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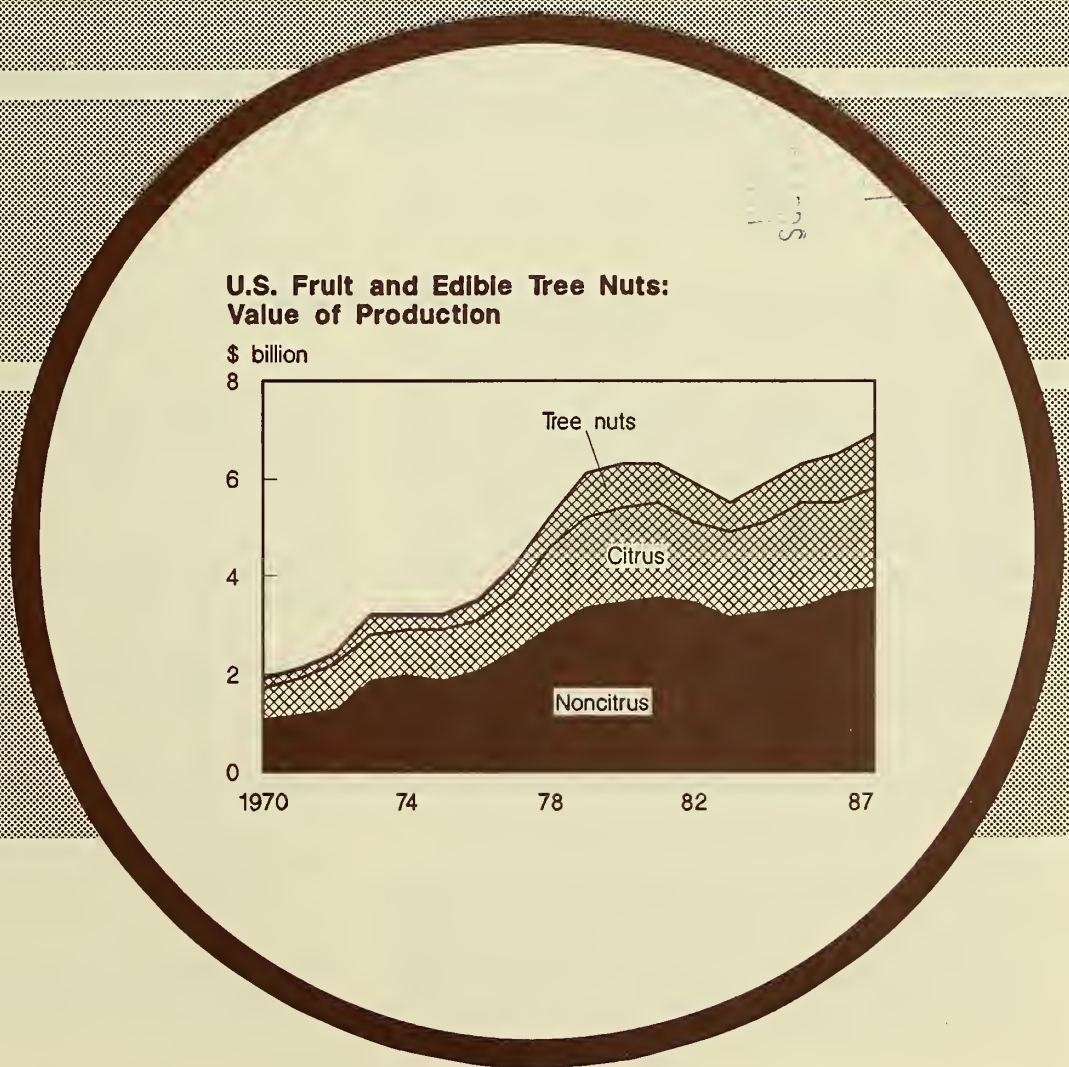
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September 1988

# Fruit and Tree Nuts

## Situation and Outlook Report



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## SUMMARY

The August 1 forecast for the 1988 noncitrus crop—including major tree fruit and grapes—was 13 million short tons, down 9 percent from last year, but still 8 percent above 1986. The forecast for peaches was reduced again because of continued drought. But, the outlook for six other fruit and tree nut crops was unchanged from July 1, indicating no further deterioration in production despite the drought. The reduced forecast for noncitrus is due in large part to tree stress from 1987's unusually large crop and spring freezes.

The U.S. apple crop forecast, at 4.04 million short tons, is 23 percent smaller than last year's record, but still slightly larger than 1986. Pear production is expected to be 13 percent less than last season's record, but still 7 percent above 1986. The U.S. grape crop is projected to be 5 percent larger than both 1987 and 1986. Overall, fall supplies of fresh noncitrus are likely to be adequate to meet market demand. But, with anticipated stable demand, grower prices of fresh noncitrus this fall are expected to rise from last year's low.

The 1988/89 citrus crop probably will be larger than a year earlier as citrus groves in Florida and Texas continue to recover from recent freezes. Most of Florida's groves and trees are in very good condition. Moisture has generally been adequate through July. Abundant new growth is showing on trees of all ages. In addition, California-Arizona naval orange and lemon crops are forecast larger than 1987/88 by both Naval Orange and Lemon Administrative Committees.

Smaller crops of apricots, clingstone peaches, Bartlett pears, and apples probably will result in less canning than last year. Thus, the depleted carryover stocks combined with reduced pack will keep most canned fruit supplies tight again this season. Demand from both domestic and export markets has been relatively strong. Several canned fruit prices have advanced recently because of strong movement, tight supplies, and higher contract prices for raw fruit. Prices are expected to remain strong throughout 1988/89.

Supplies of dried fruit will be lower than 1987/88. Even with a larger raisin grape crop,

the industry projects total raisin output at 350,000 short tons, slightly below a year ago. Thus, reduced output coupled with smaller carryin stocks will result in decreased raisin supplies during 1988/89. The 1988 dried prune output is also expected to be down from last season. The industry currently estimates that 1988 dried prune output will be approximately 155,200 short tons, compared with 213,260 in 1987. Despite sharply increased carryin stocks, the 1988-89 supply will still be less than a year earlier. Demand for dried fruit has been strong, particularly in export markets. Continued healthy demand is likely to push up dried fruit prices further.

Because of larger cold storage holdings early in the season, deliveries of strawberries to freezers on the West Coast are running well below last year's pace. Frozen strawberry imports, mostly from Mexico, are considerably lower than a year ago. The sharply smaller tart cherry crop will result in reduced supplies for freezing. As of August 1, most frozen berries in cold storage were moderately to significantly smaller than a year ago. As a result, lower supplies, higher raw fruit prices, and stable demand are likely to keep most frozen berry and fruit prices strong.

Because of strong processor demand for Florida oranges and reduced supplies of California naval oranges, U.S. orange prices were strong throughout the season until July. This season's record juice yield (1.55 gallons per box at 42.0 degree brix) and the larger Florida orange crop have resulted in a pack of 171 million gallons of frozen concentrated orange juice (FCOJ), up 18 percent from last season. Because of larger carryin stocks and pack, FCOJ imports into Florida and the United States as a whole (mostly from Brazil) have been well below a year ago. Despite reduced imports, the 1987/88 FCOJ supply is expected to total moderately above last season's 265 million gallons.

FCOJ exports, although small, increased moderately through June, primarily from sales to Japan and the Netherlands. Exports to Japan are likely to continue up as a result of the recent U.S.-Japan trade agreement, which reduces Japanese import quotas on FCOJ.

After some Florida processors reduced f.o.b. prices from \$5.74 to \$5.28, movement improved somewhat, surpassing last season's level by 5 percent through mid-August. Nevertheless, the increased pack and larger carryin stocks more than offset rising movement, leaving stocks in mid-August moderately above a year ago. F.o.b. prices for Florida orange juice are likely to stay above a year ago through the remainder of the season because Brazilian orange juice prices probably will remain strong in view of the current tight inventory.

Production of almonds and walnuts will be lower than record levels set last year, but

supplies will be large as carryover stocks were plentiful. Strong demand is expected to firm up prices but will be dampened somewhat by large available supplies. A larger crop of pistachios is expected while ample supplies of macadamias, filberts, and pecans are anticipated by trade sources. Supplies of other tree nuts, including cashews, are likely to be lower but adequate to meet demand, except for Brazil nuts which are in short supply. Prices are expected to be much higher than a year ago.

## DROUGHT IMPACT ON PRODUCTION

The full impact of the drought is difficult to assess because of the complex set of factors affecting fruit production. Frosts, hot temperatures, hail storms, and tree stress from last year's bumper crop along with the drought conditions in same areas have all been important factors this year.

Forecasted 1988 production for many fruits is down sharply from 1987. For example, the 23-percent smaller apple crop forecasted in 1988 is still 2 percent above 1986 and about the same as the 1981-85 average crop. A similar situation exists for pears, tart cherries, sweet cherries, and almonds. Tree stress is the major factor to cause the decline.

The frost, hail, and hot temperatures probably had a greater impact on fruit this year than did actual dry conditions. The August 1 forecast for pear production was up 2.1 percent, but peach production was down 1.1 percent.

The 1988 drought had the greatest impact on the fruit industry in Michigan and some nearby Midwestern States, and to a lesser extent in South Carolina. The proportion of orchard land irrigated in most upper Midwest States is less than 10 percent. The prolonged drought in Michigan resulted in small fruit size and reduced 1988 forecasted production of grapes by 17 percent, of prunes and plums by

25 percent, and of apples by 33 percent. Fruit quality, however, was good. A major concern was tart cherries, as about 79 percent of the 1987 crop was produced in Michigan. Although the tart cherry crop is forecasted 42 percent below 1987, it follows an unusually large crop in 1987, and is only 8 percent below 1986 and 12 percent below the 1981-86 average. Drought conditions were relieved somewhat in the Midwest after mid-July rains.

The drought contributed to some reduction in South Carolina's peach crop, causing smaller fruit sizes mostly in the upstate area. However, the crop was also adversely affected by hail in the Ridge and Piedmont areas.

Generally, the drought had relatively little impact on western fruit production. Except in western Oregon where rainfall is quite high and about normal this year, over 95 percent of orchard land is irrigated in the seven far western States. Adequate irrigation water spared the industry from the brunt of the drought. However, hot July temperatures in California adversely affected several crops, especially apples, peaches, and pears (both bartlett and cling). Some vineyards were stressed, but raisin, wine, and table type grapes in California were generally in good condition.

Cool spring and early summer temperatures in Washington, rather than drought, resulted in smaller than normal pears,



prunes, and plums, and a 20-percent smaller grape crop. Production of prunes and plums in Idaho was down 20 percent because of frosts in early May and isolated hail damage. Prune and plum production was forecast up 21 percent in Oregon, and the pear crop was in excellent condition on August 1, 1988.

## TRADE HIGHLIGHTS AND ISSUES

Economic indicators point to a strong domestic and international economy. U.S. GNP grew at an annual rate of 3.1 percent in the second quarter of 1988. Other industrialized countries have also registered growth; Japan's GNP grew at an annual rate of 11.3 percent in the first quarter of 1988, West Germany's by 5.7 percent, and Canada's by 3.4 percent. The U.S. dollar is relatively stable, although it declined against many developed countries' currencies through much of 1986, 1987, and the early months of 1988. Economic performance, at least in the West, has outweighed expectations.

This strong economic growth will likely lead to increases in personal income, which in turn will likely translate to rising fruit demand and trade. Both U.S. imports and exports of fruit likely will expand.

### U.S. Fresh Fruit Imports Up

U.S. fresh fruit imports are increasing. The United States imported 3,562,256 metric tons of fresh fruit in 1986 and 3,615,512 metric tons in 1987. Bananas made up 81 percent of 1987 fresh fruit imports, followed by grapes with 6.9 percent and apples with 3.7 percent. Bananas were primarily from Ecuador, Colombia, and the Caribbean Basin Initiative (CBI) beneficiary countries of Honduras, Costa Rica, Panama, Guatemala, and the Bahamas. Grapes were primarily received from Chile, and apples from Canada, Chile, and New Zealand.

Changes in exchange rates and demographic factors are contributing to higher fruit imports. Although the dollar has declined against the European Currency Unit and the Japanese Yen, it has risen against the currencies of other major trading partners

such as Mexico and Chile. As a result, products from these countries are highly competitive in the U.S. market. Lower production costs abroad, particularly in South America and Mexico, also are a factor.

Demographic changes favor increases in U.S. fresh fruit imports. More women in the work force has led to stronger demand for convenience food, including some fresh fruit. Growth in major ethnic groups is affecting food demand. Generally, these groups consume a higher proportion and wider variety of fruits than found in the typical American diet. Also, within the United States, knowledge of and concern for health and nutrition have increased in the past 10 years, leading to rising consumption of fresh fruits.

### *Chile--A Leading Foreign Supplier*

Chile has surpassed its competitors, South Africa, Australia, and Argentina, to become the leading supplier of fresh fruit to North America and Europe during the Northern Hemisphere's winter months. Chile's major fresh fruit export is grapes, over 75 percent of which are shipped to the United States. Because Chile's grapes come into season during the U.S. winter, grapes are now available year-round to the U.S. market.

A large percentage of apples, another major Chilean export, are shipped to Europe. Chilean apples are also shipped to the United States, where they compete with the domestic crop. In winter, Chilean imports have an advantage in that they are fresh, while U.S. apples come out of storage. The United States imported 14,780 metric tons of apples from Chile in 1983, and 43,020 metric tons in 1987, a 291-percent increase. Chile is also the primary supplier of fresh pears to the United States, which imported 4,216 metric tons in 1983 and 14,797 metric tons in 1987, an increase of 250 percent.

### *Mixed Results for the Caribbean Basin Initiative*

We are now into the fifth year of the Caribbean Basin Economic Recovery Act of 1983. This act gave 27 countries in the Caribbean Basin duty-free access to U.S. markets for 12 years. A review of U.S. import data for about 75 horticultural products,

mostly competitive with U.S. commodities, suggests mixed results for the first 4 years of the Act.

Excluding bananas, beer, and ale, U.S. imports of the remaining products more than doubled, from \$91.1 million in 1983 to \$191.2 million in 1987. Fresh pineapples and frozen concentrated orange juice were among nine horticultural products that showed strong gains in the U.S. market. Whereas U.S. imports of fresh pineapples, mostly from Costa Rica and Honduras, increased over 10,000 metric tons annually from 1983 to 1987, the CBI's share of total U.S. pineapple imports increased from 57 to 96 percent. U.S. imports of FCOJ, from Belize, showed strong gains, but in 1987 still represented only about 2 percent of total U.S. FCOJ imports. Grapefruit, mangos, and fresh and frozen strawberries showed moderate increases, with pineapple juice and lemons registering weak increases.

#### U.S. Exports Up

U.S. fresh fruit exports are influenced by several factors, including the exchange rate, tariff and nontariff barriers, and domestic policies affecting production and export levels. The drop in the value of the dollar has reduced U.S. product prices, including those for fruits, in a number of foreign markets, particularly the European Community (EC) and Japan. Horticultural exports have likely been boosted by the Targeted Export Assistance program (TEA), established by the 1985 farm bill to provide export promotion assistance to overcome unfair trading practices, particularly those of the EC. For fiscal 1988, \$110 million were allocated to the TEA program, of which the largest allocations -- for fruit and tree nut promotion -- went to Florida, California, and Arizona citrus, a combined \$17.5 million; raisins, \$9.8 million; almonds, \$6.5 million; prunes, \$4.5 million; and apples, \$2 million.

In 1986, the United States exported 1.2 million metric tons of fresh fruit; in 1987, 1.3 million metric tons. Of that total 28 percent were oranges, 27 percent were grapefruit, and 15.6 percent were apples. About two-thirds of total exports of these three fruits went to the East Asia and Pacific region.

## Trade Barriers

### *U.S. - Japan Agreement To Phase Out Quotas*

The United States reached an agreement with Japan in 1988 regarding its quota on fresh oranges, orange juice, and other fruits and nuts. The agreement calls for phasing out quotas on fresh oranges over a 3-year period and for those on orange juice over a 4-year period. For fresh oranges, access to the Japanese market will be expanded by 22,000 metric tons annually during Japanese fiscal years (JFY) 1988-90 (April-March), reaching 192,000 metric tons. As of April 1, 1991, there will be no quantity limit. However, the tariff on fresh oranges, now at 40 percent (Dec.-May) and 20 percent (June-Nov.) will remain in effect.

