



THE WEEKLY NEWSLINE

California Avocado Society

This week in avocados

Sept. 10, 2020

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- Agricola Pampa Baja SAC
- B & M Avocados, LLC
- Brokaw Nursery, LLC
- CA Avocado Commission
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- Castle Smith Enterprises, LLC
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Scorching heat hits avocado groves

Damaging heat descended on California's avocado-growing regions last weekend. Temperatures reached 115 in groves ranging from San Luis Obispo to San Diego, frying new growth, sunburning avo skin and dropping fruit. We followed up with a few sources who had this to say:

"At Saticoy we peaked at 104.7, but it was only over 104 for about an hour. It stayed at 101 most of the day. Since we had been prepping for heat and had water available, we ended up with very little damage. I don't think it will have a meaningful impact on 2021 for us. Moderate yields on Lamb-Hass, light on Hass. We have a few acres in between Santa Paula and Fillmore where we had 6 hours around 115. I'd guess 20% drop on the Hass there."

Cont. on page 2

US HASS VOLUMES (Week ending Sept. 6)

Origin	Last week's volume	2020 Volume to Date	2019 Volume to Date
California	7,587,618	321,487,277	200,841,984
Total Imports	44,239,593	1,606,370,184	1,606,635,011
Chile	0	668,265	11,788,648
Mexico	39,925,491	1,425,930,120	1,412,745,620
Peru	4,314,102	177,951,799	181,700,743
Colombia	0	1,820,000	400,000
Total Volume	51,827,211	1,926,894,124	1,808,045,189

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“It was hot, 115 ish, in the Carpinteria foothills. My trees on Gobernador Canyon got pretty torched. Our family grove up Highway 150 ended up about the same. All my new growth burnt. Not too much fruit drop yet.”

Fallbrook grower: “So far no drop but a couple more days to get through. The cooler weather I think helped that came right after the heat. My newly planted trees actually recovered rather nicely. I can hardly tell they were stressed aside from a few withered leaves. My large trees did ok with not much damage other than burned fruit that was exposed to sun. My medium size trees that are about eight years old got the most damage. A lot of leaf burn & fruit burn and I’m expecting drop there. Of course with leaf burn comes future defoliation which of course burns the wood and more fruit. I think for the most part I’m ok. If I get no fruit drop I expect probably around five percent burned fruit maybe less.”

Price Points

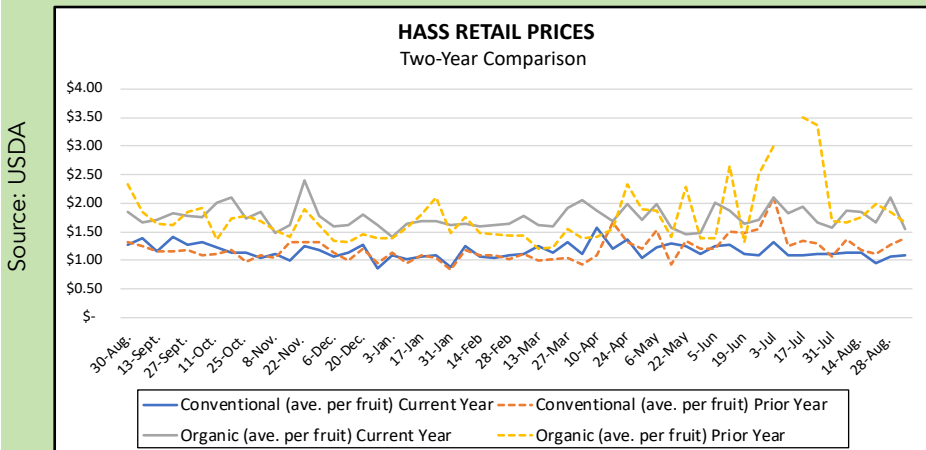
CONVENTIONAL HASS Field Quotes						
Size	Sept. 9		Last Week (Sept. 2)		Price Change	
	Low	High	Low	High	Low	High
32	\$1.12	\$1.20	\$1.12	\$1.30	\$-	\$(0.10)
36	\$1.12	\$1.20	\$1.12	\$1.30	\$-	\$(0.10)
40	\$0.96	\$1.20	\$0.96	\$1.24	\$-	\$(0.04)
48	\$0.96	\$1.20	\$0.96	\$1.24	\$-	\$(0.04)
60	\$0.72	\$0.98	\$0.80	\$1.08	\$(0.08)	\$(0.10)
70	\$0.52	\$0.64	\$0.56	\$0.68	\$(0.04)	\$(0.04)
84	\$0.44	\$0.56	\$0.44	\$0.56	\$-	\$-

