

79 Years of Excellence ♦ 1933-2012

WEEKLY MARKET UPDATE

27 January 2012

Market Alert

Artichokes
Cantaloupes
Celery
Garlic (California)
Honeydews
Kale
Strawberries
Yellow Squash
Zucchini

Overview

Demand is lackluster for many items, including row crop vegetable and leaf items, peppers, beans, cucumbers and tomatoes. Quality has improved on lettuce and leaf. Strawberry availability is expected to tighten as we approach Valentine's Day.

Transportation

Good availability, competitive freight rates.

Weather Update

Yuma temps reach mid 70s to low 80s (23-28 C) as high pressure builds over the Great Basin and shifts over Arizona. Morning lows will be in the upper 30s to mid 40s (3-5 C) for most of the week.

Avocados

The Avocado market is stable as we head into the Super Bowl pull. Typically the 2nd largest pull of the year (behind Cinco de Mayo), demand is good. While volumes the last few weeks out of Mexico and Chile were heavy, the market is not in an over-supply situation. Prices have most likely reached their peak and will remain stable into Week 4 and 5. The steady 48 price increase in the last few weeks has caused some major retailers to switch to size 60s. This is helping keep a healthy overall supply and demand relationship. California: Some growers have begun harvesting some larger sizes to get some weight off the trees ahead of the big crop year. Volume will stay very light for the coming 4-6 weeks and increase in early March. Overall fruit is looking good and growers are eager to begin the season. There still remains

the threat of freeze damage as we are still in winter, however, the crop overall is looking like it will be over 390 million lbs. (177 million kgs).

California-Arizona Citrus

Oranges: Navels are in good supply in all 3 production areas. Eating quality is improving with fruit full color. Growth has been below expectations due to lack of rainfall. Large sizes continue to be tight. Best volumes sizes available for promotions are 72s and smaller. Cara Cara's are in good supply. Promotable supplies will continue from this point forward. Sizing is peaking 88/113/72/138, or 88/72/113.

Lemons: Deals are available on 165s/200s all grades.

Limes (Persian): Expect good supplies to be available all week on 175s smaller. Supplies of 110-150s are now limited as most all old crop fruit has been shipped. Quality continues to pack excellent. Double-greens are available on 200s and smaller. Look for good supplies of Key Limes.

Grapefruit: Texas Rio Stars – Weekly movement is strong. Expect good supplies on all sizes Sunkist and choice through the week. Promo volumes and prices are available now through March.

Specialty Citrus Items: Good supplies on Clementines, Fairchilds and Sweeties. Demand is strong for 14s Large Pummelos and good for choice on 8s-12s. The Moro Blood Orange crop is anticipated to finish around the 3rd week of February. This is an alternate bearing crop, with this year being a lighter crop, and demand has exceeded supply! Large Minneolas (64 Large) will be very limited from the Yuma growing district with sizing peaking heavy to 80-100ct. Supplies are anticipated of Minneola tangelos beginning the last week of January out of our Northern houses (Central Valley).

Pineapple: Good availability, primarily Cost Rica.

California Lettuce & Mixed Vegetables

Iceberg Lettuce: Occasional epidermal peel with fair color. As we move into February, both supply and quality should stay fairly strong.

Romaine: Supply and demand are steady. Overall quality is good although some epidermal peeling and blister will still be present in most cartons (it will be minimal and limited to one or two leaves on two or three heads per carton).

Romaine Hearts: Steady supply and will continue to be very steady over the next few weeks barring any unforeseen weather. Size, color and cupping are very constant with weights on a 3-count bag in the 28-29 oz (765-794g) range.

Green and Red Leaf: Continued tight availability on green leaf. We expect to see increased production sometime next week. Quality has improved for green and red leaf, with the effects of blister and peel now minimal. Carton weights have returned to normal for many growers.

