

Weekly Market Review

February 5, 2021

Overview

Plenty supply available for most commodities this week. Quality is great. Corn in the southeast remains short but seems to be improving as the homestead begins to ramp up production. We will be observing the entire state of Florida over the next several days as frost warnings are being posted for parts of the state. We will monitor and provide updates as we receive them from our growers. Cantaloupe and honeydew remain short due to weather impacts from Hurricane Eta and Iota in Central America. Banana markets remain firm due to the force majeure being declared by major global banana suppliers. Growers have suffered major damage to crops and infrastructure causing a large ripple in the supply chain. We expect an escalated banana market through at least the first quarter of 2021. Strawberries are escalated.

Market Alert

- Apples – **EXTREME**
- Bananas – **ACT OF GOD/FORCE MAJEURE**
- Celery – **ESCALATED**
- Corn – **EXTREME**
- Garlic – **EXTREME**
- Ginger – **EXTREME**
- Melon (Cantaloupe & Honeydew) – **EXTREME**
- Cherry Tomatoes (East Coast) – **ESCALATED**
- Strawberries – **ESCALATED**

WATCH LIST

All Florida agriculture will be on the watchlist due to extremely cold weather and the potential for frost in several growing districts throughout the state. Produce Alliance will keep you informed of any updates as they are provided from our growers.

- Cherry Tomatoes (Mexico)
- Limes
- Mixed Chili Pepper
- Transportation
- Strawberries, Raspberries & Blackberries in California
- Watermelon

Transportation

Freight rates are at record highs due to high demand for trucks nationwide. Equipment remains extremely short, further adding to the issue. LTL trucks are currently difficult to source. National fuel prices are steady. The 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 2/4	Fri 2/5	Sat 2/6	Sun 2/7	Mon 2/8	Tue 2/9	Wed 2/10
64° 45°F	63° 46°F	64° 48°F	66° 49°F	63° 49°F	63° 49°F	63° 50°F
						
Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

YUMA, AZ:

Thu 2/4	Fri 2/5	Sat 2/6	Sun 2/7	Mon 2/8	Tue 2/9	Wed 2/10
73° 50°F	75° 51°F	77° 52°F	78° 53°F	76° 53°F	73° 53°F	75° 53°F
						
Mostly Sunny	Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy	Sunny

IMMOKALEE, FL

Thu 2/4	Fri 2/5	Sat 2/6	Sun 2/7	Mon 2/8	Tue 2/9	Wed 2/10
73° 46°F	81° 58°F	83° 65°F	79° 60°F	79° 61°F	81° 61°F	81° 59°F
						
Mostly Sunny	Mostly Sunny	PM Showers	Scattered Thunderstorms	PM Showers	Scattered Thunderstorms	Isolated Thunderstorms

HERMOSILLO, MX

Thu 2/4	Fri 2/5	Sat 2/6	Sun 2/7	Mon 2/8	Tue 2/9	Wed 2/10
84° 48°F	82° 47°F	83° 49°F	84° 52°F	82° 52°F	82° 51°F	82° 51°F
						
Partly Cloudy	Sunny	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Sunny

CULIACAN, MX:

Thu 2/4	Fri 2/5	Sat 2/6	Sun 2/7	Mon 2/8	Tue 2/9	Wed 2/10
92° 54°F	89° 48°F	85° 49°F	85° 49°F	84° 50°F	85° 50°F	87° 50°F
						
Sunny	Sunny	Sunny	Sunny	Sunny	Sunny	Mostly Sunny

Good Buys

Commodity	Market Update	Produce Expert Tip
Grape Tomatoes	<p>East Coast: WATCH LIST Supply improved this week and quality is very nice. We should see steady supply over the next week.</p> <p>Mexico: Increasing volume and good quality available out of McAllen and Nogales.</p>	Let's make an easy and delicious baked feta pasta! Add grape tomatoes and a block of feta cheese in the middle to a baking dish. Drizzle with olive oil, salt, pepper, then bake at 400 for 35 minutes. When it's done, add some fresh garlic and basil and give it a good mix. Add cooked pasta and you're done!

