



# The Source

March 25 2015

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**THINGS YOU SHOULD KNOW:**

**COMMODITY ALERT:**

Blackberries are very limited this week due to recent weather in Central MX and subsequent disruptions in harvest and production

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

Warm temperatures in Yuma and Huron are creating issues of gnats and bugs on lettuce and leaf items.

Idaho potato storage crop is peaking on 80ct and smaller. Very limited supplies of 40ct though 60ct.



## Weather: *Tim Lynch*

A strong high pressure ridge continues out west bringing a warming trend with temperatures well above normal by weekend. Warm temperatures (80s to low 90s) along with gusty winds (20-35mph) are forecast throughout the Southwest this week as weak low pressure systems pass well to the north. Slight chance for showers in the desert regions early next week as a cut-off low develops off the Baja Coast over the weekend.



# 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 of the New York fruit is still large. Michigan continues to pack Empires, Ida-reds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romas. Most of the Michigan fruit remains large and the markets for all varieties are steady. Many packers have finished with Braeburns, Gala's, golden delicious, and Fuji's. Washington Red delicious is steady on all sizes. Most packers will still discount for volume orders of 88 and larger reds. They are still peaking 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. Granny-smith remains steady on all sizes. The availability of 80's and larger is excellent while the 88's and smaller remain short. Grannies are peaking on Washington extra-fancy 72/80's with light supplies of the smaller sizes. Washington Gala's are slightly higher and are still are peaking on 88/100's. Fuji's are steady to higher and continue to peak on 64/72's. Braeburns, Jonagolds, Honeycrisp, and Pink Lady's are still available but the availability is light. The Honeycrisp market is steady to higher with light supplies. Many packers will finish shipping them within the next couple weeks. Washington D'Anjou pears are steady & continue to peak on 80/90's while 120's and smaller remain short. Washington Bosc are steady and continue to peak on 80/90's. Most packers are finishing up with domestic Bosc. Washington red D'Anjou's are steady on all sizes and they are peaking on 45/50 half-cartons but their availability is light. Imported Bartletts are available in L.A. and the Philly area. They are peaking on 100's and larger. Imported Bosc are also available on both coasts and they are also large.

## **ASPARAGUS:** *Gabe Romero/Mike Pacheco*

This market IS firm.. Demand was expected to be strong for the Easter pull but this has not transpired as of yet. Moderate supplies exist on Mexican product. The main packs

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

continue to be in standard and large sizing out of the Mexico region. Supplies will be very tight on extra large and jumbo packs. A premium price will be demanded for these sizes. Domestic supplies are available to load out of Salinas but pricing is higher. Standard

# Commodity Updates *continued*

and large sizing will be the main sizing available as well. Peruvian product is available out of Miami. The quality is good from all growing areas.

## **AVOCADO:** *Tim Kelley*

Supplies from Mexico are lighter. Mexico's growers are currently in clean up mode in some groves. 48's and larger continue to be very short. California fruit is coming to market in light supplies. Overall supplies are light; quality remains good and market firm.

## **BELL PEPPERS**

### **Western Bells:** *Mike Cantu*

Colored bells are slightly higher on FOBs. Market is slightly lower on green bell peppers due to demand and supplies leveling out. Green bells are getting active with larger size becoming short and quoted at a premium. Smaller size and choice green bells are more readily available. Some Culiacan acreage has had lower production and/ or starting to wrap up for the season. Sonora green bell acreage is traditionally lower volume and slow to start. All making for a very active green bell market especially on large fruit. Southern California has started in light volume and production should increase in the next couple of weeks. Gold bells market is steady. Some greenhouse gold bell peppers are crossing through South Texas and Nogales. Gold bells continue to be short and in limited hands

### **Eastern Bells:** *Janine Baird*

Pepper supplies remain decent and market has pushed up a bit, finally bringing it off of the floor. As south Florida winds down and central Florida is still a few weeks off from production, this market will work its way upwards.

