



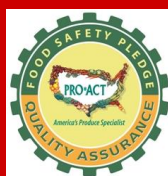
THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Blackberries are in a demand exceeds supply situation

Celery is still is extremely short supply and the market remains strong due to seeders industry wide

Potatoes continue with low pack outs.



The Source

May 20, 2013

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Weather: *Tim Lynch*

High pressure out west continues into Tuesday, temperatures will reach the 80s to low 90s inland with low 70s expected near the coast. A series of unseasonably cold low pressure systems begin to move in from the Gulf of Alaska late Tuesday with drastic cooling into next week. These systems will bring strong winds a return of the marine layer and temperatures in the 70s inland and low 60s near the coast over the next week.



Freight: *Mike McIntire*

Trucks in California continue to be tighter than normal for this time of year and will even tougher this week with Memorial Day on Monday. Trucks in the Northwest are steady. Crude oil remains steady at 96.78. The national average on diesel fuel continues to be steady at 3.866 per gallon and should trend steady when it comes out later today



Commodity Updates

APPLES/PEARS *John Tole*

Washington Red delicious is steady to higher and the market is starting to slowly climb as the varieties come to an end. Reds are still peaking on extra-fancy 88/100's. Golden delicious are also peaking on 88/100's and the market is also rising due to the lack of varieties. Granny-smith is steady on the large sizes and higher and limited on anything smaller than an 88. Grannies are still peaking on 64's-80's and the extra-fancy grade. Galas are steady on most sizes and grades but limited as we approach the end of the season. Fuji's are available but the demand for them has been tremendous and they are cleaning up fast. Fuji's are peaking on 88's and larger and the market is higher. Most other varieties have finished for the season. D'Anjou's pears are available in Washington but mostly 100's and larger and the US#1 grade. Several shippers are finished with D'Anjou's already. Red pears are available but supplies are limited and they are mostly 40-50 size half cartons.

ASPARAGUS *Gabe Romero/Mike Pacheco*

The Asparagus market continues to gain strength in the marketplace. Washington Asparagus supplies remain steady. Peruvian product from the east coast remains steady at cheaper prices. Demand for domestic asparagus is keeping this market firm. Supplies for domestic product are moderate at best.

AVOCADO *Tim Kelley*

Mexico still has fair supplies, but limited on 48's and 40's. They will still be the main supplier to the eastern markets. California is still increasing in volume and starting to gain size on their fruit. Strong demand is firming markets on 48's.

BELL PEPPERS

Western Bells: *Jaime Contrera*

Green bell market is very unsettled. Supplies are mostly on choice and smaller fruit. New spring crops are currently shipping from Southern California has started with mostly large fruit available. Open field colored Red bell market is strong and generally steady. We're at demand exceeds out of Nogales as fields are sizing down and approaching lighter supplies the next couple weeks. Southern California has

Commodities at a glance...

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

Commodity Updates continued

started with light supplies also. Gold bells market continues unsettled as production is sporadic. Demand exceeds.

Eastern Bells: *Janine Baird*

The pepper market has tightened up. With Georgia growers still 10-14 days away, Central Florida is pressed on supplies. Expect this market to continue trending upward through the week.

BERRIES *Mike Gorczyca*

Strawberries: Demand is still very good with the Memorial Day pull in full swing the front part of this week. Look for demand to slowly back off as we get closer to the weekend. This could cause the market to weaken slightly late this week. Supplies are coming out of Santa Maria and the Salinas/Watsonville growing areas. Quality is being reported as good. Sizing is large coming out of the Salinas/Watsonville growing areas with counts ranging from 9 to 16. There is an occasional white shoulder, green tip showing up in the packs. Santa Maria sizing is medium with counts ranging for 14 to 18. Irregular sizing and few light shoulder bruise is showing up in the packs out of this area. The forecast is calling for a cooling trend starting Tuesday thru the end of this week. Market is Firm

Raspberries: Building supplies with moderate demand is causing the market to weaken slightly. Raspberries are being harvested in Mexico, Oxnard and Salinas/Watsonville growing areas. Quality is good

Blackberries: We are in a demand exceeds supply situation on Blackberries. The main growing area currently is Central Mexico which hit their peak production a month ago. Very warm and humid weather in the growing area has taken a toll on the plants and has slow production to a crawl. The next growing area to come into play will be Georgia which will start up with light supplies any day now. Weather in this area keeps pushing back harvest. California growers have started to break ground but numbers will not be up to speed for at least two weeks. So hold on for a wild ride the next couple of weeks.

