



The Source

May 26, 2015

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THINGS YOU SHOULD KNOW:

LEMONS:

Demand exceeds supply. Summertime demand and lighter production caused by the California drought. Expect lighter supplies throughout the summer and into the fall.

CAULIFLOWER:

Demand on cauliflower exceeds supplies, likely to continue thru the middle of the week at a minimum.

POTATOES:

Idaho Large cartons very limited (40-60 count)

LEAF LETTUCE:

Green leaf continues to be a strong market.

Weather: *Tim Lynch*

The cool moist weather pattern continues along the west coast into mid week. This pattern will continue to bring in a deep marine layer, fog and drizzle along the entire coast from California to Baja. Temperatures will remain below average, especially along the coast, 60s to upper 70s in the inland valleys. High pressure builds late this week into the weekend with slight warm up in the inland regions. In the Southwest and Baja temperatures remain below average with gusty winds especially along the Baja coast under the influence of the persistent marine layer. A warming trend arrives late this week as high pressure builds over California. We are watching a tropical system developing in the Pacific Ocean that has the potential to become a named storm and approach the Mexican Coast. The Southeast continues with scattered showers and thunderstorms with temperatures in the 80s to low 90s through the week.



Freight: *Mike McIntire*

Trucks remain steady in AZ and the West Coast. Idaho and Washington trucks remain steady as well. Crude oil remains under 60.00 per barrel and is currently 58.25. Be aware of the 72 hour DOT checkpoint that is slated to start June 1st. This will create a capacity issue.



Commodity Updates

Commodities at a glance...

Commodity	Market	Quality
Apples - MI	Steady	Good
Apples - NY	Steady	Good
Apples - OR	Steady	Good
Asparagus - MX	Steady	Good
Asparagus - Peru	Steady	Good
Asparagus - CA	Steady	Good
Avocado - CA	Steady	Excellent
Avocado - MX	Steady	Excellent
Bell Peppers (East) - GA	Steady	Good
Bell Peppers (East) - FL	Steady	Good
Bell Peppers (West) - S MX	Steady/Higher	Good
Bell Peppers (West) - CA	Steady	Good
Berries: Blackberries: MX	Steady	Fair
Berries: Blackberries: CA	Steady	Good
Berries: Blueberries: FL	Steady	Fair
Berries: Blueberries: CA	Steady	Good
Berries: Blueberries: MX	Steady	Good
Berries: Raspberries: MX	Steady	Fair
Berries: Raspberries: CA	Steady	Good
Berries: Strawberries: CA	Steady	Good
Broccoli - CA	Steady	Fair
Broccoli - MX	Steady	Fair
Carrots - CA	Steady	Good
Cauliflower - CA	Steady	Fair
Celery - CA	Higher	Good
Cherries - CA	Steady/Higher	Excellent
Citrus - Lemons - CA	Higher	Good
Citrus - Limes - MX	Lower/Steady	Excellent
Citrus - Oranges - CA	Steady	Good
Cucumbers (East) - FL	Steady	Good
Cucumbers (East) - GA	Steady	Good
Cucumbers (West) - S MX	Steady	Good
Cucumbers (West) - N MX	Steady/Higher	Good
Eggplant (East) - FL	Steady/Higher	Good
Eggplant (West) - MX	Steady/Higher	Good
Grapes - Green - MX	Lower/Steady	Excellent
Grapes - Green - CA	Steady	Excellent
Grapes - Red - MX	Lower/Steady	Excellent
Grapes - Red - CA	Steady	Excellent

Commodity	Market	Quality
Green Onions - MX	Higher	Fair
Green Onions - CA	Higher	Fair
Lettuce - Iceberg - CA	Higher	Fair
Lettuce - Leaf - CA	Higher	Fair
Melons - Cantaloupe - AZ	Steady	Excellent
Melons - Cantaloupe - CA	Steady	Excellent
Melons - Honeydew - AZ	Steady	Excellent
Melons - Honeydew - MX	Steady	Excellent
Melons - Cantaloupe - Guatemala	Lower	Poor
Melons - Watermelon - CA	Steady	Good
Melons - Watermelon - MX	Steady	Good
Onions - CA	Higher	Good
Onions - TX	Higher	Fair
Pears - OR	Steady	Good
Pears - Chile	Steady	Good
Potatoes - ID	Steady	Good
Potatoes - WA	Steady	Good
Potatoes - CO	Steady	Good
Potatoes - WI	Steady	Good
Potatoes (Colored) - CA	Steady	Good
Potatoes (Colored) - AZ	Steady	Good
Potatoes (Colored) - TX	Higher	Good
Potatoes (Colored) - FL	Lower/Steady	Good
Squash (East) - FL	Steady/Higher	Good
Squash (East) - GA	Steady	Good
Squash (West) - MX	Steady	Good
Squash (West) - CA	Steady	Good
Stone Fruit - CA	Steady	Excellent
Tomatoes (Eastern) - FL	Steady	Excellent
Tomatoes (Western) - MX	Steady	Good
Tomatoes (Western) - CA	Steady	Good

