



# The Source

August 29, 2011

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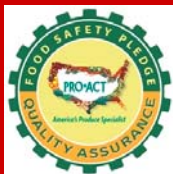
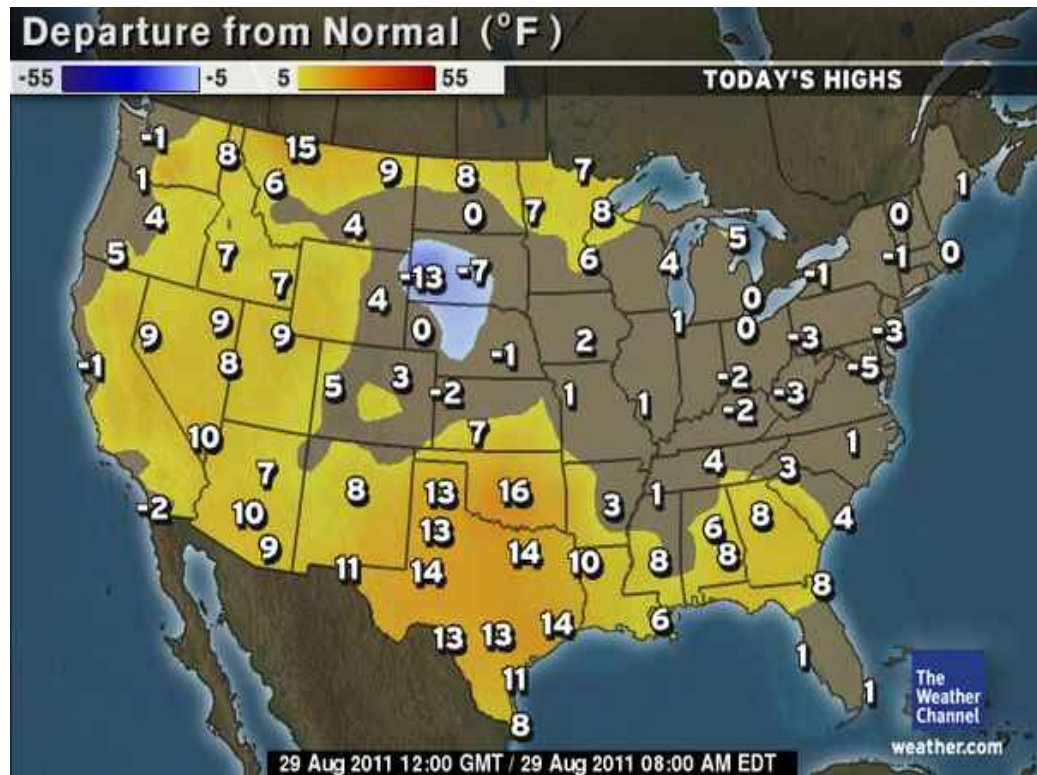


THINGS YOU SHOULD KNOW:

No Alerts At This Time

## Weather: *Tim Lynch*

The fairly typical, although a bit cooler than normal, summer time weather pattern will continue throughout Central California this week. This persistent cool moist weather pattern has been hanging around all summer. 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 low 60s near the coast. In the interior San Joaquin Valley high's temperatures in the 90s are expected through the week.



## Freight: *Mike McIntire*

Trucks in California continue to be tight and expensive due to the lack of freight headed west. Washington trucks are tight due to the increased apple business with school starting. Idaho trucks are steady. Crude oil remained steady and is currently at 87.23. The National Average dropped slightly last week to 3.810 and should remain steady when it comes out later today.

# Commodity Updates

## **APPLES/PEARS** *John Tole*

Reds are still mostly small with high color and the lower grades remain limited. The fancy grade is virtually non-existent but there are a few Washington-Extra numbers two's. Expect lower grade fruit to remain very short for the rest of the storage deal, in fact reds are so short that some suppliers may gap. Golden Delicious is generally finished for the season. A few suppliers have started packing Gingergolds though. California is still packing a few Galas and they are still heavy 88's-113's but the supplies are disappearing fast so stay ahead! Washington Granny-Smiths remain heavy to larger fruit while 100's and smaller remain limited. Some Washington suppliers may gap on Granny's as well. California has started packing a few Granny's. Most packers will sub larger sizes and higher grades on orders of the smaller sizes. D 'Anjou pears are essentially finished. California continues packing Bartlett pears and they remain heavy to 100's and smaller. Bosc pears and stark crimson are also available in California.

## **ASPARAGUS** *Gabe Romero/Mike Pacheco*

This market is stronger on all sizes. Supplies out of Mexico continue to be light. Standard sizing continues to be the most readily available. Peruvian product has light availability and expects this type of production throughout the week. Continue to place orders on this commodity early all this week as supplies will be on the lighter side.

