



WEEK 47: November 23 - November 29 , 2020 MARKET OUTLOOK



Green Beans

Alert

Rain and Weather



Summer Squash

Alert

FL & GA Rain



Romaine Lettuce

Alert

Previous Heat and Transition



Iceberg Lettuce

Alert

Previous Heat and Transition



Strawberries

Alert

Previous Heat and Fires



Cantaloupe

Alert

Rain and Weather



Honeydew

Alert

Rain and Weather



Mushrooms

Alert

Variable Demand



Curly Parsley

Alert

Transition



Broccoli

Alert

Transition

MARKET ALERTS



Green Leaf

Alert

Previous Heat and Transition



Cauliflower

Alert

Transition



From Farm to Fork and Everything in Between®

OVERVIEW

COVID-19 regulation changes continue to impact our industry as many states have changed their dining regulations. We remain in the midst of transitioning from California to AZ and should expect to see some limited volumes on Wet Veg until the full transition happens. Lettuces are still most affected by previous heat waves and will need to wait till the transition happens until they can reach stable numbers. Citrus is now in domestic season and we can expect to see a hopeful and great season ahead. The tomato market and some East Coast Veg took a quick turn into active markets while Hurricane Eta unfolded this week. Anticipate this to impact conditions for a couple of weeks. Trucking continues to be a major concern as more regions are seeing limited trucks and higher rates.

Regional Weather Forecast

Highs

Lows

Oxnard, CA

Sunny and partly cloudy week.

High 60s

Upper 40s

Salinas, CA

Partly cloudy week.

Mid 60s

Lower 40s

Yuma, AZ

Sunny and average week ahead.

Mid 70's

Lower 50s

Huron, CA

Sunny week ahead.

Mid 60s

Mid 30s

Immokalee, FL

Weekend showers followed by a partly cloudy week.

Mid 80s

Mid 60s

Idaho Falls, ID

Partly cloudy with chance of rain mid week.

Mid 30s

High Teens

Regional Transportation Report

National Diesel Average: **\$2.441** (wk 46)

2019 : **\$3.073**(wk 46)

Regions with shortages:

EXTREME SHORTAGES THIS WEEK: MEXICO CROSSING, CALIFORNIA (Kern, Oxnard, Salinas, Santa Maria, San Luis Valley), IDAHO/OREGON, MINNESOTA/NORTH DAKOTA, NORTH CAROLINA, WASHINGTON, WISCONSIN. There is not a surplus anywhere to be seen; expect things to remain tight through the holidays with freight at increased rates, limited availability.

Weekly Market Changes

Asparagus

Quality: **GOOD** Supply: **GOOD**



Peru is bringing in steady volume, good quality, seeing a steady demand and stable market. Mexico production area is shifting, but seeing steady pricing and volume. In addition, demand has picked up as we head into Thanksgiving holiday.

Avocados

Quality: **GOOD** Supply: **GOOD**



Plentiful supply crossing from MX even without harvest Monday from the MX holiday. The industry continues to harvest the Aventajada crop almost entirely but some Loca is still coming off the trees. The size curve may be set to flip back to favor smaller sizing, yet that has not materialized yet. 32/36/40 remain readily available with a supply exceeds situation still persisting.

Bananas

Quality: **GOOD** Supply: **GOOD**



Stable market right now but the overall market will begin to tighten up as a result of the recent hurricane, quality of conventional bananas is good. Organic supplies are tight.

Berries, Mixed

Quality: **GOOD** Supply: **GOOD**



Blueberries- Good supplies and quality on Blueberries this week. Production is coming out of Blueberries out of Peru, Chile and Mexico.

Raspberries- Growers are reporting good supplies on Raspberries this week. Production is coming out of Baja and Central Mexico

Blackberries- Overall volume has been solid. Import fruit out of South America is down with Eta affecting boat fruit numbers.

Broccoli

ALERT

Quality: **BAD** Supply: **BAD**



Broccoli supplies continue to be extremely limited. They are harvesting the last fields in Salinas and waiting to start new crop in Yuma AZ. Fair quality is been reported at this time. Supplies are expected to be limited until we are in full swing in Yuma AZ.

