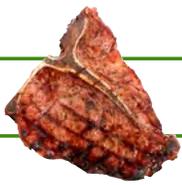


FARMER'S REPORT

MARKET TRENDS | 8.28.2015

US.
FOODS
KEEPING KITCHENS COOKING.®



BEEF

Packers at the start of last week were viewing what were potentially large gains proceeding Labor Day. As the week progressed, demand for end cuts and thin meats were dismal to the point where negative pressure was put on the cutout value, and early week gains were given back. Middle meats did find support, as supplies remained tight given current demand for both quick and forward deliveries. Ground beef demand was average at best.

ROUNDS

INSIDES: Inside rounds are moving lower for the next week or so, but will rebound middle to late-September with modest gains till the expected peak of the season sometime in December

FLATS: Bottom round flats...are flat. The lackluster demand for grind and the high dollar are taking its toll on this complex. They will, however, move higher by the middle to end of September with more moderate gains the closer we get to October.

LOINS

STRIPS: Striploins and shortloins continue to move higher in advance of Labor Day, but they are very overdone to the top side and are starting to weaken. Pricing next week will most likely be steady to higher. Moderate declines are expected leading up to, and after, Labor Day with modest declines into the fall.

TOP BUTTS: Top butts remain under demand from the casual dining sector. They are starting to weaken and should modestly move lower into the fall.

BALL TIPS: There is only one direction for ball tips at this time and that is downward. We have seen the majority of the declines, but select is still moving much lower. Expect them to drift off after Labor Day and into the fall.

TENDERLOINS: Tenderloins are starting to stabilize and some retracement in September is not out of the question. It will be minimal and fleeting, if at all; do not expect to see the lows of July. Moderate advances are expected as we enter October.

RIBS

RIBEYES: All grades and weights of ribeyes moved higher once more. They will be higher again next week, but because of the rapid increase in price, we are expecting a slight correction in September. Lights will garner a premium to heavies.

CHUCKS

CHUCK ROLLS: All grades of chuck rolls are weakening and there is more downside to this market. Pricing next week will be lower. They soon will reach seasonal lows. Modest increases are expected throughout early fall with the peak of the season expected in October.

THIN MEATS & GRINDS

FLAP MEAT: Flaps moved higher again on last-minute Labor Day demand, but this is seen as short term and as with the other thin meats, they should start moving lower moving into September.

FLANK: All grades of flank continue to slide downward. They should continue to drift off ever so slowly into the fall.

BRISKETS: The brisket market is basically flat. There just isn't the same spot demand as last year. Modest gains are in store for September, but the more moderate increases will be in October and through the fall and early winter.

GRINDS: Grinds are weakening and are expected to modestly decline into the fall. Lows are expected in early-October.

SKIRT MEAT: Skirt moved higher on Labor Day demand. It will most likely be higher again next week, then move modestly downward into the fall.





PORK

Base hog prices were quoted steady to lower this week. Hog prices are forecast to trade sideways to modestly lower through mid-September as hog supplies continue to remain large and packers deal with the upcoming holiday production schedules. Both producer and packer margins remain positive.

Last week's slaughter numbers were about 11% above year ago levels while this week's numbers are estimated to come in approximately 11% higher than 2014. The forecast indicates that hog supplies will be abundant through the balance of Q4.

Hog weights moved slightly lower last week. Weights are forecast to trend sideways to lower through early-September then gradually move higher as cooler temperatures signal a transition to the fall timeframe.

On the demand side, retailers and foodservice operators will be featuring many pork items for Labor Day promotions and during late-September. This is expected to firm-up prices for the commodity cuts – which were lower last week. Both domestic and export demand for hams remains strong in anticipation for the holiday season, while demand for bellies appears to be slowing down as fall approaches.

LOINS

Prices for both Bone-in and Boneless continued lower last week due to excess supplies. Prices for both boneless and bone-in loins are expected to be steady to slightly lower through early-September then gradually move higher mid-September supported by retail promotions. Increased export demand may support higher boneless loin prices during September.

TENDERS

Pork tenders continued lower last week pressured by excess supplies and very weak retail demand. Prices are expected to move lower through mid-September then firm in anticipation of retail promotions during October (pork month).

