



WEEKLY MARKET REVIEW

September 29, 2016

OVERVIEW

Avocados, garlic, tomatoes, and grapefruit are all light in supply and we are seeing high prices. The berry market seems to be back and forth. Lettuce, broccoli, and cauli remain in good supply!

MARKET ALERTS



AVOCADOS (EXTREME)



BRUSSEL SPROUTS



GARLIC



LEMONS (200 CT, QUALITY)



GRAPEFRUIT



TOMATOES

GOOD BUYS



FALL FRUITS & VEGETABLES

We are seeing pomegranates, cranberries, dragonfruit, and more!!!



BROCCOLI

Broccoli is a wonderful side dish for any fall meal!!! We love broccoli roasted with some olive oil and garlic!

TRANSPORTATION & WEATHER



Trucks are in adequate supply in most regions throughout the United States. Only the Northwest exhibits signs of tight availability.

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The four-day heat wave that began last weekend in Central California reached 101 in Salinas on Monday. Late-week temperatures have cooled significantly, with highs in the 60s. Marine layer overcast conditions have returned. This weekend will bring below-average temperatures to the San Joaquin Valley, with clear skies and highs in the 80s. Highs in Central Baja California will decline early next week into the 80s; and highs will be in the 90s in Northern Mainland Mexico. The highlands of Michoacan, located in the avocado growing region of Southern Mexico, will see highs in the 70s with daily thundershowers. Tropical Storm Matthew, currently in the Caribbean, will become a hurricane by this weekend, with the potential to track into Florida, Georgia, and South Carolina next week.

FRUITS & VEGETABLES



AVOCADOS EXTREME MARKET Industry supplies are still very light, although improving. We expect to see this market get better by mid-October.



BANANAS There is an unseasonably strong demand that has developed for growers in Central America, as supply has been disrupted from the Philippines.



BLUEBERRIES Blueberry supplies are a little better than they have been the last several weeks. Transfers from Chile and Central Mexico have begun to arrive earlier than expected. Although quantities continue to be low, a light uptrend in supplies is expected in the coming weeks, as volume from Chile and Central Mexico becomes our predominant source for blueberries. Order fill will improve in the coming weeks and that is our overall objective. Chilean blueberry quality is good to very good. Central Mexico blueberry quality is very good.



BLACKBERRIES Blackberry supplies continue to decrease as production transitions from the end of the US regions to the beginning of regions in Central Mexico. This transition will happen in the next three weeks, with low supplies continuing for that time frame. There was a slight impact to overall blackberry supplies due to the mentioned high temperatures, but with the arrival of cooler weather we should see harvest schedules get back to normal. Quality is good to very good.



RASPBERRIES Raspberry supplies are finally showing an upward trend. The high temperatures held back some fruit but plants are releasing now that temperatures have cooled. The weather forecast for the next two weeks calls for mild temperatures for all California regions. There is light rain forecasting for next week, and we will send an update if this materializes. There has been a slight increase in volume from all areas as plant performance improves and production gets back on schedule. Quality continues to be good to very good, with no sign that berries were affected by the warm temperatures.



STRAWBERRIES Strawberry production continues to decline in the northern regions. Volume was impacted by the extreme temperatures on Sunday, Monday, and Tuesday of this week. We are seeing production increase out of Santa Maria and begin out of Oxnard, but volume from these two growing regions will not compensate for the loss of volume from the northern regions; supplies will continue to decline in the coming weeks. Due to the high temperatures in the early part of this week, quality on orders shipped will be marginal.

CALIFORNIA-ARIZONA CITRUS



GRAPEFRUIT Grapefruit is done. Texas and Florida should start at the end of October. Expect very light supply, or potentially no supply, with very high prices.



LEMONS We are seeing short supply on 200's with high prices. Typically, at this time of year there is not a lot of big fruit available, and we find ourselves in short supply. We need to size down by at least one size and focus on 165's and 200's. This year, due to the rain this past winter and the favorable growing conditions, all we have is big fruit. We are seeing this market slowly improve and expect to see it get better in the next few weeks. Quality is improving and should be good by October.

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LIMES (PERSIAN) Quality is good. Prices are higher. The 110 & 150ct availability remains tighter than other sizes. Color and quality are very good at this time.



ORANGES Valencias are very tight, especially the 138ct. Navels will start around October 20th-26th.



PINEAPPLE Demand is good and prices are stable. Market is very active, however it is improving. Please book ahead of time, as product is tight. Due to rain and flooding, pineapple growers were unable to plant on schedule, causing a shortage in supply. We expect this to catch up in about six weeks.

