United States Department of Agriculture

FTS-340

Nov. 24, 2009

A Report from the Economic Research Service

www.ers.usda.gov

Fruit and Tree Nuts Outlook

Susan Pollack
pollack@ers.usda.gov

Agnes Perez
acperez@ers.usda.gov

U.S. Citrus Production Forecast Down in 2009/10, But Fresh-Market Supplies Should Be Ample

Contents
Price Outlook
Fruit and Tree Nut Outlook
Fruit and Tree Nuts Trade Outlook
Contacts and Links

Tables
Grower prices
Retail prices
Production:
Oranges
Orange juice
Grapefruit
Grapefruit juice
Lemons
Other citrus
Blueberries
Fruit exports
Fruit imports

Briefing Rooms
Fruit & Tree Nuts

The next release is March 26, 2010.

Approved by the World Agricultural Outlook Board.

USDA's National Agricultural Statistics Service (NASS) forecasts the 2009/10 U.S. citrus production at 10.9 million tons, down 9 percent from last season and down 15 percent from two seasons ago. Only tangerine production is forecast higher than last season.

Although total orange production is forecast down, California's production of fresh-market oranges should be ample and are reported to be of high quality. While bigger than last season, California's navel orange crop is likely to be below average for 2000-09. The high quality of the fruit and the smaller than average crop size is likely to result in strong grower prices this season.

Florida's orange crop is forecast down from the previous two seasons and may be the smallest since the frost-damaged crop in 1989/90, except for the hurricane-damaged crop in 2005/06. Weather played a factor is the smaller crop as did the continued decline in bearing trees. Since an average of 95 percent of Florida's oranges go to making juice, the smaller crop is forecast to drive orange juice production down to the second lowest level since 1990/91. Large juice stocks entering the new season, however, should provide for sufficient supplies to meet market demand.

Grapefruit production is forecast down in the three major-producing States—Florida, Texas, and California. With lower grapefruit production out of Florida, grapefruit juice production is also expected to be down this season. Overall supplies are expected to be tighter than last season, potentially driving up retail prices.

California's lemon crop, while expected to be smaller than last season, should be about average size and enough to meet consumer demand. California's tangerine/mandarin production continues to grow as more acreage comes into production. Florida's tangerine production is also expected to be higher than last season, returning to a more-average quantity.

U.S. pecan trees are on their "on cycle" this year and production is expected to be higher than last year, but lower than 2 years ago, the last on-cycle. With production expected to be higher prices will likely be down.

Price Outlook

Fruit and Tree Nut Grower Prices Up in October for Second Straight Month

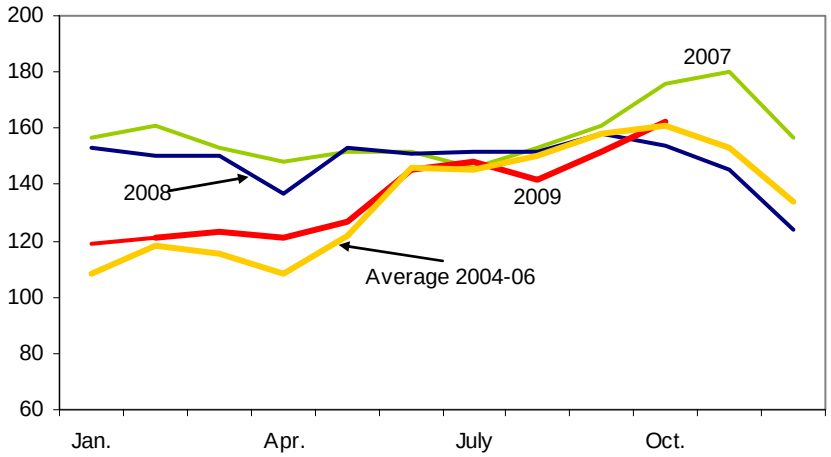
The index of prices received by fruit and tree nut growers rose 7 percent between August and September to 152 and another 7 percent between September and October to 162 (1990-92=100) (fig. 1). The October index is at its highest level since November 2007. The October index is the first time in 2009 that any month has registered higher than the comparable month in 2007 or 2008.

The late start to the new citrus season in both California and Florida have driven up grower prices for most citrus fruit this September and October over the same 2 months in 2008, helping drive up the index (table 1). Only lemons, for which there were still fruit remaining in September, from last season's large crop, showed lower prices this September over last. By October, most of the last season crop was finished and grower prices rose reflecting tighter supplies at the start of the new season.

A storm in California in mid-October hampered harvesting of grapes and damaged some of the crop. While grower prices in September were already above last year due to the smaller crop this season, the storm further reduced fresh grape availability and price rose 68 percent between September and October and was more than double the prices growers received last October.

The rains also damaged California's strawberry crop and prevented harvesters from entering the fields, reducing the quantity of strawberries in October and driving grower prices up 29 percent from September and 39 percent over last October.

Figure 1
Index of prices received by growers for fruit and tree nuts
1990-92=100



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Table 1--Monthly fruit prices received by growers, United States

Commodity	2008		2009		2008-09 change	
	September	October	September	October	September	October
	Dollars per box				*Percent*	
Citrus fruit: 1/						
Grapefruit, all	5.50	10.40	8.65	12.90	57.3	24.0
Grapefruit, fresh	5.50	12.49	8.65	15.28	57.3	22.3
Lemons, all	28.59	21.33	21.96	21.59	-23.2	1.2
Lemons, fresh	28.14	20.69	27.46	27.88	-2.4	34.8
Oranges, all	5.92	5.57	13.02	11.47	119.9	105.9
Oranges, fresh	10.22	10.14	16.21	16.51	58.6	62.8
	Dollars per pound					
Noncitrus fruit:						
Apples, fresh 2/	0.506	0.425	0.335	0.310	-33.8	-27.1
Grapes, fresh 2/	0.240	0.185	0.265	0.445	10.4	140.5
Peaches, fresh 2/	0.234	--	0.295	--	26.1	--
Pears, fresh 2/	0.272	0.314	0.189	0.247	-30.6	-21.3
Strawberries, fresh	0.701	0.720	0.750	0.969	7.0	34.6

1/ Equivalent on-tree price.
2/ Equivalent packinghouse-door returns for CA, NY (apples only), OR (pears only), and WA (apples, peaches, and pears). Prices as sold for other States.
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Consumer Price Index for Fresh Fruit up Slightly in September

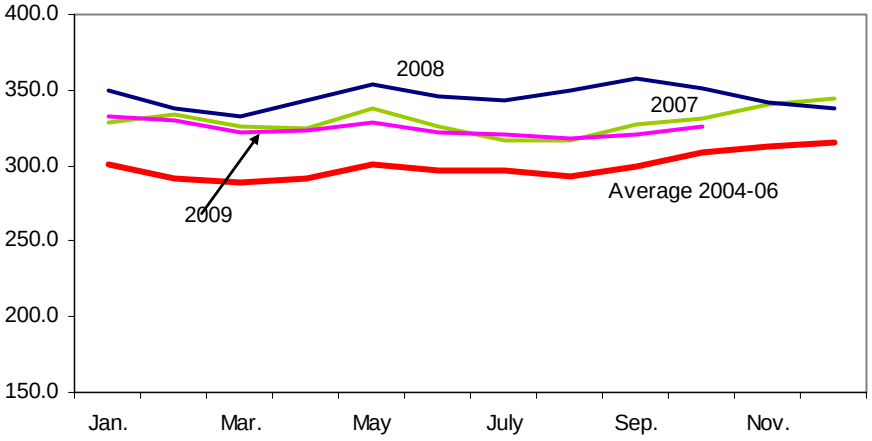
The Consumer price index this September rose 1 percent from August to 320.4 (1982-84=100) (fig. 2). Consumers paid higher prices at retail in September over August for most citrus fruit—California Valencia oranges, grapefruit, and lemons, as well as navel oranges which are imported at this time of year. They also paid higher prices for peaches, Thompson seedless grapes, and strawberries. The September index, however, was down 10 percent from September 2008, with consumers paying less for most fresh fruit compared with the last year (table 2). Only Anjou pear prices were higher this September as the end of last season's crop finished. Banana prices, this September, at $0.605 per pound, were the lowest since March 2008 as production in Central America returns to more normal conditions after weather problems last year reduced supplies.

