

MARKET TRENDS

JANUARY 19, 2018



Produce

Avocado prices continue to track above the previous year levels despite relatively solid imports. Last week, avocado shipments from Mexico to the U.S. were 4.4% better than the same week a year ago. Strong avocado demand, however, is likely to support prices this winter. History suggests that the Hass 48 count avocado market should be fairly flat during the first two months of the year. Tomato supplies from Florida remain subpar, last week tracking 38% below 2017. In contrast, we are seeing good volume on vine ripe Romas out of Mexico, rounds and snacking tomato volumes are also improving. Tomato shipments should improve this winter. Lettuce, romaine and leaf items are steady, but there are quality issues. Lemons and oranges are in a very extreme market. Cilantro, broccoli, tender leaf items (baby spinach, clipped spinach, arugula and baby kale blends), and green onions are escalated and we are seeing shorter supplies. Spinach may hit a gap in supply. Strawberry and raspberry supplies have also tightened up significantly due to weather impacts, and we will need to watch closely this week to see if the fruit is further harmed in the fields. The squash market is firmer, but supplies are available. Basil and thyme supplies are ramping up as well.

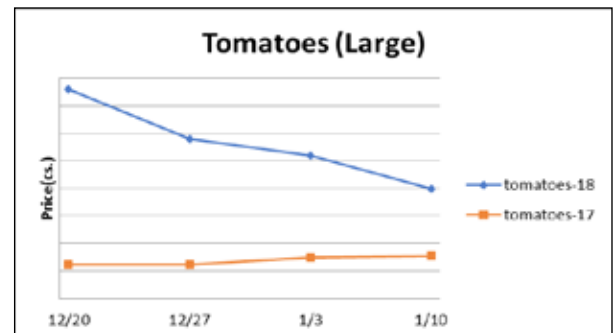
Eastern and Western Vegetables

We are seeing some quality issues on vegetables in general out of the southeast this week due to last week's freeze in Florida.



MARKET ALERT

- **Arugula & Wild Arugula – ESCALATED**
- **Asparagus – ESCALATED**
- **Baby Kale Blends – ESCALATED**
- **Berries (Blueberries, Blackberries, Raspberries, Strawberries) – ESCALATED**
- **Broccoli – ESCALATED**
- **Cilantro – ESCALATED**
- **Green Onions – ESCALATED**
- **Lemons – EXTREME**
- **Mushrooms – ESCALATED**
- **Oranges (Small sizes) – EXTREME**
- **Spinach (Baby & Clipped) – ESCALATED**
- **Tomatoes (Cherry, Grape, Roma, Round) – ESCALATED (EAST ONLY)**



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Produce

Apples & Pears

Prices are level. Storage supplies are plentiful, with the exception of 56- thru 88-count Granny Smith apples. Newer varieties on the market include Autumn Glory, Envy, Jazz, Kanzi, Opal, Pacific Rose, and Smitten. Quality is very good: sugar levels range from 14 to 18 Brix. Pear prices are steady; storage supplies are abundant, especially 100- to 120-count sizes. Bartlett stocks will be depleted by the first week of February; several growers have already ended their seasons. Sugar levels range from 12 to 14 Brix.

Artichokes

Steady market with higher prices. Quality is good.

Arugula

Escalated Supplies are limited and we are seeing quality issues due to cooler weather.

Asparagus

Mexican supplies are limited, causing the market to climb. Harvesting transitions and low temperatures have reduced availability. Peruvian stocks are helping to meet demand.

Avocados

Prices are steady; stocks have increased in both regions. Quality ranges from good to very good: oil content is high, texture is creamy, and flavor is subtly nutty.

Bananas

Demand remains firm and quality is good, but we are seeing short supplies across the country and expect a shortage to continue through 2018 due to virus impacts.



Beans

East: Continuous limited supply from S. FL. as the region tries to make a recovery from the freeze a few weeks ago. Volume will stay sporadic for another few weeks. FOBs are up once again, but quality overall has been nice for what you can get your hands on.

