



THINGS YOU SHOULD KNOW:

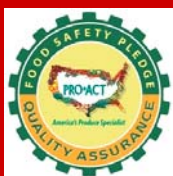
Tomatoes in Nogales are inconsistent with supply

Bartlett pears are finished for the season

Strawberry supplies are limited

Honeydew and Cantaloupe supplies are very limited

Grape supplies are extremely limited



The Source

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Weather: *Tim Lynch*

High pressure off the West Coast will begin to break down late this week as a series of low pressure storm systems approach California. Forecast models show great divergence on the track and how much moisture will be associated with these systems at this time. It is safe to say however that beginning on Friday cooler, breezy conditions with a 40-60% chance of rain is expected throughout most of California over the weekend into mid next week. In the desert locals these systems will bring some gusty winds and lower temperatures into the low 70s; however rain is not expected in these growing regions at this time.

Cool temperatures continue this week in Florida with highs running 10-15 degrees below norms once again. A cold, dry air mass behind the high pressure system currently over Florida will bring a chance of freezing temperatures to Central Florida and especially locals to the north before moving out late this week. This cold front will usher in cold temperatures and breezy conditions through Thursday. Low temperatures in the mid-20s in the north to low 30s in Central Florida with highs in the high 50s to mid 60s look to be the norm. High pressure remains in place through the weekend bringing a gradual warm up to the region into early next week.



Commodity Updates

APPLES/PEARS *John Tole*

Reds, Golds, and Granny-Smith, along with most varieties, remain in short supply on smaller fruit. The mid to larger sizes are generally much more abundant. The market will continue to increase gradually on the smaller fruit throughout the season. And unfortunately this will be a season-long problem. Each week the supplies will get lighter causing the market to rise until new crop starts in late summer/early fall. Demand continues to be very strong on small fruit and will remain so in comparison to supplies, while the demand for larger fruit is less. Deals remain in the larger sizes and quality is excellent on all varieties. Specialty apples including the Honeycrisp variety are still available and in adequate supply. D'anjou pears are in excellent shape with good supplies in Washington and like the apples, are mostly large. The varietal pear varieties including Bosc, Seckels, Concorde, Comice and Red Crimsons are available as well. Please consider varieties other than red apples for your food service orders that require small fruit.

ASPARAGUS *Gabe Romero/Mike Pacheco*

The asparagus market is steady. Supplies are better on standard sizing, and jumbo production has increased from product coming out of Mexico. Peru still has supplies coming into the East and West Coast. Prices are lower on all sizes. The Quality of Mexican product continues to be good. California production has also started.

AVOCADO *Tim Kelley*

California growers will continue to slow their harvest to let fruit size up. The over all supplies remain good at this time. Demand is good.

Mexican Fruit: Mexico still represents about 2/3 of the market at this time. They continue to have excellent quality.

California Fruit: Shippers will remain with limited harvest over the next couple of weeks as they let the fruit size. Expect harvest to lag until March.

Chilean Fruit: Chilean fruit arrivals will be fewer and fewer as we move toward March and the end of their season. Quality remains very good.

Commodities at a glance...

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

Commodity Updates *continued*

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

Bell peppers will continue to get tighter and will do so for the near future. Bell pepper supplies look to improve for the month as weather clears and warms up. The main driving force has been demand from the east coast who normally would be loading bells in eastern locations rather than Nogales. Prior freezing temperatures and adverse weather in the growing regions has affected current supplies.

Eastern Bells: *Janine Baird*

Almost all of Florida's pepper supplies are currently coming out of Mexico. Long stretches of below average temps, rains and wind have all but depleted local supplies. Any local product that can be salvaged out of Florida is laden with quality issues. The market shall continue to rise over the next two weeks until Florida can recover with their own volume.

BERRIES *Mike Gorczyca*

Strawberries: Strawberry supplies are slowly increasing out of California due to the nice weather they are getting this week. The forecast is calling rain starting this weekend which would hurt supplies for next week. Market is steady to slightly weaker with great quality coming out of California. Florida supplies are still very limited this week due cold weather. Market is firm with fair to good quality. The weather is forecasted to warm up over the weekend which should bring on a push of fruit some time next week. Mexico supplies coming into Texas are also limited and quality is just fair. Market is active.

