



## MARKET OUTLOOK

November 8, 2019

### WEATHER UPDATE

**Salinas**— Sunny to partly cloudy next week with highs in the 70s and lows in the 40s. **Yuma**— Sunny to partly cloudy next week with highs in the 80s and lows in the 50s. **Oxnard**— Mostly sunny with a chance of clouds next week with highs in the 70s and lows in the 50s. **Mexico (Culiacan)**— Partly cloudy with a chance of rain next week. Highs in the 90s and upper 80s and lows in the 60s. **Florida, Southern**— Cloudy next week with chances of isolated thunderstorms next Thursday. Highs will be in the 80s dip down into the 70s later in the week with lows in the 50s. **Idaho**— Sunny to partly cloudy next week. Highs in the mid-50s and lows in the twenties.

### TRANSPORTATION

The National Diesel Average has been recorded at \$3.062 down \$0.002 a gal from last week and down \$0.255 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 overall nationally at this time.**

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BLACKBERRIES

BROCCOLI & CAULIFLOWER

CILANTRO

CELERY

MELONS— CANTALOUPLE & HONEYDEW

POTATOES

LETTUCE - ICEBERG, GREEN LEAF, ROMAINE & HEARTS

SNAP & SNOW PEAS

STRAWBERRIES

TOMATOES



# MARKET OUTLOOK

## Apples



The market is steady this week. New crop Washington MFC Gala, Golden 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. Seeing good demand and good quality. Markets remain in the mid to high teens, west coast is higher. A mix of mx and Peruvian product in the market.



## Avocados



Markets are fairly steady, with some underlining weakness depending on size. Most promotions are slowing down and switching to more of fall centric commodities. Mexican supply continues to be good and unless something drastic happens, should stay steady for a bit. #2 fruit is starting to be a little bit more abundant and has gone from around 5% of the total pack out to around 10%.



## Bananas



Plenty of supplies from now until week 49, then after that week we might find us in a situation where supplies will be tougher to come by. This situation may remain until week 6-7 of 2020. Good supplies on organics, no major issues for the balance of the year. Finally, we are still super tight on plantains and we expect to be short until beginning of December.



## Berries



**MARKET ALERT:** **Blackberries** -Tight supplies and quality challenges continue. Rains in South America continues to impact supplies and quality. Growers are not expecting recover for another 2 to 3 more weeks.

**MARKET ALERT**



**Blueberries:** Prices moved up a bit this week. Product is coming out of California, Mexico, Peru and Uruguay. The tight Strawberry & Blackberry market is putting some pressure on blueberries.

**Raspberries:** The Raspberry market working up this week. The warm weather in California last week impacted quality and production. Production from Mexico was impacted by recent rains to.



# MARKET OUTLOOK

## Broccoli



**MARKET ALERT**

QUALITY



SUPPLY



Supplies continue to be good this week. Growers are anticipating steady volume, the challenge will be the next few weeks when the Holiday pull begins. Talking with a few growers the demand will contribute to escalated prices. At this time growers are filling orders but are expecting the market to become very active the next few weeks.

## Brussels Sprouts



QUALITY



SUPPLY



Supplies are holding steady for this week. Growers are anticipating a very good Holiday pull, the market will become very active the next few weeks as we get closer to the Holiday. Talk with your growers to ensure all your orders get covered.

**MARKET ALERT**

QUALITY



SUPPLY



## Cauliflower



Lighter supplies this week. Warm weather helped supplies last week, now some of the production that was harvested earlier than expected has caused a small gap in production. Supplies will be limited until we transition down to Yuma AZ.

**MARKET ALERT**

QUALITY



SUPPLY



## Cantaloupes



**EXTREME ALERT:** Desert production continues to be very sketchy as it relates to sizing. Fields are producing smaller fruit leaving large melons extremely limited, demand exceeds. There is also a lack of MX fruit to help offset the demand. Classic Fruit's cantaloupes from Guatemala have started to be harvested as you can see in the attached pictures. First arrivals into Florida will continually pick up momentum by Monday 11/11. Cantaloupe sizing from our farm is trending to the larger fruit with mostly 9ct expected with a healthy percentage of 12ct coming as well. Sizing flexibility is highly recommended.

## Carrots



With cooler temperatures Bakersfield carrots are improving quality. Supply is steady.

QUALITY



SUPPLY



## Celery



Supplies are lighter this week with Salinas finishing up soon. Growers are expecting the celery market to get active the next few weeks. Mexico has started with Celery production that will help relieve some of the demand.

QUALITY



SUPPLY



## Corn



Corn supplies are tight and winding down out of California and Arizona. Production out of Georgia is expected to be impacted from cold weather this coming week-end. Prices out of the East and West are working upward.

