



# The Source

November 26 2014

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**THINGS YOU SHOULD KNOW:**

**COMMODITY ALERT:**

Strawberry demand exceeds supply. Very limited availability

Idaho large cartons 60 counts and larger very limited

Truck availability for Onions and Potatoes are in a demand exceeds supply situation

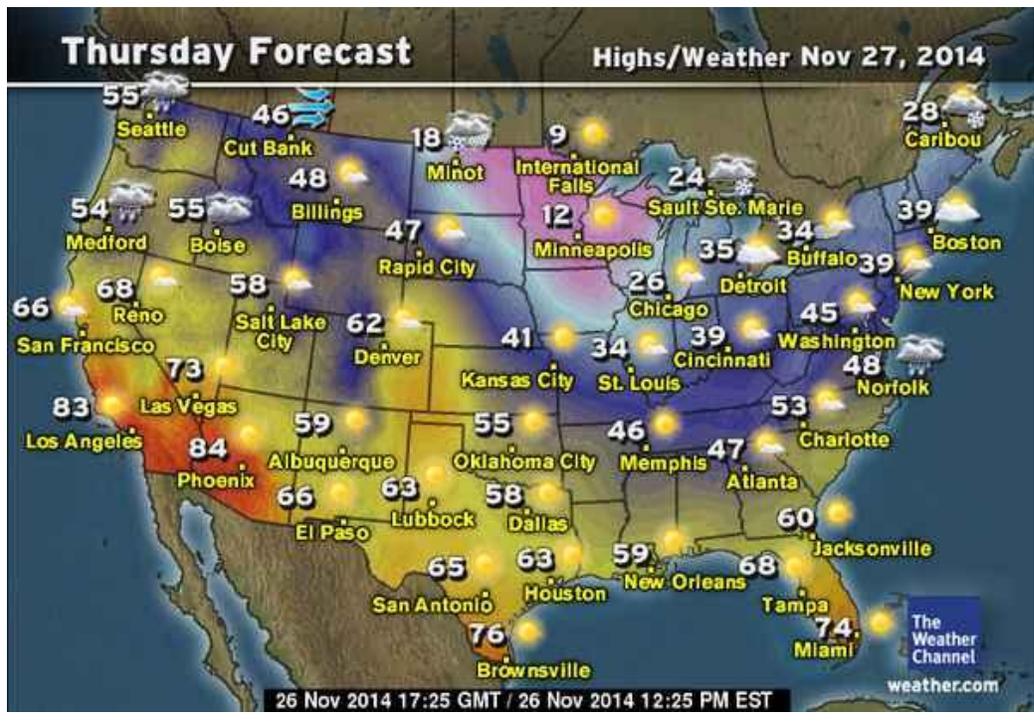
Apples-the eastern shippers are short on the smaller sizes and Washington is into larger fruit so stay ahead on the smaller sizes

Cauliflower supplies are very light with all suppliers.

## Weather *Tim Lynch*

A high pressure ridge out west continues the warming trend on the West Coast this week. Temperatures in Sothern California and the Desert regions will remain in the 70s to low 80s through the weekend. An approaching cold front will bring a chance of rain to Southern California with between 1-2 inches expected to the north over the weekend.

Out East the slow moving cold front will which brought heavy rains to Central Florida this week will begin to move out this afternoon. A cold pool of air behind this system will bring cool morning temperatures (upper 30s) to the region into Friday. Dry weather is expected through the weekend.



## Freight: *Mike McIntire*

Trucks in California are extremely tight. Arizona trucks remain tighter than normal. Washington and Idaho trucks continue to be tight which is normal for this time of year. Please continue to get your orders in as early as possible. The national average on diesel fuel dropped slightly and is now 3.628 per gallon. CA price dropped slightly as well and is currently 3.753 per gallon. Crude oil remained steady and is currently 74.06 per barrel.



