



The Source

March 16 2015

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THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Blackberries will become tighter this week and quality issues will be likely following recent weather in Central Mexico growing regions.

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

Northwest Yellow Onion market is starting to get active as supplies get into few hands.



Weather: *Tim Lynch*

Warm temperatures (mid 80s) continue in the desert regions as a couple of weak low pressure systems move into Northern California mid week bringing a slight cool down. Meanwhile record high temperatures were reached across the Central Coast over the weekend with temps up to 27 degrees above normal. Strong winds (20-30mph) will accompany the approaching cold fronts over the next few days in Central and Southern California however only a slight chance of showers are forecast with these systems.



Freight: *Mike McIntire*

Trucks in AZ remain steady. Look for trucks to tighten up in CA as we continue to transition up to the Salinas area. Washington and Idaho trucks remain steady. The national average on diesel remained steady last week at 2.944 per gallon. Look for prices to trend steady again this week when they come out later today. Crude oil has fallen since the middle of last week and is currently 43.22 a barrel.

Commodity Updates

APPLES / PEARS: *John Tole*

New York continues pack McIntosh, Empires, Red Romes, Red Delicious, and a few Fuji's. The markets are all steady and most of the New York fruit is still large. Michigan continues to pack Braeburns, Empires, Fuji's, Ida-reds, Jonathans, Jonagolds, McIntosh, Red Delicious, and Red Romes. Most of the Michigan fruit is large. There are a few Gala's and Golden delicious left in Michigan but supplies are limited as the end of the season is close, all other varieties are steady. Washington Red delicious is steady on all sizes but 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 remains steady on all sizes. The availability of 80's and larger is excellent while the 88's and smaller remain 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 steady to higher with light availability. Many packers will finish shipping them within the next few 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. Small Bosc is also short. Washington red D'Anjou's are steady on all sizes and they are peaking on 45/50 half-cartons but their availability is light.

ASPARAGUS: *Gabe Romero/Mike Pacheco*

This market is firm but things will get active by the middle of the week. Moderate supplies are expected on 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

Commodities at a glance...

Commodity	Quality	Market
Apples	Good	Steady
Asparagus	Good	Steady
Avocado (Mexican)	Good	Steady
Avocado (California)	Good	Steady
Bell Peppers (Western)	Good	Higher
Bell Pepper (Eastern)	Good	Steady
Berries: Strawberries	Fair	Steady
Berries: Raspberries	Fair	Steady
Berries: Blackberries	Fair	Steady
Berries: Blueberries	Fair	Steady
Broccoli	Good	Steady
Carrots	Good	Steady
Cauliflower	Fair	Steady
Celery	Fair	Steady
Citrus: Lemons	Good	Steady
Citrus: Oranges	Good	Steady/Higher
Cucumbers (Western)	Good	Higher
Cucumbers (Eastern)	Excellent	Higher
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	Steady
Melons: Cantaloupe	Good	Higher
Melons: Honeydew	Good	Steady
Onions	Fair	Higher
Pears	Good	Steady
Potatoes	Good	Steady
Squash (Western)	Good	Higher
Squash (Eastern)	Fair	Higher
Stone Fruit	Excellent	Higher
Tomatoes (Western)	Fair	Steady
Tomatoes (Eastern)	Fair	Steady
Watermelon	Good	Steady

sizes. Domestic supplies are available to load out of Salinas but pricing is higher. Standard and large sizing will be the main sizing available as well. Peruvian product is available out of Miami. The quality is good from all

Commodity Updates *continued*

growing areas. Expect pricing to get stronger on this commodity over the next two weeks as the Easter pull is near.

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. Some Culiacan acreage has had lower production and is making market creep up. 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 good and with light demand, the market is soft.

BERRIES *Tom Smith*

Strawberries: Market is steady, quality is fair to good. Volume is increasing out of California as the Oxnard region hits their seasonal production peak and both the Santa Maria and Watsonville/Salinas areas begin production as well. Light volume and limited availability out of the northern districts. Most Florida shippers ended their seasons abruptly in the past weeks as sizing and quality continued to decline. Florida's fresh production is very limited as most fruit is going into freezer/juice markets. Mexican fruit crossing through McAllen is mostly finished for the season due to inconsistent

quality and sizing.

