



## WEATHER UPDATE

**Yuma** - Mostly sunny next week with highs in the 90s and lows in the upper 50s. **Oxnard** - Sunny to partly cloudy next week. Highs in the upper 60s and lows in the 50s. **Mexico (Culiacan)**- Sunny to partly cloudy next week with highs in the 100s and lows in the lower 60s. **Florida, Southern**– Sunny to partly cloudy next week with chances of isolated thunderstorms on Friday. Highs in the 90s and lows in the 70s. **Idaho**— Sunny to partly cloudy next week with chances of thunderstorms this weekend & Monday. Highs in the 70s and lows in the 40s.

## TRANSPORTATION

The National Diesel Average has been recorded at \$3.163 up \$0.003 a gal from last week and down \$0.122 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 in good supply in most of the country, however there is a shortage in Central & South Florida, and a slight shortage in Eastern North Carolina.**

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**MARKET ALERT**

Broccoli/ Florets

Brocolini

Brussel Sprouts

Cauliflower/ Florets

Celery

Green Grapes

Potatoes

Red Cabbage

Strawberries

# MARKET OUTLOOK



## Apples



As we dive into the end of this crop - taking a hard look at supply through the summer months is critical. As we breakdown the varieties of apples focusing on Foodservice - here is only one variety that stands out where we might come up short of new crop. **Golden Delicious** - if Washington continue to maintain shipments out of the State- there is a possible one to 2-week gap. **Reds, Galas, Fujis and Gr Smiths** - should be able to make it to new crop. Current challenges in the foodservice industry on apples are strictly due to size. This year the size profile is 2 to 3 sizes larger. and this accounts for all apples where volume plays a pivotal role in Foodservice.

## Asparagus



The asparagus market is lower this week compare to last week, with plenty of supplies. Quality ranges from good to very good. Good volume out of Mexico & Peru. WA has a few weeks & MI is producing good volume. We should continue to see this trend for the next month.

## Avocados



Markets are steady right now after jumping up into the mid to high 50's on most sizes. If there was any type of demand right now the markets would go higher, but it appears as if most buyers are playing it close and only buying what they need. Fruit is very mature right now, and unable to hold for too long. #2 fruit is very tight. California had rain over the weekend and might get more, this is causing a small gap in their supplies, but they should be back to picking by the end of the week. Peru has started to arrive and each week volume should increase.

## Bananas



The markets remain steady with consistent production and supplies. Fruit quality is good and production is moving along at a steady pace.

## Berries



**Blackberries** – Mexico has been steady on volume & quality. Mexico's rainy season will start in mid-June which will dramatically slow production. Prices are up & the market is tighter this week due to weather & the challenges with strawberries. The tight market on strawberries is putting pressure on all bush berries.

**Blueberries**- NC is going early this year with their low-bush Rabbit-eye variety. The weather has played out in their favor this year. Georgia is winding down because of this warmer weather & is expected to be done within a couple of weeks. Due to the California showers over the weekend, the berries out of California and south will be very limited. Prices are up & the market is tighter this week.

**Raspberries** - Mexico has been steady on volume the last couple of weeks but is slowly winding down. Quality has been good & there hasn't been any major issues for some time. California is starting. Due to the rain this week, there will be little to harvest in the northern regions. Prices are up & the market is tighter this.

# MARKET OUTLOOK

## Broccoli



**MARKET ALERT**

QUALITY



SUPPLY



**Broccoli** – The markets are lower this week compared to last week. Supplies are still a little snug but better than last week. Growers are reporting better yields at the time of harvest. Quality is good.

**Broccolini Sweet Baby Broccoli (Aspiration)** -Supplies continue to be limited, due to rain in growing areas. Most growers are expecting for volume to improve over the next week.

**MARKET ALERT**

QUALITY



SUPPLY



## Brussels Sprouts



Limited supplies available this week. The yields coming from Santa Maria are lower than normal. Sizing is showing signs of improvement. Most Growers are reporting 50 - 70% less volume available. Growers will be pro-rating all orders for the next few weeks. Expect a very tight market the next few weeks with prices escalated.