Japan's import tariff on grapefruit was lowered as a part of the agreement. The duty on imports (Dec.-May) was reduced from 25 to 15 percent, effective April 1, 1989, and 10 percent, effective April 1, 1990. The duty on grapefruit imports (June-Nov.) was reduced from 12 to 10 percent, effective April 1, 1989.

Access to the Japanese market for orange juice concentrate has been increased from 8,500 metric tons in 1987 (JFY) to 15,000 metric tons in 1988 (JFY), 19,000 metric tons in 1989 (JFY), 23,000 tons in 1990 (JFY), and 40,000 in 1991 (JFY). There is no quantity limit as of April 1, 1992. The agreement also calls for Japan to phase out its blending requirement for imported orange concentrates over a 2-year period. During JFY 1988, 40 percent of all imported orange concentrate was free of the blending requirement, with the figure rising to 60 percent in JFY 1989. As of April 1, 1990, all imports will be free of blending requirements.

Single-strength orange juice and orange juice mixtures not subject to blending requirements will be allowed special access as follows: 15,000 kiloliters in 1988, 21,000 kiloliters in 1989, and 27,000 in 1990. Imports will be allowed in unlimited quantities as of April 1, 1991. Imports of these products are now banned. Single-strength orange juice in small containers for use in hotels will be allowed to be imported in unlimited quantities this year.



Because the quotas will be phased out rather than eliminated immediately, Japan has also agreed to tariff reductions on fresh grapefruit, lemons, frozen peaches and pears, walnuts, pistachios, macadamias, and pecans. These tariff reductions, which will be effective April 1, 1989, are as follows (reductions for grapefruit were already detailed): lemons dropped from 5 percent to 0; all year-round rates for frozen peaches/pears, from 20 to 10 percent; walnuts, from 16 to 10 percent; pistachios, from 9 percent to 0; and both macadamias and pecans, from 9 to 5 percent.

#### *U.S. - Canada Free Trade Agreement To Eliminate Tariffs*

The United States and Canada signed a comprehensive trade agreement in January 1988. Neither country has completed ratification; the U.S. House of Representatives has sent the legislation to the Senate for further consideration. The Canadian House of Commons approved the agreement, but its ultimate ratification in Canada will be decided in a national election this fall. Under the agreement, both countries will eliminate all agricultural tariffs within 10 years. However, for the first 20 years, tariffs on some fresh fruits may revert to the Most Favored Nation level if a fruit's import price falls below the past 5-year average for five consecutive working days, and the area planted domestically is not above the average of the past 5 years (omitting the highest and lowest years for either qualification).

Trade in fresh fruit will be affected as horticultural products compose a significant proportion of agricultural trade between the two countries. In 1987, the United States shipped approximately 294,000 metric tons of fresh fruit to Canada, 22 percent of U.S. fruit exports. U.S. horticultural imports from Canada are of less relative importance, accounting for only about 2 percent of total U.S. imports of fresh fruits. Approximately 59,000 metric tons of fresh fruit were imported from Canada in 1987.

#### *EC Quotas on U.S. Apples*

The EC applied quotas on apple imports from February 22 through August 31, 1988. Import licenses were not granted when each

country's apples reached its quota level. The U.S. quota of 11,487 tons was filled on April 22. The imposition of quotas not only caused the United States to lose sales to the EC, but it also increased competition in third markets as Chile and other Southern Hemisphere suppliers sought alternative markets. To compound the damage, the EC policy has occurred in a year when the United States experienced its largest ever apple crop. Chile and the United States are pursuing dispute settlement at the General Agreement on Tariffs and Trade (GATT) negotiations.

#### *India Ends Restrictions on Dried Fruit and Tree Nuts*

On May 31, the Indian Government ratified legislation increasing almond imports by \$20 million in addition to the \$10 million in dried fruit and nut imports already allowed. This agreement runs for 3 years, at which point additional increases will be reviewed. As a result, the United States likely will increase almond exports to India.

### GENERAL PRICE OUTLOOK

For the first 8 months of 1988, grower prices of fresh and processing fruit averaged slightly below a year ago. However, the August index of grower prices for all fruit rose to 180 (1977=100), up 12 percent from the preceding month and 2 percent from a year earlier. Prices above the preceding month were indicated for apples, oranges, lemons, and strawberries. But, compared with a year earlier, higher prices for apples, peaches, lemons, and pears more than offset lower prices for grapefruit, oranges, and strawberries. Even with seasonal increases in supplies of apples, pears, and citrus, the grower price index for all fruit is still likely to remain slightly above a year ago this fall. Noncitrus prices are expected to be fairly high because supplies of apples and pears are smaller overall than the preceding year. In addition, demand is likely to be stable in view of the strong economy (table 1). Citrus prices may also remain relatively high, even with a larger crop likely for 1988/89. Thus, overall fruit prices are expected to average above a year ago this fall.

Table 1.--Index of annual and quarterly prices received by growers for fresh and processing fruit, 1985-88

Year	Annual	1st	2nd	3rd	4th
1977=100					
1985	180	180	178	182	180
1986	170	154	161	190	176
1987	182	163	180	185	200
1988		166	178	171	

1/ Two-month average.

SOURCE: Agricultural Prices, NASS, USDA.

Table 2.--Annual and quarterly consumer price indexes for fresh fruit, 1985-88

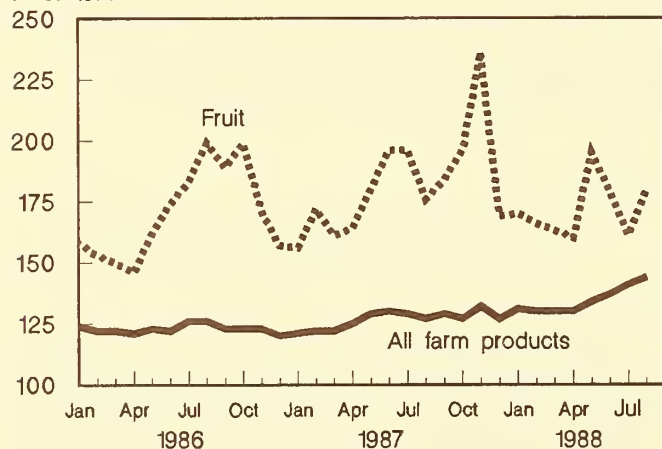
Year	Annual	1st	2nd	3rd	4th
1982-84=100					
1985	116	114	121	119	110
1986	119	113	121	124	117
1987	132	129	138	133	129
1988		132	143	148	

1/ July's figure only.

SOURCE: Bureau of Labor Statistics, U.S. Department of Labor.

### Prices Received by Producers for Fruit and All Farm Products

% of 1977

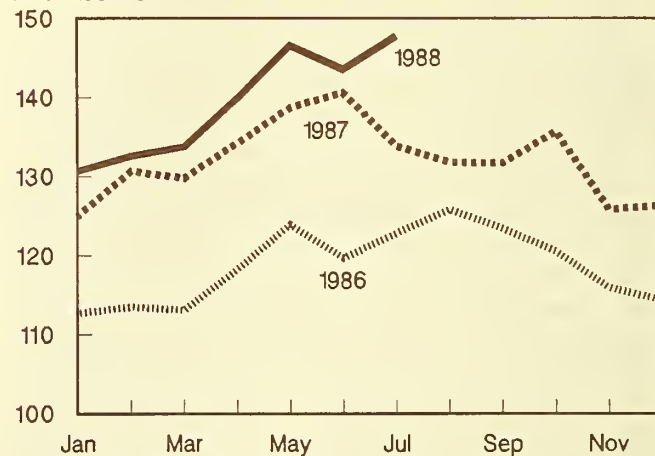


Retail prices of fresh fruit advanced in July after a slight decline in June. The Consumer Price Index (CPI) from the Bureau of Labor Statistics (BLS) was at 147.8 (1982-84=100), rising 2.9 percent from June and 10.4 percent from a year ago. Monthly price increases were reported for all fruits except bananas. Although fresh apple and orange supplies are adequate, seasonally reduced supplies and high summer fruit prices probably boosted prices for apples and oranges in July. Although the CPI for fresh fruit is likely to drop this fall because of seasonal increases in supplies of citrus, apples, and pears, the index is expected to remain above a year ago (table 2).

Reversing the upward trend, retail prices of processed fruit fell slightly in July. The

### Fresh Fruit: BLS Consumer Price Index

% of 1982-84

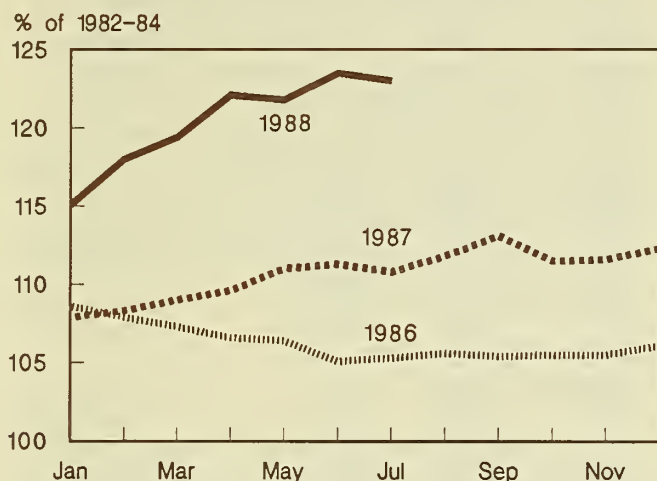


July CPI for processed fruit stood at 123 (1982-84=100), down 0.4 percent from June, but still 11 percent above a year earlier. Prices lower than June, but higher than a year ago, were recorded for all processed fruit. Price hikes for Brazilian orange juice this season have kept f.o.b. prices for FCOJ strong, and retail prices in turn have been well above a year earlier. Strong demand and light supplies have strengthened canned and dried fruit prices. Consequently, retail prices of fruit juice and frozen fruit rose 13.4 percent from last year, while those of canned and dried fruit advanced 2.9 percent (table 3).

Retail prices of processed fruit are expected to remain strong. FCOJ prices are likely to stay relatively high in light of fairly tight supplies of Brazilian orange juice.



## Processed Fruit: Consumer Price Index



Because of smaller crops of apples, clingstone peaches, and bartlett pears, the canned fruit pack is expected to be less than last year. Thus, the smaller carryover stocks and reduced pack will keep supplies tight during the upcoming season. Higher contract prices for canning fruit and tight supplies will further strengthen prices. Strong demand will contribute to strong raisin prices, while frozen cherry prices will advance in light of decreased supplies and higher raw fruit prices.

Table 3.—Frozen fruit and berries: Cold storage holdings, July 31, 1986-88

Commodity	1986	1987	1988
1,000 pounds			
Apples	59,861	53,476	54,793
Apricots	9,651	12,887	14,012
Cherries	204,698	233,472	208,491
Grapes	2,110	849	1,144
Peaches	19,232	27,276	47,111
Blackberries	15,690	25,132	22,871
Blueberries	27,743	34,742	23,100
Boysenberries	5,150	6,585	6,324
Raspberries, red	41,561	60,261	42,792
Strawberries	242,981	330,426	329,720
Other fruits and berries	90,924	90,233	94,235
Total	719,601	875,339	844,593

SOURCE: Cold Storage, NASS, USDA.

Table 4.—U.S. noncitrus fruit: Total production, 1986, 1987, and indicated 1988

Crop	1986	1987	1988
1,000 short tons			
Apples	3,967	5,271	4,037
Apricots	55	115	101
Cherries, sweet	138	211	169
Cherries, tart	112	179	103
Grapes	5,226	5,264	5,509
Nectarines	172	191	195
Peaches	1,164	1,214	1,264
Pears	766	940	818
Plums and prunes	491	978	780
Total	12,091	14,363	12,976

SOURCE: Crop Production, NASS, USDA.

## NONCITRUS

The August 1 forecast for this year's noncitrus production of all major tree fruits and grapes is 13 million tons, down 10 percent from last year, but still 7 percent above 1986 (table 4). Most of the decline was the result of the sharply reduced apple and pear crops from last year's record production. Smaller crops were also recorded for apricots, sweet and tart cherries, and prunes and plums, but larger crops of peaches, nectarines, and grapes only partially offset the decline. With healthy demand, prices of most summer fruit have averaged above last year's low. Despite smaller crops of apples and pears, fall supplies of fresh noncitrus are likely to be adequate to meet market demand. But with the anticipation of rising demand, grower prices of fresh noncitrus this fall are expected to be up from last year's low.

### Apples

#### Significantly Reduced Crop Expected

The August 1 projection for this year's apple crop, at 8.07 billion pounds, was virtually unchanged from the July 1 forecast, but down 23 percent from last year's record, but 2 percent above the 1986 crop.

The forecast for the Eastern States, 2.8 billion pounds, was up 2 percent from the July 1 forecast, but down 5 percent from last year. New York, the leading apple State, expects a crop of 790 million pounds, off 10 percent

from a year ago. Winter damage and poor pollination reduced prospects in the Lake Ontario region of New York, but the crop is sizing well in the Hudson Valley. Pennsylvania's crop of 470 million pounds is up slightly from 1987. Conditions there have been generally good, with no major disease problems.

In contrast, the Virginia crop, forecast at 460 million pounds, is down 4 percent. In New England, reduced prospects for the 1988 crop mainly are due to hail damage in early July and extended dry conditions through mid-July. However, apple sizing is expected to improve with late July rains in most States (table 5).

The crop in the Central States, forecast at 1.12 billion pounds, is 5 percent less than on July 1 and 29 percent less than last year. Michigan, the leading apple State in the region, expects to harvest 700 million pounds, down 33 percent from last year's record, but remaining unchanged from 1986. Spring freezes in the southwest portion of the State and the drought took its toll. The drought has kept fruit size small and made fruit set light. Ohio's apple crop forecast, at 95 million pounds, is 37 percent below last year. The crop progressed under extreme stress during early July. Apple growers are concerned about fruit sizing and fruit bud formation for next year's crop.

The apple crop in the Western States is projected at 4.15 billion pounds, down 31 percent from last year, but still up 6 percent from 1986. Reduced production is indicated for all States in the region except New

Mexico, where output remains unchanged from last year. Washington, the nation's leading apple State, expects a crop of 3.2 billion pounds, off 33 percent from 1987's record crop. Fruit size is variable around the State due to unusual weather this year. At 550 million pounds, apple production in California, the second largest producing State in the West, is 15 percent smaller than 1987. California apples were hurt by July's heat wave. Crops in Idaho and Oregon are down 13 and 31 percent, respectively.

### Higher Prices for the 1988 Crop Expected

Because of the record crop, the 1987 season-average price for all apples received by growers was 8.5 cents a pound—the lowest since 1973—down 37 percent from 1986. Lower prices were reported for both fresh market and processing use. Prices for the fresh market averaged 12.2 cents a pound, off 36 percent from a year ago, while that for processing use averaged \$80.30 a ton, down 31 percent (table 6).

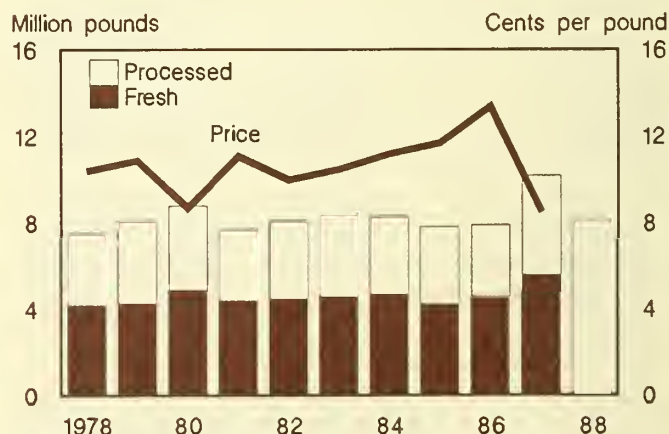
The seasonally reduced supplies early this summer strengthened grower prices for fresh apples. The July price, 19.7 cents a pound, is up 81 percent from June, but still 22 percent below a year earlier. Prices continued to rise in August to 26.1 cents, 63 above a year ago. Apple supplies available for the fresh market during 1988/89 are expected to be well below the preceding season because of the sharply decreased Washington crop. Domestic demand

Table 5.—Apples: Regional production, 1986, 1987, and indicated 1988

Area	1986	1987	1988
Billion pounds			
East	2.94	2.95	2.80
Central	1.06	1.58	1.12
West	3.93	6.01	4.15
Total U.S.	7.93	10.54	8.07

SOURCE: Crop Production, NASS, USDA.

