

Jul 14, 2016

# the source

## Weather Update

High pressure centered over the southwest along with a low off the west coast will keep inland regions above average in California. Gradual cooling expected into the weekend as the low stalls off the west coast as the heavy marine layer remains in the coastal regions. The southwest along with Northern Mexico warm to above average as high pressure remains in charge, scattered afternoon showers will continue as monsoonal moisture moves in from the south. Central Mexico will see near average temperatures with scattered showers and isolated thunderstorms through the weekend. The southeast will see seasonal temperatures as high pressure remains in charge with isolated showers expected into the weekend.



## Market Alerts

**Apples:** Washington Fujis and Galas are extremely short and they are about to finish up.

**Avocado (California):** Demand exceeding supplies.

**Avocado (Mexican):** Limited volume start hitting the US shipping points. Most of this fruit will be 60s and 70s, with a very small percent of 48's. Demand exceeding supplies.

**Berries (Raspberries):** We will be in a demand exceeds supply situation for the next several weeks. Mid-July will likely be our lowest point. Production should ramp back up in both CA and Baja Mexico by early-mid August but we will remain in short supplies until then.

**Cilantro:** The cilantro market is active due to quality issues in Mexico.





## Truckin' Along

California trucks remain steady and look to remain that way for the week. Washington and Idaho potato trucks remain steady as well. The National Average for diesel hardly changed and is currently at 2.414 per gallon. A difference of .400 from this time last year. California prices remained steady as well and are currently at 2.798 per gallon. Crude oil dropped slightly and is now at 44.81 per barrel.

U.S. On-Highway Diesel Fuel Prices\* (dollars per gallon) [full history](#)

	06/27/16	07/04/16	07/11/16	Change from	
				week ago	year ago
U.S.	2.426	2.423	2.414	↓ -0.009	↓ -0.400
East Coast (PADD1)	2.442	2.438	2.424	↓ -0.014	↓ -0.491
New England (PADD1A)	2.491	2.482	2.469	↓ -0.013	↓ -0.560
Central Atlantic (PADD1B)	2.535	2.535	2.521	↓ -0.014	↓ -0.517
Lower Atlantic (PADD1C)	2.361	2.355	2.341	↓ -0.014	↓ -0.456
Midwest (PADD2)	2.389	2.389	2.385	↓ -0.004	↓ -0.319
Gulf Coast (PADD3)	2.285	2.282	2.261	↓ -0.021	↓ -0.447
Rocky Mountain (PADD4)	2.429	2.436	2.445	↑ 0.009	↓ -0.342
West Coast (PADD5)	2.713	2.709	2.708	↓ -0.001	↓ -0.329
West Coast less California	2.600	2.599	2.596	↓ -0.003	↓ -0.323
California	2.803	2.798	2.798	0.000	↓ -0.335

## A Peek at Peak Seasons

**Berries (Raspberries):** CA crop peaked in mid June. Overall volume will decrease from here on.

## Transitions & Temperatures

**Apples:** California could start packing Gala apples as early as next week.

**Berries (Blackberries):** GA and NC are winding down for the season.

**Berries (Blueberries):** GA, NC and NJ are all wrapping up production for the season.

**Berries (Raspberries):** Central Mexico has finished major production for the season. Oxnard and Salinas are winding down as Watsonville and Santa Maria will increase production over the coming weeks.

# Commodity Updates



## APPLES

**Washington** - Red delicious are steady to higher depending on the supplier. Most shippers continue to peak on extra-fancy 72-88s. Golden Delicious are steady but firm and still peaking on Wash-Extra 100/113s. Storage golden supplies are limited so expect some suppliers to gap between C.A. and new-crop. Most suppliers still don't have much larger than an 88. Granny Smith are steady on all sizes and continue to peak on 88-113s. Most shippers still don't have much larger than an 88 or smaller than a 125. Galas are extremely short and will be finishing up over the next few days. Fuji supplies are also extremely short and will be finishing up shortly. Pink Lady's are steady to higher and the market remains firm due to very strong demand. The quality for all varieties has been good.

**Chile** - Chilean Braeburns are peaking on 70-90s and they are steady on all sizes but supplies are limited. Chilean Pinks Ladys are steady and peaking on 70/80s. Chilean Fujis are also steady and peaking on 80-size. The import quality has been good.

