

# FRESH DIRECTIONS

WEST CREEK FRESH

Weekly Produce Trend Report for Week Ending August 1, 2014

## MARKET OVERVIEW

Regional production in the Northeastern U.S. and Eastern Canada is gradually increasing, reducing recent demand pressure on California growers for commodity packed iceberg and romaine. Prices are trending lower for iceberg, soon to be followed by commodity romaine. Tight availability and high prices will continue on romaine hearts for at least another week. These fields are grown specifically for romaine hearts, and growers have been up to two weeks ahead of harvest schedule. Romaine heart material/heads are more mature than commodity romaine. Current romaine hearts will open more leafy and green, compared to the tightly cupped, bleached heads that are preferred. Demand and quality remain good on most citrus items. Pricing on larger size lemons are nearing historical highs with no relief in sight. Limes are back on the increase due to rains in Mexican growing area. Many mixed vegetable items are excellent in quality with a decrease in pricing expected over the week. The sweet potato and yam markets are experiencing an industry-wide shortage in several regions of the country due to the abundance of rain during their 2013-2014 crop planting season. Shippers were unable to set approximately 1/3 of their normal crop, creating roughly a 50% shortage on inventories. Normal inventory is expected in approximately 30-35 days if the growing season is normal. Several shippers are declaring an Act of God situation and voiding contracts for the immediate future.

COMMODITY	PRICE	QUALITY	PRICE TREND
Avocados-Californian & Mexican	Moderate	Good	↔
Blueberries	Low	Good	↔
Blackberries	Moderate	Good	↔↑
Strawberries	Low to Moderate	Good	↑
Raspberries	Moderate	Good	↑
Grapefruit	Moderate	Good	↔
Lemons	High	Good	↑
Oranges, Navels, Valencias	High	Good	↔
Limes	Moderate	Good	↑
Pineapples	Moderate	Good	↔
Green, Red Leaf Lettuces	Low	Good	↔
Iceberg Lettuce	Moderate to High	Very Good	↓
Romaine Lettuce	High	Good	↔
Romaine Hearts	High	Excellent	↔
Cucumbers	Moderate	Good	↔
Green Beans	Moderate	Good	↓
Green Bell Peppers	High	Good	↑
Red Bell Peppers	High	Good	↔
Yellow Squash	Moderate	Good	↔
Zucchini	Low	Good	↔
Green & Red Seedless Grapes	Moderate	Good	↔
Peaches, Nectarines	Moderate to High	Good	↔
Cantaloupes	Low	Good	↔
Honeydews	Moderate	Good	↔
Artichokes	Moderate	Excellent	↓
Asparagus, Fennel/Anise	Extreme	Good	↔
Arugula, Bok Choy, Carrots, Frisee, Napa, Baby Spinach, Spring Mix	Moderate	Good	↔
Cauliflower	Moderate to High	Good	↓
Spinach (Bunched), Green Cabbage	Low	Excellent	↔
Parsley (Curly)	Moderate	Very Good	↔
Snow & Sugar Snap Peas	Moderate to High	Good	↔
Green Onions	Low to Moderate	Excellent	↓
Cilantro	High	Very Good	↓
Red Cabbage, Celery, Parsley (Italian)	Moderate	Excellent	↔
Peeled Garlic, Mache	High	Good	↔
Kale (Green)	Low	Very Good	↔
Red Onions, Broccoli	Low to Moderate	Good	↔
White Onions	High	Good	↔
Yellow Onions	Moderate	Good	↔
Potatoes	Low to Moderate	Good	↔
Round, Roma, Plum, Cherry Tomatoes	Low to Moderate	Good	↔
Grape Tomatoes	Moderate	Good	↔
Red & Golden Delicious, Bosc Pears	Moderate	Good	↑
Galas, Granny Smiths, Fujis, D'Anjous	High	Good	↑



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## APPLES & PEARS

Demand and movement steady, retail adding more shelf space for apples. Lower grades, 113s and smaller still in tight supply. Good movement on 88 larger red delicious. Export demand has slowed but still active. Storages are running low and some shippers are winding down on a few of their varieties. Expect higher prices. Sugar levels measure 12 to 14 Brix. Washington pears are pretty much finished with only a couple large sheds left. New crop California Bartlett's are now available. Sugar levels range from 12 to 14 Brix.

## ARTICHOKES

Good supplies available this week especially on the larger sizes. Quality is excellent with consistent color and compact head form. Prices are steady, although a softer market is expected for most key sizes due to strong production volume than what was originally projected.

## ARUGULA

Good availability.

## ASPARAGUS

Mexico is the primary growing region. Cool, wet weather conditions have held back production, causing tight availability and high prices. The current shortage is expected to continue through late July.