QUALITY



SUPPLY





# MARKET OUTLOOK

## Cucumbers



Baja will continue cucumber harvests for another 2-3 weeks with light supply as the last of the growers wrap up their season. Quality has been strong and the fruit looks great. With so much planted, we shouldn't see supply issues. In the East, GA looks to finish up next week as cold weather has slowed production significantly. FL has light production to offer, with fruit coming from Plant City and South FL. Overall volume will remain light to moderate in FL through its season as less acreage is devoted to Winter cuc crops. Expect to begin seeing imports from Honduras around December 1st.

## Eggplant



GA's eggplant crops are winding down due to both cold weather and declining quality. Fresno and Coachella continue to harvest eggs, but are moving into the seasonal decline and will wrap up over the next two weeks. Nogales shippers have started up and will see volume increase over the next 10-14 days.

## Grapes



Green Seedless market remains steady. Movement is good but growers would like to see it move a little faster as there is less storage fruit this year; Mostly Autumn Kings. Peru will begin green seedless arrivals around Thanksgiving with very light arrivals. Europe has a good market at the moment and the majority of fruit is going there right now. Red Seedless—Allisons are still being harvested along with Vintage and a few Crimsons. The Allison market is \$18-16.95 with Crimsons \$2 less. Allison's have better size than the Vintage and Crimsons. Peru will begin red seedless arrival in mid-December.

## Green Beans



Green beans are still suffering from lower availability in growing regions on the east coast. The frequent rainfall in Florida has caused harvesting to start late. We are getting into the holiday season which is when green beans are at their highest demand of the year. This high demand will keep prices elevated through Thanksgiving. Quality-wise, green beans are very good right now. As for the West, coastal CA is on the decline as new areas such as the CA desert and northern Mainland Mexico get up and running for their 34 week season.

**MARKET ALERT**



## Herbs



Chervil & tarragon are limited this week due to quality issues. All other herbs are expected to remain steady with good quality.

**MARKET ALERT:** Cilantro – Supplies continue to be light this week, prices continue to be escalated. The Salinas season is coming to an end our next region will be Oxnard and down to Yuma AZ in a few weeks. Expect markets to be limited for the next few weeks.

**MARKET ALERT**



## Honeydews



**EXTREME ALERT:** Desert production continues to be very sketchy as it relates to sizing. Fields are producing smaller fruit leaving large melons extremely limited, demand exceeds. There is also a lack of MX fruit to help offset the demand. Import honeydews will not begin for two more weeks. Sizing flexibility is highly recommended. 5/6s are demand exceeds situation.

# MARKET OUTLOOK



MARKET ALERT

QUALITY



SUPPLY



## Iceberg



Lighter supplies on Iceberg lettuce this week. Most growers will be harvesting in Huron one last week. Most growers are moving to Yuma AZ next week. Market will be active until all growers move to down to Yuma AZ.

QUALITY



SUPPLY



## Kale



Good supplies continue this week. Good quality reported with multiple growers. Expect market to remain steady for the next few weeks.

MARKET ALERT

QUALITY



SUPPLY



## Leaf



**MARKET ALERT- Romaine:** Very light supplies continue on Romaine and Romaine Hearts this week.

Most growers are finishing up in Salinas and moving down to Yuma AZ. The remaining growers will finish moving next week. You will see some fringe burn on the romaine lettuce. Demand will remain strong the next few weeks. (**Alert includes romaine hearts, chopped romaine, & salad blends**)

**Green Leaf/ Red Leaf/ Butter (Boston) Lettuce:** Supplies are light this week, most growers are finishing up in Salinas and moving down to Yuma AZ. Expect to see some smaller heads in the packs, we are hoping this improves one we transition down to Yuma AZ. Demand will be strong for the next few weeks for Green Leaf and Red Leaf Leaf.

QUALITY



SUPPLY



## Tender Leaf



Supplies are getting tighter. Quality is just fair. Growers are starting to transition production down to Yuma AZ. Growers appreciate a little extra order lead time during transitions.

QUALITY



SUPPLY



## Lemons & Limes



**LIMES:** The lime market remains pretty steady from last week. Smaller Seeing good demand. November could get interesting based on the strong pull in the last 60 days, evaluation in full effect. Quality is being reported as fair to good.

**LEMONS:** Lemons are steady this week. Supplies are improving out of the CA/AZ desert area and prices are coming down a bit. Smaller fruit remains with higher availability. No quality issues have been reported.



# MARKET OUTLOOK



## Onions



This market is steady from last week with FOBs still competitive around \$6-7 FBO on jbos, \$9 on supers, \$7 on reds and \$10 on whites. There have been cold temps in OR/ID affecting product outside as well as the recent freezes similar to the potato situation. Quality may be affected as well as the length of crop but that will be seen early 2020.



## Onions, Green



Supplies are steady this week, growers are anticipating a bigger demand for Green Onions as we get closer to the Holiday. Expect the market to increase due to the higher demand.