Brussels Sprouts

Quality: **GOOD** Supply: **GOOD**



Brussel Sprout supplies are good this week. Demand continues to be strong due to the Holidays. Good quality is been reported at this time. Expect markets to increase as we get closer to the Holidays although reports are coming out with a great supply in crop.

Cantaloupe

ALERT

Quality: **GOOD** Supply: **BAD**



Arizona production should finish up by the end of this week & first arrivals from pompano are hitting. The concern is the 2nd hurricane/TS in 2 weeks. The rains impacted infrastructure and are projected to cause devastation throughout most of Honduras and will also impact Guatemala. This will mean the primary growing areas in both countries will be impacted significantly. We will keep a close eye on how this plays out and keep you updated on impacted supply and yields.

Weekly Market Changes

Carrot Sticks



Quality: GOOD **Supply:** FAIR

COVID-19 has had an impact on value added carrots and the array of pack sizes and cuts available to the market. The additional labor and contact throughout the supply chain has put this item on the radar until supply can catch up with demand.

Cauliflower

ALERT



Quality: BAD **Supply:** BAD

Cauliflower supplies are extremely short this week. They are harvesting the last fields in Salinas and waiting to start new crop in Yuma AZ. Growers are reporting fair quality at this time. Supplies are expected to be limited until we are in full swing in Yuma AZ.

Celery



Quality: FAIR **Supply:** FAIR

Celery supplies continue to be light this week. There is a high demand for celery this week due to the Holidays next week. Good quality is been reported at this time. Supplies are expected to be light until we transition to Yuma AZ in January.

Cilantro



Quality: GOOD **Supply:** GOOD

Cilantro supplies are good this week. Growers are expecting steady supplies the next few weeks. Good quality is been reported by multiple growers at this time. Demand for Cilantro has decreased this week.

Corn



Quality: FAIR **Supply:** BAD

Corn out of the West is trending up this week. Production out of Arizona is coming to an end. That puts extra pressure on Mendoza California. Yellow and Bi-Color corn is extremely tight. White Corn is more readily available. Corn out of the East is tightening up due to Thanksgiving and all the rains in Florida.

Cucumbers



Quality: GOOD **Supply:** FAIR

Prices for Cucumbers are trending up this week. Demands for the holiday are ramping up while supplies continue to tighten up. The majority of production is coming out of Florida and Mexico. Florida is recovering from wet weather and Mexico is recovering from Cool weather.

Eggplant



Quality: GOOD **Supply:** GOOD

Prices for Eggplant are trending slightly up this week. Production is coming out of California, Georgia and Florida. Rains in Georgia and Florida could make the markets a bit more active next week. Growers are expecting prices to trend up until after the Thanksgiving Holiday.

Weekly Market Changes

Chinese Garlic

Quality: **GOOD** Supply: **FAIR**

Beginning to see better numbers as imports begin to loosen and there is supply between domestic, Spanish and China



Grapes

Quality: **GOOD** Supply: **GOOD**

The CA grape season has remained steady compared to last week on both reds and greens. CA Red Grapes will hold on a few weeks longer than the greens will.



Green Beans

Quality: **FAIR** Supply: **BAD**

ALERT

Supplies had been depressed over the past few weeks and continue in a negative direction this week. Hurricane Eta hit multiple growing regions and has created a lack of supply in the marketplace as we move into the holidays when beans are at their highest demand. Anticipate this to remain the same as we move through November.



Honeydew

Quality: **GOOD** Supply: **BAD**

ALERT

Arizona production should finish up by the end of this week & first arrivals from pompano are hitting. The concern is the 2nd hurricane/TS in 2 weeks. The rains impacted infrastructure and are projected to cause devastation throughout most of Honduras and will also impact Guatemala. This will mean the primary growing areas in both countries will be impacted significantly. We will keep a close eye on how this plays out and keep you updated on impacted supply and yields.



