



Produce Management Services

WEEKLY MARKET REVIEW

March 16, 2011

WEATHER UPDATE

Growing conditions have been ideal in California, Arizona and Mexico during March thus far, with mild temperatures and minimal precipitation. Warm, dry weather will continue in the desert regions of Southern California, Arizona and Mexico, with high in the 80's & 90's. Rain is in the mid-week forecast for Central California, with showers predicted for Coastal Southern California this weekend. Highs will be in the 50's & 60's.

MARKET ALERT

Avocados
Carrots
Celery
Cucumbers
Eggplant
Garlic
Limes
Peppers, Green Bell
Potatoes
Tomatoes
Watermelon
Zucchini

TRANSPORTATION

Good availability for trucks in the West, however rising fuel costs are lending strong support to freight rates. We can look for additional seasonal rate increases by early April, continuing through summer...as the California soft fruit, grape and melon harvests get underway.

CALIFORNIA LETTUCE & MIXED VEGETABLES

- **Iceberg Lettuce:** Prices have declined sharply this week; with a dramatic improvement in quality; epidermal peeling has all but disappeared. Head size and carton weights have returned to normal, with palletized lettuce weight in the 40 lb. range. Limited harvesting has begun in Huron. The Yuma season will be finished by April 1st. Prices *high*, quality *good*.
- **Processed Salad:** Salad processors have eased prices on iceberg and romaine from the highs; additional price decreases are expected going forward.

- **Romaine:** Quality, head size and carton weights have greatly improved, although moderate epidermal peeling is present. Prices have declined considerably. Production volume will continue to increase as we move into April. Prices *high*, quality *good*.
- **Romaine Hearts:** Availability has improved and prices are on the decline. Prices *high*, quality *good*.
- **Green Leaf:** Plentiful supplies. Prices *moderate*, quality *good*.
- **Broccoli (bunched):** Prices are on the decline, with numerous growing areas in production in Central & Southern California, Western Arizona and Mexico. Best quality is coming from Central California. Prices *moderate*, quality *good*.
- **Broccoli (crowns):** The price spread has narrowed between crowns & bunched. Good availability on crowns. Prices *moderate*, quality *good*.
- **Cauliflower:** Production has increased, with harvesting now underway in Central California. Wide range in carton weight. Prices *moderate*, quality *good*.
- **Celery:** Tight availability, with the harvest winding down in southwestern desert districts. Oxnard is now the primary district. Large sizes are in tight supply, as growers harvest fields early in order to minimize seeders in the pack; seeders will increasingly become an issue over the next four weeks. Price spikes are a real possibility going forward due to production gaps caused by winter rainfall. Prices *high*, quality *good*.
- **Carrots:** The early season harvest in the Imperial Valley of California continues to yield significantly undersized carrots, causing an ongoing shortage of jumbo sized and large table sized carrots. Carrot sticks and chunks are also in short supply, with orders being filled at approximately the 50 percent level. This situation will continue through mid-April. Prices *extreme*, quality *good*.
- **Artichokes:** Harvest volume continues to gradually increase in the Salinas Valley (Castroville); size profile heavy to smaller sizes (36's), however larger sizes are now becoming available. Frost damage persists, however quality will improve significantly by next week. Prices *moderate to high*, quality *fair*.
- **Asparagus:** A split market now exists, with prices for new crop asparagus in Central and Northern California higher compared to late season production in Northern Mexico. Quality on California asparagus is outstanding! Prices *high*, quality *excellent*.
- **Parsley (curly):** Good supplies, prices *moderate*, quality *good*.
- **Parsley (Italian):** Good supplies, prices *moderate*, quality *good*.
- **Spinach (bunched):** Production continues to increase under favorable weather conditions...prices *moderate*, quality *good*. Plentiful availability by April.
- **Kale (green):** Plentiful supplies. Prices *moderate*, quality *good*.
- **Kale (flowering):** Steady availability for growers in the desert districts.
- **Cilantro:** Plentiful supplies. Prices *moderate*, quality *excellent*.
- **Green Onions:** Good supplies. Prices *moderate*, quality *excellent*.
- **Leeks:** Good availability. Prices *moderate*, quality *good*.
- **Green Cabbage:** St. Patrick's Day demand continues to support the current market. Tight availability caused by early winter weather issues in Texas and California. Prices *high*, quality *good*.
- **Red Cabbage:** Adequate availability, prices *moderate*, quality *good*.
- **Bok Choy:** Adequate supplies, prices *high*.
- **Napa:** Light supplies, prices *high*.
- **Snow peas:** Good availability on Mexican peas...California (Santa Maria) to start in early April. Prices *moderate*, quality *good*.
- **Garlic:** Tight supplies, *high* prices. Reduced imports and *poor* quality from China. No relief until late summer, when new crop California garlic will be available.
- **Spring Mix:** Spring mix production has returned to normal. Prices *moderate*, quality *good*.

