



**THINGS YOU SHOULD KNOW:**

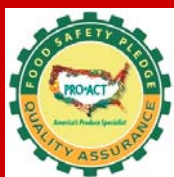
**Tomatoes in all areas are in short supply!!**

**Bartlett pears are finished for the season**

**Strawberry and Blackberry supplies are limited**

**Honeydew and Cantaloupe supplies are very limited**

**Grape supplies are extremely limited**



# The Source

February 22, 2010

© 2010, PRO\*ACT, LLC

## **Weather:** Mike Pacheco

Forecasts indicate that the Southern California region will have a 30 percent chance of rain throughout the week with otherwise cloudiness. Winds are expected today in the mid 20s, but mild for the rest of the week. In the desert region, temperatures are expected to be in the mid 60s to mid 70s with partly cloudy skies throughout the week. Winds are expected to be gusty sporadically for the entire week. No rain is in the forecast.

Thunderstorms have an eighty percent expectancy for Monday in the South Florida growing region. Temperatures are expected throughout the week in the mid 60s to mid 70s with cloudiness and strong winds expected. A cold, dry air mass behind the high pressure system currently over Florida may cause freezing temperatures to Central Florida and especially locals to the north before moving out late this week. High pressure should remain in place through the weekend bringing a gradual warming to this region by early next week.



## **Freight:** Mike McIntire

The availability of eastbound trucks in California, Washington, and Idaho remain steady. Crude oil prices are currently at \$80.16. The diesel price for this week is up .076 cents to 2.832.

# Commodity Updates

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

Reds, Gold's, and Granny Smith, along with most varieties, remain in short supply on smaller fruit but the larger sizes are very available. Expect the market on smaller fruit to continue to gradually increase throughout the season... Supplies will continue to get lighter until new crop starts in late summer/early fall. Demand continues to be very strong on small fruit and will remain so in comparison to supplies, while the demand for larger fruit is less along with prices. Deals remain in the larger sizes and quality is excellent on all varieties. 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 and like the apples are mostly large. The varietal pear varieties including Bosc, Seckels, Concorde, Comice and Red Crimsons are available as well. Please consider varieties other than red apples for your food service orders that require small fruit.

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

The asparagus market is steady. Supplies are lighter to start the week, especially on jumbo sizing from Mexico, but demand is light. Peru still has supplies coming into the East and West Coast. Prices are steady. The quality of Mexican product continues to be good. California production has also started.

## **AVOCADO** *Tim Kelley*

California growers continue to slow their harvest to let fruit size up. Chilean fruit is 95% shipped and Mexico is holding steady with their production. The over all supplies remain good at this time.

**Mexican Fruit:** Mexico still represents the bulk of the avocados on the market. Rains last week did slow harvest, but supplies still good. They continue to have excellent quality.

**California Fruit:** Shippers remain with limited harvest into the first week of March to gain size. With the rains and warmer weather, size may begin soon.

**Chilean Fruit:** Chile is winding down quickly as end of their season is near. Quality remains very good.

## **BELL PEPPERS** *Tim Kelley*

**Western Green Bells and Colored Bells:** Bell peppers continue to get tighter and will

## Commodities at a glance...

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

# Commodity Updates continued

continue so for the near future. Bell pepper supplies from Mexico look to improve as we move into March. East coast demand remains the driving force on the market. The spring crop for eastern bells looks to start in April.

## **Eastern Bells:** *Janine Baird*

Almost all of Florida's pepper supplies are currently coming out of Mexico. Long stretches of below average temps, rains and wind have all but depleted local supplies. As Florida begins to get back into pepper by the end of the week and the prices rise in Nogales, we will see the Florida market begin to gradually ease up. Quality has improved from poor to fair.

## **BERRIES** *Mike Gorczyca*

**Strawberries:** Demand still exceeds supplies right now on strawberries due to the recent weather we have had in both Southern California and Florida. Southern California received some light rain over the weekend. The forecast is calling for more rain as this week moves on. Depending on the severity of these approaching storms, estimates and harvest could be affected. Florida received some nice weather over the weekend and the forecast is for nice weather most of this week. This should bring on a push of fruit late this week. Market is steady with good to fair quality coming out of California.