Commodity Updates continued

APPLES / PEARS: *John Tole*

New York is still packing a few Red Delicious and Red Romes. Both varieties are steady and continue to peak on larger fruit. The quality has been good. They expect to pack through the first week in June. Michigan is still packing Jonagolds, Jonathans, McIntosh, Red Delicious, and Red Romes, they have finished with Ida-Reds for the season. The Red Romes, Red Delicious, and Jonagolds are peaking on the larger sizes. The Jonathans and McIntosh are peaking on smaller fruit. Availability is light for all varieties as the end of the season approaches. The quality has been good. Washington Red Delicious are steady but most suppliers will flex on volume orders of 88's and larger. Most packers are peaking on 88's and larger in the premium and Washington extra-fancy #1 grades. Small reds remain relatively short. Golden Delicious are steady on all sizes. The Golden remain evenly sized but 125's and smaller are limited. Granny-Smith are steady and are peaking on 64/72's. Granny-smith 100-size and small are very short. Fujis are steady to higher and are peaking on the larger sizes. Small Fujis remain extremely short. Galas are also steady to higher and are still peaking on 88/100's. The Galas have better availability in the smaller sizes than most other varieties. Opals, Pink Lady's, and Braeburns are the only varieties left and supplies are light.

Pears: Washington continues to pack both D'anjou and red pears and the markets are steady. The D'anjous are peaking on US#1 80-100's with little if any fancy-grade fruit. The red pears are peaking on 50/55 half-cartons and supplies are light. They red pears will be available through May. On the import side we still have Chilean Packhams and Bosc. Both varieties are steady on all sizes. The Packhams are peaking on 100's while the Bosc are heavier to 100/110's. California is set to start packing new crop Bartlett pears the week of July 6th.

ASPARAGUS: *Gabe Romero/Mike Pacheco*

The market on grass is steady. Shippers are

looking for business overall. Peruvian production continues to be strong in availability and represents the best deals to be had. FOB pricing out of Miami continues to have the sharpest pricing. All sizing is available, with the majority coming in standard and large size packs. Loading in Southern California is an option as well. Mexican production is moderate. Standard and large sizing are the main packs available on eleven pound cases for Mexican as well as California product. Jumbo sizing is available.

AVOCADO: *Tim Kelley*

California growers continue to harvest good volume. They are peaking on 60's and smaller, with 48's and larger still limited in harvest. We hope to see crop fill in with a broader range of sizing as we move into and through June. Overall volume of this year's California crop looks to be lighter than first projected due to the drought. Quality and flavor are both very good.

Mexico is over 80% harvested for their season. Good supplies continue to come in, and still heavy to 60's and smaller. 48's and larger remain tight, but are showing some slight improvement. Quality and flavor are at their peak

BELL PEPPERS:

Eastern Bells: *Janine Baird*

Volume on pepper continues to be light as many Georgia shippers are not working as much pepper as anticipated. Supplies out of Florida remain light as well. With Nogales finishing up, it remains an active market on the in the Southeast.

Western Bells: *Jaime Contreras*

Colored bells from Mexico are starting to taper off in volume as some growers are wrapping up. Green bells continue short from Nogales especially on large fruit. Sonora is the main source of green bells but their run will be wrapping up soon. Large fruit in both green and colored bells remain short and at a premium. Southern California has started and production is increasing with green bells and colored bells started. Loading locations in Southern California: Coachella, San Diego & Oxnard.

