

Jul 27, 2015

the Source

Weather Update

High pressure returns to the west strengthening through the week, bringing very warm temperatures to the entire region once again. Coastal regions of California begin the week in the 70s warming to the 80s through the week as the inland regions move from the 90s to triple digits late this week. The Southwest, Northern Mexico along with the interior regions of Central California will see temperatures in the triple digits this week with the chance of monsoonal moisture bringing showers and thunderstorms especially later this week. This strong ridge looks to remain in charge out west into next week.

The Southeast will continue with heavy rains mainly north of Tampa Bay into Tuesday as a low pressure system moves across Florida today. This comes on the heels of heavy rains late last week and over the weekend in the Northern Florida region. Areas to the north will see typical scattered showers early this week with another system expected to move through the region late this week. Seasonal temperatures, generally in the low 90s are expected through the week.



Market Alerts

Bell Peppers (Western):

Because of recent hot weather, western bell peppers are exhibiting some quality issues, sun scald, blemishing, and discolorations; this is industry wide in the west. Weather cooperating we should see quality improving in the next couple of weeks.

Berries (Strawberries):

Demand is exceeding supply.

Citrus (Lemons):

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





Truckin' Along

Trucks in CA are steady but look to tighten up toward the end of the week. WA trucks remain steady. The national average on diesel dropped .05 from last week and is now 2.723 per gallon. A drop of 1.135 from the same time last year. CA pricing dropped as well and is currently 3.072 per gallon. Crude oil remained steady and is now 47.12 per barrel.

U.S. On-Highway Diesel Fuel Prices* (dollars per gallon)

[full history](#)

	Change from				
	07/13/15	07/20/15	07/27/15	week ago	year ago
U.S.	2.814	2.782	2.723	↓ -0.059	↓ -1.135
East Coast (PADD1)	2.915	2.873	2.809	↓ -0.064	↓ -1.101
New England (PADD1A)	3.029	2.996	2.932	↓ -0.064	↓ -1.112
Central Atlantic (PADD1B)	3.038	2.985	2.918	↓ -0.067	↓ -1.075
Lower Atlantic (PADD1C)	2.797	2.762	2.701	↓ -0.061	↓ -1.116
Midwest (PADD2)	2.704	2.679	2.619	↓ -0.060	↓ -1.182
Gulf Coast (PADD3)	2.708	2.674	2.611	↓ -0.063	↓ -1.156
Rocky Mountain (PADD4)	2.787	2.770	2.735	↓ -0.035	↓ -1.153
West Coast (PADD5)	3.037	3.004	2.957	↓ -0.047	↓ -1.060
West Coast less California	2.919	2.873	2.814	↓ -0.059	↓ -1.114
California	3.133	3.111	3.072	↓ -0.039	↓ -1.018

A Peek at Peak Seasons

Berries (Blackberries):

Peak of the season is projected for middle August!

Berries (Raspberries):

Very good volumes available as we approach peak season in August!

Potatoes:

Washington has just starting packing New Crop Norkatah potatoes.

Idaho will start in a light way with New Crop Norkatah the first week of August.

Transitions & Temperatures

Apples:

Washington will start packing new-crop Gala's and Gingerolds next week.

Pears:

A couple shippers in Washington will be packing new-crop Bartlett pears this week

Commodity Updates



APPLES

California gala apples are still peaking on 100/113s and they have limited supplies of 80s and larger. The early varieties are high in color. The market is steady on 80s and larger and steady to lower on 88s and smaller.

Michigan has finished packing red delicious for the season.

Washington Red Delicious are steady to slightly higher on all sizes: the price flex for volume orders of large reds remains but the prices are up slightly. Most shippers are peaking on 88s and larger in the premium and Washington extra #1 grades and have limited supplies of 113s & smaller. Golden Delicious are also steady to slightly higher on all sizes due to stronger demand and lighter supplies. Gold 125/138s remain limited. Granny-Smith are steady but that market is firm due to lighter supplies. Washington Granny-Smith continue to peak on 72s and larger while 100s and smaller are short. Fujis and Galas are cleaning up quickly and many shippers are finished packing for the season and selling off of inventory. The markets for both varieties are active and strong and will remain so until the CA fruit cleans up.