West: Steady volume is coming from MX with improvement on the horizon. Thus keeping prices steady into next week. Quality has been mostly good.

Berries:

Blackberries

The market is weak; Mexican volume is high. Quality is very good; berries are plump and juicy with sweet, yet tangy flavor. Sugar levels range from 12 to 13 Brix.

Blueberries

Mexican prices are low; the Chilean market is steady. Overall supplies are adequate. Quality is very good: berries have deep blue, firm skins and flesh that tastes mildly sweet.

Raspberries

Prices are slightly higher than last week; volume has dipped, especially in California. Quality is very good: color is deep red and flavor is tangy, yet sweet. Sugar levels range from 13 to 14 Brix.

Strawberries

This week's California rain will limit availability. Although many California growers packed ahead in anticipation of the rain, the market is expected to rise. Florida supplies remain limited due to abnormally low temperatures.

Bok Choy

Quality is average and we are seeing some higher quotes on WGA cartons.

Broccoli

The market is holding steady at high levels. Volume is low the Arizona/California desert region as well as Mexico. Good color and occasional brown bead. Quality has improved and should continue to improve.

Brussels Sprouts

Markets are improving as additional inventory becomes available. Quality is good.

Cantaloupe

We are seeing decent volumes of offshore fruit arriving on both coasts., with fair demand fruit is on the large side mostly 9's and very few 12's and 15's. The overall quality of the off shore fruit looks good with a green to cream cast and very

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PERFORMANCE
FOODSERVICE



Produce *(continued)*

good internal color and descent sugars. We will be in the offshore fruit through April until we start back in the desert around the first of May.

Carrots

Due to the heat and rain, we are seeing some quality issues and a shortage on jumbo supplies as well as tables and cellos. This market is improving, but prices are still higher.

Cauliflower

Prices are high; supplies are limited, but starting to increase.

Celery

The market is weak. Cold Florida weather is delaying harvests.

Cilantro

Escalated Supplies are limited and we are seeing quality issues due to cooler weather.

Corn

Sweet corn markets have firmed up slightly out of South Florida; we are seeing some availability crossing through Nogales. Quality is good.

Cucumbers

East: Still very light supplies are coming from FL, but Honduran supplies are ramping up. Volume will continue to increase in the upcoming weeks. Overall quality has been great, but some concerns in the form of shorter shelf life are evident. With FL moving out of the picture, prices are up slightly.

West: Great supplies are still coming from MX with prices pushing downward a few dollars. Quality is great.

English Cucumber

There are excellent supplies crossing through Nogales and McAllen.

Eggplant

East: Another active week as Plant City's crop was affected by the cold temps. Supply is expected to not turn around for another 10-14 days. Quality is mostly good, but some issues have been reported. Many are going west for better supply and quality.

West: Shady skies and cool weather has slowed production in Nogales, perking up the FOB's. Quality still looks great.

Fennel

Supplies for the week will be good and quality is good.

Garlic

Extreme We have now fully transitioned from common storage garlic to cold storage product. Fortunately to date, our recoveries are faring relatively fine through the cracking/peeling process. Concerning the future/2018 crop, we are 85% completed with our planting season. Provided the weather (and that Mother Nature cooperates), we should finish planting within the next two weeks. In the coming months, we'll hope for cold enough weather and decent rainfall (similar to last year) to help facilitate the growth of the bulbs.

Ginger

Chinese ginger supplies are steady. Quality is good.

Grapes

Market steady as we are still shipping some California fruit and should be done by mid-January, there is good volumes of Peruvian arriving on the east coast and are starting to see some better volumes arriving from Chile on both coasts. The Chilean and Peruvian fruit quality is very nice, which is a big change from last year. We are hoping that the imports this year will continue with excellent quality barring any major weather issues. . The Chilean crop is of normal volumes and the weather has been good, so we are expecting a good year.

Green Cabbage

Supplies have tightened and markets have firmed on both coasts, but quality remains good.

Red Cabbage

Quality and sizing have been great with good color. The market is firming.

Green Onions

Escalated Iced We are still seeing elevated prices; however, the market is beginning to improve.



