



Produce Management Services

# WEEKLY MARKET REVIEW

March 9, 2012

## MARKET ALERT

Avocados  
Grapes (red, green)  
Honeydews  
Green Bell Peppers  
White Onions  
Potatoes  
Squash (Acorn, Butternut, Spaghetti)  
Tomatoes

## OVERVIEW

Continued favorable growing conditions in the Desert Southwest provide an abundance of row crop vegetables and depressed market conditions...iceberg, leaf, celery, asparagus. Prices have the potential to advance from bottom levels in late March, when the harvest transition northward will begin. A warming trend next week should bring some relief to the current strawberry shortage. Tomato production in Florida is expected to decline through late March, causing prices to advance.

## TRANSPORTATION

Continued good availability for trucks, freight rates have moved higher due to rising fuel costs. We expect to see flat demand through mid-March.

## WEATHER UPDATE

High temperatures will be in the low 80s for the next several days. Low temperatures in the eastern Yuma valleys will be in the low 50s, in other words "Perfect" growing conditions.

## AVOCADOS

Tight supplies and rising prices on Hass 48's, with reduced harvest volume the result of heavy rainfall in Mexico during February. Unusually strong demand following Super Bowl caught growers by surprise, further contributing to the current shortfall. We anticipate improved availability by mid-March. California growers will begin to see increased production. Quality and taste are excellent for both Mexico and California Hass. The Chilean season is winding down.

## CALIFORNIA-ARIZONA CITRUS

**Oranges:** Moderate rainfall this week in Central California this week has had little effect on supply or the market. With the Florida Navel harvest winding down, demand has increased for

small sized California Navels (113, 138). Prices are expected to soon strengthen for 138's & 163's, followed by 113's.

**Lemons:** Plentiful availability, especially on small sizes (165, 200, 235). Primary district is now Ventura County, where old growth trees produce smaller sized lemons. Lack of rainfall this winter has caused slow growth for the lemon crop in the San Joaquin Valley, causing an abundance of small sized lemons in that district also. Quality is outstanding, packing heavy to fancy grade fruit.

**Limes (Persian):** Production is returning to normal following the rainfall that occurred in mid-February in Mexico. All sizes are available, with a wide range of quality influencing the market.

**Grapefruit:** Texas is the primary region, with plentiful supplies through early April. Moderate availability in Florida and California.

**Specialty Citrus Items:** Minneola tangerines are available (mostly small sizes 125, 150); also Clementines and Pummelos.

**Pineapple:** Good availability, primarily Cost Rica.

## **CALIFORNIA LETTUCE & MIXED VEGETABLES**

**Iceberg Lettuce:** Oversupply and depressed market conditions continue. Growers are leaving product un-harvested in the field in order to maintain quality standards and freshness. No change is expected through mid-March.

**Romaine:** Very strong supplies.

**Romaine Hearts:** Plentiful supplies and competitive prices, quality outstanding.

**Green and Red Leaf:** Plentiful supplies.

**Artichokes:** Artichoke production will see a modest increase in output this week. Warmer spring temperatures are promoting artichoke growth; however cold mornings and a lack of rainfall are still keeping the plants from producing a high volume of fruit. Also, light frost damage is still part of the quality landscape for the near term as temperature lows dip down into the mid- to low 30s in northern production regions. Despite this, overall quality is good with a tight, compact appearance and good green color.

**Asparagus:** We are past peak production for the harvest in Mexico; the tone of the market will soon begin to firm as the current oversupply situation is relieved. Production in Central and Northern California is on the increase. Prices will trend higher through Easter.

**Bok Choy:** Good supplies in the desert and Central California.

**Broccoli:** Production supplies are tightening down in preparation for transition. Quality remains consistent with an even green color with a medium bead shape. Some percentage of production is still showing a slightly "branchy" appearance. Overall, there's a uniform and usable pack.

**Carrots:** Availability has improved with the harvest now in full swing in the Imperial Valley. Mexican carrots are available for shipment from McAllen, Texas at competitive FOB prices.

**Cauliflower:** Industry supply should be light enough to keep the market strong. Quality and supply in Yuma is excellent and the new fields are showing heavy weights along with good color and size.

**Celery:** Overall demand is light with good quality and medium green color.

**Cilantro:** Plentiful availability.

**Garlic:** Shipments from Chinese exporters will be light through mid-March, lending strong support to the market and causing the current wide disparity in prices to narrow. Prices are firm for California garlic.

**Green and Red Cabbage:** Continued plentiful supplies of green cabbage from multiple growing regions (Texas, Florida, California, Arizona). Adequate supplies of red cabbage.

**Green Onions:** Plentiful supplies and excellent quality from Mexican growers.

**Kale (green):** Strong supplies this week.

**Napa:** Good availability, competitive prices.

**Parsley (curly):** Good supplies and quality.

**Parsley** (Italian): Good supplies and quality. Seeder has begun to appear in limited samples, no effect on yield at present.

**Snow peas:** Plentiful supplies from California and Mexico.

**Spinach** (baby): Adequate supplies; yields below average for various growers due to issues with mildew.

**Spinach** (bunched): Steady availability.

**Spring Mix:** Adequate supplies, excellent quality.

**Arugula:** Adequate supplies.

**Frisee:** Good supplies.

**Mache:** Limited availability.

**Radicchio:** Good supplies.

## **BERRIES**

**Strawberries:** The strawberry harvests in Florida are finishing by the end of March; Mexico harvests will continue into April and will diminish significantly with warmer weather coming April. Oxnard harvests are improving somewhat, with Santa Maria just starting.

