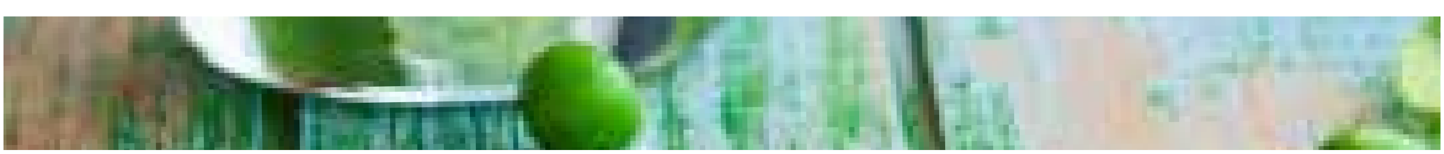
MARKET TRENDS

FOR WEEK ENDING JUNE 16, 2017

PERFORMANCE FOODSERVICE



MARKET TRENDS

JUNE 16, 2017

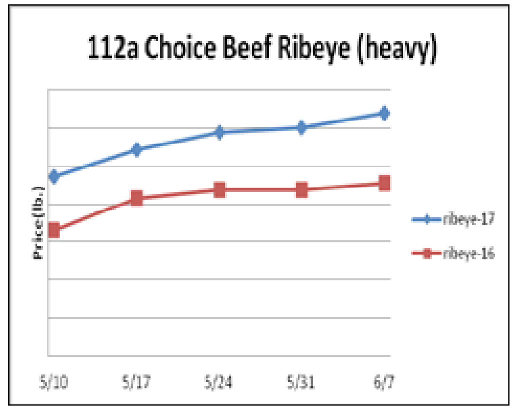
PERFORMANCE FOODSERVICE

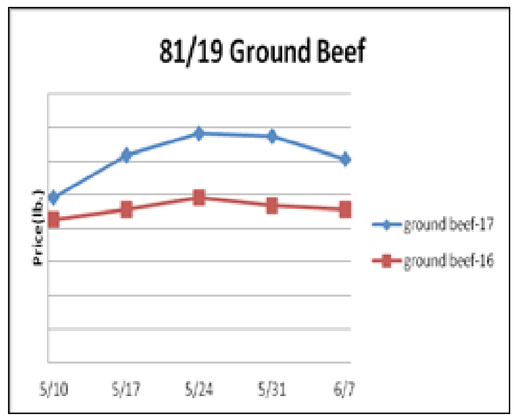


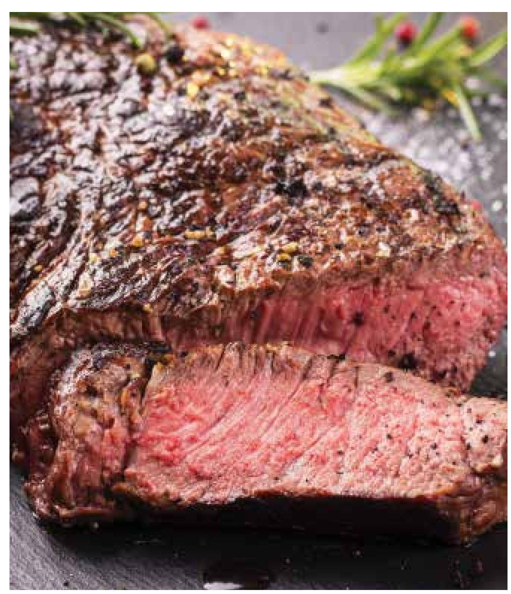
Beef, Veal & Lamb

Beef production last week was down 10.6% from the prior week due to the holiday but was 1.2% larger than the same week last year. Cattle weights continue to trend well below year ago levels which could temper year over year gains in beef output in the coming months. Domestic beef demand should fade in the coming weeks. This is being reflected in forward beef sales for 22-90 day delivery where the four week total of such was the smallest since January 2016. Lower beef prices are anticipated as June progresses. Beef exports during April were 16.6% better than the previous year and a record for the month. Solid exports could temper the downside in beef prices in the near term.