ORGANIC HASS Field Quotes						
Size	Sept. 9		Last Week (Sept. 2)		Price Change	
	Low	High	Low	High	Low	High
32	\$1.34	\$1.58	\$1.34	\$1.58	\$-	\$-
36	\$1.34	\$1.58	\$1.34	\$1.58	\$-	\$-
40	\$1.28	\$1.58	\$1.34	\$1.58	\$(0.06)	\$-
48	\$1.70	\$2.10	\$1.80	\$2.10	\$(0.10)	\$-
60	\$1.50	\$1.74	\$1.58	\$1.74	\$(0.08)	\$-
70	\$1.32	\$1.38	\$1.20	\$1.38	\$0.12	\$-
84	\$0.52	\$0.68	\$0.52	\$0.68	\$-	\$-

Source: Handler Range

The high end of price quotes has fallen almost across the board, though 32s, 36s, and 60s were hardest hit, with 10-cent losses. Even though Peru tapered to under 5 million pounds last week, there is still a lot of fruit in the market. Mexico made up for Peru’s reduction by sending 40 million pounds last week. Inventories have remained level, but with Labor Day behind us, demand should be dropping.

The last week saw some reduction to the low end quotes on mid-sized avocados. If you’re harvesting organics, you could be fetching anywhere from \$1.70 to \$2.10 a pound for 48s. That’s a big field quote spread! We find the price plunge between 48s and 40s to be interesting. Even when you adjust for the greater weight of 40s, growers are losing money harvesting the larger size. For example, using the high end quotes above, you’d make about \$1K on 1K pounds of 10-ounce fruits (40s) and about \$1.2K on 1K pounds of 9-ounce fruits (48s). That’s a bummer.



The average retail price of a conventional avocado came up a few cents in the last two weeks (from \$1.06 to \$1.10), while the average retail price of an organic avocado fell quite a bit (from \$2.10 to \$1.56). Our local grocery store had two large avos for \$3 and two extra-large avos for \$5 recently. Not sure who’s paying an extra buck a piece for a couple more ounces of avocado.

By the Numbers

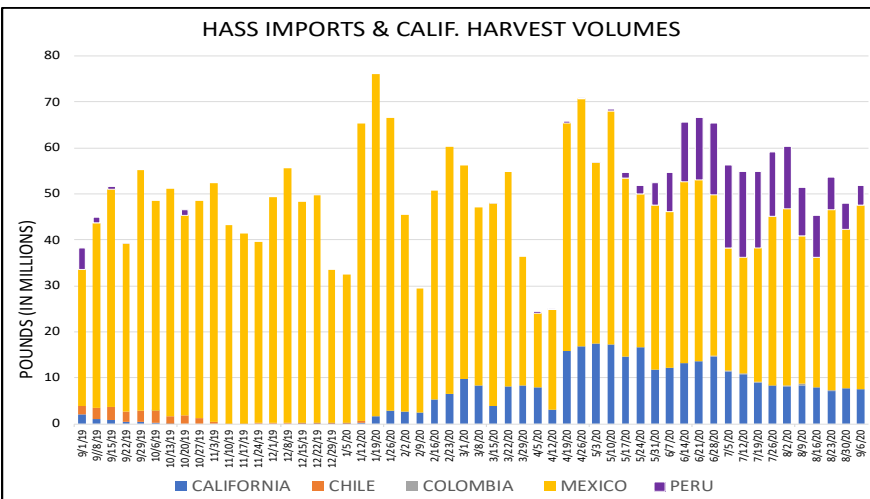
USDA SHIPPING POINT* REPORT

Mexico Crossings through Texas
Sept. 9, 2020

Size	This week Mostly low - Mostly high	Last Week Mostly low - Mostly high
32	\$40.25-40.25	\$40.25-42.25
36	\$40.25-40.25	\$40.25-42.25
40	\$34.25-35.25	\$36.25-37.25
48	\$28.25-30.25	\$29.25-31.25
60	\$23.25-25.25	\$24.25-25.25
70	\$20.25-21.25	\$20.25-21.25
84	\$18.25-20.25	\$18.25-20.25

Mid-sized Mexican fruit lost \$1-2 a carton over the last week. It's not a dramatic drop, but an indicator of some market softening. There's no slowing projected for Mexican supply to the US in the next several weeks. If demand drops with the close of the summer season, the heavy Flor Loca/Mendez supply from Mexico could push prices down for everyone. We know there are still California growers hoping to catch some late season price bumps, but it's still too early to know if that bump will happen.

