



# The Source

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## THINGS YOU SHOULD KNOW:

Round tomato supplies continue to be well below typical volumes

Small sized apples remain limited with crops peaking on 64/72/80 ct

Strawberries and blueberries will be very limited for the next couple of weeks

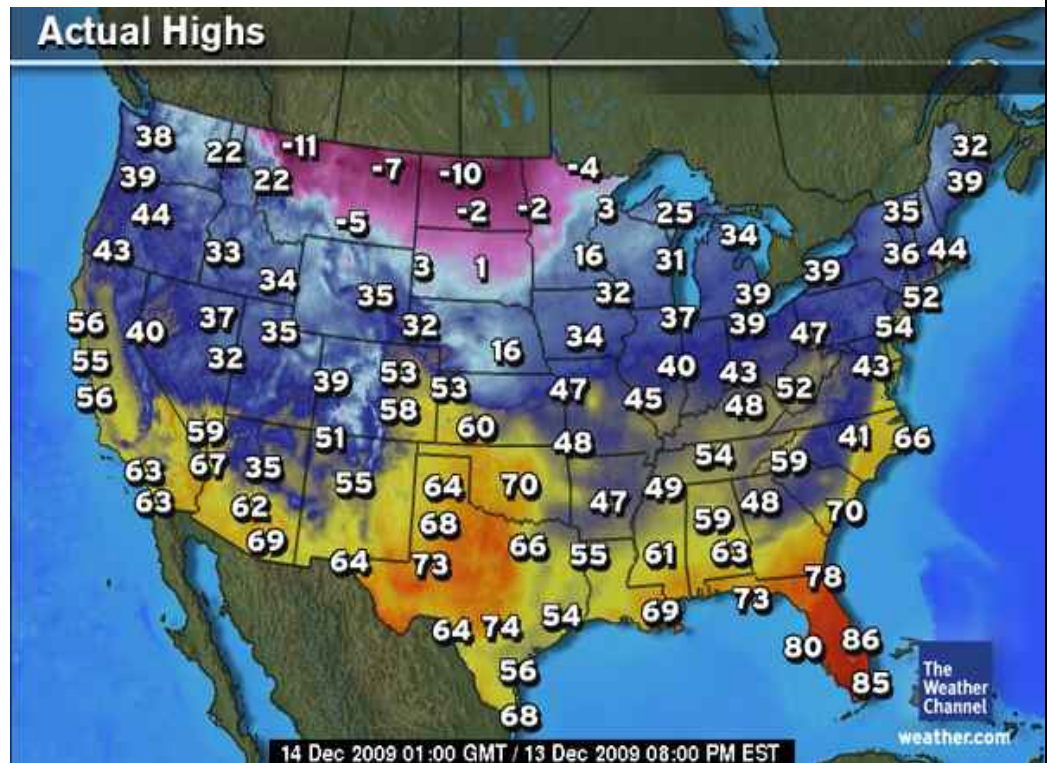
Navel oranges remain limited on small size fruit

Cold weather has caused extremely light in supplies for the celery crop. Expect light availability over the next few weeks.

### Weather:

Southwestern Desert regions received a dusting of rain over the weekend and will warm up to near seasonal temperatures in the low 70s by mid week as the exiting system moves to the east. Overnight lows in the low 40s look to be the norm.

In the Southeast warm (possible record high) and humid temperatures early this week will moderate by Wednesday as a cold front stalls over Central Florida. Temperatures in the mid to high 80s will cool to the mid 70s mid week. A chance of showers is forecast for the region through the week.



### Freight:

The availability of eastbound trucks in California, Washington and Idaho has loosened up slightly especially in CA. Crude oil prices have dropped and are currently at \$69.47 per barrel down \$.90 since last Wednesday. The National Average on diesel remains steady at \$2.748.