BUTTS

Pork Butt prices traded steady to slightly lower pressured by excess supplies. Prices are expected to trade steady to slightly higher through mid/late-September then gradually move lower during October. Increased export demand may support higher price points during the early fall timeframe.

RIBS

Spareribs held steady last week supported by retail demand for St. Louis Ribs. Spareribs and St. Louis Ribs are expected to trade steady to slightly higher through early-September then move lower after Labor Day. Back Ribs traded lower but are expected to firm through early-September supported by Labor Day promotions. Back Rib prices are expected to continue their decline after Labor Day.

BELLIES/BACON

Bacon/Belly prices moved lower last week with gradual declines expected through mid-September. Belly prices are expected to continue declining through Q4 with significant price declines expected during late-September/ early-October.

HAMS

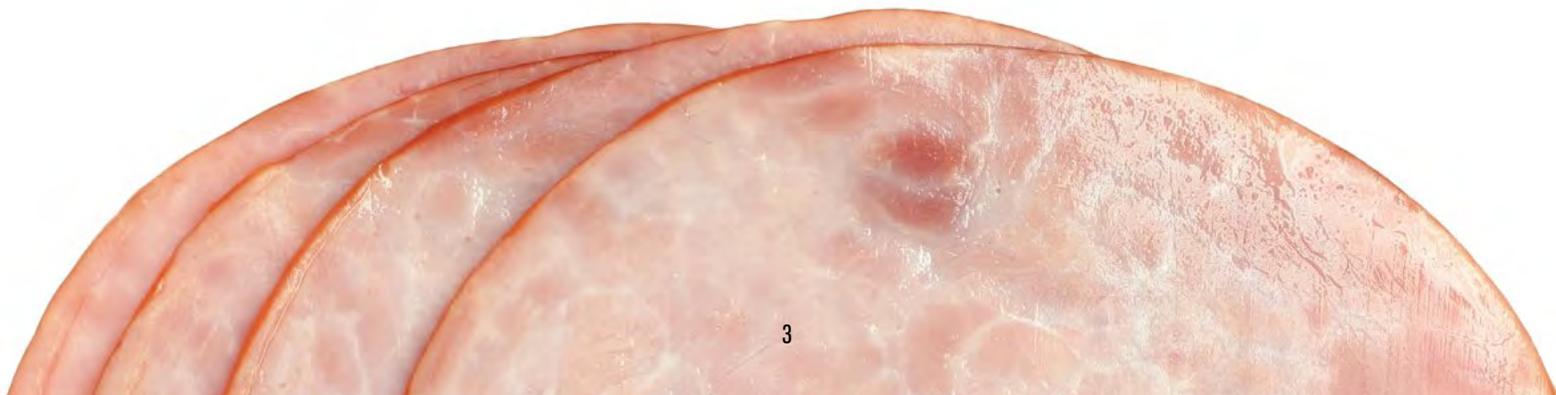
Ham prices moved slightly higher supported by strong export and domestic demand. Prices are expected to trade steady to slightly higher through early September then gradually move higher through October.

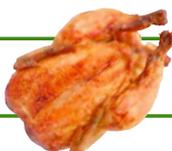
TRIM

The following market dynamics will impact finished goods pricing during the September/ early-October timeframe. Pork trimmings prices are in their seasonal decline and expected to trend lower through September. Similarly, beef trimming prices are trending lower through August. Thus, prices for beef and all meat hot dogs are projected lower for September/early-October timeframe.

PICNICS

The following market dynamics will impact Dinner Sausage prices during the September/ early-October timeframe. Pork Picnics continued slightly lower due to excess supplies and weak processor and export demand. Picnics are expected to trade steady to lower through mid-September then gradually move higher during early fall. Dinner Sausage prices will be lower for September orders.





TURKEY

WHOLE FROZEN TURKEY

The turkey market is still 6-12 months away from a full production recovery from this season's Avian Flu issues. Markets will remain flat to up during this time.



POULTRY

Hatcheries in the United States weekly program set 213 million eggs in incubators during the week ending August 15, 2015, down slightly from a year ago. Hatcheries in the 19 State weekly program set 205 million eggs in incubators during the week ending August 15, 2015, down slightly from the year earlier. Average hatchability for chicks hatched during the week in the United States was 84 percent. Average hatchability is calculated by dividing chicks hatched during the week by eggs set three weeks earlier.

