



WEATHER UPDATE

Salinas - Partly cloudy to sunny for the upcoming week with highs in the 60s and lows in the 50s. **Oxnard** - Sunny skies fill the forecast with highs in the 70s and lows in the 60s next week. **Mexico (Culiacan)** - Partly cloudy with thunderstorms for the next seven days; highs in the 90s and lows in the 70s. **Florida, Southern** - Storms fill the forecast with highs in the 80s and 90s and lows in the 70s. **Idaho** - Mostly sunny for the upcoming week; highs in the 80s and 90s and lows in the 50s.

TRANSPORTATION

The National Diesel Average has been recorded at \$3.223 up \$0.003 a gal from last week and up **\$0.716** gal from last year. NPC continues to monitor and track diesel fuel averages by state as well as reported truckload freight rates on a weekly basis. **Transportation continues to work through its most significant structural changes in years in regards to new laws and regulations stressing available truck volume and controlling drivers. Trucks are pretty tight NM with a consistent slight shortage across the rest of the country.**

[Check Out Our New Website](#)



MARKET ALERT

Lemons
Oranges
Avocados

MARKET OUTLOOK



Apples



QUALITY



SUPPLY



Apple supplies remaining up 11% or so compared to last year (19 million remaining, compared to 17 million remaining last year.. Red delicious supplies are down substantially (-4 million cases), granny supplies are up substantially (+4.5 million cases). Movement overall has been below target, mostly due to the focus shifting from apples to summer fruits, and on the packing side to packing cherries. We anticipate carrying red delicious, granny, fuji, gala and honeycrisp to new crop (no gap).

Asparagus



QUALITY



SUPPLY



As Mexico gets close to the end of season the larger sizes are scarce, but Peru has been coming on strong. Supply and Demand should be well balanced with the volume available, And sizing issues should be minimal during the transition period.

MARKET ALERT

Avocados



QUALITY



SUPPLY



Its that time of the year unfortunately. Supplies are much tighter and prices are up again dramatically another week. With Mexico's rainy season and CA finishing supply is tight. In addition with new seasons oil contents along with size and grade don't hit right off the bat. Extreme heat in CA is making avocados to ripen faster and season is expected to end sooner. Market FOBs on #1 48s has hit \$60. Don't expect relief anytime soon.

Bananas



QUALITY



SUPPLY



Banana volumes are expected to be sufficient with high quality fruit coming into the market. The growing conditions are good as the anticipation of the 2018-19 school year is upon us.

Berries



QUALITY



SUPPLY



Blueberries: Quality good. Availability steady. Oregon and BC have had an excellent crop this season. Beginning to tighten up in MI. Expecting pricing to be up through September. **Blackberries:** Supplies good. Berries out of CA seeing some quality issues from heat events recently. Mexico starts back up in October. **Raspberries:** Supplies are steady. Berries out of CA seeing some quality issues from heat events recently. Mexico starts back up in October.

MARKET OUTLOOK



Broccoli



Broccoli production is lower this week, limited supplies this week but the broccoli produced is excellent quality. Broccoli out of Mexico continues to be poor quality, more distributors pulling from California that is creating a spike in the market.

Brussels Sprouts



Brussels sprouts production is showing signs of improvement. Supplies will be improving in the upcoming weeks, quality is still excellent. Nice green color and firm.

Cauliflower



Cauliflower production out of California is great this week. Very good quality reported at multiple growers. Supplies should be steady until next week.

Cantaloupes



Strong cantaloupe volume continues on large fruit. Smaller sizes (12/15s) are starting to fetch a premium but 15ct have been extremely limited (less than 1% of total pack-out). For those shippers that are in shape quality has been very strong since we are shipping day of harvest. Some shippers have been behind and the fruit has shown some of that age on it so a two-tier market has started to evolve. Volumes are expected to level off over the next 7-10 days which will hopefully allow pricing to get back at least to cost. Internal quality has been exceptional with brix levels mostly in the 13-16% ranges.



Carrots



Overall market is somewhat limited as California is the only growing region currently. Our yields and quality are solid and should remain that way. Colorado and Canada should be starting soon which will increase the overall supply in the market. Once they will start shipping product we will have a better idea of what their crop looks like and what overall market conditions will be.

Celery



Supplies are back to normal this week. Markets are steady and very low, with very light demand. Quality is good in Salinas. The Final Pack looks really nice. We expect sizing to be heavier to the larger sizes all week in Salinas. It sounds like there will be good supplies for the industry next week...Michigan celery has started, but we are hearing the quality is just fair at best.

Corn



Plenty of Bicolor and white corn available, most growers are now picking yellow corn out of Michigan, Delaware and New York. Overall quality is good.

MARKET OUTLOOK



Cucumbers



Baja continues to offer a steady stream of cucumbers but will begin to slow down over the next few weeks. Growers in the Northwest are also contributing to the cause but are dealing with some shape issues. Eastern supply is mostly coming from NJ, MI and NY with a few local deals also in the mix. We could see things tighten up slightly in the next few weeks, as low market prices on offgrades are leading farms to walk away from older fields.

