OVERVIEW

Temperatures are showing a warming trend; we will see good supply on most commodities for the next few weeks. Navels and Strawberries remain EXTREME. Zucchini and Yellow Squash are EXTREME, with severe losses in Mexico due to rain and freezing temperatures. Celery is a good buy.

MARKET ALERTS

AVOCADOS - ESCALATED
CARROTS (JUMBO) - ESCALATED

GARLIC - EXTREME
HONEYDEW – ESCALATED

NAVELS - EXTREME
PARSELEY (ITALIAN) - ESCALATED

PEPPER (ANAHEIM & TOMATILLO) - ESCALATED
POTATOES - EXTREME

SQUASH (YELLOW & ZUCCHINI) – EXTREME
TOMATOES (East Coast) - ESCALATED

TRANSPORTATION & WEATHER

Freight rates will continue to remain stable; however, LTL trucks remain short. Fuel prices are mixed; the East Coast is averaging $2.85/gallon, while California’s average for diesel was the highest at just under $3.85/gallon. We expect to see light availability of trucks to continue due to weather, and shortages of drivers/equipment nationwide.

PALMETTO, FL:

<table>
<thead>
<tr>
<th>Thu 2/13</th>
<th>Fri 2/14</th>
<th>Sat 2/15</th>
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<td>95°F</td>
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OXNARD, CA:

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<th>Fri 2/14</th>
<th>Sat 2/15</th>
<th>Sun 2/16</th>
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<tr>
<td>Mostly Sunny</td>
<td>Sunny</td>
<td>Sunny</td>
<td>Sunny</td>
<td>Partly Cloudy</td>
<td>Mostly Sunny</td>
<td>Sunny</td>
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FRUITS & VEGETABLES

**AVOCADOS** Escalated Markets are starting to escalate resulting from a dip in inventory and harvest volume as a result of weather issues last week in Michoacán. In addition to the dip, we are seeing an unfavorable size curve that is heavily skewed towards small fruit – 60’s and smaller. 48’s and larger are extremely tight and growers in Mexico are holding on to that fruit to draw premiums, and we are already seeing open market quotes in the mid 40’s and going up. Please keep in mind that with everybody shifting down, the market on small fruit will get stronger and supply will tighten up for the next couple of weeks. We are waiting on California to ramp up which should supplement for the loss in Mexican volume. At this time, sustainable volume out of California is still 2-3 weeks out. For the next several weeks we will need to be flexible on size due to the shortage of larger fruit and will keep you informed as the market improves.

**BANANAS** Banana sizing is down due to typical weather patterns in the tropics. This has also affected the overall quality as is expected during this time of year. The tropics are in the midst of their “Winter” and the cooler temps are causing some issues.

**PINEAPPLES** Pineapples are very tight right now with lower imports. Smaller sizes are becoming less available due to the lower numbers on the 5s & 6s. Please consider being flexible in your pineapple sizing.

**GRAPEs** Red seedless Grapes remain in short supply but will begin to loosen up next week. Movement in the domestic market has slowed due to the drop in green seedless pricing. Chile is sending some red grapes but most are on the smaller side due to the effects of the extensive drought experienced. The Green Seedless market has adjusted due to Peru sending more Jumbo Sweet Globes and Ivories. The Jumbo market has adjusted. Chile is sending Thompsons and Sugraones with a higher % of M/L which has pulled the market down.

**BLUEBERRIES** Watsonville production will remain flat. Santa Maria, Oxnard, and Baja volumes will continue to increase in the coming weeks. We may have reduced volumes from Michoacán for the next month due to the cool weather.

GOOD BUYS

Each week, our team spotlights commodities based on how favorable prices, quality, and supply are in the market. Stay ahead of the trends and look to these good buys for their stellar performance in the fields! Please see each individual product for more information below and reach out to your PA representative for order guide information.

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Produce Expert Tip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broccoli</td>
<td>Roasted broccoli is THE BEST it is tender and slightly crispy and delicious. Toss broccoli florets with oil, garlic, salt and pepper and spread them on a baking sheet. Roast them until the edges are crunchy and serve the dish warm. Enjoy!</td>
</tr>
<tr>
<td>Mangoes</td>
<td>Although we may not be in grilling season, that does not mean you cannot get a grill top and throw some mangoes on it! Slice mangoes, score them, and place them on the grill top until they start to caramelize. Then, top with your favorite desert!</td>
</tr>
</tbody>
</table>

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BLACKBERRIES Due to cooler-than-expected weather, supply is decreasing.

RASPBERRIES Due to cooler-than-expected weather, supply is decreasing.