- **Spinach** (baby): Adequate availability, continuing to move toward normal production. Prices *moderate*, quality *good*.
- **Arugula**: Back to normal production volume. Prices *moderate*, quality *good*.
- **Mache**: Production will resume next week.
- **Frisee**: Good availability. Prices *moderate*, quality *good*.
- **Radicchio**: Good availability. Prices *moderate*, quality *good*.

BERRIES

- **Strawberries**: Favorable weather during the past two weeks has not had much effect toward creating increased production in Oxnard, which is now the primary district. The Santa Maria harvest is getting underway. With rain and cool temperatures in the weekend forecast, any increase in volume will not occur before late next week. The Mexican season is quickly winding down, finishing by early April. Florida is also finishing. Prices *high*, quality *excellent*.
- **Raspberries**: Tightening availability during the harvest transition from Mexico to California. Prices *high*, quality *excellent*.
- **Blackberries**: Tightening availability during the harvest transition from Mexico to California. Prices *high*, quality *excellent*.
- **Blueberries**: Early season California harvest will overlap with the end of the Chilean season, followed soon by harvesting in Florida. Driscoll has strived to minimize the gap in supply that occurred during past spring transition periods. Prices *high*, quality *excellent* (California), *good* (Chile).

CALIFORNIA-ARIZONA CITRUS

- **Navel Oranges**: Continued oversupply for California Navel oranges and lackluster demand. Prices *low*, quality *excellent*.
- **Lemons**: Size profile heavy to large sizes (75, 95,115), however all sizes are currently available. San Joaquin Valley now the primary district. Prices *moderate*, quality *excellent*.
- **Limes (Persian)**: Prices continue to ease, with much better availability and favorable prices for the small sizes (200, 230, 250). Growers are harvesting limes as early as possible in the growth cycle to take full advantage of current high market. Harvest area transition in Mexico to occur in late March. Prices *high-to-extreme*, quality *good*.
- **Grapefruit**: Desert Rio Red variety in California winding down. Choice grade Texas Rio in good supply; limited availability on fancy grade. Better availability on California grapefruit by early April. Prices *moderate* for choice grade, quality *good*.
- **Cara Cara Oranges**: Available through mid-April. Prices *moderate*, quality *excellent*.
- **Moro Oranges**: Finished for the season.
- **Mandarins**: Good availability for medium and large sizes (21's-36's). Prices *high*, quality *excellent*.
- **Pummelos**: Production winding down for the season. Size profile 14's & 18's. Prices *moderate*, quality *good*.
- **Minneola Tangelos**: Good supplies...peak sizes 100's & 125's. Prices *moderate*, quality *good*.
- **Pineapple**: Production is beginning to increase in Costa Rica, Guatemala, Honduras and Panama; good availability is in the forecast for Easter. Mexican pineapples are also available. Prices *moderate*, quality *good*.

MELONS

- **Cantaloupes**: Moderate production in Central American growing regions. Production heavy to large sized 9's. Prices *high*, quality *excellent*.

- **Honeydews:** Light supplies caused by cool temperatures and slow growth...production heavy to large sizes (4's, 5's). No forecast as to when production will increase. Mexican harvest is slowly increasing. Prices *high*, quality *excellent*.
- **Watermelons:** Prices continue to advance for seedless watermelon as we approach the end of the season in Southern Mexico. Supplies will be limited until harvest volume reaches full production in Northern Mexico in early April. Regular seeded watermelon offers a good value alternative to seedless. Prices *high*, quality *good*.

WASHINGTON APPLES AND PEARS

- **Red Delicious:** Markets are firm for most sizes, prices steady going into spring. Prices *moderate*, quality *good*.
- **Golden Delicious:** Good availability, prices *moderate*.
- **Bosc Pears:** Good availability, prices *moderate-to-high*.
- **D'Anjou Pears:** Good availability, prices *moderate-to-high*.
- **Bartlett Pears:** New crop from Chile now available, prices *moderate-to-high*.

