

Weekly Market Review

March 4, 2021

Overview

Growing weather has been ideal and most commodities continue having good quality and volume. We do not anticipate any changes through next week if the weather continues. Overall quality remains very good. Corn out of Florida seems to be improving but could get short at the end of the month again as Homestead finishes up. 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.

Market Alert

- Apples – **EXTREME**
- Bananas – **ACT OF GOD/FORCE MAJEURE**
- Cauliflower – **ESCALATED**
- Garlic – **EXTREME**
- Ginger – **EXTREME**
- Limes – **EXTREME**
- Pickles – **EXTREME**

WATCH LIST

- Raspberries & Blackberries in California
- Transportation

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 3/4	Fri 3/5	Sat 3/6	Sun 3/7	Mon 3/8	Tue 3/9	Wed 3/10
61° 45°F	66° 48°F	58° 45°F	61° 46°F	62° 46°F	59° 44°F	59° 44°F
						
Sunny	Mostly Sunny	Showers	Partly Cloudy	Mostly Sunny	Mostly Sunny/Wind	Showers

YUMA, AZ:

Thu 3/4	Fri 3/5	Sat 3/6	Sun 3/7	Mon 3/8	Tue 3/9	Wed 3/10
74° 50°F	83° 53°F	82° 52°F	77° 53°F	76° 51°F	73° 49°F	71° 49°F
						
Mostly Sunny	Sunny	Sunny	Mostly Sunny	Partly Cloudy	Mostly Sunny	Mostly Sunny

IMMOKALEE, FL

Thu 3/4	Fri 3/5	Sat 3/6	Sun 3/7	Mon 3/8	Tue 3/9	Wed 3/10
78° 51°F	84° 58°F	76° 55°F	77° 53°F	79° 58°F	81° 58°F	84° 59°F
						
Sunny	Mostly Sunny	Thunderstorms	Mostly Sunny	Mostly Sunny	Partly Cloudy	Partly Cloudy

HERMOSILLO, MX

Thu 3/4	Fri 3/5	Sat 3/6	Sun 3/7	Mon 3/8	Tue 3/9	Wed 3/10
82° 51°F	90° 53°F	87° 52°F	87° 55°F	87° 57°F	84° 53°F	80° 49°F
						
Partly Cloudy	Mostly Sunny	Mostly Cloudy	Mostly Sunny	Mostly Cloudy	Mostly Cloudy	Partly Cloudy

CULIACAN, MX:

Thu 3/4	Fri 3/5	Sat 3/6	Sun 3/7	Mon 3/8	Tue 3/9	Wed 3/10
94° 57°F	93° 55°F	93° 56°F	90° 55°F	93° 56°F	95° 57°F	94° 56°F
						
Partly Cloudy	Partly Cloudy	Partly Cloudy	Mostly Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

Good Buys

Commodity	Market Update	Produce Expert Tip
Cilantro	Volume will be plentiful this week. Quality is good.	A super simple way to freeze cilantro for later is to stash in a zip-top freezer bag. To do this, wash your cilantro and pat dry with a clean dishtowel. Place the sprigs in resealable bags and toss in the freezer, then you're done!
Corn	Corn prices have lowered with decent supply available; this is expected to turn by the end of the month as Homestead finishes up for the season. We will be transitioning to new growing regions that were affected by cold weather earlier in the year. Yields are yet to be determined however we expect supply to tighten back up. In Nogales, better numbers are crossing on bi, yellow, and white corn.	To ensure your corn remains as fresh as possible, place fresh corn on the cob with the husk in place in a plastic freezer bag. Seal bag, removing excess air. Use a marker to place a label and date on the bag. Store in freezer for up to 4 months.

Fruits & Vegetables

Avocados: Volume will tighten up, pushing FOB prices slightly higher as we see lighter numbers crossing from Mexico. We will continue to observe the spring crop, which may have some loss due to freezing temps in the region last month. Volume continues to increase out of California. 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 are picking back up. Quality is excellent.

Grapes: Red volume continues to increase. Green grape market is elevated slightly. Availability will be lower until the MX season starts.

Berries

Strawberries: With the much-improved weather in CA and Florida, supply has increased on strawberries and the market has eased up. Quality is very good out of both areas. We expect the market to remain steady and strengthen as we head into Easter in a few weeks.

