



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

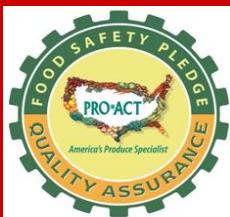
Rain and heavy winds threaten to disrupt berry production in CA. Rain and freezing temps also threaten FL growing regions

Honeydew supplies are going to be very limited through February. Rainy weather during planting and abnormal overcast weather has hampered supplies

Rain in Yuma will make production slow to start the week.

Severe cold temperatures in the Southern California region as well as Yuma and Mexico has made the quality of row crop commodities suspect

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



January 26, 2015

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Weather Tim Lynch

The high pressure system out on the West Coast will move east today as a cut-off low system originating from the tropics moves into the region today. This system is expected to bring a cool down (60s to low 70s) and widespread precipitation Southern California and the Desert regions into Tuesday. Mid-term forecasts bring a couple more of these cut-off low systems into the region late this week and again early next week. These systems are tricky to forecast the exact track but cooler temperatures and intermittent showers are likely through early next week.



Freight: Mike McIntire

Trucks in CA and AZ remain steady. 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 dropped again last week to 2.933 per gallon. Look for prices to drop again this week when they come out later today. Crude oil remains below 50.00 per barrel and is now 45.67 per barrel.

Commodity Updates

APPLES/PEARS *John Tole*

New York is still packing McIntosh, Empires, Red Romes, and Red Delicious. The New York markets remain steady for 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 peaking 88/100's and larger. The Michigan markets are steady as well. Washington Red Delicious is steady and continues to peak on 80's and larger in the WX#1 and premium grades. Small reds are still short. Golden Delicious is steady on all sizes and continues to producing mostly 88/100's but all sizes are available. Granny-smiths are still peaking on Washington extra-fancy 80/88's and larger. Grannies are steady on 88's and larger while the 100's and smaller are mostly higher with light supplies available. 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 varietals are peaking on the larger sizes. 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. 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. 120's are smaller D'Anjou's remain short. Washington Bosc is steady and they are peaking on 80/90's. Small Bosc is also short. Washington red D'Anjou's are steady on all sizes and they are peaking on 45/50 half-cartons.

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is firm to start the week. There will be some rain in the growing regions of Mexico and this will likely cause

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
Bell Pepper (Eastern)	Good	Steady
Berries: Strawberries	Fair	Higher
Berries: Raspberries	Fair	Higher
Berries: Blackberries	Fair	Higher
Berries: Blueberries	Fair	Higher
Broccoli	Fair	Steady
Carrots	Good	Lower
Cauliflower	Good	Steady
Celery	Good	Steady
Citrus: Lemons	Good	Higher
Citrus: Oranges	Good	Steady
Cucumbers (Western)	Good	Lower
Cucumbers (Eastern)	Excellent	Steady
Eggplant (Western)	Good	Steady
Eggplant (Eastern)	Fair	Higher
Grapes, Green	Good	Steady
Grapes, Red	Good	Higher
Green Onions	Fair	Steady
Lettuce: Leaf	Fair	Steady
Lettuce: Iceberg	Fair	Higher
Melons: Cantaloupe	Good	Lower
Melons: Honeydew	Good	Steady
Onions	Good	Steady
Pears	Good	Steady
Potatoes	Good	Lower
Squash (Western)	Good	Lower
Squash (Eastern)	Fair	Lower
Stone Fruit	Excellent	Higher
Tomatoes (Western)	Good	Steady
Tomatoes (Eastern)	Good	Steady
Watermelon	Good	Steady

Commodity Updates continued

production numbers to be less than normal. Standard and large sizing will be the main sizing 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. Super Bowl pull is beginning and will keep avocado supplies tight. Supplies are coming in and going right back out. The demand for all sizes of fruit is good and market is firm on all sizes.

BELL PEPPERS

Western Bells: Mike Cantu

Colored bells are light supplies due to some cool/ cold weather they had in the growing areas previously last month. We ought to see production back to seasonal norms by next week with warmer weather in the short term forecast. Green bells are promotable 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 appears to be gaining some steam. The market is still down but is no longer on the floor. It should stay at this level for the remainder of the week

BERRIES Tom Smith

Strawberries: **FLORIDA** Quality is fair. Market is firm. This week is forecasted with a possibility of sub freezing temps and also rain in some of the berry growing regions.

