



The Source

March 30 2015

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THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

BLACKBERRIES:
Overall availability is very limited with quality issues present in most packs.

POTATOES:
Idaho Large cartons 40-50 count are extremely limited

ORANGES:
Small oranges, 113's/138's are in very tight supply.



Weather: *Tim Lynch*

Unseasonably warm temperatures (mid 90s) in the desert regions early this week will cool to seasonal norms (mid 80s) by the weekend. In Central California you can expect gradual cooling through the week as a dry cold front moves through the region on Tuesday. Temperatures cool to near average (60s to low 70s) mid-week with strong winds (20-30mph) expected throughout Central California as this system moves through.



Freight: *Mike McIntire*

Trucks are steady in the Northwest and Idaho. CA trucks are tighter than normal due to the Easter pull and the transition of product from the Yuma area up to the Salinas Valley. Crude oil remains steady at \$48.41 per barrel. Fuel prices should trend steady when they come out Monday afternoon.



Commodity Updates

Commodities at a glance...

<u>Commodity</u>	<u>Quality</u>	<u>Market</u>
Apples - MI	Good	Steady
Apples - NY	Good	Steady
Apples - OR	Good	Steady
Asparagus - Salinas	Good	Higher
Asparagus - MX	Good	Higher
Asparagus - Peru	Good	Steady
Avocado (Mexican)	Excellent	Steady
Avocado (California)	Excellent	Steady
Bell Peppers – N MX	Good	Steady/Higher
Bell Peppers – S MX	Good	Steady/Higher
Bell Peppers - CA	Good	Steady
Bell Pepper (Eastern)	Fair	Higher
Berries: Strawberries - CA	Fair	Steady
Berries: Raspberries - MX	Fair	Steady
Berries: Raspberries - CA	Fair	Steady
Berries: Blackberries - MX	Good	Steady/Higher
Berries: Blackberries - CA	Good	Steady
Berries: Blueberries - FL	Good	Higher
Berries: Blueberries - MX	Good	Higher
Berries: Blueberries - CA	Good	Higher
Berries: Blueberries - Peru	Fair	Steady
Broccoli – CA	Good	Steady
Broccoli – AZ	Good	Steady
Carrots	Good	Steady
Cauliflower – CA/AZ	Fair	Lower
Celery - CA	Good	Steady
Citrus: Lemons - CA	Good	Steady/Higher
Citrus: Oranges - CA	Good	Steady/Higher
Cucumbers (Western) MX	Good	Steady
Cucumbers (Eastern) FL	Good	Steady
Eggplant (Western) MX	Good	Steady/Higher
Eggplant (Eastern) FL	Fair	Steady
Grapes, Green - Chile	Good	Steady/Higher
Grapes, Red - Chile	Good	Steady
Green Onions - MX	Fair	Steady
Lettuce: Leaf – Huron	Fair	Steady
Lettuce: Leaf – Oxnard	Fair	Steady
Lettuce: Leaf - Salinas	Fair	Steady
Lettuce: Iceberg – Huron	Fair	Steady
Lettuce: Iceberg – Oxnard	Fair	Steady
Lettuce: Iceberg – Salinas	Fair	Steady

<u>Commodity</u>	<u>Quality</u>	<u>Market</u>
Melons: Cantaloupe - S.A.	Good	Steady/Lower
Melons: Honeydew – S.A	Good	Steady/Higher
Onions – OR/ID	Fair	Steady
Onions – MX	Fair	Steady
Onions - WA	Good	Steady
Pears – OR	Good	Steady
Pears – Chile	Good	Steady
Potatoes – ID	Good	Steady/Higher
Potatoes – WI	Good	Steady/Higher
Potatoes – WA	Good	Steady/Higher
Potatoes – CO	Good	Steady/Higher
Squash (Western) MX	Good	Steady/Lower
Squash - Eastern, FL	Fair	Steady/Lower
Squash – Sarasota, FL	Excellent	Higher
Stone Fruit - Chile	Fair	Higher
Tomatoes (Western) MX	Fair	Steady
Tomatoes (Eastern) FL	Fair	Steady
Watermelon - MX	Good	Steady/Lower

