



WEATHER UPDATE

Yuma - Sunny to partly cloudy next week. Highs in the 90s and lows in the 60s. **Oxnard** - Sunny to partly cloudy next week. Highs in the 60s and lows in the 50s with a chance of rain next Thursday. **Mexico (Culiacan)**- Mostly sunny next week with highs in the 90s and lows in the 50s. **Florida, Southern**— Sunny to partly cloudy next week with chances of thunderstorms throughout the week. Highs in the 90s and lows in the 70s. **Idaho**—Sunny to partly cloudy next week with highs in the 70s and lows in the 40s.

TRANSPORTATION

The National Diesel Average has been recorded at \$3.171 up \$0.002 a gal from last week and down \$0.106 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 in most of the country, however there is a shortage in Central and South Florida, and a slight shortage in Eastern North Carolina.**

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MARKET ALERT

Broccoli/ Florets
Broccolini
Brussel Sprouts
Cauliflower/ Florets
Celery
Green Grapes
Red Cabbage
Tomatoes

MARKET OUTLOOK



Apples



QUALITY  SUPPLY 

As we dive into the end of this crop - taking a hard look at supply through the summer months is critical. As we breakdown the varieties of apples focusing on Foodservice - here is only one variety that stands out where we might come up short of new crop. **Golden Delicious** - if Washington continue to maintain shipments out of the State- there is a possible one to 2-week gap. **Reds, Galas, Fujis and Gr Smiths** - should be able to make it to new crop. Current challenges in the foodservice industry on apples are strictly due to size. This year the size profile is 2 to 3 sizes larger. and this accounts for all apples where volume plays a pivotal role in Foodservice.

QUALITY  SUPPLY 

Asparagus



The asparagus market is stronger this week. Quality has been reported good depending on location. Both East & West coast markets are up due to the field transition in Mexico, NJ/MI/Canada delayed, and Peru just starting to increase volumes. Markets should adjust next week with the Mother's Day rush finished.

QUALITY  SUPPLY 

Avocados



Markets are steady, but growers in Mexico are trying to push them up. Picking is happening at the highest elevations, which means that the fruit is controlled by a few stronger growers & they feel their fruit has certain value. The last 3 weeks have been lighter than normal, & they are betting on fruit cleaning up & shippers returning for the reload. California has a small crop & although they are picking steady, they won't have enough to make it through July. Peru shipments have started to arrive, & each week supply will increase.

QUALITY  SUPPLY 

Bananas



Markets remain the same as last week with consistent production and supplies. Growers not reporting any quality issues at this time. Quality is being reported a good to very good.

QUALITY  SUPPLY 

Berries



Blackberries –Prices are steady at higher than normal levels. The Mexican season is ending. The California season will not begin for a few more weeks. Quality is very good.

Blueberries- The market is slightly elevated this week. Bad weather on the East Coast has delayed production. Stocks are shipping out of California, Central Florida, and Georgia.

Raspberries- The market is a slightly elevated this week. The Mexican season is ending, and the California season will not begin for a few more weeks. Quality is very good.

MARKET OUTLOOK



Broccoli



MARKET ALERT

QUALITY



SUPPLY



Broccoli Crowns/ Broccoli Florets – Supplies are limited this week. With the higher demand due to Mother’s Day weekend & supplies short this has caused markets to spike. Growers are reporting quality as only fair at this time. Supplies are expected to be limited for another week. **Broccolini** supplies remain tight, as yields continue to be down for this time of year.

Brussels Sprouts



MARKET ALERT

QUALITY



SUPPLY



Supplies are extremely short this week again. The new crop in Santa Maria is delayed, waiting for better supplies next week. Some growers are subbing orders with small fancy size Brussel sprouts. Most Growers are reporting 50 - 70% less volume available. Growers will be pro-rating all orders for the next few weeks.

Cauliflower



MARKET ALERT

QUALITY



SUPPLY



Cauliflower/ Florets- Supplies are almost none existing. With the higher demand due to Mother’s day weekend & supplies short this has caused markets to spike. There are a lot of uneven fields. Also, varieties aren’t performing as scheduled & are coming in behind schedule. Growers are reporting quality as only fair at this time. Supplies are expected to be limited for another week.