**Raspberries:** Supplies are still limited with Driscoll being the main supplier. Quality is being reported as good. Market is firm but steady

**Blackberries:** Blackberry supplies are very limited with fair quality and firm market.

**Blueberries:** Supplies are good with a weaker market on both coasts. Quality is improving.

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

This market is steady. Supplies continue to be good with most suppliers on bunched and crown product. The quality is good, coming out of Santa Maria, Yuma, and Scottsdale. There is some product still being harvested in Salinas and loading is also occurring in Gilroy if desired. Gilroy production is available if trucks are in the area.

## **CARROTS** *Tim Kelley*

California carrots are coming out of Bakersfield for the next 3-4 weeks with good supplies.

Yield and quality are good and there should not be any gaps for the next couple of months.

## **CAULIFLOWER** *Gabe Romero/Mike Pacheco*

This commodity unlike the previous week is steady. Supplies are light to moderate but demand is simply down. Suppliers realize to make a large price increase would stop any current movement. Brown and black spotting as well as discoloration continues to be an issue upon arrival and this will likely continue lightly throughout the week.

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

This market is steady. Production has evened out on large and small sizing. This is in contrast to past weeks where large sizing was more prevalent. There continues to be a few shippers of celery in Yuma. Oxnard continues to have good supplies available. The quality continues to be good from all the growing regions. Expect supplies to be ample to fill all orders for the week.

## **CITRUS** *Tim Kelley*

**Lemons:** Supplies are good on 115's and larger, with 165's and especially 200's are less available. Quality is very good.

**Limes:** Rains in Mexico continue to delay harvest. Expect some tighter supplies this week. Sizes are peaking on 175's thru 200's.

**Oranges:** Demand remains steady. 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 fair to lighter supplies. Some growers are gaping as they transition between old and new fields over the next couple of weeks.

**Eastern Cucumbers:** *Janine Baird* The off shore supplies will continue to steadily trickle in. A rising market in Nogales will keep the market strong. Quality is fair.

## **GRAPES** *Amy Grolnick*

Reds and Greens are still extremely limited this week and next as Chile is not sending as much fruit out as was expected. The flames are finishing up and Crimson will be starting. Good availability on the seeded Red Globe with

# Commodity Updates continued

excellent quality. Black seedless with good quality and supplies.

## **GREENONIONS** *Gabe Romeroro/Mike Pacheco*

This market continues to be stable as supplies have steadily increased out of Mexico. Demand has definitely fallen off. Pencil sizes continue to have the largest availability. The quality continues to be good with no significant problems to report. Processors continue to have only minimal problems with the raw product available.

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

Aside from a few suppliers, this market has remained overall, flat. Shippers continue to look for volume orders and are willing to flex pricing to get the order. Romaine and romaine hearts continue to show some blister and epidermal peel from the cold temperature experienced last month out of Yuma. Product is plentiful.

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

The lettuce market is stable. Suppliers have attempted to raise the pricing on this commodity, but demand does not warrant an increase. There have been some issues of pink ribbing, discoloration, and mechanical damage seen upon arrival. This again is related to the past rains in the desert region. Growers have started to pass on fields with some age to the product, and have moved on to new lettuce. Although the weights have been lower, 3-4 pounds, the quality has been much cleaner.

## **MELONS** *Amy Grolnick*

**Cantaloupe:** Honduran fruit is still limited and selling out for the week. Getting orders on the books early will help to insure availability. It looks like the larger fruit will begin to have better availability again with small fruit more snug. Shipping points in Pompano Beach and Port Manatee, FL as well as Los Angeles, CA and Camden, NJ continue to receive 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 still mainly in 5's and 6's. The vessels late arrivals are hampering availability so

getting orders on the books early is a must. All sizes are limited at the end of this week out of Florida and California. Good supplies of honeydew out of Mexico and the quality is good to fair.