### U.S. Apple Production, Utilization, and Prices



Utilized production. Season-average grower prices. 1988 indicated total production.



Table 6.--Processed apples: Season-average price per ton received by growers, by type of use, principal States, 1985-87

Use and State	1985	1986	1987
	Dollars		
<b>Canning:</b>			
Michigan	129.00	138.00	134.00
New York	110.00	130.00	126.00
Pennsylvania	135.00	124.00	117.00
Virginia	164.00	138.00	135.00
Washington	129.00	126.00	73.20
West Virginia	140.00	144.00	125.00
United States	132.00	132.00	118.00
<b>Juice and cider:</b>			
California	76.00	105.00	72.00
Michigan	72.00	104.00	84.00
New York	66.00	102.00	90.00
Pennsylvania	74.00	90.00	78.00
Virginia	76.00	100.00	86.00
Washington	78.00	77.00	28.40
United States	75.00	96.60	57.70
<b>Frozen:</b>			
Michigan	142.00	168.00	150.00
New York	126.00	1/	128.00
United States	139.00	150.00	131.00
<b>Dried:</b>			
California	128.00	140.00	121.00
New York	114.00	1/	1/
United States	132.00	123.00	68.10

1/ Data not available due to disclosure of individual operations.

SOURCE: Noncitrus Fruits and Nuts Summary, NASS, USDA.

for fresh market apples is likely to remain relatively strong because of substantially reduced supplies of winter pears during this fall and winter.

Even though apple prices are expected to rise, fresh apple exports may also stay relatively strong with promotion funding from the TEA program and the weak dollar. However, exports of fresh apples to Canada will probably be affected by Canadian import regulations that increase minimum size requirements for apples from 2-1/4 inches to 2-3/8 in diameter.

Processor demand for this year's apple crop may still remain relatively strong even though supplies will be sharply smaller than last year and prices are likely to be high. Consumer demand for apple juice will stay up in anticipation of continuing high orange juice prices.

Because of reduced available supplies of apples for processing use, negotiated prices for these apples are expected to be much higher than last season. The Michigan Processing Apple Grower Marketing Committee recommended that negotiated prices for most processing apples be set well above last year. For instance, the price for Ida Red and Jonathan for 2-1/2 inches and up is \$11.50 per cwt, compared with \$7.50 a year ago. Overall, reduced supplies and relatively high demand are likely to push this season's apple prices received by growers well above last year's low.

#### *Exports Strong, Imports Weak*

Increased supplies, lower prices, the weak dollar, and continued marketing promotion and development have contributed to increased fresh apple exports. During 1987/88 (July-June), exports totaled 293,211 metric tons, up 74 percent from last year.

Strong gains were indicated in exports to Western Europe, Asia, and the Middle East due in part to the success of the promotional effort carried out under the TEA program. Exports to Taiwan, the leading customer of U.S. apples, almost doubled from a year ago, while purchases from Hong Kong were also strong. Consequently, shipments of fresh apples to East Asia and the Pacific accounted for 50 percent of total exports.

The Middle East and North Africa bought a substantially larger quantity of fresh apples than last year, with sharp increases recorded from Saudi Arabia and the United Arab Emirates. A sharply increased share for U.S. apple exports to Western Europe was recorded, up from 15 percent in 1986/87 to 20 percent in 1987/88. Despite a larger Canadian apple crop, exports to Canada fell only slightly from the previous year's level.

U.S. fresh apple imports totaled 120,518 metric tons during 1987/88 (July-June), down 14 percent from the preceding season. Sharply reduced shipments from France, New Zealand, and South Africa were chiefly responsible. Shipments from France were down because of U.S. plant quarantines of French apples. However, the restriction was lifted in December 1987. French authorities have decided not to ship any apples to the United

States in the 1987/88 marketing season. Further, the October 1986 trade embargo with South Africa is still in effect, ruling out imports from that country. Imports from New Zealand were down 25 percent from last season, while those from Chile fell 11 percent. On the other hand, imports from Canada showed a significant rise.

### Grapes

#### *Crop Moderately Larger*

The August 1 forecast for the U.S. grape crop was 5.51 million short tons, 5 percent above both the 1986 and 1987 crops. The increase is primarily attributed to expanded California production.

The California all grape forecast is 4.98 million short tons, up 6 percent from the July 1 forecast and 7 percent above last year. This is the largest crop since the Raisin Administrative Committee approved the Raisin Industry Diversion Program (RID) in 1985. The raisin variety crop forecast is 2.25 million short tons, up 5 percent from the July forecast of 2.15 million tons. If realized, this will be a 2-percent increase from 1987 production and 10 percent more than 1986. The forecast is based on an expected 245,700 acres, which excludes approximately 25,000 acres in the RID.

The expected yield of 9.16 tons per acre is up 8 percent from 1987. Despite California's second drought year in as many

years, the raisin grape crop is in good condition. The average cluster count is the highest since 1985, although clusters are expected to be lighter. Smaller berry size is also anticipated. Many growers had their water allocations scaled back and a number have switched to costly pumping of well water. Reservoirs were low going into this growing season, which has contributed to the tight water supplies. Some vineyards showed signs of water stress, especially after the hot temperatures of mid-July. Approximately 50,000 dried tons of Thompson seedless grapes are enrolled in the 1988 RID.

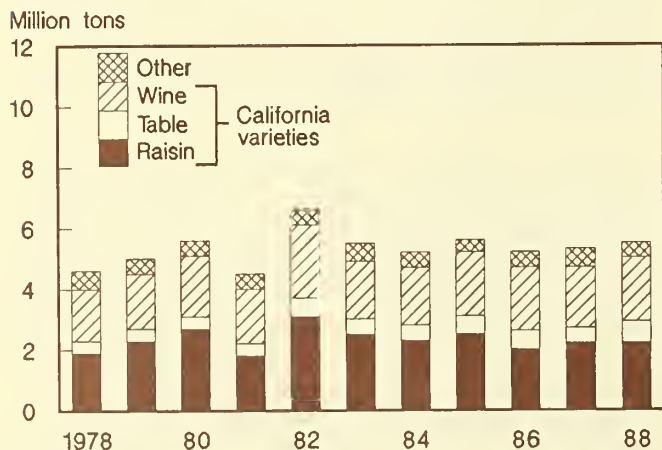
The August 1 forecast for California's wine type grapes, based on the findings of the grape objective measurement survey, is set at 2.05 million short tons, up 5 percent from the initial forecast set in July and from last year. Record temperature as high as 112 degrees in July stressed vineyards in several areas.

The forecast for California table type grapes is set at 680,000 short tons, 13 percent above July's initial forecast. If realized, this will be a record crop, 33 percent higher than 1987's. Heavy yields were reported. Tight water supplies have not affected table grape production up to August 1. Tokay grapes received some burn damage in the Lodi area from record high temperatures in mid-July. Overall table grape quality has been very good.

Total grape production in other States is forecast at 528,000 short tons, off 12 percent from 1987, primarily because of reduced crops in Michigan, New York, and Washington. The Michigan grape crop is forecast at 50,000 short tons, down 17 percent from 1987, because of the prolonged drought. High Brix is expected, and if disease problems are kept to a minimum, it could be a vintage year for Michigan vintners. The New York all grape forecast is set at 166,000 short tons, 7 percent less than last year. Bunch counts have been higher than normal, while berry size and count have been smaller.

The Washington forecast for all grapes is 200,000 short tons of concord grapes and 50,000 tons of wine varieties. Berry cluster counts and weights for concord grapes are average to below average, resulting from the long bloom period caused by the cool spring and early summer temperatures. Wine grapes had better weather conditions during bloom

### U.S. Grape Production



Total production. 1988 indicated production.



and set. An excellent crop is expected, and some new acreage is coming into production.

### *Prices Strong*

Shipments of California table grapes are running moderately behind last season. The reduced shipments have kept f.o.b. prices for fresh grapes relatively strong. In mid-August, the f.o.b. price for Thompson seedless grapes was quoted at \$8-\$9 per 23-pound lug in central San Joaquin Valley, almost the same as a year earlier. Demand for table grapes is likely to be strong in view of the healthy economy. Table grape exports are expected to continue to expand as export promotional activities are expanded.

U.S. exports of table grapes during 1987/88 (June-May), at 111,588 metric tons, were up 9 percent from the preceding year. Shipments to Canada, the leading customer, went up 14 percent and accounted for 58 percent of total exports. Purchases from the EC also gained significantly, up 68 percent from a year ago. In contrast, exports to the East Asia and Pacific region, the second major market, totaled 32,465 metric tons, off moderately. Reduced shipments were reported to all major countries in the region. Exports to these three destinations accounted for 93 percent of the total. Domestic marketings of table grapes are still being influenced by the Food and Drug Administration labeling requirements for grapes treated with sulfur dioxide.

Because of smaller crops, the grape crush in Michigan, New York, Pennsylvania, and Washington will be down from last year. In contrast, California's crush will expand because of the State's larger wine grape crop. The expected larger crush is likely to result in greater wine supplies even in anticipation of reduced stocks. Demand for domestic wine has been relatively strong. According to the Wine Institute, California wine shipments through June this year fell only 3 percent from last year's high. The decrease was attributed in part to sluggish wine cooler sales.

Table wine imports through June this year fell 10 percent from a year earlier, with smaller purchases from most major wine producing countries. Wine imports are likely to remain sluggish because of higher prices resulting from the weak dollar.

U.S. wine exports, although small, continue to improve. At 8.1 million gallons through January-June this year, shipments of U.S. wine abroad increased 54 percent from a year ago. Canada and Japan remain the two leading foreign markets for U.S. wine, up 39 and 102 percent, respectively.

Higher grape prices and relatively strong demand have strengthened wine prices reported by the BLS. The BLS Producer Price Index (PPI) for wine in July was up moderately from a year before. In view of higher grape prices and reduced wine imports, wine prices are expected to remain firm.

The weak dollar and increased promotion have encouraged strong demand for U.S. raisins for both the domestic market and exports. According to the Raisin Administrative Committee, export shipments during 1987/88 rose 18 percent, while domestic shipments (including those to Canada) were 6 percent larger. To meet overseas demand, packers continue to use their own inventories as the supply of raisins in the reserve pool (for use in the Export Enhancement Program) has been depleted. Strong demand has resulted in moderately lower carryout inventory of free raisin tonnage at the beginning of 1988/89 than a year ago. Strong shipments have raised raisin prices moderately above a year ago. The July Producer Price Index (PPI) for raisins, at 88.2 (1982-84=100), was 5 percent higher than last year. Continued healthy demand is likely to further push up raisin prices.

### *Nectarines*

The 1988 California nectarine production forecast is 195,000 short tons, 2 percent more than last year and 13 percent above 1986, but 7 percent below the record 1985 crop. Acreage to be harvested, at 23,600, is 2 percent above 1987, but yield per acre, at 8.26 tons, is virtually unchanged from 1987 (table 7).

Because of late maturity, nectarine shipments through mid-August were running behind last year's pace. Consequently, f.o.b. prices have been well above last year's low. In mid-August, the shipping point price was quoted at \$9 per ton (large lug, size 70) in the central and south San Joaquin Valley,

Table 7.--Nectarines: Acreage, production, yield per acre, California, 1982-88

Season	Bearing acreage	Production	Yield per acre
	1,000 acres	1,000 short tons	Tons
1982	22.2	178.0	8.02
1983	22.3	185.0	8.30
1984	24.5	183.0	7.47
1985	22.4	210.0	9.38
1986	22.8	172.0	7.54
1987	23.1	191.0	8.27
1988 1/	23.6	195.0	8.26

1/ Preliminary.

SOURCE: California Crop and Livestock Reporting Service.

compared with \$6 a year earlier. The season-average price received by growers is expected to be above last year's \$343 a ton.

### Peaches

#### *Moderately Larger Crop*

The 1988 peach crop on August 1 is forecast at 2.53 billion pounds, down 1 percent from the July 1 forecast, but up 4 percent from 1987. This is the third consecutive increase and the largest crop since 1984. Excluding California clingstone peaches, the U.S. peach crop is forecast at 1.59 billion pounds, down 2 percent from July 1, but up 8 percent from last year. California's clingstone crop, at 940 million pounds, is off 2 percent from 1987. Quality has been average, but fruit size has been smaller than expected. The California freestone forecast of 510 million pounds is slightly lower than last year's crop. Fruit quality has suffered from the July heat and is now reported to be near average (table 8).

Peach production in the nine Southern States is forecast at 610 million pounds, up 22 percent from last year. South Carolina, the leading peach State, expects to harvest 360 million pounds, off 5 percent from the July 1 forecast and 7 percent from the June 1 forecast, but still 3 percent above 1987. The lower prospects have been caused by a combination of extensive hail damage in the Ridge and Piedmont and drought conditions

upstate. Prospects in Georgia, the second largest producing State in the region, remain unchanged at 140 million pounds, an increase of 40 percent from last year.

Crops in several States that grow a large quantity of late peaches show a mixed pattern. Dry conditions have lowered Colorado, New Jersey, and Pennsylvania prospects from the July 1 forecast, while West Virginia's outlook has improved. Larger crops are reported for New Jersey and West Virginia, while harvests from Michigan and Washington will be down 25 and 2 percent, respectively. The Pennsylvania crop forecast, at 85 million pounds, remains unchanged from last year.

#### *Prices Strong*

Shipments of peaches for the fresh market are running slightly behind last year's pace through mid-August, primarily because of significantly reduced movement from South Carolina. As a result, f.o.b. prices in that State have been well above a year earlier. In mid-August, the f.o.b. price for South Carolina peaches was quoted at \$8 for a 38-pound carton (various yellow flesh varieties, U.S. Extra, No. 1, 2-1/2 inches and up), compared with \$6-\$6.50 a year ago. The shipping point price for California peaches in central and southern San Joaquin Valley was also strong, at \$6-\$7 per two-layer lug pack of 56-64's, up from \$4 a year ago. As supplies dwindle seasonally, peach prices are expected to advance.

The tight supply and strong movement during 1987/88 resulted in carryover stocks of canned peaches at 1.35 million cases (24/2-1/2 basis) --the second lowest level since 1950. In addition to the smaller 1988 crop, the tight carryover stocks have strengthened clingstone peach prices. The California Canning Peach Association and canners have agreed to a base price for clingstone of \$212.75 per pay ton for deliveries at 0-8 percent offgrade, provided the paid-for tonnage falls between 408,000 and 465,000 pay tons. In 1987, the base price was \$193 per ton and the tonnage paid for was 415,182 tons. Likewise, the tight carryover stocks also strengthen freestone prices. The California Freestone Peach Association and canners have agreed to a field price of \$156 a ton for canning freestones, up \$5 from 1987.



Table 8.--Peaches: Total production and season-average prices received by growers, 1986, 1987, and indicated 1988 production

State	Production 1/			Price per pound	
	1986	1987	1988	1986	1987
	Million pounds			Cents	
<b>Southern States:</b>					
North Carolina	25.0	25.0	36.0	15.7	16.8
South Carolina	260.0	350.0	360.0	16.0	14.9
Georgia	105.0	100.0	140.0	19.7	18.1
Alabama	6.0	10.0	19.0	27.2	23.6
Mississippi	.3	.5	4.0	33.0	31.0
Arkansas	9.5	1.4	20.0	17.3	28.1
Louisiana	.2	.6	5.0	34.0	46.0
Oklahoma	5.5	5.0	8.0	33.4	36.9
Texas	10.0	6.0	18.0	39.0	38.0
Total	421.5	498.5	610.0		
<b>California:</b>					
Clingstone 2/	933.0	957.0	940.0	9.8	10.6
Freestone	495.0	511.0	510.0	13.8	13.4
Total	1,428.0	1,468.0	1,450.0		
<b>Other States:</b>					
Massachusetts	1.9	2.0	1.9	48.0	52.0
Connecticut	2.6	2.7	2.4	48.0	52.0
New York	14.0	14.3	14.6	23.6	21.5
New Jersey	105.0	80.0	90.0	23.6	22.7
Pennsylvania	100.0	85.0	85.0	18.2	17.5
Ohio	2.5	9.0	6.0	29.0	28.0
Indiana	4.0	7.5	4.5	33.0	28.9
Illinois	21.0	20.0	20.0	24.0	27.5
Michigan	50.0	60.0	45.0	17.7	16.1
Missouri	12.0	13.0	14.0	21.0	18.7
Kansas	5.0	2.5	4.5	37.0	30.0
Delaware	2.7	.9	3.1	18.5	18.9
Maryland	20.0	11.0	11.0	20.4	15.4
Virginia	28.0	27.0	30.0	21.2	17.1
West Virginia	23.0	17.0	20.0	14.5	13.4
Kentucky	2.0	9.0	12.0	20.4	24.5
Tennessee	4.0	2.6	10.0	24.0	34.6
Idaho	11.0	11.3	11.8	23.6	16.7
Colorado	6.7	19.0	16.0	31.0	22.4
Utah	10.5	10.5	9.0	17.7	16.0
Washington	40.0	43.0	42.0	22.8	16.5
Oregon	13.0	15.0	15.0	27.3	27.5
Total	478.9	462.3	467.8		
United States	2,328.4	2,428.8	2,527.8	14.6	14.2

1/ Includes unharvested production and harvest not sold (million pounds): United States, excluding California clingstone, 1986-29.0; 1987-72.6. 2/ California clingstone is over the scale tonnage and includes culls and cannery diversions (million pounds): 1986-59.5; 1987-55.0.

