



# The Source

March 16, 2009

© 2009, PRO\*ACT, LLC

## THINGS YOU SHOULD KNOW:

**No Food Safety Alerts at this time.**



## ALERT

*Broccoli and Cauliflower supplies are extremely short this week. Please see each commodity section below for more details*

### Weather:

Dry and mild temperatures will prevail this week in Central and Southern California as hot temperatures (80s to low 90s) impact the Southwestern desert growing regions of California and Arizona. These extreme temperatures will not help growers in this region attempting to prolong the desert season. Yields and quality will be impacted on these late season supplies. In the Southeast rain and thundershowers will move east today with seasonal temperatures (60s to low 70s) and a chance of showers forecast through the week.



### Freight:

Trucks in California, Idaho, and the Northwest remain steady. Crude oil continues to be around 45.00 per barrel and is currently at 47.03. The National Average on diesel fuel dropped slightly this week and is at 2.017 per gallon.

### **APPLES/PEARS**

There are deals available on 100/113ct apples in most all varieties. Furthermore there is a push on Granny Smith in the smaller sizes and lower grades. Washington remains the leading production area for apples and will so through the spring and summer months. Regional production areas including Michigan and New York continue shipping light supplies of storage apples; demand remains light for those. Washington and Oregon Pears continue production from storage including mainly the Anjou, Bosc and Golden Bosc varieties.

### **ASPARAGUS**

The market has been steady for the past few weeks. Prices look to be stable for this week also. Good supplies from Mexico as well as California keep this market at low competitive prices. Most shippers have good supplies of 28/1# and 11/1# pack sizes.

### **AVOCADO**

**Mexican fruit** – Mexican is bringing good steady supplies into the states. Supplies are good. Demand continues to be good.

**Chilean Fruit** – Still a few Chilean avocados coming in, but very limited. Their season will be finish by the end of the month.

**California Fruit** - Growers are harvesting limited volume, but look to increase production as we move through March.

### **BELL PEPPERS**

**Western Green Bells and Colored Bells:** Still very light supplies of green bells coming from Mexico as volume continues to drop off, with size and quality a problem. The California desert looks to start the 3<sup>rd</sup> week of April. Demand is very good. Red and yellow bell supplies remain light.

**Eastern Bells:** Diminishing supplies in Florida's current growing regions are leading to a rising market. This market will continue to tighten up for the next couple of weeks or until the transition farther north is complete.

### **BERRIES**

**Strawberries:** California strawberry production is starting again this week with lower than expected production due to relatively cool temps in the Oxnard growing area. We have experienced dry sunny days for the past 7 – 10 days, but the days have been cool. Shippers

## **Commodities at a glance...**

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

### **Legend**

Quality  
Excellent  
Good  
Fair  
Poor

Market  
Steady  
Higher  
Lower

# Commodity Updates *continued*

had anticipated better production this week but it looks more like mid-week for the volume to increase to big numbers. There have been reports of the berries sizing up nicely. Oxnard will be in good production next week as reports have expressed that the plants have all stages of growth on them, bloom, green, white and red ripe fruit. Florida production is not as strong as California. Florida had some early on freeze issues and now is warming up significantly causing some minor quality issues, further more lessening the amount of packable fruit. McAllen crossings are winding down with Driscoll being the only major player left shipping there.

**Raspberries** Raspberry production continues tight this week and will continue to be snug due to diminished transfers from Chile and Mexico. There has been some local California production, cooler temp patterns, the numbers have fallen greatly. Quality has been affected with California production. We can expect tight supplies for the foreseeable future.

**Blackberries:** Blackberry production is down with less transfers arriving from Mexico. There are some shippers in much better shape than others but definitely less product than in previous weeks. We are now looking at local production to increase.

**Blueberries:** Blueberry transfers are slowing down from Chile and some shippers are looking for higher fobs. We are seeing less fruit arriving on vessels, and taking longer to be released. Some shippers are expressing that we may see the end of Chilean product by the end of the month. There are small quantities of local Californian blues with great size and quality (under hoops). We can expect a gap as the eastern early varieties were affected by early frost damage.

## **BROCCOLI**

The cold night time temperatures in Salinas & Santa Maria coupled by the Yuma growing region finishing up has caused this market to react. Prices will be very active all week. There looks to be more availability on bunched broccoli versus the broccoli crowns. But supplies will be very light all week.

## **CARROTS**

California carrots have moved into new fields in Imperial Valley. Size is running small right now

as cool weather has slowed growth. This has lighted supplies of jumbo sized carrots. Size is expected to come back in 2 weeks. Quality remains good. Georgia has good availability and quality on the East Coast.

## **CAULIFLOWER**

Availability is much tighter with all suppliers. Salinas has started some early production. Expect this commodity to be active throughout this week as most suppliers begin to finish up the season in Yuma. Demand is definitely stronger. Some defects showing up include black spotting and yellowing upon arrivals.



## **CELERY**

This market is steady. Yuma is finishing up production this week and Oxnard will be the main area to pull product. There are lighter supplies of the smaller size celery with most price deals being made on 24 count. Salinas will not start production until late May to early June.

## **CITRUS**

**Lemon:** The Coachella and Yuma areas are 100% picked and the Central valley is 70% picked. Most of the volume is coming out of Ventura County. Supplies are peaking on 140's. There are good supplies of 165's, with 200's being a little on the tight side.

**Oranges:** There will be good supplies of Navels available into May. Peak sizes are 48's through 88's. There is limited harvest starting on Valencia's.

## **CUCUMBERS**

**Western Cucumber:** Production continues light this week from Mexico as southern growers come to the end of fields, and what volume they are sending is heavier to off grades.

