

the Source

Weather Update

A strong high pressure ridge builds along the West Coast this week with warmer temperatures as coastal regions remain under the influence of the persistent marine layer. Temperatures will remain in the upper 60s along the coast with 90s to begin the week inland warming to triple digits by mid-week in the warmest interior valleys.

In the Southwest and Mexico, temperatures remain unseasonably (5-15 degrees) warmer as high pressure builds from the north. Inland regions top out in the low triple digits with mid 80s in the coastal regions of Baja. We are closely monitoring the third named storm (Carlos) system of the Eastern Pacific season, currently off the Acapulco coast. This relatively small system looks to slowly track west-northwest along the west coast of Mexico over the next few days.

A tropical depression in the Gulf of Mexico looks to bring another round of heavy rains to Texas and Louisiana this week. This system may become the second named storm system of the Atlantic season later today. This very large system is set to move into Texas on Tuesday with damaging winds and heavy rainfall, while slowly drifting to the northeast. This will bring substantial rain to Eastern Texas and Louisiana already inundated from May's record precipitation. Rivers throughout the region remain near or above flood stage and this system has the potential to produce tremendous precipitation totals as it slowly moves ashore. In the Southeast and mid-Atlantic regions isolated scattered showers and thunderstorms, mainly in the afternoon, continuing through mid-week under a broad dry air mass with temperatures in the 80s to low 90s.

We will continue to monitor the tropical disturbances currently in play and keep you up to date as we gather more information.

Market Alerts

Blackberries:

Seasonal supply gap expected to continue as we transition into the Salinas/Watsonville district blackberries.

Raspberries:

Seasonal supply gap expected to continue as we transition into the Salinas/Watsonville district for raspberries.



Commodity Updates



APPLES

Michigan is still packing McIntosh and Red Delicious, Jonathans and Red Romes are finished for the season. The Red Delicious continue to peak on 100s and larger while the McIntosh are peaking on 100s and smaller. Availability is generally light for both varieties.

Washington Red Delicious are steady but the price-flex for 80s and larger is still available. Most packers are still peaking on 88s and larger in the premium and Washington extra #1 grades and are short on 100s and smaller. Golden Delicious are mostly steady on all sizes. 125 and smaller Golden are still more limited than the other sizes and some suppliers are pricing them at a premium. Granny-Smith are steady and are still peaking on 72s and larger. Granny 100s and smaller remain extremely tight in all grades. Fujis are steady and continue to peak on the larger sizes. Fuji volume is low as the end of the season approaches and small Fujis remain limited. Galas are steady and are still peaking on 88/100s. The Galas have better availability in the smaller sizes than most other varieties but the Gala volume is also down as the end of the season is getting close. There are some imported Cripps-Pink (Pink Ladys) on both coasts and the markets are steady.



ASPARAGUS

This market is steady. Supplies out of Mexico are expected to pick up this week, with the majority of packs coming in small, standard and large sizing. Jumbos are less available in this growing region. Peruvian product can be loaded in Miami but the FOB has risen in price. Standard and large sizing are the main packs available. California production is light and expected to run another week then be finished. Overall, the quality has reported to be good in all of the growing regions.



AVOCADO

California: is harvesting good volume. We are past peak volume for the season and lower volumes are beginning to come out of the fields. Still peaking on 60s, with good supplies on 48s. Overall volume of this year's California crop looks to be lighter than first projected due to the drought. Quality and flavor are both excellent.

Mexico: is over 90% harvested for their season. Good supplies continue to come in, and still heavy to 60s, with 48s in better supply. Quality and flavor are at their peak.



BELL PEPPERS

Western: Colored and green bells crossing through Nogales from Mexico are essentially done. Southern California production is increasing on green and colored bell production. Loading locations in California are Coachella, Fresno, San Diego & Oxnard

Eastern: As pepper demand moves west, the market in the east continues to trend downward. Supplies are plentiful and many shippers are looking to deal this week in an effort to move product.



