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## Fruit and Tree Nuts Outlook

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### California and Florida Strawberry Crops Larger in 2006, California Stone Fruit Supplies Adequate

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The next release is  
July 26, 2006  
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Approved by the  
World Agricultural  
Outlook Board.

The April 2006 index of prices received by growers for fruit and tree nuts was 2 percent higher than the index of the previous month and the highest for any April since 1991. Prices increased from the previous month for strawberries, oranges, and lemons. Relative to a year ago, the index was up significantly due to the strong prices for oranges and lemons and for fresh-market apples and strawberries. At the retail level, consumers paid higher prices in April for Navel oranges, grapefruit, lemons, Red Delicious apples, bananas, and strawberries.

The U.S. Department of Agriculture's National Agricultural Statistics Service (USDA, NASS) forecast strawberry production in two major producing States, California and Florida, to be 2.4 billion pounds in 2006, up 7 percent from a year ago. Production in California is forecast at 2.2 billion pounds, up 8 percent, and the winter crop in Florida was forecast up 3 percent. Recent shipments out of California are running behind a year ago due to a very wet spring, driving up strawberry prices.

Lack of chill hours this past winter and other spring weather problems have reduced the potential to produce bumper crops of peaches, nectarines, and plums in California during 2006. However, California stone fruit growers are still hopeful to harvest an adequate amount of fruit this year.

U.S. imports of bananas and papayas in January through March were down from the same period a year ago. Recent banana and papaya prices remain strong. Imports of mangoes and pineapples were up. Pineapple imports were up for fresh, canned, and juice.

#### ***Cancellation of the Fruit and Tree Nuts Outlook January Issue***

Beginning in 2007, the January issue of the Fruit and Tree Nuts Outlook will be discontinued. The remaining five issues released each year, March, May, July, September, and November, will continue as scheduled. Please send or email your comments to [Susan Pollack](mailto:Susan.Pollack@ers.usda.gov) (202) 694-5251; [pollack@ers.usda.gov](mailto:pollack@ers.usda.gov) or [Agnes Perez](mailto:Agnes.Perez@ers.usda.gov) (202) 694-5255 at [acperez@ers.usda.gov](mailto:acperez@ers.usda.gov).

## Price Outlook

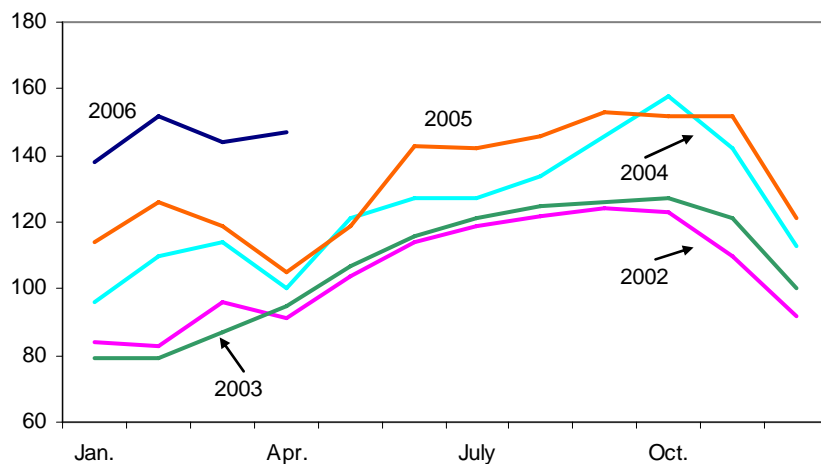
### *Grower Prices for Most Fruit Remain Strong*

The April 2006 index of prices received by growers of fruit and tree nuts rose 2 percent from the index of the previous month and 40 percent from the April 2005 index (fig. 1). The index of 147 (1990-92=100) was also the highest for any April since 1991. Price gains from the previous month for strawberries, oranges, and lemons more than offset the price declines for apples and grapefruit (table 1). Strawberry grower prices typically weaken in April as the California season gets fully underway. However, rains in March and April caused short-term supply gaps for California strawberries, driving up strawberry prices. The rains also disrupted harvesting of oranges and lemons, resulting in higher grower prices for these commodities. Improved weather will aid in rejuvenating California's strawberry crop, and strawberry prices will likely decline as supplies pick up in volume for the remainder of spring and into summer.

