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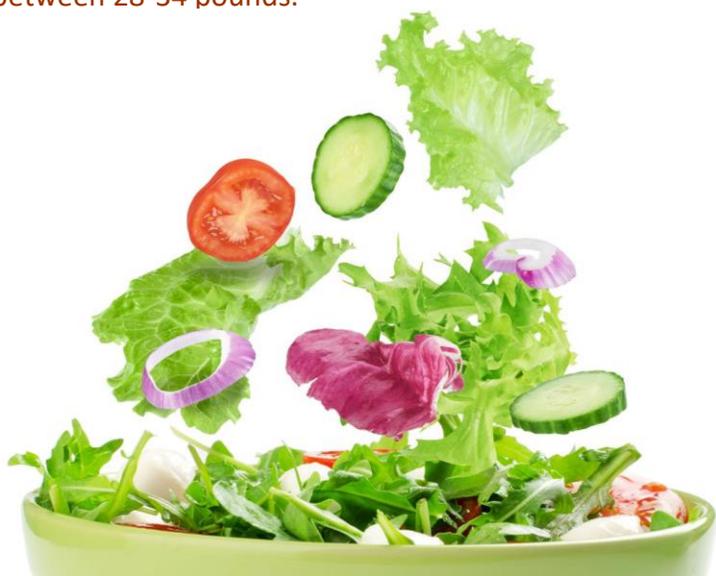
Food Service Report

April 1st, 2020

Lettuce

Iceberg Lettuce Food service activity is virtually non-existent while retail business has fallen off immensely. The market is steady, and some suppliers are offering PAS pricing due to overages in supply. Weather in Yuma is forecasted to be in the low-mid 80s all week and for Southern California expect temperatures in the mid-70s. The Huron and Salinas growing areas are expected to remain dry going into the weekend. Quality is fair with issues of mildew on the outer heads of lettuce, discoloration and misshapen heads being reported. Overall quality should improve this week, now that the rain is behind us.

Romaine Lettuce Production supplies are above budget due to the major retail fall off occurring industry wide, coupled with the lack of food service business across the United States. Current blocks are exhibiting good color, uniform sizing, and strong yields with occasional fringe burn. Yuma, Santa Maria, Oxnard, Huron, and Salinas are all currently in production. Weights are being reported between 28-34 pounds.



Tomato Update

Florida Beautiful spring weather coupled with lack of National demand due to the health crisis has growers regulating picking around what business is left out there in the marketplace.

Mexico Culican and Sinaloa are wrapping up winter tomato harvest just as U.S. demand for fresh tomatoes has surged due to the national shutdown. It remains to be seen how well ranchers will be able to take care of the tomato fields that are planted for harvest through April and May. California is set to begin summer tomato harvest mid-May out of the desert and early June in the Central Valley. Until the nation is opened back up for business it is hard to determine what kind of demand there will be for all produce commodities. People are directed to stay in their houses, some without income, restaurants are either closed or open with limited service. We are in uncharted waters and pray for the best by months end.

Weather Outlook

California A couple of low-pressure systems will roll into California over the weekend with moderate rainfall across the state. High pressure along with a gradual warming will return next week.

Mexico Seasonably warm conditions look to continue across Mexico going into next week.

Florida Warm and humid conditions along with isolated showers are forecasted to continue going into next week.

Avocados

California Forecasts this week in Ventura County calls for temperatures in the mid to upper 60s. There is a possibility of some rain over the weekend and the front part of next week. With Mexico falling short on #1 grade fruit, suppliers will look to California for fruit. Most of the volume is staying West but expect to see California fruit slowly filter its way across the U.S. We will start to see more volume hit the pipeline by next week which is a concern now that demand has tapered off. The market looks to remain strong for the month of April.

Mexico The market has come off this week and seeing the size curve shift slightly from 60s and smaller 48s and larger. Pricing has also started to decline by a few dollars with demand slowing down on the retail side. Currently, we are seeing #1 grade fruit tighten up. Growers continue to demand higher field prices and the market will remain active through April. There will be no harvest in Mexico the week of April 5th (Holy Week) followed by the Cinco De Mayo pull.



Bell Peppers

Green Bells The Eastern bell pepper market has tightened. Green bells have been an extremely popular retail commodity, especially on larger fruit. Pricing is elevated this week and if demand remains high, FOBs will follow suit. Mexico has been providing steady volumes with good quality reported. Larger fruit continues to be sold out daily by Western shippers though smaller sizes are still available. Production is anticipated to start in Coachella by April 15th.

Red & Yellow Bells The colored bell pepper market remains stagnant. There is limited availability industry wide with increased retail demand. Western Mexican deals are winding down and transitioning to Central Mexico. Canadian deals are starting up and should help with volume as well. Colored bells are projected to start in Coachella May 10th.

Citrus

Navel Oranges We are now in peak production out of the Central Valley and Coastal regions. Sizing will peak on 72/88/56/48ct. Larger sized navels available now through the remainder of the season.

Lemons California production is wrapping up quickly out of Coachella and Imperial Valley. The coastal regions and Central Valley will have strong supplies through April/May.

Limes Mexican volume is higher than normal for this time of year and lower prices are forecasted for April.

Onions

Northwest Markets are on a downward trend as supplies remain plentiful in the Northwest regions of Washington, Oregon, and Idaho. Retail demand remains active keeping medium sized onions in lighter supply and higher markets. The Northwest looks to finish up for the season prior to the California desert and Texas supplies starting up in the next 3-4 weeks. Expect to see lower markets for the month of April with the exception of medium sizes if retail demand remains active.

Squash

Yellow & Zucchini Supplies on zucchini squash has improved and demand has eased back slightly. Quality is improving daily out of Florida on zucchini but still seeing a substantial amount of scarring on yellow squash. In the West, production is ramping up as temperatures continue to rise. FOB pricing remains high but improving daily.

Cucumbers

Western Supply Production in Mexico is seeing less than normal volumes and cucumbers are selling out daily in the West. Once the spring crop gets going should see a potential increase in volume.

Eastern Supply Volumes of Honduran imports are low and declining causing the market to tighten up even more. Current crop assessments put Florida fruit to come online in a couple of weeks providing some market relief.