



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Cold temperatures in the Yuma region will slow down trucks as harvesting will be delayed with all commodities

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

Freeze on California Navel oranges continues. Losses yet to be determined.



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The Source

Weather: *Tim Lynch*

The very cold, Arctic air mass continues to impact California and the Western Desert regions this week. These relatively dry systems will continue to bring strong winds and freeze conditions to interior Southern California and the desert regions once again early 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 through the region over the next few days. We will be closely watching these cold Arctic storm systems and the numerous crops that will be affected as they move through the west this week.



Freight: *Mike McIntire*

Trucks in California and Arizona remain steady. Trucks in the Northwest remain tight with the start of Christmas trees. Fuel prices have been steady the past few months and should trend steady when they come out later today. Crude oil remains steady and is currently at 97.50 per barrel.

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 very active as supplies have tightened up severely with all shippers. The cold front in the Mexico region has slowed production. Although supplies from Peru have been moderate to good, demand exceeds supply. Extra Large and Jumbo asparagus is limited from either growing region. Loading Peruvian product is still an option in Florida but supplies are tight due to heavy demand.

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 begging to arrive in better volumes. Market is steady.

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)	DONE	DONE
Bell Peppers (Western)	Good	Steady
Bell Pepper (Eastern)	Good	Lower
Berries: Strawberries	Fair	Higher
Berries: Raspberries	Good	Higher
Berries: Blackberries	Fair	Lower
Berries: Blueberries	Good	Steady
Broccoli	Good	Steady
Carrots	Good	Steady
Cauliflower	Good	Higher
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	Steady
Green Onions	Good	Steady
Lettuce: Leaf	Fair	Higher
Lettuce: Iceberg	Fair	Steady
Melons: Cantaloupe	Good	Steady
Melons: Honeydew	Good	Steady
Onions	Good	Steady
Pears	Good	Steady
Potatoes	Good	Steady
Squash (Western)	Good	Steady
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*

The pepper market appears to be loosening up a bit with Nogales now ramping up. Quality is excellent and supplies will be good throughout the week.

BERRIES *Mike Gorczyca*

Strawberries: Strawberries are going to be changing with limited supplies out of California as we are getting hit with record cold/freezing temperatures. Santa Maria got extremely cold weather previous week, which ended their strawberry "fall harvest" for the season. Oxnard has not experienced the cold as they originally forecast, so the weather hasn't affected production as expected. From a quality aspect in Oxnard, expect to see some sizing issues, which will continue to run very small with 22-25 count. Expect to see about 20 to 25% white shoulders and tips in most packs till the weather warms up. Overall, quality is marginal at best out of California. New crop

Strawberries are starting to break ground in Southern California with light supplies, which will load out of Oceanside, Irvine, and Coachella. The forecast is calling for slightly warming trend going into the middle of the week in all growing regions of California. Currently, Florida and Mexico's strawberry growing areas have not been affected with weather during the first part of the week which will help out the supplies for our Midwest and East Coast Members. This strawberry market will remain extremely tight until the first of January when new crop is up and running.

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, 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 boat shipments out of Chile will hit the U.S. later in the week and expect some delays at cooler with transfer trucks. The main pack size will be 6oz with very limited supplies of 4.4oz. Quality is being reported as good. Expect this market to slightly steady to good with moderate demand and lighter supplies.

BROCCOLI *Gabe Romero/Mike Pacheco*

The broccoli supplies continue to be produced in Santa Maria, Salinas, Scottsdale and Yuma. Sharper pricing continues out of Salinas but offers are being listened to by all suppliers loading anywhere. Demand is off and supplies look to be good throughout the week.

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 has become much more active compared to the previous week.

Commodity Updates continued

Supplies in Salinas have tightened up considerably and Yuma production is light. Santa Maria is in light production as well. Many shippers have caught up with the excess inventory supplies. Expect this market to get stronger throughout the week.