Relative to a year ago, the April index was up significantly due to the strong prices for oranges and lemons and for fresh-market apples and strawberries. The higher grower prices in April over April 2005 for oranges are due to the higher prices growers received from processors, particularly in Florida and Texas. Meanwhile, fresh-market orange grower prices averaged lower than a year ago in April across all major producing States.

A combination of increased production in Arizona and smaller fruit size in California drove lemon grower prices below a year ago through most of the 2005/06 season thus far, except in April. Harvesting in Arizona ended in March, leaving California to supply the market. Lemon production in California is forecast to be the same as a year ago, at 722,000 tons. Harvesting has been hampered throughout the spring because of rain, driving up grower prices. As the harvest continues into the summer months, prices are likely to continue high given the heavy demand by

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



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

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

Commodity	2005		2006		2005-06 Change	
	March	April	March	April	March	April
	-----Dollars per box-----				Percent	
Citrus fruit: 1/						
Grapefruit, all	10.58	10.69	8.65	8.32	-18.2	-22.2
Grapefruit, fresh	18.67	19.84	12.52	12.62	-32.9	-36.4
Lemons, all	9.19	12.18	8.66	12.31	-5.8	1.1
Lemons, fresh	15.16	17.80	12.66	18.47	-16.5	3.8
Oranges, all	4.84	4.80	5.70	6.27	17.8	30.6
Oranges, fresh	8.74	9.69	9.21	9.43	5.4	-2.7
	-----Dollars per pound-----					
Noncitrus fruit:						
Apples, fresh 2/	0.184	0.173	0.256	0.247	39.1	42.8
Grapes, fresh 2/	--	--	--	--	--	--
Peaches, fresh 2/	--	--	--	--	--	--
Pears, fresh 2/	0.237	0.240	0.204	0.207	-13.9	-13.8
Strawberries, fresh	0.609	0.447	0.717	0.826	17.7	84.8

1/ Equivalent on-tree price.

2/ Equivalent packinghouse-door returns for CA, NY (apples only), OR (pears only), and WA (apples, peaches, and pears). Prices as sold for other States.

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

consumers during this time of year, along with very good quality fruit. Growers generally receive the highest prices from May through August when demand for lemons is the strongest.

While declining seasonally from the previous month, fresh-market apple prices held above a year ago in April as they have since October due to strong market demand and continued lighter supplies brought about by the smaller crop harvested last fall. The U.S. Apple Association reported fresh-market apples in cold storage (combined controlled-atmosphere and regular storage) were 16 percent below last year on April 1. Storage supplies are expected to remain below last year for the rest of the season, likely continuing to keep prices higher through the summer. However, demand for fresh-market apples should weaken in the coming months as new crop summer fruit supplies become more available to compete with remaining 2005/06 storage apples.

### ***Retail Fresh Fruit Prices Remain Higher Than a Year Ago***

The Consumer Price Index (CPI) for fresh fruit in April was 305.5 (1982-84=100), compared with 284.9 in April 2005 (fig. 2). Although the CPI has declined monthly since January, it continued to be the highest for each month since 1989. Consumers paid higher retail prices in April for Navel oranges, grapefruit, lemons, Red Delicious apples, bananas, and strawberries. Retail prices for Anjou pears and Thompson seedless grapes, however, were cheaper.

Although strawberry retail prices declined seasonally in April from the previous month, tight supplies in California made it difficult for retailers to run promotions, keeping prices higher than the last 2 years. As the Chilean grape season in the United States drew to a close in April, competition from plentiful supplies of red-variety grapes drove down retail prices for Thompson seedless grapes. There are

early indications that grape supplies from Mexico (particularly the early-variety grapes) and California's Coachella Valley are expected to be light due to adverse weather, pointing to likely higher grape prices for the remainder of spring. Likewise, banana retail prices are likely to remain strong in the next couple of months should imports continue below last year and as harvesting for most domestic summer fruit run late due to the relatively cool spring.