## ASPARAGUS

Asparagus supplies are still steady from Mexico and Peru. Quality is good from both regions.

## AVOCADO (CALIFORNIA)

California has peaked on their harvest and is on a slow decline to mid August, when the next big drop looks to happen as its season begins its final seasonal harvest.

## AVOCADO (MEXICAN)

Mexico is harvesting once again and fruit is beginning to move from Mexico to the States. The void in the supply line and demand is so great, that it will take several weeks for supplies to build. We will be in this Summer Crop (Flora Loca crop) of Mexico's for the next 6 to 10 weeks and should have decent supplies going forward, unfortunately about 80% of this crop will be 60s/70s/84s. Not many 40s/48s and we don't see this size curve changing much, maybe 25% 48s and larger by September. We will also see very limit supplies on #2 volume, being it's early in the season, and fruit is very clean.

## BELL PEPPERS (EASTERN)

The Bell Pepper market remains steady at higher prices. North Carolina has the majority of supply at the present time, which is where most Michigan shippers are pulling this commodity from; Michigan looks to start their own Bells by next week. There has been no pressure from California shippers recently, and the supply in North Carolina remains in only a few hands so the market has been inevitably at higher levels. No reports of quality issues from the Carolina shippers. Look for the markets to soften once Michigan gets into their own picks/volume.

## BELL PEPPERS (WESTERN)

Bell pepper has moved up to the Central and Southern San Joaquin Valley. Better supply and size on both Green and Red Varieties, Sizing is good on Both colors. Reds are still showing the effects of the heat with some condition defects, quality is expected to improve.

## BERRIES (BLACKBERRIES)

Supply is steady with production out of CA, OH, IN, WA and OR. Some growers are gapping in between varieties out of Oregon. Georgia and North Carolina season has pretty well wrapped up production, much smaller volumes. Demand has increased slightly out west due to GA and NC production coming off. Quality is good out of all areas. There have been some isolated instances of wet and leaky berries.



# Commodity Updates



## BERRIES (BLUEBERRIES)

Supplies remain steady with production in Oregon, Washington, British Columbia, Indiana, Michigan. New Jersey is wrapping up their season as some growers made their last picks last week. The southeast region has wrapped up major production although you may still find some GA and NC blues in circulation. Promotional opportunity will be available for the coming weeks and volume will then begin to decrease some. Quality has been good in all areas.



## BERRIES (RASPBERRIES)

CA raspberries passed peak production and will continue to decrease in volume moving into the summer. We will be in limited supplies from here on. The CA crop hit peak production numbers in early June. Central MX production has pretty well finished for the season. Quality has remained good out of all regions, some isolated instances of wet, leaky or off-color berries.



## BERRIES (STRAWBERRIES)

Supply and demand are both steady. Quality is good with pickers paying extra attention to pack quality and avoid bruised and overripe fruit. There have been a few reports of sun scald and white/green tips still showing up in the packs. Sizing remains smaller with berries running 18-22 per 1 pound clamshell. Weather has been cool leading to a reduction in harvest estimates. Labor is becoming more of an issue heading into the summer.



## BROCCOLI

Broccoli supplies continue to be steady for the end of the week. The markets vary from each growing region even though supplies are steady. Mexico supplies are steady but they have increased prices across the board. Salinas and Santa Maria have steady prices. Quality has been really nice with minimal yellowing.



## BRUSSELS SPROUTS

There are good supplies of Brussel Sprouts coming from the Salinas Valley. Mexico is also still harvesting acreage as well as Oxnard. The market is steady at competitive levels. Quality is excellent.



## CARROTS

The Bakersfield crop is in full production. Growth is good and starting to yield good percentage of Jumbo size and supplies are getting much better. Supply of baby peeled carrots are good.



## CAULIFLOWER

The cauliflower market has a downward trend with increased supplies as we move into the end of the week. There have been a couple complaints of off colored cauliflower upon arrival. But overall quality is really nice.



