thunderstorms	87° 75°F  AM Thunderstorms	87° 73°F  Partly Cloudy

OXNARD, CA:

Thu 4/16	Fri 4/17	Sat 4/18	Sun 4/19	Mon 4/20	Tue 4/21	Wed 4/22	Thu 4/23	Fri 4/24	Sat 4/25
65° 54°F  Partly Cloudy	64° 53°F  Partly Cloudy	61° 51°F  Partly Cloudy	61° 53°F  Partly Cloudy	62° 52°F  Partly Cloudy	68° 54°F  Sunny	71° 56°F  Sunny	74° 56°F  Sunny	71° 55°F  Sunny	71° 58°F  Sunny

COACHELLA, CA:

Thu 4/16	Fri 4/17	Sat 4/18	Sun 4/19	Mon 4/20	Tue 4/21	Wed 4/22	Thu 4/23	Fri 4/24	Sat 4/25
88° 59°F  Sunny	84° 58°F  Mostly Sunny	82° 58°F  Sunny	85° 61°F  Mostly Sunny	86° 60°F  Mostly Sunny	85° 63°F  Sunny	93° 66°F  Sunny	94° 66°F  Sunny	89° 64°F  Sunny	86° 65°F  Sunny

ALINAS, CA

Thu 4/16	Fri 4/17	Sat 4/18	Sun 4/19	Mon 4/20	Tue 4/21	Wed 4/22	Thu 4/23	Fri 4/24	Sat 4/25
60° 52°F  Cloudy	62° 51°F  AM Clouds/PM	64° 51°F  Partly Cloudy	63° 52°F  Mostly Cloudy	61° 51°F  AM Clouds/PM	64° 50°F  Mostly Sunny	69° 54°F  Mostly Sunny	67° 51°F  Mostly Sunny	69° 51°F  Sunny	72° 53°F  Mostly Sunny

HERMOSILLO, MX:

Thu 4/16	Fri 4/17	Sat 4/18	Sun 4/19	Mon 4/20	Tue 4/21	Wed 4/22	Thu 4/23	Fri 4/24	Sat 4/25
92° 60°F  Partly Cloudy 0 in	91° 56°F  Mostly Sunny 0 in	87° 55°F  Sunny 0 in	90° 57°F  Partly Cloudy 0 in	93° 59°F  Partly Cloudy 0 in	94° 61°F  Mostly Sunny 0 in	95° 62°F  Sunny 0 in	99° 63°F  Sunny 0 in	95° 63°F  Sunny 0 in	93° 61°F  Sunny 0 in

CULIACAN, MX:

Thu 4/16	Fri 4/17	Sat 4/18	Sun 4/19	Mon 4/20	Tue 4/21	Wed 4/22	Thu 4/23	Fri 4/24	Sat 4/25
94° 58°F  Partly Cloudy	94° 59°F  Partly Cloudy	92° 57°F  Partly Cloudy	95° 57°F  Sunny	98° 58°F  Mostly Sunny	99° 59°F  Partly Cloudy	96° 59°F  Partly Cloudy	96° 59°F  Mostly Sunny	96° 60°F  Mostly Sunny	96° 61°F  Mostly Sunny

Good Buys

Commodity	Market Update	Produce Expert Tip
Pineapple	Pineapple market has flattened as foodservice demand falls. Quality is very good.	Add a little tropical twist to your guacamole with diced pineapple. In a large bowl dice or mash avocados. Then, stir in lime juice, red onion, jalapeno, and garlic, then season with salt. Delicious!

Fruits & Vegetables

Avocados: The Global Pandemic continues to alter the demand for avocados. This week we are seeing demand drop off a bit retail and slightly higher at foodservice. The category is seeing inventories level off this coming week due harvesting resume post-Holy Week. It continues to be very difficult to get a true pulse on what the market is doing and hope we can get a clearer picture as we reach the Middle of April. Quality on new fruit is good but caution as inventory quality will vary based on age of fruit and price. Coronavirus has also disrupted distribution causing varying price ranges

Bananas: Quality is continuing to get better as the weather improves. Supply is good.

Pineapples: Pineapple market has flattened as foodservice demand falls. Quality is very good.

Grapes: Red Seedless grape supply continues to be in good demand and steady pricing. Supply should be good into May. No volume increases are to be expected which will keep prices steady. Green Seedless volume is light and almost a demand exceeds supply situation. This will continue until the start of the crop from Mexico in early May.

