



The Source

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THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Rain in the lime growing areas has disrupted short term supplies

Severe cold temperatures in the Southern California region as well as Yuma and Mexico has made production of row crop commodities difficult to come by

Idaho large cartons 50 counts and larger very limited

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

Apples-Washington is into larger fruit so stay ahead on the smaller sizes

FL strawberry growing regions to dip into sub-freezing temps, may disrupt production temporarily



Weather *Tim Lynch*

Another couple days of cold morning temperatures are on tap for California and the Southwestern Desert growing regions, as a strong high pressure ridge brings warmer temperatures through the week. This strong high pressure ridge will deflect storm systems to the north and bring warmer (70s) afternoon temperatures while also keeping the region clear with cold mornings likely to continue in the coldest valleys.

The extended freezing temperatures received in the Desert regions will impact all commodities and shippers with damage likely to be present for the remainder of the season. Lesser carton weights, quality and especially texture and shelf life will be the norm for some time to come.



Freight: *Mike McIntire*

Trucks in CA and AZ will be steady throughout the week. 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 continues to drop and is currently 3.137 per gallon. CA price remained steady and is 3.341 per gallon. Crude oil dropped below 50.00 per barrel and is now 48.14 per barrel.



Commodity Updates

APPLES/PEARS *John Tole*

The New York shippers continue to pack McIntosh, Empires, Red Romes, and Red Delicious. The New York markets are steady on all varieties. Michigan continues to pack Braeburns, Empires, Fuji's, Gala's, Golden Delicious, Idareds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romes. Most Michigan fruit is still heavy to 88/100's and larger. Michigan is steady on all varieties but there is a little price-flex in some. Washington Red Delicious is steady and continues to peak on 80's and larger in the WX#1 and premium grades. Red Delicious 113's & smaller is short. Golden Delicious is steady on all sizes and is peaking on more 88/100's. Granny-Smiths are steady on 100's and larger while the 113's and smaller are higher due to light supplies. Granny's are to Washington extra-fancy 80/88's and larger. Washington Gala's are steady and are still peaking on 88/100's. The Fuji market is steady on 100's and smaller and slightly higher on 88's and larger. They continue to peak on 88's and larger. Braeburns, Jonagolds, Sweeties, Jazz, Red Romes, Honeycrisp, and Pink Lady's are all available in Washington. Most of the Washington varieties are peaking on the larger sizes. Most Honeycrisp only ship through January so expect a market increase on them in the coming weeks. Washington Bartlett pears are steady but strong on all sizes due to strong demand and less in storage. The Bartlett's are still peaking on US#1 90/100's & larger while 110's and smaller remain short. Most Washington shippers will finish Bartlett's at the between the end of January & mid February. Washington D'Anjou pears are steady & continue to peaking on 80/90's. Small D'Anjou's remain limited. Washington Bosc is steady and is still peaking on 80/90's now. Small Bosc remains short. Washington red D'Anjou's are steady on all sizes and they are peaking on 45/50's.

Commodities at a glance...

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

Commodity Updates *continued*

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market continues on the firm side. Ice in the Mexico region has caused delays in harvesting. The quality is good however. This commodity is more resilient to cold weather compared to other crops. Standard and large are the main sizing available. Extra large and jumbos are very scarce in availability. This will continue through the month of January. Peruvian product is available but only moderate to light supplies exists.

AVOCADO *Tim Kelley*

Mexico's volume this week is still light due to limited harvest over the holiday work weeks. Supplies should be improving by the end of this week as fruit begins crossing in the USA. The demand for all sizes of fruit is good and market remains fairly stable, with some slight firming trend. Maturity of fruit is good and still 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*

Colored bells are slowing slightly in production due to some cool weather growing areas experienced this past week. We ought to see production back to seasonal norms by next week with warmer weather in the short term forecast. Green bells are adequate supplies and excellent quality. Gold bells market is steady. Some greenhouse gold bell peppers are crossing through South Texas and Nogales.

Eastern Bells: *Janine Baird*

Florida pepper market is beginning to weaken a bit as volume increases and demand is off. However, with cold weather moving in the market could go back up should there be a freeze.

BERRIES *Tom Smith*

Strawberries: Good availability in CA, TX and FL. FL is expected to dip below freezing and could disrupt production temporarily. Overall quality is good in all areas. There are some reports of white shoulders and light-colored fruit.

Raspberries: Market is overall steady but fruit is still lighter availability as we move into early January. Fruit quality reported as good coming out of MX. The challenge has been with fruit crossing the border and transfer trucks being delayed at inspection or by weather in transit.

