



WEEKLY MARKET REVIEW

November 7, 2019

OVERVIEW

Strawberries are **EXTREME** due to Santa Ana winds and fires across the state and Northern CA winding down. Cauliflower and Lettuce are **ESCALATED**. Romaine continues to be **ESCALATED**, and we are still seeing quality issues. New crop Pomegranates out of CA is a good buy.

In response to an FDA notification of potential Listeria contamination, Mann Packing has implemented a voluntary recall of several of their line items sold to the retail segment in the United States and Canada. As the full scale of this recall has evolved, it has also impacted the food service segment. Produce Alliance will continue to communicate all updates including potential shipping delays, substitutions, and any additional recalls. We appreciate your patience during this challenge.

Transition is just around the corner. Below are some tentative start dates:

Taylor Farms - Starting Yuma the week of November 18th

Church Bros - Starting Yuma the week of November 25th

Mann Packing – Starting Yuma the week of November 18th

Green Gate - Starting Yuma the week of November 11th

MARKET ALERTS



STRAWBERRIES – EXTREME



BLACKBERRIES – EXTREME



RASPBERRIES – EXTREME



CELERY – ESCALATED



CILANTRO - ESCALATED



GARLIC – EXTREME



ICEBERG – ESCALATED



GREEN LEAF – ESCALATED



BUTTER – ESCALATED



LIMES - ESCALATED



MELONS (CANTALOUPE/HONEYDEW) - EXTREME



PEAS (SUGAR SNAP & SNOW) - EXTREME



POTATOES - EXTREME



ROMAINE - ESCALATED



TOMATOES, ROMA & ROMAS – ESCALATED

TRANSPORTATION & WEATHER

WEEKLY MARKET REVIEW



Freight rates continue to remain stable due to slower demand. Gas prices are mixed; the East Coast is averaging \$3.04/gallon, while California's average for diesel was the highest--at \$4.01/gallon--to roll into November. Note: Trucks will begin getting short as Thanksgiving approaches due to retail and Christmas tree pulls.



BAKERSFIELD, CA:

Thu 11/7	Fri 11/8	Sat 11/9	Sun 11/10	Mon 11/11	Tue 11/12	Wed 11/13
82° 51°F	83° 52°F	80° 50°F	80° 49°F	80° 51°F	83° 54°F	79° 51°F
Sunny	Sunny	Sunny	Sunny	Sunny	Partly Cloudy	Partly Cloudy

ASHVILLE, NC:

Thu 11/7	Fri 11/8	Sat 11/9	Sun 11/10	Mon 11/11	Tue 11/12	Wed 11/13
65° 34°F	45° 23°F	52° 31°F	63° 37°F	63° 35°F	39° 18°F	38° 21°F
PM Rain	Partly Cloudy	Sunny	Sunny	Mostly Cloudy	Rain/Snow Showers	Sunny

SALINAS, CA:

Thu 11/7	Fri 11/8	Sat 11/9	Sun 11/10	Mon 11/11	Tue 11/12	Wed 11/13
65° 46°F	69° 47°F	72° 45°F	72° 47°F	79° 50°F	74° 47°F	70° 45°F
Partly Cloudy	Sunny	Sunny	Sunny	Mostly Sunny	Mostly Cloudy	Partly Cloudy

JALISCO, MX:

Thu 11/7	Fri 11/8	Sat 11/9	Sun 11/10	Mon 11/11	Tue 11/12	Wed 11/13
78° 59°F	77° 58°F	76° 57°F	79° 57°F	80° 57°F	74° 56°F	67° 55°F
Sunny	Partly Cloudy	Mostly Sunny	Sunny	Partly Cloudy	Partly Cloudy	Showers

GOOD BUYS

Each week, our team spotlights commodities based on how favorable prices, quality, and supply are in the market. Stay ahead of the trends and look to these good buys for their stellar performance in the fields! Please see each individual product for more information below and reach out to your PA representative for order guide information.

