



MARKET TRENDS

FOR WEEK ENDING MAY 19, 2017

 **PERFORMANCE**
FOODSERVICE



MARKET TRENDS

MAY 19, 2017

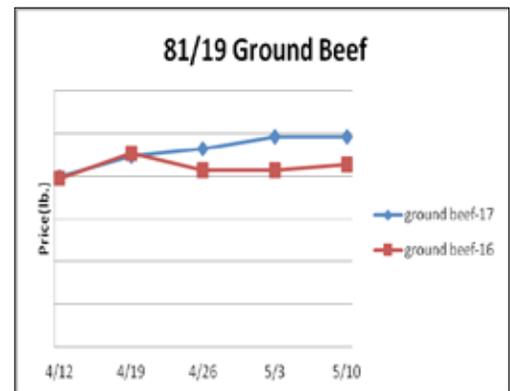
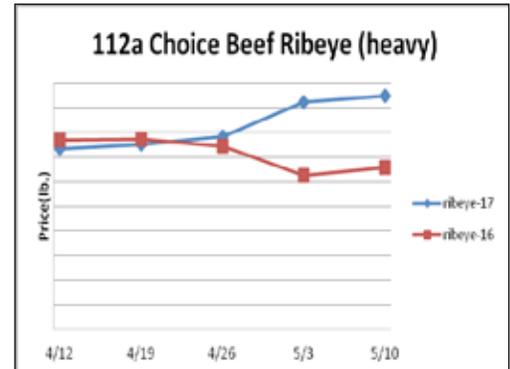
PERFORMANCE
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Beef, Veal & Lamb

Beef production last week declined 2.3% but was 2.9% better than the same week last year. Beef output is expected to continue to trend above 2016 levels for the foreseeable future. Beef prices are on the rise but buyers are starting to pull back on purchases. Spot beef shipments last week were the smallest for any non-holiday week in nearly a year. Forward beef sales 22-90 days were the smallest in over five months. This suggests a top is near in beef. Beef 50% trim prices have set new record highs this week due in a large part to lighter cattle weights and strong ground beef demand. However, beef 50% trim prices have averaged flat to lower in June from May in eight of the last nine years.

Description	Market Trend	Supplies	Price vs. Last Year
Live Cattle (Steer)	Increasing	Short	Higher
Feeder Cattle Index (CME)	Increasing	Short	Higher
Ground Beef 81/19	Decreasing	Good	Higher
Ground Chuck	Increasing	Good	Lower
109 Export Rib (ch)	Increasing	Good	Higher
109 Export Rib (pr)	Decreasing	Good	Higher
112a Ribeye (ch)	Increasing	Good	Higher
112a Ribeye (pr)	Increasing	Good	Higher
114a Chuck , Shlder Cld(ch)	Increasing	Good	Higher
116 Chuck (sel)	Increasing	Good	Higher
116 Chuck (ch)	Increasing	Good	Higher
116b Chuck Tender (ch)	Increasing	Good	Higher
120 Brisket (ch)	Increasing	Good	Higher
120a Brisket (ch)	Increasing	Good	Higher
121c Outside Skirt (ch/sel)	Increasing	Good	Higher
121d Inside Skirt (ch/sel)	Decreasing	Good	Lower
121e Cap & Wedge	Increasing	Good	Higher
167a Knuckle, Trimmed (ch)	Increasing	Good	Higher
168 Inside Round (ch)	Increasing	Good	Higher
169 Top Round (ch)	Increasing	Good	Higher
171b Outside Round (ch)	Decreasing	Good	Higher
174 Short Loin (ch 0x1)	Increasing	Good	Higher
174 Short Loin (pr 2x3)	Increasing	Good	Higher
180 0x1 Strip (pr)	Increasing	Good	Higher
180 0x1 Strip (ch)	Increasing	Good	Higher
184 Top Butt, boneless (ch)	Increasing	Good	Lower
184 Top Butt, boneless (pr)	Increasing	Good	Lower
184-3 Top Butt, bnls (ch)	Increasing	Good	Lower
185a Sirloin Flap (ch)	Increasing	Good	Higher
185c Loin, Tri-Tip (ch)	Decreasing	Good	Lower
189a Tender (sel, 5 lb & up)	Decreasing	Good	Higher
189a Tender (ch, 5 lb & up)	Decreasing	Good	Higher
189a Tender (pr, heavy)	Increasing	Good	Higher
193 Flank Steak (ch)	Increasing	Good	Lower
50% Trimmings	Increasing	Good	Higher
65% Trimmings	Increasing	Good	Higher
75% Trimmings	Increasing	Good	Higher
85% Trimmings	Increasing	Short	Higher
90% Trimmings	Increasing	Short	Higher
90% Imported Beef (frz)	Decreasing	Good	Higher
95% Imported Beef (frz)	Increasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Lower
Veal Top Round (cap off)	Steady	Good	Lower