## CELERY

This market has remained unchanged. The tightest availability continues on small sizing, thirty-six count and smaller. Shippers continue to flex on large sizing. Demand is off. Michigan production is stronger. Santa Maria and Salinas continues to have good quality and production numbers. This will continue throughout the week. Until school business begins again, this market should remain very competitive in pricing.



## CHERRIES

Dark sweet cherry supplies continue to gradually decrease in the Northwest growing regions. The good news is the recent cooler weather has slowed down production allowing the window of harvest to be extended out to the end of the month. Quality has been very strong. Although the window of harvest time has been extended, the volume is still far below demand and market prices continue to increase daily.



# Commodity Updates



## CHILI PEPPERS

**Anaheim** - Sizing and quality remain good. More product being offered. Excellent size and color.

**Pablano** - Slightly lighter supply with some growers finishing. Good quality and condition expected to continue.

**Tomatillo** - Good supply of tomatillo shipping from California.

**Jalapeno** - good quality on new crop pepper, mostly large sizing with good color.



## CILANTRO

The cilantro market is on an upward trend. The main reason is some quality issues in Mexico, such as burn and black spotting from the heat. This has put pressure on supplies in the Salinas Valley and Oxnard growing regions.



## CITRUS (LEMONS)

The Ventura crop is our main supplier. Demand is stronger than normal and continues to build. We are seeing 165s/200s/235s supplies tighten clean up daily.



## CITRUS (LIMES)

The 110ct & 150ct continue coming down and are nearly the same price as the smaller ones. Demand is good on all sizes across the board. The peak size is in the smaller 230ct but it's beginning to change towards larger sizes. Quality is good overall. The overall supplies are increasing. The market is steady on the 175 - 250ct limes.



## CITRUS (ORANGES)

Shippers have good supplies of Valencias and peaking on 88s/113s/138s. California Navels are now done.



## CUCUMBERS (EASTERN)

The cucumber market seems to remain steady and consistent on Supers, but weaker on selects and cartons. The cucumber supply is coming from Virginia and moving north to New Jersey and west to Ohio and Michigan. Supers remain in good demand, while selects and cartons stay on the lower side. Quality is still reported as good from all growing areas. We should see steady supplies for the rest of the month from all these areas.



## CUCUMBERS (WESTERN)

Good quality and condition on cucumbers coming out of Northern Baja coast. Better production has picked up from multiple grower's this week. All sizes are being packed in 1 1/9 bushel boxes. Also 24's-36's-42's being packed. Color is just fair due to hotter temps



## EGGPLANT (EASTERN)

Eggplant Market remains steady with a little strength. Most Georgia shippers have finished their egg supply; while North Carolina has started, but supplies are in few hands and the acreage is down. Michigan cut the first of their eggs yesterday in a light way, but won't cut again until next week; volume will remain low there for now. New Jersey will have good supply when they start which is currently projected to be late July. Overall demand for product this time of year is down.



## EGGPLANT (WESTERN)

With temperature's dropping, eggplant is showing improvement in quality and condition. Fresno showing good quality and good volume. Cosmetic issue with egg plant are improving.



# Commodity Updates



## GRAPES (GREEN)

Green grape supplies continue to gradually increase out of the San Joaquin growing regions. Quality is excellent with sizes peaking in the large to extra large range. Market prices have remained steady this week but are expected to slightly drop at production increases next week.



## GRAPES (RED)

Red seedless grape production continues to increase in the San Joaquin Valley growing regions. Quality has been strong, but sizes continue to run on the smaller side. As we move forward and the weather continues to be warm, sizes and sugar levels will continue to increase. Market prices have been steady this week and are expected to remain fairly consistent next week.



## GREEN ONIONS

Steady supplies is the story here. Both Mexico and California continue to have plentiful supplies. The market is competitive and unchanged. There have been minimal quality complaints.



## KALE

The kale market will be steady for the rest of this week. Supplies are plentiful from all growing regions. Quality is excellent with little dehydration and yellowing.



## LETTUCE ICEBERG

This market has softened considerably. Warm temperatures has brought this commodity on in terms of production and demand has fallen up. Shippers are very open to making deals for volume type orders. Defects continue to be reported. These defects include pink ribbing, spotting, light weights and puffiness are common defects. Supplies will be strong throughout the week. Schools are expected to begin in August.