In October, the CPI rose 2 percent from September, but was down 7 percent from October 2008. Retail prices rose between September and October for navel oranges, grapefruit, strawberries, and Thompson seedless grapes. The higher grower prices and reduced supplies for strawberries and grapes pushed up retail prices for these fruit. The retail price of bananas fell again in October, to $0.598, still higher than the $0.50 per pound consumers were use to paying prior to 2008. Since peaking in February, the monthly retail price of bananas has been declining and may return to a more average price by early 2010.

Figure 2

Consumer price index for fresh fruit

1982-84=100



Source: U.S. Dept. of Labor, Bureau of Labor Statistics, (http://www.bls.gov/data/home.htm).

Table 2--U.S. monthly retail prices, selected fruit, 2008-09

		2008		2009		2008-09 change	
Commodity	Unit	September	October	September	October	September	October
		--- *Dollars* ---		--- *Dollars* ---		--- *Percent* ---	
Fresh:							
Valencia oranges	Lb.	1.054	--	1.006	--	-4.6	--
Navel oranges	Lb.	1.471	1.410	1.255	1.262	-14.7	-10.5
Grapefruit	Lb.	1.103	1.068	1.021	1.025	-7.4	-4.0
Lemons	Lb.	2.179	2.080	1.664	1.634	-23.6	-21.4
Red Delicious apples	Lb.	1.584	1.401	1.212	1.129	-23.5	-19.4
Bananas	Lb.	0.631	0.628	0.605	0.598	-4.1	-4.8
Peaches	Lb.	1.487	--	1.570	--	5.6	--
Anjou pears	Lb.	--	--	--	--	--	--
Strawberries 1/	12-oz. pint	2.177	2.326	1.887	2.102	-13.3	-9.6
Thompson seedless grapes	Lb.	1.707	1.969	1.638	2.009	-4.0	2.0
Processed:							
Orange juice, concentrate 2/	16-fl. oz.	2.544	2.494	2.522	2.530	-0.9	1.4
Wine	liter	8.691	10.857	8.907	12.179	2.5	12.2

-- Insufficient marketing to establish price.
1/ Dry pint.
2/ Data converted from 12-fluid-ounce containers.
Source: U.S. Dept. of Labor, Bureau of Labor Statistics (http://www.bls.gov/data/home.htm).

U.S. Citrus Production Forecast Down in 2009/10

USDA's National Agricultural Statistics Service (NASS) forecasts the 2009/10 U.S. citrus production at 10.9 million tons, down 9 percent from last season and down 15 percent from 2 seasons ago. Only tangerine production is forecast higher than last season. The combination of adverse weather conditions in Florida throughout the growing season and the continued decline in the number of bearing trees strongly contributed to the State's overall decline. California's grapefruit and lemon production is also forecast down from last season, but the new-season lemon crop, if realized, would be average for the middle of this decade (2000-09). Texas' orange crop is expected to be the same size this season as last, but its grapefruit crop should be smaller.

California's Orange Crop Up in 2009/10

NASS forecast California's orange crop at 2.1 million tons, up 13 percent from last season's smaller than average crop, but down 11 percent from 2007/08 (table 3). Both the navel and Valencia orange crops are forecast higher this season. Navels account for about 73 percent of the production as they have for the previous 3 seasons. New acres planted to navel oranges do not appear to have begun bearing commercial crops as of this season. NASS reports the fruit set this season to be average, with about 294 fruit per tree, higher than last season, but down from the 2007/08 crop.

California's navel orange harvest is expected to begin later than normal this season as the industry waits for the fruit to improve in color before picking them for the fresh market. Harvesting generally begins late October, early November as the previous season's Valencia crop dwindles, but reports from the industry suggest harvesting will not get fully underway until around the second week of November. USDA's Agricultural Marketing Service (AMS) shipment data show California's shipment higher as of the first week of November this season compared with the same time last season, but some of that may be due to this season's bigger crop. The data also reports no shipments from Australia since late October and none from Chile for the first week of November. These two countries provide most of the summer/early fall navels in the U.S. fresh market. With navel imports mostly finished for the season, California's navels will be positioned well in the marketplace when harvesting gets into full swing.

Fresh Orange Prices Likely To Be Strong This Season

Despite the expected bigger crop this season over last, the new-season navel orange crop is on the smaller size relative to production in the early part of this decade. Coupled with reports of very high quality fruit, growers are likely to receive favorable prices this season. The delay in harvesting, resulting in fewer fruit available at the start of the season could bring a price spike for fresh oranges in the market in November. As the season progresses, price will moderate somewhat, possibly averaging down from last season slightly, but averaging higher than in 2007/08 and during the mid-2000s, excluding 2006/07 when supplies were limited due to a freeze-damaged crop.

Table 3--Oranges: Utilized production, 2006/07-2008/09 and forecast for 2009/10 1/

Crop and State	Utilized			Forecast 2009/10	Utilized			Forecast 2009/10
	2006/07	2007/08	2008/09	as of 10-2009	2006/07	2007/08	2008/09	as of 10-2009
	--1,000 boxes 2/--				--1,000 short tons--			
Oranges:								
Early/mid-season and navel 3/:								
Arizona	200	230	150	--	7	9	5	--
California	34,500	45,000	34,500	40,000	1,294	1,688	1,294	1,500
Florida	65,600	83,500	84,600	69,000	2,952	3,758	3,807	3,105
Texas	1,600	1,600	1,300	1,250	68	68	55	53
Total	101,900	130,330	120,550	110,250	4,321	5,523	5,161	4,658
Valencia:								
Arizona	100	150	100	--	4	6	4	--
California	11,500	17,000	14,000	15,000	431	637	525	563
Florida	63,400	86,700	77,800	67,000	2,853	3,901	3,501	3,015
Texas	380	196	159	200	16	9	7	9
Total	75,380	104,046	92,059	82,200	3,304	4,553	4,037	3,587
All oranges	177,280	234,376	212,609	192,450	7,625	10,076	9,198	8,245

-- = Data not available.
1/ The crop year begins with bloom of the first year shown and ends with completion of harvest the following year.
2/ Net pounds per box: Arizona and California--75, Florida--90, and Texas--85.
3/ Navel and miscellaneous varieties in California and Arizona, and early- and mid-season (including Navel) varieties in Florida and Texas. A small quantity of tangerines is also included in Texas' data.
Source: USDA, National Agricultural Statistics Service, *Crop Production Report.*

Florida's Orange Crop Forecast To Be the Smallest in 4 Seasons

Florida's orange production, 95 percent of which is used to make juice, is forecast at 6.1 million tons, a 16-percent decline from last season and a 20-percent decline from 2 seasons ago. If realized, this season's crop would be smaller than any crop, except for the 2005/06 crop since 1989/90. Usually such a small crop is the result of extreme weather conditions, such as the hurricane-reduced crop in 2005/06 and the freeze-damaged crops in 1989/90. Weather was definitely a factor in this year's smaller than average crop, with cold fronts, frost, and below-average rainfall early in the growing season, followed by drought conditions in March through May. The continued decline in bearing acres and loss and reduced productivity of trees as a result of numerous diseases, however, has also factored into the smaller crop this season.

Florida's orange crop is comprised of 51 percent early-midseason oranges and navel oranges and 49 percent Valencia oranges. The average number of fruit per tree ranged from 862 for early-midseason varieties, 478 for Valencias, and 365 for navels, all lower than last season. As a result of the reduced fruit set, fruit size is reported to be larger than last season for all varieties, except the navels, but they are reported to be of average size.

Since so much of Florida's orange crop is used to make juice, the season's crop size is not the only variable used to determine prices growers receive for their fruit. The demand for orange juice both domestically and in the international market and juice stock levels at the beginning of the new season are also important in determining what processors are willing to pay for each season's fruit. Entering the 2009/10 season, orange juice stocks are high, at 681 million single-strength-equivalent (sse) gallons, however, this quantity is about average for the first half of this decade. In recent years, domestic demand for orange juice has weakened from the highs set in the 1990s. Fortunately, in 2008/09 both domestic and international demand for U.S.

orange juice showed signs of picking up. These two factors, along with tight supplies in Brazil, a major supplier of orange juice imports, are likely to increase prices processors will offer this season. Early industry data are showing early prices averaging higher than last season; this trend is likely to hold throughout the season.

