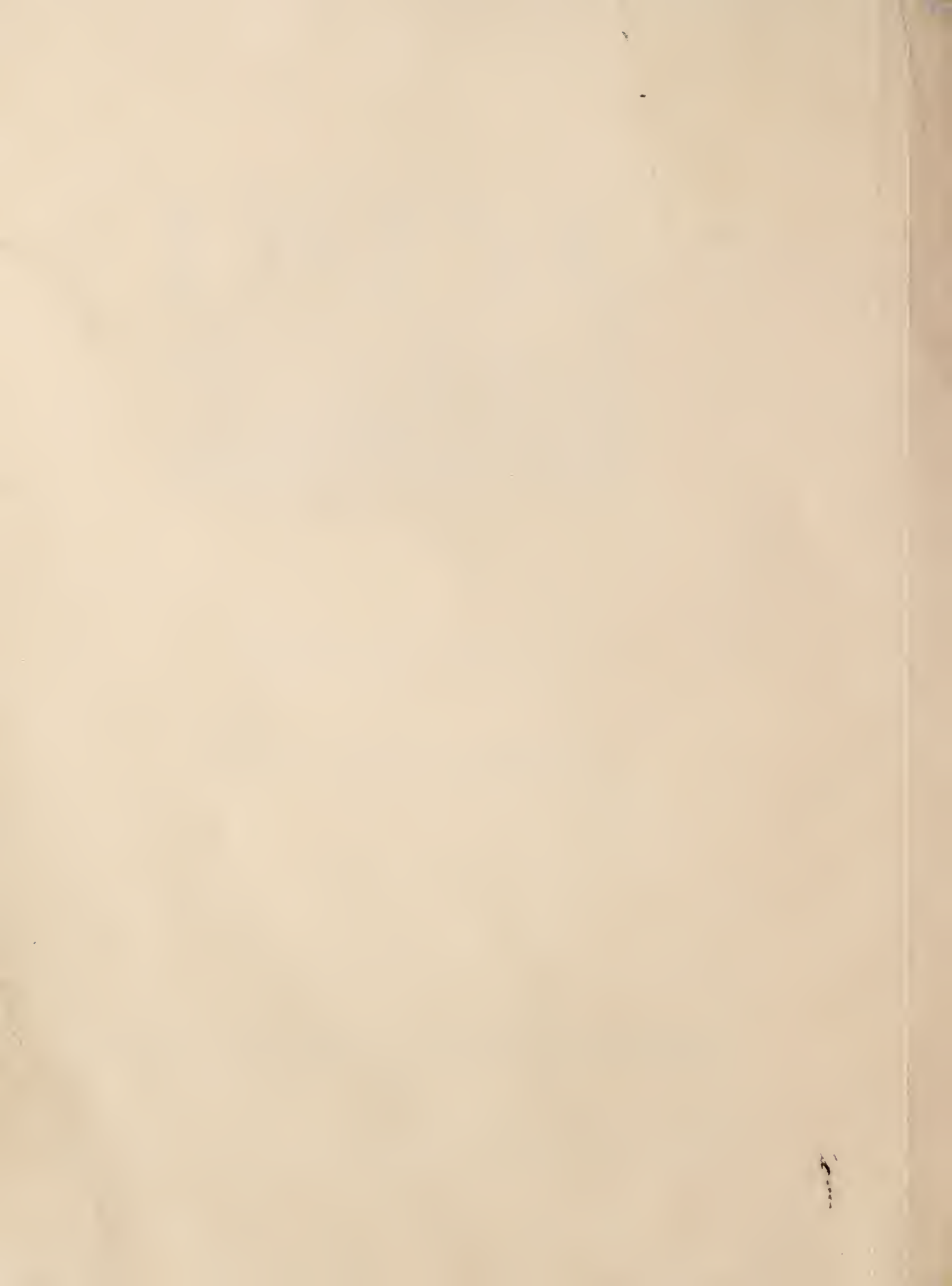


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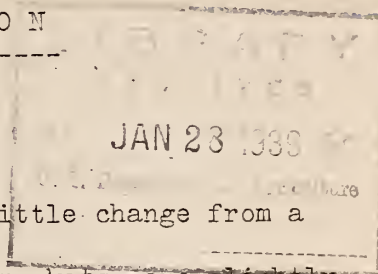
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January 23, 1939

THE FRUIT SITUATION

Summary



Fruit prices in terminal markets have shown little change from a month ago. Mid-January prices of apples in eastern markets were slightly higher than a month earlier, but prices of California oranges and lemons and Florida strawberries were sharply lower. As compared with a year earlier, apple prices averaged considerably higher while most citrus fruits and strawberries were lower.