Raspberries: Supplies are still limited with Driscoll being the main supplier. Quality is being reported as good. Market is firm but steady

Blackberries: Blackberry supplies are still limited with fair quality and firm market.

Blueberries: Supplies are getting better the middle of this week on both Coast. Market is slightly weaker. Quality is improving.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is getting a little stronger. Supplies continue to be good with most suppliers on bunched and crown product. The quality is good, coming out of Santa Maria, Yuma, and Scottsdale. There is some product still being

harvested in Salinas and loading is also occurring in Gilroy if desired. Gilroy production will continue through the month of March.

CARROTS *Tim Kelley*

California carrots are coming out of Bakersfield for the next 3-4 weeks with good supplies. Yield and quality are good and there should not be any gaps for the next couple of months.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This commodity is getting very active. Some suppliers are buying on the outside to cover contract business, and open market business is reflective of this. The pricing has increased with all suppliers. Brown and black spotting as well as discoloration continues to be an issue upon arrival and this will likely continue lightly throughout the week. This commodity will be active throughout the week.

CELERY *Gabe Romero/Mike Pacheco*

This market is more active on all sizes. Production is lighter on large sizes compared to past weeks. There are a few shippers having product in Yuma if Oxnard and Santa Maria is not desired. The quality continues to be good from all the growing regions. Expect this commodity to gain strength going into next week.

CITRUS *Tim Kelley*

Lemons: Supplies are good on 115's and larger, with 165's and especially 200's becoming tight. Quality is very good.

Limes: Rains in Mexico have lightened supplies this week, and are very tight. Sizes are peaking on 200's and 230's.

Oranges: Demand remains steady. Crop continues to peak on fancy 72's, 56's and 88's. The supplies of choice grades remain tight.

CUCUMBERS

Western Cucumber: *Tim Kelley*

Mainland Mexico production continues with fair to lighter supplies. Some growers have begun to transition between old and new fields that have created some gaps in supply...

Eastern Cucumbers: *Janine Baird* The off shore supplies will continue to steadily trickle in. A rising market in Nogales will keep the market strong. Quality is fair.

Commodity Updates continued

GRAPES Amy Grolnick

Reds and Greens are extremely limited this week and next as Chile is not sending as much fruit out as was expected. Good availability on the seeded Red Globe with excellent quality. Black seedless with good quality and supplies.

GREENONIONS Gabe Romeroro/Mike Pacheco

This market is stable as supplies have steadily increased out of Mexico. Demand has definitely fallen off. Pencil sizes continue to have the largest availability. The quality continues to be good with no significant problems to report. Processors continue to have only minimal problems with the raw product available.

LEAF LETTUCE Gabe Romero/Mike Pacheco

The leaf market is still flat. Romaine and romaine hearts continue to show some blister and epidermal peel from the cold temperature experienced last month out of Yuma. Product is plentiful. Green and red leaf is also strong and deals can be made on all leaf items.

LETTUCE Gabe Romero/Mike Pacheco

The lettuce market is stronger. There have been some issues of pink ribbing, discoloration, and mechanical damage seen upon arrival. This is related to the past rains in the desert region. The weights continue to be reported at 45-48 pounds. Suppliers are starting to pass on certain lots due to quality issues. Expect this market to get stronger over the next week.

MELONS Amy Grolnick

Cantaloupe: Honduran fruit is limited and now selling out for the week by the end of day on Monday. Getting orders on the books early will help to insure availability. It looks like the larger fruit will begin to have better availability again with small fruit more snug for next week. Shipping points in Pompano Beach and Port Manatee, FL as well as Los Angeles, CA and Camden, NJ continue to receive fruit. There are extremely limited supplies of Mexican cantaloupes crossing through the Nogales, AZ point of entry and quality is fair at best. Overall quality for the offshore fruit is still very good.

