



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Freezing temperatures in all the growing regions expected over the next five days, minimum.

Record cold/freezing temperatures will slow production on Strawberries out of California.

The small California Navel oranges are very tight and limited on availability



The Source

December 4, 2013

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Weather: *Tim Lynch*

The much anticipated, very cold, Arctic air mass moves into California and the Western Desert regions today. This relatively dry system will bring strong winds and hard freeze conditions to interior Southern California and possibly the desert regions late this week. Freeze and frost warnings are active throughout the various regions of California and Arizona with numerous crops in the line of fire. High temperatures in the 50s will be the norm these cold systems move into the region over the next week. We will be closely watching these cold Arctic storm systems and the numerous crops that will be affected as they move into the west this week.



Freight: *Mike McIntire*

Trucks in California and Arizona are more available than last week post holiday. Trucks in the Northwest remain tight with the start of Christmas trees. The National Diesel is up \$.039 this week.



Commodity Updates

APPLES/PEARS *John Tole*

New York continues to pack Empires, Macs', Romes, Red Delicious, Galas, Fuji's, Macouns, and Courtland's. The New York fruit is larger than normal and most varieties are still peaking between 88's and 100's. Michigan is still packing Red Delicious, Fuji's, Golden Delicious, Gala's, McIntosh, Jonagolds, Jonathans, and Red Romes. Most of the Michigan fruit is peaking on 125/138's for all varieties. Washington Red Delicious is steady and is still peaking on the larger sizes in the Washington extra-fancy #1 grade. Smaller reds remain short. Golden Delicious is also steady and is still heavy to 80/88's in the Washington extra-fancy grade. Granny-Smith is steady to higher in Washington and is heavy to 88/100's and extra-fancy fruit. Galas are still heavier to 88/100's and the market is steady to higher. Washington Fuji's are steady and most packers are still peaking on 80's and larger. Honeycrisp, Braeburns, Pink Ladies, Cameos, and Jonagolds, and the other varieties are available and they are mostly large. Washington Bartlett pears are steady and are still peaking on US#1 90/100's. Bartlett supplies are limited right now. D'Anjou pears are also steady and continue to peak on US#1 90/100's. Both the Bartlett's and D'Anjou's have limited supplies on 120's and smaller. Washington Bosc pears are steady and are producing more of 80 & 90 sizes. Washington Red Pears steady and are peaking on size 45's.

ASPARAGUS - *Gabe Romero/Mike Pacheco*

This market is steady, overall. Suppliers continue to have light to moderate supplies from Mexico. Peruvian production is good and can be loaded out of Florida if desired. This will obviously cut down on freight compared to west coast freight. Extra Large and Jumbo asparagus is limited from either growing region.

AVOCADO *Tim Kelley*

Demand is good and steady on all sizes. Mexico's supplies are steady with sizes running mostly 48's and smaller. Chilean fruit is arriving in limited volumes. Market is steady.

Commodities at a glance...

<u>Commodity</u>	<u>Quality</u>	<u>Market</u>
Apples	Good	Steady
Asparagus	Good	Steady
Avocado (Mexican)	Good	Steady
Avocado (California)	DONE	DONE
Bell Peppers (Western)	Good	Steady
Bell Pepper (Eastern)	Good	Higher
Berries: Strawberries	Fair	Higher
Berries: Raspberries	Good	Higher
Berries: Blackberries	Fair	Lower
Berries: Blueberries	Good	Steady
Broccoli	Good	Lower
Carrots	Good	Steady
Cauliflower	Good	Steady
Celery	Good	Steady
Citrus: Lemons	Good	Higher
Citrus: Oranges	Good	Higher
Cucumbers (Western)	Good	Steady
Cucumbers (Eastern)	Good	Steady
Eggplant (Western)	Good	Steady
Eggplant (Eastern)	Good	Lower
Grapes, Green	Good	Higher
Grapes, Red	Good	Higher
Green Onions	Good	Steady
Lettuce: Leaf	Good	Steady
Lettuce: Iceberg	Good	Steady
Melons: Cantaloupe	Good	Higher
Melons: Honeydew	Good	Higher
Onions	Good	Steady
Pears	Good	Steady
Potatoes	Good	Steady
Squash (Western)	Good	Higher
Squash (Eastern)	Good	Steady
Stone Fruit	DONE	DONE
Tomatoes (Western)	Good	About Steady
Tomatoes (Eastern)	Average	Steady
Watermelon	Good	Higher