## **BERRIES** *Tom Smith*

**Strawberries:** Market is steady, quality is fair to good. Volume is increasing out of California with fruit now available out of Oxnard, Santa Maria, Salinas and Watsonville. Oxnard and Santa Maria estimate volumes continue to rise with lighter volumes available out of the northern

districts. Watsonville received one half inch of rain Sunday evening / Monday morning which resulted in some harvests being cancelled early this week. Crews have returned to those fields to cull and clean the plants and have returned to production efforts. We will see increased demand this week as we get into the pull for Easter fruit. All areas shipping from CA will be utilized to cover orders.

**Blackberries:** Market is steady and quality will be suspect this week as recent rain and hail in central Mexico have disrupted harvests and diminished projected available volumes. Availability will be lighter and loading will be affected out of all areas. Overall, volume should be increasing for this period of the season so we look for this disruption in supply and quality to be short lived, 5-7 days.

**Raspberries:** Market is steady and quality has improved with fewer reports of soft fruit. Production out of Santa Maria has increased as Oxnard and Mexico have come off. We are likely to see issues with delayed transfer product out of Mexico as rain and weather in transit may delay trucks crossing.

**Blueberries:** Market is steady, quality is fair to good. Chile's southern district's peak volume continues to arrive into U.S. ports, mostly to Florida and Philadelphia. Few vessels arriving on the west coast, product is being trucked across country for loading in California. Mexico volumes and quality are improving with some varieties scheduled to hit peak in mid-late March. Domestic supplies have begun in a small way with both FL and CA reporting small initial volumes. Much of this FL fruit will go into controlled atmosphere packs for storage until the Chilean fruit volume decreases and the markets level out. Quality reported as good with domestic fruit. Varying/split markets and quality based on country of origin. Pints and larger pack specials are limited to not available, best availability in 4.4 and 6oz clams.

## **BROCCOLI** *Gabe Romero/Mike Pacheco*

This market is steady. Demand is light and supplies are moderate at best. Like cauliflower there is a pricing gap but not as extensive. The gap is around five dollars pending the shipper.

# Commodity Updates continued

Multiple suppliers continue to harvest in Salinas. Yuma production is drying up with most shippers. Santa Maria has production if needed as well as Scottsdale. Expect most suppliers to split orders in Salinas and Yuma throughout the week if orders consist of broccoli and lettuce, for example.

## **CARROTS:** *Tim Kelley*

California desert crop is going well with fair size on coming out of the fields. Jumbo size carrots availability has improved. Quality of carrots is good.

## **CAULIFLOWER:** *Gabe Romero/Mike Pacheco*

This commodity remains steady in the marketplace. Overall, this market has a pricing gap of eight to ten dollars pending the shipper. Yuma continues to have light supplies overall. Salinas' production is moderate at best. There is production in Santa Maria if needed. Issues on quality include rough curd, brown spotting and yellow casting. Mixed orders, cauliflower and lettuce for example will be split to two picks with most shippers.

## **CELERY:** *Gabe Romero/Mike Pacheco*

Large celery continues to have big production numbers. Overall this market has remained on a steady path. Small sizing continues to demand a higher price. Oxnard continues to be the growing region at this time. Yuma is just about finished with most suppliers. Santa Maria has been in and out in terms of availability. Some shippers will load celery in Salinas but a transfer fee will be tacked onto the fob price.

## **CITRUS:** *Tim Kelley*

**Lemons:** The demand is picking up. Crop is peaking on 140's and larger right now with the 165's and smaller remaining tight in supply.

**Oranges:** Navels are moving very well with supplies peaking on 72's and larger. Demand exceeds supplies on smaller fruit, 113's & 138's. External color is very good. Internal maturity is good and eating quality is excellent.

**Limes:** The market has jumped up again and the trend for the next month or so is upward. Demand has increased and supplies have

dropped. Less than favorable weather in the growing areas has slowed down production. Winter crop is the lowest volume crop of the year and we are into that crop now. The forecast of lighter supplies from April through mid May will probably continue to support these higher prices. The overall quality continues to be acceptable with some yellowing and minor defects showing.

## **CUCUMBERS:**

### **Western Cucumber:** *Mike Cantu*

Market is steady by all accounts. Production from Sonora is lower volume with the majority of the production still coming from Sinaloa. Expected warmer weather ought to increase production and keep market steady for the foreseeable time.

