



THINGS YOU SHOULD KNOW:

COMMODITY ALERT:

Cantaloupe and honeydew remain extremely limited

Organic red and green leaf is not available until end of week

Strawberry quality is fair out of all growing areas

Blueberries are extremely limited with fair quality

Lemons remain in a demand exceed supply situation

Broccoli, lettuce, cauliflower and romaine are very light in supplies. Also very tight items include green cabbage, bok choy and nappa and cilantro. Baby leaf items too are getting very tight in availability



The Source

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Weather: Tim Lynch

High pressure out on the west coast this week brings a warm up (80s inland high 60s to low 70s coast) into the weekend before the next series of low pressure systems move in late next week. This may bring the first substantial rain to the region mid next week. And thus continues the roller coaster in temperatures as storm systems move in off the coast typical of fall in California. We are also currently watching a tropical storm system (Octave) heading for Central Baja midweek. This system is not expected to develop into hurricane status however substantial rain into Central Mexico remains likely as this systems moves inland.



Freight: Mike McIntire

Trucks in California should be steady this week. Trucks in the Northwest and Idaho remain extremely tight and expensive. The national average for diesel dropped slightly to 3.897 per gallon last week and should drop again this week when it comes out later today. Crude oil remains steady at 101.45 per barrel.



Commodity Updates

APPLES/PEARS *John Tole*

New York continues packing McIntosh, Galas, Red Delicious, and now they Empires and Courtland's as well. All variety's are bigger and are peaking on mostly 100-size. Michigan continues to pack Reds, Golds, Gala's, and a few McIntosh and all of the Michigan fruit is small. New-crop Red Delicious is peaking on 48-72's and the Washington extra-fancy #1 grade. Small new-crop Reds are still very limited! Golden Delicious continue to peak on 80/88's and extra-fancy fruit. New-crop Washington Granny-Smith is mostly steady now and continues to yield more of the smaller sizes. California Granny-Smiths are still available and remain heavier to the smaller sizes but supplies are light. California Granny's have some flex in the price as most shippers are cleaning up. Washington Gala's are heavier on 88/100's and the market is steady. The Washington Fuji market is stable and most packers are peaking on larger sizes. California Fuji's are steady and are peaking on the smaller sizes. Washington Honeycrisp is available and is peaking on 56-72's. Washington Bartlett pears are steady and are peaking on US#1 100/110's. California Bartlett Pears are steady on 90's and larger while 100's and smaller aren't available. California is cleaning-up on Bartlett's. D'Anjou pears are fairly steady and are heavier to 100/110's. Washington has started packing a few Bosc pears. Red Pears are available in California & Washington and both markets are flat. Red pears are heavy to 45-55's in both states.

ASPARAGUS - *Gabe Romero/Mike Pacheco*

Supplies out of Mexico and Peru are lighter in availability. This market is up. The best sizing continues to be in the standard and large in terms of quantities. Supplies have picked up on jumbo sizing if loading in LA. Peruvian product continues to have moderate availability and can still be loaded out of Miami if desired. The overall quality continues to be reported as being good in both growing regions.

AVOCADO *Tim Kelley*

Demand still remains very strong on all sizes... Mexico's supplies are now increasing. Sizes are mostly 48's/60's. Smaller sizes (70's) still tight as maturity levels still too low to harvest many, and larger sizes (40's/36's) have not

Commodities at a glance...

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

Commodity Updates continued

grown up. With continued good weather, supplies should slowly start to build. The California supplies are dropping greatly as we can see this week is for many shippers their last week of packing and the end of their season coming to the end. Chile has yet to bring much to the US with Europe take most of their fruit. Market is steady to lower.

BELL PEPPERS

Western Bells: *Mike Cantu*

Green bell market is steady. Crops are currently shipping from Southern California and mostly large fruit available. Bells are loading from Fresno, Gilroy, Los Angeles, and (colored bells) South Texas. Supplies are lightening up. An expected cooling trend may press markets slightly higher as this is slowing down production. Fresno is wrapping and we expect Coachella to start bell peppers by late October. Open field colored Red bell market is firming up slightly as cooler weather approaches this week. Demand still exceeds availability from Southern California. New districts are set to come online by month's end (Coachella). Gold bells markets continue steady availability depends on growing district. Extreme demand exceeds.

