



WEATHER UPDATE

Yuma— No precipitation on the 10-day forecast. Sunny with highs in the upper 60s and lows in the mid 40s. **Mexico (Culiacan)**— Partly cloudy week with highs in the upper 80s and lows in the lower 50s. **Florida, Southern**— Partly cloudy week with possible showers on Sunday. Highs in the mid 80s and lows in the mid 60s. **Oxnard**— Sunshine all week other than showers on Thursday. Highs in the lower 60s and lows in the in the mid 40s. **Salinas**— Partly cloudy week with rain midweek. Highs in the mid 50s and lows in the mid 40s. **Idaho**— Limited sun with highs in the mid 20s and lows in the upper teens.

TRANSPORTATION

The National Diesel Average has been recorded at \$3.079 up \$0.01 a gal from last week and up \$0.066 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 remain tight across the country with slight shortages and shortages in the following regions: Nogales Crossing, Imperial Valley, San Joaquin Valley, SoCal, Pac North West, Minnesota, Arizona, Eastern North Carolina, and Central Wisconsin.**

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MARKET ALERT

BROCCOLI
GREEN ONIONS
ICEBERG
POTATOES
SUMMER SQUASH
TENDER LEAF
TOMATOES

COMMODITIES ON THE RADAR:

ASPARAGUS



MARKET OUTLOOK

Apples

QUALITY



SUPPLY



The market is steady this week. No major changes to the apple category.



Asparagus



ON THE RADAR—The Peru season is coming to a close and the Mexico markets are starting up. The market continues to tighten up and we anticipate this trend to continue for a couple weeks. West Coast imports are struggling in comparison to import product landing on the East Coast. Markets are beginning to spike and supply is becoming short, especially on the West Coast. No prorates at this time but markets will remain up until Mexico is in full swing at the end of January.

QUALITY



SUPPLY



Avocados



Markets are stable and supplies are plentiful but the market will begin to see activity leading up to the Superbowl. Additionally, a truck shortage loading and crossing in Mexico has led to some instability in the avocado market. Volume for #2 fruit is strong and should remain that way as we progress through January.

QUALITY



SUPPLY



Bananas



Supply has began to tight up and this situation may remain until week 6-7. 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.

QUALITY



SUPPLY



Berries



Blackberries— : Production has been and will continue to be strong for the next two weeks. As we reach the end of January, supply will decrease and markets will become more active.

Blueberries: Production is coming to a close out of Peru but increasing out of Chile. Expect volumes to remain steady in the coming weeks. Seeing product out of Mexico, Santa Maria, Oxnard and Watsonville.

Raspberries: Supply is still steady but there is upward pressure growing. Growing conditions are looking favorable for excellent supplies in April through May. Production is currently out of Oxnard and Santa Maria.

QUALITY



SUPPLY



Broccoli



MARKET ALERT

QUALITY



SUPPLY



Supply has been light this week due to cooler temperatures. Harvest schedules have been impacted and delayed due to plants not maturing on time. Markets are currently escalated but will loosen up over next two week.

MARKET OUTLOOK



Brussels Sprouts



QUALITY



SUPPLY



Supplies are holding steady and production has been good. Northern supply will begin to decrease over the next week and MX will begin but we anticipate a short period of less supply due to the change in growing area.

Cabbage



QUALITY



SUPPLY



Production has been impacted and supply is short at the moment. Moving into next week supply should rebound with better weather conditions.

Carrots



QUALITY



SUPPLY



Jumbo carrots have continued to be tight 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 a limited market but overall a release as the new year has begun.

Cauliflower



QUALITY



SUPPLY



Good quality is reported by multiple growers and market pressure has fully released. Supply has been steady. With good weather on the forecast, we expect this category to continue in a steady direction.

Cantaloupes



QUALITY



SUPPLY



Import programs have continued to show good sizing and 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.

Celery



QUALITY



SUPPLY



Supply continues to be steady and is increasing with Mexico in full swing. New crop celery out of Yuma will begin next week which should help to keep supply and demand balanced. Growers are expecting some release as volumes continue to increase. Sizing has been slightly smaller and heavier on 30s and 36s.

Corn



QUALITY



SUPPLY



Corn supplies are still limited this week as suppliers attempt to catch up from recent shortage. Expect high markets for the next two weeks or more. Quality is good to fair. With warmer weather on the forecast, production should increase and market pressure should release some.

MARKET OUTLOOK



Cucumbers



QUALITY



SUPPLY



Supplies are on the tighter side due to previous rains in all growing area. Cucumbers are rebounding but product will remain on watch until supply and quality can catch up and stabilize after continued rain in growing regions over the past month. Mexico production has begun and will continue to help with short supply in the coming weeks.

