



WEEKLY MARKET REVIEW

July 19, 2018

OVERVIEW

Most commodities are steady. Valencias are still in an **ACT OF GOD** with higher prices and shortages in supply. Lemons are also in an **ACT OF GOD**. Green beans remain higher in prices and tighter in supply. Lettuce is steady.

MARKET ALERTS



GREEN BEANS – ESCALATED



LEMONS – ACT OF GOD



MUSHROOMS – ESCALATED



ORANGES (VALENCIAS) – ACT OF GOD

TRANSPORTATION & WEATHER



EXTREME With full implementation of the ELD now in place as well as a nationwide shortage of available trucks on the market, rates are expected to continue to rise through the summer. Rates could jump as high as 20% over the next several weeks and remain the way until the market settles.

MOULTRIE:



Thu 07/19	Fri 07/20	Sat 07/21	Sun 07/22	Mon 07/23	Tue 07/24	Wed 07/25
87° 74°	87° 73°	89° 74°	90° 72°	89° 73°	87° 73°	88° 73°
Chance of a Thunderstorm	Thunderstorm	Chance of a Thunderstorm				

JALISCO:

Thu 07/19	Fri 07/20	Sat 07/21	Sun 07/22	Mon 07/23	Tue 07/24	Wed 07/25
84° 59°	80° 61°	80° 61°	85° 62°	83° 61°	81° 61°	80° 61°
Chance of a Thunderstorm	Partly Cloudy	Chance of a Thunderstorm	Partly Cloudy	Clear	Chance of a Thunderstorm	Chance of a Thunderstorm

SALINAS:

Thu 07/19	Fri 07/20	Sat 07/21	Sun 07/22	Mon 07/23	Tue 07/24	Wed 07/25
72° 60°	73° 61°	73° 60°	73° 58°	74° 57°	76° 57°	78° 57°
Partly Cloudy	Clear	Partly Cloudy	Clear	Partly Cloudy	Clear	Clear

COACHELLA:

Thu 07/19	Fri 07/20	Sat 07/21	Sun 07/22	Mon 07/23	Tue 07/24	Wed 07/25
107° 82°	109° 84°	110° 83°	114° 85°	117° 87°	119° 89°	118° 87°
Clear	Partly Cloudy	Partly Cloudy	Clear	Clear	Clear	Partly Cloudy

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SELMA:

Thu 07/19	Fri 07/20	Sat 07/21	Sun 07/22	Mon 07/23	Tue 07/24	Wed 07/25
105° 71°	104° 72°	101° 72°	100° 71°	102° 71°	104° 72°	106° 73°
						
Clear	Clear	Partly Cloudy	Clear	Clear	Clear	Clear

GOOD BUYS

Watermelon!

Juicy, sweet, and refreshing are just a few of the reasons why we all love watermelon! We've only had a taste of watermelon season with the steady supply out of California. Now Georgia and Missouri are getting ready to ramp up and bring watermelon season into full force.

Even though watermelon is around 92% water, it still manages to pack in a lot of flavor. But even watermelon can be improved with a little grilling and some seasoning. Once you've grilled watermelon, BBQs will never be the same! When watermelon is grilled, it transforms into a sweet and smoky caramelized delight.

[Spicy Grilled Watermelon](#)

Ingredients

- 1/4 cup honey
- 1/4 cup juice from about 4 limes
- 2 teaspoons cayenne pepper
- 1 teaspoon Kosher salt
- 1 medium watermelon, cut into 1-inch thick wedges
- 1/2 cup mint chiffonade

Directions

1. In a small bowl, whisk together honey, lime juice, cayenne pepper, and salt.
2. Light one chimney full of charcoal. When all charcoal is lit and covered with gray ash, pour out and spread the coals evenly over entire surface of coal grate. Set cooking grate in place, cover grill and allow to preheat for 5 minutes. Clean and oil the grilling grate. Brush each side of watermelon slices with spicy lime and honey mixture. Place watermelon and grill and cook until grill marks developed, about 2 minutes per side.
3. Remove watermelon from grill, sprinkle with mint, and serve.

FRUITS & VEGETABLES



AVOCADOS The market has made a turn on premium-grade smaller fruit as supplies have dried up on these sizes and grades. July should remain somewhat stable; however, recent above-normal precipitation in Mexico will affect the August supply of avocados harvested in those regions. This will ultimately cause a spike in the market due to ongoing delays in the early harvesting of the Flora Loca crop combined with the early completion of the winter production. Crop forecasts are indicating a sharp skew in the size curve to smaller fruit which is drawing a premium on the already short large-grade avocado crop. On the domestic harvest, we are seeing an early peak in production that is further adding to the pressure of a short market. We may not see relief until mid-October when we cycle back around to the fall harvest.



