



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Strawberry Quality is fair at best due to warm nights for the last two months

Apples and Pears- the eastern supplies are short and Washington is in large fruit so stay ahead on the smaller sizes

Lemon demand is exceeding supplies on all size and grades

Oranges demand is exceeding supplies on the small sizes 113's and 138's



The Source

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Weather *Tim Lynch*

An upper level low pressure trough over Central California moves southeast allowing for substantial cooling over the next few days. A couple of tropical systems off Baja may bring some monsoonal moisture from the south into Central California keeping the threat of lightning and thunderstorms in the region over the next few days. Moderate to heavy on shore flow will keep the coastal areas moist with inland areas only reaching the upper 80s. High pressure builds into early next week with slight warming trend.



Freight: *Mike McIntire*

Trucks in California are steady but will tighten up at the end of the week. Washington and Idaho trucks remain steady but are getting tighter now that onions have started in the Parma, ID area. The national average on diesel fuel remained steady and is currently 3.835 per gallon. CA diesel price is now 4.086 per gallon. Crude oil remains steady and is currently 95.67 per barrel.



Commodity Updates

APPLES/PEARS *John Tole*

New York will start pack light volume of Jersey Mac's, Paula Reds, and Ginger-gold's this week. California Gala's are steady on 100's and larger but the shippers are trying to clean-up, 113's and smaller are finished. California Fuji's are steady and are still lighter in color. California fruit is peaking on 100/113's but the availability of the smaller fruit is disappearing quickly. The market for Washington Red Delicious continues to slowly rise especially the 113's and smaller. The reds continue to peak on 80/88/100's. Most of the Washington suppliers have very reds left and will pack for another couple weeks and then will be limited to their inventories, so we could see a gap. Ginger-gold's and/or Early-gold's are available and they are heavy to the lower grades. Most packers are pricing them competitively to get them sold. Washington Granny's are still peaking on 88/100/113's and there are still some volume deals on the smaller sizes. Washington Fuji's are essentially finished for the season. California Bartlett pears continue to peak on 80's and 90's. The market for larger fruit is steady with good availability while the 120's and smaller are non-existent. Washington Bartlett pears are available and have better numbers of the smaller sizes than California did but the demand has been strong. California Bosc pears are available but the volume is light and the market remains very strong. California Red pears are also steady and peaking on larger fruit. Washington has started packing a few red pears...

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is still very active. Bad weather in the growing regions of Mexico has made this commodity extremely scarce. Demand clearly exceeds supply and this will continue for the entire week. Production in Peru is moderate to light. Loading directly in Miami is an option. Jumbo sizing continues to be very light and demands a premium price.

AVOCADO *Tim Kelley*

California is going strong, and quality is excellent, with sizes peaking on 60's and larger. Mexico is beginning their Flor Loca crop

Commodities at a glance...

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

Commodity Updates continued

harvest. This fruit will take longer to ripen as mature levels are low. Peruvian fruit supplies are good and will continue through August. Their fruit is mostly 48's and larger, with a limited amount of 60's. Fruit quality is good, with very good maturity levels. As we get into the second half of August, supplies of all origin will begin to decline and market looks to get very active.

BELL PEPPERS

Western Bells: *Mike Cantu*

Supplies are improving on green bell peppers from Fresno. Bakersfield and Arvin area are about wrapping up. California red bell market is slightly higher. California is currently experiencing slight gaps in supplies on red bells both open field and hothouse. Demand currently exceeds on Red and Gold bell peppers from both California and Texas districts. Colored bell peppers supplies from California will continue to be a challenge for the remainder of the season until Baja California kicks in this fall. Gold bells markets continue at HIGH fobs and very light supplies availability depends on growing district. Mexico has basically wrapped up on both hothouse and open field gold bells. Some greenhouse gold bell peppers are crossing through South Texas.

Eastern Bells: *Harry Sheaffer*

Volume in Michigan has ramped up, softening the market somewhat. Decent weather should hold this market down for several more days.

BERRIES *Mike Gorczyca*

Strawberries: Demand exceeds supply. Market is active and on the rise due to the following factors; warm nights, labor shortage and seasonally winding down of the California crop. Look for this trend to continue. Quality has not improved and will not till the night time temperatures get below 56 degrees. Shippers are selling out two in advance and having to fill rate orders. Fruit size is small with full color fruit being shipped. Quality issues showing up upon arrivals: Bruising, overripe fruit, and light mold. Shippers are quoting their fruit with as high as 20% bruising. The small sizing is making it hard to get Stem strawberries and what is being harvested is basically a strawberry with a long stem.

