



WEATHER UPDATE

Yuma— No precipitation on the 10-day forecast. Sunny and partly cloudy with wide range of temperatures. Highs in the upper 70s with a cold front mid week. Lows in the mid to low 40s. **Mexico (Culiacan)**— Rain expected starting on Sunday and lasting till Wednesday. The rest of the week is sunny/partly cloudy. Highs in the mid 70s and lows in the lower 50s. **Florida, Southern**— Rain expected Saturday and Friday Feb 7th. Partly cloudy with temperatures ranging from 84 to 43. **Oxnard**— Cold front from Sunday-Tuesday. Sunny and partly cloudy all week with highs in the low 60s and lows in the lower 40s. **Salinas**— Nearly freezing temperatures Monday evening with lows in the mid-low 30 range. Partly cloudy and sunny week with highs in the lower 60s and lows primarily in the low 40s.

TRANSPORTATION

The National Diesel Average has been recorded at \$3.010, down \$0.027 a gal from last week and up \$0.045 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 have loosened up across the country but still have slight shortages in the following regions: San Luis Valley Colorado and Pac North West.**

[Follow us on Facebook!](#)



MARKET ALERT

**CAULIFLOWER
CHINESE GARLIC
GREEN ONIONS
POTATOES
TENDER LEAF (Arugula)**

ON THE RADAR:

**ASPARAGUS
JUMBO CARROTS
STRAWBERRIES**

MARKET OUTLOOK



Asparagus



QUALITY



SUPPLY



ON THE RADAR—The Peru season is coming to a close and the Mexico markets are starting up. The market remains tight and we anticipate this trend to continue for a couple weeks until Mexico is fully firing. No prorates at this time but markets will remain up until Mexico is in full swing.

Avocados



QUALITY



SUPPLY



Markets are stable and supplies are plentiful. The CA market has began but is only supplying a small percentage of the industry. The supply will continue to increase as we move into February and continue through Spring. Overall flavor and quality has been improving.

Berries



Blackberries— : The blackberry market has stabilized and hasn't had any issues with supply at this point. Quality has been good.

Blueberries: Plenty of volume coming out of Mexico right now and quality is great. Prices are expected to stay steady next week. Most marketable berry out of the four major berry categories.

Raspberries: Raspberry supply has tightened up and has remained more scarce than blackberries and blueberries. We expect some more balance as valentines day passes and hopefully supply continues to improve.

QUALITY



SUPPLY



Broccoli



QUALITY



SUPPLY



Supplies are above normal for this week. Warmer weather is providing better yields at harvest. Good quality is been reported by multiple growers.

Brussels Sprouts



QUALITY



SUPPLY



Supplies are holding steady and production has been good. The sprouts have had a great couple months but the supply is beginning to turn downwards as northern production areas have ended. MX has begun and we anticipate a more active market while it ramps up. Some insect pressure has been seen.

Cabbage



QUALITY



SUPPLY



Production has been impacted and supply is short at the moment. Green cabbage has rebounded some this week but red is still lagging behind. We anticipate seeing some improvements by next week.

MARKET OUTLOOK



Carrots



QUALITY



SUPPLY



ON THE RADAR—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.

MARKET ALERT

Cauliflower



QUALITY



SUPPLY



Supplies have improved this week, although markets are still escalated. Growers are expecting better supplies for next week. Good quality is been reported by multiple growers.

Cantaloupes



QUALITY



SUPPLY



Import programs have continued to show good sizing and quality remains very consistent with solid brix levels and good supply. Sizing has remained on the larger size and is projected to remain that way for the coming weeks. Supply has shifted to Costa Rican imports.

Celery



QUALITY



SUPPLY



Supplies continue to be very good with supplies coming from Yuma, AZ and Mexico. Growers are not reporting any quality concerns. Contract prices are not escalated at this time and markets are expected to be steady for the next few weeks.

Corn



QUALITY



SUPPLY



Corn prices are trending up. Growers are reporting lower than expected production numbers and demand exceeds supplies. Growers are expecting tighter supplies for the next few weeks.

