



## WEATHER UPDATE

**Salinas**— Sunny to partly cloudy next week. Highs in the mid-70s and lows in the upper 50s. **Oxnard**— Sunny to partly cloudy next week. Highs in the 70s and lows in the 60s. **Mexico (Culiacan)**— Sunny to partly cloudy next week with chances of thunderstorms throughout the week. Highs in the 90s and lows in the 70s. **Florida, Southern**— Cloudy with chances of thunderstorms & winds throughout the entire week. Highs in the lower 90s and lows in the mid-70s. **We will update any conditions should Hurricane Dorian affect SE Veg Markets.** **Idaho**— Sunny to partly cloudy next week. Highs in the lower 90s and lows in the 40s.

## TRANSPORTATION

The National Diesel Average has been recorded at \$2.983 down \$0.011 a gal from last week and down \$0.275 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 slight shortages in Southwest Indiana, & Southeast Illinois.**

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### MARKET ALERT

ASPARAGUS  
BRUSSELS SPROUTS  
CARROTS  
CILANTRO  
COLORED BELL PEPPERS  
ICEBERG LETTUCE  
LIMES  
POTATOES  
ROMAINE LETTUCE &  
ROMAINE HEARTS  
SWEET POTATOES



# MARKET OUTLOOK

## Apples



Wash State going strong on new crop with Galas, and in a light way on Honeys. Gold Delicious will start packing on 9/2. Fujis are basically done for the season - few left. New crop to start 9/9.



## Asparagus



The market remains very active due to limited volume, especially on the large sizes. Mexico's volume continues to decline, and Peruvian volumes remain low as well. Quality is just fair due to the erratic weather. **Prorates are still in effect** as markets range from \$40s -\$50s. Expect improvements in the next few weeks, if the weather cooperates.



## Avocados



Markets are weaker on larger sizes & steady on smaller sizes. Mexico continues to send fruit to the border & the size curve has changed to be mostly 48's & 40's. Supplies should be steady coming from MX with some variations based on grades & sizing for the next few weeks. There could be some demand as Peru & California exit the deal. The MX fruit is still very clean and only about 5% of the crop is #2 grade.



## Bananas



As we approach the fall, the banana markets are steady with good supplies and good quality.



## Berries



**Blueberries** are still available in multiple areas including the West Coast, Pacific North West, and Michigan. The market is working up. Imports are slowly increasing from Peru, Argentina, and Mexico.

Production on **Blackberries** is higher than in previous weeks. Yields are good out West with better numbers crossing into the U.S. from Mexico. Expect this trend to continue into next week.

**Raspberry** availability has improved in the last few days. The market is holding steady. Expect supplies to continue to improve as the Mexican season picks up in the upcoming weeks.

# MARKET OUTLOOK

## Broccoli



Supplies are down this week on broccoli. With schools back in session, processors and distributors are ordering more product. Good quality has been reported at this time.



## Brussels Sprouts



Supplies continue to be very limited this week. Harvest yields are coming in lower than expected. Markets are expected to be higher going into next week. Some growers are reporting some quality issues.

## Cauliflower



Good supplies continue this week on celery. Markets are expected to be steady going into next week. Good quality is being reported by multiple growers.

## Cantaloupes



Increased retail demand approaching the holiday weekend helped to stabilize and push up the cantaloupe market the end of last week. We have seen a dramatic shift in daily pack-outs to large fruit (9s and larger) leaving 12s in a limited position & small fruit (15/18s) being very short. Flexibility in sizing at the time of loading may be necessary. Quality remains at optimum levels on the cantaloupe right now.



## Carrots



Jumbo carrots are limited. If the Cuyama Valley do not size up this could turn a short market for an extended amount of time. Expect pro-rates for the next week or two.

## Celery



Supplies continue to be good going into this week. Markets are expected to be steady going into next week. Good quality is being reported by multiple growers.

## Corn



Supplies are picking up out of the West. The market out of the East is holding firm. Expect prices to decline after the Labor Day holiday. Availability should pick up after the holiday demand passes.

# MARKET OUTLOOK



## Cucumbers



Availability has gotten tighter this week. MI, OH, NJ, PA, and VA are all shipping but none of the regions are in peak production. Most growers have hit a slight gap in production due to planting schedules. New fields will be ready for harvest next week so. The Western market has stabilized & is expected to remain steady throughout the week. Product from Mexico are also available to load in Nogales. Light supplies of Mexican cucumbers are expected to continue through McAllen.

