

FRESH DIRECTIONS

WEST CREEK FRESH

Weekly Produce Trend Report for Week Ending July 4, 2014

MARKET OVERVIEW

Demand exceeds supply for iceberg lettuce and prices are on the rise for romaine. Growers have been 10-14 days ahead of harvest schedules for a number of months caused by wide variations in temperature during spring. Growing conditions have normalized during June and harvest cycles have slowed due to seasonally cooler temperatures found in coastal growing areas, creating a tight supply situation. The avocado market is generally stable. Demand and quality remain good on most citrus items. Late season green seedless grapes are plentiful, with a smooth transition from the desert growing regions to the San Joaquin Valley of California.

COMMODITY	PRICE	QUALITY	PRICE TREND
Avocados-Californian & Mexican	Moderate	Good	↑
Blueberries	Moderate to Low	Good	↓
Blackberries	Moderate to High	Good	↔
Strawberries	Low to Moderate	Good	↑
Raspberries	Moderate to Low	Good	↔
Grapefruit	Moderate	Good	↔
Lemons	High	Good	↑
Oranges, Navels, Valencias	High	Good	↔
Limes	Moderate	Good	↓
Pineapples	Moderate	Good	↔
Green, Red Leaf Lettuces	Moderate	Good	↔
Iceberg Lettuce	High	Good	↑
Romaine Lettuce	High	Good	↑
Romaine Hearts	High	Excellent	↑
Cucumbers, Green Beans	High	Good	↔
Green Bell Peppers	Moderate	Good	↔
Red Bell Peppers	Extreme	Poor	↔
Yellow Squash, Zucchini	Moderate	Good	↔
Green Seedless Grapes	Moderate	Good	↓
Red Seedless Grapes	High	Good	↑
Peaches, Nectarines	Moderate to High	Good	↔
Broccoli	Moderate	Good	↑
Cantaloupes	High	Good	↔
Honeydews	High	Good	↔
Artichokes	High	Excellent	↔
Asparagus	Moderate	Good	↑
Arugula, Bok Choy, Broccoli, Carrots, Frisee, Red Cabbage, Baby Spinach, Spring Mix	Moderate	Good	↔
Cauliflower	High	Fair	↑
Celery, Spinach (Bunched)	Low	Excellent	↔
Parsley (Curly & Italian)	Moderate	Very Good	↔
Fennel/Anise	Extreme	Good	↑
Peeled Garlic, Mache, Napa, Snow & Sugar Snap Peas	High	Good	↔
Green Cabbage	Low	Good	↔
Green Onions	Low	Excellent	↑
Cilantro	Moderate	Very Good	↔
Kale (Green)	Low	Very Good	↔
Red Onions	Low to Moderate	Good	↔
White Onions	High	Good	↔
Yellow Onions	Moderate	Good	↔
Potatoes	Low to Moderate	Good	↔
Round, Roma, Plum, Cherry, Grape Tomatoes	High	Good	↑
Red & Golden Delicious, Bosc Pears	Moderate	Good	↑
Galas, Granny Smiths, Fujis, D'Anjous	High	Good	↑



FRESH DIRECTIONS



APPLES & PEARS

Demand and movement slow with retail utilizing shelf space for cherries, melons, stone fruit and grapes. Lower grades, 113s and smaller still in tight supply. Export demand has slowed but still active. Prices are stable. Some discounting still exists on shipper select varieties, grade and size most readily available (88 lgr). Storages are running low and some shippers are winding down on a few of their varieties. Washington pears are pretty much done for the season. Hood River will ship into June, peaking on 90 larger. Imports are available, high prices, quality reported as good.

ARTICHOKES

Production is steady with good supplies. Strong demand continues for most key sizes (12s-30s). High prices are expected to continue for the near term and promotional opportunities are 3-4 weeks away. Quality is excellent with good uniform color and tight compact heads.

ARUGULA

Quality has improved.

ASPARAGUS

Mexico and Peru are now the primary growing regions. Markets are becoming active; prices are on the rise.

