



The Source

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THINGS YOU SHOULD KNOW:



Rain is expected in the growing regions on Tuesday and Wednesday. This will cause production numbers to be even more limited than they already are.

Weather:

The entire West Coast is bracing for the first storm system of the year, expected to arrive late Monday through Wednesday. This early system will bring widespread rain (2-6 inches) and strong winds (25-50 mph) throughout California and the West in general through mid-week. This strong system moves east by late Wednesday with a return to sunny day's and near normal temperatures (mid 70s) in Central California the latter part of the week.

In the Southeast Record high temperatures (high 90s) today through Tuesday in Central and Southern Florida, will moderate the latter part of the week with a return to near normal temperatures. Low temperatures in this region recently have remained in the low to mid 80s which are record highs in temperatures for overnight low recordings. A chance of thundershowers (20-30%) is forecast for the latter half of this week in these southern regions of the state. To the north continued precipitation (very heavy at times) will be the norm from Georgia to the Carolinas and into the Florida pan handle. A fairly stationary frontal boundary between the warm Gulf moisture and the cold air and approaching storm system to the north looks to remain in place this week. This will keep precipitation likely throughout the week with high temperatures in the 80s and low's in the low 70s through the week.



Freight:

The availability of eastbound trucks in California remain steady. Washington and Idaho trucks have tightened considerably due to the lack of inbound freight. Crude oil remains steady and is currently at \$73.27 per barrel. The National Average on diesel is currently at \$2.582. Due to today being Columbus Day the National Average will be updated on Tuesday.

Commodity Updates

APPLES/PEARS

Small sized apples in all varieties remain extremely tight. This looks to continue throughout the entire season. Red Delicious supplies continue very tight in Washington especially on the small sizes. California Granny Smith apples continue to be packed in decent supply but will be finishing with the upcoming storm activity. California Fuji and Braeburn will also finish quickly this week with little left to harvest and the rain in the forecast. There are other areas in the Northeast (including Michigan and New York) going on red 'typed' apples, and demand for those is very good as well, especially in the limited supply of small sizes. Gold apples remain tight as Gold Delicious are also yielding large sizes in the pre-size bins. Anjou Pears are going with better supplies in Washington this week and Bartlett pears are still going strong. There are also now varietal pears including Bosc, Seckel, Comice and Red Pears.

ASPARAGUS

The market on Mexican product continues to be stable. Peruvian product continues to be much sharper in pricing in both Miami and Los Angeles. Good production numbers continue to be had on jumbo sizing out of Peru.

AVOCADO

Mexico and Chile is going with good steady supplies. We are starting to see higher maturity levels from both countries.

Mexican Fruit: Supplies are good, but still peaking on 48's and 60's. Larger sizes will start to pick up soon.

California Fruit: Next years crop looks much larger than this year's, and should be ready to begin late December / early January.

Chilean Fruit: Chilean fruit supplies are steady with sizes peaking on 50's and 60's.

BELL PEPPERS

Western Green Bells and Colored Bells:

Supplies of green bells are light in California as colder weather has settled into the final stages of the California Pepper deal. Rains coming in tonight could end the central valley and coastal deals quickly. The Coachella Valley looks to start in a light way next week. The red and yellow bell production is also somewhat lighter to finish this week with the colder weather in

Commodities at a glance...

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

Legend

Quality
Excellent
Good
Fair
Poor

Market
Steady
Higher
Lower

Commodity Updates *continued*

the Gilroy / Hollister and the Oxnard areas that are in current production.

Eastern Bells: Volume continues to pick up in Georgia. Mostly large sizes available. Quality is good and demand remains strong. Market is steady from last week.

BERRIES

Strawberries: Rain* forecasted for Monday through Wednesday in ALL areas 1/2" to 5". Production once again remains low. Quality continues to be the factor of declined production in the northern Salinas / Watsonville area, as shippers are leaving a good portion of fruit in the fields. We can expect to see softer, over ripe and bruised fruit, as the plants are at the end of their life cycle and fruit will be weak. Oxnard is now going with small quantities of new crop. Production will continue to decrease through October in the Northern areas and may finish because of the large amounts of rainfall expected from this storm. Volume is increasing in Oxnard, but will be affected by rainfall. Mexico will begin to ship fruit from Yuma AZ and McAllen TX by mid to late October.