Eggplant



QUALITY



SUPPLY



Supplies and prices remain steady. Solid production out of Mexico and Texas currently.

Grapes



QUALITY



SUPPLY



Grapes have now become 100% import fruit and markets are still high. Peruvian Red Seedless—The market is up on import product reaching the high 20's and low 30's. Supply is limited but increasing. Peru Green Seedless—Some Sweet Globes are available but overall supply is limited. Sugarones are also available and helping out with overall demand. Chilean red and green grapes will help some with supply shortage but not enough to keep demand at bay.

Green Beans



QUALITY



SUPPLY



Beautiful weather in Florida has brought more harvesting with quality being good to excellent. The green bean market has fully recovered and is back to a stabilized position.

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



Import programs have continued to show good sizing and 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. The honeydew market will remain active next week as growing conditions are limiting availability.

MARKET OUTLOOK



Iceberg



MARKET ALERT

QUALITY



SUPPLY



Colder temperatures were adding extra attention to iceberg over the past week. Production crews are cleaning heads at field level to help with consistent quality and yields. Markets will remain escalated and are size will continue to be smaller.

Kale



QUALITY



SUPPLY



Supplies have remained steady and are looking good with numbers in the coming weeks. Good quality reported by multiple growers.

Leaf



QUALITY



SUPPLY



Romaine: Romaine has rebounded but is also still heavily on watch due to colder temperatures leading to possible discoloration and quality issues. Field QA teams are heavily monitoring harvests until warmer weather arrives this coming week.

Green Leaf/ Red Leaf/ Butter (Boston) Lettuce: Product has been in decent supply with volumes lower on green. We should see conditions improve if weather remains steady in desert growing reasons.

Tender Leaf



MARKET ALERT

QUALITY



SUPPLY



Supplies are still tight this week due to rains and freezing weather over the last few weeks out of Yuma. Most growers are pro-rating Arugula and Baby Kale right now. The tight market conditions are expected to last another 2 weeks.

Lemons & Limes



QUALITY



SUPPLY



LIMES: Lime market and supply has continued to climb and will remain active, especially on smaller sizes. Limited harvest over the holiday and overall instability have lead to tighter supply and increase in FOBs. History has shown Q1 as the beginning of increased pricing and a more volatile market. FOB's are in the \$18-22 range on sizing 200+ and we don't anticipate this to come off in the coming weeks.

LEMONS: Lemons supply and quality continue to be flush with heavy supply. Very little fluctuation from last week with FOB pricing out of CA and AZ markets. Peak sizing on smaller fruit with tighter supply on 95s and 115s.

MARKET OUTLOOK



Onions



QUALITY  SUPPLY 

This week showed another slight increase on open market onions. In general, FOB's experienced another tick up of about \$.25-.50 on all sizes. The increase happens as pack houses take time off during the holiday breaks. As the month of January unfolds, we anticipate increases in FOB's to continue as pack houses work through previously harvested product and cull through product.

MARKET ALERT

Onions, Green



QUALITY  SUPPLY 

Supply has dropped coming out of Mexico due to decrease in labor over the holidays. There is an expectation for the market to rebound in the next week, but overall supply has been hit and will remain escalated up through next week.

Oranges



QUALITY  SUPPLY 

The CA and FL orange markets are in solid supply and in good quality across the board. The choice market has been hovering around the low to mid teens and fancy market stronger on larger fruit. Better prices in the low teens on small fruit. No signs of immediate change in the orange market in the upcoming weeks.

Pears



QUALITY  SUPPLY 

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

QUALITY  SUPPLY 

Peppers, Bell



Production out of Florida have been hampered by heavy rains and flooding last month. Growers have noted that it will take another 2 to 3 weeks to recover. Supplies out of Mexico should ramp up in the weeks to come. Supplies have also been impacted on product out of Mexico due to recent rains. The cost on Green Peppers remain elevated while Yellow and Red are working closer to normal price levels.

QUALITY  SUPPLY 

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. Good demand and good quality. Expect the markets to remain steady into next week.

MARKET OUTLOOK



Pineapples



QUALITY



SUPPLY



No market concerns and product quality has been great. Expectation is for this to continue into the new year with fruit sizing up on the larger size.

MARKET ALERT

QUALITY



SUPPLY



Potatoes



EXTREME ALERT: The potato market remains extreme, the only change is a release from holiday demand. Most of the market remains Norkotahs where FOBs are around \$19 on 40s, \$17/18 on 60s, and \$11 on hundreds. Seeing quality concerns in certain areas based on conditions during harvest. We have a long road to go this season we recommend flexibility on sizing to get through this extreme situation and we will keep you updated on this unprecedented market.