Eastern Bells: *Janine Baird*

South Georgia is a tad late getting started with their pepper. However, Michigan still has decent supplies and they are looking to move their remaining pepper. This will be a two tiered market for the next week or so as both regions price according to their supplies.

BERRIES *Mike Gorczyca*

Strawberries: Supplies are slowly winding down out of the northern growing areas (Salinas/Watsonville) which is typical for this time of year. The quality out of the north is still fair at best, with a slightly weaker market due to lighter demand and the quality issues. There are some deals being made on some of the weaker fruit, so be careful on what you are buying. The fall strawberry crop that is loading out of Santa Maria and Oxnard has better quality and slightly larger size. This fruit is going for a premium. Stem strawberries will be very limited and will continue to be for the next few weeks. Shippers are being very selective

as to where and to whom their fruit is being shipped. Most packs, if not all will have issues upon arrival. Mexico strawberries should start crossing into McAllen Texas with very light numbers this week.

Raspberries: Market slightly firm, but steady as production in the North is beginning to decline. Oxnard production is beginning to ramp up and will be supplemented by Central Mexico in the coming weeks. Better supplies should be available in the next couple of weeks. Quality is fair to good depending on the lot.

Blackberries: Mexico has started packing some light numbers of blackberries and will have more available in the next couple of weeks. This market is steady with moderate demand and Moderate/good supply. Quality is fair depending on the lot.

Blueberries: Blueberries will remain in a demand exceeds supply situation for the next couple of weeks. Northwest growing areas are done for the season. The quality of blueberries out of California is fair at best. Expect to see soft and shriveled blueberries in all packs coming from this growing area. Blueberry growing region Concordia Argentina, was hit with rain and hail over the weekend. This will have an effect on anything that was prepared to fly out, early this week. Please expect to see heavy fill-rates and the possibility of no blueberries available. Import supplies should start to increase in the next two weeks and will settle the market down, till the middle to end of November. As the Argentina season winds down and we transition into Chile, we will see things tighten up. Chile was hit hard with a freeze several weeks ago, which hurt the early crop. This fruit is shipped by boat which should start to arrive in the middle to end of December.

BROCCOLI *Gabe Romero/Mike Pacheco*

The broccoli market is firm. Demand continues to exceed supplies and this will likely continue throughout the week. Averages are being watched by all suppliers, whether the order is for value-added or carton business. Escalated pricing is in effect on contracts as well as value-added items. Salinas and Santa Maria are the main growing regions with light availability in Mexico as well.

Commodity Updates continued

CARROTS *Tim Kelley*

Supplies of JBO carrots are good as carrots grown in the coastal areas of California are going and size is good. Quality is good.

CAULIFLOWER *Gabe Romero/Mike Pacheco*

The cauliflower market continues to gain strength as we start the week. Many suppliers have walked in sold out. The quality continues to be hit and miss amongst the different suppliers in the valley. This is again due to adverse weather conditions in past weeks. This market is expected to get stronger throughout the week with most suppliers.

CELERY *Gabe Romero/Mike Pacheco*

The celery market continues to gain strength. All sizing is priced very closely. Production is expected to be light to moderate for the entire week. Production continues to be out of Santa Maria and Salinas. The overall quality is reported to be good, overall.

CITRUS *Tim Kelley*

Lemons: Demand still exceeds supplies on all sizes from all shippers. This will continue on for another 2 to 4 weeks as the new crop Desert fruit builds inventory. The Ventura crop is basically done and what is left is old and tired.