BERRIES (BLACKBERRIES)

Blackberries have been very limited since last week as Mexico's season ended and the central / southern districts of CA continue to decline. Salinas / Watsonville area is not putting out enough volume currently to offset the shortage created from the other regions declining volumes. We expect to be short throughout this week and the demand to remain steady with good markets for quality CA fruit. There is some better availability out Georgia and out of Oregon if you can use these areas. Some quality issues being reported with blackberries are red cell, soft berries and occasional mold. Expect for quality to clean up as we transition into the new areas.



BERRIES (BLUEBERRIES)

Supply is very good with multiple areas now producing good volumes and quality. Demand has been steady. We are shipping fruit out of California, Georgia, Oregon and North Carolina. Washington began picking today and British Columbia and New Jersey should be picking by mid-late week. These new areas will continue to increase with volume weekly as we move throughout the month of June. All areas are reporting good quality and this is an excellent time to be promoting fresh blueberries.



BERRIES (RASPBERRIES)

Limited supplies expected throughout this week as we continue transition into California fruit and Mexico continues to decline to its seasonal end. Quality has been reported as good overall. Market is steady to higher over last week, demand is good. Lighter numbers forecasted for the week and I expect we will see shortages on a day to day basis. The Watsonville/Salinas region will continue to increase in volume weekly throughout the month of June. Some fruit available out of South Carolina if you have the option for loading this area.



Commodity Updates



BERRIES (STRAWBERRIES)

Salinas and Watsonville are the main growing/shipping regions for California strawberries currently. Several shippers ended their Santa Maria fresh production early due to the decreasing markets after Memorial Day and the good pricing for freezer/juice contracts. Demand is good to start this week with many retail ads in place taking a good percentage of available fruit and keeping demand steady, possibly continuing to strengthen and keeping supply on the short side as we move throughout this week. Warm temperatures in the recent week(s) brought on ripe, red fruit. Fruit is smaller in size due to it ripening before the fruit has an opportunity to grow into mature sizing. Fruit flavor is good and very sweet currently. Some quality issues to look out for will be soft spots, over-ripeness and bruising.

BROCCOLI

This market is steady. Bunched product is lighter in availability but orders are being covered. Slight branching is being seen but it is minimal. Crowns continue to have better availability and offers are out there from multiple shippers. The main production is out of the Salinas Valley. Crown availability is expected to be strong all week. The Southern California region will have decent production as well. Production out of Mexico looks to be steady for the rest of the week. Texas could be an option for some customers as freight savings could come into play.

CARROTS

Bakersfield crop is now in full swing on production. Weather has been warm and size is coming on and we're seeing much better production of Jumbo carrots.

CAULIFLOWER

This market is firm and likely to go up by the middle of the week. Overall, the quality is good with only slight discoloration occurring. Insect damage is minimal. Southern California and Salinas continue to be the main regions for production of this commodity. There are a few shippers giving sharper deals on nine count, but supplies overall are off.

CELERY

This market is steady. Many suppliers are harvesting in Salinas. This coupled with the usual suppliers in Southern California has made supplies good on this commodity. Small sizing continues to be tight and commanding a higher price in the marketplace. The best deals continue to be with twenty-four count packs and multiple shippers are listening to offers for this pack size. Good quality is being reported from all the regions.

CHERRIES

The demand exceeds supply cherry market shows no signs of easing, as mother nature continues to hit the growing regions with rain and hail. Projected volumes of red cherries, already 70% of normal for this time of year, are suffering losses in the field as well as a higher than normal cull rate. The Rainier market is slightly easier with strong demand but adequate supplies for the coming week.

CITRUS (LEMONS)

The lemon market continues to be in a demand exceeds supply situation. Sizing is peaking on the smaller 165s to 235s. Quality is reported as generally good and projections of light volume and strong demand throughout the summer months appears to be accurate.