**Raspberries:** Production in Southern California and Mexico is on the decline, with no increase expected until the harvest begins in Central California in early May.

**Blackberries:** Availability is increasing for growers in Southern and Baja California.

**Blueberries:** The harvest in Chile will wind down by mid-March followed by Southern California and Florida. April is a gap period for blueberry production during this large transition.

## **MELONS**

**Cantaloupes:** Melons will continue prodding along for the next few months until the end of season. Size profile heavy to large sizes (9-count and larger).

**Honeydews:** Continued tight supplies and high prices on honeydews from Guatemala. Mexican honeydews are available, with increasing production by mid-to-late March in the northern districts. Quality is excellent.

## **WASHINGTON APPLES**

Prices remain generally steady for storage crop apples. Good supplies on all sizes all varieties of apples, including Braeburn, Fuji, Gala, Golden Delicious, Granny Smith and Red Delicious...with the only exception being that large sized Granny Smith are in tight supply. Plentiful availability on D'Anjou pears; Bosc also available. The apple harvest is getting underway in Chile, which will bring additional supply to the U.S. market this spring, particularly Gala and Granny Smith.

## **GRAPES & SOFT FRUIT**

**Grapes:** Tight supplies and higher prices on Flame seedless and globes, prior to the arrival of Chilean Crimson seedless in mid-March. Some shippers are holding their reds hostage in order to sell some green grapes which are plentiful in supply. Steady availability and strong market conditions for Thompson seedless; expected to continue through the remainder of the Chilean season.

**Kiwi:** Oversupply characterizes the California harvest. Growers are looking at a substantial portion of the crop yet to be harvested prior to the arrival of new crop kiwi from Chile in late March.

**Peaches and Nectarines:** Limited supplies.

**Plums:** Limited supplies.

## **EASTERN & WESTERN VEGETABLES**

**Green Bell Peppers:** Upward pressure in the market this week, however prices have most likely peaked at current levels, with an increase in production expected next week from growers in Florida. Large sizes command a significant price premium, with choice grade offering the best value. Good supplies continue for red and yellow bells.

**Cucumbers:** Good supplies. New varieties continue to produce strong yields and outstanding quality.

**Green Beans:** Plentiful availability in Florida and Nogales... a wide range in quality and price exists in Nogales, with premium prices being paid for packs showing uniform size and shape and deep green color.

**Eggplant:** Tight availability in Florida, steady in Nogales...wide range in quality.

**Squash:**

- **Zucchini:** Plentiful availability in Nogales and Florida.
- **Yellow:** Plentiful supplies.
- **Acorn:** Essentially unavailable in Nogales.
- **Butternut:** Available at high prices.
- **Spaghetti:** Available at high prices.

## **TOMATOES**

**Round:** Prices are gathering strength due to a potential gap in production in Florida, expected to continue through late March.

**Roma:** Market firming; currently priced at a slight discount to round tomatoes.

**Cherry:** Adequate supplies.

**Grape:** Market moving sharply higher.

## **POTATOES (Idaho)**

Supplies are extremely tight. Processors are buying and paying big money for entire cellars of potatoes. This is creating an extremely tight table stock situation. Pricing will continue to climb every week and possibly every couple of days. Many shippers taking orders but will only price date of shipment.

## **ONIONS**

Supplies still exceed demand. There was some firming up on the F.O.B's as many sheds have or will finish soon. However, since there is an overlap situation between storage crop from the Northwest and new crop from Mexico, it's difficult to get the pricing up.

<b><u>Commodity</u></b>	<b><u>Price</u></b>	<b><u>Quality</u></b>
Iceberg	low	good
Romaine	low	good
Romaine hearts	low	excellent
Green and red leaf	low	good
Broccoli	low to moderate	good
Cauliflower	moderate	excellent
Celery	low	good
Carrots	moderate	good
Artichokes	moderate	excellent
Asparagus	low	good
Green onions	low	good
Parsley (curly)	moderate	very good
Parsley (Italian)	moderate	good

Spinach (bunched)	moderate	good
Kale (green)	moderate	very good
Cilantro	low	very good
Green cabbage	low to moderate	good
Red cabbage	moderate	good
Bok Choy	moderate	good
Napa	moderate	good
Snow Peas	low	good
Garlic	moderate to extreme	good
Spring Mix	-	good
Spinach (baby)	moderate	good
Arugula, Mache, Radicchio	-	good
Frisee	-	good
Raspberries	high	good
Blackberries	high	good
Strawberries	moderate	good
Blueberries	moderate to high	very good
Oranges	moderate to high	very good
Lemons	moderate to high	good
Limes	moderate to high	excellent
Grapefruit	moderate	good
Pineapple	moderate	good
Cantaloupes	moderate	good
Honeydews	high	excellent
Red and Golden Delicious Apples	moderate to high	good
Grapes-Green Seedless	high	good
Grapes – Red Seedless	high	good
Kiwi (California)	low	good
Peaches and Nectarines	moderate	good
Plums	moderate	good
Avocados-Mexican	moderate to high	good
Avocados-California	moderate to high	good
Zucchini	low	good
Yellow squash	low	good
Cucumbers	low	excellent
Bell peppers, green	moderate to high	good
Bell peppers, red	low to moderate	good
Green Beans	moderate	good
Eggplant	moderate to high	good
Round tomato	moderate	good
Roma tomato	moderate	good
Cherry, Grape tomato	moderate to high	good
Idaho Russets	moderate to higher	good
Yellow and Red Onions	low	good
White Onions	extreme	good