

Weekly Market Review



Fresh Is Everything

November 29, 2018

Overview

Market disruptions from the CDC Romaine advisory along with the winter growing season experiencing cooler than normal temperatures have caused many items to be in very **EXTREME** markets. **Broccoli, cauliflower, iceberg, green leaf, spring mix, arugula, and spinach** crops have slowed down with higher demand. The fields are experiencing lower yields, lighter weights, and poor quality. Overall available volumes/yields are expected to be lower over the next couple of weeks with anticipated higher prices. **Romas** are in an **ACT OF GOD**; however, limes are a good buy.

Market Alert

- Arugula – **EXTREME**
- Broccoli – **EXTREME**
- Cauliflower - **EXTREME**
- Celery - **EXTREME**
- Green Peppers – **ESCALATED**
- Lettuce (Romaine, Iceberg, Butter, Green and Red Leaf) – **EXTREME**
- Mushrooms – **ESCALATED**
- Spinach (Baby & Clip) – **EXTREME**
- Spring Mix – **EXTREME**
- Sugar Snap Peas – **EXTREME**
- Tomatoes (Romas) – **ACT OF GOD/ FORCE MAJUERE**

Watch List

- Mixed Chili Pepper (Jalapeno, Anaheim, Poblano, Serrano)
- Snow Peas
- Sweet Potatoes and Yams

Transportation - EXTREME

Freight rates are elevated and trucks are still tight. They are expected to remain this way through the end of the year.

Fruits & Vegetables

Avocados: Avocado volume continues to increase and is expected to be back in normal ripening cycles by the end of this week.

Bananas: Banana issues have been reported with a higher frequency over the last week due to some recent adverse growing conditions in the tropics.

Pineapples: Pineapple supply remains stable and sizing remains strong on the larger 5/6 sizes.

Grapes: Grape supplies expected to be available through January.

Kiwi: Good supplies available on Chilean product.

Berries

Blueberries: Blueberry supplies are down and supplies are tight. Low volumes are expected for the next few weeks; but quality is good.

Blackberries: Blackberry production has slowed down. Hurricane Willa is creating a disturbance and is anticipated to be followed by a tropical storm. Supplies are expected to be tight prices are trending higher through late November.

Raspberries: Raspberry volume will remain stable into November.

Strawberries: Supplies are extremely short due to weather and transition, and quality is average. Florida strawberries will be starting in the next few weeks.

California / Arizona Citrus

Navels: Navels are now in full production. Quality is excellent, and supplies will be available out of Yuma next week.

Lemons: Lemons are about to experience some difficulties. Our lemon growers have gone through the first round of picks and it seems that there are lots of small fruit on the trees and picking will need to slow down to encourage growth. This will impact availability for the time being. On the plus side, Meyer lemons are plentiful right now, making for a perfect substitute in the meantime.

Limes: Quality is good and prices remain fairly low in the market.

Grapefruit: CA grapefruit will get started towards the end of November. TX and FL grapefruit is currently available.

California Lettuce

To receive the most updated information on Romaine lettuce, we advise following the CDC and FDA issued advisories summarized here:

<https://www.cdc.gov/ecoli/2018/o157h7-11-18/index.html>

<https://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm626716.htm>

Butter: **EXTREME** Quality is fair with limited supplies.

Green Leaf: **EXTREME** Quality is good with limited supplies. Product is small, due to cold weather.

Red Leaf: **EXTREME** Supplies are tight, demand is good, and quality is fair.

Iceberg Lettuce: **EXTREME** Supplies continue to be lower than normal. Demand continues to be above normal due to the shortage of other items. Quality is good; however, we are expecting active markets.

Romaine: **EXTREME** Quality and supplies are both fair, but demand is good.

Romaine Hearts: **EXTREME** Supplies are lighter than normal and quality is fair, but demand is good.

Eastern and Western Vegetables

Green Bell Pepper: **ESCALATED** Bell peppers are extremely short throughout the country this week. Expect volume to begin ramping back up out of McAllen late next week. Culiacan and Los Mochis will also begin in a light way this weekend. We are expecting a slight cooling trend in Eastern Mexico that has the potential to slow production down once again. We will need to watch daily.