Commodity Updates continued

APPLES / PEARS: *John Tole*

New York continues to pack Macs, Reds, Empires, and Romes. All varieties are steady and the demand has been light. Michigan is packing Idareds, Jonagolds, Jonathans, McIntosh, Red delicious and Romes. All varieties are steady and demand has been light because of spring break. Washington continues to pack mostly Red delicious, Goldens, Granny's Gala's, and Fuji's. There are a few varieties left as well: Braeburns, Honeycrisp, Jazz, Jonagolds, Jonathans, Opals, and Pink lady's. The reds remain large and there are some volume deals on 88's and larger. Golden are steady on all sizes. Granny's are steady but there are some volume deals on 80's and larger. Gala's and Fuji's are both steady to higher due to lighter supplies. The varieties are steady except Honeycrisp which are higher. Most packers will finish the Honeys by the end of April.

Washington is down to D'anjou pears and they have a few red pears left. The D'anjou's are still peaking on 80/90's in the US#1 grade.

There are Argentinean Bartlett pears on both coasts and the fruit is peaking on 100's and larger. The market is strong and steady. We also have Chilean Bosc & Packhams and they are also peaking on the larger fruit. The markets for both are also strong and steady.

ASPARAGUS: *Gabe Romero/Mike Pacheco*

This market is active as we are wrapping up the Easter pull. Standard and large sizing are the main packs available on both 11lb. and 28 lb. cases. Demand is stronger. Salinas and Mexico are the main growing regions for this commodity. Extra large and jumbo are very light in availability and a premium price is put on these sizes. Peruvian product is moderate out of Miami.

AVOCADO: *Tim Kelley*

California Growers are increasing production weekly, but supplies still remains light. Maturity of fruit is good. Mexico supplies are steady, but still peaking on smaller fruit. 48's and larger remain very tight.

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 on 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.

Eastern Bells: *Janine Baird*

The pepper market appears to finally be gaining some strength. As growers move between fields in South Florida, supplies of the larger, crown pickings have disappeared. Volume is now heavy to the choice grades only with that quality being marginal at best. Central Florida is still weeks away from working pepper.

BERRIES *Tom Smith*

Strawberries: There will be increased demand again this week as we continue into the Easter pull. Availability is varying on a daily basis by shipper. Some Oxnard shippers will be ending their seasons by mid-week and we must begin shifting orders into Salinas/Watsonville and Santa Maria for coverage. Fruit is rating fair to good in most areas. A cooling trend moves into both Central and Southern CA Monday through Friday this week. With the Oxnard season ending for some and the cooler temperatures this week, we expect the market and availability will remain stable.

Blackberries: The weather that hit Central Mexico in recent weeks has been limiting harvests, overall production volume is down significantly, and quality issues are showing up in the packs as well. Crews returned to the fields after the hail, rain and high wind to assess the fruit and plants. Sub-par fruit was stripped, plants were cleaned-up but not all

Commodity Updates *continued*

issues could be diverted. Fruit is weaker overall with soft and mushy fruit, red cell, some mold. Besides the overall amount of fruit crossing into the U.S. being much lower, much of the fruit is also being red tagged and rejected for quality when it arrives to our shippers. We will be short throughout the front side of this week at least. Soon after, we should see a quick recovery to this shortage as we are coming upon peak season for Mexican blackberries.

Raspberries: Raspberry volumes continue to decline out of both Mexico and Oxnard, CA growing regions. Santa Maria, CA volumes have ramped up some but with increased demand for Easter pull, availability is light throughout this week.

