



MARKET TRENDS

FOR WEEK ENDING MAY 26, 2017

 **PERFORMANCE**
FOODSERVICE



MARKET TRENDS

MAY 26, 2017

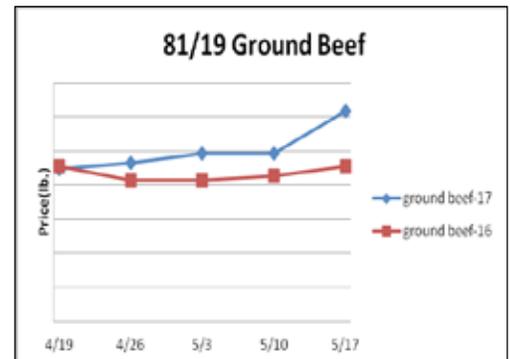
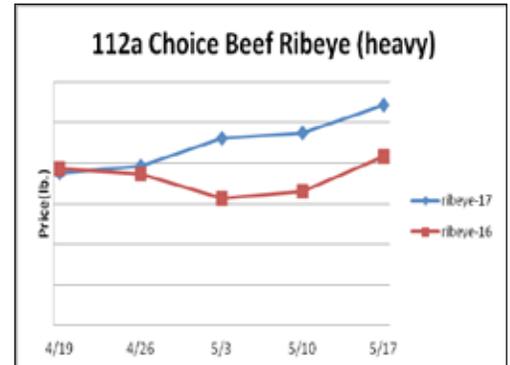
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Beef, Veal & Lamb

Beef output last week declined .6% and was just .3% better than the same week last year. The lackluster production growth was due in part to poor margins for beef packers. Also, tempering output was the continued light cattle weights. For the week ending April 29th, the average dressed cattle weight was the lightest since the spring of 2014. Cattle weights should seasonally rise in the coming weeks which could help bring relief to the record 50% beef trim prices. Overall beef prices could experience some weakness also as demand is fading with the recent inflated markets. Spot beef shipments last week were the smallest for any non-holiday week in a year. Forward beef sales were thin as well.

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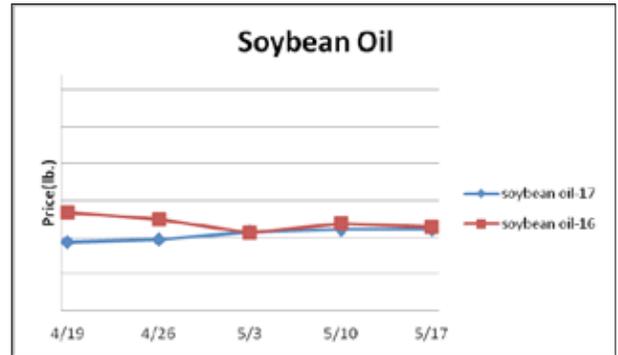
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Grains

The USDA is estimating the 2017-18 domestic winter wheat crop to decline 25% from the prior crop and be the smallest since 1978-79. However, the 2017-18 available world wheat supply is projected to be the largest in over three decades which may temper the upside in wheat prices into the summer.

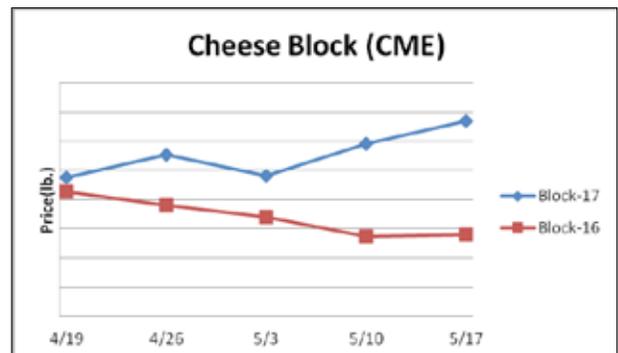
Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Decreasing	Good	Lower
Crude Soybean Oil, lb	Increasing	Good	Lower
Soybean Meal, ton	Decreasing	Good	Lower
Corn, bushel	Increasing	Good	Lower
Crude Corn Oil, lb	Increasing	Good	Lower
High Fructose Corn Syrup	Increasing	Good	Lower
Distillers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



Dairy

The CME cheese markets have firmed due in a large part to improving exports. CME cheese prices are now at or above the international markets which could temper exports in the coming months and limit the upside to the markets. Unless, of course, international cheese prices continue to rise. But that seems unlikely at this point. March U.S. cheese exports were 22% larger than the previous year and the biggest for any month in nearly two years. The butter market has been on the rise as well climbing to a 17-month high. Butter prices may be erratic in the near term.

Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Good	Higher
Cheese Blocks (CME)	Increasing	Good	Higher
American Cheese	Increasing	Good	Higher
Cheddar Cheese (40 lb)	Increasing	Good	Higher
Mozzarella Cheese	Increasing	Good	Higher
Provolone Cheese	Steady	Good	Same
Parmesan Cheese	Increasing	Good	Lower
Butter (CME)	Increasing	Good	Higher
Nonfat Dry Milk	Steady	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)	Increasing	Good	Higher



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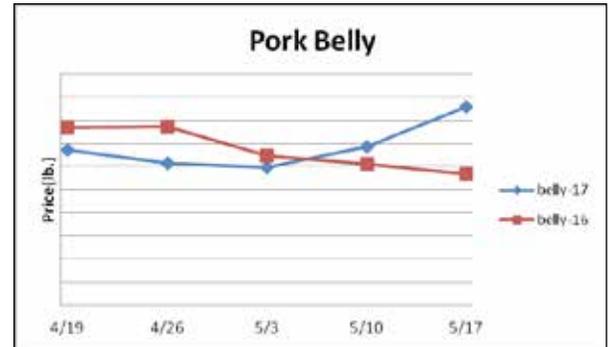
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Pork

Pork production last week declined .2% but was 4.6% larger than the same week a year ago. Solid year over year pork output growth is anticipated in the coming months. The USDA is forecasting pork production during the summer to be 4.8% more than 2016. Retail pork prices in April were down 1.1% from last year and the lowest for the month since 2013. However, retail bacon prices are up 2.9% year on year and the highest since the summer of 2014. Still, pork belly stocks need to build or higher wholesale belly prices are likely.

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)	Decreasing	Good	Lower
Boston Butt, untrmd (4-8 lb)	Increasing	Good	Lower
Picnic, untrmd	Decreasing	Good	Lower
SS Picnic, smoker trm box	Decreasing	Good	Lower
42% Trimmings	Increasing	Good	Lower
72% Trimmings	Steady	Good	Higher



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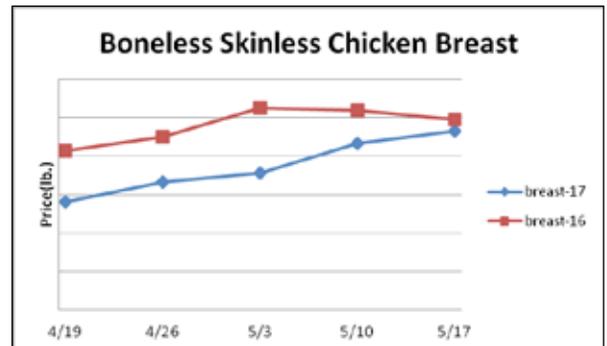
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Poultry

Chicken output for the week ending May 6th declined 3.4% from the prior week but was 2.1% better than the same week last year. The six-week running total of chicken production is just .5% larger than 2016. Chicken producer margins have improved greatly this spring which could fuel better annual chicken production growth in the coming months. The wing markets continue to trade at record high levels for this time of the year due to the lackluster output growth, solid demand and depleted stocks. March 31st chicken wing holdings were 16% less than the previous year and the smallest for any month since the summer of 2015. If chicken production growth can expand later this year, it should bring relief to the chicken wing markets.

Description	Market Trend	Supplies	Price vs. Last Year
Whole Birds WOG-Nat	Increasing	Good	Higher
Wings (jumbo cut)	Decreasing	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)	Increasing	Good	Lower
Legs (whole)	Decreasing	Good	Higher
Leg Quarter Index (ARA)	Decreasing	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)	Increasing	Good	Lower
Turkey Breast, Bnls/Sknls	Increasing	Good	Lower



Eggs

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

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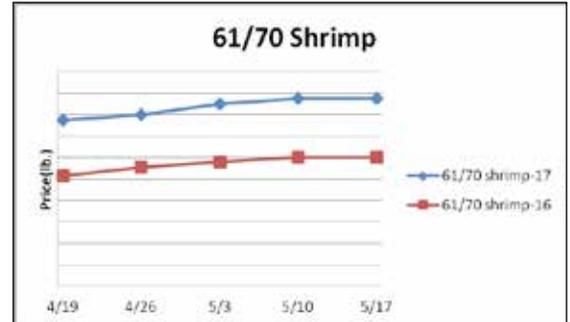
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Seafood

The snow crab leg markets remain inflated. During March, the U.S. imported 28% less snow crab than the previous year due to the limited world supplies. With the reduction in the Alaskan and Newfoundland snow crab quotas, fairly limited snow crab leg supplies are expected to persist. However, slowing demand could limit the upside in prices this summer.

