

MARKET TRENDS

OCTOBER 5, 2018



PERFORMANCE
FOODSERVICE



Produce

Market Overview

Most commodities are steady. Valencia's and Lemons are still in an ACT OF GOD with higher prices and shortages in supply. Most West Coast vegetable items are steady. Hurricane Florence has delivered a devastating blow to the agriculture industry throughout the Carolinas. Produce Alliance is doing its best to keep you updated on market conditions throughout the region. Many growers are assessing their damages and will continue to keep everyone updated. Please continue keep the grower community in your thoughts, and we thank you for your understanding and patience during this time.

WATCH LIST

Sweet Potatoes and Yams: This market has spiked due to heavy damage in the Carolinas. Growers are currently assessing the damage, so it is still too soon to react. However, supplies are still good out of Mississippi.

Apples & Pears

The market is unchanged; stocks are plentiful. New crop Washington Fuji, Gala, Golden Delicious, Granny Smith, and Red Delicious Apples are available. Sugar levels range from 14 to 18 Brix. Pear prices are level. New crop Washington Bartlett and D'Anjou Pears are available. California Bartletts will continue shipping through late October; small sizes are tight. Sugar levels range from 12 to 14 Brix.

Artichokes

Quality is excellent, and demand is good.

Arugula

Quality and supplies have improved and product is available.

Asparagus

Prices are beginning to inch down; harvesting in Baja, Mexico is increasing. Tight Peruvian stocks are on the market. Quality is average: spears are deep green and tips are compact.

Avocados

The market is stable. The California season is ending. Mexican stocks are sufficient. Typically, oil content is low at the start of the season, but will increase; flavor is grassy and texture is firm.

Bananas

Demand on this item remains firm and supplies are expected to remain good through the rest of the year. Quality is good.

MARKET ALERT

- **Cilantro – EXTREME**
- **English Cucumbers – EXTREME**
- **Green Onions – ESCALATED**
- **Lemons – ACT OF GOD**
- **Mushrooms – ESCALATED**
- **Oranges (Valencia's) – ACT OF GOD**



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Beans

EAST: Things are starting to tighten up out east with most mid-west and eastern crops coming to a wrap. FOBs are quickly moving up. Quality is still good for now but we could see some struggles over the next few weeks from rain affected areas in TN.

WEST: Limited supply from central valley & coastal California are keeping FOBs high, but steady. Quality is fair to good.

Berries:

Blackberries

Prices are stable. The California season is nearly over. Mexican stocks are adequate. Overall quality is very good: berries are plump and juicy with sweet, yet slightly tangy flavor. Sugar levels range from 12 to 13 Brix.

Blueberries

The market is unchanged. Supplies are ample in both growing regions. Domestic quality is very good: berries are deep blue with a slight blush and sweet, yet tangy flavor.

Raspberries

Prices are weak; stocks are abundant. Quality is very good: berries are plump, juicy, and sweet. Sugar levels range from 13 to 14 Brix.

Strawberries

Prices are stable. The Salinas/Watsonville, California season is ending. Santa Maria fruit is increasing. Cold-chain management is critical to maximizing shelf-life through the remaining fall months. Quality is very good: softness and bruising are slight issues.

Bok Choy

Quality is average, and demand is fair.

Broccoli

Prices are high; stocks are tight in California and Mexico (due to rain). Domestic quality is very good: hollow core and pin rot are minor issues.

Brussels Sprouts

Supplies are light, and quality is good. Prices are steady.

Cantaloupe

Market is a bit soft on the Jumbo 9's and 9's and getting a bit stronger on the smaller fruit 12's and 15's, we are going with good volumes out of the Westside and overall quality is very good, most of the varieties a ESL Harper they are very strong but sugar is only fair. We are peaking on 9's and jumbo 9's and the smaller fruit is a little tougher to come by. We will be getting into some better supplies of the smaller fruit in the coming weeks.

Carrots

We are seeing both good quality and volume.

