



The Source

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THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Issues of quality continue to come up on many row crop items. Past weather conditions has created mediocre quality for many commodities.

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



Weather *Tim Lynch*

The high pressure system California is experiencing is leaving temperatures in the Southern California region as well as the Salinas Valley warm with zero chance of rain for the entire week. Another strong high pressure system builds over the Southwest today behind the exiting storm system, keeping the Southwestern growing regions warm and dry with temperatures in the low to mid eighties in the Yuma region for the entire week. Again no rain is in the forecast for the next ten days, minimum.



Freight: *Mike McIntire*

Trucks in CA and AZ remain plentiful. Washington and Idaho trucks are steady as well. The national average on diesel went up slightly last week to 2.835 per gallon. Look for pricing to be up slightly again this week when it comes out later today. Crude remains above 50.00 per barrel and is currently 52.99 a barrel.



Commodity Updates

APPLES / PEARS *John Tole*

McIntosh, Empires, Red Romes, and Red Delicious are all still available in New York. The markets are all steady and most varieties remain large. Michigan continues to pack Braeburns, Empires, Fuji's, Gala's, Golden Delicious, Idareds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romes. Most Michigan varieties are peaking on 88/100's and larger. The Michigan markets are steady on everything except Gala's which are stronger and limited. Washington Reds are steady on 113's and larger while 125's and smaller are up slightly. The availability of 100's and larger is fairly good while 113's and smaller are still short. Red delicious continues to peak on 80's and larger in the WX#1 & premium grades. Golden delicious are steady on all sizes and continue to peak on 88/100's but all sizes are available. Granny-smith remain steady on 80's and larger while the 88's and smaller are steady to higher with light supplies available. Granny-Smiths are still peaking on Washington extra-fancy 72/80/88's. Washington Gala's are steady and are still are peaking on 88/100's. Fuji's are also steady and continue to peak on 64/72's. Braeburns, Jonagolds, Jazz, Red Romes, Honeycrisp, Cameo's, Pink Lady's, and Lady Alice are all available in Washington. Honeycrisp are steady with light availability. Most packers will finish shipping them this month so expect the market to remain strong. They are speaking on 48/56's. Washington D'Anjou pears are steady & continue to peak on 80/90's. 120 are smaller D'Anjou's remain very short. Washington Bartlett pears are steady and strong on all sizes due to light supplies. Washington Bosc are steady and continue to peak 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.

Commodities at a glance...

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

Commodity Updates *continued*

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is steady to begin the week. Light to moderate supplies are expected this week out of Mexico. Standard and large sizing will be the main packs available. Domestic supplies are available to load out of Salinas. Standard and large sizing will be the main sizing available as well. Extra large and jumbos are light in availability. This will continue throughout the week. Peruvian product is available as well.

AVOCADO: *Tim Kelley*

Supplies from Mexico are steady. Mexico's growers are raising their field prices to the shippers and market prices moving higher. 48's and larger continue to be short. California fruit is coming to market with light supplies. Overall supplies and quality are good.

BELL PEPPERS

Western Bells: *Mike Cantu*

Colored bells are increasing in production and supplies are promotable levels. Market is slightly unsettled, we anticipate them slowly settling. Green bells are promotable supplies and excellent quality but recent rain has interrupted harvesting. Larger size bells are at a premium.

Gold bells market is steady. Some greenhouse gold bell peppers are crossing through South Texas and Nogales.

Eastern Bells: *Janine Baird*

The pepper market is finally gaining some strength. Off grades could continue to climb in price this week unless demand stays light due to weather issues in the north.

BERRIES *Tom Smith*

Strawberries: Currently loading in three primary areas: Southern CA, Central FL and McAllen, TX. FL is forecasted for more rain on Tuesday followed by more subfreezing temperatures throughout this week. This could slow down production and make availability sporadic by shipper. CA looks to remain dry through this week with

temps in the mid 70s to 80s until a cool down into the 60s-70s this weekend. Good availability of fruit on the west coast. McAllen is crossing lower volumes this week with some shippers finishing up their McAllen/MX fruit programs after the Valentine's pull has ended.

Blackberries and Raspberries: Last week, Central Mexico received both heavy rain and hail in the blackberry and raspberry growing regions. Some ranches are reporting losses upward of 40%. Production will be volatile over the next couple of weeks as crews assess the damage and go in to clean up the plants. Harvest volumes will be significantly reduced. Shippers will be managing quality at both the field and cooler levels to divert as many issues as possible. Both of these items will present a challenge this week and possibly into the following weeks.