## Eggplant



Eggplant is in peak season with supplies coming from New Jersey, Michigan, and Ohio. Lower production is coming from Virginia and the Carolina's. Volume is peaking now in the Midwest and should continue this way for the next couple of weeks. Light supplies of eggplant available to load in Los Angeles. Eggplant continues to be harvested in the Bakersfield and Fresno, CA district.

## Grapes



Flames should be finished in about 3 days. Scarlet Royal, Krissy, Magenta will be main varieties for the next month then it will be Scarlet Royal and Allison the rest of the way.

## Green Beans



Supplies are good in the East but limited in the West. Plenty of regions in the East have beans available with good quality. Expect better supplies from the West in a few weeks.

## Herbs



**MARKET ALERT**



**ALERT:** Cilantro remains limited this week, but the market has started to come down a bit due to better supplies. Expect the market to adjust over the next few weeks.

Chervil is starting to come back in very limited supply. The heat wave of the past several weeks is what caused the shortage, but cooler weather is entering the growing region for this very sensitive herb. **All other herbs are steady with good quality.**

## Honeydews



Honeydew production has dropped off the past few days as new fields are late in starting to harvest. Anticipate limited production with mostly 5/6s being available over the next week. Quality of the dews have been very good with brix levels mostly in the 12-14% range.

# MARKET OUTLOOK

**MARKET ALERT**

## Iceberg



QUALITY SUPPLY

Supplies are light this week on iceberg. There is a big demand from processors and distributors with schools starting up. Expect markets to be steady going into next week. Good quality has been reported at this time.

## Kale



QUALITY SUPPLY

Steady supplies this week on green kale. Markets should be steady going into next week. Good quality is being reported by multiple growers.

**MARKET ALERT**

## Leaf



QUALITY SUPPLY

**ALERT: ROMAINE LETTUCE & ROMAINE HEARTS** – Demand continues to strengthen. Processors are pulling more volume with schools starting up. Industry supplies are trending lower than normal for this time of year. Good quality has been reported, but some reports of fringe, wind burn, & light twist.

**Green Leaf/ Red Leaf/ Butter (Boston) Lettuce**- Very good supplies on these leaf items. Markets are expected to remain steady going into next week. Good quality is being reported at this time.

## Tender Leaf



QUALITY SUPPLY

Volumes continue to be plentiful as the weather in the Salinas Valley continues to spur growth and produce better yields. Curly parsley, spinach, and arugula have reacted to the recent warm weather and supplies look to be in good shape going into next week.

**MARKET ALERT**

## Lemons & Limes



QUALITY SUPPLY

**ALERT: Limes**– Due to ongoing weather conditions the lime crop along the Eastern part of Mexico (Gulf of Mexico) has been drastically affected by the prolonged drought over the past months. In general, supplies are extremely tight, & we anticipate it may continue for the next 4-6 weeks approximately. Sizes 110s -175s are extremely short, & demand is affecting the smaller sizes as well. We highly recommend flexing size spec where possible to ensure supply. This is not just a size issue; it's also a quality and supply issue. Most days USDA does not even have a quote due to the insufficient amount of supplies. Big fruit is currently going for \$50+ FOB, with most markets in the \$40s, while smaller fruit 200s-230s remains in the \$30s.

**Lemons** – The market is lower to steady. Good supplies out of both the East & West coast with the majority being imports. FOBs are in mid-\$20s and low \$30s with good demand across the board. Quality is good.

# MARKET OUTLOOK



## Onions



QUALITY



SUPPLY



The market is steadily easing as volumes are increasing. Growers in NM & CA are trying to finish while Idaho & Oregon's new crop is starting to ramp up volume. Sizing is peaking on mediums and jumbos. Expect pricing to start going down. Large onions are expected to remain higher priced as the NW crop is not able to keep up with demand. Quality has been very good.

## Onions, Green



QUALITY



SUPPLY



Good volumes coming from Mexico. Markets are expected to be steady going into next week due to light demand. Good quality has also been reported at this time.

## Oranges



QUALITY



SUPPLY



The markets for 88ct & larger sizes are steady. Prices for smaller fruit is up & supplies are tight due to schools being back in session. Expect domestic small fruit to remain tight. No quality issues have been reported.