Commodity Updates *continued*

BELL PEPPERS

Western Bells: *Mike Cantu*

Green bell market is steady on larger size bells. Crops are currently shipping from Southern California, Nogales, and from Baja. Most Mexican growers are harvesting more medium/smaller fruit than larger sizes. Mexican green bells are light in larger sizes due to hurricane Manuel. Some opportunities on choice green bells but sizing would be med/small. Coachella is currently in production. Nogales will see increased crossings in the next coming weeks. Open field colored Red bell market are beginning to settle slightly as Coachella is starting new lots. High FOBs will continue even though Coachella has started their volume will not offset the demand. Mexico will start until first/middle part of December. We ought to see relief on markets in the next couple of weeks as new lots start up. Demand still exceeds availability from Southern California. Tardiness in Coachella and Mexico startups will keep markets on the high end for the next couple of weeks. Gold bells markets continue steady availability depends on growing district. Demand exceeds as Mexican production has not yet started in earnest. We are starting to see some hot house product crossing but still light.

Eastern Bells: *Janine Baird*

Pepper has tightened up with most of Georgia now pulling the plug on pepper and south Florida really not into good volume just yet. Look for market to nudge up slightly by the end of the week.

BERRIES *Mike Gorczyca*

Strawberries: Supplies are getting better out of Florida and Mexico, but are very limited out of California as we are getting hit with record cold/freezing temperatures which will slow production. This colder weather will slow down the fruit from color up. Supplies will be very limited out this area till after the first of the year. The market is steady but firm out of California. Florida and Mexico market will start to weaken slightly as supplies are increasing next couple weeks. A few new areas are starting to break ground in California are Oceanside, Irvine and Coachella. Supplies in these areas will not be up to speed till after the first of the year

depending on Mother Nature. Sizing continues to run very small and quality is marginal out of California. Quality out of Florida and Mexico is being report as good.

Raspberries: The raspberries market is firm as we hit the lowest production of the year. The main growing are currently is Central Mexico with some light supplies still being harvested in Oxnard. The forecast is calling normal temperatures in all growing regions in Central Mexico (Hidalgo; La Ticla; and Los Reyes), which should help out supplies next couple weeks. Good quality being shipped currently.

Blackberries: Supplies have caught up with demand, which is driving this market down. The weather in Central Mexico has been nice past couple weeks, which has helped supplies. Quality is fair to good depending on the lot.

Blueberries: Blueberries are transitioning from Argentina to Chile. The first boat shipments out of Chile will hit the U.S. this week. The main pack size will be 6oz with very limited supplies of 4.4oz. Quality is being reported as good. Expect this market to remain steady with moderate demand and moderate supplies.

BROCCOLI *Gabe Romero/Mike Pacheco*

The broccoli supplies are strong. Growing regions include Salinas, Santa Maria, Yuma and Scottsdale. Better pricing continues to load out of the Salinas valley. Yuma production will pick up this week, but a cold front will be coming in all the growing by mid week. This will likely alter production next week. It would be a good idea to book extra product as this market will likely turn next week. Demand is steady, overall.

CARROTS *Tim Kelley*

Supplies of carrots are good, with good size on JBO's. Quality is good.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

The cauliflower market continues to have strong supplies, but demand is off. Overall, this market is steady. Yuma production has light supplies and with a cold front coming in all growing regions, supplies look to be tighter next week. Salinas and Santa Maria continue to have good supplies available. Like broccoli, many shippers are looking to move volume

Commodity Updates continued

type orders and are listening to offers. Again, it would be savvy to book a few extra pallets this week before this market turns.

