



## MARKET OVERVIEW

December 20, 2005

### **EAST MARKET REPORT**

The Florida deal has started in a small way with very high pricing. Quality on the other hand, is improving daily.

Tomatoes, Peppers, Cucumbers, Corn, Beans are still hard to find. Tight Mexican vegetables keep FOB prices high.

### **WEST MARKET REPORT**

Strawberries are completely finished in California.

California crops continue to be effected with cold temperatures and slow labor, which will keep most markets strong.

### **A note from “the Packer”**

Growers in Arizona — where more than 80% of the U.S. winter lettuce and leaf crop is produced — fear such a situation, as a get-tough approach on the border is leading to rampant shortages of harvesting laborers.

Many harvesting crews are limited to half the number of workers necessary to pick the crop, with Border Patrol agents intercepting more and more illegal immigrants that in the past used to spend their daytimes in Yuma-area vegetable fields, returning home at nightfall.

When growers can't find adequate labor, they simply disc their time-sensitive crops back into the ground, sometimes hundreds of acres at a time.

So far, the worker shortages have not had an adverse effect on the market

### **Lettuce**

Ice on the heads of lettuce, not uncommon in Yuma's winter crop, forced harvest crews to wait six hours on some days. With tighter supplies, markets rose the week of Dec. 12, and shippers expect prices to stay firm through Christmas

Morning frost and ice in the fields has slowed production and tightened supplies. Prices are up off the floor and shippers will try to keep pricing up as long as possible. Look for

quality to be sub-par, because of the ice in the fields ---- blister, peel and mechanical damage will be evident in most packouts along with smaller heads and lighter weights. Labor shortages due to shortened harvest times are also slowing production.

### **Broccoli/Cauliflower**

Broccoli and cauliflower seem to be the only vegetable items that have a little demand, as cooler weather in the desert has made them come on slower.

### **POTATOES**

It's cold out in Idaho. So cold in fact, that shippers are having trouble hauling spuds between the storage sheds and packing sheds. Some shippers have even taken the last two days off because there is nothing for their packing crews to do. Quality wise, every thing looks good. Supplies will remain tight until the weather warms up just enough to get the transfer trucks running again. If this cold weather sticks, expect a little jump in prices due to supply and demand.

### **GRAPES**

There are still a few shippers who have fair to good quality on Red seedless and red globes, with the biggest issue being color. That is typical of this time of year, with domestic grapes winding down. The Chilean deal should be starting soon, and will be running fully by early January.

### **CITRUS**

The overall Navel market continues to fall as we get farther into the deal. 56 size and larger are tighter, with sizes still peaking on 88s and larger. Plenty to go around.

Lemons have moved from being heavy on the small sizes to heavy on the bigger sizes. 140s and smaller are tightening up, with FOBs on 115s and larger starting to fall

### **MELONS**

Melons are starting to come in with better numbers from the offshore deal, and sizing looks to now be shifting to the larger sizes 6, 9, 12's on cantaloupes, as opposed to the smaller sizes we have seen the previous three weeks.

### **ONIONS**

Shippers are already beginning to talk up the end of this deal even though it typically isn't until March. The word is shippers are expecting higher levels of shrink this year.

That coupled with the decreased storage level leave shippers thinking this deal could wind up a couple weeks earlier than usual. What all this means is shippers will more than likely try to start pushing this deal a little higher. They might wait until the first of the year, but the end of the storage deal could get wild this year.

### **PEARS**

D'Anjous look good. We will see a smaller crop than last year. Comice, Forelle, Seckel and Asians are available. Concorde pears are very limited in supply. Keep in mind that Red Anjous hold up in transit the best out of all the red pear varieties.

### **APPLES**

With an estimated 10 million carton drop in shipments from last year, Washington state grower-shippers said they need and expect prices to improve..