



# The Source

December 17, 2014

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**THINGS YOU SHOULD KNOW:**

**COMMODITY ALERT:**

Strawberry demand exceeds supply, very limited availability in all areas

Blueberries are tight on the west coast as Chilean shipments are delayed

Cantaloupes and Honeydews are very extremely short this month due to transition of growing regions

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

Asparagus is extremely limited due to lack of supplies from Mexico and Peru



## Weather *Tim Lynch*

A series of cold fronts out west will bring much needed rain to most of California this week. The approaching storm systems have brought rain to the Yuma growing region today. It looks as if it will not amount to much to effect harvesting. Temperatures cool to the upper 60s as these systems roll through the desert regions.



## Freight: *Mike McIntire*

Trucks in CA and AZ remain steady. Washington and Idaho trucks continue to be very 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 again this week and is now 3.419 per gallon. CA price dropped as well and is currently 3.550 per gallon. Crude oil continues to drop and is currently \$56.62 per barrel.

# Commodity Updates

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

New York continues to pack McIntosh, Empires, Red Romes, Red Delicious, Golden Delicious, and Honeycrisp. The New York shippers have lighter availability of 88's and larger in all variety's except Honeycrisp. The availability for 100-size and smaller is generally better now. Michigan continues to pack Braeburns, Empires, Fuji's, and Gala's, Golden Delicious, Honeycrisp, Jonathans, McIntosh, Red Delicious, and Red Romes. Most Michigan varieties are peaking on 88/100's and larger. Most Michigan shippers are only packing the larger fruit to order because the Washington markets are so low. 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. Golden Delicious are steady on all sizes and are still producing more 88's and larger. Granny-Smiths are steady on all sizes but the market for 100's and smaller is very strong due to light supplies. Granny-Smith is peaking on Washington extra-fancy 80/88's. Washington Gala's are steady and are still are peaking on 88/100's. The Fuji market is steady on 100's and smaller while 88's and larger are steady with some volume-flex. Braeburns, Jonagolds, Sweeties, Jazz, Red Romes, Cameo's, Honeycrisp, and Pink Lady's are all available in Washington. Most of the Washington varietals are peaking on the larger sizes. The Honeycrisp market is steady but remains strong. Washington Bartlett pears are slightly higher on all sizes due to strong demand. The Bartlett's are still peaking on US#1 90/100's & larger while 110's and smaller remain short. Washington D'Anjou pears are also steady and continue to peaking on 80/90's. Small D'Anjou's are still limited. Washington Bosc is steady and is peaking on 80/90's now. Small Bosc are now limited. Washington red D'Anjou's are steady on all sizes and they are peaking on 45/50's.

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

This market is extremely active with limited supplies on product from Mexico. Peruvian product is light in availability as well. Mexico has started a new region but is extremely limited in supply. Shippers are extremely light on jumbo sizing. This will continue through the month of January.

## Commodities at a glance...

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

# Commodity Updates continued

## **AVOCADO** *Tim Kelley*

Mexico's is still coming in with steady volume. A supply on 48's have improved with 60's and 70's volume holding steady. 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. Maturity of fruit is much better and is improving weekly, but will still 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 beginning to show improvement on color bells and green bells are starting to increase in supplies also although some districts are gapping slightly. Current supplies on both are still demand exceeds but signs of increasing volume ought to alleviate current markets. Gold bells market is steady. Some greenhouse gold bell peppers are crossing through South Texas and Nogales.

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

Florida remains extremely tight on pepper. Very cool temperatures combined with increased demand from the west have led to limited to no supplies. Most shippers are loading crown pepper for off grades, since that is the only sizing available. There should be more availability by the weekend, but the pricing is not expected to change.

## **BERRIES** *Tom Smith*

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

*OXNARD/Southern CA* received anywhere between 1.5"-2.5" of rain in strawberry growing regions since last Thursday. Availability will be light all week due to the rain and cool weather. Quality issues will also continue to be present with water damage, bruising and soft fruit. Expect fruit to be lighter in color as crews picked any useable fruit ahead of the rain. *FLORIDA* has started off slowly due to cooler weather. We should see increasing volumes toward the end of next week, reporting good quality in this fruit. *MEXICO* volumes continue to increase. We should see better availability this week and increasing next week.