Blueberries: Mexican production continues to be stable. Volume from Baja will see a slight increase. The Florida season is starting with low volumes. Good overall quality.

Blackberries: **WATCH LIST** Supply is improving after the cool weather events, although it has not increased as expected. We are anticipating steady supply at below average levels but look for volume to increase towards the second half of the month.

Raspberries: **WATCH LIST** Light volume will continue through next week but we anticipate a slight increase in volume towards the middle of the month. Quality is good.

California / Arizona Citrus

Navels: Taste and quality are great. Small sizes remain moderately tight.

Lemons: Minimal issues with quality. Peak sizes are 140/115/165ct.

Limes: **EXTREME** The lime market remains firm as availability of small fruit has become limited, pushing our growers to secure additional fruit at market. Quality and rain-related issues have impacted the older crops, which is where the current fruit is being harvested. Political issues are also impacting the supply routes through Mexico; we may see this impact for the next several weeks. Should there be any unexpected shorts, lemons are a temporary substitute.

Grapefruit: Texas grapefruit has ended abruptly due to the freezing temperatures. California grapefruit will be available mid-week and small volume this week as Central Valley ramps up harvesting. This is a very early start for some California growers. Some blocks are not ready, however the heat this week will help things along. Fruit is peaking on the smaller sizes (40/48/56s).

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.
- Gold Nuggets – Loading this week.

West Coast Lettuce

Butter: Steady volume and quality.

Green Leaf: Good volume and quality.

Red Leaf: Good volume and excellent quality.

Romaine & Romaine Hearts Good volume and quality.

Iceberg Lettuce: Good volume and quality.

Eastern and Western Vegetables

Green Bell Pepper: 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: Promotable volume available out of Central Mexico. Quality is outstanding.

Yellow Bell Pepper: Promotable volume available out of Central Mexico. Quality is outstanding.

Mini Sweet Pepper: Excellent supply and quality crossing through Nogales.

Mixed Chili Pepper: Supply remains firm in the east on Jalapeños, Long Hots, Cubanelles and Hungarians while volume and quality are outstanding from Mexico crossing through McAllen and Nogales on key items: Jalapeno, Tomatillo, Anaheim, Serrano and Poblano. Red Fresno supply remains limited.

Eggplant: Below normal supply expected out of Florida as the transition to newer blocks is underway. Mexican crossings are lighter this week due to cooler weather. This should improve over the next week as warmer temps settle back in over the region.

Cucumbers: Improving volume from Honduras, loading in Miami, and local crops ramping up have brought FOB prices down this week. Mexican crossings have improved. Quality overall is outstanding.

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

Pickles: **EXTREME** Market remains extremely light from Mexico due to rain-related bloom drop and will be short for the next several weeks.

Green Beans: Volume domestically has improved. 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: Markets in Florida have firmed up a bit as supply as tightened. Good volume crossing from Mexico. Quality is outstanding on zucchini however we are seeing more scarring on the yellow.

Herbs

Basil: Supply has gotten a little tight due to cooler weather the past two weeks.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Steady	USA
Basil	Steady	Steady	MEXICO
Opal Basil	Limited	Marginal	MEXICO
Thai Basil	Steady	Marginal	USA/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	Limited	Marginal	USA
Sorrel	Steady	Steady	USA
Tarragon	Limited	Steady	MEXICO
Thyme	Steady	Steady	USA/MEXICO
Lemon Thyme	Steady	Steady	USA
Lavender	Steady	Steady	USA
Lime Leaves	Steady	Steady	USA

Melons

Cantaloupe: Cantaloupe production has started to increase, but the market remains very firm due to strong retail promotions, increased foodservice business, and great weather conditions across the country. Retailers who have struggled are anxious to increase their numbers due to limited production this season. We anticipate these promotions to continue through March and April, which should assist in keeping the cantaloupe market stable. Pricing should begin to settle in the near-term but overall demand continues to outweigh supply.

Honeydew: Honeydew supply from Guatemala and Honduras has dropped during the transition period. Both countries have seen a dramatic shift in sizing towards smaller sizes (8ct), leaving larger dewes very close to a demand exceeds supply situation. Quality has improved significantly over the past few weeks with clean external quality and solid brix levels.

Watermelon: Improving supply this week crossing through Nogales and Texas while offshore arrivals were steady. Quality is good.

