

# Weekly Market Review

December 10, 2020

## Overview

---

The drop in demand has increased overall availability in some markets and supply is generally good. Although the tomato market is improving and expected to continue to for the next couple of weeks, we are seeing production slow down a bit due to cooler temperatures which could turn the markets around once again. Corn out of the southeast is extremely short and expected to remain tight for several weeks until the Homestead crop ramps up the second week of January. Green bean and French bean supply are expected to remain very short through the holidays. Unfortunately, between the rain damage in the southeast, combined with Hurricane Eta and Iota causing major supply issues in Central America, we expect very active markets through the December. Banana markets have firmed up due to the force majeure being declared by the major global banana suppliers. Growers have suffered major damage to crops and infrastructure causing a major ripple in the supply chain. We do expect an escalated banana market through the first quarter of 2021.

## Market Alert

---

- Bananas – **ACT OF GOD**
- Cauliflower – **ESCALATED**
- Corn - **EXTREME**
- Garlic - **EXTREME**
- Ginger – **EXTREME**
- Green Beans
  - Round – **ESCALATED**
  - French Beans - **EXTREME**
- Tomatoes - East Coast (Rounds) – **ESCALATED**

## WATCH LIST

---

- Broccoli
- Grape Tomatoes – Florida and Mexico
- Melons (Cantaloupe, Honeydew, Watermelon)
- Mushrooms

## Transportation

---

Freight rates are at record highs due to high demand for the seasonal pull of Christmas trees. Trucks are already extremely short further adding to the issue; LTL Trucks being particularly difficult to source. National fuel prices are steady and east coast is averaging \$2.48/gallon, while California's average for diesel remains the highest at just under \$3.25/gallon.

## Weather

---

OXNARD, CA:

Thu 12/10	Fri 12/11	Sat 12/12	Sun 12/13	Mon 12/14	Tue 12/15	Wed 12/16
59°   46°F	60°   43°F	65°   47°F	66°   47°F	65°   46°F	66°   46°F	65°   47°F
						
Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Mostly Sunny	Sunny	Mostly Sunny

**MOULTRIE, GA:**

Thu 12/10 69°   42°F  Sunny	Fri 12/11 69°   45°F  Mostly Sunny	Sat 12/12 72°   54°F  Partly Cloudy	Sun 12/13 68°   47°F  AM Showers	Mon 12/14 54°   37°F  Showers	Tue 12/15 58°   43°F  Mostly Sunny	Wed 12/16 61°   42°F  PM Showers
---	--	---	--	---	---	--

**IMMOKALEE, FL**

Thu 12/10 72°   48°F  Partly Cloudy	Fri 12/11 74°   57°F  Partly Cloudy	Sat 12/12 81°   61°F  Partly Cloudy	Sun 12/13 82°   61°F  Partly Cloudy	Mon 12/14 74°   50°F  Partly Cloudy	Tue 12/15 72°   53°F  Mostly Sunny	Wed 12/16 77°   55°F  Partly Cloudy
---	---	---	---	---	---	---

**HERMOSILLO, MX**

Thu 12/10 73°   48°F  Partly Cloudy	Fri 12/11 73°   47°F  Sunny	Sat 12/12 77°   46°F  Sunny	Sun 12/13 80°   46°F  Sunny	Mon 12/14 80°   46°F  Sunny	Tue 12/15 79°   46°F  Sunny	Wed 12/16 78°   46°F  Sunny
---	---	---	---	---	--	---

**CULIACAN, MX:**

Thu 12/10 81°   60°F  Showers	Fri 12/11 85°   53°F  Partly Cloudy	Sat 12/12 86°   50°F  Mostly Sunny	Sun 12/13 87°   52°F  Sunny	Mon 12/14 87°   52°F  Sunny	Tue 12/15 84°   51°F  Mostly Sunny	Wed 12/16 85°   50°F  Sunny
---	---	--	---	---	---	---