U.S. Orange Juice Production Forecast Down for 2009/10

As a result of this season's smaller Florida orange crop, USDA's Economic Research Service forecasts this year's orange juice production at 899 sse gallons, down 15 percent from last season's already low production and the second lowest since the freeze-damaged crop in 1990/91 (table 4). Supplies, however, are forecast at 2.0 billion sse gallons, the second highest since 2004/05 due to strong beginning stocks and expected higher imports. U.S. processors are likely to work to maintain their strong presence in the world's chilled orange juice market, especially as the weak U.S. dollar makes American products very competitive, driving the forecast for orange juice exports up this season to 130 million gallons. That still leaves sufficient juice available to meet domestic demand which is showing a slight upward trend. With ample supplies to meet consumer demand and a desire to keep stocks lower than recent seasons, processors may continue to sell orange juice at retail at prices near 2008/09 levels, which averaged lower than those of the 2007/08 season (fig. 3).

Table 4--United States: Orange juice supply and utilization, 1990/91 to date

Season 1/	Beginning stocks	Production	Imports	Supply	Exports	Domestic consumption	Ending stocks 2/	Per capita consumption
				Million sse gallons 3/				*Gallons*
1990/91	225	876	320	1,422	94	1,170	158	4.6
1991/92	158	930	286	1,374	107	1,096	170	4.3
1992/93	170	1,207	324	1,701	114	1,337	249	5.2
1993/94	249	1,133	405	1,787	107	1,320	360	5.0
1994/95	360	1,257	198	1,815	117	1,264	434	4.8
1995/96	434	1,271	261	1,967	119	1,431	417	5.3
1996/97	417	1,437	256	2,110	148	1,398	564	5.2
1997/98	564	1,555	281	2,400	150	1,571	679	5.7
1998/99	679	1,236	350	2,265	147	1,585	534	5.7
1999/00	534	1,493	339	2,366	146	1,575	645	5.6
2000/01	645	1,387	258	2,291	123	1,470	698	5.2
2001/02	698	1,433	189	2,321	181	1,447	692	5.0
2002/03	692	1,250	291	2,233	103	1,426	705	4.9
2003/04	705	1,467	222	2,393	123	1,448	822	5.0
2004/05	822	974	358	2,153	119	1,411	623	4.8
2005/06	623	986	299	1,909	138	1,312	459	4.4
2006/07	459	889	399	1,747	123	1,248	376	4.2
2007/08	376	1,152	406	1,934	136	1,002	795	3.3
2008/09	795	1,060	317	2,173	125	1,367	681	4.5
2009/10 f/	681	899	375	1,955	130	1,355	445	4.5

f = forecast.

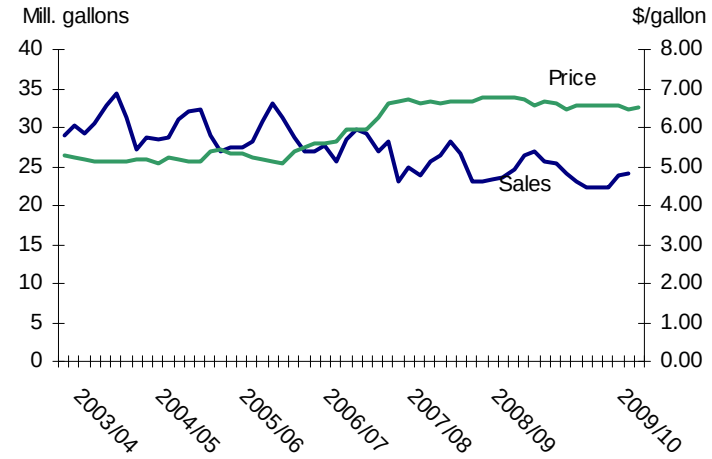
1/ Season begins in December of the first year shown. As of 1998/99, season begins the first week of October.

2/ Data may not add due to rounding. Beginning with 1994/95, stock data include chilled as well as canned and frozen concentrate juice. 3/ SSE = single-strength equivalent.

Source: USDA, Economic Research Service.

Figure 3

Retails sales of NFC orange juice, July-February 2003/04-2009/10



Source: Florida Department of Citrus, http://www.fdocgrower.com.

World Orange Juice Supplies Expected Tight This Season

World orange juice supplies are comprised mostly of Brazilian and U.S. production. According to USDA's Foreign Agricultural Service's (FAS) *Production, Supply, and Distribution* database, Brazil accounts for about one-third of the world orange juice production, but it accounts for about 85 percent of the export market. The United States, while producing about the same amount of orange juice as Brazil, markets most of its juice domestically and is a small player in the international market, except for not-from-concentrate orange juice (NFC), in which the U.S. industry is a lead player.

According to data from FAS, Brazil's orange juice production is forecast up less than 1 percent from last season's 5-year low (table 5). Last season, however, began with strong stock quantities, providing Brazil with sufficient supplies to keep exports strong. This season beginning stocks are less than half the quantity of last season and Brazil's orange juice supplies are expected to be tight, potentially driving exports to an 8-year low. The forecast for reduced Brazilian exports contributed to ERS's forecast for U.S. orange juice imports lower than would be expected in light of reduced U.S. production and for strong U.S. exports.

U.S. Grapefruit Production Forecast Down for Fourth Consecutive Year

NASS forecast the U.S. 2009/10 grapefruit crop at 1.2 million tons, down 9 percent from last season and the fourth consecutive season of declining production (table 6). If realized, this season's crop would be the smallest since the Florida hurricane reduced crop in 2004/05. Florida's crop accounts for 70 percent of total U.S. grapefruit production, with Texas and California producing the remainder. Prior to the hurricanes of 2004/05 and 2005/06, Florida's production averaged about 80 percent of the U.S. total.

Table 5--Brazilian orange juice production and utilization, 1991-2008

Season 1/	Beginning stocks	Production	Domestic consumption	Exports	Ending stocks 2/
			--Million sse gallons 3/--		
1991	177	1,334	25	1,390	96
1992	96	1,610	25	1,532	148
1993	148	1,572	25	1,546	148
1994	148	1,583	31	1,482	218
1995	218	1,525	25	1,476	242
1996	242	1,620	24	1,660	177
1997	177	1,954	22	1,778	331
1998	331	1,665	26	1,586	418
1999	418	1,912	22	1,821	486
2000	486	1,683	21	1,778	370
2001	370	1,375	21	1,511	212
2002	212	1,904	21	1,757	337
2003	337	1,618	25	1,852	79
2004	79	2,084	28	1,992	142
2005	142	1,807	32	1,877	25
2006	25	2,024	39	1,989	21
2007	21	2,061	43	1,808	231
2008	231	1,720	47	1,803	100
2009	100	1,727	47	1,699	81

f = forecast. 1/ Season begins in July. 2/ Data may not add due to rounding.
3/ SSE = single-strength equivalent. To convert to metric tons at 65 degrees brix, divide by 140588. Beginning in 2007, divide by 13926.
Source: USDA, Foreign Agricultural Service, *Brazil Citrus Semi Annual* reports.

Table 6--Grapefruit: Utilized production, 2006/07-2008/09 and indicated 2009/10 1/

Crop and State	Utilized 2006/07	Utilized 2007/08	Utilized 2008/09	Forecast for 2009/10 as of 10-2009	Utilized 2006/07	Utilized 2007/08	Utilized 2008/09	Forecast for 2009/10 as of 10-2009
	--1,000 boxes 2/--				*--1,000 short tons--*			
Florida, al	27,200	26,600	21,700	19,800	1,156	1,131	922	842
Colored	17,900	17,600	15,100	14,000	761	748	642	595
White	9,300	9,000	6,600	5,800	395	383	280	247
Arizona	100	100	25	3/	3	3	1	3/
California	5,500	5,200	5,600	4,700	184	174	188	157
Texas	7,100	6,000	5,500	5,300	284	240	220	212
Total	39,900	37,900	32,825	29,800	1,627	1,548	1,331	1,211

1/ The crop year begins with bloom of the first year shown and ends with completion of harvest the following year.
2/ Net pounds per box: California and Arizona-67, Florida-85, and Texas-80.
3/ Estimtes discontinued beginning with the 2009/10 crop year.
Source: USDA, National Agricultural Statistics Service, *Crop Production Report.*

Florida's grapefruit crop is forecast to reach 842,000 tons, 9 percent lower than last season. Adverse weather factors, declining acreage, and a lower than average fruit set per tree all contributed to the production decline. Production is expected to be higher this season in the Indian River production area, the biggest grapefruit production area of the State, but down in the Southern and other production areas.

