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THE FRUIT SITUATION

Summary

There has been little change during the past month in the outlook for fruits for the 1937 season, the Bureau of Agricultural Economics reports. Above average supplies of all deciduous fruits are in prospect, with prices in general likely to average somewhat lower than those of 1936.

The 1937 apple crop is now indicated to be nearly three-fourths larger than the small crop of last year and one-fourth larger than the 1931-35 average. The increase over the average has occurred entirely in the Eastern and Central States, as production in the Western region is slightly less than average. Apple prices are expected to average below the relatively high prices of 1936, but may average higher than those of 1935.

Peach prospects improved slightly during July and on August 1 the total crop was indicated to be 10 percent greater than the 1931-35 average. Prices of peaches in Eastern markets have declined rather sharply during recent weeks, and are now somewhat lower than at the same time last year.

Conditions on August 1 indicated a pear crop slightly larger than that indicated a month ago, and the largest crop on record.

The total grape crop indicated on August 1 was slightly smaller than that indicated a month ago, but is the largest since 1928.

The condition of oranges in California and Florida from the bloom of 1937 is slightly below average, but not greatly different from the condition on August 1, 1936. With the exception of Arizona, the August 1 condition of grapefruit from the bloom of 1937 is only fair and much below the average reported on August 1, 1936.

APPLES

Growing conditions during July were favorable for the development of the apple crop, and conditions on August 1 pointed to a crop 4 percent larger than was indicated on July 1. The total crop is now indicated at 202.3 million bushels, more than 70 percent greater than the relatively small crop of last year and about one-fourth larger than the 1931-35 average.

Prospects improved slightly during July in all of the geographical sections except the Western States, with the greatest improvement occurring in the North Atlantic States. Indicated production in the Western States on August 1 was slightly less than on July 1, but is still about the same as the 1931-35 average production. In each of the Eastern and Central States, indicated production this year is much greater than last year's small crop, and in all of the important producing States it is considerably above average. Indicated production this year is especially large in such important apple States as Pennsylvania, New York, Michigan, Ohio, and Virginia. With the heavy production in the Central and Eastern States, a larger than usual proportion of total apple supplies this year will be relatively close to consuming centers.

Weekly carlot shipments of apples are running ahead of last year, and the total shipments for the 1937 season through August 14 were a fourth larger than for the corresponding period of 1936.

Prices of both Western and Eastern apples at New York and Chicago have been at lower levels thus far in the current season than a year earlier. California Gravensteins averaged only \$1.83 per box at New York during July 1937, compared with \$2.20 in July 1936. Except for the first few weeks of the season, the weekly average less-than-carlot prices of Eastern apples at New York and Chicago also have been substantially lower than prices of last year. It is expected that lower prices than were received for the relatively small crop of last year will continue throughout the season, even though demand conditions are more favorable than a year earlier. If consumers' incomes remain near present levels, however, as now appears likely, growers' prices for the total 1937 crop will probably average somewhat higher than those of 1935.

Apples, California Gravenstein^{1/}: Weighted average auction price per box, New York and Chicago, by specified periods, 1936 and 1937

Market	Week ended				Month		Season average	
	1936		1937		July		to date	
	Aug. 8	Aug. 15	Aug. 7	Aug. 14	1936	1937	1936	1937
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
New York	2.32	2.08	1.61	1.19	2.20	1.83	2.19	1.47
Chicago	1.99	1.72	1.34	.99	1.97	1.85	1.90	1.49

^{1/} Fancy grade.

Apples: Production by regions, average 1931-35, annual 1936 and 1937

Region	Average	1936	Indicated	1937 as
	1931-35	1936	1937	percentage
	1,000	1,000	1,000	of average
	bushels	bushels	bushels	Percent
North Atlantic <u>1/</u>	41,480	29,011	53,635	129.3
South Atlantic <u>2/</u>	26,945	19,935	39,271	145.7
Total Atlantic	68,425	48,946	92,906	135.8
North Central <u>3/</u>	32,809	17,593	46,815	142.7
South Central <u>4/</u>	7,265	3,214	10,678	147.0
Total Central	40,074	20,807	57,493	143.5
Rocky Mountain <u>5/</u>	<u>7/</u> 8,504	6,581	8,567	100.7
Pacific Coast <u>6/</u>	<u>7/</u> 43,905	41,172	43,308	98.6
Total Western	52,409	47,753	51,875	99.0
Total United States....	160,909	117,506	202,274	125.7

- 1/ Maine, New Hampshire, Vermont, Massachusetts; Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.
- 2/ Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia.
- 3/ Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, South Dakota, Nebraska, Kansas.
- 4/ Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.
- 5/ Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada.
- 6/ Washington, Oregon, California.
- 7/ Includes some quantities not harvested.