CELERY *Gabe Romero/Mike Pacheco*

The celery market is continues on a steady path, overall. Production continues to be in Salinas in a small way. Oxnard and Santa Maria are the main growing regions. Shippers continue to ship product to Yuma for a transfer fee. Picking up directly in Oxnard produces the best fob. Supplies are expected to be 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: Freeze on the California Navel crop continues. Four days of freezing temperatures have growers assessing damages, with many shut down as they do. There is still very cold air mass expected for Monday night / Tuesday morning, with a break coming Wednesday. It could take growers several weeks before the full extent of the damages are known.

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 trying to creep up. 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 will have some off-shore cucumbers coming in by the end of the week. However, no real volume will be available for another 7-10 days. Domestic supplies are still

plentiful and with Nogales cucumber markets dropping, demand is very weak. 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 in the evenings may slow down production and we foresee some uptick in markets by week's end. Current rain threats have dissipated. 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 still the main varietal 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 limited and should clean up in the next couple of week or so domestically. 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*

A steady market on this commodity continues with most shippers. The growing region for this crop has not been affected like others. Demand is off as well. Mexico and California are the major growing regions currently. Supplies will be good throughout the week with most suppliers.

Commodity Updates Continued

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The romaine market is up. Salinas has finished up production entirely. Yuma and Thermal are the main areas of production. The green and red leaf availability has tightened up compared to last week's production with many suppliers. Blister and epidermal peel will be more prevalent with all leaf items due to freezing temperatures. The extent is undetermined for now, but blister and peel will be issues all shippers will deal with. As yields decrease in the fields, the market will gain strength quickly.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is steady to start the week. The weights are ranging from 38-46 pounds depending on the supplier. Yuma production will be moderate to good for now. Shippers are evaluating how the freezing temperatures will affect the crop in the next coming weeks, but for now, pricing is steady. Blister and epidermal peel are likely to be seen upon arrivals. Expect pricing to get stronger later in the week on this commodity.

MELONS: *Amy Grolnick*

Cantaloupe: Offshore fruit is coming in very large still. 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 the 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*

Idaho, Oregon, and Washington are all steady on yellows. Most of the Idaho/Oregon suppliers are short on medium yellows. Red onions are steady in Idaho/Oregon but jumbos are higher in Washington. Both areas are steady on medium reds but supplies remain limited. The White market is steady on jumbos and mediums but remains strong. Trucks are still the tightest thing in the northwest but

Christmas trees will be finished in a week approximately so that will help. The quality has been good in all areas and on all colors.

POTATOES *John Tole*

Idaho is mostly steady on cartons in both varieties. Most suppliers are having issues with the cold weather and can't haul bulk to pack today so there are availability issues. Idaho Burbanks are still spread fairly evenly across the size spectrum while their 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 cartons. Wisconsin russets are steady on all sizes for now but expect a slow increase as Christmas approaches. Bakersfield, California is shipping Reds & Golds from Washington. Their market is fairly steady on all sizes. Whites are very limited but they are starting to dig new-crop in Bakersfield this morning. Western Washington reds and Golds are both peaking on A-size and the markets for both are also steady. Wisconsin red potatoes are mostly steady on all sizes but some suppliers are stronger on A-size. 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 but, seems to be struggling to go higher. 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 next few nights Northern Sonora may experiencing frigid temperatures and may slow this district down.

Eastern Squash: *Janine Baird*

Squash is plentiful throughout Florida this week. Green market is very weak, but the

Commodity Updates Continued

yellow market has gained a little strength due to limited volume. Both markets should even out by the end of the week.

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 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. Blister and epidermal peel will be seen on raw material. How this will effect shelf life awaits to be seen. The Broccoli supplies are strong and there are no

issues on orders being filled. Cauliflower inventories are less strong compared to last week, but no major issues to report. The romaine quality will be suspect with blister and peel being an industry wide issue.

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. First lots of Jalisco watermelons crossing today. The Jalisco watermelons will be at premium compared to other districts.