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	Decreasing	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)	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	Lower
121c Outside Skirt (ch/sel)	Decreasing	Good	Higher
121d Inside Skirt (ch/sel)	Decreasing	Good	Higher
121e Cap & Wedge	Decreasing	Good	Higher
167a Knckle, Trimmed (ch)	Increasing	Good	Higher
168 Inside Round (ch)	Increasing	Good	Higher
169 Top Round (ch)	Increasing	Good	Higher
171b Outside Round (ch)	Increasing	Good	Higher
174 Short Loin (ch 0x1)	Increasing	Good	Lower
174 Short Loin (pr 2x3)	Increasing	Good	Higher
180 0x1 Strip (pr)	Increasing	Good	Lower
180 0x1 Strip (ch)	Increasing	Good	Higher
184 Top Butt, boneless (ch)	Decreasing	Good	Lower
184 Top Butt, boneless (pr)	Increasing	Good	Lower
184-3 Top Butt, bnls (ch)	Increasing	Good	Lower
185a Sirloin Flap (ch)	Decreasing	Good	Higher
185c Loin, Tri-Tip (ch)	Increasing	Good	Higher
189a Tender (sel, 5 lb & up)	Decreasing	Good	Higher
189a Tender (ch, 5 lb &up)	Increasing	Good	Lower
189a Tender (pr, heavy)	Increasing	Good	Higher
193 Flank Steak (ch)	Increasing	Good	Lower
50% Trimmings	Decreasing	Good	Higher
65% Trimmings	Decreasing	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)	Decreasing	Good	Higher
Veal Rack (Hotel 7 rib)	Steady	Good	Lower
Veal Top Round (cap off)	Steady	Good	Lower







MARKET TRENDS

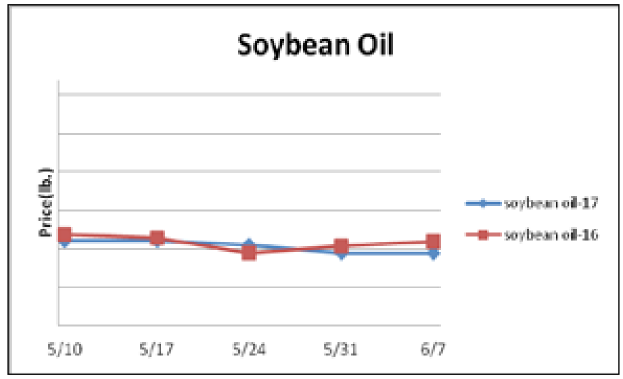
JUNE 16, 2017

PERFORMANCE FOODSERVICE

Grains

Dry weather is causing challenges with the spring wheat crop. In the most recent spring wheat crop USDA ratings, the percentage of the crop in good to excellent condition dropped seven points to just 55%. Hard spring wheat prices are on the rise with further upside potential in the coming weeks.

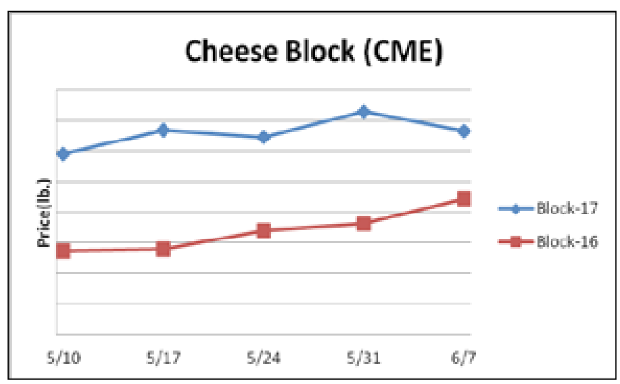
Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Increasing	Good	Lower
Crude Soybean Oil, lb	Steady	Good	Lower
Soybean Meal, ton	Increasing	Good	Lower
Corn, bushel	Increasing	Good	Lower
Crude Corn Oil, lb	Increasing	Good	Lower
High Fructose Corn Syrup	Increasing	Good	Lower
Distillers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



Dairy

Butter prices are firm rising to an 18-month high. Escalating world butter prices are fueling better U.S. exports. In April, U.S. butter exports were 36.4% more than the prior year. Domestic output remains insufficient with production during April down 4.1% from the prior year and the smallest for the month since 2011. The butter market may remain firm in the near term but history suggests that the greater longer-term price risk is to the downside. The CME cheese markets are softening despite solid export interest. U.S. cheese output in April was 3.7% better than 2016.