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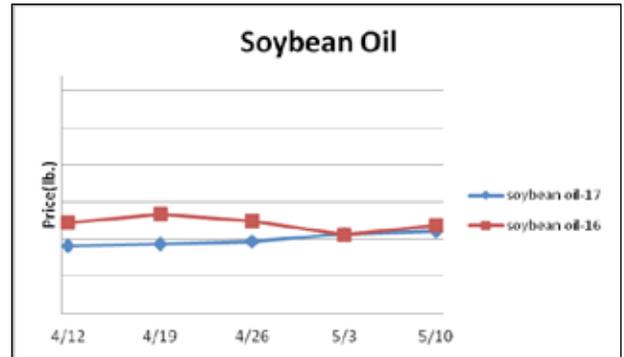
MAY 19, 2017



Grains

The U.S. winter wheat crop has deteriorated due to recent adverse weather but not as much as feared...at least not yet. A total of 54% of the crop was rated in either good or excellent condition by the USDA as of May 7th which is down just 1 point from the prior week. Still, wheat supplies are expected to tighten.

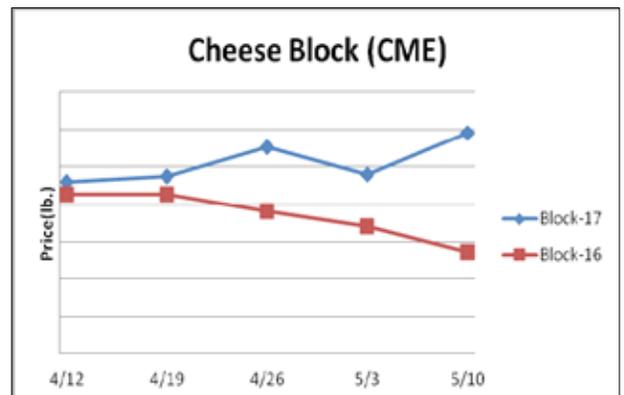
Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Increasing	Good	Lower
Crude Soybean Oil, lb	Increasing	Good	Lower
Soybean Meal, ton	Increasing	Good	Lower
Corn, bushel	Decreasing	Good	Lower
Crude Corn Oil, lb	Steady	Good	Lower
High Fructose Corn Syrup	Decreasing	Good	Lower
Distillers Grain, Dry	Increasing	Good	Lower
Crude Palm Oil, lb BMD	Increasing	Good	Higher
HRW Wheat, bushel	Decreasing	Good	Lower
DNS Wheat 14%, bushel	Decreasing	Good	Higher
Durum Wheat, bushel	Increasing	Short	Lower
Pinto Beans, lb	Steady	Good	Higher
Black Beans, lb	Steady	Good	Higher
Rice, Long Grain, lb	Steady	Good	Lower



Dairy

The CME butter markets remain relatively range bound. Butter production during March was just .3% better than the prior year while butter domestic consumption was down 1%. Butter exports were 55% lower than 2016 but imports fell by 35%. Tempered U.S. butter production may continue to underpin butter prices into the summer. March cheese output was 3.3% bigger than last year while total nonfat dry milk and skim milk powder production was flat. April 1st nonfat dry milk stocks were third highest for any month on record. This may temper the upside risk in cheese.

Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Good	Higher
Cheese Blocks (CME)	Increasing	Good	Higher
American Cheese	Decreasing	Good	Higher
Cheddar Cheese (40 lb)	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Higher
Provolone Cheese	Steady	Good	Same
Parmesan Cheese	Decreasing	Good	Lower
Butter (CME)	Decreasing	Good	Higher
Nonfat Dry Milk	Increasing	Ample	Higher
Whey, Dry	Decreasing	Good	Higher
Class 1 Base	Steady	Good	Higher
Class II Cream, heavy	Increasing	Good	Higher
Class III Milk (CME)	Increasing	Good	Higher
Class IV Milk (CME)	Decreasing	Good	Higher



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MAY 19, 2017

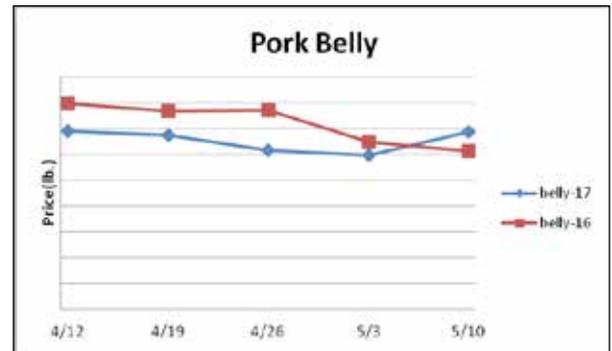
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Pork

Pork output declined 1.1% last week but was 1.8% greater than the same week last year. The USDA is forecasting pork production to trend well above 2016 levels into the summer which should temper any seasonal price increases. That said, the belly markets are vulnerable to a notable upward price correction due to the historically low early spring inventories. U.S. pork exports in March were 20% larger than the previous year and a record for any month. Mexico remained the largest customer accounting for a third of the trade.

Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Increasing	Ample	Lower
Sow	Increasing	Ample	Higher
Belly (bacon)	Increasing	Good	Higher
Sparerib(4.25 lb & down)	Increasing	Good	Lower
Ham (20-23 lb)	Increasing	Good	Higher
Ham (23-27 lb)	Increasing	Good	Higher
Loin (bone in)	Increasing	Good	Lower
Babyback Rib (1.75 lb & up)	Decreasing	Good	Lower
Tenderloin (1.25 lb)	Increasing	Good	Lower
Boston Butt, untrmd (4-8 lb)	Increasing	Good	Lower
Picnic, untrmd	Increasing	Good	Lower
SS Picnic, smoker trm box	Increasing	Good	Lower
42% Trimmings	Increasing	Good	Lower
72% Trimmings	Increasing	Good	Higher



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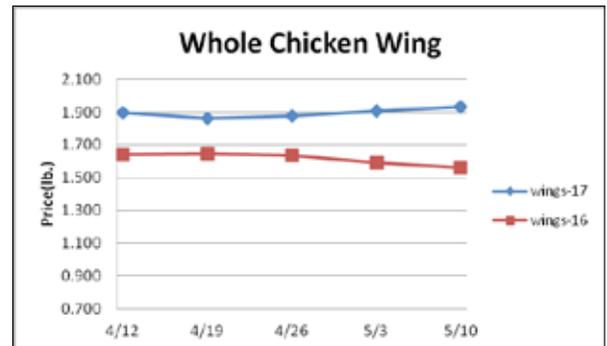
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Poultry

For the week ending April 29th, chicken production rose 4.6% from the prior week and was up 4% from the previous year. However, the six-week total of chicken output was just .3% better than 2016. Chicken producer margins have improved during the last several weeks with the rise in breast prices. This could lead to sustained better year over year gains in chicken production. Recent broiler egg set data suggests that chicken output in the coming weeks could trend near 2% above last year. U.S. chicken exports during March were 12.3% bigger than a year ago and the second largest for any month since the fall of 2014. Improving chicken exports should be supportive of chicken leg quarter prices and producer margins.

