



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Blackberries will be light availability through Oct into mid November

Strawberry sizing is small. Special packs such as stems and pints are limited to unavailable

Cantaloupes are virtually finished in the Westside and the desert is very limited causing extreme supply gaps and prices.

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*

A couple of weak Pacific storm systems are set to roll into Northern California this week with rains, strong winds and cooler temperatures. The brunt of moisture from these systems will remain to the North however a strong wind event (gusts 40+mph) is expected to impact most of California and the desert regions as these systems roll through. The overall weather pattern out west this summer and early fall has been problematic for growers to say the least. Warm and humid temperatures in California have brought on fields weeks ahead of schedule as growers reach for product to meet demand.



Freight: *Mike McIntire*

Trucks in California remain steady. Washington and Idaho trucks continue to be extremely tight. Please get your orders in as early as possible. The national average on diesel fuel dropped slightly again this week and is now 3.698 per gallon. CA price is also down slightly and is currently 3.965 per gallon. Crude oil is down again this week and is at 81.69 per barrel.



Commodity Updates

APPLES/PEARS *John Tole*

New York McIntosh, Gala's, Macoun's, Cortland's, Honeycrisp, and Empires, Red Delicious and Golden Delicious are all fairly steady and mostly large. The Reds, Golden's, Mac's, Gala's, and Macoun's are peaking on 80/88/100's, the Cortland's are peaking on 72-88's, the Honeycrisp are peaking on 56/64's, and the Empires are peaking on 88/100's. Small size fruit remains limited for all New York varieties. Michigan continues to pack Cortland's, Empires, Fuji's, and Gala's, Golden Delicious, Honeycrisp, Jonagolds, Jonamacs, Jonathans, McIntosh, Reds, and Romes. Michigan has better availability of the smaller sizes but is producing more of the US extra-fancy grade. Washington Red Delicious are still peaking on 80/88's in the WX#1 and premium grades and have good availability on the larger sizes. Small size Reds remain very short. The Red market is steady and limited on the smaller sizes and steady to lower with volume flex on the larger sizes. The Golden Delicious market is steady and they are still evenly sized. Granny-Smiths are steady and still producing mostly 80/88's in the premium grade. Washington Gala's are mostly steady and continue to peak on 100/113's with good color. Some of the Gala suppliers will flex for volume orders. The Fuji market is steady on the smaller sizes and steady to lower 80's and larger. Most Fuji shippers are still peaking on 48-64's. Braeburns, Sweeties, Jazz, Red Romes, and Honeycrisp are all available in Washington. There are light supplies of Pink Lady's available now. California is essentially finished with Bartlett pears. Washington Bartlett pears are steady and still peaking on US #1 100/110's. Washington D'Anjou pears are also steady and remain a couple dollars above the Bartlett's. Washington Bosc is available and the market continues to slowly fall. Washington red pears are mostly steady on all sizes

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is still tight on product with most suppliers. This market is firm. Mexico production remains light to moderate. Supplies will continue to be better on standard and small

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)	Good	Steady
Bell Peppers (Western)	Good	Higher
Bell Pepper (Eastern)	Good	Higher
Berries: Strawberries	Fair	Steady
Berries: Raspberries	Fair	Steady
Berries: Blackberries	Fair	Higher
Berries: Blueberries	Fair	Steady
Broccoli	Good	Steady
Carrots	Good	Steady
Cauliflower	Fair	Steady
Celery	Good	Steady
Citrus: Lemons	Fair	Steady
Citrus: Oranges	Fair	Steady
Cucumbers (Western)	Good	Lower
Cucumbers (Eastern)	Good	Lower
Eggplant (Western)	Good	Steady
Eggplant (Eastern)	Good	Higher
Grapes, Green	Good	Steady
Grapes, Red	Good	Higher
Green Onions	Good	Steady
Lettuce: Leaf	Fair	Lower
Lettuce: Iceberg	Fair	Steady
Melons: Cantaloupe	Fair	Higher
Melons: Honeydew	Fair	Higher
Onions	Good	Steady
Pears	Good	Steady
Potatoes	Good	Higher
Squash (Western)	Good	Lower
Squash (Eastern)	Good	Lower
Stone Fruit	Excellent	Higher
Tomatoes (Western)	Fair	Higher
Tomatoes (Eastern)	Fair	Higher
Watermelon	Good	Steady

Commodity Updates continued

sizing. Extra large and Jumbos will be tight and will command a higher price. Production in Peru is moderate. Loading out of Florida continues to be an option.