CITRUS (LIMES)

The lime market continues to level out at the current low levels. The prices are nearly the same now on all sizes whereas in the past the spread has been several dollars. Growers are harvesting less of the smaller sizes due to low market conditions. Lower prices have helped spur demand on all sizes. The overall quality is very good on the new crop that is being harvested.

CITRUS (ORANGES)

The Valencia season is in full swing now, with only very few of the late navels still available. Sizing is peaking on the 72s, 88s and 113s, but volume across the board is still limited. The recent drop off of school business for the summer has relieved some pressure on the 113s - 138s; resulting in a slight easing of the market price for those sizes.

CUCUMBERS

Eastern: The cucumber market is steady with Georgia still plugging along with product. As the weather grows warmer, many growers will quit their fields. Georgia will go for another 10-14 days away, Michigan will start this week and New Jersey is already in ramp up mode. This will put the market all over the place this week.

Western: Market is slightly higher. Production from Sonora is about wrapping up. Market is becoming unsettled as some Sonora growers are wrapping up, pressing the market higher as supplies lighten up. Baja California is shipping with good quality.



Commodity Updates



EGGPLANT

Eastern: The eggplant market remains steady and demand is light this week.

Western: Crossings through Nogales are done on eggplant. California is the main source of eggplant in the west. Due to lighter supplies markets are slightly higher.

GRAPES

Green: The green seedless grape market is steady with signs of adjusting down in the coming week due to light demand and improving supplies. The Arvin district is projected to start in a small way the last week of June. Quality from all regions is reported as good.

Red: The red grape market continues its lackluster performance despite repeated estimates by the shippers of an improving market. Steady supplies with light demand seem to be holding this market down. With the Arvin district projected to start in 2 weeks and the Scarlet Royals now coming on in Coachella we see little chance of any market change in the coming week. The current harvest on red seedless out of Mexico should be finished by the 22nd of June.

GREEN ONIONS

This market is unchanged, much like the previous week. Most of the production for this commodity is being produced from the Baja region of Mexico. Supply exceeds demand. The storms that have hit in the Baja region have not affected this crop. All sizing is available. Light supplies are being harvested in Salinas. The heavier abundance of product is coming in small and medium size packs.

LEAF LETTUCE

The romaine market is steady, overall. Supplies are a little better to start the week with a few shippers. Romaine hearts are in a demand exceeds supply situation. Escalated pricing is in effect. Quality issues on romaine continue to include some tip burn, insect damage, wind burn, decay and mildew. These are common defects with this commodity, especially in the Salinas Valley. The weights are ranging between 29-34 pounds. These same issues are also evident in green and red leaf items. Red leaf in particular is more readily available. Butter is tight in availability with a few shippers.

ICEBERG LETTUCE

This market is firm to begin the week. A few shippers are sold out while most others have moderate to light supplies. Growers are still having a few issues with quality. These issues include ribbing, a little bit of insect damage and puffiness. The temperatures in the Salinas valley had been warm this past week. Temperatures are expected to ease up this week. Weights on palletized lettuce are fluctuating between 37-44 pounds. Salinas and Santa Maria continue to be the two main growing regions for this commodity.

MELON (CANTALOUPE)

The desert continues to harvest below adequate volumes of cantaloupes with the peak size being 12s. Acceptable quality is coming out of the desert currently even though the storm last week had caused muddy conditions in some lots that came in with a little dirt on them. The market jumped up considerably last week and looks to hold tight for the next few days at least. The "west side" is set to start the first week of July.

MELON (HONEYDEW)

Supplies out of Mexico remain at low levels with 6s and 8s being the main sizes coming in. The desert has decent supplies currently. The domestic dews have excellent quality and are commanding a premium compared to the product from Mexico. The quality on Mexican and domestic dews are very nice and they all have high sugar contents too. The peak size is 6s on the domestic dews coming in right now. The dew market is steady on all domestic and Mexican dews.

