



## WEATHER UPDATE

**Salinas** - Partly cloudy to sunny for the upcoming week with highs in the 60s & 70s and lows in the 50s. **Oxnard** - Sunny skies fill the forecast with highs in the 70s and lows in the 60s next week. **Mexico (Culiacan)**- Partly cloudy with thunderstorms for the next seven days; highs in the 90s and lows in the 70s. **Florida, Southern**– Storms fill the forecast with highs in the 80s and 90s and lows in the 70s. **Idaho** - Mostly sunny for the upcoming week; highs in the 80s and lows in the 50s.

## TRANSPORTATION

The National Diesel Average has been recorded at \$3.217 down \$0.006 a gal from last week and up **\$0.710** 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 pretty tight NM with a consistent slight shortage across the rest of the country.**

[Check Out Our New Website](#)



**MARKET ALERT**

**Lemons**  
**Oranges**  
**Avocados**  
**Iceberg**

# MARKET OUTLOOK



## Apples



QUALITY



SUPPLY



Apple supplies remaining up 11% or so compared to last year (19 million remaining, compared to 17 million remaining last year.. Red delicious supplies are down substantially (-4 million cases), granny supplies are up substantially (+4.5 million cases). Movement overall has been below target, mostly due to the focus shifting from apples to summer fruits, and on the packing side to packing cherries. We anticipate carrying red delicious, granny, fuji, gala and honeycrisp to new crop (no gap).

## Asparagus



QUALITY



SUPPLY



We are in transition right now, Mexico is almost completely done and Peru is coming on with steady supply. Supplies holding distributors to averages, no extra supply. Demand outpacing.

**MARKET ALERT**

## Avocados



QUALITY



SUPPLY



Mexico is currently crossing Flora Loca fruit. Supplies are light from this growing area and are not being helped by tropical rains which are disrupting harvest. Such market is up especially up on 48's and larger. Currently peaking 48's, 70's, and 60's. Mexico will continue to cross through August with the Flora Loca/Off Bloom fruit and should start new crop fruit in mid-September. California already hit its peak volume in late June and is on its downward slide. This is not helped by the extreme temps which have had a big impact, causing the late season to wind up faster than normal. Fruit is firm and ripening fast; with nice oil content to offer up great eating flavor. Large fruit will continue to get tighter and their market stronger. Peruvian avocados are arriving in the U.S. and peaking mostly 40's, 48's, and 36's, which are great for filling those larger size needs. Quality and conditions are looking good. Volume is expected to go into September, but we will see a significant drop.

## Bananas



QUALITY



SUPPLY



Banana volumes are expected to be sufficient with high quality fruit coming into the market. The growing conditions are good as the anticipation of the 2018-19 school year is upon us.

## Berries



QUALITY



SUPPLY



**Blueberries:** Quality is good. Trending downwards in production out of British Columbia and Michigan. Expecting pricing to be up through mid-October. **Blackberries:** Supplies tighten up as supplies slow to come across from Guatemala. Berries out of CA seeing some quality issues from heat events recently. Mexico starts back up in October. **Raspberries:** Supplies are tightening up. Berries out of CA seeing some quality issues from heat events recently. Mexico starts back up in October.

# MARKET OUTLOOK

## Broccoli



The market surged last week leaving broccoli in the 18-20 range going into today. With the local deals in full force, the expectation was that the market would lose some steam. Not so fast...? With normal volumes and better than expected demand, this market remains strong.

## Brussels Sprouts



Brussel sprouts production is showing signs of improvement. Supplies will be improving in the upcoming weeks, quality is still excellent. Nice green color and firm.

## Cauliflower



While supplies are somewhat regular, demand seems a bit better into this week. The market is hanging out near the \$10 range, but could gradually increase from here. Next week's supplies look to be the same, so we'll just have to see where demand takes us.

## Cantaloupes



Cantaloupe production remains strong with big fruit dominating the daily harvest. 9/9Js have been plentiful which has left 12ct and especially 15ct in a very limited position. Hot weather and high yield seed varieties are the primary contributors to the excessive sizing. As you can see from the picture below internal quality has been excellent with solid brix levels mostly in the 14-16% range.

## Carrots



Overall market is somewhat limited as California is the only growing region currently. Our yields and quality are solid and should remain that way. Colorado and Canada should be starting soon which will increase the overall supply in the market. Once they will start shipping product we will have a better idea of what their crop looks like and what overall market conditions will be.

## Celery



Markets are steady and very low, with very light demand. Quality is good in Salinas. The Final Pack looks really nice. We expect sizing to be heavier to the larger sizes all week in Salinas. It sounds like there will be steady supplies for the industry next week. Michigan celery has started, but we are hearing the quality is just fair at best.