ASPARAGUS

This market is firm with all suppliers. Production out of Peru is moderate to light. Jumbo packs continue to be light in availability in all of the growing regions. Supplies are heavier to standard and large packs. Supplies out of Mexico have fallen off. This product can be loaded in Salinas or LA. The quality has reported to be good in all of the growing regions. Pricing may get stronger by the middle of the week.

AVOCADO (CALIFORNIA)

California continues to harvest steady volume. Harvest will begin to decline weekly as we move through August to season's end by early September. The Southern region is already wrapping up its harvest. Peak sizing is on 40s and 48s. Very good demand is keeping supplies on all sizes tight, but currently matching supplies. Quality and flavor are both excellent.

AVOCADO (MEXICAN)

Mexico's Flora Loca crop harvest is going well, with good volume coming in on 40s and 48s followed by 60s. Limited volume on #2 fruit as quality is very good. Expect Flora Loca to have less maturity than the old crop with lower oil, brighter green color and will be slower to break. Ripe fruit could still be green in color as the skin isn't mature enough for it to darken. Color is not an indication of ripeness, pressure is.

BELL PEPPERS (EASTERN)

The pepper market continues to be tight. However, relief is in sight as the Carolinas and New Jersey finally ramp up their volume. Michigan should start in a very small way this weekend. Markets should stay strong until that time.

BELL PEPPERS (WESTERN)

Green and colored bell peppers continue to be in a demand exceeds situation. Production has slowed and weather has been affecting yields. Green bells are still demand exceeds but market is softening slightly. Red bell pepper demand is pressing market slightly higher as supplies are leveling out.

BERRIES (BLACKBERRIES)

Supply and availability have been day to day, as some grower/shippers are gapping on volume in between fields. Projections have been off as the fruit is taking longer than expected to color up and therefore staying on the plants longer. As new fields come on, other blocks start to wind down so we are only maintaining our current volume which has been short for the past several weeks. We are looking at another week of spotty availability before the plants actually catch up and should eventually begin to peak around mid-late August.



Commodity Updates



BERRIES (BLUEBERRIES)

Supply is becoming shorter as several of the regional deals have ended most major production. We have passed the peak seasons of each region. Pints and larger packs will be more difficult to come by as grower/shippers will begin to pack more 4.4oz and 6oz clam due to overall total volume decreasing. Peru has sent their first vessels bound for the U.S. and that fruit will be arriving in the next few weeks.



BERRIES (RASPBERRIES)

Promotional opportunities are now available as we are coming upon peak volume season for California. Fruit has great flavor and appearance. This is a great time to promote fresh California raspberries! Warm weather is continuing to bring on fruit with good volume and we should see this crop peak by mid-August!



BERRIES (STRAWBERRIES)

Warm and humid weather in California's Central Coast growing regions continue to affect quality and availability of fruit. Fruit is ripening to full color very quickly, faster than it is sizing up, so berries are full red to overripe, yet small in size. These berries are soft and very susceptible to bruising and subsequent decay. The humidity increases the presence of mildew and any exposure to warm temperature will accelerate mold. Other growers are harvesting the fruit lighter in color to try and avoid the bruising and decay. That fruit is showing up with more white shoulders and green tips. This will be a very challenging period for quality and availability. Growers are diverting much of their fruit into the processing market for frozen and juicing items as it is not reaching specification for the fresh market. They are packing the best quality available for fresh market orders, yet the issues we're seeing are in every label, industry wide. For the time being, we have to consider the situation and adjust expectations for receiving and shelf life. It is of utmost importance to maintain the cold chain on this product, keeping temperatures at 32-34 degrees.



BROCCOLI

Although the temperatures have been high in the growing regions, the quality has been strong overall. Supplies are on the light side as demand has picked up. Expect stronger markets throughout this week. The main production on this commodity continues to be out of the Salinas valley. The Southern California region will have light production all week and pricing will continue to rise. Production out of Mexico is light to moderate. Texas is in production as well.



