

Weekly Market Review

February 15, 2018

Overview

Lettuce, romaine and leaf items are steady and quality is good. Lemons and oranges are in very **EXTREME** markets, and we are seeing limes in an **ESCALATED** market. Strawberry and raspberry supplies are good with favorable, steady prices and quality.

Market Alert

- Avocados – **ESCALATED** (LARGE FRUIT ONLY)
- Bananas – **ESCALATED**
- Lemons – **EXTREME**
- Limes – **ESCALATED**
- Mushrooms – **ESCALATED**
- Oranges – **EXTREME**

Watch List

Pineapples: Several weeks of cooler temperatures have impacted the growing areas in Guatemala and Mexico. In addition, we have seen major flooding in Costa Rica which has not only caused major flooding and delayed harvesting, but has also affected infrastructure that has delayed shipments. Our growers are seeing lower yields, quality, and volumes. We will be watching day to day as shortages can come along any time.

Transportation – EXTREME

Transportation is extremely tight and rates continue to increase as rollout day for e-log approaches when truck drivers will electronically log their hours of service. We are seeing an extreme shortage of drivers in the West due to federal regulations regarding non-citizen drivers not being permitted to drive loads that originate in the United States. We are seeing rate increase requests across the region.

Weather

SOUTHEAST: The forecast calls for very warm temps through next week with a mostly sunny and summer-like forecast.

Thu 02/15	Fri 02/16	Sat 02/17	Sun 02/18	Mon 02/19	Tue 02/20	Wed 02/21
87° 60°	86° 59°	89° 61°	90° 63°	87° 65°	89° 67°	88° 65°
						
Partly Cloudy	Partly Cloudy	Clear	Clear	Clear	Clear	Partly Cloudy

HERMOSILLO: Mild temperatures will be in the forecast with a mix of clouds and a slight chance of rain through the week.

Thu 02/15	Fri 02/16	Sat 02/17	Sun 02/18	Mon 02/19	Tue 02/20	Wed 02/21
80° 59°	74° 56°	80° 55°	80° 55°	74° 49°	73° 46°	77° 48°
						
Overcast	Chance of Rain	Partly Cloudy	Partly Cloudy	Partly Cloudy	Clear	Clear

CULIACAN: A mixed forecast is projected for next week with very warm daytime highs and mild overnight lows.

Thu 02/15	Fri 02/16	Sat 02/17	Sun 02/18	Mon 02/19	Tue 02/20	Wed 02/21
96° 66°	97° 61°	96° 60°	93° 58°	84° 58°	84° 55°	91° 57°
						
Clear	Partly Cloudy	Clear	Clear	Clear	Chance of Rain	Clear

YUMA: The forecast calls for a mix of clouds and sunshine through next week with highs in the 70's and lows in the upper 40's and 50's.

Thu 02/15	Fri 02/16	Sat 02/17	Sun 02/18	Mon 02/19	Tue 02/20	Wed 02/21
72° 53°	74° 48°	77° 50°	78° 52°	70° 45°	68° 45°	71° 47°
						
Mostly Cloudy	Partly Cloudy	Clear	Partly Cloudy	Clear	Clear	Clear

Good Buys

Roma Tomatoes!

What is your favorite tomato application? Is it tossing cherries into a simple salad? Slicing heirlooms for sandwiches? Or is it looking for the best bunch to can with? Either way, knowing which tomatoes favor certain recipes and applications is not just helpful, but essential.

If you chose the third option above, we highly suggest this week's good buy: roma tomatoes! Romas are currently showing outstanding quality across the board and have definitely earned the spotlight! They are prized for their work in creating decadent homemade tomato pastes and sauces and are a prime candidate for canning.

With their slender shape, low water content, and firm texture, this type of tomato is built for slicing. It is not very juicy and has thick, dry skin that is perfect for cooking down into a thick sauce. Plus, cooking intensifies the taste and they are among varieties that have the best off-season flavor during these cold, winter months!

