



The Source

February 11, 2015

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THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Limes are currently in a rising market due to rain at the end of last week and cool temperatures.

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 low pressure system moves east today after delivering much needed rain to mainly Central California and locals to the north, with less than ¼ inch reported in Southern California locations. 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 upper 70s to upper 80s this week. Mid-range forecast show the possibility of another Cut-off low forming off Baja next weekend however confidence is low as to the exact track and formation of this system at this time.



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 and is now 2.835 per gallon. CA price went up as well and is currently 3.061 per gallon. Crude oil had been above 50.00 for the past week but dropped today to 49.87 per 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 to higher as most packers will finish shipping them this month. 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. The Bartlett's are peaking on US#1 70-90's but most shippers will finish Bartlett's in the next 10 days. 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.

Commodities at a glance...

Commodity	Quality	Market
Apples	Good	Steady
Asparagus	Good	Higher
Avocado (Mexican)	Good	Steady
Avocado (California)	Good	Steady
Bell Peppers (Western)	Good	Steady
Bell Pepper (Eastern)	Good	Higher
Berries: Strawberries	Fair	Steady
Berries: Raspberries	Fair	Steady
Berries: Blackberries	Fair	Steady
Berries: Blueberries	Fair	Steady
Broccoli	Good	Lower
Carrots	Good	Lower
Cauliflower	Fair	Steady
Celery	Fair	Steady
Citrus: Lemons	Good	Steady
Citrus: Oranges	Good	Steady
Cucumbers (Western)	Good	Higher
Cucumbers (Eastern)	Excellent	Higher
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	Steady
Melons: Honeydew	Good	Steady
Onions	Good	Steady
Pears	Good	Steady
Potatoes	Good	Lower
Squash (Western)	Good	Higher
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 up. Light supplies will be coming out of Mexico for the rest of this week. Standard and large sizing will be the main packs available. Domestic supplies are expected lightly by the end of the week. 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 and beginning to catch up at shipping points. 48's continue to be short and look to be another week before the catch up. 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 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 slightly short. 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. Big pepper is dollars higher today and off grades will soon follow suit. Look for limited availability as we head into the weekend.

BERRIES *Tom Smith*

Strawberries: Currently loading in three primary areas: Southern CA, Central FL and McAllen, TX.

CA: Market is steady, quality is fair to good. Southern CA growing regions did receive some light rain over the past weekend.

Reports varying between 0.25" and 0.50" from Oxnard all the way up to the central coast with Santa Maria receiving some precipitation. Some shippers were affected more than others depending on the area in which their strawberry ranch was located. There have been some disruptions in production. FL: Market is steady, quality is fair. This growing region also received rain over the weekend. This storm is followed by a cooling trend which could dip into freezing temperatures by Thursday / Friday. McAllen: Lighter availability this week with less fruit crossing the border after the big push for Valentine's fruit has passed.

Raspberries: While Mexico and California supplies will continue to tighten up through mid-late February, we do have some available fruit on the west coast this week. Fruit quality reported as fair. Mold reported in some clams. We are still having issues with fruit crossing through the MX borders and arrivals of transfer loads.

Blackberries: Mexico is crossing larger volumes of fruit this week and reporting improved quality. We may be into promotional quantities in the next weeks. We are still having issues with fruit crossing through the MX borders and arrivals of transfer loads.

Blueberries: Supplies are limited, especially in the small pack clamshells (4.4oz and 6oz.) Delayed Chilean arrivals and transfers continue to be an issue. Some vessels were diverted from CA to FL due to recent port strikes and delays on the west coast. Soft and wrinkled fruit is also showing up in the packs. Chilean crop looks to be finishing up in the next 2-3 weeks. Mexican fruit is also a challenge as fruit crossing the border and transfer trucks are being delayed at inspection or by weather in transit. We should start to see some domestic supplies coming on late March/early April from FL, GA and CA.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is a buyer's market. Plenty of

Commodity Updates continued

crowns are available in Yuma, Santa Maria, Mexico and Phoenix. Shippers are willing to deal on volume orders so promote as much as possible all this week. The quality has really turned around for the better. Plenty of bunched product will be available as well.

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 continues on a steady path. Demand is off, overall. 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 will be steady throughout the week.

CELERY: *Gabe Romero/Mike Pacheco*

This market continues to have pricing gaps amongst the different suppliers. Better supplies have surfaced on large sizing as well. 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 rising up. Rain at the end of last week and cooler temperatures has curtailed harvest. 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, we anticipate a slight chance of rain for the weekend.

Eastern Cucumbers: *Janine Baird*

Cucumber market continues to firm up this week. This market will stay strong into next week as storms move into the growing regions of Honduras.

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.

Eastern Eggplant: *Janine Baird*

Volume is fair and quality has been marginal.

GRAPES: *Brad Tremblay*

The red grape market continues to be steady with light demand and adequate supplies available. The labor slow down at the port has had minimal effect at this point in time. Sizing still runs heavy to the medium large fruit with limited numbers of large and extra large fruit available. Quality is showing some issues as we are in the last of the early season fruit and beginning to transition out of the Flames. The green seedless grape market is steady with all sizes available and steady demand. Quality on these has slipped as well with ambering beginning to show up throughout the market.

Commodity Updates Continued

GREEN ONIONS *Gabe Romero/Mike Pacheco*

Supplies overall are steady out of Mexico. This market has remained unchanged from last 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 at this time.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

This market continues to ease up on leaf items. The quality of romaine, green and red leaf continues to have issues of blister and epidermal peel. Overall, the quality is getting 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 gain strength with all shippers. This market is off. 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 rest of the week.

MELONS: *Jim Murphy*

Cantaloupe: Melons continue to come 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 holding steady due to good demand. Quality is good on all lopes.

Honeydew: Offshore dews are arriving with 6's and 8's now being the main size. Honduran supplies are the majority of volume. Supplies are going to remain lighter than 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 due to better demand. Quality has been suffering on the older crop Guatemalan dews.

ONIONS: *Mike Gorczyca*

Supplies are still good with light demand which is causing this market to be steady at low levels on all sizes of Yellow and Red onions. White onion supplies are winding down out of the northwest with a firm market. Mexico has started crossing white onions into McAllen, Texas with yellow to follow. Quality is still being reported as good on the storage onions. Trucks availability has improved.

POTATOES: *Mike Gorczyca*

Idaho – Demand is light demand on most size cartons which has this market slightly weaker. There is good retail demand which is helping the carton supplies. Some sheds are having a hard time running due to light demand on cartons. Shippers are still packing both Norkotahs and Burbanks. Norkotahs will slowly finish up over the next month or so. Quality is being reported as good. 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 – Still very limited demand on retail which has the carton supplies very limited. 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 couple weeks as supplies drop. White supplies are limited on all sizes and that market is steady but strong...

Commodity Updates Continued

Western Washington – the markets for Reds and Gold's are both steady along with the sizing, but the end of the season is approaching. The Washington reds are still peaking on A's while the golds are more evenly split between A's & B's.

North Dakota - reds are mostly steady on all sizes and they continue to produce mostly size-A, which some shippers are dealing on. 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 mostly steady 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.

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*

Sizing on all of the stone fruit is peaking to the larger sizes. Quality on peaches, nectarines and plums continues to be good with steady demand and good supplies. The smaller volume fill fruit is less available with the larger sizes becoming the more promotable.

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 are better with most suppliers. Blister and peel has made this commodity weaker in terms of shelf life. 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.