CARROTS

Bakersfield crop is in full summertime production. Jumbo size carrot production is good as is quality.



CAULIFLOWER

This market is steady. The quality on this item continues to be reported as good, with only slight discoloration and spotting being reported. Demand continues to be light and offers are being listened to by shippers, so promote this item as much as possible. The Santa Maria region as well as Salinas have good production. Expect good supplies for the rest of the week. There is a gap in pricing that continues. A few suppliers are striving for higher pricing, but this is not the norm.



CELERY

This market is steady, overall. Things have changed in the marketplace, as the large size celery has become higher priced compared to the small sizing. Production in Michigan continues on this commodity. Santa Maria continues to have production, if needed in the Southern California region. The Salinas Valley has strong production with lighter availability coming in the small sizing. Expect good quality from all the regions. This market has possibilities of getting stronger by the end of the week.



Commodity Updates



CITRUS (LEMONS)

Crop is peaking on 140s and smaller. Demand is exceeding supplies on 140s and larger and on all grades of fruit. Very good demand and drought conditions in growing areas means less production of fruit and no size growth. These are the major factors for the demand exceeds supply conditions.



CITRUS (LIMES)

The lime market continues it's steady level on all sizes. Growers continue to harvest less due to low market conditions. Lower prices are helping to keep good demand on all sizes. The overall quality is good on the crop that is being harvested. Growers are getting into old crop limes and we may see thinner skin with lighter color in some lots.



CITRUS (ORANGES)

California Valencia oranges are going with good volume on 72s, 113s and 138s. Demand is improving on 88s/113s/138s and seeing prices firm up for some shippers as well as slowing the pace of packing fruit to begin stretching out this year's lighter volume crop. Quality on Valencias is very good.



CUCUMBERS (EASTERN)

The cucumber market is finally turning around as the persistent wet weather clears up and temperatures warm up throughout the Eastern growing regions. As volume increases, we should see this market hover at the lower levels.



CUCUMBERS (WESTERN)

Market is softening as new growers come online. Quality is generally good, but available lots do vary in quality and condition. Markets are lower. Promotable volumes on cucumbers are available.



EGGPLANT (EASTERN)

Eggplant in the east continues to be scarce. Michigan is still several days away. That leaves the Carolinas and New Jersey, which are currently producing only limited volume. This market should stay at the higher levels for the remainder of the week.



EGGPLANT (WESTERN)

California is the main source of eggplant in the west. Current production is having trouble keeping up with demand. Because of recent weather and transitions, supplies have been lagging. Demand exceeds current supplies and pressing markets up.



GRAPES (GREEN)

The green seedless grape market is splitting by variety available. The new crop Thompson Seedless are coming in predominantly in the 11/16 to 12/16 range and shippers are pricing aggressively to move them. The Princess and Sugarones are coming in with much larger sizing and are consequently commanding a premium over the Thompson's. Demand is about steady on all. Quality is generally reported as excellent on all varieties.



GRAPES (RED)

The market on red seedless grapes has strengthened. This is the result of increased demand and lighter supplies of the medium large fruit favored by the foodservice industry. This strengthening should continue for the near term as schools start up around the country. Quality is reported as excellent.



Commodity Updates



GREEN ONIONS

Plenty of product exists with this commodity. The weather in Mexico has had less rainfall than in previous weeks. Good supplies are expected all week. Demand simply is minimal. Supplies will continue to exceed demand. All sizing is available, with the heavier availability coming in small and medium packs. Better supplies are being harvested in Salinas compared to past weeks.



LETTUCE ICEBERG

This market is steady to begin the week. Strong heat in the growing regions are going to create havoc on the quality of this commodity. Expect to see puffiness, insect damage and internal burn upon arrivals. Supplies look to be good all week in terms of quantity. The weights on palletized are averaging 42-47 pounds. Salinas and Santa Maria are the two main growing areas at this time. Production in Santa Maria is stronger than the previous week.