Commodity Updates *continued*

BERRIES *Tom Smith*

Blackberries: Market and demand remain fairly steady. California fruit is being sold at a premium over Mexican fruit. Mexico volumes continue to decline and California fruit continues to increase slowly. Some quality issues showing up are red cell and soft spots, bleeding. Overall, the new California fruit has looked very nice.

Blueberries: Market is steady, demand is good. Fruit availability has been snug on both coasts and looks to be the same situation to start this week. Florida has finished most local production. Georgia volume is light as the high bush varieties end and the rabbit eye varieties have not yet started. This volume should be increasing end of May, start of June. Quality is good. North Carolina should start in this week which will help to increase supply on the eastern side. California crop has slowed down over the recent weeks with rain and cooler weather. We now look for the central valley CA blues to peak and large volumes to come on through May, tapering off quickly into June. Oregon looks to start around the second week of June. British Columbia will start toward the end of June. Mexican production continues to decline out of all areas. Availability is light in all packs to start this week.

Raspberries: Market and demand remain fairly steady. As Mexico continues to decline weekly, we will see seasonal increase in California fruit. Overall volume should remain steady as the crop transitions to CA. Some quality issues reported with soft, overripe berries.

Strawberries: Market has steadied as demand has slowed down from the previous weeks. We are still seeing some quality issues showing up in the packs from rain and drizzle over the previous weeks. Bruising, decay, light mold have all been reported upon arrival. White shoulders/green tips should be improving as the crews are no longer picking ahead of rain or for increased demand periods. Cold chain maintenance is very important to sustain the quality of the fruit. Weather has been consistently cool (low-mid 60s) in the CA growing regions. This should help to improve quality as far as color, size, shape and texture are concerned especially out of the

Salinas/Watsonville district. Santa Maria has been slightly warmer and counts are smaller. Due to the market conditions, several shippers have begun to transition Santa Maria acreage into freezer product and the majority of the fresh market focus will be Salinas/Watsonville moving forward. We look to good quality and increased volumes ahead.

BROCCOLI: *Gabe Romero/Mike Pacheco*

This market is firm. Crowns as well as bunched product are light in availability. This week has started slow so shippers are holding tight to prices. The main production continues to be out of the Salinas Valley. The problems with knuckling and branching continue with bunched product. Crowns are expected to be moderate to light all week depending on demand. Santa Maria will be light in availability all week. Production in Mexico is moderate to light and crowns have tightened up in this region as well.

CARROTS: *Tim Kelley*

California desert crop is starting to finish, and Bakersfield crop is just starting. Size is only fair coming out of the desert crop and it is too early for much size in Bakersfield. Jumbo size remains snug.

CAULIFLOWER: *Gabe Romero/Mike Pacheco*

This market is firm. Demand exceeds supplies, and this will likely continue throughout the week. Escalated pricing is in effect. There is a gap in production that will run through the week at a minimum. Quality issues continue to be reported with irregular size heads and slight discoloration seen upon arrival. Santa Maria and Salinas are the main growing regions currently. A few dollars can be saved on sixteen count packs if this is an option.

CELERY: *Gabe Romero/Mike Pacheco*

This market is stronger with a pricing gap of three to four dollars, pending the supplier. Smaller sizing continues to demand a higher price. Loading in Oxnard/Santa Maria continues to give the best fob price. Salinas will not begin production until mid to late June. The overall quality down South is being reported as good in terms of sizing and texture. Loading in Salinas

Commodity Updates Continued

for this commodity will cost extra money due to the transportation fee from the Oxnard region tacked onto the fob price.

CITRUS: *Tim Kelley*

Lemons: Size curve of the crop is peaking on 140's and smaller. Demand is exceeding supplies on all sizes and grades of fruit. Very good demand and drought conditions in growing areas producing less fruit and no size growth are the major factor for the demand exceed conditions.

Oranges: California Navel crop is dropping off and peaking on 72's/56's. There will be some larger Navels available through June. California Valencia oranges are going in good volume. Labor to pick the fruit has become an issue now with the labor force being spilt with the stone fruit harvest going as well. Quality on Valencias is very good, color is nice and brix are 11-12.00 average.

Limes: The lime market continues to come down on the larger sizes. The smaller sizes are holding pretty steady with a hint of upside in the prices from some shippers. Supplies are increasing on larger sizes now and decreasing slightly on smaller sizes. Lower prices have helped spur demand on all sizes. The overall quality is very good on the new crop that is being harvested.

