



The Source

July 19, 2010

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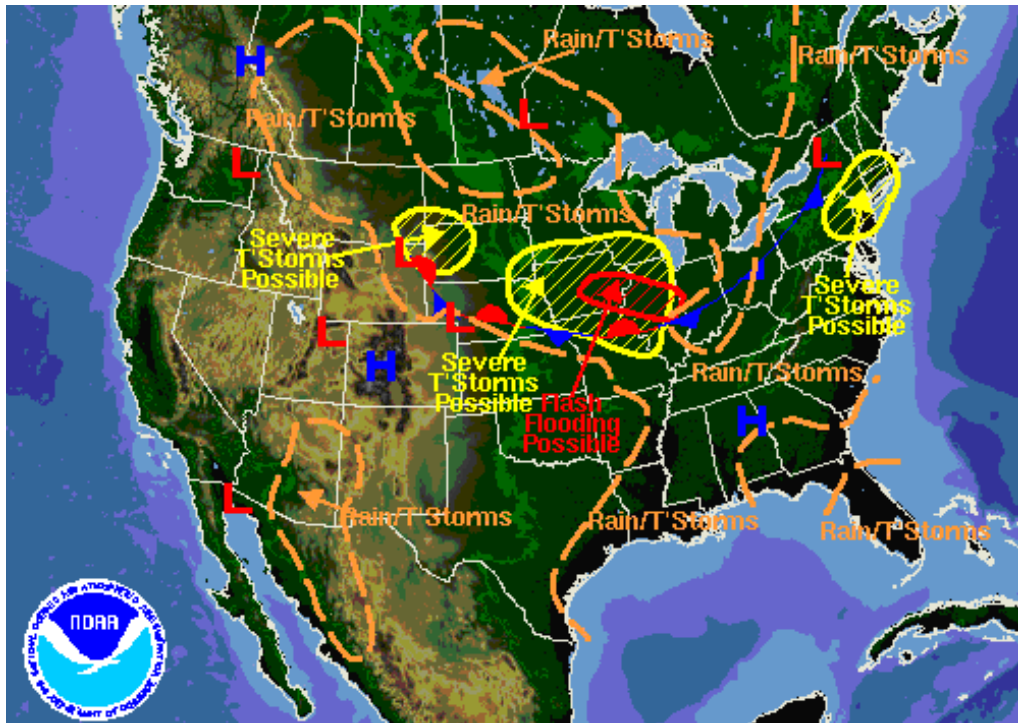


THINGS YOU SHOULD KNOW:

Cantaloupe is extremely limited with product peaking to 9's

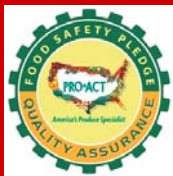
Weather: *Tim Lynch*

California's Central Coast is forecast to remain in a fairly typical summer time weather pattern this week. Morning low clouds and fog, especially near the coast with clearing by mid morning. Temperatures will range from the mid 60s near the coast to low 90s in the warmest interior valleys. Mid range forecasts show high pressure building and a slight warming trend late this week into next weekend.



Freight: *Mike McIntire*

Trucks in California and Idaho remain extremely tight due to the lack of westbound freight. Washington trucks remain steady. Crude oil remains steady and is currently at 76.57. The national average remains steady and is currently at 2.899.



Commodity Updates

APPLES/PEARS *John Tole*

Washington reds, golds, and Granny-Smith apples are still heavy large fruit and the premium grade. The smaller sizes and lower grades remain extremely tight. The markets on all three colors are mostly steady. Galas & Fuji's are the only two varieties left and the markets on both are very active and very strong. Many shippers are looking to clean-up their remaining inventories of both varieties. D'Anjou pear supplies are extremely light and should only last a couple more days. Green Bartletts have started and are available for loading in Northern California. Stark-Crimson variety red pears are available as well

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is firm on all sizes. Thunderstorms have been occurring in Mexico throughout the last week. Peru is experiencing very cold weather also and hence production is down as well. Jumbos will be extremely difficult to purchase throughout this week. Pre-booking orders as early as possible is highly recommended.

AVOCADO *Tim Kelley*

California harvest remains at a good steady pace with good demand. Mexico has entered into their light summer production.

California Fruit: Growers continue to harvest good supplies, with 48's being the peak size and 70's becoming short. Demand is very strong and keeping shippers clean.

Mexican Fruit: Growers have very little fruit to cross into the states as their season is at the end.

