



The Source

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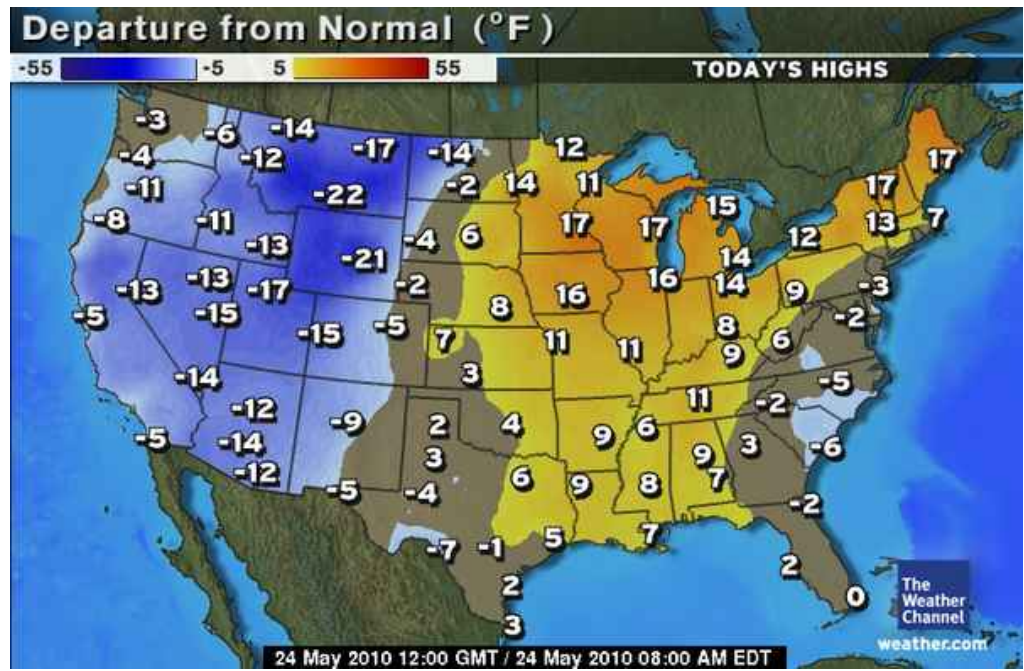
THINGS YOU SHOULD KNOW:

Bartlett pears are finished for the season

Weather: *Tim Lynch*

Another series cold winter type storm systems will move into Central California Monday followed by another system late Tuesday. This first system is expected to pass mainly to the north with light precipitation expected south of the Bay area. The second slow moving system is expected to bring between ½ to 1 ½ inches of rain to the region along with winds and much cooler temperatures. Long range forecasts continue to bring cold fronts through Northern California keeping moist, breezy growing conditions with temperatures well below seasonal norms into the weekend.

In the Southeast a low pressure system in the Gulf of Mexico will slowly move to the northwest through the week. This will bring a chance of showers and thunderstorms to the region this week, along with warm temperatures from the mid 80s into the low 90s through the week.



Freight: *Mike McIntire*

The availability of eastbound trucks in Washington and Idaho has loosened up but California remains extremely tight due to the lack of westbound freight. The TX valley also remains extremely tight again this week. Crude oil prices are currently at \$70.24. The diesel price for this week is down .073 cents to \$3.021.



Commodity Updates

APPLES/PEARS *John Tole*

Large and higher grade red and golden delicious are the most available in Washington while the smaller and lower grade fruit remain tight. The markets on both varieties are mostly steady but strong and rising slowly as the eastern apples supplies drop. There are still some good deals on 48, 56, and 64 size fruit in both varieties. The foodservice sizes and grades remain very limited in all varieties and will also get even tighter so stay ahead. Granny-Smiths remain heavy to the larger sizes and the premium grade, while the lower grades and smaller fruit remain short. Braeburns, Galas, Fuji's, and Pink Lady varieties are left although the Pink Lady and Braeburn numbers are very low. Cameos, Jonagolds, Honeycrisp, and Romes are finished for the season. The D'Anjou pear quality is excellent but Washington but supplies are lower and the market is strong. Expect domestic fruit prices to continue to climb as we approach the end of the storage season. Washington fruit is still large. A few Red Crimson and/or red D'Anjou pears are available but supplies are very limited. New crop California Bartlett and red Bartlett's will be available in July.