Iceberg

Quality: **BAD** Supply: **BAD**

ALERT

Lettuce supplies continue to be extremely short this week. Harvest was finishing the last fields this week in Huron CA. Growers are moving to new crop in Yuma AZ. Carton Lettuce will be on the lighter side this coming week. Growers are expecting supplies to continue to be limited until the end of next week.



Romaine Leaf

Quality: **BAD** Supply: **BAD**

ALERT

Romaine supplies continue to be extremely short this week. Growers are transitioning to Yuma AZ. Expect carton Romaine to be light in weight for the next few weeks. Growers are not expecting improvement with supplies until the end of next week.



Red and Green Leaf

Quality: **BAD** Supply: **BAD**

ALERT

Still lagging behind on production numbers. Yields are down due to some quality issues including sun scald, dehydration, and wind/fringe burn. Other lettuce items remain tight as well which will not help the overall outlook on green and red leaf. We anticipate a period of limited availability until full transition in November.



Weekly Market Changes

Tender Leaf

Quality: FAIR **Supply:** GOOD

Quality is fair on most baby leafs like spinach, arugula and spring mix. Supply and demand remains steady.



Lemons

Quality: FAIR **Supply:** FAIR

Picking out of D2, desert, still a little slow due to high winds and supplies remain limited. Should transition into D2 next month. Fancy remains between \$26-33, choice holding around \$19-23 FOB.



Limes

Quality: GOOD **Supply:** GOOD

Lime markets have increased. Seeing prices as high as \$20 FOB, with most settling in the mid teens.



Mushrooms

ALERT

Quality: FAIR **Supply:** BAD

Overall a fairly stable item for 10 months out of the year. We are entering the winter months where there is some activity as demand increases across the country. In addition to normal winter activity, we have begun to see some shortages in Crimini and Portabella Mushrooms. Retail pulling heavier than normal and labor issues with COVID have lead to an unstable market. Indicators are showing a limited fall and winter for Mushrooms.



Onions

Quality: GOOD **Supply:** GOOD

Markets are stable and competitive on yellows and reds. Whites are a bit stronger and more limited mainly due to demand out of MX. Quality has been good and supply is flush with new crop. Normal consumption is about 350-380 loads per day, today and for last 6 months has been pushing 400-450. Will keep an eye on supply and demand as this continues through the holidays.



Green Onions

Quality: GOOD **Supply:** GOOD

Good quality and good yields reported by multiple growers. Prices are back to normal and not escalated.



Oranges

Quality: GOOD **Supply:** GOOD

CA navel oranges have begun, already seeing great brix. Early varieties are peaking on 88/113/72. We will size up when WA navel oranges start next month and that peaks moves more to a 72/88/56.



Weekly Market Changes

Parsley (Curly)

ALERT



Quality: BAD Supply: BAD

Overall volumes have decreased as fields are finishing up in CA and waiting for harvests to hit their stride in Yuma. Anticipate a couple week gap where markets will be active and volumes will be low until the transition is completely finished.

Peppers, Bell



Quality: FAIR Supply: FAIR

Prices for Green, Red and Yellow peppers are trending up this week. Production out of Georgia is winding down and Florida is running behind due to all the wet weather that they experienced over the last few months. Mexico will be crossing peppers after the Thanksgiving holiday. Growers are expecting to see pricing pressure on peppers until after the Thanksgiving Holiday.

Pineapple



Quality: GOOD Supply: GOOD

Volumes have been low for the past few weeks but are now improving. Weather had been a major issue but is now improving. Market definitely stabilizing with good quality and supply.

Potatoes



Quality: GOOD Supply: GOOD

The potato market remains very stable with competitive pricing, ample supply, and good quality now that we are out of harvest season. With new crop availability, there should not be any major issues moving through the month of November.

Summer Squash

ALERT



Quality: FAIR Supply: BAD

Prices for Yellow Squash jumped up this week. Prices for Green Squash is trending up but not near as much as for Yellow Squash. Growers in Florida are reporting quality issues associated with Tropical Storm ETA. Product is suffering from scaring due to the high winds. Production out of Mexico is ramping up. Demands for the holiday will impact prices. Look for them to come down after Thanksgiving.

