

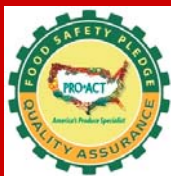


THINGS YOU SHOULD KNOW:

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

Bartlett pears are finished for the season

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



The Source

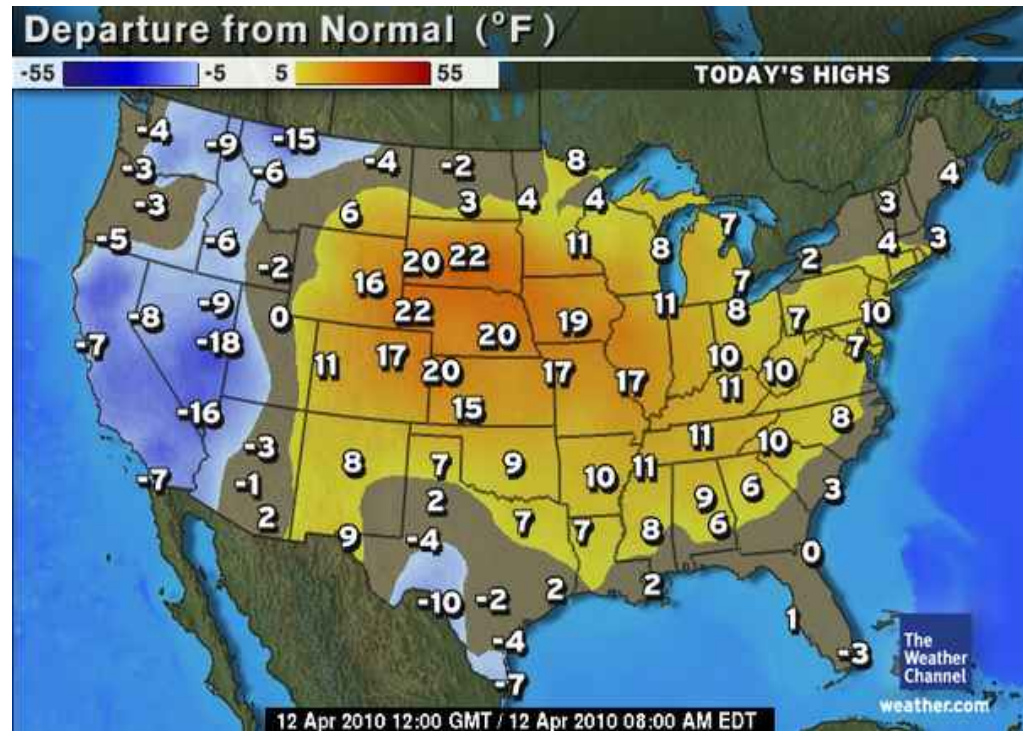
April 12, 2010

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Weather: *Tim Lynch*

A fairly powerful storm system will exit California today after bringing another round of rain to the region over the past couple of days. High pressure building over California following this system will bring sunny and dry weather with warming temperatures to the western growing regions the latter half of the week. This will be a welcome relief from cold rainy conditions of late. Temperatures in the high 60s to low 70s are expected into the weekend. Mid range forecasts show another storm system approaching California over weekend bringing cooler temperatures (Low 60s) and a slight chance of rain. Current forecasts are unclear about the track of this system at this point and we will continue to monitor the situation.

A high pressure system over the Mississippi Valley will slowly slide east through the week. This will keep the Southeast mainly dry with warm temperatures, into the mid 80s into the weekend. A slight (10%) chance of light showers is possible early this week mainly across the southern most regions.



Freight: *Mike McIntire*

The availability of eastbound trucks in California and Idaho remain fairly tight. Apple trucks in Washington remain steady. Crude oil prices are currently at \$84.41. The diesel price for this week is up .054 cents to 3.069.

Commodity Updates

APPLES/PEARS *John Tole*

Washington packers still need help moving large reds and gold's especially in the higher grades. Smaller foodservice reds and gold's are still very limited as is lower grade fruit in all sizes. Granny-Smiths are still short on the larger fruit and lower grades. Export demand from Mexico is strong and supplies of the smaller Gala variety are lower because the smaller shippers have finished packing. As Gala supplies drop the deals on the other small varieties will dry up too. The tremendous deals on 48/56/64's are still available on many varieties. Please consider varieties other than red delicious for your foodservice orders that require small fruit. D'anjou pears are in excellent shape with good supplies in Washington and are also mostly large. Bosc, Seckel, Concorde, Comice and Red Crimson varietal pears are available as well although supplies are low as the varietal pears finish for the season.

ASPARAGUS *Gabe Romero/Mike Pacheco*

The asparagus market is steady. Supplies are light out of Washington. Mexico product will start to wind down in all areas except the Baja region, where production will continue through the month of March. California production continues to produce better production numbers. Peruvian product is still available on the East and West Coast.

