



FRESH DIRECTIONS

WEST CREEK FRESH

An informative weekly produce trend report.

February 7, 2014

MARKET OVERVIEW

Quality remains strong for many mixed vegetable items. Cold and snow throughout much of the country has caused a slow-down in demand for most items, with the market for row crop vegetable items particularly depressed (broccoli, iceberg, romaine, leaf). On the supply side, row crop vegetable shippers are hoping for an improvement in the current oversupply situation for lettuce items, as growers are ahead of harvest schedules. Although nothing has yet materialized, we have the potential to see a modest advance in prices in the near term. The damage that has occurred to navel oranges is dependent upon where the navels were grown growers have reported up to 50% loss to the navel crop. Strawberries are expected to remain in tight supply through the high demand for the Valentine's Day. Strong retail ad demand and tight supplies continue to support elevated price levels for mushrooms.

ORANGES

Market is steady with good volumes on 88's and larger and lighter supplies of smaller fruit. The color and sugar are excellent and fruit strength is very good with a nice tight rind. Expect very good quality going forward as our temperatures have cooled down to normal range which helps to keep the fruit strong. We are expecting some more rain this weekend and we pray the rains continue to help us get through the spring and summer for all crops. We are picking and packing according to demand and not overloading ourselves with fruit as we continue to assess the freeze damage. We are looking at each lot and USDA is on top of each inspection making sure fruit that gets in the carton is free of freeze damage. The overall fruit quality is excellent and fruit is eating very good. As mentioned in the past the 113's and 138's will continue to be a very tight item as we are peaking on 56's and 72's, expect good supplies of fruit going forward.

LEMONS

We are currently harvesting in Dist-1 and Dist-2, the overall fruit quality is good to fair with some fruit a little more mature showing some bronze, but mostly good yellow to light green tips. The fruit is firm and has some excellent juice content. We have been very fortunate here in Dist. 1 that the freeze damage has not been as bad as expected so far. We will have good supplies of fruit going

forward and will probably see the market stay steady for the next 1-2 months and then start to firm up as we slow down harvesting, so we can get through the summer months with good volume.

LIMES (PERSIAN)

Pricing has significantly increased on all sizes. Supplies are tight. Growing areas have been experiencing rain.

GRAPES

Market is steady with steady volumes of red grapes and lighter arrivals of green grapes. The flames are mostly 300 and 500 code, which is on the small side and the larger fruit is very tight due to the freeze last year in Chile. The overall fruit quality is fair to good, but fruit strength is not as strong as we would like to see. We are hoping that the later fruit in the next month starts to show signs of strength upon arrival. The fruit does eat ok, some blocks though are very rangy in sugar content within the same carton.

CANTALOUPE

Market very strong on the west coast and pretty firm on the east as well with better supplies on the east. The overall quality has been very good with good sugars and descent color. The fruit is mostly green to straw cast and firm interior consistency. Expect the market to stay steady through next week.



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HONEYDEW

Market is steady as supplies are very close to demand as Mexico is crossing fruit as well as South America fruit. Expect the market to continue to stay strong through next week and depending on the Mexican crossing possibly ease a bit the following week.

TOMATOES

East Rounds: The weather in South Florida has greatly improved the last two days and the forecast calls for continued good weather for another week. This will allow us to get in the fields on a more regular basis. Quality and quantity are improving. The FOB price of 5x6's has fallen while the other sizes have stayed steady. We look for supplies to be steady or up slightly for the next several weeks but look for a sharp decrease around the first or second week of March as we go through the effects of the bloom drop due to the extreme cold of the past two weeks.

Romas: Like rounds, supplies have increased due to the better weather and FOB prices have dropped on all sizes. Quality continues to be good.

Grapes: Supplies are up sharply putting downward pressure on FOB prices. FOB prices are down on the 12/1 pints and bulk. Quality continues to be good. Cherries- Supplies still relatively light but FOB prices are down around slightly. Quality is good.

West/Mexico Rounds: Crossings continue to increase at Nogales and McAllen. FOB prices are down on the 2-layer Vine Ripes on all sizes at McAllen and Nogales. Quality is variable and is improving.

Romas: Nogales and McAllen crossings continue with increasing volume. FOB prices are down to Suspension Agreement minimums. Quality is variable from shipper to shipper and is improving.