Table 2--U.S. monthly retail prices, selected fruit, 2005-2006

Commodity	Unit	2005		2006		2005-06 Change	
		March	April	March	April	March	April
		--- Dollars ---		--- Dollars ---		--- Percent ---	
<b>Fresh:</b>							
Valencia oranges	Lb	--	--	--	--	--	--
Navel oranges	Lb	0.783	0.816	0.888	0.876	13.4	7.4
Grapefruit	Lb	0.959	0.983	1.052	1.029	9.7	4.7
Lemons	Lb	1.307	1.350	1.419	1.384	8.6	2.5
Red Delicious apples	Lb	0.920	0.869	0.935	0.958	1.6	10.2
Bananas	Lb	0.507	0.503	0.508	0.508	0.2	1.0
Peaches	Lb	1.774	--	2.049	--	--	--
Anjou pears	Lb	1.102	1.156	1.052	1.089	-4.5	-5.8
Strawberries 1/	12-oz pint	1.877	1.526	1.817	1.708	-3.2	11.9
Thompson seedless grapes	Lb	1.514	1.869	1.864	1.757	23.1	-6.0
<b>Processed:</b>							
Orange juice, concentrate 2/	16-fl. oz	1.846	1.918	1.895	1.911	2.7	-0.4
Wine	liter	7.166	7.858	7.625	7.935	6.4	1.0

-- Insufficient marketing to establish price.

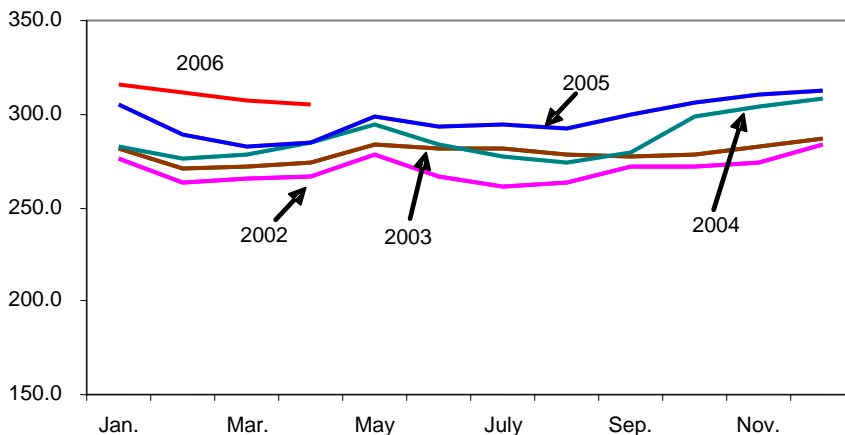
1/ Dry pint.

2/ Data converted from 12 fluid ounce containers.

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

Figure 2

**Consumer Price Index for fresh fruit**  
1982-84=100



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

### *2006 Strawberry Production Forecast Higher*

The U.S. Department of Agriculture's National Agricultural Statistics Service (USDA, NASS) released its first 2006 forecast for strawberry production in California and Florida, the two leading production regions for strawberries in the United States. Together, these two States' production in 2006 is forecast to increase 7 percent from a year ago for a total of 2.4 billion pounds. Production in California, which usually accounts for nearly 90 percent of the Nation's strawberry crop, is forecast at 2.2 billion pounds, increasing for the fifth consecutive year and exceeding the record crop last year by 8 percent. The winter strawberry crop in Florida was also forecast higher in 2006, increasing 3 percent, to 185.0 million pounds, despite a freeze in mid-February. Florida growers minimized frost damage to their crop this winter by running overhead sprinklers when temperatures dropped to record-low levels, shielding the plants from the freezing temperatures.

Improved yields and increased harvested acreage are behind this year's production growth in both States. In California, there will be 1,500 more acres to be harvested in 2006 relative to last year, for a total of 35,800 acres, and average yields are forecast to increase 3 percent, to 62,000 pounds per acre. In Florida, harvested acreage increased over 1 percent, and yields were up 2 percent. Official forecast for production in Oregon, the third largest strawberry-producing State in the country, was not yet available at the time this report was released, but harvested acreage is forecast to continue to decline as it has since 1994, to 2,000 acres in 2006, 200 acres less than in 2005. While this contributes to lower production, Oregon's strawberry crop is reported to be progressing well due in part to the absence of freeze problems this winter, suggesting yields are also likely to improve.