Green Bell Peppers	WATCH LIST: Normal volume and good quality out of Florida. Good volume continues in the West crossing through Nogales and McAllen. Quality is outstanding.	Did you know you can make curry paste out of green bell peppers? To a food processor, add green chilies, bell pepper, garlic, lemongrass, ginger, green onions, cilantro, cumin, black pepper, turmeric, sea salt, lemon juice, lime zest + juice, oil, and a sweetener of your choice. Blend until a paste forms. Ideal for curries, soups, sauces, salad dressings, and more!
Romaine Hearts	Good supply and very good quality.	Thai chicken lettuce wraps are a great lunch option you can make at home. Stir fry chopped chicken, onion, garlic, carrots, cabbage, green onions, salt, and pepper. In a bowl, combine sweet chili sauce, ginger, peanut butter, soy sauce, and red pepper. Add the sauce and cilantro to the pan. Fills about 8 lettuce cups!

Fruits & Vegetables

Avocados: Steady volume and promotable pricing on all sizes expected to continue from Mexico. We will continue to observe the spring crop which may have some loss due to freezing temps in the region last month. Light volume starting out of California over this next week and expected to ramp up by April. Quality is outstanding.

Bananas: **ACT OF GOD** Hurricane Eta and Iota has left behind major effects on several growing regions in South America. Our growers have assessed damages that have impacted both crops and infrastructure. The aftermath of this situation will continue to hinder the entire banana industry and cause a Force Majeure to remain in place. Based on forecasts received from our growers, we anticipate active markets and tight supply through Q1 2021. We will anticipate maintaining the supply chain at escalated prices until we are clear of this unfortunate event.

Pineapples: Volumes on 5ct & 6ct pineapples are a little low but are improving. This lower than expected supply will continue improving over the next few weeks.

Grapes: Green grapes are extremely tight at this time with little to no availability. Markets will be on the rise this week and will continue to go up. Due to a large rain event in Chile, the red grape market is also on the way up. There will be a significant increase in pricing over the next few weeks, possibly until the MX season starts.

Berries

Due to last week's major rain event in California along with a storm that went through Baja and parts of Mexico, we are continuing to see a severe impact on availability on strawberries, raspberries, and blackberries.

Blueberries: Steady supply of blues from Central America. Delays at the Long Beach Port in CA and the rain in Baja are impacting arrivals of blues to the West Coast.

Blackberries: See note above. Rain will impact availability of blackberries through next week.

Raspberries: See note above. Rain will impact availability of raspberries through next week.

Strawberries: **ESCALATED** See note above. Weather-related issues will impact availability of berries with heavy rain in California, light to moderate rain in Florida, and cooler weather in Mexico.

California / Arizona Citrus

Navels: Overall quality is excellent. Good supply of 72ct & larger fancy grade. Smaller sizes remaining tight.

Lemons: Minimal issues with quality. Peak sizes are 140/115/165ct. Mostly fancy grade available.

Limes: **WATCHLIST** Market remains firm this week due to higher demand and lighter supply. Rain in the growing regions has slowed down harvesting. Demand is higher in preparation for the Superbowl. Quality will be affected by rain for the next several weeks.

Grapefruit: Texas is in the peak of its season. Peaking size 40/48/56ct mostly fancy grade available. Good supply of choice grade fruits. Taste is very sweet and aromatic. The flesh is an appealing deep dark red.

Imports/Specialties available:

- Cara Caras – Small sizes are very tight. Good supply on larger Sunkist/fancy grade.
- Blood oranges – All sizes available.
- Minneolas – All sizes available.
- Mandarins – All sizes available.

West Coast Lettuce

We are seeing very good supply and quality on all leaf items, romaine, and iceberg lettuce. Markets are at promotable levels and look to remain this way through next week.

Butter: Good supply and very good quality.

Green Leaf: Good supply and very good quality.

Red Leaf: Good supply and very good quality.

Iceberg Lettuce: Good supply and very good quality.

Romaine & Romaine Hearts: Good supply and very good quality.

Eastern and Western Vegetables

Green Bell Pepper: **WATCH LIST** Normal volume and good quality out of Florida. Good volume continues in the West crossing through Nogales and McAllen. Quality is outstanding.