Cauliflower

The market is low; stocks are abundant. Quality is average: creamy color is minor problem

Celery

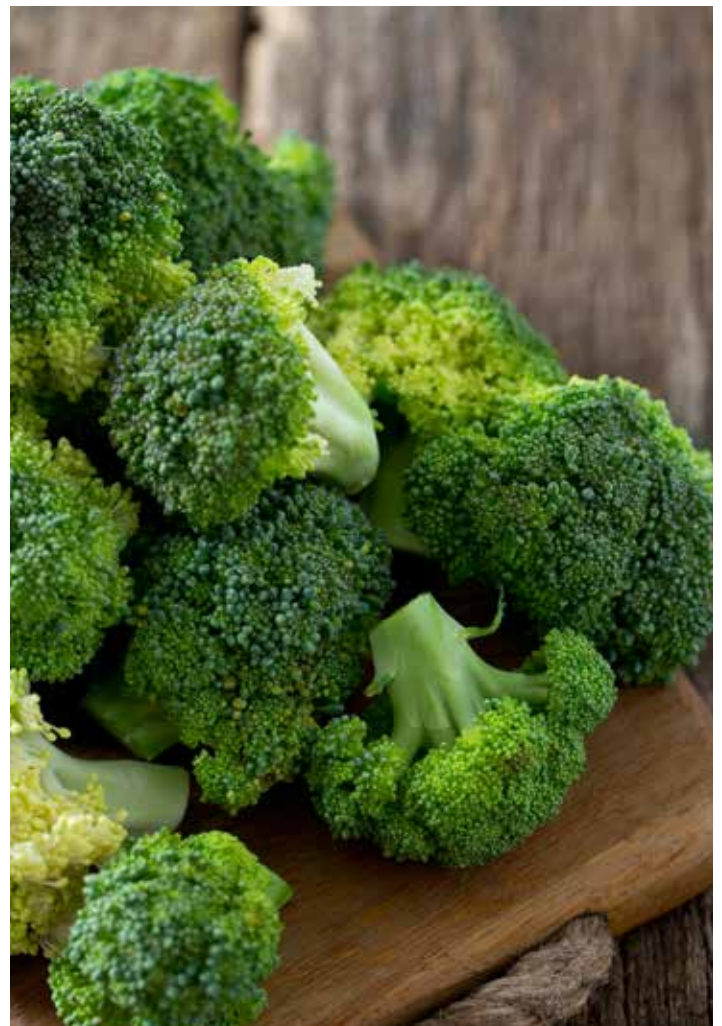
Prices are weak. Quality is very good: pith and growth cracking are minimal.

Cilantro

EXTREME Supplies and quality are improving, but we are still seeing higher prices and slight shortages.

Corn

Good quality is mixed out of Michigan and New York. South Georgia will be ramping up soon.



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Cucumbers

EAST: Georgia is just on the cusp of beginning with light supplies. This is pulling FOBs slightly down, but not drastically. Look for improvement in the 7-10 days as they ramp up. There are still some scattered local deals, but buyer beware these may have been affected by Florence and have quality struggles.

WEST: Mainland MX & Baja's volume are steadily increasing, bringing down the long lasting high prices. FOBs will continue to drop over the next week or so. Quality is excellent.

English Cucumbers

EXTREME Supplies are very short due to a GAP in Canadian production combined with a slow start to new greenhouses in the West. In addition to the mainland shortages, import product from Spain has been delayed and expected to arrive this week. This should bring some relief.

Eggplant

EAST: Most eastern crops are done with GA just barely getting started. FOBs are still high moving into next week. Quality from GA is looking nice so far, but leftover crops from Florence do have issues.

WEST: Production is down with the cooler weather and shady skies, slowing growth cycles. Eggplant thrives in warmer so with cool temps arriving for the fall and winter, we could see some higher priced markets. FOBs remain high. Quality is fair with signs of pitting & light spots.



Fennel

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

Garlic

The market is about 50% done with the 2017 crop. Supplies are steady and prices remain high on domestic product.

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.

Grapes

Market is steady as we are picking throughout the Central Valley which will take us through December. The crop here in the central valley is looking very good as we have a good set and the fruit is fairly consistent in size. We are expecting to have good quality fruit through the year barring any major weather situations, and the estimated volume is about 114 million packed cartons.

Green Cabbage

The cabbage market is easing in the Midwest (Wisconsin) as well as the West Coast. Markets are still firm

Red Cabbage

Markets remain firm despite decent supplies out of the Midwest. 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.