# Commodity Updates

## **APPLES/PEARS** *John Tole*

New York is packing McIntosh, Gala's, Macoun's, Cortland's, Honeycrisp, Empires, Red Romes, Red Delicious, Golden Delicious, and Fuji's. The New York suppliers have only light availability on 88's and larger due to strong demand. The eastern slicers are taking many of 100/113's and the 125/138/140 supplies are limited. Michigan is packing Cortland's, Empires, Fuji's, and Gala's, Golden Delicious, Granny-Smith, Honeycrisp, Jonagolds, Jonamacs, Jonathans, McIntosh, Red Delicious, and Red Romes. Most Michigan varieties are peaking on 88/100's and they have more 125/138's than most other districts. Many Michigan shippers are only packing the larger fruit to order because Washington is so cheap. Washington Red Delicious is steady and continues to peak on 80's and larger in the WX#1 and premium grades. 113 and smaller reds remain short in all grades. Golden Delicious is steady on all sizes. Golden's have better availability on 88's and larger. Granny-Smiths are mostly steady on all sizes and continue to peak on premium 80/88's. 125 & smaller Grannies are extremely short. Washington Gala's are mostly steady and still are peaking on 88/100's. The size-profile for Gala's is larger now that the early varieties are finished. The Fuji market is steady on 100's and smaller while 88's and larger are steady with some flex for volume. Braeburns, Jonagolds, Sweeties, Jazz, Red Romes, Cameo's, Honeycrisp, and Pink Lady's are all available in Washington. Most of the Washington varieties are peaking on the larger sizes. Washington Bartlett pears are steady and are peaking on US#1 90/100's & larger. Smaller Bartlett's remain limited. Washington D'Anjou pears are also steady and are peaking on 100's & larger. Washington Bosc is steady and has more of the smaller fruit than the green pears. Washington red pears are steady on all sizes.

## **ASPARAGUS** *Gabe Romero/Mike Pacheco*

This market has remained steady. Supplies continue to be good overall out of Mexico. Demand is expected to be light for the rest of the week. Jumbo sizing continues to be light in availability. This size is commanding a higher price. Production in Peru is moderate. Better

## Commodities at a glance...

<b>Commodity</b>	<b>Quality</b>	<b>Market</b>
Apples	Good	Steady
Asparagus	Good	Steady
Avocado (Mexican)	Good	Steady
Avocado (California)	Done	Done
Bell Peppers (Western)	Good	Steady
Bell Pepper (Eastern)	Good	Steady
Berries: Strawberries	Fair	Higher
Berries: Raspberries	Fair	Steady
Berries: Blackberries	Fair	Steady
Berries: Blueberries	Fair	Higher
Broccoli	Good	Steady
Carrots	Good	Steady
Cauliflower	Fair	Higher
Celery	Good	Steady
Citrus: Lemons	Good	Lower
Citrus: Oranges	Good	Steady
Cucumbers (Western)	Good	Steady
Cucumbers (Eastern)	Good	Steady
Eggplant (Western)	Good	Steady
Eggplant (Eastern)	Good	Higher
Grapes, Green	Good	Steady
Grapes, Red	Good	Higher
Green Onions	Good	Steady
Lettuce: Leaf	Good	Lower
Lettuce: Iceberg	Good	Lower
Melons: Cantaloupe	Good	Steady
Melons: Honeydew	Good	Steady
Onions	Good	Steady
Pears	Good	Steady
Potatoes	Good	Higher
Squash (Western)	Good	Steady
Squash (Eastern)	Good	Steady
Stone Fruit	Excellent	Higher
Tomatoes (Western)	Good	Steady
Tomatoes (Eastern)	Good	Lower
Watermelon	Good	Higher

# Commodity Updates *continued*

FOB pricing exist if loading out of Florida product from Peru. Jumbos also are commanding a higher price out of this area as well.

## **AVOCADO** *Tim Kelley*

Mexico's is going well with volume stabilizing as we get into a normal flow of fruit. Supplies of 48's are improving and 60's and 70's are still very good. Demand for the 60's and 70's have improved and pricing on these sizes have firmed up, narrowing the gap with the 48's. This early season fruit will have a tendency to remain green when ripe and ready to eat, and also have a thicker skin making it difficult to detect the degree of ripeness.

