

Food Service Report

July 3rd, 2019

Tomatoes

Mexico Nogales has finished the 2019 growing season. There are growers in Jalisco that will continue through the summer and cross product into McAllen, Texas for eastern receivers.

Baja California Shippers having gone through the large influx of red roma tomatoes they were forced to contend with the past three weeks. Baja is harvesting light colored good quality roma tomatoes and the market has firmed up by \$4.00-\$5.00 a box. Best quality quoting in the low to mid-teens. Large vine ripe tomatoes are in short supply and being quoted in the mid to high teens for best quality.

Central California All California shippers have started the 2019 summer tomato harvest. Large sizes are moving well in the mid-teens. Deals are being made on smaller sizes to move inventories.

Southeastern Supplies Arkansas, Alabama, North Carolina, Tennessee and Virginia are beginning to kick off the summer tomato harvest.

Lettuce

Iceberg Lettuce Supplies remain light and escalated pricing is in effect on value-added items. Demand exceeds supplies. The weather has been favorable to growing conditions. Quality has improved compared to last week. Minor defects reported include puffiness, mechanical and insect damage. With the holiday tomorrow, expect shipping to slow down going into the weekend.

Romaine Lettuce Demand is strong as industry supplies are down by twenty percent. Harvest crews are doing their best to put together cleans packs but dealing with many quality issues. Cupping fringe/wind burn, twist and occasional internal burn are present, which is reducing yields at field level. The market is continuing to advance.



Weather Outlook

California A deepening marine layer brings typical morning marine layer and drizzle to Southern California coastal regions with breezy afternoon winds through the week. Gradual warming over the weekend into next week as high pressure builds.

Mexico Isolated to scattered showers and thunderstorms continue across Central Mexico with seasonably warm temperatures for the northern regions.

Florida The Southeast will see a warming trend with showers and thunderstorms across Northern Florida. Above average temperatures expected next week.



Bell Peppers

Eastern Supply Georgia remains a part of the pepper scene, though quality and yields have been affected by the hot weather. This region will likely finish up over the next 7-10 days. North Carolina has started, generating good quality crop so far. Current harvest is peaking on jumbo sizes which will likely continue going into next week.

Western Supply Although green bells are still trickling into Nogales, Western production has shifted to California where the Bakersfield area is flushing. Oxnard and Fresno will follow, and supplies look to remain steady. Quality out of California is excellent with good shape and color.

Squash

Eastern Supply Production is scattered with no significant volume being generated from a single source. Many regions endured both rain and cooler temperatures which has impacted quality. Prices have increased with the fragmented regions and subpar quality

Western Supply Baja, Santa Maria and Fresno are all producing steady volume. California seems to have the best quality, though yellow squash is showing scuffing. Pricing is flat with relatively good quality available.

Onions

California/New Mexico Demand is slowing down as the 4th of July pull winds down. Supplies in California are starting to show improvement. The market in New Mexico remains high with limited supplies on yellow and white onions. Red onions are in better supply for both regions. Demand is starting to slow down as the 4th of July pull winds down. Production has begun in Washington with steady supplies of yellow onions available in Pasco. Walla Walla sweets are also available out of Burbank, WA. Expect to see declining markets as we head into next week.

Avocados

Mexico Inventories of Mexican fruit are depleted as the industry is limited on options. Demand exceeds supply and fruit is holding at a premium. Suppliers are scrambling to cover orders. Peruvian fruit has played a crucial role in bridging the gap on the shortage of Mexican fruit in the pipeline. Arrivals of Peruvian fruit in the U.S. have peaked and increased by nearly 200% compared to last year. Despite the solid flow from California and Peru, there is not enough supply to offset the decline in Mexican production. The industry will see very strong market conditions for the month of July and could very well continue into the month of August.

California The market is strong due to limited supplies of Mexican fruit. Domestic fruit has been essential in providing relief for the west coast because of the depleted Mexican market. With increased pressure and strong demand on California fruit, harvest will likely finish by August. Overall quality is good internally and externally.

Cucumbers

Eastern Supply Supplies are tight across the eastern half of the country. Georgia is finished, though a few shippers will continue through this week. Eastern North Carolina is finished, and Western North Carolina is just getting started. Virginia, New Jersey, and Pennsylvania are all shipping light volume of good quality product. With a cold wet spring, the mid-west is at least 10-days behind schedule. Temperatures have warmed up this past week which will help promote growth rates. Expect the market to remain strong until the 10th or 15th of July.

Western Supply The market remains steady with product currently being harvested in Sonora, Mexico and Baja California. Crops out of Sonora are expected to finish up by next week. Quality in Sonora remains good. Consistent volume is being generated by the Baja district. All sizes and styles are currently being packed. Mexican cucumbers are also crossing and available to load in McAllen.

Citrus

Limes The market is steady to slightly higher compared to last week. Rain in Mexico reduced volume of shipments into South Texas. Quality is good with occasional issues of scarring and yellowing.

Lemons Pricing is expected to steadily increase through summer. California volume is inching down, and smaller sizes are tight as the crop is dominated by larger fruit. Shippers are doing their best to improve quality and extend shelf life. Quick rotation on inventories is recommended