Raspberries: Growers have past their peak production for the season. Supplies are lighter

this week which has this market starting to firm up. Quality is fair. The main issue showing up in the pack is soft fruit due to the warm nights. Look for this market to continue rise.

Blackberries: Blackberries growers have passed their peak. Moderate to good demand with lighter supplies has this market firming. Quality is fair due to the warm nights which is keeping the fruit soft

Blueberries: Supplies are winding down out of the Northwest. Wet weather followed by heat has hurt the quality. Market is firming. Next area to come into play will be Argentina which is about 3 to 4 weeks away. Look for the market to continue to creep up over the next couple of weeks.

BROCCOLI *Gabe Romero/Mike Pacheco*

Supplies continue to be on the scarce side for bunched broccoli as well as crowns. Demand clearly exceeds supply. This market will continue to gain strength throughout the week. Processors are buying as much acreage as possible. This will put the pinch on carton production. Contracts will have priority with all suppliers. Santa Maria, Salinas and Mexico are the growing areas for these commodities. Knuckling is being seen on the crowns.

CARROTS *Tim Kelley*

Bakersfield crop is producing good volumes of good quality carrots with good size.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market is steady with most shippers. Some suppliers are more aggressive in pricing but deals are still available on this commodity. Demand is steady, overall. Production continues mainly out of Santa Maria and Salinas. The quality has been reported as good.

CELERY *Gabe Romero/Mike Pacheco*

This market has remained unchanged. Small sizing, thirty-six counts in particular continues to demand a higher price as opposed to the larger sizes. Santa Maria and Salinas continue to be the main growing regions for this commodity. The quality continues to be strong with most shippers. Demand is moderate at best.

CITRUS *Tim Kelley*

Lemons: Demand continues strong and is exceeding supply on all sizes and grades. Fruit is

Commodity Updates continued

especially tight on 165's and larger fruit due to lack of growth because of drought conditions in California. Expect these tight supplies to get worse before they get better over the next 8 weeks.

Oranges: Valencia supplies are steady. Sizing continues to favor the 88's/72's/113's sizes. Demand is exceeding supplies on the smaller fruit 113's and 138's with the increased demand brought on by schools starting.

Limes: Demand has leveled off and for now supplies are matching it. The market is currently stable across all sizes. The new growing area continues to produce mostly small sizes which have good quality. The overall quality of the old crop is acceptable with some yellowing and minor defects showing. Volume overall is lower due to quality caused by warmer than normal temperatures.

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is higher due to lighter supplies. California (Mex) cucumbers from Baja, supplies are not meeting current demand. Supplies are available in South Texas but also very light supplies and slightly higher FOB's.

Eastern Cucumbers: *Harry Sheaffer*

The cucumber market has nudged up just slightly but no big spikes are expected this week. Quality has been excellent.

EGGPLANT

Western Eggplant: *Mike Cantu*

California is creeping up slightly as heat slowed down production slightly. Demand slightly outpacing supplies. We will see slight gaps due to transitions and weather.

Eastern Eggplant: *Harry Sheaffer*

Eggs are in good supply and quality.

GRAPES: *Amy Grolnick*

The market is strengthening but supplies are still available on red, green, blacks and globes. Sizing is running anywhere from small to Extra Large on all fruit.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is steady, overall. Supplies have been upgraded to moderate from multiple suppliers. Pricing is likely to be steady for the

entire week.

LEAF *Gabe Romero/Mike Pacheco*

The romaine market is firm. Issues of fringe burn and decay continue to be defects reported upon arrivals. Green leaf is firm with most suppliers. Red leaf and butter are steady. Colossal romaine hearts continue to be light in availability and orders are being subbed with regular romaine hearts. Tip and fringe burn continue to be issues that most growers are dealing daily.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is stronger with most shippers. Supplies are on the light side as demand exceeds supply. Pricing is rising gradually on a daily basis. There have been complaints sporadically upon arrivals. Pinking, rib discoloration and russet spotting are the main defects being reported. The weights on palletized continue to average 39-44 pounds.

