

Weekly Market Review

November 6, 2020

Overview

Supply remains tight on certain commodities due to disease in the fields. Volume on iceberg, romaine, green leaf and broccoli will continue to be light, but we should see markets continue to improve over the next two weeks.

Market Alert

- Garlic - **EXTREME**
- Ginger – **EXTREME**
- Lettuce (Iceberg) - **ESCALATED**
- Lettuce (Green Leaf & Romaine) – **EXTREME**
- Round Tomatoes (East Coast) - **ESCALATED**

WATCH LIST








- Broccoli
- Cauliflower
- Celery
- Mixed Chili Pepper
- Mushrooms
- Tomatoes (Rounds, Romas, Grapes and Cherries) Florida

Transportation








Freight rates are at record highs due to high demand and light availability. LTL Trucks are particularly difficult to source, and national fuel prices are steady. East coast is averaging \$2.47/gallon, while California's average for diesel remains the highest at just under \$3.26/gallon.

Weather








OXNARD, CA:

Thu 11/5	Fri 11/6	Sat 11/7	Sun 11/8	Mon 11/9	Tue 11/10	Wed 11/11
81° 56°F	66° 52°F	55° 47°F	58° 41°F	58° 43°F	60° 44°F	60° 45°F
						
Partly Cloudy	Sunny/Wind	AM	AM	Sunny	Sunny	Sunny








SALINAS, CA

Thu 11/5	Fri 11/6	Sat 11/7	Sun 11/8	Mon 11/9	Tue 11/10	Wed 11/11
76° 55°F	60° 46°F	57° 48°F	55° 37°F	59° 38°F	61° 42°F	61° 41°F
						
Mostly Sunny	Partly Cloudy	AM Showers	AM	Sunny	Mostly Sunny	Mostly Sunny








MOULTRIE, GA:

Thu 11/5 77° 61°F  Mostly Sunny	Fri 11/6 78° 65°F  Mostly Cloudy	Sat 11/7 78° 66°F  AM Showers	Sun 11/8 79° 67°F  Showers	Mon 11/9 81° 68°F  Partly Cloudy	Tue 11/10 82° 69°F  PM Showers	Wed 11/11 80° 65°F  Scattered Thunderstorms
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IMMOKALEE, FL

Thu 11/5 85° 71°F  Thunderstorms	Fri 11/6 84° 73°F  Thunderstorms	Sat 11/7 79° 72°F  Thunderstorms	Sun 11/8 79° 73°F  Thunderstorms	Mon 11/9 83° 73°F  Thunderstorms	Tue 11/10 84° 72°F  Thunderstorms	Wed 11/11 85° 71°F  Thunderstorms
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HERMOSILLO, MX

Thu 11/5 106° 70°F  Mostly Sunny	Fri 11/6 99° 72°F  Partly Cloudy	Sat 11/7 86° 57°F  AM	Sun 11/8 80° 55°F  Sunny	Mon 11/9 75° 52°F  Mostly Sunny	Tue 11/10 79° 51°F  Sunny	Wed 11/11 80° 52°F  Sunny
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CULIACAN, MX:

Thu 11/5 100° 67°F  Sunny	Fri 11/6 96° 67°F  Sunny	Sat 11/7 94° 69°F  Sunny	Sun 11/8 92° 68°F  Sunny	Mon 11/9 93° 65°F  Sunny	Tue 11/10 91° 59°F  Sunny	Wed 11/11 89° 58°F  Sunny
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Good Buys

Commodity	Market Update	Produce Expert Tip
Bell peppers (Red or Green)	<p>Green Bell Pepper: Overall demand has been good, and volume will be improving in the west with production available out of Coachella, we are seeing good supply currently out of Florida and South Georgia. Markets are still active but should begin to retreat this week. Good quality from all growing regions.</p> <p>Red Bell Pepper: Red bell market is steady, and supply is good out of Oxnard and Somis. Supply crossing through Texas has improved as well. Good volume on hot house are available this week.</p>	<p>Let's make some veggie fajitas! In a skillet, sauté bell peppers and onions in olive oil. Add garlic salt, curry powder, and cayenne pepper for 5-7 minutes. Scoop the fajitas onto warm tortillas then serve with salsa and sour cream. Enjoy!</p>