AVOCADO *Tim Kelley*

California supplies are declining quickly with only very limited amounts available as we near the end of this year's crop over the next couple of weeks. Mexico's new crop is going well with volume stabilizing as we get into a normal flow of fruit. Remember that this New Crop will take longer to ripen, and have a tendency to remain green when ripe and ready to eat, and also have a thicker skin making it difficult to detect the degree of ripeness.

BELL PEPPERS

Western Bells: *Mike Cantu*

Supplies are steady but will start lightening up in the next couple of weeks. California green and colored bells are poised to go up in market transitions will take place soon to southern California. Current supplies are meeting demand but we anticipate with transitions, gaps in supplies to take place. Texas currently has good supplies in mostly hothouse colored bells with some open field bells available. We have some colored hot house bells in Nogales. We anticipate an active market in October/ November as we project the lack of production from Baja California due to hurricane Odile to press markets up. Nogales will have its traditional start in bell pepper production by November/ December Gold bells markets are slightly higher as transitions and gaps will begin. Some greenhouse gold bell peppers are crossing through South Texas.

Eastern Bells: *Janine Baird*

The pepper market in South GA has strengthened a bit. Mostly large sizes available, with few off grades. Quality is good. Market should stay firm for the remainder of the week.

BERRIES *Tom Smith*

Strawberries: *Salinas / Watsonville / Santa Maria* districts are all reporting improved quality as evening temperatures have begun to fall into ideal ranges of high 40s – low 50s. Fruit is more firm than in recent weeks. Sizing is ranging smaller. Some soft fruit and sunburn may remain in the packs from heat in the recent

weeks.

Oxnard fruit is continuing to increase in volume weekly and quality is being reported as good. Sizing is small.

Raspberries: Better volumes forecasted for this week as more fruit becomes available in both CA and crossing over from MX. Some quality issues are still being reported with soft fruit.

Blackberries: Availability is light as we move through this week. Volumes from CA harvest and crossing over from Mexico are both less than originally forecasted. There is some availability with MX fruit out of McAllen, TX and some in Los Angeles. Quality is still suspect with red cell and soft fruit being reported. Expect light availability until early-mid November.

Blueberries: Domestic supplies are dwindling from the Pacific Northwest and Michigan growing regions. The remaining fruit is mostly if not all controlled atmosphere storage berries. Quality is fair at best. Argentine and Uruguayan volume is available in Florida and sporadically in Los Angeles. Most shippers are getting some product transferred with some availability to load with other mixed berries in north and south CA growing districts. Offshore supply continues to increase. Quality is reported as being good.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is steady. Early forecast indicate that with transition upon us in a few weeks, pricing will begin to rise until we get to Yuma. Santa Maria and Salinas will tighten up availability over these next upcoming weeks. There is a gap in pricing by two-three dollars in the marketplace, currently. Mexico has moderate production available if needed.

CARROTS *Tim Kelley*

Bakersfield crop is dropping in volumes on Jumbo size carrots and with good demand we are see markets firm up. Quality of carrots is still very good.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market is steady for now. Early forecasts indicate this commodity will start to be lighter in availability in Salinas and Santa Maria over the next few weeks. There continues currently to be a gap in pricing up to three dollars depending on the supplier. There are a few better deals in Santa Maria that has a clear pricing advantage.

Commodity Updates continued

The quality continues to be up and down with issues of brown spotting and discoloration.

CELERY *Gabe Romero/Mike Pacheco*

This market is steady, overall. The quality continues to be good out of Salinas and Santa Maria. Local production is winding down in many areas across the country. Oxnard production is on schedule and is expected to begin the first week in November.

CITRUS *Tim Kelley*

Lemons: The market continues to be strong although an increasing supply out of the desert regions is helping to take the pressure off. The 140's and larger continue to be difficult but we see an increasing supply on these as well. Overall, we expect the market to return to a more normal supply situation in November.