**Raspberries:** Cooler weather along with rain has slowed production in the MX growing regions. Market has firmed up and fruit is lighter availability this week.

**Blackberries:** Cooler weather along with rain has slowed production in the MX growing regions. Demand has been lighter and markets have loosened some. Some quality issues being reported with soft fruit and mold.

**Blueberries:** Argentina growing regions have past their peak and significant weather events have mostly ended their season. Quality issues being reported in ARG fruit that remains in the market: mold, shrivel, soft.

Chilean fruit shipments have been slow to hit US ports and slow to release when they do. Fruit is very light availability on the west coast. Mexican volumes are light as many plants have gone dormant after recent rains and pest issues earlier in the season. Availability is lighter this Week and markets have firmed up. Fruit on the west coast is very tight this week, very little volume available.

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

This market is showing some slight market increases due to the Christmas Holiday. Good supplies still exist out of Santa Maria, Yuma, Scottsdale and Mexico. Salinas still has some production as well. Supplies are going to be good throughout the week. Good quality is expected from all suppliers.

## **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 size carrots continue to drop off in supplies. We expect tight supplies on Jumbo and medium carrots for next 2 to 3 months until we get into the desert crop. Markets continue to rise on Jumbos. Quality of carrots is still good.

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

This market is steady at the higher price levels. Escalated pricing is in effect. Overall production is still light. Santa Maria and Yuma are the main growing regions for this commodity. The quality continues to be up and down with issues of brown spotting, discoloration and small sizing.

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

This market is firm. Supplies are expected to be light throughout the week. Production continues to be out of Santa Maria, and Oxnard. There is currently no production in Yuma. Smaller size

# Commodity Updates continued

celery is extremely limited. There are no major quality issues to report at this time.

## **CITRUS** *Tim Kelley*

**Lemons:** The market is steady. Desert fruit size in now much larger and is peaking on 140's and larger with the 165's and smaller fruit getting tight on supplies.

**Oranges:** Navels are in full production. External color continues to develop with cooler nights. 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 holding steady on all sizes. Supplies are lightening up slightly but demand is also. 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 is beginning to see the end of the domestic cuke season and the off shore deal is in good supply. Market is softer on the domestics. Quality on off shores is excellent.

## **EGGPLANT**

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

Demand is still outpacing supplies. Mexican production is heavy towards 24ct and very light on 18ct. Current market somewhat unsettled but supplies are meeting demand albeit very light on 18ct size.

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

The eggplant market has finally loosened up a bit with more availability in Florida.

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

Imported green grapes are now available on both coasts; though volume is still primarily on the East Coast. The market is strong and steady at current levels. We are currently into the Peruvian fruit with the Chilean still about a week or more

away from port. We expect the market to maintain current prices until we have the Chilean grapes available in volume. The red seedless are still readily available from domestic storage although we are seeing more of the imported reds on the East Coast. Quality on the domestic fruit has been spotty but there is still some good quality fruit available although this is commanding a premium price. The market looks to remain unchanged as we transition into the more expensive imports by the end of the month.

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

This market is flat. Demand has fallen off. Production in Mexico is expected to have good availability for the entire week. Small sizing continues to be the sizing most readily available. Mexico's weather in the growing regions continues to be favorable.

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

The romaine market is steady, overall. The quality in Yuma continues to get better with less seeder and tip burn compared to past weeks. The weights on romaine have been averaging 34-38 pounds. Green and red leaf items are more readily available. Colossal romaine hearts have better suppliers compared to past weeks. Regular romaine hearts have good availability.

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

This market is steady. There are multiple suppliers looking for business on this commodity. Demand is off. Weights continue to be reported between 40-44 pounds. Slight seeder still exists but the quality is definitely getting stronger. Expect good supplies throughout the week. Pricing is flexible for volume type orders.