While there's plenty of debate on where to store untouched tomatoes, *cut tomatoes* should absolutely be stored in the fridge for food safety purposes. Cut tomatoes are more susceptible to spoilage and are magnets for bacteria when left out of the fridge. Take our advice and play it safe by keeping them cold!

Fruits & Vegetables

Avocados: ESCALATED LARGE FRUIT ONLY Overall volume should remain consistent; however, there has been a shift to smaller-sized fruit supplies which is drawing a premium in the fields for large fruit. We will also see continued production out of California which is keeping the general market and volume stable. Promotional volume is still available on small sized fruit.

Bananas: ESCALATED Demand on this item remains firm, and as we've recently noted, quality is going to be inconsistent and supplies could be interrupted from the major weather issues that impacted the growing regions in Guatemala, Mexico and Costa Rica. This only further complicates an already short banana market across the country due to virus impacts. We expect fruit to be greener than average for the next several weeks until inventories rebalance with riper fruit becoming available. We ask for your patience and understanding during this time as fruit will certainly be greener and might need to be stored on site to further ripen.

Pineapples: WATCHLIST Demand remains firm; quality is going to be inconsistent and supplies could be interrupted as major weather issues have impacted the growing regions in Guatemala, Mexico and Costa Rica.

Grapes: Good quality continues on the offshore programs, markets are down as demand is lighter than expected. Offshore varieties available out of Chile and Peru, and Sugaone, Falmes, Crimsons and Globes are available through Los Angeles, Philadelphia and New York. FOB port prices are in the mid to upper 20's on large fruit with deals being made on medium sized fruit. We are seeing some quality issues and shatter in the crimson varieties.

Kiwi: California supplies are tighter this week, but quality is good. Lighter supplies are also expected on Italian fruit coming through the East Coast. Market are firming up.

Berries

Blueberries: Availability and quality are good.

Blackberries: Volume and quality are good.

Raspberries: Volume has improved, and quality is good.

Strawberries: The market is good, we are seeing steady prices and quality is good to fair.

California / Arizona Citrus

Demand exceeds supply on oranges, The Q1 navel crop is expected to be down 30% on 113S and 50% on 138S compared to this time last year. Lemons remain tight as well.

Navels/Valencia's: EXTREME We are still seeing a shortage in supply as well as very high prices.

Lemons: EXTREME This is a very active market, prices are very high. Quality is good.

Limes: ESCALATED This market is active. Due to the recent rain, we have seen another rise in price as well as tighter supplies. Expect supplies to get tighter through April.

Grapefruit: Texas grapefruit is available. Florida Star Ruby/Red is available. California Star Ruby are available.

Specialties:

- Minneola Tangelos are ready (organics available).
- Red Clementine (Ruby Tango) are available starting this week.
- Domestic Blood oranges and Cara Caras are available showing good quality.
- New Zealand Meyers are available.
- Halos, Cuties and other mandarins are available.
- Pummelos are available.

California Lettuce

Butter: Prices are stable. Quality is good.

Green and Red Leaf: Quality is good. Prices are good.

Iceberg Lettuce: Quality is nice, and the market is low. Demand is lighter than normal.

Romaine: Quality and supplies are good. Weather may become an issue in the next weeks, but we will be sure to keep you posted.

Romaine Hearts: Supplies are normal and quality is good.

Eastern and Western Vegetables

Green Bell Pepper: Supplies are improving out of South Florida and will continue to do so as the weather cooperates. Sizing will be on the larger sizes for the next 7 to 10 days, smaller sized fruit and choice grades will be limited. Out of the west, supplies and quality are very good.

Red Bell Pepper: Supplies are now shipping primarily through Nogales and markets are down. Quality is outstanding.

Yellow Pepper: Supplies are unchanged loading through Nogales. FOB prices are mostly unchanged as well.

Mini Sweet Pepper: Markets remain mixed by region. Good supplies are available in the west; however, crops in the East have been damaged by Irma.

Eggplant: Supplies are still on the lighter side this week out of Florida, quality is looking much better and markets are mostly unchanged. On the plus side, excellent supplies are coming out of Nogales and western quotes are unchanged this week. Promotable volume is available.