Domestic demand for most fruits is expected to be maintained at a higher level this spring than the relatively low level of last year.

Favorable growing conditions have improved production prospects for winter oranges in California and for tangerines in Florida. About 1,200,000 boxes have been added to the December indications for winter oranges, making a total of 50.7 million boxes or 11 percent more than was produced from the 1937 bloom. The January 1 indications for grapefruit and lemons were unchanged from December 1. Because of the large supplies of citrus and relatively low prices this season, systems of minimum "on tree prices" for grapefruit are being established in Texas and Florida. The reported minima are considerably above the prices that growers have been receiving recently.

Cold storage holdings of apples on January 1 totaled 26.3 million bushels, about 13 percent less than a year earlier. The movement out of storage in December was indicated to be one of the largest on record.

Early production of strawberries in Florida this season is indicated to be about 29 percent larger than a year ago which together with sharply increased holdings of frozen strawberries has resulted in sharply lower early season prices in terminal markets than last year.

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GENERAL DEMAND CONDITIONS

The Demand and Price Situation Report for January included the following statements concerning demand prospects:

"The domestic demand for farm products apparently continued to increase somewhat in December. Available weekly data, however, indicate that the last part of November marked the temporary end of the sharp increase in industrial production which began last June. During the first half of December the output of industrial products appears to have declined seasonally, and in the last half somewhat more than seasonally. Nevertheless, because of the lower level of activity in early November, the seasonally adjusted average for December will show some increase over the average for the preceding month. Probably all of the measures relating to consumer purchasing power, when they become available for December, will show at least slight increases over November. ...

"In view of ... improved prospects for building construction and automobiles, a marked or sustained reversal of the recovery at this time is not a reasonable prospect, and possible temporary periods of less encouraging nature should be correspondingly discounted as indications of the general trend. While the sharply rising tendencies of industrial activity and consumers' income during the last half of 1938 probably will not continue in 1939, the outlook continues to be for a relatively stable level of economic conditions materially better than the average for 1938. ...

"The foreign situation continues to be unfavorable for United States agriculture, and with a few exceptions the factors influencing the outlook for the next few months do not indicate an imminent reversal."

CITRUS FRUITS

Favorable growing conditions brought about a slight improvement in the prospect for the navel orange crop in California and in the tangerine crop in Florida during December. Based on January 1 condition reports, the winter orange crop in 7 States is indicated at 50,661,000 boxes or slightly more than a million boxes larger than the December 1 indication and 11 percent more than the 1937 crop. If current production prospects materialize, a record high winter crop will be produced this season - a crop nearly 60 percent larger than the 1927-36 average.

Grapefruit production, indicated at 40,696,000 boxes, was unchanged from a month earlier and exceeds last year's crop by about 10,000,000 boxes or 31 percent and the 1927-36 average by 24,000,000 boxes or 143 percent. The increase over last year in the Florida crop, amounting to 6,400,000 boxes, accounts for a large part of the total increase although the Texas crop is indicated to be larger than in 1937-38 by 3,200,000 boxes.

The production of California lemons and Florida limes indicated at 11,097,000 and 95,000 boxes, respectively, was unchanged from a month earlier and remain new high record crops.

Prices of California navel oranges and lemons at auction markets declined sharply in recent weeks as marketings from the 1938 crops attained volume. Prices of Florida oranges showed little change in the general level as did those of both Florida and Texas grapefruit. The large volume of marketable citrus

fruit available this season has depressed market prices for Florida and Texas oranges and grapefruit to record low levels.

