



WEATHER UPDATE

Yuma— Possible showers on M/Th/F but otherwise partly cloudy all week with highs in the low 60s and lows in the mid 40s. **Mexico (Culiacan)**— Sunny and partly cloudy all week with possible precipitation late in the week. Highs in the mid 80s and lows in the mid 50s. **Florida, Southern**— Thunderstorms and showers to start the week followed by partly cloudy and sunshine the rest of the week. Highs in the mid 70s after Monday and lows in the mid 50s. **Oxnard**— Primarily a rainy week with showers ranging from Sunday to Thurs. Highs in the upper 50s and lows in the mid 40s. **Salinas**— Similar to Oxnard, showers ranging from Sunday to Thurs. Highs in the mid 50s and lows in the mid 40s. **Idaho**— Small chance of snow on Tuesday. Otherwise, partly cloudy and highs around 32 and lows in the mid teens.

TRANSPORTATION

The National Diesel Average has been recorded at \$3.046 down \$0.003 a gal from last week and down \$0.075 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 slight shortages in San Joaquin Valley, Central and South Florida, Pacific North West and Minnesota/N. Dakota.**

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MARKET ALERT

BLACKBERRIES
CELERY
CORN
CUCUMBERS
POTATOES
STRAWBERRIES
TOMATOES

COMMODITIES ON THE RADAR:

CARROTS





MARKET OUTLOOK

Apples



The market is steady this week. New crop Washington MFC Gala, Red Delicious, Granny Smith, and Golden Delicious Apples are available. New crop Washington Fuji stocks are limited. Quality is excellent.

Asparagus



The asparagus market remains steady this week but is beginning to slow down. The Peru season is coming to a close and the Mexico markets are starting up. Expect a tighter market from now until late January.

Avocados



Markets are stable and supplies are plentiful. 48's and larger continue to be stronger than 60's and smaller. Expect to see this trend hold over the coming weeks. Demand remains steady but should begin increasing as we move closer to the holidays. Also, foodservice demand is expected to increase. Volume for #2 fruit is strong and should remain that way as we progress into January.

Bananas



We are beginning to hear that supply is decreasing and expect this trend to continue in the coming weeks. This situation may remain until week 6-7 of 2020. Good supplies on organics, no major issues for the balance of the year. Finally, plantains still remain super tight and expected to remain tight until beginning of December.



Berries



Blackberries– **ALERT:** Product supply is on the rebound but is still on alert. We expect some improvement as weather in South America continues to improve. Mexico supply is light but steady and will continue to increase throughout December. Expect to see a more balanced position as we approach the new year.

Blueberries: Production out of Peru and Chile has been solid. Expect volume to stay steady in December and great opportunities for promotions on blues.

Raspberries: Supply is still steady and should remain that way with current weather patterns holding.

MARKET OUTLOOK



Broccoli



Supply and quality continue to be solid as desert harvested product is in full swing. Expect to see no escalation in the coming weeks and a steady supply to match demand. Quality has been reported as great.

Brussels Sprouts



Supplies are holding steady for this week with promotable volume. Growers are anticipating a very good holiday pull but supply has been solid and should be able to keep up with demand. Slight insect damage but overall good quality.

Cabbage



Good supply for green cabbage and red continues to stabilize and reach steady limits. We anticipate this to remain moving forward over the next couple of weeks.

Carrots



ON THE RADAR: Jumbo carrots have begun to tighten up nationwide. Overall sizing has slowed leaving supply somewhat limited due to colder weather. We will keep a close eye on how supply progresses in the coming weeks. We have seen escalation in pricing last week and this week.

Cauliflower



Good quality is reported by multiple growers and market pressure has fully released. Supply has reached volume and good weather reports next week should add to excellent supply and quality.

Cantaloupes



Quality remains very consistent with solid brix levels and good supply. Start of the import season has shown larger sizing with volume in the 9/9J sizing. Expect a stable and solid few weeks ahead.

