



**THINGS YOU
SHOULD
KNOW:**

**Grapes are very
limited**

**Melons are
extremely limited**



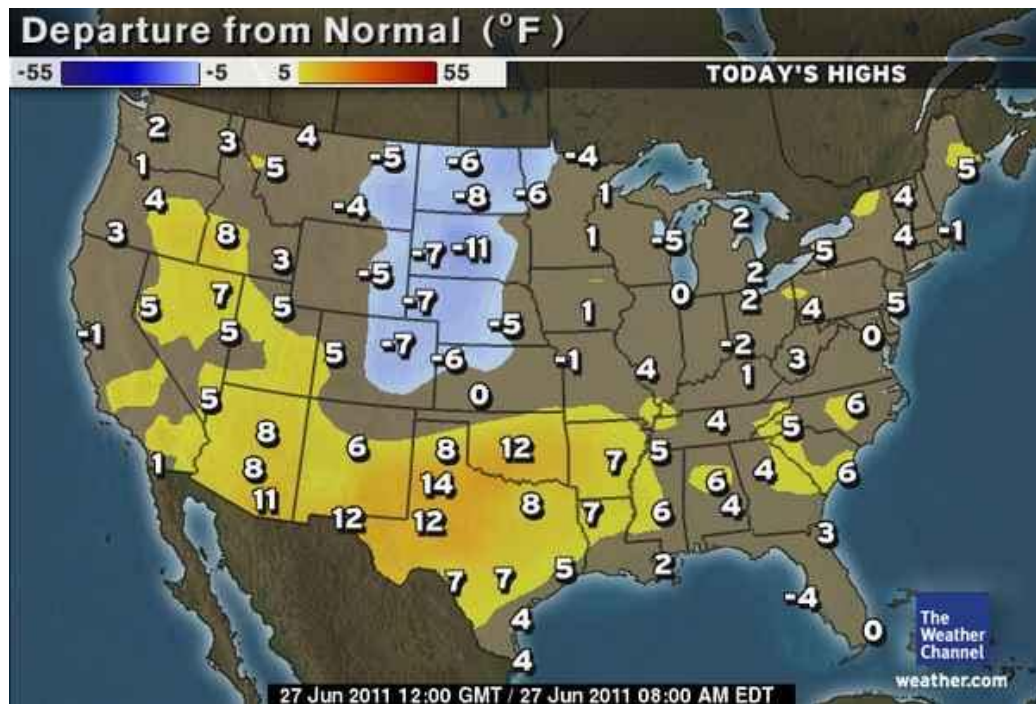
The Source

June 30, 2011

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Weather: Tim Lynch

Cool temperatures the front half of the week with a chance of rain are forecast for the Salinas Valley as an unseasonably deep and wet Pacific storm system from the Gulf of Alaska moves into the region tonight. This system is expected to bring substantial rain to the North of our region with a 30-40% chance of rain forecast for the Salinas Valley. This system will keep temperatures in the mid 60s along the coast to high 70s in the interior valley through mid week. High pressure builds Thursday following this system with a substantial warming trend into the Holiday weekend. Temperatures will climb to the mid 70s near the coast to possible triple digit readings in the interior valley over the weekend.



Freight: Mike McIntire

Trucks in California remain tight due to the lack of freight to the West Coast and the 4th of July push. Washington and Idaho trucks are coming empty to CA for higher paying loads which leave those areas a little tight. Crude oil remained steady and is currently 90.58. The National Average should remain steady when it comes out later today. It is currently at 3.950.