Green Onions

ESCALATED Iced –The market is active due to lighter supplies. Iceless - Like the iced market, the iceless market is active due to lighter supplies.

Honeydew

Market is steady with good supplies of 5's, 6's and 8's on the Westside and overall quality is very nice and sugars are very good as well. We will be going through mid-October on the Westside now is the time to start pushing California melons.

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.

Kiwi

Quality and supplies are good.

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Lemons

Market is adjusting as we continue to see Chilean arrive and also seeing a more Mexican fruit crossing, also need to keep in mind that the Mexican volume is about 40-50% lighter than normal. The Chilean will continue to arrive through mid-October and that should be the last of the arrivals for us. We are going on our D3 fruit and are going with some descent volume, fruit is peaking on 140's and 115's at this point, but will see better volumes of smaller fruit as we are size picking at this point. The overall quality of the lemons is good to fair; you will see some heavier scarring and some green tinge on fruit depending where the fruit is coming from. D3 Fruit has been through a lot of heat and is being gassed so you will see some skin breakdown is some of the weaker lots. We expect the market to stay steady, and we anticipate starting Dist. 1 around the middle of November.

Lettuce:

Butter

Supplies are normal, and demand and quality are both good.

Green and Red Leaf

Red leaf supplies are light. Demand is good, quality is good. Green leaf supplies are normal quality. Demand is good.

Iceberg Lettuce

Supplies for this week look to be extremely below budget. Quality has been steady, but there have been reports that weights will be below normal. The market is very active and is expected to be higher into the weekend.

Romaine

Supplies are normal. Demand and quality are both good.

Romaine Hearts

Demand and quality are good. Supplies are slightly above normal.

Limes

The market is stable. Stocks are plentiful; large sizes are tight. Quality is good.

Napa

Supplies are below normal this week, but demand and quality are both good.

Onions

Idaho/Oregon and Washington are now shipping all three colors fresh out of the field. Quality is strong to start, and harvest is running smoothly with minimal interruption or weather concerns. Skin is starting to get better as the onions continue to cure down. While sizing on yellows is still peaking to jumbos, the availability of larger-sized onions is improving. We are seeing Colossal and Super Colossal in better supply, which has resulted in some reduced pricing on these items. We are seeing white onions are still in short supply and remain elevated in price. Reds are much more plentiful as well, and those prices have also been reduced. Overall, the season appears to be leaning toward a more 'normal' year in terms of size, yield and quality.



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Oranges

Market very strong across the board we are seeing several other Valencia shippers finished for the season, Valencia's are peaking on larger sizes so we are seeing much fewer of the small ones demand exceeds supply on 88's, 113's and 138's and this will be the case going forward through the Valencia season. It is also a lighter crop so we will be fighting supplies of fruit through the remainder of the season until we start navels around the first of November. The overall quality of the Valencia's is fair with descent color some green tinge which is normal for Valencia's and fruit is not near as firm as a navels and a fair amount of stem end breakdown, juice and sugar content is very good. We will be subbing some Chilean navels when possible to cover the 88's, 113's and 138's on orders just a heads up, if you do not want navels please let us know. Please keep in mind that this fruit is about 18 months old on the tree, and the trees are also carrying next year's crop which puts lots of stress on the tree this is when we see re-greening and softer fruit, stem end aging or skin breakdown. The Valencia's are pretty rough and will only get rougher as we navigate through the season, hoping to start navels earlier than the first of November. The California navel crop estimate for about 20% more volume than last year and we will be peaking on 88's and smaller as we start the season around the first of November possibly a week earlier.

Parsley(Curly, Italian)

Quality and supplies are good.

Green Bell Pepper

EAST: Georgia is picking light supplies with volume expected to ramp up around 10/1. Some scattered volume is available in NC, SC, KY, & VA, but it is limited and seeing some quality struggles. These will wrap up in mid Oct. Quality is varied by region, but mostly fair to good due to rain injury. FOBs are down.

WEST: Cooler weather and shady skies continue to slow production, however, with weak demand, prices move downward slightly. Quality is good to excellent.