Broiler growers in the United States weekly program placed 176 million chicks for meat production during the week ending August 15, 2015, up 1 percent from a year ago. Broiler growers in the 19 State weekly program placed 170 million chicks for meat production during the week ending August 15, 2015, up 1 percent from the year earlier. Cumulative placements from the week ending January 10, 2015 through August 15, 2015 for the United States were 5.67 billion. Cumulative placements were up 3 percent from the same period a year earlier.

WHOLE CHICKEN & CUT-UP PARTS

Bird weights historically trend downward in the hotter summer months, but are beginning to rebound back up as fall approaches. However poultry markets are not decreasing fast because it is balanced by lower demand.

BONELESS SKINLESS BREASTS

Markets are experiencing slightly declining markets due to the continued influence of Woody Breast Syndrome effects (lower demand and smaller bird weights). Supply is decreasing, but demand is decreasing at a faster rate causing a slight decline.

CHICKEN TENDERLOINS

The Tenderloin market has remained flat, although it is expected to decrease as its items face stiff menu competition with declining beef markets. Expect Tenderloins to act similar to Breasts in the future.

WINGS

The wing market is on the verge to go up with football season around the corner. Due to the high percentage of wing volume reserved through contracts, we do not have visibility into when all the contracted business will start ordering product.

BONELESS SKINLESS THIGHS

The boneless thigh market has continued to show enough strength for the market to trend sideways. This trend should continue into the fall, at which time deflation should be expected.

BONELESS SKINLESS TURKEY BREASTS

The availability of boneless turkey breast meat on the open market is not existent. The market did not inflate this week, but mainly due to no trades or loads being moved.

BONUS TOPIC

WOODY CHICKEN BREAST SYNDROME

Woody Chicken Breast Syndrome (WBS) describes a quality defect that manifests as tough and stringy chicken breast meat throughout the breast without a true known cause. Breast muscles with WBS have reduced capillary blood supply to the muscle and as a result, muscle damage may occur resulting in a tough stringy texture. This is an issue widespread in the Poultry Industry (not limited to US Foods suppliers).

Although its exact cause is unknown, the problem is not a food safety issue. A significant amount of research across the industry is examining causes and solutions. Industry experts expect the issue to persist through 2017 (assuming that the issue will be effectively bred out by that date).

Short term solutions from our suppliers include added steps in the production process to grade out items exhibiting WBS symptoms and reducing the live weights of their birds (statistics point to a lower incidence of WBS in smaller birds).





COMMODITY GROCERY

SOYBEAN OIL

Soybean oil futures made new lows for the move again this week and traders are now eyeing the monthly charts

- China's stock market is the driving factor in market instability due to its huge declines recently casting doubt about the Chinese economy
- As a result China's soy demand is down due to poor margins and needing letters of credit

DOMESTIC CROP & PRODUCTION:

- The USDA raised 2014/2015 and 2015/2016 soybean oil ending-stocks estimates by 125 and 280 million pounds respectively on their August report based on higher production from larger overall soybean crush.
- The soybean market has moved through the critical pod setting phase with little in the way of weather issues noted. Harvest is underway in the South.
- Sharply lower palm oil prices and crude oil prices trading back under \$40 per barrel are contributing to the continued decline in soybean oil prices.
- Statistics Canada lowered their estimate for 2015 canola seed production to 13.343 million metric tonnes, down sharply from 15.6 MMT last year
- South American soybean planted acreage is expected to be higher this fall - El Niño year (more moisture than normal - beneficial so they wouldn't have any drought conditions).
- Weather continues to be something to keep an eye on domestically as we are fast approaching the harvest for the new crop year. Pod setting is at 54%, identical to same time last year

CANOLA:

- Canola came out close to what was expected especially given the upward revisions between this report and the December report. The 13.34 Canola seed production is down 14.2% from 2014, which is mostly resulting from a 12.8% decrease in average yield to 30 bu/acre

BIODIESEL:

- The market is still waiting for the renewal of the \$1 per gallon blenders
 - The US Senate committee has passed a bill to reinstate the blender's credit. The Bill has yet to pass the House and Senate
- Recent strength in energy markets has made bio-diesel production profitable in the US
- Biodiesel production numbers came in as expected @ around 5B Lbs. for 2014-2016

PEANUT:

- More Peanut oil inventory should be available this year which should result in more peanut oil production and lower prices as we head towards the end of 2015
- On the supply side there is a good crop this year. The USDA is projecting 1.6 million acres have been planted versus the previous estimate of 1.48 million acres. Growing conditions have also been good with 80% of the crop at excellent. The big unknown is what percent of the crop will be edible peanuts vs. inedible (peanuts used for oil).
- On the demand side there are flags that India may be too dry and may not have a good harvest (India is the largest consumer of peanut oil). If this happens there will be increased demand for peanut oil exports, which will push up prices

PALM OIL/USED FOR TFF MARGARINE:

- Palm oil prices continue to decline due to continued supply and weak demand.
- Dry conditions in Malaysia and Indonesia due to El Niño are a major threat to palm oil production for the 2015/16 crop year which could lead to an upswing in prices
- Early market expectations of the MPOB report are estimating June ending stocks down 1.5-2.0% on the back of strong exports

RICE OIL:

- Total U.S. 2015 rice planted acreage is projected almost unchanged from last year at 2.90 million acres. Global availability is expected to improve in the second half of 2015, right along with all other oilseed crops. However, additional production information is very limited. . .



DAIRY

BUTTER

The market had a large jump in price last week in part driven by fear of prices reaching last year's record highs. We may maintain these prices for a week or two but do expect prices to pullback as the market fundamentals do not justify current prices. Stocks are in better shape than last year so a sustained run up in price is not likely.

CHEESE

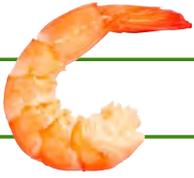
Last week markets declined for the first time in several weeks. Stronger fourth quarter cheese demand is expected to support the cheese market over the next few months. We still expect cheese prices to trade within the current range through November before prices begin to follow seasonal patterns.

SHELL EGGS

Markets are down for the second straight week and relief should be reflected in next week's pricing. Supplies of all sizes are fully adequate to available.

MILK & CREAM

For the month of September, production had been seasonally lower but will ramp back up for back-to-school. Most FMO commodities increased meaning some double digit increases on heavy cream, half & half and sour cream. Fluid milk pricing is flat to higher. California commodities are flat to slightly higher.



SEAFOOD

SHRIMP, DOMESTIC

(WHITES AND BROWNS)

Domestic shrimp production is strong now with good landings of both Browns and Whites. We are starting to see lower prices on larger sizes.

DOMESTIC PUDS: Pricing on larger PUDS and P&D's has turned weak. Upcoming shrimp season may bring lower prices. Catch has been good this year and outlook going into fall is plenty of inventories.

SHRIMP, IMPORTED

(BLACK TIGER AND WHITES)

The Shell-on Tiger market has become steady as a reaction to the domestic market. The White market has remained steady. The outlook through December will be steady pricing on Farmed Whites. Value-added both P&D and Cooked are showing some weakness on slow sales.

(MEXICAN BROWNS AND WHITES)

Larger shrimp are showing signs of weakness. We think we will see lower prices in the near future.

CATFISH, DOMESTIC & IMPORTED

DOMESTIC: We are starting to see some good harvest on Domestic Catfish. As inventory builds we hope to see some lower pricing.

IMPORTED: The market is higher and inventories are getting tight. One of the largest producers is in financial trouble and this could cause an issue in the short term.

SALMON

CHILEAN FARMED SALMON: Inventory is now good on low demand. Prices are falling on low demand.

NORWEGIAN SALMON: With the current exchange rate, Salmon from Norway may be a fish you see promoted this year. Inventories look good and many suppliers are looking to move fish.

DOMESTIC WILD SALMON: Supplies are good with steady to low prices.

MAHI MAHI

Look for stronger prices as the summer season continues. Be aware of the origin of fish.

SCALLOPS

SEA: The catch this year is off from last year. Product from Japan is in short supply. Future pricing looks to be \$.85-\$1.50/# higher. Our Harbor Banks 10/20 and 20/30 dry scallops are a great value!