AVOCADO *Tim Kelley*

California growers continue to improve their harvest volumes. Fruit is beginning to size up. Mexico's volume is lighter as growers continue to hold off on production.

Mexican Fruit: Growers continue to slow their harvest to firm their market and with California coming in with better volume the Mexican supplies will lighten up.

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

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

Mexico continues with light supplies on green bells. There are a few growers beginning to harvest new fields, and other growers stretch out the harvest of the last of their crop over the next two weeks. The California desert looks to begin the 3rd week of April. Red and yellow

Commodities at a glance...

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

Commodity Updates *continued*

bells from Mexico have become extremely limited with the harvest of these fields in the green stage to fill green orders, coupled with many growers winding down for the season. The California desert crop for colored bells will start early to mid May. One grower in Baja has light supplies of bells .

Eastern Bells: *Janine Baird*

The market has dropped on Florida bell pepper, particularly in the off grades. Volume is up a bit but no where near where it should be for this time of year. We are still a good 2 weeks away from ample supplies so the market could hold at this level or even go back up a bit in the coming weeks.

BERRIES *Mike Gorczyca*

Strawberries: Again California received anywhere from a 1.00 inch to 1 ½ rain in the Strawberry growing areas Sunday/Monday of this week. This has tightened up supplies and firmed the market up. Quality is fair due to the weather. You will see white shoulders, Green tips, water soaked berries, DK, and pin rot. Quality will improve in the next 4 to 7 days if the weather stays clear. The long range forecast is calling for rain again this next weekend. Florida strawberry growers are done for season for the most part. What they are still harvesting is best kept in Florida.

Raspberries: Supplies are very light with a firm market. Supplies will slowly improve by the middle of next week. Quality is good.

Blackberries: Better supplies coming out of Mexico are causing this market to weaken slightly. Quality is good.

Blueberries: Supplies are light with a stronger market. Demand is good. Quality is fair to good.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is stronger to start the week. There are enough supplies for contract business on bunched product and crowns but many suppliers are scrambling to cover open business. Strong rains in California over this past weekend has caused suppliers to be on hold for Monday harvesting due to extreme muddiness in the fields. Harvesting is occurring in Salinas, Santa Maria and there is still a little production in Arizona.

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 much stronger. The rains and lack of product in the field has made this commodity very tight. Expect availability to be very tight throughout the week. Santa Maria will have production as well as Salinas. Yuma production is finished. Expect pricing to be very active throughout the week.

CELERY *Gabe Romero/Mike Pacheco*

There are still some suppliers willing to deal on 24 count celery and deals can be made. Overall, this market is stable. Supplies are coming out of Oxnard predominantly. The quality continues to be good in terms of color and texture. There continues to not be any product available in Salinas at this time.

CITRUS *Tim Kelley*

Lemons: Demand and pricing steady. 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 and pricing 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 this week and continuing over the near future. Baja growers are breaking new fields and will continue to increase production over the next few weeks.

Eastern Cucumbers: *Janine Baird*

The off shore deal in Florida is finished. There are steady supplies of domestics and the market is trending downward. However, the beginning of the spring cucumber shipments means possible issues with color and sizing. Quality and volume will improve in the coming days with plenty of fair weather in Florida's forecast. This market should continue its downward trend.

Commodity Updates *continued*

GRAPES *Amy Grolnick*

Demand is still light and shippers are looking to keep product moving with deals on both coasts. There are Crimson, Rubies and still some Flames available. Some shippers are going into their storage reds but there are still plenty of red grapes coming in from Chile. The Greens, Sugarones and Thompsons, are still the most prevalent but look for product to begin to lighten up on the greens over the next couple of weeks as the marketing order has come and gone. Black seedless is in better supply and excellent quality. Red Globes with very good quality and good availability.

GREENONIONS *Gabe Romero/Mike Pacheco*

This market is stable. Labor issues continue as growers try to assemble harvesting crews in the wake of last week's earthquake. Pencil sizes continue to have the largest availability. There continues to be a few issues on light yellowing on processed items.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The leaf market is steady. Huron and Salinas are in production. Yuma production is finished. Huron is seeing small insects at harvesting time like the previous week. This issue will likely continue throughout the week with all suppliers producing from this growing region so please be aware. Heavy rains over the weekend will cause for delays in loading to start the week.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is stronger. Production numbers have increased in Huron. Some small insects continue to be seen on lettuce in Huron and this will continue to be seen throughout the week. Yuma has some production through this week if the need arises. The sizing is up and down in consistency with small and misshapen heads seen in all the growing regions. The issues of pink ribbing, discoloration, and mechanical damage are still seen upon arrival.

