



The Source

March 4, 2015

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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*

Another strong high pressure ridge is expected to form over California mid-week with substantial warming into the weekend. Strong winds will accompany the forming ridge (20-30mph) over the next few days in Southern California and the desert locals. Temperatures in the high 60s today will moderate to the upper 70s through the week from Central California to the desert growing regions.



Freight: *Mike McIntire*

Trucks in CA and AZ continue to be plentiful. Washington and Idaho trucks remain steady as well. The national average on diesel continues to rise and is currently 2.936 per gallon. CA prices are up as well and are now at 3.229 per gallon. Crude oil remained steady and is currently 49.84 a barrel.

Commodity Updates

APPLES / PEARS: *John Tole*

New York continues to pack McIntosh, Empires, Red Romes, Red Delicious, and a few Fuji's. The markets are all steady and flex remains for certain sizes & varieties. Most of the New York fruit is still large. Michigan continues to pack Braeburns, Empires, Fuji's, Gala's, Golden Delicious, Ida-reds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romes. Most of the Michigan is large as well. Gala's and Golden delicious are close to the end of the season, all other varieties are steady. Washington Reds are steady on 100's and smaller and steady to lower on 88's and larger. The volume flex for the larger sizes is still there. 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. The availability of 80's and larger is good while the 88's and smaller remains limited. Grannies are peaking on Washington extra-fancy 72/80'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 generally higher with light availability. Many packers will finish shipping them within the next month. The Honey's are still peaking on 48/56's. Washington D'Anjou pears are steady & continue to peak on 80/90's while 120's and smaller 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 is steady. Supplies look to be moderate on standard and large sizing throughout the week in Mexico. Standard and large sizing will be the main packs available. Domestic supplies are available to

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

load out of Salinas but pricing is higher. Standard and large sizing will be the main sizing available as well. Extra large and jumbo sizing will be light in availability out of all the regions and will command a higher price.

Commodity Updates *continued*

Peruvian product is available out of Miami. The quality is good from all growing areas.

AVOCADO: *Tim Kelley*

Supplies from Mexico have dropped. Mexico's growers are currently in clean up groves with lighter supplies and have raised 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 are light; quality remains good and market firm.

BELL PEPPERS

Western Bells: *Mike Cantu*

Colored bells are steady in production and supplies meeting current demand. Market is slightly higher due to demand and supplies leveling out. Green bells are getting active with larger size becoming short and quoted at a premium. All other green bells are following suit. Gold bells market is steady. Some greenhouse gold bell peppers are crossing through South Texas and Nogales.

Eastern Bells: *Janine Baird*

Florida's recent freeze did not damage the crops in the way many had expected. Pepper supplies remain good and with light demand, the market is soft.

BERRIES *Tom Smith*

Strawberries: Currently loading in three primary areas: Southern CA, Central FL and McAllen, TX. Market is steady, quality is fair to good. Central and Southern CA received moderate rainfall and some hail over the weekend with some shippers reporting disruption in production in the Oxnard and Santa Maria regions. This has disrupted production on some ranches this week. Water related quality issues will likely follow this event including bruising, soft spots and possible pin rot. White shoulders will be more evident in coming weeks following this weather event as well. McAllen fruit is sizing down and shippers are monitoring for quality out of MX. Most shippers have ended their McAllen program shipping MX strawberries

for this season. Florida is reporting dry conditions and warming through mid-week before the next cold front and scattered wet weather Thur/Fri. Mixed reports on FL fruit quality. Some shippers are already diverting product into freezer markets, others still reporting good quality with inconsistent sizing.

Blackberries: In recent weeks, Central Mexico received both heavy rain and hail in the blackberry and raspberry growing regions. The percentage of damage was decreased after more recent assessments to total about 20% rather than the 40% originally being reported. Most damage was to blackberries. Some quality issues being reported are mold and red cell. Harvest volumes have been reduced. Shippers will be managing quality at both the field and cooler levels to divert as many issues as possible. Market is steady, quality is fair.

Raspberries: MX Raspberries do not seem to have been affected as much by the recent weather but some shippers reported reduced production. CA production on raspberries is slowly increasing. Market is steady. Quality is improving with more local production.

