



***** THE A & Z MARKET REPORT *****

A Weekly Produce Report for Our Produce Buyers

November 21, 2017



GENERAL OUTLOOK: Recent rains in Northern California are ending most late season production in the Salinas and Watsonville growing regions. Southwest desert growing districts will be warm, dry and windy while a high pressure system will keep temperatures up in Central Mexico this week.

The heavy Thanksgiving pull is over and many markets will adjust to new levels this week and next. STRAWBERRY, TOMATO and CELERY markets remain strong because of the lack of adequate supplies for the holiday. The shortage of available trucks in the Northwest for APPLES, ONIONS and POTATOES has been ongoing and will be even tighter as fresh Christmas trees now compete for freight.

***** TIGHT ITEMS *****



TOMATOES: There is a general shortage across the U.S. with no real relief expected until winter crops slowly begin in mid-December. California has ended, leaving Florida as the only domestic source. But thanks to Hurricane Irma, available supplies are up to **50%** lower than normal leaving Mexico as the primary source. Baja production is light while mainland Mexico new crop harvesting won't really get going until late December. **This extreme volatile market will last through the end of the year!** ROUND and GRAPE supplies are light and tight due to rising demand while ROMA supplies are slightly better. **Elevated pricing continues!**

STRAWBERRIES: **Limited supplies and strong demand** have been the story this week as California is in transition. Production in Northern California (Watsonville & Salinas) has been hurt by recent rains ending the season for most growers. This situation has forced buyers south to Oxnard and Santa Maria for product. Unfortunately, cold October weather reduced yields and slowed plant growth. Mexico has started, but volumes are light. Florida will start next week. Thus, overall **supplies are short, quality is just fair and prices are up!**

CELERY: This market has remained firm for this historically high demand period. California supplies have been adequate and, in general, they have been able to meet industry needs. Prices will start to ease by next week.

***** PROMOTIONAL ITEMS *****

PINEAPPLES: Plentiful supplies from the tropics continue to arrive to U.S. markets. Inbound loads to the U.S. from Costa Rica hit **740**, up from **670** the week before. Shipments are expected to be even higher for the next two weeks. Imports are higher than usual from other countries, resulting in a temporary flooded market. Sizing is large, quality is excellent and prices are very attractive. Please call for details!



APPLES: Northwest harvesting has basically ended as cold weather sets in with only a few PINK LADYS and GRANNYS left on the trees. There are good values on several varieties, but one of the best is the 100ct XF JONATHAN. The HONEYCRISP crop was better this year in Washington with **10.2 million cartons** in storage versus **6.4 millions** a year ago. Please call for apple deals! (Note: In spite of higher wages, a dwindling labor force in the Northwest tree fruit industry continues to put stress on production. Because of fewer workers, the last pick of the season often doesn't get completed before the cold temps arrive.)

MELONS: Domestic CANTALOUPE and HONEYDEW seasons are slowly ending in SoCal and Arizona. However, supplies are more abundant than expected and prices have fallen as a result. Steady WATERMELON crossings (PERSONAL/MINIS) from Mexico will continue into December. Excellent melon deals (good quality, supply and price) are available this week for the savvy buyer. Please call for more info and prices!

GREEN CABBAGE: Good quality supplies are coming from across the border and pricing is unusually low for our current inventory. Please call for details.

SQUASHES: Mexican production is abundant for ZUCCHINI and YELLOW soft varieties and prices are low again this week. (Note: Yellow volume may be hurt in December by ongoing white fly issues that limit production.) BUTTERNUT and SPAGHETTI hard varieties are a good value. Quality is excellent and squash prices are low. Please call!

CUCUMBERS: Good production in Sonora and Sinaloa, Mexico moving into December. Quality is good and prices are attractively low. Please call!



ASPARAGUS: As districts transition in Mexico (from Baja to Central Mexico) there are new shipments arriving. These supplies won't last long, so please call for more info!