# Commodity Updates

## **APPLES/PEARS**

Red Delicious, Gold Delicious and Granny Smith, along with most all varietal apples, remain in short supply on small sized fruit. Deals remain in the larger sized fruit, and quality is excellent on all apples. Specialty apples, including the Honeycrisp variety, are still in good supply. Anjou Pears are in excellent shape with better supplies in Washington. Bartlett pears are still going strong. There are also varietal pears available including Bosc, Seckel, Concorde, Comice and Crimson Red.

## **ASPARAGUS**

This market continues to be steady in both supply and price. The product is coming out of Peru, Chili and Mexico. Supplies will be plentiful for all orders. Quality is nice from all areas.

## **AVOCADO**

Mexico and Chile have scaled back shipments in efforts to firm up the market. Overall supplies remain good.

**Mexican Fruit:** Mexico has reduced picking to let inventories catch up with demand.

**California Fruit:** California fruit should begin with light harvest over the next 2 weeks. This year's crop forecast looks much larger than last year's.

**Chilean Fruit:** Chile is also reducing volumes coming to the states in efforts to firm the market.

## **BELL PEPPERS**

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

Green bells from Coachella Valley are done for the season. Mexico production continues to increase and looks to have good volume for the next 2 to 3 weeks. Red bells from Coachella are finishing up or done for their season.

Mexico should start in 7 to 10 days with light volume and increase volume by the first week of January. Yellow Bells remain very limited.

**Eastern Bells:** This market should get a bit stronger over the weekend. Supplies are good, but with the West coast market gaining strength and wet weather in Florida looking to affect quality we will see the pepper market move up out of the lower levels.

## Commodities at a glance...

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

### Legend

Quality  
Excellent  
Good  
Fair

Market  
Steady  
Higher  
Lower

# Commodity Updates continued

## **BERRIES**

**Strawberries:** Southern California Strawberry growing areas received up to two inches of rain over the weekend. This will make for very little production coming out of California this week. Demand exceeds supplies in all areas of California, Texas and Florida. The forecast is for rain again Tuesday/Wednesday this week. The good news is that this storm is to stay north which could miss the strawberry growing areas. Quality will suffer. Look for water soaked fruit, light decay, white shoulders and bruising in all packs starting this week. Market is firm. Florida has started with limited supplies and this area has also received rain the last couple of days.

**Raspberries:** Supplies are still limited with good demand the start of this week. Driscoll is the main supplier at this time. We should start to see some light supplies of raspberries coming out of Chile in the next couple of weeks.

**Blackberries:** Blackberry supplies have started to decline which has caused this market to firm up. At this time, supplies are mainly coming out of Mexico.

**Blueberries:** This will be hardest week for Blueberries since Argentina is done for the season and Chile is just getting started. All the Chilean fruit is being flown this week and they are having a hard time getting air space. The first boats are to hit sometime next week which will improve supplies.

## **BROCCOLI**

Supplies are light to moderate in the Santa Maria, Oxnard, and Yuma growing regions. This market is stronger as the cold weather has slowed growth rates. Demand has picked up for the upcoming Holiday pull. Supplies look to remain tight all week. Some defects that have been reported include yellowing, knuckling, and pale green appearance.

## **CARROTS**

California carrots coming out of Bakersfield are still sizing slower due to cooler weather. Jumbo market is firm.

## **CAULIFLOWER**

This market is active with prices going higher. Supplies are tight, due to cold weather in the Santa Maria and Yuma growing regions. Most shippers have been harvesting ahead of

schedule. This, combined with the cold weather, has caused a shortage in supplies. Suppliers have planted less acreage than in past seasons and this will inevitably cause volumes to be up and down. Some brown spotting has already been seen.

## **CELERY**

This market is extremely active. The cold weather in the Oxnard and Santa Maria growing regions has slowed the growth of this commodity. All sizing is very limited. The quality continues to be strong with no major issues to report. Cold weather is expected throughout the week. Expect this market to be active over the next two weeks minimum.