Grapes: Supplies are improving. FOB prices are down a little on the 12/1pts. Wide range in quality and condition.

Cherries: No market is quoted. West continues to pull from the East to meet demand.

GREEN BELL PEPPERS

East: Market down again this week. Harvesting continues in FL. Choice product is available; #1 product not as available. Quality continues to improve.

West: More volume putting downward pressure of FOB prices. Quality variable.

YELLOW SQUASH

East: Demand weak with improving supplies putting downward pressure on FOB prices. Quality is fair to poor due to the recent winds and rains.

West: Volume continues to increase putting downward pressure on FOB prices. Quality variable between growers.

GREEN SQUASH

East: Better supplies putting downward pressure on FOB prices. Quality fair to good and continues to improve.

West: Volume continues to increase putting downward pressure on FOB prices. Quality variable between growers but good quality can be found

CUCUMBERS

East: Cucumbers continue to be sourced from Honduras. Quality is fair and improving.

West: Improving volume is putting downward pressure on FOB prices. Quality is variable from grower to grower with pricing reflecting the quality.

BEANS

East: FOB prices continue to moderate. Quality is good.

West: FOB prices have stayed inexplicably high in relationship with the east. Quality is good.

JALAPEÑOS

East: Still some jalapenos around, but the west is making the market. Have begun to pull from Mexico.

West: Supplies increasing with lower FOB prices. Quality good.

IDAHO POTATOES

The carton market on both varieties is weaker this week compared to last. The heaviest volume right now is on 40's, 50's and #2's, making this a buyers' market. Extreme cold temperatures over the next couple days will limit some sheds ability to bring in raw product. The weather should break by Friday.

IDAHO ONIONS

FOB prices are mostly steady this week verse last. Quality remains good but we still recommend monitoring rotation closely. This market is expected to stay in the teens for the balance of the Idaho season which is mid-April.

WASHINGTON APPLES AND PEARS

Total estimated crop size for the season is approximately 110 million boxes. This is off from a state high last



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season of 128 million. Last season the other primary apple growing regions, (Michigan and New York), crop size was off significantly due to early spring freezes that badly damaged their crops, which led to a significant increase in demand for WA apples during the first half of the season when these regions typically have inventories. This season, both growing regions crops have returned. Although we would anticipate this alleviating some pressure on apple prices as a whole, we are seeing pricing remain relatively stable. Typically, the larger shippers will have Red Delicious, Gold Delicious, Granny Smith, and potentially Fuji's and Pink Lady's, depending on crop size, into the new crop which starts in August with Gala's and early Gold varieties. Most other varieties start in early to mid-September. Due to a warm growing season in eastern WA last summer, the average apple sizing is peaking around 80-ct. and a couple sizes larger than last season. As such, pricing is sharper on 80-ct. and larger, and higher on 100-ct. and smaller. We are seeing strong demand on small Red Delicious and all other Red varieties for institutional, school, prison and slicing program demand (they use 113-163-ct. typically). On shorter inventories, we are seeing prices on the small sizes strengthen. This is bolstered as other growing regions start to clean up their inventories for the season. Gala and Fuji's do continue to strengthen on strong demand. There does remain decent inventories in storage so as shippers catch up on packing, we may see currently prices soften on Fuji's, Gala's and Honeycrisp. Granny Smith are one of the varieties that are projected to see an increase in crop size year over year. We have seen prices relatively stable and strong demand on 100-ct. and smaller for sliced apple programs nationally has kept prices consistent but off slightly from last season. Demand on small pears continues to exceed supplies, peaking on 90 and larger. U.S. #1 Bartlett's and Fancy Anjou's have gone up in price to reflect movement

CALIFORNIA LETTUCE

Green and Red Leaf: Good supplies on all mix leaf items. Green and red leaf will weight 23-25 lbs. per case with 10-11" in length.

Iceberg Lettuce: Good supplies with an above average of 30s available. Quality is good with no frost damage. Prices are steady. Demand should increase as the weather improves in the midwest and east coast.

Romaine: Strong supplies due to warmer than normal weather. Demand has slowed with cold and snow

throughout most of the country. Quality is fair with cases weighing 37-38 lbs and 11-12" in length.

Romaine Hearts: Good supplies industry wide and demand continues to be fair. Ideal growing weather has been consistent in Yuma, allowing plants to grow without any issues. Good quality.