Mixed Vegetables

Artichokes: Quality is excellent. They are showing a little purple color near the base but are free of any frost damage. We expect fair volume to continue through the month of February. Prices are steady.

Arugula: Supply and quality are good. We may see some discoloration due to weather.

Asparagus: Good supply continues with very good quality.

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

Broccoli/Broccoli Florets: Supply and quality are very good.

Brussels Sprouts: Good supply and very good quality.

Carrots: Good availability on all packs with very good quality.

Cauliflower: **ESCALATED** Lighter this week due to cooler growing conditions. Quality is good. Cauliflower florets' prices are escalated.

Celery: Supply and quality are good. Market is steady this week.

Corn: Corn prices have lowered with decent supply available. This is expected to turn by the end of the month as Homestead finishes up for the season. We will be transitioning to new growing regions that were affected by cold weather earlier in the year. Yields are yet to be determined however we expect supply to tighten back up. In Nogales, better numbers are crossing on bi, yellow, and white corn.

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

Fennel: We will continue to have good supply on fennel for the next couple weeks. 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 and quality are good.

Green Onions: Supply and quality are good this week. The market is steady.

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: Good quality and supply.

Parsley (Curly, Italian): Great quality with good supply.

Rapini: Strong quality 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. We may see some discoloration due to weather.

Spinach (Baby): Supply and quality are good. We may see some discoloration due to weather.

Spring Mix: Supply and quality are good. We may see some discoloration due to weather.

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 begins to increase in the Northwest. Size profiles on all colors lean toward heavier to larger sizes, which will continue as the USDA Farmers to Families program continues for the next two months. Mediums and prepacks in the Northwest have significantly tightened up. White onion supply continues to tighten up in the Northwest, while Mexican white and yellow onions crossing through South Texas are plentiful. The country is beginning to surpass the weather challenges that have hampered demand for the last several weeks. We are seeing orders picking up, and trucks getting back on the road. The focus in the onion world remains on the effects of the freezing temperatures that both McAllen and Uvalde experienced last week. Texas growers are concerned as onions can withstand low temperatures for a short

period of time, but any prolonged freeze will negatively impact both the bulb and plant. The effects will likely be unknown for several weeks, but there will be some level of damage. One concern is that onions that look okay upon drying out, but face challenges with bacteria and disease causing them to break down. If that does happen, we will see a big spike in pricing around late March. The Northwest crop is beginning to wind down, and we should start seeing shippers finish up in the coming weeks. With several states fully reopening, and many others increasing indoor dining capacity, demand has begun to improve. Warmer temperatures remain on the horizon, which should help increase demand. Truck capacity remains the biggest challenge, which the entire industry is anticipating to improve. We are seeing a small supply of available equipment in the Northwest.

Potatoes:

The market remains stagnant on all sizes and grades of potatoes. Burbanks, Norkotahs, and White Russets are shipping full steam ahead. Quality currently remains strong on all varieties. Larger-size cartons have been more plentiful than in recent weeks, as the heightened demand on small potatoes for the Box Program is causing large counts to pile up. There are predictions that the program will continue to help keep small-sized potatoes cleaned up over the next three months, which should help the overall market. Demand improved this past week, and we anticipate this to continue. With the announcement that several states are reopening full steam ahead, and many others raising the capacity for indoor dining, things are beginning to pick up all over. With warmer temperatures on the horizon as well, we expect demand to continue increasing as we move toward spring and summer. Other russet growing regions will finish shipping in the coming months, so there will be less overall supply in the market. This will help increase FOB pricing as well. Truck capacity remains the biggest challenge, which the entire industry anticipates to improve. We are seeing a small supply of available equipment in the Northwest.

TOMATOES

East Coast

- **Rounds:** Florida supply is steady this week. Quality is outstanding.
- **Romas:** Florida supply is steady this week. Quality is outstanding.
- **Grape Tomatoes:** Florida supply is steady this week. Quality is outstanding.
- **Cherry Tomatoes:** Florida supply is steady this week. Quality is outstanding.
- **Organic Tomatoes:** Supply and quality improving.

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:** Excellent volume and good quality available out of McAllen and Nogales.
- **Cherry Tomatoes:** Supply improving out of Mexico and quality is very nice.

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 improving on Chilean Peaches, Plums and Nectarines that will load in Philly as well as Los Angeles.

Cherries: Limited supply available on red cherries from Chile.

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