



**THINGS YOU SHOULD KNOW:**

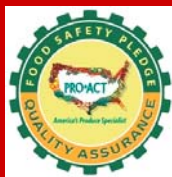
Green bell peppers remain very short and quality is only fair. Red and yellow bells are also becoming very tight.

Tomatoes in all areas are in short supply. Demand exceeds supply, FOB's are high.

Bartlett pears are finished for the season

Honeydew and Cantaloupe supplies are limited

Nappa cabbage is still extremely light in availability due to excessive seeder in the fields.



# The Source

March 24, 2010

© 2010, PRO\*ACT, LLC

### **Weather:** *Tim Lynch*

High pressure out west will push/keep incoming Pacific storm systems to the north of the western growing regions through the week. High clouds will bring a slight cool down through mid week to the region as these systems pass to the north. Temperatures are expected to reach the low 70s in Central and Southern California with low 80s likely in the desert locals the latter half of the week. This will continue to improve growth rates in the fields as we move into the transition season in California.

Partly cloudy skies with mild temperatures, (upper 60s to mid 70s) are expected throughout Florida into Wednesday. High pressure system moves into the area mid-week bringing a gradual warm up of temperatures (70s to the north to low 80s in the southern regions.) the latter half of the week. Long range forecasts show a chance of showers returning over the weekend.



### **Freight:** *Mike McIntire*

The availability of eastbound trucks in California remain tight and will stay that way with the Easter pull starting. Idaho trucks for onions and potatoes are still extremely tight. Apple trucks in Washington remain steady. Crude oil prices are currently at \$80.60. The diesel price for this week is up .022 cents to 2.946.

# Commodity Updates

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

Washington shippers are still looking for help moving large Reds and Golds while they struggle to get the smaller foodservice sizes. This trend is going to get worse as Mexican export demand is up and supplies of the smaller Gala variety are lower. Small apple prices are definitely up this week on all varieties. There are still some tremendous deals on 48/56/64's in most varieties as well. Please consider varieties other than Red Delicious for your foodservice orders that require smaller fruit. Galas are going up as the smaller shippers finish packing. Most varieties are also large and heavier to the premium grades. D'anjou pears are in excellent shape with good supplies in Washington and like the apples are mostly large. Bosc, Seckel, Concorde, Comice and Red Crimson varietal pears are available as well although supplies are getting lower.

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

This asparagus market is stronger. The Easter pull has caused supplies to be light/moderate and all sizing has increased in price. Supplies will continue to be lighter on jumbo sizing from Mexico and California. Peruvian product is still available on the East and West Coast. The Quality of Mexican product continues to be good. California production can be loaded in Salinas and Yuma.

## **AVOCADO** *Tim Kelley*

California growers have improved their harvest. Fruit is beginning to size up. Chilean fruit has finished. Mexico's volume is lighter as growers are holding off on production.

**Mexican Fruit:** Mexico still represents the bulk of the avocados on the market. Growers continue to slow their harvest to firm their market.

**California Fruit:** Growers are harvesting good supplies as fruit is sizing up.

**Chilean Fruit:** Chile is done with their season.

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

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

Mexico continues to struggle with supplies. Many growers have either finished or will finish over the next week or two. There are a few

## Commodities at a glance...

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

# Commodity Updates *continued*

small deals that could get going over the next few weeks, but even with this, Mexico will struggle through the end of their season in April. Growers are picking red bell fields in the green stage which is greatly shorting the red bell supplies. The California desert crop will start middle to end of April. Florida's start on green bell now is expected to start mid April with steady volume by the end of April. .

## **Eastern Bells:** *Janine Baird*

Little to no bell pepper is available in Florida. Rain this week and last is making matters more difficult, and the cold weather that went through Florida has kept plants from growing. This will not change for the next few weeks. Look for product to remain tight, and prices high, as Nogales also has limited availability. Prices have not been this high on peppers in twenty years or more.

## **BERRIES** *Mike Gorczyca*

**Strawberries:** The market is softer do to harvest numbers increasing in California and Florida. California has four growing areas producing at this time Irvine, Oxnard, Santa Maria and in a very light way Salinas. All strawberry growing areas (California and Florida) have been getting idea weather. Demand is good with Easter pull in full swing. Quality out of California is great with full red fruit being packed and the size is medium to large. Quality out of Florida is fair with a few good lots being harvested. Florida will slowly wind down over the next couple of weeks. Mexico is done for the most part with all shippers.