Description	Market Trend	Supplies	Price vs. Last Year
Whole Birds WOG-Nat	Increasing	Good	Higher
Wings (jumbo cut)	Increasing	Good	Higher
Wing Index (ARA)	Increasing	Good	Higher
Breast, Bnless Skinless NE	Increasing	Good	Higher
Breast, Bnless Skinless SE	Increasing	Good	Lower
Breast Boneless Index (ARA)	Increasing	Good	Higher
Tenderloin Index (ARA)	Decreasing	Good	Lower
Legs (whole)	Increasing	Good	Higher
Leg Quarter Index (ARA)	Increasing	Good	Higher
Thighs, Bone In	Decreasing	Good	Higher
Thighs, Boneless	Increasing	Good	Higher
Thighs, Bone In	Increasing	Good	Higher
Thighs, Boneless	Increasing	Good	Higher



Description	Market Trend	Supplies	Price vs. Last Year
Whole Turkey (8-16 lb)	Decreasing	Good	Lower
Turkey Breast, Bnls/Sknls	Decreasing	Good	Lower

Eggs

Description	Market Trend	Supplies	Price vs. Last Year
Large Eggs (dozen)	Steady	Short	Lower
Medium Eggs (dozen)	Steady	Short	Lower
Liquid Whole Eggs	Increasing	Short	Lower
Liquid Egg Whites	Steady	Short	Lower
Liquid Egg Yolks	Steady	Short	Higher
Egg Breaker Stock Central	Steady	Short	n/c



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MAY 19, 2017

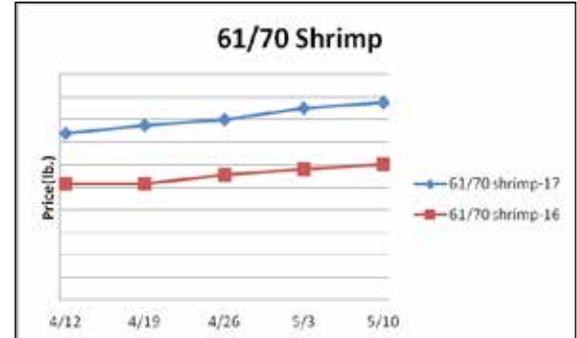
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FOODSERVICE



Seafood

Salmon imports are improving but remain subpar from Canada. During March, the U.S. imported .1% more salmon than the prior year setting a record for the month. However, salmon imports from Canada were down 6.8% from 2016. Lackluster imports from Canada could be relatively supportive of the salmon markets during the next few months.

Description	Market Trend	Supplies	Price vs. Last Year
Shrimp (16/20 frz)	Increasing	Good	Higher
Shrimp (61/70 frz)	Increasing	Good	Higher
Shrimp Tiger (26/30 frz)	Increasing	Good	Higher
Snow Crab Legs (5-8 oz frz)	Steady	Good	Higher
Snow Crab Legs (8oz & up frz)	Steady	Good	Higher
Cod Tails (3-7 oz frz)	Steady	Good	Lower
Cod Loins (3-12 oz frz)	Steady	Good	Lower
Salmon Portions (4-8 oz frz)	Steady	Good	Higher
Pollock Alaska, Deep Skin	Steady	Good	Same



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MAY 19, 2017

PERFORMANCE
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Paper and Plastic Products

Description	Market Trend	Supplies	Price vs. Last Year
WOOD PULP (PAPER)			
NBSK- Paper napkin	Steady	Good	Higher
42 lb. Linerboard-corrugated box	Steady	Good	Higher
PLASTIC RESINS (PLASTIC, FOAM)			
PS-CHH-utensils, cups, to-go cont.	Decreasing	Good	Higher
PP-HIGP-heavy grade utensils	Steady	Good	Higher
PE-LLD-can liners, film, bags	Steady	Good	Higher

Retail Price Change from Prior Month

Description	Mar '17	Feb '16	Jan '16
Beef and Veal	Increasing	Increasing	Decreasing
Dairy	Decreasing	Increasing	Good Increasing
Pork	Increasing	Increasing	Increasing
Chicken	Increasing	Increasing	Decreasing
Fresh Fish and Seafood	Decreasing	Decreasing	Increasing
Fresh Fruits and Vegetables	Increasing	Increasing	Decreasing

Various Markets

Lower raw product prices for farmers are expected to lead to a decline in California tomato for processing production this year. The USDA is projecting contracted tonnage to match the smallest level since 2005. This could bring support to canned tomato prices later this year.