Commodity	Market Update	Produce Expert Tip
New crop Pomegranates out of CA	Available	"The Jewel of Autumn," better known as pomegranate, makes its appearance on this week's Good Buy. While known for its visually appealing and flavorful nature, pomegranates offer a plethora of health benefits. Most notably, it is a rich source of antioxidants and vitamins. For those who are unfamiliar with pomegranate, don't be afraid of those seeds. They are, in fact, edible!

FRUITS & VEGETABLES



AVOCADOS Harvest from Mexico remains steady and consistent, leading to a presently stable market. The size curve is still trending big, so 48s and larger remain strong compared to small fruit. We still anticipate the size curve normalizing in the coming weeks, which will bring more balance to the market.



BANANAS There will be plenty of supply from now through week 49; after that, we may find ourselves in a situation where supply is tougher to come by. This situation may remain until week 6 or 7 of 2020. There is good supply on organics; no major issues for the balance of the year.

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PINEAPPLES Volumes are expected to improve along with demand in order to cover our Thanksgiving pull. We are expecting volumes to remain healthy until the end of the year, with the fruit trending large.



GRAPES Green Seedless market remains steady. Movement is good, but growers would like to see it move a little faster as there is less storage fruit this year—mostly Autumn Kings. Peru will begin green seedless arrivals around Thanksgiving with very light arrivals. Europe has a good market at the moment, and the majority of fruit is going there right now. Red Seedless—Allisons are still being harvested along with Vintage and a few Crimsons. Allisons have better size than the Vintage and Crimsons. Peru will begin red seedless arrival in mid-December. Black Seedless—Autumn Royals are the main variety now. This will go up later in November. Peru has begun shipping blacks to the east coast, with arrivals due in two weeks. Red Globe— California wants to keep movement going as Peru has globes in the market.



BLUEBERRIES Watsonville volume is expected to decrease through February. Production in Santa Maria is expected to downtrend through the end of the year due to cooler weather. Oxnard's volume should remain about the same before it starts to increase in a few weeks. Baja's volume will remain steady for the next four weeks. Jalisco's volume is expected to gradually increase.



BLACKBERRIES **EXTREME** Rain in Mexico has really affected production. We will continue to be extremely light going into the Thanksgiving pull. We hope to be back on track by the end of the month.



RASPBERRIES **EXTREME** Volume will continue to be short through the next week or so. The North is down to its last few weeks of production. Oxnard and Baja are lighter than expected due to yield loss, and Central Mexico is expected to be light from the rain. We will continue to be extremely light going into the Thanksgiving pull.



STRAWBERRIES **EXTREME** The Southern California strawberry crops are being affected by the extreme Santa Ana winds and fires across the state. In addition to these events, the Northern California season is also winding down. As a result, we anticipate a snug market over the next 10 to 14 days. We should see relief as soon as the Central Mexico harvest increases while Southern California recovers from the setbacks caused by these events.

CALIFORNIA-ARIZONA CITRUS



GRAPEFRUIT Internal color and taste are excellent for early in the season; size structure is slightly bigger than last year, peaking 48/40s with a high percent fancy grade. Sweet Scarlett's Red Grapefruit will be available mid-November

Imports/Specialties available: Satsumas, Pummelos, and Sweeties are available.



LEMONS Production is winding down in Oxnard/Ventura and increasing weekly in Coachella/Yuma. Larger choice fruits remain tight.



LIMES **ESCALATED** Supply will continue to be a major challenge through mid-December as a result of decreased availability from the South of Mexico, and as Veracruz recovers from the summer drought. The proportion of medium-sized fruit (175-200) should increase compared to October but is still constrained given lower overall volumes. Quality will continue to be mixed but trending favorably. Prices will continue to be higher and more volatile than normal for this time of year as a result of tight supply.