## Corn



Steady supplies out of Michigan on all colors – Bicolor, White and Yellow

# MARKET OUTLOOK



## Cucumbers



Extreme temperatures caused bloom drop in Baja's current cucumber crops, limiting Western volumes for the next two weeks. Eastern farms are experiencing weather concerns of quite the opposite nature. Cooler temps in MI, OH, and NY have slowed production, particularly on supers. Supply looks to be snug for at least the next week.

## Eggplant



Eggplant likes hot weather and the cooler temperatures in the East have tightened up supply this week. Look for more product after this weekend, when additional growers get started in MI and OH. Western supply of #1 fruit is expected to be light over the next 7-10 days as Fresno-area growers transition between older and newer fields.

## Grapes



Red Grape harvest has moved into Scarlet Royal, Magenta and Krissy varieties. Green Grape harvest has moved into Princess and Thompsons along with some Sweet Globes. Red Globes are barely available as they have been fighting a lack of color due to high temps. California Grapes are seeing a wide range in quality hence some lower prices to move older fruit. Fresh good grapes are fetching a higher price.

## Green Beans



With VA back in business, TN's numbers improving and MI and NY in the game, green bean availability is finally on the upswing in the East. Quality is improving over recent weeks, but there are still some occasional trouble lots. Supply is still light in the West, but should pick up during the first week of September.

## Herbs



Seeing good quality and supply across the board.

## Honeydews



Honeydew production is almost mirroring what is taking place with the cantaloupe. Large fruit has been predominant with jumbo packs being the primary sizing. We anticipate this situation to remain consistent through the rest of this week and hopefully seeing the next batch of fields settle down with regards to sizing. Quality has been good on the dewes while seeing mostly 12-14% brix levels.

# MARKET OUTLOOK



## Iceberg



**MARKET ALERT**

QUALITY  SUPPLY 

Lettuce supplies and yields continue to be below budget. Supplies are at the *minimum* 20% below normal. Quality has been very good. Occasional seeders and a little bit of mildew but overall appearance is solid. Market has been very active. **FOB's compared to last week are almost double.** Forecast is to continue to be very active.

## Kale



QUALITY  SUPPLY 

Kale supplies remain abundant with little issues. The market is steady. Quality is good with minimal yellowing, little dehydration, and dark green color.

## Leaf



QUALITY  SUPPLY 

**ROMAINE LETTUCE** Supplies are slightly below normal. Demand is picking up with school business starting back up. Quality has been good but there are occasional seeders and light fringe burn. Romaine weights around 34-36 lbs. **ROMAINE HEARTS** Supplies are close to normal. Demand for hearts is good. Heart quality is good with very little complaints. The overall pack is clean. Weights on the 12x3's range between 21-23 lbs while the 48 ct. is weighing between 30-32 lbs. **GREEN LEAF:** Supplies are close to normal. Quality has been good with occasional seeders and light fringe burn. Demand is good. Weights around 22-24lbs. **RED LEAF:** Supplies are normal. Demand is average. Quality is good

## Tender Leaf



QUALITY  SUPPLY 

Arugula: Product quality is fair due to wind burn and heat damage. Supplies are fair. Cilantro: Supplies are light due to quality. 10 week averages are in-effect. Kale Blends: Quality and supplies are good on kale. Parsley: Parsley quality is fair but supplies are good. Spinach: Product quality is fair due to wind burn and heat damage. Supplies are fair. Spring Mix: Supplies are light and quality is fair due to recent heatwave. 10 week averages in-effect.

**MARKET ALERT**

QUALITY  SUPPLY 

## Lemons & Limes



Lemons – AOG – Demand continues to outpace supply. The warmer weather, creating a smaller crop, delayed imports, along with smaller than expected imported volumes continue to create supply challenges. Market pricing has continued to climb with quality good at best. Situation is expected to continue well through September. Limes– on the radar – The old crop is about done and the new crop is lighter than expected. The lime market is tightening up with some gap expected between new and old crops. Quality has been poor this week until the new crop really starts to catch up. Prices are climbing as a result. Some relief is expected come August.



# MARKET OUTLOOK



## Onions



Back up and running in Oregon.



**MARKET ALERT**

## Oranges



Oranges— The markets are still in a state of flux. Unchanged, several growers are finishing the harvest of the light crop just as demand begins to pick up with the return of school. Prices will be climbing for the next few weeks. Demand greatly outpacing supply.



## Pears



D'anjou pears are peaking on 90's and larger. Moderate supplies on 100/110's has the market steady. 120s and smaller are light with a firm market. Bosc pears have a steady market with supplies winding down for the season. Red pears are tight but should last till May. Quality is good on all pears.



## Peppers, Bell



Eastern bell pepper supply has been consistent out of MI, NJ and the OH valley this week. Local deals are also in the mix with scattered spots of availability throughout the East. However, rain has been a factor in almost all of the current production areas, so fruit quality is average. As for the West, CA growing areas and local deals are in full force, bringing plenty of fruit to market. Quality has been excellent.



