

the Outlook

As we continue to transition to the Southwestern Desert regions, Mother Nature looks to continue to wreak havoc for growers. Beginning with the untimely rains during early plantings and the very warm fall temperatures that followed, to the numerous hurricanes in the Pacific impacting product from Mexico and the recent very powerful winds weather patterns, have been a challenge to say the least. Add to this all signs point to a strong El Nino set up for California and the Southwest this winter. Of current concern is a tropical depression forming off the Southwestern coast of Mexico approximately 600 miles south of Baja. Forecast show a 90% chance of formation with the likely/possible track bringing this system into Southern Baja on Sunday moving into Northern Sinaloa and Sonora on Monday. These regions of Mexico have seen numerous powerful storm systems and hurricanes this fall. Reports indicate significant loss of crops throughout these vast regions of Mexico that supply quite a bit of processor demand as well as domestic supplies. Many surviving crops are producing sporadic yields at best. The approaching tropical depression will likely once again impact production from Mexico.

Back in the states growers remain well ahead, in most stands and the loss of production from Mexico will only add more pressure on these light supplies. Current production remains light as growers reach to supply holiday demand. This industry wide shortage involving virtually all row crops will continue for a significant period, with upcoming weather patterns a key role as to future supplies. Bottom line remains the same supply shortages and gaps will continue, with lighter carton weights across the board. Keep a close eye on inventories, as quality and shelf life will be compromised as well.

