



**WEEKLY NEWSLETTER AND COMMODITY REPORT**

**June 29, 2009**

**MARKET REPORT**

**ITEMS TO WATCH -- MARKETS VOLATILE, PRICES UP**

Bell Peppers	Blackberries	Cucumbers	Onions	Pears
	Raspberries	Strawberries		

**ITEMS TO WATCH -- MARKETS GOING DOWN/STEADY**

Apples	Asparagus	Avocado	Broccoli	Carrots	Cauliflower
Celery	Grapes	Green Onions	Kiwi	Lettuce	
Cantaloupes	Honeydew	Potatoes	Squash	Oranges	Lemons
	Stonefruit	Tomatoes	Watermelon		

**APPLES/PEARS**

Small sized Red Delicious will remain tight for the remainder of the season. Gala apples in the state of Washington are all but done for the season. Demand continues to exceed available supplies and the market remains strong. Retail demand remains strong, especially in 3 and 5# bags. New Zealand is still tight on their Galas as imported fruit, and their market remains strong. Red Delicious Apples in the lower grades (lighter color) will continue light in supply as the controlled atmosphere storage crop coming out remains high in color. Small sized Granny Smith continue to be excellent choices for someone looking for a 'deal' on apples and there are still very good supplies available. Oregon Pears are all but finished for the season. Washington Pears will go through the balance of this month with the Anjou and Red Anjou varieties only.

**ASPARAGUS**

This market continues to be steady. The jumbo sizes are tight and the prices are still higher compared to the rest of the sizes. California production is light and production should end in approximately three weeks. Most of the California shippers have Mexican asparagus to offer. Product out of Peru continues to be available on the East Coast.



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### AVOCADO

- **Mexican fruit:** Mexican crop continues to lighten as the old crop winds down. New crop will begin in July with off-blooms, which will have higher oil content than the true new-crop fruit which will start toward the end of July.
- **California Fruit:** California growers continue to pack good volume, but with this years light crop, they are already more than half picked. Growers are trying to make their crop last until new crop Chilean and Mexican begins late July, early August.

### BELL PEPPERS

Georgia is coming to the end of their pepper deal but Tennessee and North Carolina are starting in a light way. With the limited volume in both regions the pepper market is tightening up, particularly in the off grades, as is typical with transition. Demand will exceed supplies into the beginning of next week and prices will continue to increase.

### BERRIES

- **Strawberries:** Strawberry production continues this week low, as many shippers are working with very small volume and are sold out this morning. The market has been low in all respects and as a result of that shippers are now diverting fruit into freezer, keeping supplies tight. The weather has been good, so we were anticipating a good push for the balance of the week, but that did not come to fruition.
- **Raspberries:** Raspberry production has tightened up as we have passed the “peak” production window. There will continue to be moderate to light supplies of Californian fruit, until the Northwest gets going approx, June 26<sup>th</sup> give or take a few days.
- **Blackberries:** We continue looking at local production as it is slowly increasing. Watsonville is producing fair quantities, and is inconsistent at this point as we are currently experiencing a slight gap in production as growing regions transfer from Mexico to California. The majority of volume is now coming from the central valley. We are seeing far less availability and can expect this trend to continue well into or through this week. We are expecting the Northwest to get started around June 26<sup>th</sup>.
- **Blueberries:** Blueberry production continues to increase in California and is getting stronger. The Central Valley is the primary area of production and we are seeing some better production in Oxnard and Watsonville. Fruit is starting to transfer over from the valley. This week we are seeing a better variety of pack sizes: 6oz, pints and 18oz. The Carolinas and Georgia and New Jersey are producing good volume and seem to be arriving in good condition.

### BROCCOLI

This market is steady with demand falling off as last week finished. Supplies are good out of the Salinas and Santa Maria growing regions. Some shippers are offering deals to start the week to move excess volume. The quality overall continues to be good.

### CARROTS

California carrots are coming out of the Bakersfield, with good supplies and quality.

### CAULIFLOWER

The supplies from most shippers are moderate. Most shippers are offering deals on 9 count cauliflower. There is little demand to start the week off. The overall quality of this commodity has been better compared to previous weeks. Santa Maria and Salinas continue to be the main areas of production.



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### **CELERY**

This market is steady to start the week. Oxnard production will finish up by the end of June. Salinas production has picked up as well as Santa Maria. The problem of seeder has not been an issue in the harvesting in the Salinas Valley. Quality has been really nice from all growing regions.

### **CITRUS**

- **Lemons:** Supplies are projected to be good for July and August. Best availability looks to be on 140's, 165's, and 200's. Summer demand is beginning to pick up with prices firming through the month.
- **Limes:** Supplies are a little lighter this week due to storms in Mexican growing area last week. Quality remains very good, with lighter color which is a characteristic of the summer crop.
- **Oranges:** Late navel varieties are on final floor counts and should be all shipped by next week. Valencia production is good. Quality is very good, with sizes running 88's, 113's, and 138's.

### **CUCUMBERS**

Cucumber quality out of the South Georgia growing region has been marginal as the season there draws to an end. A better quality cucumber at a considerably higher price is available farther north. By the beginning of next week this market will have jumped considerably as Georgia will be finished and Michigan is not quite ready with volume.