Berries

Blueberries: Good supply and good quality.

Blackberries: Supply is increasing, and we look for this trend to continue.

Raspberries: We are seeing a slight up-trend in volume from Central Mexico. Oxnard is lighter than expected. Prices should remain fairly steady.

Strawberries: **WATCH LIST** Rain earlier this week did affect the Strawberry harvest and available supplies will be light through mid-next week as shippers clean up rain damaged fruit in the fields.

California / Arizona Citrus

Nnavels: The navel market is still going strong and supply is starting to come in. The coronavirus has helped the domestic market increase for navels. The domestic market has surpassed the export market and it's in our best interest to keep the fruit in the state. Although we are peaking on 88s and smaller, with 56s and 72s still being the hot sizes. We are harvesting Washington's fruit now. We definitely have the volume to promote on domestic ads, although some shippers are seeing lighter supply on small sizes from the rain.

Lemons: The California lemon market is still dragging its feet. This would be a great time to promote large lemons 140s and larger, with limited volume on 165/200 and some bigger fruit such as 115s being somewhat limited. Big fruit is very nice, but we have a lot of it, expect the larger sizes (95s and larger) to hit their bottom. The smaller fruit will be trending the opposite way. 165s and smaller will start to increase in pricing. The quality has been excellent, and the fruit is beautiful. District 3 should be done (there still may be some fruit out there, be careful), but there is some fruit in storage from district 3. New crop district 1 fruit is also looking beautiful. We are having optimal growing weather and the fruit will continue to be exceptional as long as we have this weather.

Limes: Typically, this time of year that we see higher pricing on limes but due to lack of demand there is good supply on fruit available and quality is very nice

Grapefruit: Volume is limited with a strong market. The fruit is amazing, and supplies will continue to go up! Bagging is available with a 2-day notice! The fruit is running very clean with a very limited amount of Choice fruit.

Fancy Grapefruit: We are seeing good volume moving on the bigger fruit and all choice is being sucked up for bags. Grapefruit seems to be one of the hotter items for citrus right now. We are limited on 32s and larger.

Imports/Specialties available:

Cara Caras: Cara Cara market is going strong. The fruit is excellent, and we are looking to make Cara Cara deals. This is a great time to promote caras, bags, full cartons, and half cartons are available. We have around 5 weeks left.

Minneola Tangelo: Supplies have tightened up, as we are getting close to the end of the season on Minnie's. We have about a week or two left. Choice is going to be short and there is some fancy fruit still around.

West Coast Lettuce

Butter: Good quality and good supply out of Salinas.

Green Leaf: Good quality and good supply out of Salinas.

Red Leaf: Good quality and good supply out of Salinas.

Iceberg Lettuce: Good quality and good supply out of Salinas. Huron still has supplies with good quality but will be finishing soon

Romaine/Romaine Hearts: Good quality and good supply out of Salinas. Huron still has supplies with good quality but will be finishing soon

Eastern and Western Vegetables

Green Bell Pepper: The Eastern bell pepper market has firmed up slightly, particularly on premium sized fruit due to demand for larger sizes at retail. FOB pricing is mixed based on size and shipping locations. Mexico continues to provide a steady supply of pepper on all sizes though there are signs supply is tightening this week as we start the slowdown of spring production. New crop domestic production is beginning to ramp up in Coachella and product is beautiful!

Red Bell Pepper: Red Bell market is unchanged this week despite supplies start to wind down out of Central Mexico and we are seeing light numbers on new crop crossing form Baja. Canadian deals are also ramping up and quality is very nice on all regions. Domestic colored bell production is expected to begin in Coachella May 10th

Yellow Pepper: Yellow Bell market is mixed this week Central Mexico numbers are beginning to drop off, but we are seeing better numbers on new crop crossing form Baja. Canadian deals are also ramping up and quality is very nice on all regions. Domestic colored bell production is expected to begin in Coachella May 10th

Mini Sweet Pepper: Baja, Sinaloa, and Sonora production will remain light. Decent product expected to begin in the Southeast soon.

Mixed Chili Pepper: Supply is steady, and demand is improving on the entire category firming up market pricing. Quality is good across the entire category.

Eggplant: Quality is good, demand is mixed, and FOBs are still slightly elevated depending on sizes and grade. Eggplant production has turned mostly to the West crossing from Mexico.