ASPARAGUS *Gabe Romero/Mike Pacheco*

The asparagus market is firm. Mexico production is finished. Supplies are also light out of Washington due to a recent freeze. California product is very light. Peruvian product is still available on the East and West Coast but supplies have been limited due to less air shipments. Supplies will be very light throughout the week on product from all growing regions.

AVOCADO *Tim Kelley*

California harvest continues at a steady pace. Mexico is 85% shipped for this year's crop.

Mexican Fruit: Growers continues at a slower pace as there is nearing the end of this year's crop. Mexico is consuming a much larger than normal percentage of their at home.

California Fruit: Growers are harvesting good supplies, but is still experiencing problems with size, as the trees are over laden with small fruit. Size is slowly improving as weather warms.

Commodities at a glance...

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

Commodity Updates *continued*

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

Mexico supplies are quickly winding down as their season comes to the end over the next two weeks. Availability, size, and quality continue to drop on. The California desert has hit their peak and demand is very good. They will begin to wind down for their season by the first week of June. Bakersfield looks to begin mid June. Red and yellow bells from Mexico remain limited as most shippers have finished for the season. The California desert crop for colored bells has started this week, with volume by the first week of June. One grower in Baja has supplies of new crop colored bells.

Eastern Bells: *Janine Baird*

With heavy rains in central Florida and no pepper yet in Georgia, this market is trending upward and could continue to do so for another 7-10 days or until Georgia is into volume. Additionally, Nogales is finished, creating an even greater demand. Current quality is fair.

BERRIES *Mike Gorczyca*

Strawberries: Rain, Rain go away. Rain in the forecast again this week starting Tuesday thru Thursday this will hurt supplies and quality as this week movers on. We are already in a demand exceed situation due to cool and wet weather we have been getting in the strawberry growing areas over the last month and this will just make it worse. Memorial Day pull is in full swing and will slowly wind down at this week moves on. Quality is good but will go down hill if this weather hits Tuesday. Market is firm.

Once we get a good week of warm weather we will see harvest numbers jump up quickly.

Raspberries: Supplies are increasing each week with a slightly weaker market. Quality is good.

Blackberries: Good supplies and light demand is causing a weak market. Quality is being reported as fair to good.

Blueberries: Florida supplies are building each week with a slightly weaker market the start of this week. Most shippers are switching their packs from 4.4oz to 6oz and pints. Quality is good. California supplies are slowly building each week. The main packs are 6oz and pints with a few 4.4oz still being packed. Look for this market to weaken quickly over the next week as Florida and California build volumes.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is stronger on bunched product as well as crowns. Supplies will be light throughout the week in the Salinas and Santa Maria growing regions. Mexico supplies will also be lighter this week. Bunched broccoli continues to have the best availability versus broccoli crowns. Quality has been fair with branchiness and small crown size in the broccoli crowns. Expect too see purple cast to this product as well. Cold temperatures throughout California have slowed the growth cycle.

CARROTS *Tim Kelley*

California carrots are coming out of Bakersfield 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*

The cauliflower market is easing up. Some suppliers are better off than others and this has created a gap in pricing from six to eight dollars. Processors continue to purchase large blocks of product to meet their production needs. The weather continues to be cold and windy in all of the growing areas. Rain is also expected on Tues and Wednesday. The market could get stronger because of the expected rains later in the week.

CELERY *Gabe Romero/Mike Pacheco*

This market is a little stronger on the small sizes, 36's and smaller. Larger sizing is more readily available but production overall is light. Cool weather in the Oxnard growing region has slowed the growth of this commodity. Expect to see some seeder in most packs. Other than that, the overall quality has been very nice with good weights. Salinas celery is expected to start by mid June. Santa Maria is also in production.

