



## WEATHER UPDATE

**Salinas**— Sunny to partly cloudy next week. Highs in the 70s and lows in the upper 50s. **Oxnard**— Sunny to partly cloudy next week. Highs in the 70s and lows in the lower 60s. **Mexico (Culiacan)**— Partly cloudy next week with chances of thunderstorms throughout the entire week. Highs in the high 90s and lows in the upper 70s. **Florida, Southern**— Cloudy with chances of scattered thunderstorms throughout the entire week. Highs in the 90s and lows in the mid 70s. **Idaho**— Sunny to partly cloudy next week. Highs in the 90s and lows in the 50s.

## TRANSPORTATION

The National Diesel Average has been recorded at \$3.051 up \$0.004 a gal from last week and down \$0.169 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 shortage in Southeast Missouri and eastern North Carolina.**

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**MARKET ALERT**

ASPARAGUS  
CILANTRO  
COLORED BELL PEPPERS  
CORN  
ICEBERG LETTUCE  
ONIONS  
POTATOES  
RED CABBAGE  
ROMAINE HEARTS &  
ROMAINE FILLETS  
SWEET POTATOES

# MARKET OUTLOOK



## Apples



Washington had a shorter crop during the 2018 season than in 2017 – an estimated 117 million 40-pound boxes compared to 133 million boxes -- said Toni Lynn Adams, communications outreach coordinator for the Washington Apple Commission. “We can expect some increased volume and a solid crop moving into the new season,” she said in late June. Red delicious, gala, golden delicious, granny smith, Pink Lady, Honeycrisp and fuji are the top sellers for the data.



## Asparagus



The market is very active. Supplies are tight. Quality is good on large, standard, and small. Some light feathering on Jumbo and XL but overall good quality. We are seeing prices rise due to flight issues out of Peru and volume shortages in the Mexican crop.



## Avocados



US market has moved lower the past 2 weeks due to the onset of the Flora Loca crop in Mexico. However, we remain at very strong price points. The start of the Mexican Loca has not been strong enough on volume to continue the downward momentum. In fact, it looks as if the market will move sideways this week & next week. Another reason why the movement down may be short lived is the Peru crop is wrapping up to the US earlier than expected. With Peru we expect to see 4-6 more weeks of good volume on arrivals & then volume will drop off drastically. Lastly, the CA's volume has peaked & will decline drastically in the coming weeks. Altogether, we expect Mexico to dominate the market from post Labor day to March of 2020.



## Bananas



Conditions are relatively stable with inbound supplies as we enter into the summer months. Volumes are declining slightly from all importers but this is normal for the time of year. Fruit quality is very good.



## Berries



**Blackberries** due to the previous rain & high temps, yields are down. California's expected to continue for another 2-3 weeks. Supplies after that will transition to Oregon. Washington starting late-August/early-September.

**Blueberries** are tight with the Pacific NW due to being weeks behind schedule. Prices are expected remain high & product is still very short in supply. GA, NC, LA, & AL blueberries are all done or nearly done for the season. Oregon & British Columbia are still going with good volumes. Michigan is looking to start in a week or 2.

**Raspberries** are light in production this week in Mexico and will be for the next few weeks as production moves to new districts.

# MARKET OUTLOOK

## Broccoli



Steady supplies on broccoli will continue for this week. Growers are reporting average yields at the time of harvest. Good quality was reported by multiple growers. Markets are expected to be steady going into next week. No shortages or pro-rates to report at this time.

## Brussels Sprouts



Very good supplies this week. Yields at the time of harvest are above average. Markets expected to be steady going into next week. Good quality was reported with multiple growers. No shortages or pro-rates are been reported at this time.

## Cauliflower



Cauliflower supplies are steady for this week. Growers are reporting average yields at the time of harvest. Good quality is being reported with growers.

## Cantaloupes



Normal temperatures of 100+ degrees have consistently hit the growing region which is causing fruit to size up in new fields. Anticipate smaller lopes to start to become limited as fruit sizes up to mostly 9s and larger with a decent percentage of 12ct. We are forecasting this sizing trend to continue over the next few weeks. Quality out of California has been strong with solid brix levels maintaining mostly 12-16%.

## Carrots



Supplies are steady. Jumbo carrots seems to be short. This has pushed prices up a bit but Canada is starting so that may change. Quality is good right now and we don't expect to see any changes in the near future on that.

## Celery



Supplies are good this week. Yields are slightly above average. Markets are expected to be steady for next week. Good quality is being reported with multiple growers. No shortages to report at this time.

## Corn



Parts of Illinois and Indiana are struggling with quality and volume is extremely limited. Northern regions like Minnesota and Wisconsin will likely see a slightly later-than-normal start.

# MARKET OUTLOOK



## Cucumbers



Even though Canada has started production it's not helping bring relief to the markets. New Jersey continues to struggle with volume and is not producing many supers. Michigan has started in a small way, but no major volume. Expect markets to remain strong for the next two weeks.

## Eggplant



North Carolina has a significant crop with strong volume. Several other local areas are beginning to show up with fruit. The West has fully transitioned to CA's Central Valley where volume is ramping up.

