



## WEATHER UPDATE

**Salinas-** Sunny to partly cloudy next week. Highs in the 70s and lows in the 50s. **Oxnard -** Mostly sunny next week with highs in the 70s and lows in the upper 50s. **Mexico (Culiacan)-** Sunny next week with highs in the 100s and lows in the 70s. **Florida, Southern—** Sunny to partly cloudy next week with chances of a scattered thunderstorms throughout starting Wednesday evening. Highs in the 90s and lows in the 70s. **Idaho—**Sunny to partly cloudy next week. Highs in the 80s and lows in the 40s.

## TRANSPORTATION

The National Diesel Average has been recorded at \$3.070 down \$0.035 a gal from last week and down \$0.166 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 are shortages in Florida, North Carolina, & South Carolina.**

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### MARKET ALERT

- Avocados
- ALL BERRIES
- Celery
- Green Beans
- Green Leaf
- Iceberg Lettuce
- Onions
- Parsley (Curly, Italian)
- Red Cabbage
- Romaine Lettuce/Hearts
- Snow Peas & Sugar Snap Peas
- Sweet Potatoes

# MARKET OUTLOOK



## Apples



QUALITY  SUPPLY 

As we look into the Summer Months (June/July/August) - it appears Washington is in pretty good shape. Golds variety will be the only variety where we will be coming right to the end with new crop just starting so it will be tight, especially with small sizes. Gr Smiths, no problem with supply throughout the summer but... like golds - small sizes (125,138cts) will be a challenge. Fruit size -peaking on 72/80/88cts. Reds/Galas/Fujis, good supplies throughout the summer. Smaller sizes are not as plentiful as larger sizes, but we will have them for our customers. Honeycrisp, we should be able to get through the first week of August - maybe 2-3-week gap.

## Asparagus



QUALITY  SUPPLY 

The market is steady with good volume on standard size, but larger sizes have limited volume. Expect steady supplies for the next week, but should change once domestic is finished.

## Avocados



QUALITY  SUPPLY 

**Markets are extremely tight and very active right now.** Mexican fruit is a possession market on most sizes. Although Loca has been released, none is getting picked this week. The new crop is also trending to be a bit smaller than the current crop, with 48's and smaller being a majority of what is being seen. Demand for Peru is very good as there is a flight to find fruit and get it for a lower price. Peru Organics are now as high as Mexican Organics were before they stopped. It will take a few weeks for the pipeline to get filled once Mexico starts to pick the new crop and markets could stay high during that time.

## Bananas



QUALITY  SUPPLY 

Banana market remains steady. There is good demand with good volume. No quality issues have been reported.

## Berries



QUALITY  SUPPLY 

**Blackberries-** Due to the recent rains & last weekend's high temps, Northern CA is reporting significant drops in yields. Expect to see supply shortages & rising prices. Increased volume on all bush berries associated with the 4th of July holiday is having an impact on supplies too.

**Blueberries-** Are in a harvest gap with the Pacific NW being weeks behind schedule. Supplies will be impacted most of June. Prices will remain high & product is still very short. Increased volume on all bush berries associated with the 4th of July holiday is having an impact on supplies too.

**Raspberries-** Are the least affected as they are grown under hoops & at elevations where they have not been heavily impacted by heat. Increased volume on all bush berries associated with the 4th of July holiday is having an impact on supplies though.

# MARKET OUTLOOK

## Broccoli



Broccoli supplies were affected by last week's heat wave. The market is a couple dollars higher than last week. Overall markets will be steady next week as supplies return back to normal. Quality is being reported as fair to good. No shortages or pro-rates to report currently.

## Brussels Sprouts



Better supplies are reported this week. Market is steady and prices are back to normal. The demand for Brussel sprouts is not as high as previous weeks. Improved quality is also been reported with multiple growers. No shortages or pro-rates are been reported at this time.

## Cauliflower



Cauliflower supplies are steady this week. Market is expected to be stable for next week. Good quality is reported by multiple growers. No Shortages or pro-rates to report at this time.

## Cantaloupes



Central Arizona production is in full swing but will begin to seasonally wind down by early next week with some production continuing until approximately July 6th. Volume out of San Joaquin Valley will start this weekend so will begin a slow transition up to that region for some as early as next week. Sizing will lean mostly towards the larger fruit but will have decent percentages of 12s available with 15s being limited. Quality remains strong with solid internal quality showing a range of 11-15% brix levels.