CALIFORNIA LETTUCE



GREEN & RED LEAF Supplies on green leaf are normal. We are seeing the occasional fringe burn. Demand is normal for red leaf with good quality.



ICEBERG LETTUCE Expected to remain steady due to good weather and lower acres. Overall quality is good. The 100 degree weather could possibly affect the quality.



ROMAINE Supplies are great and demand is good. There have been some reports of insects and some fringe burn due to the heat.



ROMAINE HEARTS Supplies are plentiful!! Demand has slowed with quality remaining good.

EASTERN & WESTERN VEGETABLES



GREEN & RED BELL PEPPERS Late week rainfall is slowing the late season bell pepper harvest in Michigan. New crop green bells are now available in North & South Carolina; Georgia will begin in mid-October. Prices have firmed for green bell peppers in Central California districts, with increasing demand from Eastern buyers. Red bell peppers from Central & Southern California continue to be in good supply at favorable prices.



CUCUMBERS Good availability in the East and West (Georgia, North Carolina, Northern Mainland Mexico, Baja California).



ENGLISH CUCUMBERS Continued tight availability from growers in Eastern Canada. Steady availability from Central California coastal districts; Nogales shippers will not have consistent supply until early November.



GREEN BEANS Tight supplies and extreme market conditions in Central & Southern California. By comparison, better availability in the East (New York state).



ZUCCHINI & YELLOW SQUASH Zucchini is in plentiful supply in North Carolina and Georgia, while yellow squash is available at comparatively higher prices. Zucchini and yellow squash are currently available in numerous districts in the West, including Central California coastal districts, the Central San Joaquin Valley, Baja California, and Northern Mainland Mexico (Nogales).



ACORN, BUTTERNUT & SPAGHETTI SQUASH Steady availability from Northern Mainland Mexico on acorn; spaghetti and butternut are in tight supply.

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MANGOES Supply is abundant, prices are low, and quality is good.



MELONS

Cantaloupe: The cantaloupe market finally reacted at the end of last week and has been steadily increasing this week. California growers have moved on to late season fields with volumes seasonally declining. Arizona production is ready to begin and should be underway by this time next week. Barring poor weather, supply should not be an issue over the next few weeks, but markets should strengthen some as overall volume has lowered. Fall melons will lean heavily to the long shelf-life melon varieties, such as Caribbean Gold, which are more resistant to adverse weather conditions while still maintaining strong internal quality.

Honeydew: Honeydew volumes have remained steady but supply will begin to decrease as some growers finish their California season. Arizona and Nogales will begin to pick up production over the next few weeks.



WATERMELONS Quality is good and prices are at a “normal” point for this time of year.

HERBS



Supplies of fresh herbs are looking really good as we head into the end of September.

Cilantro: We are seeing much improvement in this market. Prices have come down and quality is good.

WEEKLY MARKET REVIEW

| HERBS | | | |
|-----------------|----------|---------|-------------------|
| HERB | SUPPLIES | QUALITY | COUNTRY OF ORIGIN |
| Arugula | Good | Good | USA |
| Basil | Good | Good | USA/MEXICO |
| Opal Basil | Good | Good | USA/MEXICO |
| Thai Basil | Good | Good | USA/MEXICO |
| Bay Leaves | Good | Good | COLUMBIA |
| Chervil | Good | Good | USA |
| Chives | Good | Good | USA/MEXICO |
| Cilantro | Good | Good | USA |
| Dill | Good | Good | USA/MEXICO |
| Episode | Good | Good | MEXICO |
| Lemongrass | Good | Good | USA |
| Marjoram | Steady | Good | USA |
| Mint | Good | Good | USA |
| Oregano | Good | Good | USA |
| Italian Parsley | Good | Good | USA |
| Rosemary | Limited | Good | USA |
| Sage | Good | Good | USA/MEXICO |
| Savory | Good | Good | USA |
| Sorrel | Good | Good | USA |
| Tarragon | Good | Good | MEXICO |
| Thyme | Good | Good | USA |
| Lemon Thyme | Good | Good | USA |
| Lavender | Good | Good | USA |
| Lime Leaves | Good | Good | USA |
| Hora Santa | Good | Good | USA |

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ARTICHOKES We expect good supplies of Artichokes this week. Supplies industry-wide have increased. Better volume is expected for the next few weeks. Demand is off a bit, typical for the summer. Prices are steady to lower on some sizes.



ARUGULA Supplies of both baby and wild arugula are good. Quality is fair but improving.



ASPARAGUS The market is stable and quality is good.



BOK CHOY Availability is good.



BROCCOLI Supplies are much lower this week. Prices are steady. Good green color and texture.



BRUSSEL SPROUTS The market is improving. Supplies are getting better. Quality is good, although there is occasional insect damage and discoloration.