LETTUCE LEAF

The romaine market continues to be flat. High temperatures in the growing regions continue to exist and these high temperatures are likely to continue all week. Fringe burn, insects, dehydration and internal burn will be seen upon arrivals. The weights on romaine cartons continue to average 31-36 pounds. Chopped romaine as well as romaine hearts continues to show pinking upon arrivals. Fringe burn, mildew damage and insect damage are defects associated with red and green leaf as well. This is an industry wide issue.



MELON (CANTALOUPE)

The West Side is producing good volume on lobe 9s, 12s and 15s. The peak size is 9s and 12s currently. The size curve is continuing towards the larger sizes. The West Side has very good quality and good sugar content. The current market is lower on 9s and 12s but steady on 15s and 18s. We are currently experiencing good demand on cantaloupes right now.



MELON (HONEYDEW)

The peak size is currently 5s and is continuing to shift towards larger sizes. The quality and sugar contents are really good for honeydews right now and this trend looks to continue. The market is currently steady on dewes with a hint of upside in the cards. If demand picks up from the current levels we may see a slight uptick in process. We are experiencing decent demand on honeydews right now which is allowing their price to remain steady given the shorter supplies we have right now.



MELON (WATERMELON)

Most product coming in bins/cartons are packed upon request. Some light supplies are coming from Southern California, Southern Texas and Georgia. Market continues to be in a extreme demand exceeds situation. We anticipate other districts to come online soon, possibly softening the market. This is contingent on good weather.



ONIONS

The onion market is steady on all colors and sizes out of both California and New Mexico. Demand is still good with moderate supplies. Good weather last week in both growing areas has improved the quality of the onions. California and New Mexico have about two to three weeks left before they finish for the season. Washington has started with new crop yellow onions. Sizing is small and packing out mainly mediums with a few jumbos. The size out of Washington will improve as we get into the middle of August. Idaho new crop yellow onions will start with a few shippers later this week. Sizing is being reported as good. Red supplies will not start till the second week of August.



Commodity Updates



PEARS

California Bartlett pears continue to peak on US#1 80/90/100s. The market is steady on all sizes and the demand has been steady. Stark Crimson pears are still peaking between 35 and 55 size half cartons and they are also steady on all sizes. The quality for both has been good.

Washington D'anjou pears are still peaking on US#1 80-100s. Most packers are limited on US#1 110s and smaller and all sizes in the fancy grade. The D'anjou market is steady on all sizes. Washington will pack D'anjou pears through July.

The Chilean pears are cleaning up and inventories are low.



POTATOES

Washington has started with their New Crop Norkotah potatoes this last week. Quality is being reported as good. Sizing is peaking on 80 count. Pricing increased slightly on most packs and sizes. Demand is moderate.

Idaho will start to transitioning into new crop Norkotahs over the next two to three weeks. The first growers will start to break ground next week, with all growers packing new crop by the week of August 17th. Market on storage crop is soft with light demand. Quality is starting to show its age. Pressure bruising and internal black spots are showing up in most packs. Look for the new crop to demand a premium.

Wisconsin/Colorado has light demand with a steady market. Quality is still being reported as good.



POTATOES (COLORED)

Bakersfield, California was suppose to finish packing reds and golds this week, but their yields were better than expected and they will pack through this week. After this week they will have white potatoes only. The market is steady to lower on all sizes and colors and all are heavy to A-size. The quality has been good.

Stockton, California continues to pack red, white and gold potatoes. All are heavy to A-size and the markets are also steady. They are supposed to pack larger lots of golds this week and should have more premiums available. The quality has been good.

Muleshoe, Texas is packing red potatoes and a few golds, they are both peaking on A-size. The markets for both colors are steady to lower. The quality has been good.

Alabama is lower on reds but supplies are light as they are almost finished packing for the season. They are heavier on bags in Alabama.

North Carolina has finished for the season.

Virginia is packing reds and golds and the availability of As and Bs is good, but there are no Cs available. The markets for all sizes of reds and golds is lower. The quality is good.

Wisconsin continues to pack reds and all sizes are available now. The market lower on As and Bs and steady on Cs. The quality is good. Wisconsin will have golds in two weeks.

