

LIBERTY FRUIT CO., INC.

WEEKLY MARKET REVIEW

December 29, 2011

MARKET ALERT

Asparagus
Cauliflower
Garlic (California)
Snow peas

OVERVIEW

Holiday demand is lackluster for many of the row crop items in the desert regions of Southern California and Western Arizona; iceberg, leaf, romaine and broccoli. Vegetable items in Florida and Nogales are also in good supply, including cucumbers, bell peppers, squash and tomatoes. Deflationary trends seem to be in place for many of the winter vegetable markets.

TRANSPORTATION

Trucks are in tight supply in all western growing areas with many drivers taking vacation time during the holidays. Freight rates have advanced sharply. We expect to see better availability by the week of January 9th.

WEATHER UPDATE

Clear skies in the desert growing areas and highs are in the upper 60s/70s, and lows warming to the 40s for the remainder of the week. Southern California is experiencing cooler than normal temps with patchy, dense fog along the coast. Lows are in the mid 30s with high temps reaching mid to upper 60s.

AVOCADOS

Prices have firmed with tightening supplies for Mexican and Chilean Hass. Production in Mexico has dropped due to rainfall and cold temperatures, in addition to a shortage of field harvest personnel. Demand is strong for holiday promotions. Late vessel arrivals from Chile have contributed to the supply deficit. Calavo has a limited supply of California new crop avocados. All shippers should have limited volume of California supplies by mid January.

CALIFORNIA-ARIZONA CITRUS

Oranges: Plentiful availability for California navels; best value on 72s, 88s, 113s & 138s. Quality, taste and appearance are excellent.

Lemons: Sunkist continues to secure all supplies available in the sizes and grades of demand to keep the supply chain steady and uninterrupted before, during and after the holidays. Availability is good on 140s and larger. District 3 is peaking 115s/140s, followed by 95s. 165s and smaller standard grade is available. District 1 harvest is increasing, peaking 140s/115s/165s and growing. Production continues to increase in the San Joaquin Valley, while the Ventura County harvest will not be in full swing until mid-February.

Limes (Persian): Expect adequate supplies for next week. Sizes will be run heavy to new crop 175s smaller with limited supplies of old crop 110-150s. Expect sizes 110-150s to show a lighter green and some lighter yellow due to blanching.

Grapefruit: Sunkist reports that Texas Rio Star variety is available in a full range of sizes (27s-56s).

Specialty Citrus Items: Good supplies on Clementines, Minneola tangelos, Fairchild tangerines and Pummelos. Satsuma mandarins available into early January. Cara Cara navel are coming into full production; early season size profile is heavy to mid and smaller sizes (72s, 88s, 113s & 138s).

Pineapple: Good availability, primarily Cost Rica.

CALIFORNIA LETTUCE & MIXED VEGETABLES

Iceberg Lettuce: Good supplies. Liner lettuce still showing signs of frost damage but the wrap lettuce shows very little. Weights are in the low 40s and 30 size lettuce is above average production.

Romaine: With cooler weather expect to see many to most heads showing epidermal peeling along with dark discolored areas. Volume and demand is steady.

Romaine Hearts: Average supplies. Overall demand is off due to the holidays. Plants are starting to grow out of the blister that has been prevalent.

Green and Red Leaf: Green leaf supplies will be light this week. Red and butter supplies will be plentiful.

Broccoli: Supply should cover demand. Good amount of crowns material available this week.

Cauliflower: Fair supplies this week in Yuma. 9's and 16s are in about average production. On snow-white curds, the size may be on the small side and weights will run between 26 to 28 lbs. Volume should remain in check with current weather pattern.

Celery: Industry for last week saw a downward trick in demand and price. Harvests were curtailed randomly by different shippers due to lack of demand.

Artichokes: Good supplies of 24s, and an abundance of 36s. Most artichokes will show frost damage and the resulting discoloration; however this in no way is detrimental to quality.

Asparagus: Exports to the U.S. from Peru have been very limited during the holidays with growers holding off on opening new fields. New crop asparagus from Mexico is not yet available; prices have advanced to extreme levels. Growers in Mexico are looking for a warming trend to stimulate production that has not yet materialized.

Carrots: Good availability in California for all sizes expected through January.

Green Onions: Light production in Mexico due to cool, wet weather conditions, and a seasonal harvest labor shortage have combined to push prices sharply higher. This situation will continue into early January.

Parsley (curly): Adequate supplies.

Parsley (Italian): Adequate supplies.

Spinach (bunched): Adequate supplies.

Kale (green): Adequate supplies.

Cilantro: Supplies are down industry wide; should be in better shape next week.

Green and Red Cabbage: Good availability on green and red cabbage; California, Texas, Georgia and Florida.

Bok Choy: Increasing production for new crop bok choy in the Desert Southwest.

Napa: Good availability, competitive prices.

Snow peas: Moderate availability in California, Mexico and Guatemala.

Garlic: Steady availability and wide range in prices from California, Mexico and China. Volume price discounts are available from selected shippers. Quality is outstanding for both fresh and peeled garlic packs.

Spring Mix: Adequate supplies, quality improving.

