



The Source

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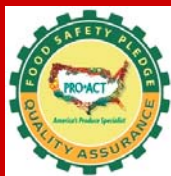
THINGS YOU SHOULD KNOW:

Grapes are limited on greens should have product by the end of the week

Blueberries are very limited on both coasts due to growing areas changing and weather supplies should improve in the next 7- 10 days

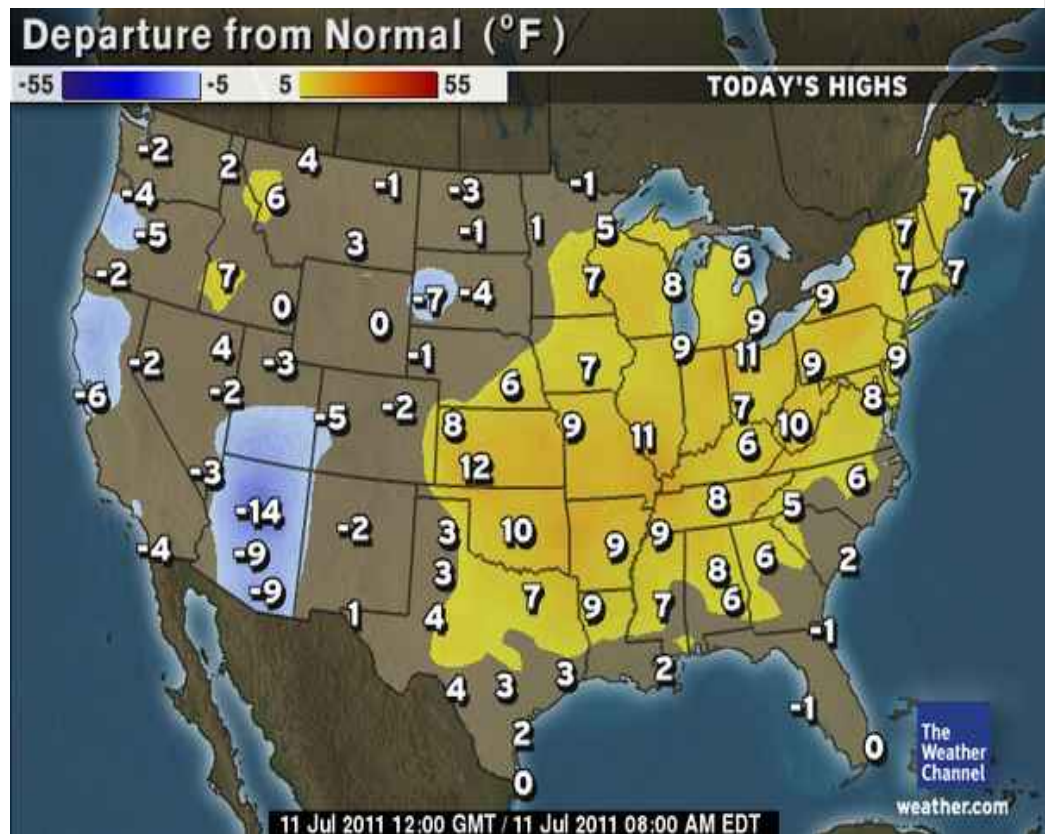
Cantaloupe and Honeydew all small fruit new crop only available

Colored Bell Peppers are tight and quality is only fair. New crop expected to start in 2 weeks



Weather: Tim Lynch

A fairly typical summer time weather pattern will continue throughout Central California this week. Temperatures will decline slightly through the week as onshore flow increases along with the marine layer. Night and morning low clouds and fog with gradual clearing back to the coast will be the norm with near seasonal temperatures, 80s inland and 60s near the coast.



Freight: Mike McIntire

Trucks in California remain tight due to the lack of freight headed west. Washington and Idaho trucks are coming empty to CA for higher paying loads which leave those areas a little tight. Crude oil remained steady and is currently at 94.66. The National Average was at 3.850 last week and should remain steady this week when it comes out later today.

Commodity Updates

APPLES/PEARS *John Tole*

Red Delicious is still heavy to smaller fruit with higher color. Since the varieties are finishing the red demand has jumped up so stay ahead. Lower grade fruit remains very short and will be for the rest of the storage crop. Golden Delicious are heavy to 100-size and larger fruit as well as the Washington extra-fancy grade. Stay ahead on lower grade fruit due to light supplies and expect a stronger market as the varieties finish. Galas are still peaking on 100/113's but are extremely limited as the season is almost finished. Imported Galas are still available on both coasts and continue to peak on 80/90/100's. Granny-Smiths are still peaking on 88's and larger. Small Granny's remain very limited so stay ahead. Most packers continue to sub sizes and grades on orders of smaller Granny's. Lower grade Granny's are also short so expect stronger pricing as shippers sub up a grade. Fuji's are still high in color and heavy to 88's and larger but supplies are disappearing fast. D'Anjou pears are still mostly large and peaking on the US#1 grade. Fancy grade fruit remains very tight in all sizes. D'Anjou supplies are extremely short as most packers will finish soon. Offshore D'Anjou's and Packham's are available on both coasts and are still heavy to the US#1 grade and the 70/80/90 size range. Imported Bosc is also available on both coasts.

