



The Source

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THINGS YOU SHOULD KNOW:

Bartlett pears are finished for the season



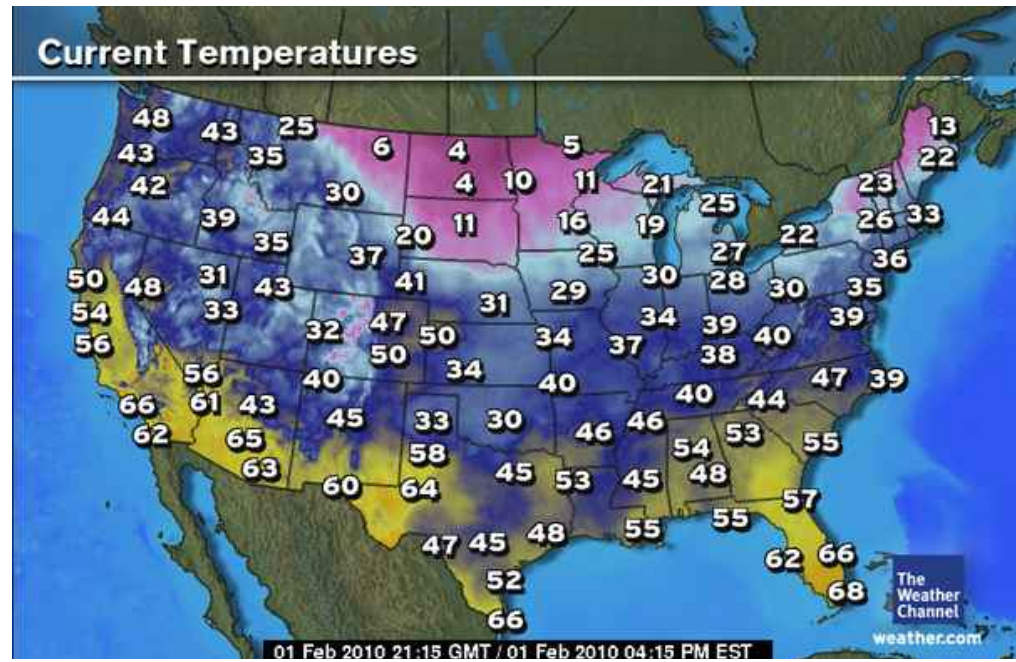
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Weather: Mike Pacheco

The West Coast will have partly cloudy skies in the daytime with a 20 percent chance of rain for the rest of the week. Over the next few weeks, we will see the effects of the rainfall on row crop items. Daytime temperatures in the growing regions are expected to be in the mid 50s on a high with lows ranging in the mid 40s. Winds are expected to be on the light side.

Yuma, Arizona will have a chance of showers on Wednesday. For all other days, forecasts call for partly sunny skies with temperatures in the low 70s and lows reaching the low 50s. Winds are expected to be moderate in the growing regions

South Florida is expecting rainfall on Monday and Tuesday. The following days have mostly sunshine in the forecast until Friday where more rain is expected. Temperatures will be in the mid-70s and there will be some windy conditions in isolated areas. The weekend calls for sunshine by Sunday.



Freight: Mike McIntire

The availability of eastbound trucks in California, Washington and Idaho has lightened up a little from the previous two weeks; expect that to remain the same this week. Crude oil prices are currently at \$74.82. The National Average on diesel remained steady at 2.781 down 5.2 cents from last Monday!

Commodity Updates

APPLES/PEARS *Jim Murphy*

Red Delicious, Gold Delicious and Granny Smith, along with most all varietal apples, remain in short supply on small sized fruit. The market will continue to increase gradually on the small sized Granny Smith, Red and Gold Delicious Apples throughout the season. This will be a season long dilemma and each week the supplies will get lighter causing market pressure until the apple harvest commences in the late summer. Demand continues to be very strong on small fruit and will continue to be very strong in comparison to the available supply. Deals remain in the larger sized fruit, and quality is excellent on all apples. Specialty apples, including the Honeycrisp variety, are still available and in adequate supply. D'Anjou Pears are in excellent shape with good supplies in Washington. Bartlett pears are in finished for the season. There are varietal pears available including Bosc, Seckel, Concorde, Comice and Crimson Red. Please consider different varieties on red apples in order to fill orders that require 100's, 125's, 138's and smaller.

