



Dale's Market Update: **STRAWBERRIES 11/13/18**

California Strawberries:

- The deal will be extremely limited for at least a couple more days as Thanksgiving demand continues to outpace supply. The pipeline is dry so that should carry FOB pricing at least into next week.
- Santa Maria has a 40% chance of rain forecasted each day next week. Santa Maria Fall Crop looks to be past its peak production.
- Oxnard is not forecasted to see a day over 70 degrees once these winds subside. There will be damage from the wind that will affect production numbers.
- Also, since the fire in Southern California jumped into the Ventura County (Oxnard)/ Los Angeles border line, we have seen significant impacts of air quality in these areas. The county officials have ranked the quality as "unhealthy." Shippers have cancelled harvest in some areas resulting in reduced forecasts over the weekend and potentially moving forward. The harvest conditions are not favorable to the welfare of workers, ultimately resulting in less fruit harvested per day. We expect air quality to play an impact until fires in the area are contained. To the same note, as air quality improves per day, we should see crews in the field longer allowing all growers to be able to harvest and bring in the volume for the day. This comes at a time where Oxnard is already on a down trend in volume. Please note that rain is also forecasted in the Oxnard 10-day weather forecast next week.

Conclusion

- Historically, this is the time of year where markets climb a couple bucks a week for the next 6-8 weeks depending on weather conditions.
- Only time will tell if the winter market is truly upon us or if this is just another speed bump. Will next week normalize as Thanksgiving demand declines and the regions continue to produce steady fruit again?
- The unknown variable really is the rain in California. If this does not occur, then it is my opinion that things will normalize.
- If it rains consistently in California, then this could be a tricky two weeks because Florida and Mexico have not fully gotten into the full swing of things.