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

Bakersfield harvest on greens is in its seasonal decline. Other districts in California are starting this week. Demand is good. Bakersfield crop for colored bells is in its second week of production and volume will steady the end of the week.

Eastern Bells: *Janine Baird*

Bell peppers are still shipping primarily out of Tennessee with Michigan set to start in about seven more days. Demand is staying strong and the supply is limited to minimal regions right now, creating a rising market. Quality is good

Commodities at a glance...

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

Commodity Updates continued

BERRIES *Mike Gorczyca*

Strawberries: Strawberry quality is fair due to the wet cool mornings the strawberry growing areas have been receiving the last few weeks. Weather this week should be mild between 55-75 degrees, which should help quality.

Strawberries have hit their peak production in the Watsonville/Salinas growing areas about two weeks ago. Harvest numbers will continue to go down each week; this should keep the markets firm with upward trend into August. It is that time to keep your inventories down and only order what you need. Demand is still good. Sizing is medium with counts in the mid teens. Stem Strawberries are limited out of all areas.

Raspberries: Good demand with light supplies is keeping this market firm. Supplies look to improve in the near future. Quality is good with a few fair lots.

Blackberries: The wet cool mornings in the blackberry growing areas is keeping the quality of the fruit to be just fair. California supplies are coming out of Watsonville at this time. Demand is moderate with a steady market.

Blueberries: Supplies are improving out of Oregon, BC and Michigan with good quality fruit being harvested in all areas. California supplies are finished. The main pack size on both coasts is pints with a few 6oz being packed.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is soft. The availability of supplies is plentiful with all suppliers. Mexico supplies will be moderate throughout the week. The quality is expected to be strong throughout the week in all of the growing areas. Suppliers are willing to deal on sharp pricing for volume orders on both bunched and crown business. This commodity is a good product to promote this week.

CARROTS *Tim Kelley*

California carrots are in good supply. 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 steady. Supplies are moderate but gaps are in the forecast. This week should not be a problem, with the best availability being on the twelve counts. The

price fluctuations will continue to be seen throughout the summer amongst our different suppliers. Santa Maria and Salinas continue to be the two big growing regions at this time.

CELERY *Gabe Romero/Mike Pacheco*

This market is steady. Oxnard is finished and Salinas and Santa Maria are now the main growing areas of production. Overall, smaller sizes continue to demand a higher price. Twenty-four count sizing continues to have the best price available. The weights and quality of celery continue to be strong.

CITRUS *Tim Kelley*

Lemons: Supplies are good and demand is at summer time highs. The market continues to firm on 140's and larger. Quality is very good.

Limes: Good supplies on all sizes of fruit. Fruit is peaking on 175's, 150's. Smaller sizes beginning to shorted up a little as fruit sizes up.

Oranges: Demand for late Navels are slow and mostly large sizes are available. Valencia's are in good supplies and demand is increasing as most have made the switch from Navels to Valencia's.

CUCUMBERS

Western Cucumber: *Tim Kelley*

Baja production continues steady. Some growers are having slight decreases as they start this week. Demand is good.

Eastern Cucumbers: *Janine Baird*

Cucumbers are in ample supply out of Michigan and Ohio and the market continues to drop. By the weekend, if not sooner, this market will be on the floor. Quality from those regions has been excellent.

GRAPES *Amy Grolnick*

Nogales is finished up with the Mexican fruit this week and central California product is starting out slow. The reds are flame seedless with some Scarlet Royals going as well, volume is limited as shippers are struggling a bit with the heat in the valley. Sugarones and Thompson's are available and limited as well but with good size and eating very well. Black seedless are available with good size. Globes are available with good quality and size as well.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is stronger. Heavy storms are in

Commodity Updates continued

the forecast in the Mexico growing regions throughout the week. This has hurt the production numbers. Pencil sizing continues to have the best availability followed by mediums. Quality issues have been minimal. Supplies will be lighter on iceless product as well.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*
Supplies are a lighter compared to past weeks on romaine this week. This market is getting stronger. Green leaf is steady. Some mildew and tip burn continue to be seen upon arrival sporadically. Foggy, overcast mornings continue to be in the Salinas growing region. This will cause some mildew issues. Red discoloration will be seen in certain lots. Most shippers are having these issues.