## **AVOCADO** *Tim Kelley*

August is the most volatile and confusing month of this avocado season. California harvest is winding down and is 95% shipped. Volume continues to drop, and we look to be about done with California fruit by the end of the month. Mexico is increasing just a bit this week and will slowly increase over the next couple of weeks. We will begin to see some increasing supplies from Chile in the next 2 to 3 weeks, as well as some light supplies of fruit from Peru that will enter the market this week with limited numbers.

## **BELL PEPPERS** *Tim Kelley*

### **Western Green Bells and Colored Bells:**

The California crop on green bells is producing good volume. Colored bell supplies are light

## Commodities at a glance...

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

# Commodity Updates continued

in production this week as older fields finish and new fields look to begin in next week.

**Eastern Bells:** *Bob Reich*

Bell Pepper crop is working well in Michigan, with good volume on all sizes. Markets have remained stable and quality has been good.

**BERRIES** *Mike Gorczyca*

**Strawberries:** Demand exceeds supply is being caused partially due to the Labor Day pull which is going in full swing this week. The seasonally decline in supply with the usually cool and foggy weather is not helping the supply situation. Sizing of the fruit is still small counting in the 18 to 24 range. Quality is still fair out of all areas. Stem strawberries are very limited and the ones that are being packed are for the most part are strawberry with a long stem.

**Raspberries:** Moderate supplies and demand is causing a steady market. Quality is good with a few fair lots showing up.

**Blackberries:** Quality is still fair at best.

Demand is good with light supplies. Look for the market to stay firm for the next couple of weeks. Only order what you need as the fruit will not hold up like you are use to.

**Blueberries:** Market continues to be about steady with lighter supplies. Quality is being reported as good.

**BROCCOLI** *Gabe Romero/Mike Pacheco*

This market has started the week steady on bunched product as well as crowns. Salinas and Santa Maria are the two main growing regions for this commodity. Some suppliers are better off than others so the pricing is sporadic. Demand continues to be light. There are no quality issues to report at this time.

**CARROTS** *Tim Kelley*

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

**CAULIFLOWER** *Gabe Romero/Mike Pacheco*

The market continues to be steady on this commodity. Supplies continue to be heaviest to the twelve counts. There is a gap in pricing by three to four dollars depending on the shipper so please be aware. The overall quality of this commodity is reported to be strong in terms of color and texture. Production continues to be out of Santa Maria and Salinas.

**CELERY** *Gabe Romero/Mike Pacheco*

This market is steady. Suppliers are offering deals on 24 and 30 counts sizing in both Salinas and Santa Maria. Small sizing continues to be lighter in availability and is commanding a higher price. Santa Maria and Salinas continue to be the main growing regions for this commodity. The quality is being reported as strong in terms of quality and texture.

**CITRUS** *Tim Kelley*

**Lemons:** The lemon market continues to strengthen on large fruit. Larger sizes are becoming tight.

**Oranges:** Valencia orange supplies are shorting up on 88's and smaller as demand is exceeding supplies for small fruit with the increased demand with schools beginning.

**Limes:** Lime supplies have dropped due to quality. Growers are slowing down packing to try and keep problems out of the pack.

**CUCUMBERS**

**Western Cucumber:** *Tim Kelley*

Baja production is lighter and demand is heavy.

**Eastern Cucumbers:** *Bob Reich*

More off-grade cucumbers available in Michigan now, as Super Selects have become tighter. A few more carton cucumbers are being packed. Quality has been good and demand is steady.

**EGGPLANT**

**Western Eggplant:** *Tim Kelley*

Fresno volumes remain light as they are past their peak in production. They are producing mostly # 2 fruit.

**Eastern Eggplant:** *Bob Reich*

Eggplant volume remains steady in Michigan, with a little bit more product than last week. Quality is still good and demand has been fair.

**GRAPES** *Amy Grolnick*

The market on red grapes continues to be steady as availability is good along with demand. Shippers are starting to transition from Flames into Crimson and Scarlet Royal. Most of the fruit is still running large to extra large on all colors. Greens have come on strong with Thompsons and Princess both available. The market is flat. Shippers have

# Commodity Updates *continued*

good availability on both black seedless and Red Globe.

## **GREEN ONIONS** *Gabe Romero/Mike Pacheco*

This market is softer. Supplies are stronger out of the Mexico region. Pencil sizing will have the best availability. Many suppliers are looking to move some volume and sharper pricing is being offered.

## **LEAF LETTUCE** *Gabe Romero/Mike Pacheco*

The romaine market is up slightly even though demand is light. Suppliers will be on the lighter side throughout the week. The market continues to be steady on green and red leaf. Volume discounting is being offered on these two commodities. Demand continues to be light as school business has not kicked in yet.