Shipment began a few weeks later in the Indian River area this season over last, with Florida's Citrus Administrative Committee (FCAC) reporting only about a third of the quantity shipped compared with last year through the first of November. For the whole State, fresh shipments were running behind last season through this time period, but were higher than in 2007/08. Shipments have been down so far to both domestic and export markets. Due to the lack of available fruit early in the season, the FCAC is reporting free-on-board (f.o.b.) prices for both white and red seedless grapefruit averaging between $3.50 and $5.00 per 4/5 bushel box higher this season over last. Higher prices are likely to persist, both at the grower and consumer levels this season, in response to the smaller supply.

Texas' fresh grapefruit crop is forecast down 4 percent this season from last, partially due to high temperatures and drought conditions throughout much of the summer. Although rains arrived in September, the summer's weather contributed to a late start to the harvest this season. According to AMS shipment data, as of November 8, Texas' grapefruit shipments were about 85 percent of the quantity shipped during the same period last season. Domestic shipments were behind last season, but exports were slightly higher.

Grapefruit Juice Production Forecast Down for Second Straight Season

As a result of the smaller grapefruit crop forecast for this season in Florida, ERS forecasts 2009/10 grapefruit juice production at 80 million sse gallons, down 4 percent from last season's already lower-than-average quantity (table 7). The forecast is based on recent historic data showing about 40 percent of Florida's grapefruit crop utilized for processing each season. Total supplies are forecast down 9 percent to 130 million sse gallons, the lowest quantity for any year that did not experience extreme weather conditions, such as the hurricanes of 2004/05 and 2005/06. Coming into this season, juice stocks were 19 percent lower than last season and 17 percent lower than 2 seasons ago, contributing to the forecast for tightened supplies. With the smaller supply this season, ERS forecasts per capita grapefruit juice consumption to decline 4 percent to 0.24 gallons per person. If realized, this would be the second consecutive decline in grapefruit juice consumption after demonstrating a slight increase in usage in 2006/07 and 2007/08.

Nielsen Scantrack data showed a retail decline in all grapefruit juice purchases between 2007/08 and 2008/09 of 4 percent, despite an average price decline of 10 cents per gallon. Only reconstituted grapefruit juice sales increased during this time period. The price decline for reconstituted grapefruit juice was the greatest among all forms of retail grapefruit juice selections, making it only a penny a gallon more expensive than frozen-concentrated grapefruit juice. With the added factor of having a ready-to-drink product with reconstituted juice, consumers likely saw it as a good deal for the season. Unfortunately for the industry, reconstituted grapefruit juice accounted for only 3 percent of total grapefruit juice sales for the season.

Table 7--U.S. grapefruit juice: Supply and utilization, 1990/91 to date

Season 1/	Supply				Utilization			
			Beginning		Ending		Consumption	
	Production	Imports	stocks 2/	Total supply	stocks	Exports 3/	Total	Per capita
	-- Million gallons, single-strength equivalent --							*Gallons*
1990/91	129.0	1.5	62.6	193.1	45.1	16.4	131.6	0.52
1991/92	119.5	4.2	45.1	168.9	42.1	23.2	103.6	0.40
1992/93	186.3	1.9	42.1	230.4	74.3	22.0	134.0	0.52
1993/94	168.5	0.9	74.3	243.7	63.6	17.4	162.7	0.62
1994/95	190.8	0.9	63.6	255.2	76.2	22.1	157.0	0.59
1995/96	171.5	0.5	76.2	248.2	69.4	26.8	152.0	0.56
1996/97	192.0	0.2	69.4	261.5	89.6	21.3	150.7	0.55
1997/98	166.0	0.2	89.6	255.8	67.8	18.1	166.7	0.60
1998/99	170.9	1.3	67.8	240.0	54.3	25.3	160.3	0.57
1999/2000	203.4	4.1	54.3	262.7	81.9	32.6	147.8	0.52
2000/01	184.9	0.9	81.9	267.7	74.8	39.0	153.9	0.54
2001/02	180.4	0.3	74.8	255.5	83.6	36.3	135.7	0.47
2002/03	141.6	0.4	83.6	225.6	71.7	38.3	115.6	0.40
2003/04	147.8	0.5	71.7	220.0	65.5	42.3	112.2	0.38
2004/05	50.7	11.5	65.5	127.6	35.5	23.9	68.2	0.23
2005/06	80.8	5.6	35.5	121.9	42.0	18.7	61.2	0.20
2006/07	121.4	0.9	42.0	164.4	57.9	20.2	86.3	0.29
2007/08	111.2	0.3	57.9	169.4	59.8	16.1	93.5	0.31
2008/09	83.6	0.5	59.8	143.9	48.3	15.6	80.1	0.26
2009/10 f/	80.3	1.8	48.3	130.4	38.0	16.5	75.9	0.24

1/ As of 1998/99, season begins in October. Previously, it began in December.
2/ Stock data were adjusted beginning with 1989/90 ending stock data to more accurately reflect Florida inventories. 3/ Exports include shipments to territories until 1986/87. f/ = forecast.
Source: USDA, Economic Research Service calculations.

U.S. Lemon Crop Forecast Down for 2009/10 to More Average Size

NASS forecast the 2009/10 lemon crop at 855,000 tons, 10 percent smaller than the 2008/09 crop, but just below the average of 868,000 tons for much of the 2000s (table 8). California's production, forecast at 760,000 tons, is down 9 percent from last season. Arizona's crop, at 95,000 tons is down 17 percent. California's production accounts for 89 percent of U.S. lemon production. AMS shipment data show new-season lemon shipments out of southern California to be higher through November 8 than the same time last season. Shipments of lemons from California's coastal region, mostly last season's fruit, appeared to have finished by the first week of November, driving down the quantity being shipped compared with the previous 2 weeks. At the same time, Mexican lemons shipped in the U.S. market were also down compared with the previous 2 weeks. The reduced quantity of lemons shipped in early November is likely to bring strong grower prices while supplies are tight. There were some indications from the industry that harvesting was getting off to a slow start as growers were waiting for fruit to size, likely keeping prices high throughout the month. The reported good quality of the fruit and smaller crop this season over last is likely to bring growers higher prices throughout this season than in 2008/09.

Table 8--Lemons: Utilized production, 2006/07-2008/09 and forecast for 2009/10 1/

State	Utilized			Forecast for 2009/10 as of 10-2009	Utilized			Forecast for 2009/10 as of 10-2009
	2006/07	2007/08	2008/09		2006/07	2007/08	2008/09	
	---1,000 (76-lb) boxes---				*---1,000 short tons---*			
Arizona	2,500	1,500	3,000	2,500	95	57	114	95
California	18,500	14,800	22,000	20,000	703	562	836	760
Total	21,000	16,300	25,000	22,500	798	619	950	855

1/ The crop year begins with bloom of the first year shown and ends with completion of harvest the following year.
Source: USDA, National Agricultural Statistics Service, *Crop Production Report.*

Tangerine/Mandarin Production Forecast Up in All Three Major-Producing States

Tangerine and mandarin production is forecast to reach 509,000 tons for the 2009/10 season, 14 percent more than last season, but 3 percent less than 2 seasons ago (table 9). Florida's production is forecast to increase 27 percent, but much of that increase is due to a return to more average quantities after adverse weather factors in the second half of last season's tangerine harvest reduced the quantity of late-season Honey tangerines. California's production is forecast to increase 5 percent, as its mandarin industry continues to grow, with more acreage producing commercial-sized crops. For the 2009/10 season, NASS' California field office reports that there are 30,000 acres of tangerine/mandarin trees bearing commercial crops, up 11 percent from last season. In fact, the tangerine/mandarin acreage was the only citrus acreage to increase this season. Arizona's production is forecast to increase the most of the three States, however, its production is very small relative to California's and Florida's.