## **BELL PEPPERS**

### **Western Bells:** *Mike Cantu*

Supplies are lightening up and we are experiencing extreme demand exceeds on colored bells. California green and colored bell production is starting to taper off. Current supplies on red bells are not meeting demand and we anticipate with transitions, gaps in supplies to occur. Texas has lighter supplies in mostly hothouse colored bells with some open field bells available. We have some colored hot house bells in Nogales. We are currently in an active market now as the lack of production from Baja California has pressed markets up. Nogales will have its traditional start in bell pepper production by late November/ December there are however; some availability on green bells in Nogales from early starting fields and product brought in from other districts. Markets are higher due to added demand.

Green bells are increasing in production and adequate availability on all sizes.

Gold bells market is steady as transitions have taken place. Some greenhouse gold bell peppers are crossing through South Texas and Nogales.

### **Eastern Bells:** *Janine Baird*

Central and South Florida are both now working pepper but weather has been cool and rainy, slowing down the picking. However, demand will be slack at the front of the week, keeping this market from rising. Look for it to gain strength going into the weekend.

## **BERRIES** *Tom Smith*

### **Strawberries: DEMAND EXCEEDS SUPPLY.**

We are extremely short on fruit in all areas. This will likely be the situation until early to mid December when FL is scheduled to begin harvest and MX should be crossing better volumes of strawberries. Shippers are focused on covering contracts and we are being fill-rated on a daily basis. Extremely limited quantity available for open market orders going into this week. Special packs such as stems and pints will not be available. Quality has improved as cooler weather has firmed the fruit up and we are getting closer to normal shelf life.

**Raspberries:** CA harvest is complete with most all fruit now coming from Mexico. Mexican volumes have increased and quality is improving. We are expecting good volumes to continue throughout the holiday season with increasing quality as well.

**Blackberries:** With good weather in Mexican growing regions this week, crews have been able to get in and clean up crops after recent rain. We are expecting increasing volume and quality in the next weeks.

**Blueberries:** Argentina regions have past their peak as significant weather events threaten to close the season early. Some quality issues reported in ARG fruit with mold, shrivel, soft fruit. Chile is beginning to increase production and both air and boat shipments are starting to hit U.S. ports. However, Chilean export inspectors are on strike which could affect both types of shipments. Early indications are that this strike is short lived and should only affect the next 3-5 days. Chilean fruit is reported with good quality. Mexican volumes are light as many plants have gone dormant after recent rains and pest issues earlier in the season.

## **BROCCOLI** *Gabe Romero/Mike Pacheco*

The market is steady. The holiday pull is over so regular business is expected to be moderate at best. Broccoli crowns are lighter in availability compared to bunched product. Santa Maria, Yuma and light supplies in Salinas are the main growing regions for this commodity. Mexico has moderate production available if needed.

# Commodity Updates continued

## **CARROTS** *Tim Kelley*

The long hot California summer and drought is now really showing on the Bakersfield crop. The fields are not sizing well and the volume on Jumbo and medium size carrots continue to drop off. We expect tight supplies on Jumbo and medium carrots for next 2 to 3 months until we get into the desert crop. Markets are firming up on Jumbos and Cello's. Quality of carrots is still good.

## **CAULIFLOWER** *Gabe Romero/Mike Pacheco*

This market is still active. Demand exceeds supply and this will likely continue throughout the week. Escalated pricing is in effect. Santa Maria and Yuma are very light in availability. Salinas's production is finished. The quality continues to be up and down with issues of brown spotting and discoloration.

## **CELERY** *Gabe Romero/Mike Pacheco*

This market is firm with most suppliers. Thanksgiving ads are finishing up. Expect this commodity to be moderate to light in availability for the entire week. Currently, production is out of Santa Maria, and Oxnard. Salinas has light availability as well. The quality continues to be good out of all the growing regions.

## **CITRUS** *Tim Kelley*

**Lemons:** The market is easing as we see increasing supplies out of the desert regions. We are seeing better quality and peak sizing on 140's/115's and 165's.