SOURCES: Crop Production and Noncitrus Fruit and Nuts Summary, NASS, USDA.

### *Tight Canned Peach Supplies*

This year's delivery of clingstone peaches to canners is running well ahead of last year's pace. According to the Clingstone Peach Advisory Board's block-by-block estimates, total 1988 deliveries are expected to reach

466,223 tons, up almost 4 percent from last year. However, deliveries of clingstone peaches to canners through August 21 totaled 343,584 tons, compared with 354,411 a year ago. With the 1988 pack likely near last year's level, total supply of canned cling peaches for 1988/89 will fall below the previous season's

18.2 million cases (24/2-1/2 basis) because of 59 percent smaller carryin stocks. Consequently, the tight supply, higher raw material costs, and strong movement are expected to keep canned peach prices strong.

*Canned Peach Exports,  
Imports Up*

Exports of canned peaches (including those to Canada) during 1987/88 totaled 18,622 metric tons, up 16 percent from the previous season. The significant increase was attributed mainly to the sharp rise in shipments to the East Asia and Pacific region, which accounted for 77 percent of total exports. Japan and Taiwan increased purchases from last season by 14 and 99 percent, respectively. Their purchases accounted for 69 percent of total exports. Higher exports are also due to the weak dollar and aggressive marketing by exporters, and by the California Cling Peach Advisory Board through the TEA program. In contrast, exports to Canada totaled 2,313 metric tons, down 5 percent from a year ago, while shipments to the EC dropped 20 percent.

Imports of canned peaches during 1987/88 totaled 25,384 metric tons, 47 percent more than in the preceding season. Greece, still the leading supplier, increased shipments 53 percent, while Chile, the second major supplier, raised exports by 29 percent. Their combined shipments accounted for 71 percent of total imports, down 1 percent from the previous season. The increased imports were attributed to lower production costs abroad and high EC subsidies.

**Pears**

*Crop Down Significantly*

The August 1 forecast for the 1988 U.S. pear crop is 818,100 short tons, down 13 percent from last year's record, but 7 percent more than 1986. Output of bartlett pears in California, Oregon, and Washington is forecast at 505,000 short tons, off 12 percent from 1987, but 8 percent above 1986. California's expected production of 295,000 short tons is down 9 percent from 1987. Hail and frost damaged the crop along the north coast earlier in the year and the July heat cause size variation, but the crop is generally in good condition.

The Oregon production forecast of 70,000 short tons is 10 percent less than last year. Minor hail damage had occurred in the Medford area. Washington's expected production of 140,000 short tons is 18 percent below a year earlier. Small fruit size and fire blight have combined to reduce the crop (table 9).

Production of pears other than bartletts on the Pacific Coast is forecast at 276,000 short tons, 16 percent less than last year, but 6 percent above 1986. Crops were down from 1987 in Oregon and Washington by 17 and 15 percent, respectively. Cool spring and early summer weather reduced fruit size in both States. Fire blight, especially in the bosc variety, has been a problem in Washington. California production, normally small, is estimated at 11,000 short tons, down 8 percent from last year, but 22 percent above 1986.

Table 9.--West Coast bartlett pear production, 1984-87 and indicated 1988

State	1984	1985	1986	1987	Indicated 1988
	Short tons				
Washington	101,000	111,000	126,000	171,000	140,000
Oregon	44,000	75,000	55,000	78,000	70,000
California	302,000	282,000	285,000	325,000	295,000
Total	447,500	468,000	466,000	574,000	505,000

SOURCE: Crop Production, NASS, USDA.



Crops were also estimated down 56 and 39 percent, respectively, in Colorado and Utah. Growers in Connecticut, Michigan, and New York anticipate larger crops, while Pennsylvania production will be down sharply.

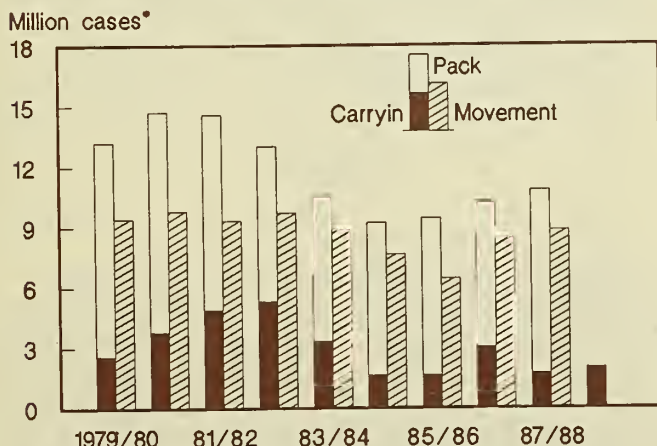
### Higher Pear Prices Expected

Because of the smaller crop, shipments of fresh bartletts through mid-August were well behind last year's pace. Consequently, f.o.b. prices for fresh bartletts were strong. In mid-August, the f.o.b. price was \$11-\$12 a 36-pound carton for size 110 in Mendocino County, California, compared with \$7.70-\$8.70 a year ago. Demand for bartlett pears from packers is likely to be as strong as a year earlier because of relatively small carryin stocks and strong demand for canned pears. Carryin stocks were 19 percent larger than last year's depleted stocks, but still 25 percent less than the previous 5 year average.

At this writing, the field price for canning pears has not been settled, but is likely to be above last year's \$180 a ton. Bartlett prices for the fresh market are expected to remain strong throughout the season in view of seasonally reduced supplies of most summer fruit and strong demand from packers.

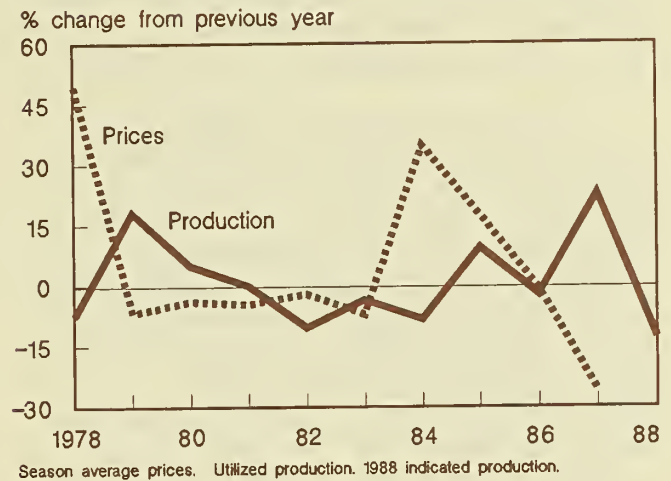
Grower prices of fresh pears are expected to reach levels above a year earlier during the fall and winter because of reduced apple supplies and smaller crops of pears other than bartletts on the Pacific Coast, particularly in Oregon and Washington, principal suppliers for the fresh market in fall and winter.

### Canned Pears: Pack, Movement, and Stocks



• 24 2-1/2's. Season beginning June.

### U.S. Pears: Changes in Production and Prices



### Exports of Fresh Pears Strong

U.S. exports of fresh pears totaled 42,730 metric tons during 1987/88, up 20 percent from the previous year, the highest since 1982. Lower prices, ample supplies, a pre-Christmas opening date for imports to Sweden, and the weak dollar contributed to the strong performance. Promotion and market development under the TEA program also helped.

Increased exports were recorded to all major importing countries. Canada, the leading U.S. customer, purchased slightly more fresh pears than last year. A sharp increase in shipments to Sweden was recorded, up 37 percent from the previous season. Sweden was the top U.S. customer among offshore countries. Shipments to the EC gained significantly partly because of poor crops in West Germany, Italy, Austria, and Greece. The increase was also attributed to sharply expanded shipments to the East Asia and Pacific region and to the Middle East and North Africa. Purchases from Latin America, particularly Mexico, increased significantly as well.

### Plums and Prunes

#### Plum Crop Up Slightly

The California plum crop is forecast at 250,000 short tons, up 2 percent from last year's large crop and 64 percent more than in 1986. Fruit size is smaller than desirable, but quality is excellent. California's plum-bearing

acreage continues to expand, reaching 40,000 in 1988, up 4 percent from 1987. Consequently, yield per acre estimated at 6.25 short tons is down slightly from last year.

Despite the larger crop, shipments are running well behind last year. Reduced supplies have kept prices very strong. In mid-August, the f.o.b. price for casselman plums for size 4/5 was reported at \$10-\$12 a 28-pound carton in central and south San Joaquin Valley, compared with \$4-\$6 a year ago. Prices are likely to remain strong as supplies dwindle seasonally. The season-average price is expected to be well above last year's low of \$341 a short ton.

Prune and plum production in Idaho, Michigan, Oregon, and Washington is expected to total 50,000 short tons, 7 percent less than 1987, but 4 percent more than 1986.

Lower forecasts are reported for all producing States but Oregon. Idaho expects 5,000 short tons, off 19 percent from 1987. Frost in early May and an isolated hail storm have caused some damage. Michigan's crop is forecast at 12,000 short tons, down 25 percent from last year. Quality is good, but the drought has kept fruit size small. Washington's forecast, at 10,000 short tons, is down 19 percent from 1987. Fruit size is small. The Oregon forecast of 23,000 short tons is up 21 percent from last year. Fruit size is very good in orchards in the western part of the State, and quality is better than last year.

California dried prune production is forecast at 160,000 short tons, 30 percent less than the large 1987 crop, but still 62 percent greater than the small 1986 crop. Set was variable and spotty. There was some frost damage early in the season in the Sacramento Valley. Strong winds during bloom also adversely affected the crop. Some scab problems and cracked fruit were reported. Consequently, yield per acre was reduced to 2.11 short tons, down 30 percent from 1987, as the bearing acres continued to rise to 75,800 from 75,400 in 1987.

The significantly larger supply in 1987 resulted in sharply increased carryover stocks even with expanded shipments. Nevertheless, the 1988/89 supply of dried prunes will be less than in 1987/88. The available supply of dried

prunes likely will be 226,500 short tons (natural condition) during the 1988 crop year, compared with 232,879 last season. The California Prune Marketing Committee has recommended to the Secretary of Agriculture that 100 percent of this year's prunes be salable and zero percent reserve.

According to the California Prune Marketing Committee, dried prune shipments totaled 165,969 short tons during 1987/88, up 13 percent from the previous season. Increased shipments were reported for both domestic and international markets. The largest gain was in domestic shipments for juice and concentrate, and for pitting, up 21 and 16 percent, respectively. Exports of dried prunes totaled 62,943 short tons, an increase of 12 percent from last season, and accounted for 38 percent of total shipments. Shipments to Japan, the largest customer, rose 14 percent.

Strong gains were recorded for every country in the Asian and Middle East regions. Exports here accounted for almost 28 percent of the total. Shipments to Europe rose moderately, with strong gains reported for West Germany, France, Sweden, and the Netherlands. Strong exports are mainly attributed to the weak dollar and industry promotional activities under TEA funding.

Because of strong demand and limited supplies of large-sized dried prunes, the July PPI, at 109.6 (1982-84=100), was 4 percent above last year. With the smaller 1988/89 supply in prospect, dried prune prices are likely to remain firm. Field prices for 1988 dried prunes were settled between the Prune Bargaining Association and independent dried prune fruit handlers. Prices were increased on prunes larger than size count 60, and held stable on smaller sizes.

## CITRUS

The final estimate of U.S. citrus production for 1987/88 is 12.6 million short tons, up 5 percent from a year earlier. This is the third consecutive increase since the early 1980's freezes in Florida and Texas, but still well below the record crop of 16.5 million short tons in 1979/80. The increase reflects primarily a 14-percent increase in Florida oranges. Larger crops are also estimated for



grapefruit, tangelos, and temples. Because of strong demand, most citrus prices have averaged above the previous season. Consequently, higher raw product prices and relatively strong demand have kept prices for most citrus products above a year ago.

The 1988/89 citrus crop may continue to expand because citrus groves in Florida and Texas are recovering from the freezes and have had adequate moisture this summer.

### Oranges

#### *Remaining Supplies of California Valencias Significantly Larger*

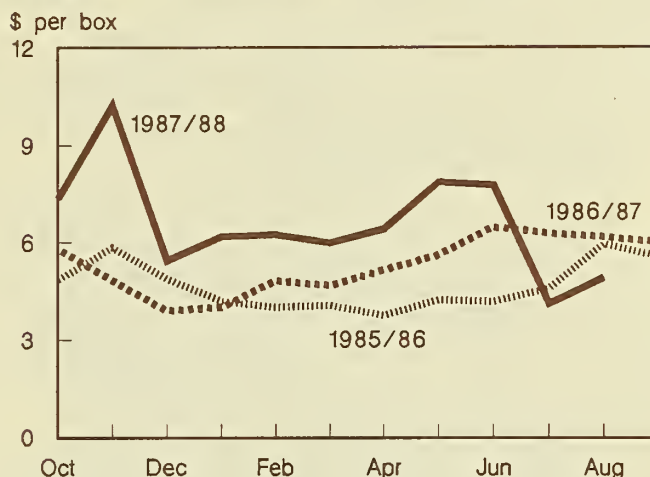
The final forecast for the 1987/88 U.S. all orange crop is 199 million boxes, 9 percent more than last season. This is the third consecutive increase since the freezes. Orange production in both Florida and Texas has risen steadily. In Florida, the all-orange estimate is 139 million boxes, 16 percent more than last season and the largest in the last 5 years. California's orange crop is estimated at 56.5 million boxes, 3 percent below 1986/87, as the smaller navel orange crop more than offset the larger valencia crop. In mid-August, the remaining supply of California valencias was 58 percent above a year earlier.

Through mid-August, shipments of California valencias were running well behind last season's pace. Sales to processors and export markets were significantly reduced, while shipments for domestic fresh use were up slightly from a year ago. Consequently, domestic fresh sales accounted for 39 percent of total shipments, up 34 percent from the preceding season. Market share of exports remained nearly unchanged, while that for processing use was down significantly. With greatly increased supplies, this marketing season is likely to finish much later than last, and market shares may change.

#### *Orange Prices Weakening*

Because of strong processor demand for Florida oranges and reduced supplies of California navel oranges, U.S. orange prices were strong throughout the season until July when prices fell sharply. August's U.S. on-tree returns for all oranges averaged \$4.92 a box, compared with \$6.18 a year earlier.

### All Oranges: U.S. Equivalent On-Tree Returns Received by Growers



The weak prices were probably attributable to increased supplies of California valencia oranges. With significantly larger remaining supplies and seasonally rising supplies of noncitrus fruit such as apples and pears, California valencia prices are expected to remain below a year earlier through early fall.

Following higher grower prices, retail prices of California fresh navel oranges were very strong this season through May. In May, the BLS retail price for fresh navel oranges averaged 59.9 cents a pound, up 13 percent from a year ago. However, with the increased supplies of California valencias, retail prices have been below May levels. The average price for California fresh valencia oranges was 57.4 cents a pound in July, compared with 56.4 cents a year earlier.

#### *Exports Down Significantly*

Higher prices have weakened foreign demand for U.S. fresh oranges. Through June, this season's exports totaled 256,517 metric tons (including those to Canada), down 16 percent from a year earlier as reduced shipments were reported to all the major destinations. Limited supplies of large size fruit from this year's California valencia crop reportedly hindered export sales.