Red Bell Pepper: Market is easing back as volume increases from Central Mexico. We expect good volume and quality over the next week.

Yellow Pepper: Market seems to improve as favorable weather settles in throughout Central Mexico. Quality is outstanding and FOB prices are the same this week.

Mini Sweet Pepper: **WATCH LIST** Supply remains extremely tight and is expected to through the next several weeks due to cool weather in Central Mexico.

Mixed Chili Pepper: WATCH LIST Supply firmed up a bit due to rain in Central Mexico and pricing is up slightly this week. We are seeing a tighter market in Florida on Jalapeños, Long Hots, Cubanelles and Hungarians due to cooler weather and rain. Quality is fair in all shipping points.

Eggplant: WATCH LIST Below normal supply expected out of Florida as a transition to newer blocks is underway. Mexican volume is steady crossing through Nogales.

Cucumbers: Good supply continues to arrive from Honduras and loading in in Miami. Good numbers and quality loading out of Mexico.

English Cucumbers: Markets remain flat; however, volume has tightened with cooler weather. Quality is great.

Green Beans: WATCH LIST Volume is lighter this week out of Florida while in Nogales supply has improved leading to a stable market. Quality is mostly good.

French Beans: Good volume and light demand has increased downward pressure on pricing this week. Quality is excellent.

Zucchini/Yellow Squash: WATCH LIST Stable markets in Florida. Volume is off in Mexico but expect improvement over the next several days as weather improves. Markets are steady this week.

Herbs

CHERVIL will be light in color for a few weeks. Parsley and tarragon are recommended substitutes.

BASIL is in good supply and quality is very strong.

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

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

Melons

Cantaloupe: EXTREME Strong demand remains on larger sized fruit. 9/9s are almost in a demand exceeds supply situation. Smaller sizes (12/15s) have become slightly more available this week with lower demand due to poor weather across a large percentage of the country. We anticipate inbound volumes to begin elevating on the east coast the first week of March, which will provide some relief to the market highs from the past 5-6 weeks. Cantaloupe quality continues to show very good characteristics externally and internally. Brix levels remain in mostly 12-14% levels.

Honeydew: EXTREME Honduran production has increased the past couple weeks, causing the market to settle due to increased supply. There have been some significant quality issues on the Honduran fruit which has caused a two-tier market as it has been quoted at much lower levels. Classic Fruit's honeydew production from western Guatemala has had good quality.

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 Improving supply crossing through McAllen and Nogales while offshore arrivals remain light. Quality is good.

Mixed Vegetables

Artichokes: Light volume will continue through February. Quality is good. Prices are steady.

Arugula: Supply and quality are good this week.

Asparagus: Good supply and quality. Mexico's asparagus season is ramping up with very good quality and supply.

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

Broccoli/Broccoli Florets: Supply is good this week. Quality is very good.

Brussels Sprouts: Supply is expected to be plentiful for the next few weeks. Excellent supply and quality.

Carrots: Rain is expected in the growing areas for today and tomorrow, but no foreseeable supply issues through the weekend. Good availability on all FS, baby-peeled and jumbos. Limited supply on cellos. Snack packs remain very limited in availability.

Cauliflower: Supply is lighter going into next week but there is still availability. Market is slightly stronger.

Celery: **ESCALATED** Fairly light supply. Quality is good and the market is lower this week.

Corn: **EXTREME (Florida)** Corn remains very active and unstable in Florida as volume has not improved yet out of Homestead. In Nogales better numbers are crossing on bi, yellow, and white corn. We recommend subbing in broccoli, cauliflower, green beans, or French beans where possible until we see more consistency in the market.

Cilantro: Volume will be plentiful this week. Quality is good.

Fennel: Fennel supply will be at budget this week. Sizing will be good this week. Quality remains strong.

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: The market will remain active due to lighter volumes industry wide. Quality is good.

JICAMA: Steady supply available crossing through McAllen.

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

Mushrooms: We are seeing a stable market and good supply.

Napa: Supply is expected to be plentiful for the next three weeks. Quality is good.

Parsley (Curly, Italian): Great quality with supply increasing over the next few weeks.

Rapini: Quality is strong with good supply.