MARKET ALERT

Celery



Supply continue to be steady and is increasing with Mexico in full swing. New crop celery out of Yuma is still two weeks away. Growers are expecting some release as volumes continue to increase. Sizing has been slightly smaller and heavier on 30s.

MARKET ALERT

Corn



Extreme alert: Corn supplies are extremely limited this week. Due to transitioning, cold weather and the flooding in the growing regions. Expect high markets for the next two weeks or more. Quality is good to fair.



MARKET OUTLOOK



MARKET ALERT

Cucumbers



QUALITY



SUPPLY



There's very limited volume in Florida and the season is about over. The story is all about Honduras now. Very light volume has started to trickle in and there are a few more growers that will get rolling next week. However, full seasonal volume won't come until the end of January. Mexico growers are reeling from the effects of the heavy rain and are coming up short, especially on retail grade product. Ranches are already seeing mildew issues. Some were able to spray and will make a crop, but others were not and will be out until February. Availability will be limited for the next few weeks and quality/condition will not be as strong.

Eggplant



QUALITY



SUPPLY



The market in the east is lower, while the market out west is steady this week. Demand has decreased after the holiday. Good supplies coming from Mexico and Florida. Good quality being reported. Expect market to remain steady going into next week.

Grapes



QUALITY



SUPPLY



Peruvian Red Seedless—The market is up on import product reaching the high 20's and low 30's. Supply is limited and arrival of heavier volume and varieties will not happen until after the new year. Peru Green Seedless—Some Sugs and Thompson are available but overall supply is very limited and won't keep up with demand. Chilean red and green grapes will help some with supply shortage but not enough to keep demand at bay.

Green Beans



QUALITY



SUPPLY



Green bean prices have decreased considerably in the past week as we draw closer to the end of the holidays. Beautiful weather in Florida has brought more harvesting with quality being good to excellent. The green bean market is projected to return to normal in the next 2-3 weeks

Herbs



QUALITY



SUPPLY



Chervil & basil are limited this week due to weather issues in the growing areas. Supplies are expected to improve next week. All other herbs are expected to remain steady with good quality.

Honeydews



QUALITY



SUPPLY



Quality remains very consistent with solid brix levels and good supply. Start of the import season has shown larger sizing with volume in the 5/5J sizing. Expect for a stable and solid few weeks ahead.

MARKET OUTLOOK



Iceberg



QUALITY SUPPLY

Product is in good supply and in good condition. We anticipate this to remain steady for the upcoming weeks.

Kale



QUALITY SUPPLY

Supplies have remained steady. Fair quality reported by multiple growers.

Leaf



QUALITY SUPPLY

Romaine: Romaine has fully rebounded and has seen good supply this week and can expect good supply in the coming weeks. Overall quality has been good and the market has come down leaving a spread in pricing. Expect for this drop to continue as the markets fully stabilize.

Green Leaf/ Red Leaf/ Butter (Boston) Lettuce: Product has been in good supply and also good quality. With good weather on the 10-day forecast, we expect to continue to see good volume on green and red leaf in the coming weeks.

Tender Leaf



QUALITY SUPPLY

Supplies and quality are reported as good after the transition down to Yuma has completed. Expect steady supply and overall quality to remain solid in the coming weeks.

Lemons & Limes



QUALITY SUPPLY

LIMES: Lime market and supply is currently inching up. FOB's on 110-200's are near \$19 and smaller fruit is between \$16-18. Demand has been steady and we will be closely monitoring as we move into Q1 which historically has a more active market.

LEMONS: Lemons are steady this week. Very little fluctuation from last week with FOB pricing out of CA and AZ markets. Peak sizing on 140s and 165s with tighter supply on 95s and 115s.

MARKET OUTLOOK



Onions



This market remains steady but there has been a slight increase on larger size onions. For the most part, an increase of about .25 to .50 on Supers and Colossals compared to two weeks ago. is slightly lower markets than what suppliers were anticipating. Medium size yellows are firming but still in the \$5-6 range. Reds and whites are following suite and beginning to firm up. Red jumbos are in the \$7 range while whites have seen an increase from \$8 three weeks ago to about \$11 with possible increases in the future.