Higher than average fruit set per tree accounts for Florida's increased production this season. NASS' Florida field office reports there has been a decrease in the number of bearing trees for all of Florida's major tangerine varieties—Fallglo, Sunburst, and Honey. Florida's tangelo production (which is counted separately in Florida but included with the tangerine/mandarin forecast in California) is forecast down 13 percent this season, with both the number of bearing trees and the fruit set per tree down.

AMS shipment data show Florida tangerine shipments picking up during the first week of November. Due to a slow start at the beginning of this season, however, total shipments through November 8 were only slightly more than half the quantity shipped the same time last season. The bad weather that hit Florida last season, reducing the tangerine crop, occurred later in the season and mostly affected supplies of later-variety Honey tangerines, and did not impact tangerine supplies this early in the season.

California produces numerous varieties of mostly mandarins, including satsumas at the start of the season, followed by several varieties of clementines and murcotts, these last varieties account for most of the growth in acreage. By the beginning of November, satsuma shipments were reported to be underway, but it was still too early in the season for data on murcotts or clementines. Tangelo shipments do not get fully underway in both California and Florida until the winter months.

Table 9--Other citrus: Utilized production, 2006/07-2008/09 and forecast for 2009/10 1/

Crop and State	Utilized			Forecast for 2009/10 as	Utilized			Forecast for 2009/10 as
	2006/07	2007/08	2008/09	of 10-2009	2006/07	2007/08	2008/09	of 10-2009
	1,000 boxes 2/				*1,000 short tons*			
Tangelos:								
Florida	1,250	1,500	1,150	1,000	56	68	52	45
Tangerines:								
Arizona	300	400	250	350	11	15	9	13
California	3,500	6,700	6,700	7,000	131	251	251	263
Florida	4,600	5,500	3,850	4,900	219	261	183	233
Total	8,400	12,600	10,800	12,250	361	527	443	509

1/ The crop year begins with bloom of the first year shown and ends with completion of harvest the following year.

2/ Net pound per box: tangerines--California and Arizona--75; Florida--95; tangelos--90; Temples--90.

Source: USDA, National Agricultural Statistics Service, *Crop Production Report*.

Fresh tangerine/mandarin prices are likely to be strong out of California this season as its industry continues to grow and its markets continue to expand. As supplies increase, the industry will be able to market these crops more aggressively in more States, increasing grower returns. Consumers have shown strong preferences for mandarin varieties due to their lack of seeds and easiness in peeling and eating. These easy peel varieties have been popular on the East Coast and Midwestern States for awhile now, almost all imported, and their popularity has remained quite strong.

Florida's early variety tangerines, the Fallglo and Sunburst, while having their own set of consumers, are finding it hard to compete with imported mandarins and now those coming from California, as American consumers continue to demand more convenient products, and no seeds in their fruit. As a result, prices for Florida's early variety tangerines do not receive the price premium of the California fruit. The forecast for a bigger crop this season is likely to put downward pressure on grower prices for all Florida tangerine varieties. However, there is the potential that there will be fewer clementines from Spain available in the U.S. markets this season, which could help boost demand for Florida's tangerines. Spain's clementines traditionally compete with Florida's tangerines in the East Coast and Midwest markets. As of the end of October, the first month of Florida's tangerine season, the Florida Department of Citrus reported that shipments were down 20 percent over the same time last season, but revenues from shipments were 1 percent higher than last season. While shipments to Canada were only a fraction of those to the domestic markets, returns from these shipments were strong, helping boost overall revenue at this early date.

Projected Increase in California Kiwifruit Crop To Pressure Prices Down

October marks the start of the harvest period for California kiwifruit and indications from the California Kiwifruit Commission (CKC) suggest that production for the 2009/10 marketing season (October through September) will be up around 16 percent from the freeze-damaged crop of the previous season. Given this projected growth rate, production for this season would be expected to increase from the 23,000 tons that NASS reported for the 2008/09 season to 26,680 tons—about the normal crop size for much of the past 10 years. While not having a completely

frost-free growing period this season, frost problems were more severe last season when an abnormally early bloom exposed many of the blossoms to a mid-April freeze, driving down production to its lowest level since 1985/86 as well as some quality issues. Industry sources have indicated that besides the expected increased volume for this season, crop quality will be much more improved than from last season. Fruit is sizing up well, with more uniform shape and blemish free appearance, attributes that will help move the crop in markets this marketing season. Kiwifruit bearing acres in California has remained fairly steady at 4,200 acres over the past 3 years with most of this acreage clustered in the San Joaquin and Sacramento Valleys. Picking of the crop typically lasts through November, and with the aid of cold storage, supply availability lasts through around May. NASS will release its first estimate for the 2009/10 California kiwifruit crop in January 2010.

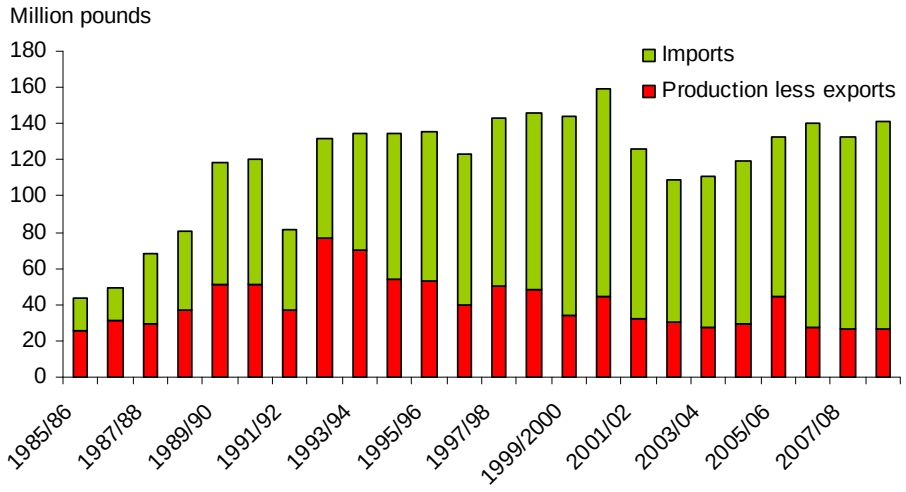
Cumulative early 2009/10 shipments of California kiwifruit were running 27 percent above the previous season through the first week of November, driving f.o.b. kiwifruit prices lower than the same time a year ago. According to industry sources, fruit appears to be falling mostly in the 33 size range and USDA's AMS have reported free-on-board (f.o.b.) shipping point prices in the Central and Northern San Joaquin Valley from October through early November between $14-$15 per 9-kilogram (or 19.8 pounds) container loose of the Hayward variety, $3-$4 lower than what they were priced the same time last season. Harvesting extends through November and continued greater supplies than last season should keep the downward pressure on prices.

Domestic demand should benefit from the abundance of good-quality supplies and lower prices. On a per capita basis, U.S. consumption estimates for fresh kiwifruit have remained at slightly less than half a pound per person over the past five marketing seasons, although domestic consumption improved somewhat in 2008/09 from the previous season to 0.48 pounds per person with increased imports. Imports continue to capture a bigger share of the domestic kiwifruit market, with its share at a record high in 2008/09 at 81 percent of domestic consumption (fig. 4). Nearly all the imported volume comes from Chile, New Zealand, and Italy each year. Except for Italian kiwifruit, which account for almost 20 percent of total annual import volume, most imports enter this market during the domestic off season, extending availability of fresh kiwifruit to U.S. consumers during much of the spring and throughout the summer. Imports during the 2008/09 season, October through September, rose 9 percent in volume from the previous season. Imports from Chile topped all other foreign shipments in 2008/09, accounting for 38 percent of total import volume and increasing 16 percent from the previous season. Imports from New Zealand declined 15 percent while those from Italy posted the biggest increase, up 55 percent, although volume is between 9-14 million pounds less than those from Chile and New Zealand. Having a similar shipping season with California kiwifruit, the sharp increase in imports from Italy was strongly influenced by the lack of supplies from California last season. Prospects for further growth in imports from Italy this season will likely be discouraged by the expected larger 2009 crop in California and predictions of reduced production in Italy due partly to inclement weather.