Description	Market Trend	Supplies	Price vs. Last Year
Whole Peeled, Stand (6/10)	Steady	Good	Higher
Tomato Paste-Industrial (lb)	Steady	Good	Higher
Coffee lb ICE	Increasing	Good	Higher
Sugar lb ICE	Decreasing	Ample	Higher
Cocoa mt ICE	Increasing	Short	Lower
Orange Juice lb ICE	Decreasing	Good	Higher
Honey (clover) lb	Steady	Good	Higher



MARKET TRENDS

MAY 19, 2017

PERFORMANCE
FOODSERVICE

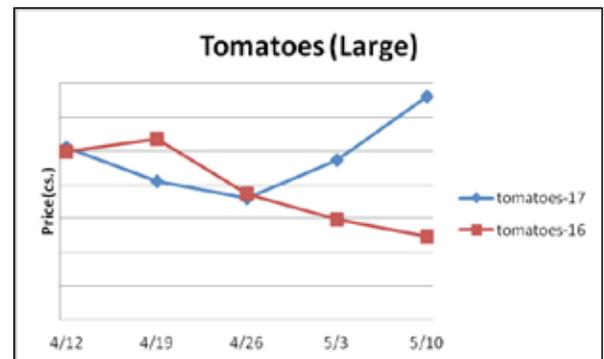


Produce

Avocado supplies remain limited due to continued subpar imports from Mexico and a lackluster California crop. This factor and solid demand are supporting avocado prices. Supplies from Mexico and California are anticipated to remain disappointing for the next several months which should buoy the markets. That said, history suggests that the upside may be limited in avocado prices from here. Lettuce supplies have improved as of late driving lettuce prices lower. There may be more downside to lettuce prices in the near term. Due to a gap in supply, broccoli is now in an EXTREME MARKET. We saw another spike in cauliflower this week. Celery, lemons and oranges are still in very EXTREME MARKETS and we are seeing a shortage in supply. Strawberries are still a good buy. The GA and FL growing regions experienced a few very cool days and nights this past week which has slowed the growth and harvest of many dry vegetable commodities. Accordingly, many FOB prices are up slightly this week. This should be a short-term situation.

MARKET ALERT

- **Avocados – EXTREME**
- **Asparagus – LARGER SIZES**
- **Blueberries – EXTREME**
- **Broccoli – EXTREME**
- **Cauliflower – ESCALATED**
- **Celery – EXTREME**
- **Cilantro – ESCALATED**
- **Garlic – EXTREME**
- **Lemons – SIZING**
- **Oranges – EXTREME**



MARKET TRENDS

MAY 19, 2017

PERFORMANCE
FOODSERVICE



Produce

Apples & Pears

Apples: Demand and movement is steady on the larger sized fruit across all grades. Golds and Grannys remain extremely short with the industry still seeing better yields on 100s and smaller for all other varieties. We expect to see this continue through the rest of the season. Offshore deal remains steady; Galas are plentiful and the Granny volume is ramping up.
Pears: Bosc and Anjou are readily available domestically out of Washington. We expect to see California begin in July. Offshore Bosc and Packham supplies are steady.

Artichokes

We are seeing very high prices and very short supply. Quality is good.

Arugula

Supplies of both baby and wild arugula are light but increasing.

Asparagus

EXTREME - Peru is currently experiencing rain and unusually high temperatures which have combined to slow the production of large caliber spears. The vast majority of product being harvested is in the STANDARD caliber measurements and production of LARGE, XL, AND JUMBO has declined dramatically. It is expected that this condition will persist at least until May 15th. Due to this unforeseen production problem, we will be forced to REDUCE program shipments of LARGE asparagus by 10% in hopes that this will enable us to cover the majority of program requirements.

Avocados

EXTREME - On the immediate horizon, we expect to see an active markets continue. Long term market forecasts are still for the Winter Mexican crop to slow down faster than expected while Peru and California are slow to ramp up making a very active avocado market for the foreseeable future.

