



The Source

June 29, 2009

© 2009, PRO*ACT, LLC



THINGS YOU SHOULD KNOW:

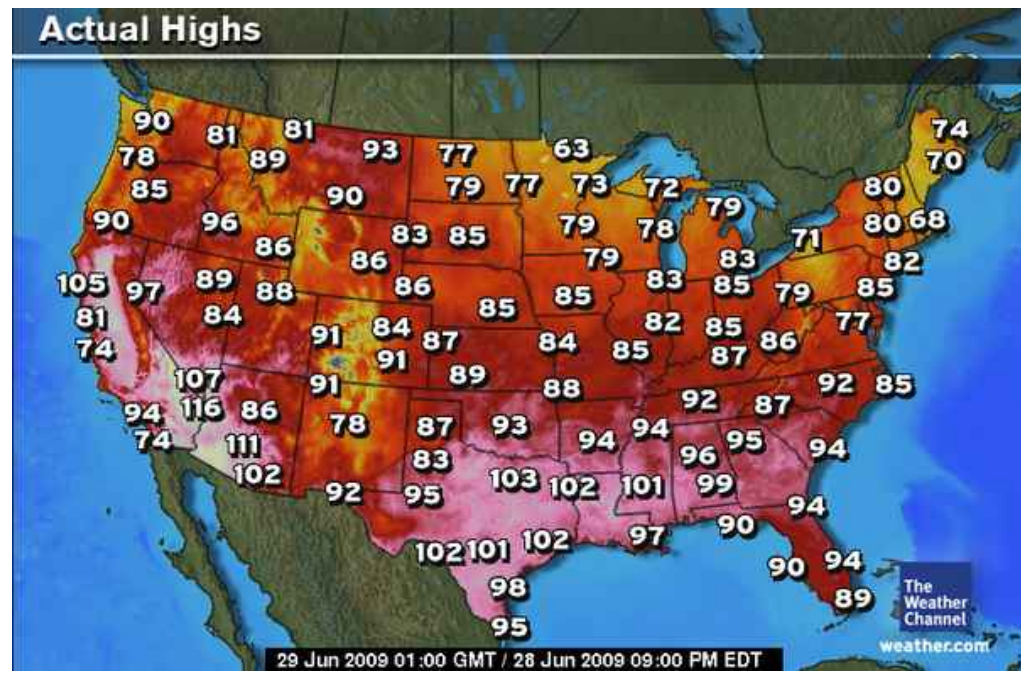
No Commodity Alerts at this time



Weather:

The warm temperatures in the Salinas Valley over the past week will continue today before gradually moderating as a weak cyclonic circulation off the coast moves onshore around mid-week. This will allow the marine layer to filter in the latter part of the week cooling the entire region especially near the coast. Inland temperatures will fall to near normal (mid 70s to high 80s in the warmest southern regions) around mid week with coastal areas likely to experience cooler than normal temperatures, (mid 60s) along with persistent cloud cover.

In the southeast hot temperatures will continue this week with a chance of showers and thunderstorms also possible throughout the region. Temperatures in the upper 80s to upper 90s look to be the norm through the week.



Commodity Updates

APPLES/PEARS

There are plentiful supplies of Gold Delicious Apples available and there are deals on smaller sized fruit. Fuji, Granny Smith and Red Delicious apples are all coming out of CA Storage in high color and peaking on 100's and smaller. This is putting a strain on the 88ct and larger market and they are currently very tight, especially going into the 4th of July weekend. Braeburn Apples are very tight and are all but finished shipping from the state of Washington. Pink Lady and Cameo apples only have approximately 2+ weeks left for the balance of their storage season. Washington Pears will go through the next 2-3 weeks with the Anjou and Red Anjou varieties only.

ASPARAGUS

This market has remained steady. Mexico continues to produce stronger numbers and Peruvian product continues to be available out of Miami. Jumbo sizes continue to demand a premium price. Most of the California shippers have Mexican asparagus to offer.

AVOCADO

Mexican fruit: Mexican crop continues to lighten this week as the old crop winds down. New crop will begin in July with off-blooms, which will have higher oil content than the true new-crop fruit which will start toward the end of July.

California Fruit: California growers continue to pack good volume, but with this years light crop, they are already more than half picked. Growers are trying to make their crop last until new crop Chilean and Mexican begins late July, early August.

BELL PEPPERS

Western Green Bells and Colored Bells:

Bakersfield is the new growing area, which is going with good supplies. Red and yellow bells from the California desert are in their seasonal decline. Lighter supplies are keeping the market firm. Bakersfield looks to start with some light clean up picking this week.