The projected bigger California crop of exceptional quality points to better export prospects for the domestic industry this 2009/10 season relative last season. U.S. kiwifruit exports in 2008/09, October through September, declined 16 percent from

Figure 4

Imports' role continues to dominate U.S. kiwifruit consumption



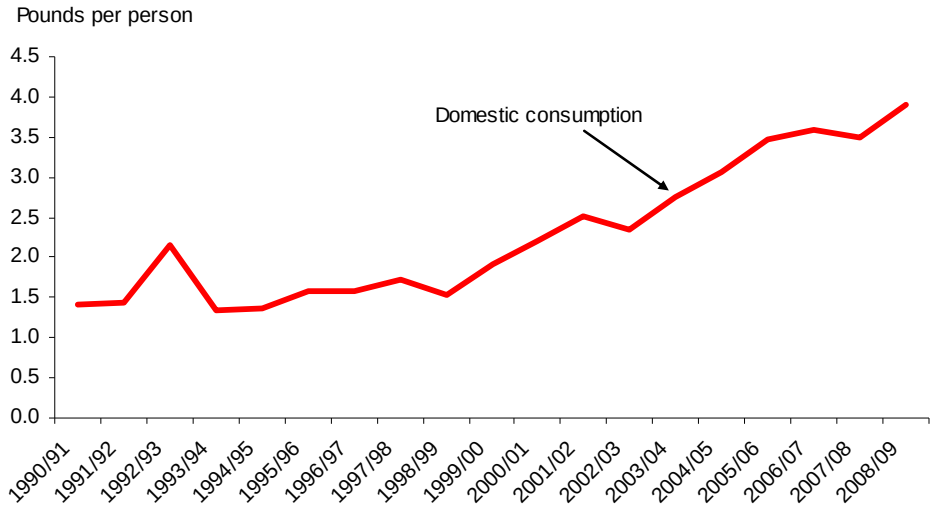
Source: Estimated by USDA, Economic Research Service.

the previous season to 13.9 million pounds, down 18 percent in value to $11.3 million. Exports were down to most of the United States' top kiwifruit export markets, except to Mexico which received the largest shipment volume from the United States in 2008/09, 22 percent more than what they had received the previous season. U.S. shipments were very strong to Taiwan but only accounted for 2 percent of total export volume. Volumes sent to Canada, historically the leading market for U.S. kiwifruit exports, fell 40 percent while bigger declines were posted to smaller markets in Central America and the Caribbean.

U.S. Avocado Supplies Likely To Set a New Record High in 2009/10

U.S. avocado supplies for the upcoming 2009/10 marketing season (November through October) will likely top the previous record of approximately 1.2 billion pounds achieved in 2008/09, with increases expected from California, Mexico, and Chile—the country's three main sources for avocados. After having one of the smallest crops in several years, this will be an "on-year cycle" for the California avocado crop. Supplies from Chile are also expected to make a comeback after a freeze in 2007 reduced production levels in the country for two straight years. U.S. avocado imports from Chile during the 2008/09 through September grew 42 percent from the same time in 2007/08, but 2007/08 volume was only about half of what was shipped the previous season. Most of the growth in imports from Chile in 2008/09, however, is already reflected in the supply increases from the country's crop this year which started shipments to the United States in July. Mexico filled in for the supply gaps during most of 2008/09. Imports from Mexico in 2008/09, November through September, totaled 620 million pounds, up 41 percent from the same time the previous season, already at a record-high. The Economic Research Service projected that despite the small California crop last year, per capita avocado consumption during 2008/09 continued to increase, reaching an all-time high of 3.9 pounds per person, up 9 percent from the previous season (fig.5). Preliminary indications from the Hass Avocado Board suggest that production in California for the 2009/10 season will be 60 to 90 percent larger than in 2008/09 and both shipments from Mexico and Chile will set new record-highs. Barring any

Figure 5
Avocado demand in the United States Continues To Grow



Source: USDA, Economic Research Service calculations.

weather abnormalities, there should be ample supplies for retailers to promote this coming marketing season, likely driving down 2009/10 avocado prices. As of the first two weeks of November, hass avocados were priced an average of less than a dollar ($0.97) each for U.S. consumers, down from $1.21 during the same time last season (2008/09) and $1.19 each from the same time two seasons ago.

U.S. Consumers Increasingly Gain Access to Out-of-Season Fresh Blueberries

Although the shipping season for this year's U.S. blueberry crop ended in early October, domestic consumers may still look forward to buying fresh blueberries this fall and winter as increased imports from South America have extended availability in the United States during the time of the year when there is no domestic production. Imports from Chile and Argentina both have shown a growing presence in the U.S. fresh blueberry market over the past two decades, although Chile plays a more dominant role. Over the past 2 years, Chile has surpassed Canada as the United States' top supplier of imported fresh blueberries, increasing its share of total import volume from an average 20 percent during 2000-03 to 49 percent in 2007 and to 53 percent in 2008 for a total of 61.9 million pounds. Imports from Argentina averaged 14 percent of total import volume over the same two-year period, up from 2 percent during 2000-03. Whereas almost all of U.S. fresh blueberry imports came from Canada in the early 1990s, that share in 2000-03 diminished to an average of 78 percent, dropping further to an average of 48 percent in the last few years. Imports from Canada enter the U.S. market during the summer, the same time as the peak harvest period for domestic production. The bulk of the supplies from Argentina usually become available during the fall while the heaviest volumes from Chile arrive around January and February.

Earlier predictions from industry suggested that with favorable weather during most of the growing period, this year's blueberry crops in Argentina and Chile were looking excellent in terms of quality and volume and therefore, good volumes were

likely to move through the U.S. market this fall and winter. Heavy rains at harvest time, however, dampened fresh blueberry shipments from Argentina in October through mid-November, with season-to-date volumes down by as much as 56 percent compared with the same time last year, based on AMS data. Free-on-board (f.o.b.) shipping-point prices for Argentine blueberries entering through Miami International Airport ranged from $26-$32 per flat of 12, 4.4-oz/125-gram cups with lids the last week in October, compared with $16.50-$20.50 per flat the same time last year. Prices are likely to soften as Chilean supplies begin to reach the market in the weeks ahead. While still remaining strong, f.o.b. shipping-point prices for Argentine blueberries in early November fell to $20-$24 for flats 12 4.4-oz cups with lids. Last year the same time, prices ranged from $12-$17 per flat.

At the retail level, fresh blueberry prices remained soft almost all throughout the spring and summer months because of increased U.S. production but strengthened thereafter as supplies tightened. In October, U.S. consumers paid an average $2.95 per 4.4-ounce package, compared with $2.56 the previous month and $2.87 in October 2008, based on AMS data. Prices in November strengthened further, averaging $3.33 per package through much of the month, 62 cents higher than what consumers paid for this product last year at the same time.

NASS will report its first official estimate of U.S. blueberry production for 2009 in January 2010. Crop estimates, however, from the North American Blueberry Council (NABC) suggested that total domestic production (both cultivated and wild) for 2009 was expected up 3 percent from last year. With this projected growth rate, production for this year likely would be around 454 million pounds, up from the 439 million pounds reported by NASS in 2008 (table 10). Production was projected to have increased in 7 of the 14 States for which NASS reports annual blueberry production (including Maine for wild blueberries), with most major blueberry-producing States showing growth, except New Jersey. Cultivated blueberries accounted for 80 percent of this year's production and wild varieties for the remainder.

NABC also estimated the fresh use portion of production to be up 20 percent in 2009 from a year ago, and based on last year's NASS fresh-market production, this year's fresh-market crop would amount to around 232 million pounds. Production for the fresh market has increased rapidly in recent years in response to strong demand in the domestic and international markets (fig.6), narrowing the gap with production going for the processing sector. Production for the processing sector in 2009 is projected to decline 9 to 10 percent from a year ago to approximately 220 million pounds. A major portion of processed blueberry production is frozen blueberries for which demand has remained fairly steady in the last few years at around 0.37 pound per person, fresh-weight equivalent. Should projections for 2009 production be realized, this would be the first time that fresh-market domestic production will match or even exceed processing production. As has traditionally been the case, cultivated blueberries comprise most of the fresh-market crop and nearly all the wild blueberry crop moves through the processing sector.

