



**THINGS YOU SHOULD KNOW:**

**COMMODITY ALERT:**

Offshore melons are mostly 9's and larger with extremely limited availability of small fruit

Lettuce and leaf quality will show epidermal peel and blister from the previous freezing temperatures

Asparagus is extremely active with limited supplies from Mexico and Peru

Cauliflower supplies are extremely limited and the market is very active

Stem strawberries are very limited due to small sizing currently in all growing regions

Freeze on California Navel oranges. Losses yet to be determined



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# The Source

## Weather: *Tim Lynch*

Temperatures in the desert region in the mid to upper 70s are expected into Wednesday with frost possible only in the coldest valleys. Temperatures begin to moderate Wednesday afternoon as a storm system from the Gulf of Alaska moves down the California coast forming a cut-off low pressure system off Southern California. This system will bring much cooler temperatures (50s to low 60s), strong winds (30-40mph) and a chance of rain to northern Mexico and the southwestern desert growing regions over the next few days. Cold air behind this system will bring widespread lettuce ice to the Yuma region once again early next week.



## Freight: *Mike McIntire*

Trucks in California and Arizona remain steady. Trucks in the Northwest remain tight due to Christmas trees. The national average remained steady again this week and is currently at 3.871 per gallon. CA fuel price is steady as well at 4.066 per gallon. Crude oil remains steady and is currently 97.27 per barrel.



# Commodity Updates

## **APPLES/PEARS** *John Tole*

New York shippers is packing Empires, Macs', Romes, Red Delicious, Galas, Fuji's, Macouns, and Courtland's. The New York still peaking between 88's and 100's for most varieties. The New York market is steady. Michigan is still packing Red Delicious, Fuji's, Golden Delicious, Gala's, McIntosh, Jonagolds, Jonathans, and Red Romes but the varietal numbers are down. Most of the Michigan fruit is peaking on 113/125's now as they transition in to C.A. Washington Red Delicious is steady and still peaking on 88's and larger in the Washington extra-fancy #1 grade. Smaller reds remain short esp. in the lower grades. Golden Delicious is also steady and is still peaking on 80/88's in the Washington extra-fancy grade. Granny-Smith is steady as well and is peaking on 88/100's and the extra-fancy grades. Galas are steady and peaking on 88/100's. Washington Fuji's are also steady and most packers are still peaking on 80's and larger. Honeycrisp, Braeburns, Pink Ladies, Cameos, and Jonagolds, and the other varietals are available and they are mostly large. Washington Bartlett pears are steady and are still peaking on US#1 90/100's. D'Anjou pears are steady too 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 the larger sizes. Washington Red Pears steady and are peaking on size 45's.

## **ASPARAGUS** - *Gabe Romero/Mike Pacheco*

This market is extremely active as supplies are limited with all shippers. The cold front in the Mexico region the past weeks has slowed production way down. Supplies from Peru are also very limited, as demand exceeds supply. 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, but we are now seeing a shift to peaking on 60's with 48's and larger fruit a little tighter. Market on 48's firming up a little this week. Chilean fruit is begging to arrive in better volumes. Market is steady to firming.

## Commodities at a glance...

| <b>Commodity</b>       | <b>Quality</b> | <b>Market</b> |
|------------------------|----------------|---------------|
| Apples                 | Good           | Steady        |
| Asparagus              | Fair           | Higher        |
| Avocado (Mexican)      | Good           | Higher        |
| Avocado (California)   | DONE           | DONE          |
| Bell Peppers (Western) | Good           | Higher        |
| Bell Pepper (Eastern)  | Good           | Steady        |
| Berries: Strawberries  | Fair           | Higher        |
| Berries: Raspberries   | Good           | Higher        |
| Berries: Blackberries  | Fair           | Lower         |
| Berries: Blueberries   | Good           | Higher        |
| Broccoli               | Good           | Higher        |
| Carrots                | Good           | Steady        |
| Cauliflower            | Good           | Higher        |
| Celery                 | Good           | Steady        |
| Citrus: Lemons         | Good           | Higher        |
| Citrus: Oranges        | Good           | Higher        |
| Cucumbers (Western)    | Good           | Higher        |
| Cucumbers (Eastern)    | Good           | Steady        |
| Eggplant (Western)     | Good           | Steady        |
| Eggplant (Eastern)     | Good           | Lower         |
| Grapes, Green          | Fair           | Higher        |
| Grapes, Red            | Good           | Steady        |
| Green Onions           | Good           | Steady        |
| Lettuce: Leaf          | Fair           | Steady        |
| Lettuce: Iceberg       | Fair           | Steady        |
| Melons: Cantaloupe     | Good           | Higher        |
| Melons: Honeydew       | Good           | Steady        |
| Onions                 | Good           | Steady        |
| Pears                  | Good           | Steady        |
| Potatoes               | Good           | Steady        |
| Squash (Western)       | Good           | Higher        |
| Squash (Eastern)       | Good           | Higher        |
| Stone Fruit            | DONE           | DONE          |
| Tomatoes (Western)     | Good           | Lower         |
| Tomatoes (Eastern)     | Good           | Lower         |
| 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. Sizing is now getting heavier towards large fruit as some are breaking into new lots. Market is becoming active in the choice and small bells as some lots in Nogales are not up to snuff. 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 has started with light crossings through Nogales. 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. 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 remains steady with good supplies and excellent quality.