## LETTUCE LEAF

The market is flat and shippers are looking for business. Romaine heart supplies have picked up dramatically due to lack of demand and ideal weather to accelerate growth in all the growing regions. Green leaf continues to be the most abundant leaf item, but there is plentiful amounts of all leaf. Expect this trend of production to continue throughout the week. Demand is off. Defects continue on leaf items. These defects include tip and fringe burn. The defects, however are considerably less than in past weeks.



## MELON (CANTALOUPE)

The West Side started shipping a couple of weeks ago and supplies are steadily increasing. Quality out of the West Side is reported to be excellent. The desert is finished now. The market is steady right now.



## MELON (HONEYDEW)

Growers are harvesting dews in the West Side and the volume will steadily increase. The desert honeydews are finished up for the season and Mexico will be done this week. Quality in the West Side is very nice. The market is steady right now. Quality has been reported as excellent.



## MELON (WATERMELON)

Demand for Western Watermelon has curtailed. Watermelon is being shipped from Western Arizona, Southern and Central California. Quality is good with mostly Large sizes being harvested. Extreme heat has increased the sizing to mostly very large fruit, 30s, 36 and 45s.



# Commodity Updates



## ONIONS

Onions are coming out of Central California and New Mexico and have started in a very light way with new crop yellow and reds out Washington. Markets are firm with supplies of medium and jumbo onions starting to balance out pushing the pricing on large sized onion. Look for the markets to stay steady into the end of this month. Additional supplies will start coming out of Washington and Idaho as we move into the middle of August. Expect pricing to fall considerably once we get into September.

## PEARS

**California** - Bartlett pears are steady on all sizes and continue to peak on 100/110/90s. The quality has been good. Crimson pears are also steady and they are peaking on half carton 45/40s but supplies are limited so expect a firm market. There are a few full carton Crimsons available as well. The quality has been good.

**Washington** - D'anjou pears are steady but supplies are very short and their season is almost over.

**Chile** - Chilean & Argentinian Bosc are both steady to lower and they continue to peak on 70-100s. The quality has been good.

## PINEAPPLES

It's rainy season in the tropics. We are starting to see some water translucency show up in the pineapples and a greener shell color. Shippers will be picking the fruit a little earlier to help prevent the water translucency, this leads to the greener shell color. Shell color is not an indication of ripeness. Supplies are tight and are expected to be so through July.

## POTATOES

All growing areas are starting to see the end of their storage crop which is lining up perfectly with new crop russet potatoes coming to market. Idaho continue to experience a slightly weaker market on the larger cartons. Washington, Colorado and Wisconsin have steady markets. Quality is still being reported as good out all areas.

## POTATOES (COLORED)

**Bakersfield, California** - Supplies are short and the season is almost finished, don't expect much after this Friday from most shippers. The shippers that have product are steady. The quality has been good.

**Stockton, California** - Reds, whites, and golds are all steady and all are peaking on A size. Baker whites and reds are limited but there are a few golds. They have good quality with good maturity.

**Alabama** - Red potatoes are steady and they are peaking on A-size. There are no creamers packed in Alabama. The quality is good.

**North Carolina** - Reds and golds are steady on all sizes but supplies are more limited in both colors. Whites are finishing so only light supplies of them. All colors are peaking on A-size and larger. The quality is fair to good.

**Muleshoe, Texas** - Red and gold potatoes are steady on all sizes. The quality has been good.

**Missouri** - They are steady on all Reds. The quality is reported as good.

**Washington** - Eastern red and gold potatoes are steady and both are peaking on A-size. Bs and smaller are limited in both colors.



# Commodity Updates



## SQUASH (EASTERN)

The squash market remains steady at lower prices. There are still supplies coming from Virginia, north to Massachusetts, and west to Ohio and Michigan; there is still a light supply coming from western North Carolina. Michigan shippers are starting to skip picking days to help offset the flooded availability. Next to no reports of quality issues in any of the growing regions. Look for these markets to stay on the lower side moving into the backside of this week.



## SQUASH (WESTERN)

Heavy production on both zucchini and yellow squash are being offered in volume. Sizing is mostly larger due to warm weather. Quality is mostly good but some scarring on certain lots.