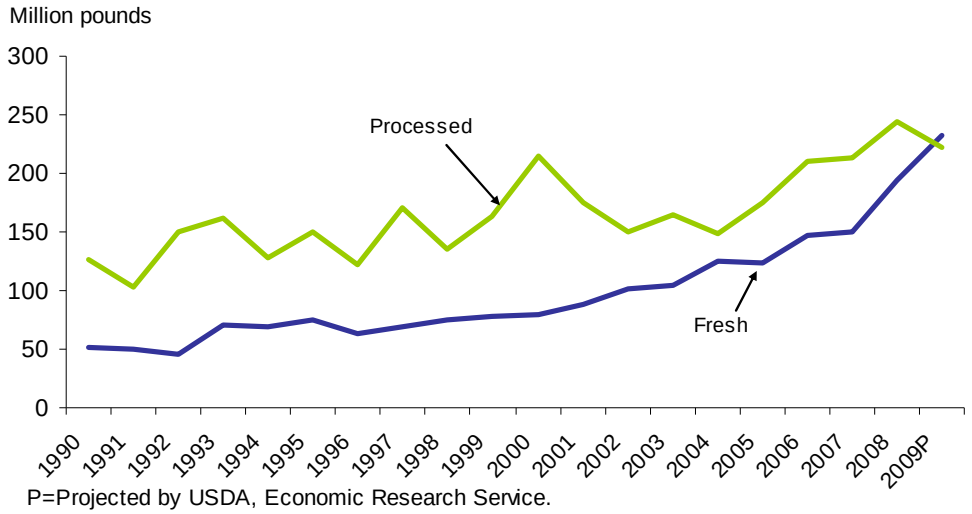
Increased availability of fresh blueberries in the United States this year, both from domestic production and imports, combined with lower prices to U.S. consumers through most of the season, likely helped drive up demand during 2009. Even if the growth in imports slows this year compared with last year and exports continue to

Table 10--U.S. blueberry production

State	2006	2007	2008	2009P
	--- *Million pounds* ---			
Cultivated:				
Alabama	0.5	0.5	0.4	0.4
Arkansas	1.7	0.1	0.8	0.5
California	10.0	16.5	14.0	23.0
Florida	7.0	7.8	9.8	12.1
Georgia	31.5	11.0	41.0	49.5
Indiana	3.4	1.6	3.8	3.8
Michigan	90.0	93.0	110.0	100.0
Mississippi	4.6	9.5	4.0	5.4
New Jersey	52.0	54.0	59.0	46.8
New York	2.2	2.5	2.5	2.5
North Carolina	26.6	16.2	28.5	34.1
Oregon	35.6	45.0	43.1	47.1
Washington	19.0	29.6	32.0	38.5
Total cultivated	284.1	287.2	348.9	363.7
Wild:				
Maine	74.6	77.3	90.0	90.0
U.S. total (cultivated and wild)	358.7	364.5	438.9	453.6

P=Projected by USDA, Economic Research Service.
Source: USDA, National Agricultural Statistics Service, *Noncitrus Fruit and Nuts Summary*, various issues.

Figure 6
Blueberry production for the fresh market increasing rapidly in the United States



P=Projected by USDA, Economic Research Service.
Source: USDA, National Agricultural Statistics Service, *Noncitrus Fruit and Nuts Summary*, various issues.

rise, domestic per capita consumption of fresh blueberries is projected to set a new record high this year, at 0.99 pound per person. Domestic consumption has trended upwards over the last two decades at a growth rate faster than for domestic production. Supply expansion, extended availability, and growing consumer awareness of the health-promoting benefits derived from increased consumption of blueberries all helped to achieve marked increases in domestic per capita fresh blueberry consumption in recent years.

Despite the increase in domestic production, U.S. fresh blueberry imports during 2009 through September were up 25 percent from the same period last year, with volumes from Chile, Canada, Mexico, and Argentina posting significant increases. The only country that shipped less volume to the United States this year to date was New Zealand. Imports from southern hemisphere producers (Chile, Argentina, and New Zealand) for this period reflect previous-crop supplies. Import volume from Canada was up 14 percent, January through September, with most shipments occurring during the summer, while most supplies from the other countries entering the first half of the year.

Demand for U.S. blueberries in its major markets in Asia, particularly in Japan, Hong Kong, and Taiwan, helped boost overall U.S. fresh blueberry export volume for this year. Cumulative exports for this year, January through September, totaled 63.5 million pounds, up 1 percent from the same time last year. Over 90 percent of total exports went to Canada. Relative to last year, however, exports to Canada so far this year are down slightly partly due to increased production in that country.

Production increases and growth in imports over the past three years has expanded supplies of frozen blueberries in the United States. However, inventory levels have soared in recent years due to lack of demand growth in this market, driving down frozen blueberry prices. End-of-the year inventories in 2008 were at a record high at 153.4 million pounds, increasing 34 percent from the previous year, based on NASS cold storage data. Prices received by growers in 2008 for processing-use blueberries declined by about 44 percent from the previous year, averaging $0.857 per pound for cultivated blueberries and $0.60 per pound for the wild varieties. Free-on-board (f.o.b.) shipping point prices for frozen blueberries in Michigan in 2008 averaged $1.32 per pound in 2008, compared with the 2007 average of $2.03 per pound. Although processing-use production was projected down in 2009 and imports have slowed, frozen blueberry prices continue to be pressured down by large inventories and weak exports. Primarily because of the lack of need for imports given the current supply situation, U.S. frozen blueberry imports for this year, January through September, mostly from Canada, were down 15 percent in volume from the same time last year. For the same period, sharply lower shipments to Canada and Japan, the United States' top two export markets for frozen blueberries, drove overall exports this year to date down 42 percent.

USDA had purchased a total of 24.6 million pounds of frozen blueberries for donation to child nutrition and other related domestic food assistance programs for fiscal year 2009 to help return some balance to the U.S. frozen blueberry market. Another 8.4 million pounds of frozen blueberries were purchased for fiscal year 2010. These purchase totals equal approximately 11 percent and 4 percent, respectively, of the 223 million pound average U.S. blueberry production that moved through the processing sector during the last three years.

Bigger Pecan Crop Likely To Reduce Grower Prices

The 2009 pecan crop is on its on-cycle, with production forecast at 309.2 million pounds, up 59 percent from last year, but down 20 percent from 2007, the last on-cycle of the pecan trees alternate-bearing nature. Production is forecast up in Georgia, the No. 1 pecan producer in the United States, with increases also in No. 2

New Mexico, and No. 3 Texas. Although production increases are forecast higher for the native and seedling pecan varieties, with a 67-percent increase from last year, production of the improved varieties, which accounts for 85 percent of production this year, is expected to increase 58 percent from 2007.

There is a strong inverse correlation between pecan production and the prices growers receive for their crop each year (fig. 7). As a result, prices received by growers are expected to be down in 2009 compared to 2008, but higher than in 2007. The bigger crop is likely to offset the lower prices received and the value of this year's crop should go up.

AMS reported that by the second week of November, much of the pecan harvest was completed in southern Georgia, but has a ways to go in the northern part of the State. There is reported to be a wide range of sizes and quality in Georgia's pecans this year, which will have an effect on the overall prices to growers. Demand was said to be strong from both international markets and domestically. Purchases for gift packs are always strong at this time of year as shellers try to get the pecans to market for Thanksgiving and Christmas. Movement of Texas pecans was reported to be light through the second week of November. Rains in early November slowed harvesting and may have caused some quality problems in the nuts.

Figure 7
U.S. pecan production and price, 1998-2008

F = Forecast.
Source: USDA, National Agricultural Statistics Service, *Noncitrus Fruit and Nuts Summary*, various issues.

New Season Fruit and Tree Nut Exports Get Off to a Strong Start

Exports of fresh fruit and tree nuts through September 2009 have been up for new crops of apples, grapes, almonds, and walnuts compared to the same time last year (table 11). Lemon exports were also higher through September, with some of last season's crop likely helping bolster export supplies.

Lemon exports to Japan increased 70 percent this August-September over the same 2 months last year and accounted for 41 percent of the lemons shipped. Shipments were also very strong to Hong Kong and China, but down to Canada by about a third from the same time last year.