## 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

## Celery



**Celery / Processed Celery** – Finally, better supplies are reported this week. Prices are slowly trending down. With cooler weather expected in Salinas the next few weeks, supplies should continue to improve. Quality has also improved; better quality is been reported with growers. No shortages to report, growers are almost back normal yield volumes. Distributor will be held to six week loading averages.

## Corn



Western corn is seeing continued upward pricing this week. Weather over the last month has cut into production. Supplies are available on yellow, white, & bi-color out of Florida and the desert. Volume for the 4th of July holiday is ramping up. Expect to see some supply pressure and delayed loadings associated with the holiday.

# MARKET OUTLOOK



## Cucumbers



South Georgia still has cucumbers, but quality has started to decline with the recent heat. Fortunately, local production has started in KY, NJ & Eastern NC with more to come over the next few weeks. In the West, mainland Mexico is likely to wrap things up sooner than expected as quality & volumes decline quickly. More shippers have started out of Olay but cool weather has slowed down this week's volume. This area will see volume increases & become a stronger source of supply as the weather warms up.

## Eggplant



Volume is excellent out of South Georgia in the East and the desert out West. Markets are falling in the East product is still pulling a premium in the West. Quality is outstanding from both regions.

## Grapes



Grape market is two tier currently. Mexican and Coachella both are currently in the market. Grape sizing is Large/XL on both Red and Green grapes. Del Monte is shipping US Domestic grapes currently.



## Green Beans



Volume remains tight and market high due to multiple weather issues. Prices remain escalated and will likely stay elevated for the next few weeks.

## Herbs



**Alert- Parsley (Curly / Italian)** – Supplies continue to be limited this week. Italian parsley is showing better signs of improving & curly parsley supplies will continue to be limited next week. Quality is been reported as fair to good. Prices are escalated this week. All other herbs are steady in supply with good quality.

## Honeydews



Honeydew production remains mostly limited overall out of the desert. Mexican crossings have been limited the past few weeks which has not affected the domestic market. Mostly larger fruit is expected on the honeydews similar to the cantaloupes with enough 6/8s to cover regular business. Quality has been clean externally with brix levels ranging from 11-14%.

# MARKET OUTLOOK



## Iceberg



**MARKET ALERT**

QUALITY  SUPPLY 

Supplies will be a challenge this week due to last week's heat. Markets have escalated passed the caps on our contracts. Reports of quality issues, seeing outer leaves with fringe burn due to the excessive heat. Quality will only be fair at best! No shortages to report at this time, keep in mind growers are harvesting 20% less yields than normal. Distributors will be held to six week loading averages. **Alert-includes salad blends.**

## Kale



QUALITY  SUPPLY 

Good supplies reported this week. Quality is only fair at best, the heat wave from last week is creating some quality issues. Market is expected to be steady for the next few weeks.

## Leaf



**MARKET ALERT**

QUALITY  SUPPLY 

**Alert- Romaine/ Romaine Hearts/ Green Leaf-** Supplies are very limited this week due to the excessive heat last week. Markets have escalated passed our caps on our contracts for romaine and near caps on green leaf. Reports of multiple quality issues; Cupping, fringe burn, twisting, & occasional internal burn. No shortages to report at this time, keep in mind growers are harvesting 20% less yield than normal. Distributors will be held to six week loading averages. **Alert includes all salad blends & leaf fillets as well.**

**Red Leaf & Boston/Butter Leaf** – Decent supplies on these leaf items. But showing the same quality issues as the other leaf items above& demand is stable.

## Tender Leaf



QUALITY  SUPPLY 

Yields are lower than normal, and fields are off schedule. Weather has had a huge impact on supply. Quality is being impacted by rains and heat. The market has been very active due to lighter supply.

## Lemons & Limes



QUALITY  SUPPLY 

**Limes** are finally leveling out. There is still a decent spread between small & big fruit, but seeing good quality & demand across the board. Small fruit is in the high single digits and 110s are \$22-25 with everything else settling in between.