Oranges: Valencia's are winding down rapidly as we approach the end of the month. Although still in short supply there appears to be enough fruit to cover orders in a timely fashion. This is reflected in the market as pricing begins to ameliorate to more "normal" levels. Navels are beginning to come on as Sunkist and several independents have started in a very small way this week. We expect to see volumes steadily increase over the next few weeks with Navels supplanting the Valencia's about the first week of November.

Limes: We are into latter part of this seasonal crop and we are seeing more of larger sizes (110's/150's) and less of the smaller sizes. Market is rising on 175's and smaller. The overall quality continues to be acceptable with some yellowing and minor defects showing.

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is settling slightly. Production from Sonora is picking up pace and market is reflecting a settling of FOB pricing. Supplies should be adequate from here on out barring any weather issues. Sonoran supplies are making up for the affected Baja production due to the past storm damage.

Eastern Cucumbers: *Janine Baird*

With Florida now working cukes, the market has softened a bit. However, rain is expected in Georgia over the next day or so and many growers there are going back over older fields which should yield less. The market may firm back up toward the end of the week.

EGGPLANT

Western Eggplant: *Mike Cantu*

California eggplant is settling. Weather and customary growing transitions may cause market to in upwards until Mexico starts production in November. Demand is still somewhat outpacing supplies. We will see slight gaps due to transitions and weather.

Eastern Eggplant: *Janine Baird*

The eggplant market is up slightly and should continue that trend this week.

GRAPES: *Brad Tremblay*

The red and green market remains relatively unchanged Red seedless are in a split market with Crimsons dominating the lower end medium / large size in the \$14.95 - \$16.95 range and the larger Vintage Reds and Scarlett Royale's ranging from \$17.95 to \$20.95. The Autumn Kings still own the large to extra large green market due to quality. They are ranging from \$18.95 to \$22.95. The medium / large market still suffers from a lack of quality and is being quoted at the \$16.95 to \$17.95 level. The domestic harvest on green grapes should continue through the month of October on Autumn Kings and into mid November on the last of the green varieties. The Scarlet's are looking to finish about the end of October. The Vintage Red's are projected to continue until about November 15. The last of the Crimson's should make it until the weather turns and quality fails. We expect to be shipping out of storage about mid November on both colors.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is firm with most suppliers. Production in Mexico has been hurt due strong rains in the growing regions. Expect this commodity to be moderate to light in availability for the rest of the week.

LEAF *Gabe Romero/Mike Pacheco*

The romaine market is softer. The issue of fringe burn, seeder, tip burn and decay on romaine continues to be reported defects. Most suppliers are having these problems. The weights on romaine have been averaging 32-36 pounds. Green leaf and Red Leaf have softened slightly. Colossal romaine hearts will continue to be very light in production. Regular romaine hearts are also light in availability. High temperatures in the

Commodity Updates Continued

growing regions have not allowed hearts to cup properly.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is steady. Demand is expected to p/u by the middle of the week... Supplies are moderate to light in availability. Weights are fluctuating between 39-43 pounds. There continues to be issues on this commodity. Pinking, seeder, rib discoloration, bottom rot and russet spotting are the main defects being reported. Supplies are forecasted to be moderate to light throughout the week.

MELONS: *Jim Murphy*

Cantaloupe: The current supply of melons overall is extremely short. The market is climbing fast on all sizes. The Westside district is done now. The desert is starting off extremely slow with rains last week hampering supplies. Quality is fair to good on the new crop from the desert.

Honeydew: The Westside district has finished. The market is picking up on all sizes. Good demand along with lower supplies has created a rising market. Mexico and the desert have started and are heavy towards 4's, 5's and 6's. Quality is fair to good.

ONIONS *Mike Gorczyca*

Growers are almost done harvesting their crops for the season and should finish by next week. Supplies are good with moderate demand is keeping the onion market steady on all sizes and colors. There are some deal being made on small Jumbo's so be careful on what you are buying. Look for this to continue till the growers get everything into storage. Quality is good out of all areas.

POTATOES *Mike Gorczyca*

Idaho – Demand is Good with light supplies is causing the market to firm up. Most grower/shippers will finish up harvest this week. This is a week or two earlier than normal. The last fields that the shippers are harvesting are peaking on 90 count and smaller and are very short on 70 count and larger. The market on 80ct and larger have jumped up quickly this last week. As the growers finish up with harvest this week supplies will get limited. I feel this will last for a couple weeks till the potatoes they put into storages go through the sweat process. This

process takes about 30 days.