Blueberries: Demand is moderate with good to light supplies depending on growing area. East Coast growers have been having a hard time with supplies due to weather. They have limited supplies with fair quality. California growers

have good supplies and quality currently. The main pack size is 6oz with larger packs also available.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market has become stronger, mainly with broccoli crowns. Shippers have begun the week on the lighter side of crowns. Excellent weather in the Salinas valley the past five days may change things in the middle of the week, but for now, supplies are moderate. Santa Maria has decent supplies.

CARROTS *Tim Kelley*

Supplies are good, but still waiting on size to come to bring more JBO carrots to market. Weather is good, so looks like more size in a few weeks.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

The cauliflower market is stronger to begin the week, and is expected to gradually rise in pricing throughout the week. There is a slight gap in production. The weather has been ideal for all the growing regions so this may be short lived. Prices will vary from shipper to shipper as some are better off than others on availability.

CELERY *Gabe Romero/Mike Pacheco*

The celery market is strong to start the week. Production is occurring in Oxnard and Santa Maria. Suppliers are still reporting seeders in Santa Maria with seeders at 2-6 inches in length. Oxnard has reported very little seeder, but it is still out there. This market is expected to be strong throughout the week. The Salinas Valley celery is not due to start until the second week in June. Michigan celery is not due to start until the second week of July.

CITRUS *Tim Kelley*

Lemons: Supplies are good on the smaller sizes and less abundant on the larger ones. Seasonal demand is good, keeping market firm. Quality is good.

Oranges: Navel's are finishing for the season. There will be some available through the month, but Valencia oranges are starting to take over the market. Valencia sizing is currently peaking on 113's/88's/138's.

Limes: Supplies good on the smaller sizes, but still very limited on the larger 110's/150's.

Commodity Updates continued

Size should start to come over the next few weeks.

CUCUMBERS

Western Cucumbers: *Jaime Contrera*

Market is steady. Demand has increased as some domestic supplies have lightened up. Demand slightly exceeds for Nogales cucumbers. There is a wide range of quality and pricing.

Eastern Cucumbers: *Janine Baird*

As South Florida winds down and Georgia is still a week away from working any cukes, this market is strengthening. Central Florida has started showing the initial signs of demand exceed supply and that trend is expected to follow through the next several days. Georgia should start working cukes by early next week.

EGGPLANT

Western Eggplant: *Jaime Contrera*

Market is steady and strong some growers have begun to wrap up their season. Demand slightly exceeds current supplies.

Eastern Eggplant: *Janine Baird*

This market finally appears to be softening a bit. This trend should continue through the weekend.

GRAPES: *Amy Grolnick*

Good availability and quality on offshore Crimson grapes still. Shippers are doing deals on large order to clean up. Offshore greens are done for the season. Mexico is going with red flames and green Perlettes, loading in Nogales. The price continues to come off as more fruit becomes available. Domestic flames and Sugarones are available for loading in Coachella with excellent quality and good sugars.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

The green onion market is firm. Supplies are light to moderate out of Mexico. Prices are expected to be firm to possibly raising by the end of the week. Domestic green onions are due to start approximately in the month of June.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The leaf market is flat as suppliers continue to offer deals on all romaine and mixed leaf. In general, the quality has been good, with only

occasional tip burn being reported. This market is expected to be very competitive throughout the week with deals being offered on volume type orders with many suppliers.

LETTUCE *Gabe Romero/Mike Pacheco*

Supplies overall are abundant for this commodity. There are a few suppliers that are not as strong possibly due to heavy ads being run. There have been a few quality issues with mechanical damage to some slight decay in some lots. The market may get a little active later in the week if supplies get cleaned up, but for now things are steady.