Commodity Updates

APPLES/PEARS *John Tole*

Red Delicious continues to peak on smaller fruit with higher color but supplies are lower and demand is strong now that the varieties are finished. Lower grade fruit remains limited and will remain so. Stay ahead on reds as price will continue to climb. Golden Delicious continue to peak on 100-size and larger fruit as well as the Washington extra-fancy grade. Stay ahead on lower grade fruit due to light supplies. Galas are still peaking on 100/113's but are extremely limited as the season is almost finished. Imported Galas are still available on both coasts and are peaking on 80/90/100's. Granny-Smiths are peaking on 88's and larger while the smaller sizes are very short. Most packers continue to sub sizes and grades on orders of smaller Granny's so expect them to remain limited. Fuji's are still high in color and continue to peak on 88's and larger but supplies are disappearing fast. D'Anjou pears are still mostly large and peaking on the US#1 grade. Fancy grade fruit remains very tight in all sizes. D'anjou supplies are extremely short and most shippers will finish this month. Offshore D'Anjou's and Packham's are available on both coasts and are heavy to the US#1 grade and the 70/80/90 size range. There is some imported Bosc available as well.

ASPARAGUS *Gabe Romero/Mike Pacheco*

This market is very active. Mexico's production has slowed up due to heavy rains in the growing regions. Jumbo sizing is almost non-existent. Washington production is almost finished. Peruvian product is moderate in supplies. Expect this market to be active throughout the week.

AVOCADO *Tim Kelley*

Avocado crossings in from Mexico are light and the crop is winding down quickly. California harvest is good, and it is becoming the main source of avocados. Look higher prices as we move into and through August. We will see insufficient volume to meet normal demand through summer.

BELL PEPPERS *Tim Kelley*

Western Green Bells and Colored Bells:

California's Desert crop is down to their last week of packing green bells, quality remains very good. The Bakersfield crop on green bells has start and volumes are increasing. Colored

Commodities at a glance...

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

Commodity Updates *continued*

bell supplies are dropping for all shippers as they are coming to the end of the desert season. Quality is also slipping due to the heat. New crop Bakersfield is still 2 to 3 weeks away.

Eastern Bells: *Bob Reich*

Both Eastern and Western North Carolina are now working peppers, with some still remaining in Georgia. Quality has been good, with more off-grades now starting to show up in the way of SunTan and mixed Red Pepper. Demand has been steady and the market remains strong.

BERRIES *Mike Gorczyca*

Strawberries: Demand is good with the 4th of July pull going in full swing the start of this week. Demand should start to lighten up starting Wednesday of this week. Chance of rain is in the forecast for Tuesday/Wednesday of this week which could hurt supplies and quality depending on how much rain we get. Let's hope the rain stays North of Watsonville and misses the Strawberry growing areas. Supplies are moderate which is keeping the market steady but firm. Quality is being reported as good out all areas (Santa Maria, Salinas/Watsonville). Counts are 12 to 18 out of the Salinas/Watsonville growing areas and 18 to 22 out of Santa Maria. Some growers in Santa Maria are starting to switch their harvest to the freezer market due to the fruit size being too small for the fresh market.

Raspberries: Supplies are still light with good demand which is keeping this market firm. Quality is being reported as good with an occasional fair lot. Look for supplies to get better in the next couple of weeks.

Blackberries: Limited but building supplies out of the Salinas/Watsonville area is causing a firm market. Quality is being reported as good. Demand is very good

Blueberries: Supplies are winding down out of California which has firmed the market on the West Coast. The next growing area to start up will be Oregon in about week to two away from starting. East Coast growers are moving areas which has interrupted supplies. Demand is good with a firming market. Quality is being reported as good to fair.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is stable. Temperatures have lowered in the growing areas but overall, the weather has been good. Supplies are ample to

fill all open and contract business. Supplies expect to be better throughout the week with most suppliers as compared to the previous past weeks. Salinas and Santa Maria are the two main growing regions for this commodity.

CARROTS *Tim Kelley*

California carrot supplies and size is coming back as shippers start the Bakersfield crop.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

This market is softer. Expect suppliers to be offering deals on volume orders by the middle of the week. Ideal temperatures have been the cause of increased volumes with most suppliers. Twelve count sizing continues to have the best availability. Many suppliers are expecting moderate to good production numbers throughout the week. Production is coming mainly out of Santa Maria and Salinas.

