

Labatt **FOOD SERVICE** *Produce Department*

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MARKET REPORT: JUNE 25, 2010

****MARKET ALERT**** The tomato market looks to be creeping back up due to demand exceeding current supplies. Florida quality in some lots is not as strong and California supplies have not completely come online. The market has been at lower levels over the past several weeks due to an abundance of supplies. The market was forecast to trend upward after the recent record lows.

We appreciate your business. Please let us know if you have any questions. Have a great weekend!

WEATHER IN CURRENT GROWING REGIONS

Salinas, CA: Daytime highs will remain in the mid- to upper 60s through June 25 then rise into the low to mid-70s through June 29. Overnight lows will be in the low to mid-50s.

Huron, CA: Daytime highs will stay in the low 90s June 24 and June 25, then rise into the upper 90s through at least June 29. Overnight lows will hover near 60 degrees.

Blythe, CA: Daytime highs will range from 104 to 110 degrees through June 29 with overnight lows in the mid-70s.

PRODUCE NEWS

APPLES/PEARS

Smaller Food Service sized apples are in tight supply and the market is at higher levels. Current price levels are forecasted to last through the remainder of the summer until new crop product becomes available.

AVOCADOS

California continues to harvest good supplies with increased demand. Mexico supplies are slowing and will continue to drop off as their season comes to an end.

BANANAS

There will be decreased supplies of bananas from Central America through the end of June due to the recent natural disasters. Some effects like scarring may be seen into July. The recent volcano eruption has lead to delayed shipping for some suppliers. We are seeing an increase in Banana Bunch pricing going into next week. There are several promotions that launched the first day of summer for bananas so we should see an increase in demand.

BELL PEPPERS

The California desert is finished with greens for the season and colored bell supplies are dwindling as their season comes to an end. Bakersfield production is slowed due to sizing and cooler than normal weather recently. Georgia supplies are limited at this time due to them being the only major supplier in the southwest which is causing the market to trend upward. More supplies will start to come online in Tennessee and the Carolinas in the next couple of weeks. Michigan and Ohio are forecasted to come online in August.

BROCCOLI, CAULIFLOWER & CELERY

The *broccoli* market is stable and quality is strong. The *cauliflower* market is steady and supplies look to tighten as we enter the weekend. Pricing will be stronger going into next week and planting gaps are being forecasted. The *celery* market is getting stronger. Quality and weights have been good.

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CITRUS

Lemons: Prices are higher for 140's and larger. Summer usage and demand has driven the market upward. Quality is good.

Limes: Small limes are in good supply with great prices. Market seems to have bottomed out on even large sizes.

Oranges: Valencia deal is steady with many shippers packing limited days. Small sizes are higher due to volume and demand. Prices should remain stable.

CUCUMBERS

Mainland Mexico production is dropping as their season comes to an end. Baja production has slowed due to cooler weather holding them back. Supplies are anticipated to increase as we move into July. Demand is good. Georgia is done for the season and what little is coming from that area is questionable at this time. There are some supplies available farther north however there is not enough volume to satisfy demand. The market looks to fluctuate over the next couple of weeks depending on supplies. Michigan and Ohio supplies look to come on in the next 2-3 weeks.

GARLIC

Supplies are extremely tight throughout the market. The transition between new and old crop has begun and prices have risen. California is behind schedule for their harvest due to cooler weather and rain early in the season which affected several other crops. Suppliers are already quoting higher prices going into next week and have been shorted on orders over the past several weeks. We are currently in a demand exceeds supply situation. Expect increased prices and diminished supplies into July.

GRAPES

Red Seedless are available with good volume. Over the next few weeks Green Seedless supplies may become limited and the market could strengthen.

LETTUCE

Central Coast shippers are seeing improved quality. Lettuce fields are progressing on time, and growers are no longer behind on their harvest schedules. Near-term lettuce production is tricky to anticipate because the wet spring prevented growers from planting. Lettuce was planted between spring storms as conditions allowed. The result has been intermittent supplies from different shippers at different times. The intended summer-production drop will be a bit delayed, and some extra lettuce acreage will carry forward into July. A significant issue facing Central Coast lettuce shippers is the limited availability of long-haul trucks to move the crop to market. The concerns are compounded by the rising production of melons, stone fruits and grapes, which will compete for the same set of limited trucks.

LEAF LETTUCE

The romaine market is steady with good supplies. Green leaf is down slightly. Some mildew and tip burn is being seen upon arrival. Warm afternoon temperatures, mixed in with foggy, misty mornings have made this commodity vulnerable to mildew and tip burn. Red discoloration can be seen in certain lots.

MELONS

Mexico has cleaned up for the season on **cantaloupe**. Desert melons are in full swing. Sizing is still peaking to 9's and sugar levels are very good. Melons are coming from Arizona and Brawley, California. Mexico is still going strong with good quality and good supplies of **honeydew**. California and Arizona are increasing their volume and peaking on larger counts. Quality is good and the market is slightly lower. Domestic **watermelon** is going strong with very good quality.

ONIONS

New Mexico continues packing and are getting larger yellows. They have better availability on Jumbos and larger with mediums tighter. California's central valley is packing with lighter volume. They are heavier on larger yellows and have limited supplies due to maturity. Their volume should start picking up next week. The market is firm on yellows. The red market is down slightly going into next week.

POTATOES

Idaho shippers are working hard to minimize the upcoming overlap of new and old crop. Shippers are anticipating an increase in demand as Wisconsin finishes the week of June 28th or July 5th. There could be a steady increase on large carton prices in July. The upcoming Idaho crop is forecast to start in early July.

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STRAWBERRIES

Market is firm. Demand is good with lighter supplies. Most growers hit their peak production last week. Supplies have started to tighten with the recent cooler weather. Quality is good with full color reported and counts in the mid teens. Current supplies are being harvested in Santa Maria, Salinas and Watsonville, CA.

SQUASH

Baja production has slowed due to recent cooler weather. Santa Maria has been inconsistent. Supplies are forecast to increase in July. Michigan and Ohio are working with squash this week. Availability varies throughout the southern states and Georgia is done for the season. Pricing will be higher next week on Yellow Squash and Zucchini.

TOMATOES

Eastern: The east coast areas are slowly trying to get fob's up. Some areas are seeing anywhere from three to four dollar increases. There continues to be fewer supplies of the smaller sizes. Cherry tomato production is picking up with more availability. The northeast producing states are forecast to start around July. Other eastern growing areas are getting up to speed; this will help volume and production increase. Pricing could come right back down after the holiday pull. Reports of quality are good as shippers have cleaned up the earlier problem fruit. The weather has been good with some light showers in the north that did not disrupt production or quality.

Western: Supplies out of San Diego are increasing with more supplies of smaller fruit than last week. Shippers continue to slowly come out of their crown picking and we should start to see better quantities of smaller sizes, although there continues to be an abundance of 4x5 and larger. Weather has been favorable in Baja with no major issues. California is going strong with production and good quality.