ARTICHOKES

Production and quality are beginning to improve with recent rainfall. Southern California has good supplies of 18's and 24's, fair supplies on 12's and 30's, and light supplies of 36's. Mexican artichokes are also available.

ARUGULA

Adequate availability.

ASPARAGUS

Production is now in full swing in Mexico. Prices remain at favorable levels.

BROCCOLI

Good supplies industrywide. Demand seems slightly less due to tough weather conditions across the nation causing havoc on transportation. Quality remains excellent with no issues.

CARROTS

Good supplies from California and Mexico, also Georgia.

CAULIFLOWER

Steady supplies industry wide. No change in quality; remains good with tight curds, white to off-white in color, good trim and strong jacket leaves.

CELERY

Good supplies available in Oxnard with fair supplies in Yuma. Good quality in both districts. Demand is slow and markets are depressed. Freezing weather on the East coast has compounded the slow demand.

CILANTRO

Plentiful supplies with very nice and full bunches and measuring 9-11". Prices are moderate.

FENNEL/ANISE

Desert growers are now in full production with plentiful supplies.

GARLIC

Chinese garlic is now available in the East, although supplies remain tight in Los Angeles. California growers



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continue to monitor inventories; prices remain firm at the highs. The 2014 crop looks good thus far, scheduled for harvest beginning in July.

GREEN CABBAGE

Supply and quality for the next several weeks will be very good.

GREEN ONIONS

Plentiful supplies this week. Quality and appearance continues to be nice. Medium sized onions continue to dominate the pack, followed by a good percentage of smalls and very few larges. With the bad weather nationwide, demand is affected, supplies are backing up and prices have fallen.

KALE (GREEN)

Good supplies this week. Overall, quality and appearance are very nice with full bunches and lengths measuring 12-14". Currently, demand is very good.

PARSLEY (CURLY)

Increased supplies from last week. Quality is nice with lengths measuring 8-10".

PARSLEY (ITALIAN)

Plentiful supplies with very nice quality; good size with dark green color.

RED CABBAGE

Steady supplies, price and quality are expected again this week for red cabbage.

SNOW AND SUGAR SNAP PEAS

Plentiful availability in the East, moderate supplies in the West; heavy production volume in Guatemala.

SPINACH (BABY)

Good availability.

SPINACH (BUNCHED)

Normal volume with steady pricing. Quality is excellent with good, dark green leaves and full bunches.

SPRING MIX

Good supplies.

WATERMELONS

Supply is limited for watermelon imports from Southern Mexico and Central America. Light production volume and high transportation costs continue to push prices to extreme highs. Quality is fair. This situation will continue through March.

PINEAPPLES

5's and 6's remain extremely tight. Although limited, there is better availability of 7's/8's.

BLACKBERRIES

Central Mexico blackberry harvests are reaching their winter peak. Fruit quality on proprietary blackberry varieties is very good. Loading points remain Oxnard, Yuma, McAllen and Dover (with pre-planning). Prices have stabilized.

BLUEBERRIES

Chilean blueberries are in primary harvest for this time period with supplemented harvests from Baja and Central Mexico. Currently, supplies are steady, but over the next few weeks there will be a challenge with shorter harvests. The majority of the blueberry pack out will be in 12 x 6 oz. clamshells, with an increasing number of 12 x 4.4 oz. clamshells during transitions in March and April.

RASPBERRIES

Raspberry harvests continue strongest in Central Mexico, with Oxnard steady and a small percentage coming out of Baja. Raspberries are headed toward the spring peak in March. Quality has been very good.

STRAWBERRIES

Current production is from Florida, Central Mexico, Baja and Oxnard. Florida and Oxnard are in cooler weather, now slowing production. Central Mexico production is forecast to peaking currently with Florida peaking in mid-February. Oxnard volumes will ramp up into the spring. Tight supplies are expected to remain tight through the high demand for Valentine's Day.

AVOCADOS

Although California supplies are expected to be light initially, harvest rates will continue to gain momentum. Pricing is moderate but starting to slowly decrease in price. With a shortened crop, the California season is anticipated to run Feb–Sept 2014. Avocado arrivals from Chile remain light due to boat delays. Chile will continue to ship avocados through the month of March for arrivals in April. Growers in Peru will begin harvest in April. The U.S. will begin to see arrivals in late April and early May. The majority of the size curve will consist of 40's & larger. Initial quality reports are positive.