Description	Market Trend	Supplies	Price vs. Last Year
Shrimp (16/20 frz)	Decreasing	Good	Higher
Shrimp (61/70 frz)	Steady	Good	Higher
Shrimp Tiger (26/30 frz)	Decreasing	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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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.	Steady	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	Increasing
Dairy	Decreasing	Decreasing	Good Increasing
Pork	Decreasing	Increasing	Increasing
Chicken	Decreasing	Increasing	Increasing
Fresh Fish and Seafood	Decreasing	Decreasing	Decreasing
Fresh Fruits and Vegetables	Increasing	Increasing	Increasing

Various Markets

Unrest between the Ivory Coast government and cocoa growers has brought support to cocoa prices as of late. However, a political solution appears in the works which could weigh on the cocoa markets in the near term. Still, a longer term bottom may be being made in the cocoa market.

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	Decreasing	Good	Higher
Sugar lb ICE	Decreasing	Ample	Higher
Cocoa mt ICE	Increasing	Short	Lower
Orange Juice lb ICE	Increasing	Good	Higher
Honey (clover) lb	Steady	Good	Higher



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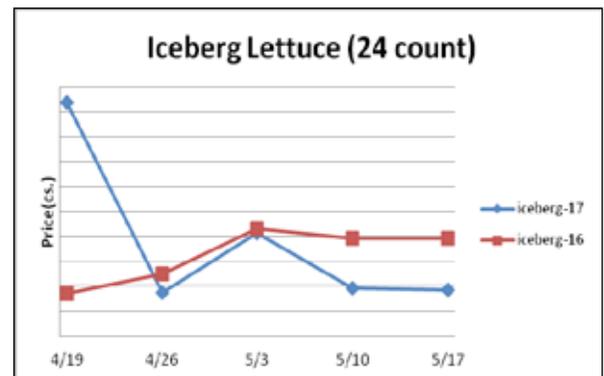


Produce

Lettuce supplies have improved greatly in recent weeks driving the markets lower. U.S. lettuce shipments last week rose 1.1% and were 15.2% better than the same week last year. History suggests there may be more modest downside in the lettuce markets in the coming weeks. The chief tomato harvest areas are beginning to transition north both in the east and west. Tomato supplies have declined during the process with shipments last week falling 18%. Tomato supplies could remain fairly subpar through the end of the month. Due to a gap in supply, broccoli is now in an EXTREME MARKET. We saw another spike in cauliflower, it is back down. Celery, lemons and oranges are still in a very EXTREME MARKET and we are seeing a shortage in supply.

MARKET ALERT

- **Avocados – EXTREME**
- **Asparagus – LARGER SIZES**
- **Broccoli – EXTREME**
- **Celery – EXTREME**
- **Cilantro – ESCALATED**
- **Garlic – EXTREME**
- **Lemons – EXTREME**
- **Oranges – EXTREME**
- **Parsley – EXTREME**
- **Tomatoes – EXTREME**



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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.

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 market for the foreseeable future.

Bananas

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



Green Beans

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

West: Supplies are extremely tight. Nogales is finished for the season. The quality out of the desert fields is only fair. The northern CA fields will not start producing until the end of the month. FOB prices are up again this week. Prices will remain high until the new crops start to come in.

Berries

Blueberries

Market is improving. Production is increasing in Baja California and Oxnard; prices have come down. High prices and tight supply continue for new blueberry crop 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 CA 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 24 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.

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Produce (continued)

Carrots

There is a good supply with solid quality.

Cauliflower

Market has improved, quality is good and prices are down.

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. FOB prices are steady to up slightly.

West: Nogales crossings continue. Baja crossings have started but it will be 7-10 more days before volume gets completely ramped-up. FOB prices are steady to slightly higher.

English Cucumber

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

Eggplant

East: Supplies remain tight and FOB prices are slightly higher again this week

West: Nogales crossings and the desert continue. Prices are generally steady.

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 24th 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.

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.



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Produce (continued)

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 24th 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 better.

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 115'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 we will do all we can to fill orders, but might run into some situations where we have to prorate or ask to sub a size, but will keep you posted when those situations arise.