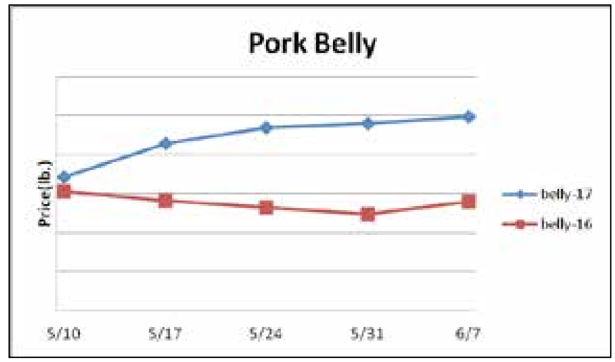
Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Decreasing	Good	Lower
Cheese Blocks (CME)	Decreasing	Good	Higher
American Cheese	Increasing	Good	Higher
Cheddar Cheese (40 lb)	Increasing	Good	Higher
Mozzarella Cheese	Increasing	Good	Higher
Provolone Cheese	Steady	Good	Same
Parmesan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



Pork

Pork output last week was 3.1% larger than the same holiday shortened week last year. Strong year over year gains in pork production are anticipated throughout the summer. This should generally weigh on pork prices. However, retailers are said to be planning significant feature activity around pork this summer due to the existing elevated beef prices. This should be supportive of the pork markets. Typically, the USDA pork cutout rises near 9% during the next three weeks before peaking for the year.

Description	Market Trend	Supplies	Price vs. Last Year
Live Hogs	Increasing	Ample	Lower
Sow	Decreasing	Ample	Lower
Belly (bacon)	Increasing	Good	Higher
Sparerib(4.25 lb & down)	Decreasing	Good	Lower
Ham (20-23 lb)	Increasing	Good	Higher
Ham (23-27 lb)	Decreasing	Good	Lower
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)	Decreasing	Good	Higher
Picnic, untrmd	Increasing	Good	Higher
SS Picnic, smoker trm box	Increasing	Good	Higher
42% Trimmings	Increasing	Good	Higher
72% Trimmings	Increasing	Good	Higher



MARKET TRENDS

JUNE 16, 2017

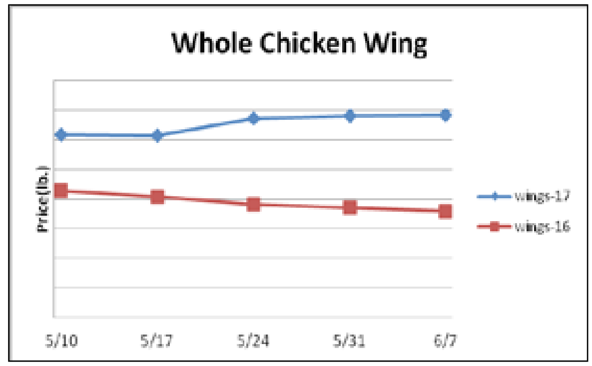
PERFORMANCE FOODSERVICE

Poultry

For the week ending May 27th, chicken output rose 2% from the previous week and was 2.5% larger than the same week a year ago. For the five weeks ending May 27th chicken production was tracking 2.6% above 2016. This follows April chicken output which was down near 3%. More consistent solid year over year gains in chicken production are anticipated in the coming months due to improved margins for producers. This should weigh on the markets. April 30th chicken stocks were .9% less than last year with breasts up .5% and leg quarters bigger by 5.6%. Chicken wing holdings were down 20.5% from the prior year and the smallest for any month since the summer of 2015. The downside potential in wing prices may only be modest.

