



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*

A strong high pressure system remains over the Southwest this week with unseasonably warm temperatures (upper 70s to mid 80s) in the desert growing regions. Mid-range forecast show the possibility of another Cut-off low forming off the Central Coast over weekend. This will bring a cool down and a chance of light showers, however confidence is low as to the exact track and formation of this system at this time.

The cold front moving off the East Coast will bring widespread freezing temperatures as far south as Central Florida over the next few days before moving out over the weekend.



Freight: *Mike McIntire*

Trucks in CA and AZ continue to be plentiful. Washington and Idaho trucks are steady as well. The national average on diesel went up slightly again this week and is now 2.865 per gallon. CA price is up as well and is currently 3.142 per gallon. Crude remains above 50.00 per barrel and is currently 52.91 a barrel.

Commodity Updates

APPLES / PEARS: *John Tole*

New York is still packing McIntosh, Empires, Red Romes, and Red Delicious as well as a few Fuji'. The markets are all steady and most varieties remain large. Michigan continues to pack Braeburns, Empires, Fuji's, Gala's, Golden Delicious, Ida-reds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romes. Most Michigan varieties are peaking on 88/100's and larger. The Michigan markets are all steady, Gala volume remains limited. Washington Reds are steady on all sizes. There is some volume flex on 80's and larger. The availability of 100's and larger is fairly good while 113's and smaller are limited. 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 is steady on all sizes but the availability of 80's and larger is good while the 88's and smaller are short. 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 with light availability. Most packers will finish shipping them this month so expect the market to remain strong. They are still peaking on 48/56's. Washington D'Anjou pears are steady & continue to peak on 80/90's while 120 are short. 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.

ASPARAGUS: *Gabe Romero/Mike Pacheco*

This market has remained steady with most suppliers. Moderate supplies are

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

Commodity Updates *continued*

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. Freezing temperatures are expected from Central Florida south over the next few nights. If it turns to hard freeze, which is likely, we could see significant crop damage that will affect both current and spring crops which are already in the ground. Regardless, weekend pricing will be up.

BERRIES *Tom Smith*

Strawberries: Currently loading in three primary areas: Southern CA, Central FL and McAllen, TX. Market is lower, quality is fair to good. FL is forecasted for more rain on Thursday followed by more subfreezing temperatures throughout this weekend. This could disrupt production for the end of

this week in FL. 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 since 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 recent CA port shutdown was leaving vessels carrying tons of Chilean blues out on the water. Many vessels bound for CA ports have since 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 some of the fruit over to the West coast. Between the seasonal declines 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 as well. These programs present their own set of challenges with weather in transit and border crossing/inspections.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is steady. Good supplies exist in Yuma, Santa Maria, Mexico and Phoenix.

Commodity Updates continued

Shippers are willing to deal on volume orders 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 has started to get active with all suppliers. Demand has picked up. 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 getting tighter in Yuma. Salinas has begun production.

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. We foresee a demand exceeds for the next couple of weeks.

Eastern Eggplant: *Janine Baird*

Volume is fair and quality has been marginal. Market is up slightly.

GRAPES: *Brad Tremblay*

The markets on green and red seedless grapes remain steady and relatively unchanged on both the East and West Coasts. The East is suffering under extreme weather conditions that have slowed business to a crawl. The West is still experiencing labor issues at the ports that have brought supplies down to trickle. That being said, demand is not overwhelming the supplies we do have. The one caveat to that is the much lighter supplies of large fruit on the West Coast have firmed up the price for all suppliers on the large and extra large grapes.

Commodity Updates Continued

GREEN ONIONS: *Gabe Romero/Mike Pacheco*

Mexico production continues to gain strength. Demand is moderate at best. 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*

The market on romaine is up. 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. Weights on romaine are ranging from 30-38 pounds. Green and red leaf pricing is up and down depending on the shipper. Please emphasize that **ALL suppliers** are having the same issues of blister and peel.