BAY: Pricing is unchanged this week.

TILAPIA

The report from China is production is low and farmers did not seed the ponds at the same rate as last year; this will cause an increase in price once current inventory starts to run low.

PANGASIIUS

The market is down this week. Overall outlook is for lower pricing and good inventory levels.

WHITEFISH COMPLEX

(COD, POLLOCK, HADDOCK)

COD: The market for Atlantic Cod is on the rise. Pacific Cod is showing signs of lower prices.

POLLOCK: The market remains stable to lower. Inventories are good and the Alaska Seafood Marketing Association is looking to promote heavy in the US. Look for bargains in the near future on Alaskan Pollock filets and imported Pollock filets.

HADDOCK: Current inventory is good and pricing is stable to weak. Fisheries are in good shape and long term outlook is abundant inventory and lower prices. Fishery management made an upward move on the quota allowing more fish to be caught. With this news we should see lower prices driving from now through Lent.

TUNA, YELLOWFIN

(FROZEN STEAKS & LOINS)

The portion business is seeing a rise in price due to new fishing rules being put in place. Outlook for the next few months is higher prices.

KING CRAB

RED & GOLDEN: King crab is starting to tighten up with supply; outlook is for higher pricing.

CRABMEAT

(BLUE & RED, PASTEURIZED)

Imports on Blue Swimming continues to be good and pricing is lower.

New Red Swimming production is due in the US around September 1st. With the low pricing on Blue Swimming crab we expect a lower offering on red.

SNOW CRAB

(CANADA & ALASKA)

Catch is done for the 2015 season and 8ups are very tight. There are some 5-8's still in the market but crab is getting tight and now is the time to buy. The Canadian market has turned flat on 5-8. There is good inventory levels and the overall outlook is after the East Coast summer season we could see lower pricing; time will tell. 8ups and larger are getting tight on inventory.

LOBSTER TAILS

WARM WATER AND NORTH AMERICAN LOBSTER: Cold-water tails, both Maine and Canadian, are now in season. Once the pipeline fills up we hope to see lower pricing. Warm-water tails took a move upward on slow fishing in Brazil. Outlook is for lower prices once other fisheries open up.

LOBSTER MEAT:

Lobster meat has stayed firm in pricing and inventory is tight.

PRODUCE

VEGETABLES

POTATOES

Russets: The Idaho Russet market is generally stable this week with a slight decrease in FOB prices on 70s and larger. Burbanks storage crop are finished and all Russets are coming out of Idaho are Norkotahs. Please note that the new crops have not gone through the sweat process yet and this could mean shorter shelf life on the Norkotahs. Colorado russet should be starting by the end of next week and will be in full production by Labor Day. Wisconsin is still short on larger sizes but should have a good range of sizes in the next few weeks. Prices in Colorado and Wisconsin remain steady with higher prices on larger cartons since they are in small supply.

Reds and Golds: The market has come down on red potatoes. Good supplies continue coming out of Wisconsin and Michigan and demand has been steady. Quality is good and B size price is still significantly higher than A size.

White/Yellow Potatoes: Yellow market is very similar to reds. Supplies are good which is causing a downward pressure on prices. Quality is very good and we should not have any issues going into the fall.

GARLIC

Chinese Garlic prices have moved up slightly. There has been consistent supply of peeled and fresh Spanish garlic in the Eastern markets.

CABBAGE

The Round Green Cabbage market is up this week with light supply and good demand.

LEAF LETTUCE

The Leaf market is extremely active. Romaine supplies continue to be tight due to quality issues. The hot and humid weather has increased the bug activity along with fringe burn, small seeders and light mildew. Romaine hearts are a little better as majority of the quality issues are on the outer leaves but insects are still a problem. Green leaf and red leaf supplies are also light and experiencing the same quality issues as romaine. Butter lettuce is doing better with good quality and good supply. Expect the leaf market to continue to go higher next week until the weather and quality improves.



ICEBERG LETTUCE

The Lettuce market continues to remain active and prices are slightly up this week. Supplies are tight. The warm temperatures are taking a toll on iceberg quality. There have been reports of misshapen and spongy heads along with seeders, fringe burn, and weak tip due to heat and humidity. Look for this market to remain light if not tighter next week as shippers are struggling to find good quality crops to fill the demand.