Artichokes: Persistent frost damage over the past two weeks has resulted in a production gap. There is no scheduled harvest for the remainder of this week due to lack of available quality. Rainfall over the last weekend will also help revitalize the plants with a deep-root soaking and restoration of moisture to the tissues. The current product from Mexico seems to be the cleanest, of the best quality and highest in demand.

Asparagus: Plentiful supplies from Mexico; all sizes and packs are available, including 11 lb. (.45kg) and 28 lb. (12.7kg) units.

Bok Choy: Wide range in price and availability depending on shipper.

Broccoli: There has been moderate weather without dramatic variations, which promotes steady growth, allowing more accurate production estimates. Currently forecasting an abundance of quality broccoli supplies for the next three weeks.

Carrots: Prices are strengthening for carrot growers in Mexico. Adequate supplies from Bakersfield through February, with a smooth transition to the Imperial Valley coming in March.

Cauliflower: Demand is only fair. A small oversupply in weekly volume will remain for the next two weeks. Quality is very good with snow-white curds, weights in the lower 30 lbs (13.6 kgs) and green jacket leaves. Weather has pushed production down. The production acres are in the ground but the weather patterns are holding back the harvest due to limited volume on the bigger sizes. As the weather warms, we should start to see better production-possibly by the weekend and into next week.

Cilantro: Good numbers available to ship this week.

Garlic: Steady availability and wide range in prices from California, Mexico and China. Volume price discounts are available from selected shippers.

Green and Red Cabbage: Plentiful availability on green cabbage in Georgia, Florida and Texas. Adequate supplies of green and red cabbage in California and Arizona.

Green Onions: The last seven weeks of cold temperatures have reduced green onion production in the St. Luis and Mexicali areas of Mexico, making for lighter than normal supplies. With continued good demand, the market will remain steady for the next two or three weeks.

Kale (green): Numbers will be on the lighter side this week. Next week's volume will be better. Demand continues to exceed supply industry wide.

Napa: Good availability, competitive prices.

Parsley (curly): Strong supplies.

Parsley (Italian): Strong supplies.

Snow peas: Good availability from Mexico and Central California (Santa Maria).

Spinach (baby): Adequate supplies.

Spinach (bunched): Lighter supplies and shorter spinach due to cold and freezes on top of the fields. However, the quality is very good, showing a dark forest green and length that are a little shorter than 9 inches. Bunching size remains large and full.

Spring Mix: Adequate supplies, quality improving.

Arugula: Adequate supplies.

Frisee: Tight availability, quality fair.

Mache: Limited availability.

Radicchio: Good availability.

BERRIES

Strawberries: Mexico harvests are strong currently with good weather. Florida strawberry production is past peak but anticipation is for moderate harvests through February. Strawberry prices are moderate overall, while proprietary variety berries continue to command a premium. Note: Stem strawberries are in very high demand through Valentine's Day. Allocation is probable, so pre order stems at least one week in advance and be flexible on loading locations.

Raspberries: Good availability from Mexico and improved quality with good weather, for loading at Yuma and McAllen. Prices steady.

Blackberries: Steady supplies from Mexico, for loading in Yuma and McAllen. Prices are up slightly.

Blueberries: Good supplies of Chilean blueberries primarily in 12 x 6oz (170g) clamshells loading at Yuma, Mc Allen and Dover.

MELONS

Cantaloupes: 9ct and 12 ct are very tight and will be for the remainder of the month. A gap in supply exists between two Central American shipping countries.

Honeydews: Available but with limited supply on all sizes. Very tight supply for the remainder of the month.

WASHINGTON APPLES

Prices remain steady for storage crop apples and pears. Good availability on trucks. Size profile currently favors smaller sizes. The late harvest, combined with cool fall temperatures, have resulted in smaller sizes overall. Large sizes (72, 56, 48) command premium prices. Good availability on all new crop varieties, including Braeburn, Fuji, Gala, Golden Delicious, Granny Smith and Red Delicious...also Braeburn; Bartlett, Bosc and D'Anjou pears. Demand is strong for both the export and domestic markets.