**Lemons** remain pretty steady with grades splitting about \$3-4, the real difference here is sizing. Big fruit is highly available, however it's the small stuff short & at a premium. 165s are tight this week-hitting \$36, while 75s remain around \$20 in areas. No quality issues have been reported.





# MARKET OUTLOOK

**MARKET ALERT**

## Onions



**Extreme Alert** -Availability in NM has been abysmal which is mostly to do with the cold temps that they've experienced. This has taken the early variety onions & the transplants and overwinters and slowly brought them onto the market. In California-rain, lots & lots of rain, making sizing is a bit smaller. Quality is less than normal. When you get rain, you get mold, black mold, so packed & pack-outs in CA are down 45-50%. Prices are jumping every day, supply is not there, & look to gap in CA for 10 days, then NM next week for 10 days. Product will be tight & high until we get back to ID/OR late summer/early fall. FOBs quoting \$18 on yellows.

QUALITY



SUPPLY



## Onions, Green



Good supplies this week. Growers are reporting good quality at this time. Expect markets to be steady for the next few weeks.

QUALITY



SUPPLY



## Oranges



Late season navels are winding down. Valencia oranges are starting to roll. Seeing good supply and demand. Markets are around \$14-16 depending on grade & size. No quality issues have been reported.

QUALITY



SUPPLY



## Pears



Bosc - the State should be cleaned up in the next 2 weeks. Anjou Pears - Good supplies through July. Red Anjou Pears - We should be able to make it through June - it will be close.

QUALITY



SUPPLY



## Peppers, Bell



Green bell peppers are mixed this week. Lighter volume in the SE due to various weather issues. The West is transitioning from the desert to the central valley. East coast prices are up a little while the west coast remains flat. Quality out East is mixed due to sunburn & rain damages while peppers out West are much better right now. Red bell prices continue to be flat week after week. The East is still working through Honduras product. Georgia is about to harvest soon. California continues to push out volumes but not enough to allow for a price drop in a big way. Yellow pepper market is mixed with higher prices in Nogales & deals being made crossing through San Diego. Supply is expected to improve over the next several weeks as Baja ramps up production.

QUALITY



SUPPLY



## Peppers, Chili



Mexico's production is shifting growing areas, so there's a wide variety of quality coming through Nogales this week. Quality from older areas (Sinaloa & Sonora) is weak while newer regions (Chihuahua & Guajuato) have nicer fruit. Baja is also going with most varieties & have excellent quality. In the East, GA has steady volume & a good varieties this week, but will start to wind down as we move toward July.

QUALITY



SUPPLY



## Pineapples



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

QUALITY



SUPPLY



# MARKET OUTLOOK



QUALITY



SUPPLY



## Potatoes



Potatoes are steady, quality is still of high concern and that won't go away until new crop in Aug/Sept. Most FOBs are sitting around \$15+ with smaller spuds around \$13. Supply is diminishing as we get deeper into storage, expect prices to remain steady and slightly climb the next 8 weeks.



**Sweet Potatoes- (Extreme Alert)** There is an industry wide national shortage of sweet potatoes. Most suppliers are completely dry until late summer/early fall with new crop. The hurricane affected many growers, as well as increased demands & heavy rains. Prices are up & will continue to rise, and supply just isn't there. Recommend to open spec across the board in this category.

## Squash



QUALITY



SUPPLY



Heat has affected Georgia's squash yields & acreage as they move into the last days of their season. Quality has been impacted on yellow squash with lots of scuffing/scarring. Squash is transitioning to regional/local areas as NC, NJ, VA, and KY have all started their seasons. Yellow quality has been hit or miss depending on area & grower but the quality on zucchini is good. Nogales is mostly done for the season. Harvesting is transitioning to the Fresno & Santa Maria areas where production has been steady.



QUALITY



SUPPLY



## Strawberries



Extreme heat in all growing areas last weekend & extreme rains the week before has caused a shortage. The upcoming 4th of July is putting pressure on availability too. Many growers are achieving only 30% of their estimated production. Shippers will have limited supplies this weekend & next week. Expect the markets to work higher. It would be prudent to submit yours as much ahead of the loading dates as possible. This will give shippers extra time to line up fruit to cover your orders. Expect prorates & late loadings. Trucks typically run late around the holiday's too.