## **ONIONS** *John Tole*

Idaho/Oregon yellows are way up! Demand is very strong and the supplies are getting lower as we near the end of the storage deal. To make matters worse Mexico is consuming most of its own onion crop where they normally send a large portion to the U.S., so expect supplies to stay tight for at least the next couple weeks if not the next month. Mexico is still short of whites and until they have enough to satisfy their own demand they will keep coming to the U.S. to buy yellows as a substitute. A strong Asian demand is also taking much of Washington's yellows. Looking even farther forward the Texas crop has been hampered by cool weather and rain so it could be late. The sizing is still heavy to jumbos and larger while mediums are still very short. Reds are up to because the Washington suppliers are running low. We recommend continuing to go heavier on reds as the market will only continue to rise until Mexican onions start to cross sometime between early & mid-March. The white onion market is still in a demand exceeds supplies situation as Mexican demand is strong and the market continues to rise. White storage supplies are low and a few packers are done for the season so expect the high market to stay until Mexican volume improves.

## **POTATOES** *John Tole*

Idaho potatoes remain steady with light demand. Most shippers are still hungry for business and will deal on certain sizes/packs. Idaho continues to peak between 70 and 90 counts. Most packers are done with the Norkotahs variety so they are getting a smaller overall size profile on cartons. Some shippers are higher on their larger count Burbanks this week. Burbanks and westerns are the main varieties available right now and the quality is good on both. Washington is still getting excellent quality and is peaking on 60's. Wisconsin & Colorado shippers are also packing Norkotahs and have a steady market with light demand, but are heavier to 70 & 80 count. Mount Vernon, Washington continues

# Commodity Updates continued

with excellent quality on reds and Yukon-gold's but the supplies are getting really low. Some shippers are done with Yukon's. North Dakota has good supplies of red & yellow potatoes with few whites. Wisconsin is about done with both reds and yellows. California packers have good supplies of reds, whites, and yellows for the next two weeks but will then be done with their own product. Florida is just starting but supplies are light due to the freezes earlier this year.

## **SQUASH**

### **Western Squash:** *Tim Kelley*

Mexico production has slowed due to previous rains and current cool weather. The cooler wet weather will slow and lighten production over the next couple of weeks. Yellow squash remains very short.

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

Most Florida shippers are bringing squash in out of the west just to try to cover orders. Yellow squash continues to be extremely hard to come by and poor in quality. Strong winds throughout South and Central Florida will result in quality issues with their domestic supplies for a few more weeks.

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

Chilean peaches are a little more limited but there is product available. Demand still exceeds supply on the nectarines. Both red and black plums are limited but available.

## **TOMATOES** *Ryan Frayo*

**Eastern:** Florida continues to be a non-factor in the tomato supply chain. There has been significant crop loss from the early freeze and supplies out of Florida will be down and won't rebound probably until spring. 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 and shorter shelf life, but for the most part growers are doing a good job packing decent fruit.

**Western:** Supplies out of both Nogales and San Diego are inconsistent and down significantly due to recent past rain in the Mexican growing areas. This has disrupted just about all production on all tomato varieties. Pricing has increased slightly and may continue to do so depending how production rebounds.

Roma tomatoes, Grape, Cherry and mostly Gas rounds are in short supply. Shippers are still behind trying to catch up on previously cut orders. Weather reports have been mild with no major rain or disruptions but the supply chain is dry as a bone.

## **WATERMELON** *Amy Grolnick*

Limited supplies still on seeded watermelon with better supplies of seedless. Quality on the Mexican fruit is fair at best. The mini seedless are in better supply and quality is good the market is on the rise.

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

On the value added front, chopped romaine and romaine blended items continue to experience some brown and red discoloration on finished product. Suppliers are doing their best to use the best raw material available to avoid credits. The processed cauliflower has had a few issues on brown and black spotting. Again, processors are using the best product available. Expect to see some red to pink discoloration on shred and chopped lettuce items as well.