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	Decreasing	Good	Higher
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	Increasing	Good	Higher
Thighs, Boneless	Increasing	Good	Higher



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

Eggs

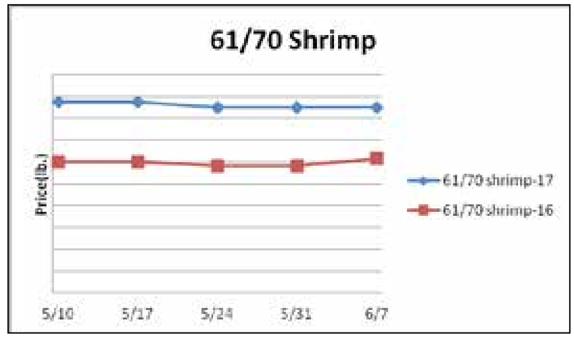
Description	Market Trend	Supplies	Price vs. Last Year
Large Eggs (dozen)	Steady	Short	Higher
Medium Eggs (dozen)	Steady	Short	Higher
Liquid Whole Eggs	Steady	Short	Higher
Liquid Egg Whites	Increasing	Short	Lower
Liquid Egg Yolks	Increasing	Short	Higher
Egg Breaker Stock Central	Steady	Short	n/c



Seafood

Tight supplies continue to buoy the already inflated snow crab leg prices. During April, the U.S. imported 39.5% less snow crab than the previous year. 2017 through April imports are down 23.4% from a year ago. With the Newfoundland snow crab harvest quota down 22% from 2016, elevated snow crab leg prices are anticipated to endure 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	Same
Cod Loins (3-12 oz frz)	Steady	Good	Same
Salmon Portions (4-8 oz frz)	Steady	Good	Higher
Pollock Alaska, Deep Skin	Steady	Good	Same



MARKET TRENDS

JUNE 16, 2017

PERFORMANCE FOODSERVICE



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	Decreasing	Good	Lower
PE-LLD-can liners, film, bags	Decreasing	Good	Higher

Retail Price Change from Prior Month

Description	Mar '17	Feb '16	Jan '16
Beef and Veal	Increasing	Increasing	Increasing
Dairy	Decreasing	Decreasing	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

Coffee prices remain fairly range-bound near one year lows as the outlook for the pending Brazilian coffee crop improves. However, the available coffee supply could remain historically limited for the next several months which suggests the upside price risk here is notable.

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

MARKET TRENDS

JUNE 16, 2017

PERFORMANCE FOODSERVICE

Produce

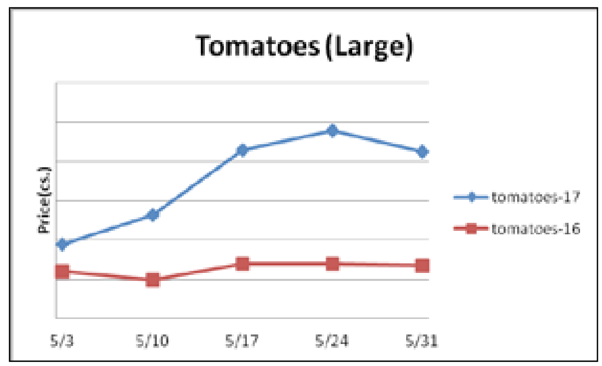
The lettuce markets have firmed during the last week as production becomes current. Iceberg lettuce shipments last week declined 9.4% from the prior week and were 6.8% less than the same week a year ago. Iceberg lettuce prices have a tendency to firm later this month. The five-year average move for the iceberg lettuce market between this week and mid-July is an increase of 14.5%. Avocado supplies remain subpar even though imports from Mexico last week were just 1.6% less than the previous year. Avocado prices tend to strengthen in the coming weeks as well.

Eastern Veg: The eastern growing regions have all experienced rain and some areas have experienced violent storms. The weather forecast calls for additional rains this week. Though it has thus far shown-up only to a limited degree, this type of weather almost always causes less than ideal quality and suspect shelf-life. Therefore, we suggest that dry vegetable inventories be kept as tight as possible until we work through this product.

CA: Celery and lemons are still in a very EXTREME MARKET and we are seeing a shortage in supply. We are seeing a little improvement in celery. Garlic is still very tight.