NAVELS/ VALENCIAS The fruit is displaying excellent size, peaking on 72/56s. Appearance is good, with high solids-to-acid ratio. The overall crop is expected to be up this season and should run through end of December.

WEST COAST LETTUCE



Green Leaf: **ESCALATED** Green leaf volume is slightly below budget this week. There will be noticeable, occasional irregular sizing and fringe/wind burn. Demand continues to be elevated and market pricing is strong.

Red Leaf: Red leaf production volumes are below budget for the week. We continue to see good demand as market pricing firms up.



BUTTER **ESCALATED** We are forecasting normal production volumes on butter lettuce this week. We are continuing to see occasional irregular sizing, with some wind/fringe burn.



ICEBERG LETTUCE **ESCALATED** Supply is fair to poor. Quality is fair to good. Supply has shortened considerably, and the market is extremely active with much higher pricing. Look for this trend to continue through the end of the Salinas season into the beginning of the Yuma season.

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ROMAINE ESCALATED Romaine is slightly below budget for the next couple of weeks. There is still occasional fringe/wind burn, insect pressure, and twist. We are experiencing light yields at the field level, ultimately reducing industry supply. Market prices have currently leveled off, but we are anticipating pricing to start escalating.



ROMAINE HEARTS ESCALATED Romaine is slightly below budget for the next couple of weeks. There is still occasional fringe/wind burn, insect pressure, and twist. We are experiencing light yields at the field level, ultimately reducing industry supply. Market prices have currently leveled off, but we are anticipating pricing to start escalating.

EASTERN & WESTERN VEGETABLES



PEPPERS

Green Bell Pepper: Green bell peppers look to be steady in pricing for the week. The East is showing steady pricing out of Georgia, while the West has posted for the first time out of Coachella Valley, California. Quality looks to be a mixture of fair and good for the time being.

Red Bell Pepper: Red bell peppers are steady to up for the week. There continues to be production from Mexico and hothouses. Also, Georgia has started to post some initial numbers for the USDA. Quality continues to look good in all regions.

Yellow Pepper: Good supply out of Baja on yellow pepper...quality is outstanding. Good volume on 11# packs out of Nogales

Mini Sweet Pepper: Baja's production remains lighter, but we anticipate an increase sometime this month. Decent product expected to begin in the southeast soon.

Mixed Chili Pepper: (Jalapeno, Tomatillo, Serrano, (Anaheim and Poblano - WATCHLIST)) With multiple production areas in play, Mexico continues to have steady volumes on most chili pepper items. Los Mochis is seeing mixed sizing on tomatillos, smaller-than-normal serranos, and some shelf-life issues on the thinner-walled chilies. Anaheim and Poblano quality are fair and supply is short due to Guanajuato finishing early. In California, Coachella is now ramping up and production is excellent on jalapeno, with good quality. The East has a consistent supply now shipping out of Florida and South Georgia.



EGGPLANT Eggplant is in good supply this week, loading in Nogales and South Georgia.



CUCUMBERS Cucumber prices are mixed for the week. Mexico prices are reporting down this week, across multiple crossing points. Georgia product is reporting slightly up for the week, and Florida is flat. Quality looks to be good in all regions.



ENGLISH CUCUMBERS The market is easing back and expected to stabilize.



GREEN BEANS The green bean market is mixed this week. Machine-picked product out of South Georgia is up, with lighter supply and moderate demand reported. Imported haricot verts are down, with moderate supply and demand reported. Quality will vary by growing region.



ZUCCHINI AND YELLOW SQUASH Yellow squash prices are up for the week. In the East, the Carolinas have stopped posting, with Central Florida just starting up. The West continues to see production out of Mexico. Quality is fair with yellow squash, with only wind scarring being reported. Zucchini prices are up in price for the week. Both Mexico and Georgia are showing an increase for the week. Central Florida has started to post to the USDA. Quality looks to be good on zucchini for the week.