Raspberries: Raspberry production remains consistent and quality remains good. There is some California production in Watsonville and some of the southern areas. We can expect some light production out of Oxnard by the second week of October followed closely by Mexico depending on weather.

Blackberries: Blackberries continue to be in a gap. California production continues to be irregular. Mexico has experienced rainfall in some of the growing regions, which has hampered shipments into the U.S. Guatemala is sending fruit into Miami, but is not sending enough fruit up to ease the demand.

Blueberries: Oregon and Washington are finished for the season. The off shore fruit has been delayed by weather. We can expect to see more volume on the Argentina fruit by October 16th. The main pack size will be 4.4oz and will move into the bigger packs as production increases.

BROCCOLI

This market continues to be extremely active on bunched and crown product. Suppliers will be light all week and will prioritize covering contract business before open business. Broccoli crowns are so small with some

suppliers that they are asking to substitute with bunched product so please be aware. Small sizing on crowns will be an issue with many suppliers throughout the week.

CARROTS

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

CAULIFLOWER

This market continues to be extremely active. Demand exceeds supply. All suppliers will be light throughout the week on this commodity. The biggest problem is simply that growers are gapping in production in all growing regions. Slight yellowing has been reported sporadically upon arrivals. Pricing is active in all areas.

CELERY

This market is much more active compared to the previous week. Santa Maria is offering some sharper pricing compared to Salinas. Some suppliers are stronger on 24 counts while others continue to be stronger on 30s and 36 counts. Supplies are coming out of the Salinas and Santa Maria growing regions. The quality continues to be strong with no major issues to report. Expect Oxnard production in early November.

CITRUS

Lemons: Supplies of large sizes continue to be tight. Availability continues to look good on 115's and smaller.

Limes: Supplies are good this week. Sizing on pack outs are still running to smaller and mid sizes. Large sizes (110's and 150's) still limited. Demand is good. Quality remains good.

Oranges: Demand is very strong, and demand continues to exceed supplies on 88's, 113's and 138's and expect it to stay this way until navels start. Navel crop is 16% larger than last years crop, but is still lighter than average. Anticipated start of Navels is middle to late October.

CUCUMBERS

Western Cucumber: Baja's production is increasing and new acreage is breaking. Slightly warmer temperatures are expected in the major growing areas there which will help bring on more volume and ease some of the heavy demand pressure of late. Mainland Mexico is going in a light way, with more

Commodity Updates continued

growers coming in over the next 2 weeks.

Eastern Cucumbers: Georgia volume remains good, with the market being steady... Florida has started with a few cucumbers. Quality seems to be good, and volume should increase as the deal starts to pick up during the next few weeks.

GRAPES

The Central Valley Grape supplies continue light especially on the red seedless varieties of Crimson, Scarlet Royal and Sweet Scarlet. Supplies look to remain very sporadic on red seedless grapes and there continues to be only light supplies available compared to the demand. Green seedless grapes are mostly only 16# storage Thompson/Autumn King and the market will be strong again this week. Green seedless quality is also only fair as we enter the fall storage crop. Still showing at shipping point as well as arrivals in the green seedless are slight amber discoloration, light shatter and occasional scarring in many lots. Demand looks to remain strong for both red and green seedless, and supplies will remain light. The market will also continue strong and most likely remain that way for the balance of the domestic grape season.

GREEN ONIONS

This market is stable. Supplies are good with most suppliers. This market is no longer double digits in pricing. Pencil sizes are still the largest volume available. The quality continues to be good with no significant problems to report.

KIWI

The transition is all but complete to all new crop California fruit. Overall supplies are better this week at Central California shipping points. The market will remain steady this week with strong demand, and quality is very good!

LEAF LETTUCE

Supplies are light on romaine and romaine hearts. This market is active. Fringe burn is still being seen upon arrivals. There have also been reports that the chopped romaine is not as strong as in past months. Green and red leaf continues to gain strength in the market. It is important to note, that as the season winds down, all the leaf items tend to have a shorter

shelf life due to the crop being tired. Production is expected in Yuma in early November.