MARKET ALERT

- **Avocados – EXTREME**
- **Celery – ESCALATED**
- **Garlic – EXTREME**
- **Lemons – EXTREME**
- **Parsley – EXTREME**
- **Tomatoes – EXTREME (ROUNDS ONLY)**
- **Watermelon – EXTREME**



MARKET TRENDS

JUNE 16, 2017

PERFORMANCE FOODSERVICE



Produce

Apples & Pears
Large sizes are ample, but small fruit will continue to tighten through the summer. Adequate storage stocks of Fuji, Gala, and Red Delicious Apples are available in Washington. The Golden Delicious and Granny Smith Apple seasons are winding down. Quality is very good: sugar levels range from 14 to 18 Brix. Braeburn and Honeycrisp varieties are extremely limited. California new crop Gala harvesting will begin in July. The Pear market is average. The D'Anjou storage season is winding down. Remaining fruit is dominated by large sizes (100-count and larger); small sizes are scarce. Sugar levels range from 12 to 14 Brix. California Bartlett production will begin in July.

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
The market is low. Mexican supplies are ample; volume is average in Peru and Washington. Quality is very good: spears are straight and flavor is pleasantly grassy.

Avocados
Although the market is slightly lower than last week, overall prices are high. Stocks are limited, especially large sizes (48-count and larger fruit). Quality is very good: texture is smooth and flavor is nutty.

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

Green Beans
EAST: GA continues to be the primary growing region. However, quality has become suspect and variable. FOB prices are slightly higher.
WEST: FOB prices are currently up slightly compared to last week. However, we expect more volume by this weekend out of Brentwood which should put downward pressure on prices.

Berries:
Blackberries
The market is stable. The Mexican season has ended. New crop California supplies are increasing. Quality is very good, although softness is a minor problem. Sugar levels range from 12 to 13 Brix.

Blueberries
Prices are weak. Stocks are most plentiful in California and Georgia; North Carolina supplies are increasing. Quality is very good in all areas: berries are plump and sweet, yet tangy.

Raspberries
The market is weak; stocks are ample. New crop California supplies are increasing. Quality is very good: fruit is juicy and sweet. Sugar levels range from 13 to 14 Brix.

Strawberries
Prices are stable at low levels; California supplies remain plentiful. Quality is very good: fruit is sweet and juicy. Long-stem berries are also on the market.

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

Broccoli
The market is steady at low levels. Supplies are abundant in Salinas and Santa Maria, California. Mexican stocks are adequate (into South Texas). Crowns are deep green and compact; flavor is subtly earthy. Quality is very good: yellowing is a slight issue.

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

Produce *(continued)*

Cantaloupe
We are going with good volumes out of the California and Arizona deserts and fruit looks excellent as the weather has been just about perfect through the growing season and starting to warm up now which is great and helps finish the fruit with good sugar and overall fruit strength. There is good supplies of Jumbo 9's and lighter supplies of 12's and smaller so the deals are the Jumbo 9's and again the fruit is beautiful. We will be in the desert region through June and then start up here on the Westside around the fourth of July, and might run into a small gap on these due to our cooler weather.

Corn
Georgia Sweet Corn is plentiful with promotional pricing available. Supplies are light out of Imperial Valley and quality is still very good.

Cauliflower
Prices are low; supplies are starting to increase. Quality is very good, but bruising is a slight issue.

Celery
The market is beginning to drop. Supplies have increased. The Salinas season is getting started, while Oxnard production is winding down. Quality problems have improved.

Cilantro
Quality is variable as there is still yellowing with some decay. Prices are moderate.

Cucumbers
EAST: GA fields continue to produce but the rains and old vines make quality suspect. Our new fields in NC have begun but they have been hit with rain and violent storms. FOB prices for supers are generally steady and the price for selects is currently down slightly from last week.
WEST: Better supplies are available from Baja as that region is now ramped up. Nogales still has a few crossing as that crop comes to an end. FOB prices are down sharply due to the increase in supplies.