CARROTS Great quality and good supply!



CAULIFLOWER Supplies are good. Quality is good with good weight, and white to creamy color.



CELERY Supplies are plentiful, with many growers in Salinas now. Quality is good and prices are low. Some light insect damage and light dirt in bottom of stalks.



CORN Midwest Sweet is still available but the prices have gone up and stabilized. Quality is still good but production will be finishing up over the next few weeks. New Crop Georgia Sweet Corn will be starting next week, with Florida to follow soon after. Colorado Corn is still available, finishing up in October.



FENNEL Supplies for the week will be good.



GARLIC California is currently harvesting their crops, however the CA crop is still very tight. We have more demand than we do supply. We expect this market to remain pretty tight, as we are simply not producing as much US garlic as the market demands. This market's future is currently up in the air. We will know more as Chinese garlic comes into play.



GINGER Chinese ginger is in good supply and is being offered at a substantial discount compared to the Ginger from Brazil.



GREEN CABBAGE Steady this week. Prices are climbing a bit; quality is good with some reports of insects.

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GREEN ONIONS The market is improving. We are still seeing a very high percentage of smalls being packed. Prices are moderate and supplies are getting better.



KALE (GREEN) Demand is steady and quality is very good.



MACHE Adequate availability.



NAPA Supplies are good. Demand is strong with lower prices. Quality is good, with increased reports of internal defects, primarily with seeders. Prices are high.



PARSLEY (CURLY, ITALIAN) Prices are normal and quality is excellent.



RADISHES Quality is good! Plentiful supply.



RED CABBAGE Quality and sizing has been great, with good color. Overall, the market is strong.



SNOW & SUGAR SNAP PEAS Snow and sugar snap peas are still in high demand. Quality is good.



BABY SPINACH Baby Spinach and Clipped Spinach supplies are light. Quality is fair to good. Prices are good. Some reports of insects.



BUNCHED SPINACH Supply is good and demand is strong. Quality has improved. We are still seeing some sun scalding and tip burn, but this has improved. There have been some reports of insects, but this is getting better.



ONIONS The onion market seems to have stabilized on all colors, and is expected to remain steady, as all supplies are coming out of the northwest. The size profiles are getting larger, so we are seeing better availability on all sizes. More growers in the northwest continue to start, but with the other regions finishing, supply and demand have leveled off. Growers will begin to fill their storages over the next several weeks and will also begin to ship railcars of onions when they get close to being dried out enough.



POTATOES (IDAHO) Growers are still exclusively shipping new crop Norkotahs at the moment. We will start seeing the first Burbanks being shipped next week in very small volumes. By the second week of October, there will be plenty of Burbanks shipping out. We are currently seeing supply exceed demand on larger size cartons, with good general availability across the board on all size count cartons. Consumer bag potatoes are in good demand and are exceeding supplies at the moment as growers are not generating very many A Sized and Non-A Sized potatoes.



TOMATOES

East:

- Rounds - Supplies in the east continue to remain light this week, due to ongoing production GAPS and shortfalls. Expect to see some relief in the next 5-10 days as production in Quincy, FL ramps up. FOB prices are mostly unchanged, quality continues to be a challenge due to weather-related pressures. We should expect to see some fall tomato production in 2-3 weeks.

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- Roma - Supplies have improved, however, we are still experiencing challenges with quality and color. Expect to see increases in volume over the next 14 days.
- Grapes – Supplies are improving and FOB prices are declining. Quality remains good.
- Cherries - Supplies are lighter this week and FOB prices are unchanged. Quality remains good.

West/Mexico:

Too early to evaluate damage caused by Hurricane Newton in the Baja or how that will affect fall tomato harvests.

- Rounds - Vine-ripe production has improved from Baja and Central Mexico. California mature green growers will continue to see some ongoing issues with quality and color week to week, due to weather-related impacts, as well as overall volume decreasing as the summer crop winds down.
- Romas - Supplies are improving out of Baja and California. No ongoing quality or color issues this week. FOB prices are down.
- Grapes – Supplies are improving and prices are falling.
- Cherries - FOB prices will remain high, quality is good.



TREE FRUIT

Grapes: The new crop harvest is underway in Mainland Mexico and the Coachella Valley of California. Flame seedless are in good supply, with tight availability for premium quality green seedless (Sugarone Variety) grapes.

Peaches: Light supply.

White Peaches: Light supply.

Nectarines: Limited availability.

White Nectarines: Limited availability.

Apricots: Limited supply.

Plums: Red and Black plums are in limited supply. The early season harvest is producing heavy to small sizes.

Cherries: The California season is done.