## AVOCADOS

Overall, the avocado market remains in a transition period. The market should normalize and strong demand will help fix the current inventory glut that the industry has right now. Small fruit will likely remain strong in price and large fruit a little weaker. Currently, inventories on Peruvian avocados remain high. The fruit is high in flavor, stays green even after its cut and ripens uniformly. Supplies are reliable and pricing is promotable. The Mexican avocado industry meanwhile continues to ship less fruit and as a result, pricing in Texas has gotten stronger. Mexico is in the last few days of their late-season crop. The fruit is at peak taste but the shelf life is limited as is the availability. Quality is best in California and Mexico, where oil content is high and texture is creamy.

## BELL PEPPERS

**East:** Supplies are very tight and the market remains strong and active. The western NC crop continues. The East has had to also look west again this week to meet all of its demand. The NJ crop will begin producing momentarily.

**West:** Excessive heat has affected the quality and quantity. Supplies are tight and the market is strong. Fresno

should start up within a week to 10 days. Oxnard is expected to begin harvesting around 8/11. Red Bells: A slight increase in volume has finally brought downward pressure on FOB prices. How demand responds to this change of price will determine if the price continues to fall or if the price rebounds.

## BLACKBERRIES

Producing regions: Santa Maria, Watsonville, Salinas, Georgia, North Carolina, Baja, Oxnard, Oregon. Quality is good overall. Wet, misty weather challenges, overcast conditions remain in Northern CA. Availability: CV, availability on Blackberries and expected to peak first week of August. OG production limited in availability. PNW is starting to harvest in light CV supply and will be transferring product into CA. Texture is firm, flavor is sweet, and sugar levels are average (ranging from 12 to 13 Brix).

## BLUEBERRIES

Producing regions: California, Baja, Oregon, Washington, New Jersey, BC. Quality is good overall. PNW is expecting higher heat this week, quality impacts are not expected as affected fruit is being removed before it gets packed. Availability: NJ, production is set to end this week. PNW will be in peak for the next two weeks. OG, steady availability on the West Coast. Berries are slightly floral and sweet. Sugar levels measure 14 to 18 Brix.

## BOK CHOY

Good supplies and favorable prices.

## BROCCOLI

Supplies are slightly above normal this week. Quality remains very nice with green color, small to medium bead sizing with an overall good texture and appearance. Expect market to continue to be softer this week since there is less demand industry wide due to the warmer temps across the nation coupled with eastern programs picking up.

## CANTALOUPE

Market is steady with good supplies of 9's and 12's and overall quality of the fruit is excellent with nice clean net and full slip and excellent internal color and sugar. We expect to have good volume through mid-October off the Westside barring any major weather or water issues. This is an excellent time to promote melons. Quality is excellent: sugar levels range from 11 to 12 Brix.

## CARROTS

Steady availability in California, lighter supplies available for shipment from South Texas (Mexico).





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## CAULIFLOWER

Supplies this week on cauliflower will be average; better supplies are expected next week. Prices are on the decrease and should stabilize to more moderate pricing. Quality and condition will remain strong; white curds, medium to medium plus in size and good green jacket leaves.

## CELERY

Average supplies this week with higher yields. Demand is strong and the market is steady. There is potential for light insect presence in some heads, but overall, quality is excellent (59-61 lbs., dark green color and very meaty shanks).

## CILANTRO

Good supplies this week. Quality and appearance continue to be nice with bunches averaging 9-11 inches in length with good green color. Market prices continue as high due mainly to the lack of product coming out of Oxnard.

## CUCUMBERS

**East:** Supplies remain short. MI has started to harvest but we are seeing some quality issues due to rains. Cool weather has also slowed that crop down. We see more supplies coming online as the weather warms in MI as the fruit is on the vines. Quality is variable.

**West:** Baja crossings cannot keep up with demand. The Northwest region has begun to harvest with light volume. Prices remain strong this week. The level of demand will determine how the market moves in the short run.

## EGGPLANT

Harvesting in NC now. FOB prices are stronger due to cooler weather. Quality is very good.

## FENNEL/ANISE

Fennel supplies are projected to be about half of demand this week. Expect the market to remain very active this week due to continued good demand and light supplies throughout the industry.

## GARLIC

Processors will begin using new crop California garlic in early July. Note that this early season garlic will show some green color, as the bulbs are large and have had exposure to direct sunlight during the growth cycle. Note that prices for Chinese garlic will increase substantially in July, as higher duties have been assigned by the U.S. Department of Commerce to the majority of importers. Demand will increase, along with prices, for California garlic, as imports are expected to decline.

## GRAPES

Market is steady with good volume coming out of the valley on flames, Sugarones princess and summer royals, we will continue through November here in the valley on all colors. This is a great time to promote grapes. The overall quality of the fruit is good to fair with some blocks a little weaker due to water shortages and some severe heat last week that did cause some cracking primarily in the blacks. We anticipate having good volume and quality through the year. Green seedless sugar levels range from 17 to 18 Brix; red seedless sugar levels are a bit higher at 18 to 19 Brix.