CELERY *Gabe Romero/Mike Pacheco*

The celery market is steady, overall. Production is occurring in Santa Maria, Salinas, and Oxnard. Shippers are transferring to Yuma for a fee. Expect supplies to remain moderate throughout the week on all sizing. The quality is reported to be good in all the growing regions.

CITRUS *Tim Kelley*

Lemons: Demand remains very good on all sizes from all shippers. New crop Desert fruit supplies are now starting to build some inventory on 140's and larger. Smaller fruit 165's/200's/235's are just meeting daily demand.

Oranges: New crop California Navels are very nice, with color and brix improving weekly. Sizing peaking on 72's/88's/56's, small size fruit, 113's/138's is extremely limited and will become progressively worse as fruit continues to size up through the season. We advise booking all small fruit orders as far in advance as possible.

Limes: Supplies are lighter with the rains in the Growing areas of Mexico. Quality will become more of a problem (stylar, Brown spots and lighter color) with these rains.

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market appears steady as the Holiday pulls have finished and tempered demand. Crossings through Nogales are increasing but movement is still brisk. Quality is good and anyone with older inventories is cleaning up. Weather seems to be seasonal but evenings are slightly cooler than optimal. Baja California cucumbers are decreasing in supplies as they are slowing wrapping up.

Eastern Cucumbers: *Janine Baird*

South Florida's domestic cucumber volume is starting to pick up a bit and Central Florida still has small volume. This market will likely remain at current levels simply to compete with Nogales.

EGGPLANT

Western Eggplant: *Mike Cantu*

Market is settling down and supplies are improving. As with other products, the cooler

and possible showers in the evenings may slow down production and we foresee some uptick in markets by week's end. There is a slight threat of rain for the week which may interrupt harvesting. Eggplant is also available for loading out of Coachella, CA. Slowdown in holiday pulls and colder weather heading to the Mid West and East will also temper demand.

Eastern Eggplant: *Janine Baird*

Eggplant volume is finally starting to pick up in Florida which is bringing the market down a bit. This downward trend should continue through the weekend, weather permitting.

GRAPES: *Amy Grolnick*

Crimson are the main varietal now with some limited quantities of Vintage red and Scarlet Royals around. The market continues to be a mixed bag depending on varietal and color. Several shippers are looking to make deals in order to clean up their fruit and not get stuck with too much in storage. There are Peruvian and Brazilian grapes available on the East Coast but at a much higher price point. We should see the first of the Chilean fruit into the East Coast with limited volume the week of December 16. Green grapes are becoming a little more limited and should clean up in the next couple of weeks. The market is higher with light demand mostly larger size fruit available. Black seedless grapes have excellent quality and good availability. Seeded Globe grapes are available with excellent quality.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

Availability out of Mexico continues to be steady, as pricing has remained flat. Mexico and California are the major growing regions currently. Supplies are expected to be good throughout the week with most suppliers.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The romaine market is steady. There is still some availability in Salinas if there is a need. Yuma and Thermal have strong production. Demand is off. There continues to be light flexing with a few suppliers. The green and red leaf availability is good and the market is also steady. Blister and epidermal peel will be more prevalent with all leaf items due to freezing temperatures.

Commodity Updates Continued

LETTUCE *Gabe Romero/Mike Pacheco*

This market has remained unchanged. The weights are much better with shippers reporting 40-48#s and much better head size and shaping. Yuma is in full swing and is expected to have good supplies throughout this week. Freezing temperatures are expected and this market will likely turn around next week. Blister and epidermal peel are likely to be seen.

MELONS: *Amy Grolnick*

Cantaloupe: Offshore product has started with good availability on large fruit only. Mostly 9's and larger available. Limited on 12's and smaller fruit non-existent as shippers try and cover contracted fruit. Nogales is done with cantaloupe and Yuma is finishing up with limited availability. Look for the market to strengthen into next week.

Honeydew: Yuma is finishing up on dewes with limited availability. Nogales has good availability of all sizes with good quality. Offshore dewes are available but like the cantaloupe are running very large. Small fruit is very limited.