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

Limes are available, packing in Texas. Great quality and color.

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 due to diseased fields. White onions have become more available which we anticipate will decrease prices as well.

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

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Produce (continued)

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 expecting 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.

Parsley (Curly, Italian)

EXTREME - We are seeing prices that are very high and in escalation. Quality is average.

Green Bell Pepper

East: The GA crop has begun. We are seeing lighter yields out of the Plant City fields. Quality remains variable out of FL. We are seeing some upward pressures on FOB prices.

West: The desert crop is about all that remains. FOB prices have not moved at all or very little from last week. The price on some sizes and grades are up; others are down. But all within a narrow range.

Jalapeño Pepper

East: Supplies remain extremely tight with continued upward pressures on FOB prices. Quality is variable.

Red Pepper

Nogales are done for the season. Coachella ramping up; expect to see Bakersfield production mid-June.

Pineapple

Supply continues to be tight. Vessel delays have caused orders to be pushed back.



Potatoes

The demand on large Idaho cartons continues for the foreseeable future. You can expect pricing to continue on the upside, hopefully in an orderly fashion. The demand on smaller cartons 80's thru 100's is fair. Prices have remained steady with deals on these sizes with different operators. The demand on consumer packs are poor, with some operations unable to run full shifts. This also factors into larger cartons being hard to find. The growers are working very hard to get the new Idaho crop in the ground for the upcoming growing season. We still see a small delay in plantings, but expect the grower will close this gap with good weather.

Radishes

Quality is good and supply is slowing down.

Salad Blends

Prices have stabilized. Raw product iceberg and romaine supplies are abundant. Quality is very good, although core pieces are an issue.

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 upward pressure on FOB prices.

West: Light crossings continue at Nogales but quality is only fair. Fresno is just starting to harvest. FOB prices are slightly higher this week.

Yellow Squash

East: Supplies continue out of central FL and GA. FOB prices are steady to down slightly on both fancy and medium. Quality is generally good.

West: Supplies are tight this week as we wait for new crops to start next week. Prices are up moderately for both fancy and medium.

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Produce (continued)

Tomatoes

East

Rounds

As we predicted last week, the yields out of the FL fields and the level of quality supplies from the West this past week would determine the direction and severity of any movement in the market this week. Unfortunately, yields are down in the east and quality supplies are not available in the west as the crop transitions to new growing regions. This, coupled with the fact that the growers planted 20% less acreage in the Palmetto/Ruskin growing region, has caused supplies to be short of filling demand and has given rise to the highest FOB markets in over 2 years. Trigger price points of contracts have been exceeded and will be in effect next week. The good news is this shortage and high markets should be relatively short-lived as the Quincey crop should be starting up around June 1 and the SC crop should start within one week after that. The FOB market has jumped \$8 or more since last week on all sizes. Quality continues to be good but not as good as the quality we saw all winter coming out of the South FL fields. We will keep you posted on market developments, especially as it affects contracts.

Romas

Supplies are tight for the same reasons as for the rounds-less acreage planted and gaps. FOB prices for all sizes are up close to \$5. We expect a higher market will continue on romas for several weeks as the higher round prices put pressure on the roma prices. This will probably continue into June when new supplies should start up. Quality thus far remains good.

Grapes

Supplies are tighter and demand is good. FOB prices are up \$3 on the 12/1pt grapes and up \$7 on the 20 lb. bulk. Quality remains very good.

Cherries

Supplies are very tight and product is difficult to procure. FOB prices are up moderately. Quality is good.

West/Mexico

Rounds

Supplies are gapping in the west. As reported last week, one grower began harvesting in the desert last week. However, supplies are so light that they go days between pickings. Crossings of quality product at Nogales is practically nil. Many re-packers have had to go back east to meet demand. FOB prices of vine-ripes crossing at Baja are up for all sizes and we expect those prices to continue to get stronger.

Romas

Nogales crossings are at an end. Baja crossings continue to get ramped up but cannot meet all of demand. FOB prices are up \$3 to \$5 depending on size. Quality is generally poor out of Nogales but the quality of fruit crossing at Baja is generally good.

Grapes

Supplies continue to be tight at Baja and many re-packers are having to go east to meet demand. Grape prices will be considerably higher this week due to the increase in FOB prices and additional freight.

Cherries

Supplies continue to be tight and re-packers are once again having to go east to meet demand. FOB prices are up moderately and additional freight will cause prices to rise even higher this week. Quality is good.

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.