Because of the low market prices, a system of minimum prices are being established in Florida and Texas. It is reported that the minimum for all sales in Florida is 32 cents per box, on tree basis. In Texas the minimum is equivalent to 40 cents per box, on tree basis, for white marsh and seeded pinks, and 60 cents for seedless pinks to be marketed as fresh fruits and \$3.50 per ton for canning fruits. These minima are considerably higher than the prevailing prices recently received by growers in these areas.

APPLES

Cold storage holdings of apples on January 1 totaled 26,248,000 bushels compared with 30,815,000 bushels a month earlier and 32,004,000 bushels on January 1, 1938. Total holdings this year are about the same as on January 1, 1935, when about 59 percent of the holdings were comprised of western boxed apples; this year only about 50 percent are western boxes. In spite of the smaller total holdings this season as compared with last year, the movement out of storage in December was greater than in December 1937 and one of the largest for the month on record. The larger movement would indicate that the common storage holdings were very small in December and that the demand for apples has been improving in recent weeks.

Car-lot shipments of apples in recent weeks have held at about the same level as a year earlier although the total movement of 37,789 cars for the season to January 14 is about 5,000 cars under the total movement last season to January 15. Auction prices of western boxed apples in New York City have advanced slightly during the past few weeks while those at Chicago have held fairly stable. The averages in mid-January in both markets were about 40 cents per box higher than a year earlier. Shipping point prices of western apples have advanced rather sharply during recent weeks in contrast to a decline during the same period last season. Prices of eastern apples also have strengthened slightly in New York City, but those of mid-western varieties at Chicago have been fairly stable.

The United States average farm price of apples has risen seasonally since the season's low point was reached in August. In years of relatively small apple crops, the trend of apple prices is usually upward from the low level reached in the fall to the end of the marketing season. (See table 10)

STRAWBERRIES

Early production of strawberries in Florida is indicated at 675,000 crates this season or about 150,000 crates more than was produced in this area last season. Although the beds are reported to be in good condition, rain is needed in most sections. Car-lot shipments to the middle of January have been relatively heavy, totaling 170 cars against only 2 cars to the same date a year earlier. Although demand conditions are somewhat improved over those of a year ago, the relatively large supply available this season has forced market prices to much lower levels. In mid-January, prices averaged 28 cents per quart in terminal markets against 54 cents a year earlier. Prices have declined seasonally in recent weeks from about 74 cents per quart in mid-December.

Unless weather conditions prove unfavorable this season, the prospect is for increased production of strawberries in nearly all areas, as the early reports indicate larger acreages for harvest except in Louisiana

FROZEN FRUITS

Cold storage holdings of frozen fruits on January 1 totaled 124,703,000 pounds, about 10 percent less than a month earlier but about the same as on January 1, 1938. A larger quantity of strawberries than a year earlier about offset smaller quantities of other fruits.

Table 1.--Oranges: Weekly shipments from producing areas, by varieties and totals, October to December 1937 and 1938

Week ended:	Calif.:	Calif.:	:	:	Calif.:	Calif.:	:	:	Total		
	Ariz.:	Ariz.:	:	:	Ariz.:	Ariz.:	:	:	Com-	Relief	
	Va-	Navels:	Fla.	Tex.	Total	Va-	Navels:	Fla.	Tex.	mer-	pur-
	len-	& mis-	:	:	1/	len-	& mis-	2/	:	cial	chases
	cias	cella-	:	:	:	cias	cella-	:	:	1/	3/
	neous:	:	:	:	:	2/	neous:	:	:	:	:
	Cars	Cars	Cars	Cars	Cars	Cars	Cars	Cars	Cars	Cars	Cars
			<u>1937</u>					<u>1938</u>			
Oct.1:	729		115		844	1,498		99	50	1,647	109
8:	680		183		863	1,429		385	56	1,870	81
15:	501		732	1	1,235	1,385		683	78	2,146	86
22:	218		906	78	1,206	1,157		576	119	1,867	55
29:	96		1,084	134	1,323	1,105		999	138	2,277	61
Nov.5:	38	17	1,232	211	1,529	615		1,282	181	2,172	1
12:	10	273	966	192	1,513	338	5	1,231	168	1,991	-
19:	8	867	1,531	132	2,648	195	293	1,836	205	2,834	-
26:	13	1,224	979	96	2,490	144	1,047	1,387	224	3,232	-
Dec.3:	-	1,702	1,361	159	3,553	77	1,332	1,704	260	3,853	-
10:	-	1,767	1,960	155	4,440	-	1,447	2,251	287	4,688	-
17:	-	857	2,324	128	4,054	-	946	3,092	355	5,180	-
24:	-	491	1,083	83	2,131	-	673	2,055	217	3,556	-
31:	-	663	997	55	2,255	-	717	1,315	143	2,719	-
			<u>1938</u>					<u>1939</u>			
Jan.7:	-	907	1,356	57	2,703	-	765	1,339	242	3,560	-
14:	-	957	1,445	91	2,780	-	722	2,002	197	3,331	-