## Grapes



Flames have been getting packed for two weeks with more growers joining in this week. Flames will go for the next month with the Krissy variety starting in about 2-3 weeks as long as they get the color needed. Sugraones and Ivory are just getting started as growers have been waiting for brix so they can harvest.

## Green Beans



Both Eastern & Western markets have plenty of volume available. After a recent shortage in the East, there are at least 5 states coming in with product now. Western volume is concentrated in CA, although there are also beans in WA and more to come from Baja.

## Herbs



**Alert on Cilantro** – Supplies are limited this week. Very low yields are reported at the time of harvest. The markets are not escalated at this time. This is mostly a supply issue. Growers are taking an extra day or two for orders to get filled. **Chervil** supplies are tight as well. All other herbs are steady with good quality, expect oregano & marjoram are flowering but still very usable.

## Honeydews



Honeydew production overall has been limited but, just as with the cantaloupe, sizing will also begin to trend towards mostly larger fruit. We believe the small fruit will become very limited over the next few days. Supply should be picking up in the next 7-10 days. Honeydews have been clean so far with possibly minimal scarring showing but the fruit has been eating very good with internal quality showing brix levels of 11-14%.

# MARKET OUTLOOK



**MARKET ALERT**

## Iceberg



Iceberg lettuce supplies continue to be limited. Lettuce continues to be challenged with providing steady supplies. Better quality is being reported with growers. The cooler weather in Salinas will help improve quality. Growers are not reporting any shortages currently, keep in mind growers are harvesting 20% less yield than normal. **Inform** customers to **inspect & wash** all lettuce items before serving. We anticipate the markets to be lower by the end of the week. **Alert includes all salad blends**— expect escalated pricing.

QUALITY  SUPPLY 

## Kale



The kale market continues to remain steady. Quality is being reported as fair due to the recent heatwave. Markets are expected to remain steady for the next few weeks as demand is fair at best right now.

QUALITY  SUPPLY 

## Leaf



**Romaine & Green Leaf** supplies have improved this week. Markets are not escalated this week. Quality has also improved with the cooler weather in Salinas. Expect steady markets for next week. No shortages or pro-rates to report currently. **Red Leaf & Boston/Butter leaf** volumes are slightly better this week. We are still seeing some internal burn, puffy heads and irregular sizing. Demand is steady.

**Alert: Romaine Hearts/ salad blends & leaf fillets**— Continue to be struggle with supplies & markets will remain escalated this week. Expect escalated pricing this week due to whole case commodities in short supplies.

**MARKET ALERT**

QUALITY  SUPPLY 

## Tender Leaf



Supplies of lettuce continue to be very limited to start this week. Most growers continue to limit production in order to allow upcoming fields to gain size and weight. Supplies of leaf lettuces are slightly better with quality reports showing improved sizing. Reports show some insect pressure with damage on the lower ribs as well as occasional wind-burned tips. Santa Maria & Salinas are the primary shipping points for leaf & Iceberg lettuces off the west coast.

QUALITY  SUPPLY 

## Lemons & Limes



**LEMONS** - We continue to have tighter supply & higher prices on smaller sizes. This is also impacting the 140s as customers move up in size. 115s and larger are available but getting tight on those sizes. Prices are rising.

**LIMES** —Seeing a spike in the market before it levels out & comes down a little. With aging fruit & lower-quality left on the trees, there is lower-quality fruit coming into the marketplace. We will also start seeing smaller sized fruit; this should stabilize as the weather changes & rain comes. We are getting into the rainy & tropical depression season, which can cause a disturbance in the market as well. Expect to see higher pricing for the next month or a little longer.

QUALITY  SUPPLY 





# MARKET OUTLOOK

**MARKET ALERT**

QUALITY



SUPPLY



## Onions



Pricing out of NM is roughly between \$20-\$22 on yellow. Reds are a touch less, avg. between \$13 - \$14. It's being reported that California has had some swings in pricing over the last week. The lowest being around \$17. However, they're averaging between \$19 - \$22 on Yellows. Reds are about \$10 - \$12. The variation that we see in pricing, especially out of California, has some to do with quality. Overall prices are slightly higher than they were Thursday and Friday of last week. The price increase has a lot to do with total availability.

## Onions, Green



QUALITY



SUPPLY



The market is steady and supplies continue to be steady with the recent nice weather in Mexico and Salinas. Expect the market to continue to stay steady this coming week.

## Oranges



QUALITY



SUPPLY



The market continues to stay steady. Good demand and good quality. Oranges are very promotable and competitive right now, with Valencia and navels rolling as well. Valencia stocks are dominated by 88-count & larger sizes.

## Pears



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SUPPLY



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.

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SUPPLY



## Peppers, Bell



**Green** - North & South Carolina are approaching the end of the season very quickly. SC is expected to be done this week. NC will be right around the corner. New Jersey has started but expect markets to remain strong as demand exceeds supply. Heat in most of Central and Eastern parts of the USA will be a factor in respect to supplies during the upcoming weeks. **Alert: Red & Yellow** - Expect higher than normal prices for at least another week. The San Joaquin Valley season is ramping up daily. All colors are still tight.