## **LETTUCE** *Gabe Romero/Mike Pacheco*

This market is steady. Weights continue to average 42 to 50 pounds on lettuce, depending on the shipper. The weights throughout the week are expected to be strong. Shippers are still looking to move some big volume so offers are out there to be had. Santa Maria and Salinas are the main growing areas at this time.

## **MELONS** *Amy Grolnick*

**Cantaloupe:** Less volume this week as shippers that were backed up on fruit last week has cleaned their sheds out. Demand is light and cantaloupe is peaking to 12/15's again.

**Honeydew:** Better availability this week and light demand has brought the price of honeydew down this week. There are some deals out on there on small fruit.

## **ONIONS** *John Tole*

California yellows are steady to lower on all sizes. Most suppliers will still deal on volume orders. New Mexico is finished for the season. Colorado and Washington yellows are both steady and heavy to the jumbo size. California red supplies are limited but the market is steady. Colorado and Washington both have a few of their own reds but mixer volume only. White supplies are limited in both California but the market is stable. Colorado & Washington have a few whites. Stay ahead on whites and reds until Idaho/Oregon starts packing in late August to mid September. Quality in both

California is much better now that they are in long-day varieties. Colorado and Washington quality has been good as well.

## **POTATOES** *John Tole*

Idaho is finished with Burbanks and is now packing new-crop norkotahs only but the size profile is small. Prices are steady but firm on the larger counts with very light supplies of 70's and larger. 80's are fairly limited but not as short as the larger counts. 90 count and smaller are available and steady with some volume deals. Washington norkotahs are still peaking on 80/90 count but some lots have larger size. Kansas, Nebraska, and Colorado continue packing new-crop Norkotahs. The potatoes are still all over the size spectrum but mostly small. Stockton, California continues to pack colored potatoes of all colors and the market is steady to slightly lower. California availability is good except in larger reds and golds. Washington & Minnesota both continue packing reds and golds and supplies are up. Both areas still have good numbers of A's and B's but remains short on premiums. Wisconsin is packing reds, whites, and golds now as well.

## **SQUASH**

### **Western Squash:** *Tim Kelley*

Baja has fair supplies. Santa Maria production is improving for some shippers, demand is very strong. Market is very active.

### **Eastern Squash:** *Bob Reich*

Squash harvesting has been consistent in Michigan this past week. Look for thing to continue this week, with markets and quality remaining stable. Demand has been steady on both yellow squash and zucchini/

## **STONE FRUIT** *Amy Grolnick*

Peaches are available with the demand starting to exceed supplies the market is strengthening up a bit. Mostly tray packs available with limited supplies of volume fill fruit. Nectarines are available with high demand and fruit peaking to large sizes most fruit is being packed in trays. Red and Black plums are available with good volume on larger sizes. All stone fruit is now running large with very limited small fruit available. Apricots are finished up for the California season.

# Commodity Updates continued

## **TOMATOES** *Jay Martini*

**Western:** The planned light plantings for August in the central valley of California are finally having a market effect. All sizes have increased in price by 15%-20%, and virtually nothing in mature green tomatoes remains unsold in the gas rooms. Interestingly, the size profile has backed off somewhat to more equal representation of extra large, large and medium sizes, which should eventually result in correcting the inverted market pricing situation of the last three weeks. Expect more business to come California's way in the coming week with Hurricane Irene bearing down on the Eastern seaboard. **UPDATE:** Growers are holding their pricing cards very close to the vest this morning while the Eastern tomato deals assess the damage from Hurricane Irene, which will no doubt turn the Western tomato market higher.

**Eastern:** Hurricane Irene has come & gone, and the growers & analysts are left to assess the damage. While the Eastern Shore district in Virginia/Maryland were in a skip of sorts, the key is to determine how much of the fruit due to be picked in mid-September is harvestable. The track of Irene passed directly across the Delmarva Peninsula, which does not bode well for what is left of the crop of rounds, grape & cherry tomatoes. Details to follow Wednesday.

## **WATERMELON** *Amy Grolnick*

Better supplies of seedless watermelon with good to excellent quality. Seeded watermelon is a little light in supply but the market is weakening anyway due to a lack of demand. Mini Watermelons are coming on with better volume and shippers are looking to promote.

## **VALUE ADDED** *Gabe Romero/Mike Pacheco*

The lettuce supplies are strong and this will continue throughout the week. Romaine supplies will be lighter this week but all orders will be filled without an issue. Broccoli supplies are fine, due to a lack of demand in the market. The Cauliflower production has good numbers to start the week with no major issues to report.