Blueberries: Supplies are limited in all pack sizes (4.4 oz, 6 oz and pints.) There are several factors with blueberries that could be leading to a tight period. Chilean blues season is coming to a close in about 2-3 weeks and domestic fruit out of FL, GA, then CA will not be available in good volume for 4-6 weeks. The current CA port shutdown is leaving vessels carrying tons of Chilean blues out on the water. Many vessels bound for CA ports have been diverted to FL as well which delays the planned transit and arrival time by several days. Once they arrive, transfer trucks will be waiting to bring them over to the West coast. Between the seasonal decline of fruit coming out of Chile, the issues with CA ports and East coast fruit transfers, there are a lot of factors in play. Many shippers will be relying on their Mexican fruit programs to help supplement fruit at this time. These programs present their own set of challenges with weather in transit and border crossing/inspections.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is flat. Good supplies exist in Yuma, Santa Maria, Mexico and Phoenix. Shippers are willing to deal on volume orders

Commodity Updates continued

so promote as much as possible all this week. The quality is good. There are good supplies of bunched product available as well. Salinas has begun production if loading in this region is an option.

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 firm to start the week. Demand has picked up slightly. Santa Maria and Yuma continue to be the main growing regions for this commodity. Issues on quality include rough curd, brown spotting and yellow casting. Weights are ranging 26-34 pounds. Supplies are expected to tighten up by the end of the week. Salinas has begun production as well.

CELERY: *Gabe Romero/Mike Pacheco*

Good supplies exist on large sizing with most shippers. This market is steady, overall. Santa Maria, Oxnard, and Yuma are the main growing regions at this time. There are a few issues on quality such as slight bowing, leafy 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 is currently peaking on 88's/72's /113's/56's/138's.

Limes: The market is holding steady. Supplies have stabilized and demand is good. New crop is set to be arriving at the end of February. We should have good supplies through February with a forecast of lighter supplies March and April. The overall

quality continues to be acceptable with some yellowing and minor defects showing.

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is on a slight uptick. Production from Sonora is lower volume with the majority of the production now coming from Sinaloa. We ought to see some incremental increases by week's end production as above than average temps but, rain this past weekend and the first part of the week may interrupt production.

Eastern Cucumbers: *Janine Baird*

Cucumber market remains steady with excellent quality.

EGGPLANT

Western Eggplant: *Mike Cantu*

Market will begin edging up as Lent will soon be approaching. Production has been steady and warmer weather should keep pace with demand. We are seeing some adverse effects of the warm weather on some lots of eggplant. Rain this past week and starting of this week may interrupt production.

Eastern Eggplant: *Janine Baird*

Volume is fair and quality has been marginal.

GRAPES: *Brad Tremblay*

The East Coast grape market is steady with moderate demand (due in large part to the continuing weather issues). Supplies of all sizes and varieties are adequate although some quality issues (mold, soft berries) are showing up in some of the fruit. The West Coast is still suffering from the work stoppage at the ports. This has been felt primarily in the larger fruit as supplies there were limited before the labor dispute. This week promises to be more difficult on all sizes as shippers begin to clean up their inventories and are forced to wait for the ships in harbor to be unloaded. The markets at this point have not been affected but prices will be firming up if the supply

Commodity Updates Continued

shortage becomes a more serious issue this week.

GREEN ONIONS *Gabe Romero/Mike Pacheco*
Mexico is expected to have good supplies throughout the week. There are still some complaints of wilted tops, light color, burnt tips and flopping. The complaints however have been much less compared to the prior week. Most sizing is available, with the predominance sizing being in the small and medium sizing.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*
This market is gapping on romaine pricing. The quality of romaine, green and red leaf continues to have issues of blister and epidermal peel. Overall, the quality is better compared to past weeks. Shippers are peeling back leaves as much as possible. No longer is the blister going 7-8 leaves deep, but more like 2-4 leaves deep. Weights on romaine are ranging from 30-38 pounds. Please emphasize that **ALL suppliers** are having the same issues of blister and peel.

LETTUCE *Gabe Romero/Mike Pacheco*
Supplies continue to be strong to begin the week. This market is flat. The weights are ranging from 42-48 pounds. Blister, misshapen heads, ribby and epidermal peel continues to be seen upon arrivals but the percentage is less than in past weeks. Supplies are expected to be strong for the entire week.

MELONS: *Jim Murphy*

Cantaloupe: Melons supplies are leveling off and demand is good. The market is creeping up slightly on the larger sizes. 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 9's and 12's are available. Quality is good on all lopes.