ONIONS

The market continues to trend down. Supplies are steady coming out of Washington and Idaho. California crop should be done by the end of this week and New Mexico is pretty much done for the season.

CHILE PEPPERS

The Chile pepper market is up this week with light supply and good demand. Product is available out of north Baja and California.

CUCUMBERS

Michigan continues to be the main sourcing region in the East but the market continues to be fragmented. Lighter supplies are causing upward movement on FOB prices. Quality is variable. Look for supply to remain light until North Carolina crop begins around September 1st. Western cucumbers are generally steady but quality is also variable in this market.

SQUASH

Supplies continue to remain tight in the East which is pushing the market up this week. Western prices are slightly weaker as a few more supplies became available. Quality is variable in both growing regions.

GREEN BEANS

Green beans out of Western North Carolina are up with light supply and moderate demand. Machine picked green beans out of Western and Central New York is up with light supply and moderate demand.

EGGPLANT

Eastern eggplants are steady this week. Quality is good. Western eggplants have tightened up with some upward pressure on FOB prices. Quality is variable.

BELL PEPPERS

Green Bells have good supplies out of Michigan and New Jersey in the East and Baja, California and Washington in the West. The market is down from last week with an abundance of good quality supplies.

PRODUCE



TOMATOES

Rounds: The Round market is up on 5x6 sizes while steady on 6x6 and 6x7 sizes. Shippers are expecting the market to remain active throughout the summer as the supplies become tighter. FOB prices will be higher than normal for this time of the year. Eastern Virginia shore crop is finishing up with majority of the crop coming out of Western South Carolina, North Carolina, Tennessee, New Jersey, and Alabama. The Western market has been hit with very hot weather which may cause shorter shelf life on the rounds. Quality is variable as products breakdown earlier than usual due to weather issues.

Romas: Supplies continue to be tight in both Eastern and Western markets. The Eastern market is steady to slightly down while The Western market is slightly up. Quality continues to be extremely variable. We are about two weeks away until the new fields come into production.

Cherry and Grape: Cherry tomatoes are tight in both East and West markets. Prices are steady but quality remains variable. Grape tomatoes are active this week with higher FOB prices this week than last week. There is a wide range of quality reported in both markets.



CARROTS

The Carrot market is up this week out of Kern District California with good supply and moderate demand. The Carrot market is down out of Mexico crossing through Texas with light supply and light demand. Availability is good for jumbo carrots out of California.



CELERY

The Celery market is down this week out of Santa Maria and Salinas-Watsonville, California with light supply and moderate demand. Quality is good overall.



GREEN ONIONS

Green onions are up this week with light supply and moderate demand. The iced market remains depressed as product is still crossing daily from Mexico. Production in Quebec, Ohio and Michigan is scheduled to start. The iceless market is seeing lighter demand with steady supply coming in from Mexico.



CAULIFLOWER

The Cauliflower market is up out of Salinas-Watsonville and Santa Maria, California this week with light supply and good demand. Quality is fair to good.



ASPARAGUS

Peruvian asparagus market is up on large, smalls and standards sizes with light supply and moderate demand. Quality out of Peru is good. Asparagus out of Mexico is up on large and standard sizes and flat on smalls. Quality out of Mexico remains good.



BROCCOLI

The Broccoli market is down this week with light supply and moderate demand. Warmer weather caused quality issues to arise which caused a loss of product at field level. Supply has since stabilized; the quality of the product is fair.



TROPICAL

PINEAPPLES

Pricing has stabilized. Large sizes remain tight, and small supplies are sufficient. Fruit is firm, yet juicy with tropical flavor. Sugar levels are high, averaging on 15 brix.



BANANAS

Supplies are much better and quality is good.



AVOCADOS

There is large volume on 48's and lower volume of 60s/70s. Overall, industry movement has been strong but there is some market instability due to a size curve producing primarily 48s. The total market continues to be a mix of California, Mexico and Peru. The California harvest continues to decline, and production is expected to decrease throughout August and should wrap up in September. Mexican production is strong; the Flor Loca continues to be large in volume and size. There are no major quality issues at this time.

