



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Freeze on California Navel oranges. Losses are now looking in the 50% or higher estimates. Small oranges a very limited

The Source

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Weather: *Tim Lynch*

Warm temperatures (low 80s) will continue this week in the western desert growing regions as approaching storm systems bring a drastic change over the weekend. A couple of storm systems will impact California beginning Wednesday into the weekend with significant rainfall expected throughout California and the desert regions with the second system on Friday. These wet storm systems will finally bring some much needed precipitation to the West.



Freight: *Mike McIntire*

Trucks in California and Arizona remain steady. Trucks in Washington and Idaho are tighter than normal. The national average on diesel fuel rose slightly last week to 3.989 per gallon and should trend steady when it comes out later today. Crude oil remains over 100.00 per barrel and is currently 103.14 per barrel.

Commodity Updates

APPLES/PEARS *John Tole*

New York is still packing Empires, Macs', Rome's, Red Delicious, Galas, and Golden delicious. The New York apple varieties are still peaking on 88/100's mostly and the markets are steady. Michigan is still packing Red Delicious and Golden Delicious now but the volume is lighter. Michigan C.A. fruit is still peaking on 113 and 125's with very few 138's. Washington Red Delicious is steady with some flex on the larger sizes, steady on 88/100's, and they are steady to higher on 113's and smaller. The smaller size Reds are getting even tighter as the early varietal volume drops. Golden Delicious is steady to slightly higher and is peaking on 80/88's in the Washington extra-fancy grade. Granny-Smith is steady to higher and they are peaking on extra-fancy 88/100's. Galas are still peaking on 88/100's but the market is starting to climb. Smaller size Gala's remaining very short especially 138's. Washington Fuji's are steady but the market is strong due to lighter supplies. Most packers are still peaking on 80 and larger Fuji's. Washington Honeycrisp is almost finished for the season. Braeburns, Pink Ladies, Cameos, and Jonagolds are all still available in limited quantities. Most of the varietal fruit is large but some varieties have smaller sizes. Washington Bartlett pears are steady and are still peaking on US#1 90/100's but supplies are light. D'Anjou pears are also steady and continue to peak on US#1 90/100's. Both pear varieties are short on 120's and smaller. Washington Bosc pears are steady and are producing more of the larger sizes as well. Washington Red Pears steady and are peaking on size 45's.

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market continues to be steady regardless of the increase in demand spurred by lower pricing. Production in the Mexican region continues to be very strong; especially on the larger sizes. Salinas also has begun production in a light way. The availability looks to be good for the foreseeable future on all sizes out of the Mexico region.

AVOCADO *Tim Kelley*

Demand is good on all sizes. Mexico's supplies are lower. Fruit quality is nice. The market is beginning to rise on 48's and 60

Commodities at a glance...

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

Commodity Updates *continued*

BELL PEPPERS

Western Bells: *Mike Cantu*

Green bell market is higher as large fruit and is maintaining strong FOBs. Crops are currently shipping mostly from Sinaloa. Sizing is heavier towards med and choice fruit; larger fruit is scarcer and moving well. Choice bells and small fruit seem to be moving better and market is higher. We anticipate warmer days and evenings and expect production will remain steady. Additional factor is current production is from older fields. New fields are still a few weeks from starting. Open field colored Red bell market is higher but, wide range of pricing as fields are starting to color up as evenings are starting to warm up. Mexico has started with increasing crossings through Nogales. Eastern demand may pressure market if their weather improves. Markets are very unsettled as both Hot House and open field color bells are trying to find their spot. Quality is good in both open field and hothouse colored bells. We do however see this market settling as warmer evenings may allow for better production. Gold bells markets continue steady availability depends on growing district. Demand exceeds as Mexican production has started in earnest. We are starting to see some hot house product crossing but still light.

Eastern Bells: *Janine Baird*

Pepper is tightening back up as many growers move into their fields that were affected by the recent freeze. However, there is little demand, keeping the pricing from getting too steep.

BERRIES *Jonathan Mule'*

Strawberries: The Strawberry market is steady with light demand the start of this week. This could change as we get closer to the weekend as the forecast is calling for rain in the California growing areas starting Thursday into the weekend. We will keep posted on the weather. Mexico supplies are winding down for the season which is typical for this time of the year. High temperatures and humidity in the growing areas is speeding up this process. Florida received light amounts of rains over the weekend, which will continue on and off through Wednesday. The quality of Florida and Mexico is fair to good depending on the lot. Quality out of California is very nice with large size fruits and full color. New crop strawberries

out of Santa Maria have started with light harvest numbers, but the quality is very nice.