Onions, Green



Supplies are steady this week but pricing has firmed up with demand. Growers are anticipating a bigger demand for Green Onions as we continue through the Holiday. Expect the market to remain steady or increase slightly.

Oranges



California navels have remained in full swing and are showing volume across the board. All sizes are in excellent supply. Florida has seen cooler evenings recently which has helped with color and flavor as the season moves forward. Washington variety has began and has provided the best supply of 56s this season.

Pears



Barts are now available with sizes peaking on 100/110/120ct. New crop Washington D'Anjou are available and quality is excellent.

Peppers, Bell



With both coasts in the game, Florida is possibly at its peak of the late Fall plantings. More growers have come online this week and supply is strong. Quality is overall good, but there continue to be pesky hit and miss reports of bruising. Looking ahead, we will see less peppers in FL after the first of the year, as acreage is reduced. Despite the prior weather, Mexico producers have been bringing a steady stream of product to the border. That being said, we are seeing quality issues in open field product while growers make the transition to shade house crops.

Peppers, Chili



The chili pepper market is steady this week with good supplies in the east and west. Jalapeno, Anaheim, Poblano peppers, and tomatillos are in good supply with good quality. Serrano peppers are lighter this week. Good demand and good quality. Expect the markets to remain steady into next week.

MARKET OUTLOOK

Pineapples



We are expecting volumes to remain healthy until the end of the year with the fruit trending large.

Potatoes



EXTREME ALERT: Fresh potato shipments from the 2019 crop are likely to fall 11.19 million cwt short of 2018 movement. Expected shipments would be the lowest in modern history. Russet table potato prices have exceeded year-earlier values by an average of 70.6% in past years when fresh shipments have fallen more than 5% short of year-earlier movement. The potato market is steady from last week but still on EXTREME alert. We recommend flexibility on sizing to get through the holidays and we will continue to monitor the situation and keep you updated on this unprecedented market.

Squash



With Homestead, South FL and Plant City going, there is good squash volume in the East. Overall, quality has improved this week and has been decent on zucchini and yellow, outside of some minor scarring. In the West, we are seeing quality and production issues from Mainland Mexico on all soft squashes. With some better weather patterns in the forecast, we hope to see a slight increase in the numbers over the next few weeks.



Strawberries



Even with better weather this week, production numbers are still way down. Historically (7-year USDA data) late fall and early winter produces the lowest yields and production due to sporadic weather and transitioning growing regions. With CA production ending early, the demand has had to lean on Florida and Mexico production but has not had enough production to fill demand. Florida production has begun but is a week or two behind normal schedule, leaving volumes light. Mexico has had an uptick in production, but sizing has been small and overall quality has been only fair due to rain and humidity over the past few weeks. We are looking for things to begin to turn for the better as we enter 2020.



Tomatoes



This category is under an extreme alert. Demand is up of course due to the holidays and supply is **extremely low and has not improved since last week.** In the midst of transition, multiple regions are gapping which is causing markets to skyrocket past \$30 FOB on romas and rounds. The **Round** market is leaning on Naples and Immokalee production but has still been limited due to colder weather. We anticipate round supply to remain limited until the middle of January. **Roma** market is still struggling but has had some relief of MX supply crossing through Nogales. If weather cooperates, we anticipate Roma supply to continue to improve in the coming weeks. Grapes are getting tight as well and cherries are rising as they see increased demand as an alternative. Multiple suppliers have already enacted AOG's or are discussing the possibility of having to call such action in the coming days. **We highly recommend opening spec when requested to ensure product availability.**