CUCUMBERS:

Eastern Cucumbers: *Janine Baird*

Market is steady. Production from Sonora is steady volume with Sinaloa wrapped up for the growing season. Warm weather has kept production steady from Sonora. Market may get unsettled as some Sonora growers are beginning to wrap up and press market higher as supplies lighten up. Baja California is shipping with good quality, but at higher FOBs.

Western Cucumber: *Jaime Contreras*

Market is steady. Production from Sonora is steady volume with Sinaloa pretty much wrapped up for the growing season. Warm weather has kept production steady from Sonora. Market may get unsettled as some Sonora growers are beginning to wrap up. Baja California is shipping with good quality, but at higher FOBs.

EGGPLANT:

Eastern Eggplant: *Janine Baird*

This market is weak but quality remains good. Eggplant will start showing up in South Georgia by the weekend.

Western Eggplant: *Jaime Contreras*

Market is steady/ higher as some Mexican growers are wrapping up. We anticipate market to go up as Mexico supplies dwindle. Once Mexico wraps up, Southern California will be the next source for eggplant. Light production has started in Southern California with excellent quality.

GRAPES: *Brad Tremblay*

Green: The market on green grapes out of Mexico has adjusted downward as supplies of Perlettes have steadily increased. Demand remains about steady. The Perlette deal will be winding down over the coming week with Sugarones coming on to supplant them. Early projections on the Sugarone harvest are for numbers about 30% of normal. The Coachella market is steady with cooler than normal temperatures holding supplies down.

Red: The market on Mexican flames has adjusted downward in the face of mounting inventories. Sizing continues to run heavily to the medium /large to large fruit with excellent quality. The Coachella market on flames is limited in supplies and is projected to finish 7-10 days ahead of schedule. Scarlet Royals will be coming off about the same time we finish on the Coachella flames with early reports showing excellent quality and sizing.

GREEN ONIONS: *Gabe Romero/Mike Pacheco*

This market is flat. Most of the production for this commodity continues to be produced from the Baja region of Mexico. Supplies will be good throughout the week. All sizing is available. Light supplies are being harvested in Salinas. The heavier abundance of product is coming in small and medium size packs.

LETTUCE: *Gabe Romero/Mike Pacheco*

This market is stronger to begin the week. The Salinas Valley continues to produce the bulk of the lettuce supplies. The sizing has been large with weights on palletized ranging from 45-49

Commodity Updates Continued

pounds. Production in Santa Maria is lighter and the lettuce is not as heavy as the Salinas Valley. Local production still exists which is keeping this market down. Issues on Salinas' product include ribbing, insect damage, rusting and puffiness. This will continue throughout the week.

LEAF LETTUCE: *Gabe Romero/Mike Pacheco*
The romaine market is a bit stronger. A few shippers have begun the week sold out for open business. Quality issues continue. Tip burn, wind burn and mildew are common defects with this commodity. Insect damage has also been seen. The weight have dropped to 30-32 pounds as suppliers peel back to have a cleaner product. These same issues are also evident in green and red leaf items. Green and red leaf continue to be very light in availability with all suppliers. Both of these commodities are on escalated pricing and will be tight in availability all week. Demand continues to exceed supplies. Shippers are holding customers to averages.

MELONS: *Jim Murphy*

Cantaloupe: Offshore cantaloupes are finished for the season and what's left is poor in quality. The desert is harvesting good numbers of very nice cantaloupes currently. Good supplies and quality look to continue for the next few weeks as the desert peaks in production. Very nice quality is coming out of the desert. A few shippers had older fruit for sale last week which dragged down the overall market. The market has stabilized at the current lowered levels.

Honeydew: Offshore honeydew supplies will be finished before the end of this month. Some offshore shippers have already finished for the season. Demand is not very good on offshore dews because of lower quality. Supplies out of Mexico are tapering off now from their peak production levels. The desert has started with volume picking up nicely and the dews are excellent quality. The quality on Mexican and domestic dews are very nice and they all have high sugar contents too. The peak size is 6's on all dews coming in. The dew market is steady on all domestic and Mexican dews while

deals are being made on the lower quality offshore product.