Red Cabbage: Supply is lighter. Quality remains consistent.

Snow Peas: Steady volume. Good quality.

Sugar Snap Peas: Steady volume. Good quality.

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 up significantly this past week, largely due to the USDA Farmers to Families Box Program being underway. Size profiles on all colors continue leaning toward heavier to larger sizes, which is expected to continue as the program continues for the next three months. White onion supply continues to tighten up in the Northwest, however Mexican white onions crossing through South Texas are beginning to take pressure off in markets where they have a logistical advantage. Shippers are beginning to experience higher than normal shrink levels as they move toward the final months of the storage crop, which could boost the market if demand picks up. Mexican yellow onions are crossing through South Texas in addition to white onions. This is normal for this time of year; however, it does not help the stagnant market. The market still has a good chance to finish strong with warmer weather and better food service demand around the corner, and hopefully with a more rampant circulation of the vaccine. We are also seeing relief on freight costs as well, as truck capacity has greatly improved this past week.

Potatoes:

The market remains stagnant on all sizes and grades of potatoes. Burbanks, Norkotahs, and White Russets are shipping full steam ahead and quality remains strong. Larger-size cartons remain less plentiful than smaller sizes, however this availability has improved this past week as well. Since the USDA Farmers to Families Box Program is well under way, consumer bags and small potatoes have begun to tighten up. There is optimism that with the program, the next three months will drastically help clean up product and help remove any surplus in the current market. However, with the increased demand on smaller potatoes, we are starting to see more cartons generated as byproduct across the board. Foodservice demand is slowly picking up and helping to clean inventory up, but it is still not where it would typically be this time of year. The market needs foodservice to increase to normal levels to help the market finish strong. We do anticipate that will happen as we get into warmer weather in the coming months and should see the vaccine continue to circulate. Other russet growing regions will finish shipping in the coming months, so there should be less overall supply on the market. This will help increase FOB pricing as well. Truck capacity has drastically improved this past week, and we are seeing rates come back to where they should be for Q1. Railcar availability has improved as well.

TOMATOES

East Coast

- **Rounds: WATCH LIST** Florida supply continues to improve as growers are seeing a normal daily harvest. We are seeing a shift in sizing as growers are in the crown pick. Lighter supply on smaller fruit this week should improve over the next week. Quality is outstanding.
- **Romas: WATCH LIST** Florida supply is steady this week. Quality is outstanding.
- **Grape Tomatoes: WATCH LIST** Supply is improving this week and quality is very nice. Steady supply is expected over the next week.

- **Cherry Tomatoes:** **ESCALATED** Supply remains lighter than normal but is expected to improve over the next week. Quality is good.
- **Organic Tomatoes:** Extremely light supply available this week and quality is marginal.

Mexico

- **Rounds:** Promotable volume crossing through McAllen and Nogales. Quality is outstanding.
- **Romas:** Promotable volume crossing through McAllen and Nogales. Quality is outstanding.
- **Grape Tomatoes:** Increasing volume and good quality available out of McAllen and Nogales.
- **Cherry Tomatoes:** **WATCH LIST** Supply remains lighter than normal crossing through McAllen and Nogales but is expected to improve over the next several weeks.

APPLES & PEARS

Apples: **EXTREME:** The Washington Apple community is reporting that the 2020-2021 crop is down this year by nearly 30 million cases for several reasons. At this time, we are also seeing deficits in other regions on a national level. This is due to weather related pressure, late summer and early fall in the Pacific Northwest, and unprecedented demand at retail. Please keep in mind, the USDA Food Box program, as well as other government backed programs, have reduced the overall availability on the fruit. This shortage is impacting the Granny Smith and Gala varieties, which are major food service items. Between the production shortages, which are weather related, unprecedented demand, and COVID-19 restrictions and closures, there will be a continued upward pressure on price. Please note that we are expecting pricing to remain higher until new crop begins sometime in August 2021.

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

Stone Fruit: Supply limited on Chilean Peaches, Plums and Nectarines due to shipping delays on vessels arriving in Philly and Los Angeles.

Kiwi Fruit: Steady supply available on both coasts. Californian and Italian Haywards are available.