**Good Buys**

Commodity	Market Update	Produce Expert Tip
<b>Roma Tomatoes</b>	<p><b>East Coast</b> <b>Romas:</b> Supply is stable out of Florida; however, we are seeing lighter harvest numbers due to cooler weather. We do expect firmer markets this week.</p> <p><b>Mexico</b> <b>Romas:</b> Good supply and excellent quality crossing through Nogales, McAllen and Otay.</p>	Known in supermarkets primarily as Roma tomatoes, these sweet and acidic tomatoes are known for their chewy flesh and low water content. This makes them perfect for tomato sauce and can be used for quick sauté dishes or in fresh salads where you don't want excess moisture!
<b>Green Bell Peppers</b>	Demand and supply remain balanced and good quality is being reported from all shipping points.	Green bell peppers are harvested earlier than the other varieties, before they have a chance to turn yellow, orange, and then red. They are zero-heat peppers that are low in calories and are great if you're on keto!
<b>Zucchini</b>	Supply continues to improve out of South Florida on zucchini. Quality and supply is good in the west.	Though not much is known about the difference between the green and yellow zucchini varieties, some say golden zucchini has a

		sweeter flavor than the green kind. Because it retains its color after cooking, it also makes a sunny addition to any dish.
--	--	---

## **Fruits & Vegetables**

---

**Avocados:** We continue to see steadiness and stability in harvest once again this week, and there is good supply in the pipeline. As we further transition into the normal crop, we expect to see promotional volumes for all sizes. There is no reason to expect any real change for the remainder of the year.

**Bananas:** **ACT OF GOD** Hurricane Eta and Iota has left behind major effects on several growing regions in South America. The result of this situation will hinder the entire banana industry. At this time, in order to maintain supply, we are seeing growers declare Force Majeure. After reviewing some of the forecasts with our growers, we anticipate active markets and tight supply through Q1 2021.

**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:** Green grapes are still available out of California for small volumes. Reds are still expected to be strong through this month and last into the 1st or 2nd week of January.

## **Berries**

---

**Blueberries:** Good volume and quality out of Peru. The Mexican season has begun, and volume will increase through the end of the year. Chile has begun with light volume

**Blackberries:** Supply is expected to remain around stable through December. Good overall quality and flavor.

**Raspberries:** Lower volume from California due to low temperatures and Santa Ana winds. In Mexico greater volume materialized due to fruit that was previously delayed by cool temperatures experienced in previous weeks. Good overall quality.

**Strawberries:** We expect steady volumes for the next several weeks.

## **California / Arizona Citrus**

---

**Navels:** Taste is sweet and improving. Taste will continue to get better into January months. Mostly smaller sizes. Large sizes continue to stay tight. Expect a size shift and smaller sizes will tighten up (88 / 113 / 138), through the remaining navel crop.

**Lemons:** Smaller in volume than expected in the desert. The fruit is also growing at a faster pace. As a result, you will see small choice lemons firm up in availability & price. Crop is peaking on 140 & smaller in the Central Valley. Large fancy is tight, small fancy is abundant. The quality is great.

**Limes:** Slightly more supply in the market place this week and demand is down. Quality Improving.

**Grapefruit:** Texas season has started with peaking sizes 40/48/56ct, mostly fancy grade available. Choice grade will be plentiful in Jan/Feb.

## **Imports/Specialties available:**

- California mandarins – fruit taste great and looks good

- Pummelos are available
- Cara Cara's have started
- Blood Oranges are available

### **West Coast Lettuce**

---

**Butter:** Supply and markets remain steady.

**Green Leaf:** Good volume and good quality available. Weights are improving while overall quality is excellent.

**Red Leaf:** Good supply and quality expected through the end of the month.

**Iceberg Lettuce:** We will see good supply of lettuce, quality is good. The market has adjusted.

**Romaine & Romaine Hearts:** Romaine and romaine heart supply in the desert is better this week than what we have been experiencing. Demand has tapered off a bit post-holiday. Weights are improving and quality is excellent.

### **Eastern and Western Vegetables**

---

**Green Bell Pepper:** Demand and supply remain balanced and good quality being reported from all shipping points.

**Red Bell Pepper:** Red bell market has firmed up this week and volume on choice is tightening up. We are seeing volume continue in Coachella, Otay and McAllen. Transition to Nogales should start in a light way sometime next week.

**Yellow Pepper:** Yellow bell market is very tight this week. Quality is outstanding.

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

**Mixed Chili Pepper:** Supply is stable, yet prices are still firm this week. We are starting to see better numbers out of Florida this week on Jalapeno, Long Hot, Cubanelle and Hungarians. Quality is good in all regions

**Eggplant:** Good supply out of Florida and Nogales.

**Cucumbers** Florida is continuing to ramp up production despite setbacks from Eta. We are seeing increases in quality issues such as yellow belly and scarring. Mexico continues to see good numbers and quality. FOB prices are steady this week.

