



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Domestic garlic supplies will be light in availability until approximately July. Chinese supplies are extremely light. Twelve week is in effect for all garlic orders

Potatoes continue with low pack outs

CA cherries done for the season



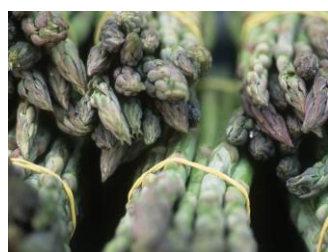
June 3, 2013

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The Source

Weather: *Tim Lynch*

A typical summertime weather pattern with a morning marine layer followed by clearing to the coast looks to take shape out west. Temperatures will reach the 80s inland with low 60s near the coast with gradual warming through the week. High pressure builds late in the week with a drastic warm-up late this week into the weekend.



Freight: *Mike McIntire*

Trucks in California remain tighter than normal. Trucks in the Northwest are steady but we are starting to see them coming empty to CA for higher paying loads. Crude oil remains steady at 93.54. The national average on diesel fuel should trend steady from last week's price of 3.88 per gallon when it comes out later today.

Commodity Updates

APPLES/PEARS *John Tole*

Washington Red Delicious is steady to higher. The market Red market continues to slowly climb as we get closer to the end of the storage season. Reds are still peaking on extra-fancy 88/100's. Golden Delicious is stronger as well and is still peaking on 88/100's. The Granny-Smith market is also slowly rising. Granny's are still heavier to the 80 and larger sizes and are limited on anything smaller than an 88. Galas are also up slightly steady on most sizes and grades but the availability is limited as the end of the season approaches. Fuji's availability is down and the market is rising as we approach the end of the season. Fuji's are still peaking on 88's and larger. 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 almost finished for the season.

ASPARAGUS *Gabe Romero/Mike Pacheco*

The Asparagus market is firm. Overall, domestic supplies are still expected to be available until the end of June with a handful of suppliers. Peruvian product is being loaded on the East coast as well as the West coast. Loading on the East coast will be a good price savings, as well as freight savings. Product from Mexico will start in about two weeks.

AVOCADO *Tim Kelley*

Strong demand for avocados is driving the market. Shipments are setting industry records. Mexico still has fair, but declining supplies. Seeing mostly 60's and smaller and limited on 48's and 40's from Mexico. California is still increasing in volume, but not gaining a lot of size on their fruit. Strong demand on 48's and larger sizes are keeping these sizes short, the market strong and prices firming. The 60's and smaller are the value price sizes.

BELL PEPPERS

Western Bells: *Mike Cantu*

Green bell market is very unsettled. New spring crops are currently shipping from Southern California and have started with mostly large fruit available. Loading from Bakersfield, Thermal, Gilroy, and Los Angeles. Open field colored Red bell market is generally

Commodities at a glance...

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

Commodity Updates continued

steady. Good availability from Southern California. Gold bell market continues steady availability is depends on growing district.

Eastern Bells: *Janine Baird*

Most Georgia shippers are now working pepper now and prices have dropped just a bit this week. Expect Georgia shippers to hold to the current market.

BERRIES *Mike Gorczyca*

Strawberries: Strawberry market is steady with supplies mainly coming out of the Salinas/Watsonville growing areas. This is where the best quality fruit is being harvested. Fruit size is medium to large. Occasional white shoulder, green tips and few light bruising showing up in the packs. There are still some light supplies coming out of Santa Maria but fruit size is small to medium and the quality is fair. The forecast is calling for cool weather into Thursday of this week then a warming trend on Friday through Sunday. Then cooling again next week.

Raspberries: Light demand and good supplies has this market weakening. Quality is being reported as good. Supplies are coming out of Mexico, Oxnard and Salinas/Watsonville growing areas.

Blackberries: Light demand has this market adjusting to lower levels. Supplies are still building out of California. Quality is fair to good depending on the lot.

Blueberries: Supplies have peaked out of California and will wind down quickly. The next areas to start will be Oregon, Washington and British Columbia on the west coast. The market has hit its low and will slowly firm up as this week moves on. Quality is being reported as good. The main pack is 6oz and pints. East Coast supplies are improving as supplies move up the coast. Market is slightly weaker out of this area. Quality is being reported as good. The main pack out of the East is Pints.

BROCCOLI *Gabe Romero/Mike Pacheco*

This market is stronger to begin the week, especially on crowns. Shippers in the Salinas valley are light in supplies to start the week. Santa Maria has moderate supplies. Pricing is expected to be active throughout the week. Supplies will be moderate at best.

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 up. Supplies are light with most suppliers to begin the week. Pricing is expected to get stronger throughout the week. Prices will vary from shipper to shipper as some continue to be slightly better off. Santa Maria is light in production as well. Expect pricing to be active throughout the week.

CELERY *Gabe Romero/Mike Pacheco*

The celery market continues to ease up, especially in the large sizing. Production is occurring in Oxnard, Santa Maria and Salinas. Michigan celery is not due to start until the second week of July. Small sizing, 36s and smaller continues to demand a higher price.