CALIFORNIA Cool temperatures expected for this week. Rain is also forecasted for Mon-Wed and again on the front side of next week. Market is active with limited supplies. We are still seeing some white shoulders, green tips, light bruising and water damage showing up in the packs although quality has improved some after the most recent rainfall.

MCALLEN (MX fruit) Berry supplies are light with most growers keeping their fruit within Mexico currently. Look for the strawberry supplies to be challenging again this week and into next.

Rain and high winds are forecasted for Southern CA for the front side of week 4 and another front forecasted for the front side of week 5. FL is also forecasting possibility of subfreezing temps later followed by rain. With the possibility of rain in the forecast for the next two weeks, we could see disruptions in production for our Valentine's Day pull and also see quality issues emerge.

Raspberries: Both Mexico and California supplies continue to come off and we will continue to see the raspberry market firm up as this month moves on. Product will continue to tighten up through mid-late February. Cold weather in Mexico is disrupting production. Fruit quality reported as fair. We are still seeing issues with fruit crossing through the MX borders and arrivals of transfer loads.

Blackberries: Mexico has recently experienced 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 issue. Market is firm and quality is fair. We are still seeing issues with fruit crossing through the MX borders and arrivals of transfer loads.

Blueberries: The main pack size coming from Chile is pints. 4.4oz and 6oz clams are very sporadic and rarely available. Supplies are very limited in the small packs. Arrival delays from Chile have this market tightening up. Quality is being reported as fair to good across shippers. Mexican fruit is also a challenge as fruit crossing the border and transfer trucks are being delayed at inspection or by weather in transit.

BROCCOLI Gabe Romero/Mike Pacheco

This market is steady. With rain expected, it is likely that pricing will be up in the middle of

Commodity Updates continued

the week. Pin rot continues to be an issue that growers are dealing with. Yields continue to suffer because of this. Supplies are going to be moderate to light through the month of January. Santa Maria, Yuma, Scottsdale and Mexico are the main growing regions for his 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 is steady to begin the week. Although demand has fallen off, supplies have fallen off as well. There will be a stronger market in the next week. Santa Maria and Yuma continue to be the main growing regions for this commodity. The overall quality is good. Occasional spotting has been seen upon arrivals.

CELERY *Gabe Romero/Mike Pacheco*

This market is steady. Large sizing has the tightest availability. The best sizing available continues to be in 36 count packs. 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: Navel are in full production. External color is very good. Internal maturity is good and eating quality is excellent. Size 8's/113's/72's/56's/138's. Are currently peaking

Limes: The market is coming down as supplies increase. We should have good supplies through February with a forecast of lighter supplies March and April. Demand is steady but with increased supplies the market is not holding at previous levels. The overall quality continues to be acceptable with some yellowing and minor defects showing.

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is slightly lower. Production from Sonora is lower volume with the majority of the production now coming from Sinaloa. Warm weather has helped production. We ought to see some incremental increases in Sinaloa production.

Eastern Cucumbers: *Janine Baird*

The off shore deal is in full swing now and the quality has been excellent. Market remains steady.

EGGPLANT

Western Eggplant: *Mike Cantu*

It appears production had slowed slightly due to previous cool/ cold weather. Production appears to be getting back to its normal seasonal rates. Supplies have been meeting demand.

Eastern Eggplant: *Janine Baird*

The eggplant market has gained strength and will continue to climb for the next several days due to very tight supplies. Quality has been marginal.

GRAPES: *Brad Tremblay*

Supplies of red seedless grapes are beginning to improve. Sizing is improving as well with berry size on the red seedless increasing. We expect to see a softening of the market on red's although the large fruit will still command a premium. The green seedless market remains steady with supplies of all sizes adequate to meet current demand. We are now seeing black seedless grapes available on the East Coast in limited supplies and commanding a very

Commodity Updates Continued

high price. All of the markets will be impacted on the East Coast this week due to a major weather event. The blizzard currently forecast to hit Monday through Wednesday will shut down the ports.