Blueberries: Chilean season is winding down and the arrivals are lessening weekly. CA blues have been very limited so far but looks to be increasing with small volumes next week. FL blues are available but most are staying on the east coast with program business or being packed for controlled atmosphere. FL pricing is very high to begin the season. Mainland Mexican supplies have been limited by rain and cooler weather but looks to increase next week as weather has cleared. One of the larger issues with blueberries right now has been with Baja Mexico production. Farm worker protests during peak season have left too much ripe fruit on the bushes going to waste, stopped harvests, fruit transport, and severely decreased production and crossing of Baja Mexico blueberries. This has affected all other availability and increased demand from all other areas.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is steady, overall. Demand has been moderate at best as we enter the Easter holiday pull. Better production exists on crowns as opposed to bunched product. Yuma will have light production this week. The best quality remains in the Salinas valley. There is a bit of a gap in pricing by three to four dollars pending the shipper. Santa Maria is an option if needed. Production in Phoenix is light but crowns are available in this region as well. The quality overall in the growing regions are reported as being good.

CARROTS: *Tim Kelley*

California desert crop is going well. Size is only fair coming out of the fields. Jumbo size remains snug.

CAULIFLOWER: *Gabe Romero/Mike Pacheco*

This market is softer to begin the week. The best availability is out of the Salinas region as production has picked up. Yuma will have light production through the middle of the week. Santa Maria will have light production as well. There have been reports of brown spotting and yellowing being seen upon arrivals. Expect production to be moderate throughout the week. The best quality is coming out of the Salinas valley.

CELERY: *Gabe Romero/Mike Pacheco*

This market is steady, overall. Production continues to be stronger on large sizing, twenty-four count in particular. Small sizing is commanding a higher price. Shippers are loading out of Salinas if needed but a higher cost is being tacked onto the fob price so please be aware. Loading in Oxnard/ Santa Maria is your best price. Yuma production is all but finished. The quality is stronger compared to last week. Supplies look to be steady throughout the week.

CITRUS: *Tim Kelley*

Lemons: Crop is peaking on 140's and larger. 165's and smaller are tight with spring time demand picking up for these sizes.

Oranges: California Navel crop is in it's peak eating quality. Sizing is peaking 72's/56's/88's. Demand smaller fruit, 113's/138's is making these sizes very tight. California Valencia's should be ready toward the end of the month in limited volume.

Limes: The lime market is currently holding steady at these high prices. Supplies are looking to increase on smaller sizes and decrease on larger sizes this week. Less than favorable weather in the growing regions has slowed down production. The forecast of lower supplies from April through mid May will more than likely keep the high market going although it could be a choppy ride. The overall quality continues to be acceptable.

Commodity Updates Continued

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*

The off shore cucumber deal is officially finished and much of South Florida is now working domestic cucumbers. They are packing heavy to the select grades with precious few carton 24 packs available at the front of this week. As those growers ramp up their production and Plant City area kicks in toward the end of the week, there should be greater availability across the board on cucumbers. For the front part of this week, the market will remain steady.

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*

Although the market remains steady, the quality of the eggplants is marginal at best. South Florida is just getting too hot and Central Florida is weeks away from working eggplant. Weak demand is keeping the market down.

GRAPES: *Brad Tremblay*

We are currently experiencing a split in the green grape market based on quality. The storage crop is now available and commanding a very high premium. We expect to see more of this as the shippers clean up inventories and move to 100% storage fruit. The red grape market looks to continue to be about steady for the coming week. Quality has been good with supplies of all sizes readily available. This may be changing however as the recent storms in Chile make themselves felt. We expect volumes to drop significantly the second week of April.

GREEN ONIONS: *Gabe Romero/Mike Pacheco*

Slight, yellow discoloration has been seen upon arrivals sporadically on this commodity. Overall, production is up out of the Mexico region to begin the week. Small and medium sizing continues to be the main packs available. This market is steady with most suppliers. Expect supplies to be moderate to good throughout the week.