Apples, Eastern 1/: Average l.c.l. price per bushel at New York and Chicago wholesale markets, by weeks, July and August, 1936 and 1937

Period	New York		Chicago	
	1936	1937	1936	1937
	Dollars	Dollars	Dollars	Dollars
Week ended -				
July 4	1.38	1.65	1.68	<u>2/</u> 1.21
" 11	1.17	1.27	1.45	<u>2/</u> 1.04
" 18	1.08	.95	1.42	<u>2/</u> 1.00
" 25	1.06	.96	1.37	1.11
Aug. 1	1.20	.95	.99	1.11
" 8	1.19	.75	1.23	1.19
" 15	1.11	.87	1.05	.84

- 1/ July 2-2 $\frac{1}{2}$ inch size; beginning Aug. 2 $\frac{1}{2}$ in. min.
- 2/ Generally fair quality.

PEACHES

Indicated production of peaches, on the basis of August 1 condition, is 2 percent larger than the crop indicated on July 1. The indicated total crop of 59 million bushels is 10 percent greater than the 1931-35 average and nearly one-fourth larger than the small crop of last year. Growing conditions have not been uniformly favorable in all regions, however. The Southern States had a relatively small crop and the California crop of clingstones and freestones is indicated to be about average. In the remaining States, all of which harvest principally during August and September, the 1937 crop is indicated to be twice as large as last year's crop and about 43 percent greater than the 1931-35 average.

Carlot shipments of peaches thus far in the current season have been very small. Shipments through August 14 totaled only 10,874 cars, compared with 17,510 cars for the same period of 1936 and 17,337 in 1935. The total movement of peaches to market during the remainder of the current season will be considerably heavier than a year ago. The increase will be only partly reflected in greater carlot shipments, however, since a large part of the late peach crop is sent to market by truck.

Until the first week in August shipping point prices and terminal market prices of peaches were above the prices of last season. The seasonal decline in peach prices was a little greater than last year, however, and prices are now at lower levels than at this time in 1936. The small Southern peach crop, together with improved demand conditions, has resulted in relatively high peach prices thus far in the season, and it seems likely that prices to Southern growers this year will average higher than last year. Prices of California peaches, clingstones and freestones combined, are also likely to average somewhat higher than last year, but peach prices in the other late States as a whole may average below those of 1936.

Peaches: Production, average 1931-35, annual 1936 and 1937

Item	Average 1931-35	1936	Indicated 1937	1937 as percentage of average
	1,000 bushels	1,000 bushels	1,000 bushels	Percent
10 Southern States	14,684	13,711	11,791	80.3
California, all	21,502	21,502	22,331	103.9
Clingstone	14,168	14,043	14,501	102.4
Freestone	7,334	7,459	7,830	106.8
All other States	17,412	12,437	24,896	143.0
Total	53,598	47,650	59,018	110.1

1/ Includes some quantities not harvested on account of market conditions.

Peaches: Weekly carlot shipments, 1937 and corresponding weeks for
1936, 1935 and 1934

Date	1937	1936	1935	1934
	Cars	Cars	Cars	Cars
May 15		4	13	4
22		29	64	9
29	3	83	153	73
June 5	62	324	559	151
12	146	540	601	395
19	356	612	492	640
26	604	775	774	456
July 3	350	713	850	1,097
10	298	732	2,284	1,766
17	444	1,595	2,892	2,444
24	1,357	4,083	2,619	4,318
31	2,599	3,779	1,656	5,527
Aug. 7	2,247	2,685	1,376	3,943
14	2,413	1,461	3,004	3,379
21		1,856	2,847	1,465
28		3,200	3,111	598
Sept. 4		1,786	2,302	180
11		824	964	64
18		242	647	44
25		102	303	24
Oct. 2		40	115	6
9		9	51	1
16			48	-
23			27	1
30			2	