Avocados	Mexico continues the momentum with substantial harvest numbers. Historically, we have seen lower supply during this time, but with both Loca and Aventejada bearing large crops, we don't foresee any supply interruptions for the remainder of the year. Loca will finish up in the next few weeks, leaving Aventejada to supply the US demand. Both crops present a size curve that is peaking on 48s and smaller, with good promotional volume.	Baked avocado and egg make for an easy and delicious breakfast in the morning! Preheat oven to 425°F. Lightly oil a baking sheet. Using a spoon, scoop out about 2 tablespoons of avocado flesh to create a small well in the center of each avocado. Crack 1 egg into each well and season with salt and pepper. Bake for about 15 minutes then serve immediately.
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Fruits & Vegetables

Avocados: Mexico continues the momentum with substantial harvest numbers. Historically, we have seen lower supply during this time, but with both Loca and Aventejada bearing large crops, we don't foresee any supply interruptions for the remainder of the year. Loca will finish up in the next few weeks, leaving Aventejada to supply the US demand. Both crops present a size curve that is peaking on 48s and smaller, with good promotional volume.

Bananas: Overall quality of conventional bananas is good. Plenty of volume available.

Pineapples: Volume and quality on 5ct pineapples are on the uptick! Opportunities on crownless pineapples are available. Pineapple supply will continue to improve for the remainder of 2020.

Grapes: The CA grape season has started to inch upward on reds and greens. CA Red Grapes will hold on a few weeks longer than the greens will.

Berries

Blueberries: Blueberry volumes are increasing, and overall quality is good.

Blackberries: Supply is stabilizing after last week's fruit flushed in the California regions. Cooler weather is now slowing production in California, while central Mexico is gradually reaching their fall peak. We expect the conventional peak at the end of November.

Raspberries: Volume will continue to increase over the next month and will peak in the next few weeks. Overall quality is good.

Strawberries: We expect volumes to remain steady next week before beginning to gradually decrease.

California / Arizona Citrus

Navels: Market prices are down. 138/113 fruit is peaking, mostly fancy. Few valencias are still available and FL navels have started.

Lemons: Desert lemons are available, good quality, and availability. MX lemons are available out of TX.

Limes: Market has increased slightly this week due to demand and lighter supply as growers catch up from the holiday this past week. We should continue seeing stable markets barring no weather events through Thanksgiving.

Grapefruit: TX and FL grapefruit have started, good supply and quality.

West Coast Lettuce

Butter: Supply is fair to good. Overall demand is steady while markets are slightly better.

Green Leaf: **EXTREME** The industry is seeing severe shortages due to weather related issues and quality issues. We expect to be in a very extreme situation until late November.

Red Leaf: Markets continue to be active, although pricing is steady to slightly lower.

Iceberg Lettuce: **ESCALATED** The market has been very active and will continue to be active through the transition. Industry volumes are down, and demand is up. Yuma has started.

Romaine & Romaine Hearts: **EXTREME** Supply on romaine and romaine hearts continue to drop. We are still seeing increased fringe/tip burn, sun scald, light weights, and occasional dehydration due to the heat and deceased fields. We expect reduced supply to continue with potential for reduced fill rates. Yuma has started in a light way.

Eastern and Western Vegetables

Green Bell Pepper: Overall demand has been good, and volume will be improving in the west with production available out of Coachella, we are seeing good supply currently out of Florida and South Georgia. Markets are still active but should begin to retreat this week. Good quality from all growing regions.