Japan, the leading U.S. customer in 1986/87, has purchased a slightly smaller quantity than a year earlier. However, fresh orange exports to Japan could improve somewhat during the remainder of 1987/88

since the recent U.S.-Japan trade agreement raises the Japanese import quotas for U.S. citrus, effective April 1 of this year. Shipments to Hong Kong, the third largest market for U.S. fresh oranges in 1986/87, have fallen significantly this season. Overall, U.S. exports to the East Asia and Pacific region recorded a 14-percent decline.

Canada, the second leading importer of U.S. fresh oranges in 1986/87, has bought 77,001 metric tons between November 1987 and June 1988, down 13 percent from a year ago. U.S. fresh orange shipments to the EC have remained lackluster even though normal quantities are very small. From November 1987 through June 1988, EC imports totaled 3,567 metric tons, off 74 percent from a year ago. EC imports of high quality fresh oranges under the U.S.-EC Citrus Agreement in 1988 reached only 188 metric tons, compared with none in 1987. The agreement specifies that the EC duty is reduced from 20 to 13 percent in February-March and 10 percent in April for up to 20,000 metric tons of "high-quality" sweet oranges.

In contrast, U.S. imports of fresh oranges have risen substantially this season. From November 1987 to June 1988, imports totaled 21,175 metric tons, up 12 percent from a year earlier. Mexico, the leading exporter of fresh oranges to the United States, has reduced its shipments by 23 percent. However, this was more than offset by a sharp increase in imports from Spain. The combined imports from Mexico and Spain rose 21 percent, accounting for 68 percent of total imports. Exports from the Dominican Republic expanded sharply, while those from Israel dropped significantly because of damage to the 1987/88 crop from high winds, heavy rains, and in some places hail in mid-February.

#### *FCOJ Pack Significantly Larger*

This season's record juice yield (1.55 gallons per box at 42.0 degree Brix) and the larger Florida orange crop have resulted in a pack of 171 million gallons of FCOJ, up 18 percent from last season. Because of larger carryin stocks and pack, FCOJ imports into Florida and the United States as a whole have been well below a year ago. According to the Florida Citrus Processors Association, imports into the State (mostly from Brazil) totaled

33.4 million gallons (42 degree Brix) through August 20, down 29 percent from a year ago. Despite reduced imports, the 1987/88 FCOJ supply is expected to total moderately above last season's 265 million gallons.

Because of high prices early in the season, movement was sluggish. To stimulate retail movement during the summer, several Florida packers announced either a promotional allowance or reduced list prices from \$5.74 to \$5.28 a dozen 6-ounce cans in May. As a result, movement has improved, totaling 164.1 million gallons through August 20, up 5 percent from a year ago. Although some packers did not continue the promotional allowance beyond July 22, few are planning to raise prices from those reduced in May. Consequently, current prices range between \$5.28 and \$5.74 a dozen 6-ounce cans, f.o.b. Florida canneries. This compares with \$4.46 a year earlier.

The higher Florida prices are attributed to several price hikes by Brazil during the 1987/88 season. Brazilian orange juice for shipment to the United States generally is quoted at roughly \$2,000 per metric ton, f.o.b. Santos, Brazil. Brazilian offer prices are above those quoted for higher quality Florida orange juice.

Despite the improved movement, FCOJ stocks as of August 20 were 2 percent above a year ago. Nevertheless, Florida f.o.b. prices are likely to stay above a year ago through the rest of the season because Brazilian orange juice prices probably will remain firm in view of the current tight inventory there. Brazil's juice inventory on July 1, the beginning of the 1988-89 marketing season, was estimated at only 43,000 metric tons, the bare minimum necessary for blending with new crop orange juice. Dry weather in Brazil early in the season last year retarded development of the 1988/89 orange crop, causing a delay in the start of the Brazilian processing season. The delay will make the supply situation much tighter and lend support to higher orange juice prices.

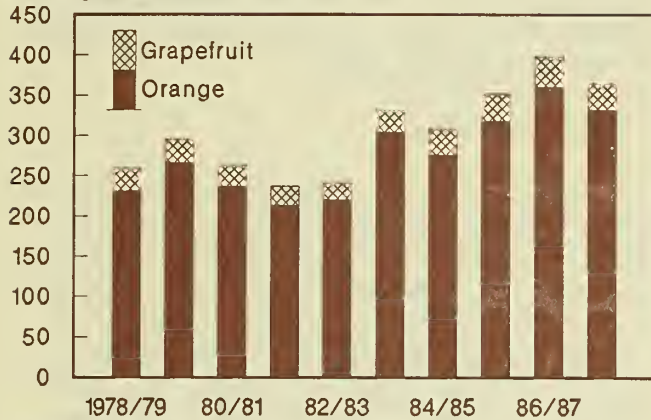
#### *Sluggish Movement of Chilled Orange Juice*

The larger Florida orange crop and higher juice yield have also resulted in an increased pack of chilled orange juice (COJ), totaling



## Florida Packs of Chilled Citrus Juice

Million gallons



1987/88 pack through August 20. Season beginning October.

332 million gallons (including fruit, single-strength reprocessed, and FCOJ) through August 20, up 4 percent from a year earlier. Reduced FCOJ prices have also recently boosted movement of Florida's COJ to the domestic market to slightly above a year ago, but export shipments, although small, have expanded 19 percent through August 20. The increased movement from Florida also probably indicates increased sales of COJ outside of Florida, as a sizeable quantity of imported FCOJ is widely reprocessed to COJ at processing plants in the Midwest and Northeast.

### *Supplies of Canned Orange Juice Smaller*

Despite larger carryin stocks, the Florida canned orange juice supply is moderately less than last season because of the substantially reduced pack. Through August 20, Florida packers had canned 6.4 million cases of single-strength orange juice (24-2's), down substantially from a year earlier.

Higher prices and consumer preference for COJ have shrunk movement of canned orange juice, which totaled 6.6 million cases through August 20, compared with 7.1 million a year earlier. Prices have been steady at \$13.65 a case of 12/46 ounces (sweetened and unsweetened, f.o.b. Florida canneries), compared with \$11.25 a year ago. Reduced pack more than offset sluggish movement and larger carryin stocks, resulting in stocks on August 20 significantly below a year earlier. Slow movement is likely to keep prices steady

throughout the season even with reduced stocks.

### *Brazilian Citrus Outlook*

The 1988 orange crop in the commercial citrus zone of Sao Paulo is forecast at 230 million boxes, up almost 5 percent from the previous year. The increase is largely attributed to an expansion in the number of bearing trees along with anticipation of a more thorough harvest resulting from attractive fruit prices.

The number of bearing orange trees in Sao Paulo during the 1988/89 season is forecast by the Brazilian Government at 128 million, compared with 119 million in 1987/88 and only 101 million in 1985/86. However, yield fell from 370 boxes per hectare in 1987 to 358 boxes in 1988. The size of Sao Paulo's orange crop would have been significantly larger if not for unusually hot, dry weather during July-September 1987, which adversely affected the important first bloom. Though this was followed by successful second, third, and fourth blooms, which improved crop prospects, the late start caused a 4-6 week delay in the 1988/89 juice marketing season.

The 1988/89 Brazilian orange juice production is currently forecast at 705,000 metric tons (65 degree Brix), of which 693,000 will come from Sao Paulo. With carryin stocks of 43,000 metric tons, total FCOJ supply during 1988/89 is estimated at 748,000 metric tons, down 4 percent from last season. Brazilian FCOJ exports during 1988/89 are forecast at 640,000 metric tons at 65 degree Brix (220.7 million gallons at 42 degree Brix), down 11 percent from the previous season. The reduced shipping volume largely represents decreased export availabilities resulting from an unchanged production volume together with a substantial cut in carryin stocks. However, prospects for a larger 1988/89 Florida orange crop and higher prices probably will result in reduced U.S. demand for Brazilian orange juice.

Western Europe is expected to be the largest customer for Brazilian orange juice in the 1988/89 marketing season, taking as much as 45 percent of Brazil's total exports. As Florida continues to recover, Brazilian FCOJ sales are shifting back to Europe. (For more

detailed information, see "Horticultural Products Review," June 1988, FAS-USDA).

## Grapefruit

### *A Moderately Larger Crop*

The final forecast for the 1987/88 U.S. grapefruit crop is 68.2 million boxes, 8 percent above 1986/87. This is the fourth consecutive increase since the freezes, but still 8 percent below the record crop in 1976/77. Production has gradually recovered in Florida and Texas. The Florida crop is estimated at 54 million boxes, up 8 percent from 1986/87, but still slightly below the 1979/80 record crop. Texas's crop is estimated at 3.8 million boxes, about more than doubling the previous year's production and well above 9,000 boxes in 1985/86. Production is estimated at 1.5 and 8.9 million boxes in Arizona and California, down 32 and 2 percent, respectively. Harvest is complete in all States except California.

Demand for Florida grapefruit has been strong during the 1987/88 season. Strong export markets and the anticipation of increased demand for processed grapefruit products strengthened grower prices for both fresh and processing fruit. In contrast, sharply increased production in Texas weakened grower prices to levels well below last season's high. Prices for Arizona and California grapefruit have been mixed, with generally higher prices reported for Arizona and lower prices for California. The July on-tree returns for California grapefruit sold

fresh averaged \$7.60 a box, compared with \$9.02 a year ago. At the same time, on-tree returns for Arizona grapefruit sold fresh averaged \$4.08, up 47 percent from a year earlier. Prices may remain relatively high for the balance of the season.

### *Exports Up Sharply*

During 1987/88 (September-June), exports totaled 427,193 metric tons, up 31 percent from a year earlier as sharp increases were recorded for all major destinations. Purchases by the EC increased 37 percent, with France--the leading EC customer--taking 4 percent more than the preceding year. The Netherlands, the second leading customer, bought 17 percent more. Combined purchases from these two countries accounted for 63 percent of the total EC purchases, compared with 80 percent a year ago. Japan, the leading U.S. customer worldwide, boosted its purchases by 19 percent from a year before. Japan's purchases accounted for 86 percent of total U.S. shipments to the East Asia and Pacific region, and 51 percent of total U.S. exports. Shipments to Canada are strong, up 31 percent from a year ago.

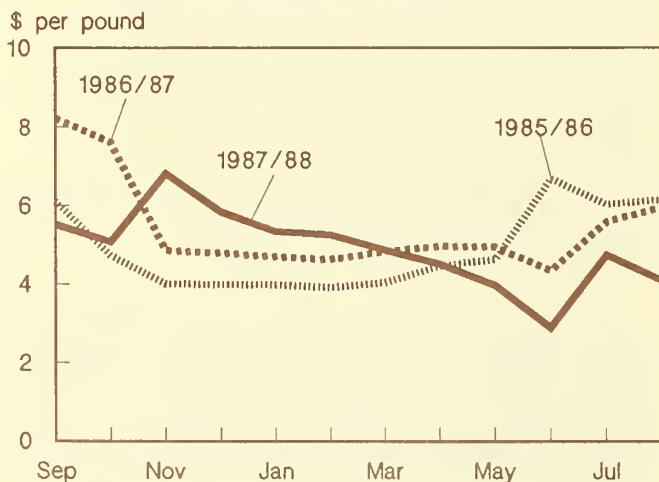
The weak dollar and increased promotion under the TEA program have contributed to strong sales abroad. Increased exports to Japan are likely to continue under the U.S.-Japan trade agreement, which reduces Japanese tariffs on imports of U.S. fresh grapefruit.

### *Grapefruit Juice Pack Mixed*

Florida packers processed 32 million gallons of frozen concentrated grapefruit juice (FCGJ) through August 20, up 10 percent from a year before. In addition to larger carryin stocks, the total supply of FCGJ will be substantially more than the preceding season. Because of higher prices, movement is running slightly behind last season. The f.o.b. price has been steady at \$4.67 a dozen 6-ounce cans (private brand, Florida canneries), compared with \$4.43 a year ago. Stocks on August 20 were well above last season. Consequently, sluggish movement and larger stocks are likely to keep prices steady during the remainder of the season.

Because of continued weak demand, Florida packers have processed only 7.0

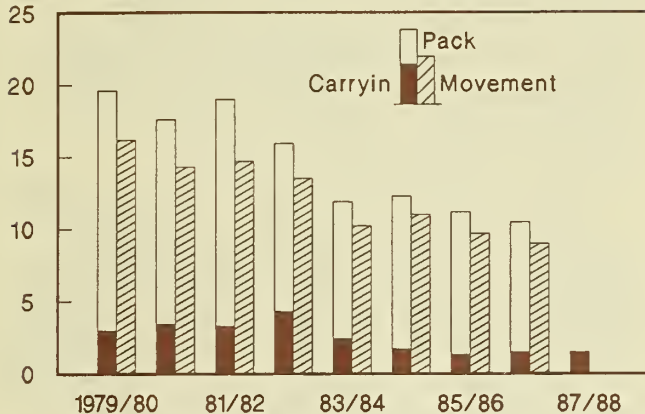
### **All Grapefruit: U.S. Equivalent On-Tree Returns Received by Growers**





## Florida Canned Grapefruit Juice: Pack, Movement, and Stocks

Million cases\*



\* 24/2's. Season beginning October.

million cases (24-2's) of canned single-strength grapefruit juice from October 1 through August 20, down 16 and 25 percent, respectively, from the two preceding seasons. The smaller pack combined with reduced carryin stocks mean a reduced supply this season. Higher prices and consumer preference for FCGJ and chilled grapefruit juice (CGJ) have resulted in sluggish movement of canned grapefruit juice. The f.o.b. price has been steady at \$11.25 a dozen 46-ounce cans of single-strength grapefruit juice (sweetened and unsweetened, Florida canneries), compared with \$10.65 a year ago. Reduced carryin stocks and pack more than offset sluggish movement, resulting in stocks as of August 20 well below a year before.

In contrast, Florida CGJ output has trended upward. As of August 20, Florida packers processed 33 million gallons of CGJ (excluding single-strength reprocessed), up slightly from a year ago. The increase was from larger utilization of FCGJ, while the quantity of CGJ processed from fruit fell moderately. Higher prices have weakened movement of CGJ to levels slightly behind last season. The larger pack more than offset reduced movement and carryin stocks, resulting in stocks on August 20 well above a year earlier.

### Lemons

#### *Sharply Smaller Crop*

The 1987/88 California and Arizona crop is estimated at 21 million boxes, 27 percent

below the previous year, but still 14 percent above 1985/86. The California forecast, 17 million boxes, is 21 percent below last season, while the Arizona crop is off 44 percent from 1986/87. Arizona's lemon-bearing area was 15,000 acres in 1986/87, a decrease of 6 percent from 1985/86, while California's lemon-bearing was 48,000 acres in 1987/88, down slightly from 1986/87.

#### *Shipments Down Sharply*

Because of the smaller crop, total movement during 1987/88 was well behind the preceding season's pace, with processing use especially off. Domestic movement of fresh lemons was up slightly, while the export market was weak. Reduced exports were reported to all major areas. Japan, the leading U.S. customer, has purchased moderately less in 1987/88 (August-June) than a year ago. Consequently, Japan's share of total U.S. exports was 85 percent this season, down 1 percent from last year.

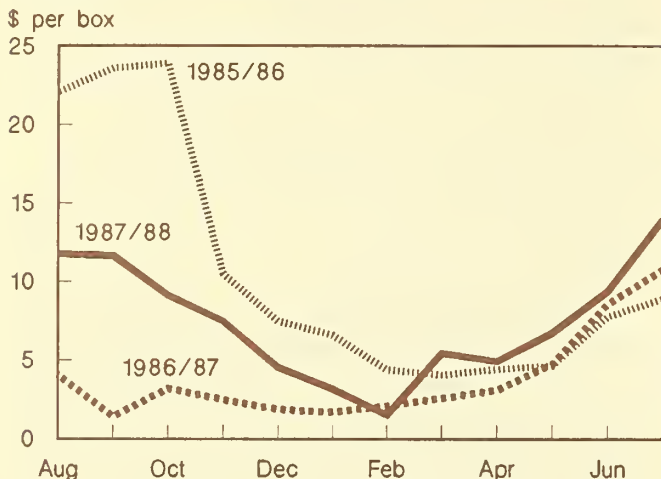
Exports to the EC totaled 2,699 metric tons, down 10 percent from a year earlier. Demand within the EC for Spanish lemons has been strong because of a large drop in Italy's lemon crop. Spanish lemon exports in 1987/88 are currently forecast at 325,000 metric tons, up 40,000 metric tons from earlier expectations but still 55,000 metric tons below a year earlier because of a reduction in exportable supplies. U.S. lemon exports to the EC will probably improve somewhat because the U.S.-EC Citrus Agreement reached in August 1986 further specifies cuts in EC duties for lemons--from 8 to 6 percent for 6,000 tons, January 15-June 14. These will be initiated once U.S. tariff cuts, also called for in the agreement, are implemented.