Kiwi: This market is steady; prices have come down.



WASHINGTON APPLES & PEARS

New York/East Coast

- overall crop is up slightly
- growing conditions have been favorable
- size profile unknown, possibly small to medium (due to the freeze in April)
- harvesting on schedule for mid to late August which is normal time

Michigan (26-28 million cases)

- overall crop up (possibly significantly)
- growing conditions very favorable
- size profile medium to large
- harvesting is on time, mid to late August

Washington (150 million cases)

- overall crop up significantly
- growing conditions extremely favorable
- harvesting in three weeks (about 3 weeks early)
- Foodservice type apples will, year over year, continue to be available but each time in less and less quantity. Smaller supply is going to cause higher demand which in turn drives costs up.

WEEKLY MARKET REVIEW

| COMMODITY | PRICE | EXPECTED PRICE TREND | QUALITY |
|---|------------------|----------------------|-----------|
| Avocados | | | |
| Avocados-California | | | |
| Avocados-Mexican | HIGH | Varies by Size | Good |
| Berries | | | |
| Blackberries | Moderate | Steady | Good |
| Blueberries | Moderate | Steady | Good |
| Raspberries | Moderate | Steady | Good |
| Strawberries | Moderate | Steady | Good |
| Citrus | | | |
| Grapefruit | Moderate | Steady | Good |
| Lemons | Moderate | UP | Good |
| Limes | High | Steady | Excellent |
| Oranges-Navels | Navels | Good | Good-Navs |
| Pineapple | Moderate | Steady | Good |
| Leafy Greens | | | |
| Green and Red Leaf | Good | Down | Good |
| Iceberg | Moderate | Up | Fair |
| Romaine | Moderate | Down | Good |
| Romaine Hearts | Moderate | UP | Good |
| Eastern & Western Vegetables | | | |
| Cucumbers | Moderate | UP | Excellent |
| Green Beans | EXTREME | Steady | Excellent |
| Green Bell Peppers | Moderate | Up | Good |
| Red Bell Peppers | Moderate | UP | Good |
| Yellow Squash | Moderate | UP | Good |
| Zucchini | Moderate | UP | Good |
| Grape & Tree Fruit | | | |
| Grapes-Green Seedless | High | Down | Good |
| Grapes-Red Seedless | Moderate to High | Down | Good |
| Plums | Moderate | Steady | Good |
| Melons | | | |

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| COMMODITY | PRICE | EXPECTED PRICE TREND | QUALITY |
|--------------------------|-----------|----------------------|--------------|
| Cantaloupes | Good | Steady | Good |
| Honeydew | High | Steady | Good |
| Mixed Vegetables | | | |
| Artichokes | Good | Steady | Excellent |
| Arugula | Good | Steady | Good |
| Asparagus | Good | Down | Good |
| Bok Choy | Good | Steady | Good |
| Broccoli | Low | Steady | Good |
| Carrots | High | Steady | Good |
| Cauliflower | Low | Up | Good |
| Celery | Very High | Down | Good |
| Frisbee | Moderate | Steady | Good |
| Fennel/Anise | Moderate | Steady | Very Good |
| Garlic, Peeled | High | Steady | Good |
| Green Cabbage | High | Steady | Excellent |
| Green Onions | Moderate | Up | Fair |
| Kale (Green) | Low | Steady | Very Good |
| Mache | Moderate | Steady | Good |
| Napa | Moderate | Up | Fair |
| Parsley (Curly/Italian) | Moderate | Up | Very Good |
| Red Cabbage | Moderate | Steady | Excellent |
| Snow and Sugar Snap Peas | Steady | Up | Poor to Fair |
| Spinach (baby) | Low | Steady | Good |
| Spinach (bunched) | Low | Steady | Good |
| Spring Mix | Low | Steady | Good |
| Onions | | | |
| Red | Moderate | Up | Good |
| White | Moderate | Lower | Good |
| Yellow | Moderate | Lower | Good |
| Potatoes (Idaho) | | | |
| Idaho Russets | Variable | Steady | Good |
| Tomatoes | | | |

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| COMMODITY | PRICE | EXPECTED PRICE TREND | QUALITY |
|--|----------|----------------------|--------------|
| Round, Grape | Moderate | Steady | Good |
| Romas | Moderate | Steady | Fair to Good |
| Washington Apples & Pears | | | |
| Red and Golden Delicious, Granny Smiths, Pinks | Steady | Steady | Good |
| Golden Delicious, Fuji – New Crop | Steady | Steady | Good |
| Galas, Honeycrisp – New Crop, D'Anjous, Bosc Pears | High | Up | Good |
| Bartlett Pears | Moderate | Steady | Good |

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