



MARKET OUTLOOK

Apples



SUPPLY

FAIR

QUALITY

GOOD

The market continues to stay firm as demand remains strong, leaving growers with less fruit. Overall crop is down this year. Washington apple crop is significantly smaller than previous years. The heat Washington has experienced past summer has resulted in some challenges that the industry is still dealing with. The average fruit size appears to be down a half size to a full size and bi-color varieties had troubles reaching their optimum appeal. We can expect strong market for large, premium, high color No. 1 fruit. Premium Honeycrisp as well as Gala continues to be tight. Pricing overall is running higher due to the shorter crop, inflation in the growing chain including labor, picking, and transporting of apples. Quality has been good.

MARKET ALERT

Asparagus



SUPPLY

SHORT

QUALITY

FAIR

Asparagus will continue to be in very short supply through the end of February, into early March. Although cold weather and freeze in Mexico didn't fully damage asparagus crowns, it has slowed down growth significantly.

MARKET ALERT

Avocados



SUPPLY

GOOD

QUALITY

GOOD

Officials will keep meeting. Please note this supply issue is directly related to the US Government shutting down imports. We are seeing supply rapidly decline from 2 weeks prior. Fruit is available out of California, but nowhere near the volume to service the national demand. There will be some supply interruptions next week. We ask you to be very flexible on sizes, grades and labels until this condition is resolved.

MARKET ALERT

Bananas



SUPPLY

GOOD

QUALITY

GOOD

Availability continues to be less than desired, but it does look like we are out of the woods when it comes to the "strikes" that have gone on in GTM. The bananas are still taking longer than desired to color up than we would like but the supply is starting to pick up.

Berries



SUPPLY

GOOD

QUALITY

GOOD

Blackberries: Prices for Blackberries are steady this week. Production on Blackberries is currently running flat. Demands for all berries usually come down a bit after the Valentine's Day holiday.

Blueberries: Prices for Blueberries are trending down this week. Production is coming out of Mexico and Chili. Supplies, prices and quality are dependent on product from Chili working through the supply chain in a timely basis.

Raspberries: Prices for Raspberries are steady this week. Supplies are currently coming out of Oxnard CA and Mexico. Production is on the upswing and is expected to remain the same for the next few weeks.

MARKET OUTLOOK



MARKET ALERT

Beans Green



SUPPLY

FAIR

QUALITY

GOOD

Green Beans ALERT: Supplies on green bean are extremely tight out of Florida due to last week's freezing with no improvement expected until Spring. This will cause a huge challenge with Mexico volume taking on the East coast demands as well as dealing with colder weather and lack of labor.

Snow Peas: Snow peas continue to be light with fair quality.

Broccoli



SUPPLY

FAIR

QUALITY

GOOD

Supplies continue to be good this week. Growers are reporting steady yields currently. Growers are expecting supplies to continue to remain for a few weeks. (F.O.B pricing for this week \$12.98 - \$13.98)

Brussels Sprouts



SUPPLY

GOOD

QUALITY

GOOD

Supplies are much better this week. Growers are reporting better yields this week. Quality is reported as good at this time. Expect for steady supplies for a few weeks. (F.O.B pricing for this week \$21.75 - \$23.95)

MARKET ALERT

Carrots



SUPPLY

POOR

QUALITY

GOOD

Demands exceeds supply. California labor is still a huge problem. With short staff, some pack sizes are challenging and to keep decent volume is complicated. There are a few items being prorated but we hope to be over this in about 3 weeks. Quality and flavor are excellent.

Cantaloupes



SUPPLY

GOOD

QUALITY

GOOD

Fewer cantaloupe arrivals continue, and the market has finally started to move upward after remaining stagnant over the past few weeks due to poor weather and demand. We expect the next few weeks to be limited before we move into second cycle production from Guatemala later in the month. Sizing is trending to the larger fruit with mostly 9s and larger expected. Smaller sizes (12/15s) are expected to be very limited during this timeframe. External quality and brix levels in the 12-14% range.