Eastern Bells: Georgia is coming to the end of their pepper deal but the northern growing regions are beginning to get going, bringing the market down just a bit. Mediums and off grades continue to be the more difficult sizes to come by but overall quality in all regions is good. Market is softening.

Commodities at a glance...

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

Legend

Quality
Excellent
Good
Fair
Poor

Market
Steady
Higher
Lower

Commodity Updates *continued*

BERRIES

Strawberries: Strawberry production continues to be low this week, as many shippers are working with very small volume and were walking in sold out this morning. There are many factors contributing to this, weather, fruit going to freezer and heavy ad commitments. The market has been low in all respects and as a result of that shippers have been diverting fruit into freezer, keeping supplies tight. The weather has been good, so we were anticipating a good push for the balance of the week (Wednesday on).

Raspberries: Raspberry production has tightened up as we have passed the "peak" production window. We may get another little push but will decrease again. There will continue to be moderate to light supplies of Californian fruit, until the Northwest gets going.

Blackberries: We continue looking at local production as it is slowly increasing. Watsonville is producing fair quantities, and is inconsistent at this point as we are currently experiencing a slight gap in production as growing regions transfer from Mexico to California. The majority of volume is now coming from the central valley. We are seeing far less availability and can expect this trend to continue well into or through this week.

Blueberries: Production in the central valley is getting close to the end. We can expect to see more volume coming out of the Northwest, building as this week progresses. Georgia is starting to wind down as Eastern temps begin to increase, and we can expect to see smaller sizing as it winds down. North Carolina estimates an end date of this week or while supplies last. Mississippi will continue to pack this week, bringing in approx. 2,000cs of pints a day. New Jersey will have a decrease in volume this week, due to unfavorable weather. Next week should be better.

BROCCOLI

This market is flat as in the previous week. Suppliers are willing to make deals on volume orders in an attempt to keep movement on this commodity. Supplies continue to be strong out of Salinas and Santa Maria growing regions. The quality overall continues to be strong.

CARROTS

California carrots are coming out of the Bakersfield, with good supplies and quality.

CAULIFLOWER

This market is extremely active. Many suppliers have started Monday sold out after covering contract business. There are no deals available on any size and expect this commodity to be tight throughout the week. There have been some complaints of yellowing upon arrivals with different suppliers. Santa Maria and Salinas continue to be the main areas of production.

CELERY

This market is steady. Salinas's production has picked up with multiple suppliers. Oxnard production will finish up this week. Santa Maria also has good production. The problem of seeder has not been an issue in the harvesting in the Salinas Valley. Quality has been nice from all growing regions. Supplies will be good for the entire week.

CITRUS

Lemons: Supplies are projected to be good for July and August. Best availability looks to be on 140's, 165's, and 200's. Summer demand is picking up with prices firming.

Limes: Supplies are a little lighter this week due to storms in Mexican growing area. Quality remains very good, with lighter color which is a characteristic of the summer crop.

Oranges: Late navel varieties are done. Valencia production is good. Quality is very good, with sizes peaking on 88's, 113's, and 138's.

CUCUMBERS

Western Cucumber: Baja's production is good. Fresno, California is going with steady supplies over the next couple of weeks.

Eastern Cucumbers: With Georgia finishing up on their cucumber supplies and Michigan not quite into volume, this market continues to tighten up. High prices and limited availability can be expected throughout the week. With heavy rains coming into the Michigan / Ohio regions, this tight market may hold well into next week.

GRAPES

Flame red seedless grapes are available this week from Nogales, Coachella, and now in the Bakersfield/Arvin areas. There are also distinct price differences with Nogales being the cheaper of the three areas. Currently truck

Commodity Updates *continued*

traffic to the Nogales area is at a minimum, they need movement on fruit and therefore they are at lower price levels. Coachella is still producing fruit, but will only have supplies left over the next 7+ days. The Bakersfield/Arvin district is going good already. Color and sugar levels are very high for the new crop districts and quality is excellent. Temperatures have been VERY HOT in the new crop growing areas, but fruit is thriving now and production will be very high to start the deal. Demand pressure is off considerably this week, however there is still very strong demand going into the 4th of July weekend. Green seedless grapes are shipping as both the Sugarone and Thompson from Coachella/Nogales. There are now a few Perlette/Earli-Sweet green seedless available from the Bakersfield districts and quality is excellent there as well!

GREEN ONIONS

There is no change on this commodity in the marketplace. Supplies continue to be good from the Mexican region. This market should remain steady for the entire week. The quality continues to be good, with little to no problems reported.