GRAPES & SOFT FRUIT

- **Red Seedless Grapes:** The market will be active through late March with the transition from Flame seedless variety to Crimson. Prices *moderate*, quality *good*.
- **Green Seedless Grapes:** Good supplies, preferred variety for promotion. Prices *moderate*, quality *good*.
- **Kiwi (California):** The first shipment of Chilean kiwi will arrive next week. Transition from California harvest will be smooth. Prices *moderate*, quality *good*.

AVOCADOS

- **Hass:** Prices continue to advance for Mexican and California Hass. Production levels are moving lower for Mexican growers. Tight availability on 48's. California production increasing. Prices *extreme*, quality *good*.

Eastern & Western Vegetables

- **Green Bell Peppers:** Light volume on all items from Mexico crossing the border into Nogales. Tight availability on all sizes of green bells. The two primary growers from Mexico offer greenhouse-grown bell peppers. Prices *extreme*, quality *good*. Availability and prices in Florida better, compared to Nogales.
- **Red Bell Peppers:** Better availability compared to green bells. Prices *high*, quality *good*.
- **Cucumbers:** Demand exceeds supply on all sizes. This situation will continue through March. Prices *extreme*, quality *good*.
- **Green Beans:** Good availability from growers in Florida and Central America. Prices *moderate*. Tight availability in Nogales. Florida prices *moderate*, quality *good*.
- **Eggplant:** Available in Florida. Prices *extreme*, quality *fair*.
- **Squash:**
 - **Zucchini:** Current price levels are not expected to hold, we expect to see a lower market by the end of the week. Prices *extreme*. Quality *good*.
 - **Yellow:** Plentiful supplies in Florida, adequate in Nogales. Florida: prices *low*, quality *good*. Nogales: prices *moderate*, quality *good*.
 - **Acorn:** Good availability, prices *moderate*, quality *good*.
 - **Banana:** Good availability, prices *moderate*, quality *good*.
 - **Butternut:** Good availability, prices *moderate*, quality *good*.
 - **Grey:** Tight availability. Prices *high*, quality *good*.
 - **Kabocha:** Good availability, prices *moderate*, quality *good*.
 - **Spaghetti:** Good availability, prices *moderate*, quality *good*.

TOMATOES

- **Round:** Tight availability continues, caused by problems resulting by the mid-winter freeze. The upcoming tomato harvest in Florida will not be at full production until late April. The market will be well supported going into next week. Prices *extreme*, quality *good*.
- **Roma:** Extremely tight availability in Nogales. Prices *extreme*, quality *good*.
- **Cherry:** Same as round tomatoes.
- **Grape:** Same as round tomatoes.

POTATOES (IDAHO)

- **Russets:** Although demand is moderate, availability is tight and prices continue to advance in subtle increments. The potato market situation is the exact opposite of the onion market situation. Despite lackluster demand, the market remains very active. Prices *high*, quality *good*.

ONIONS (NORTHWEST)

- **Yellow:** No changes here, onions are in oversupply. Mexican growers are in full production, supplying the southwestern and southeastern U.S. Packers of storage crop onions in the Northwest will continue to ship through the month of April. Prices *low*, quality *good*.
- **Red:** Supplies exceed demand. Prices *low*, quality *good*.
- **White:** Supplies exceed demand. Prices *low*, quality *good*.

| Commodity | price | quality |
|----------------------------|----------|-----------|
| Iceberg | high | good |
| Romaine | high | good |
| Romaine hearts | high | good |
| Green leaf | moderate | good |
| Broccoli | moderate | good |
| Cauliflower | moderate | good |
| Celery | high | good |
| Carrots | extreme | good |
| Asparagus | high | excellent |
| Green onions | moderate | excellent |
| Mixed vegetables | moderate | good |
| Spring mix | moderate | good |
| Strawberries | high | excellent |
| Raspberries | high | excellent |
| Blackberries | high | excellent |
| Blueberries | high | good |
| Navel oranges | low | excellent |
| Lemons | moderate | excellent |
| Limes | extreme | good |
| Pineapple | moderate | good |
| Cantaloupes | high | excellent |
| Honeydews | high | excellent |
| Seedless Watermelon | high | good |
| Red Delicious apples | moderate | good |
| Golden Delicious apples | moderate | good |
| Pears | high | good |
| Red Seedless grapes | moderate | good |
| Green Seedless grapes | moderate | good |
| Avocados | extreme | good |
| Zucchini | extreme | good |
| Yellow squash | low | good |
| Cucumbers | extreme | good |
| Bell peppers, green | extreme | good |
| Round, Roma, Grape, Cherry | extreme | good |
| Idaho Russets | high | good |
| Yellow onions | low | good |