**English Cucumbers:** Promotable volume out of Mexico and FOB prices continue to ease back. Quality is very nice.

**Green Beans:** **ESCALATED** Lighter demand and a slowly improving supply chain are putting downward pressure on the bean prices this week however this could turn quickly due to the issues caused by Tropical Storm ETA in South Florida. We are also seeing volume increase crossing through Nogales which will cushion the demand for Christmas pull at retail. With regards to French bean production out of Guatemala; the crops and infrastructure has been severely affected by Hurricane Iota and will take several weeks to recover. Air shipments are behind or delayed and the exporters are not expecting to get caught up for several weeks.

While we are seeing some improvement in round bean markets, the French bean market will remain extreme for several weeks.

**Zucchini/Yellow Squash:** Supply continues to improve out of South Florida on zucchini. We continue to see some quality issues on yellow squash with occasional scarring and blemished fruit, but we should see supply improve. Quality and supply good in the west.

## **Herbs**

Herb supply remains steady.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Steady	USA
Basil	Steady	Steady	MEXICO
Opal Basil	Limited	Steady	USA/MEXICO
Thai Basil	Steady	Marginal	USA/MEXICO
Bay Leaves	Steady	Steady	USA
Chervil	Steady	Steady	USA
Chives	Steady	Steady	MEXICO
Cilantro	Steady	Steady	USA
Dill	Steady	Steady	USA
Epazote	Steady	Steady	MEXICO
Lemongrass	Steady	Steady	USA
Marjoram	Steady	Steady	USA
Mint	Steady	Small in size	USA
Oregano	Steady	Steady	USA
Italian Parsley	Steady	Steady	USA
Rosemary	Steady	Minor tip burn	USA
Sage	Stead	Steady	USA
Savory	Steady	Steady	USA
Sorrel	Steady	Steady	USA
Tarragon	Steady	Steady	Mexico
Thyme	Steady	Steady	USA/Mexico
Lemon Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA

Lime Leaves	Steady	Steady	USA
-------------	--------	--------	-----

## Melons

---

**Cantaloupe:** **WATCH LIST** Shortages in cantaloupe production started late last week as demand increased following Thanksgiving. Impacts from back to back tropical storms/hurricanes are being realized with current arrivals as yields are down over 60%. This has caused a significant jump in market pricing which may continue to climb leading into the Christmas holiday. Current sizing levels are primarily 9/12s with few jumbos which had been predominant early on. External quality has started to improve with better color and netting on new arrivals. Internal quality continues to be very good with solid brix levels (11-14%) and good flavor profiles.

**Honeydew:** **WATCH LIST** Honeydew production was slow to start from Guatemala with good numbers hitting this week on larger sizes but new arrivals are expected to sharply decline beginning next week. This is also directly related to the impacts from the storms and lower yields. Overall quality has been good with an occasional melon with discoloration showing which can also be attributed to the rains experienced during the storms. Melons are cutting very good with some of the best tasting import honeydews we have ever seen. Brix levels are mostly in the 12-14% range but the flavor provides an impression of even better than that.

*In reference to **cantaloupe** and **honeydew**: Over the next several weeks we will be watching the conditions that resulted from the hurricane that crossed through Honduras and Guatemala. The rain from this storm was expected to impact most of the region and we will need to assess any potential damages. Severe damage to the crops in the region could cause major market shortages through February 2021.*

**Watermelon:** **WATCH LIST** Seedless watermelon will start in early January from Guatemala.

## Mixed Vegetables

---

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

**Arugula:** Supply and quality are good this week.

**Asparagus:** **Peru:** Good volume, low demand, good quality. **Mexico:** Low demand, steady volume, good quality.

**Bok Choy:** Supply is expected to be plentiful for the next three weeks. Quality is good.

**Broccoli / Broccoli Florets:** Quality is good, and supply is lighter. Market is strengthening.

**Brussels Sprouts:** Sprout supply will remain steady and in good volume for the coming week.

**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:** **ESCALATED** Supply is lower than expected due to increased demand.