Exports of fresh lemons to Canada fell only slightly from the previous season.

#### *Prices Strong*

F.o.b. prices for fresh lemons have been very strong this season in response to the smaller crop. Prices rose substantially because of seasonally higher demand and reduced supplies. According to industry figures, the 1987/88 season-average f.o.b. price was \$15.35 a carton, up 52 percent from a year earlier. Small early-season supplies are likely to keep prices strong throughout the

### All Lemons: U.S. Equivalent On-Tree Returns Received by Growers



summer. The industry currently forecasts that the 1988/89 crop will be moderately above the preceding season. The official USDA forecast will be released October 12.

## BERRIES

### Strawberries

#### Record Crop

The 1988 strawberry crop in the major States is forecast at a record 1.1 billion pounds, up 4 percent from 1987. The larger crop is attributed to higher yield, while harvested acreage is down slightly. Estimates place the spring strawberry crop at 979 million pounds, up 2 percent from 1987. California, the leading strawberry State, with a crop of 823 million pounds, is up 3 percent and accounts for 87 percent of the total spring crop. The increase results from both higher yield and increased acreage. Oregon, the second largest producer, is likely to yield 90 million pounds, off 4 percent from last year. There was very little frost damage, but a cool, rainy spring delayed the Oregon strawberry season. A smaller crop is also estimated for Washington as the cool spring weather reduced pollination and set. Yields are estimated to be well below last season. In contrast, cool spring weather in Michigan likely will result in a 4-percent larger crop than last year, at 13.7 million pounds, reflecting increased yields.

Shipments of fresh strawberries through mid-August were well ahead of last year.

Strong demand has kept f.o.b. prices significantly higher than a year ago. In mid-August, the f.o.b. price for fresh strawberries in central California was quoted at \$7 a 12-pint tray (medium to large size), compared with \$5-\$6 a year earlier. Prices are expected to remain strong because of tapering supplies and strong demand.

The larger beginning stocks have slowed deliveries of strawberries to freezers in California. A total of 174 million pounds were shipped through August 20 this year, off 20 percent from a year earlier. Reduced demand has weakened prices. In mid-August, prices paid to growers for processing strawberries, delivered to plant or receiving station, were quoted at a range of 23 to 25 cents a pound for various varieties, compared to 25 to 35 cents a year ago. The smaller crop and larger stocks have also resulted in reduced deliveries of processing strawberries to freezers in the Northwest. Field prices in the Northwest have been much lower than last year, ranging from 25 to 31 cents a pound, compared with 35 to 47 cents a year earlier. The overall pack of frozen strawberries on the West Coast will likely be well below last season (table 10).

Imports of frozen strawberries totaled 23,312 metric tons from January to June 1988, down 26 percent from a year ago. Most of the decrease was from Mexico, which traditionally accounts for almost 85 percent of the U.S. total. Sharply larger early-season stocks of U.S. frozen strawberries contributed to smaller imports. Mexico's production of frozen strawberries in 1987/88 is estimated to be 39 percent larger than the previous year, because of large fresh production and low frozen inventories. In March 1988, prices of

Table 10.—Strawberry deliveries for freezing, 1987-88

State	1987	1988
Million pounds		
California 1/	218.0	173.8
Oregon 2/	89.6	81.5
Washington 2/	21.2	13.1
Total	328.8	273.4

1/ Through August 20. 2/ For the season.

SOURCE: Food Institute Report.



frozen strawberries for export to the United States ranged from 35 to 45 cents per pound, compared with 54 to 78 cents a year earlier.

## TREE NUTS

### Almonds

#### Third Largest Production Expected

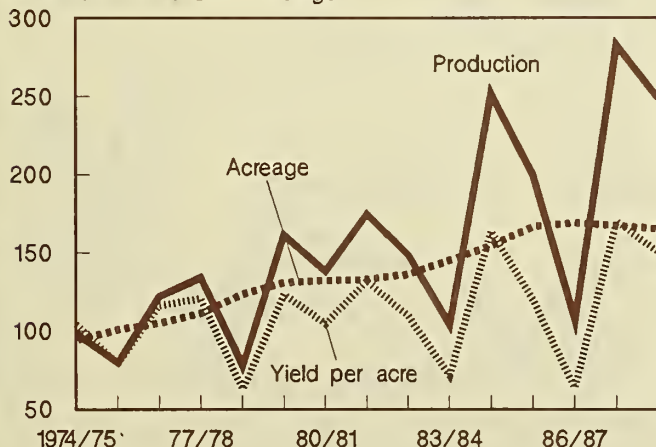
The final forecast for the 1988 almond crop is 580 million pounds, (shelled basis), 12 percent below last year's record crop of 660 million pounds (see table 11). The 1988 crop forecast is based on 406,000 bearing acres.

The crop is progressing well and appears to be slightly ahead of normal. Condition and quality are good. Nut size is normal with no insect problems reported. Yield per acre this year is projected at 1,429 pounds (shelled basis), compared with 1,610 pounds per acre in 1987.

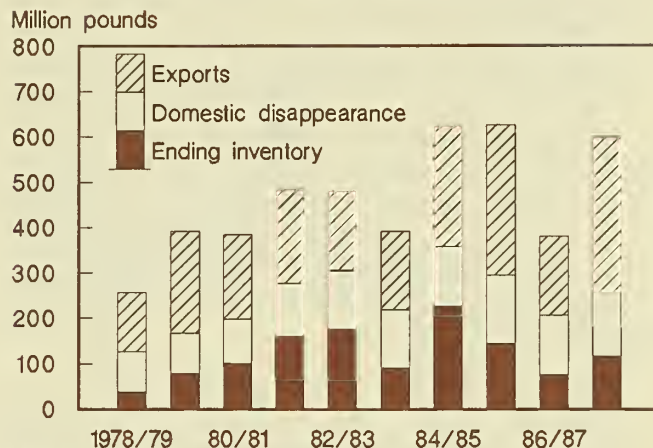
Domestic almond shipments totaled 140 million pounds during the 1987/88 marketing season, up 8 percent from the previous season. Export sales were more than 342 million pounds, compared with 174 million pounds during the 1986/87 marketing year. Almonds are exported to nearly 100 countries, with most countries sharing in the increase in exports last season. The leading importer of U.S. almonds was West Germany, followed by Japan, France, and the U.S.S.R. Despite record production in 1987, strong demand and record sales have resulted in an adequate

#### California Almonds: Acreage, Production, and Yield

% of 1974/75-1976/77 average



## U.S. Almond Supply and Utilization



Season beginning July 1. 1988 preliminary.

carryover supply. All of the saleable carryover stocks have been committed, but ample stocks from the 1987 reserve pool will be available during 1988/89.

With total supplies near year-ago levels and with strong demand, prices may improve slightly and average above the 1987 season. Also, the Almond Board of California has established a marketing policy of 75-percent saleable for domestic and export markets, with the remaining 25 percent of 1988 production to be placed into the unallocated reserve.

Opening f.o.b. shelled product prices are comparable to a year ago. Mid-size select sheller run (25/27 through 27/30 ct.) are posted at \$1.35 per pound, with Nonpareil Supreme 25/27's through 27/30's \$1.50 per pound, f.o.b. West Coast. In 1987, the U.S. average grower price was \$0.95 per pound, compared with the record \$1.92 in 1986.

Trade sources indicate that world almond production is expected to fall from the record level of 879 million pounds set last year. However, because of large carryover stocks, total world supply of almonds is expected to be up about 4 percent.

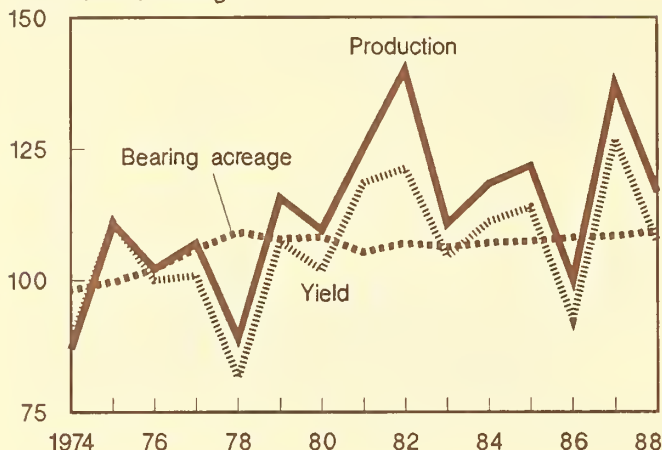
## Walnuts

#### Normal Crop is Forecast

The preliminary estimate for California's 1988 production of English walnuts is 210,000

## California Walnuts: Acreage, Production, and Yield Per Acre

% of 1974-76 average



tons (in-shell basis), 15 percent below last year's record 247,000 tons. Yield this year is expected to average 1.16 tons per acre compared with the record 1.37 tons in 1987. Bearing acreage in 1988 is forecast at 181,700 acres, compared with 180,300 last year.

The 1988-crop nut set is lighter than last year, but the crop is sizing well. All varieties appear to be in good condition. Very little blight is apparent.

According to the Walnut Marketing Board, in-shell shipments for the 1987/88 marketing year totaled nearly 143 million pounds (73 percent to export destinations) compared with 132 million pounds (71 percent for export) during 1986/87. Shelled shipments (shelled basis) during 1987/88 totaled 126 million pounds (87 percent to domestic markets), compared with 106 million pounds (88 percent for domestic) during the previous marketing year.

In-shell walnut exports during the 1987/88 marketing season rose 11 percent to 104 million pounds. Canada and most European countries increased their purchases, while countries in the Pacific area and Central and South America decreased theirs. Exports of shelled walnuts increased 30 percent to 16 million pounds. Canada, Israel, and most European countries raised their purchases, while the Pacific area was generally steady.

World production of walnuts during the 1987/88 season was 491,600 metric tons, compared with 425,800 during 1986/87.

Prospects for the 1988/89 season are likely to decline due to the smaller U.S. crop, but crop size is still unknown in other major producing countries such as China, Turkey, and the EC.

## Filberts

### Fourth Largest Crop

U.S. filbert production is forecast at 18,000 short tons for 1988, 17 percent below 1987. Filbert trees were affected by a very dry fall and winter, resulting in unfavorable pollination conditions. Nut set was lighter than in 1987; however, nut size and weight are above 1987 averages. There is some evidence of brown stain in this crop, and some orchards have been pruned back severely to control blight. Crop development is later than normal and there is concern over the hot, dry weather's impact on kernel growth.

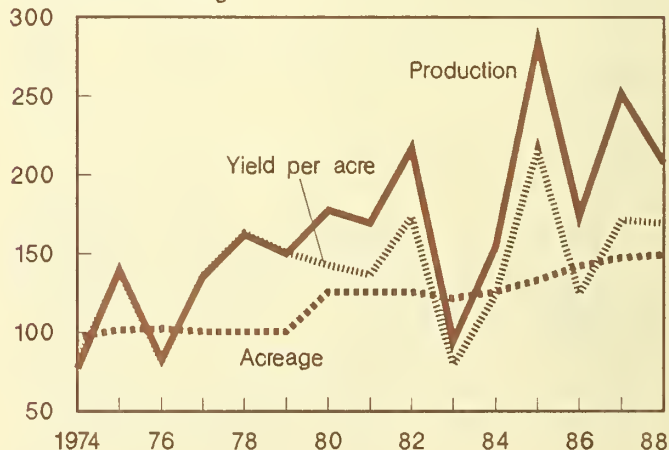
The number of bearing trees continues to increase. The 1987 bearing acreage was 25,800, up 4 percent from 1986. Yield was .84 ton per acre compared with .61 the previous season. Prices received by growers were strong, averaging \$959 per ton compared with \$726 during the 1986/87 season. World production of filberts totaled 431,800 metric tons in 1987/88, compared with 422,700 in 1986/87. A large supply is expected again for the 1988/89 season.

### Prospects for Other Tree Nuts Mixed

Macadamia nut production in 1987 was 42.7 million pounds (net wet in-shell basis),

## U.S. Filberts: Acreage, Production, and Yield

% of 1974-76 average





down 3 percent from the previous season's all-time high. Acreage harvested was a record 15,600, but yield fell sharply to 2,700 pounds per acre due to adverse weather. The drop in production and strong consumer demand pushed the average farm price to 84.0 cents per pound, a new record. The 1988 production is expected to rebound from last year due to a better yield and additional bearing acreage. Prices are expected to remain relatively unchanged.

Trade sources report that world supplies of Brazil nuts will be short, and prices are likely to be substantially higher. Production of cashews last year in Brazil was a record 130,000 metric tons, and 1988 is expected to be another good size crop. Harvesting starts in late September. Production of cashews in India is lower, causing prices to be erratic after last year's record levels.

Pistachio production totaled 47,300 metric tons for major countries (excluding Iran) in the 1987/88 season, compared with

57,600 in 1986/87. Production in California was only 33.1 million pounds in 1987, down sharply from the record crop of 74.9 million pounds in 1986. The 1988 California crop prospects are excellent, and production may exceed the record due to improved yields from last year and new bearing acres. Production in foreign countries for 1988 is expected to rebound, as yields were generally below normal in 1987. Prices should moderate from last year.

Pecan supplies should be ample, as trade sources expect a good crop and cold storage holdings are near a year ago (table 12). U.S. production in 1987 was 262.2 million pounds, down 4 percent from the previous crop, but supplies were higher due to a large carryover. Prices averaged 53.1 cents per pound to the U.S. grower in 1987/88, compared with 72.1 cents in 1986/87. Production is on an upward trend in the United States and Mexico; prices are not likely to increase significantly unless weather and other factors reduce supplies.

Table 11.--Tree nuts: Production, 1986, 1987, and indicated 1988

Crop and State	1986	1987	1988
	1,000 lbs. (kernel weight)		
Almonds:			
California	250,000	600,000	580,000
	Short tons (in-shell)		
Walnuts, English:			
California	180,000	247,000	210,000
Filberts:			
United States	15,100	21,800	18,000
	1,000 lbs. (in-shell)		
Pecans:			
United States	272,700	262,200	N.A.
Macadamia nuts:			
Hawaii	44,000	42,700	N.A.
Pistachios:			
California	74,900	33,100	N.A.

N.A.= not available.

SOURCE: Crop Production, NASS, USDA.

Table 12.--Tree nuts in cold storage, June 30, 1986-88

Kinds	1986	1987	1988
	Million pounds		
Almonds:			
In-shell	5.1	0.4	2.9
Nutmeats	135.0	129.9	106.8
English walnuts:			
In-shell	29.1	.6	1.1
Nutmeats	20.0	32.3	81.0
Filberts:			
In-shell	.7	.4	1.3
Nutmeats	3.2	1.6	2.5
Pecans:			
In-shell	52.6	47.0	47.8
Nutmeats	35.8	41.8	40.5
Other tree nuts:			
In-shell	2.4	1.8	13.3
Nutmeats	10.7	17.4	12.5
Total:			
In-shell	89.9	50.2	66.4
Nutmeats	204.7	223.0	243.3

SOURCE: Cold Storage, NASS, USDA.