LETTUCE *Gabe Romero/Mike Pacheco*
This market is firm. The availability will continue to vary amongst all the suppliers. The warm afternoon weather, coupled with foggy mornings has caused for irregular growth patterns. Mildew and burn are going to be seen randomly. Suppliers are cleaning up product as best they can, but expect some defects upon arrival. Other quality issues include pink ribbing, discoloration, and mechanical damage. The availability of this commodity will be light throughout this week.

MELONS *Amy Grolnick*

Cantaloupe: The Westside melons continue to be a struggle for availability this week. The sizing is still peaking to 9's for most shippers and sugar levels are very good on the fruit that is coming out of the field. Unfortunately, there is very little fruit available to pack. We are again being told next week should see better availability.

Honeydew: Mexican and Arizona fruit is all but done for the season. The West side fruit is available but peaking to 5's leaving minimal 8's available.

ONIONS *John Tole*

California and New Mexico continue to pack all colors while Washington continues with wintered-over yellows. Both California and New Mexico have average size yellow onions. The demand for reds and yellows has been lighter so volume deals are more prevalent. Reds are steady to lower in California because of light demand while New Mexico is steady. Whites

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are steady in both areas due to lower supplies. Expect whites to remain steady for now.

POTATOES *John Tole*

Idaho continues to peak on smaller size cartons but the market is higher due to stronger demand. The market is up slightly on the larger counts as well. Number-twos are also up and will continue to climb in the short term. The Idaho market will remain strong until new-crop Nebraska and Washington potatoes start. Idaho's quality has been mostly good but there has been some peeper-sprouts and internal black-spotting. The Colorado market is way up! Many packers were expecting storage supplies to last into early August if not longer but quality issues have made much of the potatoes unusable. They are still heavier to 60/70's but supplies are extremely light and the smaller shippers have finished packing. California continues packing new crop Norkotahs and is heaviest to 70/80's. New crop prices remains mostly steady but there are some volume deals out there. California also continues to pack colored potatoes but the demand has been very strong so stay ahead! Most Bakersfield packers have finished although a couple still have product. The Stockton, California shippers have the nicest quality and more volume right now. Stockton will have supplies through September. North Carolina, Virginia, and Alabama have reds and a few golds, with some round whites, but the temperatures have been so hot that they aren't holding up after harvest so it's pushing a lot of business to California.

SQUASH

Western Squash: *Tim Kelley*

Baja looks to have good steady supplies for the next few weeks. Fresno is dropping in volume as their season comes to a close until the fall. Santa Maria has steady volume, but cooler weather continues to slow any real increases.

Eastern Squash: *Janine Baird*

Michigan and Ohio are into good volume and the market continues to drop. However, with heavy rains moving across Michigan in the next several days, we could see the market go up by next week. Current quality is good.

STONE FRUIT *Amy Grolnick*

Domestic peaches are readily available with good volume to promote and excellent quality. Nectarines are a little more limited but quality is

Commodity Updates continued

very good. Both red and black plums have very good availability this week. Tree ripe or preconditioned peaches, nectarines and plums are now available. Apricots are available for loading out of California and Washington. Washington cherries are available but still very limited.

TOMATOES *Ryan Frayo*

Eastern: Several growers are packing rounds, grape and some cherry tomatoes in the new growing regions. Roma tomatoes continue to be behind on production compared to the other crops, and we are seeing higher fobs on the Romas compared to weeks previous. Growers are saying they should have better production for roma tomatoes next week. Although the heat that the east has experienced will keep sizing on the smaller side with more fruit coming on faster than usual, compounded by heavy rainfall. Michigan and Ohio should be going by the end of this month.

Western: Supplies out of San Diego continue inconsistent with transition into the northern growing areas, and predominantly bigger sized fruit. There are fewer round and roma tomatoes than in weeks previous. We can expect the remainder of the week to be short in short supply but increasing into next week. Grape production is down but Cherry production is strong with low FOB's. Weather has been favorable in Baja with no major issues. Central California continues going strong with production and plenty of good quality fruit behind it.

WATERMELON *Amy Grolnick*

Domestic fruit is going strong with very good quality. Prices are steady.

VALUE ADDED *Gabe Romero/Mike Pacheco*

The lettuce quality is fair. There have been some complaints that processed lettuce has had issues with shelf life shortage. This is due to the fact that lettuce is not as strong in quality and availability is very light. Shippers are doing their best to cover all orders, but some lots are weaker than others. All growers are having the same issues. The supplies of romaine have tightened up but there are ample supplies for the processors. There continues to be issues upon arrival of brown to red discoloration on

romaine and lettuce items. The quality of value added items is expected to be average.