ASPARAGUS *Gabe Romero/Mike Pacheco*

The asparagus market has remained steady. Supplies are light on jumbo and standard sizing from Mexico. Supplies are good on small, large and extra large. Peru still has supplies coming into the East and West Coast. Prices remain steady with availability on all sizes. The Quality of Mexican product continues to be good.

AVOCADO *Tim Kelley*

Mexico and Chile shipments are steady. However, California fruit harvest was slowed by the recent rains. The over all supplies remain good. Demand is good.

Mexican Fruit: Mexico still represents about 2/3 of the market at this time. They continue to have excellent quality and good steady supplies.

California Fruit: Shippers have are harvesting again, but picking will back off again as rains come back at the end of the week.

Chilean Fruit: Chilean fruit season is approaching the end. There will be a final push for the Superbowl. Quality remains very good.

Commodities at a glance...

Commodity	Quality	Market
Apples	Excellent	Higher
Asparagus	Good	Steady
Avocado (Mexican)	Good	Steady
Avocado (Chilean)	Good	Steady
Bell Peppers (Western)	Good	Steady
Bell Pepper (Eastern)	Fair	Higher
Berries: Strawberries	Fair	Higher
Berries: Raspberries	Good	Steady
Berries: Blackberries	Fair	Higher
Berries: Blueberries	Good	Higher
Broccoli	Good	Steady
Carrots	Good	Steady
Cauliflower	Fair	Steady
Celery	Good	Lower
Citrus: Lemons	Good	Steady
Citrus: Oranges	Good	Steady
Cucumbers (Western)	Good	Steady
Cucumbers (Eastern)	Fair	Higher
Grapes	Good	Lower
Green Onions	Good	Steady
Lettuce: Leaf	Fair	Steady
Lettuce: Iceberg	Good	Steady
Melons: Cantaloupes	Good	Higher
Melons: Honeydews	Good	Steady
Onions	Good	Higher
Pears	Excellent	Pear
Potatoes	Good	Steady
Squash (Western)	Fair	Steady
Squash (Eastern)	Fair	Steady
Stone Fruit	Good	Steady
Tomatoes (Western)	Good	Lower
Tomatoes (Eastern)	Fair	Steady
Watermelons	Good	Steady

Commodity Updates continued

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

Supplies of green bells coming in from Mexico remains lighter in volume, and looks to remain so through the week. Colored bell supplies from Mexico have started dropping off as growers are at the end of their initial flush in production.

Eastern Bells: *Janine Baird*

Supplies of peppers in Florida are getting scarce again. There is nothing left in the fields to pick, the demand is constant and Nogales prices are rising rapidly. Going into the weekend, there will be little to no off grade pepper in Florida to ship. A sharp spike in the pepper market is expected for the weekend with another spike on Monday. Quality is fair.

BERRIES *Mike Gorczyca*

Strawberries: The rain California Strawberry fields received 2nd and 3rd weeks in January has put Strawberry availability in question for Valentine's Day. Since January 18th Oxnard and the rest of Southern California growing regions received up to six inches of rain, and at times hail, causing widespread damage to ripened strawberries in all major growing regions. As a result, harvest volumes in all Southern California growing areas were negatively impacted. All growers have gone into their fields and stripped off all ripe, white and damaged fruit causing the growers to basically start the season all over. They lost a huge percent of what was going to be harvested for stems. That being said, there is a very good chance that the majority of the fruit that comes out of the fields will be packed in 8/1 clamshells the next two weeks. Pint and stem packs will be very limited. Please make sure your customers are aware and updated on the strawberry situation. Rain is forecasted to start again Thursday/Friday of this week and could further result in a decreased harvest and availability. Florida has started hitting a gap from the freeze they had a month ago. Volumes are very limited out of this area and will be for the next two weeks. Market is very active. Mexico is getting rain today which will impact fruit that would be hitting the US Wednesday into the weekend. Look for their harvest numbers to go backwards as this week moves on. Market is active.