MELONS: *Amy Grolnick*

Cantaloupe: Demand has flattened out. The market has also flattened. Quality is good. Sizing for the most part is peaking to 9's and 12's with lesser availability on small fruit.

Honeydew: The Westside fruit is available, fruit continues to peak to large sizes. The market is steady.

ONIONS *John Tole*

The yellow onion market is steady in most areas. Washington has light supplies of colossal and larger but they have good volume of jumbos and mediums. Idaho/Oregon has mostly large yellows and their volume is slowly increasing but they have been limited by the wet weather. California & New Mexico have limited volume but will continue packing through August. The red market is steady but the volume isn't coming as fast as we anticipated due to the wet northwest weather. Whites are steady in all areas but supplies are limited since the northwest hasn't hit full production yet. The quality has been good on all colors in all areas.

POTATOES *John Tole*

The Idaho carton market is steady to slightly lower on new-crop Norkotahs. Most packers continue to peak on 60/70/80/90's and have a nice average size with good maturity. The availability is improving as more shippers get

Commodity Updates Continued

started but intermittent thunder storms remain in this week's forecast and are causing delays. Most packers have finished running Burbanks. Washington new-crop Norkotahs are peaking between 70's and 80's and the market is lower on 70's and larger and steady on 80's and smaller. The new-crop quality Washington quality remains good. A few Colorado shippers have started running new-crop Norkotahs and they are steady on all sizes. The Colorado shippers remain relatively high priced. One Nebraska shipper is packing new-crop Norkotahs and they are also steady but relatively high-priced. Wisconsin russets are also steady and peaking on the smaller counts. Bakersfield gold potatoes are still peaking on A-size but supplies are limited. Stockton, California is steady on all colors and they are peaking on A-size for all varieties but have plenty of B-size as well. Texas is still shipping a few reds but they are almost finished for the season. Minnesota red potatoes are steady and they are peaking on A-size. Minnesota will start packing gold's this week. Idaho continues to pack reds and gold's and both colors are heavy to A-size. The Idaho market is steady for both colors. Wisconsin continues to pack reds and the market is steady. Wisconsin reds are heavy to A-size.

SQUASH

Western Squash: *Mike Cantu*

California squash currently shipping out of Santa Maria and Fresno. Supplies are lightening up due to hot weather in Fresno. Demand also pressing and slightly lower production may push market to creep up slightly later this week especially on yellow straight neck squash. We ought to see some squash starting up again in Fresno.

Eastern Squash: *Harry Sheaffer*

Michigan, Ohio and New Jersey are all working squash and the market remains steady throughout all regions. As the weather holds, no big changes are expected.

STONE FRUIT *Amy Grolnick*

California stone fruit is available with a mixed bag of colors and sizing available from different shippers. Small fruit remains very limited on nectarines. Both red and black plums and pluots remain available with excellent quality and good promotable volume.

TOMATOES *Aaron Aliotti*

Western/Mexico: California has heavy inventories of round tomatoes with smaller sized fruit being most abundant. Pricing is expected to remain low through the rest of August keeping pricing low on all sizes. The roma tomatoes out of California and Mexico have been matched with slow demand and low pricing as well this month with not much expected to change for the next several weeks. Cherry tomatoes are available in better volumes this week allowing prices to settle a bit while Grape tomatoes remain available in large numbers. Until local deals begin to go away next month, not a lot of change is expected next week.

Eastern/Tomatoes: Speculation of a higher market from previous weeks has proven to be false as many shippers are looking to be competitive moving inventories against local programs. Similarly, the roma tomato has seen a dip in demand with price falling slightly. There is no major change in grape and cherry tomatoes; large volumes of grape tomatoes are available while cherry are harder to come by. Pricing is steady with more of the same expected going through the end of next week although quality may be an issue as shippers attempt to clear out their backlogs.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Supplies are moderate on carton romaine. Fringe burn is an issue. Demand is steady. Lettuce supplies are lighter with all shippers. The quality problems of pinking and russet spotting will likely continue sporadically. This is industry wide. Broccoli supplies are extremely light. Processors will be watching twelve week averages for the next two weeks, so please be aware. Cauliflower supplies are steady. Lighter supplies are expected by the end of the week.

WATERMELON *Mike Cantu*

Current crops are mostly packed in bins and cartons packed by request. South Texas and Mendota California are currently shipping.