## Pears



QUALITY



SUPPLY



Barts are now available with sizes peaking on 100/110/120ct. California Anjou's are still available - there will be no gap between CA and New Crop. New crop Washington D'Anjou harvesting will begin in September. Quality is excellent.



## Peppers, Bell



QUALITY



SUPPLY



**ALERT: Red & Yellow Bell Peppers-** Supplies continue to be limited & pricing remains elevated this week in both regions. Markets are steady. Red pepper supplies have improved a bit, but pricing remains elevated. Yellow pepper supplies remain limited. Overall quality is reported as good.

**Green Bell** pepper supplies continue to improve in all growing regions. In the East most supplies coming from MI, OH, NJ, & PA. NC & TN are still producing light supplies. Production is picking up in Bakersfield, CA as well as in the Fresno, CA growing area. Quality is fair due to the mixture of old and new crop.

## Peppers, Chili



QUALITY



SUPPLY



The market is steady with good volumes this week. Santa Maria & Baja are producing good volumes. Supplies are expected to remain steady through the week. The East is coming along steady with small local deals.

## Pineapples



QUALITY



SUPPLY



Supplies are expected to remain low at least until mid-September. Sizing trend is moving slowly towards larger sizes which will help with 5ct and 6ct availability. Quality is pretty good and expected to remain good thru the end of the year.

# MARKET OUTLOOK

**MARKET ALERT**

QUALITY



SUPPLY



## Potatoes



**ALERT:** The market is steady to high this week. FOBs are still around \$21n Larger sizes remain extremely limited, especially in the Pacific NW. We are now into the new crop Norkotahs. Quality is good with size profile leaning to 80ct & smaller. Warm temperatures in Idaho may help the Norkotahs and Burbanks still left in the ground size up better, but we will have a better outlook once harvest is complete around the second week of October. New crop Burbanks should begin in late-September. Expect the market to remain high and tight for the next few weeks.

**ALERT: SWEET POTATOES**– The market is steady, the new crop is being harvested and the dry pipeline is being filled but most of it is uncured and light on sugar. Supplies remain tight, expect improvements by mid-September. Quality is good.

## Squash



QUALITY



SUPPLY



Squash supplies are a bit lower this week. Cooler temps in the mid-west have slowed production in MI & OH. These regions are in a downward production cycle. However, many other areas have product to ship, but supply and plantings are just light to moderate. Santa Maria is experiencing a slight uptick in volume as they move into their last fields. That's great timing, as Salinas & Fresno have limited volumes & Baja is in a slight gap for the next 7-10 days. Quality is varies on growing region, but mostly good.

## Strawberries



QUALITY



SUPPLY



The market is working up as the yields drop gradually out of the Salinas & Watsonville area. The new crop fruit out of the Santa Maria area is just starting and supplies will not be enough to counter the lower numbers coming out of the North. The market should remain strong moving into the holiday weekend. Look for Mexican berries to become available by the end of September.

## Tomatoes



QUALITY



SUPPLY



Weather conditions in the East continue to disrupt supplies. Hurricane Dorian is forecasted to hit FL this weekend. Production is coming out of North Carolina, Virginia, Alabama and Tennessee. Markets are higher due to various gaps in production from excess heat. Product out of CA is still tight. The newly agreed suspension agreement draft has eased concerns of a shortage of tomatoes coming from Mexico helping to steady supply as growers in Mexico continue to work through the transition and recent rains.

## Watermelons



QUALITY



SUPPLY



Seedless supplies remain limited in all areas of the country. This past week movement mostly holding steady during a time of year when it's typically trending down. This means closing most of the gap that we have seen for the past couple of months, and while prices did dip ever so slightly for the second straight week, they still continue to sit well above past years. Daily peaks have been consistent eclipsing 25 million pounds during these strongest days. California, Indiana, North Carolina & Texas seem to be amongst the larger contributors with several others still kicking in plenty.



# MARKET OUTLOOK

## Inspection provision in Mexico tomato deal draws critics

<https://www.thepacker.com/article/inspection-provision-mexico-tomato-deal-draws-critics>

The relief of reaching a new tomato suspension agreement between Mexican [tomato](#) growers and the Department of Commerce has come with misgivings from importers over the effect of a provision calling for mandatory inspections at the border. While pleased the draft agreement will end duties on Mexican tomato shipments to the U.S., the [Fresh Produce Association of the Americas](#) said it was “profoundly concerned” the plan appears to require inspections of up to 92% of all tomatoes from Mexico at the U.S. border. The FPAA is basing its estimate on U.S. Department of Agriculture shipment numbers. The Commerce Department, however, disputes that number, estimating that 66% of the imported tomatoes are subject to inspection.