## **BERRIES** *Mike Gorczyca*

**Strawberries:** California supplies will remain very limited until the middle of January. California growing regions are expecting to get hit with slight chance of rain on Thursday/Friday then warming up thru the weekend. The cold weather in the California growing area is keeping the fruit from coloring up. The market is firm and steady out of California. Currently, Florida growing regions are expecting minimal harvest today due the color in the fields with some shippers. For the rest of the week, Florida weather should start warming up with better supplies. The Florida and Mexico market are starting to ease back as supplies are beginning to improve. We expect supplies to improve over the next couple weeks. New crop California strawberries are starting to ramp up with a little volume loading out of Oceanside, Irvine, and Coachella. Supplies in these areas will not be up to speed till after the first of the year. Most shippers are

switching to 8/1# berries and subbing for other packs in order to extend their ability to cover orders; as well as protect the quality of the fruit. Stem strawberries are very limited currently in all growing regions.

**Raspberries:** The raspberries market is firm as we hit the lowest production of the year. The main growing area currently is Central Mexico with some light supplies still being harvested in Oxnard. Most shippers are sold out throughout the week and will only cover regular business. We expect harvest volumes to remain relatively consistent through mid January/February. 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 ideal the past couple weeks, which has helped supplies. The crop is entering the peak production window and is expected to have strong volumes through January. The quality is fair to good depending on the lot.

**Blueberries:** Blueberries supplies are mainly coming out Chile. Currently, the biggest issues are the delayed boat shipments coming into the U.S out of Chile. Better supplies are coming into the East coast; but shippers are only covering contracts and regular business out of the West coast. The main pack size will be 6oz and pint with very limited supplies of 4.4oz. Expect to see better availability out of Chile as this market will go down extremely fast in the next couple weeks. Quality is being reported as good.

## **BROCCOLI** *Gabe Romero/Mike Pacheco*

The broccoli supplies continue to be produced in Santa Maria, Salinas, Scottsdale and Yuma. Supplies are short this week as this commodity has slowed growth due to the cold temperatures in all growing regions. Expect this market to be active into next 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 is very active. Supplies in Salinas are finished and Yuma production is extremely light. Santa Maria is in light production as well. Many shippers have caught

# Commodity Updates continued

up with the excess inventory supplies. Expect this market to be active into next week.

## **CELERY** *Gabe Romero/Mike Pacheco*

The celery market is continues on a steady path, overall. 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, with only slight bowing being reported.

## **CITRUS** *Tim Kelley*

**Lemons:** The freeze in the Central Valley has now started to affect this districts lemon crop. This is not a larger crop, but will have an impact on overall supplies as we move in to the late winter through summer months. We already see the market beginning to firm up. Demand still remains very good on all sizes from all shippers. The Desert fruit supplies are good on 140's and larger. Smaller fruit 165's/200's/235's are just meeting daily demand.

**Oranges:** Seven days of freezing temperatures on the California Navel crop have growers' assessing damages. This Freeze may be over, but damage has been done. It could take growers several weeks before the full extent of the damages are known. Look for even tighter supplies on the smaller sizes, 113's & 138's and now moving into 88's. Market has firmed.

**Limes:** Look for supplies to tighten up as we move into the Holiday as harvesting crews in Mexico begin to take time off. Quality is good with some lots still showing weather related issues (Stylar, Brown spots and lighter color).

## **CUCUMBERS**

### **Western Cucumber:** *Mike Cantu*

Market is creeping up. Crossings through Nogales are increasing but movement is still brisk. Quality is good and anyone with older inventories is cleaning up. Weather for the weekend may press markets higher as rain and cold weather are expected this weekend. The anticipated rain is expected to be enough to interrupted harvesting.

### **Eastern Cucumbers:** *Janine Baird*

South Florida now has light volume in off shore cucumbers as well as domestic, creating a two-

tiered market. However, neither market has much strength to it. Expect the markets on both to even out by the end of the week.

## **EGGPLANT**

### **Western Eggplant:** *Mike Cantu*

Market is settling down and supplies are improving. As with other products, the cooler weather and expected rain for the weekend may interrupt production and press markets. Quality is excellent.

### **Eastern Eggplant:** *Janine Baird*

No real changes in the eggplant market. Demand, quality and supplies are all good.

## **GRAPES:** *Amy Grolnick*

Crimson are still the main varietal with some limited quantities of Vintage red and Scarlet Royals in California. California will have availability of red through the end of the year maybe into January. The market continues to be a mixed bag depending on varietal and color. There are Peruvian and now Chilean red grapes are available on the east coast but at a much higher price point. Green grapes are becoming limited and should clean up this week on the west coast. Quality is fair at best. There are good quality Brazilian, Peruvian, and Chilean grapes on the east coast but the west coast will not be seeing any Chilean fruit until the very end of the month at the earliest. The market is higher with light demand mostly larger size fruit available. Black seedless grapes have good quality and limited 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.