Raspberries: Supplies will continue to be light for all shippers until the middle of March. Market is firm but steady. Quality is being reported as good with a few fair lots showing up.

Blackberries: Supplies are good with light demand causing a weaker market. Quality is fair due to high humidity/temperatures in the Central Mexico growing areas. This should correct itself in about two weeks.

Blueberries: Good supplies and moderate demand has this market steady. Quality is being reported as good to fair depending on the lot. The main pack size is switching into 6oz with limited supplies of larger packs (pints and 11oz). Blueberries hit peak production last week and we expect to see supplies decreasing out of Chile over the next four to six weeks.

BROCCOLI *Gabe Romero/Mike Pacheco*

The broccoli market continues to be flat due to the heavy supply situation. Supplies are heaviest to crowns and this is where the best deals are being offered. Production areas include Santa Maria, Scottsdale and stronger in Yuma. The quality has been reported as good in all the growing regions. There is production in Salinas for West coast customers.

CARROTS *Tim Kelley*

Supplies on JBO carrots are lighter. The market is starting to show some firming on prices. Quality is good.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

The cauliflower market is showing a wide range of price and availability. There is a pricing gap of 3-5 dollars amongst the different shippers and quality has varied. The Salinas area has started production in a very light way. Quality on the early cauliflower is just fair as is normal for the beginning of the deal. With cooler weather and rain predicted for the balance of this week we expect to see just fair volume out of the coastal regions for the short term.

CELERY *Gabe Romero/Mike Pacheco*

The celery market continues to show no life due to heavy volume on all sizes and only limited demand. Several shippers tried to raise

Commodity Updates continued

prices on various sizes per their supplies but failed to hold the higher levels. All shippers are looking to move on all sizes and are listening to offers.

CITRUS *Tim Kelley*

Lemons: Demand still remains very good on all sizes from all shippers. The Desert crop will finish this week. Central Valley crop is in full production and the Ventura crop is slow going as they wait for fruit growth. Demand on 140's/165's/200's/235's are exceeding supplies.

Oranges: California Freeze may be over, but damage has been done. Supplies on the smaller sizes of 113's & 138's are limited, but are meeting current demand... Market is steady.

Limes: Supplies have become very tight. Past rains in the growing areas have taken their toll on the crop. Quality is just fair, with many lots showing weather related issues (Stylar, Brown spots and lighter color).

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is higher. Current production is coming from older fields and higher grade cucumbers will be scarcer and more off grades more prevalent. Newer fields are a few weeks off and that production will be lighter in supplies.

Eastern Cucumbers: *Janine Baird*

Supplies on off shore product are plentiful and demand is steady. Quality remains good.

EGGPLANT

Western Eggplant: *Mike Cantu*

Market is expected to move upwards as soon as Lenten season approaches. Weather is improving and production increasing.

Eastern Eggplant: *Janine Baird*

Eggplant market is not as active this week. Prices are off and supplies are plentiful.

GRAPES: *Amy Grolnick*

Chilean grapes are going strong. Red seedless is firming up a bit as the small fruit has cleaned up. Green seedless however have better availability and will for the next couple of weeks. Sizes are mostly med/large. There are black seedless as well as Red Globes available with good volume.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

Heavy production and only fair demand have conspired to keep this market flat as well. Growing conditions continue to be excellent and supplies are more than enough to meet demand.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The leaf markets – red, green and romaine - remain unchanged. Size weight and condition on all are mostly good with an occasional fringe burn, bug or blister and peel showing up. For the most part demand is so poor any questionable quality is being left in the field. We are also seeing an occasional seeder in the romaine, but with little effect on the overall quality.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is steady. Size weight and condition are mostly good. We continue to be in an oversupply situation with no change in the foreseeable future. Growers are walking around some fields and hanging on to the notion that the market has a chance to improve through the "transition" back to the Salinas region; due to more sporadic supplies and quality issues.

MELONS: *Amy Grolnick*

Cantaloupe: There is good availability of fruit. Sizes have changed a bit and running smaller to 9's now. Quality is excellent.

Honeydew: Offshore fruit is available as well and Mexican Nogales fruit. Prices are coming off a bit and demand is still down and Mexican fruit has better availability. Look for the market to be a little unstable over the next week.