Bananas

Demand and quality are good; inventories are lighter this week.



Green Beans

East: New supplies out of GA has caused FOB prices to fall from last week.

West: Weak crossings at Nogales will continue for another week. Fresno is scheduled to start mid to late May. Currently supplies remain tight with continued upward pressure on FOB prices.

Berries:

Blueberries

EXTREME - Production is increasing in Baja California and Oxnard; prices have eased. High prices and tight supplies continue for new crop blueberries in Georgia and North Carolina. The season is winding down in Central Mexico.

Blackberries

Blackberries will be in tight supply through this month as late-season production is on the decline in Central Mexico. The blackberry harvest in Salinas-Watsonville will begin in June.

Raspberries

Raspberries are in peak season production in Central Mexico and Southern California with plentiful availability through mid-May. Central CA growers are now harvesting as well.

Strawberries

Strawberries from Central and Southern California will be in good supply all month. The size profile has increased with fields now yielding larger-sized berries. Stem strawberries have become available although supplies remain tight. Availability will be plentiful through this month.

Bok Choy

Quality is good and we are seeing some higher quotes on WGA cartons.

Broccoli

EXTREME Due to a gap in supply we are seeing escalated prices and a shortage in supply.

Brussels Sprouts

Higher prices and tighter supplies remain but are leveling out. Quality is improving.

Cantaloupe

We have started in a very light way out of the California and Arizona deserts and probably will start to see some volume by the end of next week and should have good supplies out of that region by May 15 as well. The overall crop looks excellent as the weather has been just about perfect. The market looks to be steady as volumes are increasing in the desert and a good amount of fruit is crossing from Mexico.

MARKET TRENDS

MAY 19, 2017

PERFORMANCE
FOODSERVICE



Produce *(continued)*

Carrots

There is a good supply with solid quality.

Cauliflower

ESCALATED MARKET We saw some improvement with this market but it spiked back up due to supplies being low. Prices are still somewhat high. Quality is good.

Celery

EXTREME Unfortunately, we have not seen much improvement in this market. Prorates have been ranging between 35 %-50% this week. We are done in Yuma and the Oxnard crop is behind schedule. Quality is just fair. There will be issues for another 4-6 weeks.

Cilantro

ESCALATED Quality is variable as there is still yellowing with some decay. Price are high and we are seeing shortages.

Corn

Florida Sweet Corn is plentiful with promotional pricing available. Supplies are light out of Coachella on yellow, bi and while. Quality is outstanding and no major changes are expected through Memorial Day.

Cucumbers

East: FL and GA fields continue to produce. We are seeing more quality issues out of the older FL fields. There is a wider range in FOB pricing with upward pressures, especially on the supers.

West: Nogales crossings continue. Baja crossings have started but it will be the middle of May before volume gets completely ramped-up. FOB prices are steady to down slightly.

English Cucumber

Supplies from Eastern Canada are plentiful. Nogales shippers will have English Cucumbers through mid-May.

Eggplant

East: Supplies have become very tight with higher FOB prices.

West: Nogales crossings and the desert continue. We are seeing upward pressures on prices.

Fennel

Supplies for the week will be light.

Garlic

EXTREME MARKET The overall supply of garlic is very tight.

Ginger

Chinese ginger is in good supply. It is being offered at a substantial discount compared to ginger from Brazil.

Grapes

We are on the final floor counts of Chilean Reds and market keeping very strong on Reds and Greens are done. We are starting in a very light way on greens out of Mexico and also trying to get started in Coachella valley on Reds and greens but weather has been a bit cool in both regions and probably will not see much Volume out of either region until next week. The overall estimates for Mexico is slightly larger crop than last year and quality on both colors looks very good right now. Also out of Coachella their volume will be a bit lighter than last year. We should have excellent volume out of both regions by May 15th through first of July and then we will start here in the central valley and that will carry us through December. The market is very active on the fruit from the new districts especially on greens and looks to remain that way for the next week or two.