### **Eastern Cucumbers:** *Janine Baird*

As we head into the weekend and supplies of domestic cucumbers increase, the market will weaken. A few of the off shore shippers have Honduran supplies trickling in. Central Florida is about a week to ten days from production.

## **EGGPLANT:**

### **Western Eggplant:** *Mike Cantu*

Market is slightly higher as some growers are experiencing gaps. 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. We anticipate market to continue strong as some growers are slowing in production.

### **Eastern Eggplant:** *Janine Baird*

Market is softening and quality is starting to get much better. Also a wider variety of sizing is now available.

## **GRAPES:** *Brad Tremblay*

The green seedless grape market has plunged due to excessive inventories. This is especially true on the smaller 500 and 700 code fruit. The larger sizes are still able to hold on with better quality and (by comparison) lighter supplies. The red seedless market continues to be firm and steady as the crimsons now have predominate supplies with good quality and adequate numbers to meet demand.

# Commodity Updates Continued

## **GREEN ONIONS:** *Gabe Romero/Mike Pacheco*

Supplies are good out of the Mexico region. Most sizing is available, with the predominance sizing being in the small and medium sizing. A few arrival complaints include the product being slightly limp, and pale. This market looks to be steady throughout the week.

## **LEAF LETTUCE:** *Gabe Romero/Mike Pacheco*

The romaine market has a pricing gap depending on the supplier so please be aware. Overall, this market is steady. The reports on romaine include staining and discoloration existing due to epidermal peel and mildew. Weights on romaine are ranging from 30-35 pounds. Green and red leaf pricing is steady, overall. Huron has stronger production compared to the previous week. Warm temperatures are creating issues. These issues include bugs and gnats. Shippers have been spraying heavily in the attempt to minimize the bug issue. Supplies are light in Yuma on all leaf items

## **LETTUCE:** *Gabe Romero/Mike Pacheco*

Strong supplies exist on this commodity in Yuma and Huron. Bugs and gnats are an issue in both growing regions as temperatures reach high 80s in Huron and 90s in Yuma. The weights are ranging from 41-46 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 look to be strong throughout the week.

## **MELONS:** *Jim Murphy*

**Cantaloupe:** Melons supplies are picking up now and demand remains good. The market is beginning to come down because of better supplies. The sizing is peaking on 12's and 15's with fewer 9's. Offshore melons are continuing to arrive on the west coast in very light volumes and 12's are the main size. Availability on melons in California is less than favorable and supplies are mainly being used to cover contract orders. Quality is good on all lopes.

**Honeydew:** Offshore dews are peaking on 6's. Supplies are steady for the rest of the week.

Rainy weather during the planting stages and abnormal overcast weather has caused low yields. The market is steady on all sizes. Demand is at a steady level and its matching current supplies. Mexican dews have been coming into Nogales but demand for them continues to be light. Quality has been good overall with a few issues scattered around and looks to stay this way.

## **ONIONS:** *Mike Gorczyca*

The onion market is active on Yellow, Red and White Onions out of all growing areas. Mexico finally had a dry week, so better supplies are starting to come across into McAllen, TX the middle of this week. Currently they are just harvesting Yellow and Whites onions. Red onions are about a week away. We should see moderate supplies crossing through next week, and then the crews will take a week off for Easter which will limit supplies. Quality is being reported as Fair to good depending on the lots. The Northwest season is starting to wind down and will finish up around the end of April. The Texas growing area should start harvesting around the second week of April followed by California. Quality is fair with a few good lots coming out of the Northwest. Demand is good to moderate.

## **POTATOES:** *Mike Gorczyca*

Idaho – As you all know the Idaho crop this year is small in size peaking on 80ct and smaller. Norkotahs have a little better size but this variety will finish up in the next three weeks. Look for the large cartons (40ct - 70ct) to continue to be very limited for the balance of the storage season. Market on these sizes is very active. All other sizes have good to moderate supplies. Quality is still being reported as good. All growing areas are looking for Retail bale business. Washington- Demand is still good on large cartons (60ct and larger) which has this market firming. All other sizes have good to moderate supplies with a steady market. Quality is being reported as good. Colorado/Wisconsin – No retail demand has

# Commodity Updates Continued

the carton market extremely tight out of these areas. Most shippers are only running limited hours. Market is steady. Quality is being reported as good.