1/ Includes shipments from Alabama, Mississippi, and Louisiana, and tangerines, and a few shipments of California-Arizona Navels and miscellaneous.

2/ Excluding relief shipments.

3/ Purchases made by Federal Surplus Commodities Corporation.

Table 3.- Citrus fruits: Production, average 1927-36, annual 1937 and 1938

Crop and State	Production ^{1/}				
	Average 1927-36	1937	Indicated 1938	1938 as percentage of average	1938 as percentage of 1937
	1,000 boxes	1,000 boxes	1,000 boxes	Percent	Percent
<u>Oranges:</u>					
Winter and spring varieties:					
Calif. navels and misc.	14,871	16,680	17,640	118.6	105.8
Fla., all	16,121	26,700	29,900	185.5	112.0
Early and mid-season	^{2/} 10,475	13,700	15,500	148.0	113.1
Valencias	^{2/} 6,300	10,700	11,200	177.8	104.7
Tangerines	^{2/} 2,275	2,300	3,200	140.7	139.1
Tex.	540	1,440	2,200	407.4	152.8
Ariz.	151	350	360	238.4	102.9
Ala. ^{3/}	81	76	96	118.5	126.3
Miss. ^{3/}	37	67	80	216.2	119.4
La.	251	238	385	153.4	161.8
Total	32,052	45,551	50,661	158.1	111.2
Summer and early fall varieties:					
Calif. valencias	17,526	28,925	28,860	164.7	99.8
Total 7 States ^{4/}	49,578	74,476	79,521	160.4	106.8
<u>Grapefruit:</u>					
Fla., all	12,194	14,600	21,000	172.2	143.8
Seedless	^{2/} 4,225	5,500	7,500	177.5	136.4
Other	^{2/} 9,650	9,100	13,500	139.9	148.4
Tex.	2,410	11,800	15,000	622.4	127.1
Ariz.	746	2,750	2,800	375.3	101.8
Calif.	1,422	1,943	1,896	133.3	97.6
Total 4 States ^{4/}	16,772	31,093	40,696	242.6	130.9
<u>Lemons:</u>					
Calif. ^{4/}	7,487	9,355	11,097	148.2	118.6
<u>Limes:</u>					
Fla.	12	70	95	791.7	135.7

^{1/} Relates to crop from bloom of year shown, picking beginning November 1 in California and September 1 in other States.

^{2/} Short-time average.

^{3/} Production estimated in terms of standard boxes, each equal to about 2 of the "halfstraps" commonly used.

^{4/} Net content of boxes varies. In California and Arizona the approximate average for oranges is 70 pounds net and grapefruit 60 pounds; in Florida and other States, oranges 90 pounds and grapefruit 80 pounds; California lemons about 76 pounds net.