Minnesota has started packing reds. They are peaking on A-size and the quality is good. They will also start packing golds in two weeks.



SQUASH (EASTERN)

Eastern growing regions continue to struggle with squash. The weather is starting to cooperate, but because heavy rains have been pounding the Ohio/Michigan and New Jersey growing regions for some time, it will take awhile for them to catch up with volume. Expect a few more days at most of the tight markets before everything loosens up again.



Commodity Updates



SQUASH (WESTERN)

Italian and yellow squash are steady/higher. Because of recent weather and transitions, some production has slowed down and demand has pressed markets up. Currently in a demand exceeds market. Quality varies throughout available lots. Better lots are moving at higher quotes.



STONE FRUIT

The market on peaches and nectarines is about steady. The exception to this is the availability of the smaller volume fill 70 and 80 series. The late season peaches and nectarines are running heavily to the larger size fruit. This has made finding the smaller fruit favored for foodservice especially challenging. Plums, black and red, are about steady with quality being reported as generally very good. Sizing is running mostly 50s to 70s.



TOMATOES (EASTERN)

Rounds - Market will remain steady/higher for another 2 weeks. Demand is high but the volume just isn't there due to weather (rains) and light plantings. Overall quality is good. East coast volume is currently low and may jump up, if weather permits, for a couple weeks but come September and into October anticipate very low volume.

Roma - Market has improved and is settling. Availability should compliment demand with some western product help. Quality is good.

Cherry/Grape - Cherry market is steady/high due to availability. Do not see any relief for the rest of the summer. Will rely heavily on west coast product. Grape market is steady with some availability. Volume should meet demand but product is also available in the west.



TOMATOES (WESTERN)

Rounds - Market remains steady. Availability will meet demand and quality is good. September and October will be challenging with light plantings and the weather issues keeping supplies very low. East coast will be relying heavily on the western crop.

Romas - Market is steady. Baja continues to sell out. Central California has volume but continues to tighten up with Mexico running light in supply. Quality is fair/good depending on the area and/or grower. Roma supplies should remain steady for another week.

Cherry/Grapes - Cherry market continues to be strong. East coast is all in on the west coast cherries. Volume should still meet demand and quality is good. Grape market is steady with plenty of volume and meeting demand. Color is an issue.



Commodities at a Glance



Commodity / Region	Market	Quality
Apples		
Wenatchee/Yakima, WA and Hood River, OR	Steady	Good
Stockton, CA	Lower/Steady	Excellent
Asparagus		
Coborca, Mexico	Steady	Good
Ica, Peru to Trujillo	Steady	Good
Salinas Valley, CA	Steady	Good
Avocado (California)		
Oxnard/Ventura, CA	Steady	Excellent
Temecula/Escondido, CA	Steady	Excellent
Avocado (Mexican)		
Michoacan, Mexico	Lower/Steady	Good
Bell Peppers (Eastern)		
Henderson / Buncomb County, NC	Steady	Good
Bell Peppers (Western)		
Oxnard, CA	Lower/Steady	Good
Salinas Valley, CA	Lower/Steady	Good
Berries (Blackberries)		
Salinas, CA	Steady	Good
Watsonville, CA	Steady	Good
Santa Maria, CA	Steady	Good
Oxnard, CA	Steady	Good
Berries (Blueberries)		
Pitt Meadows, BC	Higher	Good
Mossyrock, WA	Higher	Good
Salem, OR	Higher	Good
Grand Junction, MI	Higher	Good
Hammonton, NJ	Higher	Good
Berries (Raspberries)		
Salinas, CA	Steady	Good
Watsonville, CA	Steady	Good
Santa Maria, CA	Steady	Good
Oxnard, CA	Steady	Good