English Cucumber
Supplies from Eastern Canada are plentiful. Nogales shippers should have English Cucumbers through next week.

Eggplant
EAST: More GA supplies are available. Prices are steady with downward pressure but the search for quality product may put upward pressure on prices for good product.
WEST: Nogales crossings and the desert continue. FOB prices are generally down slightly from last week.

Fennel
Supplies for the week will be light.

Garlic
EXTREME The overall supply of garlic is very, 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 going out of Mexico and Coachella Valley now on both red and greens, the weather has turned and volumes have started to increase and there is ample supplies of fruit out of both Coachella and Mexico and we should see good supplies for the next 2 weeks then we will hopefully start around the first week of July here in the central valley. Our weather here in the central valley has been cooler than normal, so we will hope for some warmer weather to help push the fruit but a possibility we may not start until the second week of July. The overall quality out of each area is good but size looks to be about a 16th smaller overall on all varieties versus last year, but very nice clean crisp fruit. The overall estimate for Mexico is slightly larger crop than last year but will probably come up less than the 20 million estimated million cartons. Also out of Coachella their volume will be a bit lighter than last year as well. We will have good volume out of the central valley once we get started and that will take us into December.

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.



Produce *(continued)*

Green Onions
Iced: Prices are good and there is plenty of product.
Iceless: This market is steady with good volume.

Honeydew
Market very strong with light supplies out of all regions, Imperial Valley, Arizona and Mexico the fruit is peaking on 5's and 6's with very light supplies of 8's out of all regions. The fruit out of Mexico has been beautiful but with the cooler weather the sugars are not near what they are coming out of California and Arizona desert regions. The weather however is starting to warm up so we will see better sugars by the first of next week. The overall quality of the fruit is very nice with a nice green to cream exterior and nice deep green interior color, the fruit is very strong out of all regions. We expect to see a small gap on honeydews between the Westside and the desert regions as our weather here on the Westside has been cooler and probably not see any volume until at least the 4th of July.

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 extremely strong and demand far exceeds supply on all sizes and grades. 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 and into summer which is normal, but this situation is about a month earlier than last year. We are finished her in dist. 1and now dependent upon only dist. 2 fruit, we have started to get some Chilean fruit in

but only very light volume with better volumes coming the later part of next week and then should see steady volume arriving around the second week of July going forward. Mexico will be 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.

Lettuce:
Butter
Prices are down and supply is good.

Green and Red Leaf
Quality is improving. Prices are down and supply is good.

Iceberg Lettuce
Supplies are good. Quality is good, prices are normal.

Romaine
Good supply. Quality has improved.

Romaine Hearts
Supplies are good, prices are down. Quality is good, with occasional mildew.

Limes
Prices are unchanged; stocks are abundant, especially small sizes. Warm, dry weather conditions are causing occasional spotting and sizing problems, but growers are sorting for best quality.

Mangoes
Good supply and good availability

Napa
Supplies are normal. Quality is good.

New Mexico Onions
Right now harvest is generating a lot of big yellow onions, jumbos, colossals and supers are plentiful. The result will be lower fob prices for the next week. Good size will be abundant for a couple weeks or so. This abundant size situation will end around at the end of this month or the first week of July and get back to more normal levels. We see an opportunity for the market to turn around at this time. Reds and whites look steady with go quality and supply.

Produce *(continued)*

Oranges
Market is very strong on all sizes fancy and choice as we are finishing up our late navels and Valencia's are the prominent variety. The fruit quality is good right now with excellent color and sugar and fairly firm as our weather has not been excessively hot which will cause the fruit to soften up and also start to re -green. This year's Valencia crop 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 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 and we expect August through mid-October until we start navels again, that we will be in a demand far exceeding supply 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: GA continues to be primary producer. FL fields also continue to produce. Our eastern NC crop should begin within 10 days. Storms and rains have hit both regions and quality is variable. Supplies are sufficient and FOB prices are currently down from last week.
WEST: The desert is all but finished. The Bakersfield crop is slow to start-up due to a cooler than normal spell. Currently, FOB prices are steady to down slightly compared to last week but we expect upward pressures until the Bakersfield crop gets ramped up.