**Raspberries:** Supplies are still light with a firm market. Driscoll is still the main supplier of raspberries at this time. Quality is good.

**Blackberries:** Moderate supply of blackberries coming out of Mexico this week has caused steady market. Quality is fair.

**Blueberries:** Market is slight stronger with limited supplies coming out of Chile. Quality is fair to good at this time with some light mold showing up in some packs. There are some very light supplies being harvest in Florida and California. Quality is good on this fruit. Look for the market to slowly increase over the next couple of weeks.

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

This market is lower as supplies increase from all growing regions. Product availability

continues to ramp on bunched and crowns. Yuma supplies are starting to dry up and production in Salinas and Santa Maria has picked up. Contract business is being covered first by suppliers. Supplies are expected to increase as the week finishes. Broccoli crowns continue to have small size heads.

## **CARROTS** *Tim Kelley*

California carrots are coming out of Bakersfield for the next week or two 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 market is weaker. Production continues out of Yuma and Salinas. Santa Maria production is getting stronger so there are three growing regions to pull from. Some discoloration continues to be seen upon arrival but not as extensive as in past weeks. This commodity will be a roller coaster throughout the season.

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

This market is softer. Better supplies exist on larger sizing, 24s in particular. Production is stronger in Oxnard and Santa Maria compared to previous weeks. There is very little product in Yuma. The quality continues to be good from all the growing regions.

## **CITRUS** *Tim Kelley*

**Lemons:** Supplies are good on 115's and larger, with 165's and 200's becoming better in supply. Quality is very good.

**Limes:** Limes are very short and expect them to stay short until mid May when the new crop is expected to start.

**Oranges:** Demand remains steady. Crop continues to peak on fancy 72's, 56's and 88's.

## **CUCUMBERS**

### **Western Cucumber:** *Tim Kelley*

Mainland Mexico production is increasing, with good supplies over the next 2 weeks. Baja growers are breaking new fields and will increase production over the next few weeks.

### **Eastern Cucumbers:** *Janine Baird*

The end of the off shore deal in Florida means scarce supplies and marginal quality. With weeks of bad weather holding up the spring

# Commodity Updates continued

domestic crops, the gap in supply will lead to higher prices for the remainder of the week and well into next week.

## **GRAPES** *Amy Grolnick*

Better availability on red and green seedless due to lighter demand. Crimsons are just starting to come in; Flames will be finishing up over the next couple of weeks. The greens Sugarones and Thompsons, will be the most prevalent over the next few weeks as shippers are trying to get them in prior to the marketing order there are deals to be made here. Black seedless are in lighter supply and excellent quality. Red Globes with very good quality and good availability.

## **GREENONIONS** *Gabe Romero/Mike Pacheco*

This market continues to be steady with product coming from Mexico. Demand is light. Pencil sizes continue to have the largest availability. There have been some issues on light yellowing on processed items. Suppliers are working on fixing this problem as quickly as possible.

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

The leaf market is steady. Huron production is in full swing along with Yuma. Production in Yuma is expected to go into the second week in April with some suppliers. Weather is always a factor that can change the production schedule. Most suppliers are entering new fields so product is expected to be of good quality. Green and red leaf have been clean, and supplies will be good throughout the week.

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

This market is steady. Production numbers have increased in Huron. Yuma with its warm weather has suppliers looking to make deals to keep the volume moving. The lettuce in Huron is on the lighter side, 34-38 pounds to be specific. Yuma is expected to be harvesting product through the month of March and part of April. There continues to be a few issues of pink ribbing, discoloration, and mechanical damage seen upon arrival.

## **MELONS** *Amy Grolnick*

**Cantaloupe:** Product continues to be limited. Honduran and Guatemalan product are both

coming into the US. Guatemala and Honduras is still limited on product. Demand exceeds supply this week as retail promotions has started. Product is coming into both Pompano and Manatee, Florida. There is product on the West Coast out of the LA area and some fruit coming into New Jersey as well.