STRAWBERRIES We are experiencing extremely challenging weather in Central Mexico, Florida, and West Coast growing regions. Mexico has cancelled harvests due to heavy rain. The West Coast has been unseasonably cold. Florida has been colder than normal and has experienced heavy rain and wind. As a result of this, please expect to see shortages in product and prices to rise this week and next. The weather is predicted to be better next week, and hopefully we will see better conditions in two weeks. We will keep you as informed as possible as we receive additional information.

CALIFORNIA-ARIZONA CITRUS

GRAPEFRUIT Star Ruby grapefruit volume is limited, with a strong market. The fruit is amazing and supply will continue to go up.

LEMONS Supply is up right now, with limited volume on 200s and smaller. Bigger sized fruit pricing will be on the decline, and the smaller fruit will be trending the opposite way. 140s and smaller will start to increase in pricing. The quality has been excellent and the fruit is beautiful.

LIMES Good supply of limes crossing.

NAVELS/ VALENCIAS **EXTREME** The small fruit supply has taken a turn for the worse, and the market is up on 113s and smaller. Please know that we will continue to accommodate as best as we can, but flexibility with size and grade will be greatly appreciated. We anticipate this challenge for the next few months and appreciate your patience. We will keep you as informed as possible as we receive additional information.

Imports/Specialties available:
- Cara Caras: The market is strong and supply is good.
- Blood Oranges: Bloods are available; good quality.
- CA Pummelo are available.
- Sweeties are available.

WEST COAST LETTUCE

Green Leaf: Supply and quality are good.
Red Leaf: Supply and quality are good.

BUTTER Good supply this week; overall quality is good.

ICEBERG LETTUCE Available supply has decreased slightly due to the rain in the desert on Monday. Market is up slightly.

ROMAINE / ROMAINE HEARTS Supply is good this week and next. Overall quality is good.

EASTERN & WESTERN VEGETABLES

PEPPERS

Green Bell Pepper: Florida volume is gradually improving despite hit and miss quality due to weather pressure earlier this month. FOB prices are steady this week. In the West, crossings through Nogales and McAllen have jumped, and supply is plentiful. Quality is very nice on new crop.

Red Bell Pepper: Supply will be snug over the next several weeks and quality could be marginal. A lot of open field and shade house product out of Sinaloa was affected by last month’s rain. We do not expect supply interruptions but are seeing consistency in quality issues. FOB prices are unchanged this week.

Yellow Pepper: Supply will be snug over the next several weeks and quality could be marginal. A lot of open field and shade house product out of Sinaloa was affected by last month’s rain. We do not expect supply interruptions but are seeing consistency in quality issues. FOB prices are unchanged this week.

Mini Sweet Pepper: Baja, Sinaloa and Sonora production will remain light, but we anticipate an increase sometime this month. Decent product expected to begin in the Southeast soon.

Mixed Chili Pepper: (Anaheim & Tomatillos– **ESCALATED**) We are seeing very low harvest numbers on Anaheim pepper and Tomatillo out of Northern Sinaloa this week and anticipate this to be the case for the next 3 to 4 weeks. Rain and cold
nights the last 36 hours, in addition to the weather issues last month, have affected the quality and maturity of the fruit currently being harvested. Florida supply is lighter this week and markets are higher.

**EGGPLANT** Markets are getting snug in Florida as winter crops wind down. We expect improvement in 14-21 days once new crop ramps up out of Central Florida. In the West, production is down due to weather. Quality is marginal; FOB prices remain steady but are expected to rise.

**CUCUMBERS** We are seeing better numbers on Honduran product loading in South Florida this week. Growers in Mexico are seeing better volume this week, volume out of both regions is mixed putting upward pressure on the markets.

**ENGLISH CUCUMBERS** Good volume crossing through Nogales and McAllen.

**GREEN BEANS**: Florida bean production has leveled off quality is good. Quality is mixed. In the West loading through Nogales, we are seeing major improvements on quality and volume, and FOB up this week causing a mixed market.

**ZUCCHINI AND YELLOW SQUASH (Florida and Mexico—EXTREME)** Volume in the East continues to be a struggle as weather-related issues are affecting quality and volume in current fields as well as causing delays on new crop production. We could see this market stay extremely volatile due to recent weather events in Mexico. In the West, we have had growers declare an Act of God due to a loss of their crop. Freezing temperatures earlier this month have impacted several regions of Northern Sinaloa and Central Sonora while rain has flooded areas of Culiacan. We expect to recover from the loss of this crop sometime in March, and see the Mexican market remaining extremely short for several weeks with hit and miss quality.

