



## **A&Z Market Report**

**February 12, 2018**

**GENERAL:** Most of California will remain dry again this week. The strong Pacific high pressure system continues to deflect rain storms north into Oregon and Washington. There is a weak, dry Pacific cold front that moves into coastal growing regions today, but it will be pushed out by Wednesday allowing warmer temperatures to return. Ideal growing weather is expected in Mexico's main growing regions around Culiacan in the state of Sinaloa as well as in the southern growing district in the state of Colima. Overall, western production in California and Mexico is very strong which is keeping prices low and providing many promotional opportunities. Stay tuned.....

**Tight Items:**



**STRAWBERRIES:** Demand has really firmed up for the holiday pull while good weather in SoCal spring crop fields has helped production slowly increase—but **supplies are still NOT sufficient enough to satisfy all customers.** Quality is very nice in both Oxnard and Santa Maria. Market **prices will remain firm to start this week.** Mexico has been pumping out good production numbers. Traditionally, there is a huge drop off in demand after Valentine’s Day, and this year will be no exception. With ideal growing weather in the forecast, shippers expect to see a 2-3 week flush of fruit with overlapping production.

**SEEDLESS WATERMELONS:** Winter production is peaking in Southern Mexico growing regions, and the market finally appears to be settling a little. However, overall volumes are lighter than growers anticipated, especially after a strong fall crop. **Demand and prices remain high!**

## Promotional Items:

**LIMES:** Harvesting in Veracruz, Mexico is slowly returning to normal levels after ten days of heavy rains and a drying out period. Crossings at the border have been minimal due to delays in packing and shipping. **Prices and demand have spiked** because available supplies have been so low. The good news is that laborers are back in the groves and shippers expect normal production soon. Quality has taken a bit of a hit with some faded skin coloring.



**BANANAS:** This market continues to **be very volatile** with very short supplies across North America because of weather issues and political events in the growing regions of Central and South America. Importers expect uneven market conditions through most of the first quarter of 2018. Pro-rating of contract commitments is common. Generally, **prices are higher!**



**PINEAPPLES:** Plentiful, excellent quality, medium size pines have arrived from Costa Rica. Quality and price are very attractive, especially for pallet sales. These great values will not last long, so please call our sales staff for details!

**APPLES:** HONEYCRISPS, GRANNY SMITHS and GALAS are all value priced this week. With at least twelve varieties always in stock with various packs available, there is always a variety or two to promote. Please call for more info! (DID YOU KNOW? This season's Washington crop came in larger than earlier estimated at **142.3 million boxes** just short the record in 2014 of **143.6 million**. As of January 22, domestic sales accounted for **34.3 million boxes** plus export sales of **15.5 million**. Mexico and Canada are the largest export markets. The GALA has now surpassed the RED DELICIOUS as the top selling variety.)

**MANDARINS:** These popular citrus gems are value priced this week due to increasing production that has pushed prices down. Halo is the brand and Murcott is the variety. Call!



## BRUSSELS

**SPROUTS:** This veggie is in abundant supply with good production numbers in both Oxnard, CA and Mexico. Quality is exceptionally nice #1 grade. Pricing is low--please call!

**CUCUMBERS:** Heavy production continues in several Central Mexico growing districts while demand is flat. Thus, plentiful supply and good quality translate into lower prices. Call!

**SQUASHES:** Mexican ACORN, BUTTERNUT and SPAGHETTI production is peaking, keeping these hard squashes value priced this week. ZUCCHINI is also in promotable position while the YELLOW SQUASH market is higher and supplies much lower due to white fly issues. Please call!



**POTATOES:** Idaho shippers are running more spuds to get enough larger sizes for bigger count baker packs. This has put the retail poly packs in promo position this week. Call for details!