Red Bell Pepper: Red pepper supplies out of Coachella and Baja remain snug this week and markets are high. Expect to see increasing numbers out of McAllen early next week. Culiacan is expected to start cleaning up in two weeks with good volume by Jan 1.

Yellow Pepper: Supplies are snug this week and prices have increased due to HH volume out of Canada decreasing daily. Quality is good and expect active markets through the middle of the month.

Mini Sweet Pepper: All mini peppers will be shipping out of Fresno and is very light at this time. They will pick back up in Mexico after Christmas, closer to New Year.

Mixed Chili Pepper (Jalapeno, Anaheim, Poblano, Serrano): **WATCH LIST** Chili peppers are tight across the country due to weather-related issues in all growing regions. Expect very high prices and very short supply due to lower yields, poor quality and disease.

Eggplant: Good volume crossing through Nogales and demand is strong. There enough fruit in GA and FL to continue to meet demand. GA's quality is not the best as these crops saw their share of weather during the growing cycle.

Cucumbers: Cucumbers are in abundance right now so the market price will continue to be low for a while. Quality is very good.

English Cucumbers: Good supplies are now available from Spain and Holland eliminating pro-rates as well as showing decreases in the market. We should continue to see improvements; new crop from Mexico is ramping up daily and quality is very nice.

Green Beans: Green bean supplies are back to normal this week with good supplies out of Florida.

Zucchini and Yellow Squash: With daytime highs only in the mid 70's and overnight lows in the 40's and 50's, transition has been a bit of a struggle. We are currently experiencing a supply GAP on yellow squash, but are working to refill supplies. As for zucchini, supplies are good through this week; however in Mexico, transition will begin from Hermosillo down Los Mochis this week and with cooler temps expected next week, we could see some delays that could spin the market around. We are monitoring closely for the next week in case of any unexpected delays.

Pumpkins: Steady supplies continue.

Herbs

TARRAGON, SAGE and ROSEMARY are the only herbs this week that are having issues. Weather and heavy demand have created a shortage on all three herbs and we are working hard to maintain the quality standards.

BASIL is starting to look strong this week and we confident that this will carry thru over the next several weeks. We'll keep you posted if there are any changes.

CHIVES are back to normal after the rains a few weeks back. Supplies look very steady as we head into December.

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

Melons

Cantaloupe: Offshore melons should see significant improvements by late next week.

Honeydew: Offshore melons should see significant improvements by late next week.

Watermelon: The seedless watermelon market is mixed due to lighter supply, mostly a result of heavy rain in Mexico. Demand remains good and quality is fair. Supplies are loading out of the San Joaquin and Nogales.

Mixed Vegetables

Artichokes: Quality is excellent, and demand is good.

Arugula: **EXTREME** Quality is fair due to cold weather preventing the product from sizing up.

Asparagus: Prices are steady but should increase after next week in preparation for Thanksgiving. Mexico had good volume and quality. Peru is slowing down and volume is light. Quality is good.

Bok Choy: Quality is average, and demand is fair.

Broccoli / Broccoli Florets: **EXTREME** Supplies are very light this week and will be in the upcoming weeks. Quality is good.

Brussels Sprouts: Brussels sprout supplies are plentiful and quality is great.

Carrots: We are seeing both good quality and volume.

Cauliflower: EXTREME Supplies remain tight, while the market is very active. Quality is good.

Celery: EXTREME With the Salinas growing season finished, Oxnard quality and supplies are very light. Total volumes are VERY light and the market will continue to stay high.

Corn: Florida corn is getting better with the transition.

Cilantro: Supplies are fair and quality is improving.

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

Garlic: The market is about 50% done with the 2017 crop. Supplies are steady and prices remain high on domestic product.

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 are improving and prices are trending downward.

Green Onions: Iced: Iced supplies are plentiful and volume from Northern Mexico has gradually increased over the past seven days. Market pricing is decreasing daily making it a perfect time to promote on menus. **Iceless:** Similar to iced, supplies have been increasing over the past seven days. Demand has slowed due to higher prices for the past ten days.