## **COLORED POTATOES:** *John Tole*

Bakersfield, California – Red, Gold, and white potatoes are steady on all sizes. All three colors are peaking on A-size. White supplies are limited and will remain so until they start packing desert product in early April. Western Washington – the market for Reds is steady, most packers aren't quoting gold's anymore. The reds are still peaking on A-size. North Dakota - reds are steady on all sizes but supplies are lighter. They continue to peak on A-size. Gold's are steady to higher with light availability.

Idaho - reds and gold's are both higher due to light supplies. Both are still peaking on A-size. Florida - reds, gold's, and whites are all available. The reds are peaking on A-size and are steady. The Gold market is steady while the whites are slightly lower. Both whites and gold's are heavier B-size.

## **SQUASH:**

### **Western Squash:** *Mike Cantu*

Markets are unsettled in some respects with some growers selling at higher FOBs on Italian squash and yellow squash. Yellow squash is very unsettled and is very short on good squash. Some lower quoted yellow squash is of inferior quality due to age of acreage. We anticipate Sonora squash to start by mid-March and possibly relieve the market slightly.

### **Eastern Squash:** *Janine Baird*

Warmer evening temps in south Florida and new crops in Plant City area have brought on a flush of squash, bringing the market down. This downward trend will continue as Plant City and South Florida overlap their seasons.

## **STONE FRUIT:** *Brad Tremblay*

California fruit is on the horizon! Early season peaches, nectarines and apricots are expected to start the week of April 6. Good promotable volume in these items is projected to be available the last week of April. Cherries are also on the horizon. Early season cherries

should be available the last week of April. Quality on all is reported to be good although the higher than normal heat has impacted the cherries. Several shippers have reported some early cherry crops lost due to the excessive heat in California.

## **TOMATOES:** *Aaron Aliotti*

### **Western/Mexico:**

With the rains in Mainland Mexico past, growers expect supply and quality to improve in the next couple of weeks. Mexican production remains sufficient for western demand as the east continues to support their own. Availability is best on medium sized fruit. Roma production is moving into better numbers this week with a couple of growers out of Baja Mexico, (Vizcaino) beginning harvests, with no significant volume until San Quentin comes into the mix in May. With improving supply and quality on both coasts, Roma promotions are recommended. Baja is slowly increasing the amount of grape tomatoes crossing into Nogales with light numbers reported out of California to meet Western demand.

### **Eastern/Tomatoes:**

The Immokalee/Naples growing region in Florida continues with moderate production as they begin to wind down. For the next couple of weeks, size will continue to drop off with fair quality. They have been able to take care of eastern demand and have not had to look west for fruit. Spring production from Immokalee/Naples and the Palmetto/Ruskin regions will get underway early April. Florida does not plant large volumes of roma tomatoes this time of year due to the sheer number crossing the border from Mexico usually, however weather conditions have caused Florida to fall short of Eastern demand causing buyers to look out west where there is also a shortage sending prices up more than \$5 a box last week. This week the market has come back down as Mexico recovers from prior storms softening prices nationally. There are plenty of grape and cherry tomatoes to be had and prices are relatively flat not moving much from last week.

# Commodity Updates continued

**VALUE ADDED:** *Gabe Romero/Mike Pacheco*

Romaine raw material has issues of discoloration. Supplies are moderate. Lettuce supplies are good, but quality is average at best. Broccoli supplies look to be moderate throughout the week, pending demand in the market. Cauliflower supplies are better due to demand falling off due to past high pricing. Shelf life on value added items will be shorter at this time of year.

**WATERMELON:** *Mike Cantu*

The current production is Jalisco. Watermelons are becoming short due to fields running their course with lighter production out of Jalisco. The northern crop is expected to start later this week; Jalisco will be the main source of watermelons until the spring. Supplies are extreme demand exceeds. The market will continue short although there is slight increase in production by week's end. We don't foresee markets settling any lower unless it is inferior fruit.