



WEEKLY NEWSLETTER AND COMMODITY REPORT

JANUARY 26th, 2010

WEATHER REPORT

The West Coast is bracing for another Pacific low pressure storm system to impact California today into Wednesday. Rainfall totals in Southern California could reach the 1/2 to 1 inch range with up to 1/4 inch possible in the desert locals. Another system set for late this week looks to remain in Central California and north in latest forecasts. A slight warm up is expected beginning mid week but overall temperatures will remain 5-10 degrees below seasonal norms through the week.

Low pressure pushing through Florida today will bring a chance of showers to the region before moving out this afternoon. High pressure behind this cold front will usher in colder temperatures and breezy conditions through mid week. Low temperatures in the mid-30s in the north to mid 40s south, with highs in the high 60s to mid 70s look to be the norm. High pressure moves out mid week with another system entering the mix with a chance of showers over the weekend.

****WHAT YOU SHOULD KNOW****

California will be getting rain all this week which will hurt the strawberry supplies as well as many of the row crops commodities and orange and lemon supplies.

MARKET REPORT

ITEMS TO WATCH -- MARKETS VOLATILE, PRICES UP

Apples	Blackberries	Blueberries	Celery	Green Onions	Honeydew	Lemons	Onions
		Strawberries	Tomatoes	Watermelon			

ITEMS TO WATCH -- MARKETS GOING DOWN/STEADY

Asparagus	Avocado	Bell Peppers	Broccoli	Carrots	Cantaloupe	Cauliflower	Cucumbers	
Grapes	Iceberg Lettuce	Leaf Lettuce	Oranges	Pears	Potatoes	Raspberries	Squash	Stonefruit

APPLES/PEARS

Red Delicious, Gold Delicious and Granny Smith, along with most all varietal apples, remain in short supply on small sized fruit. The market will continue to increase on the small sized Granny Smith, Red and Gold Delicious Apples this week. This will be a season long dilemma and each week the supplies will get lighter. Demand continues to be very strong on small fruit and will continue to be very strong in comparison to the available supply. Deals remain in the larger sized fruit, and quality is excellent on all apples. 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. Bartlett pears are in short supply. There are also varietal pears available including Bosc, Seckel, Concorde, Comice and Crimson Red. Please consider different varieties on red apples in order to fill orders that require 100's, 125's, 138's and smaller.

ASPARAGUS

The asparagus market has remained steady. Supplies are light on jumbo and standard sizing from Mexico. Supplies are good on small, large and extra large. Peru still has supplies coming into the East and West Coast. Prices remain steady with availability on all sizes. The Quality of Mexican product continues to be good.



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AVOCADO

Mexico and Chile shipments are steady. California fruit harvest continues to be slowed by the rains. The over all supplies remain good. Demand is good.

- **Mexican Fruit:** Mexico represents about 2/3 of the market at this time. They continue to have excellent quality and good steady supplies.
- **California Fruit:** All shippers have stop picking due to the rains. Harvest will resume as weather clears.
- **Chilean Fruit:** Chilean fruit season is approaching the end. There will be a final push for the Superbowl. Quality remains very good.

BELL PEPPERS

Eastern Bells

The market on Florida pepper is steady from the weekend, but the supplies will once again dwindle, as growers have picked about all they can out of the fields. Expect this market to shoot up at the end of the week along with quality issues related to the recent freeze.

BERRIES

- **Strawberries:** California Strawberry growing regions where hit hard last week with rain. The forecast is for rain again this Tuesday/Wednesday then again on the weekend. Growers are only getting about 20% of their harvest packed for the fresh market the start of this week. Quality will remain problematic with white shoulder, bruise, pin rot, mold and water damage likely to be prevalent as fields recover. Only order what you need. It will take some time for fields to recover and produce quality fruit with upcoming weather patterns the determining factor or crucial to future volume and quality. The only good news in the strawberry world currently is that nice weather in Florida since the freezing temperatures have increase volumes from this region. I feel this will be short lived however and harvest numbers will drop quickly. This is due to bloom damage done during the freeze coupled with cold temperatures shutting down the plants growth cycle for an extended 2+ week period. Valentine's Day pull which starts in a week has set it self up to be a very challenging one. All packs of Strawberries including Long stems for Valentine's Day will be very hard to come by to say the least. Market is active on both Coasts.
- **Raspberries:** Supplies have increased slightly the start of this week with a slightly weaker market. Quality is being reported as good. Driscoll is the main supplier at this time of the year.
- **Blackberries:** Blackberry supplies are limited due wet weather in the growing areas. Market is slightly higher. Quality is fair.
- **Blueberries:** Good retail demand this week has firmed up the market. Availably is also limited on all pack sizes. Quality is great. Look for supplies to get limited them middle of February due to the freeze Chile had a few months ago.

BROCCOLI

Supplies are good and many suppliers have come out at the beginning of the week very aggressive on bunch and crown product. Supplies look to be good throughout the week. The quality is strong, coming out of Santa Maria, Yuma, and Scottsdale. There is some product being harvested in Salinas if desired.

CARROTS

California carrots coming out of Bakersfield are finally starting to size up and there is a little better supply of jumbo carrots.

CAULIFLOWER

This market continues to be steady with most suppliers. Demand is down and with a push this market could be stronger. Brown and black spotting and discoloration continues to be seen sporadically upon arrivals on this commodity. Past cold weather is the cause of this defect. Supplies currently are ample to fill all orders.

CELERY

Product is more readily available on large sizing and pricing varies from 3-4 dollars compared to the smaller sizes. There are a few shippers having product in Yuma if Oxnard and Santa Maria is not desired. With Florida still recovering from the freeze, pressure will continue to be put on California production to pick up the slack. The pricing this week should continue to be active throughout the week.