LETTUCE: *Gabe Romero/Mike Pacheco*

Supplies continue to be strong with most shippers. This market overall is flat. The weights are ranging from 42-48 pounds. Blister, misshapen heads, mildew, weak tip, and epidermal peel continues to be seen upon arrivals but the percentage is less than in past weeks. Supplies will be strong for the entire week.

MELONS: *Jim Murphy*

Cantaloupe: Melons supplies are leveling off and demand slowing down. The market is holding steady now due to lower demand. 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*

Onion market is steady on Yellow and Reds on all sizes. Supplies are winding down on White onion which has this market on the rise. Quality is still being reported as good. We are getting into the window where the outer layers of the onions could start to show up translucent. Storage supplies out of Idaho should last into the end of April. Mexico Yellow Sweet and White onions have started crossing in a very light way loading out of McAllen, Texas.

POTATOES: *Mike Gorczyca*

Idaho – Carton market is steady at lower levels Quality is being reported as good. There are some deals being made on product that has been sitting on the floors for up to a week. So be careful on what you are buying. Market on 40ct and 50ct are still limited with most shippers. Shippers are still packing both Norkotahs and Burbanks. Norkotahs will slowly finish up over the next month or so.

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. White supplies are limited on all sizes and that market is steady but strong.

Western Washington – the market for Reds is steady while the Gold market is higher, both colors are still heavy to A-size. The

Commodity Updates Continued

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 A-size 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.

Florida - they have started packing light supplies of reds, gold's, and whites. All are peaking on A-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*

With freezing temperatures moving through Homestead, FL over the next few days' availability will become extremely tight, particularly in the yellow. Look for the market to be significantly higher come Monday.

STONE FRUIT: *Brad Tremblay*

Demand for peaches, plums, nectarines and pluots remains about steady. Supplies on the East Coast are adequate for the limited demand. Supplies on the West Coast are much more limited due to the shipper's inability to off load the vessels at the ports. Quality is beginning to show some stress on the West Coast due to the excessive holding time between Chile and the eventual end user.

TOMATOES: *Aaron Aliotti*

Western/Mexico:

In Mexico, the tune is slightly different for supply, though demand is relatively stable.

More advantageous weather conditions have allowed this crop to prosper more so than its eastern counterpart. However, playing off Florida's lack of fruit has increased the Mexican market as more eastern buyers are looking west to fill orders. National demand has been too low to allow the market the extremely high prices it would command if demand was strong. Again, cold weather in the Midwest and Northeast has brought most business to a standstill, which should continue to remain the situation for at least another week to come. Roma tomatoes found strength in pricing over the past ten days with some movement as high as multiple dollars for larger fruit. This supply in Mexico, though typically inundated with fruit, has slowed down recently, which also plays into the higher market price. In Florida, limited supplies continue to move for regional buyers, but not in any sort of volume. The poor weather in buying regions across the country will plague the demand until the sun shines on these growing regions again. Cherry and Grapes are more available than any domestic fruit, but the price has stayed in tune with Florida in order to capture the most money possible during these high-priced times

Eastern/Tomatoes:

The market is on the rise. Supplies in Florida have not improved putting forth the higher market pricing that buyers began to see in the beginning of February. Arctic winds are pressing the temperatures down to barely above freezing have halted any maturation of the vines, abating the amount of available product for picking. Weather reports are forecasting abnormal cold temps this week keeping the fruit small and prices high. As cherries are mostly a domestic item, the cold weather in Florida has prevented any major picking. Without any real change on the supply or demand, both markets have remained relatively steady this week. Lower demand should prevent prices from climbing any higher and will most likely remain elevated in the coming week to 10 days.

Commodity Updates Continued

VALUE ADDED: *Gabe Romero/Mike Pacheco*

Romaine supplies continue to have blister and peel. Lettuce supplies are strong. Broccoli supplies are plentiful. Cauliflower inventories are reducing with many shippers, but all orders are being filled currently. 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 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.