



# Produce Update

August 27, 2010

© 2010, PRO\*ACT, LLC

## THINGS YOU SHOULD KNOW:

Small oranges are getting very tight

Blueberry market is very active with light supplies due to weather and Northwest season slowing down

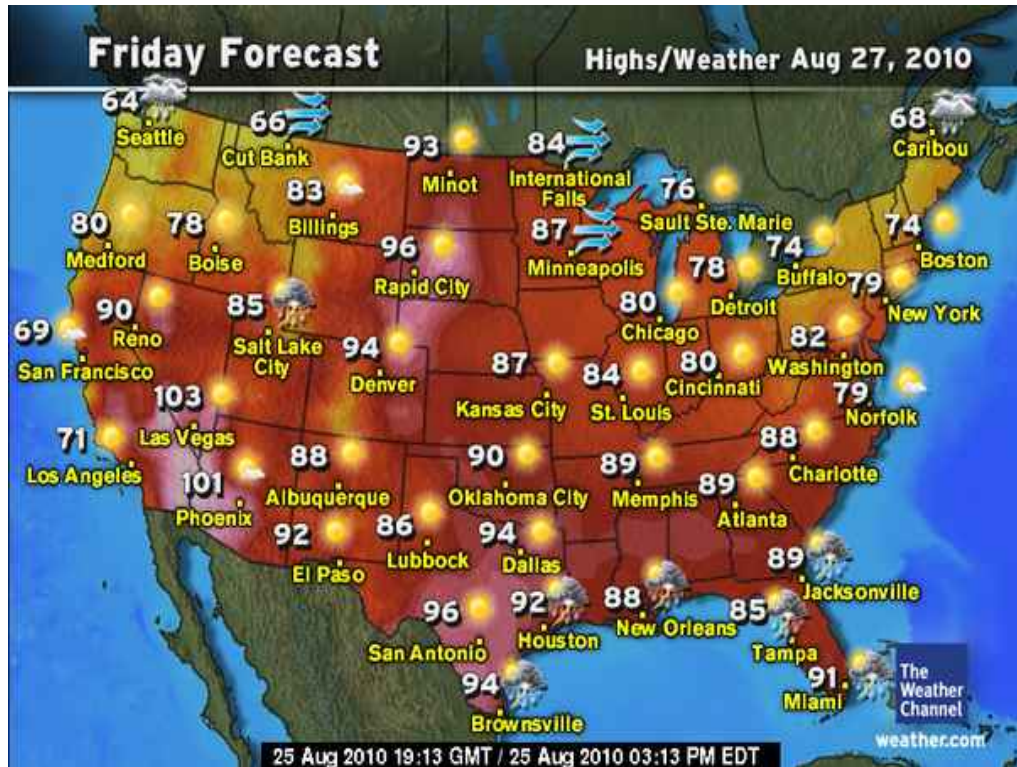
Mini heat wave in the Strawberry, Raspberry, and Blackberry growing areas has hurt quality and supplies for the next 10 days

Freeze in Argentina could hurt upcoming blueberries supplies in mid September



### Weather:

California's Central Coast is forecast to receive a drastic warm up early this week as a strong high pressure ridge builds over California. This mini heat wave will be short lived however as the region is forecast to return to the unseasonably cool and moist weather pattern by weeks end. Extended long range forecasts show little relief to the cool summer conditions we have seen all season long. Record high temperatures are possible the front half of the week throughout the region.



### Freight:

Trucks in California and Idaho remain extremely tight due to the lack of westbound freight. Washington trucks have started to tighten up as well as school starts across the country. Crude oil dropped and is currently at \$71.95 and is down .96 for the day. The national average dropped slightly this past week and is currently at \$2.957.

# Commodity Updates

## APPLES/PEARS

Washington, CA Red Delicious and Granny-Smith apples are still heavy to larger fruit and the higher grades. Smaller fruit and the lower grades remain short in all varieties. Ginger golds are available but supplies are still low and the demand remains strong. Galas have started and are heavier to the higher grades and 88/100 sizes. New Crop NYS Paula Red and Ginger Gold apples are now in season. NYS Red Clapp and Bartlett pears have started and Bosc and seckel are right around the corner. New Crop Washington Bartlett pears are going as well and are peaking on the US#1 grade and the larger sizes. California continues to pack Gala's and is still heavy to small fruit. The color has been good. California Green Bartlett's and Stark Crimson red pears are also heavier to the smaller sizes and prices are steady although the demand is lower due to Washington. California Bosc pears are also available and heavier to small fruit. Bosc prices are slowly dropping. Comice, Seckel, and Forelle varietal pears are also available in California.

## ASPARAGUS

The market is softer and prices are lower.