BANANAS Demand on this item remains firm; however, prices will continue to ease. Quality will remain inconsistent due to weather that has 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. Due to improving inventories, we should no longer see ripening issues.



PINEAPPLES Demand remains firm, quality is good and supplies are stable. FOB quotes at the port are mostly unchanged.



GRAPES This is continuing to be a mixed market out of the Central Valley based on sizing. Deals are being made on smaller fruit while larger sizes continue to draw a premium. We are seeing good volume on the following varieties: Sugraone, Flames and Summer Royals.



KIWI New Crop, Chilean fruit is available. Supply and quality are both good.

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BLUEBERRIES Quality is improving, and prices are coming down.



BLACKBERRIES Quality is improving, and prices are coming down.



RASPBERRIES Quality is improving, and prices are coming down.



STRAWBERRIES Quality is improving, and prices are coming down.

CALIFORNIA-ARIZONA CITRUS

The lemon market has become very EXTREME. We are seeing a shortage in supply as well as much higher prices. The demand for Valencias has far exceeded supply. Markets will remain high as the domestic crop has come up extremely short this year.



GRAPEFRUIT Texas grapefruit is available. Florida Star Ruby/Red is available. California grapefruit has started.



LEMONS ACT OF GOD As stated previously, this is primarily due to the very hot weather which has matured the fruit much faster than normal leaving us with virtually no supply and very standard grade fruit. Please note, prices will be very high and product will be short until this is resolved. Other contributing factors:

- Arrivals from Argentina into the East Coast are fewer than expected.
- Chile has been sending fruit to locations outside of the US, in expectation of Argentina arrivals into the USA, which as noted above, are not happening at the usual volume.
- Various rain events in Argentina and Chile causing gaps in harvest/packing.
- Uncertain Mexico supply remains in question in terms of total volume for the season due to cold weather which slowed fruit production at the beginning of the year.

Between now and October (when desert production is in full swing), we expect to see severe pro rates. Produce Alliance recommends accepting flexibility in size and grade as a key to mitigating this situation.



LIMES (PERSIAN) The market will be mostly stable for the next few weeks.



ORANGES ACT OF GOD Our Valencia growers in the San Joaquin Valley were affected by extreme heat which caused post bloom conditions in our fruit. As a result, this has caused a lighter crop and there is virtually no small fruit available. At this time, our growers suggest moving to a larger size Valencia. We also have one supplier that will not have any small fruit at all and has evoked an ACT OF GOD. We apologize for this disruption and recommend that you take oranges off your menu or change to a larger size at this time. We are monitoring this situation closely and will update you with more information regarding Valencias as the week continues. Thank you again for your support and understanding.

Specialties:

- Pink Lemons are available.
- Gold Nugget mandarins are available.
- Ojai Pixie Tangerines are available.
- Only a few Minneola's are left.
- Domestic Blood oranges and Cara Caras are available showing good quality.
- New Zealand Meyers are available.
- Halos and Cuties are available.

CALIFORNIA LETTUCE



GREEN & RED LEAF Red leaf quality is good. Demand is average and supplies are normal. Green leaf supplies are normal showing good demand and quality.

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BUTTER Supplies are lighter than normal. Demand is good and quality is average.



ICEBERG LETTUCE Supplies are slightly lower and demand is up slightly. The market will be a little more active going into the weekend. Quality is nice.



ROMAINE Supplies have returned to normal and demand is slowly getting better. Quality is good with occasional fringe burn.



ROMAINE HEARTS Supplies are normal. Demand and quality are good.

EASTERN & WESTERN VEGETABLES



PEPPERS

Green Bell Pepper: The green bell pepper market continues to improve in the East as more local deals ramp up. Quality is mixed by region due to weather-related pressure. In the West, volume is down out of Bakersfield driving demand and FOB prices up on all sizes and grades. We expect this market to remain firm until August 1 when the Central Coast kicks into production. Quality out of Arroyo Grande is gorgeous and despite last week's heat wave, weather has been very favorable in the region.

Red Bell Pepper: The market is tight on premium grades which is putting pressure on choice FOB prices to go higher. This bump in the market should last about a week. Expect a stable market going into August. It appears the cause of this bump is a transition of lots and fields lowering available inventory. Currently loading of the Otay and Oxnard region. Quality is very nice. Hot House product is still crossing through McAllen.

Yellow Pepper: Production has eased bringing the market off with deals being made on choice. Quality is very nice.

Mini Sweet Pepper: Good supplies are available. These are excellent for fajitas and stir fry, call for deals on mini sweet peppers!

Mixed Chili Pepper (Jalapeno, Anaheim, Poblano, Serrano): Supplies remain steady in the East on core pepper varieties while quality in the west is hit or miss as transition on domestic product is slow to start. Baja continues crossing decent quality on the core line of product.