Jalapeño Pepper
EAST: Better supplies out of GA. FOB prices are down slightly again this week. Quality is improving.
WEST: Baja crossings continue. The Santa Maria crop is about two week away. FOB prices ae up slightly.

Red Bell Pepper
WEST: The desert harvest is winding down and we expect upward pressures on FOB prices as we wait for the new crops to begin.

Pineapple
Prices are low. Supplies are plentiful in both regions, particularly large sizes. Quality is very good: fruit is juicy and tangy, yet sweet. Sugar levels range from 13 to 16 Brix.

Idaho Potatoes
Big carton prices keep moving up with heavy demand. We should also see a smaller price increase on the 80 and 90cts coming up in the next few days. At this point it's not clear when fob prices will settle into a less volatile trading position.

Radishes
Quality is good and supply is slowing down.

Salads & Blends
The market has returned to normal levels. Raw product iceberg and romaine stocks are ample. Quality is very good: core pieces are a minor issue in some lots.

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
Prices are steady; Salinas Valley supplies are plentiful. New crop quality is excellent, but leaf size is larger than normal in some lots.

Produce *(continued)*

Green Squash
EAST: Supplies are available from GA, SC and NC. Prices for both fancy and medium are steady to down slightly. See note above concerning quality.
WEST: Various regions are now harvesting green squash. This will probably be the last week for Nogales crossings. Santa Maria and Fresno fields continue to produce. Washington state fields have started this week. These additional supplies have caused FOB price to drop from last week.

Yellow Squash
EAST: Supplies available from GA, SC and NC. FOB prices for both fancy and medium are down compared to last week. All three areas have gone through rains and we are concerned about quality and shelf-life.
WEST: Supplies remain tight but have eased somewhat. Crossings continue at Nogales but quality is suspect as the crop comes to an end. The quality of the Santa Maria product is better. FOB prices are down from last week.

Tomatoes
EAST:
Rounds
Weak national demand continues to be the single most significant factor affecting the market for round tomatoes. The weak demand has caused FOB prices to fall from last week depending on size. The XL size has fallen the most. Rain is expected in all eastern growing regions today and Wednesday. Our crop in the coastal SC region is just beginning to produce. Quincy, FL and south GA crops continue. The central FL region (Palmetto/Ruskin) continues to produce but is getting toward the end. Even with the decrease in FOB prices, the trigger price points of many contracts remain exceeded and will be in effect again next week although at correspondingly lower levels. This is especially true for the large and medium sizes. We forecast that downward pressure will continue on FOB prices. Quality continues to be generally good.

Romas
Demand is down and supplies are a little better. FOB prices are down again this week. Prices are down dollars depending on size with the largest drop on the XL size. Quality continues to be variable.

Grapes
Our SC fields continue to produce this week improving supplies as demand remains weak. FOB prices are down slightly.

Cherries
Supplies remain tight but demand is weak. FOB prices are down from last week.

WEST/MEXICO:
Rounds
Very light supplies of mature greens continue out of CA an MX while demand is extremely weak. FOB prices are down from last week. The CA valley fields were expected to start-up this week but a short cool spell slowed growth and they are now expected to begin next Thursday. Quality remains variable. Vine-ripes are crossing at Baja with good demand on the 5x5 and 5x6 sizes.

Romas
Crossings continue at Baja and McAllen. Prices for all sizes are steady at levels close to or ate the minimums. The quality of fruit crossing at Baja is generally good.

Grapes
Supplies have ramped up at Baja and demand continues to be weak which has caused FOB prices to fall moderately.

Cherries
Supply and demand have stayed in equilibrium and FOB prices have remained steady from last week.

Tree Fruit
Apricots, nectarines, peaches, and plums are available from California. Prices are elevated; expect limited supplies for another week or so. Nectarine sugar levels range from 10 to 12 Brix; peach levels vary from 10 to 11 Brix.

Watermelon
The market is low; stocks are plentiful. Quality is excellent: color is deep red, texture is firm, and flavor is sweet, yet refreshing. Sugar levels average 11 Brix.