MELON (WATERMELON)

Most production is coming from Sonora. Market is slightly higher. Most product coming in bins cartons packed upon request. Some light supplies are coming from Southern California. Nogales ought to be wrapping soon as crops and weather take their course. Southern Texas has also started.

ONIONS

Market is steady on all colors and sizes out of both California and New Mexico for the start of this week. Yellow onion sizing is peaking on Jumbo and larger in California and Jumbo and smaller in New Mexico. Quality is being reported as good out of both growing areas. The Yellow onion market could start to get short out of California as a few larger growers will start to gap with supplies in the next week or so. Demand has been light to moderate which is helping to keep the markets steady.



Commodity Updates



PEARS

Washington is still shipping D'anjou pears and a few red pears, the markets for both are steady. The D'anjous are peaking on US#1 80-100s and most suppliers are out of all sizes in the fancy grade. The only sizes of red pears left are 55s and smaller half-cartons. Washington will have D'anjous through July and red pears through next week. For imports we have Chilean Packhams and Bosc, the Argentinian fruit has cleaned up. The Chilean Packhams are steady to lower and the Bosc are steady. The Packhams are still peaking on 100s while the Bosc are heavier to 100/110s. California is set to start packing new crop Bartlett pears the week of July 6th.



POTATOES

Potato market is steady out of all growing areas with light to moderate demand. Quality is still being reported as good. Large cartons are starting to be more available with some shippers out of Idaho. I feel this is mainly due to the light to moderate demand. If demand picks back up, the large sizes will be in a demand exceeds supply situation quickly.



COLORED POTATOES

Bakersfield, California continues to pack reds, golds, and whites. The reds and whites are both peaking on A-size and both colors are steady with good availability other than premium and baker reds. Golds are steady but supplies are more limited and they are also peaking on A-size. The quality has been good.

Phoenix, Arizona continues to pack reds and golds and the markets are steady to higher with limited supplies. Both colors continue to peak on A-size. The quality has been good.

Pearsall, Texas is packing red potatoes but the supplies are limited since this is there last week and the quality has been marginal.

Northern Florida (Hastings) will pack reds and whites for the balance of this week and will have light supplies of both colors next week. The reds are steady on A's and steady to higher on B's. The white market is being quoted as steady but there is still some dealing going on. Gold supplies are very light in fact most shippers are saying that they have finished for the season. The Florida red and white quality has been good.

North Carolina is supposed to start packing white potatoes the week of June 22nd and reds and golds the week of June 29th.



SQUASH

Eastern: There is decent demand for yellow squash in Georgia. Even with growing deals kicking in up north, many growers in the south are quitting their fields for the season after the long stretch of depressed markets. Look for the Georgia markets to creep up in the coming days, especially on yellow squash. Even New Jersey has light supplies of yellow. Green is plentiful in all regions and demand is weak.

Western: 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 done with yellow squash. Southern California has started as well as Santa Maria CA. Sonora squash is going to wrap up by week's end.



STONE FRUIT

The peach and nectarine markets are weaker with light demand and increasing supplies; especially in the larger sizes. The plum market is about steady with slightly improved supplies of the larger sizes. The apricot market has steadied out as supplies are dropping. This should be only temporary as growers transition into the next varieties to harvest.



TOMATOES

Eastern: The Palmetto/Ruskin districts have finished the season transitioning to Quincy to take us through the end of the month with eastern crop set to start in a couple weeks. The price in Northern Florida has increased and looks like it will stay that way through its short season. The unpredictable rains are also playing a role on pricing and availability. Romas have also transitioned to North Florida where rains have slowed the volume a bit but not enough to make any market swings. Romas should remain steady in volume and in price. The cherry and grape markets will remain steady for the week. Product in the north is steady and quality on grape toms is good.