CELERY *Gabe Romero/Mike Pacheco*

This market is lower on all sizing. Supplies continue to be good in Santa Maria and Oxnard. Salinas' production has picked up with most suppliers, but volume orders continue to be loaded down south. Shippers are offering special pricing on load volumes of 24s and 30s so please be aware. Expect supplies to be finished in Oxnard by the end of the week.

CITRUS *Tim Kelley*

Lemons: Lemon demand is increasing. Supplies remain steady.

Oranges: Late navels are expected to continue into mid July this year. Sizing in running to 56's/72's/88's with limited numbers on small sizes. The quality continues to be good and eats great. Valencia oranges are in good supplies; peak sizes are 88's/113's/138's. Sugar levels are running good.

Limes: Lime supplies are good this week. Weather may play a part to slow mid week supplies with rain forecasted in the growing areas of Mexico. Larger sizes (110-150's) still limited.

CUCUMBERS

Western Cucumber: *Tim Kelley*

Supplies coming out of Mexico into Nogales are just about all cleaned up as mainland Mexico's season come to the end. Baja production is light and waiting on new fields to break. Fresno has started with limited

Commodity Updates continued

production, but remains day to day.

Eastern Cucumbers: *Bob Reich*

Cucumbers still being harvested in Georgia and North Carolina, as well as Virginia and beginning in New Jersey. Quality has ranged from fair to good. Demands exceeds supply and remains strong.

EGGPLANT

Western Eggplant: *Tim Kelley*

The California desert has lightened in their supplies as the finish their season. Fresno is just beginning their crop. Supplies are limited.

Eastern Eggplant: *Bob Reich*

Georgia has steady supplies of Eggplant, showing good quality and demand has been fair to moderate.

GRAPES *Amy Grolnick*

Mexican crossings continue on both red and green with red becoming more limited. Shippers are cleaning up for the season and getting unexpected shipments in when they think they have cleaned up. Most of the reds are coming in small so there are deals on small fruit. Large fruit very nice fruit is limited and demanding higher prices. Green Sugarones will continue over the next week or so with less volume. Quality is still very good. Red Flames are becoming more limited in Coachella as well, as Mexico finishes up. Sugarones coming in with good volume and Princess available with limited volume. The Arvin/Bakersfield area is running about a week behind due to the cooler temperatures they've had with most shippers quoting a start date of June 11 at the earliest. The next 2 weeks volume will be extremely limited with shippers quoting pricing day of loading.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is stronger. Supplies are moderate coming from Mexico. Pencil sizing continues to be the most readily size available. Suppliers look to be moderate in availability throughout this week.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The romaine market is much more active as compared to previous weeks. The market continues to be steady on green and red leaf. The warm temperatures has affected the romaine crop much more than the other leaf

items. Expect supplies to be good throughout the week on red and green leaf. The overall quality has been reported as good in terms of weight and texture of the product.

LETTUCE *Gabe Romero/Mike Pacheco*

This market continues to be soft. Salinas and Santa Maria production has picked up due to better temperatures in all of the growing areas. The weights on lettuce continue to be good, averaging 42-46 pounds. Production is expected to be good for the remainder of the week with many suppliers. Load volume is being offered from a few suppliers at special pricing.

MELONS *Amy Grolnick*

Cantaloupe: Brawley has cleaned up for the most part for the season. The Maricopa/Phoenix area is all that's left until the Bakersfield area starts up. At this point it looks like the week of July 11 will be the start date and until then product will be extremely limited.

Honeydew: Nogales has finished up for the season. Brawley has product available peaking to 6's and larger. Maricopa/Phoenix area has product available with the market steady.

