

Commodity Updates

Week of 7/26/2010

Freight:

Trucks in California and Idaho remain extremely tight due to the lack of westbound freight. Washington trucks remain steady. Crude oil rose \$2.38 is currently at \$78.88. The national average rose above \$2.90 last week and is currently at \$2.919.

APPLES/PEARS

Washington reds, golds, and Granny-Smith apples are still heavy large fruit and the premium grade. The smaller sizes and lower grades are extremely tight and getting tighter now that some of the early school business is coming back. Besides the small counts the markets on all three colors are mostly steady. Galas & Fuji's are the only two varieties left and the markets on both are very active as they are almost finished for the season. Most shippers are done with Gala's and have very limited quantities of Fuji's. D'Anjou pears are finished for the season in Washington. Green Bartlett's and stark-crimson red pears are available for loading in Northern California and the markets for both are mostly steady due to strong demand.

AVOCADO

California harvest is now past the 60% harvest point. Demand remains very strong. Mexico has entered into their light summer production.

California Fruit: The California harvest is peaking on 48's, with dwindling supplies of 60's and smaller.

Mexican Fruit: Growers have very little fruit to cross into the states as their season is at the end. The latest update on the beginning of their off bloom season is early August. If Mexico continues to get rain as they are, this could be pushed back.

ASPARAGUS

This market continues to be very active on all sizes. Harvesting crews in Mexico have been limited due to weather conditions. Thunderstorms are expected again throughout the week in the growing regions. Expect product to be very light for the next two weeks. Peru is experiencing very cold weather also and hence production is down as well. Jumbos will be extremely difficult to purchase throughout this week. Pre-booking orders as early as possible is highly recommended.

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

CAULIFLOWER

The cauliflower market continues to be steady. Supplies are good with many shippers and volume quantities are available at discounted pricing. The best availability is coming in the twelve counts. The price fluctuations are not as dramatic as compared to past weeks, which is an indicator that supplies are good. Santa Maria and Salinas continue to be the two big growing regions at this time.

BROCCOLI

This market continues to be soft. The availability of supplies is plentiful with all suppliers. Vendors are willing to make deals on volume orders on bunched or crowns so run offers by. Mexico supplies will be moderate throughout the week. The quality is expected to be strong throughout the week in all of the growing areas.

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BERRIES

Strawberries: Cool weather in the strawberry growing areas is limiting harvests causing the market to firm up. Quality is still fair with a few good lots due to the wet cool mornings. It is that time to keep your inventories down and only order what you need. Demand is still good. Sizing is medium with counts in the mid teens. Stem Strawberries are limited out of all areas.

Raspberries: Good demand with light supplies is keeping this market firm. Quality is good with a few fair lots.

Blackberries: California supplies are coming out of Watsonville at this time. Demand is moderate with a steady market. Quality is fair to good.

Blueberries: Supplies continue to improve out of Oregon, BC and Michigan with good quality fruit being harvested in all areas. The main pack size is pints with a few 6oz being packed.

CARROTS

California carrots are in good supply. Yield and quality are good and there should not be any gaps for the next couple of months.

CITRUS

Lemons: Supplies are good, with very good demand. The market continues to firm on 140's and larger. Quality is very good.

Limes: Supplies are tighter to begin the week due to rains last week in Mexico. Look for supplies to come back by the end of the week. Fruit is peaking on 175's, 150's. Smaller sizes beginning to shorted up a little as fruit sizes up.

Oranges: This should be the last week for late Navels. Valencia's are in good supplies and demand continues to increase. Market pricing on small choice grade fruit is firming.

CELERY

This market continues to be steady. Oxnard is finished and Salinas and Santa Maria are now the main growing areas of production. Smaller sizing is more readily available compared to past weeks. The weights and quality of celery continue to be strong. Pricing is very similar amongst all the sizes available.

CUCUMBERS

Western Cucumber: Baja production expect less production over the next 2 to 3 weeks. Demand is good.

Eastern Cucumbers: The recent heavy rains in the Michigan / Ohio area have caused the cucumber market to react. Prices are up this week and will most likely continue to climb through the week as New Jersey finishes up and more people look to Michigan.

GRAPES

Red flames are running very small in the central valley with limited availability on large fruit. The market is staying steady with the large fruit pulling premium pricing. Red Scarlet's are available with limited availability but very nice extra large fruit. Thompsons and Sugarones are available with good size and eating very well. Summer Royal blacks are available with good quality. Red Globes are set to start in the central valley in the next week to 2 weeks.