## **CITRUS**

**Lemons:** Demand is increasing. 140's and smaller are getting tight in supplies. Quality is very good.

**Limes:** Supplies remain lighter due to cold wet weather in Mexico. Volume of larger sizes is picking up. Quality remains good.

**Oranges:** Rain this weekend has slowed harvest. Crop continues to peak on fancy 72's and 88's followed by 56's and 113's. Supplies remain tight on 138's of both grades. Demand continues to exceed supplies choice 138's. Small fruit looks to be tight for the season as this years crop is heavy on big fruit.

## **CUCUMBERS**

**Western Cucumber:** Mainland Mexico looks to continue with good supplies, but demand has improved.

**Eastern Cucumbers:** The wet weather in Florida and the waning domestic supply will cause this market to jump. Suppliers will be looking to dip into their off shore deals in another week or so. Quality has been good.

## **GRAPES**

Crimson Red Seedless grapes are almost completely finished for the domestic season. There are a few lots left to ship this week, but only limited to day to day availability. The domestic Green Seedless crop is finished for the season. There are now Chilean grapes available with the heaviest supplies being in the green seedless (Sugarone and Perlette varieties)\*. 18# Brazilian Festival green seedless along with Peruvian

# Commodity Updates continued

Sugarone/Thompson are also available, and now on the West Coast. Overall supplies on green seedless are very good right now. Supplies for red seedless, on the other hand, are extremely tight. Demand remains very strong for both red and green seedless. Expect to see elevated prices on the Peruvian and Chilean red seedless this week.

## **GREEN ONIONS**

This market is steady but as the holidays season approaches supplies will get tight. Supplies are moderate to good on Mexican grown product. Pencil sizes are still the largest volume available. The quality continues to be good with no significant problems to report. Processors have had minimal problems with the raw product available.

## **KIWI**

California Kiwi supplies remain very good and there is also Italian Kiwi available on the East Coast. The market is slightly higher this week on Kiwi with demand pushing supplies downward. Quality continues to be very good.

## **LEAF LETTUCE**

The market is still unstable with wide ranges in pricing and availability from shipper to shipper. Some suppliers are much better off than others. Some issues on romaine include defects such as brown spotting, brown to red discoloration up the rib, brown butts, fringe burn and internal burn. Red leaf supplies are better. Romaine hearts continue to be tight. The quality is marginal at best. Fringe burn is still being seen upon arrivals. The hearts are twisted in growth with some suppliers. Green leaf continues to be stable compared to last week. Continue to expect defects on leaf items over the next couple of weeks with production from Yuma. Light weight will continue to be an issue on all leaf items.

## **LETTUCE**

This market is still weaker. There is a wide range in prices from shipper to shipper. Demand has fallen off and suppliers have started to offer deals on lettuce. The previous cold weather has kept the lettuce from sizing properly; hence weights have been lighter than normal. The weights continue to average 35 to 38 pounds, with the head size being on the small side. Expect suppliers to be pushing

lettuce this week to keep inventories clean. Some deals can be made on load volume orders.

## **MELONS**

**Cantaloupes:** Offshore fruit supplies from Guatemala continue strong at shipping points in Pompano Beach and Port Manatee, FL as well as Los Angeles, CA and Camden, NJ but sizes are all large (12ct and larger). The prices remain at lower levels on the large size fruit and they continue to look for movement on those sizes. It looks like 10+ days until anything in the small cantaloupe category will be arriving. There are still only limited supplies of Mexico Cantaloupes crossing through the Nogales, AZ point of entry, and that will remain the case. Sizing is limited to daily crossings only. Quality on product from Mexico is only fair and supplies have topped out. Overall fruit quality for the offshore fruit is very good.