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is softer. Mexico's production has picked up on standard and large sizing. Jumbo and extra large sizing is very tight and this will continue throughout the week. Washington production is finished. Peruvian product is moderate in supplies.

AVOCADO *Tim Kelley*

Avocado crossings remain light from Mexico and are about 95% done. California harvest is good, and it is becoming the main source of avocados. This year is a very small crop. The end of August Chilean and Mexican fruit will start and better volume will be available. Look for higher prices as we move into and through August. We will see insufficient volume to meet normal demand through summer.

Commodities at a glance...

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

Commodity Updates *continued*

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

The Bakersfield crop on green bells is producing good volume. Colored bell supplies are very short for all shippers as they are coming to the end of the desert season and quality is only fair. New crop Bakersfield now looks to start in a light way next week. Good volume is still 2 weeks away.

Eastern Bells: *Bob Reich*

North Carolina is the primary area for peppers right now. Some off grade and Sun Tan are still available in Georgia. Quality has been good.

BERRIES *Mike Gorczyca*

Strawberries: Cool weather this week in the strawberry growing areas on top of a good freezer market is causing lighter supplies and a firming market. The forecast is for cool weather for the next 7 days. Quality is being reported as good with an occasional fair lot. Sizing is medium counting in the 16 to 20 range. The freezer industry is in short supply on strawberries and sounds like they will be throughout the remainder of this summer. This put pressure on prices for the fresh market. So the low fob that we see during some weeks during the summer most likely we will not see. Demand is still good.

Raspberries: Good demand and light supplies is causing a firm market. Quality is being reported as good with an occasional fair lot. Look for supplies to get better in the next couple of weeks.

Blackberries: Limited but building supplies out of the Salinas/Watsonville area is causing a firm market. Quality is being reported as good to fair. Demand is very good

Blueberries: Supplies are all but done out of California which has firmed the market on the West Coast. The next growing area to start up will be Oregon which has started in a very light way with a few growers. It will late next week before supplies start to improve. East Coast growers are also winding down which has interrupted supplies and firmed the market. The next area to start up is Michigan which has started in a very light way. Michigan was hit with some heavy rains over the weekend which has interrupted supplies coming out of this area. Demand is good with a firm market. Quality is being reported as good to fair.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is steady. Temperatures have been better in all the growing regions and supplies have picked up. Expect sharp pricing on volume orders on bunched product as well as crowns at least to the middle of this week. Salinas and Santa Maria are the two main growing regions for this commodity.

CARROTS *Tim Kelley*

California carrot supplies are good with good size on the jumbo product as well.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market continues to get a little stronger. Supplies are light to start the week with most suppliers. Expect the market to increase later in the week on all sizing. Twelve count sizing continues to have the best availability. Production is coming mainly out of Santa Maria and Salinas.

CELERY *Gabe Romero/Mike Pacheco*

This market is stronger. Supplies are moderate at best out of Santa Maria and Salinas to start the week. Oxnard is finished for the season. Expect supplies to be on the lighter side throughout the week and pricing should start to get active.

CITRUS *Tim Kelley*

Lemons: Lemon demand is increasing and is exceeding supplies on 140's and larger.

Oranges: Late navels are expected to continue into mid July this year. Sizing in running to 56's/72's/88's with limited numbers on small sizes. The quality continues to be good and eats great. Valencia oranges are in good supplies; peak sizes are 88's/113's/138's. Sugar levels are running good.

Limes: Lime supplies are tight to start the week due to tropical storm Arlene last week halting harvest. Larger sizes (110-150's) still limited.

CUCUMBERS

Western Cucumber: *Tim Kelley*

Baja production is light and waiting on new fields to come into full production. Fresno has limited production, but remains day to day.

Eastern Cucumbers: *Bob Reich*

Michigan, North Carolina and New Jersey are

Commodity Updates *continued*

working cucumbers. Supply has been limited and demand on carton cucumbers is strong. Quality has been good

EGGPLANT

Western Eggplant: *Tim Kelley*

The California desert has lightened in their supplies as the finish their season. Fresno is just beginning their crop and supplies are starting to increase.

Eastern Eggplant: *Bob Reich*

Eggplant is available from Georgia and North Carolina. Quality has been good, and demand has been consistent. Color on eggplant is still good, and crops will move North shortly. New Jersey is beginning to quote a few eggplants.