GREEN ONIONS *Gabe Romero/Mike Pacheco*
Production out of Mexico has picked up. With that being said, this market is softer with many suppliers. High pricing this past week has slowed demand down with most suppliers. Wilted tops, light color, burnt tips and flopping continues to be common defects with this commodity. Production in Mexico is expected to be steady this week. Most sizing is available at this time.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*
This market is firm, overall. The quality of romaine, green and red leaf continues to be consistent. Epidermal peel and blister along with some mildew are defects that are being seen upon arrivals. Demand is still strong. Rain is in the forecast to begin the week, and this will inevitably cause production problems to exist. Shippers are peeling back leaves as much as possible. Weights on romaine 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. 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*
This market is active once again. Many shippers have caught up with inventories. This coupled with the fact that there is rain in Yuma and the outer areas of the desert. Supplies will be lighter with most shippers. Blister and epidermal peel continue to be the hot topics of discussion with this commodity. Demand is up. Weights will fluctuate between 38-44 pounds throughout the week. Shippers continue to be reluctant on issuing credit. Please educate customers as much as possible as to the situation in Yuma.

MELONS *Jim Murphy*

Cantaloupe: Melons are coming in with 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 have moved 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 are arriving on the west coast and are becoming available. The market is trending lower. Quality is good on all lopes.
Honeydew: Offshore dews are arriving with 8's and 9's being the main size. Honduran supplies are the majority of volume. Supplies are going to remain light until the end of February. Rainy weather during the planting stages and abnormal overcast weather has caused low yields. The market is steady at the current high levels on all sizes. Quality has been suffering on the older crop Guatemalan dews.

ONIONS *Mike Gorczyca*

The only item with life in the onion world is White onions. This is mainly due to supplies winding down out of the Northwest. Yellow and red market is steady with good supplies of most sizes. Quality is still being reported as good on all color and sizes.

POTATOES *Mike Gorczyca*

Idaho – Market is coming off slightly on 70ct and smaller due to light demand. Large cartons 60-40ct is still limited. Quality is good with a few lots being reported with light peepers.

Washington/Colorado/Wisconsin – The main issue out of these areas is light retail demand which has shed running short days. Market is steady but firm. Quality is being reported as good.

COLORED POTATOES *John Tole*

Bakersfield, California – Reds and Gold's are steady on all sizes and both colors are peaking on A-size. White supplies are

Commodity Updates Continued

limited on all sizes and that market is steady but firm. 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 - reds are 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 good availability in A-size for both colors.

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

SQUASH

Western Squash: Mike Cantu

Market is unsettled as some new farms come online. Italian squash is settling slightly as supplies improve. Yellow squash continues very short and high FOB's. There are signs yellow squash is settling slightly as some production increases.

Eastern Squash: Janine Baird

Florida squash has become more readily available this past weekend and squash pricing out West remains low, causing this market to drop.

STONE FRUIT Brad Tremblay

The markets on peaches and nectarines appear to be steady on the tray pack 40's to 60's. Volume fill packs in the smaller 70 to 80 series are more readily available and promotable. We are seeing offers being made on these to try and stimulate some demand. Plums are still available in both red and black varieties with volume mostly running to the 60 count black's. Availability of all of these items will be impacted on the East Coast this week as a severe blizzard moves through New England.

TOMATOES Aaron Aliotti

Western/Mexico:

Eastern Mexico is at the end of their season with very limited amounts of tomatoes crossing as growers clean up, however Western Mexico continues to increase production on rounds, grapes and Roma's. There is going to be more volume crossing from Mexico this week. The market is still firm but is adjusting downward slightly. This is mostly new crop fruit and the sizing is mostly big. Smaller sizes are in very short supply. There is a flush of large-sized vine-ripenes available as grower's peak in crown picks. Quality has been very nice on all 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 to 10 days.

Eastern/Tomatoes:

Florida is producing abundant supplies of all tomato varieties this week. Florida's round tomato volume remains steady, with the size profile increasing. Volume is expected to remain consistent until spring acreage begins in March. Round tomatoes are more available in larger sizes with smaller fruit harder to come by. Roma production is past its peak, but there's adequate volume to handle Eastern demand. Grapes and cherries are available in good supply although we could see some bloom drop concerns in the new few weeks. Quality reports are good on all varieties.

VALUE ADDED Gabe Romero/Mike Pacheco

Romaine supplies will be light in availability all week. Blister and peel has made this commodity weak in terms of shelf life. Lettuce supplies are lighter as demand has picked up. Broccoli supplies are moderate, overall. Cauliflower supplies are steady. Please keep in mind that all value added

Commodity Updates Continued

items are going to have shorter shelf lives so please go lean and move as quickly as possible. Issues of pin rot with broccoli continue to be reported.

WATERMELON *Mike Cantu*

The current production is Jalisco. Watermelons are extremely short as they are the majority source of winter watermelons. 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.