## Peppers, Chili



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Baja's chili pepper crossings are steady, providing all varieties on a consistent basis. Domestic supply is also available in CA, but it's limited to mostly jalapenos at this point. Overall quality is good, but poblanos have challenges and may not travel well. Eastern chilies are primarily a local deal now. No major volume, but there's enough to make a dent in demand.

## Pineapples



QUALITY



SUPPLY



The market continues to be extremely tight. Very limited sizes are available. We are still asking all customers to size down as we have a larger than normal percentage of 8ct Del Monte Gold Pineapple. This will continue for at least the next two weeks.

# MARKET OUTLOOK

**MARKET ALERT**

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## Potatoes



All growers are running Burbanks exclusively through the end of the storage season in August; at that point, there will be Norkotahs out of the field. There has been little size in the Burbank crop and the carton market is reflecting that. We continue to see strength in recent weeks with very good demand. Expect markets to remain active for the next 4-6 weeks, especially on larger sizes. Quality is still of high concern and that won't go away until new crop in Aug/Sept.

## Squash



QUALITY



SUPPLY



Yellow squash continues to be in short supply. All growing regions are struggling with the volume of yellow. North Carolina is not producing the anticipated volume. Zucchini availability is much better as Canada is starting to get into the mix. Unfortunately, Canada only grows Gold Bar instead of the typical yellow Straight neck squash. Heat in most of Central and Eastern parts of the USA will be a factor in respect to supplies during the upcoming weeks.

## Strawberries



QUALITY



SUPPLY



Volumes have increased this week which is bringing the markets down slightly. Quality is better this week too. California has been experiencing warmer than normal weather this week. This could impact production and quality.

QUALITY



SUPPLY



## Tomatoes



**Rounds** -Good supplies out of the East & West. Supplies from Mexico is steady with the movement of growing areas. **Romas** - Production is raising in the East. Production in California is increasing & Mexico's production is declining. Northern CA farms are now into good volumes, but quality concerns (that are typical for ground-grown fruit) are rearing their ugly heads. Scarring & color issues are reducing the amount of retail-appropriate fruit, but it is being handled well in the packinghouses. **Grape tomato**- availability is on the short side in the East this week. VA farms are harvesting daily but there's not an excess to spread around. There are some other states with light supplies including TN & NC. A few more areas are expected to come online over the next two weeks. Western markets are looking for grapes from Baja where quality has improved as growers move into new fields. Mainland Mexico is also in the game & expects to have a little more fruit in the next week or so, pending weather.

## Watermelons



QUALITY



SUPPLY



The market showed a bit of correction this past week with lighter shipments that had the benefit of goosing prices up a tick or two for most regions. Tropical Storm Barry pushing rain up the Mississippi valley may have been a cause of the lower volume for some. With incredibly high temps on the horizon for much of the country it should be a good time for watermelon. Good supply crossing through Nogales and McAllen. New crop is also available out of the desert and South Georgia. Quality is outstanding and promotions are available.



# MARKET OUTLOOK



**Red Cabbage -Alert** Continues to struggle with red cabbage supplies. Very low yields at the time of harvest. Quality is been reported as only fair at this time. With cooler weather this week and the next we are hoping supplies will improve. Distributor will be held to 6-week loading averages. Contracts are escalated this week. Whole case and process red cabbage.

**Sweet Potatoes – 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 and heavy rains. Prices are up and will continue to rise, and supply just isn't there. Recommend to open spec across the board in this category. Prices continue to rise, supply continues to fall. **Suppliers expecting a full gap of 1-3 weeks depending, at the end of this month and first week of August.**

## USDA announces record funding for farm-to-school grants

The U.S. Department of Agriculture will fund a record 126 farm-to-school projects this year, up from the previous high of 74 projects funded in 2016.

Grants totaling more than \$9 million will be distributed to projects in 42 states, the District of Columbia, Puerto Rico, according to a news release. The projects, made possible by increased funding by Congress in 2018 and 2019, will help serve more than 3.2 million kids in about 5,400 schools, according to the USDA.

The USDA has been working to connect schools with local producers of food since 1997, and the farm-to-school grant program started in 2013.

“The farm to school grants announced today connect schools with the farmers, ranchers, and producers in their communities,” Agriculture Secretary Sonny Perdue said in a news release. “USDA is proud to help the next generation better understand where its food comes from, while strengthening local economies.”

Grants can range from \$20,000 to \$100,000 and be used to fund equipment purchases and experiential learning activities, offering taste tests to children, and organizing field trips to local farms and food producers, and other projects.

USDA’s 2015 Farm to School Census found that in the 2013-2014 school year, schools purchased more than \$789 million in local food.

A full list of 2019 grant awards funded can be found at the [USDA website](https://www.usda.gov/farm-to-school).

<https://www.thepacker.com/article/usda-announces-record-funding-farm-school-grants>

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,



Your Dedicated NPC, LLC Staff