## Oranges



The orange market actually took an increase for the first time in a long time this week. Valencia oranges are finishing up and CA navels have started. Volumes should start to pick up going into next week. Quality is good.



## Pears



Barts are now available with sizes peaking on 100/110/120ct. California Anjou's are still available - there will be no gap between CA and New Crop. New crop Washington D'Anjou harvesting will begin in September. Quality is excellent.



## Peppers, Bell



GA and SC still have product but are definitely on the downhill side of the season. Cold weather and quality concerns will bring these production areas to an end sooner rather than later. Florida is working pepper in both the central and southern parts of the state, where quality is stronger. In the West, Northern California and the coast are winding down, while Coachella and Nogales are ramping up. Areas that are winding down are getting hit by cold weather and are seeing more and more bruising. As for Coachella and Nogales, volume will start to pick up as soon as Monday. There's not a lot of sizing out of Nogales yet, but we look for that to change.



## Peppers, Chili



Supplies out of the East are steady, with good quality. Supplies out of the west are a bit lighter this week due to higher demand.

# MARKET OUTLOOK



## Pineapples



Volumes are expected to improve along with demand in order to cover our thanksgiving pull. 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 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. An increase of that magnitude would lift Idaho's weighted average shipping point price to \$26.50 per cwt for the 2019 crop. Markets continue to rise from even last week, seeing some quality issues as they see what the frost and cold has really left them with as well. Suppliers are cutting back from 5 day packing weeks to 4, cutting shipments, etc. FOBs remain around \$20 on big spuds, \$13 on the smaller stuff and #2s ranging from \$10-16.



With cool temperatures this week and a potential freeze in the early part of next week, GA could finish its squash crops soon. But, FL has several areas in production, with amazingly, a little more yellow than zucchini available. Quality has generally been nice although a few lots/fields have had mild issues. With CA farms almost out of the picture, Mexico is the place for Western squash. Numbers were strong last week, but have declined somewhat as Mainland Mexico farms deal with cooler temps. The squash in the more southern districts are about 7- 10 days away which will help supply rebound by the week of the 18th.

## Strawberries



As you know strawberries traditionally tighten up during the winter months. The recent heat, wind and wild fires hasn't helped the supply situation in California either. To make matters worse this year, Mexico's season has been delayed due to rains last month associated with tropical storms. Most growers are requesting extra order lead times to give them some extra time to line up product. Production out of Mexico will continue to pick up each week. Volume from Mexico is needed for sure. Some growers are reporting that Florida will start production in a small way next week.



## Tomatoes



Rounds - Prices are off slightly this week. Production out of Mexico continues to be on the weaker side. Supplies out of Florida has been weak but picking up daily. Production out of California is for the most part done for the season. Romas - Supplies still on the tight side right now due to lower than expected production. Product is coming out of Florida and from Mexico through Mc Allen TX. With Ruskin/Palmetto and South Florida both in production and warm weather bringing on crops, Florida's grape tomato supply is strong this week. Grape volumes are mostly steady out of Baja and Central Mexico and more growers will come online over the next few weeks.



MARKET ALERT

**MARKET ALERT: SNOW & SUGAR SNAP PEAS** - Weather in Guatemala is getting better, but we will not see an increase in volume for at least 2 weeks. Many fields have been severely damaged, this will take time to come back to 100%. **Expect 15% pro-rates.**

## **National Restaurant Association Unveils its Restaurant Industry 2030 Report**

**“WASHINGTON D.C. —** Today the [National Restaurant Association](#), in partnership with American Express and Nestlé Professional, released its 10-year outlook report on the projected state of the restaurant industry in 2030. The report, “Restaurant Industry 2030: Actionable Insights for the Future,” examines the key indicators shaping the future of the industry, identifies the most and least likely developments over the upcoming decade, and considers possible disrupters outside the industry that could transform it. The findings are based on input from a variety of restaurant sector experts, futurists, and government statistics.

Key economic projections for 2030 include:

- Restaurant industry sales are expected to reach \$1.2 trillion by 2030.
- The industry workforce will likely exceed 17 million by 2030.
- Total U.S. employment is projected to increase at an annual rate of 0.5% during the next decade.
- Total U.S. employment is expected to increase 8.5% between 2018 and 2030.

**The definition of “restaurant” will change as off-premises continues to drive industry growth.**

**Nutrition and sustainability will drive menus.**

**The restaurant workforce is changing.**

“Deconstructing possible trends and innovations of the next decade will help both large and small-business owners in the restaurant industry anticipate their greatest challenges,” said Riehle. “With these actionable insights for the future, restaurants will remain an integral part of the economy and a cornerstone of every community across this nation.”

**SOURCE:** <https://www.restaurant.org/restaurant-industry-2030-report>

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. Have a great week!