LETTUCE

This market continues to be very active. Demand exceeds supply. Most suppliers are extremely light in supplies. Lightweight on the lettuce is an issue. Some suppliers are going into fields and harvesting product that is seven to 10 days ahead of schedule. The lettuce is puffy and light weight. Please be aware that lightweights will be an issue for this week. Huron is expected to begin light production next week pending weather conditions.

MELONS

Cantaloupes: The Westside deal is almost finished and with rain in the forecast it will shut down production for what is left to harvest. Peak sizing is still on 9's and 12's and there are only light supplies of those sizes available! The pressure continues on what there is left of California production and the extremely light new crop Arizona production. With the Arizona districts only in their first week of production and continued colder temperatures, expect extremely light supplies from there through the entire week. The market has strengthened again all sizes of fruit is in very tight. Fruit quality remains good with decent sugar levels. Look out over the next few days as the Westside deal finishes and the desert shippers struggle to keep up.

Honeydews: Honeydews are in better supply with Mexico production increasing, but demand still outweighs the available supplies on all Honeydews. The Westside honeydew deal is done for the season. The Arizona desert, with the colder weather has pushed back their production and there are only limited supplies available. The market is very strong!

ONIONS

Idaho/Oregon continues with very good availability this week on red, yellow and whites. Most have finished or will be finishing harvest this week. The yields seem to be down a bit from last year so we may see some strength in this market. Quality is good. Washington supplies are very good with good quality as well. There are good supplies available out of Colorado and Utah.

Commodity Updates continued

POTATOES

The weather does not seem to have had as much of an effect on the supply as was anticipated which may just be due to the light demand. There are better supplies of Burbanks this week with Norkotahs still the main varietal. Washington new crop Norkotahs are going strong with good quality and availability. Colorado is going strong with new crop supplies as well. Southern Washington is going with light availability on reds and yellows. Mount Vernon, Washington with good availability; product quality is stellar. North Dakota and Wisconsin with good supplies of red, yellow and white potatoes.

SQUASH

Western Squash: Baja has good supplies and will continue in supplies. Santa Maria and Fresno will have light steady supplies through next week, depending on the amount of rain that they get tonight. Mainland Mexico has started and will continue to increase weekly.

Eastern Squash: Market continues to see signs of strengthening. Georgia volume remains good on zucchini, yellow straight neck and yellow crookneck squash. Florida has started with some squash, as well. Quality and supply has remained consistent, and should remain so for the coming weeks.

STONE FRUIT

Red Plums are finishing their supplies with limited availability and Peaches/Nectarines are all but finished for the season. Black Angeleno Plums continue and there is still a good size range available along with excellent quality!

TOMATOES

Western: San Diego has decreased in their crossings and we are seeing some reaction in higher pricing especially in the Grape and Roma tomatoes. We can expect some relief with the Grape tomatoes, as new areas in Mexico will be ready to harvest by next week. We can expect continuing reduced volume from Baja by mid to later October as their season will be winding down. California Central valley is beginning to see shorter supplies as well. We can expect a decline in volume as this month progresses, as we are coming into the beginning of the end. When and what decline we will see depends on Mother Nature.

Eastern: There is cooler weather in the northern areas and this is bringing their season to an end, by this week. We are seeing smaller sizes out of the north east due to the cooler temps. Quincy FL has started harvesting in a light way. There continues to be rain down there but not nearly as extensive and damaging as the northern areas. Grape tomatoes are tight and in demand. The market is up a bit as we get into this transitional period.

WATERMELONS

Regional Watermelons are available, but only in very light supply out of Texas and Oklahoma. Supplies are also still available in light volume out of Northern California, but supplies are dropping off quickly with colder weather in place and a fierce storm coming. What is left for California volume will likely be shutdown by any storm activity this week. Mexico has a few light supplies of seeded already and could have some seedless watermelons within the next few days. Markets look to remain steady this week.

VALUE ADDED

Complaints continue to be reported on the chopped romaine not having as long a shelf life as in past months. As mentioned earlier in the leaf portion, the plants are tired and this is a common problem that exists with tired product. Please keep inventories close to the numbers. With broccoli and cauliflower being tight in availability, processors will be scrambling to fill all orders. Twelve week averages are being watched to the package with all suppliers. Raw material will be tight in availability throughout the week. Expect some delays with trucks being loaded at most processing facilities will have raw material coming in throughout the day.