Mexican tomato growers and the Commerce Department struck the deal for a new tomato suspension agreement late Aug. 20, halting an anti-dumping investigation initiated when the Commerce Department pulled out of a suspension agreement on May 7. The five-year agreement is in a public comment period and goes into effect Sept. 19. A series of five-year suspension agreements between Mexican growers and the Commerce Department since 1996 had set minimum prices for Mexican tomato imports and suspended U.S. dumping investigations and duties. The agreement includes new reference (floor) prices for Mexican tomato imports, including organic tomatoes, which weren’t included in previous suspension agreements.

Living with the deal: The [Florida Tomato Exchange](#) called the new agreement “strong,” replacing 23 years of suspension agreements that “never worked to protect American tomato growers from injurious dumping of Mexican tomatoes,” according to a statement. The group commended the Commerce Department and the Mexican tomato industry for an agreement that recognizes the need for stronger enforcement.

“The new tomato antidumping suspension agreement includes major provisions requested by U.S. growers to improve enforcement and monitoring of the agreement,” according to the statement. The Mexican industry conceded on core provisions such as border inspections of all Mexican round, roma and bulk grape tomatoes, according to the statement, along with improved compliance and monitoring tools. Importers will be entitled to reimbursement of cash deposits made from May 7 to Sept. 19, according to the statement. Mexican tomato growers have been subject to a 17.56% antidumping duty since May 7. The Department of Commerce in late July announced a preliminary dumping margin of 25.28% on Mexican tomato imports, which is set aside with the new reference prices. The FPAA, Nogales, Ariz., issued a statement Aug. 21 that expressed mixed feelings about the deal, particularly the mandatory border inspection provisions. According to the Commerce Department, the 92% figure cited by FPAA is inaccurate because it includes tomatoes-on-the-vine (TOVs), which are excluded from the near-the-border inspection requirement under the draft agreement. Instead, Commerce estimates that 66% of Mexican tomatoes will be subject to inspections. The Commerce Department bases its estimates on 2018 USDA Tomato Fax Reports and a Florida Tomato Exchange estimate that on-the-vine production accounts for 70% of protected round tomato shipments. Lance Jungmeyer, president of the FPAA, said in an e-mail that he believes the Commerce Department’s estimate falls short of reality. Jungmeyer said there is “no way” that tomatoes TOVs make up 70% of all adapted/controlled environment — non-field grown — round tomatoes (which he said are the two categories that could be considered “protected” agriculture). Most round tomatoes come in 25-pound boxes, not in clamshells of TOVs, he said. Jungmeyer said the department has mistakenly relied on “every statement from the (Florida Tomato Exchange) as gospel,” suggesting that actual inspection numbers would be higher than estimates from the Florida group and Commerce Department. The FPAA believes the inspections have the potential to destabilize the U.S. tomato market. “U.S. importers and marketers of Mexican tomatoes will bear what amounts to punitive costs associated with such levels of inspection,” according to Jungmeyer. “Because of the sheer volume of tomatoes shipped north from Mexico to the U.S., we can expect the inspections to create substantial delays that compromise the quality, affordability and availability of tomatoes to American consumers and will create bottlenecks for other goods crossing the border.” Jungmeyer also said that while FPAA commends the Commerce Department and tomato producers in Mexico for months of work to revise the tomato suspension agreement, the association urges consumers, importers and other American companies to consider concerns during the comment period. The heightened inspections are slated to start about six months after the new tomato suspension agreement goes into effect, if the deal is finalized on September 19. “The inspection provision is essentially a non-tariff trade barrier whose ripple effects will not only damage the U.S. tomato market but many other industries that trade with Mexico,” Jungmeyer said in the statement. Tomatoes, he said, make up almost 20% of produce imports that flow from Mexico through the Nogales port of entry. Increasing the volume of tomatoes to be inspected there will create bottlenecks for all goods at the border, according to the FPAA.

**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. Have a great week!**

**Your Dedicated NPC, LLC Staff**