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. Some reports of soft fruit and shrivel in Chilean blues. 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

Commodity Updates continued

with weather in transit and border crossing/inspections. Market is split with MX fruit getting a premium over Chilean. Domestic fruit is beginning in a light way in CA, limited availability.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market continues to gain strength on crowns. Better supplies exist on bunched fourteen counts. Heavy rains in Yuma over the weekend, coupled with the fact that supplies are beginning to dry up in the desert has made for stronger activity in the marketplace. Multiple suppliers are harvesting in Salinas as well. Demand is up. Santa Maria, and Scottsdale are also producing this commodity, supplies are moderate to light however. This market looks to gain strength throughout the week.

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 market is gaining strength daily. Supplies are expected to be moderate to light throughout the week. Santa Maria and Yuma continue to be the main growing regions for this commodity. Multiple shippers are harvesting out of Salinas as well. Issues on quality include rough curd, brown spotting and yellow casting out of the Yuma region.

CELERY: *Gabe Romero/Mike Pacheco*

This market is steady. A few suppliers are heavy to large sizing and are listening to offers. Oxnard and Yuma are the main growing regions at this time. Santa Maria has been in and out in terms of availability. 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. The Desert crop is done. We are now into the Ventura crop and growers are only slowly working this new

crop. Smaller fruit remains 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. The 138's are tight.

Limes: The market has lifted and looks to continue picking up. Supplies have weakened a bit and demand is good. New crop is trickling in but not enough to stop the upward pressure. The forecast of lighter supplies March and April will probably support these higher prices. The overall quality continues to be acceptable with some yellowing and minor defects showing.

CUCUMBERS:

Western Cucumber: *Mike Cantu*

Market has started to settle at current quotes. Production from Sonora is lower volume with the majority of the production now coming from Sinaloa. Cool weather may keep production steady and market firm or climb depending on demand. Expected mid-week rain may slow down harvesting.

Eastern Cucumbers: *Janine Baird*

Cucumber market is weak and supplies are plentiful.

EGGPLANT:

Western Eggplant: *Mike Cantu*

Market is showing signs of settling slightly. 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 foresee a demand exceeds for the next couple of weeks. Expected mid-week rain may slow down harvesting.

Eastern Eggplant: *Janine Baird*

Supplies are very limited and decent quality is difficult to come by this week.

GRAPES: *Brad Tremblay*

New crop green grapes are arriving with much better sizing available. Quality is good and price is about steady though some of the shippers are demanding a premium for the 900 code fruit. The red seedless continue to suffer with a split market due to quality and size issues. The extra large

Commodity Updates Continued

red seedless grapes are commanding a premium of as much as \$10.00 over the smaller, medium large old crop flames.

GREEN ONIONS: *Gabe Romero/Mike Pacheco*
This market is steady. There continues to be sporadic complaints of light color and burnt tips. 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 steady but expected to get stronger by the end of the week. A pricing gap exists depending on the shipper. The quality of romaine, green and red leaf continues to have issues of blister, mildew and epidermal peel. Weights on romaine are ranging from 30-38 pounds. Green and red leaf pricing is steady with most suppliers. Please emphasize that **ALL suppliers** continue to declare the issues of blister and peel.

LETTUCE: *Gabe Romero/Mike Pacheco*
This market is up. Expect pricing to be active daily. The weights range 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 lighter by the end of the week. Although no rain is expected over the next ten days in Yuma, rains the prior week has caused damage to the production of this commodity.

MELONS: *Jim Murphy*

Cantaloupe: Melons supplies are lower this week and demand is remaining good. The market is continuing to rise. 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 in light volumes and 9's and 12's are available. Quality is good on all lopes.

Honeydew: Offshore dews are peaking on 5's and 6's. Supplies are going to remain below normal until the end of February to first week or

two of March. Rainy weather during the planting stages and abnormal overcast weather has caused low yields. The market is rising on all sizes. Good demand and lower supplies have begun to bump up prices. Quality has been good and looks to stay this way.