Red Bell Pepper: Red bell market is steady, and supply is good out of Oxnard and Somis. Supply crossing through Texas has improved as well. Good volume on hot house are available this week.

Yellow Pepper: Yellow bell market is mixed as volume begins to improve. Quality is outstanding.

Mini Sweet Pepper: Supply remains tight and expected to through the holidays.

Mixed Chili Pepper: **WATCH LIST** Supply is stable, yet prices are still firm this week. We expect markets to remain firm through the end of the month and then will transition to our new crop in Sinaloa. Quality will be fair on the last of the fall crop due to a very wet weather pattern during this last part of summer. East coast supply is ramping up out of South Georgia and markets are active.

Eggplant: South Georgia and Florida continue to ramp up and demand is moderate. In the west, markets have firmed up as supply has tightened due to heat related quality issues. Stable supply in the west.

Cucumbers: Volume continues to improve out of South Georgia, as well Mexico crossing through Nogales. We should see continued stable supply and good quality over the next week.

English Cucumbers: Volume is ramping up out of Mexico and FOB prices continue to ease back. Quality is very nice.

Green Beans: Markets have eased back as South Georgia production ramps back up after a very rough start. Quality is improving daily. In the west, bean production in Coachella and Mexico should ramp up over the next 10-12 days. Markets in the west remain firm

Zucchini/ Yellow Squash: (South Georgia, California, and Mexico) Excellent supply out of South Georgia as well as Mexico crossing through Nogales. We should finish up out of California later this week or early next, and transition to Nogales. Quality is outstanding and promotable volume available

Herbs

Rosemary, thyme and sage remain steady and quality remains very strong. **Basil, parsley and mint** are in good supply. **Fresh chives** are limited in supply for most of November due to weather issues in October and quality will still be steady.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Steady	USA
Basil	Steady	Steady	MEXICO
Opal Basil	Steady	Steady	USA/MEXICO
Thai Basil	Steady	Steady	USA/MEXICO
Bay Leaves	Steady	Steady	USA
Chervil	Limited	Steady	USA
Chives	Steady	Steady	USA
Cilantro	Steady	Steady	USA
Dill	Steady	Steady	USA
Epazote	Steady	Steady	MEXICO
Lemongrass	Steady	Steady	USA
Marjoram	Steady	Steady	USA
Mint	Good	Good	USA
Oregano	Steady	Steady	USA
Italian Parsley	Good	Good	USA
Rosemary	Good	Good	USA
Sage	Good	Good	USA
Savory	Steady	Steady	USA
Sorrel	Steady	Steady	USA
Tarragon	Steady	Steady	Mexico
Thyme	Steady	Steady	USA
Lemon Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA
Lime Leaves	Steady	Steady	USA

Melons

Cantaloupe: California production is winding down quickly with some availability remaining next week. All sizes are currently available with an emphasis on smaller fruit. Arizona cantaloupe production have solid daily numbers and good retail promotions have made 9s somewhat limited but, smaller fruit 12/15s is plentiful. Quality will show a greener caste, but internal characteristics remain good with brix levels mostly in the 11-13% range

Honeydew: Honeydew markets have been significantly pressured by a Mexican presence this season. The past two years have seen demand exceeds supply scenarios with honeydews as Mexico dealt with weather/crop issues, but they are in full production this year. All sizes are currently available without any issue.

Watermelon: Started in a light way out of Florida, Mexican supply crossing but no large volume yet. Markets remain stable this week and demand flat.

Mixed Vegetables

Artichokes: Light supply of artichokes continue this week and quality is good. Prices are steady.

Arugula: Supply is good, and quality is fair.

Asparagus: Peru: Steady volume, heavy demand, and good quality. Demand is expected to last a few weeks.

Mexico: Production has started, extremely low volume with no foreseeable changes in the future.

Bok Choy: Good supply and quality.