QUALITY



SUPPLY



## Tomatoes



Eastern - Round tomatoes are up for the week. Florida harvests are ramping down in the East. Georgia and South Carolina continue to work towards starting. Western - Mainland Mexico is wrapping up their harvest. This is putting the pressure on Baja. Eastern Mexico is still trying to ramp up. California is just starting to harvest tomatoes. Eastern roma supply is still limited to a few small producers in the Quincy area this week. We'll start to see more romas as various areas (TN, AL, NC) come online over the next 10-14 days. Western roma situation is similar to rounds: solid numbers coming from Baja and East Mexico with Northern CA gradually getting into volume.

QUALITY



SUPPLY



## Watermelons



Volume continues to pour in at unprecedented levels causing seedless FOB prices to further diverge from the average over the past several years. Heavy producers like FL & MX are on the wane & could be finishing up in the next 2 weeks, but in addition to their strong contributions of late there has also been a bumper crop out of Georgia. Arizona is likely at its peak with downside awaiting, but California hasn't really hit theirs yet. MX might be on the way to wrapping up, but this past week showed plenty of extra volume compared to previous years. Weekly averages for seedless FOBs have continued to dip showing roughly a nickel difference between this year & the average.



# MARKET OUTLOOK

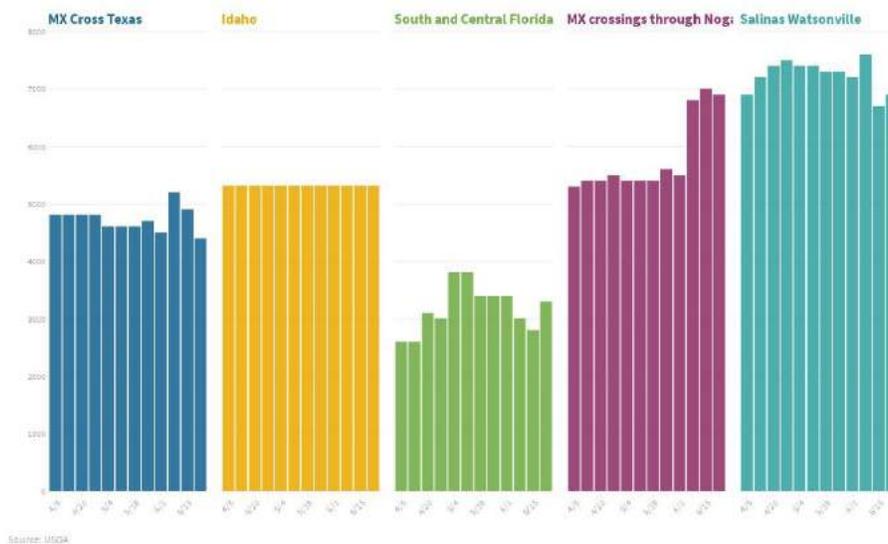
**MARKET ALERT**

**Red Cabbage (Alert)**- Supplies continue to be a struggle. Most growers were reporting very low yields at the time of harvest. Quality is been reported as only fair. Growers anticipate better supplies as cooler weather is expected the next few weeks. Distributor will be held to six week loading averages.

**Snow Peas & Sugar Snap Peas (Alert)**- Volumes remain limited this week. Many areas are still shut down, but we should start to see a little product in the next weeks. Quality is good. Please expect 40%-60% pro-rates.

## Trucks adequate, but rates move higher

Truck Rates to New York City



While truck availability was considered adequate for most areas, the U.S. Department of Agriculture’s truck rate report showed moderately higher rates on June 18 for most produce shipping districts.

The USDA reported a shortage of trucks in Florida and a slight shortage in North Carolina and South Carolina.

Rates fell for Mexican produce shipments crossing through Nogales, Ariz., the USDA reported, with June 18 rates declining 10% to Atlanta and Dallas and dropping 13% to Miami.

California’s shipping regions of Salinas, Oxnard, and the Kern District showed truck rates on June 18 that were mostly between 3% and 6% higher compared with the previous week. Truck rates in South Carolina spiked between 11% and 41% compared with the previous week, depending on destination.

<https://www.thepacker.com/article/trucks-adequate-rates-move-higher>

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,