ONIONS: *Mike Gorczyca*

The market is steady at low levels on all sizes of Red and Yellows. Large yellows are limited with some shippers. White onions are in very few hands in the Northwest. Northwest will be shipping onion through April. Quality is being reported as good. Mexico is starting to cross some limited amounts of yellow sweet onion. Texas will start harvesting the first part of April. Southern California will start harvesting the end of April. New Mexico will start harvesting the last week of May or the first week of June.

POTATOES: *Mike Gorczyca*

Idaho – Retail demand for bales is very light currently but will pick up in the next week or so as the Easter pull starts. This should help produce more cartons. The market is firming on 70ct and larger as most shippers are in small storages currently. Idaho 80 count and smaller are steady. Most suppliers are still packing both Norkotahs and Burbanks, but will finish with Norkotahs the end of March. The quality is being reported as good.

Washington- Demand and supply are 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, Gold's, and whites are steady on all sizes and the availability has improved as they are

Commodity Updates Continued

packing their own raw-product. All three colors are peaking on A-size. White supplies are more limited.

Western Washington – the market for Reds is steady while the Gold market is higher. Both colors are still heavy to A-size but the Gold supplies are light as we approach the end of their season. North Dakota - reds are mostly steady on all sizes but there is some volume flex on A-size. The reds continue to peak on A-size. Gold's are steady to higher with light availability.

Idaho - reds and gold's is both steady and are still peaking on A-size. Idaho has good availability on A-size reds. Gold's are supplies are limited as some suppliers have finished packing.

Wisconsin - reds are steady to higher and still peaking on A-size. Gold's are also steady but limited in volume. Florida - they are packing reds, gold's, and whites. The reds are peaking on A-size while the Gold's and Whites have more B-size. Gold's and Whites are steady while the red market is slowly adjusting down.

SQUASH:

Western Squash: *Mike Cantu*

Markets are unsettled with some growers selling at higher FOBs on Italian squash and yellow squash. Yellow squash is unsettled and are showing signs of climbing also. Some lower quoted yellow squash is of inferior quality due to some past rainy weather.

Eastern Squash: *Janine Baird*

Squash market seems to be holding at current levels despite limited supplies on yellow. We can expect prices to hold for the remainder of the week.

STONE FRUIT: *Brad Tremblay*

The peach market is strong as supplies continue to dwindle. Quality is being reported as good on both coasts. The nectarine market is about steady as supplies continue to be adequate in the face of light demand. The plum market is steady with good supplies of reds and light supplies of blacks. This looks to be the case for the next 7 to 10 days when the scenario will be just the opposite: heavy to

blacks and light on reds. Quality is being reported as fair to good.

TOMATOES: *Aaron Aliotti*

Western/Mexico:

Growers in Eastern Mexico and Baja see minimal amounts of fruit crossing the border as they await the beginning of their spring yields. Production in Western Mainland Mexico continues to slow with rainy weather hitting the crops. Growers expect to return to steady production in 2-3 weeks in late March early April. Round and Roma production will decrease further this week with quality concerns to be had and expected to improve over the next 10 days. With Baja Mexico slowly gaining momentum while national demand is down, there is plenty of specialty fruit to be had across the country.

Eastern/Tomatoes:

Florida continues to run in short supply this week with quality reflecting the abuse of frigid temperatures coupled with the rain crops have endured. Round and Roma production has slowed due to seasonal decline with less fruit to harvest. There is a steady volume of grape tomatoes in the east and should remain relatively flat for the next few weeks before seeing another upswing in production as new fields get underway. Scattered showers are forecasted for next week followed by a possible gulf storm. It is reasonable to expect an elevated market through the rest of the month until new crops begin harvest assuming no damage is sustained in those growing areas where weather is potentially negative.

VALUE ADDED: *Gabe Romero/Mike Pacheco*

Romaine supplies continue to have blister, mildew and peel. Supplies are on the lighter side. Lettuce supplies are moderate. Broccoli supplies are lighter but processors' needs are being met. Cauliflower inventories will tighten up daily. 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.

Commodity Updates Continued

Watermelons are becoming short due to fields running their course with lighter production out of Jalisco. 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.