

TERMINOLOGY

This information defines various terms used in Market News reports.

I. QUALITY

Quality shall be deemed to include size, color, shape, texture, cleanness, freedom from defects, and other more permanent physical properties of a product which affect its market value.

The following terms when used in market reports in connection with Quality shall be interpreted as follows:

FINE: Better than good. Superior in appearance, color, and other quality factors. Fancy is not used as a synonym for fine.

GOOD: In general, stock which has a high degree of merchantability with small percentage of defects. This term includes U.S. No. 1 stock generally, and 85% U.S. No. 1 or better quality on some commodities, such as lettuce.

FAIR: Having a higher percentage of defects than Good. From a quality standpoint, roughly around 75% U.S. No. 1 quality with some leeway in either direction.

ORDINARY: Having a fairly high percentage of defects as compared to Good. Roughly 50 to 65% U.S. No. 1 quality.

POOR: Having a heavy percentage of defects, with a low degree of saleability except to "low priced" trade. More than 50% grade defects.

II. CONDITION

Condition shall be deemed to include stage of maturity, decay, freezing injury, shriveling, flabbiness, or any other deterioration which may have occurred or progressed since the product was harvested and which may continue to progress.

The following terms when used in market news reports in connection with Condition shall be interpreted as meaning:

GOOD: Means such condition as does not justify any price reduction because of condition factors.

FAIR: Means has a slight degree of off-condition factors which may warrant a small price reduction as compared to Good.

ORDINARY: Means having a heavier degree of off-condition factors which may warrant a substantial price reduction as compared to Good.

POOR: Means so badly off-condition as may warrant price reduction. A combination of terms may be used in wide range in quality and/or condition, as poor to ordinary, ordinary to fair, fair to good, etc. These terms may be further qualified by use of such terms as generally, mostly, some, few, etc, as defined in the last column.

III. OFFERINGS AND SUPPLIES

A general statement concerning the volume of offerings or supplies is used whenever it can help explain the current market condition. Used with qualifying terms "light," "moderate," or "heavy." Light and heavy may be modified by "very" or "fairly."

OFFERINGS: The volume voluntarily made available for sale. "Offerings" is used in all instances when the option is with the seller, such as commodities moving from storage.

SUPPLIES: The volume over which no one has control. This term is applicable when production is heavy or when weather conditions or some other factors affect the volume moving to market.

IV. DEMAND

Demand represents the immediate or current desire for a commodity coupled with the ability and willingness of the buyer to pay for it. The following phrases refer to "effective demand", that is, the demand which results in current trading at the market prices quoted. Demand at any given time should be considered in relationship to what might be considered as normal for the season.

Demand Exceeds Supply or Offerings - When demand is substantially greater than available supply or offerings.

Very Good - Demand is well above average for seasonally normal offerings.

Good - Demand is better than average and trading is more active than normal.

Moderate or Fairly Good - Average buyer interest and trading.

Fairly Light - Buyer interest and trading slightly below average.

Light - Demand is below average.

Very Light - Few buyers are interested in trading.

Practically No Demand - Indicates a stagnant condition on the market, with very little interest and very few or no sales.

V. PRICE TRENDS - MARKET TONES

"Market", as used by Market News, represents the price level at which a commodity is traded. "Price trends" are used in our reports to indicate comparisons with conditions and prices which prevailed on the previous day, and in certain situations, conditions expected on the day following or both.

Strong - When prices are measurably higher than the previous trading session, and it is the reporters's opinion that the trend toward higher prices has not yet reached its highest level.

Much Higher - When prices are substantially higher than the previous trading day.

Higher - When the majority of sales are at prices measurably higher than the previous trading session. Actual increase may be shown, e.g., 50 cents higher.

Slightly Higher - Represents a condition in which price advances are less definite and less general than when "higher" is used. The price range need not be higher, but it should show a greater volume of sales at the higher end of the range, making a definitely higher "mostly" price. Also, this term may be used if the price range is higher and a "mostly" price is either not appropriate or unchanged. When in the reporter's judgement, the higher prices are insufficient to affect the market trend, the prices should not be included in the range but should be qualified by "occasional", "few", or "some".

Firm - Prices are tending higher, but not measurably so, although a slightly higher undertone is prevailing.