**MELONS**

- **Cantaloupe**: Cantaloupe supply has slightly picked up with some additional smaller sizing finding their way in. Markets remain steady currently with no changes anticipated over the next 7-10 days. Strong retail promotions are currently in place on larger fruit which should assist in keeping pricing consistent. Second cycle production from the Zacapa valley of Guatemala will begin arriving the last week of February. There is concern of increased whitefly population in this region similar to the Spring of 2019 which negatively affected volumes due to lower yields. We are closely monitoring the situation this year and will share if we believe March/April production will be impacted.

- **Honeydew**: ESCALATED Honeydew production has been consistent with lower quality fruit from Honduras finally cleaning up and being removed from the market. A slight decrease in supply is anticipated over the next few weeks before Guatemalan production begins to increase later this month.

- **Watermelon**: The seedless watermelon market is seeing good quality. Sizing is peaking on larger fruit (4ct) as well as 60ct bins.

**HERBS**

- **Savory**: Showing some burnt ends still and should be back within the month.

<table>
<thead>
<tr>
<th>HERB</th>
<th>SUPPLY</th>
<th>QUALITY</th>
<th>COUNTRY OF ORIGIN</th>
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<tbody>
<tr>
<td>Arugula</td>
<td>Steady</td>
<td>Good</td>
<td>USA</td>
</tr>
<tr>
<td>Basil</td>
<td>Steady</td>
<td>Good</td>
<td>MEXICO</td>
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<tr>
<td>Opal Basil</td>
<td>Steady</td>
<td>Good</td>
<td>MEXICO</td>
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<tr>
<td>Thai Basil</td>
<td>Steady</td>
<td>Good</td>
<td>USA</td>
</tr>
<tr>
<td>Bay Leaves</td>
<td>Steady</td>
<td>Good</td>
<td>Colombia</td>
</tr>
<tr>
<td>Chervil</td>
<td>Steady</td>
<td>Good</td>
<td>USA</td>
</tr>
<tr>
<td>Chives</td>
<td>Steady</td>
<td>Good</td>
<td>MEXICO</td>
</tr>
<tr>
<td>Cilantro</td>
<td>Steady</td>
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<td>USA</td>
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<td>Tip Burn</td>
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<tr>
<td>Sorrel</td>
<td>Steady</td>
<td>Good</td>
<td>USA</td>
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**ARTICHOKE** Volume is increasing as we head into the early spring plantings. Quality is improving, although we are still seeing some light frost damage from the cool weather in the growing areas. Look for supply to continue to improve.

**ARUGULA** Supply is still below normal but is improving. Quality is also improving although there is still some light damage from the cool weather.

**ASPARAGUS** Mexico is experiencing some cold weather, but volume has not been impacted. Market is steady and quality is good.

**BOK CHOY** Supply is normal this week.

**BROCCOLI / BROCCOLI FLORETS** Supply is steady. Quality is good.

**BRUSSEL SPROUTS** Supply and quality are good.

**CABBAGE (GREEN)** Good quality and supply.

**CABBAGE (RED)** Supply has decreased this week.

**CARROTS ESCALATED** Jumbo carrot market is getting active as sizing is becoming a challenge. Supply is also getting tighter across the entire category due to weather.

**CAULIFLOWER** Supply is steady this week.

**CELERY** Supply and quality are good.

**CORN** Markets remain firm although pricing is slightly lower than last week. Production is still slow to ramp back up out of Florida. In the West, we are seeing volume begin to cross through Nogales. We do expect markets to remain firm this week.

**CILANTRO** Supply is expected to steady this week.

**FENNEL** Good supply this week and next. Overall quality is good.

**GARLIC: EXTREME** The garlic market as a whole remains very volatile, largely due to inconsistent, unstable supply of Chinese garlic. From mid Nov to mid Jan, the market did settle some as a few more Chinese lbs. became available. However, in the past month, supply has dwindled. The market for Chinese peeled 4/5lb. cases is increasing. Factoring in the Chinese New Year holiday and coronavirus concerns, Chinese supply is forecasted to remain tight for the foreseeable future.

**GINGER** Chinese ginger markets are mixed, but quality is good. Also, product is available at higher costs from Brazil, Peru, and Thailand. We could see Chinese ginger prices tick upward should tariffs remain in place.

**GREEN ONIONS** Supply continues to improve, market is steady.
JICAMA  Storage product is available; expect to see blemishing as it’s storage fruit. Supply stable.

KALE (GREEN)  Bunched kale supply is expected to be steady this week.

MACHE  Availability is adequate.

MUSHROOMS  Markets and supply are steady. Quality is good.

NAPA  Supply and quality are good.

RAPINI  Supply is projected to be above budget this week. Quality remains strong overall.

PARSLEY (CURLY, ITALIAN)  ESCALATED  Supply is expected to be steady this week.

