



## WEATHER UPDATE

**Yuma** - Partly cloudy with a couple chances of rain. Highs in the 60s and lows in the 40s next week. **Oxnard** - Partly cloudy with a couple chances of rain. Highs in the 60s and lows in the 40s next week. **Mexico (Culiacan)**- Mostly cloudy with highs in the 80s and lows in the 50s. **Florida, Southern**– Sunny to partly cloudy with chances for storms today and mid week; highs in the 70s and lows in the 40s and 50s. **Idaho** - Partly cloudy for the week with snow changes next week; highs around freezing and lows in the 20s.

## TRANSPORTATION

The National Diesel Average has been recorded at \$3.048 down \$0.031 a gal from last week and up **\$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 short in MX through Nogales, and slightly in TX / CA.**

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## MARKET ALERT

Celery  
MX Veg & Tomatoes  
Tomatoes  
Bell Peppers  
Chili Peppers  
Green Onions  
Sugar Snap Peas

# MARKET OUTLOOK



## Apples



QUALITY  SUPPLY 

As we enter Q1 - the only 2 apples with any concern are the gr smiths and golds. These 2 varieties are still very tight especially on small sizes - 100s and smaller. Good supplies of reds, galas and fujis. Demand is solid with prices steady. Internal pressures and flavor has been one of the best years.

## Asparagus



QUALITY  SUPPLY 

We are about to start seeing the annual decline of larger sized grass due to the end of season in Peru as the volume from Caborca doesn't start until the end of January. JBO looks to be affected at this time. Otherwise fair to good across the board.

## Avocados



QUALITY  SUPPLY 

Fresh fruit vs old fruit is causing a 2-tiered market. Supplies continue to be strong and Mexico is picking heavy to make up for the time they stopped. Price points are low enough that many retailers are beginning promotions again, which should start to help with demand. #2 fruit should be readily available going forward to cover any and all foodservice needs. Barring any labor issues in MX, going forward there should be ample supplies available.

## Bananas



QUALITY  SUPPLY 

Bananas are showing high quality and supplies are good and should remain steady for the first part of the year.

## Berries



QUALITY  SUPPLY 

**Blueberry** –Pricing trending higher. Quality improving. Supplies remain tight. Chilean and Argentina blues have started. **Blackberry** ---Supplies remain tight. Quality is only fair to good. Pricing trending higher. **Rasp- berry** – Volumes are stabilizing and expected to remain so through January. Pricing is steady.

# MARKET OUTLOOK



## Broccoli



Supplies slowed down this week. Multiple growers still reporting good quality and condition. There is a good demand for Broccoli at the moment, expect supplies to tighten up in a week or two.

## Brussels Sprouts



Better supplies than expected this week. The demand for Brussel spouts has also gone down. Growers are still reporting good quality. Expect for supplies to be stable for the next few weeks.

## Cauliflower



Supplies are down this week. There is a stronger demand for Cauliflower this week. Good quality is reported with multiple growers. Expect for supplies to tighten up the next few weeks.

## Cantaloupes



The cantaloupe market continued to settle as we moved through the holiday period but still with good demand. Production from Guatemala, which has been affected by whitefly, has been producing smaller sizes (12/15s) while new production in Honduras is primarily larger fruit (9s and larger). Anticipate this trend to continue through next week. Quality remains strong with brix levels in the 11-14% range mostly.

## Carrots



Currently harvesting in Bakersfield, demand is very strong with Canada wrapping up production and is driving prices up. Demand is starting to exceed supply. Will start our Imperial Valley harvest in March, depending on yields when we arrive down there the market could continue to adjust upward as this is the most expensive harvest location of the year. We are also seeing minimum wage increasing and have increased our precooling cost charge to growers so these factors will also put upward pressure on prices.

**MARKET ALERT**

## Celery



Supplies are lower than Normal. Product is still coming out of Oxnard CA, Multiple reports of good quality from Growers. There is good demand at the moment, expect for market to keep improving the next few weeks, but remains high for now.

## Corn



Corn is in good supply and steady across the market out of MX and FL.

# MARKET OUTLOOK



## Cucumbers



Mexico's cucumber crops have been impacted by cold weather. There may be effects from last weekend's freeze and there is a possibility of more cold weather this weekend. Quality has been strong, but we may start to see some issues post frost. Temperatures are expected to be cool for the next several days, so we may be looking at a few weeks with light supply. Florida's cucumber harvests will finish up some time next week, leaving the cucumber deal to Honduran imports. Production has picked up in Honduras with all growers now in the mix. Overall quality on the imports has been nice despite a few spotty reports of some shrivel and scarring.