Blackberries: Market is steady, quality will be suspect this week as rain and hail in central Mexico have disrupted some harvests and diminished projected available volumes. Availability will be lighter and loading will be affected out of all areas. Continued rain is forecasted throughout the week. 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.

Raspberries: Market is steady, quality has improved. Fewer reports of soft fruit as both Mexico and California volumes continue to increase. We may 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. Fewer 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. Quality reported as good with domestic fruit. Varying/split markets and quality based on country of origin. Pints are less available this week, best availability in 11oz, 18oz and 6oz clams.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is firm on bunched product as well as crowns. Multiple suppliers continue to harvest in Salinas. Yuma production is drying up with most shippers. Santa Maria and Scottsdale will have light production throughout the week. 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.

Commodity Updates continued

CAULIFLOWER: *Gabe Romero/Mike Pacheco*
Demand exceeds supply on this commodity. This market is firm. Yuma is drying up and Salinas' production is light at best. The production in Santa Maria will be light all week as well. 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*
This market overall has remained unchanged. There continues to be a price gap in the industry on large sizing. Oxnard and Yuma are the main growing regions at this time. Santa Maria has been in and out in terms of availability. There continues to be a few issues on quality such as slight bowing, leafy and light insect damage.

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. Smaller fruit, 113's & 138's are tight and very limited. External color is very good. Internal maturity is good and eating quality is excellent.

Limes: The market has lifted and looks to continue picking up. Demand continues to remain steady. New crop is trickling in but not enough to stop the upward pressure. The forecast of lighter supplies during March and April 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 has started to creep up again. Production from Sonora is lower volume with the majority of the production now coming from Sinaloa. Cool and rainy weather has interrupted harvesting along with transitions to other growing districts contributing to shorter supplies.

Eastern Cucumbers: *Janine Baird*

Cucumber market is gaining strength as many off shore shippers wind down and price out of Mexico increase. A couple of growers started working a small amount of domestic cucumbers last week.

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*

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

GRAPES: *Brad Tremblay*

We have nearly completed the transition to Crimson seedless on the red grapes. Quality, size and availability are much improved over the past few weeks. There are still some old Flame seedless being sold at a severe discount to the Crimson due to quality issues. The green seedless grapes are experiencing a glut of supplies currently with large discounts in price being offered to move the fruit. Quality is reported as generally good.

GREEN ONIONS: *Gabe Romero/Mike Pacheco*

This market has remained unchanged to start the week. All indications suggest this market will remain steady throughout the week with most suppliers. There continues to be sporadic complaints of light color and burnt tips. The complaints however have been much less compared to the prior weeks. Most sizing is available, with the predominance sizing being in the small and medium sizing.

LEAF LETTUCE: *Gabe Romero/Mike Pacheco*

The romaine is steady. Better deals in Santa Maria exist if this is an option. The quality of romaine, green and red leaf continues to have issues of blister, mildew and epidermal peel. Weights on romaine are ranging from 30-35

Commodity Updates Continued

pounds. Green and red leaf pricing is steady, overall. Huron has stronger production compared to the previous week. Bugs and gnats are reported to be surfacing in this growing region. Please emphasize that **ALL suppliers** continue to declare the issues of blister and peel.

LETTUCE: *Gabe Romero/Mike Pacheco*

This market is steady in Yuma, overall. 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 moderate throughout the week. Huron production is stronger. Warm temperatures are producing gnats and bugs.

MELONS: *Jim Murphy*

Cantaloupe: Melons supplies are light again this week and demand remains 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 very light volumes and 9's and 12's are the main sizes with little to no availability other than contract orders. Quality is good on all lopes.

Honeydew: Offshore dews are peaking on 5's and 6's. Supplies are going to remain below normal for the next week or possibly two. Rainy weather during the planting stages and abnormal overcast weather has caused low yields. The market is steady on all sizes. Demand is steady and supplies have stabilized. Mexican dews have been coming into Nogales but demand for them is light right now. Quality has been good overall with a few issues scattered around and looks to stay this way.