**Honeydews:** Offshore fruit is still arriving into Florida, California and New Jersey with volume in the large sizes (4ct/5ct)\*. Supplies on small fruit are extremely limited. Smaller sized offshore honeydews will realistically not pick up for another 10-14 days. Honeydews supplies out of Mexico remain very low with the transition from the North to the South districts, and now it's the small sizes that are limited. The market on Honeydews is steady to start this week.

## **ONIONS**

Demand remains light with good quality out of Idaho and Washington. Shippers are running full days and there are ample supplies. With the nice quality, #2 product is limited. There are good supplies available out of Colorado and Utah.

## **POTATOES**

The retail pull is up this week with Christmas right around the corner. The weather is cooperating better and shippers will look for trucks to get in on scheduled load dates in order to keep product moving through the warehouse. Both Norkotahs and Burbanks are being packed depending on the shipper. Washington Norkotahs are going strong with good quality and availability. Colorado is going strong with new crop supplies as well. Mount Vernon, Washington has good availability on colored potatoes; product quality is excellent.

# Commodity Updates continued

North Dakota and Wisconsin have good supplies of red, yellow and white potatoes. California supplies will increase as more shippers come on board in the next couple of weeks with red, yellow and white potatoes.

## **SQUASH**

**Western Squash:** Northern Mexico's areas are lighter due to cool weather. Their southern growing areas are starting and steadying supplies. Demand is good and shippers are cleaning up.

**Eastern Squash:** After weeks on the floor, the eastern squash market will be up significantly by next week. Cooler weather and past rains will be affecting supplies and quality, respectively.

## **STONE FRUIT**

There are still very good supplies of both East and West coast imported Cherries available with heavier volume in the East and good volume of the volume fill pack for foodservice. Sizing is large and quality is very good for these first air shipments. Apricots are also available, from air shipments, but sizing is limited and FOB pricing is somewhat high. Other Chilean fruits including Peaches and Nectarines are now arriving via vessel into both East and West Coast ports. Volumes to start with are limited, and prices are slightly elevated for the first arrivals.

## **TOMATOES**

**Western:** Tomato production and supplies continue to be down but demand has eased off a bit due to high markets. Even with the reduced demand, we continue to see higher markets and low availability. Achieving color will be challenging due to the diminished supply. Roma have become active again with low supplies, steadying the fob's. Crossings into San Diego are consistent with big and small sizes but lacking 5x6's. Achieving load volume is available, but need to pre book to secure fruit.

**Eastern:** Supplies in Florida continue to be well below typical levels, with an expected increase in market pricing. Florida growers are continuing to experience major problems with reduced yields. Both central and southern growing areas are looking at gradual improvement by mid to late December, but will have to wait until then to see how the market

will adjust. The majority of the supply concerns Rounds and Romas. This is directly related to the high temps we encountered at the end of September – early October which caused a bloom drop, thus reflected in lower yields and reduced volume. The overall quality is good. There is a lack of bigger sized tomatoes. Round supplies are down anywhere from 40%-50%. There has been an increase in the Roma supplies and availability. The strong suit are the small sizes, 6x6 and 6x7's, there are not a lot of bigger sizes particularly the 4x5 and 5x6's. Cherry and grape tomatoes are slowly easing up on fob's and are more available than weeks previous.

## **WATERMELONS**

Colder weather in the Watermelon growing districts has slowed production considerably especially in the seeded. Supplies are still crossing through both Nogales, AZ and McAllen Texas. Supplies are decent on Seedless, but sizing is to the small side. Markets remain strong for both Seeded and Seedless. Overall Watermelon quality is still very good.

## **VALUE ADDED**

Processors continue to purchase as much lettuce as possible. Escalated pricing looks to go back to normal this week on lettuce and romaine based items. Complaints continue to be reported on the chopped romaine not having as long a shelf life, as well as bruising of the darker green leaves. The cauliflower and broccoli raw product availability is getting very tight. Expect some shippers to hold customers to their respective 12 week averages. Brown spotting on cauliflower florets, yellowing and pale color on broccoli florets will be common issues talked about with these products.