AVOCADOS

The avocado market is generally stable. FOB prices in Texas adjusted upward on 60s and smaller, while 48 and larger remained stable. Pricing in California and on the East Coast is more stable. This market dynamic can be attributed to both the quantity of importers and increased inventories of late-season fruit in South Texas. The fruit is fresh, but has limited shelf life due to high dry weight. Sizing is heavy to 48s and larger. Best buy currently is on Peruvian avocados on both East and West coast; available through September.

BELL PEPPERS

Prices for green bell peppers have dropped to normal levels in the East and West, as harvest volume has increased in the Southern San Joaquin Valley of California and Georgia. We are experiencing a gap in supply for premium quality red bells; the late season harvest in Coachella is heavy to fair-quality (small size and fair appearance). New crop red bells will be available in the Southern San Joaquin Valley in late June and in good supply by early July.

BLACKBERRIES

Producing regions: Santa Maria, Watsonville, Salinas, Georgia, North Carolina, Baja, Oxnard. Quality is good

overall. Overcast conditions in CA have slowed growth of blackberries, cold impacts the maturity of the fruit. Rain forecasted in GA (afternoon showers). Rain forecasted in NC along with thunderstorms forecasted daily. Availability: George, N. Carolina and NJ are tight the remainder of the week, no additional availability. California demand continues to be strong with the holiday pull although light in production on CV & OG, unfortunately volume has not improved as expected due to weather.

BLUEBERRIES

Producing regions: California, North Carolina, Baja, Oregon, Washington, New Jersey. Quality is good overall. PNW rains expected the middle of this week; should not heavily impact production. Rain forecasted in NC along with thunderstorms forecasted daily; should not heavily impact production. East Coast is in full production, availability is strong in NJ. PNW harvests are being transferred into CA smoothly and quickly ramping up in production. OG, West Coast availability.

BOK CHOY

Good supplies and favorable prices.

BROCCOLI

Supplies this week will be average. Some varieties continue with uneven bead appearance but overall quality is good. Expect the market to remain active this week with some shippers continuing to be light on supplies.

CANTALOUPE

Market fairly strong especially on 12's and larger as the desert tries to finish up in the next 7-10 days and we will have better volumes on the Westside by the middle part of next week. The overall quality of the fruit is excellent with good sugars and a fairly smooth netting. The interior color and taste is excellent. We expect to have good supplies here on the Westside through the middle of October as normal volume have been planted in spite of the water situation.

CARROTS

Steady availability in California, Georgia and Texas (Mexico).

CAULIFLOWER

Light supplies this week. Steady supplies are expected for the next few weeks. Currently, prices are still climbing but expected to stabilize. Quality is fair with medium size curds, off white color and 26-29 lb. carton weights.



FRESH DIRECTIONS



CELERY

Average supplies this week with fair demand and steady market. Salinas's celery is showing some very light insect damage, case weights 55-57 lbs. with dark green color and meaty shanks.

CILANTRO

Volume has continued to be light. Quality and appearance continue to be very nice with bunches averaging 8-10 inches in length with good green color.

CUCUMBERS

Tight availability and high prices in the East and West, with no relief expected until early July.

FENNEL/ANISE

There is a gap in production this week in Salinas and contracts are being covered as much as possible.

FRISSE

Adequate supplies.

GARLIC

Processors will begin using new crop California garlic in early July. Note that this early season garlic will show some green color, as the bulbs are large and have had exposure to direct sunlight during the growth cycle. Note that prices for Chinese garlic will increase substantially in July, as higher duties have been assigned by the U.S. Department of Commerce to the majority of importers. Demand will increase, along with prices, for California garlic as imports are expected to decline.

GRAPEFRUIT

Market fairly steady with good supplies of 40's and larger and 48's and smaller extremely tight. The overall quality of the Desert fruit is excellent with great interior and exterior color.

GRAPES

Market is very strong on reds with a demand that exceeds supply at this point, but we will see things start to ease up as we start with better volume out of the valley. We are done packing out of Mexico and Coachella on reds and all production has transitioned to the valley going forward. The green grapes are still around in Mexico and Coachella, and have also started here in the valley which is keeping the market fairly soft. The Valley fruit is stronger than most of the desert fruit and we will continue to ramp up volumes. We expect to have a great quality year out of the valley and have good promotable volumes through November.