CITRUS *Tim Kelley*

Lemons: Demand is steadily increasing each week, pricing remains steady. Quality is very good.

Limes: Better supplies this week on smaller fruit, with larger fruit remaining limited.

Oranges: Demand for navels continues to be strong and pricing has firmed up. Crop continues to peak on fancy 72's, 56's. Demand

Commodity Updates continued

exceeds supplies of 88's and smaller sized fruit. There are Valencia's being packed the help fill the shortages on the small sizes of navels. Shippers are now packing Valencia's on a regular basis. Valencia quality is good, with early brix levels in the 9 to 12 range.

CUCUMBERS

Western Cucumber: *Tim Kelley*

Mainland Mexico production is picking back up as we move into the weekend. Expect steady supplies to mid June. Baja growers expect good production through the month.

Eastern Cucumbers: *Janine Baird*

With cucumbers working out of both Florida and Georgia, we are looking at a two tiered market: Florida prices being lower as suppliers look to clean up and Georgia prices higher as those suppliers have a better quality product and a desire to push this market up. This should remain the case through the weekend or until Florida has finished up for the season.

GRAPES *Amy Grolnick*

Chilean green grapes very limited and finishing up with fair quality most shippers are repacking prior to shipment. Mexican perlettes have started loading in Nogales with light volume and running primarily to med/large sizing. Chilean Crimsons are still available but will be finishing up over the next couple of weeks. Mexican flames have started in a light way at higher price levels which will come over the next couple of weeks as more shippers start up with product. The California flames only available loading out of Coachella with Sugarones starting up next week.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

The green onion market is steady like previous weeks. Pencil sizing continues to have the best availability followed by mediums. The issues of yellowing are still showing up upon arrival with some lots. Supplies are good on iceless product if there is a need.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The romaine market continues to be steady with good supplies and very competitive pricing. Green leaf and red leaf have stronger availability to start the week. Cool weather in most of the growing regions may hurt production towards the end of the week, but for

now, supplies are ample to fill all orders. Rains are expected the next couple of days and this will create some mildew issues with all packs. Many growers have also planted less leaf compared to romaine. We are still seeing red discoloration in all leaf items due to the previous rains that we had here in Salinas.

LETTUCE *Gabe Romero/Mike Pacheco*

The market continues to be steady this week. Some suppliers have offered sharp pricing on this commodity to start the week. Rain is in the forecast and this may hurt production numbers at the end of the week. Purchasing lettuce early this week could be beneficial. There are some quality issues upon arrivals. Some issues of pink ribbing, discoloration, and mechanical damage are examples of the quality defects.

MELONS *Amy Grolnick*

Cantaloupe: Off shore cantaloupe have finished up for the season and desert melons are just starting up with limited volume.

Mexican cantaloupe will be finishing up next week. The market is strong across the board but especially to the larger sizes. Next week we should see better volume on the desert product.

Honeydew: Off shore product is done for the season. Mexico is going strong with good volume and quality. The desert should start up next week with honeydew.

ONIONS *John Tole*

Texas valley yellow supplies are lower on all colors as most packers have finished there, however the larger shippers will continue packing through this week. Most Texas shippers are also transitioning to the Wintergarden district. There is some product there this week so be ready for multi-pick loads. Texas red supplies are generally light and will be less as the week goes on so expect a stronger market. Whites are steady but will also rise as the Texas valley supplies get into fewer hands. Their yellows are still peaking on jumbos and larger in both areas. Quality has ranged from poor to good. Vidalia, Georgia continues packing and has a fairly even size-distribution between colossal, jumbos, and mediums but with good quality. California's Imperial Valley continues packing all colors. Yellow volume is down slightly and reds are

Commodity Updates continued

down even more so get ready for stronger markets. The White market is stable for now. Many of the smaller California desert shippers will finish by the end of this week or the beginning of the next. The quality is good on all colors and the size is mostly large. The California desert weather has been warm and dry so the packing outlook continues to look good. The San Joaquin valley is supposed to start packing at the end of next week but rain is in the forecast so they may be delayed. New Mexico has started packing all colors in a light way and will have more product by weeks end.