Western: Mexico production will continue to increase and quality is good so the market should hold steady. Central California product is available and at good prices but it is still early in the season and some are slow to transition. The product report in Central California shows good size and quality. Roma tomatoes out of Northern Mexico are widely available and production is strong. Availability should remain steady with additional growers coming on. California fruit will start in a couple weeks in the South. Cherry and Grape tomatoes are steady. With the east transitioning and Nogales finished this region will be leaned upon heavily for the next couple weeks. Central Mexico's product going into Texas is still consistent and the quality is good. The market had a slight increase due to demand but should remain steady through next week.



Freight Information



Truckin' Along

Trucks in CA will be steady the balance of the week. Trucks in the Northwest and Idaho will be steady as well. Crude oil is currently 61.22 per barrel. Diesel fuel pricing dropped slightly to 2.884 per gallon, 1.00 cheaper than this time last year.

	05/25/15	06/01/15	06/08/15	Change from	
				week ago	year ago
U.S.	2.914	2.909	2.884	↓ -0.025	↓ -1.008
East Coast (PADD1)	3.014	3.001	2.980	↓ -0.021	↓ -1.003
New England (PADD1A)	3.101	3.092	3.076	↓ -0.016	↓ -1.016
Central Atlantic (PADD1B)	3.162	3.143	3.122	↓ -0.021	↓ -0.957
Lower Atlantic (PADD1C)	2.884	2.874	2.853	↓ -0.021	↓ -1.033
Midwest (PADD2)	2.800	2.804	2.774	↓ -0.030	↓ -1.071
Gulf Coast (PADD3)	2.803	2.799	2.783	↓ -0.016	↓ -0.986
Rocky Mountain (PADD4)	2.830	2.835	2.825	↓ -0.010	↓ -1.084
West Coast (PADD5)	3.174	3.163	3.121	↓ -0.042	↓ -0.874
West Coast less California	3.057	3.055	3.001	↓ -0.054	↓ -0.898
California	3.269	3.249	3.217	↓ -0.032	↓ -0.857



Commodities at a Glance



Apples	Market	Quality
Coopersville/Belding/Sparta, MI	Steady	Good
Wenatchee/Yakima, WA and Hood River, OR	Steady	Good
Chile	Steady	Good

Asparagus	Market	Quality
Coborca, Mexico	Steady	Good
Ica, Peru to Trujillo	Steady	Good
Salinas Valley, CA	Steady	Good

Avocado (California)	Market	Quality
Oxnard/Ventura, CA	Steady/Higher	Excellent
Temecula/Escondido, CA	Steady/Higher	Excellent

Avocado (Mexico)	Market	Quality
Michoacan, Mexico	Steady	Excellent

Bell Peppers (East)	Market	Quality
Lee / Grady County, GA	Lower	Good

Bell Peppers (West)	Market	Quality
Oxnard, CA	Steady	Good
Salinas Valley, CA	Steady	Good
Coachella Valley, CA	Steady	Good

Berries (Blackberries)	Market	Quality
Santa Maria, CA	Steady/Higher	Good
Salinas, CA	Steady/Higher	Good
Watsonville, CA	Steady/Higher	Good

Berries (Blueberries)	Market	Quality
Ivanhoe, NC	Steady	Good
Georgia	Steady	Good
Salem, OR	Steady	Good
Central Valley, CA	Steady	Good

Berries (Raspberries)	Market	Quality
Salinas, CA	Steady/Higher	Good
Watsonville, CA	Steady/Higher	Good
Santa Maria, CA	Steady/Higher	Good

Berries (Strawberries)	Market	Quality
Salinas Valley, CA	Steady/Higher	Good
Watsonville, CA	Steady/Higher	Good
Santa Maria, CA	Steady/Higher	Good

Broccoli	Market	Quality
Celaya Guanajuato Mexico	Steady	Good
McAllen, TX	Steady	Good
Oxnard/Santa Maria, CA	Steady	Good
Salinas Valley, CA	Steady	Good