Cucumbers: The Honduran season is done, and we continue to see new crop domestic production in Florida increase. Deals are being made on selects and super selects. Cucumber production in Mexico has increased dramatically and deals are being made to move volume. Quality is outstanding.

English Cucumbers: Good volume and good quality. Promotions available

Green Beans: Seeing a mixed market; east coast is mostly flat while Nogales and California are active. Quality is fair in the east and good out west.

Zucchini/ Yellow Squash: (Florida and Mexico) Zucchini squash supply has improved, and demand improving this week. Quality improving daily out of Florida on green while yellow we are still seeing a lot of scarring. In the west, production is ramping up as temperatures continue to rise. FOB prices are down this week.

Herbs

THAI BASIL and **OPAL BASIL** continue to be limited due to quality.

SAVORY Limited due to quality issues.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Good	USA
Basil	Steady	Good	MEXICO
Opal Basil	Limited	Fair	MEXICO
Thai Basil	Limited	Good	USA/MEXICO
Bay Leaves	Steady	Good	Colombia
Chervil	Steady	Good	USA
Chives	Steady	Good	MEXICO
Cilantro	Steady	Good	USA/MEXICO
Dill	Steady	Good	USA/MEXICO
Epazote	Steady	Good	MEXICO
Lemongrass	Limited	Fair	USA
Marjoram	Steady	Good	USA
Mint	Steady	Good	USA
Oregano	Steady	Good	USA

Italian Parsley	Steady	Good	USA
Rosemary	Steady	Good	MEXICO
Sage	Steady	Good	USA
Savory	Limited	Fair	USA
Sorrel	Steady	Good	USA
Tarragon	Limited	Good	MEXICO
Thyme	Steady	Good	MEXICO
Lemon Thyme	Steady	Good	USA
Lavender	Steady	Good	USA
Lime Leaves	Limited	Good	USA

Melons

Cantaloupe: Demand has increased on all sizes this week across all categories. We are seeing good availability on all sizes. Offshore fruit is still holding steady brix levels reading 12-14%. Some extremely light numbers continue to cross out of Mexico as well.

Honeydew: Demand increases on Honeydew as well this week. We are seeing good availability 5/6's and limited on 8's We are seeing more production ramping up out of Mexico as well. We should see some domestic fruit starting in approximately 4-5 weeks.

Watermelon: Good quality and volume being seen out of Florida and Mexico. We expect this to continue through April.

Mixed Vegetables

Artichokes: Supply is slightly better after the rain. Quality is good.

Arugula: Good quality and good supply out of Salinas.

Asparagus: Mexico is almost done. Peru is shut down due to Coronavirus Pandemic and they will only be exporting very small amounts of asparagus, which will make asparagus very short in supply for the next few weeks.

Bok Choy: Good supply and quality is improving

Broccoli / Broccoli Florets: Good quality and good supply.

Brussels Sprouts: Supply is showing a small increase over the last few weeks with good demand. Quality is improving

Carrots: Good Supply and Good quality shipping from California.

Cauliflower: Supply is increasing, mkt is weaker. Quality is very good.

Celery: Good quality with ample supply out of Oxnard.

Corn: Supply has increased in Florida on all three colors, seeing good numbers crossing through Nogales as well. Demand is light and deals are being made. Quality is outstanding at both shipping points. Production in Coachella and Imperial Valley ramping up this week.

Cilantro: Good quality and good supply available

Fennel: Good supply with very good quality

Garlic: **EXTREME:** The garlic market as a whole remains very volatile, largely due to inconsistent, unstable supply. Supply is forecasted to remain tight for the foreseeable future.

Ginger: **EXTREME:** Ginger remains very volatile also due to very inconsistent supply and market is higher. Supply to remain tight for the foreseeable future.

Green Cabbage: Supply is steady

Green Onions: Supply is plentiful with excellent quality.

JICAMA: Storage product is available; expect to see blemishing as it's storage fruit. Supply stable.

Kale (Green): Bunched kale supply is expected to be steady this week. Quality is good

Mushrooms: Markets and supply are steady. Quality is good.

Napa: Supply has increased. Quality is average and demand is low.

Parsley (Curly, Italian): Good Supply with good quality

Rapini: Expect to have good supplies ... Quality is strong overall.

Red Cabbage: Supply is steady, demand and quality are good.

Snow Peas: Good supply and quality.

Sugar Snap Peas: Good supply and quality.

Spinach (Bunched): Good quality with slightly lighter supplies.