Blackberries: Light availability this week due to delayed transfers crossing from MX. A cold front (dipping as low as 32*) in the Los Reyes growing region has slowed production as well. Fruit is reported to be in better quality than previous weeks. The challenge has been with fruit crossing the border and transfer trucks being delayed at inspection or by weather in transit.

Blueberries: Chilean fruit shipments have increased arrivals at US ports. Fruit availability has increased in CA and on the east coast. Fruit is reported with good quality. Mexican volume crossings have increased and more fruit is available on the west coast than weeks prior. Good quality reported with this fruit as well. The challenge has been with fruit crossing the border and transfer trucks being delayed at inspection or by weather in transit.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market continues to gain strength on bunched product as well as crowns. Cold weather has created harvest delays and pin rot is an issue. This is industry wide. Yields continue to suffer because of this. Pricing will continue to gain strength. Supplies are going to be light through the month of January. Demand will exceed supplies. Santa Maria, Yuma, Scottsdale and Mexico are the main growing regions for his commodity

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 size carrots continue to drop off in supplies. We expect tight supplies on Jumbo and medium carrots for next month until we get into the desert crop. Markets have stabilized on Jumbos. Quality of carrots is still good.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market is continues to gain strength. Production on this commodity will be very light through the Month of January. Demand will exceed supply. Santa Maria and Yuma continue to be the main growing regions for this commodity. Yellow discoloration and slight spotting is still being reported sporadically upon arrivals.

CELERY *Gabe Romero/Mike Pacheco*

This market is steady, overall. The cold weather has not affected this commodity like others. The harvesting has been delayed due to frost, but the overall quality is good. The best availability is coming in the smaller sizes, thirties and smaller. Production continues to be out of Santa Maria, and Oxnard. Yuma has some light production as well. There are no major quality issues to report at this time.

CITRUS *Tim Kelley*

Lemons: The market is steady. Desert fruit size is now much larger and is peaking on 140's and larger with the 165's and smaller fruit getting very 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 rising on all sizes. Rain in the growing areas has disrupted harvesting causing supplies to lighten up. Demand is steady but with lighter supplies

the market is heading up. The overall quality continues to be acceptable with some yellowing and minor defects showing.

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is on the rise. Production from Sonora is steady but we're experiencing some lots with quality issues. Production has slowed as cold/ cool weather has hampered production.

Eastern Cucumbers: *Janine Baird*

The off shore deal is in full swing now and the quality has been excellent. Supplies on carton 24's will be limited this weekend then pick up again by Monday.

EGGPLANT

Western Eggplant: *Mike Cantu*

It appears production is slowing and pressing markets slightly higher. Cool weather has slowed down some growing areas but warmers temps ought to get production back to normal by front end of next week.

Eastern Eggplant: *Janine Baird*

The eggplant market remains steady.

GRAPES: *Brad Tremblay*

We currently have a split market on red grapes. The large fruit is very limited and is selling out everywhere rapidly. This is creating delays as we wait for the next vessel to arrive and unload. The medium large fruit is more plentiful but demand remains strong on these. Supplies of the medium large fruit are cleaning up as buyers move down a size to cover their orders. The medium sized fruit, 9 to 11 sixteenths, is plentiful and continues to be the bargain. These are selling at a discount. The green seedless market is more orderly with a better distribution of size and supply. Demand continues to be about steady and this market is showing signs of softening as supplies out of Chile gradually increase.

Commodity Updates Continued

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market continues to gain strength. Bitter cold weather in the growing regions of Mexico has severely damaged the quality of this crop. Wilted tops and flopping is a common characteristic of this commodity. Production in Mexico is expected to be light throughout the week. Demand is up. Shippers are not harvesting heavy to one size. Supplies are expected to be light for a minimum of two weeks.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

Bitter cold weather in all growing regions has made epidermal peel and blister standard characteristics on all romaine and leaf products. Demand exceeds supply on romaine. This defect will continue for the next three to four weeks, minimum. Shippers are cleaning up the product as much as possible. Lighter weights are being packed by all shippers. Weights are ranging from 28-36 pounds. Green and red leaf items are available, but have the same issues as romaine. All leaf items are active.

LETTUCE *Gabe Romero/Mike Pacheco*

Blister and epidermal peel is the hot topic. This will continue over the next two to three weeks minimum for this commodity. Demand clearly exceeds supply. Cold freezing temperatures has slowed down production with all shippers. Weights on lettuce will be less due to crews having to peel down this commodity. Weights will fluctuate between 35-41 pounds. Expect delays on truck loading due to later harvesting times.