## Peppers, Jalapenos



With product coming from Baja, Mainland Mexico, CA, and WA, all chili pepper items are available in strong supply. Good quality is the general rule, but there is lesser fruit coming from older fields and areas. The East is working with scattered supply from NC, NJ, OH and MI as well as lighter volumes from various local deals.



## Pineapples



Arrivals on 5-6 will be light for the next 3-4 weeks but should start improving after that. Volume is expected to start trending large mid-September. We have good volumes on 8cts and light on 7s due to the shortage on larger sizes.



# MARKET OUTLOOK



QUALITY  SUPPLY 

## Potatoes



The market is up as we are getting into new crop norkotahs here. FOBs around \$13 with #2s around \$9-11. Most suppliers are done with old crop. NAPMN expects North American growers to produce 541.3 million cwt of potatoes in 2018. That falls 6.3 million cwt short of the current estimate for 2017 production.

## Squash



QUALITY  SUPPLY 

Overall, cooler weather has reduced this week's numbers on squash in the East, similar to the cucumber situation. Quality concerns (scuffing, scarring, etc.) remain a challenge on yellow squash, as the majority of production areas have received rain. The West is looking to the Santa Maria area for supply, where they are into good supplies on smaller-sized fruit from new fields. More volume is on the way as growers get into new blocks next week. Baja is currently in a gap, but should be back in business in 10-14 days.

## Strawberries



QUALITY  SUPPLY 

Pricing is holding steady. Sizing is still mostly on the smaller side, 18-22ct range. Stems are still extremely difficult to find right now. Expecting production to gradually increase over the next 4 weeks out of Salinas/Watsonville. Berries looking good out of Salinas Watsonville. Fall crops being planted for in Santa Maria.

QUALITY  SUPPLY 

## Tomatoes



Weather continues to be tough on Eastern tomatoes. Each of the current production areas (NC, TN, NJ, PA, MI, AL, VA) have seen yields and quality affected by rain- some areas more dramatically than others. Volumes are light on all varieties (rounds, romas and grapes) and there are rain-related quality and shelf-life concerns on much of the fruit, which reduces packouts. VA farms are still churning out light numbers on small rounds and grapes, but are in between Summer and Fall plantings until the first week of September. With a little luck from the weatherman, volumes and quality should show some signs of recovery over the next few weeks as MI gets further into new acreage and VA starts back up. With steady volumes of mature greens from the San Joaquin Valley in CA and vine-ripes available in Oceanside, CA, Baja, and Eastern Mexico, the West has an adequate supply of round and roma tomatoes this week. Quality can be varied by grower/area/field, but there is nice fruit available. Grape tomato numbers remain light but there seems to be enough product to meet the lackluster market demand. Look for stronger supply in a few weeks as new crops come to maturity.

QUALITY  SUPPLY 

## Watermelons



Production continues to come in heavily for most regions, though not all. Meanwhile this past week showed a slight price bump compared to the past few. We're still seeing heavy volume out of California and Indiana, while other states maintain consistent supplies with what they have had the past couple of weeks. Other prominent regions still shipping at this time include all of DelMarVa, North Carolina, Michigan and Texas. Switching over to weekly average FOB pricing you can see a gentle rise over this past week coming at the same time as when the market traditionally is trending downward with a fair bit of velocity. This confluence allows prices to essentially meet that average.



# MARKET OUTLOOK

## **Romaine slowly rebounding; iceberg shortage helping demand**

“Interest in romaine increased in mid-August as iceberg prices rose due to supply issues — an about-face from the situation earlier this year when romaine demand dropped following an E. coli outbreak.

**The U.S. Department of Agriculture reported f.o.b. prices for iceberg Aug. 15 were mostly \$21.45 -23.55 for cartons of film-wrapped 24s from the Salinas-Watsonville area. Prices were mostly \$10.15-11.55 on Aug. 8, up from mostly \$8.15-9.65 on Aug. 1.** Mark McBride, salesman for Salinas, Calif.-based Coastline Family Farms, said erratic weather this season is most likely the reason for the shortage.

Relatively hot stretches followed by cold ones — in what typically is a consistent, mild climate — have prompted irregular conditions in the fields, and weights have been off. As a result, bin weights have plummeted from about 1,000 pounds on average three weeks ago to about 700 pounds on average, McBride said Aug. 16. He noted that weather has been causing issues across the industry and that good communication with customers is key so they know what is happening and what the outlook is. McBride said he does not know when the market will return to normal, but supplies are expected to be lighter for at least two or three more weeks. Given the iceberg shortage, buyers are looking for alternatives, which has helped boost the market for romaine, McBride said.

The USDA reported prices Aug. 15 for 24s cartons of romaine from Salinas-Watsonville were mostly \$7.45-8.65, with demand described as fairly good. Two weeks earlier, prices were \$6.25-7.55.

Romaine sales dropped earlier this year when federal health agencies linked a multistate E. coli outbreak to the commodity in general rather than one company.”

[Link To Story](#)

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,