ONIONS: *Mike Gorczyca*

The Northwest onion market is active on mainly yellows but reds will follow. The oversupply issue out Northwest this storage season that has been the cause of low level markets we have been dealing with is becoming less of an issue. There are significant numbers of small to mid-sided onion shippers that have finished or will finish for the season this week. This is

leaving less packing operations to fill orders. Demand is stronger than normal because the Mexican onion growers have been hit with 2 to 4 inches of rain last week and this weekend. This has interrupted supplies coming into McAllen, TX. We will see how this plays out, and will keep everyone up to speed as the markets are moving, for the time being expect stronger overall trend in the fresh onion market moving forward. Looking forward, we will be loading out of Idaho till around the end of April with some shippers going into May as long as the storage onions hold. Quality is being reported as fair with a few good lots. Market is Active.

POTATOES: *Mike Gorczyca*

Idaho – the markets for large cartons (40ct and 50ct) is firm with limited supplies. The 60ct and 70ct are tight but have a better availability with firm market. The 80ct and smaller carton potatoes have moderate to good supplies with a steady market. Quality is being reported as good. Most packers are still peaking on 80-count and smaller. Just a reminder, many shippers will finish packing Norkotahs at the end of the month. Washington- Demand is good on large cartons (60ct and larger) which has this market firming. Carton 70ct and smaller have moderate supply and demand which has this market steady. 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. Quality is being reported as good.

COLORED POTATOES: *John Tole*

Bakersfield, California – Reds, Gold's, and whites are steady on all sizes. All three colors are peaking on A-size. White supplies are more limited and will remain so until they start packing desert product in early April. Western Washington – the markets for Reds and Gold's are steady. Both colors are still heavy to A-size but the

Commodity Updates Continued

gold supplies are light as we approach the end of the season. North Dakota - reds are steady on all sizes but supplies are lighter. 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. Gold's supplies are limited and the end of the season is approaching.

Wisconsin – they are finished with their own product but are bringing N.D. product in for mixers. Reds and gold's is both steady. Florida - reds, gold's, and whites are all available. The reds are peaking on A-size and are steady. The Gold's and Whites markets are slightly lower and both colors are heavier B-size.

SQUASH:

Western Squash: *Mike Cantu*

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

Eastern Squash: *Janine Baird*

Squash is extremely tight with yellow being at critical levels. The freezing temperatures and high winds of a couple of weeks ago caused significant bloom drop and as a result, there is a gap in supply now. By early next week, we should be back into a good flush of squash.

STONE FRUIT: *Brad Tremblay*

Nectarines continue to be plentiful with quality reported as good on mostly larger sizes. Peaches out of Chile are nearly finished for the season with some late fruit still available in limited quantities. Red plums continue to dominate the plum market but we are beginning to see improving availability of the black varieties. Though these numbers are still limited we expect to see much more volume in the coming week while supplies of the red varieties diminish. Unseasonably warm weather in the San Joaquin Valley continues to

bring on the domestic peaches and nectarines. We are still on track for mid-April start on the first of the domestic production.

TOMATOES: *Aaron Aliotti*

Western/Mexico:

There are fewer rounds out of Mexico this week strengthening the western market however Florida pricing is forcing Mexico to be competitive. Roma supplies continue to run short this week. Recent rains have put a damper on Roma crops hampering yield and quality causing an excess of #2's crossing the border. Grape and cherry tomatoes are plentiful this week. Similar to the East, prices are steady going into next week until we see an increase in national demand

Eastern/Tomatoes:

The Florida market is adjusting down this week. Round volumes have increased while volumes remain fairly low. Quality is ranging from poor to very good because some of the growing areas were hurt by cold weather. Florida also had a bloom drop a couple of weeks ago, so supply gaps should be expected in April. Roma production is short but increasing weekly. Quality is good and demand is increasing along with prices going into next week. Florida has moved in to heavy production of Grape and Cherry tomatoes this week. The supply exceeds demand situation is keeping prices very low and expected to remain flat into next week.

VALUE ADDED: *Gabe Romero/Mike Pacheco*

Romaine supplies continue to have blister, mildew and peel. Supplies are moderate at best. Lettuce supplies are moderate.. Broccoli supplies are lighter but processors' needs are being met. Cauliflower will be very light all week. Processors will be watching averages closely. 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 short due to fields running their course with lighter production out

Commodity Updates *continued*

of Jalisco. The northern crop will not be in production until mid-March; Jalisco will be the main source of watermelons until the spring. Supplies are generally meeting demand but a demand exceeds still exists. 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.