ONIONS *John Tole*

Northwest yellows are higher again on all sizes due to Mexican demand and higher than normal shrink. The shrink is affecting the shippers only slightly but it doesn't take much especially this late in the storage season. Medium yellows are still very short in the northwest. Mexican yellows are still mostly sack mediums and carton sweet jumbos but a few sack colossal and jumbos have crossed. Mexican yellows are also higher and supplies are light. Red onions are slightly higher in

Commodity Updates Continued

Washington, Oregon, and Idaho. The red onion growers are also worried about the higher than average shrink. Some Washington Red shippers still have good supplies in storage. Mexico is still buying medium reds so the availability is low. White onions are slightly higher and most shippers have limited supplies. The quality has been good in all areas and on all colors.

POTATOES *John Tole*

The Idaho market is fairly steady on all sizes as the potato-lovers month retail promotion is almost over. Several suppliers will still deal on volume orders of 40's & 50's and number-tuos in both varieties. 90-count and smaller and consumer bags are very short. Both varieties are still peaking on the larger counts. The Washington market is steady on all sizes and they continue to peak on 70's and larger. Colorado & Nebraska are both steady to slightly higher and they also continue to peak on 70's and larger. Wisconsin russets are steady on all sizes and the availability is fair. Bakersfield, California has good availability on red and gold potatoes. The California market is steady to lower on both colors, while the Whites are steady but strong due to limited supplies. The California potatoes are peaking on A-size in all colors. Western Washington reds and Golds are both peaking on A-size and the markets for both are steady. Washington's season will end in approximately mid March. Wisconsin red potatoes are mostly steady on all sizes now but supplies are light as they are almost finished for the season. N.D. red potatoes are steady and continue to peak on Red A's. Florida continues packing Red, Gold's, and a few Whites. The Florida reds are heavier to A-size. Florida whites are limited.

SQUASH

Western Squash: *Mike Cantu*

Market is slightly higher on Yellow S/N and steady on Italian squash. Most production is from southern Sonora and Sinaloa. Warmer weather is in the forecast and we anticipate better production. Some lots offered will be of coming from older fields and expect the poorer quality on lower end of markets; better quality will sell at quoted market.

Eastern Squash: *Janine Baird*

The squash market is a bit more active this week, bringing the pricing up slightly on both colors. Supplies on green are good and should remain so for the rest of the week. Yellow is still a little bit tight.

STONE FRUIT *Amy Grolnick*

Chilean stone fruit is available on both coasts.

TOMATOES *Aaron Aliotti*

Western/Mexico: Ideal growing conditions are producing an abundance of fruit in Mexico. The market has been heavily leaning towards larger sizes with smaller size fruit starting to become more available this week. Romas continue to be available in abundance and are crossing at the national minimum forcing growers in Florida to get competitive with pricing in the East. Grape and cherry tomatoes are also heavy in supply. Similar conditions are expected to carry through next week until demand picks up again.

Eastern Tomatoes: Warmer weather in Florida is bringing out the tomatoes. Rounds are in better supply this week and prices have softened slightly. Cold weather storms have slowed down buying in the Northeast and Midwest keeping the market relatively stable until demand picks up again. Romas are more competitively priced this week as shipper attempt to move inventories against Mexican Romas which are moving at the mandated price minimums. Grape and Cherry tomatoes continue to improve bringing the market down this week. With increasing yields and a depressed buying market, we can expect both items to dip further until demand bounces back after the frigid cold fronts hammering the Eastern states.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Lettuce supplies will be strong for the entire week. Epidermal peel and misshapen heads are being seen upon arrivals. The Broccoli supplies are strong. Cauliflower inventories are stronger with many suppliers. The romaine supplies look to be good throughout the week... Seeder is being seen with this commodity.

WATERMELON *Mike Cantu*

Market is coming off slowly. Current Nogales

Commodity Updates Continued

crossings are improving and so is availability. Transitions are taking place and supplies are sporadic and very light. New district crops will be at a premium. Quality varies as some are harvesting from tired fields volume will remain light for the rest of the month. Other districts have wrapped up and/or at same high FOBS. The Jalisco watermelons are at premium and wrapping up soon. Growers are projecting the lack of supplies to continue for approximately another couple of weeks or so until Northern spring crops start. One good sign is we have some northern growers starting up late this week/ early next week.