Table 4.- Citrus fruits: Weighted average auction price per box, New York and Chicago, by specified weeks, 1937-39

Market and week	Oranges				Grapefruit				Lemons	
	Calif. navels		Fla.		Fla.		Tex.		Calif.	
	1937	1938	1937 ^{1/}	1938	1937 ^{1/}	1938	1937 ^{1/}	1938	1937	1938
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
New York:										
Dec. 17:	2.64	3.06	2.24	1.76	2.24	1.78	1.98	2.16	5.44	4.09
24:	2.44	3.78	2.28	2.11	2.42	1.89	2.12	1.84	5.47	4.35
31:	2.47	3.51	2.32	1.98	2.41	1.71	2.02	1.49	5.25	4.29
Mo. av.:	2.66	3.31	2.40	1.90	2.41	1.79	2.15	1.95	5.82	4.14
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
Jan. 7:	2.34	2.80	2.39	1.95	2.31	1.69	2.35	1.72	4.93	4.05
14:	2.43	2.68	2.18	1.86	2.14	1.68	2.36	2.19	4.44	3.79
Chicago:										
Dec. 16:	2.72	2.93	2.33	1.90	1.81	1.37	1.94	1.88	5.42	4.15
23:	2.65	3.10	2.13	1.83	---	2.00	2.00	1.77	5.12	4.21
30:	2.43	3.08	2.87	2.26	2.60	2.01	1.87	1.85	5.08	4.16
Mo. av.:	2.65	2.93	2.41	1.98	1.96	1.93	1.96	1.85	5.54	4.08
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
Jan. 6:	2.34	2.64	2.43	2.06	2.09	1.58	1.84	1.82	5.09	3.80
13:	2.32	2.66	2.06	2.02	2.11	1.86	1.96	1.93	4.67	3.83

^{1/} Includes 2-bushel Bruce boxes converted to basis of standard boxes.

Table 5.- Apples: January 1 cold storage holdings, 1928-39

Year	Baskets and barrels ^{1/}	Western boxes	Total
	1,000 bushels	1,000 bushels	1,000 bushels
1928	8,274	12,260	20,534
1929	11,301	15,853	27,154
1930	10,794	13,108	23,902
1931	9,588	19,137	28,725
1932	15,512	14,617	30,129
1933	12,745	12,794	25,539
1934	9,548	11,857	21,405
1935	10,957	15,713	26,670
1936	13,857	15,201	29,058
1937	10,494	11,863	22,357
Average 1928-37	11,307	14,240	25,547
1938	18,052	13,952	32,004
1939	13,114	13,134	26,248

^{1/} Includes eastern boxes or crates. Barrels converted on basis of 1 barrel equivalent to 3 bushels.

Table 6.- Apples: January 1 cold storage holdings, by States, and containers, 1938 and 1939

State	January 1, 1939				January 1, 1938
	Barrels	Western boxes	Baskets	Total bushels	Total bushels
	Thousands	Thousands	Thousands	Thousands	Thousands
Vt.	---	---	54	54	147
Mass.	---	5	245	250	542
N.Y.	20	15	4,418	4,493	5,275
N.J.	---	15	826	841	976
Pa.	14	84	1,296	1,422	1,657
Ohio	---	31	323	354	765
Ind.	---	20	138	158	341
Ill.	---	59	611	670	1,293
Mich.	---	2	854	856	873
Wis.	---	17	66	83	149
Minn.	---	79	8	87	119
Mo.	---	56	316	372	961
Va.	175	28	2,154	2,707	3,841
W. Va.	7	1	328	350	607
Tex.	---	244	1	245	90
Wash.	---	9,727	---	9,727	10,341
Oreg.	---	874	---	874	863
Calif.	---	1,670	---	1,670	1,672
Other States ..	6	207	810	1,035	1,492
United States:	222	13,134	12,448	26,248	32,004

Table 7.- Apples, western: Weighted average auction price per box, all grades, at New York and Chicago, by specified varieties, and weeks, 1937-39

Market and week	Washington			All	Washington			All
	Deli-cious	Rome Beauty	Winesap	var-ieties	Deli-cious	Rome Beauty	Winesap	var-ieties
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
New York	1937				1938			
Dec. 16	1.67	1.43	1.41	1.56	1.89	1.68	1.85	1.84
23	1.81	1.40	1.41	1.66	1.97	1.76	1.55	1.86
30	1.84	1.44	1.48	1.73	2.08	1.61	1.61	1.91
	1938				1939			
Jan. 6	1.74	1.59	1.55	1.70	2.00	1.70	1.75	1.95
13	1.54	1.48	1.44	1.51	1.95	1.61	1.88	1.90
Chicago	1937				1938			
Dec. 16	1.42	1.29	1.20	1.29	1.62	1.59	1.73	1.65
23	1.46	1.03	1.20	1.28	1.67	1.43	1.61	1.58
30	1.56	1.27	1.13	1.30	1.82	1.42	1.52	1.59
	1938				1939			
Jan. 6	1.47	1.26	1.11	1.28	1.60	1.45	1.75	1.64
13	1.37	1.08	1.06	1.22	1.71	1.57	1.64	1.69