# Commodity Updates continued

**Eastern Cucumbers:** With Honduras finished up and south Florida still a good 2-3 weeks away from ample supplies, the cucumber market is at the highest it has been in over a year. Quality issues abound in the final off shore shipments while the beginnings of the domestic supplies are undersized and scarred. Scarce supplies and a screaming market will be the go for the next two weeks.

## GRAPES

Flames are all but finished for the Chilean season with the exception of a few select lots to be kept close in shipping proximity. The majority of what is available for the light supplies of red seedless is in the Crimsons. Supplies are still somewhat light on Crimson, and expect that to remain the case through this week. There are a few light supplies of Ruby red seedless available, but size is small and eating quality is not quite comparable to the Crimson. Demand looks to remain strong for red seedless for at least this week. Green seedless supplies continue to arrive in big numbers and there are still HOT deals that we're offering for this week and into next! There are currently only light supplies of Black seedless and seeded Red Globes, and overall grape quality remains very good.

## GREEN ONIONS

This market continues to stay steady. Supplies continue to be excellent out of the Mexico growing region. The market remains steady with very inexpensive prices. Defects such as decay, slime, and yellowing have been minimal.

## KIWI

Italian Kiwi supplies are steady and demand is only moderate. Quality remains very good and with the fair demand the market will remain unchanged.

## LEAF LETTUCE

This market is steady with plenty of supplies from most shippers. But this week temperatures will be in the 90 degree level in Yuma. It would be a good decision to switch to naked leaf to avoid the dehydration of the liner product. Most shippers continue to be ahead of their projected harvesting times on the leaf

fields. Some Quality defects continue to include fringe burn, tip burn, and wind burn.

## LETTUCE

The lettuce market continues to be stable. Most shippers have good supplies. The warm temperatures this week in Yuma will bring more fields ahead of their normal harvesting schedule. Huron production will start on Monday March 23. Supplies should be average with most suppliers throughout the front side of the week.

## MELONS

**Cantaloupes:** Demand continues strong again this week, but supplies are sporadic at best, keeping the market steady at the higher levels. Honduras and Costa Rica have passed their peak and production numbers continue to fall off. Guatemala is approaching their second cycle, but that is still about 10+ days away. Smaller sizes are still the better deal, but be proactive when placing orders so we can stay ahead of the rising markets. Quality remains very good for all cantaloupes.

**Honeydews:** Demand seems to have leveled off on Honeydews as the concentration remains on cantaloupes. As a result there are no significant market changes to start this second half of March. Similar to the cantaloupes, Honduras and Costa Rica have passed their peak and Guatemala's second cycle is still approximately 10 days away. Sizes on both coasts are concentrated to the 6 and 8ct, and the smaller the fruit has the better the prices right now! Quality remains very good!

## ONIONS

Quality on storage onions continues to be good with the exception of translucency that typically starts showing up at this time in the season. If this is just in the first few layers of the onion it can be rectified with lots of air flow though the onions to help dry them out. There are still good supplies of all colors and sizes of onions in Idaho and Washington. Idaho will have product available through the end of April. Mexican product is now in Texas with good supplies of all colors, quality is good. Texas onions will be available in the next couple of weeks. Load volume deals are still available.

# Commodity Updates *continued*

## **POTATOES**

Norkotahs are finishing up for the season and Burbanks will be the only varietal available out of Idaho. The market is steady but 70ct and #2-10oz remain very snug. We are trying to get all requests for a particular varietal fulfilled, by time of shipment Burbanks and/or Norkotahs may be the only product available. Wisconsin and Colorado have good supplies and quality. Colored potatoes are loading out of North Dakota and Wisconsin with Washington almost cleaned up for the season. California has good quality and supplies of colored potatoes. Florida is now going with good quality.

## **SQUASH**

**Western Squash:** Nogales supplies for Italian Squash remains lighter to start this week. Supplies still look to start coming back by the end of the week. The Yellow Squash market continues to be strong and quality continues to be a major factor in yields from Mexico.

**Eastern Squash:** Squash has somewhat stabilized at the mid to higher levels as warm, sunny weather has brought on more volume. However, the traditional gap in product as they transition from Southern Florida to Northern Florida will keep the market active. Quality is good.

## **STONE FRUIT**

Chilean tree fruit remains in light supply as we continue to see lighter numbers arriving into both East and West Coast ports. There is still good quality eating fruit in peaches, nectarines and red/black plums, but there are definitively lighter supplies. Relatively light demand will keep the market steady through the week.

## **TOMATOES**

**Western:** Mexican growers have pulled back a bit on production to get themselves out of the low market they have been in for a month. There are plenty of vine ripe tomatoes to go around but we are seeing less of the gas fruit. There are unstable fobs for round tomatoes. There have been daily price adjustments due to current demand. . Roma tomatoes started to react a bit but have come right back to low market prices.

**Eastern:** Tomato production in Florida is lower than Mexico but demand is keeping the playing field level. There has been no major upswing to pricing even with lower production. Cooler weather is slowing production and growth. There is more of the bigger fruit than smaller due to the fact that smaller fruit has been affected by the recent cold temps more so than the larger fruit.

## **WATERMELONS**

Watermelon supplies in both the seeded and seedless categories are very light again this week. The transition back to Northern Mexico is proving to be a difficult one similar to the one South and expect supplies on all watermelons to remain tight all week. Demand continues strong for the light supplies and the market is higher again this week. Quality continues good.

## **VALUE ADDED**

There have been no issues with raw material availability with processors. Aside from the cleaning of the outer leaves, the raw material has been clean. Good quality continues to be reported on chopped Romaine. Complaints have been minimal on green onions also.