## Eggplant



Mainland Mexico continues to have good numbers on eggplant but could see lighter numbers over the next two weeks due to cool weather. Overall quality is mostly nice, but there are reports of sunken areas and liver spots on some lots. Florida farms have plenty of eggplant to sell, but availability of #1 product has tightened up. Recent weather has caused scarring and some misshapen fruit which grades out as choice product.

## Grapes



Still showing good supplies of Red, mostly Allisons, market creeping up. The Peruvian imports are slightly behind schedule with small volumes on mostly flames and Thompsons. Chile should see the first arrivals on greens this week!

## Green Beans



Green beans are readily available in Florida, with nice quality coming from multiple areas. Mainland Mexico's steady supply of beans encountered a hiccup due to cold weather. With very light post-holiday demand, there seems to be enough product to go around though.

## Herbs



Quality and supply is looking good across the board. Mint and rosemary are a bit smaller based on the cool weather and basil quality could be questionable.

## Honeydews



Honeydew production has fallen off significantly from Guatemala and has not yet started out of Honduras. This has caused the market to strengthen and should remain consistent over the next 7-10 days. Sizing profiles will be mostly 6/8s with very few larger melons coming.

# MARKET OUTLOOK

## Iceberg



QUALITY  SUPPLY 

Supplies tightened up the las few days. The early morning Frost is slowing productions crews until after the frost has melted. Expect to see fair quality product the next few weeks, Epidermal peel and Blistering. Stronger markets are expected the next few weeks.

## Kale



QUALITY  SUPPLY 

Short supplies due to weather conditions and transition along with increased prices. Demand is strong.

## Leaf



QUALITY  SUPPLY 

Romaine - Supplies tightened up the las few days. The early morning Frost is slowing productions crews until after the frost has melted. Expect to see fair quality product the next few weeks, Epidermal peel and Blistering. Stronger markets are expected the next few weeks. Green Leaf/Red Leaf and Boston/Butter Lettuce- Green Leaf, Butter Lettuce and Red Leaf Lettuce are all reporting light supplies this week with the early morning frost. You will encounter some quality issues with epidermal peel and blistering. Markets are expected to be stronger the next few weeks.

## Tender Leaf



QUALITY  SUPPLY 

**Arugula, Parsley, Kale Blends, Spring Mix, and Spinach** - Quality and supply are improving on most tender leaf items. Kale blends are still short with quality concerns.

QUALITY  SUPPLY 

## Lemons & Limes



**Lemons** are strong in both D1 and D3. This market is steady from last week. Central Valley is heavy to 165s, with lots of 140s. Riverside area is heavier to 140's and larger with about 70% choice so we will see the choice market for larger lemons come off over the next few weeks while D3 cleans up for the year. **-Limes-** Limes are steady to slightly higher this week as expected. Currently good supply and quality.



# MARKET OUTLOOK



## Onions



QUALITY  SUPPLY 

The market today is stronger but still very low. Seeing good quality. The market will be interesting into the new year for sure. Trucks remain tight. JBOs around \$6, reds around \$6-7, whites took a major jump around \$16.

**MARKET ALERT**

## Onions, Green



QUALITY  SUPPLY 

Supplies are very light this week coming from Mexico. Limited harvest crews due to the Holidays. The demand is high for Green Onions with limited supplies available. Expect strong markets the next few weeks until more Green Onions start crossing.

## Oranges



QUALITY  SUPPLY 

This market is steady from last week. California Navels are looking great with the market peaking on 72s and smaller. Seeing good supply and quality. Florida Navels will run until mid-December. FOBs on most sizes between \$11 and \$20 with bigs and tinys slightly above and below. Navels are starting to have great color, fruit size continues to be a challenge - lots of small, minimal volumes on large fruit. Some limited Export has started on navels.

## Pears



QUALITY  SUPPLY 

Pears are in good supply. Barts should go through February - Bosc should go through April. Red Anjou should go through June while Anjou through July - first part of August, just in time for new crop barts.

**MARKET ALERT**

## Peppers, Bell



QUALITY  SUPPLY 

Florida's bell pepper availability is and will continue to be light through the Winter months, as acreage is down significantly. Quality on the product that's available has been okay, but not great, due to some recent weather. Mexico's production has also been light due to weather. Temperatures have been in the freezing zone with snow in some areas. Quality is slipping a little, but is, for the most part, very nice. Reds are tightest and sizing is smaller.

**MARKET ALERT**

## Peppers, Chili



QUALITY  SUPPLY 

While Mexico's chili pepper growers wait to recover from prior crop issues, they've been hit with cold and even freezing temperatures in some locations. This is going to keep availability really tight throughout the rest of the month of January. All varieties are snug, but availability of serranos and jalapenos is particularly limited. Quality is still average to good at this point, but we'll likely see cold-weather impacts on the plants and fruit soon. Meanwhile, Florida's chili production is very minimal, not allowing the East to help with supply.