MARKET ALERT

Cauliflower



SUPPLY

FAIR

QUALITY

GOOD

Supplies will continue to be light this week. Overall quality is reported as good, growers are reporting light yields at the time of harvest. Growers are expecting supplies to be light for a few weeks. (F.O.B pricing for this week \$17.08 - \$18.28)

MARKET OUTLOOK



Celery



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be steady this week. Growers are reporting steady yields currently. Most growers are expecting for markets to increase as Mexico is finishing and Yuma AZ is getting close to the end of the season. (F.O.B pricing for this week \$13.05 - \$13.50)

MARKET ALERT

Citrus



SUPPLY
FAIR
QUALITY
FAIR

Limes ALERT: The market is reacting, and pricing is increasing steeply in an upward trajectory. We're currently seeing a cost increase of approximately \$2.00 per day as overall yields/availability decline, which is compatible with seasonal trends. The market is expected to remain elevated throughout mid-March. Large fruit will become scarce as the new production begins harvest. Demand trends will dictate velocity of cost increase and further shifts. As availability declines, please plan supply in advance and be cognizant of frequent price changes.

Lemons: Lemon market and availability are currently steady. Peak sizing on 115/140 count fancy with limited 165 and smaller. Mexican lemons are being shipped into Texas with Nogales being done. California lemons are coming out of District 1 and 3.

Oranges ALERT: We are moving into the shortest Navel crop we have seen in several years. 88's and smaller are about to be extremely tight. Many shippers are planning to start with Valencia's to help with small fruit but will be leaving the whole summer in a demand exceeds supply issue. We could deal with this problem and have the toughest April – Oct we have had in long time.

MARKET ALERT

Corn



SUPPLY
FAIR
QUALITY
FAIR

Prices for Corn are trending down this week. Production out of Florida is currently picking up a little but growers are expecting tight supplies for the next few weeks. Product from Mexico is crossing through Nogales AZ and that's keeping the needs for the West satisfied.

MARKET ALERT

Cucumbers



SUPPLY
FAIR
QUALITY
FAIR

Prices for Cucumbers are trending up this week. Supplies are tight this week due to challenges in the supply chain. Growers in Honduras have the fruit but getting it to the customer is currently very challenging. Shipping and unloading delays are impacting quality too. Production out of Mexico is currently down a bit but should pick up in the weeks to come.

Eggplant



SUPPLY
GOOD
QUALITY
GOOD

Prices for Eggplant are trending up this week. Supplies are tight out of Florida and is running as expected for this time of year. Production out of Mexico is decent shape. The weather has been better in Mexico. Growers are reporting good quality too.

MARKET OUTLOOK



Garlic



SUPPLY
SHORT
QUALITY
GOOD

Garlic will start to feel a slight squeeze due most US growers getting closer to a Growing Gap and relying on Imports to supplement. Imports from China has slowed again due to lack of containers and increase in tariffs.

MARKET ALERT

Grapes



SUPPLY
GOOD
QUALITY
GOOD

Red grapes are finally making their way through the country. Availability will continue to pick up.

Honeydews



SUPPLY
FAIR
QUALITY
GOOD

The honeydew market continues with two-tiered market. Shippers with Honduran supply have struggled with external quality and ending the production. Better quality melons from Guatemala have been moving but will start to see less arrivals as production are finishing up. Supplies will remain light into March. Sizing has been peaking on larger sizes (5s and larger) but we have seen a change in recent pack outs indicating some more smaller fruit should be coming next week.

Iceberg



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to be very good this week. Quality and Weights will continue to be very good this week. Growers are expecting steady supplies the next few weeks. (F.O.B pricing for this week \$10.63 - \$11.63)

Leaf



SUPPLY
GOOD
QUALITY
GOOD

Romaine: Supplies have improved this week. Overall quality is fair. Weights will be on the lighter side until supplies improve. Expect some occasional outer leaf quality issues like fringe burn. Growers are expecting better supplies in the upcoming weeks. (Romaine pricing for this week \$11.81 - \$13.05) (Romaine Hearts pricing for this week \$15.16 - \$17.05)

Green & Red Leaf Lettuce: Supplies continue to be very good this week. Growers are reporting good yields. Quality is reported as good with occasional fringe burn. Supplies will continue to remain steady for a few weeks. (F.O.B pricing for this week \$8.98 - \$9.73)

Tender Leaf: Supplies continue to be good this week. Demand is good on tender leaf; quality is very good. Supplies should remain steady for a few weeks. (F.O.B pricing for this week \$4.65 - \$4.75)

MARKET OUTLOOK



MARKET ALERT

Mushrooms



SUPPLY
SHORT
QUALITY
FAIR

Shitake Mushrooms: Due to uncontrollable rise in cost of imported Shitake logs from China. Shitake mushrooms supplies will be short, prices will be changing almost weekly. Long delays to unload shipments at the ports have caused some interruptions with supplies. This is caused by labor shortage and limited freight availability.