**Oranges:** Navel production continues to ramp up and most all packing houses are packing. Internal maturity on the Navels is ahead of normal. Size is currently peaking 88's/113's/72's/138's/56's.

**Limes:** The market is coming down on all sizes. Demand is lower and supplies are steady. The overall quality continues to be acceptable with some yellowing and minor defects showing.

## **CUCUMBERS**

### **Western Cucumber:** *Mike Cantu*

Market is steady. Production from Sonora is steady but we're experiencing some lots with quality issues. Supplies should be adequate from here on out barring any weather issues. Sonoran supplies are making up for the affected Baja production due to the past storm damage. We

ought to see some production start from Sinaloa this week.

### **Eastern Cucumbers:** *Janine Baird*

Florida continues to be light on domestic cucumbers. Market should remain steady until the off shore deal starts in another 2-3 weeks.

## **EGGPLANT**

### **Western Eggplant:** *Mike Cantu*

California eggplant is basically done. Demand is still outpacing supplies. Mexican production is heavy towards 24ct and very light on 18ct. Current market uptick is attributed to waning domestic supplies and added demand.

### **Eastern Eggplant:** *Janine Baird*

The eggplant market is up due to Georgia finishing and Florida not yet into any volume. Market will remain high and supplies scarce for a couple more weeks.

## **GRAPES:** *Brad Tremblay*

The green seedless market continues to climb as the fresh harvest approaches its' finish. The Autumn Kings are running primarily to the extra large fruit. Many of the shippers are now buying from each other in order to cover their regular business. We expect to see a higher market every week until the imported fruit comes in with volume. That should be around the middle to end of December. The red seedless market is also reacting strongly upward though it is still trailing the green market. The Vintage Reds are being supplanted by the Crimsons as the predominant variety in the large fruit. The color and quality of the Crimsons does not measure up to the Vintage. The end of the fresh harvest reds promises to be much more difficult in terms of quality and size than it has been. Off shore reds are coming in a few weeks later for volume. We expect to see the better quality imported fruit more readily available about the end of December.

## **GREEN ONIONS** *Gabe Romero/Mike Pacheco*

This market is steady overall. Demand has fallen off slightly. Expect production in Mexico to have moderate to good availability for the rest of the week. Small sizing continues to be the sizing most readily available. Mexico's weather in the growing regions continues to be favorable.

# Commodity Updates Continued

## **LEAF** *Gabe Romero/Mike Pacheco*

The romaine market is softer. There is a range in pricing as some shippers are much better off than others. The quality in Yuma has picked up. Slight seeder and tip burn exists but nothing compared to past weeks. The weights on romaine have been averaging 34-38 pounds. Green and red leaf items are a bit softer as well. Colossal romaine hearts are almost non-existent. Regular romaine hearts have picked up in availability.

## **LETTUCE** *Gabe Romero/Mike Pacheco*

Demand has fallen off, and supplies are good with many shippers. Weights are fluctuating between 38- 43 pounds. Slight seeder still exists but the quality is definitely getting stronger. Offers are being listened to so promote this commodity as much as possible. Expect steady supplies throughout the week.

## **MELONS** *Jim Murphy*

**Cantaloupe:** The desert is finished for the season. Offshore melons are arriving in Florida. The sizing continues to peak on 9's and 12's with fewer 15's and even fewer 18's. The market is holding steady at current levels. Supplies are currently matching demand. Quality is good on all lopes.

**Honeydew:** Mexico and the desert have adequate supplies and are heavy towards 5's and 6's. The market is steady on all sizes. Offshore dews are arriving now with 5's and 6's being the main sizes. Quality is good on all of them.

## **ONIONS** *Mike Gorczyca*

No change in the market on all sizes and colors. Market is steady. Quality is being reported as good. Trucks or lack of trucks is the main issue. Rates are high. Christmas Trees are taking up most of the truck that usually run onions. Stay ahead on your onions supplies due to trucks being so tight.

