



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

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

California Strawberry growing areas received up to 2 inches of rain over the weekend. Florida received up to 2 inches of rain on Monday which has limited supplies and quality of strawberries



The Source

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Weather *Tim Lynch*

High pressure builds over the West Coast into the weekend with gusty winds (20-35mph) and warming trend (low 70s warming to the upper 70s) in Southern California and the desert regions through the week. The light rain and warmer temperatures recently will help crops to regain typical growth patterns and begin to show the extent of the damage inflicted by the freeze. Growers will be assessing damage over the next couple of weeks as fields recover. Temperatures look to remain above freezing over the near term.



Freight: *Mike McIntire*

Trucks in CA and AZ will be steady throughout the week. Washington trucks are steady but Idaho remains tighter than normal. Please continue to get your onion and potato orders in as early as possible. The national average on diesel remained steady and is currently 3.134 per gallon. CA price dropped again and is now 3.250 per gallon. Crude oil remains below 50.00 per barrel and is now 46.46 per barrel.

Commodity Updates

APPLES/PEARS *John Tole*

New York is still packing McIntosh, Empires, Red Romes, and Red Delicious. The New York markets are steady on all varieties and small fruit remains short. 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 peaking 88/100's and larger. The Michigan markets are also steady and some varieties have price-flex. 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 are smaller are still limited. Golden Delicious is steady on all sizes and continues to producing more 88/100's but all sizes are available. Granny-Smiths are steady on all sizes but the 113's and smaller are very strong due to light supplies. The Granny's are peaking on Washington extra-fancy 80/88's and larger. Washington Gala's are steady and are still are peaking on 88/100's. The Fuji market is steady on all sizes and they are peaking on 64/72's now. Braeburns, Jonagolds, Jazz, Red Romes, Honeycrisp, Cameo's, and Pink Lady's are all available in Washington. Most of the Washington varieties are peaking on the larger sizes. The Honeycrisp market is steady but strong. Washington Bartlett pears are steady but strong on all sizes due to strong demand and light supplies. The Bartlett's are now peaking on US#1 70-90's with 80-size being the bulk of the volume. Most Washington shippers will finish Bartlett's between the end of January and mid February. Washington D'Anjou pears are steady & continue to peak on 80/90's. D'Anjou 120's and smaller is still short. Washington Bosc is steady and they are peaking on 80/90's. 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	Steady
Avocado (California)	Done	Done
Bell Peppers (Western)	Good	Steady/Higher
Bell Pepper (Eastern)	Good	Steady
Berries: Strawberries	Fair	Higher
Berries: Raspberries	Good	Higher
Berries: Blackberries	Fair	Higher
Berries: Blueberries	Good	Higher
Broccoli	Fair	Higher
Carrots	Good	Steady
Cauliflower	Fair	Lower
Celery	Good	Higher
Citrus: Lemons	Good	Steady
Citrus: Oranges	Good	Steady
Cucumbers (Western)	Good	Steady
Cucumbers (Eastern)	Excellent	Steady
Eggplant (Western)	Good	Higher
Eggplant (Eastern)	Good	Higher
Grapes, Green	Good	Steady
Grapes, Red	Good	Higher
Green Onions	Fair	Higher
Lettuce: Leaf	Fair	Higher
Lettuce: Iceberg	Fair	Higher
Melons: Cantaloupe	Good	Lower
Melons: Honeydew	Good	Steady
Onions	Good	Lower
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 is firm with all suppliers. Cold weather in the Mexico region as slowed the growth on this commodity. This commodity is more resilient to cold weather compared to other crops. The rain and freezing has not hurt the quality, just the availability. Standard and large continue to be the main sizes available. Extra large and jumbos are extremely tight. This will continue through the month of January. Peruvian product is available but only light supplies exist.

AVOCADO *Tim Kelley*

Supplies are still a little light at shipping points. By next week supplies should start to catch up to meet demand. 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*

The pepper market remains steady with good supplies.