Broccoli / Broccoli Florets: **WATCH LIST** We are anticipating a moderate gap in supply over the next 1 - 2 weeks as Salinas is finishing and the desert growing areas have not yet ramped up. Look for higher prices.

Brussels Sprouts: Supply and quality are good.

Carrots (Jumbo): Quality is good. Availability on snack pack carrots is light due to demand from schools but supply on Jumbo and Cello are good.

Cauliflower: **WATCH LIST** Supply is expected to be plentiful and quality is good.

Celery: **WATCH LIST** Quality is good and holiday demand is picking up. The market is higher this week.

Corn: Supply improving out of South Georgia and Florida expected to ramp up out of Florida within the next few weeks. Demand is fair in the west and supply is stable. FOB prices are lower this week.

Cilantro: Volume is going to be plentiful this week. Quality is good.

Fennel: We should have good supply on fennel this week and quality remains strong overall.

Garlic: **EXTREME** The market for domestic garlic remains high with good quality.

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

Green Cabbage: Supply is steady with good quality.

Green Onions: Quality is good this week with better supply. The green onion market always gets very active during the holidays due to lack of labor in Mexico. Look for the market to increase as we get closer to Thanksgiving.

JICAMA: Steady supply available crossing through McAllen.

Kale (Green): Bunched kale supply is expected to be plentiful for the next few weeks.

Mushrooms: **WATCH LIST** Mushrooms markets continue to be extremely active due to the high demand at retail. This will affect availability and quality on foodservice items, particularly whole mushrooms. We are also seeing COVID restrictions that were implemented for safety affecting output at several mushroom facilities.

Napa: Supply is expected to be plentiful this week, however sizing will be on the smaller side.

Parsley (Curly, Italian): Limited supply and quality is fair.

Rapini: Supply has improved, and quality is strong.

Red Cabbage: Supply is plentiful with great quality.

Snow Peas: Guatemala: Low volume due to weather issues/production, good demand, and quality is fair.

Peru: Steady/low volume, good quality, and good demand.

Sugar Snap Peas: Guatemala: Low volume due to weather issues/production, good demand, and quality is fair. **Peru:** Steady/low volume, good and quality, good demand.

Spinach (Bunched): Supply is good, and quality is fair.

Spinach (Baby): Supply is good, and quality is fair.

Spring Mix: Good supply and quality is fair.

Sweet Potatoes and Yams: New crop harvest starts as soon as next week for some sweet potato growers. We are looking at new crop shipments starting in about 6 weeks after they cure. Last year's crop is starting to dwindle, and inventory is getting tight, but supply should hold to avoid gap.

Onions:

FOB pricing on all colors and sizes remain stable, for the time being, in the Northwest. Growers continue to pack out of storage, with size profiles continuing to lean heavier to larger size onions, on all colors. We are seeing red and white onion supply tighten up more than they previously had been, and white onion FOB pricing has moved up by a few dollars because of it. In general, movement seems to be lagging this week due

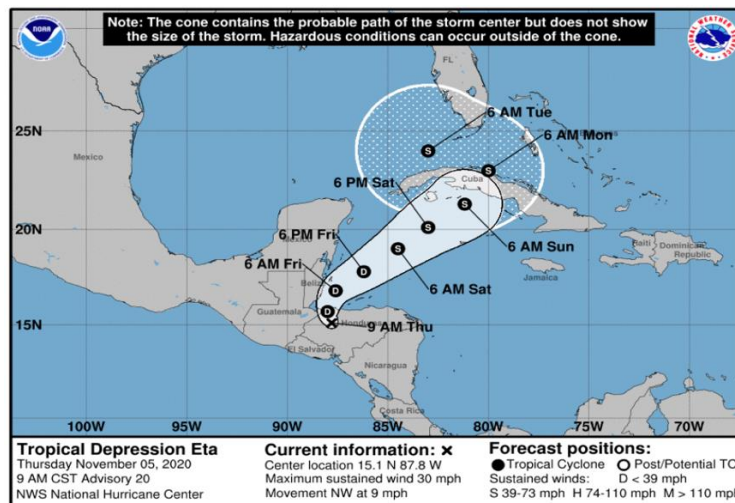
to a combination of COVID cases limiting indoor dining and altering consumer behavior, as well as uncertainty regarding the election. The next round of the USDA Box program orders is under way, which is helping to keep growers cleaned up. Truck capacity continues to be tight, and rates have remained elevated in all regions as well. Trucks have remained tight, and rates have remained elevated in all regions. Demand for rail car shipments is also exceeding supply, and shippers are having to push back shipments for orders they already have on the books.