Raspberries: Supplies are slowly increasing making the market slightly weaker the start of this week. Quality is being reported as good. Driscoll is the main supplier at this time of the year.

Blackberries: Blackberry supplies are limited with fair quality and firms market the start of this week.

Blueberries: Supplies out of Chile are down 20 to 30% due to the freeze they had a few months ago. Market is very active. Quality is good to fair depending on the lot. Most packs coming into the U.S. are now 6oz and 4oz with a few pints still being packed. Availability is limited on all pack sizes.

BROCCOLI *Gabe Romero/Mike Pacheco*

The market is steady. Supplies are good and many suppliers have come out at the beginning of the week very aggressive on bunch and crown product. Supplies look to be good throughout the week. The quality is strong, coming out of Santa Maria, Yuma, and Scottsdale. There is some product being harvested in Salinas.

CARROTS *Tim Kelley*

California carrots coming out of Bakersfield are finally starting to size up and there is a little better supply of jumbo carrots.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market is steady. Demand is light. Brown and black spotting as well as discoloration continues to be seen sporadically upon arrivals on this commodity. Past cold weather is the cause of this defect. Supplies will be good throughout the week.

CELERY *Gabe Romero/Mike Pacheco*

Product is more readily available on large sizing and pricing varies from 3-4 dollars compared to the smaller sizes. There are a few shippers having product in Yuma if Oxnard and Santa Maria is not desired. With Florida still recovering from the freeze, pressure will continue to be put on California production to pick up the slack. The best deal is on 24 count and deals can be made on volume orders.

CITRUS *Tim Kelley*

Lemons: Supplies are good on 115's and larger, with 165's and especially 200's

Commodity Updates continued

becoming tight. Quality is very good.

Limes: Rains in Mexico have lightened supplies this week. Sizes are peaking on 200's and 230's.

Oranges: Demand remains steady. Rain forecast for this weekend could keep supplies light. Crop continues to peak on fancy 72's, 56's and 88's. The supplies of choice grades remain tight.

CUCUMBERS

Western Cucumber: *Tim Kelley*

Mainland Mexico production continues with steady supplies and looks to hold this way for the next 7 to 10 days.

Eastern Cucumbers: *Janine Baird* The offshore supplies are gradually increasing but quality and demand have kept the market from declining. Quality is fair.

GRAPES *Amy Grolnick*

Chilean flames have good availability but product continues to run small. Thompsons and Sugarones are in good supplies with product peeking to the med/large size. There should be good supplies for the Valentines Day pull on red seedless. Good availability on the seeded Red Globe with excellent quality. Black seedless with better supplies and very good quality.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is steady. Supplies are on the light side out of Mexico but all orders are being filled. Demand has definitely been stronger these past few weeks and it looks to be strong throughout the week, as numbers will be light from Mexican production. Pencil sizes are still the largest volume available. The quality continues to be good with no significant problems to report. Processors have had minimal problems with the raw product available.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The leaf market is steady. Red leaf continues to demand a higher price compared to other leaf items. Florida has started packing romaine. Romaine and romaine hearts continue to show some blister and epidermal peel from the cold temperature experienced last month out of Yuma. Quality has been

average with tip burn and fringe burn showing up in some lots. Weather issues will inevitably cause quality issues towards the end of the week on all leaf items.

LETTUCE *Gabe Romero/Mike Pacheco*

The lettuce market is softer, with a variance in pricing by 2-3 dollars with different shippers. The quality has been good with weights in the 40-44 pound range. Florida has started production also. Suppliers are expecting stronger production numbers at the end of the week in Yuma. Rain is not expected for the rest of the week. Suppliers are looking to move bin lettuce, and deals can be made.

MELONS *Amy Grolnick*

Cantaloupe: Honduran fruit is limited and by the end of the week should be sold out. Getting orders on the books early will help to ensure availability. Small fruit 15's and smaller are still extremely limited. Shipping points in Pompano Beach and Port Manatee, FL as well as Los Angeles, CA and Camden, NJ continue to receive fruit, but again sizes are mostly large. The prices remain at higher levels on the small size fruit. There are extremely limited supplies of Mexican cantaloupes crossing through the Nogales, AZ point of entry and quality is fair at best. Overall quality for the offshore fruit is still very good.