Table 13.--Apples, commercial crop 1/: Total production and season-average prices received by growers, 1986, 1987, and indicated 1988 production

State and area	Production 2/			Price per pound	
	1986	1987	1988	1986	1987
	Million pounds			Cents	
<b>Eastern States:</b>					
Maine	88.0	75.0	84.0	19.2	19.1
New Hampshire	50.0	50.0	53.0	20.0	22.4
Vermont	49.0	44.0	42.0	17.7	18.0
Massachusetts	95.0	96.0	94.0	19.6	20.6
Rhode Island	5.5	5.0	5.5	22.3	23.3
Connecticut	47.0	45.0	43.0	19.3	20.9
New York	900.0	880.0	790.0	10.1	9.2
New Jersey	100.0	80.0	80.0	12.4	12.4
Pennsylvania	620.0	460.0	470.0	8.3	9.0
Delaware	27.0	26.0	25.0	9.1	10.6
Maryland	87.0	40.0	48.0	11.3	10.3
Virginia	460.0	481.0	460.0	9.7	9.3
West Virginia	230.0	180.0	210.0	10.6	7.5
North Carolina	120.0	390.0	330.0	8.5	6.4
South Carolina	30.0	45.0	36.0	13.5	8.4
Georgia	30.0	50.0	30.0	16.0	11.3
Total	2,938.5	2,947.0	2,800.5		
<b>Central States:</b>					
Ohio	90.0	150.0	95.0	17.4	15.8
Indiana	37.0	72.0	60.0	18.6	17.0
Illinois	90.0	103.0	90.0	16.0	11.9
Michigan	700.0	1,050.0	700.0	9.3	7.6
Wisconsin	58.0	65.0	53.0	17.1	15.5
Minnesota	19.0	26.0	15.0	30.5	23.0
Iowa	5.5	10.0	12.0	26.8	20.3
Missouri	37.0	53.0	51.0	20.5	9.9
Kansas	3.0	12.0	11.0	23.9	14.7
Kentucky	4.0	21.0	13.0	20.8	15.3
Tennessee	9.0	15.0	13.0	18.5	13.4
Arkansas	10.0	4.0	10.0	13.3	11.9
Total	1,062.5	1,581.0	1,123.0		
<b>Western States:</b>					
Idaho	94.0	149.0	130.0	22.2	10.2
Colorado	18.0	125.0	70.0	9.7	6.7
New Mexico	6.0	12.6	12.6	19.0	15.6
Utah	34.0	68.0	42.0	13.8	7.4
Washington	3,160.0	4,800.0	3,200.0	15.5	6.8
Oregon	105.0	210.0	145.0	10.6	5.4
California	515.0	650.0	550.0	16.3	11.1
Total	3,932.0	6,014.6	4,149.6		
United States	7,933.0	10,542.6	8,073.1	13.4	8.5

1/ In orchards of 100 or more bearing trees. 2/ Includes unharvested production and harvested not sold (million pounds): United States: 1986-25.7; 1987-300.8.

SOURCES: Crop Production (production data), Noncitrus Fruits and Nuts Summary (prices), NASS, USDA.



Table 14.--Grapes: Total production and season-average prices received by growers in principal States, 1986, 1987, and indicated 1988 production

State	Production 1/			Price per ton 2/	
	1986	1987	1988	1986	1987
		Short tons		Dollars	
New York	164,000	178,00	166,000	201.00	228.00
Pennsylvania	60,000	62,500	60,000	180.00	235.00
Ohio	8,000	10,000	9,000	220.00	216.00
Michigan	32,000	60,000	50,000	247.00	260.00
Missouri	2,900	2,750	3,200	310.00	351.00
North Carolina	1,500	1,800	2,200	385.00	360.00
Georgia	2,000	2,700	2,500	792.00	870.00
South Carolina	500	700	1,100	352.00	344.00
Arkansas	6,000	5,000	7,000	212.00	269.00
Arizona	23,000	31,000	27,500	1,090.00	1,010.00
Washington	156,000	249,500	200,000	238.00	225.00
California:					
Wine	2,105,000	1,950,000	2,050,000	207.00	248.00
Table	620,000	510,000	680,000	306.00	426.00
Raisin 3/	2,045,000	2,200,000	2,250,000	209.00	229.00
All	4,770,000	4,660,000	4,980,000	221.00	259.00
United States	5,225,000	5,263,950	5,508,500	224.00	259.00

1/ Includes unharvested production and harvested not sold (tons): United States 1986-600; 1987-13,500. 2/ Price derived from unrounded data for California all varieties and raisin varieties. 3/ Fresh basis.

SOURCES: Crop Production (production data), Noncitrus Fruits and Nuts Summary (prices), NASS, USDA.

Table 15.--Wine: Inventories in California, other States, and United States 1/

Area and type of wine	as of March 31		
	1988 3/	1987 4/	1986 4/
1,000 gallons			
California:			
Table	403,937	433,393	457,170
Dessert	32,431	33,924	38,580
Other	34,640	26,719	26,566
Total	471,008	494,036	522,316
Other States:			
Table	35,036	35,921	31,741
Dessert	5,001	6,701	8,267
Other	6,605	5,656	5,816
Total	46,642	48,278	45,824
United States 2/:			
Table	438,973	469,314	488,910
Dessert	37,432	40,625	46,847
Other	41,245	32,375	32,383
Total	517,650	542,314	568,140

1/ Inventories in bonded wineries and wine cellars. Excludes substandard wine produced as distilling material. 2/ Sum of components may not be equal to total in all cases as a result of rounding. 3/ Preliminary. 4/ Sum of figures for California and Other States may not equal U.S. totals because U.S. totals are revised figures, which are not available for individual States.

SOURCE: Wine Institute's Economic Research Department base on data obtained from reports of the Bureau of Alcohol, Tobacco, and Firearms.



Table 16.--Wine entering U.S. distribution channels by origin and type 1/

Origin and type of wine	January-March			Calendar year		
	1988 2/	1987	1986	1987 2/	1986	1985
	1,000 gallons					
U.S. produced: 3/						
Table	23,511	25,689	23,722	274,165	268,216	265,980
Dessert	2,109	3,094	2,767	33,041	31,740	30,778
Other	14,359	17,109	11,305	178,771	178,409	146,830
Total	5/ 39,979	46,072	37,794	485,977	478,365	443,588
Foreign: 4/						
Table	5,276	5,613	7,378	65,877	83,539	111,991
Dessert	273	357	235	3,190	3,250	3,509
Other	1,500	2,779	1,427	27,234	21,910	21,204
Total	7,049	8,749	9,040	96,301	108,699	136,704
All wine:						
Table	28,787	31,302	31,100	340,042	351,755	377,971
Dessert	2,381	3,451	3,002	36,231	34,990	34,287
Other	15,860	20,068	12,731	206,005	200,319	168,034
Total	47,028	54,821	46,833	582,278	587,064	580,292

1/ Sum of components may not equal total in all cases as a result of rounding. 2/ Preliminary. 3/ Includes taxable withdrawals only. 4/ Imports for consumption. 5/ Appears to be overstated. Wine Institute has requested that BATF verify the accuracy of figures reported for this category.

SOURCE: Wine Institute's Economic Research Department from reports of the Bureau of Alcohol, Tobacco, and Firearms.

Table 17.--Pears: Total production and season-average prices received by growers by States and Pacific Coast, variety comparison, 1986, 1987, and indicated 1988 production

State and area	Production 1/			Price per ton 2/	
	1986	1987	1988	1986	1987
	Short tons			Dollars	
Connecticut	1,600	1,450	1,600	485.00	500.00
New York	19,000	15,000	17,300	210.00	259.00
Pennsylvania	3,800	3,200	2,500	325.00	270.00
Michigan	11,000	8,000	10,000	233.00	236.00
Colorado	1,750	8,000	3,500	280.00	199.00
Utah	2,200	3,600	2,200	345.00	272.00
Washington	266,000	336,000	280,000	285.00	199.00
Oregon	167,000	228,000	195,000	304.00	192.00
California	294,000	337,000	306,000	232.00	192.00
United States	766,350	940,250	818,100	267.00	197.00
Pacific Coast:					
Washington:					
Bartlett	126,000	171,000	140,000	225.00	189.00
Other	140,000	165,000	140,000	339.00	210.00
Total	266,000	336,000	280,000	285.00	199.00
Oregon:					
Bartlett	55,000	78,000	70,000	243.00	183.00
Other	112,000	150,000	125,000	331.00	197.00
Total	167,000	228,000	195,000	304.00	192.00
California:					
Bartlett	285,000	325,000	295,000	223.00	176.00
Other	9,000	12,000	11,000	522.00	645.00
Total	294,000	337,000	306,000	232.00	192.00
3 States:					
Bartlett	466,000	574,000	505,000	226.00	181.00
Other	261,000	327,000	276,000	342.00	220.00
Total	727,000	901,000	781,000		

1/ Includes unharvested production and harvested not sold (tons): United States 1986-6,000; 1987-2,650. 2/ All prices.

SOURCES: Crop Production (production data), Noncitrus Fruits and Nuts Summary (prices), NASS, USDA.



Table 18.--Plums and prunes: Production and season-average prices received by growers in principal States, 1986, 1987, and indicated 1988 production

State and area	Production			Price per ton 1/	
	1986 2/	1987 2/	1988	1986	1987
	Short tons			Dollars	
Prunes and plums: 3/					
Michigan	11,000	16,000	12,000	243.00	144.00
Idaho	5,000	6,200	5,000	477.00	134.00
Washington	9,100	12,300	10,000	366.00	136.00
Oregon	23,000	19,000	23,000	161.00	151.00
Total 4 States	48,100	53,500	50,000	260.00	143.00
Dried prunes:					
California	99,000	228,000	4/ 160,000	819.00	730.00
Plums:					
California	152,000	245,000	250,000	657.00	308.00
United States (fresh basis)	491,200	977,900	780,000		

1/ All prices. 2/ Includes unharvested production and harvested not sold (tons): United States 1986-4,000; 1987-4,300. 3/ Mostly prunes, however estimates include small quantities of plums in all States. 4/ Dry-fresh ratio is 3 to 1.

SOURCES: Crop Production (production data), Noncitrus Fruits and Nuts Summary (prices), NASS, USDA.

Table 19.--Strawberries: Acreage, yield per acre, and production for major States, 1986, 1987, and indicated 1988 1/

Crop and State	Acreage			Yield per acre			Production		
	1986	1987	1988	1986	1987	1988	1986	1987	1988
	Acres			Cwt			1,000 cwt		
Early:									
Florida	4,900	4,900	5,000	185	225	270	907	1,103	1,350
Late:									
California	15,600	16,800	17,000	505	490	500	7,878	8,232	8,500
Louisiana	550	600	700	62	72	75	34	43	53
Michigan	2,400	2,200	2,100	60	60	65	144	132	137
New Jersey	900	800	700	42	53	50	38	42	35
Oregon	7,300	7,800	7,800	87	120	115	635	936	900
Washington	2,800	2,500	2,200	50	96	77	140	240	169
Group total	29,500	30,700	30,500	300	314	321	8,869	9,625	9,794
Major State total	34,450	35,600	35,500	284	301	314	9,776	10,728	11,144

1/ Includes fresh market and processing.

SOURCE: Vegetables, NASS, USDA.

Table 20.—Canned noncitrus fruit: Cannery stocks, packs, supplies, and shipments, 1985/86-1987/88

Item and season 1/	Carryin	Pack	Total supply	Season shipments	June 1 stocks
1,000 equivalent cases 24 No. 2-1/2's					
Total:					
1985/86	8,709	39,264	47,973	34,904	13,069
1986/87	13,069	33,000	46,069	38,060	8,009
1987/88	8,009	37,012	45,021	39,305	5,716
Apricots 2/:					
1985/86	544	1,532	2,076	1,712	364
1986/87	364	505	869	831	38
1987/88	38	1,281	1,319	1,187	132
Fruit cocktail 2/:					
1985/86	1,658	10,058	11,716	8,743	2,973
1986/87	2,973	8,976	11,949	9,679	2,270
1987/88	2,270	9,344	11,614	9,932	1,682
Fruits for salad & mixed 2/:					
1985/86	671	2,509	3,180	2,114	1,066
1986/87	1,066	1,845	2,911	2,210	701
1987/88	701	2,433	3,134	2,565	569
Peaches, clingstone 2/:					
1985/86	4,191	17,352	21,543	15,895	5,648
1986/87	5,648	14,465	20,113	16,779	3,334
1987/88	3,334	14,829	18,163	16,811	1,352
Pears:					
1985/86	1,645	7,813	9,458	6,440	3,018
1986/87	3,018	7,209	10,227	8,561	1,666
1987/88	1,666	9,125	10,791	8,810	1,981

1/Season begins June 1. 2/ California only.

SOURCES: California League of Food Processors and Northwest Food Processors Association.



Table 21.--Canned cherries and purple plums: Canners' stocks, packs, supplies, and shipments, 1985/86-1987/88

Item and season 1/	Carryin	Pack	Total supply	Shipments to April 1	Stocks from April 1	Shipments from April 1	Total season shipments
1,000 equivalent cases 24 No. 2-1/2's							
Total:							
1985/86	408	1,437	1,845	1,085	759	266	1,342
1986/87	502	1,212	1,714	1,058	656	204	1,263
1987/88	451	1,413	1,864	1,226	640	264	1,490
Cherries, RSP:							
1985/86	93	390	483	343	139	78	421
1986/87	61	253	314	234	80	42	276
1987/88	38	474	512	379	134	93	472
Cherries, sweet:							
1985/86	131	405	536	311	225	74	376
1986/87	160	327	487	327	160	64	391
1987/88	96	451	547	340	207	56	396
Purple plums, U.S.:							
1985/86	184	642	826	431	395	114	545
1986/87	281	632	913	497	416	98	596
1987/88	317	488	805	507	299	115	622

1/ Season beginning July 1 for RSP cherries and June 1 for all other items.

SOURCE: National Food Processors Association.

Table 22.--Canned fruit: Commercial pack of principal items by size of container, United States, 1985/86-1987/88  
(basis equivalent cases of 24 No. 2-1/2 cans)

Item and season 1/	Retail size 2/		Institutional size No. 10		Item and season 1/	Retail size 2/		Institutional size No. 10		Total pack
	Quantity	Percent of pack	Quantity	Percent of pack		Quantity	Percent of pack	Quantity	Percent of pack	
Apricots:										
1985/86	743	48.5	789	51.5	1,532	1,457	58.1	1,052	41.9	2,509
1986/87	281	55.6	224	44.4	505	962	52.1	883	47.9	1,845
1987/88	741	57.8	540	42.2	1,281	1,283	52.7	1,150	47.3	2,433
Cherries, RSP:										
1985/86	249	63.8	141	36.2	390	11,096	63.9	6,256	36.1	17,352
1986/87	169	66.8	84	33.2	253	9,609	66.4	4,856	33.6	14,465
1987/88	288	60.8	186	39.2	474	9,993	67.4	4,836	32.6	14,829
Cherries, sweet:										
1985/86	227	56.0	178	44.0	405	4,485	57.4	3,328	42.6	7,813
1986/87	179	54.7	148	45.3	327	4,142	57.5	3,067	42.5	7,209
1987/88	254	56.3	197	43.7	451	5,074	55.6	4,051	44.4	9,125
Fruit cocktail 3/:										
1985/86	6,851	68.1	3,207	31.9	10,058	250	38.9	392	61.1	642
1986/87	6,417	71.5	2,559	28.5	8,976	281	44.5	351	55.5	632
1987/88	6,863	73.4	2,481	26.6	9,344	208	42.6	280	57.4	488

1/ Season beginning July 1 for RSP cherries and June 1 for all other items. 2/ May include some institutional sizes reported as miscellaneous. 3/ California only.

SOURCES: National Food Processors Association and California League of Food Processors.