MELONS *Jim Murphy*

Cantaloupe: Offshore melons continue to arrive slowly in Florida and remain tight. Honduran cantaloupes are now arriving while Guatemalan growers are finished or moving to smaller secondary regions. 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 remain extremely limited. The market is steady

on what is available. Quality is good on all lopes.

Honeydew: Offshore dews are arriving with 6's being the main size. Honduran supplies are arriving now. Supplies are adequate for the current demand. The market is steady on all sizes. Quality is god on all of them.

ONIONS *Mike Gorczyca*

There is a slightly stronger undertone on Super Colossal and Colossal yellow onion and this trend could continue through the balance of the season. Jumbo and Medium yellow onions are slightly weaker with better supplies. Supplies of White onions are slowly winding down for the season out of Idaho. Red onions are steady. Quality is still being reported as good on all color and sizes. Trucks are still limited and most likely will not get any better until mid January or after.

POTATOES *Mike Gorczyca*

Idaho – Looks like this will be the first week in awhile that all the sheds will be able to run. Burbank's are still peaking on 80ct and smaller while the Norkotahs are peaking on 60-90's. The Quality is has been good in both varieties. Some Idaho shippers are bringing over Washington 40's and 50's to fill orders. Trucks are still tight and will be till the middle of January.

Washington/Colorado/Wisconsin – the market has firmed up slightly on 40-70's which is due to other states not having enough size to cover the demand. The smaller sizes are steady. Quality is good. Trucks are still the hardest thing to cover.

COLORED POTATOES *John Tole*

Bakersfield, California – Reds and Gold's are steady and both colors are peaking on A-size. Premiums and bakers remain limited in both colors. White supplies are short and that market is higher on all sizes. Western Washington – the markets for Reds and Gold's are steady along with the sizing. There are still volume deals on A-size reds.

Commodity Updates Continued

Whites are very limited as most packers have finished. The Washington reds and whites continue to peak on A-size while the golds are more evenly split between A & B's.

North Dakota - the red market is steady on all sizes and continue to pack mostly size-A while the B's are more limited. Gold's are steady on all sizes.

Idaho - reds and gold's are both steady and 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 unsettled as some new farms come online. Supplies' improving on newer field product as older field product and/or as number two product is available; the market remains unsettled and two tiered market follows. Yellow squash continues short but is starting to settle slightly. Also affecting markets are reports of some cold weather damage in some Sonoran growing areas. We are waiting for preliminary reports.

Eastern Squash: *Janine Baird*

The squash market is beginning to gain some strength, particularly in zucchini. Cold weather will be moving into Florida over the next few days which will affect the squash volume. Expect this market to climb over the next several days.

STONE FRUIT *Brad Tremblay*

The markets on peaches and nectarine are gradually easing. Supplies of Chilean fruit are improving weekly as demand remains about steady. Sizing continues to be heavy to the 50 – 60 count trays and volume fills. Smaller fruit, in the 70 – 80 count volume fill is beginning to increase in supply and look to provide some buying opportunities in the coming week. The market on cherries

remains firm as supplies are good and demand steady. West Coast arrivals are increasing on all stone fruit and should help to level market pricing versus the East Coast offerings.

TOMATOES *Aaron Aliotti*

Western/Mexico:

Weather has been cool in Mexico's growing region, slowing down production of rounds. Volumes are expected to be at steady levels in another 3-5 days. Romas, grapes, and cherries are crossing in consistent volumes with average to good quality.

Eastern/Tomatoes:

Overall tomato supply is steady in the East. Palmetto area growers continue to harvest small fruit, while larger sizes are being harvested from early picks in the Immokalee area. Roma supply is light, but steady with good quality.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Romaine supplies will be light all week. Blister and peel has made this commodity weak in terms of shelf life. Lettuce supplies are extremely light with peel and blister a major issue. Broccoli supplies as well as cauliflower are going to tighten up daily. All value added items are going to have shorter shelf lives so please go lean and move as quickly as possible. Issues of pin rot continue to be a characteristic of broccoli. Cauliflower has had reports of discoloration upon arrivals.

WATERMELON *Mike Cantu*

The current production is in South Texas and Jalisco. Watermelons are extremely short as the transition has taken place. The northern crop has wrapped up and Jalisco will be the main source of watermelons until the spring. The market will continue short although there is slight increase in production in the next week or so.