Cantaloupes



QUALITY



SUPPLY



Cantaloupe arrivals will continue into Florida through the week of May 20th which will allow for us to load all contract business until at least 5/24. Sizing from Guatemala has had a very nice mix of 9/12/15s with internal quality being at optimum levels. External quality is strong & will continue to be so. Arrivals will continue on offshore fruit for another two weeks into Florida which will allow us to cover all contract business over this period. If you have any questions regarding the transition to the domestic, please do not hesitate to reach out your assigned vendor.

Carrots



QUALITY



SUPPLY



Harvest just started in the Imperial Valley. Quality looks and yields looks good. Demand should fall off some with schools dropping out for summer. Expect no issues that should be a cause for concern.

Celery



MARKET ALERT

QUALITY



SUPPLY



Celery supplies are extremely limited. Some growers are experiencing growing gaps, Oxnard is supplying most of the celery and with Salinas not ready until early June. We expect for markets to be escalated & supplies to be limited until early June. Quality is been reported as only fair at this time.

Corn



QUALITY



SUPPLY



Corn product is ramping up in West and East coasts. Quality is excellent. Demand is ramping up. Supplies remain a bit under historical levels and that will continue to put some pressure on pricing.

MARKET OUTLOOK



Cucumbers



QUALITY  SUPPLY 

Cucumber supplies remain plentiful in **Mexico**. Crossings through Nogales remain prevalent. **Baja & Central Mexico** volume has picked up as well. **Florida** spring fields are also in production with steady supply. **Georgia** has started production as well. With warmer temperatures finally hitting multiple growing regions, cucumber prices are expected to remain attractive through the Memorial Day holiday.

Eggplant



QUALITY  SUPPLY 

Eggplant prices are higher out of Nogales this week due to lighter volume as the season winds down. Coachella has limited supply and the Central Valley is approximately two weeks off from production. Volume is good and quality marginal out of Florida.

MARKET ALERT

QUALITY  SUPPLY 

Grapes



Mostly Crimsons / Timco / Sweet Celebrations are currently available. Fruit quality is good. GS Market is active, & prices will reflect quality; depending on the fruit quality & the shipper's inventory there is a large pricing variance. Greens should be available for at least two more weeks. Red Globes market is slow, availability will be for 4 more weeks & the market should turn upward in two weeks. **Green grapes alerted** due to availability.

Green Beans



QUALITY  SUPPLY 

The market is mixed this week. Imported Haricot verts are up, with moderate volume & demand. Machine-picked product out of Florida is down, with moderate volume & demand. This growing region is almost done for the season. Handpicked product out of Coachella Valley California is up, with moderate volume & good demand. Quality will vary depending on the growing region.

Herbs



QUALITY  SUPPLY 

Chervil is very short due to the weather changes. We are anticipating our growers to have product by the end of next week. Cilantro volume is down & quality is marginal due to the recent weather issues. All other fresh herbs are steady, with good quality.

Honeydews



QUALITY  SUPPLY 

Honeydew arrivals remain strong in Florida. With increased production on Mexican crossings through Nogales the market has started to settle. Early indication is providing caution to the quality on these crossings with low brix levels & external quality issues being reported. Sizing on honeydews was primarily jumbo fruit previously but we have started to see more of a split between 5/6s which has provided a very nice balance. If you have any questions regarding the transition to the domestic, please do not hesitate to reach out your assigned vendor.

MARKET OUTLOOK

Iceberg



QUALITY  SUPPLY 

Good volumes this week, quality has been reported as good with multiple growers. Expect to see steady supplies the next few week and good quality.

Kale



QUALITY  SUPPLY 

The kale market continues to remain level with steady supplies. Quality is being reported as good. Expect a steady amount of supply with the recent nice weather in the California growing areas.

Leaf



QUALITY  SUPPLY 

Romaine - Supplies are good this week. Growers are seeing a bit of mild cupping, but other than that, the crop looks beautiful. Demand is good and weights are in the 22-24lbs range. Expect to see steady supplies the next few weeks with good quality.

Green Leaf/Red Leaf & Boston/Butter Lettuce- Supplies are good this week & will continue to be for the next three weeks. Growers are reporting quality as good & clean, with some occasional fringe burn. Weights are hovering around 34-36lbs.