## AVOCADO

California harvest is now past the 70% harvest point. Harvest is expected to go into September. Demand remains very strong. Mexico is practically a non factor at this time. Light production of off bloom fruit has started.

**California Fruit:** The California harvest is still peaking on 48's, with supplies of smaller sizes light. Growers are still slowing harvest to spread fruit supplies out through September when export fruit volumes are expected. Demand is very strong.

**Mexican Fruit:** Growers are crossing very light volume of off bloom fruit into the states. Supplies will slowly increase as we move into and through September.

## Commodities at a glance...

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

# Commodity Updates continued

## **BELL PEPPERS**

### **Western Green Bells and Colored Bells:**

The Santa Maria area has start on greens, with the Stockton and Gilroy areas are going with good volume on green bells. Red bell supplies are good, with Yellow bells remaining very limited through next week.

### **Eastern Bells:**

Strong demand coupled with good volume and good quality on the East should keep the market steady for several more days. The growing regions of New York, Michigan, the Carolinas and New Jersey will be in good production into the first week of September, barring any weather related issue.

## **BERRIES**

**Strawberries:** We went from months of cold and foggy mornings to 4 days of record heat that started on Sunday in the strawberry growing regions. Temperatures in the strawberry growing areas were in the mid to high 90's with some areas hitting 100+ degrees. The mini heat wave will be short lived as the forecast is calling for the moist and cool weather pattern to move back in by the weekend. This heat will downsize the fruit and hurt quality. Quality issues to be aware of will be sunburn (bronzing), over ripe fruit, bruising and decay. Harvest numbers will decrease as we get closer to the weekend with harvest crews throwing 30% to 40% of the fruit away. Market is steady to slightly weaker the middle of this week but will firm back up as this week moves on. The Northern strawberry growing areas will go till the first major rain event hit which is typically some time in October. The Oxnard Fall crop will be the next area to come into play some time in September followed by Mexico in the middle of October. Florida starts up the first part of November.

**Raspberries:** This heat had shut down the raspberry plants and a lot of the fruit on the plants were burn up. Supplies are very limited. Quality is fair at best. Once the weather cools down we should see supplies come back in 5 to 7 days.

**Blackberries:** The heat burned up most of the blackberries that where to be harvested this week and what they were able to harvest is fair quality at best. Market is active with very limited supplies.

**Blueberries:** Very light supplies and moderate to good demand is causing a firming market this week. Blueberry season is starting to wind down a little quicker then normal. Weather in the Michigan and BC growing areas is the main cause of supplies falling short. Growers are transitioning their packs from pints back into 6oz and 4.4oz. Look for quality to go down hill. Up coming blueberries supplies could be very limited due to a freeze in Argentina last month. We could feel the effect of this mid September thru middle of October. As more information comes out I will update everyone.

## **BROCCOLI**

This market is steady. The availability continues to be strong on bunched product as well as crowns. Vendors are offering special pricing on load volumes so please be aware. Mexico supplies will be moderate to good throughout the week. The quality is expected to be strong throughout the week in all of the growing areas.

## **CARROTS**

California carrots are in good supply. Yield and quality are good. Canadian supplies are plentiful and considerably less money.

## **CAULIFLOWER**

The cauliflower market is steady to start the week. There are good supplies in Santa Maria and Salinas and the pricing continues to be very competitive. The best availability is coming in the twelve counts. Supplies should be good throughout the week with most suppliers.

## **CELERY**

This market continues to be steady. There is good availability on small as well as large sizing. Salinas and Santa Maria continue to be the main growing areas of production. Production numbers may be lighter at the end of the week. The weights and quality of celery continue to be strong. Pricing is competitive.

# Commodity Updates continued

## CITRUS

**Lemons:** Supplies are good, with very good demand. The market continues to firm on 140's and larger. Quality is good.

**Limes:** Supplies are lighter to start the week with wet weather in the Mexican growing areas.

**Oranges:** Large size Valencia's are in good supplies, but supplies of 113's and 138's are very tight with increased demand for these sizes.

## CUCUMBERS

### **Western Cucumber:**

Baja production is increasing as growers get further into their new acreage.

### **Eastern Cucumbers:**

Volume has remained good, despite the wet weather in Michigan and Ohio, and demand has tapered. The market has dropped and should remain at the lower levels for the balance of the week. NY & Long Island supplies are steady.

## GRAPES

Red seedless Flames, Crimson and Scarlett Royal are now available. The Flames are still peaking to med/large with the Crimson or Scarlet Royal seedless peaking to large. Quality is very good on all varieties. Thompson green seedless are available and running to the medium large size, while the Princess Green seedless are nice and large. Summer Royal black seedless and red Globes are also available with good quality.