Green Cabbage

Green cabbage has improved, supplies are good and quality is good in the east as well as the west. Volume incentives are available out of Georgia.

Red Cabbage

Quality and sizing have been great, with good color. Overall, the market is strong.



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MAY 19, 2017

PERFORMANCE
FOODSERVICE



Produce *(continued)*

Green Onions:

Iced: This market has leveled off with steady crossings last week. The crossings should remain at current levels with good supplies.

Iceless: This market has leveled off and should remain steady. Contracts and pre-commitments are holding the market firm.

Honeydew

Market is mostly steady as well with fair supplies on all sizes. The overall quality looks very good with a nice clean exterior condition with a green to cream color and excellent internal color and sugar and nice tight cavity. We will also have some good supplies going forward out of Mexico and then we will start some fruit out of the California and Arizona desert next week and volume should pick up by May 15th with good supplies out of that region through first of July and then transition to the Westside which will carry us through mid-October.

Jicama

Normal prices and quality is good.

Kale (Green)

Demand is steady and quality is average. We are seeing some mildew.

Kiwi

Supplies are good. We are still seeing slightly higher prices with quality being average.

Lemons

Market very strong and demand exceeds supply, especially on 140's and smaller we are size picking in dist. 2 which is also yielding larger sizes keeping the smaller fruit very strong. The overall quality is good to fair, with some clear rot showing up due to all the moisture in the ground and warmer weather which promotes mold spores. We will see the market continue to increase as demand has been very good across the board, this will be the trend as we start heading further into the spring which is normal. We are finished here in dist. 1 and now dependent upon only dist. 2 fruit until we see the Chilean fruit arrive around the first of June and they will increase their volume by mid-July and then Mexico starting around the first of August going through October. We expect the market to keep strengthening and also supplies continuing to be very limited.

California Lettuce Butter

Prices are down and supply is good.

Green and Red Leaf

Quality is improving. Prices are down and supply is much better.

Iceberg Lettuce

Supplies are good. Quality is much better and prices have come down considerably.

Romaine

Good supply. Quality has improved.

Romaine Hearts

Supplies are good, prices are down. Quality is good.

Limes

The market has stabilized; supplies are increasing to normal levels. Small sizes dominate the crop. Warm, dry conditions are causing occasional spotting.

Oranges

Market is very strong and demand exceeds supply on 113's and 138's fancy and choice as we are into some of our late navel varieties that will be on the larger side. The fruit quality is good right now with excellent color and sugar and the fruit eats like candy, we are starting to see some puff and crease and some softer fruit due to the excessive amount of rains and the warm weather we have experienced. We are starting to see some fruit drop as well due to the bloom we are experiencing and the tree is trying to take care of the new set and the weaker fruit hanging on the tree will drop. We will for sure come up short of our original estimates for this year's navel crop, but will have supplies probably through May and not stretch it into July like last year. We have started some Valencia's and this year's crop looks like it is going to come up short as well and some of the most recent estimates are about 15-20% lighter than last year so we will probably see some strong prices starting out and do not expect to see things come off much but we will keep you posted as we go forward. Also with this lighter Valencia crop we are going to experience very light supplies on 113's and smaller through the summer. We expect that from July through mid-October, when we expect to start navels again, that we will be in a demand far exceeding supply situation on the smaller fruit.



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Produce (continued)

Napa

Supplies are light but much better than last week. We will continue to see improvement.

Onions

Pricing has started to drop on yellow and red onions out of all growing regions. The Imperial Valley growing area in California has continued to increase volume this week and more growers will continue to start next week. Onions remain in Idaho, Washington, and Texas. Texas continues to yield a small size profile heavy to mediums and small jumbos.

Parsley (Curly, Italian)

We are seeing prices remain moderate but coming down.

Green Bell Pepper

East: We are seeing lighter yields out of our FL fields. Quality remains variable. The GA crop is still 1-2 weeks off. We are seeing upward pressures on FOB prices.

West: We are seeing two separate markets in the west. The higher quality desert product is demanding a several more dollars than the Nogales product. FOB prices are generally steady from last week.

Jalapeños

East: Supplies are nearly non-existent and FOB prices remain generally steady but high. Quality is variable.

