



Produce Supply Update February 11th, 2019

Happy Valentine's Day!

Mexican asparagus is coming into season and bringing a lot of much needed volume to the market. Peruvian supplies are steady also, so the added shot of product is causing the market to fall to more favorable levels. Quality has been excellent.



The total apple crop is down significantly from last year and from early fall estimates. The most recent estimate is around 116 million boxes. This is down 11% from the August forecast of 131 million boxes and the 2017 crop size of 132 million boxes. Demand from domestic and export markets remains strong and is putting pressure on pricing. In mid-December the average price for each variety was up around \$2/box from last year and much more on small Granny Smith, Gold Delicious and Gala's, and pricing on most varieties, grades and sizing has trended up since then. This shorter

crop on many of the long-standing varieties is compounded with many growers pulling out Red Delicious, Gold Delicious, and other variety trees in recent years and planting many of the newer / trademarked varieties, organics, as well as Honeycrisp and the soon to be released Cosmic Crisp which sell at higher price points. The prices started the season lower due to carry over supplies from the 2017 crop and the anticipated 130+ million crop size but have since adjusted to reflect the shorter than projected supplies. Fortunately for domestic pricing, exports are off due to increased tariffs in recent months. To date, only 28% of the WA crop has been exported, near a record low and helping ease some of the pricing pressure on the smaller WA State supplies this season.



Pepper supplies are still a little short, especially in Florida where this growing region continues to be threatened by

bad weather and colder than normal temperatures that set production back. We might not see an abundance of product until the spring. Despite the poor weather, the quality has been really strong. This week we are seeing more consistency in Mexican supply and this helps overcome the shortage in the East, so far quality remains strong.

Squash supplies are steady, especially on green. Florida is starting to harvest new fields in both the middle and the southern part of the state. We expect quality and volume to get better as compared to the past few weeks. Mexican product is plentiful with outstanding quality and we foresee good volume well into March.

Strawberry supplies are very limited this week in California due to water damage from the heavy rains and the Valentine's Day pull. Expect pricing to stay strong until after the holiday.

Q: What did the cucumber say to the pickle?

A: You mean a great dill to me.

Thank You for Your Business!

Have a Great Week!

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