# MARKET OUTLOOK

## Pineapples



Pineapple supply remains stable and sizing is trending towards the 7/8 sizes. Market pricing is on the rise on the especially on the larger sizes.

## Potatoes



Potatoes took a jump this week for the first time in months. Burbanks went up on all sizes smaller than 90s a buck or two while norks increased on 60s and 70s about a dollar. Still seeing good quality and demand. US packers shipped 7.75 million cwt of fresh potatoes during December. That fell 7,000 cwt short of the 2017 pace, a 0.1% de-cline.

## Squash



Florida's squash supply has improved but quality has not. Wind scars have been a concern on both green and yellow this week. Look for quality to improve as growers work through these plantings and weather moderates. As with other items, Mexico's squash volumes have been affected by cold weather. There are reports that some fields were affected by frost which could hamper availability in the coming weeks. Quality has been nice on zucchini but there are scuffing and scarring issues on much of the yellow squash.

## Strawberries



Pricing is slowly coming down as supplies are slowly increasing. Quality and berry sizing varies greatly depending on the growing area and farm. Sizing out of MX still on the smaller side. Still about 2 weeks out to see some good volume and sizing out of MX. Florida is improving in volumes, so this should put supplies in much normal pattern in the next week to 10 days. Below normal temperatures in California growing areas and near freezing nightly temperatures is resulting in some lower yields.

## **MARKET ALERT**

## Tomatoes



Although there are grapes and a few rounds in the Palmetto/ Ruskin area for another week or so, Florida's tomato production has migrated south for the Winter. Overall production has been on the light side but is consistent in Naples/ Immokalee. Despite the steady harvests, volume is falling a little short of meeting the entire demand of the East. Homestead and Puerto Rican farms look to bring product to market next week, which should provide a little uptick in supply. Quality has been very nice on all varieties, particularly on the Naples/Immokalee fruit. With both Eastern Mexico and Baja's seasons coming to a close, Western tomato production has mostly transitioned to Mainland Mexico. Unfortunately, increases in round and roma harvests have been slow to come due to rain and very cool temperatures. Warmer weather should bring the anticipated volume in a few weeks.



# MARKET OUTLOOK

**MARKET ALERT**

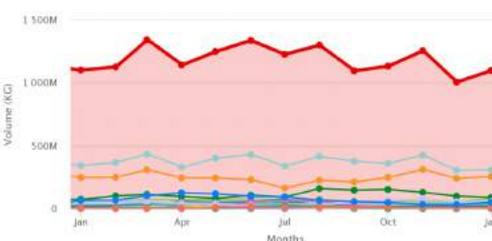
Freezing temperature in Mexico over the New Years holiday has impacted the start of the Mexican Vegetable and Tomato program. The latest projected start date is around 1/13/19. Growers are evaluating their fields for damage. Major damage is being report on the pepper crop. They've also reported challenges with tomato color. Slower production is expected on Squash too. **Sugar Snaps froze in MX and some suppliers prorating to full cuts.**



## What Happens to USDA Market Data during a US Government Shutdown?

“As U.S. politicians lock horns over funding for the border wall, the government has partially shut down, stopping most non-essential services. While in the past this has included those provided by the USDA market news service – where we get our market data from – things have changed this year. The U.S. Government has shut down 10 times since 1980, with most of the shutdowns lasting a day, or a week-end before the powers that be came to a compromise that was acceptable to all sides. The longest shutdowns so far have been 27 days in 1996 during the Clinton administration and 16 days in 2013 during the Obama administration.

As can be observed in the charts below, there is a clear 16-day gap in the data starting on the 2nd and lasting until the 17th. Because the data is collected by market reporters who survey on a daily basis, if they don't work the information is simply lost. This can be particularly frustrating when prices have large movements, as was the case with blueberries in October of 2013. The one exception for whatever reason was apples. In volumes, however, the story is completely different. Looking at the reports from 2013 we can see that they didn't skip a beat. The reason for this is because the data is collected by the department of homeland security, grower associations and other public and private entities which continue to work when the shutdown happens and or maintain historic records that can be updated after-ward.



So looking at the situation as it stands today, things are actually completely different. Right after Christmas On the 26th, the USDA published shipping point prices as per usual which actually caught me by surprise. Digging a bit deeper, I found that the unit that is in charge of creating the market reports, Market News, was excepted from the shutdown in the latest [Lapse in Appropriations Contingency Plan](#) for the USDA's Agricultural Marketing Service. To be excepted the functions must fall under the following conditions:

- They are necessary to perform activities expressly authorized by law;
- They are necessary to perform activities necessarily implied by law;
- They are necessary to the discharge of the President's constitutional duties and powers;
- They are necessary to protect life and property.

The reasoning given was that “The Market News program is an excepted activity based

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,**



Your Dedicated NPC, LLC Staff