Commodity / Region	Market	Quality
Berries (Strawberries)		
Salinas Valley, CA	Higher	Fair
Watsonville, CA	Higher	Fair
Broccoli		
Celaya Guanajuato Mexico	Higher	Good
McAllen, TX	Higher	Good
Oxnard/Santa Maria, CA	Higher	Good
Salinas Valley, CA	Higher	Good
Carrots		
Bakersfield/Santa Maria, CA	Steady	Excellent
Cauliflower		
Oxnard/Santa Maria, CA	Steady	Good
Salinas Valley, CA	Steady	Good
Celery		
Michigan	Steady	Good
Oxnard/Santa Maria, CA	Steady	Good
Salinas Valley, CA	Steady	Good
Citrus (Lemons)		
Oxnard/Ventura, CA	Lower/Steady	Good
Citrus (Limes)		
Veracruz, Mexico	Steady	Good
Citrus (Oranges)		
Merced to Bakersfield, CA	Steady/Higher	Excellent
Riverside, CA	Steady/Higher	Excellent
Cucumbers (Eastern)		
Henderson / Buncomb County, NC	Lower	Good
Seneca / Summit County, OH	Lower	Good
Ottawa / Kent / Berrien County, MI	Lower	Good
Cucumbers (Western)		
Southern Baja California Sur, Mexico	Steady	Good
Northern Baja California Norte, Mexico	Steady	Good
Eggplant (Eastern)		
Ottawa / Kent / Berrien County, MI	Steady/Higher	Fair



Commodities at a Glance



Commodity / Region	Market	Quality
Eggplant (Western)		
Fresno, CA	Steady/Higher	Good
Southern CA	Steady/Higher	Good
Grapes (Green)		
Arvin, CA	Lower/Steady	Excellent
Delano, CA	Lower/Steady	Excellent
Grapes (Red)		
Arvin, CA	Steady/Higher	Excellent
Delano, CA	Steady/Higher	Excellent
Green Onions		
Mexicali, Baja	Steady	Good
Salinas Valley, CA	Steady	Good
Lettuce Iceberg		
Oxnard/Santa Maria, CA	Steady	Fair
Salinas Valley, CA	Steady	Fair
Lettuce Leaf		
Oxnard/Santa Maria, CA	Steady	Fair
Salinas Valley, CA	Steady	Fair
Melon (Cantaloupe)		
Firebaugh, CA	Lower/Steady	Excellent
Mendota, CA	Lower/Steady	Excellent
Melon (Honeydew)		
Firebaugh, CA	Steady	Excellent
Mendota, CA	Steady	Excellent
Melon (Watermelon)		
Coachella Valley	Steady/Higher	Good
McAllen, TX	Steady/Higher	Good
Onions		
Huron/Metler, CA	Steady	Good
Las Cruces, NM	Steady	Excellent
Quincy/Hermiston, WA	Steady	Good
Ontario, OR to Nampa, ID	Steady	Good

Commodity / Region	Market	Quality
Pears		
Wenatchee/Yakima, WA and Hood River, OR	Steady	Good
Chile	Lower/Steady	Good
Stockton, CA	Steady	Excellent
Potatoes		
Hamer/Rupert, ID	Lower/Steady	Fair
Quincy/Hermiston, WA	Steady	Good
Eastern Colorado	Steady	Good
Plover/Bancroft, WI	Steady	Good
Potatoes (colored)		
Bakersfield, CA	Lower/Steady	Good
Stockton, CA	Steady	Good
Muleshoe, TX	Lower/Steady	Good
Ider, AL	Lower/Steady	Good
Hallwood/Horntown/Cape Charles, VA	Lower/Steady	Good
Big Lake Minnesota	Steady	Good
Plover, WI	Lower/Steady	Good
Squash (Eastern)		
Seneca / Summit County, OH	Steady	Fair
Ottawa / Kent / Berrien County, MI	Steady	Fair
Henderson / Bucomb County, NC	Steady	Good
Squash (Western)		
Santa Maria, CA	Steady/Higher	Good
Southern Coast CA	Steady/Higher	Good
Stone Fruit		
Madera south to Arvin, CA	Steady	Good
Tomatoes (Eastern)		
Charleston, SC	Steady/Higher	Good
Exmore, VA	Steady/Higher	Good
Tomatoes (Western)		
Coachella Valley, CA	Steady	Good
Southern San Joaquin Valley, CA	Steady	Good
Northern Baja California Norte, Mexico	Steady	Good