MARKET OUTLOOK

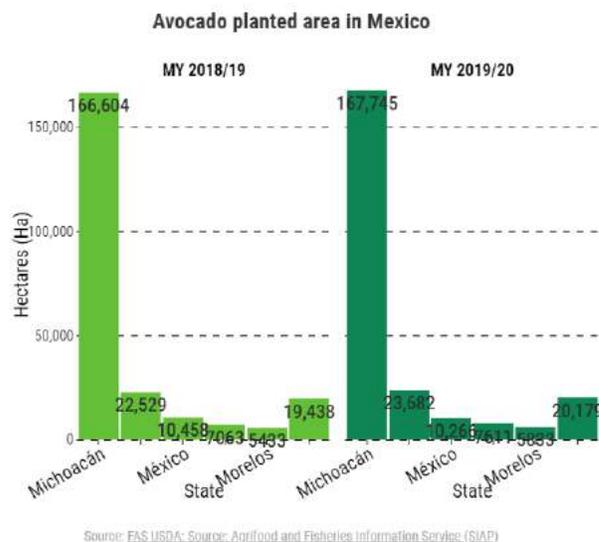
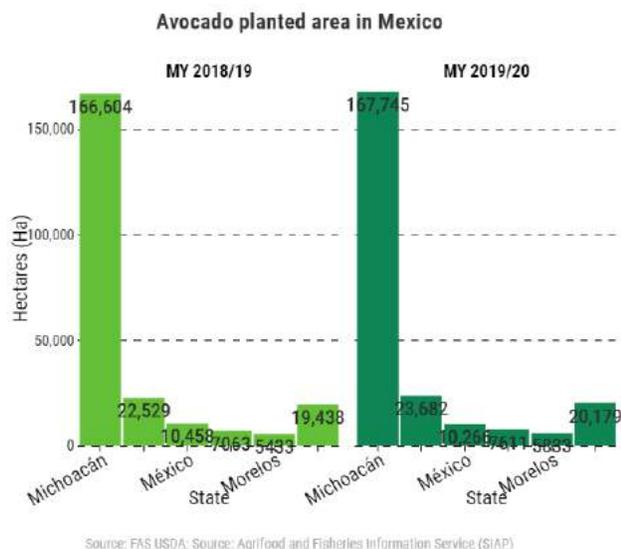
Mexico avocado exports to U.S. forecast to rise by double digits

THE PACKER: December 19, 2019

“Mexico’s [avocado](#) output and exports will rise again in 2020 at the same time growers are looking to improve increase yields and improve environmental conditions, according to a new report.

Mexican production volumes in 2019-20 are expected to climb modestly, according to the U.S. Department of Agriculture’s annual Mexican [avocado report](#), released in December, About 87% of U.S. avocado imports are accounted for by Mexican avocados, according to the report.

Mexican avocado production volume from January to October of 2019 totaled 1.83 million metric tons, 4.3% higher in comparison to 2018, according to the report.



The biggest volume of Mexican avocados is typically harvested from October to February, with moderate volume from March to May and lighter volume from June to September.

For 2019-20, the USDA forecasts Mexican avocado production at 2.26 million metric tons, up about 3.6% from 2.18 million metric tons forecast for 2018-19. Production in 2018-19 was up 7.6% compared with 2017-18 as a result of a 9.3% increase in area harvested, according to the report. Mexico’s avocado output is dominated by Michoacán, which accounted for 76% of national production in 2018-19.

For 2019-20, the USDA projects total Mexican avocado acreage of about 581,500 acres, up 1.64% compared with 2018-19. Michoacan avocado area, with about 415,000 acres, will increase less than 1%. Jalisco, the second most important growing region with 58,500 acres, will increase acreage by 5.12%, according to USDA.

Exports

For 2018-19, Mexican total avocado exports were 1.145 million metric tons, up 10.66% compared with 2018-19, according to the report.

Mexican avocado exports to the U.S. during 2018-19 were 15.97% higher than the previous year, and another big increase is expected for 2019-20, according to the report. For 2019-20, the report said Mexican avocado exports to the U.S. are forecast at 1 million metric tons, a 12.5% jump compared with 2018-19.”

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. Have a great week!



Your Dedicated NPC, LLC Staff