*Shipping point: Prices represent open (spot) market sales by first handlers on product of generally good quality and condition unless otherwise stated and may include promotional allowances or other incentives. No consideration is given to after-sale adjustments unless otherwise stated. Brokerage fees paid by the shipper are included in the price reported.



Source (this chart and below): AMRIC & HAB

Peru's short season in the US is coming to a rapid close, as indicated by the disappearing purple above. California, in contrast, has been chugging along at 7-8 million pounds a week for a couple months now. Mexico, of course, is the avocado market contributor that always captures the largest share, and that percentage is growing now that Peru and California are bringing their seasons to a close. Peru is expected to be out of the market by October while California continues to produce fruit through October.

Variety	BIN COUNT (pounds)			
	Today 9/10	Yesterday 9/9	Last Week 9/3	Season to Date
Hass (North)	1,260,080	1,131,050	1,057,538	195,111,443
Hass (South)	12,712	18,964	85,008	128,824,118
Hass Total	1,272,792	1,150,014	1,142,546	323,935,561
Lamb (North)	47,548	48,475	59,392	6,495,552
Lamb (South)	0	7,420	32,560	3,576,953
Lamb Total	47,548	55,895	91,952	10,072,505
Bacon	0	0	0	430,469
Fuerte	0	0	0	141,370
Gem	0	0	0	1,453,060
Gwen	0	0	0	50,132
Pinkerton	0	0	0	106,490
Reed	14,656	24,000	0	470,729
Zutano	0	0	0	258,045
Other	0	0	0	36,824
Grand Total	1,334,996	1,229,909	1,234,498	336,955,185
Hass Organic (North)	62,224	40,025	33,482	10,684,885
Hass Organic (South)	2,732	3,600	10,928	23,798,014
Hass Organic - Total	64,956	43,625	44,410	34,482,899

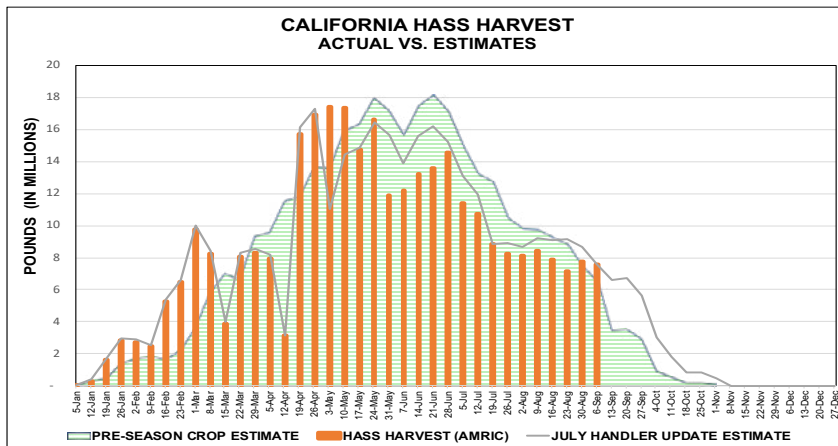
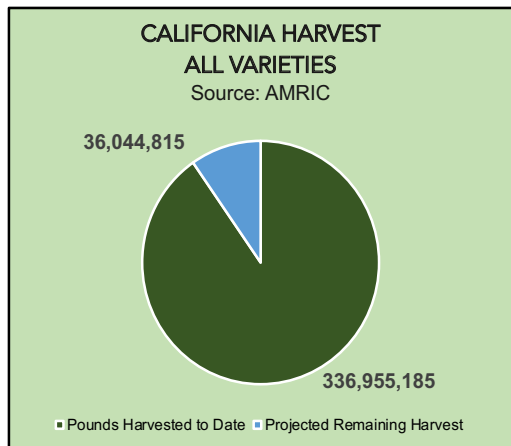
A trickle of fruit is still coming in from the South, and it looks like the season will wrap up at under 130 million pounds for that region.

The North's harvest today is larger than the South by two orders of magnitude. Fruit is flowing from Goleta and north, and even after last weekend's heatwave, the North's bin count on Tuesday was 2.3 million pounds.

Lambs have exceeded the 10-million pound mark, though the daily bin count is dropping. And someone is harvesting Reeds right now. That variety is due to reach a half million pounds if we get a few more days of Reeds coming in.



Projections



Last week we predicted a slightly lower harvest, but growers didn't ease up for the holiday glut or the rising air temperatures. California finished the week less than 200K pounds lighter than the week prior. That leaves us with an official estimate of 36 million pounds left, but unless that heatwave caused significant drop in this year's crop, there's a good chance that California will end its season above the 361 million pound Hass estimate and the 373 million pound total estimate.