JICAMA: Markets remain firm due to ongoing short supplies and will continue to see some quality and shelf life issues.

Kale (Green): Quality is fair due to cold weather preventing the product from sizing up.

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: Demand, supply, and quality are all good.

Parsley: (Curly, Italian) Quality is fair, due to cold weather preventing the product from sizing up.

Rapini: Supplies have improved, and markets are steady. Quality has improved.

Radishes: Supplies are steady, and quality is good shipping through Arizona and Florida.

Red Cabbage: Supplies are improving and prices are trending downward.

Sugar Snap Peas: EXTREME Sugar snap peas will be EXTREMELY tight for the next 3+ weeks, this is going to affect the volumes available for Thanksgiving. Pricing will be higher and will be prorated by 50%.

Snow Peas: WATCH LIST Snow peas are coming in steadily, but there is not a lot of volume is available. Our teams are keeping an eye on this as pricing rises.

Spinach (Bunched): EXTREME Very limited supply and quality is fair, due to cold weather preventing the product from sizing up.

Spinach (Baby): EXTREME Very limited supply and quality is fair.

Spring Mix: EXTREME Very limited supply and quality is fair, due to cold weather preventing the product from sizing up.

Sweet Potatoes and Yams: WATCH LIST This market has spiked due to heavy damage in the Carolinas. Growers are currently assessing the damage, so it is still too soon to react. However, supplies are still good out of Mississippi. We are reviewing daily and will continue to keep you posted.

Onions:

The Northwest is finished with harvest. From here on out, we will be shipping exclusively out of storage. Quality is strong, and sizing and yields are very good. The onions have full skin and will have good shelf life. We are seeing a surplus of Colossal and Super Colossal in better supply, which has resulted in some reduced pricing on these items. Medium onions are on the tighter side due to the profile being heavy to larger onions. White onions have decreased in price as well with better supplies available. Reds remain very plentiful, and we have seen those markets settle out. There are straight load red deals available in Washington below USDA market price. Overall, the season appears to be leaning toward a more 'normal' year in terms of size, yield and quality. What was once expected to be a very large crop has reduced size in part to the heat wave that the Northwest has been experiencing over the last several weeks.

Potatoes:

Demand has increased on all cartons and pricing is starting to reflect that. While the Norkotah crop has been on the larger side, the Burbanks have been showing smaller sizes with very limited availability on large cartons. Quality has been excellent and transportation has been a challenge.

TOMATOES - EAST

- **Rounds:** Now that we've transitioned, tomatoes are getting better and volume should begin ramping back up soon.
- **Romas: ACT OF GOD/ FORCE MAJUERE** Very limited supply and an ACT OF GOD being enforced.
- **Grapes:** Now that we've transitioned, tomatoes are getting better and volume should begin ramping back up soon.
- **Cherries:** Supplies are tight and demand exceeds supply due to the overall condition on the tomato category. We expect conditions to improve by the second week of December
- **Organic Tomatoes:** Supplies are tight and demand exceeds supply due to the overall condition on the tomato category. We expect conditions to improve by the second week of December.

TOMATOES - WEST AND MEXICO

- **Rounds:** Now that we've transitioned, tomatoes are getting better and volume should begin ramping back up soon.
- **Romas: ACT OF GOD/ FORCE MAJUERE** There is very limited supply and an ACT OF GOD being enforced due to lower yields as a result of a deep freeze and other weather-related impacts that have killed off several fields and affected shade house production. We expect firm markets through the third week of December where we expect to see volume tick up as newer fields and shade house production ramp up out of Sinaloa.
- **Grapes:** Now that we've transitioned, tomatoes are getting better and volume should begin ramping back up soon.
- **Cherries:** Supply is hit and miss; demand exceeds supply. Quality is poor to fair at best.

APPLES & PEARS

Apples: There are great supplies of all apple varieties out of Washington, New York, California, Pennsylvania, Michigan. We are also seeing local product available throughout the US with a full range of sizes as well. Quality is at its best.

Pears: New crop Bartlett pears have started with good supply available especially on the larger (70's to 100's) sizes. New crops of Bosc and D 'Anjou pears are also now available.