GREEN BEANS

Good availability in Georgia and North Carolina. Availability continues to improve for premium quality (first grade) beans in California, prices are steady.

GREEN CABBAGE

The green cabbage market price is showing signs of improvement. Volume remains strong and good quality will continue; medium size heads and good green color with carton weights of 22-24 count.

GREEN ONIONS

Ample supplies continue with domestic and Mexican onions (providing more options in packs and sizes). Market has stabilized to moderate but is increasing. Quality is excellent.

HONEYDEW

Market very strong and active on all sizes as demand exceeds supply on 6's and larger, the desert will go for another 10-14 days and we will not see any big volume out of the Westside for another 2 weeks. The overall quality of the fruit is very good and sugars are excellent with nice firm interior quality. The fruit is mostly a green to cream cast.

ICEBERG LETTUCE

Light supplies and high prices continue this week. Quality is good, with an average amount of 30's. Weights are 37-42 lbs. Some shippers have better supplies than others. Demand should be good this week with the 4th of July holiday approaching.

JALAPEÑOS

East: Good supplies good quality out of GA. FOB prices steady to slightly higher.

KALE (GREEN)

Very good supplies this week. Overall quality and appearance is very nice with bunches and lengths measuring 12-14" and dark green color.

KIWI

Tight availability on Chilean kiwi, which will continue through the season.

LEMONS

Market very strong and demand exceeds supply on all sizes and grades. We will continue see things remain very tight and in some situations may need to sub sizes and grades depending on how tough it gets. We expect to see some of the first Chilean arrival in the next 10 days but they are not sending an abundance of fruit due to the



FRESH DIRECTIONS



fact that it is a global issue and all markets are fighting for fruit. The Mexico volume will also help in the 3-4 weeks and we hopefully will start our Dist. 3 (desert) region by the first week of September, which is about 2-3 weeks earlier than normal. We will do all we can to cover all orders and will keep you posted on the situation.

LETTUCE (GREEN & RED LEAF)

Supplies are short this week on green leaf, but plentiful on red. Green and red leaf are 22-24 lbs. per case with each head at 10-11" long.

LIMES

Limes continue to drop in prices. 200's are as low as \$6.00 FOB.

NAPA

Light supplies and high prices.

ONIONS

Market is steady on Jumbo Yellows. Dips are not expected. Freight is still an issue as trucks remain tight in California and New Mexico.

ORANGES

Market is steady with good supplies of 72's and larger and very tight and strong on 88's and smaller. The overall quality of the fruit is very good with good juice content and excellent sugar. You may see a slight tinge of green around the bloom and stem end. The market will continue to stay strong and will inch its way upward as we get into the first of August when our harvest will slow down and some of the ranches in the very dry areas try to finish up harvest and give the tree some relief in order to keep next year's crop healthy.

PARSLEY (CURLY)

Plentiful supplies this week. Quality continues to be very nice. Bunches are measuring 8-10" in length with good green color.

PARSLEY (ITALIAN)

Plentiful supplies this week. Overall quality and appearance continues to be nice with 9-11" in length with dark green color.

PINEAPPLES

Currently, 5's and 7's are the tight sizes with better availability on 6's and 8's, although there is some relief on 7's.

POTATOES (IDAHO)

Currently, market is weaker. FOB's are lower on most sizes as supplies exceed demand for the time being. US #2's are somewhat tight but have dropped slightly with

the rest of the storage deal. Shelf life is limited as the potatoes that are nearly 9 months old.

RASPBERRIES

Producing regions: Baja, Oxnard, Watsonville, Santa Maria. Quality is good overall. Weather continues to improve compared to overcast conditions over the past few weeks. With the weather improving and anticipation of more consistency, improved production numbers are expected. Peak weeks are now past. There could be a slight rebound next week or the week following, but will continue to decline off peak production.

RED CABBAGE

Strong supplies continue with improved yields producing large, full heads. The trend is expected through next week while market pricing remains moderate.