ONIONS *John Tole*

The northwest yellow onion market is flat. Post holiday demand has only been fair. Several of the Idaho/Oregon suppliers are short on medium yellows. Red onions are steady in all areas and medium red supplies remain limited. The White market is steady on jumbos and mediums. Trucks are still the tightest thing in the northwest but Christmas trees will be done in a week to ten days. The quality has been good in all areas and on all colors.

POTATOES *John Tole*

Cartons are steady in Idaho for both varieties. Many packers are concerned that the cold weather hitting Idaho will prevent them from packing, so we could see tighter supplies next week. Idaho Burbanks are still spread fairly evenly across the size spectrum while the Idaho Norkotahs are heavier to 80's and larger. Washington is steady on all sizes and they are still peaking on 80-count and larger. Washington still has volume deals of 40's and 50's. Nebraska and Colorado are also steady and they are peaking 70's and larger. Colorado & Nebraska is both steady on all

carton sizes. Wisconsin russets are steady on 80's and smaller and up slightly on 70's and larger. Bakersfield, California is shipping Reds & Golds from Washington. Their market is steady on all sizes. Whites are very limited. Western Washington reds and Golds are both peaking on A-size and the markets for both are steady. Bakersfield will have its own white potatoes next week. Wisconsin red potatoes are mostly steady on B's and C's with some flex on volume A-size orders. Minnesota red potatoes are steady on all sizes but they also have some flex on volume orders of Red A's.

SQUASH

Western Squash: *Mike Cantu*

Market is showing signs it is trying to inch up on both Italian and Yellow S/N. Older inventories are cleaning up. Most are new arrivals and pressing markets up. Northern Sonora product has been shipping for a couple months and soon will be on its way out. The cooler evenings are slowing down harvesting. Yellow straight neck squash is higher overall than Italian. Northern Sinaloa product has started in light numbers. The passage of holiday pull may temper any potential rise in FOBS but slowing production on yellow s/n squash may keep marketing going upwards regardless.

Eastern Squash: *Janine Baird*

As with cukes, squash out of South Georgia is done and the supplies in Central Florida are tapering down, as is typical this time of year. South Florida is starting to ramp up this week, so their pricing reflects the volume and lack of demand, making this almost a two tiered market.

STONE FRUIT *Amy Grolnick*

Domestic fruit is done for the season. Chilean cherries are available on both coasts mostly large fruit coming in.

TOMATOES *Aaron Aliotti*

Western: Tomatoes out of Baja are very limited with the Mexican National Market keeping much of what is available south of the boarder. Mexican tomatoes from Baja continue to cross in light volumes and the storms in Central Mexico weeks back have delayed production. It will be about 2 weeks before we

Commodity Updates Continued

can see any new fruit introduced to the market from the transition. This gap will keep the roma price high while supplies are limited already sending buyers in the west to Florida looking for whatever can be acquired. Grape and cherry tomatoes are steady this week with sizing varying between growers. We can expect an active market through the holiday season with things calming down near the New Year when volumes are forecasted to be more consistent.

Eastern: The round tomato market remains stable again this week with volumes expected to increase in weeks to follow. The need for Romas is up further this week with buyers from the west looking to capture whatever is available to cover the shortage during transition in Mexico. We can expect the market to grow even stronger over the next 2 weeks before we see any great increase of volume enter the pipeline. With thanksgiving behind us, the demand for Grape tomatoes and Price has fallen a bit this week, however as we approach the week of Christmas we can expect things to tighten up again. Cherry tomatoes have also come down this week with more inventories available due to lower demand and better production. Weather, as always, will play a big factor in the market as demand grows during the holiday season and low temperatures threaten yields through the New Year.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Supplies are steady on lettuce with good quality being reported. The Broccoli and cauliflower supplies are strong and there are no issues on orders being filled. The romaine supplies will be strong throughout the week.

WATERMELON *Mike Cantu*

Market is heading up. Crops are sizing down as early crops are going through their paces. Current Nogales crossings are slowing down. Transitions taking place as Sonora crops start slowing down in production and sizing. New district crops will be at a premium. Quality is good but volume is slowing. Some light supplies of northern Sinaloa watermelons crossing through Nogales. Other districts are limited availability and higher FOBs.