MELONS: *Amy Grolnick*

Cantaloupe: Offshore product is cleaning up today on the east coast. The west coast is all but done for the season. Cantaloupe from Mexico is crossing into Nogales with volumes steadily increasing. The Mexican melons are peaking on larger sizes especially 9's. Domestic production has begun in the desert with volumes also increasing and peaking on larger melons. Demand is weak so there are deals to be made.

Honeydew: The off shore honeydews are cleaned up for the season. Mexican dews are crossing in good volume through Nogales while domestic dews are just beginning to be harvested in the desert. Demand is not keeping up with the supply and prices continue to adjust down.

ONIONS *John Tole*

Yellows out of Texas are lightening up in volume as we approach the transition to New Mexico. California supplies continue to be good with volume heavy to jumbos. The Huron deal begins in approximately one week. California has had good availability and we expect that to continue. Reds are steady in both California and Texas with the former having good availability. Huron, California is expecting to have red onions in approximately one week. Whites are steady in both areas with supplies lightening up in Texas. The onion quality has been good to excellent in all areas and on all colors.

POTATOES *John Tole*

The Idaho market continues to rise because of low pack-out percentages. The Burbank storage quality isn't what the most shippers

Commodity Updates Continued

would like and they have to run more potatoes over the line to get the same amount of #1's in the box. Expect the market to remain strong until the Idaho suppliers can catch up with demand and begin to get some inventories on their floors. Washington is also higher and they continue to peak on the larger counts. The Colorado market is up as well and they are peaking on 60-count and larger. Colorado has taken much of the demand that Idaho hasn't been able to cover so their market is rising very quickly. Bakersfield, California is packing reds, gold's, and whites from the San Joaquin valley now. This will help with volume but the potatoes are smaller right now so expect more B's than A's in all colors. Florida is nearly done with Red and Gold potatoes. Arizona has started packing a few Reds and Gold's but the availability is low due to strong demand. The quality in all three areas has been good.

SQUASH

Western Squash: *Jaime Contrera*

Market continues unsettled on both Italian and Yellow S/N. Lighter supplies of both Italian and yellow s/n as some growers are starting to wrap up for the season.

Eastern Squash: *Janine Baird*

With Georgia now into good volume on squash the market is dropping. Shippers out of Central Florida are looking to move their supplies this week. Market should continue to trend downward.

STONE FRUIT *Amy Grolnick*

The California stone fruit season is going with fruit still small, mostly running 50 series and smaller. Apricot volume is increasing with good supplies and good eating quality. Brix will continue to increase over the coming weeks as will volume. June will have good promotable volume. Cherries are going with better availability and very good quality.

TOMATOES *Aaron Aliotti*

Western: Limited supply from Mexico has kept the market elevated due to a delayed season in Nogales. A recent heat wave is causing complications for growers here as well. Strong demand for grape and cherry tomatoes is expected to show in the price over the next

couple weeks until quality and volume increases. Romas are steady and of better quality right now, but also may firm up in price for the holiday weekend if color and quality becomes a factor if more stage 5-6 begin to come across the border.

Eastern: Although the transition has been made to the Palmetto growing region, the market remains tight this week as weather continues to pose complications for growers. Recent rains are causing quality challenges, most commonly composed of blisters and soft and discolored areas. Larger size rounds remain limited but their availability is expected to increase next week. With Memorial weekend approaching, we may see prices elevated even as more volume comes to market.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Lettuce and romaine arrivals have had some issues of bruising of the darker green leaves. Suppliers are attempting to eliminate most of the outer wrapper leaves to minimize issues upon arrival. Broccoli, Cauliflower, and Cabbage supplies are lighter to begin the week, but there is plenty to fill all the processors needs.

WATERMELON *Jaime Contrera*

Market continues unsettled but availability is improving. Larger fruit is light due to cool evenings. Demand exceeds on s/less watermelon. Northern area is scheduled to start within a week. Supplies however continue light. Availability on seeded watermelon is sporadic.