US Avocado Volume Projections in millions of pounds						
Week Ending	Total	California	Mexico	Peru	Colombia	Chile
Sept. 13	51.6	6.8	42	2.8	0	0
Sept. 20	47.3	6.8	38.2	2.2	0	0
Sept. 27	47	6	39	2	0	0

Mexico trucked just shy of 40 million pounds of avos across the border last week, hitting its projection exactly. This week, the US is expected to get a total of 51.6 million pounds of avos, with more than 80 percent coming from Mexico. Peru is expected to drop another couple million pounds off next week's arrivals, then slide more slowly to the season's close. California estimates are slowly declining, but fruit should last through October.

Source: CAC, Comite de Paltas, Corpohass, APEAM and ProHass as reported by the Hass Avocado Board.

World Avocado News

Avocado imports to US fall by 32 percent in July

New data released by USDA shows that a 32 percent decline in Hass avocado imports during the month of July led to an overall dip in value of 14 percent across all fresh fruit into the US. Avocado imports represent nearly a quarter of all fresh fruit imports by value into the US in the month of July, so the steep decline drove the entire sector down. Bananas also experienced a 15 percent drop into the US this July. Hass avocado imports were valued at \$189 million in the month, a 32 percent drop from 2019, but only marginally lower than 2018. Source: Fresh Fruit Portal

Mission Produce files for IPO

According to a press release by the company, Mission Produce has filed paperwork with the Securities and Exchange Commission to seek an Initial Public Offering of stock in the Oxnard-based company. The number of shares and prices have yet to be determined. Mission intends to trade on the NASDAQ Global Select Market as AVO. According to the release, the company's sales revenue was \$934 million over the 12 months ending April 30.

This & That

CALIFORNIA AVOCADO SOCIETY WEBINAR RECORDING

Learn about microbial amendments from Crop Advisor Ben Faber and weed management from Horticulture Advisor Sonia Rios.

[VIEW RECORDING](#)

CAS webinars are produced in partnership with the UC Cooperative Extension & California Avocado Commission

World News (cont.)

CAC plans virtual exhibit at PMA Fresh Summit

California Avocado Commission will be a platinum sponsor for this year's Produce Marketing Association Fresh Summit. CAC has been an exhibitor at the event for over four decades, and despite the Oct. 13-15 summit being held at a distance due to the pandemic, CAC will remain a featured presence in support of the all-new format. CAC has not finalized its exhibits, but said it is excited by innovations that will be rolled out in the virtual setting.

PETA petitions USDA to halt support of HAB

People for the Ethical Treatment of Animals sent a letter to USDA asking that it end mandatory assessments paid to Hass Avocado Board by California avocado producers. According to PETA, a portion of the HAB budget supports unnecessary testing on mice which is used for nutritional research in promotion of Hass avocados around the world. USDA administers assessments on California avocado producers in support of HAB programs meant to market avocados.

Avocado-only restaurant to open in UK

According to Big Hospitality, an industry website, a restaurant called The Avocado Show is set to open in London, UK. The Avocado Show, a mono-food establishment, opened in Amsterdam, The Netherlands, in 2017 and has expansion plans through international franchise agreements. A diverse avocado-focused menu includes nachos, poke, burgers, salads and pancakes. Currently there are three locations in Amsterdam and one in Brussels with 19 more in some stage of launching across Europe, including one scheduled to open next month in Madrid.

South African farm creates avocado flavor wheel

South African avocado grower Allesbeste Boerdery, owner of the Maluma avocado, is partnering with a South African coffee specialist to develop a flavor wheel for the avocado. The grower noted vast differences in flavors of avocados based on maturity, variety and location and consulted coffee specialists to home in on differences with a new vocabulary and flavor wheel developed specifically for the avocado. Currently, avocado flavor notes are mainly focused on whether they are watery and how they compare to the ubiquitous Hass variety. So far, the tasters have stated that Maluma avocados fall more toward the cashew/macadamia nut end of the flavor spectrum, while Hass gravitates toward almond. Source: Fresh Plaza.

This & That

CALIFORNIA AVOCADO COMMISSION WEBINAR

Avocado Branch Canker Disease Virtual Field Day

Thursday, Sept. 17
3:30-5 p.m.