Eggplant



Although MI and NJ are in season, yields and production have been on the light side on eggs, tightening up availability in the East this week. CA's Fresno area continues to harvest with steady, but limited production. Quality remains good and numbers are expected to pick up over the next few weeks.

Grapes



Red Grape harvest is moving into Scarlet Royal, Magenta and Krissy varieties. Green Grape harvest is moving into Princess and Thompsons along with some Sweet Globes. Red Globes are available but still fighting color due to high temps. California Grapes are seeing a wide range in quality hence some lower prices to move older fruit. Fresh good grapes are fetching a higher price.

Green Beans



Green beans remain very snug in the East as all of the current production areas (MI, NY, VA, TN, NC) have either quality, yield or planting skip concerns due to rain. There is some positive news- quality is improving from NY and MI as growers get past early picks that were more affected by weather. The situation is similar in the West as current production areas are very light due to weather. But, in their case the weather challenge is heat.

Herbs



Seeing good quality and supply across the board.

Honeydews



Honeydew production has already started to plane off from its peak. Larger fruit (5s and bigger) is predominant with 6s starting to obtain firmer pricing. Smaller melons (8s) have really started to shorten up since the end of last week and will start to also fetch a premium just as the 15ct lopes are. Honeydew quality has been clean with brix levels showing a range of 12-14% mostly.

MARKET OUTLOOK

Iceberg



QUALITY  SUPPLY 

Supplies continue to be below budget due to lighter yields and lighter pounds on the bins. Demand is up slightly. Quality has been very good. Same day harvest and ship in most cases. Forecast for the weekend is steady to slightly higher due to demand.

Kale



QUALITY  SUPPLY 

Kale supplies remain abundant with little issues. The market is steady. Quality is good with minimal yellowing, little dehydration, and dark green color.

Leaf



QUALITY  SUPPLY 

ROMAINE LETTUCE Supplies are slightly above normal. Demand has been average. Quality has been good but there are occasional seeders and light fringe burn. Crop Manager is reporting Romaine weights around 34-36 lbs. ROMAINE HEARTS Supplies are slightly above normal. Demand for hearts is good. Heart quality is good with very little complaints. The overall pack is clean. Weights on the 12x3's range between 21-23 lbs while the 48 ct. is weighing between 30-32 lbs. GREEN LEAF: Supplies are normal. Quality has been good with occasional seeders and light fringe burn. Demand is good. Crop manager is reporting weights around 22-24lbs. RED LEAF: Supplies are normal. Demand is average. Quality is good.

Tender Leaf



QUALITY  SUPPLY 

Arugula: Product quality is fair due to wind burn and heat damage. Supplies are fair. Cilantro: Supplies are light due to quality. 10 week averages are in-effect. Kale Blends: Quality and supplies are good on kale. Parsley: Parsley quality is fair but supplies are good. Spinach: Product quality is fair due to wind burn and heat damage. Supplies are fair. Spring Mix: Supplies are light and quality is fair due to recent heatwave. 10 week averages in-effect.

MARKET ALERT

QUALITY  SUPPLY 

Lemons & Limes



Lemons – AOG – Demand continues to outpace supply. The warmer weather, creating a smaller crop, delayed imports, along with smaller than expected imported volumes continue to create supply challenges. Market pricing has continued to climb with quality good at best. Situation is expected to continue well into September. Limes– on the radar – The old crop is about done and the new crop is lighter than expected. The lime market is tightening up with some gap expected between new and old crops. Quality has been poor this week until the new crop really starts to catch up. Prices are climbing as a result. Some relief is expected come August.



MARKET OUTLOOK



Onions



QUALITY  SUPPLY 

Onions are steady from last week with JBO yellows around \$6, reds around \$11-12, and whites around \$14 out of CA. NM is slightly higher with JBO yellows around \$8.50. Seeing good quality and demand. Oregon will be back up and running next week with suppliers harvesting now.

MARKET ALERT

Oranges



QUALITY  SUPPLY 

Oranges— The hot weather creating post bloom conditions has caused a very light crop. Virtually no small fruit is available with 88's and larger beginning to tighten up as school begin to start back up. Several growers continue to enact AOG causing the market price to increase. No relief in sight.

Pears



QUALITY  SUPPLY 

D'anjou pears are peaking on 90's and larger. Moderate supplies on 100/110's has the market steady. 120s and smaller are light with a firm market. Bosc pears have a steady market with supplies winding down for the season. Red pears are tight but should last till May. Quality is good on all pears.

Peppers, Bell



QUALITY  SUPPLY 

With MI and NJ farms fully into harvests and NY growers up and running, bell pepper availability has improved somewhat in the East. There are also a number of local deals rolling, but some of these have been affected by weather and are experiencing reduced yields. Overall quality is pretty good, but there are definitely rain-related quality issues showing up. Western supply is plentiful with production peaking in CA growing areas and significant volume coming out of WA. Quality on Western product is strong this week.

