



## WEEKLY NEWSLETTER AND COMMODITY REPORT

JANUARY 12th, 2010

### WEATHER REPORT

A series of Pacific low pressure storm systems will begin to impact the high pressure ridge dominating the West this week. As these systems begin to break down the ridge low pressure systems (rain) will begin to impact the Southwest possibly by next week. The current system approaching the Northwest will bring rain to Central California and to the north with a slight (10%) chance of rain forecast for Southern California and the Desert locals. Strong winds (20-30mph) are expected mid-week as this system moves east and another system moves into the Pacific Northwest. A brief warm up is forecast for late this week into the weekend. High temperatures in the low to mid 70s with lows in the 40s look to be the norm this week.

Clear skies across Florida, combined with the current Arctic cold air advection, have led to many areas experiencing record low temperatures over the weekend into this morning. Record lows were broken across Northern and Central Florida with even some southern zones (Fort Myers 30 degrees) reporting record low temperatures. Forecasts expect another couple of cold nights, especially in Central Florida and to the north, before temperatures begin to moderate mid-week, returning to seasonal temperatures with a chance of showers late this week.

### THE OUTLOOK

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At this point growers are attempting to mitigate crop damage with irrigation, heaters and other means as cold overnight temperatures continue over the next couple of days. Crop damage assessments will be an ongoing process following these temperatures but it is safe to say that all crops have been affected to some degree. With numerous crops and such a huge area impacted (entire Gulf Coast) accurate crop assessments will take some time to complete. Many crops were already behind schedule, due to weeks of cooler temperatures, before these latest freezing temperatures hit. Rain expected late this week will only exasperate problems as mold, mildew and disease gain easy access to plants damaged by the freeze.

Another important factor to keep in mind is the upcoming spring acreage in these regions. Many growers have delayed plantings in anticipation of these temperatures, while others may have to replant their acreage. This may create a gap in supplies from this region come spring harvests.

Crop damage assessments and evaluations will continue well into January as many crops will take weeks to show the true extent of damage. Upcoming weather patterns will play a crucial role as to future supply and quality. There is speculation (long range forecasts) of another freeze event possibly later this month. As always we will do our best to keep you up to date with the ever changing information.



FLORIDA FREEZE SPECIFICS		
	EXPECTED LOW	HOURS BELOW 28°
SUN NIGHT		
Lakeland	24°	6
Orlando	25°	4
Sebring	25°	5
Winter Haven	25°	5
Immokalee	25°	5
Melbourne	27°	3





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- **Raspberries:** The main growing area this time of the year is Mexico and they have been getting rain and cooler weather late last week which has slowed down the harvest of Raspberries. Most of the raspberries are grown under hoops in Mexico so we should not see any quality issues but supplies will be light due to the cool weather. Market is active with good demand. Driscoll is the main supplier at this time of the year.
- **Blackberries:** Blackberry supplies are limited due wet weather in the growing areas late last week. Market is steady but will increase as this week moves on. Quality is fair.
- **Blueberries:** Moderate demand with improving supplies is starting to weaken the market slightly. Quality is great.

### **BROCCOLI**

This market is flat. Supplies are good from several growing regions. All shippers are looking to move all pack sizes and look to discount prices for volume deals all week. Quality is great from all areas.

### **CARROTS**

California carrots coming out of Bakersfield are finally starting to size up and there is a little better supply of jumbo carrots.

### **CAULIFLOWER**

This market is steady with good supplies this week from all shippers. Shippers will be offering deals to move excess volume this week. There should be good quality and weight. But there are some lots that are showing black spotting and brown discoloration.

### **CELERY**

The celery market is steady. Prices are still in the double digits but there seems to be average supplies. There are more supplies of smaller size celery that shippers are offering discounts. Florida production has been slowed down by the recent freeze down there. This will put pressure on the West Coast for more supplies. Quality is good from both areas.

### **CITRUS**

- **Lemons:** Supplies are good on 115's and larger, with 165's and especially 200's becoming very tight. Quality is very good.
- **Limes:** Supplies are short this week due to rainy weather in Mexico last week. Sizes are peaking on 200's and 230's. Quality remains good.
- **Oranges:** Demand is strong. Crop continues to peak on fancy 72's, 56's and 88's. Supply of choice grades remain tight.

### **CUCUMBERS**

**Eastern Cucumbers** Florida's frigid temperatures have ended the domestic cucumber deal. The on and the off shore product will be high for the next week or so, as is typical with the beginning of the off shore deal. Many suppliers will push for even higher prices in keeping with the sky rocketing prices on other Florida product. Quality, however, is good.

### **GRAPES**

Domestic Snack Pack grapes are finishing up and the first repacks from Chilean fruit have started in a light way; FOB's are very high. Chilean flames with better availability this week. The containers are starting to come in more regularly so we should have more consistent supplies. The heaviest supplies are still in the Green Seedless (Sugarone and Thompson varieties). Palettes are still available in limited supply. Overall supplies on Green Seedless are very good right now. Demand remains strong for both Red and Green Seedless.