POTATOES *John Tole*

Idaho continues packing and remains heavy to smaller counts and small number-tuos while the larger counts remain tight. The market for all counts is steady and will remain so this week. Most packers are still asking for 48 to 72 hours lead-time for big orders of the larger counts. Idaho quality is still mostly good but internal black-spot has been prevalent in a few lots. The Washington market is up and strong on all counts since Idaho is so limited on the larger sizes. They are peaking on 70/ 80's now and still have excellent quality but are limited on the smaller sizes and consumer bags. Washington expects to have storage product available through June. Wisconsin is steady on all sizes but supplies are very limited as they are almost finished for the season. Colorado is also steady but strong on the larger counts due to the shortage in Idaho and they will continue to follow Idaho upward on pricing. Their quality is mostly good and they will have storage product into late July or longer. New crop russets are expected to start in California the second week of June; however the number of planted acres is down. A few reds and golds remain in Idaho but the supplies are light. California packers are still packing all colors and have good availability from Bakersfield and good quality on all colors. Arizona is also packing reds and golds and their reds have a deep, dark color. Florida continues packing reds, Yukon, and whites, and has good volume esp. on reds. They also have good quality and very dark color on their reds.

SQUASH

Western Squash: *Tim Kelley*

Mexico production and quality is fair to good,

and they have started their seasonal decline. Both Baja and Fresno are experiencing lighter production due to cooler weather. Look for increased production in 7 to 10 days with anticipation of warmer weather coming.

Eastern Squash: *Janine Baird*

With Georgia into good volume now on squash, this market is dropping. Even Mississippi, the Carolinas and Tennessee are slowing coming into volume. With so many states working squash, the prices should continue to drop. Quality is good at this time.

STONE FRUIT *Amy Grolnick*

Domestic Peaches, Nectarines and Apricots are going with good volume and peaking to the smaller sizes. Product should size up over the next few weeks. Domestic plums should get going next week. Quality on all products is excellent. Cherries are going strong with both Tulare and Brook varieties there is good promotable volume. Bings should start up toward the end of next week with good volume the first week of June.

TOMATOES *Ryan Frayo*

Eastern: Florida is adjusting downward with pricing and there is a big upswing in production with just about all shippers coming in with plenty of volume and more behind it. The other eastern states are also getting close to kicking off their season and will continue to keep volume and production high and fobs relatively low. This is a dramatic change compared to the winter we just went through. We can expect pricing to stay moderately low through July. Reports of quality are good as shippers have cleaned up the earlier problem fruit.

Western: Supplies out of San Diego are low but production continues to pick up. Shippers continue to crown pick and sizing is big. There are little to no smaller sizes. Shippers are saying they will slowly increasing volume this week and improving considerably the following week. Nogales is down on pricing with their clean up deals in the minimum range. We can expect to start seeing less and less fruit out of Nogales as we are seeing the beginning of the end down there. Quality will be the first indicators as how quick it will wrap up. Weather has been favorable in Baja with no major issues. California just a bit back due to cooler than normal temps, but will still have a good harvest.

Commodity Updates continued

WATERMELON *Amy Grolnick*

Supplies are falling off on both seeded and seedless watermelon out of Mexico. Quality remains good. Domestic fruit should become more available towards the end of this week with better volume next week.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Cauliflower supplies continue to be purchased in large quantities from processors. Although carton business has eased up due to high pricing, processors continue to buy large blocks keeping this market very volatile. The good supplies of lettuce and romaine will help processors stay ahead of orders. Availability is good. But there have been some arrivals of brown to red discoloration on romaine and lettuce items. Product quality has been up and down, mainly on lettuce. The quality issues are all related to past rains in the growing regions.