



## Current Avocado Market

August 2018 – Dale Arneson



Greetings!

I wanted to keep everyone posted on the current avocado market and what we expect to see through September. This could change depending on weather and harvests, but we will keep everyone posted on a regular basis. Current avocado market is hovering in the \$60+ ranges on most sizes. Below is an update by growing region:

### California

- Peak harvest is over and volume continues to decline
- Demand remains strong on all-size California fruit across Hass, Lambs Hass, and organic fruit
- Crop will be fully harvested by mid-August

### Mexico

- Supply is currently in transition from old crop to Flora Loca
- Transition has been slow as industry continues to wait for fruit to reach maturity to harvest. Supply hasn't been able to keep up with demand and there are huge shortages in the market
- Flora Loca crop is estimated to be 20% smaller than last year's crop which was down to prior year
- Sizing is peaking on 48ct and smaller fruit. Less than 2% of the crop is 40ct and larger
- All shippers are bidding to secure more fruit and that is driving market pricing



- We anticipate the market to remain very firm and at \$60+ ranges through September
- Promotional volume will most likely not be available until October – this is when we get into the next crop and see better volume and prices that can support promotional activity
- New crop looks to be a good crop and we should return to good promotional volume in October

#### **Peru**

- Volume is peaking this month
- Sizing is heavy to 40ct and larger fruit with a good amount of 48ct fruit available
- We expect imports from Peru to continue through mid-September and Peru could be a good alternative supply to help control costs and ensure continuity

#### **Columbia**

- Very little volume is being imported from Columbia
- Most prevalent sizes are 48ct, 60ct, and 70ct
- Fruit quality looks very nice, but limited supplies