Oranges: The Valencia oranges are beginning to re-green. Re-greening occurs as the orange continues to ripen on the tree and the summer's warmer weather and longer day's cause the orange's skin to reabsorb chlorophyll, resulting in a green skin at the stem end. The fruit is still fully ripe, sweet and eats well. Valencia sizing is starting to peak on 88's/72's/56's. Demand and supply for small fruit (113's/138's) is currently matching. New crop California Navels look to start in limited production by the end of the month.

Limes: Supplies are fair... Rains in the growing areas of Mexico have slowed harvest. Quality will still be an issue with these rains (stylar, Brown/sugar spots and lighter color).

CUCUMBERS

Western Cucumber: *Mike Cantu*

Market is settling slightly. Supplies are increasing slightly although it is still demand exceeds, movement is brisk, and pre-books are

encouraged. Cucumbers are mostly from Baja California and they are experiencing quality issues do to some recent rains; very few domestic cucumbers. Nogales has started with cucumbers in light numbers and ought to see increasing numbers as October progresses.

Eastern Cucumbers: *Janine Baird*

South Georgia's cuke deal is going strong. However, with Michigan and Ohio pulling the plug at the end of last week and demand increasing, this market has nudged up. In addition, South Georgia's weather is cooling down some which should slow down supplies. Look for the market to increase over the course of this week with the super select and carton sizing being extremely tight.

EGGPLANT

Western Eggplant: *Mike Cantu*

Market is showing an uptick as supplies are lighter and demand is keeping ahead of supplies. There is a wide range of quality and lighter supplies due to impending transitions and awaiting new lots to come online. Some districts are wrapping up earlier than expected due to late June's heat wave and seasonal cooling. Coachella will start within the week.

Eastern Eggplant: *Janine Baird*

Eggplant supplies are plentiful throughout the Eastern growing regions now that Florida and South Georgia are working eggplants. The market appears to be trending downward.

GRAPES: *Amy Grolnick*

Crimson, Scarlet Royal and Vintage reds are all available with excellent quality. The market is a mixed bag right now depending on varietal, color and size you need. The green grapes are still plentiful with Sugarones, Princess, Thompsons and Pristines shipping out. The market is steady with good demand. Black seedless has excellent quality and very good availability as well. Seeded Globe is available as well with excellent quality.

GREEN ONIONS *Gabe Romero/Mike Pacheco*

This market is steady as supplies from Mexico continue to be favorable. The growing region of Mexico has had heavy rain falls in past weeks. Currently the rain has eased up and production has gotten better. Mexico and California are the major growing regions currently.

Commodity Updates Continued

LEAF LETTUCE *Gabe Romero/Mike Pacheco*

The romaine market continues to get stronger. This will continue throughout the week. The green leaf availability is good as this market is steady but there is no demand on this commodity. There continues to be arrival issues that include tip and fringe burn, especially on romaine. Romaine Hearts will be moderate in availability for the week. Red leaf production is moderate but with little demand, there are no issues with availability.

LETTUCE *Gabe Romero/Mike Pacheco*

This market is active. Demand exceeds supplies with all shippers. Light weights are an issue out of Salinas. Weights are averaging 32-36 pounds depending on the supplier. There continues to be quality issues including tip burn, some mechanical damage, and pink ribbing. Many suppliers are ahead of fields trying to keep up with demand. This has caused lighter weights to occur. Production in Huron is expected to begin in the third week of October. Weights are reported to be 40-42 pounds if loading in Santa Maria.

MELONS: *Amy Grolnick*

Cantaloupe: The Westside has finished packing for the season for the most part. There is some limited availability of California fruit still available north of Sacramento. The Phoenix, AZ area is just starting up with extremely limited availability and shippers struggling on sugars. Product remains demand exceeds. Yuma shippers should start next week.

Honeydew: The Westside, like Cantaloupe, have finished packing but there is also product available in a very limited way up north. Nogales is crossing over Mexican dews but they are struggling on sugars as the domestic fruit is as well. The sugars should increase in the next couple of weeks and we should have better volume starting as well. Market remains demand exceeds.