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Produce *(continued)*

Honeydew

We are seeing some off shore and Mexico fruit here on the west and good volumes on the east as well. The Mexico volumes will be very light until around April, and will be dependent on offshore through April. The first fruit is a bit green but cuts nice and sugars are descent, We will start to see better volumes in the next few weeks, but right now fruit is on the tighter side especially on the 6's and 8's fruit is mostly 5' and 4's. We will also be dependent on the offshore fruit through April, until we start back in the California desert the first of May.

Jicama

Prices are firming up and inventories are lighter. We are seeing some quality and shelf life issues in storage product.

Kale (Green)

Quality is average and supplies are fair.

Kiwi

California crops are now in full swing with ample supply available and showing excellent quality. This new crop will extend all the way through to February.

Lemons

Market very strong with excellent demand and some sizes demand exceeds supply. We are about done harvesting in Dist 3 (desert) and also going in a descent way here in dist 1 (Central Valley), we are gassing fruit in both areas and you will see some checkerboard color but for the most part quality is good, just like the oranges we will hope to see better color break here in Dist. 1 as our temperatures cool down which will promote better color break and allow for less gassing hours. The overall crop size out of dist 3 is about 20% lighter than last year and here in Dist. 1 about 15% lighter. We expect the market to stay fairly strong with lighter volumes out of both districts and with domestic and export demand very good.



Lettuce:

Butter

Prices are stable. Quality is good.

Green Leaf/Variety Leaf

Prices are low. Epidermal blistering and peeling are lowering weights, as crews must trim damaged leaves. Good quality.

Iceberg

Prices are near the bottom; stocks are ample. Epidermal blistering and peeling are problems; growers are trimming affected leaves, reducing weights. Seeing a good amount of weak tip and tip burn. Peak brand is inconsistent.

Romaine

Although prices are low and stocks are ample, challenging weather has caused epidermal blistering and peeling, reducing head weights. Discolored blister will be worse in the next few days. Very little Peak.

Romaine Hearts

Supplies will be normal for the next few weeks. Quality has improved, as most issues with quality can be peeled off. Pricing is a wide range due to quality.

Iceberg Blends

Weak tip and chunks are an issue. Some lots are barely meeting specification.

Chopped Romaine/Romaine Blends

Some burn and discolored blister. Little Peak being packed due to blister.

Arcadian Blend

Very trace burn. Very nice.

Limes

The market is climbing; volume will decrease this week. Quality is good: blanching and scarring are slight issues.

Napa

Supplies are steady and quality is good.

Onions

The truck shortage in the Northwest is curtailing shipments, keeping onion sheds full and preventing prices from dipping. Quality ranges from good to very good.

Oranges

Market is very strong with excellent demand across the board. We are in full swing on our California navels and the overall quality is looking good with sugars are still around

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Produce *(continued)*

11-15 and acid levels are minimal, so fruit is eating good. We are done gassing fruit as we have had several cold nights in the high 20's which really helped bring on color and firm up the fruit. We have had rain the last 2 days which is desperately needed, but it will keep us out of the field so picking will probably not resume until Friday which could cause some supply issues, but will advise if issues with your orders at time of loading. The overall crop is about 15-20% lighter than normal, therefore smaller fruit will become very tight by the first of the year and it will be a battle through the year on 88's and smaller as most blocks right now are peaking on 72's followed by 88's. We will keep you posted going forward.

Parsley (Curly, Italian)

Quality and supplies are fair.

Green Bell Pepper

East: As suspected, the freeze made a large impact in the Florida area. Plant City is mostly out of the picture, pushing demand to South Florida only. Cold temperatures limit growth, putting upward pressure on prices. Look for a price increase on all sizes, with smalls being the most readily available. Quality is still good despite the weather.

West: Both Sinaloa and Sonora are producing great volume. Some quality issues have been reported from Sonora, however, Sinaloa is showing excellent quality. FOBs are slightly down.

Jalapeño Pepper

East: Scattered supplies from FL are available with Plant City being out of the picture. Prices are up due to limited volume, however quality is still nice.