ONIONS *John Tole*

Yellows in California are mostly lower and the size is getting bigger so more supers and less mediums. Jumbos and larger are less while mediums are steady to higher with few available. San Joaquin valley temperatures will be in the 90's and 100's this week so expect the onions to continue to size-up. New Mexico is mostly steady but some are lower. Their yellows are also getting bigger so more supers and colossal and less mediums. Both areas are transitioning from the long-day to intermediate-day onions but is hasn't affected availability as expected. Reds and white supplies are up in both areas this week but the whites are more limited. The markets for both are down slightly.

POTATOES *John Tole*

Idaho carton prices are higher and again and we expect them to continue to rise. Most shippers are reporting less in storage than anticipated so they have to ration their product to avoid a gap. Stay ahead on Idaho spuds as

Commodity Updates continued

they will continue to climb in the short term, in fact several Idaho packers have already finished packing for the season! Fewer supplies in both Washington and Colorado are only helping to push Idaho market higher. Idaho's quality is still mostly good but some lots have hollow-heart and internal black spotting. Washington is also mostly higher on all sizes due to lighter supplies. The smaller shippers in Washington have finished packing for the season. The larger packers expect to have storage potatoes into July. Colorado is higher again on all sizes due to lighter supplies. Their smaller shippers have also finished packing for the season. California russets are still available and are peaking on 80 count and larger. California's russet quality is excellent. Bakersfield colored potatoes are still available but most packers are splitting packing time with russets so the availability is still lower than we'd like. Bakersfield is light on golds right now. Arizona continues to pack good quality reds and golds. They will be packing for the next week approximately.

SQUASH

Western Squash: *Tim Kelley*

Supplies are lighter in Nogales and should finish this week for the season. Quality remains good. California Desert and Baja has fair supplies. Fresno has good warm weather and volume should pick up through the week.

Eastern Squash: *Bob Reich*

Zucchini and Yellow Squash have started in Michigan and continues to be harvested in New Jersey, North Carolina, Tennessee and Virginia. Quality has ranged from fair to good with the heat having an effect on the product in the Southern areas. Supplies have been scarce for the past few weeks, but should begin to pick up.

STONE FRUIT *Amy Grolnick*

Peaches are coming on strong with very good volume. The domestic peaches are very good quality. Nectarines will remain a little more limited throughout the season but quality is also good. Red and Black plums are available with good volume. Apricots are available with good quality mostly packing VF now.

TOMATOES *Janine Baird*

Western: Unusually cool and cloudy weather in California through May and June has delayed

harvests but many grower/shippers are packing and gassing this week. With the late start and current warm temps, supplies should be plentiful through July. Less acreage has been planted for vine ripe fruit this year, creating a snug market through July on both coasts. The West will continue to control the Roma market through the next several weeks, as they have increased their plantings this year while the East has either decreased theirs or been delayed by as much as 6 weeks. July will see the first of the California Romas with Mexico filling in during the meantime. Grapes and Cherries are suffering the same slow start in California with McAllen, Texas filling in with greenhouse fruit for another week or so. The East will control this market through July.

Eastern: South Carolina and Arkansas are supplying the bulk of the Eastern volume with the last of the fruit out of the Quincy season still trickling in this week. The eastern seaboard will start about the second week in July but there is as much as 30 percent less acreage planted this year and Tennessee has been delayed by more than a month due to the heavy hail they experience earlier. Supplies out of the east should begin to lighten up around late June, early July when most of the demand will turn to the California fruit. The same holds true for Romas. Grapes and Cherries, however, will trend upward in supplies in the coming weeks as the Carolinas, Virginia and Arkansas will all be in production and South Georgia will be at the tail end of their production.

WATERMELON *Amy Grolnick*

Seedless watermelons are available with light volume, the market is moving up slightly. Seeded watermelon continues to be limited with good quality. The personal watermelons are in good supply.

VALUE ADDED *Gabe Romero/Mike Pacheco*

The lettuce supplies are plentiful. Romaine availability will be no issue in terms of availability. The overall production of value added items in terms of quality should be good. Broccoli supplies are stronger due to ideal growing temperatures. Cauliflower production has also picked up.