Spinach (baby): Adequate supplies.
Arugula: Adequate supplies.
Mache: Limited availability.
Frisee: Tight availability, quality fair.
Radicchio: Good availability.

BERRIES

Strawberries: Production is on the increase for Mexican strawberry growers, Florida also. Prices have eased for University of California variety growers, while proprietary variety berries continue to command a premium. Availability will continue to increase going into the New Year.
Raspberries: Increasing availability from Mexico.
Blackberries: Increasing availability from Mexico.
Blueberries: Good supplies of Chilean blueberries.

MELONS

Cantaloupes: Adequate supplies of new crop cantaloupes from Guatemala. Peak sizes 6s and jumbo 9s. Very limited supply of small sizes 15/18ct.
Honeydews: Moderate availability for honeydews from Guatemala. Small sizes from shippers in Nogales represent the best value; best quality from Southern Mexico.

WASHINGTON APPLES

Good availability on all new crop varieties, including Braeburn, Fuji, Gala, Golden Delicious, Granny Smith and Red Delicious...also Braeburn; Bartlett, Bosc and D'Anjou pears.

GRAPES & SOFT FRUIT

Grapes: Early season Chilean and Peruvian red and green seedless are available, with moderate availability. Supplies will increase by mid-January.
Kiwi: Good supplies for new crop California kiwi.
Peaches and Nectarines: Finished.
Plums: Finished.

EASTERN & WESTERN VEGETABLES

Green Bell Peppers: Despite light holiday demand, we are seeing strength in the market, with prices firming. If truck availability improves, strong demand has the potential to push this market higher. Red and yellow bell peppers are in adequate supply, with late-season colored once again available in Coachella.

Cucumbers: Plentiful supplies in Nogales and Florida...imports arriving soon from Honduras.

Green Beans: Oversupply in Nogales, good availability in Florida.

Eggplant: Oversupply in Nogales, good availability in Florida.

Squash:

- **Zucchini**: Good supplies in Florida, moderate availability in Nogales; however the price trend in Nogales is easing.
- **Yellow**: Good supplies in Florida, moderate availability in Nogales; however the price trend in Nogales will soon ease.
- **Acorn**: Good supplies in Nogales.
- **Butternut**: Good supplies in Nogales.
- **Spaghetti**: Good supplies in Nogales.
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TOMATOES

Round: Plentiful availability on medium sizes (5x5, 5x6) in Florida and Nogales. Large sizes (4x4, 4x5) are available in Nogales. We are early in the Mexican season; indications are that we will have continued plentiful supplies and competitive prices through early 2012.

Roma: Improved availability for all sizes; prices expected to ease soon.

Cherry: Good supplies in Baja California and Florida.

Grape: Good supplies in Baja California and Florida.

***POTATOES (Idaho)**

Plentiful availability for Burbank and Norkotah varieties in all growing areas. Tight supplies and high prices on red potatoes.

***ONIONS**

Continued light demand overhangs the onion market, keeping prices near the bottom for red and yellow onions. Adequate demand maintains firm market conditions for white onions. Mexican onions will become available by early January, with full production on red, yellow and white onions expected by late January.

*Tight availability on trucks continues in the Northwest.

<u>Commodity</u>	<u>Price</u>	<u>Quality</u>
Iceberg	low	fair
Romaine	low	fair
Romaine hearts	moderate	fair
Green and red leaf	moderate	fair
Broccoli	moderate	good
Cauliflower	high	very good
Celery	low-to-moderate	very good
Carrots	moderate	good
Artichokes	low-to-moderate	good
Asparagus	extreme	good
Green onions	high	good
Parsley (curly)	moderate	good
Parsley (Italian)	moderate-to-high	good
Spinach (bunched)	moderate	good
Kale (green)	moderate	good
Cilantro	moderate	good
Green cabbage	moderate	good
Red cabbage	moderate	good
Bok Choy	high	good
Napa	moderate-to-high	good
Snow Peas	high	good
Garlic	moderate to extreme	good
Spring Mix	-	good
Spinach (baby)	moderate	good
Arugula, Mache, Frisee, Radicchio	-	good
Raspberries	high	good
Blackberries	moderate	good

Strawberries	moderate-to-high	good
Blueberries	moderate	good
Oranges	moderate-to-high	very good
Lemons	high	good
Limes	moderate	excellent
Grapefruit	moderate	good
Pineapple	moderate	good
Cantaloupes	moderate	good
Honeydews	moderate	good
Red and Golden Delicious Apples	moderate	good
Grapes-Green Seedless	high	good
Grapes – Red Seedless	high	good
Kiwi (California)	moderate	good
Peaches and Nectarines	-	finished
Plums		finished
Avocados-Mexican	moderate	good
Zucchini	moderate-to-high	good
Yellow squash	moderate-to-high	good
Cucumbers	moderate	good
Bell peppers, green	moderate	good
Bell peppers, red	high	good
Green Beans	low	good
Eggplant	low	good
Round tomato	low-to-moderate	good
Roma tomato	moderate	good
Cherry, Grape tomato	low-to-moderate	good
Idaho Russets	low	good
Yellow, White and Red Onions	low-to-moderate	good