Spinach (Baby): Good supply and quality in Salinas. There will still be supplies available from Green Gate in Yuma for the next 2 weeks

Spring Mix: Good supply and quality in Salinas. There will still be supplies available from Green Gate in Yuma for the next 2 weeks

Sweet Potatoes and Yams: Demand for sweet potatoes continues to be high. We will see the market remain steady. FOB's out of all growing regions remain above average, but we should not expect a spike.

Onions:

The onion market remains stagnant as supply continues to exceed demand. While the market did see an uptick on medium yellows and white onions, we expect this to be short term as the Southern California shipping season will start in approximately ten days and will put more supply back on to the market and pressure FOB pricing down. The Northwest still has heavy supplies of red and yellow onions and are now being forced to dump millions of pounds of product. Foodservice demand remains significantly down with all of the COVID-19 shutdowns in effect throughout the country. We expect retail demand will stay elevated however, there is not enough movement alone in that sector to meet the supply of the onion crop. We are seeing foodservice distributors around the country continue to sell off on-hand inventory to those that have any kind of outlets at the moment. This is also causing a stall in new shipments out of both the Northwest as well as South Texas. Mexican onions are winding down, and Texas onions are now in their peak shipping season. The COVID-19 crisis has the ability to change both supply and demand in an unprecedented fashion, so the situation will remain fluid in the coming weeks. Until we are back into a steady supply, we will likely continue to see the ordering patterns remain very erratic.

Potatoes:

The potato market continues to decrease as supply continues to outweigh demand. Foodservice demand is beginning to pick back up now that old inventories have been cleaned up around the country. The volume is still a fraction of where it normally would be, and we are seeing more LTL shipments and shared trucks to avoid getting too far out on inventory. While retail demand has certainly decreased from the panic buying levels it was at, we still expect it will stay elevated for as long as the crisis is forcing consumers to stay home. The slow demand is drastically changing the supply situation in Idaho. Processors are also becoming backed up with product, which is putting further pressure on growers. The COVID-19 crisis has the ability to change both supply and demand in an unprecedented fashion, so the situation will remain fluid in the coming weeks. Until we are back into a steady demand situation, we will likely continue to see the ordering patters remain very erratic.

TOMATOES

East Coast

- **Rounds:** **WATCH LIST** Florida yields are lighter this week, particularly on smaller sized fruit. A lot of this is due to Florida growers walking away from fields due to no demand over the past few weeks. Quality is excellent and markets are firmer.
- **Romas:** **WATCH LIST** Florida yields are very light this week and demand is up. FOB prices are higher, and quality is excellent.
- **Grapes:** In the East, grape has eased back, and Quality is good.
- **Cherries:** Cherry production is steady in the East holding a steady FOB price and good quality.
- **Organic Tomatoes:** Markets are up this week; very limited supply.

Mexico

- **Rounds:** **ESCALATED** Markets have firmed up due to stronger demand and overall lighter supply as growers had to walk away from shade-houses and fields due to no demand over the past several weeks. Additionally, the USDA inspections as required by the new suspension agreement have ramped up as well causing rejections and delays at the border. Lighter harvest numbers are also being forecasted as the spring crop winds down this week. FOB prices are up, and quality is mixed.
- **Romas:** **ESCALATED** Markets have firmed up due to stronger demand and overall lighter supply as growers had to walk away from shade-houses and fields due to no demand over the past several weeks. Additionally, the USDA inspections as required by the new suspension agreement have ramped up as well causing rejections and delays at the border. Lighter harvest numbers are also being forecasted as the spring crop winds down this week. FOB prices are up, and quality is mixed.
- **Grapes:** Grapes have experienced steady volumes in the West; demand is down, and quality is good.
- **Cherries:** There is little demand in cherry tomatoes due to the lack of retail demand. Expect to see a steady market with some decreasing volumes as we transition into new crop.

APPLES & PEARS

Apples: There is good supply on new crop fruit out of all major domestic growing areas. The Granny Smith market for foodservice will remain tight due to a shift in sizes; there is lighter than normal crop on 100s. Quality is very nice across all varieties.

Asian Pears: Lighter supply out of Chile on the Hosui Variety.

STONE FRUIT

Peaches: The Chilean season has finished Calif will be starting towards the end of April. There are some light supplies from Mexico shipping through Nogales

Plums: Red and black plums will continue to be available for the next few weeks from Chile

Nectarines: The Chilean season is finishing. Calif will be starting towards the end of April