Honeydew: Offshore fruit is still arriving into Florida, California and New Jersey with volume supplies still mainly in 5's and 6's. The vessels late arrivals are hampering availability so getting orders on the books early is a must. All

sizes are limited at the end of this week out of Florida and California. Good supplies of honeydew out of Mexico and the quality is good to fair.

ONIONS John Tole

Idaho/Oregon yellow onions are up along with demand. Mexico is short of whites so they are buying yellows to substitute and helping to push the yellow market up, however a few Mexican whites did cross into Texas today so that's a good sign. Asian demand is strong from Washington too so as we approach the end to the storage deal supplies will get much lighter. Quality is still very nice and sizing remains heavy to jumbos and larger. Mediums are still very short and they are also higher. Reds are up to because the Washington suppliers are running low. We recommend continuing to go heavier on reds as the market will only continue to rise until Mexican onions start to cross sometime around March 1st. The white onion market is still in a demand exceeds supplies situation as Mexican demand is strong and the market is up. White storage supplies are low and a few packers are done for the season so expect the high market to stay until Mexican volume improves.

POTATOES John Tole

Idaho potatoes remain steady with light demand. Most shippers are still hungry for business and will deal on certain sizes/packs. Idaho continues to peak between 70 and 90 counts. Most packers have finished with the Norkotahs variety so expect a smaller overall size profile on cartons. Burbanks and westerns are the main varieties available right now and the quality is good on both. Washington Norkotahs are still excellent quality and mostly large, peaking on 60's. Wisconsin & Colorado shippers are also packing Norkotahs and have a steady market with light demand, but are heavier to 70 & 80 count. Mount Vernon, Washington continues with excellent quality on reds and Yukon-golds but the supplies are getting low. Some shippers are done with Yukon's. They are done with whites for the season. North Dakota has good supplies of red & yellow potatoes with few whites. Wisconsin is about done with both reds and yellows. California packers have good supplies of reds, whites, and yellows for the next two weeks but

Commodity Updates continued

will then be done with their own product. Florida is just starting but supplies are light due to the freezes earlier this year.

SQUASH

Western Squash: *Tim Kelley*

Mexico production has slowed due to previous rains and current cool weather. The cooler wet weather will slow and lighten production over the next couple of weeks. Yellow squash remains very short.

Eastern Squash: *Janine Baird*

Most Florida shippers are bringing squash in out of the West just to try to cover orders. Yellow squash continues to be extremely hard to come by and poor in quality. Strong winds throughout South and Central Florida will result in quality issues with their domestic supplies for several more weeks.

STONE FRUIT *Amy Grolnick*

Chilean peaches are a little more limited but there is product available. Demand still exceeds supply on the Nectarines. Both red and black Plums are limited but available.

TOMATOES *Ryan Frayo*

Eastern: Florida continues to be a non-factor in the tomato supply chain. There has been significant crop loss from the early freeze and supplies out of Florida will be down and won't rebound probably until spring. We can expect to see higher fob's probably up through the Spring accompanied with shortened supplies. Quality issues are appearing with some light spotting and some softer than normal fruit and shorter shelf life, but for the most part growers are doing a good job packing decent fruit.

Western: Supplies out of both Nogales and San Diego are inconsistent due to recent past rain in the Mexican growing areas. This has disrupted just about all production on all tomato varieties. Pricing has increased slightly and may continue to do so depending how production rebounds. Roma tomatoes, Grape, Cherry and mostly gas rounds are in short supply. Shippers are still behind trying to catch up on previously cut orders. Weather reports have been mild with no major rain or disruptions.

WATERMELON *Amy Grolnick*

Limited supplies still on seeded watermelon with better supplies of seedless. Quality on the Mexican fruit is fair at best. The mini seedless are in better supply and quality is good.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Things have not changed on the value-added items. Chopped romaine and romaine blended items continue to experience some brown and red discoloration on finished product. Suppliers are working diligently to use the best raw material available for the processing facilities. The processed cauliflower has had a few issues on brown and black spotting. Again, processors are using the best product available.