MELONS

Cantaloupe/Honeydew: EXTREME Both cantaloupe and honeydew fields are producing smaller fruit, leaving larger melons in an extremely limited position. Cantaloupe 9s and honeydew 5/6s are in a demand-exceeds-supply situation. This sizing pattern is not uncommon for the late AZ fall season, with colder temperatures and less daylight hours preventing the fruit from sizing. The lack of Mexican honeydews to help offset the demand this year has also faced inclement weather, contributing to the shortage. Guatemala has started to harvest. First arrivals into Florida will continually pick up momentum by Monday 11/11. Cantaloupe sizing from our farm is trending to the larger fruit, with mostly 9ct expected and a healthy percentage of 12ct coming as well. Import honeydews will not begin for two more weeks. Please anticipate the need for flexibility of sizing, especially on honeydews.

Watermelon: Supply of seedless are readily available; quality is somewhat of a mixed bag. Pricing is fairly stable and should stay pretty flat through much of November.

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HERBS

TARRAGON and CHERVIL continue to be limited due to the weather. Supply should pick up in a few days.

BASIL has finished locally due to cooler nights. All basil will be coming from the southern growing section of Baja, Mexico. Quality has been really nice.

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



ARTICHOKES Light supply of artichokes continues this week, especially on small sizes. Light supply is forecasted for several more weeks. Most of our volume this week is estimated to be 12ct, followed by 18ct. Demand for artichokes is good; prices are lower to steady.



ARUGULA Supply and quality are good.



ASPARAGUS Volume is steady, quality is good.



BOK CHOY All pack sizes are in short supply.



BROCCOLI / BROCCOLI FLORETS Supply is still under budget and demand is very good.



BRUSSEL SPROUTS Expect to see another strong and steady week on sprout demand. Plan to start pre-booking for the Thanksgiving pull to ensure the best chance for full coverage.



CABBAGE (GREEN) Supply is good this week.



CABBAGE (RED) Supply is good this week.



CARROTS Supply and quality are good.

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CAULIFLOWER: ESCALATED Supply will be light through the end of the Salinas season. Look for higher prices



CELERY: ESCALATED Available supply has decreased with the holiday season around the corner. Current quality is good and the market is higher, with many shippers "sold out". Expect an increase in price next week.



CORN Markets are stable, with supply out of South Georgia and Florida ramping up. Out west, California supply on new crop Coachella corn is beautiful.



CILANTRO ESCALATED Supply is improving. Quality is fair.



FENNEL We will be at budget this week on fennel, and we will continue to see a majority of 24ct/30ct. Production will remain in Salinas, where quality continues to be strong, for the next couple of weeks.



GARLIC: EXTREME Domestic garlic yields are drastically down due to a percentage of plants that did not develop. We are also seeing quality issues due to weather. Chinese garlic is becoming very short in supply due to a US custom fee that will need to be paid, higher tariffs, and lower yields in their crop. The Chinese supply we are seeing has great quality; however, it is expensive. Please be aware that you may see a shortage in supply in our domestic crop as well as increases in prices. Please understand that quality of domestic product is average.



GINGER Chinese ginger markets are mixed, but quality is good. Also, product is available at higher costs from Brazil, Peru, and Thailand. We could see Chinese ginger prices tick upward should tariffs remain in place.



GREEN ONIONS The green onion market is steady, with fair supply crossing from Mexico. Quality is very good and temps have dropped down 15 degrees this past week. The temperature change will slow the overall growth of the crop. With Thanksgiving pull starting in 10 days, the market could see an increase in pricing if the weather stays cool.



JICAMA Storage product available--will see blemishing due to the fact it's storage fruit. Good supply available.



KALE (GREEN) Supply is fair this week.



MACHE Availability is adequate.



MUSHROOMS Supply is currently stable, and quality is good.



NAPA Supply and quality are fair.