PRODUCE

MELONS



CANTALOUPE

The Market is steady with good demand and steady supplies but keeping up with inventories has been difficult. We are peaking on 12's and the larger fruit is very strong. The overall quality is excellent with nice internal and external color and fruit is eating like candy. We expect to have good supplies here on the Westside through mid-October and then we will transition to the desert for the fall melon deal.



HONEYDEW

The Market is very strong due to excellent demand and less overall acreage in the ground. We will see prices stay firm probably through mid-October due to lighter overall volume. The overall quality has been excellent.

BERRIES



BLACKBERRIES

Blackberries are in tight supply as well and little relief is in sight. CA's volume continues to rise toward peak season, yet is currently affected by erratic weather.



RASPBERRIES

Raspberries are also sold out on a daily basis. Quality is excellent. Volume from CA continues to increase, but quality is variable due to recent erratic weather.



STRAWBERRIES

Strawberries remain in tight supply! Bad storms in Watsonville have affected the crop. No relief is expected before October at the earliest. New Crop from Santa Maria is starting but demand exceeds supply. Quality is fair overall. Warm nights and higher relative humidity continue to create textural issues. Sizing is also smaller due to the heat.



GRAPES

The market is steady but high on red seedless and green seedless. Growers will be harvesting flames for the next 2 weeks and will also start crimsons this week and scarlet royals next week so supplies will start to increase on red seedless. Growers are currently packing Princess for green seedless and will start Autumn Kings in the coming weeks. The overall quality is fair to good with some erratic sizing due to the water situation, the sugar is very good and we are going to experience some warmer-than-normal days over the next week which could slow harvest Sugar and strength of the fruit is excellent. We will have good supplies through November barring any major weather issues.



BLUEBERRIES

Blueberries are winding down out of the Northwest. As supplies dry up shippers are attempting to raise prices accordingly. Quality remains good overall.



PRODUCE

HANGING FRUIT



APPLES & PEARS

The apple market is right on course at this time. You will find new crop Gala and GingerGold apples being offered from Washington, along with the California Gala's. Large Gala apples from both States are in short supply with 100 and 113 counts being the most dominant size. The Controlled Atmosphere apples, which are primarily Red Delicious, Gold Delicious, Fuji and Granny Smith, are still in good condition and demand remains steady. Consequently, prices are rising to reflect the demand. At this time it is estimated that the 2015/2016 apple season will be smaller than last year with more of the varieties being made available than in the years past. We will continue to keep you updated on the changes as the new season develops.

The pear market remains to be in the California "wheelhouse" Bartlett's and Bosc along with Seckel and Red Pears are readily available. Good supply of Comice by week's end. Washington new crop Bartlett's will be available next week with D'anjou following in mid-August.

STONE FRUIT

Not much has changed with Tree Fruit. Yellow Peaches and Yellow Nectarines are peaking on larger sizes, although volume on Nectarines is down slightly. White Peaches and White Nectarines are the best quality and sweetness of the season. Good supplies of Black Plums.

CHERRIES

Growers are selling out every day. FOB prices remain steady for the time being. Quality remains variable.



CITRUS

LEMONS

The Market is steady on California fruit and has eased a bit due to the influx of Chilean arrivals and Mexico starting. The first of the Mexican fruit we have seen looks pretty rough but growers are telling us we will see better fruit next week. We will start crossing some of our fruit this week and will keep you posted on overall quality. The California fruit quality is fair to good with fruit being weaker in some areas as the lack of water is taking its toll on the strength of the fruit. The Chilean fruit has been pretty nice; some containers have arrived with a fair amount of decay.

ORANGES

Market is very strong and steady as demand exceeds supply on 113's and 138's on both grades and will continue to do so through October until we start new crop California navels. The overall quality is good to fair with some re-greening on the bloom end and stem end due to the hot temperatures. We are gassing some of the fruit to bring the color back if the block is heavy green. Please keep in mind that the fruit we are harvesting is 17 months on the tree has heavy scars and it is not firm in some blocks. The internal condition is excellent with great sugar and juice content.



LIMES

Pricing continues to increase but is expected to come off in the next week or so. Supplies are a little tight, quality is pretty good. There is some stylar showing up over the last week.