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CITRUS

- **Lemons:** Supplies are good on 115's and larger, with 165's and especially 200's becoming very tight. Quality is very good.
- **Limes:** There are good supplies available with a good run of sizes.
- **Oranges:** Demand remains steady. Rain forecast for this week and next could keep supplies light. Crop continues to peak on fancy 72's, 56's and 88's. The supplies of choice grades remain tight.

CUCUMBERS

Eastern Cucumbers: The off shore supplies are gradually increasing and with the dropping market on the west, the East could begin to see the cucumber market decline in the coming weeks. Quality has been fair at best – typical on the first few shipments out of Honduras.

GRAPES

Chilean flames with good availability but product is still very small. Thompsons and Sugarones are in good supplies with product peeking to the med/large size. There should be good supplies for the Valentines Day pull on red seedless but we may see greens gapping next week. Good availability on the seeded Red Globe with excellent quality. Black seedless with limited supplies and very good quality.

GREEN ONIONS

This market is steady. Supplies are on the light side out of Mexico but all orders are being filled. Demand has definitely been stronger these past few weeks and it looks to be strong throughout the week, as numbers will be light from Mexican production. 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.

LEAF LETTUCE

Suppliers have attempted to raise pricing, but demand has not justified this. Red leaf continues to demand a higher price compared to other leaf items. Florida has started packing romaine. Romaine and romaine hearts continue to show blister and epidermal peel from the cold temperature experienced last month out of Yuma. Quality has been average with tip burn and fringe burn showing up in some lots. Weather issues will inevitably cause quality issues towards the end of the week on all leaf items. Expect pricing to get stronger towards the end of the week if there is any demand for product.

LETTUCE

This lettuce market is steady, with a variance in pricing by 2-3 dollars. The quality has been good with weights in the 40-44 pound range. Florida has started production also. Suppliers are expecting stronger production numbers at the end of the week. Rain is expected in the Yuma region Tuesday and Wednesday, then clear for the rest of the week. Muddy boxes will continue to be seen on the front side of this week upon arrivals.

MELONS

- **Cantaloupe:** Honduran fruit is now available but supplies are dependent on when containers come in. Small fruit 15's and smaller are still extremely limited. Shipping points in Pompano Beach and Port Manatee, FL as well as Los Angeles, CA and Camden, NJ continue to receive fruit but again sizes are mostly large (12ct and larger). The prices remain at higher levels on the small size 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 mainly in 5's and 6's. Supplies on 8's and smaller continue to be light. Good supplies of honeydew out of Mexico and the quality is good.



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ONIONS

The Idaho/Oregon yellow onion market has stabilized. The export demand remains strong but time will tell how it affects the domestic pricing. For now the market is level. Quality is still very nice and sizing is still heavy to jumbos and larger. Reds are up slightly as we are nearing the end of the storage deal for most packers. Once the Idaho/Oregon packers start buying from Washington the market will jump upwards. Now is a good time to go heavier on reds. The white onion market is still in a demand exceeds supplies situation as Mexico is buying all they can although the market is down slightly. We expect the white market will remain strong into the Mexican/Texas deal.

POTATOES

The Idaho potato market is steady to slightly lower with light demand. Most shippers are hungry for business and are still peaking on 70ct. Quality is good with a few shippers reporting some light peepers showing up in their storage potatoes. Norkotah, western, and Burbank varieties are being packed in Idaho. Washington Norkotahs are going strong with good quality and availability, and light demand. Washington shippers are peaking on 60ct and larger. Colorado is going strong steady supplies, light demand, and good quality. Mount Vernon, Washington has good availability on red and Yukon-gold potatoes, while they have some whites but not as many. The quality in Mount Vernon is excellent. North Dakota and Wisconsin have good supplies of red & yellow potatoes with few whites. Some California packers have good supplies of reds, whites, and yellows while some are experiencing low pack-outs on the Yukon's.

SQUASH

Eastern Squash: Domestic supplies of squash in Florida have been all but wiped out by the weekend freeze. Many Florida shippers are bringing yellow squash in out of the West just to try to cover. The market on green, however, appears to be dropping as Nogales continues to lower their prices.

STONE FRUIT

Cherries are cleaning up and demand remains strong for good quality fruit. Peaches are in good supply and will remain that way over the next week. All other stone fruit including nectarines, plums and apricots are limited.

TOMATOES

Eastern: Florida has encountered a very cold arctic blast that has brought temps below freezing in the previous weeks, and we are now seeing the effects. The temperatures are continuing to remain cooler than normal (but not freezing) and will continue into this week for the southern growing areas. The damage the frost is becoming a bit clearer as growers are finding out if they need to re-plant or get another harvest off of existing plants. There has been significant crop loss and supplies out of Florida will be down and won't rebound probably until spring. Growers have initially picked as much fruit as possible to salvage as much of the crop as they could, but are now running out of that fruit. 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, but for the most part growers are doing a good job packing decent fruit.

WATERMELON

There is very little fruit coming in from Mexico and FOB's continue to rise on both seeded and seedless. The seeded being the shortest in supply as some shippers are no longer growing of them. The mini seedless are very limited and what is out there is disappearing quickly. Quality continues to be excellent on the fruit that is available.

VALUE ADDED

Chopped romaine and romaine blended items continue to experience brown and red discoloration on finished product. Suppliers are working diligently to use the best raw material available for the processing facilities. The cold weather Yuma Arizona has been experiencing has resulted in product having a shorter shelf life. The processed cauliflower has had a few issues on brown and black spotting. Again, processors are using the best product available.