Table 8.- Apples, eastern: Average wholesale price per bushel, New York and Chicago, by specified varieties and weeks, 1937-39 1/

Market and week	New York				All			
	McIntosh	Greening	Baldwin	varieties	McIntosh	Greening	Baldwin	varieties
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	1937				1938			
New York								
Dec. 17	1.37	.90	.77	1.18	1.71	.96	1.08	1.38
24	1.28	.88	.79	1.12	1.72	1.00	1.07	1.46
31	1.26	.84	.82	1.07	1.78	1.00	1.08	1.49
	1938				1939			
Jan. 7	1.30	.86	.81	1.08	1.71	1.04	1.12	1.55
14	1.24	.78	.81	1.05	1.73	1.02	1.08	1.48
	Michigan				Michigan			
	McIntosh	Greening	Jona- than	var- ieties	McIntosh	Greening	Jona- than	var- ieties
Chicago	1937				1938			
Dec. 16	1.38	1.12	1.10	1.22	1.67	1.24	1.64	1.40
23	1.38	1.18	1.12	1.25	1.64	1.25	1.69	1.38
30	1.38	1.08	1.10	1.21	1.62	1.28	1.62	1.40
	1938				1939			
Jan. 6	1.28	1.03	1.00	1.18	1.61	1.30	1.68	1.38
13	1.26	.92	.99	1.08	1.66	1.30	1.77	1.36

1/ Less than carlot sales price.

Table 9.- Apples, western: Price per box, extra fancy grade, shippers carlot sales, f.c.b. shipping point, usual terms, Seattle-Washington, by specified varieties and weeks, 1937-39

Week ended	Medium			Large		
	Delicious	Winesap	Rome Beauty	Delicious	Winesap	Rome Beauty
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	1937			1938		
Dec. 17	1.16	.90	<u>1/</u> .85	1.43	1.15	1.18
24	1.08	.85	<u>1/</u> .75	1.44	1.15	1.18
31	1.06	.85	<u>1/</u> .72	1.46	1.16	1.20
	1938			1939		
Jan. 7	.98	.83	.62	1.49	1.22	1.30
14	.91	.79	.61	1.51	1.28	<u>1/</u> 1.40

1/ Average for 1 day.

Table 10.- Apples: United States average price per bushel received by farmers, small crop years, beginning June

Month	1932	1933	1934	1936	1938
	Cents	Cents	Cents	Cents	Cents
June	92.1	88.7	121.8	107.3	78.1
July	86.2	86.9	100.5	94.3	80.9
Aug.	65.1	74.7	82.1	87.6	76.2
Sept.	57.4	72.8	82.2	80.1	78.0
Oct.	57.2	70.3	84.4	91.2	80.0
Nov.	57.1	73.1	89.3	92.9	86.0
Dec.	61.7	80.0	94.0	106.0	90.0
Jan.	65.1	89.4	98.8	110.9	
Feb.	66.3	96.7	103.7	124.0	
Mar.	70.3	103.6	104.8	132.8	
Apr.	78.6	109.0	109.8	143.2	
May	84.9	113.7	114.1	156.5	

Table 11.- Strawberries 1/: Acreage and indicated production 1939, with comparisons

Group and State	Acreage			Yield per acre			Production		
	10-year:	1938	1939	10-yr.:	Ind.:	10-year:	1938	Ind.:	
	1928-37:			28-37	1938:1939	1928-37:	1938	1939	
	Acres.	Acres	Acres	Crates	Crates	Crates	1,000 crates	1,000 crates	1,000 crates
Early									
Florida	8,120	7,500	9,000	68	70	75	559	525	675
Other States 2/:	27,500	27,610	<u>24,760</u>	64.2	53.7		1,766	1,483	Rpt. due
Group total	35,620	35,110	33,760	65.3	57.2		2,325	2,008	Mar. 9
Second Early 2/:	53,120	46,650	53,550	58.5	59.7		3,106	2,787	Apr. 1
Intermediate 2/:	45,240	44,330	50,880	62.5	65.2		2,826	2,890	May 10
Late 2/.....	46,450	53,900	59,200	66.1	70.2		3,069	3,784	June 9
Total all States	180,430	179,990	197,390	62.8	63.7		11,326	11,469	

1/ Estimates include undetermined quantities used for manufacture, frozen pack, etc.