Tender Leaf



QUALITY  SUPPLY 

Supplies are meeting demand. The forecast for the next 2 weeks remains positive. Warm weather over the last three weeks has helped to feather in fields where gaps were originally forecasted. Quality reports from the northern regions are still mixed although improving overall. Strong winds & warm weather have caused tip burn in some areas where other areas have not been affected. Insect pressure is currently higher than average due to the wet spring & the damage is visible in some cases. The quality with this new crop is good overall given the weather conditions these plants have endured so far this year. **Oxnard, Santa Maria & Salinas** are the primary shipping points for leaf lettuces off the west coast.

Lemons & Limes



QUALITY  SUPPLY 

Limes – The lime market is coming off strong on the smaller fruit. Bigger fruit 175s, 150s, etc. is hanging tough and higher for sure, there is a LARGE spread in sizing this week, but expect the market to continue to weaken by the end of the month.

Lemons- The lemon market is up this week. Complete opposite of limes with smaller fruit being tighter and more expensive. Smaller lemons are in the \$30s right now. Bigger fruit is plentiful with good quality.



MARKET OUTLOOK

Onions



QUALITY SUPPLY

We have transitioned to Brawley, CA. Prices are slightly up, but normal for transition and CA. Whites are coming down but still extreme, and reds have slightly come down as well. Quality is strong and sizing is heavy to Jumbos and Colossal onions. We are likely to see a tiered market between old crop prices & new crop prices until the Northwest is fully out of the picture.

Onions, Green



QUALITY SUPPLY

The green onion market is steady with good supplies this week. Growers are reporting good quality, expect markets to be steady for the next few weeks

Oranges



QUALITY SUPPLY

Oranges, PROMOTABLE, this commodity is cheap right now with FOBs in the single digits and low teens, even for fancy. Good demand and good quality but expect it to increase over the course of the month; that is both in demand and price Some suppliers have started shipping new crop Valencias.

Pears



QUALITY SUPPLY

Bosc pears look to end in 3 weeks where your Red Anjou pears will end the middle of June. Anjou pears should make it to the end of July, first of August. Quality has been outstanding - great year for pears!

Peppers, Bell



QUALITY SUPPLY

Green Peppers - Supplies has been up & down over the last 6 weeks. East coast market is inching up. **Florida** stocks are tightening. **Georgia's** volume production is a few more weeks away. Domestic quality is very good. **California** production is ramping up but demands exceed supplies. Look for this rollercoaster to continue for the next few weeks. **Red & Yellow Peppers** - High than normal markets persist. Markets should ease as **California** supplies become available over the next few weeks. The **Mexican** season is wrapping up. Domestic quality is best.

Peppers, Chili



QUALITY SUPPLY

Chili supply is improving out of **Sonora**; however, Serrano peppers continues to be snug. Growers are estimating good production through the middle of June. Florida is scratching on Jalapenos and good production on Cubanelles. Expect volume to increase when **Georgia** comes aboard about 3-4 weeks.

MARKET OUTLOOK



Pineapples



Markets are trending towards smaller sizes. We are expecting to see less 5's and more 7's and 8's for the next 2 months. Quality is very good right now, climate in Costa Rica has improve which is optimal for maintain good quality.



Potatoes



Mostly all Burbank potatoes out there right now. Not hearing of any extreme quality concerns but have seen some small reports of hollow heart and black spots coming through hot. Prices remain stable, we are into the heat of the summer so buckle up.



Squash



Zucchini squash remains plentiful in **Nogales, Florida, & Georgia**. Quality has been good across all the different regions. **Mexico** will probably continue for another couple of weeks along with **Florida**. On the other end, **Georgia** should have supplies through the months of May and June. Yellow squash has started to come by in South **Georgia**. Prices are expected to remain elevated for a bit longer. Yields are improving & quality has been good so far. **Mexico & Florida** have started to wind down a little bit due to warmer temps and excessive winds. Other local regions, both east and west, will start with squash toward the second half of the month.



Strawberries



Strawberries experienced some downward pricing pressure this week. Demands and cost historically drop right after the Mother's Day holiday. Supplies are abundant in **Santa Maria** and **Watsonville**. Berry size is dominated by medium to large fruit. Production in **Oxnard** continues to decrease. Quality is very good.



MARKET ALERT



The market is inching up and supplies are tightening due to the tariffs on imported product from **Mexico**. Domestic stocks are shipping from **Florida. Mexico** is the main growing area at this time. Everybody is on "Wait and See" mode in regards to supplies and costing.