## GREEN ONIONS

This market has not changed. Pricing and quality is steady out of Mexico. Little demand has allowed for supplies to become stronger with many suppliers. Pencil sizing continues to have the best availability followed by mediums. Quality issues have been minimal.

## LEAF LETTUCE

Romaine hearts continue to be light in availability and this will continue throughout the week. Mildew and tip burn issues are a continued problem on all leaf items. The growing regions have had extreme high heats that will inevitably affect the quality. To what extent will be unknown until arrivals occur next week. Green and red leaf items are moderate in availability. Expect quality issues.

## LETTUCE

The high temps in all the growing regions over these past three days has caused for unusual growth patterns. The weights are reported to be between 39-45 lbs. on palletized. Mildew, tip burn, some decay has been seen and this will cause lighter weights as the shippers must trim back quality defects to get clean packs.

## MELONS

**Cantaloupe:** The market is beginning to strengthen this week as availability is more limited than over the last few weeks. Quality is still very good and sizes are very large peaking to 9's with minimal small fruit.

**Honeydew:** The west side fruit is still peaking on 5's with limited availability on 6's and smaller. Shippers are sizing up on orders in order to get trucks loaded.

## ONIONS

California continues packing all colors of onions but will finish up by the end of next week. The demand has been light and prices are lower on yellows. Reds and whites are steady but supplies have been limited. California sizing is large on the yellows and average on whites and reds. New Mexico is almost finished. Colorado continues packing yellows and reds and has average size in both colors. Their market is slightly lower on both colors. Washington and Idaho/Oregon continue packing light supplies of all colors. Most shippers have small yellows but some have decent size. The northwest prices are down slightly on all colors due to light demand and more shippers getting in. Canada continues packing yellows and reds as well and they are mostly small.

## POTATOES

Idaho Burbank is heavy to smaller size cartons but supplies are dwindling as only a couple shippers still have product. The market has stabilized but the larger counts are still short. Most packers have started with new-crop Norkotahs and they continue to peak on 80/90/100's although some have more of the larger counts. New crop quality has been good with only light skinning. Washington continues packing new-crop norkotahs and is still peaking on 80-count. The early potatoes have been of

# Commodity Updates *continued*

good quality and maturity. Washington's market is steady to slightly lower on all sizes. Most Colorado shippers are packing new-crop. The Colorado/Nebraska potatoes are smaller and still peaking on 90/100 count. Demand for new-crop has been strong although prices are down slightly. Minnesota is also packing russets and they have had better numbers of the larger counts. California continues to pack colored potatoes. All Colors are available from the Stockton area and they continue with excellent quality in all colors. Minnesota and Wisconsin both continue to pack reds and golds as well and also a few whites. The market is lower in both areas as more shippers get in.

## **SQUASH**

### **Western Squash:**

Baja production is beginning to see some increase in production as they break into new fields. Santa Maria's weather has warmed and increased production is expected, but the weather looks to cool back down shortly.

### **Eastern Squash:**

The squash market has tightened up considerably. While prices haven't jumped all that much, the supplies are limited and will remain so through the end of the week. Georgia will begin shipping squash at the end of the week but volume will be very light for the first couple of weeks.

## **STONE FRUIT**

Domestic peaches are still available with good volume to promote and excellent quality. Nectarines now have good supplies as well as excellent quality. Red and black plums still very good availability this week. Tree ripe or preconditioned peaches, nectarines and plums are now available. There season will continue into September with good volume and quality on peaches and nectarines so bring on the orders.

## **TOMATOES**

**Eastern:** Demand remains lower than usual while growers are getting back to what normal production usually is at this time period. The persistent heat continues to be a minor factor in the east, but Eastern Shore growers continue to improve the round supply. Roma, grape and cherry tomatoes continue in low production currently for what the volumes should be. Smaller "local" growing operations are also behind due to the heat but are getting close to normal production.

**Western:** California shippers are steady with good supplies of all tomatoes with the exception of a shortage of Cherry tomatoes; fobs in all areas are up on cherry. The Central Valley is producing good volume and quality with no major issues from a couple day spike of heat. Some shippers in San Diego have had better volume than central California with Romas. San Diego is producing good volume and lower fobs are reflecting it.

## **WATERMELON**

Domestic fruit is going strong with very good quality and supplies. The local deals are starting to finish up which will bring focus back to the west coast. Production has slowed a bit so look for the market to increase over the next couple of weeks.

## **VALUE ADDED**

The lettuce availability is moderate as processors continue to purchase as much acreage as possible. Romaine supplies are still struggling with quality. There continues to be a few issues upon arrival of brown to red discoloration on romaine and lettuce items. Lettuce continues to have reports of pink ribbing and decay seen in certain lots. Expect the quality to be up and down throughout the week on value added items involving romaine and lettuce. Supplies will be excellent on all broccoli items.