GRAPES *Amy Grolnick*

Mexican fruit is cleaning up this week for the season. Central California is just starting with red seedless; green seedless should have some light availability at the end of the week. Quality is good. Red Flames and green seedless are done in Coachella. We should see better availability towards the end of next week with volume deals at the end of the month or first week of August.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is steady. Supplies are moderate to good coming from Mexico. Pencil sizing continues to be the most readily size available. Suppliers look to be ample to fill all orders for the week.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The romaine market is steady. The market continues to be steady on green and red leaf as well. Expect supplies to be good throughout the week on red and green leaf. The overall quality has been reported as good in terms of weight and texture of the product. Volume discounting is available on green and red throughout the week, so promote if possible.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is a little stronger. Salinas and Santa Maria production is producing nice clean lettuce with strong weights. The weights on lettuce are averaging 42-46 pounds. Production is expected to be lighter towards the end of the week. Don't be alarmed should be

as all orders should be filled to its entirety. Some suppliers will be worse off and fluctuations in pricing will occur.

MELONS *Amy Grolnick*

Cantaloupe: The Maricopa/Phoenix area has finished for the season with retail business cleaning up anything that's left. Shippers are starting this week on the west side and fruit is very small with several shippers looking to move on product as small as 22ct.

Honeydew: Nogales fruit is done for the season as well as Arizona cleaning up what is left on the floor. The Westside has started in a light way and like the cantaloupe the dews are running 8's and smaller with very limited larger fruit. We probably will not see large fruit until the first week of August at the earliest.

ONIONS *John Tole*

Yellows in California are steady to lower on all sizes except mediums & pre-packs which are limited. Volume deals remain on colossal and jumbos. New Mexico is also steady to lower on the larger yellows and higher but limited on the smaller ones. New Mexico is also pushing volume at lower prices. Reds supplies are up in both areas this week and most shippers will deal on volume but California has more volume than New Mexico. White supplies are better in both areas and prices are down. California quality has been good while New Mexico has ranged from good to poor. Temperatures have been in the 90/100's in both states.

POTATOES *John Tole*

Idaho carton prices are higher again on 80's and larger. Most shippers are continuing to ration their product out to avoid a gap by only covering regular business. Stay ahead on potatoes as they will continue to climb, in fact several Idaho packers have already finished packing for the season! Idaho's quality is still mostly good but many lots have hollow-heart and internal black spotting so be prepared. Washington is also mostly higher on all sizes due to light supplies. Most shippers in Washington have finished and only the largest are still running. The larger packers expect to have storage supplies into late July. Colorado is higher again on all sizes due to light supplies. Most packers have also finished

Commodity Updates continued

there as well. California has good numbers of russet cartons available and they are peaking on 80-count and larger. Most packers are steady on all sizes. California's russet quality is excellent. Bakersfield colored potatoes is still available but they will also finish this week or next so the numbers are down. Bakersfield is light on golds right now. Arizona has finished packing for the season. Stockton has started packing and has golds and reds available.

SQUASH

Western Squash: *Tim Kelley*

Baja has fair supplies. Fresno and Santa Maria has good warm weather and volume is picking up.

Eastern Squash: *Bob Reich*

Squash is being shipped from Michigan and New Jersey. Some rain in Michigan has the crops behind where it should be. Quality has been good on yellow squash and zucchini, and demand is steady

STONE FRUIT *Amy Grolnick*

Peaches are still coming on strong with very good volume. The domestic peaches are very good quality. Nectarines have better volume and good demand. Red and Black plums are available with good volume. Apricots are available with good quality mostly packing VF now.

TOMATOES *Jay Martini*

Western After an unusual early season rain in the Central San Joaquin Valley last week, production is resuming but is still behind schedule. Supplies should be increasing on greens, vineripe & Romas as more growers in the northern part of the Valley get online, but time will tell if an oversupply situation is ever reached this season. Quality will also improve as long as the growers stay out of the fields long enough for the vines to dry. Additionally, look for more overall business (and a possible higher market) for California mature greens as freight rates, while still high, are somewhat lower, allowing Eastern receivers to consider the West as an viable option.

Eastern: Weather has been the key here as rains have hit the advent of the Eastern Shore mature green deal in Virginia & Maryland. The Arkansas vine ripe deal is just about over,

forcing Midwest receivers to consider either coast or the mountains of Tennessee for their supplies. South Carolina growers are well past their peak & are on the downside, which could conceivably because an Eastern supply gap if the Shore is out for any length of time, depending on time remaining before the Missouri, Southern Illinois & Michigan deals kick off.

WATERMELON *Amy Grolnick*

Yields are down this summer on Watermelon and quality is a mixed bag. The market should remain strong throughout the summer. Mini Seedless are in light supply but should have better availability toward the end of the week into next.

VALUE ADDED *Gabe Romero/Mike Pacheco*

The lettuce supplies are moderate to good. Some occasional russet spotting has been reported but very lightly. Romaine availability will be no issue in terms of availability. The overall production of value added items in terms of quality should be good. Broccoli supplies are good. The cauliflower production will be lighter towards the end of the week.