**MARKET ALERT**

QUALITY



SUPPLY



## Cauliflower



**Cauliflower/ Florets**- Both supplies and the market have improved this week. Growers are reporting better yields at the time of harvest. Good quality is also been reported at this time. Expect a better market trend over the next few weeks.

QUALITY



SUPPLY



## Cantaloupes



Melons in Florida will continue for most of next week. Please be sure to plan ahead to ensure your order is covered in full. Desert production has been slow to start due to cooler temperatures. Cantaloupes sizing has been leaning heavily toward the smaller fruit. Volumes should start increasing by the first week of June in the Imperial Valley and Central AZ with the market starting to settle after the Memorial Day holiday.

QUALITY



SUPPLY



## Carrots



Harvest just started in the Imperial Valley. Quality looks and yields looks good. Demand should fall off some with schools dropping out for summer. Expect no issues that should be a cause for concern.

**MARKET ALERT**

QUALITY



SUPPLY



## Celery



Supplies are extremely tight. Some growers are experiencing growing gaps, Oxnard & Santa Maria are supplying the most with Salinas not ready until early June. We expect for markets to be escalated & supplies to be limited. Quality is been reported as only fair at this time with some yellowing due to the excess rain California has experienced. Growers will be prorating all orders for the next few weeks.

QUALITY



SUPPLY



## Corn



Florida still has volume available for the Memorial Day holiday pull. Georgia is starting and does have good volume of bicolor, but yellow and white corn are very limited. Quality is excellent. Production out of the West is ramping up and the cost is declining.

# MARKET OUTLOOK



## Cucumbers



Cucumber supplies remain plentiful in Mexico. Crossings through Nogales remain prevalent. Baja and Central Mexico volume has picked up as well. Florida spring fields are winding down and volume out of Georgia has started to ramp up. Good quality is being reported.

## Eggplant



Eggplant is a bit limited this week. There's very little production left in Plant City & quality is fair to poor. Georgia should start in the next week or so, which will finally close the gap in Eastern supply. The Western transition from Mainland Mexico to the California desert is very slow-going. Supply in Nogales is diminishing daily & will wrap up over the next few days. Cool & rainy weather in Thermal/ Coachella, CA has really slowed new crops & limited volume. Volume should increase as the weather improves

**MARKET ALERT**



## Grapes



**Red seedless** are mostly Crimsons and Timco. Market is steady with good movement & solid condition upon arrival. Mexico & Coachella will begin in a small way with reds during the back end of the week of 5/20 with light volumes. **Alert- Green seedless** are very tight, quality issues here and there. This is putting pressure on, as green grapes are just not coming yet. Nogales crossing minimal. Going to stay tight we think until pipeline fills up.

## Green Beans



Despite various transitions & weather issues in the West, there are enough areas in Mexico & California going to meet market demand. In the East, Georgia crops are coming on strong with good volumes & quality. This should carry on for 4-5 weeks unless ugly weather plays a part. Eastern NC is also on tap to start in the next 2 weeks.

## Herbs



Due to inclement weather these past few weeks, quality issues have been reported on both Curly & Flat Parsley this week and next. Chervil supplies remain tight. All other herbs are steady with good quality.

## Honeydews



Domestic honeydew production has been very slow early on with Mexican crossings still in very good supply on all sizes. Expect California/Arizona production to begin picking up in early June as well.

# MARKET OUTLOOK



## Iceberg



QUALITY  SUPPLY 

The market & supplies are steady this week. Fair to good quality & good weights are being reported with multiple growers. Some growers are informing us that there might be some mud splatter on the lettuce cases due to all the current rain in Salinas.

## Kale



QUALITY  SUPPLY 

The market and supplies are steady this week. Good quality is being reported with multiple growers. Market is expected to maintain stable for a few weeks.