Peppers, Jalapenos



QUALITY  SUPPLY 

Chili peppers are strong in the West. With product coming from Baja, Mainland Mexico, CA, and WA, all items are available in good supply. The East is working with scattered supply from major growing regions (NY, MI) as well as lighter-volume local growers.

Pineapples



QUALITY  SUPPLY 

Arrivals on 5-6 will be light for the next 3-4 weeks but should start improving after that. Volume is expected to start trending large mid-September. Good volumes on 8cts and light on 7s due to the shortage on larger sizes.

MARKET OUTLOOK



QUALITY  SUPPLY 

Potatoes



The market is steady from last week with FOBs around \$12-14. Further into storage quality is heading downhill fast as suppliers are transitioning from old crop to new crop. NAPMN expects US growers to produce 400.0 million cwt of potatoes in 2018. That is 186,000 cwt more than the current estimate of 2017 production. Growers are likely to harvest 904,000 acres of potatoes in 2018, 1,700 acres more than they dug in 2017.

Squash



QUALITY  SUPPLY 

Yellow and zucchini squashes are still readily available in the East with major production in NJ and MI and from many other local/regional deals. Overall, quality is nice but scarring concerns persist on yellow from certain lots/shippers. In the West, Santa Maria's production has lightened up due to the heatwave that pushed fields and production together. New fields are expected to start next week. Fortunately, Baja growers are crossing moderate volumes of squash to help provide supply.

Strawberries



QUALITY  SUPPLY 

Pricing is coming down some. Sizing is still mostly on the smaller side, 18-22ct range. Stems are still extremely difficult to find right now. Expecting production to gradually increase over the next 4 weeks out of Salinas/Watsonville. Fall crops being planted for in Santa Maria.

Tomatoes



QUALITY  SUPPLY 

Eastern round and roma tomato numbers remain light this week, as the majority of production areas (NC, VA, TN, AL) continue to experience rain. There are some shelf life and skin check concerns, as is normal for fruit experiencing weather conditions. Grape tomato supply is also light, but quality and packouts are a bit better on these smaller varieties. Look for a break in the situation and improvements in quality 2-3 weeks after rainy weather patterns subside. Eastern Mexico's vine-ripe round and roma production has declined as growers work in lighter, late Summer plantings. However, there's plenty of mature greens and romas coming from California's San Joaquin Valley and light to moderate numbers crossing from Baja. Overall quality has been good on rounds, but there are definitely some challenges on the California romas. Grape tomato volumes are light but steady enough to meet the current soft demand levels. Expect to see more grapes in late August when new plantings come to maturity.

Watermelons



QUALITY  SUPPLY 

While we're seeing a steady stream of above average production week over week for a while now, you can see that the last three years make comfortable neighbors for this most recent week. So while production is coming in a little better than the past five years, it's coming very much in line with the past two to three. There have been subtle upticks in North Carolina, Texas, and MarDel, while it looks like California seedless has slipped slightly to join the rest of the country in that \$0.10 to \$0.15 per pound price. We also can see that Missouri and Illinois look to be on the lighter side, while MarDel and the early Michigan reports are a little higher.



MARKET OUTLOOK

FDA encourages continued cooperation in Yuma outbreak

“The Food and Drug Administration is urging the produce industry and various organizations studying how E. coli came into contact with [romaine](#) lettuce grown in Yuma, Arzi., to continue working with the agency on the issue.

The FDA’s Aug. 6 request, in an update on the outbreak, comes on the heels of its participation in the Leafy Greens Food Safety Task Force meetings July 31 and Aug. 1 in Yuma. “Broad engagement from the surrounding community is critical to developing and implementing remediation measures to reduce the potential of another outbreak,” the FDA said in an Aug. 6 update on the outbreak that killed five people and sickened 200 people in 36 states.

“We believe local in-depth knowledge and actions are critical in helping resolve this issue in order to protect public health,” according to the notice. During the task force meeting, the FDA shared its preliminary hypothesis on what happened “to facilitate conversations with state and local officials, industry and local growers on the hypotheses and associated actions necessary to prevent such an outbreak from occurring again,” according to the Aug. 6 notice.

According to the FDA, samples of canal water tested positive for the strain of E. coli associated with the outbreak. One explanation for the outbreak cause is that the water came into contact with the lettuce through direct irrigation or other means. The FDA reported that the canal is near what is referred to a Concentrated Animal Feeding Operation (CAFO) — which can hold more than 100,000 head of cattle. There’s a “clustering” of romaine lettuce farms in the area. The FDA’s full report, called the Environmental Assessment, will be released when complete, according to the agency. In the meantime, the FDA continues to investigate the potential links between the water and CAFO, and “geologic and other factors that may explain the contamination and its relationship to the outbreak,” according to the FDA update.”



[Link To Story](#)

If you have any specific questions or concerns on any commodities not mentioned in this report, please feel free to reach out to dforsythe@nproduce.com and we will be happy to give you those current market conditions. Also look for our Spanish version that will be released on Monday and our Midweek Update released every Wednesday. Have a great week!
Keeping You Informed,