**DRY ONIONS:** Northwest storage markets are steady to lower this week with good quality supplies of YELLOWS, SWEETS and REDS available. Volumes will be plentiful for the near

**TOMATOES:** These markets remain very soft with inexpensive prices and nice quality. Abundant crossings from Mexico are steady and are expected to remain that way for the near term. ROUNDS, ROMAS and GRAPE TOMATOES are attractively priced this week. Call!

**BROCCOLI:** Nice quality supplies are plentiful from several different growing districts: Northern and Central Mexico and California's Imperial Valley. Shippers are competing for market share. Both BUNCH and CROWN packs are available. Please call for prices!

**CAULIFLOWER:** Supplies remain bountiful again this week. Growers thought (or hoped) prices would trend higher with the possibility of a production gap—but it never happened. The market is steady at current low levels while quality has actually improved. Please call!

term.

**ICEBERG & LEAF LETTUCES:** Supplies continue to far exceed demand keeping ROMAINE, RED and GREEN LEAF prices low. Due to recent western heat, some light quality issues have surfaced. Excessive Iceberg supplies and little demand will continue this week. Please call!

**BELL PEPPERS:** Mexican field packs (25#) of REDS and GREENS are plentiful and cheaper. Call! (Note: Thanks to atypical warm weather in CA, growers predict an early start to their season.)



**CELERY:** A small gap in supply has little impact on this market as prices remain low. Please call!

## Fresh Fruits and Vegetables:



### OTHER

**CITRUS:** California citrus growers are happy with the look and taste of their NAVEL ORANGES this season—but the crop is one of the smallest in the last 20 years with much less fruit on the trees. The sizing of the individual oranges is unusually large, but growers are

**AVOCADOS:** Inbound HASS volumes from Mexico peaked for the Super Bowl weekend but slowed down a bit last week. Shippers expect steady, if not spectacular movement to continue. Growers are shifting to higher altitude groves and are demanding (and in most cases receiving) higher prices. California harvesting is still light and prices are higher than the imports.

seeing less volume than normal. Smaller sizes are very scarce and more expensive. (Note: The CA Department of Food and Drug estimates that the average fruit set per navel orange tree was **273**, down from **348** the previous season—a **21% drop**. The final crop total expects to be **down 30%** from normal.) Sunkist is anticipating a busy LEMON season for the next six weeks for Christian Lent that starts on Ash Wednesday (February 14) and ends before Easter (April 1). Lemons will be featured in many national ads along with fish. Steady supplies of larger sizes will be available. Large size specialty citrus (CARA CARAS and BLOOD ORANGES) are available too. Texas Red GRAPEFRUITS are peaking with excellent quality, flavor and condition.

**FANCY BERRIES:** The South American BLUEBERRY season is slowly approaching the end. Peru is already ending while Chile will see a drop in production over the next few weeks. Fortunately, Mexico should be able to fill any gap before the domestic season begins in late March. Steady BLACKBERRY supplies from Central Mexico will continue for the next few weeks. Light, but steady RASPBERRY supplies are arriving from Mexico too. New spring production will start in Oxnard/Santa Maria in March.



#### **SEEDLESS**

**GRAPES:** Steady volumes of REDS and GREENS from Chile are now arriving to the West Coast. Markets are easing slightly because recent demand has not been impressive. There is generally a two-tier market based mostly on size but also on quality.

#### **CANTALOUPE &**

**HONEYDEWS:** These melon markets are mostly steady this week after some discounting last week. Import supplies from the Caribbean are steady with some dewes still coming from Mexico. Good quality is being reported on all imports.



#### **KIWIFRUIT:**

The California crop is in full swing and ample, excellent quality supplies will be available through February and into March.

## **Did You Know?**

Buoyed by strong consumer demand, sales of organic fresh produce in the U.S. reached almost **\$5 billion in 2017**, an **8% increase** from 2016. Overall, nearly **two billion pounds** of organic

produce were sold in grocery stores last year, **10%** more than in 2016.—Organic Produce Network (OPN).

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