Peaches: F.o.b. price per bushel, by weeks, 1936 and 1937

Week ended	Shipping point							
	Cash track		Usual terms		Arkansas			
	Macon, Ga.	Hamlet, N. C.	(N.C. & S. C. points)	Arkansas	Arkansas	Arkansas	Arkansas	Anna, Ill. (So. Ill. pts.)
	1936	1937	1936	1937	1936	1937	1936	1937
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1936								
June 6	1.70							
13	1.62	2.00						
20	1.53	2.40						
27	1.73	<u>1</u> /2.15						
July 4	1.54	<u>1</u> /3.10						
11	2.33	3.18						
18	2.67	3.30	2.56	3.05	2.38			
25	1.40	2.24	1.61	2.46	1.56	2.50		
Aug. 1	1.66		1.74	1.72	1.69	1.71		
8			1.90	1.33	1.90	1.47	--	1.42
15			1.88				--	1.39

1/ Average for 1 day.

Peaches, all varieties: Average l.c.l. price at New York and
Chicago wholesale markets, specified periods

Week ended:	Bushels				Sixes	
	Chicago		New York		New York	
	1936	1937	1936	1937	1936	1937
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
July 18 :	4.00	3.50	3.40	3.18	3.35	3.10
25 :	2.58	2.95	2.37	2.73	2.10	2.80
August 1 :	2.38	2.26	2.05	2.23	2.10	2.36
8 :	2.54	2.06	2.30		2.07	1.94
15 :	2.54	1.79	2.12		2.08	1.77

PEARS

Total pear production for the 1937 season, as indicated by August 1 condition, is slightly larger than reported on July 1, and is the largest on record. The indicated crop of ~~30~~ 30.4 million bushels is 13 percent larger than the 1936 production and 21 percent above the 1931-35 average.

In the Pacific Northwest production is indicated to be somewhat smaller than a month ago, but a record crop is still in prospect. Condition of the California crop improved during July and, except for the large crop of 1930, prospective 1937 production is the largest on record. In the Eastern States prospects changed but little during the past month, but some improvement occurred in the Central States.

Although in 2 of the last 3 weeks carlot shipments exceeded those of a year earlier, the season has been relatively late and total shipments to date are almost a fourth less than for the similar period of last year.

Prices of California Bartlett pears at New York and Chicago averaged considerably higher in July and the first week of August this year than in the same periods of 1936, largely because of the late season and consequent light shipments. Prices fell rather sharply during the second week of August, however, as larger supplies moved to market, and reached a lower level than for the corresponding week a year ago. It is likely that improved demand conditions will not fully offset the effect of exceedingly large supplies of pears, and prices may continue below those of last season.

Pears, California Bartlett: Weighted average auction price per box
at New York and Chicago wholesale markets,
specified periods

Market	Week ended				July	
	1936		1937		1936	1937
	Aug. 8	Aug. 15	Aug. 7	Aug. 14		
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
New York	2.09	2.40	2.35	2.28	2.20	2.81
Chicago	2.04	2.52	2.33	2.22	2.16	2.74

Pears: Production, average 1931-35, annual 1936 and 1937

Region	Average 1931-35	1936	Indicated 1937	1937 as percentage of average
	1,000 bushels	1,000 bushels	1,000 bushels	Percent
Eastern States	3,459	3,422	3,564	103.0
Central States	4,998	4,128	6,873	137.5
Rocky Mountain States	454	454	340	74.9
Pacific Coast States, all ...	16,153	18,952	19,611	121.4
Washington ^{1/}	4,458	5,400	5,840	131.0
Oregon ^{1/}	2,753	3,760	3,672	133.4
California ^{1/}	8,942	9,792	10,099	112.9
Total ^{1/}	25,064	26,956	30,388	121.2

^{1/} Includes some quantities not harvested on account of market conditions.

Pears: Weekly carlot shipments, 1937 and corresponding weeks for
1936, 1935, and 1934

Date	1937	1936	1935	1934
	Cars	Cars	Cars	Cars
June 5				3
12		5		47
19		29		314
26		30		496
July 3	2	169	0	479
10	28	541	42	771
17	386	715	213	940
24	635	734	409	1,258
31	842	683	690	1,336
August 7	874	709	661	1,077
14	885	1,103	861	1,078
21		1,187	1,049	1,188
28		1,218	1,222	1,246
September 4		1,332	1,138	1,021
11		1,169	1,102	991
18		1,198	1,037	920
25		1,258	916	711
October 2		1,118	1,075	579
9		994	1,059	478
16		458	678	331
23		408	393	162
30		290	246	161
November 6		292	237	88
13		188	172	
20		144	173	
27		176	121	
December 4		119		

Indications on August 1 point to a total grape crop of 2,517,000 tons. This is slightly less than that indicated on July 1, but is still the largest production since 1928. The indicated 1937 crop is 31 percent greater than the relatively small crop of last year, and 23 percent above the 1931-35 average.