## Leaf



QUALITY  SUPPLY 

**Romaine/Green Leaf/Red Leaf and Boston/Butter Lettuce-** The market & supplies are steady this week. Fair to good quality & good weights are being reported with multiple growers. Some growers are informing us that there might be some mud splatter on the outer leaves due to all the current rain in Salinas. Expect to see steady supplies & stable markets the next few weeks.

## Tender Leaf



QUALITY  SUPPLY 

Rainstorms over the weekend brought in over one-half inch of rain to the northern CA growing regions with some areas showing greater amounts over this 48-hour period. Harvest capacity has been limited with wet conditions reported in most fields early this week. Supplies of leaf lettuce are expected to remain strong for the next few weeks. Insect pressure remains higher than average in some areas. Quality is expected to show some pinking after harvest as well as possible water spot on leaf lettuces. There have also been some reports from a few isolated areas of salt and pepper burn.

## Lemons & Limes



QUALITY  SUPPLY 

**Limes** – The lime market is lower this week. Big fruit remains at a premium in the mid \$30s even \$40. Smaller fruit dropped like a rock with 200s around \$13-16 & single digits for anything smaller than that. No quality issues have been reported.

**Lemons** – The lemon markets remain steady as well. Big lemons remain cheaper than the small fruit that is less available. Markets hitting the low \$30s today with smaller fruit in the \$20s even high teens. No quality issues have been reported.



# MARKET OUTLOOK



## Onions



The onion market is steady from last week. Whites are still high but continue to decrease. Demand is steady and we are smooth rolling out of California and New Mexico at this time. Good quality at this time.

## Onions, Green



There's good volume this week with good quality being reported. The market is steady and will continue to be for the next few weeks.

## Oranges



Oranges continue to be extremely promotable in the low teens on all choice product. Fancy is a bit up there, opposite of lemons though here the small fruit is cheap and big fruit is tighter & at a premium reaching the low \$20s. No quality issues have been reported.

## Pears



Bosc pears look to end in 3 weeks where your Red Anjou pears will end the middle of June. Anjou pears should make it to the end of July, first of August. Quality has been outstanding - great year for

## Peppers, Bell



Pepper supplies has finally started to see some relief. South Florida is pretty much done for the season. Plant City is still in production & that should suffice the local demand. Most Georgia fields are getting started this week. With warmer temperatures on the horizon, we expect supply to come around quickly. Production in California has been impacted by all the rains. The weather is forecasted to improve over the weekend. Production will increase over the next week.

## Peppers, Chili



Supplies are good on most items this week. Tomatillos have tightened up in the past few days & may become more limited over the next two weeks as Baja growers work through a gap between 1st & 2nd plantings. Although quality is still solid on all items (except poblanos) out of Mainland growing areas, we could see heat-related issues as we move into June. In the East, Plant City has excellent quality but light volumes on their usual assortment of chili peppers. Georgia is set to start in 2-3 weeks.

## Pineapples



Pineapple markets are trending towards smaller sizes. We are expecting to see less 5's and more 7's and 8's for the next 2 months. Quality is very good right now, climate in Costa Rica has improve which is optimal for maintain good quality.

# MARKET OUTLOOK



**MARKET ALERT**

## Potatoes



QUALITY



SUPPLY



The market continues to creep up slowly. Quality is still of high concern. Both of these status's will look to continue through the summer as we get deeper into storage and these potatoes continue to age.

## Squash



QUALITY



SUPPLY



Squash remains plentiful across multiple growing regions. GA is at the peak of the season, with both yellow & green plentiful & pretty good quality. Nogales & Florida still have supplies. There is more availability on zucchini. Yellow Squash is pretty much done for the season out of FL. Other local regions like SC, TX, NC, NJ, & Virginia are getting started with their summer squash programs.