## STONE FRUIT

Large size peaches, nectarines and plums continue to be in excellent supply. Smaller volume fill fruit continues to be limited due to the warm weather. Overall quality has been good with a few reports of softer fruit in certain lots. Markets have been split. Larger tray pack fruit has been dropping in price as production continues to increase. Smaller size fruit, on the other hand, has been limited and market prices have been on the rise. This will continue until the weather cools off in the next 7 - 10 days. Apricots are available but volume is light and prices are firm.



## TOMATOES (EASTERN)

Round tomatoes are dwindling in the eastern growing regions of the U.S. Florida and Carolina have finished producing for the season and Arkansas has began to taper off. The market will be substantially higher until Virginia and Tennessee get started in the next week or so. The roma market is mixed based on scattered quality fruit being shipped from the west. Expect to pay premium for larger sizes. Grape and Cherry tomatoes remain short this week due to a gap in production along the eastern shore. There is light harvests underway, but not nearly enough to cover the demand. Volume should increase in the coming days as new crops get started.



## TOMATOES (WESTERN)

California still has an abundance of tomatoes and the market is very reasonable at this time. The roma tomato market is up, especially for bigger, higher quality fruit. With mixed quality reports circulating, expect cheaper fruit to show cracks and sun scars from excessive heat. Overall, larger romas are short in supply and harvesting in several areas including Baja, Mexico, mainland Mexico, and central California. In the west there is very heavy demand for grapes, keeping their markets strong. Cherry tomato supplies are coming from Baja, Mexico, central California, and mainland Mexico. None of the areas have heavy volume and the market is all over the board, depending on the area.





# Commodities at a Glance



Commodity / Region	Market	Quality
<b>Apples</b>		
Wenatchee/Yakima, WA and Hood River, OR	Steady	Good
Chile	Steady	Good
<b>Asparagus</b>		
Central Mexico	Steady	Good
Ica, Peru to Trujillo	Steady	Good
<b>Avocado (California)</b>		
Oxnard/Ventura, CA	Steady	Excellent
Temecula/Escondido, CA	Steady	Excellent
<b>Avocado (Mexican)</b>		
Michoacan, Mexico	Steady/Higher	Good
<b>Bell Peppers (Eastern)</b>		
Lee / Grady County, GA	Steady/Higher	Fair
Henderson / Buncomb County, NC	Steady/Higher	Excellent
<b>Bell Peppers (Western)</b>		
Southern San Joaquin Valley, CA	Steady	Good
<b>Berries (Blackberries)</b>		
Salinas, CA	Steady/Higher	Good
Watsonville, CA	Steady/Higher	Good
Sheridan, OR	Steady/Higher	Good
<b>Berries (Blueberries)</b>		
Pitt Meadows, BC	Steady	Good
Mossyrock, WA	Steady	Good
Salem, OR	Steady	Good
Demotte, IN	Steady/Higher	Good
Grand Junction, MI	Steady/Higher	Good
<b>Berries (Raspberries)</b>		
Watsonville, CA	Steady/Higher	Good
Santa Maria, CA	Steady/Higher	Good
<b>Berries (Strawberries)</b>		
Salinas Valley, CA	Steady	Good
Watsonville, CA	Steady	Good
<b>Broccoli</b>		
Salinas Valley, CA	Steady	Good
Oxnard/Santa Maria, CA	Steady	Good
Celaya Guanajuato Mexico	Steady	Good