The mushroom industry continues with a shortage of labor, as well as cost inflation increases in raw materials. Specifically corrugated cardboard and packaging materials. Additionally, the price increases in freights nationally have greatly impacted cost to mushroom growers. Pricing on mushrooms must increase at this time due to Labor, Transportation, and packaging.

MARKET ALERT

Onions



SUPPLY
FAIR
QUALITY
FAIR

Onions continue to get tighter as was anticipated. Markets is still very active on all sizes and colors. Reds are the tightest, but all colors are a demand exceeds supply without immediate relief in sight. Onions continue to get worse; demand exceeds supply is extreme. This is vastly affecting precut onions as well. Quality is bad and not lasting on the supply that is left either.

Onions Green



SUPPLY
GOOD
QUALITY
GOOD

Supplies continue to improve this week. Market pricing is starting to improve and should continue improving. Supplies coming from Mexico will improve the next few weeks. (F.O.B pricing for this week \$15.95 - \$16.50)

Pears



SUPPLY
FAIR
QUALITY
FAIR

Bartletts, Anjou, red pears and Bosc are now shipping out of Washington State and Oregon. The volume this year seems to be light with the fruit expecting to run a size or two smaller than last season. The large high-quality fruit will bring a premium this year and the prices will trend up over the next couple of months on them. Prices on Bartlett pears is rising with strong demand in the last few weeks. Most shippers will finish up with their Bartlett crop in February. Imported Bartletts are arriving to replace the domestic crop.

MARKET ALERT

Peppers Bell



SUPPLY
GOOD
QUALITY
GOOD

ALERT on Red and Yellow Bell Peppers. Prices for Green, Red and Yellow Bell Peppers are trending up this week. Production out of Florida was impacted a few weeks ago by a freeze. Expect prices to swing higher and lower during the next 4 to 6 weeks. Different stages of the plant growing cycle was impacted by the cold weather. A good example is that Bloom Drop impact doesn't affect supplies until later in the growing cycle. Production out of Mexico is being reported as steady. Growers are reporting nice quality. too.

Peppers Chili



SUPPLY
FAIR
QUALITY
FAIR

Prices for Chili Peppers are steady this week. Supplies are about normal for the wintertime out of Florida. Quality is being reported as fair to good. Production out of Mexico is currently steady. Growers are reporting occasional tight supplies on various varieties due to product being grown in different areas.

MARKET OUTLOOK

Pineapples



SUPPLY

GOOD

QUALITY

GOOD

Pineapple volume continue to be ok. The size profile is shifting towards the larger size due to great growing condition. Quality and taste profile are great.

MARKET ALERT

Potatoes



SUPPLY

FAIR

QUALITY

GOOD

This market remains of high concern for the duration of this crop. Potato market has stabilized on all sizes for now but it's a mixed profile depending on the region. Price remain much higher than average with reduced yields. Cold weather and snow are now playing a part in the northwest along with continued shortage of trucks and freight concerns. With the shortage on trucks, freights continue to be extremely high.

MARKET ALERT

Squash



SUPPLY

GOOD

QUALITY

FAIR

Prices for Green and Yellow Squash are trending down this week. Production out of Florida is recovering from the freeze. Growers are seeing higher yields. Growers are also reporting weather related quality issues. It will take a little while to work through challenges related to the recent winds and cold weather. Production out of Mexico is on the rise. Growers are expecting good supplies for the next couple weeks.