LEAF LETTUCE: *Gabe Romero/Mike Pacheco*

The romaine market has leveled up compared to past weeks. Pricing is more competitive. Warm temperatures in Huron and Yuma are creating bug and gnat issues. Salinas has production but the issues of bugs are little to none. 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. Shippers continue to spray as much as possible to minimize plant defects. Supplies are light in Yuma on all leaf items.

LETTUCE: *Gabe Romero/Mike Pacheco*

This market is steady to start the week. Good supplies exist in Huron and availability continues in Yuma through the first half of this week. Demand is moderate at best. Temperatures are very warm in all the growing regions. Bugs and gnats continue to be an issue on this commodity. The weights are ranging from 41-46 pounds. Blister, misshapen heads, mildew, weak tip, and epidermal peel continue to be seen sporadically upon arrivals. Supplies look to be good at least thru the middle of the week at a minimum.

MELONS: *Jim Murphy*

Cantaloupe: Cantaloupe supplies are increasing slightly over previous weeks. Demand is just a little lower than previous weeks which is causing the market to decline a little. Cantaloupe 9's are in tight supply with sizes peaking on 12's and 15's. Arrivals of offshore melons on the west coast continue to arrive in limited volumes with 12's being the peak size with some 9's being available. Quality is good on all lopes.

Commodity Updates Continued

Honeydew: Honeydew supplies are lighter than previous weeks. Demand is remaining steady which is causing the market to perk up a bit. The peak size is 6's on both coasts. Rainy weather during the planting stages and abnormal overcast weather has caused low yields. Supplies out of Mexico have not been large enough to cause the market to move in any one direction but they should increase over the next month. Quality has been good overall with a few issues scattered around and looks to stay this way.

ONIONS: *Mike Gorczyca*

Supplies are coming out of Idaho, Washington and have just started out of Mexico. Texas and California will start up around the middle of April. The onion market is steady due to moderate demand and supplies the start of this week. White onions are limited and almost done for the season out of the Northwest. Quality out of the Northwest is fair to good depending on the lot. Supplies out of Mexico will start to increase this week. Quality is being reported as fair.

POTATOES: *Mike Gorczyca*

Idaho - The availability of 40-50 count potatoes are getting extremely tough to cover. Idaho 60-70 count are limited and once you get into the 80 count and smaller are plentiful. It appears this will be a long-term issue due to the smaller size profile of the Burbank storage potatoes. Up until this point, most of the 40-50 count were coming out of the Norkotah storage potatoes which had a little better size. Norkotah are only being packed by a few shippers now and will finish up for the season in the next couple of weeks. Market is active on large cartons. Quality is still being reported as good. Washington - Demand is good on large cartons with a firm market. All other sizes have good to moderate supplies with a steady market. Quality is good. Colorado/Wisconsin - Good demand on cartons with limited supplies due to no retail demand has this market moving higher. Quality is good.

COLORED POTATOES: *John Tole*

Florida continues to pack all three colors. Reds and whites are steady while the golds are

higher due to strong demand. The reds are peaking on A-size while the whites and golds are heavier to B-size. North Dakota continues to pack and ship reds and they will continue through the month of April. The quality has been fair. Bakersfield, California continues to ship Washington product and they will through this week. All markets are steady. Next week Bakersfield will begin packing new-crop for all three colors.

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 pick up the pace on production.

Eastern Squash: *Janine Baird*

Florida has now entered into its seasonal two-tiered market as growers in Homestead look to clean up supplies on poor quality product. Plant City area is now working both colors of squash but are still not into good volume and are demanding higher prices for what is a superior quality product. This two-tiered pricing should continue for another 10-14 days.

STONE FRUIT: *Brad Tremblay*

Markets are climbing as supplies continue to dry up. The Chilean deal is about finished on all stone fruit. The domestic California deal is scheduled to start early (the first to second week of April) but with light supplies. We should see peaches and nectarines about mid-April with apricots starting a week later. Plums will follow the first to second week of May.

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.

Commodity Updates continued

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.

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 demand exceeds. The market will continue short although there is slight increase in production from Sonora by week's end. We foresee market settling slightly.