KIWI

Kiwi quality remains good, with the exception of a few soft lots arriving from Chile but movement is still very good. The market will remain steady again this week.

LEAF LETTUCE

The romaine market is very active. Low yields reported from many suppliers has caused this market to be active. Fringe burn is being seen with all suppliers on romaine at harvesting time. There continues to be reports of browning inside the internal parts of the leaf. Some suppliers are worse off than others, but it is out there. There are no issues with all other leaf items.

LETTUCE

This market is steady to start the week. The growing regions experienced high temperatures this past weekend and as the temperatures subside, there may be quality issues. For now, the quality is good. The weights on the lettuce have been a bit heavier

than normal. With the weather in the growing regions being so sporadic, look for mildew and puffiness to be possibly seen upon arrivals in the upcoming weeks.

MELONS

Cantaloupes: Small sized Cantaloupes are still tight to start this last week of June, but with the hot weather in the new growing areas, there is better availability. Sizing is still heavy to the large sizes (9's & 12's), but we will see a wider range available by week's end. CA desert shippers will be finished up with production by the end of this week. Few AZ Desert shippers will also be finishing up supplies within the next 7-10 days. Warm temperatures are expected to remain the new crop areas, but with desert production finishing, there could be some activity in the market coming.

Honeydews: Production of Honeydews in Arizona, Mexico, and CA is still yielding good supplies of fruit and there is now a wide range of sizes available. Small sized fruit will remain in relatively light supply through the transition to new crop but warmer temperatures are bringing on the smaller sizes. The market is steady this week on good supplies of Honeydews. However, large fruit is still where the deals are and will continue through the week!

ONIONS

Huron is packing now and it looks like supplies have leveled out. The market is still strong but it looks like supplies should continue to increase this week into next. New Mexico continues to have limited supplies; this may be the case for their entire season. There is some very limited availability out of Washington on new crop over winter yellow onions. Product will remain tight this week and into next.

POTATOES

The quality is still good on the Idaho storage crop. Large size potatoes continue to be very limited as shippers get further into their storage product. Shippers have deals available on 100ct and smaller cartons as well as 6oz #2's. New crop California Russets are available but limited large sized product, with good quality. Wisconsin is becoming more limited with availability. Colorado has good supplies and

Commodity Updates continued

quality is still good. Colored storage potatoes are still available out of Wisconsin. California new crop colored potatoes available with very good quality. Large sized reds are limited. Northern Florida with availability on new crop colored potatoes; white potatoes are still extremely limited.

SQUASH

Western Squash: Baja is coming in with good supplies and to continue for the next few weeks. The Fresno area of California has good production, and looks to be steady through the month. Santa Maria is also into good steady production.

Eastern Squash: There is currently a two tiered market on squash as Michigan / Ohio areas are producing more volume, dropping the market there and Georgia is working off of their limited, end-of-the-season supply and demanding more money in that region. By the weekend, this market will have stabilized and should hold at the lower level.

STONE FRUIT

Very warm weather prevails in the Central Valley's major fruit growing areas and there is very good tree fruit production! Movement is relatively slow going into the holiday weekend and there are deals on small sized fruit. Yellow/White Peaches, Yellow/White Nectarines, Apricots, Pluots, and Plums are available in very good supplies. There is high colored good eating tree fruit available! Cherry production peaking now in Washington State and quality is absolutely FANTASTIC on Dark Red, Bing and Rainier varieties.

TOMATOES

Western: San Diego is crossing better volume now and FOB are reflecting. Reports of Baja quality have been good. There continues to be a lack of smaller sized fruit and nothing crossing with much color. There have been reports of California Central Valley picking up volume and increasing as the week progresses. Roma tomatoes are very plentiful.

Eastern: The tomato market (all tomatoes except Roma) continues tight and are a great deal higher this week compared to last. Central Florida is finished up due to past wet weather. North Florida will start next week with very light production. Quality is only average, there is a

lot of damage to the fruit. The shippers are grading extra hard however there are still some shoulder problems and rain check. Food service will be very limited.

WATERMELONS

Watermelons remain in decent supplies from the CA/AZ desert production areas and Bakersfield now going on their new crop production in a light way. Markets will remain steady on seeded and seedless for this week with strong demand and very nice quality.

VALUE ADDED

Processors continue to deal with fringe burn issues on romaine and head lettuce. Some light bruising has also been reported on chopped romaine. Broccoli processors are steady with supplies and availability. Complaints have been minimal on green onions. Shippers continue to stress keeping the cold chain in tact with all processed items. Any temperature abuse will cause a serious drop in shelf life.