## GREEN BEANS

Good supplies in California, adequate in Eastern districts.

## GREEN CABBAGE

Quality and supplies of green cabbage will be steady for the next week. Current west coast cabbage market has been depressed because of regional sources coming on. An increase in demand is possible if cold regional temperatures come into play.

## GREEN ONIONS

The market is decreasing as some shippers find local deals cutting into their business and more onions are available to sell. Current markets are lower priced on mediums. Quality is excellent, but volume is still low.

## HONEYDEW

Market very strong as supplies are light off the Westside, we are peaking on 5's and very light supplies of 6's and smaller. We expect to pick up the volume in about 7-10 days and will see some relief on price once the volume increases. The overall quality is excellent with high sugar and a very clean green to cream cast. Quality is very good: melons are sweet. Sugar levels range from 11 to 13 Brix.

## ICEBERG LETTUCE

Light supplies continue this week with less amount of 30s. Quality is good with good color, tight pack and overall good appearance. Weights are 38-43 lbs. Some shippers have better supplies. Market should be steady at lower prices.

## JALAPEÑOS

**East:** Good supplies and good quality continue in the east. FOB prices generally steady.

**West:** Supplies out of Baja continue strong with steady prices. The CA crop is producing. Quality is very good.



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## **KALE (GREEN)**

Plentiful supplies this week. Overall quality and appearance is very nice with bunches and lengths measuring 14"-16" and dark green color.

## **KIWI**

Tight availability on Chilean kiwi, which will continue through the season.

## **LEMONS**

DEMAND EXCEEDS SUPPLY ON ALL SIZES AND GRADES. We are in a very tough situation as we are all in the same boat and volume is extremely tight on all. We will be in this situation for the next 2 months as the Mexico crop has some quality issues and we do not expect big crossing from them for another 2-3 weeks. The Chilean arrivals are very minimal at this point and we do not anticipate big volumes from Chile as the global market is depleted of supplies as well and Chile will be sending a majority of their fruit to other countries. We are expecting to get started out of the Dist. 3 (Desert) around the first of September and hopefully be going with good volume by the middle of September. Sugar levels range from 6 to 8 Brix.

## **LETTUCE (GREEN & RED LEAF)**

Supplies are very good on green leaf this week, but light on red leaf. Green leaf is 9-10" long and weights are 23-25 lbs. per case. The red leaf is smaller at 8-9" per head and 20-22 lbs. per case. Both have very light and occasional mildew in 1-2 heads/case.

## **LIMES (PERSIAN)**

Rain in growing area of Mexico has upset the downward pricing movement. Prices are steady; all sizes are on the market. Quality is very good: fruit is firm and juicy with tart flavor.

## **NAPA**

Light supplies and high prices.

## **ONIONS**

The market is firmer as New Mexico experienced a significant amount of rain recently. Delays in harvest have put pressure on the Calif shippers where supplies were tight to begin with. This date market is firm and should remain firm for next several days. New crop from northwest expected to be available within about 10 days.

## **ORANGES**

Market steady with good demand on Valencia's especially strong and tight on 88's and smaller. The overall quality is good with some green tinge on the blossom and stem

end, but internal color and sugar are excellent. We will be packing Valencia's through October and the market will start to strengthen up around the middle to end of August as our overall numbers start ease off. Quality is very good: fruit is sweet and juicy. Sugar levels range from 11 to 13 Brix.

## **PARSLEY (CURLY)**

Plentiful supplies this week. Quality continues to be very nice. Bunches are measuring 8-10" in length with good green color.

## **PARSLEY (ITALIAN)**

Plentiful supplies this week. Quality is excellent and bunches are averaging 9-11" in length with a rich, dark green color.

## **PINEAPPLES**

Although stocks are tighter than normal, prices should remain stable through the month; demand is weak. Quality is very good: flavor is tangy, yet sweet with tropical notes. Sugar levels range from 13 to 14 Brix.

## **POTATOES (IDAHO)**

Currently, market is weaker. FOB's are lower on most sizes as supplies exceed demand for the time being. US #2s are somewhat tight but have dropped slightly with the rest of the storage deal. Shelf life is limited as the potatoes that are nearly 9 months old.

## **RASPBERRIES**

Producing regions: Baja, Oxnard, Watsonville, Santa Maria, Salinas. Some reports of soft fruit. Wet, misty weather challenges, overcast conditions remain in Northern CA. Availability: CV, current forecast shows an increase in production week to week through mid-August. OG's, limited availability. August will bring more volume. Quality is good: softness is a slight problem in some lots. Sugar levels remain high, ranging from 13 to 14 Brix.