PEARS: Good, steady Northwest supplies continue to be available for the BARLETT, D'ANJOU, BOSCH and RED varieties. Please call for prices! (Note: Overall pear shipments are down from last year due to the Northwest season starting three weeks later and more exports.)

DRY ONIONS: The Northwest markets remain steady moving into the holiday season. There is a good marriage between supply and demand which is maintaining a nice market for the grower, while hitting a fair price point for retail. There are reports of a rising market in 2018 due to a lighter crop harvest this year. Adequate transportation remains a huge issue. Call!

*** FRESH FRUITS & VEGETABLES ***



CITRUS: High quality California NAVEL ORANGE supplies are increasing, especially for the better Fancy/Sunkist grades. The current harvest is running only about **15% Choice** grade. The crop is lighter than expected, resulting in the smallest crop since 2009. It appears that the supply of Clementine MANDARINS will be steady for the holidays although early harvesting is not satisfying the heavy demand. Color and flavor are slightly behind due to the lack of colder temps. However, that situation is changing and supplies will pick up very soon. LEMONS are getting tighter because of low yields in the desert district and diminishing import volumes. New crop Texas GRAPEFRUIT harvesting is also increasing.

CAULIFLOWER: Supplies have increased as the holiday demand hasn't been strenuous--due to recent high prices. Quality is also better as this market adjusts downward.

BROCCOLI: With four growing districts in production, BUNCH and CROWN supplies are increasing and markets are trending lower—especially since the holiday demand has been met.

AVOCADOS: Inbound volumes to the U.S. from Mexico are now averaging a little over **1000 truckloads per week**. Production is great as growers continue harvesting in a normal but controlled manner. Weather permitting, avocados should be promotable through January, if not longer. The California new crop

will start in January and is estimated to be about twice the size of last year. Chile is in the second half of their season, but imports are light.

POTATOES: Holiday demand is strong—especially for consumer pack poly bags. Idaho shippers expect a stronger market moving into December. Here too, the lack of transportation is a concern. There is an abundance of box count bakers on packing shed floors due to running multiple bales to meet demand. Some sheds have shut down this week.

ICEBERG LETTUCE: Supplies are plentiful due to four growing regions in production. In California, Salinas is ending, Huron will end soon while Santa Maria is still harvesting. The new area, Yuma, AZ, is in full production with better quality. A flat market means lower prices.

LEAF LETTUCES: Multiple growing districts are keeping supplies abundant and prices low. Yuma has the best quality.

SEEDLESS GRAPES: California harvesting is winding down for the season with the best lots sent into storage for December sales. Markets are advancing on all varieties. Late season varieties are larger in size and excellent in quality. (Note: Chile will start in mid-December.)

FANCY BERRIES: Only light supplies of RASPBERRIES and BLACKBERRIES are left in California, while Central Mexico production numbers are increasing. BLUEBERRY arrivals from South America and Mexico have been somewhat erratic. However, there have been some fancy berry deals where shippers have asked A&Z to move extra product at lower prices.



PEPPERS: BELL PEPPER demand has increased with supplies coming from both Coachella, CA and from new fields in Mexico. Generally, prices are higher because supplies have fallen short of meeting demand for both GREEN and COLORED BELLS. Most CHILE PEPPERS are coming from Sonora, Mexico, but supplies are lighter than anticipated due to recent high heat.

DID YOU KNOW? BANANAS are the most consumed fruit in the world. They are also the fourth most valuable food stuff in the world, after grains, rice and milk. Although there are many different varieties, only the Cavendish is suitable for worldwide export. This banana is a clone, meaning that each banana is genetically identical. This also makes it vulnerable. Because of diseases, especially the dreaded TR4, many banana plantations in the Orient have been minimalized--if not destroyed. Latin America is on high alert so that this disease doesn't get a foothold. What this all means is that the future of bananas is uncertain!—Nat'l Geographic