2/ Data are from release of October 12, 1938 (Tc-38: 1017).

Table 12 .- Strawberries: Average wholesale price per quart, New York and Chicago, by specified weeks, 1937-39 ^{1/}

Week ended	New York		Chicago	
	1937	1938	1937	1938
	Dollars	Dollars	Dollars	Dollars
Dec. 17	1.35	.73	---	.75
24	1.10	.53	1.08	.60
31	.51	.55	.49	.35
	1938	1939	1938	1939
Jan. 7	.51	.30	.47	.31
14	.54	.28	.53	.29

^{1/} Less than carlot sales price.

Table 13.- Pears: Cold storage holdings, by varieties and containers, January 1, 1938 and 1939, with comparisons

Variety	Unit	Jan. 1,	Jan. 1,	Dec. 1,	Jan. 1,
		5-yr. av.:	1938	1938	1939
		1,000	1,000	1,000	1,000
Pears, Bartletts	Packed boxes		23	21	13
Pears, Bartletts	Loose boxes		5	23	8
Pears, all others	Boxes	899	1,090	2,144	1,272
Pears	Baskets	58	30	116	87
Total	Boxes and baskets	957	1,148	2,304	1,380

Table 14.- January 1 cold storage holdings by States, 1938 and 1939

State	January 1, 1939	January 1, 1938
	Boxes and bushel baskets	Boxes and bushel baskets
	1,000	1,000
New York.....	102	59
New Jersey.....	22	61
Pennsylvania.....	15	31
Illinois.....	12	35
Washington.....	140	192
Oregon.....	880	646
California.....	160	65
Other States.....	49	59
United States...	1,380	1,148

Table 15.- Frozen fruits: Cold storage holdings, by varieties, January 1, 1938 and 1939, with comparisons

Varieties	Unit	Jan. 1,	Jan. 1,	Dec. 1,	Jan. 1,
		5-yr. av.	1938	1938	1939
		: 1933-37 :	:	:	:
Blackberries <u>1/</u>	pounds	:		4,340	3,354
Blueberries.....	"	: Data	7,259	5,396	5,027
Cherries.....	"	: for	22,666	21,604	20,582
Logan and similar berries <u>1/</u> ...	"	: earlier		3,474	3,234
Raspberries <u>1/</u>	"	: years		10,619	8,564
Strawberries.....	"	: not	28,019	39,115	34,536
Other fruits.....	"	: com-	2/ 66,722	22,587	21,063
Classification not reported <u>1/</u> ...	"	: parable		31,195	28,343
Total.....	"	:	69,811	124,666	138,330
		:			124,703

1/ Data for this item prior to July 1, 1938, included under "other".

2/ Includes items designated by note 1/.

Table 16.- Frozen fruits: January 1 and December 1 cold storage holdings, segregated by method of processing, 1938 and 1939

Commodity	Quick freeze		Frozen and preserved	
	processed		(cold packed)	
	Dec. 1, 1938:	Jan. 1, 1939	Dec. 1, 1938	Jan. 1, 1939
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Blackberries.....	385	361	3,955	2,993
Blueberries.....	1,176	1,160	4,220	3,867
Cherries.....	1,977	1,713	19,627	18,869
Logan and similar berries.....	797	716	2,677	2,518
Raspberries.....	1,345	1,248	9,274	7,316
Strawberries.....	11,176	10,774	27,939	23,762
Other fruits.....	6,627	5,934	15,960	15,129
Classification not reported.....	1,554	5,926	29,641	22,417
Total.....	25,037	27,832	113,293	96,871