MARKET ALERT

QUALITY



SUPPLY



Squash



Growers out of Florida are reporting much tighter supplies due to the recent rains. Scaring is being reported for most product coming out of Florida. Production out of Mexico is steady. Prices for product out of Mexico are expected to remain elevated due to the supply challenges out of Florida.

QUALITY



SUPPLY



Strawberries



Rain is forecasted for many of the growing areas in California next week. Florida is expecting warmer weather that will result in higher production levels. Product continues to come in from Mexico. With all three regions helping with supply, the market has released some but is still working though the more difficult time of year for this category.

MARKET ALERT

QUALITY



SUPPLY



Tomatoes



Rounds - Round markets continue to increase while Florida is experiencing poor yields coming out of the fields and extremely high demands due to the shortage of product elsewhere. Rain in Mexico is still causing major shortages and quality issues with overall production.

Romas - The Roma markets continue to get stronger in Florida; however, Supplies remain light. Like rounds, the markets out of Mexico are stronger this week as the rains continues to impact production.

California citrus rebounds from ‘worst year ever’

The Packer: January 10, 2020

“California growers were somewhat happier with the way this year’s citrus season was shaping up compared to last year. A heavy navel orange crop — 80 million 40-pound cartons, not counting fruit that fell to the ground — coupled with small fruit size and a horrible export market made 2018-19 “one of the worst seasons we’ve ever had,” said Casey Creamer, president of Exeter-based [California Citrus Mutual](#).

“Pricing last year was the worst we’ve seen in recent memory,” he said. Things were looking brighter as 2020 kicked off. The forecast for the 2019-20 season dropped to 73 million cartons. “That’s good news,” Creamer said. As of the second week of January, about 20% of California’s navel orange crop had been picked, on par with the same time last year, and Creamer expected harvesting to pick up as export deals ramped up.

Trade with China remained a question mark, but Creamer was hopeful that wrinkles could be ironed out. “We’re optimistic that we’re going to continue to see movement into China and other foreign markets,” he said. Besides China, Canada, South Korea and Japan are major export markets for California navel oranges and lemons, he said. Exporters were excited to see a new trade agreement take effect between the U.S. and Japan on Jan. 1. The pact reduces the tariff from 25% to 20% and puts the U.S. on equal footing with other Trans-Pacific Partnership countries, Creamer said.

He also saw incremental trade opportunities with Vietnam. Exports, especially to major importers like China, are important to California growers, and when those markets drop purchases, it can create an oversupply for the domestic market and depress U.S. prices. California grower-shippers are expecting ample supplies, large sizes and good-quality fruit.

Edison, Calif.-based Johnston Farms will have navel oranges and grapefruit through April, said Derek Vaughn, citrus sales manager. The company expects to finish its satsuma mandarin program by late January and transition to murcotts. Quality has been “really good” on mandarins, he said. Winds in Kern County caused scarring to some navel oranges, he said, but growing conditions generally were good, and ample rainfall late last year helped fruit size up.

Lower navel volume was helpful early in the season, said Keith Wilson, sales manager for [Cecelia Packing Corp.](#), Orange Cove, Calif. But still, some suppliers were putting a lot of fruit into the market. Wilson expects navel volume to slow down somewhat in late March or early April because there won’t be a lot of late varieties this year. That could affect the marketplace later in the season, he said. Wilson has noticed a trend of consistent pricing throughout the season at retail, with the exception of a few ads from time to time. That marks a change from the past, when prices could change from week to week. “It used to follow the wholesale market up and down,” he said.

[SunWest Fruit Co.](#) Inc., Parlier, Calif., is scoring a hit with its cara cara navel orange program, said Gino DiBudo, sales director. “It’s been an exciting growth item for us,” he said. He attributed the cara cara sales surge over the past few years to an increase in demand sparked by a proliferation of consumer packs. Consumer packs give growers space to explain what makes cara caras different from standard navel oranges, he said. “It’s a unique piece of fruit with a different flavor profile,” DiBudo said. The bag can describe the flavor, show images of the internal differences and help explain why cara caras might cost twice as much as regular navel oranges. But expanding cara cara sales have not caused navel business to drop off, he said. “They haven’t cannibalized navels whatsoever,” Vaughn said.

He believes that’s because the cara cara falls into the specialty category. “It tends to attract a totally different customer,” he said. “I believe you are gaining a new consumer with this.”

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!