Cucumbers



QUALITY



SUPPLY



Cucumber pricing is trending down as supplies pick up out of Mexico. Supplies are available out of Nogales, AZ. McAllen, TX is starting but in a small way. Product is also coming out of Honduras through South Florida.

Eggplant



QUALITY



SUPPLY



Production and pricing remain steady right now. Product is coming out of Florida and Mexico. Demand for eggplant is off a bit and that's keeping prices in line.

MARKET OUTLOOK



Chinese Garlic

MARKET ALERT

QUALITY



SUPPLY



Chinese garlic is on alert due to Coronavirus affecting labor and also ports allowing product out of China. We anticipate this to remain and also continue to add pressure on garlic prices until the virus is contained.

QUALITY



SUPPLY



Grapes

ON THE RADAR—Peruvian Red Seedless—The market is up on import product and supply is limited but increasing. Chile has still struggled to provide supply keeping markets up. Peru Green Seedless—Some Sweet Globes/Ivory/Thompson are available but overall supply is limited. Sugarones are also available and helping out with overall demand.



QUALITY



SUPPLY



Honeydews

Import programs have continued to show good sizing and quality remains very consistent with solid brix levels and good supply. Sizing has remained on the larger size and is projected to remain that way for the coming weeks. Supply has shifted to Costa Rican imports.



QUALITY



SUPPLY



Iceberg

Supplies are above normal this week. Warm weather is providing better yields at the time of harvest and overall quality has been solid.



QUALITY



SUPPLY



Leaf

Romaine: Romaine has rebounded and supplies have improved this week. The warmer weather has also helped quality.

Green Leaf/ Red Leaf/ Butter (Boston) Lettuce: Markets are recovering on both colors. Colder weather held back supply but is now opening up. We anticipate this category to continue to improve into next week.



Tender Leaf (Arugula)

MARKET ALERT

QUALITY



SUPPLY



Supplies are still tight and cost are still **escalated** on Arugula and Spinach items. Most processors have returned to regular costs for the spring mixes. The weather should continue to be favorable for growing over the next week and hopefully will increase supplies as we move forward.

MARKET OUTLOOK

Lemons & Limes



LIMES: There has been a surplus of supply crossing the border and the sizing has been well balanced and distributed. This has kept markets low and FOB's have been in the mid teen range. We will closely monitor this as it's lower than usual for a January trend.

LEMONS: Lemon 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. The season continues to be strong and the price gap between choice and fancy is small.



Onions



Overall the onion market is about the same as last week. As we move into February, we anticipate a steady market with a chance of slight increase on FOBs. Most FOB's are comparable to last week apart from a slight increase on whites. Red's remain around \$6-7 range while whites hit the \$13 mark. Yellow jumbos are in the \$9 FOB range.



Onions, Green



Supplies are improving with the warmer weather. Growers are expecting to be back to normal supplies next week. Contract prices will continue to be escalated for this week, but prices are expected to be back to contract prices for next week



Oranges



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.



Peppers, Bell



Supplies for all bell peppers increased out of Mexico this week. Prices are landing at more reasonable levels. Pricing out of Florida is feeling some downward pressure due to the increase of supplies crossing out of Mexico.



Peppers, Chili



The chili pepper market is steady this week but is showing some lower numbers on **Anaheim's**. Jalapeno, Poblano peppers, and tomatillos are in good supply with good quality. Overall good demand and good quality. Expect the markets to remain steady into next week.



Pineapples



Limited sizing on larger fruit and suppliers are asking to potentially be flexible where possible on sizing to help with filling orders and avoid supply issues. Sizing has been heavier on 7/8s and limited on 5/6s.



MARKET OUTLOOK

MARKET ALERT

QUALITY



SUPPLY



Potatoes



EXTREME ALERT: The potato market remains in an extreme state with quality and supply continuing to struggle. Still seeing quality concerns in certain areas based on conditions during harvest. Open market availability is scarce. We have a long road to go this season and are still battling supply issues due to lack of overall supply in the marketplace. We recommend flexibility on sizing to get through this extreme situation and we will keep you updated on this unprecedented market.