Honeydew: Offshore dews are arriving with 5's and 6's being the main size. Honduran supplies are the majority of volume. Supplies

are going to remain below normal until the end of February. Rainy weather during the planting stages and abnormal overcast weather has caused low yields. The market is holding steady on all sizes. Quality has been suffering on the older crop Guatemalan dews.

ONIONS: *Mike Gorczyca*

Mexico Yellow Sweet and White onions have started crossing in a very light way loading out of McAllen, Texas. Good supplies and moderate demand has the onion market out of Idaho and Washington low but steady. Quality is still being reported as good. White onion supplies are winding down out of the northwest with a firm market. Trucks availability has improved.

POTATOES: *Mike Gorczyca*

Idaho – Good retail demand has most shippers with good supplies of cartons. Storages are still peaking on 70ct and smaller. Quality is being reported as good. Market is steady on most sizes with 40ct and 50ct still limited with most shippers. Shippers are still packing both Norkotahs and Burbanks. Norkotahs will slowly finish up over the next month or so. Trucks availability has improved.

Washington- Demand and supply is moderate which has this market steady on most size cartons. Quality is being reported as good.

Colorado/Wisconsin – Light retail demand has the carton market tight out of these areas. Most shippers are only running limited hours. Market is steady but firm. Quality is being reported as good.

COLORED POTATOES: *John Tole*

Bakersfield, California – Reds and Gold's are both steady on all sizes. Both colors are peaking on A-size. Expect the markets for both to rise in the next few weeks as supplies drop. White supplies are limited on all sizes and that market is steady but

Commodity Updates Continued

strong.

Western Washington – the market for Reds is steady while the Gold market is higher, both colors are still heavy to A-size. The end of the season is approaching so expect stronger markets. North Dakota - reds are mostly steady on all sizes and they continue to produce mostly size-A and will deal for volume. Gold's are steady on all sizes.

Idaho - reds and gold's is both steady and are still peaking on A-size. Idaho also has good availability in A-size for both colors.

Wisconsin - reds are steady to higher and still peaking on A-size. Gold's are also steady but limited in volume. The gold's are still heavier to B-size.

SQUASH

Western Squash: *Mike Cantu*

Markets are unsettled with some growers selling at higher FOBs on Italian squash. Yellow squash is unsettled and slightly lower. Some lower quoted yellow squash is of inferior quality. Rain this past week and starting of this week may interrupt production.

Eastern Squash: *Janine Baird*

Florida squash has become more readily available this past weekend and squash pricing out West remains low, keeping this market down. There is dealing on green, but yellow remains steady.

STONE FRUIT: *Brad Tremblay*

Peaches, nectarines, plums and pluots are all readily available with sizing on all weighted more to the larger fruit. Quality is reported as good on all stone fruit with promotable volumes in the larger sizes.

TOMATOES: *Aaron Aliotti*

Western/Mexico:

With colder weather approaching and their continuing seasonal decrease, supply in Florida is expected to remain in lighter production. Growers in Eastern Mexico are still seeing minimal amounts of fruit cross as they await the beginning of their spring yields. With all growers in Western Mainland

Mexico running at full speed for the past couple of weeks, production in the area is beginning to slow down slightly. Supply and Quality in the area is still expected to remain good for the upcoming weeks. Like Round Tomatoes, roma production is beginning to see a slight decrease. Although production is lighter, growers still continue to see good quality and supply. Despite expectations of grape and cherry production increasing this week, fruit from Central Mexico crossing through Texas is still in a light spot. They are now forecasting to see better levels in the next 7-10 days and should continue on through the month at good levels. The majority of their production is heading east currently to help satisfy demand.

Eastern/Tomatoes:

Florida's overall tomato volume is slightly less this week, as winter crops begin the gradual decrease in volume for the season, partly due to planning as growers plan to have less this time of year to account for increases in supplies from Mexico. Demand is good and the market has held constant this week. Quality and condition have been very good on rounds, Romas, and grapes. Even with lighter production in both Florida and Nogales, ad opportunities for Romas are recommended as there is still plenty of supply with decent quality. We could see a snag in the start of spring crops (on or around March 1st) due to recent high winds, which could affect quality and yields.

VALUE ADDED: *Gabe Romero/Mike Pacheco*

Romaine supplies continue to have blister and peel. Lettuce supplies are strong. Broccoli supplies are strong. Cauliflower supplies should be ample for the entire week. 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.

WATERMELON: *Mike Cantu*

The current production is Jalisco. Watermelons are becoming slightly more

Commodity Updates Continued

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. We don't foresee markets settling any lower unless it is inferior fruit.