## **RED CABBAGE**

Great quality for both naked and cello red cabbage with good head size and compactness. Fairly light supplies due to summer demand but prices remain moderate. This trend is expected to continue.

## **ROMAINE HEARTS**

Supplies continue to be light this week depending on shipper; however, no gaps are anticipated in the next week. Hearts that are being harvested in Salinas are greener and more leafy than normal. Situation should improve over the next few weeks. This week due to the lighter supplies, only a limited supply is available on





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a daily basis. Demand is very good. Appearance and quality are excellent; light green with uniform sizing and cupping, lengths between 11-12”.

## ROMAINE LETTUCE

Supplies continue to be light this week depending on shipper; however, no gaps are anticipated. The lighter supplies in Salinas are a result of being 10-14 days ahead of harvesting schedule since beginning of the season. Otherwise, demand continues to be good with good quality and condition; dark green color with 34-36 lbs. in weight and 11- 13” in length.

## SNOW AND SUGAR SNAP PEAS

Good supplies (California, Mexico, Guatemala).

## SPINACH (BABY)

Good supplies.

## SPINACH (BUNCHED)

Steady supplies again this week. Overall quality is excellent and demand is fair. Bunches are large, dark green in color and lengths are 10-11”. Weights are between 23-25 lbs.

## SPRING MIX

The market is level. Quality is very good for most varieties; problems in arugula and spinach crops have improved. Maintaining the cold chain is critical to shelf-life, especially in the summer.

## SQUASH (YELLOW)

**East:** Continue harvesting out of SC and NC. FOB prices are generally steady. Quality is good.

**West:** Good supplies continue with generally steady prices.

## SQUASH (ZUCCHINI)

**East:** Good supplies available from SC and NC. Market is generally steady with downward pressure. Quality is very good.

**West:** Good supplies available from Fresno and Baja. Quality is very good.

## STRAWBERRIES

Producing regions: Santa Maria, Watsonville, Salinas. Quality is good overall. Wet, misty weather challenges, overcast conditions remain in Northern CA; realign expectations for fruit harvested this week (bruising, decay). Production implemented action plans to reduce quality issues and will adjust size specs to combat smaller fruit. Availability: CV, Strong availability through the week;

projected to gradually decline week to week. OGs, availability through the end of the week, production is strong this week in Watsonville/Salinas. Quality is very good, but some berries are small and overripe. Sugar levels range from 14 to 15 Brix.

## TOMATOES

### EAST

**Rounds:** Ample supplies continue from several growing regions. The mountains of NC and Western SC continue to come on with more volume. AL has begun harvesting its crop. We are just beginning to harvest our Eastern VA crop. CA continues with strong volume. Demand is weak. FOB prices have fallen again slightly on all sizes. Quality is very good. We see good volume through July but see potential problems in August as the weather in the west (extreme heat) will affect that crop in the next several months.

**Romas:** Primary harvesting areas are Western NC and the Eastern Shore of VA. More supplies and weak demand have caused FOB prices to fall. Quality remains very good.

**Grapes:** Supplies from VA, TN, NC, SC and AL continue strong enough to keep FOB prices stable. Quality remains very good.

**Cherries:** Demand is weak but supplies are tight. FOB prices are up slightly. Quality remains very good. The Eastern Shore of VA is the primary sourcing area.

### WEST/MEXICO

**Rounds:** CA supplies remain strong and FOB prices are steady. Quality of these mature greens is good. Extremely high temperatures in the growing regions will take a toll on both quality and quantity during August. Mexican crossings of vine ripers continue at Otay Mesa and McAllen. Crossings have increased to more normal levels causing FOB of the vine ripers to be less than last week. Quality of these vine ripers continues to be variable but is improving.

**Romas:** Crossings continue at McAllen and Baja. CA growers continue this this week. Quality remains good but more variable. Prices are generally level or down slightly depending on region and size.

**Grapes:** As forecasted, crossings at Baja have increased this week causing lower FOB prices. CA growers are also harvesting. Crossings at McAllen also continue. We see no gaps in grape supplies in the foreseeable future. Quality is good to very good.



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## **TREE FRUIT**

### **(PEACHES, NECTARINES, PLUMS, CHERRIES)**

Good availability on yellow peaches (large sizes), tight supplies on small peaches and nectarines. Good supplies on plums. Sugar levels range from 12 to 13 Brix. Better availability next week for cherries in Washington. The current size profile is heavy to large sizes, not the smaller fruit that is preferred by foodservice customers. Steady availability on nectarines, and red and black plums. The apricot season is finished. Washington cherry demand is very good, supplies tight on smaller sizes, strong ad support. Quality reported as excellent. Pricing is stable.

## **WATERMELON**

Plentiful supplies in multiple districts throughout the U.S. July is National Watermelon month. Quality is outstanding. Fruit is deep red, firm, and sweet. Sugar levels range from 12 to 14 Brix.