QUALITY



SUPPLY



Squash



Production out of Florida and Mexico has picked up. Prices are trending down and quality is picking up. Growers are expecting the market to remain the steady for another week or two.

QUALITY



SUPPLY



Strawberries



ON THE RADAR—The cold weather last week in FL continues to lag on strawberry supply from FL. Having MX and CA available has helped with filling orders nationally. CA is expecting near freezing temperatures and cold days over the weekend, primarily on Sunday. This will slow maturation and also limit harvest times. We expect to see a bump in activity in the CA market and will likely factor into other loading regions increasing as well. In addition to CA cold temps, FL is expecting rain. Fortunately, nothing extensive or completely devastating yet, so orders are still being filled. That being so, there is extra market activity due to increased demand leading up to V-Day.

QUALITY



SUPPLY



Tomatoes



Supplies are picking up for all tomatoes and prices are dropping daily. Production out of Mexico is increasing daily putting pressure on prices out of Florida. Growers are expecting a little more price relief next week as well.

Corrugated carton group touts product's safety, sustainability

The Packer: January 29th, 2020

"With annual microbial testing showing corrugated cartons are consistently safe, paper packaging advocate [Fibre Box Association](#) touts paper-based packaging as both safe and sustainable for fresh produce. The group last year issued its fourth annual assessment of microbial load on corrugated cartons, and again shows no concern relative to pathogens on new packaging.

Sampling and laboratory analysis, according to a news release, were performed by Primus Laboratories on a total of 48 containers. The release said a total of 96 samples were tested for the potential presence of *E. coli* and *Salmonella* spp. "All (100%) of the corrugated containers sampled in this 2018 annual survey showed that the levels of Enterobacteriaceae and thermotolerant coliforms were well within acceptable limits," the report said. "In fact, no organisms at all were detected on 40 of the 48 tested containers."

Rachel Kenyon, senior vice president for the Fibre Box Association, Itasca, Ill., said the testing brings suppliers certainty their product is safe. "It just gives us the comfort level to be able to say we've done this and we do it at different customer locations, different boxes," she said. "I think there (is) a general feeling that (corrugated packaging) doesn't harbor contaminants, but as an industry, we wanted to be able to back up that with research," she said.

With single-use plastics under fire by some regulators and consumer groups, Kenyon said opportunities for paper packaging are increasing while some uses of plastic clamshells are decreasing. "Those are exciting opportunities for us and I think that will continue to increase, particularly as people move to plant-based diets," she said. "Why put a plant-based product in anything but a plant?" she said, noting that a cardboard carton "comes from a tree."

Usage rising

Industry usage statistics point to gradual but consistent increases in corrugated carton use since the recession of the late 2000s-early 2010s, Kenyon said, typically averaging 1% to 2.5% gains per year. Food and beverage products account for about 46% of all corrugated carton use, she said. U.S. corrugated packaging use in 1999 totaled 405 billion square feet, but that total dropped to just 345 billion square feet in 2009 when recession was in full force. In 2018, statistics show that U.S. corrugated carton output had climbed to about 393 billion square feet. While e-commerce use of fiber-based packaging is increasing, she said some of that volume is offset by declines in other distribution channels.

"E-commerce is more about substitution, so instead of a box going to a retailer, it's going to your doorstep," she said. "It is just going to a different distribution channel that's getting it to you." Kenyon said the recovery rate for corrugated cartons was 96% in 2018. "One of the concerns that we have from e-commerce is that we've had this wonderful relationship with retailers over time. When they receive corrugated boxes, they will (put) those boxes out on the floor, they will build a beautiful display and they will take that box from the back room, they will put it in a bailer and we will get that fiber back," she said.

The average recycled content in corrugated cartons is about 50%, so box suppliers need corrugated cartons to be returned and remade into new cartons. "One concern with e-commerce is that as packaging transitions from that retail store to someone's door step, it becomes an individual choice to (recycle)," she said. "Our concern is that people won't recycle, that they will choose not to," said.

"So we're looking at one of our big initiatives this year is how can we better support the recycling industry; how can we get the word out?" Consumers might be bothered that they have more boxes on their door step, but they can feel good about recycling the boxes. "We want that fiber back — we need it," she said.

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