Jalapenos (Chiles)

EAST: Light, but steady supply continues from the east. FOBs are steady with good to excellent quality available.

WEST: Both Ota & Stockton areas are producing great supplies. FOBs are steady with promotable volume available. Quality is excellent. Things will start to wind down over the next few weeks.

Red and Yellow Bell Pepper

The market is weak; California stocks are abundant. Quality is very good: peppers are deeply colored and subtly sweet.

Pineapple

The market is elevated; supplies are tight in both growing regions. Quality is very good: sugar levels range from 13 to 16 Brix.

Idaho Potatoes

Harvest season continues and all growers are shipping Norkotahs out of the field. Quality and availability have been very strong across the board on most sizes. There is an abundance of large potatoes with somewhat unstable pricing. We do not anticipate the new crop Burbanks becoming available until around the middle of October. By that time, all potatoes will be coming exclusively out of storage and should be through the sweat and curing process.

Pumpkins

Now available out of Indiana and Michigan.

Radishes

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

Salad Blends

Prices are level; stocks are sufficient. Inspectors are seeing more internal burn and mildew issues in iceberg and romaine raw product due to recent humid weather; they're choosing only the best lots to achieve the highest quality packs.

Snow and Sugar Snap Peas

Snow and sugar snap peas supplies are steady through Miami and prices are higher.



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Spinach (Bunched)

Quality is fair and product is available.

Spinach (Baby)

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

Spring Mix

Prices are elevated; stocks are starting to increase. Recent humid weather has caused mildew problems, affecting shelf-life, but quality continues to improve.

Yellow Squash/Zucchini

EAST: Great supply coming from GA is putting downward pressure on FOBs. Quality is great from this area. There is also some squash in the Carolinas and VA, however, quality is suffering from the recent storm.

WEST: New crop Mainland MX is off to a very slow start. We're still about 10 days out from good volume. FOBs are starting to feel downward pressure, but in a very light way. Quality is excellent.

TOMATOES (EAST)

Rounds

New crop Mainland MX is off to a very slow start. We're still about 10 days out from good volume. FOBs are starting to feel downward pressure, but in a very light way. Quality is excellent.

Romas

Less acreage means less supply which is the case here. The story is similar to rounds, expect with less product available. Farms are scattered throughout the eastern area and most have about 2 weeks left. Look for Ruskin to begin around 10/20. Until then, FOBs will be up some depending on area and could potentially continue to rise if demand picks up. Quality continues to be various from all regions and field by field, but overall has been good.

Grapes

Virginia has only a few weeks left before their season comes to a close. Some other scattered areas have grapes, but not enough volume to meet demand. Ruskin should begin in about 2 weeks to bring relief. Until then, FOBs are high, but steady. Things will remain unstable for the next few weeks until the late summer/early fall transition is complete. Quality is fair due to heat and rain.

Cherries

Cherries remain steady for next week across the board. Quality is mostly good, but occasionally showing softness.

TOMATOES (WEST)

Rounds

Things are status quo out west. Good supply is coming from the San Joaquin Valley, however, quality is still questionable. FOBs are mostly steady for next week with some range in pricing depending on quality range. Eastern MX & Baja have light supply but have fall production right around the corner in mid-October. We recommend keeping a tighter than usual inventory, especially on #2s

Romas

Production in both Baja & California are still very light. FOBs are up due to light supplies. Eastern MX & Baja are both on the cusp of fall crops beginning which will bring relief in the next 2 weeks give or take. Quality is mostly good.

Grapes

Supply continues to be extremely tight in the west. There is limited volume in the east available, driving prices up again. Relief is expected in the next 3-4 weeks when Baja picks up. Quality is mostly good.

Cherries

Supplies remain snug, yet steady. FOBs will remain unchanged as we move into next week. Quality is mostly good.

Tree Fruit

Prices are high. The domestic nectarine and peach seasons will end this week; plums will remain on the market through October. Quality is very good: nectarine and peach sugar levels vary from 10 to 12 Brix, while plums range from 12 to 16 Brix.

Watermelons

The market is weak; supplies are sufficient in most growing areas. Inspectors are reporting some odd-shaped melons, but overall quality is very good. Sugar levels range from 11 to 12 Brix.

