



The Source

January 28, 2015

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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

Severe past 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



Weather *Tim Lynch*

High pressure builds briefly out on the West Coast today as another cut-off low system originating from the tropics moves into the Desert region late this week. This system is expected to bring a cool down (60s to low 70s) gusty winds and widespread showers to Southern California and the Desert regions into Saturday. These systems are tricky to forecast the exact track but cooler temperatures and intermittent showers are likely through the week. Mid-range forecast indicate a stationary low tapping into tropical moisture likely to bring significant precipitation into Central Mexico (Sinaloa) early next week.



Freight: *Mike McIntire*

Trucks in CA and AZ remain plentiful. 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 this week and is currently 2.866 per gallon. CA price dropped as well and is now 3.090 per gallon. Crude oil remains below 50.00 per barrel and is now 45.14 per barrel.



Commodity Updates

APPLES/PEARS *John Tole*

New York continues to pack McIntosh, Empires, Red Romes, and Red Delicious. The markets are all steady and most varieties are large. Michigan is packing Braeburns, Empires, Fuji's, Gala's, Golden Delicious, Idareds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romes. Most of the Michigan varieties are peaking 88/100's and larger. The Michigan markets are also steady. Washington Red Delicious is steady on 113's and larger while 125/138's are higher. The fruit is peaking on 80's and larger in the WX#1 & premium grades. Golden Delicious are steady on all sizes and continues to peak on 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 availability. Washington Gala's are steady and are still peaking on 88/100's. Fuji is also steady and still peaking on 64/72's. Braeburns, Jonagolds, Jazz, Red Romes, Honeycrisp, Cameo's, Pink Lady's, and Lady Alice are all available in Washington. The Honeycrisp market continues to slowly rise. Washington Bartlett pears are steady to higher and strong on all sizes due to light supplies. The Bartlett's are peaking on US#1 70-90's. Most Washington shippers will finish Bartlett's between now and mid February. Washington D'Anjou pears are steady & continue to peak on 80/90's. 120 are smaller D'Anjou's remain very 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 steady. There will be some rain in the growing regions of Mexico and this will likely cause production numbers to be less than normal. Standard and large

Commodities at a glance...

Commodity	Quality	Market
Apples	Good	Steady
Asparagus	Good	Steady
Avocado (Mexican)	Good	Steady
Avocado (California)	Good	Steady
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	Higher
Carrots	Good	Lower
Cauliflower	Fair	Steady
Celery	Good	Steady
Citrus: Lemons	Good	Steady
Citrus: Oranges	Good	Steady
Cucumbers (Western)	Good	Steady
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

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 from Mexico are steady and beginning to catch up at shipping points. California fruit is starting to come to market with light supplies. Overall supplies and quality are good. Demand for all sizes of fruit is good and market is steady to lower.

BELL PEPPERS

Western Bells: *Mike Cantu*

Colored bells are increasing in production and supplies ought to meet demand. They aren't coming off just yet but, we anticipate them slowly settling. Green bells are promotable supplies and excellent quality.

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 another chance on Fri-Sat 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 up. Pin rot continues to be an issue that growers are dealing with. Other issues include yellow beading, and purple casting. 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

Commodity Updates continued

main growing regions for his commodity

CARROTS *Tim Kelley*

California desert crop has started and we are seeing an improvement in size on coming out of the fields. Jumbo size carrots availability has improved. Quality of carrots is good.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market is steady. Demand has fallen off, and supplies are up for now. There will be a stronger market in the next week. Santa Maria and Yuma continue to be the main growing regions for this commodity. Issues on quality include rough curd, and yellow casting. Weights are ranging 26-34 pounds.

CELERY *Gabe Romero/Mike Pacheco*

This market has remained unchanged. 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 a few issues on quality such as slight bowing and light insect damage. The complaints have been minimal.

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 is very good. Internal maturity is good and eating quality is excellent. Size are currently peaking 8's/113's/72's/56's/138's.

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 steady. 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*

The East Coast ports pulled through the recent blizzard very well as the brunt of the storm hit more to the north of them. The market on red grapes is easing up as supplies of medium large and large continue to improve on the East Coast. The West coast continues to suffer from the recent labor slowdown at the ports. Vessels are subsequently late and supplies of various sizes are affected as the shippers try to unload and meet current demand. This should only be a temporary issue as the next vessels unload and supplies get back to a more normal footing. The market on the West Coast for red seedless is about steady with signs of easing as supplies again

Commodity Updates Continued

become more available. The market on green seedless continues to be steady with adequate supplies to meet demand.

GREEN ONIONS *Gabe Romero/Mike Pacheco*
Production out of Mexico is moderate to light. 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. 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 exceeds supply on romaine. Shippers are peeling back leaves as much as possible. Weights on romaine are ranging from 30-38 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 up. Rain at the beginning of the week hurt production numbers with all suppliers. Supplies will be lighter with all shippers this week. Blister, misshapen heads, ribby and epidermal peel continues 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!! 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 available finally. The market is trending lower. Quality is good on all lopes.

Honeydew: Offshore dewes 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 dewes.

ONIONS *Mike Gorczyca*
Good supplies of all sizes of Yellow and Red onions currently in Idaho. Market on these two colors is steady. There are some deals being made on mediums on both colors. White onions are winding down for the season which has this market firming. Quality is still being reported as good on all color and sizes. Trucks availability has improved.

POTATOES *Mike Gorczyca*
Idaho – Good supplies of 80ct and smaller with all suppliers currently. Supplies of 70ct and larger have improved slightly. Market is steady on large sizes with a slightly weaker market on the smaller sizes. Quality is being reported as good. Trucks availability has improved.

Washington- good supplies of most sizes currently weighted to the larger sizes. Quality is being reported as good.

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 limited on all sizes and that market is steady but firm.

Commodity Updates Continued

Western Washington – the markets for Reds and Gold's are steady along with the sizing. The Washington reds are peaking on A-size while the golds are more evenly split between A & B's.

North Dakota - reds are mostly steady on all sizes and they continue to produce mostly size-A, which some shippers will deal on for volume. 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 is unsettled and slightly lower.

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*

Light but steady demand for peaches and nectarines with adequate supplies has held this market about steady. The one exception to this is the smaller volume-fill packs that shippers are discounting to move. Red plums are still the primary plum available with a few black varieties also beginning to increase in volume. These markets are steady with quality being reported as good.

TOMATOES *Aaron Aliotti*

Western/Mexico:

Western markets have strong supplies of tomatoes. Growers in Western Mexico are shipping increased numbers of Romas and rounds with good quality. Grape tomato

production is a little light, but there is more than enough to meet demand.

Eastern/Tomatoes:

With excellent growing weather, South Florida's tomato fields are producing good supply of all varieties. The size profile on rounds is picking up and overall quality has been excellent. Similar production is expected for the next two weeks, as long as favorable weather conditions continue.

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

WATERMELON *Mike Cantu*

The current production is Jalisco. Watermelons are becoming slightly more available but, market is settling just slightly. The northern crop will not be in production until mid-March; Jalisco will be the main source of watermelons until the spring. The market will continue short although there is slight increase in production.

Commodity Updates Continued