MELONS *Amy Grolnick*

Cantaloupe: Good availability with less demand. Honduran and Guatemalan product are both coming into the US. Product is coming into 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. Quality is excellent.

Honeydew: Still very good supplies of Honduran and Guatemalan product with light supplies coming in from Mexico. Offshore fruit is still arriving into Florida, California and New Jersey. Product quality is getting better. Nogales is receiving Mexican fruit with fair quality.

ONIONS *John Tole*

The northwest market is way up as they are almost finished for the season. Only a couple packers have onions left in Oregon, Idaho, and Washington. The remaining northwest packers continue to manage their storages to supply regular and contracted customers. The northwest yellow sizing remains heavy to jumbos and larger with few mediums and fair to good quality depending on the shipper. Whites are still extremely limited and in a demand exceeds supplies situation although the market is stable. The Mexican and Texas onions are peaking on mediums and pre-packs in all three colors, so the volume of jumbos is relatively low. There are some super-colossal and colossal yellows but supplies are very light. The Texas volume should be up this week compared to last but they did get rain over the weekend so that will slow them down. The quality from Mexico has been good to fair on all colors. Texas quality has been good in all colors. Texas yields are lower than normal so expect supplies to remain limited esp. on the larger sizes and in all three colors.

POTATOES *John Tole*

Idaho remains limited on the larger counts while the smaller sizes are abundant. The larger counts are so tight that many suppliers are asking for 48 to 72 hours lead-time to cover larger quantities. Burbanks will be the main variety for the rest of the storage season and will continue to peak on 80/90/100's. The norkotahs are still peaking on 60/70's but are in very few hands and the shippers that still have them will finish by the end of the month. Washington norkotahs are steady to slightly higher on all counts although they are very limited on 90's and 100's. They still have excellent quality and are peaking on 70/ 60's. Wisconsin and Colorado shippers continue to

Commodity Updates continued

pack norkotahs as well. The Colorado market is slightly stronger due to the lack of size in Idaho. Wisconsin is coming to the end of the season and is higher on all sizes due to lighter supplies. The quality in Colorado is mostly good while Wisconsin ranges from poor to good. Mount Vernon, Washington is virtually done with reds and is finished with Yukon-gold's. North Dakota continues to pack reds and golds but the availability is way down and they continue to price day-of-shipment. Idaho packers are going with reds and golds as well but the demand is very strong and they are pricing day-of-shipment as well. California packers continue to pack all colors and are getting increased volume now. South Florida is also running reds and yukons along with whites. The volume is up so they are more of a factor now.

SQUASH

Western Squash: *Tim Kelley*

Mexico production is good with increasing supplies. Baja is now expected to start mid April. Fresno, California could start their spring crop by mid April also.

Eastern Squash: *Janine Baird*

The squash market is on its way back up in Florida. Recent heavy rains have led to quality issues and decreased volume. Expect green and yellow to hold at the current level for the next few days.

STONE FRUIT *Amy Grolnick*

Off shore peaches, nectarines and plums are all available with good quality and availability. Domestic cherries will start up around the first week of May with other stone fruit coming on around mid to late May and good volume in June.

TOMATOES *Ryan Frayo*

Eastern: Florida continues to have shippers getting a little stronger with production, anticipating some fruit to become available from what very light production there actually is. Shippers continue saying possibly the middle to the end of May before supplies increase to normal production levels. The couple of shippers who are coming up with some fruit have quantities that are small and

insignificant in the big picture. There have been considerable quality issues with the Florida fruit such as scaring and misshaped fruit. As mentioned volumes will continue to be less than normal, but quality should improve as growers continue to pick and clean up the plants. There has been no change in quality to date. Coming on fairly strong are Grape and Cherry tomatoes. We can expect to see higher than normal fob's on the round tomatoes probably up through the spring accompanied with shortened supplies.

Western: Supplies out of San Diego continue to be low and diminished with a strong Mexican market. We can expect this trend up until the new Baja crop get up to speed in late May into the front of June. Nogales on the other hand has dropped prices on all tomato varieties with the exception of Roma tomatoes. Romas where fairly cheap and now are creeping back up with low supplies. The driving force on the easing pricing is that demand has eased up a bit and production has stabilized but there is a wide range of pricing due to some of the major shippers having an excess of inventory so some are dropping prices more than others, leaving an uneasy feeling about the market. Production should remain steady (weather permitting) for the next few weeks.

WATERMELON *Amy Grolnick*

Better supplies on both seeded and seedless product with the holiday pull over and better volume coming in. Also quality is better. The mini seedless are in better supply and quality is good, the market is lower.

VALUE ADDED *Gabe Romero/Mike Pacheco*

On value added items, production is going strong in Salinas. This ends all value added production in Yuma. Expect some discoloration on romaine and lettuce items upon arrival. Product quality has been up and down out of the Huron region.