Tomatoes



ALERT- There has been much discussion surrounding the withdrawal of the Tomato Suspension Agreement in recent months and Tuesday 5/7/19, 90 days after the initial termination announcement, the United States has imposed a 17.56 percent tariff on Mexican tomato imports. As the two countries were unable to renew a 2013 agreement that suspended a U.S. anti-dumping investigation. The U.S. measures will remain in place until a new suspension agreement is reached. Negotiations are continuing between all parties. Even though the deadline to formulate an agreement has passed, the situation remains fluid. Expect revisions to the direction from the US Government for the unforeseeable future as all the details get finalized. The uncertainty of the negotiations has caused tomato supplies out of Mexico to tighten up We're getting reports that shippers inventory levels in their coolers is low. We expect that it will take a 2 to 4 more weeks the market to normalize. We're hearing that many large customers would like to move to domestic fruit. We expect this to put pressure on domestic supplies and prices too. (For every action, there's a reaction.)



MARKET ALERT

Cabbage

Red Cabbage (Alert) – Supplies remain very limited this week. Quality is being reported as good. Expect escalated pricing on red cabbage & processed red cabbage. **Green Cabbage** – Supplies are good & the market steady this week. Growers are reporting good quality, expect markets to be steady for the next few weeks.

PMA and FPAA issue statements on the termination of the Tomato Suspension Agreement

In response to the U.S. Department of Commerce's termination of the agreement on May 7 suspending the antidumping investigation on fresh tomatoes from Mexico, the **Produce Marketing Association** issued the following statement: "Trade is critical for the produce and floral industry, as the buying and selling of these products – including tomatoes – occurs in a global marketplace. The impact of the previous agreement for U.S. consumers has been year-round availability of fresh produce at an affordable price. We understand that there are different perspectives on the success of the suspension agreement on tomatoes among market participants. What everyone should be able to agree upon is the need for transparency and predictability. We urge the U.S. Department of Commerce and representatives of the Mexican government to expedite their discussions and come to an agreement that works for the industry in both countries."

The **Fresh Produce Association of the Americas** (FPAA) also issued a statement, which reads: "The Fresh Produce Association of the Americas (FPAA) is disappointed the Department of Commerce has terminated the Tomato Suspension Agreement. The agreement has been an important tool in protecting over 33,000 American jobs and creating stability in the marketplace. "Many entities appealed for the signature of a new or revised Tomato Suspension Agreement. To that end, FPAA would like to acknowledge the efforts of our members, their growers, the Congressional Delegation, Arizona Governor Doug Ducey, and many others. "It is our understanding that the Mexican growers put several proposals on the table to improve an already-effective agreement. Despite the fact that the agreement has been terminated, our hope is that Commerce continues to work in good faith with the growers in Mexico to negotiate a new agreement that balances concerns of growers in Florida with the need to protect our robust trading relationship. "As the U.S. importers and distributors of tomatoes from Mexico, our members are proud of the work they do to bring consumers the fresh, flavorful varieties of tomatoes that they demand. Despite the decision from Commerce, our members continue to innovate and uphold their commitment to continuous improvement. As an industry, we look forward to continuing to supply retail and foodservice customers with the high quality, vine-ripened tomato varieties that drive sales in their stores and restaurants. "The tomato industry is healthy today because of the pioneering U.S. companies that import produce from Mexico. In fact, a report by the Economic Research Service at the U.S. Department of Commerce states that per capita consumption has risen from 12 pounds to over 20 pounds of tomatoes per year over the last 30 years, adding that growing imports and emerging production technology, such as greenhouses in Mexico, are some of the key factors driving these demand increases. "An analysis led by Dr. Timothy J. Richards, Morrison Chair of Agribusiness at Arizona State University, shows that consumer prices could rise between 40 percent and 85 percent throughout the year because of reduced volumes of tomatoes in the marketplace as a result of the duties being applied to Mexican tomatoes. This will especially target the consumer-preferred varieties, including tomatoes-on-the-vine (TOVs), vine ripe, roma, and the specialty tomatoes such as grape and cherry tomatoes. "The FPAA is working closely with our members, CBP, and Commerce to ensure that the termination of the agreement and imposition of duties is as seamless as possible. We again thank our members, our industry allies, and our elected officials for their tireless efforts in this process."

<https://www.freshplaza.com/article/9101791/pma-and-fpaa-issue-statements-on-the-termination-of-the-tomato-suspension-agreement/>

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 and our Midweek Update released every Wednesday. Have a great week!
Keeping You Informed,