Avocado Branch Canker is a ubiquitous disease of avocados in California caused by a group of fungi in the family Botryosphaeriaceae. These fungi, which normally are not problematic, have arisen as a major group of pathogens of many crops around the world in recent years. In California they have become major disease organisms in pistachios, almonds and walnuts, as well as avocados. This webinar will consist of two 30-minute presentations by Dr. Themis Michailides, University of California Kearney Agricultural Center, and Dr. Liz Dann, University of Queensland, followed by a question-and-answer session.

[REGISTER HERE](#)

If you have received this copy of The Weekly Newslines and have not paid for it, please consider becoming a member of the California Avocado Society.


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Organized in 1915

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**Got avo news? Opinions?
Comments?**

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Weather Outlook: 30-day and Seasonal

GENERAL SYNOPSIS FOR CALIFORNIA: - SEPT. 30

- a) **Large Scale Pattern:** Long wave trough will be in the central north Pacific north of Hawaii. This will teleconnect with upper high pressure and a tendency for weakening of systems that approach northern California from the west.
- b) As autumn starts to develop, watch for a possibility of upper lows to develop in Southern California on occasion, and Pacific cold fronts into northern California.
- c) Tropical cyclones will continue to be active near Baja California. Tropical cyclones in Mexico may continue to push temperatures to very hot levels at times through mid October.
- d) Our latest CFSDailyAI system is suggesting thunderstorms through central Arizona during Sept. 22-25 and 26-28. Rains in October appear to focus on the 6-8th in central and Southern California and Sierra Nevada south of Tahoe. There appear to be some good rains on Oct. 7-8 through northern and northcentral California with a cold front on Oct. 1 and 5. GFS suggests troughing in N California about Sept. 14-16, but overall cooling is unlikely in NorCal for more than a day or two.
- e) Looking well ahead: both the CFSv2 and NMME models suggest very hot conditions in both Sept. and Oct. and continued unusually warm and dry in Nov., with more frequent dry downslope wind events.
- f) According to the very latest NMME model results, Sept and Oct are excessively dry and warm. November is also warm with dry, hot upper high pressure dominant in central and S California. Only North or Northwest California have a chance for some rains per the NMME guidance.
- g) The most severe issue appears to be the persistent lack of rain during the winter rainy months of Nov., Jan., and Feb. Warm temperatures in Oct., Nov. often associate with dry Santa Ana winds. December appears to be the only wet winter month.

SEPT. 13 - OCT. 7

San Luis Obispo/Edna: Precipitation: Few drizzles from marine layer low clouds. Temperature trend: mostly mild but briefly hot 9/27-29. Inland: Warm 9/14-17, Hot 9/17-20, Hot 9/27-29. Warm/VeryWarm 10/8-12.

Southern California Citrus/Avocado Area: Santa Barbara, Ventura to San Diego Co. Precipitation: Thunderstorm Tehachapi mountains and E Deserts 9/24, 10/3-4. Hot spells: Mild 9/24, and 9/30 - 10/6. Inland: Warm 9/14-17, Hot 9/17-20, Hot 9/27-29. Warm/VeryWarm 10/8-12.

San Diego/Orange Rainfall: 9/24, 10/3-4 San Bernardino Co E and N Deserts, otherwise none. Hot spells: Hot 9/19-20, Mild 9/24-25, Very Warm 9/27-29, Mild 9/30-10/6. In the hot spells, watch for highs in the 106-111 range inland valleys, and 102-106 Escondido.

OCT. 8-22

San Luis Obispo/Edna: Precipitation: None of consequence. Hot/Cool spells: Mild 10/5-7, Warm 10/8-12, Warm to Hot 10/12-18.

Southern California: Santa Barbara to San Diego Co: Rain unlikely except 10/4. W Arizona westward to eastern deserts in San Bernardino Co. Dry windy cold frontal passage about Oct. 12 followed by hot weather and Santa Anas. Warm to mild 10/8-12. Hot periods: Hot with Santa Anas 10/13-18. Watch for highs in the 95-102 inland valleys, and 90-95 Escondido, ~95 Chino.

OCT. 23 - FEBRUARY

A dry and warm fall continues to be indicated, with recurrent Santa Anas for SoCal and coastal mountains of the central coast, and in the Sierra west slope. December is wetter than normal for NorCal, and marginally wet for Central and Southern California. Jan. and Feb. currently look quite dry throughout California, as does November. This appears to be a La Nina season for 2020-early 2021, with persistent upper high pressure near the coast of N and central California for extended periods. It may be difficult to realize precipitation approaching normal in central and Southern parts of California, including most of the central and part of the north-central Sierra. Temperature anomalies decrease to near normal in Dec. and Jan., arguing for about the normal number of frosts and freezes, mainly focusing in Dec., and Jan to early Feb 2021.