**Celery:** Good supply is available. Quality is good and the market is steady.

**Corn: EXTREME (Florida)** Due to weather related pressure in November from Tropical Storm Eta, as well as recent below normal temperatures, the corn crop in Belle Glade has suffered major damage and we expect to see a very active and inconsistent corn market. We will see very low harvest numbers and quality issues and do not expect any major improvements in the market until new crop begins out of Homestead in mid-January. Fortunately, we are seeing some relief to this situation as steady supply is ramping up out of Nogales. Demand is good as demand shifts west for the holiday pull and prices will be firming up over the next few days.

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

**Fennel:** Fennel supply is lower than expected this week. We are also seeing smaller size this week.

**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:** We are seeing good supply and excellent quality. The market should remain steady.

**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 for the next three weeks. Quality is good.

**Parsley (Curly, Italian):** There is good quality with supply improving over the next few weeks.

**Rapini:** Quality is strong with normal supply.

**Red Cabbage:** Supply is plentiful with consistent sizing and quality.

**Snow Peas:** Good volume, low demand, and quality is fair.

**Sugar Snap Peas:** Snap peas continue to be tight, while Baja's cold weather impacting yields.

**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:** 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 in the Northwest. Shipments have been a bit up and down this week, with the front of the week lagging normal movement, and the latter half beginning to pick up. Size profiles on all colors continue to lean heavier to larger sizes. White onion supply continues to tighten up more than other colors, and we should anticipate this to remain the case until we see Mexican white onions cross through South Texas in January. The general 'feel' of the market and movement seems to be stagnant overall. There is optimism that with normal movement, growers should see a profitable FOB return. However, with indoor dining remaining limited throughout the country, the outlook on the onion market remains uncertain. Onion shippers are also awaiting clarity on the next round of the USDA Box program, which is expected to be continued into 2021. Truck capacity continues to be tight, and rates have remained elevated in all regions as well. Demand for rail car shipments is exceeding supply, and shippers are having to push back shipments for orders they already have on the books.

### **Potatoes:**

---

The market remains stagnant on most all sizes and grades of potatoes at the moment, with some relief coming on small size consumer bags now that Thanksgiving has passed. We anticipate this will be a short-lived situation, as Christmas demand should begin to pick up next week. We are seeing more Burbank supply become available and will continue to see this increase as we move into next year. White Russets are available to ship as well. There is optimism that the Farmers to Families Food Box will continue into 2021, which should help keep supplies moving. Food service demand remains a question mark, as indoor dining is still largely limited around the country. Truck availability remains tight and continues to exceed supply. However, with the decrease demand for food service, and retailers still cleaning up Thanksgiving inventory, we are seeing that rates have come off slightly. We anticipate the market will go back up next week as the holiday movement begins to pick up. 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.

## **TOMATOES**

---

### **East Coast**

- **Rounds: ESCALATED** Supply out of Florida will remain lighter on large sized fruit next week but should be improving by the first week of December. Supply on smaller fruit is improving daily as well as quality. We do expect markets to improve; however, we will continue to assess post Tropical Storm Eta conditions with our growers and will advise should there be any foreseeable issues.
- **Romas:** Supply is stable out of Florida; however, we are seeing lighter harvest numbers due to cooler weather. We do expect firmer markets this week.
- **Grape Tomatoes: WATCH LIST** Supply tightened up this week due to cooler weather which is moving prices up this week.
- **Cherry Tomatoes:** Supply stable out of Florida and quality very nice
- **Organic Tomatoes:** Lighter supply available and quality is improving.

### **Mexico**

- **Rounds: ESCALATED** Supply crossing through Texas remains lighter than expected due to cooler weather in Central Mexico; fortunately, demand is keeping prices stable this week and we could start seeing upward pressure on FOB prices next week due to the lighter volume and higher demand at

retail for Christmas. Volume crossing through Otay remains light as growers continue to deal with challenges of the virus in these last plantings of the season, which will only further impact the Mexican tomato market until production ramps up out of Culiacan in approximately 14 days.

- **Romas:** Good supply and excellent quality crossing through Nogales, McAllen and Otay.
- **Grape Tomatoes:** We are seeing lighter supply and good quality. Markets should improve early next week crossing through Texas and Otay.
- **Cherry Tomatoes:** **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.