Honeydew: Offshore fruit is still arriving into Florida, California and New Jersey with volume supplies mainly in 5's and 6's. All sizes will be limited this week out of Florida with better supplies in California. Good supplies of honeydew out of Mexico and the quality is good.

ONIONS *John Tole*

The Idaho/Oregon yellow onion market is steady to lower with light demand. The export demand remains but time will tell how it affects the domestic pricing. For now it is lower and not having an affect. Quality is still very nice and sizing remains heavy to jumbos and larger. Reds are steady however we are nearing the end of the storage deal for most packers so expect a stronger market in the near future. Now is a good time to go heavier on reds. The white onion market is still in a demand exceeds supplies situation as Mexico is buying all they can although the market is down.

Commodity Updates continued

POTATOES *John Tole*

The Idaho potato market is steady with light demand. Most shippers are hungry for business and peaking between 70 and 90 counts depending on the variety. Quality is good with a few shippers reporting some light peepers showing up in their storages. The norkotah, western, and Burbank varieties are being packed in Idaho. Washington Norkotahs are going strong with good quality and availability but also light demand. Washington shippers are peaking on 60ct and larger. Colorado is going strong steady supplies and quality, with light demand. Colorado is heaviest to 70 & 80 count. Mount Vernon, Washington has good availability and excellent quality on red and Yukon-gold potatoes, while they are done with whites. North Dakota and Wisconsin have good supplies of red & yellow potatoes with few whites. Some California packers have good supplies of reds, whites, and yellows while some are experiencing low pack-outs on the Yukon's.

SQUASH

Western Squash: *Tim Kelley*

Yellow squash remains very short with no increase in volume until mid February. Italian supplies are good, but expect to lighten over the next 2 weeks.

Eastern Squash: *Janine Baird*

Domestic supplies of squash in Florida have been all but wiped out by the weekend freeze. Many Florida shippers are bringing yellow squash in out of the West just to try to cover. The market on green, however, appears to be dropping as Nogales continues to lower their prices.

STONE FRUIT *Amy Grolnick*

Chilean peaches should be in good supply for the next few weeks. Demand still exceeds supply on the Nectarines. Plums are limited but available.

TOMATOES *Ryan Frayo*

Eastern: The temperatures in Florida have stabilized but remain cooler than normal (but not freezing) and will continue into this week for the southern growing areas with a high of around mid 60's to low 70's. The damage the frost caused is becoming a bit clearer as

growers have figured out that they will or will not get another harvest off the existing plants. There has been significant crop loss and supplies out of Florida will be down and won't rebound probably until spring. Growers have initially picked as much fruit as possible to salvage as much of the crop as they could, but are now running out of that fruit. We can expect to see higher fob's probably up through the Spring accompanied with shortened supplies. Quality issues are appearing with some light spotting and some softer than normal fruit, but for the most part growers are doing a good job packing decent fruit.

Western: Limited harvesting in Florida has increased interest in Nogales, but supplies are plentiful land what demand is there is not overbearing or exceeding supplies. There has surprisingly enough there has been a price decrease out of Nogales and San Diego. They both have certainly loaded on fruit with color, which is the primary because fro the price decreases that we are currently seeing. As the shippers clean up on the color they may try to take price back up (production and demand will dictate). The Roma market has become a little active probably due to some light rain that passed through northern Mexico. The tight fruit is cherry tomatoes.

WATERMELON *Amy Grolnick*

There is very little fruit coming in from Mexico and offshore sources. FOB's continue to rise on both seeded and seedless. The seeded being the shortest in supply as some shippers are no longer growing of them. Quality on the Mexican fruit is fair at best. The mini seedless are in better supply and quality is good.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Chopped romaine and romaine blended items continue to experience brown and red discoloration on finished product. Suppliers are working diligently to use the best raw material available for the processing facilities. The cold weather Yuma Arizona has been experiencing has resulted in product having a shorter shelf life. The processed cauliflower has had a few issues on brown and black spotting. Again, processors are using the best product available.