West: Supplies are tight in the west also with the FOB prices remaining generally steady at their current high levels. Quality is good.

Red & Yellow Pepper

Domestic prices should stabilize in the coming weeks; stocks are nearing sufficient levels. California growers are harvesting in Coachella. Domestic quality is excellent: color is vibrant and flavor is spicy, yet sweet.



Pineapple

The market is weak; volume is high. Quality is very good: fruit is juicy and tangy, yet sweet. Sugar levels range from 13 to 16 Brix.

Idaho Potatoes

The demand on larger counts, 40's thru 70's continue to be very good, very tight on those sizes. The demand on the 80's thru 100's is fair. We have seen prices increase on the larger counts and the remaining cartons prices are steady. There are deals to be made on the smaller counts, not large price reductions but some operations have the smaller sizes to move. The growers are continuing to plant, however the weather is slowing this down and the forecast looks like continued rain for the next few days, possible snow, but light. The government indicated that they may have underestimated the yields on last year's crop that we are currently shipping and it appears we have an ample supply of fresh potatoes left to move.

Radishes

Quality is good and supply is slowing down.

Salad Blends

The market is steady. Iceberg and romaine stocks are ample; head weights are increasing. Quality is very good, but core pieces are occasional problems.

Snow and Sugar Snap Peas

Snow and sugar snap peas are in high demand with good quality.

Spinach (Bunched)

Supply is good, quality has improved.

Spinach (Baby)

Baby and clipped spinach supplies are good. Quality is good, with good prices. There are some reports of mildew.

Spring Mix

There is plenty of product with good quality.

Green Squash

East: Good quality continues. We are seeing a wider range in FOB prices with upward pressures.

West: FOB prices are down on fancy and steady to higher on medium. Quality is good.

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PERFORMANCE
FOODSERVICE



Produce (continued)

Yellow Squash

East: Supplies continue out of central FL. The south GA crop is also being harvested. FOB prices are up slightly on both fancy and medium. Quality is generally good.

West: CA desert fields continue to be harvested. FOB prices are steady on fancy and up slightly on medium.

Tomatoes

East

Rounds

Most all eastern tomatoes are now coming from the Central Florida growing region (Palmetto-Ruskin-Plant City). As we reported last week, less acreage has been planted this season in Central Florida and thus far yield per acre has been down. This has caused a slight supply shortage for the first time this year and FOB prices have risen in the \$4 range from last week as a result. The weather in Florida for the rest of the week and the level of quality supplies out of Mexico will determine if these price increases will hold for the next week or two of if they will fall back after a week. Quality out of these Central Florida fields is currently good but not as good as it was out of the Southern Florida fields.

Romas

FOB prices are slightly lower this week and quality remains good.

Grapes

FOB prices are generally steady this week with some downward pressure. Quality remains very good.

Cherries

FOB prices remain generally unchanged this week. Quality is good.

West/Mexico

Rounds

Nogales crossings are winding down. Very few ex-large mature greens are available and re-packers are having to use 2-layers to source the ex-large tomatoes. Quality is slipping as we get toward the end of the crop. Baja crossings continue to get ramped up and 4x4s and 4x5s are more plentiful from there. One grower began harvesting in the desert in a light way on Monday. FOB prices are up slightly to moderately over last week

Romas

Nogales crossings are coming to an end. Baja crossings have begun but we are still 7-10 days before we get fully ramped up there. FOB prices have risen slightly off the Suspension Agreement minimums. Quality continues to be variable out of Nogales but the quality of most fruit crossing at Baja is good.

Grapes

Crossings continue at Baja but supplies are tight and FOB prices are up moderately for the better quality.

Cherries

Better quality is finally crossing at Baja but supplies are tight and FOB prices are up. However, this does mean that western re-packers will not have to continue to pull from FL and freight cost savings will help mitigate some of the increase in FOB prices.

Watermelon

Seedless varieties remain steady with regards to supply and pricing. We will begin to see a decline in supply next week as the offshore melon season begins to wind down. We anticipate about three more weeks of arrivals.