Strawberries



SUPPLY

GOOD

QUALITY

FAIR

Prices for Strawberries are trending down this week. Demands usually come down a bit after the Valentine's Day holiday. This helps to put some pressure on pricing. Supplies out of California are decent with Florida hitting their peak. Production out of Mexico is increasing.

Tomatoes



SUPPLY

GOOD

QUALITY

GOOD

Prices for Tomatoes are trending down this week. Florida is recovering from the recent freeze. This is helping to put more tonnage in the marketplace. Mexico is currently producing good volumes. Prices for fruit out of Florida and Mexico are a good value and should remain the same for the next couple weeks.

Watermelons



SUPPLY

FAIR

QUALITY

GOOD

Offshore watermelons remain at high arrival over the next few weeks. Supplies will be light on the seedless and minis. Arizona and Texas are shipping watermelons from Southern Mexico. Markets have been holding steady. Quality has been excellent.



MARKET OUTLOOK

America REFUSES to lift avocado ban after crunch talks with Mexico: \$70m of avocados will now rot in Michoacán warehouses after drug cartel threatened to kill USDA inspector

- The US ban on Mexican avocados remains in place even after USDA and US Embassy officials met with Mexican authorities on Wednesday
- During the three-hour meeting, officials from Michoacán attempted to convince the US to lift the ban and save \$70 million worth of avocados
- Michoacán is the sole Mexican state allowed to export the fruit to the US
- The state leaders have outlined a new security plan to ensure the safety of US inspectors after one of them received a death threat from a Mexican cartel
- The US has maintained that the ban would resume until the safety of its more than 70 health inspectors could be guaranteed
- Experts expect Mexico to lose out on \$12 to \$14 million a day due to the ban

The United States refused to lift the ban on Mexican avocados after representatives from the two countries spent three hours in a meeting trying to reopen imports as Mexico stands to lose \$70 million worth of produce that was bound for America.

In a bid to save more than 25,000 tons of avocados waiting to be shipped, officials from Michoacán - the only state allowed to export avocados to the US - met with USDA and US Embassy representatives Wednesday to outline the creation of a new investigation and security unit to guarantee the safety of the more than 70 US health inspectors who work in the avocado facilities.

'[The Americans] noted that there is willingness and work from all the actors and authorities,' a Mexican trade group said in a statement. 'No date was given for the resumption, however, they said that they would work immediately to give an answer.'

According to the Group Council of Agricultural Merchants, which examines Mexican agricultural business, Michoacán could lose \$12 to \$14 million every day if the ban continues.

The US had imposed the ban following a death threat to an American health inspector by Mexican cartel members who had demanded he sign off on their black market batch of avocados, according to Mexican outlets.

Michoacán Governor Alfredo Ramírez Bedolla was optimistic Thursday over the resumption of the avocado export.

'We have been working for two sessions and I think we are a few days away from lifting the suspension, especially due to the response of the North Americans in the meetings,' Bedolla told Spanish news wire agency EFE.

Some of the sticking points in the conversations over the past two days have been centered on completing the investigation surrounding the death threat that was made against the US food inspector, according to the governor.

Bedolla added that Mexican officials are in the final stages of developing a security plan and an intelligence unit to combat any future gang and cartel plots that would negatively impact the production and export of avocados.

The governor also said that state law enforcement agents and National Guard would be deployed to provide extra security at farms and facilities where the fruit, considered the 'green gold' of Mexico, is produced and packaged.

The US said it would not reopen imports until it could ensure the safety of its workers, creating an impending avocado crisis in the nation, with supply of the popular staple sold at fast-food restaurants and finer dining establishments expected to run out in the next two weeks.

The new security plan proposed by Mexican officials includes an in-depth survey of the 72 facilities located in 59 Michoacán cities that are involved in the \$3 billion dollar industry brought to a halt last Friday.

Security details would be provided for delivery trucks to ensure that they are not intercepted by gangs or cartels in Uruapan, where the Caballeros Templarios, Pueblos Unidos, La Nueva Familia Michoacán and Jalisco New Generation Cartel are battling for power over the growth and shipment....

For full story: <https://www.dailymail.co.uk/news/article-10523757/US-refuses-lift-avocado-ban-crunch-talks-Mexico.html>

By RONNY REYES FOR DAILYMAIL.COM

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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