Commodity / Region	Market	Quality
<b>Brussels Sprouts</b>		
Salinas Valley, CA	Steady	Excellent
Northern Baja California Norte, Mexico	Steady	Good
Oxnard, CA	Steady	Excellent
<b>Carrots</b>		
Bakersfield/Santa Maria, CA	Steady	Excellent
<b>Cauliflower</b>		
Salinas Valley, CA	Lower/Steady	Good
Oxnard/Santa Maria, CA	Lower/Steady	Good
<b>Celery</b>		
Michigan	Steady	Good
Oxnard/Santa Maria, CA	Steady	Good
Salinas Valley, CA	Steady	Good
<b>Cherries</b>		
Yakima, WA	Higher	Good
<b>Chili Peppers</b>		
Southern San Joaquin Valley, CA	Steady	Good
<b>Cilantro</b>		
Baja, MX	Higher	Fair
Oxnard/Santa Maria, CA	Higher	Fair
Salinas, CA	Higher	Fair
<b>Citrus (Lemons)</b>		
Oxnard/Ventura, CA	Steady	Good
<b>Citrus (Limes)</b>		
Veracruz, Mexico	Lower	Excellent
<b>Citrus (Oranges)</b>		
Merced to Bakersfield, CA	Steady	Excellent
Riverside, CA	Steady	Excellent
<b>Cucumbers (Eastern)</b>		
Lee / Grady County, GA	Steady	Fair
Henderson / Buncomb County, NC	Steady	Good
Ottawa / Kent / Berrien County, MI	Steady	Excellent
<b>Cucumbers (Western)</b>		
Northern Baja California Norte, Mexico	Steady	Good
<b>Eggplant (Eastern)</b>		
Ottawa / Kent / Berrien County, MI	Steady	Good



# Commodities at a Glance



Commodity / Region	Market	Quality
<b>Eggplant (Western)</b>		
Fresno, CA	Steady/Higher	Good
<b>Grapes (Green)</b>		
Arvin, CA	Steady	Excellent
<b>Grapes (Red)</b>		
Arvin, CA	Steady	Excellent
<b>Green Onions</b>		
Mexicali, Baja	Steady	Good
Salinas Valley, CA	Steady	Good
<b>Kale</b>		
Salinas, CA	Steady	Excellent
Oxnard/Santa Maria, CA	Steady	Excellent
Baja, MX	Steady	Excellent
<b>Lettuce Iceberg</b>		
Oxnard/Santa Maria, CA	Lower	Fair
Salinas Valley, CA	Lower	Fair
<b>Lettuce Leaf</b>		
Oxnard/Santa Maria, CA	Steady	Fair
Salinas Valley, CA	Steady	Fair
<b>Melon (Cantaloupe)</b>		
Firebaugh, CA	Steady	Excellent
Mendota, CA	Steady	Excellent
<b>Melon (Honeydew)</b>		
Firebaugh, CA	Steady	Excellent
Mendota, CA	Steady	Excellent
<b>Melon (Watermelon)</b>		
Phoenix, AZ	Steady	Good
<b>Onions</b>		
Huron/Metler, CA	Steady/Higher	Good
Las Cruces, NM	Steady/Higher	Good
<b>Pears</b>		
Wenatchee/Yakima, WA and Hood River, OR	Steady	Fair
Stockton, CA	Steady	Good
Chile	Steady	Good

Commodity / Region	Market	Quality
<b>Pineapples</b>		
Alajuela, Costa Rica	Steady	Good
Heredia, Costa Rica	Steady	Good
Limon, Costa Rica	Steady	Good
La Ceiba, Honduras	Steady	Good
Retalhuleu, Guatemala	Steady	Good
Peten, Guatemala	Steady	Good
<b>Potatoes</b>		
Hamer/Rupert, ID	Lower/Steady	Fair
Quincy/Hermiston, WA	Steady	Good
Eastern Colorado	Steady	Good
Plover/Bancroft, WI	Steady	Good
<b>Potatoes (colored)</b>		
Bakersfield, CA	Steady	Good
Stockton, CA	Steady	Good
Ider, AL	Steady	Good
Elizabeth City/Camden, NC	Steady	Fair
Pasco/Tri-Cities, WA	Steady	Good
Muleshoe, TX	Steady	Good
<b>Squash (Eastern)</b>		
Henderson / Bucomb County, NC	Lower/Steady	Fair
Ottawa / Kent / Berrien County, MI	Lower/Steady	Good
<b>Squash (Western)</b>		
Santa Maria, CA	Steady	Good
<b>Stone Fruit</b>		
Madera south to Arvin, CA	Steady	Good
<b>Tomatoes (Eastern)</b>		
Southeast Arkansas	Steady	Good
Exmore, VA	Lower/Steady	Good
<b>Tomatoes (Western)</b>		
Coachella Valley, CA	Steady	Good
Northern Baja California Norte, Mexico	Steady	Good