Unsettled - Used only rarely to indicate a condition of market uncertainty with lack of agreement on the part of the trade as to whether prices tend to be lower or higher. It may also represent a waiting attitude pending the development or outcome of extraneous factors which may affect the market, such as storm damage, labor troubles, etc. and these factors may be mentioned, such as "market unsettled account truckers' strike," etc.

Steady - Prices are unchanged from previous trading session.

About Steady - This is probably the most used term and justifiably so because very seldom does a market situation remain exactly the same two or more consecutive days without some change even though not significant.

Dull - Prices are about unchanged from the previous trading session, trading is inactive, and prices represent few sales. This term should generally be used only at terminal markets when trading is inactive and demand is very light. Shipping point offices will not normally need to use this term because they should fully describe demand and/or trading conditions, which is not possible in terminal reports.

Barely Steady - Indicates a condition of decreasing confidence on the part of most sellers because of decreased demand, supplies not cleaning up, heavier supplies in prospect, etc. Prices are holding at the level of the day before, but a weaker undertone prevails.

Slightly Lower - Represents a condition in which price declines are not as definite nor as general as in "Lower." The price range need not necessarily be lower, but it should show a greater volume of sales at the lower end of the range, making a definitely lower "mostly" price. Also, this term may be used if the price range is lower and a "mostly" price is either not appropriate or unchanged. When in the reporter's judgement, the lower prices are insufficient to affect the market trend, the prices should not be included in the range but should be qualified by "occasional", "few", or "some".

Lower - When prices for most sales are measurably lower than the previous trading session. Actual decrease may be shown, e.g., 25 cents lower.

Much Lower - When prices are substantially lower than the previous trading session.

Weak - Indicates a downward trend. Prices are measurably lower than the previous trading session and may be lower the following trading day.

Demoralized - This term is used only in very unusual cases. It describes a condition in which the market is oversupplied with perishable commodities which cannot be sold except at extremely low prices, in some cases at almost any price offered. This term is not to be followed with a record of sales at reasonable prices.

VI. UNDERTONE

Market sentiment indicating sense of direction of market prices for the following day or few days. This term may be used with any of the preceding terms to express analysis of expected price trends or to indicate market sentiment when prices are not established, e.g. too few sales to establish market "slightly lower undertone" prevails.

VII. TRADING ACTIVITY

The pace at which sales are being made. These term are used in the Shipping Point Trends report to indicate trading activity.

Very Active - Demand is much better than average and available supplies (offerings) are being sold rapidly.

Active - Available supplies (offerings) are rapidly clearing the market.

Fairly Active - Available supplies (offerings) clearing the market at a slightly faster rate than normal.

Moderate - Available supplies (offerings) are clearing the market at a reasonable rate.

Fairly Slow - Available supplies (offerings) are clearing the market at a slightly slower rate than normal.

Slow - Available supplies (offerings) are not readily clearing the market.

Very Slow - Available supplies (offerings) are not clearing the market. Large percentage of supplies are unsold.

Inactive - Sales are intermittent with few buyers and/or sellers.

VIII. QUALIFYING TERMS

The following terms when used by Market News will be interpreted as meaning:

Occasional	1 to 5%
Few	6 to 10%
Some	11 to 25%
Many	26 to 50%
Mostly	51 to 90%
Generally	91 to 100%

"One lot" - means one sale of a commodity at a specified price to a single individual.

IX. BASES OF SALES

Sales F.O.B. Shipping Point - Means that the produce quoted or sold is to be placed free on board the boat, car, truck, or other agency of land transportation at shipping point in suitable shipping condition and that the buyer assumes all risk of damage and delay in transit not caused by the seller irrespective of how the shipment is billed. The buyer shall have the right of inspection at destination before goods are paid for to determine if the produce shipped complied with the terms of the contract or order at time of shipment subject to the provisions covering suitable shipping condition. Such right of inspection does not convey or imply any right of rejection by the buyer because of any loss, damage, deterioration, or change which has occurred in transit.

Delivered Sales, Shipping Point Basis - Means that the produce is to be delivered by the seller on board car, or by truck, or on dock if delivered by boat, at the market which the buyer is located, or at such other market as is agreed upon, free of any charges for transportation or protective service. The seller assumes all risks of loss or damage in transit not caused by the buyer.

X. MIXED LOADING

Mixed Pack Loads - used where mixing two or more types of packages in one car or truck results in higher prices than for straight loads. "100-lb sacks mixed pack 4.25, straight loads 4.00"