ONIONS *John Tole*

Washington is steady on all yellows while Idaho/Oregon is mostly steady with some lower. Many of the Washington shippers are finished harvesting and some of the Idaho/Oregon shippers are as well. Those

shippers in Idaho/Oregon that are still harvesting are close to being done. Washington continues to peak on jumbo & medium yellows while Idaho/Oregon is heavier to jumbos. The Colorado yellow market is also steady and they are also peaking on jumbos. Red onions are steady in all three areas. Washington still has the most volume of red onions. Whites are steady in all districts and on all sizes. The quality has been good on all colors in all areas.

POTATOES *John Tole*

The Idaho potato market is mostly steady on all sizes. Some suppliers are in smaller lots and are lower on the smaller counts while others are peaking on the large counts and are cheaper on them. Norkotahs are producing mostly 50-70's while the Burbanks have ranged from large too small. Most of the Idaho packers are putting their Burbanks into storage and are packing their Norkotahs. Washington Norkotahs are steady and they continue to peak 80's and larger. Nebraska and Colorado are steady and they are heavier to the larger counts. Wisconsin russet prices are also steady and they are still heavy to the smaller counts. Bakersfield is still bringing in Red, Gold, and White potatoes from Washington. Their market is steady on all sizes. Western Washington reds, whites, and Golds are all peaking on A-size. The Washington market is slightly lower. Wisconsin red potatoes are mostly steady on B's and C's with some flex on A-size. Minnesota red potatoes are steady on all sizes as well and they will also flex on volume orders of Red A's.

SQUASH

Western Squash: *Mike Cantu*

Market is on a settling on both Italian and Yellow S/N in some districts. As weather cools slightly in southern California, production has slowed slightly and demand has stepped up. Nogales has started with increasing crossings from Mexico and ought to offset any potential lightening up of Southern California production.

Eastern Squash: *Janine Baird*

Michigan/Ohio squash deals are done and South Georgia's weather has cooled down. Additionally, heavy rains in central Florida have

Commodity Updates Continued

further limited supplies. This market will stay strong on zucchini throughout the week as those supplies are very limited. There is greater availability in the yellow varieties and therefore look for that pricing to stay at the lower levels.

STONE FRUIT *Amy Grolnick*

Nectarines have finished up for the domestic season and peaches only have a very limited amount available. Black and red plums are still available but mostly large sizes and finishing up as well.

TOMATOES *Aaron Aliotti*

Western: The season has begun to a close this week marking the last harvest for some growers with more following suit in the weeks to come unless California is hit with significant rain bringing things to a halt. Grape tomato availability has improved but round and roma supplies are lighter this week again with extra large fruit very hard to find as California winds down. As California winds down more Jumbo sizes are coming across the border from Baja with demand supporting elevated price on larger sizes. Mexico has been increasing in production and we should see an increase of availability through November.

Eastern: Many growing areas are transitioning with supplies diminishing and prices dictated by demand. Quincy Florida is in full production while Tennessee and Alabama growers begin winding down with Pricing and availability being determined by the weather. Virginia will also begin winding down next week as they move into 2nd and third picks bringing smaller sized rounds to market. Over the weekend, the gulf coast was spared by tropical storm Karen however more rain is expected this week as the system dissipates over the east. As we move through the month of October, grape and cherry prices are expected to firm up again as supplies transition from the Eastern shore back to South Carolina and Florida. We can expect an active market at the end of October until Ruskin and neighboring districts finish the transition back to Central Florida.

VALUE ADDED *Gabe Romero/Mike Pacheco*

Supplies are light on lettuce and this will

continue for the rest of the week. The cauliflower supplies have tightened up considerably. Demand exceeds supplies. The romaine is getting tighter in availability and some fringe burn is occurring. This is happening with most suppliers. Broccoli is demand exceeds supplies. Averages are being watched closely. Escalated pricing is in effect on broccoli items as well as cauliflower and lettuce items.

WATERMELON *Mike Cantu*

Market is unsettled and availability is demand exceeds as some districts are wrapping up and the available fruit is in limited hands. Nogales will see its first crossings this coming week. Volume will increase as we approach mid-October.