Carrots	Market	Quality
Bakersfield/Santa Maria, CA	Steady	Excellent

Cauliflower	Market	Quality
Oxnard/Santa Maria, CA	Steady/Higher	Good
Salinas Valley, CA	Steady/Higher	Good

Celery	Market	Quality
Oxnard/Santa Maria, CA	Steady	Good
Salinas Valley, CA	Steady	Good

Cherries	Market	Quality
Wenatchee Valley, WA	Steady/Higher	Excellent
Yakima, WA	Steady/Higher	Excellent

Citrus (Lemons)	Market	Quality
Oxnard/Ventura, CA	Steady	Excellent

Citrus (Limes)	Market	Quality
Veracruz, Mexico	Lower/Steady	Excellent



Commodities at a Glance



Citrus (Oranges)	Market	Quality
Merced to Bakersfield, CA	Steady	Excellent

Cucumbers (Eastern)	Market	Quality
Lee / Grady County, GA	Steady	Good

Cucumbers (Western)	Market	Quality
Southern Baja California Sur, Mexico	Steady/Higher	Good
Northern Baja California Norte, Mexico	Steady/Higher	Good

Eggplant (Eastern)	Market	Quality
Lee / Grady County, GA	Steady	Good

Eggplant (Western)	Market	Quality
Northern Sonora, Mexico	Steady/Higher	Good

Grapes (Green)	Market	Quality
Caborca, Mexico	Steady	Good
Coachella Valley, CA	Steady	Good

Grapes (Red)	Market	Quality
Caborca, Mexico	Steady	Good
Coachella Valley, CA	Steady	Good

Green Onions	Market	Quality
Mexicali, Baja	Steady	Good
Salinas Valley, CA	Steady	Good

Lettuce Iceberg	Market	Quality
Oxnard/Santa Maria, CA	Steady	Fair
Salinas Valley, CA	Steady	Fair

Lettuce Leaf	Market	Quality
Oxnard/Santa Maria, CA	Steady	Fair
Salinas Valley, CA	Steady	Fair

Melon (Cantaloupe)	Market	Quality
Maricopa, AZ	Steady	Good
Yuma, AZ	Steady	Good
Brawley, CA	Steady	Good
Holtville, CA	Steady	Good

Melon (Honeydew)	Market	Quality
Maricopa, AZ	Steady	Excellent
Yuma, AZ	Steady	Excellent
Holtville, CA	Steady	Excellent

Melon (Watermelon)	Market	Quality
Coachella Valley	Steady/Higher	Good
Southern Sonora, Mexico	Steady/Higher	Good

Onions	Market	Quality
Huron/Metler, CA	Steady	Good
Las Cruces, NM	Steady	Good

Pears	Market	Quality
Wenatchee/Yakima, WA and Hood River, OR	Steady	Good
Chile	Steady	Good

Potatoes	Market	Quality
Hamer/Rupert, ID	Steady	Good
Quincy/Hermiston, WA	Steady	Good
Eastern Colorado	Steady	Good
Plover/Bancroft, WI	Steady	Good

Potatoes (colored)	Market	Quality
Bakersfield, CA	Steady	Good
Phoenix, AZ	Steady	Good
Hastings/Bunnell/East Palatka, FL	Steady	Good



Commodities at a Glance



Squash (Eastern)	Market	Quality
Lee/Grady/Echols County, GA	Steady	Fair
Seneca / Summit County, OH	Steady	Excellent
Ottawa / Kent / Berrien County, MI	Steady	Excellent

Squash (Western)		
Santa Maria, CA	Steady/Higher	Good
Southern Coast CA	Steady/Higher	Good

Stone Fruit		
Madera south to Arvin, CA	Lower/Steady	Good

Tomatoes (Eastern)		
Northern Florida	Steady/Higher	Good

Tomatoes (Western)		
Northern Baja California Norte, Mexico	Steady	Good
Coachella Valley, CA	Steady	Good