Table 23.--Frozen fruit: Packers' carryin, pack, imports, supplies, apparent disappearance, and stocks of selected items, United States, 1985/86-1987/88

Item and season 1/	Carryin	Pack	Imports	Total supply	Disappearance to Mar. 31	Stocks Mar. 31	Total season disappearance
Million pounds							
<b>Total:</b>							
1985/86	211.8	502.3	78.3	792.4	500.8	291.6	582.0
1986/87	210.4	589.7	106.1	906.2	663.0	273.2	647.2
1987/88	259.0	727.8	72.7	1,059.5	662.3	397.2	
<b>Apples:</b>							
1985/86	32.0	85.5	--	117.5	43.0	74.5	73.1
1986/87	44.4	111.1	--	155.5	81.4	74.1	114.5
1987/88	41.0	122.4	--	163.4	76.5	86.9	
<b>Apricots:</b>							
1985/86	4.7	11.8	--	16.5	12.0	4.5	13.2
1986/87	3.3	14.3	--	17.6	15.1	2.5	16.4
1987/88	1.2	22.2	--	23.4	18.4	5.0	
<b>Cherries, sweet:</b>							
1985/86	6.6	10.3	--	16.9	5.8	11.1	9.8
1986/87	7.1	14.4	--	21.5	13.2	8.3	15.1
1987/88	6.4	21.3	--	27.7	18.2	9.5	
<b>Peaches:</b>							
1985/86	18.6	81.0	--	99.6	74.1	25.5	90.3
1986/87	9.3	100.7	--	110.0	85.7	24.3	98.0
1987/88	12.0	105.6	--	117.6	61.4	56.2	
<b>Strawberries:</b>							
1985/86	112.4	229.1	53.6	395.1	284.9	110.2	290.9
1986/87	104.2	237.6	79.9	421.7	321.2	100.5	280.7
1987/88	141.0	334.4	53.8	529.2	367.3	161.9	
<b>Blackberries:</b>							
1985/86	5.0	12.7	--	17.7	8.4	9.3	11.1
1986/87	6.6	13.0	--	19.6	7.2	12.4	9.6
1987/88	10.0	21.0	--	31.0	15.0	16.	
<b>Blueberries:</b>							
1985/86	20.1	54.5	10.9	85.5	47.6	37.9	65.1
1986/87	20.4	77.8	10.2	108.4	75.9	32.5	90.4
1987/88	18.0	69.2	14.7	101.9	70.1	31.8	
<b>Boysenberries:</b>							
1985/86	1.7	2.6	4.3	8.6	5.8	2.8	5.9
1986/87	2.7	5.5	3.4	11.6	9.5	2.1	9.8
1987/88	1.8	5.2	1.1	8.1	4.8	3.3	
<b>Raspberries:</b>							
1985/86	10.7	14.8	9.5	35.0	19.2	15.8	22.6
1986/87	12.4	15.3	12.6	40.3	23.8	16.5	12.7
1987/88	27.6	26.5	3.1	57.2	30.6	26.6	

1/ Season beginning May 1 for strawberries, June 1 for apricots and boysenberries, October 1 for apples, and July 1 for all other items.

SOURCES: Pack data from American Frozen Food Institute; stocks, National Agricultural Statistics Service, USDA; imports, Bureau of Census, U.S. Department of Commerce.

Table 24.--U.S. Producer Price Indexes of selected dried and frozen juice items, by months, 1986-88

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1982-84=100												
Dried fruit:												
Prunes												
1986	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5
1987	101.5	101.5	101.9	101.9	101.9	101.9	105.5	105.5	105.5	106.5	109.6	109.6
1988	109.6	109.6	109.6	109.6	109.6	109.6	109.6	109.6	109.6	109.6	109.6	109.6
Raisins												
1986	75.6	75.6	77.6	76.5	76.5	77.8	79.3	81.4	79.6	82.5	83.9	83.9
1987	83.9	83.9	83.9	83.9	83.9	83.0	83.9	83.9	82.2	82.2	86.4	88.2
1988	85.8	85.8	85.8	N.P.	85.8	88.2	88.2	88.2	88.2	88.2	88.2	88.2
Frozen juice:												
Orange, conc.												
1986	104.4	102.2	97.6	94.4	94.1	94.3	94.2	94.2	93.7	96.0	98.6	101.4
1987	106.9	106.9	107.4	109.5	109.7	110.0	110.1	111.0	110.6	110.6	117.2	129.9
1988	132.1	140.5	142.4	141.0	141.4	144.0	141.6	144.0	144.0	144.0	144.0	144.0
Grapefruit, conc.												
1986	134.5	134.1	129.4	136.9	138.5	146.0	150.7	153.2	153.2	153.2	153.2	153.3
1987	154.8	148.4	151.2	151.7	158.8	156.5	159.1	153.4	156.5	153.1	155.0	158.1
1988	159.6	160.0	155.5	153.6	153.6	160.2	162.2	160.2	160.2	160.2	160.2	160.2

N.P. = Not published.

SOURCE: Bureau of Labor Statistics, U.S. Department of Labor.



Table 25.--Fresh fruit: Retail price, marketing spreads, and grower-packer return per pound, sold in Northeast and North Central, indicated months, 1987 and 1988

Commodity and season	Retail price	Marketing spreads		Grower-packer return 1/ (f.o.b. shipping point price)	
		Absolute	Percent of retail price	Absolute	Percent of retail price
		Cents	Percent	Cents	Percent
<b>NORTHEAST</b>					
Apples, Washington, Red Delicious:					
May 1987	78.5	37.6	48	40.9	52
May 1988	68.6	43.3	63	25.3	37
April 1988	72.0	44.8	62	27.2	38
Grapefruit, Florida:					
April 1987	39.6	26.1	66	13.5	34
April 1988	45.3	32.2	71	13.1	29
March 1988	44.5	31.3	70	13.2	30
Lemons, California:					
May 1987	78.2	50.5	65	27.7	35
May 1988	87.8	57.1	65	30.7	35
April 1988	90.3	58.6	65	31.7	35
Oranges, California navel:					
May 1987	54.9	36.7	67	18.2	33
May 1988	68.3	43.1	63	25.2	37
April 1988	59.0	41.1	70	17.9	30
<b>NORTH CENTRAL</b>					
Apples, Washington, Red Delicious:					
May 1987	82.7	41.8	51	40.9	49
May 1988	72.1	46.8	65	25.3	35
April 1988	72.1	44.9	62	27.2	38
Grapefruit, Florida:					
April 1987	46.5	32.8	71	13.7	29
April 1988	48.7	35.5	73	13.2	27
March 1988	47.8	34.4	72	13.4	28
Lemons, California:					
May 1987	89.2	64.4	72	24.8	28
May 1988	101.0	73.6	73	27.4	27
April 1988	92.8	64.5	69	28.3	31
Oranges, California navel:					
May 1987	54.0	36.0	67	18.0	33
May 1988	61.9	37.0	60	24.9	40
April 1988	53.5	35.8	67	17.7	33

1/Adjusted to account for waste and spoilage incurred during marketing.

SOURCES: Bureau of Labor Statistics, Department of Labor, and Economic Research Service, USDA.

Table 26.—Fresh fruit: Representative truck rates for selected fruits, January–June, 1987–88 1/

Commodity, shipping area, and city	1987						1988					
	Jan.	Feb.	Mar.	Apr.	May	June	Jan.	Feb.	Mar.	Apr.	May	June
Dollars per package												
Apples (tray packed carton)												
Central, Washington to:												
Atlanta	2.85	2.93	2.88	2.88	2.88	2.88	2.88	2.85	2.85	2.85	2.85	2.85
Chicago	2.20	2.25	2.15	2.15	2.18	2.10	2.13	2.05	2.05	2.05	2.05	2.05
Dallas	2.30	2.30	2.30	2.30	2.33	2.33	2.30	2.30	2.30	2.30	2.30	2.30
Denver	—	1.55	1.50	1.55	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Los Angeles	1.55	1.60	1.55	1.60	1.55	1.55	1.50	1.75	1.55	1.55	1.55	—
New York City	3.28	3.30	3.25	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Eastern, New York to:												
New York City	.58	.58	.58	.58	.58	—	.58	.58	.58	.58	.58	—
Martinsburg, West Virginia area to:												
Atlanta	.88	.88	.88	.88	—	—	.94	.94	.94	.94	—	—
New York City	.72	.72	.72	.72	—	—	.76	.76	.76	.76	—	—
Grapefruit (4/5 bu. ctn.)												
Florida to:												
Atlanta	.63	.63	.63	.60	.80	.68	.68	.65	.65	.65	.83	.88
Chicago	1.23	1.23	1.21	1.25	1.40	1.40	1.30	1.33	1.33	1.33	1.50	1.73
New York City	1.25	1.25	1.21	1.25	1.40	1.45	1.38	1.35	1.35	1.35	1.53	1.75
Grapes (23 lb. lug)												
Kern District, California to:												
Atlanta	1.21	1.26	—	—	—	—	1.15	—	—	—	—	—
Chicago	1.12	1.15	—	—	—	—	1.09	—	—	—	—	—
Dallas	.91	.91	—	—	—	—	.79	—	—	—	—	—
New York City	1.71	1.68	—	—	—	—	1.53	—	—	—	—	—
Citrus (7/10 bu. ctn.)												
Southern California to:												
Atlanta	2.20	2.00	1.85	1.85	2.20	3.10	1.90	1.95	1.95	2.15	2.05	2.45
Chicago	2.05	1.85	1.85	1.85	2.15	3.00	1.70	1.70	1.70	1.85	1.85	2.45
Dallas	1.70	1.50	1.70	1.75	1.85	2.15	1.30	1.35	1.50	1.65	1.65	1.85
Denver	1.25	1.15	1.15	1.18	1.20	1.45	1.00	1.00	1.05	1.20	1.20	1.20
New York City	2.95	2.75	2.65	2.75	3.20	4.25	2.60	2.70	2.85	2.90	2.95	3.80
Oranges (4/5 bu. ctn.)												
Florida to:												
Atlanta	.68	.68	.59	.68	.83	.73	.70	.68	.68	.68	.83	.88
Chicago	1.25	1.25	1.23	1.28	1.42	1.43	1.33	1.33	1.33	1.33	1.55	1.78
New York City	1.25	1.25	1.23	1.33	1.43	1.45	1.40	1.25	1.35	1.38	1.55	1.78

1/ Reported from a sample of shippers and/or truck brokers in specified areas for shipments during the first week of each month.

SOURCE: Fruit and Vegetable Truck Rate Report.



Table 27.--U.S. monthly average price indexes for fruits, selected months, 1987-1988

Item	1988												
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	June	July
Wholesale price index:	(1982-84=100)												
Fresh fruit	110.5	107.2	107.5	115.2	123.4	121.2	109.2	104.2	106.8	102.7	103.6	112.2	115.0
Citrus	128.4	128.7	129.2	168.4	134.7	130.0	131.6	130.1	127.9	128.0	129.7	150.3	152.0
Other fruit	104.0	99.4	99.6	96.0	119.3	117.9	101.1	94.9	99.2	93.5	94.2	98.5	101.7
Dried fruit	95.2	95.2	94.2	94.6	98.0	99.0	97.8	97.8	97.8	97.9	97.9	99.2	99.3
Canned fruit and juice	116.3	116.4	116.4	116.4	116.5	117.2	118.9	119.4	119.4	119.7	119.8	119.8	120.2
Canned fruit	113.2	113.5	113.5	113.5	113.0	113.5	113.8	114.0	113.8	113.7	114.1	114.1	114.8
Canned fruit juice	119.8	119.7	119.7	119.7	120.6	121.5	124.2	125.0	125.3	125.8	125.6	125.6	125.8
Frozen fruit and juice	112.8	113.1	112.9	113.0	117.0	124.4	125.4	130.2	131.1	130.1	130.1	131.8	130.5
Consumer Price Index:	(1977=100)												
Fresh fruit	133.9	131.8	131.7	135.7	125.8	126.3	130.7	132.6	133.8	139.9	146.6	143.6	147.8
Index of fruit prices received by growers 1/	196	176	184	196	236	169	170	166	163	160	195	179	161

1/ Index for fresh and processed.

SOURCES: Bureau of Labor Statistics, U.S. Department of Labor, and Agricultural Prices, MASS, USDA.

Table 28.--Canned citrus juices: Florida canners' packs, supplies, and movement, 1985/86-1987/88

Item and season	Carryin	Pack		Supply		Movement		Stocks 1/
		To date 1/	Total season	To date 1/	Total season	To date 1/	Total season	
1,000 cases, 24 No. 2's								
Oranges: 2/								
1985/86	889	6,847	7,596	7,736	8,485	6,628	7,499	1,108
1986/87	986	7,257	8,122	8,243	9,108	7,061	8,084	1,182
1987/88	1,024	6,446		7,470		6,570		900
Grapefruit: 3/								
1985/86	1,288	9,397	9,948	10,685	11,236	8,721	9,721	1,964
1986/87	1,515	8,395	8,982	9,910	10,497	7,915	9,026	1,995
1987/88	1,471	7,025		8,496		6,958		1,538
Blend:								
1985/86	136	530	577	666	713	522	587	144
1986/87	126	493	533	619	659	466	533	153
1987/88	126	441		567		408		159

1/ For 1987/88 season, week ending August 20; 1986/87, August 15; 1985/86, August 16. These respective dates include data through the 46th week of each season. 2/ Includes reconstituted orange juice. 3/ Includes reconstituted grapefruit juice.

SOURCE: Florida Citrus Processors Association.

Table 29.--Frozen concentrated citrus juices: Florida canners' stocks, packs, supplies, and movement, 1985/86-1987/88

Item and season	Carryin	Pack		Supply		Movement		Stocks 1/
		To date 1/	Total season	To date 1/	Total season	To date 1/	Total season	
1,000 gallons 2/								
Oranges:								
1985/86	48,347	189,010	215,124	237,547	263,471	163,534	226,476	73,823
1986/87	36,995	199,767	227,871	236,762	264,866	160,884	225,076	75,878
1987/88	39,790	213,288		253,078		175,914		77,164
Grapefruit:								
1985/86	3,386	25,548	26,174	28,934	29,560	19,673	26,138	9,261
1986/87	3,422	29,970	30,244	33,392	33,666	21,531	28,453	11,861
1987/88	5,213	33,111		38,324		21,253		17,071
Tangerines:								
1985/86	594	947	1,029	1,541	1,623	1,070	1,344	471
1986/87	279	836	471	1,115	750	960	660	155
1987/88	90	831		921		806		115

1/ For the 1987/88 season, week ending August 20; 1986/87, August 22; 1985/86, August 23. These respective dates include data through the 38th week of each season. 2/ Oranges--42.0 degree Brix, grapefruit--40 degree Brix, and tangerines--42 degree Brix.

SOURCE: Florida Citrus Processors Association.



Table 30.--U.S exports of selected fresh noncitrus fruits,  
by destination, 1985/86-1987/88

Item and season 1/	Canada	Europe		Latin America	Taiwan	Hong Kong	Other	Total
		EC 2/	Total					
Metric tons								
Apples:								
1985/86	25,202	12,046	21,144	10,852	30,065	22,920	42,609	152,792
1986/87	42,072	11,581	25,079	12,036	37,115	18,274	33,698	168,274
1987/88	41,099	28,273	58,063	17,577	73,641	40,083	62,748	293,211
Grapes:								
1985/86	64,870	675	2,064	4,300	3,733	18,129	11,102	104,198
1986/87	56,665	3,605	5,683	4,626	12,416	10,056	12,629	102,075
1987/88	64,862	6,049	8,147	4,450	10,522	9,183	14,424	111,588
Pears:								
1985/86	14,749	611	6,318	3,279	--	--	5,343	29,689
1986/87	18,742	948	8,249	4,259	--	--	5,115	36,365
1987/88	18,997	2,284	12,080	4,973	--	--	7,780	43,830

1/ Season beginning July 1 for apples and pears, June 1 for grapes. 2/ Belgium-Luxembourg, France, West Germany, Italy, Netherlands, Greece, United Kingdom, Denmark, Ireland, Spain, and Portugal.

SOURCE: Foreign Agricultural Service, USDA.

Table 31.--U.S exports of selected canned noncitrus fruits, by destination, 1985/86-1987/88

Item and season 1/	Canada	Europe		Latin America	Japan	Other	Total
		EC 2/	Total				
Metric tons							
Peaches:							
1985/86	3,269	244	1,286	812	6,407	2,333	14,107
1986/87	2,427	331	878	719	8,690	3,278	15,992
1987/88	2,313	265	662	731	9,899	5,017	18,622
Mixed fruit:							
1985/86	4,313	390	1,155	1,699	3,246	6,716	17,129
1986/87	4,276	741	1,846	1,560	3,314	7,914	18,910
1987/88	6,591	415	1,384	1,552	5,285	15,004	24,531
Cherries 3/:							
1985/86	180	123	200	27	556	1,192	2,155
1986/87	2,018	145	197	17	730	1,047	4,009
1987/88	1,833	1,615	1,716	20	628	1,225	5,422
Apricots:							
1985/86	43	34	58	30	48	193	372
1986/87	50	39	57	4	27	139	277
1987/88	95	105	135	5	218	386	749
Pears:							
1985/86	38	51	288	59	97	293	775
1986/87	81	159	574	125	146	425	1,351
1987/88	155	48	180	53	206	424	1,018

1/ Season beginning July 1 for cherries, June 1 for other canned items. 2/ Belgium-Luxembourg, France, West Germany, Italy, Netherlands, Greece, United Kingdom, Denmark, Ireland, Spain, and Portugal.  
3/ Excludes Maraschino cherries.

SOURCE: Foreign Agricultural Service, USDA.

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