BERRIES *Tom Smith*

Strawberries: Florida received up to 2 inches of rain on Monday followed by cooler temperatures has supplies limited. Quality is also fair. Market is firm. Forecast is for a warming trend for the balance of this week which should help the supplies as we get

into the weekend or the front part of next week. The Rain California received over the weekend has hurt supplies and the quality of the fruit. Cool temperatures the front part of this week has shipper fighting the fruit coloring up. Market is active with limited supplies the strawberries are very healthy currently so the rain does not hurt them as bad but you will start to see some white shoulders, green tips, light bruising and water damage showing up in the packs. It will take 4 to 5 days before you will see the picture perfect strawberries. Mexico supplies are light mainly due to the low FOB's the last couple of weeks. Most growers are keeping their fruit within Mexico currently. Look for the strawberry supplies to be challenging going into this weekend.

Raspberries: Both Mexico and California supplies continue to come off, and we will start to feel the raspberry market firm up as this week moves on. Cold weather in Mexico is really hurting production. Fruit quality reported as good coming out of MX.

Blackberries: Mexico has been experiencing high winds that have been whipping the plants around creating production issues. Pack outs have decreased as a result of this wind. This will be about a two week supply issues. Market is firm and quality is fair.

Blueberries: The main pack size is coming from Chile is switching from 6oz to Pints. Supplies are very limited in the small packs. Arrival delays from Chile have this market tightening up. Quality is being reported as good. 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. Demand exceeds supply on bunched product as well as crowns. Cold weather has

Commodity Updates continued

created havoc for all growers. Pin rot is a quality defect that all growers are dealing with. Yields continue to suffer because of this. Pricing will continue to gain strength. Supplies are going to be light through the month of January. Santa Maria, Yuma, Scottsdale and Mexico are the main growing regions for this commodity

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 has eased up with a few suppliers. Production numbers are expected to be better throughout the week. 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 up. Demand has picked up as customers have turned to this commodity to fill trucks for shortages. The cold weather has not affected this commodity like others. The best availability is coming in the smaller sizes, 36s and smaller. Large sizing is commanding a higher price. Production continues to be out of Santa Maria, Oxnard, and Yuma. 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 steady at the current higher prices on all sizes. Previous rains in the growing areas had disrupted harvesting causing supplies to lighten up. Demand is steady but with lighter supplies the market is holding at the current prices. 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 and/ or wrapping up. Production has slowed as cold/ cool weather has hampered production. Sinaloa is in production but has also slowed down slightly due to prior cool weather.

Eastern Cucumbers: *Janine Baird*

The off shore deal is in full swing now and the quality has been excellent. The market nudged up at the beginning of the week in reaction to the west. However, demand was weak, softening the market going into the weekend.

EGGPLANT

Western Eggplant: *Mike Cantu*

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

Eastern Eggplant: *Janine Baird*

The eggplant market has gained strength and will continue to climb for the next several days.

GRAPES: *Brad Tremblay*

The red seedless market continues to struggle with sizing. In addition to the sizing

Commodity Updates Continued

issue we now have the east coast versus west coast conundrum. The eastern markets have an overall greater supply of fruit than the west coast. The west coast is experiencing late vessel arrivals with fewer vessels overall. This has exacerbated an already difficult supply situation. We will continue to see discounted pricing on the 300 code fruit with limited supplies on the larger 500 to 700 code product on both coasts; but the split in pricing appears to be much larger on the west coast. This will continue in the short term. The green seedless grapes continue to enjoy a steady market both for supply and demand with sufficient fruit available on all sizes.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market continues to gain strength with all shippers. Cold weather in the growing regions of Mexico has severely damaged the quality of this crop. Wilted tops, light color, burnt tips and flopping continues to be common defects with 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*

There are no changes from the previous week. Cold weather, along with light rains has made epidermal peel; blister and mildew are standard defects on all romaine and leaf products. Demand exceeds supply on romaine and green leaf. These defects 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 on romaine are ranging from 28-34 pounds. Green and red leaf items are available, but have the same issues as romaine. All leaf items are active. Please emphasize that **ALL suppliers** are having the same issues and credits are going to be difficult to come by. The defects will not go away for weeks to come.

LETTUCE *Gabe Romero/Mike Pacheco*

Again, there are no changes from the previous week. Blister and epidermal peel continue to be defects that all shippers are dealing with. This will continue over the next two to three weeks minimum for this commodity. Demand clearly exceeds supply. Cold freezing temperatures in the past weeks 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. Shippers are going to be very reluctant on issuing credit as they are clear in knowledge of the defects in product they are packing. Educate customers as much as possible as to the situation in Yuma.