### **GRAPES**

Flame red seedless grape availability is better this week with new districts of Mexico now crossing fruit into Nogales. Coachella is still producing fruit, but will only have supplies left over the next 10-14 days. Bakersfield has started in a light way and quality is excellent. Color and sugar levels have also increased over the last 7 days in Coachella and Mexico, but overall crop quantities remain down compared to that of last year. Temperatures have been cooler than normal, but for the remainder of the desert and Mexico deals they should be decent enough for a strong finish. Demand pressure in Coachella still outweighs that of Nogales keeping the market considerably stronger in Coachella. Green seedless grapes are shipping as both the Sugarone and Thompson from Coachella/Nogales; there are good supplies and deals available.

### **GREEN ONIONS**

This market continues to be stable. Supplies continue to be good from the Mexican region. This market should remain steady for the entire week. The quality continues to be good, with little to no problems reported.

### **KIWI**

Kiwi quality remains excellent and movement is steady. The market will remain steady.

### **LEAF LETTUCE**

This market is steady with good supplies to start the week. There has been little demand to support the current price increases. As more local leaf deals start around the country, we should see the leaf market from California to remain somewhat stable. Fringe burn is being seen with all suppliers on romaine at harvesting time. There continues to be reports of browning inside the internal parts of the leaf. Some suppliers are worse off than others, but it is out there. There have not been many complaints on the other leaf items up to this point.



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### LETTUCE

This market is lower with most shippers lowering the prices to move excess volume. Expect lettuce to be on the heavier side this week as most shippers have caught up with their fields. Weather patterns still are not even close to being normal. This week we will see temperatures in the South County reaching mid 90's.

### MELONS

- **Cantaloupes:** Small sized Cantaloupes are again in a demand exceeds supply situation. Sizing is still heavy to the large sizes (9 & Jbo 9ct). With supplies short in the smaller sized fruit, desert growers continue to struggle for enough supplies to meet current demand. CA desert shippers will be finishing up their harvest by the end of this week. Bakersfield districts will start in a light way on Cantaloupes by the end of this week, but sizing is large there also. Arizona desert production continues to be very sporadic and shippers are coming up well short of their estimates, especially on the small fruit. Small cantaloupes will remain tight for at least the next 7-14 days, and until shippers can get into new growing areas and temperatures get warmer.
- **Honeydews:** Production of Honeydews in Arizona, Mexico, and CA is still yielding good supplies of fruit however the sizing is large. Small sized fruit will remain in light supply through the transition and beyond as cooler than normal temperatures are allowing fruit to size up big. The market is slightly higher on very limited supplies of small fruit. Large fruit is where the deals are and will continue that way into next week.

### ONIONS

Most shippers are now packing in Huron but product remains very limited on yellow onions. New Mexico has felt the pressure with California being so tight and their acreage down this season. There is some very limited availability out of Washington on new crop over winter yellow onions. Product will remain tight this week and into next.

### POTATOES

The quality is still good on the Idaho storage crop. Large size potatoes are very limited as shippers get further into their storage product. Shippers have deals available on 100ct and smaller cartons as well as 6oz #2's. New crop California Russets are available but limited large sized product, with good quality. Wisconsin is becoming more limited with availability. Colorado has good supplies and quality is still good. Colored storage potatoes are still available out of Wisconsin. California new crop colored potatoes available with very good quality. Northern Florida with availability on new crop colored potatoes; white potatoes are still extremely limited.

### SQUASH

Squash is now readily available as far north as New Jersey and Michigan should be in good volume by the beginning of next week. Georgia will be finished by the end of the week – an early end brought on by scorching temperatures in that region. The market may increase slightly by the beginning of the week.

### STONE FRUIT

Warmer temperatures are on the way and production is on the rise, especially in the smaller sized fruit. Yellow/White Peaches, Yellow/White Nectarines, Apricots, Pluots, and Plums are available in very good supplies. There is high colored good eating tree fruit available and FOB prices continue to adjust downward. Cherry production is finished in CA, and Washington State is going strong with both Rainier and multiple red cherry varieties. Quality is excellent to start the Washington State cherry season.



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### **TOMATOES**

The tomato market (all tomatoes except Romas) continues tight and are a great deal higher this week compared to last. Central Florida is finished up due to past wet weather. North Florida will start next week with very light production. Quality is only average, there is a lot of damage to the fruit. The shippers are grading extra hard however there are still some shoulder problems and rain check. Food service will be very limited.

### **WATERMELONS**

Watermelons remain good from the CA/AZ desert production areas and Bakersfield is on the way for next week. Markets will remain steady on seeded, but are slightly softer to the end of this week on seedless. Demand remains only moderate on watermelons and quality is very good from the Yuma, AZ and CA desert growing areas.

### **VALUE ADDED**

Processors will likely be dealing with fringe burn issues on romaine and head lettuce. Some light bruising has also been reported on chopped romaine. Broccoli and Cauliflower processors are steady with supplies and availability. Complaints have been minimal on green onions. Shippers continue to stress keeping the cold chain in tact with all processed items. Any temperature abuse will cause a serious drop in shelf life.