Strawberries

ALERT



Quality: FAIR Supply: BAD

Strawberries are extremely tight right now. Cold weather, rains, production related challenges associated with Covid and the Thanksgiving Holiday is putting pressure on supplies. Production out of Mexico isn't high enough to meet demands at this time. Product domestically grown is mainly coming out of Santa Maria while Oxnard continues to wind down. Market sitting in the low \$20s.

Tomatoes



Quality: FAIR Supply: BAD

Prices for tomatoes continue to trend up this week. Supplies out of the West are suffering from disease and cool weather. Supplies out of Mexico are just starting to ramp up and isn't enough to meet demands. Supplies out of Florida have been impacted by tropical storm rains and winds. Demand associated with the Thanksgiving holiday is also helping to keep supplies tight and prices high too.

Watermelon



Quality: GOOD Supply: GOOD

Movement / volumes continue to fall, quite steeply this week. Down over about 20% from last year. Gentle rise in pricing to accomodate the shortfall.

Industry Report

RESTAURANTS PUSH BACK ON DINING-ROOM SHUTDOWNS

By Peter Romeo on Nov. 17, 2020

The National Restaurant Association says science has yet to prove restaurants spread COVID, and urged governors to help the industry survive. The National Restaurant Association is pushing back on governors' re-closings of restaurant dining rooms, arguing in a letter sent to a group representing the state chiefs that there is no scientific evidence linking eating places to the current surge in new coronavirus infections. The communication, addressed to the National Governors Association (NGA), urges the chief executives to accommodate restaurants' ability to serve customers safely and not strangle the industry with "blunt-force" closings and other crippling operational restrictions. "We continue to support aggressive steps to protect the nation's public health," wrote Tom Bene, CEO of the association. "But there is an unfounded impression that restaurants are part of the problem, and we are suffering as a result of inconsistent, restrictive mandates. Tens of thousands of additional restaurant bankruptcies—and millions of lost jobs—are now more likely, while the science remains inconclusive on whether any health benefits will accrue."

The industry's largest and most potent trade group asked governors to heed five recommendations in their struggle to slow the spread of COVID:

- Base any new service restrictions on fact, "not hypothetical simulations of transmission." A foundation of the Stanford study is modeling based on mobile phone use, not actual tabulation of cases or contaminations.
- When restrictions are tied to a state hitting a particular danger threshold, such as the percentage of residents testing positive for COVID, specify precisely what safety threshold the state needs to hit to have the sanctions lifted.
- "Restaurant operations should be treated the same as other retail establishments. Shutting down indoor dining should be considered a last option."
- If dining rooms are closed, allow restaurants to continue offering outdoor service, takeout and delivery. Some states have suspended outdoor dining along with indoor service, saying those outside get-togethers are still gatherings where coronavirus can be spread.
- Restaurants should receive as much advance notice as possible of changing regulations.

The letter follows announcements by five governors or chief health officers since late last week that restaurants will be required to suspend dining-room service in most or all of their states. California, Michigan, Washington, Oregon and New Mexico joined Illinois, which re-shut indoor dining areas at the start of the month, and a number of cities and counties.

More states are expected to discontinue indoor seating in the next few days.

"The coming weeks will challenge leaders in every state along with a restaurant industry that is struggling to remain afloat," Bene wrote in concluding his letter. "The National Restaurant Association stands ready to work with you and your teams on policies and regulations that will enable our industry to safely serve our communities for the duration of the pandemic."

[https://www.restaurantbusinessonline.com/operations/restaurants-push-back-dining-room-shutdowns?
utm_source=Marketo&utm_medium=email&utm_campaign=NL_RB_Daily_11-17-](https://www.restaurantbusinessonline.com/operations/restaurants-push-back-dining-room-shutdowns?utm_source=Marketo&utm_medium=email&utm_campaign=NL_RB_Daily_11-17-20)

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