



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

A Weekly Produce Report for Our Produce Buyers

November 27, 2017



GENERAL OUTLOOK: Most western markets will adjust this week after the huge Thanksgiving pull. Some commodities will remain tight this week while others will rebound quickly as supplies increase. Supply and demand will bring prices into balance. Many western regions experienced near-record heat for turkey day with temperatures **20-25 degrees above normal**. Some areas, like Los Angeles and even Northern Utah, saw multiple days of unusual heat. The weather will return to normal levels this week. Warm and dry conditions will continue in Mexican growing regions. TOMATO and STRAWBERRY supplies remain light. The lack of adequate transportation from the Northwest will continue to impact steady APPLE, PEAR, POTATO and ONION availability.

*** TIGHT ITEMS ***



STRAWBERRIES: Good quality supplies remain limited this week even with lighter demand after the heavy Thanksgiving pull. NorCal production is ending while newer fields in SoCal have consistent--but light volumes. With recent near-record high temps, quality has been fair. New crop yields in Central Mexico are also light--but slowly increasing. New Florida fields have started and volumes will slowly increase. **High prices are expected for the near term!**

TOMATOES: Overall markets will ease a bit this week because of lighter, post-holiday demand, NOT because production in Mexico (our only source) has significantly increased. Currently, ROMAS are in better supply than either large ROUNDS or GRAPE TOMATOES. Increasing production in new fields is still a couple of weeks away. Florida usually supplies the East Coast, but growers are still reeling from lost acreage from Hurricane Irma. Some reports have production in the Sunshine State as low as **30%-40%** of normal. With more national buyers looking to Mexico for supplies, this scenario has **created volatile, demand driven markets!**

CHILE PEPPERS: Sonora, Mexico is the main source crossing through Nogales, AZ—but yields are very light and production is increasing at a slow pace. Recent high heat is the cause resulting in strong prices on all varieties. The warm temps will continue this week which means that growers will continue to struggle to harvest anticipated volumes. **Prices are up!**

BLUEBERRIES: Import arrivals continue to be light as supplies come from

Argentina, Peru and Central Mexico. Chile is late in starting, but export volumes are expected to slowly increase next week and be steady thereafter. **Strong demand and limited supply equal high prices!**

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

PINEAPPLES: “Oversupply” continues to be the watchword for this commodity as huge import volumes flooded U.S. markets in November. After months of light production levels, many Latin American countries sent more product than usual leading to an excess. These inventories will clean up soon as major exporters, particularly Costa Rica, look to Europe for better returns. However, supply, price and quality are all aligned this week. Please call!



MELONS: CANTALOUPEs, HONEYDEWS and PERSONAL/MINI WATERMELONS continue in promotional mode this week. Supplies should be plentiful for at least two more weeks.

Overall quality is good and prices are low for this time of year. Please call our sales staff!

ZUCCHINI SQUASH: Plentiful Mexican crossings through Nogales, AZ are keeping prices low this week. Please call for pricing! (Note: YELLOW SQUASH is in lighter supply due to white fly issues in Sinaloa, Mexico which has slowed production.)

CUCUMBERS: Abundant supplies are now coming from multiple growing regions in Mexico. Recent high heat is a major concern keeping growers on alert as they send only their best quality across the border. Please call for more info!

DRY ONIONS: The Northwest markets remain relatively unchanged going into December. There are great deals available for specific YELLOW packs. Please call for details!

ICEBERG & LEAF LETTUCES: There will be little demand this week while available supplies continue to increase. Yuma, AZ is the main producing region while Huron, CA has ended and Santa Maria continues with moderate production. Ideal weather this week will increase harvesting volumes. Quality is good while prices are falling! Please call for more info!



SEEDLESS GRAPES: California growers continue to place their best lots in cold storage for December sales. However, there are still good quality, cheaper supplies available. Shippers generally have two tier markets based on size with both RED and GREEN varieties. The larger grapes are more expensive while the others are attractively priced. Please call!

*** FRESH FRUITS & VEGETABLES ***



CITRUS: The LEMON market has become increasingly tighter because the desert crop is lighter than earlier projected with mostly small fruit. Imports are ending. The California NAVEL ORANGE pipelines are

full and shippers will set holiday pricing this week and next. The cheaper choice grade fruit is still very tight because the crop is clean and running about **85% to the fancy/Sunkist grade**. Gas times are down to **48 hours** with good results. Growers hope for cooler temps so they can get full color with no gas. Clementine MANDARIN supplies are increasing with better color and flavor while demand is increasing. Texas Ruby Red GRAPEFRUIT harvest volumes are increasing with better eating quality. LIME supplies are increasing and prices will likely begin to slip. PUMMELOS have started while CARA CARAS and BLOOD ORANGES will be available by mid-December.

CAULIFLOWER: Overlapping supplies coming from Salinas, Santa Maria and Yuma, AZ have pushed this market down. Because post-holiday demand is always light, competitive pricing is cheaper. Quality is reported as nice from all districts.

BROCCOLI: Multiple growing districts are competing for the light, post-Thanksgiving day demand. Last week's falling BUNCH and CROWN markets are even lower this week.

AVOCADOS: Import shipments from Mexico, over **1000 truckloads per week**, continue to steadily arrive on U.S. markets. Demand and movement are picking up as retailers gain confidence and begin to feature avocados. (Note: Every year, **65,000 to 85,000** new trees are planted in

Mexico to keep up with the increasing demand. Super Bowl week is the largest usage period of the year. Chile, Peru and now Columbia are big players in the U.S. market, but still behind Mexico.—Freshplaza)

CELERY: As expected, this commodity is flat after the huge holiday pull. Prices are lower as supply, demand and price come into focus this week.

ASPARAGUS: Central Mexico is experiencing good weather (warm days and cool nights) for optimum production. This scenario should keep prices in line on nice quality grass.

BELL PEPPERS: Coachella, CA production is winding down while production is slowly increasing in Central Mexico as the winter harvest season begins. GREENS have better availability than COLORED BELLS to start the season, but production will gradually increase.

FANCY BERRIES: RASPBERRY and BLACKBERRY supplies are steady with production still coming from SoCal and Central Mexico. Rasp quality has been better than black quality.



APPLES & PEARS: Now that the Northwest harvest is complete, shippers will have a better idea of how to market their crops for the balance of the season. There should be plenty of supply and good pricing as overall crop sizes ended up being larger than expected. The lack of adequate trucks to bring the fruit to market will be an issue through mid-December.

POTATOES: Many Idaho shippers will start up again this week after a long holiday weekend. Markets are steady and should remain that way into December. Transportation will remain an issue through the end of the year.

GREEN BEANS: Supplies were limited for the holiday because of the excessive heat. Production from new areas will gradually increase availability.

GREEN ONIONS: Supplies were adequate for the holiday with little disruption at the border.

DID YOU KNOW? Americans are eating more fruit! The average citizen consumed **3.5 more pounds** of fresh fruit last year than the year before according to the U.S. Department of Agriculture—**116.05 pounds vs 112.5 a year ago**. Millennials are following their parents' advice and eating more fresh fruits and vegetables. They consume more than any other demographic, at **2.7 servings per day**. According to the market research company, IRI, produce has been responsible for much of the growth grocery stores have seen in recent years.--fooddive.com