## **MELONS** *Jim Murphy*

**Cantaloupe:** Offshore melons are arriving very slowly in Florida and are extremely tight. The sizing continues to peak on 9's and 12's with fewer 15's and even fewer 18's. Offshore melons have been arriving on the west coast but are extremely limited also. The market is climbing up on what little is available. Lower than normal temperatures in the growing areas have slowed down production. Quality is good on all lopes.

**Honeydew:** The desert is finished for the season. Mexican supplies have lowered down for the season as growing areas finish. Offshore

# Commodity Updates Continued

dews are arriving now with 5's and 6's being the main sizes and volumes are not keeping up with the current demand. Demand is good on all sizes. The market is higher on all sizes. Quality is good on all of them.

## **ONIONS** *Mike Gorczyca*

Supplies of Super Colossal and Colossal have tightened up as the shippers move into some of their later storages that have smaller sizing. This could be the trend for the balance of their season. Look for the market to slowly get stronger on these sizes. All other sizes and colors are steady with good quality. Trucks are still limited and most likely will not get any better till after the first of the year.

## **POTATOES** *Mike Gorczyca*

Idaho – Market is steady on 70ct and larger with 80ct and smaller steady to slightly weaker. Burbank's supplies are peaking on 80ct and smaller which is the main cause of the weaker under tone on the smaller sizes. Norkotahs are peaking on 60ct through 90ct. Quality is being reported as good on both varieties. 40ct and 50ct are still very limited. Some Idaho shippers are bringing over Washington 40ct and 50ct to fill orders. Trucks are still tight and will be till the middle of January.

Washington/Colorado/Wisconsin – Market has firmed up slightly on 40ct through 70ct which is due to other states not having enough large size to cover the demand. Smaller size potatoes are steady. Quality is good. Trucks are still short.

## **COLORED POTATOES** *John Tole*

Bakersfield, California – Reds and Gold's are steady and the sizing is still average. Premium and Bakers reds and gold's are short. White supplies are low and that market is higher on all sizes. Western Washington – the markets for Reds and Gold's colors are also steady along with the sizing. Whites are higher due to light supplies. The Washington reds and whites continue to peak on A-size while the golds are more evenly split between A's & B's. North Dakota - the red market is steady on all sizes and they are still heavier to size-A while B's are limited. Gold's are steady on all sizes.

Idaho - reds and gold's are both steady and both are still peaking on A-size. Idaho also has better availability of Premium and Baker size in both colors.

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

## **SQUASH**

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

Market is very unsettled as some new farms come online. It is still a demand exceeds but signs of markets are weakening on Italian squash, yellow squash continues very short and demand exceeds supplies.

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

Homestead's volume has picked up and Plant City continues to work squash. That coupled with no demand has weakened the market which should continue to drop into the weekend.

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

Early quality on the offshore peaches and nectarines is reported to be good. Supplies are slowly increasing with volume expected to reach much better levels as the first of the Chilean fruit lands over the next 2 weeks. Cherries, apricots and plums are available in limited numbers. Quality on all of these has been reported as good. The market on these also looks to maintain current levels until the Chilean containers with greater supplies hit the last week of December.

## **TOMATOES** *Aaron Aliotti*

### **Western/Mexico:**

As Mexican growers continue to work through the seasonal transition, there are minimal volumes of rounds and Romas crossing into the US. Quality is varied, as some fruit is harvested from older fields in Eastern Mexico and Baja. Availability and quality is increasing on grape tomatoes as new Mainland Mexico growers are coming on board each day. Grapes from older fields in Baja are on their last legs and quality is becoming a concern.

### **Eastern/Tomatoes:**

As Immokalee growers get into full swing over the next week, the outlook for round tomato supply in the East is improving. Quality has been very nice thus far, although larger-sized fruit is a little light. With weather challenges behind us, grape tomato quality and supply are looking good through the holiday.

# Commodity Updates Continued

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

Romaine supplies will be steady throughout the week. Lettuce supplies are abundant. Broccoli supplies are good. Cauliflower pricing is still on escalated pricing.

**WATERMELON** *Mike Cantu*

There is current production in South Texas and some in Sonora. Watermelons are extremely short as transitions begin. The northern crop is wrapping up and Jalisco is a week or so away from starting. The market will continue short and high FOB's for the rest of the winter.