RADISHES  Markets are firming up due to heavy precipitation and wind damage to fields.

SUGAR SNAP PEAS & SNOW PEAS  Good supply and quality.

BABY SPINACH  Supply is improving with the warmer weather.

BUNCHED SPINACH  Supply is improving with the warmer weather.

SPRING MIX  Supply is improving with the warmer weather.

SWEET POTATOES AND YAMS  Demand for sweet potatoes continues to be high. We will see the market remain steady. FOB’s out of all growing regions remain above average, but we should not expect a spike.

ONIONS  The market is experiencing some instability with Mexico beginning to cross heavier volumes. As noted previously, the onions in storage have been mediocre because of the weather issues during both planting and harvest. We expect that we will continue to see more damage as onions sit in storage, and the supply situation for the remaining 3-4 months of the storage crop could decrease significantly. However, depending on the size of the Mexican crop, and the continued presence of offshore onions from Holland, we may not see the spikes this season that many have anticipated. This is a historically slow time of year for onion movement, and as demand picks up, we still certainly could see some upward movement. Many growers in the Northwest are still claiming they will be short this season, so if there will be a dramatic spike in the market it is likely to take place during the second half of March and the month of April.

POTATOES  EXTREME  We are still experiencing an escalated pricing situation, and we anticipate this will be the case for much, if not all, of the season. We continue to see large size cartons in the 40ct through 70ct range remain limited, which is an indication of shorter yields and supply. Growers are still assessing how much damage was done by the freeze, but it is estimated that 20%-30% of the entire Idaho crop was impacted by freezing temperatures. We will continue to see the effects as product sits in storage and internal issues begin to rear themselves. Potato processors are also short, which is creating added competition for the fresh market to secure supply, as these companies are offering higher dollar amounts than the fresh market is currently garnering. Sheds are facing pressure to raise prices and increase returns to growers in order to fend off these purchase offers from processors. It is believed that during the months of March/April, when other russet growing regions finish shipping their crop, that the market may become very short as customers will look to Idaho to fill their supply gaps left by these other regions.

TOMATOES

East Coast

- Rounds: ESCALATED  Florida rounds volume is lighter this week and demand is unchanged. Weather permitting, production will slowly be making its way back to normal numbers mid-February. FOBs have firmed back up. Smaller fruit is short as growers are in their crown picks now. Quality remains fair. This market could turn quickly should the Mexican production stop this week due to recent weather issues.
- **Romas ESCALATED** Florida romas turned back around and are very active once again. This is an effect of high demand, low volume on what was plants, and overall lower than normal acreage planted by the Florida growers. To further add pressure to Florida...Mexican production and quality are at historic lows due the weather and virus pressure. We expect high markets to continue through February.
- **Grapes: ESCALATED** Volume is normal and pricing is more firm this week. Quality is excellent.
- **Cherries: ESCALATED** Demand is very good. Quality is excellent.
- **Organic Tomatoes: EXTREME** Markets are up this week; very limited supply.

**Mexico**

- **Round-WATCHLIST:** Just as the Mexican crop improved, we see a weather front go through Mexico with freezing temps and rain. This will further hamper the recovery of the Mexican round market by slowing down production and affecting quality. We expect this to be a long term issue and seeing some growers having major harvest delays and causing them to declare Act of God.
- **Roma-WATCHLIST:** Just as the Mexican crop improved, we see a weather front go through Mexico with freezing temps and rain. This could further impact the roma market by slowing down production and affecting quality and volume by weather and virus pressure. Markets firmed back up and expected to be this way for some time. Open market supply is extremely tight.
- **Grapes: WATCHLIST** Mexican grape volume is down this week, we could see this continue and volume could drop dramatically due to rain and weather impacts. We are not seeing issues yet but markets have certainly reacted and firmed up this week.
- **Cherries-WATCHLIST:** Mexican cherry volume had dipped this week and could drop dramatically due to rain and weather impacts. Markets remain unchanged from last week.

### APPLES, PEARS, TREE FRUIT, AND STONE FRUIT

**APPELS** There is good supply on new crop fruit out of all major domestic growing areas. The Granny Smith market for foodservice will remain tight due to a shift in sizes; there is lighter than normal apple on 100s. Quality is very nice across all varieties.

**PEARS** Very good supply of Bartlett and D’Anjou; quality is excellent. Bosc and Red pears also have excellent supply and quality.

**STONE FRUIT**

**Peaches:** Good supply available out of Chile (Yellow Varieties)

**Plums:** Good supply of Chilean fruit (Red and Black varieties)

**Nectarines:** Good supply available out of Chile (Yellow Varieties)