RAPINI We will be slightly over budget on rabe this week. A majority of our harvest is coming at the front of the week, so we are encouraging customers to frontload as much as possible. All production will remain in Salinas this week. Quality is strong overall.



PARSLEY (CURLY, ITALIAN) Supply is fair.



RADISHES Markets are firming up due to heavy precipitation and wind damage to fields.



SUGAR SNAP PEAS & SNOW PEAS EXTREME Weather in Guatemala is getting better, but we will not see an increase in volume for at least two weeks. Many fields have been severely damaged; this will take time to come back to 100%.



BABY SPINACH Supply has improved; product is readily available.



BUNCHED SPINACH Supply has improved; product is readily available.

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SPRING MIX Supply and quality are good.



SWEET POTATOES AND YAMS WATCH LIST Growers are building their storage crop for the year and shipping is in full swing. There is good availability on #1 sizes, while jumbo availability is a bit tighter out of North Carolina. Recent cold weather and rain in Mississippi will likely affect a percentage of the crop that was still in the ground.



ONIONS With harvest and storage completely wrapped up, growers are now assessing their crop and determining what they need to do in order to last the entire shipping season in the Northwest. The market has remained relatively flat. Supply is meeting demand at the moment. To this point, the market has not reacted to the freeze in Idaho. Growers are maintaining that there will be some lost, but exactly how much is currently in question. We will have a better idea of damage as onions sit in storage. We may see a spike in the market later into the season if long-term supply is affected.



POTATOES Product remains very tight as growers still have no inventories built up on the floor. Additionally, more freezing temperatures this week have prevented growers from being able to haul from storage facilities to the packing houses without risking freeze. Growers are still assessing how much damage was done to the crop, but it is estimated that 20%-30% of the entire Idaho crop was impacted by freezing temperatures. We will likely know more in the coming weeks, but the expectation is that there will be significant loss to what was already believed to be a short crop. Potato processors are also short, which is creating added competition for the fresh market to secure supply as these companies are offering higher dollar amounts than the fresh market is currently garnering. Sheds are facing pressure to raise prices and increase returns to growers in order to fend off these purchase offers from processors.



TOMATOES

TOMATOES - EAST

- **Rounds:** Round tomato harvests continue to move further south, with Florida now supplying the East Coast. Tennessee and the Carolinas have completed their harvest.
- **Romas ESCALATED** Roma supply continues to be light. Quality is fair to good.
- **Grapes:** The East harvest continues to be light, as fields slowly start to ramp up in Florida. Quality is mostly fair for the week.
- **Cherries:** Supply looks to be strong with good quality.
- **Organic Tomatoes:** Seeing a mixed market as we transition from Jasper to the Carolinas and Virginia. FOB prices will be up this week and quality will vary due to the transition.

TOMATOES - WEST AND MEXICO

- **Rounds:** **ESCALATED** California deals are available with production moving down to Mexico and Baja regions. Quality is fair during these transitions.
- **Romas:** **ESCALATED** Roma supply continues to be light, with only Mexico currently reporting to the USDA. Quality is fair to good.
- **Grapes:** Grape tomato prices are steady to down for the week. Mexico supply is increasing, which has allowed them to drop the price.
- **Cherries:** Supply looks to be strong with good quality.

APPLES, PEARS, TREE FRUIT, AND STONE FRUIT



APPLES There is good supply on new crop fruit out of all major domestic growing areas. The Granny Smith market for foodservice will remain tight due to a shift in sizes; there is a lighter-than-normal crop on 100s. Quality is very nice across all varieties.



PEARS Supply and quality are excellent on Bartlett, D'Anjou, Bosc, and Red pears. Golden and Bartletts are available in California.

STONE FRUIT

- **Kiwi:** California has good volume available. Fruit is hard.
- **Persimmons:** Available
- **Pomegranates:** Available
- **Quince:** Available

WEEKLY MARKET REVIEW

Thank you again to our past conference sponsors, we are looking forward to this year's conference!



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