**MARKET ALERT**

## Strawberries



QUALITY



SUPPLY



After the heavy rains that fell over the past week in CA, growers have now turned to cleaning up their fields & removing damaged fruit. Harvesting came to a halt early this week as muddy conditions prevented any meaningful access to fields. Production will get back to normal in a couple of weeks, shippers will still have to work through limited supplies over this period. Pricing has remained steady for now. Shippers are also considering how quality will be over the next two weeks since there was significant damage to the ripe fruit. Growers anticipate seeing arrival issues going forward & will be battling this over the next few weeks.

## Tomatoes



QUALITY



SUPPLY



Central Florida growers are winding down, with some finishing final picks this week & others next week. Rain from last week & high heat have caused quality concerns, with scarring, some softness, & less travel legs on the fruit from some farms. SC will start around June 1st, which will help ease the late transition into Quincy, FL/ South GA. A few small players in Quincy are rumored to start up over the weekend, but the bigger operations are reporting start dates ranging from June 1-15. In the West, Mexico's volume & quality are declining, as they approach the end of the season. New crops in Eastern Mexico & Baja are underway and should begin to bring more volume to the table. These areas (and the short lived So Cal mature green deal) will hold the fort down until California's Central Valley gets up & running.

## Watermelons



QUALITY



SUPPLY



This past week saw volume bump up slightly above the average, which might feel a bit exaggerated due to last year's weather issues driving production down during this normal ramp up to Memorial Day. FOB prices are mostly hugging the average, though it does vary by reporting region. Volume continues to be predominantly driven by Florida and Mexico. Texas is starting to thicken up, but still has a ways to go to make up for their delayed start. The same can be said for Arizona & California, though each is earlier in the process so there is less ground to be made up. While movement is normal prices are pretty firm with the average of past years as well.



# MARKET OUTLOOK

**MARKET ALERT**

## Cabbage

**Red Cabbage (Alert)**- Active market on the west coast on both green & red, with red being limited. Pricing remains escalated on red cabbage & processed red cabbage. **Green Cabbage**- There's good volume this week with good quality and weights being reported. The market is steady and will continue to be for the next few weeks.

## Mexican Growers Update Proposal for Shipping Tomatoes to U.S.

WASHINGTON, May 23, 2019 /PRNewswire/ -- Mexican Tomato Growers submitted a new proposal Wednesday to the U.S. Department of Commerce for a new agreement covering imports of tomatoes from Mexico. Because Commerce terminated the prior agreement on May 7, the Mexican growers were required by Commerce Department regulations to make a formal proposal on May 22.

This proposal builds on the strongest provisions of the prior agreement and the April 2 proposal of the Mexican growers to bring an unprecedented level of enforcement. The proposal includes the following:

- New reference prices with increases of up to 180 percent for expanded categories of tomatoes.
- Expansion of the USDA marketing order on tomatoes to cover all categories of tomatoes, which would bring enforcement to the border for the first time, with tomatoes that fail the marketing order being denied entry into the United States.
- Removal of 100 percent of defective product from the U.S. market through return to Mexico over a certain threshold and destruction supervised by USDA for the remainder.
- New penalties for shipments containing above a certain level of defective product.
- Expansion of the formal process for considering alleged agreement violations.
- Elimination of sales under another company's signatory number to deter circumvention.
- Submission of voluminous amounts of sales, volume, customer and contract data, all subject to Commerce Department verification.
- Linkage of the suspension agreement provisions to PACA penalties.
- Submission of certified statements that could lead to civil penalties if false.

The only area the Mexican growers have not considered is the request by the Florida Tomato Exchange to restrict the rights of U.S. buyers to liquidated damages for breach of warranty. While breaches of warranty do not occur often, the Mexican growers do not have the legal right to deny damages. In order to even consider such a proposal, the Mexican growers asked for formal opinions from the U.S. Department of Agriculture that the rights of U.S. buyers can be restricted; from the Commerce Department that it has the jurisdiction based on record evidence to request this; and, from the U.S. Department of Justice that there are no antitrust violations.

<https://www.prnewswire.com/news-releases/mexican-growers-update-proposal-for-shipping-tomatoes-to-us-300855939.html>

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](mailto: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,