Smaller shipments of fresh apple exports this August and September to the top 2 markets, Canada and Mexico, were offset by shipments that were more than double the quantity of last year to Indonesia, Hong Kong, and the United Arab Emirates. Shipments to Taiwan for the first 2 months of the new crop season increased almost 8 fold over last season, and were the biggest quantity shipped there for these months since 2000.

Although the 2009/10 U.S. walnut crop is forecast to be smaller than the previous season, large stocks coming into the new season provide for ample supplies available for export which, since 2005/06, typically accounts for 50 percent of supplies. For the first 2 months of 2009/10, the California Walnut Board reports that exports were up from the same time last season. Shipments to major European markets have been strong to Italy, but down for inshell walnuts to the No. 1 and No. 2 markets—Spain and Germany. Both countries have received increased shipments of shelled walnuts, but they are much bigger markets for inshell. Shipments of inshell walnuts are up markedly to Turkey, Hong Kong, and China, offsetting some of the declines in Europe. In China and Hong Kong demand for U.S. tree nuts has been growing in recent years. Also, China and Hong Kong have been fairly immune to the economic tightening experienced elsewhere in the world and have benefited from the weaker U.S. dollar which makes products from the U.S. cheaper to import.

The U.S. almond industry facing a similar situation as the walnut industry, a forecast for lower production coupled with large beginning stocks providing for strong supply quantities, although down slightly from last season's record high crop. The Almond Board of California is reporting that for the first 3 months of the 2009/10 season, exports were up 11 percent over the same time last season. Shipments of U.S. almonds have been strong throughout much of the world so far this season. Since the early part of this decade, exports account for over 60 percent of almond supplies. Last season, despite record high exports, their share accounted for only 55 percent. With a strong export demand early in the season when much of the supply is already sold or committed for sale, and the continued weakened U.S. dollar making U.S. almonds very competitive in the international market, the quantity of almonds exports are likely to return closer to the 60 percent share of supply this year.

Imports Down Seasonally Through September

Imports are down this season through September for many fresh fruit (table 12). Although imports were up for fresh oranges and tangerines, much of their increase is in offseason products entering the U.S. market when major domestic supplies of the fruit are not available. The 12-percent decline in banana imports, January through September 2009 over the same period last year drives down all fruit imports because bananas are the single most important imported fruit into the United States. Adverse weather conditions during this year's banana production in Central America drove down supplies available for shipping to the United States and drove up prices to consumers, resulting in lower imports. Shipments from Costa Rica, once the major banana supplier to the United States were at a 20-year low. Shipments were also down from Guatemala, now the No. 1 supplier of fresh bananas to the United States and from Colombia and Honduras. Only shipments from Ecuador, among the major suppliers were higher so far this year.

Table 11--U.S. exports of selected fruit and tree nut products

Commodity	Marketing season	Season-to-date (through September) 2008	2009	Year-to-date change
		---------- *1,000 pounds* ----------		*Percent*
Fresh-market:				
Oranges	November-October	1,334,200	1,078,667	-19.2
Grapefruit	September-August	4,400	4,944	12.4
Lemons	August-July	14,321	16,022	11.9
Apples	August-July	182,952	203,177	11.1
Grapes	May-April	334,138	344,221	3.0
Pears	July-June	74,245	65,572	-11.7
Peaches (including nectarines)	January-December	235,948	189,343	-19.8
Strawberries	January-December	231,510	228,801	-1.2
Cherries	January-December	100,164	141,684	41.5
		------ *1,000 sse gallons 1/* -------		
Processed:				
Orange juice, frozen concentrate	October-September	47,277	55,438	17.3
Orange juice, not-from-concentrate	October-September	88,689	69,269	-21.9
Grapefruit juice	October-September	16,072	15,583	-3.0
Apple juice and cider	August-July	955	1,500	57.1
Wine	January-December	90,289	75,990	-15.8
		---------- *1,000 pounds* ----------		
Raisins	August-July	72,275	81,734	13.1
Canned pears	June-May	4,448	3,879	-12.8
Canned peaches	June-May	35,283	11,772	-66.6
Frozen strawberries	January-December	26,767	22,604	-15.6
		---------- *1,000 pounds* ----------		
Tree nuts:				
Almonds (shelled basis)	August-July	154,349	168,649	9.3
Walnuts (shelled basis)	September-August	3,754	6,565	74.9
Pecans (shelled basis)	October-September	73,970	53,331	-27.9
Pistachios (shelled basis)	September-August	12,003	9,898	-17.5

1/ Single-strength equivalent.

Source: U.S. trade data provided by the U.S. Department of Commerce, U.S. Census Bureau.

Table 12--U.S. imports of selected fruit and tree nut products

Commodity	Marketing season	Season-to-date (through September) 2008	2009	Year-to-date change
		---------- *1,000 pounds* ----------		*Percent*
Fresh-market:				
Oranges	November-October	149,638	179,630	20.0
Tangerines (including clementines)	October-September	214,604	286,625	33.6
Lemons	August-July	50,202	41,104	-18.1
Limes	January-December	602,172	605,445	0.5
Apples	August-July	46,685	37,325	-20.0
Grapes	May-April	315,556	261,084	-17.3
Pears	July-June	10,788	6,795	-37.0
Peaches (including nectarines)	January-December	129,289	101,879	-21.2
Bananas	January-December	6,630,513	5,808,459	-12.4
Mangoes	January-December	571,609	530,829	-7.1
		------ *1,000 sse gallons 1/* -------		
Processed:				
Orange juice	October-September	405,605	317,471	-21.7
Apple juice and cider	August-July	113,442	152,523	34.5
Wine	January-December	152,661	173,498	13.6
		---------- *1,000 pounds* ----------		
Canned pears	June-May	17,918	16,277	-9.2
Canned peaches (including nectarines)	June-May	47,486	42,492	-10.5
Canned pineapple	January-December	585,138	574,347	-1.8
Frozen straw berries	January-December	150,350	154,624	2.8
		---------- *1,000 pounds* ----------		
Tree nuts:				
Brazil nuts (shelled basis)	January-December	15,996	17,092	6.8
Cashew s (shelled basis)	January-December	198,057	197,160	-0.5
Pine nuts (shelled basis)	January-December	8,318	6,812	-18.1
Pecans (shelled basis)	October-September	79,853	61,951	-22.4

1/ Single-strength equivalent.

Source: U.S. trade data provided by the U.S. Department of Commerce, U.S. Census Bureau.

Contacts and Links

Contact Information
Agnes Perez (Noncitrus and tropical fruit), (202) 694-5255, acperez@ers.usda.gov
Susan Pollack (Citrus fruit and tree nuts), (202) 694-5251, pollack@ers.usda.gov

Subscription Information
Subscribe to ERS' e-mail notification service at http://www.ers.usda.gov/updates/ to receive timely notification of newsletter availability. Printed copies can be purchased from the National Technical Information Service by calling 1-800-999-6779 (specify the issue number or series SUB-FTS-4036).

Data

The *Fruit and Tree Nuts Situation and Outlook Yearbook* has over 130 tables of annual or monthly time-series data on specific fruit commodities. Data include bearing acreage, production, prices, trade, per capita use, and more. To order a copy call 1-800-999-6779.

Related Websites

Fruit and Tree Nuts Briefing Room,
http://www.ers.usda.gov/Briefing/FruitAndTreeNuts/

Organic Farming and Marketing
http://www.ers.usda.gov/Briefing/Organic/

Vegetable and Melons Briefing Room
http://www.ers.usda.gov/Briefing/Vegetables/

E-mail Notification

Readers of ERS outlook reports have two ways they can receive an e-mail notice about release of reports and associated data.

• Receive timely notification (soon after the report is posted on the web) via USDA's Economics, Statistics and Market Information System (which is housed at Cornell University's Mann Library). Go to http://usda.mannlib.cornell.edu/MannUsda/aboutEmailService.do and follow the instructions to receive e-mail notices about ERS, Agricultural Marketing Service, National Agricultural Statistics Service, and World Agricultural Outlook Board products.

• Receive weekly notification (on Friday afternoon) via the ERS website. Go to http://www.ers.usda.gov/Updates/ and follow the instructions to receive notices about ERS outlook reports, Amber Waves magazine, and other reports and data products on specific topics. ERS also offers RSS (really simple syndication) feeds for all ERS products. Go to http://www.ers.usda.gov/rss/ to get started.