Potatoes:

Shippers continue to pack exclusively out of storage, and all potatoes shipping from this point on should have completed the ‘sweat’ process of curing down. Reports are showing a larger size profile in the Norkotah variety, which is typically indicative of good yields. However, there are still plenty of factors that can alter the overall supply situation significantly. It remains to be seen how heavy processor demand will be as well, but it is believed that they will be in buying strong which will stress the fresh supply and FOBs. We are seeing more Burbank supply become available, and we will continue to see this increase as we move into next year. White Russets are available to ship as well. Small potatoes and consumer packs remain very tight due to a combination of high demand from the USDA Farmers to Families program, as well as increased retail demand as we head into Thanksgiving. Trucks have remained tight, and rates have remained elevated in all shipping regions. Demand for rail car shipments is also exceeding supply, and shippers are having to push back shipments for orders they already have on the books as well.

TOMATOES

East Coast/West Coast- WATCHLIST: *We will need to keep a close eye on South Florida as Tropical Storm Eta start to move across the Caribbean towards Cuba. We could see major flooding impact the growing areas of South Florida early next week.*



- **Rounds: ESCALATED** Supply is improving daily as we begin to turn the corner on a very rough start to the fall Florida tomato season as supply slowly improves as does quality. We continue to evaluate the situation daily as production begins to ramp up. We are seeing pricing on larger sized fruit, several dollars higher than small fruit this week, but do expect improvement over the next 2 weeks barring no major damage from Tropical Storm Eta.
- **Romas:** Quality and supply are improving out of Florida and pricing is easing back while California is done for the season. We expect good supply out of Florida this week as well as crossing through Mexico which will help lower the entire tomato market. We will evaluate daily as Eta reaches the South Florida coast.

- **Grapes:** Out of Florida, good volume and quality continue to ramp up and pushing prices down this week. Sizing will be on the larger side during this crown pick but should adjust over the next several days. Other than sizing, the fruit is looking great. We will evaluate daily as Eta reaches the South Florida coast.
- **Cherries:** Cherry production is good out of Florida, quality is great, and FOB prices are down this week. We will evaluate daily as Eta reaches the South Florida coast.
- **Organic Tomatoes:** Very little supply available at this time. Cherry and grape supply lighter out of South Carolina this week.

Mexico

- **Rounds:** Demand seems to be easing back on vine ripe rounds crossing through McAllen and Otay. Quality is very nice as we begin to hit a decent production window as weather improves in Central Mexico and Baja. Markets will remain slightly escalated over the next week.
- **Romas:** **WATCH LIST** Markets tightened back up this week as we continue transition. Quality is improving as newer shade house production ramps comes to market. We should see supply out of Southern Baja begin over the next week as well. Steady volume anticipated the second week of November.
- **Grapes:** Stable supply and quality crossing through Texas and Otay. Quality very nice.
- **Cherries:** **WATCH LIST** Supply remains light crossing through Texas and Otay.

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: Asian pear supply is available. Chilean & Argentine Bartlett Pears in LA.

STONE FRUIT

Peaches: Limited fruit available in some markets but mostly done until offshore arrivals begin.

Plums and Nectarines: Limited fruit available in some markets but mostly done until offshore arrivals begin.