English Cucumber: There are excellent supplies crossing through Nogales and McAllen.

Cucumbers: Good offshore supplies are available out of Florida; though East Coast domestic supplies are limited. The markets are mostly unchanged. Supplies are unchanged and are plentiful out of Nogales and McAllen. Pole cucumber quality out of the shade houses in Mexico are gorgeous, showing dark green fruit with very little blemish or defect.

Green Beans: Supplies and quality are improving. Fob prices are down this week through Florida. Supplies crossing through Nogales remain favorable with excellent quality and promotable pricing available. Expect this market to turn over in the next 7-10 days.

Zucchini and Yellow Squash: Supplies in the East are slow to improve; demand is down, but the quality is good. Import volume out of Mexico is very good; however, we are seeing ongoing quality issues with yellow squash due to heavy scarring. Good supplies and good quality are available on zucchini. Markets are unchanged this week and good quality is drawing a premium.

Herbs

Supplies of fresh herbs are improving.

OPAL BASIL, LAVANDER and SAVORY: The market is a bit active, and supply is average.

TARRAGON: Supplies have tightened a little but supply remains steady.

MINT: Product for the most part has recovered, showing improved quality.

HERB	SUPPLIES	QUALITY	COUNTRY OF ORIGIN
Arugula	Light	Fair	USA
Basil	Improving	Good	USA/MEXICO
Opal Basil	Limited	Good	USA/MEXICO
Thai Basil	Good	Good	USA/MEXICO
Bay Leaves	Good	Good	COLUMBIA
Chervil	Good	Good	USA
Chives	Good	Good	USA/MEXICO
Cilantro	Light	Good	USA
Dill	Good	Good	USA/MEXICO
Episode	Good	Good	MEXICO
Lemongrass	Good	Good	USA

Marjoram	Limited	Good	USA
Mint	Limited	Good	USA
Oregano	Good	Good	USA
Italian Parsley	Good	Good	USA
Rosemary	Limited	Good	USA
Sage	Limited	Good	USA/MEXICO
Savory	Limited	Good	USA
Sorrel	Good	Good	USA
Tarragon	Good	Good	MEXICO
Thyme	Limited	Good	USA
Lemon Thyme	Good	Good	USA
Lavender	Limited	Good	USA
Lime Leaves	Good	Good	USA
Hora Santa	Good	Good	USA

Melons

Cantaloupe: Production remains favorable; however, 12's and 15's are becoming scarce and drawing a premium. Larger-sized fruit is where the volume will be over the next few weeks. Median Brix levels are 12-13% and peaking at 15%.

Honeydew: The honeydew market has remained very steady as we transition from Guatemala to Honduras. We anticipate the market to remain steady over the next 7-10 days. Quality of the fruit has been clean and sizing has been primarily 5/6s. Brix are averaging 11-12%.

Watermelon: Seedless watermelon supplies are tightening up due to lighter Mexican crossing. However, quality is very good.

Mixed Vegetables

Artichokes: Steady market with higher prices. Quality is good.

Arugula: Product is available and quality is good.

Asparagus: Supplies, quality, and prices are looking good.

Bok Choy: Quality is average and we are seeing some higher quotes on WGA cartons.

Broccoli / Broccoli Florets: Supplies are good, quality is very good, and the market is down.

Brussels Sprouts: Supplies are good and prices are down. Quality is good.

Carrots: We are seeing both good quality and volume.

Cauliflower: Supplies are great and quality is excellent with a wide range of pricing.

Celery: This market is steady, both quality and price are good.

Corn: Promotional volume is available on sweet corn. Markets are down this week out of South Florida and we are seeing moderate crossing through Nogales. Quality is good.

Cilantro: Supplies are good and quality is improving.

Fennel: Supplies for the week will be good and quality is good.

Garlic: EXTREME We are about 50% done with the 2017 crop. Supplies will remain tight between now and July. Prices remain high.

Ginger: Chinese ginger markets are mixed, but quality is good. Also, product is available at higher costs from Brazil, Costa Rica and Honduras and Peru with no major quality issues being reported.