GRAPES & SOFT FRUIT

Grapes: Early season Chilean and Peruvian red and green seedless are available with promotable prices. Pricing is moderate with no great swings that we've experienced this month.

Kiwi: Good supplies for new crop California kiwi.

Peaches and Nectarines: Now available from Chile, with new vessels arriving next week. Prices are competitive.

Plums: Chilean fruit available for shipment from Philadelphia or Los Angeles.

Eastern & Western Vegetables

Green Bell Peppers: Plentiful supplies on all sizes and grades for green bells in Florida and Nogales. Red bell peppers are in oversupply in Nogales. Good availability on yellow bells.

Cucumbers: Plentiful availability in Nogales.

Green Beans: Plentiful availability at reasonable prices in Nogales; adequate supplies in Florida.

Eggplant: Plentiful supplies in Nogales, adequate in Florida.

Squash:

- **Zucchini:** Prices have begun to ease from recent extremes. This downward price trend will continue as the supply chain is replenished.
- **Yellow:** same as zucchini
- **Acorn:** Adequate supplies in Nogales.
- **Butternut:** Adequate supplies in Nogales.
- **Spaghetti:** Adequate supplies in Nogales.

Tomatoes

Round: Continued plentiful availability in Mexico and Florida districts. Prices are at their low point.

Roma: Plentiful.

Cherry: Oversupply in Nogales, good availability in Florida.

Grape: Plentiful in Nogales, adequate availability in Florida.

Potatoes (Idaho)

Demand and availability has reached a very nice balance. The market is firm on boxes but the F.O.B.'s are not expected to jump in a big way next week. Expect the F.O.B.'s to move UP but in subtle jumps on all sizes and U.S. #2s.

Onions

From the shipper/grower perspective the situation has gone from bad to worse. Supplies well exceed demand as Mexico is crossing much heavier volume now and does not appear the situation will slow down soon. Because of the overlap between storage crop and new crop the situation will become very bad for the growers.

Commodity	Price	Quality
Iceberg	low	good
Romaine	moderate to lower	good
Romaine hearts	moderate	good
Green and red leaf	moderate to high	good
Broccoli	moderate to lower	good
Cauliflower	moderate to lower	good
Celery	high	good
Carrots	moderate	good
Artichokes	low to moderate	fair
Asparagus	low to moderate	good
Green onions	high	good
Parsley (curly)	moderate to lower	very good
Parsley (Italian)	moderate	very good
Spinach (bunched)	moderate	very good
Kale (green)	extreme	good

Cilantro	moderate	very good
Green cabbage	low to moderate	good
Red cabbage	moderate	good
Bok Choy	high	good
Napa	moderate	good
Snow Peas	moderate	good
Garlic	moderate to extreme	good
Spring Mix	-	good
Spinach (baby)	moderate	good
Arugula, Mache, Radicchio	-	good
Frisee	-	fair
Raspberries	moderate	very good
Blackberries	moderate	good
Strawberries	moderate to low	good
Blueberries	moderate	very good
Oranges	moderate to high	very good
Lemons	high	good
Limes	moderate	excellent
Grapefruit	moderate	good
Pineapple	moderate	good
Cantaloupes	high	good
Honeydews	high	good
Red and Golden Delicious Apples	moderate	good
Grapes-Green Seedless	moderate	good
Grapes – Red Seedless	moderate	good
Kiwi (California)	moderate	good
Peaches and Nectarines	moderate	good
Plums	moderate	good
Avocados-Mexican	high	good
Avocados-California	moderate	good
Zucchini	high	good
Yellow squash	high	good
Cucumbers	low	good
Bell peppers, green	low to moderate	good
Bell peppers, red	low	good
Green Beans	moderate	good
Eggplant	low	good
Round tomato	low	good
Roma tomato	low	good
Cherry, Grape tomato	low to moderate	good
Idaho Russets	low to moderate	good
Yellow and Red Onions	low	good
White Onions	moderate to high	good

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