In California, prospects for wine varieties improved during July. The outlook for raisin varieties declined, however, largely as a result of reported sunburn injury to Muscats, and prospects for table varieties remained unchanged from July 1. The condition of the crop in other regions changed relatively little during July, and the indicated total production of 310,000 tons in all States, excluding California, is the largest since 1926. Grape prospects in New York, Pennsylvania, and Michigan are below average, but indications point to a large crop in Ohio and to above average crops in Missouri and Arkansas.

It seems likely that the average price of all California grapes combined will be below that of the 1936 season, under pressure of the very large crop. The demand outlook for grapes, however, is much improved over that of a year ago and should largely offset the price-depressing effect of increased production. The index of nonagricultural income (an indication of the level of consumer purchasing power) was 97 percent of the 1924-29 average in June 1937, compared with 85 in June 1936. This points to a substantial improvement in the demand for table grapes and grape products. The demand of both raisin packers and vintners is also likely to be better this year than in 1936. Present raisin stocks are very small and it is estimated that not more than 40,000 tons of old raisins will remain in California on September 1. Wine stocks are also smaller than a year ago, and the volume of empty cooperage appears to be more than sufficient to accommodate the tonnage of grapes likely to be available for wine and brandy.

It does not seem likely that the increase in consumer purchasing power over last year will entirely offset the price-lowering effect of the large central and eastern grape crop, and prices of American type grapes will probably average below those of last season.

Grapes: Production by regions, average 1931-35, annual 1936 and 1937

Region	: Average	:	:	: 1937 as
	: 1931-35	: 1936	: Indicated	: percentage
	: 1/	:	: 1937	: of average
	: Short tons	Short tons	Short tons	Percent
Western	1,771,346	1,724,860	2,217,310	125.2
California	1,760,000	1,714,000	2,207,000	125.4
Raisin varieties	1,018,400	918,000	1,311,000	128.7
Table varieties	307,400	324,000	356,000	115.8
Wine varieties	434,200	472,000	540,000	124.4
Other	11,346	10,860	10,310	90.9
North Atlantic	109,318	71,780	113,410	103.7
South Atlantic	16,578	18,840	20,520	123.8
North Central	132,038	83,590	138,870	105.2
South Central	23,114	17,390	27,330	118.2
Total United States	2,052,394	1,916,460	2,517,440	122.7

-1/ Includes quantities unharvested on account of market conditions.

CITRUS FRUITS

The condition of oranges in California and Florida from the bloom of 1937 changed little during July. While slightly below the 10-year (1923-32) average in both States, the condition of California oranges is the same as on August 1, 1936, and in Florida it is somewhat higher. Texas orange condition is below that of last year but is well above that of the 2 previous years.

The condition of the Arizona grapefruit crop is good. With the exception of Arizona, the August 1 condition of grapefruit from the bloom of 1937 is only fair and is much below the average reported on August 1, 1936. In Florida the August 1 condition is only 52 percent of normal compared with the 1923-32 average of 74 percent. In Texas growing conditions have been favorable and groves have been well cultivated.

The August 1 condition of California lemons from the bloom of 1937 is only 60 percent of normal, compared with the 1923-32 average of 78 percent.

Citrus fruits: Weighted average auction price per box, New York and Chicago, specified periods

Market and crop	Average week ended-			Average	
	Aug. 15, 1936	July 17, 1937	Aug. 14, 1937	July 1936	July 1937
	Dollars	Dollars	Dollars	Dollars	Dollars
<u>New York City</u>					
Oranges, California Valencias	4.07	5.44	5.38	4.13	4.84
Grapefruit, California	4.19	3.84	3.79	3.60	3.60
Lemons, California	5.66	7.36	5.60	7.07	6.34
<u>Chicago</u>					
Oranges, California Valencias	3.85	5.19	5.30	4.05	5.18
Grapefruit, California	3.79	3.48	2.54	3.14	3.41
Lemons, California	5.37	6.64	5.44	7.46	6.12