MELONS *Jim Murphy*

Cantaloupe: Offshore melons are coming in with slightly better volumes than previous weeks. Supplies are increasing overall and look to remain in this helpful pattern!! Honduran cantaloupes are arriving while Guatemalan growers are finished or moving to smaller secondary regions. The sizing once again 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 still remain limited. The market is trending lower 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 the majority of volume. Supplies are adequate for the current demand. The market is steady on all sizes. Quality has been suffering on the older crop Guatemalan dews.

ONIONS *Mike Gorczyca*

The market is steady on all sizes and colors except white onions which are slowly winding down for the season. This has the white onion market on the rise. Quality is still being reported as good on all color and sizes. Trucks are still limited.

Commodity Updates Continued

POTATOES *Mike Gorczyca*

Idaho – It is that time of the year that potatoes start to wake up and are starting to want to grow. The first sign of this is peepers showing up in the cartons. Shippers are using sprout inhibitor at the storage level. This will inhibit and slow down the growth of the sprouts. The second step is to apply sprout nip directly to the potatoes as they are being packed at the shed. One very important thing to keep in mind is the sprout has to break the surface of the skin for the inhibitor to be effective. The result will be a small “peeper” that will be black on the end and have a cauliflower looking end. This is normal and the appearance of the black end shows that the cell has been disrupted and that elongation of the sprout has been stopped. Large cartons (40ct to 60ct) are still very limited with a firming market. Light retail demand is not helping the carton market. 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.

Washington/Colorado/Wisconsin – the market has firmed up on 40-70's which is due to other states not having enough size to cover the demand and no retail 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 on all sizes and both colors are peaking on A-size. Premiums and bakers remain limited in both. 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. The Washington reds are peaking 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 they continue to produce mostly size-A. 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 Premiums and Bakers in both colors.

Wisconsin - reds are steady while the gold's are higher due to light availability. The Wisconsin reds are peaking on A-size.

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 has moved into Florida, slowing the growth. Expect this market to climb over the next several days.

STONE FRUIT *Brad Tremblay*

Cherries are beginning to wind down from the peak supplies of recent weeks. Pricing is strong and the late season fruit appears to be marginal in quality in comparison to the last few weeks. Peaches and nectarine supplies continue to improve with greater availability on all sizes. We expect this trend to continue for the near term. Quality is being reported as good on both peaches and nectarines. Plums are readily available in the red varieties with limited supplies in the black varieties. That market is steady with quality being reported as good.

Commodity Updates Continued

TOMATOES *Aaron Aliotti*

Western/Mexico:

As Baja growers near the end of their season, tomato quality and supply is diminishing. That being said, Western Mexico's supply of vine ripe and gas green and roma product continues to increase daily as they begin to hit their first peak of the season. Quality has been very good and prices are expected to meet the mandated minimums by next week. Low pricing in Mexico will dictate counterpart pricing in the east. Reports of some cherry and grape tomato crops in Mexico being affected by cold weather have not proved any concern. With slower retail movement over the holidays plenty of fruit is to be had creating a buyer's market on these items. With volumes increasing weekly, shippers have excess product that is boasting strong quality, and is forecasted to continue its voluminous production for the next week or two.

Eastern/Tomatoes:

Since seeing high prices through October, November and December, tomatoes of all sizes out of the American southeast have come to terms with the lower demand brought on by colder temperatures across the county. At the same time, volume has increased for many shippers over the past week, causing the demand exceeds market conditions to flip and a buyer's market to emerge. Florida's round tomato volume remains steady this week, with the size profile increasing. Volume is expected to remain consistent until spring acreage begins in March. Roma production is past its peak, but there's adequate volume to handle Eastern demand. Grapes and cherries are in strong supply with good quality. The market is expected to remain steady the next week or two until Superbowl ads bring about an increase in demand.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Romaine supplies will be scarce 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 are extremely tight, and this will continue throughout the week. Cauliflower supplies have eased up. Please keep in mind that 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. Escalated pricing will go into effect this week on all value added items starting this Thursday.

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.