Washington – Demand and supplies are moderate keeping this market steady. Washington is still peaking on 80ct and larger with lighter supplies of 90ct and smaller. Quality is good.

Colorado – Demand and supplies are steady which is keeping this market steady. Quality is being reported as good. Sizing is peaking on 70ct.

Wisconsin – Market and demand is steady. Sizing is peaking on 70ct. Quality is being reported as good.

Stockton, California has finished for the season. Bakersfield, California has northwest reds, whites, and gold potatoes. North Dakota reds and gold's are steady. The N.D. reds are heavier to A-size while the golds are peaking on B-size. Idaho continues to pack reds and gold's and both colors are steady. The Idaho reds are peaking on A-size while the golds are peaking on B's. Wisconsin reds and gold's and is also both steady and both colors are heavy to A-size. B-size reds are shorter than they were in Wisconsin and the market is slightly stronger.

SQUASH

Western Squash: *Mike Cantu*

California squash is currently shipping out of Santa Maria and Fresno. Supplies are improving. Demand is being met by current supplies and market is on its way to settling slightly. Nogales production is improving. Sonoran production ought to pick up pace from here on out.

Eastern Squash: *Janine Baird*

Squash is off with Georgia in very good supplies after the full moon. Florida will be starting up this week as well so market should continue to drop.

STONE FRUIT *Brad Tremblay*

Red and Black plums are essentially done although a few shippers continue to harvest limited numbers of late season varieties. Many shippers are now calling this season done. With limited availability we are seeing mostly large size fruit left to clean up. You will see 50's through 30's in the \$21.85 to \$26.85 range. Expect plums to finish the season (for the most part) during the coming week. That leaves us waiting for the off shore stone fruit. Chilean cherries are expected to start showing up as

Commodity Updates Continued

early as mid to the end of November. We should see the rest of the Chilean stone fruit starting to hit the U.S. around January of next year.

TOMATOES *Aaron Aliotti*

Western/Mexico: We are experiencing a typical transition period coupled with the effects of hurricanes and tropical storms passing through the Mexican growing regions. We believe the market will continue to trend upwards in availability will remain light until supply improves, likely in November. California continues to have rounds, but quality is more of an issue as the plants show the effects of a long season. Prices are on the rise for vine ripened tomatoes as well. Availability is very light from Baja as weather has impacted all the growers in the region. Eastern Mexico is just beginning and production has not ramped up yet. Romas are officially in a shortage with growers prorating contracts causing the market to rise sharply. From our perspective, the market will remain light in supply and high in price at least for another month as La Paz, the region typically supplying the lion's share of current production, was wiped out by Hurricane Odile. Grapes have tightened as well. California is winding down in a hurry. The grape growing operations in Mexico are adjacent to the romas, so again Hurricane aftermath has been a major impact. Cherries are gaining some strength, but still lighter demand.

Eastern/Tomatoes: Eastern tomatoes are in very short supply. Virginia/Maryland and Alabama are finished or about finished for the season. Quincy, Florida is in production; however an extremely hot and wet summer has left this growing region with major quality problems and low yields. Storms in the west have cause FOB markets to react sharply. There is very heavy demand for the tomatoes that are coming from Florida. Prices are also up on this product and for the most part they are sold out for the week. Florida's farms are still in the early stages of production and are not expected to be in full volume until mid-November when Ruskin gets going. Volume is tight on all tomato types and quality has been inconsistent.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Fringe burn is still an issue on romaine. All growers continue to deal with this. The warm temperatures in the growing regions are the main reason. Lettuce supplies are moderate to light. The quality problems of pinking and russet spotting will continue. This is industry wide. Broccoli supplies are adequate for all the processor's needs. Cauliflower production is fine for now. Expect availability to get tighter over the next few weeks.

WATERMELON *Mike Cantu*

Current crops are mostly packed in bins and cartons packed by request. Very light supplies in all growing areas. Current production is in South Texas and some in Sonora. We ought to see watermelon crossings in Nogales to increase in the next couple of weeks. Extreme demand exceeds.