GREENONIONS

This market is steady. Heavy storms in the Mexico region have hampered production. The weather is going to be rough again this week so pricing may get active in the middle of the week, pending demand. Pencil sizing continues to have the best availability followed by mediums. Quality issues have been minimal.

LETTUCE

This market is softer. The availability is stronger with most suppliers, however there continues to be a gap in pricing of around four dollars amongst different shippers. The weights are good, averaging 44-48 lbs. Mildew and burn has been seen sporadically, but overall the quality has been good. The availability of this commodity will be good throughout this week.

LEAF LETTUCE

Supplies have picked up on romaine and pricing is competitive. Green leaf is steady. Some mildew and tip burn continue to be seen upon arrival sporadically. Foggy, overcast mornings continue to be in the Salinas growing region. This will cause some mildew issues. Red discoloration will be seen in certain lots. Most shippers are having these issues.

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MELONS

Cantaloupe: Cantaloupe are still very limited on the small sizes with the large sizing loosening up a bit. Sugar levels are still good with solid fruit and good quality. By the end of the week we should see better availability.

Honeydew: The west side fruit is available but peaking to 5's leaving minimal 8's available. Quality is very good and volume will continue to increase.

ONIONS

All colors of onions are available in California this week. New Mexico got several inches of rain over the weekend so they are out until at least Wednesday possibly long. Washington continues with wintered-over yellows but the supplies are light and the quality is dropping so expect this to be their last week. California is still packing mostly average size yellows. The demand for reds and yellows had been but they are predicting stronger demand with New Mexico being out. White supplies are light in both areas and but pricing is steady. Colorado is starting to pack a few yellows but they have not established a market yet.

POTATOES

Idaho continues to peak on smaller size cartons but the market is higher again due to strong demand. The market is also higher on the larger counts, number-twos, and consumer bags. Expect the Idaho market to remain strong for the balance of the storage season. Idaho's quality has been mostly good but there has been some peeper-sprouts and internal black-spotting. The Colorado market is still in a demand-exceeds supplies situation. They are still heavier to 60/70's but supplies are extremely light as the smaller shippers have finished packing. California is still packing a few new crop Norkotahs and is heaviest to 70/80's, but this will be their last week. Prices remain mostly steady on all sizes. California also continues to pack colored potatoes but the demand has been very strong!

Most Bakersfield packers have finished.

Washington has started packing new-crop norkotahs and will have better volume by next week. Colored potatoes are available in Stockton, California.

There are still a few left in Bakersfield as well but they have the nicest quality and more volume right now. The Stockton shippers expect to have supplies through September. North Carolina, Virginia, and Alabama have reds and a few gold's, with some round whites, but the temperatures have been so hot that they aren't holding up after harvest which has pushed much of the business to California. Minnesota/North Dakota and Wisconsin are starting to pack reds this week.

SQUASH

Western Squash: Baja looks to have good steady supplies for the next few weeks. Santa Maria has good steady volume now the weather has warmed up.

Eastern Squash: After a tight weekend for squash, things seemed to have loosened up a bit this week. Prices are steady and the volume is definitely there. Quality is good.

TOMATOES

Eastern: Roma tomatoes continue to be behind on production compared to the other crops, and we are seeing higher fobs on the Roma's compared to weeks previous. Growers are saying they should have better production for roma tomatoes this week. Although the past heat that the east has experienced will keep sizing on the smaller side with more fruit coming on faster than usual, compounded by past heavy rainfall. Harvests have been delayed and pickings are staggered in North Carolina and Tennessee due to the weather. Michigan and Ohio should start sometime this week.

Western: Supplies out of San Diego are increasing as the transition is done. We are seeing better availability on all packs. Cherry and Grape tomato production is strong with low FOB's and shippers making deals to keep things moving. Weather has been favorable in Baja with no major issues. Central California continues going strong with production and plenty of good quality fruit behind it.

WATERMELON

Domestic fruit is going strong with very good quality. There are promotable volumes and pricing is steady to higher.

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VALUE ADDED

The lettuce quality is better. There have been some complaints that processed lettuce has had issues with shelf life shortage. This week the lettuce should be stronger in terms of quality which will lead to better shelf life. The supplies of romaine have been better to start the week. There continues to be a few issues upon arrival of brown to red discoloration on romaine and lettuce items. The quality of value added items is expected to be better this week.

Weather

California's Central Coast is forecast to remain in a fairly typical summer time weather pattern this week although slightly cooler due to the heavy marine inversion layer. Morning low clouds and fog, especially near the coast with slow clearing by the afternoon. Temperatures will range from the mid 60s near the coast to the mid 80s in the warmest interior valleys. Mid range forecasts show high pressure building and a slight warming trend late this week into next weekend.