ONIONS: *Mike Gorczyca*

The onion market is very active on all colors and size. This is due to the onions moving into new growing areas. We are down to one Southern California onion shipper that will finish up next Tuesday. The Huron onions shippers have started on Yellow and Whites with limited supplies. Sizing is peaking on Mediums but will improve by next week. Reds will start this weekend. It will take a week or so for this area to get up to full speed. Texas onions growers are also switching growing areas and are very limited on all colors and sizes. The Onion growing area of Texas did get hit with rain but lucked out and most of the heavy rain hit north of the growing area. New Mexico has started to break ground with very limited supplies of Yellows. Red onions will start next week. Look for the onion market to be active for the 7 to 10 days. Quality is good.

POTATOES: *Mike Gorczyca*

Larger potatoes continue to demand a premium with limited supplies out of Idaho. Most storages are peaking on 90 count potatoes and smaller. Market is steady with moderate demand. Quality is being reported as good. Washington still has good supplies of large cartons. Market is steady with good quality potatoes being packed currently. Colorado and Wisconsin do have a few sheds that are in larger shortages and are producing large cartons. Market is steady with moderate demand. Quality is good.

COLORED POTATOES: *John Tole*

Bakersfield, California continues to pack all colors and all are peaking on A-size. There is still some volume flex on red A's. The quality has been good. Phoenix, Arizona continues to pack reds and golds. All sizes are available in the reds and they are peaking on A's but the B supplies are plentiful. The golds are heavier to B-size. The quality has been good. Pearsall, Texas is still packing reds but is still

Commodity Updates continued

rained out as they got hit again. Northern Florida (Hastings) is packing all colors. The Red market stabilized and has even come off a little. The white market is being quoted as steady but there is good availability and some volume flex. Golds are being reported steady to higher with some suppliers having lighter availability. The size-profile is heavy to A-size for all colors. The Florida quality has been good.

SQUASH:

Eastern Squash: *Janine Baird*

Squash is still readily available throughout South Georgia and Central Florida. However, with the market being on the floor for so long, many growers will quit and by the front of next week the market will firm up accordingly. Watch for a gradual increase in price and limited availability on green next week.

Western Squash: *Jaime Contreras*

Italian squash is mostly steady along with yellow squash. Yellow squash has wide range of quality and better lots are selling at the higher end of the quotes. Sonora is approaching wrapping up the growing season. Southern California is shipping and Santa Maria is also starting.

STONE FRUIT: *Brad Tremblay*

The market on peaches and nectarines has moderated on the larger sizes and firmed up on the smaller sizes. We expect to see this trend continue as the limited bud set this winter begins to make itself felt at harvest. White peaches and nectarines are in a small varietal gap but should be readily available again by the end of this week. Red and black plums are readily available now in a wide variety of sizes. Quality is reported to be excellent. Pluots have also begun and are available in limited supplies from several shippers. The apricot market is firming up as we move further into the season and supplies begin to clean up. Demand for all is reported as good.

Cherries: The cherry market is showing some signs of firming up as the southern and central San Joaquin valley either finish or move past

peak production. The Stockton/Lodi deal is still running strong with Washington set to begin this week. Pricing is about steady to higher with good demand on excellent quality fruit.

TOMATOES: *Aaron Aliotti*

Eastern/Tomatoes:

Palmetto/Ruskin growers are harvesting heavy volumes of round tomatoes this week. Quality remains very nice on both rounds and romas. Roma available in the Southeast however most the volume is crossing in the West. When it comes to cherry and grape tomatoes, product availability by region continues to drive pricing on both items. Florida grape and Cherry tomatoes are past their flush and have slowed down in production allowing for a small increasing in pricing with no major shifts in demand.

Western/Mexico:

There are good supplies of round tomatoes coming out of the west right now. Hearty supplies of minimally-priced fruit are still available daily, though typically only western buyers have interest in this product. The freight rates keep the supply regional to shipping point, but given Florida's low pricing, even some western buyers have been looking east for their procurement needs. Production has begun in the California desert and the Central Valley is expected to begin as we head into next month also. Mexico continues to harvest romas in strong volumes. With more growers starting production in Baja the outlook is good for supply and availability. Grape production is increasing in Baja with good supply crossing into southern California where supplies should be ample through the rest of the year.

WATERMELON: *Jaime Contreras*

Most production is coming from Sonora. Market is steady and promotable volumes available as Memorial Day pulls have concluded. Most product coming in bins cartons packed upon request. Some light supplies from Southern California. Southern Texas has also started.