## **POTATOES** *Mike Gorczyca*

Idaho – Supplies of 60ct and larger are very limited due to the small storages the shippers are currently in. I do feel this will change but not till after the first of the year. Market is firm on these sizes. Small potatoes, 80ct and smaller,

are steady with good to moderate supplies. Quality is being reported as good. Trucks are also very limited. Please pre-book all orders with 70ct potatoes and larger 4 to 5 days in advance. Washington/Colorado/Wisconsin – Supplies of all sizes is much better out of these growing areas. Market is steady. Quality is good.

Bakersfield, California - continues to ship Washington red, white, and gold potatoes. The market for all colors and all sizes is steady. Premium and Bakers reds and gold's are limited. Western Washington – the markets for all colors are steady. Their reds are peaking on A-size while the whites and gold's are heavier to B-size. Washington shippers are still dealing on volume for A-size reds.

North Dakota - reds are steady but strong due to increased demand. Gold's are steady on all sizes. N.D. is peaking on A-size reds while the gold's are producing more B's.

Idaho - reds and gold's are both steady and both are still peaking on A-size.

Wisconsin - reds and gold's are both steady. The Wisconsin reds are heavy to A-size while the Gold's are split between A's and B's.

## **SQUASH**

### **Western Squash:** *Mike Cantu*

California squash is done. Extreme demand exceeds. Supplies are off from Sonora and higher demand is pressing market upwards. Lighter supplies as some Sonoran growers taper off in production.

### **Eastern Squash:** *Janine Baird*

Squash volume in Florida is increasing with Homestead ramping up. Market should stay high through the weekend but should start to loosen up by next week.

## **STONE FRUIT** *Brad Tremblay*

The off shore stone fruit season is beginning to ramp up. Cherries by air are much more plentiful and reflected in a softening of the fob market (LA or Miami). We expect to see some fruit arriving by water the first to second week of December. Apricots, too, are coming in by air but in a much more limited supply. This market is strong and selling out regularly. The first peach and nectarine containers are expected in around the middle of December.

# Commodity Updates Continued

## **TOMATOES** *Aaron Aliotti*

### **Western/Mexico:**

The West has light supply and color on both Romas and rounds. The demand is strong, but supplies are short. Quality on a lot of the Mexican crossings is very questionable. A lot of that fruit is coming from growing areas that were hurt by storms. It is essentially a salvage crop for some areas. Most of the fruit showing up at the border crossings are very light in color or actually green in color. So like rounds, color is a major issue for Romas. Southern California will be finishing up next week, which sends us to Mexico for all Western products. Both Mexican growing areas that are in production are experiencing reduced yields due to normal seasonal decline and past weather issues. Availability is expected to remain tight until Western Mexico gets back in the swing late December.

### **Eastern/Tomatoes:**

With Ruskin moving toward its seasonal decline, the East is expecting continued light supply on Romas and rounds. Rainy weather has affected yields on existing crops and the cold weather could stunt growth even more. The pipeline is empty and inventories are low, receivers and distributors simply cannot keep up on color. The weather in Florida is going to take a turn for the worse for the remainder of this week. However, relief is in sight when Immokalee comes into full season just after Thanksgiving assuming temperatures stay above freezing. Grape supply is steady as both Ruskin/Palmetto and Immokalee are bringing fruit to the table. Low supplies and strong demand have pushed the market up a little since last week. Rain and cold weather in Florida is going to keep supplies short. Florida is the main area for cherries at this time. Cold weather and rain will slow production this week. Demand is very strong and prices are up.

## **VALUE ADDED** *Gabe Romero/Mike Pacheco*

Romaine supplies will be better this week as the holiday pull is over for the most part. Lettuce supplies are much stronger in Yuma. The quality problems of seeder, pinking and russet spotting are not nearly as prevalent as in past weeks. Broccoli supplies are steady. Cauliflower production will be very light throughout the week.

## **WATERMELON** *Mike Cantu*

Current crops are mostly packed in bins and cartons packed by request. Increasing volumes through Nogales and Market is holding steady albeit at high FOBs. Current production is in South Texas and some in Sonora. We ought to see watermelon crossings in Nogales to increase in the next couple of weeks. We still have a demand exceeds market due to lower than expected yields from Mexican production.