EGGPLANT This market is good through all of the local deals in the East; quality is very nice. Central Valley production continues to improve. Quality is outstanding in California.



CUCUMBERS Cucumber prices are up slightly with increased demand through the local programs in the East, but expect them to improve over the next two weeks. Michigan will be ramping up soon and will help improve supply in the market. West Coast supply is also very good; however, demand from the East is keeping the markets firm and FOB prices higher this week. Quality in the West is good.



ENGLISH CUCUMBERS (EURO) There are excellent supplies crossing through Nogales and McAllen.



GREEN BEANS ESCALATED Markets in the East are tight as Georgia production finishes up, the Tennessee program is slower than expected to start, and Michigan is in a GAP. FOB prices in the East are increasing and quality is also an ongoing issue due to the continuous rainfall in that region. We should see some relief early next week. In the West, mixed quality and lower volume are keeping prices firm in the West.



ZUCCHINI AND YELLOW SQUASH FOB prices are mostly unchanged this week as supplies remain stable out of all local programs in the East. Quality is being watched as some of the local areas are seeing issues related to heat and rain. Due to the rain we are seeing excessive mold and early decay. In the West, good supply is available out of Santa Maria, Selma and finally Baja. Quality is good in all western regions.



ACORN, BUTTERNUT & SPAGHETTI SQUASH Now available, good quality and good supply.

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MANGOES Good supply and good availability.



MELONS

Cantaloupe: The cantaloupe market continues to ease as more product becomes available out of the valley. Thanks to the near-perfect weather conditions, we are seeing stable and very consistent harvest numbers. Sizing is still leaning on the larger side, quality on the new crops is outstanding, and brix levels are at 12-14% with occasional higher levels with a good external appearance showing even netting and full slips. Some deals in the east are being offered on the Athena variety in bins.

Honeydew: The honeydew market is now stable and production is in full swing out of the valley. Quality remains favorable, the sizing mix is heavy with 5 and 6 count, and the sugar is outstanding.



WATERMELONS Seedless watermelon market has eased back to normal. Supplies are available in Georgia and Missouri with other local regions expected to start soon. There is also a steady supply available out of California.



HERBS

Herbs are steady and have not been affected by the summer heat.

HERB	SUPPLIES	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Good	USA
Basil	Steady	Good	USA/MEXICO
Opal Basil	Limited	Good	USA
Thai Basil	Limited	Fair	USA/MEXICO
Bay Leaves	Steady	Good	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	Steady	Good	USA
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	MEXICO
Thyme	Steady	Good	USA/MEXICO
Lemon Thyme	Steady	Good	USA
Lavender	Steady	Good	USA
Lime Leaves	Steady	Good	USA

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ARTICHOKES Quality is excellent and demand is good.



ARUGULA Quality and supplies are fair.



ASPARAGUS Volume from Mexico and Peru continues to be steady on all sizes. Market pricing and demand should also remain steady for the next 2 weeks.



BOK CHOY Quality is average and demand is fair.



BROCCOLI / BROCCOLI FLORETS The market and supplies are steady. Demand is good.



BRUSSEL SPROUTS Supplies are light and quality is good. Prices are steady.



CARROTS We are seeing both good quality and volume.



CAULIFLOWER Supplies remain steady and demand is flat.



CELERY Supplies are lighter this week; however, markets are still good. Quality is good in Salinas, and Michigan celery has started showing fair quality.



CORN Good volume continues to become available on yellow and white product out of the San Joaquin Valley corn market (yellow, white and bi-color). Good supplies are also available out of Carolinas, Indiana and Illinois. Good time to promote, quality is excellent.



CILANTRO Supplies are light due to quality.



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 are improving with supplies ramping up throughout the Midwest (Georgia is now done). Sizing is still smaller with larger product availability slowly improving. West coast volume and prices are mostly stable.



GREEN ONIONS Iced - The market remains sluggish due to crossings from New Mexico and plenty of local home grown in eastern growing areas. **Iceless** - The market is good and should remain steady.



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



KALE (GREEN) Quality and supplies are good.



MACHE Availability is adequate.

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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 and demand are steady.



RAPINI Supplies have improved and markets are down. Quality has improved.



PARSLEY (CURLY, ITALIAN) Quality is fair and supplies are good.



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



RED CABBAGE Markets are a bit tighter as lighter numbers are still coming out of Ohio. Quality has been hit or miss while sizing remains good. Central coast production is good; however, with lighter volume in the East, the market has firmed up in the West.



SNOW & SUGAR SNAP PEAS Snow and sugar snap peas supplies are steady through Miami and prices are higher.