Green Cabbage: Supplies have tightened and markets have firmed in the East. We are seeing improving volume and lower FOB prices in the West, and quality remains favorable.

Green Onions: Prices have come down; quality has improved.

JICAMA: Prices are firming up and inventories are lighter. We are seeing some quality and shelf life issues in storage product.

Kale (Green): Quality is improving. Supplies are good.

Mache: Availability is adequate.

Mushrooms: ESCALATED Mushroom growers are still recovering from the severe damage in the South and Southeast, as well as Puerto Rico. Hurricane Harvey and Irma have resulted in a tightening market, and the American Mushroom Institute has said it expects supply to be affected for several months. We are starting to see some improvement of supply and will keep you informed of any changes.

Napa: Supplies are steady and quality is good in the West. Very light supplies will continue in the East.

Parsley: (Curly, Italian) Quality and supplies are good.

Rapini: Supplies have improved and markets are down. Quality has improved.

Radishes: Quality is good and supply is slowing down. Expect to see stronger markets through the summer.

Red Cabbage: Quality and sizing have been great showing good color. The market remains firm in the East as well as Texas. West Coast volume is improving.

Snow and Sugar Snap Peas: Snow and sugar snap peas supplies are improving through Miami.

Spinach (Bunched): Supplies are available and quality is good.

Spinach (Baby): Baby and clipped spinach supplies are good and showing good quality.

Spring Mix: Supplies and quality are good.

Onions:

Overall sluggish demand has put a downward pressure on all colors of the onion market. The transportation issues over the last several months turned an overall shortage into a surplus. Washington reported shipping over 1800 more loads year over year, but Idaho has significantly less shipments. Mexico is crossing yellows and whites and they will continue to ramp up their volume, while Texas is about 5-6 weeks away. It is likely we will see this market on all colors weaken as Mexico ramps up in volume and growers feel the pressure to move supplies due to warmer temperatures in the northwest.

Potatoes:

The demand on consumer packs and cartons is fair. Some shippers are reporting good bale business, but in general, demand is fair. We have seen lower prices the past week on both cartons and consumer packs, with deals on smaller cartons. The rail situation is better, however the rates for the month of February have been increased to most receiving areas, and in some cases, the same as truck rates. The truck transportation has gotten much better and the rates have gotten competitive again. We have not heard of any major quality issues at this time.

TOMATOES - EAST

- **Rounds:** Quality is excellent out of South Florida. FOB prices are unchanged this week. We are seeing some quality issues but they should be resolved soon.
- **Romas:** Quality is excellent out of South Florida. FOB prices are up slightly due to normal crop transitions; however, quality is outstanding.
- **Grapes:** Quality and production are excellent out of South Florida. FOB prices are unchanged and quality is outstanding.
- **Cherries:** Quality and production are excellent out of South Florida. FOB prices are unchanged and quality is outstanding.

TOMATOES - WEST AND MEXICO

- **Rounds:** Excellent volume out of Culiacan crossing through Nogales and McAllen. FOB prices are unchanged and quality is outstanding.
- **Romas:** Excellent volume out of Culiacan crossing through Nogales and McAllen. FOB prices are unchanged and quality is outstanding.
- **Grapes:** Excellent volume out of Culiacan crossing through Nogales and McAllen. FOB prices are unchanged and quality is outstanding.
- **Cherries:** Excellent volume out of Culiacan crossing through Nogales and McAllen. FOB prices are unchanged and quality is outstanding.

APPLES & PEARS

Apples: PROMOTIONAL VOLUME AVAILABLE ON FOOD SERVICE/SMALL SIZED FRUIT New crop now available we are seeing the pressure on the market decrease and shortages diminish. Excellent quality available on all varieties; however, we are seeing less production of Golden Delicious as the trees are being pulled and replaced with more favorable varieties. Please make note that volume orders on food service grade apples must be pre-booked to ensure they are not packed with PLU stickers.

Pears: Bosc, Bartlett and D'Anjou are available out of Yakima and Wenatchee Districts.