West: Great supplies coming from both Sonora & Sinaloa. Some quality issues are reported from the weak and tired plants in Sonora. Prices remain low with promotable volume available.

Red & Yellow Bell Pepper

The market has stabilized. Florida supplies are limited due to cold weather; demand is strong in Mexico. Quality is good: discoloration, odd shape, and occasional scarring are slight problems in Florida.

Pineapple

The market is unchanged; volume is high. Quality is average: fruit is juicy and tangy, yet sweet. Sugar levels range from 13 to 16 Brix.

Idaho Potatoes

The market is level, but poised to rise. The truck shortage is curtailing shipments, keeping sheds full. Demand will

strengthen, as February is Potato Lover's Month. Expect higher prices by early February.

Rapini

Supplies have improved and markets are down. Quality is average.

Radishes

Quality is good and supply is slowing down. Expect to see stronger markets through the summer.

Salad Blends

The market is unchanged; supplies are sufficient. Quality is average. Inspectors are vigilantly monitoring core material/seeder and internal burn problems for the best packs.

Snow and Sugar Snap Peas

Snow and sugar snap peas supplies are improving through Miami.

Spinach (Bunched)

Watchlist Supplies are light and quality is fair. The colder nights and warm days have prohibited the growth of this item. Supplies are expected to improve as the weather warms up.

Spinach (Baby)

Escalated Baby and clipped spinach supplies are low. We are seeing average to poor quality.

Spring Mix

The market is level; stocks are adequate. Quality is good: early breakdown and mildew are minor problems.



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Produce *(continued)*

Yellow Squash / Zucchini

East: Yield reductions for at least 2 weeks will be in place due to the cold weather. Plant City's crop is a wrap from the freeze putting the ball in the offshore market & S. FL's court. Prices are up. Quality has been questionable the last few weeks. Zucchini is seeing some trouble with light scarring while yellow has had quite a bit. We are still seeing some of this coming from the field. Better quality is demanding a higher price point.

West: Overcast skies slowing down the growth cycle and quality concerns have troubled MX's crop recently. Prices are mostly steady, however, better quality is demanding a higher price point. Problems are reported mostly on yellow, however, zucchini is also seeing some issues now.

Tomatoes

East Rounds

Cooler temperatures are keeping our Immokalee, FL crop from reaching optimal levels at a faster rate, however, there is still plenty of fruit to be had. Last week was a close call to hard freeze temperatures, but luckily, light winds kept the frost away. Once temperatures warm up, normal volumes are expected to resume. Ruskin is pushing through their 3rd and 4th pickings and will be wrapping up soon. FOBs for all sizes are down significantly as more supply comes to the market place. Quality and size availability is excellent.

Romas

Finally a little relief is showing the roma marketplace. Production is still behind rounds by about 2-3 weeks, but is improving despite the cold snap. FOBs are down with great sizing and quality available.

Grapes

Much needed relief after the cold weather is in sight. Grapes are still about a week behind schedule, however, enough supply has been harvested to reflect a decrease in pricing on both bulk and pints. As temperatures warm up, normal volumes are expected to resume in about 7-10 days. Quality is excellent.

Cherries

Great supply is resulting in a decline in FOBs. Quality is excellent.

West/Mexico

Rounds

Baja is just about wrapped up with only a handful of growers still moving product. Culiacan is still building momentum and better supplies are more growers come on board. Plenty of product is crossing, but the new predicament is finding a

truck to pick it up. There is great availability of all sizes. FOBs are down once again and quality is excellent.

Romas

Another dip in prices for romas moving into next week as western Mexico pushes more volume through borders. Good supply and great quality is expected to remain through January.

Grapes

With a nice run in weather, grape FOBs take another plunge. Supplies are expected to stabilize in the next 2-3 weeks as fields go back to normal after the cold snap. Quality is excellent.

Cherries

Great volume is coming from Nogales pushing FOBs down. Quality is excellent.

Watermelon

The market is inching down; volume is rising. Quality is good: minor problems include under ripeness, thick green/white rinds, and light-colored flesh.