BABY SPINACH Baby and clipped spinach supplies are good, and quality is fair.



BUNCHED SPINACH Supplies and quality are fair due to wind burn and heat damage.



SPRING MIX Spring mix is readily available and quality is good.



ONIONS Onions are now in full steam out of both the San Joaquin Valley as well as New Mexico. Quality is strong at this point, and yellow supplies overall are plentiful. Size profiles on yellow onions are now flipping and there will be more mediums than jumbos, colossals and super colossals. Rainy weather has hit the New Mexico valley the last 4 days which has stopped harvest causing a brief shortage in supply, but once they are back into the fields we should see back to normal. Red onions in both areas have been very short, and we have seen a swift increase in price. In a typical season, California red supplies can make up for shortages in New Mexico, but due to planting delays, there have been gaps in supply out of California. Reds will likely remain elevated for much of the summer, but as California re-enters the market with good supplies in the coming weeks, things will start to level off. Washington winter onions are around in small supply at the moment, and their direct seed crop will start in the next 4-5 weeks.



POTATOES (IDAHO) The current Burbank storage crop is winding down and the market has leveled off. Some of the larger Carton prices have lowered because many growers are looking to finish their crop. Quality is fair with much pressure bruising and internal issues. Growers are slowing down to grade as hard as possible with lower pack-outs. Supplies are expected to remain short until the new Norkotahs crop becomes available around the beginning of August. Transportation has been challenging and rates have continued to increase.



TOMATOES

TOMATOES – EAST

- **Rounds:** Steady and improving supplies are coming out of Tennessee, the Carolinas, Virginia and Alabama. Quality has made a turn and is beginning to improve as well. In general, markets are down this week.
- **Romas:** Roma prices are mixed but down based on quality. Product loading in Tennessee and Alabama. Quality and volume are good in the west despite a slight tick in pricing on larger sized fruit in the West.
- **Grapes:** Supplies are good out of Virginia and South Carolina with good quality being reported. Expect a stable market through July.
- **Cherries:** Supply is marginal, FOB prices are mixed, and quality will be hit or miss due to the recent rain.

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TOMATOES - WEST AND MEXICO

- **Rounds:** Baja will continue pushing good number keeping FOBs stable; however, large-sized fruit is short and drawing a premium. Please make sure to manage inventory levels properly. Baja quality is outstanding however seeing challenges out of the Central Valley due to heat. Markets are generally unchanged this week due to increased production nationwide.
- **Romas:** Volume and quality are outstanding from all regions and expected to remain steady through mid-July; however, prices are moving upwards on larger sized fruit.
- **Grapes:** Supply is good; however, there is still seeing mixed quality. Central Mexico continues to produce decent numbers while the summer program out of the Baja is steady. Overall FOB prices remain unchanged due to a flat market.
- **Cherries:** Mainland production continues to show quality issues while new crop out of Baja is outstanding.

WASHINGTON APPLES, PEARS, TREE FRUIT, AND STONE FRUIT



Apples – Northwest: We will continue to have good supply of the major varieties of apples through the spring and summer. We have finished packing some varieties of apples for the season so the emphasis for balance during the season will be on the six or seven remaining varieties. The quality, condition, and color on almost all varieties looks very good, and since we normally harvest the late storage apples first in the season I expect the condition on the remaining production to be very good.

Apples – Northeast: There is light volume on reds out of New York and Chilean Granny Smith through the port of Philadelphia.



Pears: Both Anjou and Gold Bosc pears are available especially on the larger (70's to 100's) sizes, but they are beginning to wind down for the season. Most of the supply that is left in the Northwest will either come from the Hood River Oregon area or from the Wenatchee area in Washington.



Stone fruit: Stone fruit season has started.

- **Plums:** Moderate supply and steady demand has kept a firm FOB market on the red and black varieties out of the San Joaquin Valley.
- **Peaches:** Supplies are good on yellow and white tray pack as well as volume fill out of the San Joaquin Valley. In the Southeast, ½ Bu's are available on yellow flesh varieties.
- **Nectarines:** Supplies are good on yellow and white tray pack as well as volume fill out of the San Joaquin Valley
- **Cherries:** This is a mixed market based on sizing out of Yakima and Wenatchee. Quality is very nice.



D'ARRIGO
CALIFORNIA

WEEKLY MARKET REVIEW



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Nashville, TN 37228
Phone: 615.259.0290

Buffalo Grove

100 Lexington Drive Suite 201
Buffalo Grove, IL 60089
Phone: 847.808.3030

Chicago

230 W. Huron Street Suite 200
Chicago, IL 60654
Phone: 312.573.7610

Salinas

60 West Market Suite 130
Salinas, CA 93901
Phone: 831.455.7800