## **LEAF LETTUCE** *Gabe Romero/Mike Pacheco*

The romaine market is firm. Weights are generally 35-40 pounds. Yuma and Thermal are the main areas of production. The green and red leaf is averaging 18-24 pounds and

# Commodity Updates Continued

availability is good. Blister and epidermal peel will be more prevalent with all leaf items due to freezing temperatures.

## **LETTUCE** *Gabe Romero/Mike Pacheco*

This market is steady. The weights are ranging from 38-46 pounds depending on the supplier. Yuma production will be strong throughout the week. Epidermal peel, cracking, misshapen heads and ribby appearance are characteristics of lettuce right now. With the heavy supplies currently, expect growing gaps coming in production in the next couple of weeks. Heavy rains in the growing regions, coupled with little demand created a plentiful amount of this commodity.

## **MELONS:** *Amy Grolnick*

**Cantaloupe:** Offshore fruit is coming in very large still. Extremely limited on 12's and smaller fruit is non-existent as shippers try and cover contracted fruit. Nogales and Yuma are done with cantaloupe. Trucks may be waiting on small fruit as there are so few containers coming in and shippers are waiting for the ports to bring them over.

**Honeydew:** Nogales has good availability of all sizes with very good quality. Next week there will be a little less availability and the market in Nogales should strengthen. Offshore dews are available but they are having problems with a virus which is causing them to have some brown spotting. When they are loading on the boat they look good but are spotting up in transit. Shippers are doing their best to clean them up before shipping them out.

## **ONIONS** *John Tole*

All yellows are steady in the northwest. Most of the Idaho/Oregon suppliers are still short on medium yellows. Reds remain steady in all areas with most shippers peaking on jumbos. Medium red supplies are generally short. White onions are high but steady on jumbos and mediums. Trucks are still the hardest thing to find in northwest right now. The quality has been good in all areas and on all colors.

## **POTATOES** *John Tole*

Idaho is steady as she goes on both varieties. The Idaho weather has warmed up enough to enable full packing days now. Burbanks are still spread evenly across the size spectrum while the Norkotahs are still heavier to 40-80's. Washington is steady on all sizes and they are still heavy to 80-count and larger. Colorado & Nebraska are both steady and they continue to peak on 70's and larger. Wisconsin russets are steady on all sizes and more evenly sized now. Bakersfield, California is shipping Reds & Golds from Washington. Their market is steady on all sizes. Bakersfield is packing its own whites and they are steady but high. 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. Minnesota/N.D. red potatoes are steady and continue to peak Red A's.

## **SQUASH**

### **Western Squash:** *Mike Cantu*

Market is inching 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. The anticipated cold weather and rain for the weekend will also prompt the market to move higher. Italian squash is at a quicker pace inching upwards. By week's end Northern Sonora may experience frigid temperatures and may slow this district down or close to wrapping them up.

### **Eastern Squash:** *Janine Baird*

Squash has tightened up a bit over the weekend. Weather throughout Florida has cooled down considerably, making for light volume.

## **STONE FRUIT** *Amy Grolnick*

Domestic fruit is done for the season. Chilean cherries are available on both coasts mostly large fruit coming in. Chilean Peaches and Nectarines are now available as well. The sugars are very low in this fruit but quality is good.

# Commodity Updates Continued

## **TOMATOES** *Aaron Aliotti*

**Western/Mexico:** Tomato crossing from Mexico continues to be light but better than the past couple of weeks. Recent warm weather has brought about greater yields helping the round market soften a bit. Romas also have increased in availability and are of better quality than the past couple of weeks. Prices should come down further as we get into 2014. Similar to Florida, Grape and Cherry tomatoes are widely available. The high volume and low demand has caused the price to stall at the mandated minimums set in place by the Suspension agreement at \$.46 per lb on loose packs and \$. 59 per lb for packaged items. Prices overall will continue to come down as supplies become more consistent near the New Year.

**Eastern:** Warm weather in Florida last week has brought about heavy yields saturating the round market causing an abundance of smaller sized fruit. Over all volumes will increase the number of larger sizes coming to market and prices should soften as soon as next week when western buyers return to Mexico for imports once again. The roma market has softened due to falling demand caused by high prices over the past several weeks driving consumers to find cheaper substitutes. Prices are expected to come down further as we get into the holiday weeks ahead as Mexico has more to offer. Cherry and grape tomatoes continue to be available in abundance. Low demand and high yields are expected to keep the cherry and grape tomatoes markets weak as we head into next year.

## **VALUE ADDED** *Gabe Romero/Mike Pacheco*

Supplies are steady on lettuce. Epidermal peel will be seen on raw material. How this will effect shelf life awaits to be seen. The Broccoli supplies are limited but there should be no issues on orders being filled this week. Cauliflower inventories are limited with the possibility of 12 week averages being invoked. 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 wrapping up in production. 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 have begun. The Jalisco watermelons will be at premium compared to other districts.