### **GREEN ONIONS**

This market is a little stronger as supplies from Mexico are less due to a lack of workers available to harvest product. Pencil sizes are still the largest volume available. The quality continues to be good with no significant problems to report. Processors have had minimal problems with the raw product available.



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### LEAF LETTUCE

The market is steady at low prices. Supplies are plentiful from all shippers on all packs. Red leaf seems to be commanding higher prices due to lack of acreage planted by all shippers. Florida has started packing romaine. Romaine and Romaine Hearts continue to show blister and epidermal peel from the cold temperature experienced last month out of Yuma. Quality has been average with tip burn and fringe burn showing up in some lots.

### LETTUCE

This lettuce market is steady. Prices vary from shipper to shipper. Most suppliers are offering deals on product held over from the weekend. Quality has been very nice with weights in the 40-44 pound range. Florida has started production also. There have been some lots showing epidermal peel and blister.

### MELONS

- **Cantaloupe:** Honduran fruit is just getting going and supplies are dependent on when containers come in. Small fruit 15's and smaller are still extremely limited. Costa Rica got a late start on planting so have been pushed back a few weeks from their normal start. We should start to see fruit from there by the end of this month or beginning of next month. Shipping points in Pompano Beach and Port Manatee, FL as well as Los Angeles, CA and Camden, NJ continue to receive fruit but again sizes are mostly large (12ct and larger). The prices remain at higher levels on the small size fruit. There are extremely limited supplies of Mexican cantaloupes crossing through the Nogales, AZ point of entry and quality is fair at best. Overall quality for the offshore fruit is very good.
- **Honeydew:** Offshore fruit is still arriving into Florida, California and New Jersey with volume supplies mainly in 5's and 6's. Supplies on 8's and smaller continue to be light. Good supplies of Honeydew out of Mexico and the quality is good.

### ONIONS

Good demand with lighter supplies has firmed up the Yellow onion market. Look for this trend to continue to the end of the Idaho season. Quality is still very nice with sizing still peaking on Jumbo's. Steady demand and supplies of Red Onions has kept this market steady the start of this week. Demand exceeds supplies on all sizes of White onions out of all areas. Market is very active.

### POTATOES

Cold weather is making hard for some shippers to run potatoes the start of this week. Demand is still light with a steady market. Most shippers are peaking on 70ct. Retail demand has slowed which will tighten up the carton market slightly. Quality is still good with a few shippers reporting some light peepers starting to show up in some of their storage potatoes. This is mainly caused by the shippers having to run some heat on the storage potatoes to keep them from freezing. Both Norkotahs and Burbanks are being packed depending on the shipper. Washington Norkotahs are going strong with good quality and availability. Washington shippers are peaking on 60ct and larger. Colorado is going strong with supplies as well. Mount Vernon, Washington, has good availability on colored potatoes; product quality is excellent. North Dakota and Wisconsin have good supplies of red, yellow and white potatoes. California supplies will increase as more shippers come on board in the next couple of weeks with red, yellow and white potatoes.

### SQUASH

**Eastern Squash** Domestic supplies of squash in Florida have been all but wiped out by the weekend freeze. Many Florida shippers are bringing squash in out of the West just to try to cover contracts, but those supplies are dwindling as well. This market is already at its peak – now it is just a matter of availability.

### STONE FRUIT

There are still good supplies of both East and West coast imported cherries available, with heavier volume in the East. Sizing is large and quality is very good. Apricots are also available from air shipments, but sizing is limited and FOB pricing is somewhat high. Other Chilean fruit including peaches and nectarines are now arriving via vessel into both East and West Coast ports. Volumes are still limited.



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### **TOMATOES**

Florida is currently encountering a very cold arctic blast that has brought temps below freezing. The temperatures are currently cooler than typical and will continue in the southern growing areas into this week. The damage the frost has done is unknown thus far, but growers are expecting crop damage none the less. Growers have picked as much fruit as possible to salvage as much of the crop as they can. We can expect to see higher fob's probably up through the spring accompanied with shortened supplies. Quality issues will probably not appear for another week to two.

### **WATERMELON**

Colder weather in the watermelon growing districts continues to slow production especially in the seeded. Supplies are still crossing mainly through Nogales, AZ. Supplies are decent on Seedless, but sizing remains to the small side. Markets remain strong for both Seeded and Seedless. Overall Watermelon quality is still very good.

### **VALUE ADDED**

Raw product for romaine continues to give processors problems. The cold weather that Yuma Arizona has been experiencing has resulted in this item to have short shelf life and brown to red discoloration in some bags. The cauliflower and broccoli raw product availability is ample to fill demand. Brown spotting on cauliflower florets, yellowing and pale color on broccoli florets will be common issues talked about with these products.