ROMAINE HEARTS

Supplies this week are average. Demand is strong and the market is getting stronger. Quality is good with bleached color and strong cupping, lengths 9-10" and cartons weighing 16-18 lbs.

ROMAINE LETTUCE

Supplies will be extremely short this week with strong demand. Market is moderate and quality is very nice. Each carton weighing 36-37 lbs. and each head 10-12" in length. There is some very light but occasional fringe burn on in some cartons.

SNOW AND SUGAR SNAP PEAS

The market remains firm, with Salinas and Santa Maria now the primary California districts for snap peas; Santa Maria for Snow peas. Peas from Mexico are also available.

SPINACH (BABY)

Good supplies.

SPINACH (BUNCHED)

Above average supplies this week due to perfect weather for growing. Demand is very slow as many home grown regions have begun for summer. Overall quality features large and full, solid green bunches, measuring 10-11" in length with some light wilt present in bunches, carton weights range 20-22 lbs.

SPRING MIX

Good supplies.

SQUASH (YELLOW)

East: GA is finishing up. Continue harvesting out of SC and NC. FOB prices are slightly stronger.

West: Good supplies continue. Quality is good.



FRESH DIRECTIONS



SQUASH (ZUCCHINI)

East: Supplies available from GA to NC. Quality is variable from grower to grower with corresponding pricing but is generally steady.

West: Good supplies available from Fresno and Baja. Quality is good.

STRAWBERRIES

Producing regions: Santa Maria, Watsonville, Salinas, Baja (OG only). Production has implemented action plans to reduce the quality issues and will adjust size specs for packing (smaller fruit currently being seen). Watsonville and Salinas (primary loading areas) for CV and OG's, Santa Maria continues to decrease in production. Peak volume this week and volume is projected to decline over the next few weeks.

TOMATOES

EAST

Rounds: Ex-large tomatoes are tighter as SC finishes up crown picking this week causing the price of that size to increase over last week. The other sizes are stable in both supply and price. Quincy is currently finishing up with that crop. We should begin to harvest our fields in Western NC the week after July 4th, and our fields on the Eastern Shore should start up around the 12th. The weather pattern has changed in the east bringing afternoon storms in all growing regions which may have an effect on quality but for now quality remains very good. With California starting up and more growing regions coming on-line in the East, we look for there to be downward pressure on prices in the coming weeks.

Romas: Eastern romas are still coming from Quincy but with diminished volume and more variable quality. As supplies dwindle, FOB prices have risen slightly. Our VA roma crop should be ready in two weeks.

Grapes: The grape supply has improved causing FOB prices to fall. Current quality remains good. We look for FOB prices to fall further due to more supplies in the coming weeks.

Cherries: Supplies continue to be too small to quote a USDA market. However, supplies are still available and are down. Quality remains good.

WEST/MEXICO

Rounds: Most CA growers are now harvesting. USDA has published quotes for the first time this season. Quality of mature greens has improved since the first picking. We look for there to be downward pressure in future weeks as more supplies come on-line. Mexican crossings

continue at Otay Mesa and McAllen. Rain in several growing regions in Mexico has compromised quality as we see a wide variety of quality. Price of two-layers crossing at Otay Mesa up on the larger sizes, stable on the 5x5's and down slightly on the 5x6's.

Romas: Crossing continue at McAllen although with less volume and more variable quality. FOB prices at that entry point are at Suspension Agreement minimums. Prices at Otay Mesa are up \$1-\$2 depending on size. CA growers have started this week and quality is very good.

Grapes: Grapes continue to cross at Baja. Quality is good.

TREE FRUIT (PEACHES, NECTARINES, PLUMS, CHERRIES)

The current size profile for white peaches is heavy to large sizes, not the smaller fruit that is preferred by foodservice customers. Steady availability on nectarines, and red and black plums. The apricot season is finished. The Washington cherry harvest is in full swing. Demand is very good, supplies are tight going into 4th of July with just about every retailer on ad. Quality reported as excellent. Pricing has leveled.

WATERMELON

Good availability, with numerous growing areas now in production (CA, AZ, TX, GA, SC). Nogales will have watermelon through the month of June. Demand will increase as we approach the July 4th holiday selling period.