CITRUS *Tim Kelley*

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

Oranges: Navel's are finishing for the season. The Valencia oranges are fresh, in good condition and are eating well. Valencia sizing is currently peaking on 113's/88's/138's.

Limes: Supplies and condition is good on all sizes.

CUCUMBERS

Western Cucumber: *Mike Cantu*

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*

Georgia now has good volume on cucumbers and Plant City still has decent supplies. Quality has been good in both regions and the market should remain stable.

Commodity Updates continued

EGGPLANT

Western Eggplant: *Mike Cantu*

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 with Georgia now working pepper this week. This trend should continue through the week.

GRAPES: *Amy Grolnick*

Offshore red Crimson is still available with good quality. Shippers are doing deals on large orders to clean up. This should be the last week. Offshore greens are done for the season. Mexico is going with red flames and green Perlettes, Sugarones, blacks and Globes loading in Nogales. The price continues to come off as more fruit becomes more available, good quality on all colors. 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 remains unchanged. Supplies are moderate to good out of Mexico. Prices are expected to be steady throughout the week. Domestic green onions are due to start approximately in the middle of June.

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The leaf market is flat. Deals are available as shippers are very responsive to offers. This is a good time to promote all leaf items. In general, the quality has been good, with only occasional tip burn being reported. This market continues to be competitive with most suppliers.

LETTUCE *Gabe Romero/Mike Pacheco*

Supplies are light to begin the week, and some suppliers are sold out to start the week. This market is expected to be active. There continues to be issues of quality problems. These issues include mechanical damage, light weights, and some slight decay in some lots. Santa Maria has light production with the predominance coming from the Salinas valley.

MELONS: *Amy Grolnick*

Cantaloupe: Domestic cantaloupe available in Southern California and Central Arizona. The

market price is all over the board with deals on jumbo 9's. The fruit is running very large and with the heat will continue to be large. Very little product available on 15's or smaller.

Honeydew: The offshore honeydew is finished for the season. Mexican dewes are crossing in good volume through Nogales while domestic dewes are available with slightly increasing volume. Demand is steady and supplies have started to increase slowly with the desert coming onto the scene.

ONIONS *John Tole*

Both New Mexico and central California are steady on yellows. Both areas are fully into their production although the California volume will be lighter on the front side of the week. The central California yellows are heavier to jumbo and medium yellows and are light on Supers. New Mexico is the opposite, with more of the larger yellows and less mediums. Reds are mostly steady in both areas but is some flex for volume orders. Huron, California has the better availability on reds; many New Mexico shippers are buying. Whites are steady in all areas. The quality has been good in New Mexico and better in California

POTATOES *John Tole*

The Idaho carton market continues to slowly rise. Lower pack-out percentages of #1 product are still the main reason Idaho. Washington and Colorado continue to follow Idaho up although Colorado has also had some issues with storage quality. Idaho is still producing more 80-count and smaller while Washington and Colorado are still peaking on 70's and larger. Bakersfield, California continues packing reds, gold's, and whites. The size is slowly getting larger but there are still lots of B-size spuds available. Florida is nearly done with Reds but still has Gold's and whites. The Florida market is strong due to demand. Arizona is packing a few Reds and Gold's but the availability is low due to strong demand there too. The quality in all three areas has been good.

SQUASH

Western Squash: *Mike Cantu*

Market continues unsettled on both Italian and Yellow S/N. Production has started in earnest

Commodity Updates Continued

with wide range of quality. Light supplies of yellow s/n squash causing market to inch up as demand pressures pricing.

Eastern Squash: *Janine Baird*

With Georgia now into good volume on squash the market is holding at the lower levels. Shippers out of Central Florida are looking to move their supplies this week. Market should remain stable.

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. California cherries cleaned up for the season over the weekend. Washington will start in a very light way this week with cherries; volume will be available the week of June 17.

TOMATOES *Aaron Aliotti*

Western: Mexico growing regions are wrapping up and supply is expected to be tight until California gets in full swing during the first weeks of June. Grape and Cherry tomatoes are also limited. Hurricane Barbara in the South Pacific is developing, however forecast show the storm is not expected to have any significant impact to the growing region as it travels through further south and dissipates over mountain regions. Rain North of the storm is expected to be minimal with light storms.

Eastern: The market is steady with limited volumes in Florida. Heavy rains are expected over the Southern half of the state through next week and could further limit supply in the Ruskin and Palmetto District. South Carolina, Virginia and Tennessee have been delayed due to previous rains and are expected to start around the 2nd week of June causing prices to come back down. More immediate round volumes are expected to come by the end of next week when Northern Florida begins to harvest.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Lettuce supplies are tight to begin the week. So far, however the processors needs are being met. There are good supplies of romaine and

this will continue throughout the week. Broccoli and cauliflower availability will be light throughout the week. There is enough product however to fill all the processors needs.

WATERMELON *Mike Cantu*

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. Watermelons are available in Southern Arizona and Phoenix starting the first/second week of June.