**Honeydew:** Demand continues to exceed supply. Offshore fruit is still arriving into Florida, California and New Jersey with volume supplies still mainly in 5's and 6's. Product quality is getting better but still fair. Nogales is receiving Mexican fruit with limited availability and fair quality as well.

## **ONIONS** *John Tole*

Northwest yellows & reds remain steady even with lower supplies and fewer packers. Most shippers continue to manage their storage inventories to insure supplying contracted and regular customers into April. The northwest yellow sizing remains heavy to jumbos and larger while mediums remain very short. The quality is holding nicely. Mexico continues to consume most of its own yellow and white onion crop instead of sending it to the U.S. Domestic whites are very limited and in still in a demand exceeds supplies situation but the market has stabilized. Whites, reds, and yellows continue to cross from Mexico but the volume is low and the prices are high. Most jumbo yellows and larger that do cross are pre-committed. They are peaking on medium and pre-pack yellows now, so the volume of jumbos is very low. The quality from Mexico is good to fair on all colors. The Texas crop is going to start in early April. Texas has warmed up in the past few days and will help the onions size up.

## **POTATOES** *John Tole*

The Idaho market is steady on all sizes although the size profile remains small. Burbanks are peaking on 90/100's and are producing a lot of number-twos while the norkotahs are peaking on 60's and 70's. Very few shippers are packing norkotahs as most Idaho suppliers finish in March and April. Washington norkotahs are steady on all sizes and they are still getting excellent quality while peaking on 70's and 60's. The smaller counts are still tight in Washington. Wisconsin and Colorado shippers are also packing Norkotahs

# Commodity Updates continued

and have a steady market and increased demand, esp. on the larger counts. The quality in Wisconsin ranges from poor to good while Colorado potatoes are mostly good. Mount Vernon, Washington continues with excellent quality on reds but is done with Yukon-Golds. North Dakota continues to pack reds and golds but the availability is way down and they are pricing day-of-shipment. Idaho packers are going with reds and golds as well but the demand is very strong! California packers have lighter supplies of all colors. They will get back into better volume in April. South Florida is going with reds and yukons but the volume remains light due to the freezes.

## **SQUASH**

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

Mexico production is beginning to see increased production in new fields and look for better supplies over the next few weeks. Baja is expected to start by the end of the month.

### **Eastern Squash:** *Janine Baird*

Squash volume continues to increase in South Florida which means lower prices and better quality. The medium sized product is not quite as readily available as the smaller, fancy sizes. With warm dry weather in the forecast for the next several days, the fruit should be sizing up quickly and the market will trend downward.

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

Off shore Peaches, Nectarines and Plums are all available with good quality and availability.

## **TOMATOES** *Ryan Frayo*

**Eastern:** Florida continues and will be a non-factor in the tomato supply chain. Some shippers were anticipating some fruit to become available from what very light production is actually there, but the fruit is not coming on fast enough and is too immature or just has too many quality issues. Shippers are now saying possibly the middle to the end of May before supplies increase to normal production levels. There are a couple of shippers who are coming up with some fruit but the quantities are small and insignificant in the big picture. We can expect to see higher fob's probably up through the spring accompanied with shortened supplies.

**Western:** Supplies out of both Nogales and San Diego continue to be low and diminished

with a strong Mexican market. Growers are still trying to catch up to demand. They continue to be short on fruit and production is going slow. Initially the fruit was slow maturing due to the cooler weather, persistent cloud cover and showers, now the issues are coming from the recent heat in Mexico. All these issues are holding growers back. We could possibly see an upswing in production in the next couple weeks weather permitting. Fob's continue to rise and could keep on going depending on the supply chain. On the other side it looks like the Roma market availability at this point is inconsistent. Last week we were seeing slight pricing decreases and now it is back up, but some growers have expressed there may be a little push of fruit coming up next week.

## **WATERMELON** *Amy Grolnick*

Light supplies on both seeded and seedless product continues as demand continues to exceed supply. Quality on the Mexican fruit is fair at best. The mini seedless are in better supply and quality is good, the market is higher.

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

On value added items, there have been a few issues reported. With chopped romaine and romaine blended items, there has been some brown and red discoloration. Expect to see some red to pink discoloration on shred and chopped lettuce items as well. Green onions have been reported to have some yellowing upon arrivals.