According to USDA's Agricultural Marketing Service (AMS), fresh strawberry shipments from California were running well ahead of a year ago in January and February. However, just when the strawberry season in California was getting underway, heavy rainfall around mid-March and early April disrupted harvesting and led to some quality issues, slowing down shipments in those months relative to a year ago. March shipments were down 31 percent and April shipments were down 14 percent. Although Florida strawberry supplies have wound down by April, their shipments during March and April continued to remain well ahead of a year ago, partly offsetting the limited supplies out of California, particularly to the U.S. eastern markets. The tight supplies in California drove up strawberry grower prices in April, with the average of \$0.83 per pound for the month up 15 percent from the previous month and up 85 percent from April 2005 (the highest April average over the last 6 years). Meanwhile, because Florida dominates the winter strawberry market in the United States, the larger shipments of good quality berries harvested this season compared with last, along with larger imports from Mexico in January and February, allowed for adequate promotional volume for retailers and drove down strawberry retail prices below a year ago during the first 3 months of 2006.

As California's production moved northward, f.o.b. shipping-point prices for a flat of 12 1-pint baskets of strawberries as of mid-May ranged from \$8.90-\$9.90 for medium-large strawberries in the Salinas-Watsonville and Santa Maria districts, and \$7.90-\$9.90 for small-medium berries in the South District growing area. Supplies

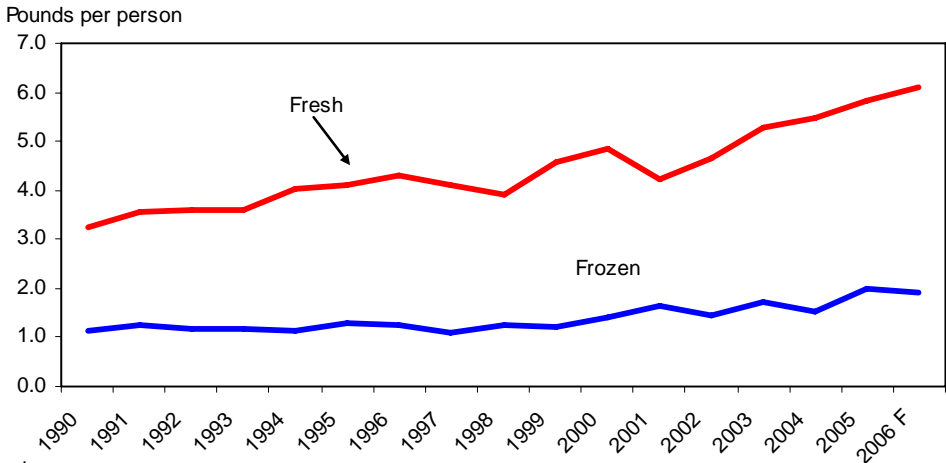
remain light with a wide range in quality, and these prices are ranging around the same level as last year. Barring any weather problems, supplies from California in the coming months should increase seasonally to exceed year-ago levels, reflecting the production growth expected for the year. The build up of supplies will likely drive down grower and retail prices for fresh-market strawberries. California strawberry shipments are typically heaviest around April through July.

Over three-quarters of strawberries produced in the United States are for fresh use and much of what is produced for the fresh market is consumed domestically. Per capita consumption of fresh strawberries in the United States has increased 4 percent annually in the past 16 years, reaching a record 5.8 pounds in 2005 (fig. 3). While temporary rain-related supply shortfalls have been experienced for this season, the expected increase in domestic production during 2006 should help boost this year’s consumption to a record, projected at about 6.1 pounds per person.

Imports during 2001 to 2005 have accounted for 6 percent of domestic fresh strawberry consumption each year, up from 4 percent in the early 1990s. U.S. fresh strawberry imports, mostly from Mexico, increased each year over the last 4 years, reaching a record 122.8 million pounds in 2005 (fig. 4). During these years, imports trended upwards despite continued production increases in the United States. Meanwhile, exports grew at an average rate of 7 percent annually since 1990. U.S. fresh strawberry exports range between 10 percent and 11 percent of domestic supplies. Export shipments rose each year from 2002 to 2005, reaching a record 207.3 million pounds. Canada, Mexico, and Japan serve as the major foreign destinations for U.S. strawberries, accounting for about 95 percent of total exports.

Although the expected production increase in California likely will lead to an increase in processing strawberry production during 2006, overall supplies of frozen strawberries are down this season to date. Carryover inventories of 2005 frozen strawberries were below the average levels of the past 6 years, and as of the end of

Figure 3  
**Per capita consumption of strawberries in the United States\***



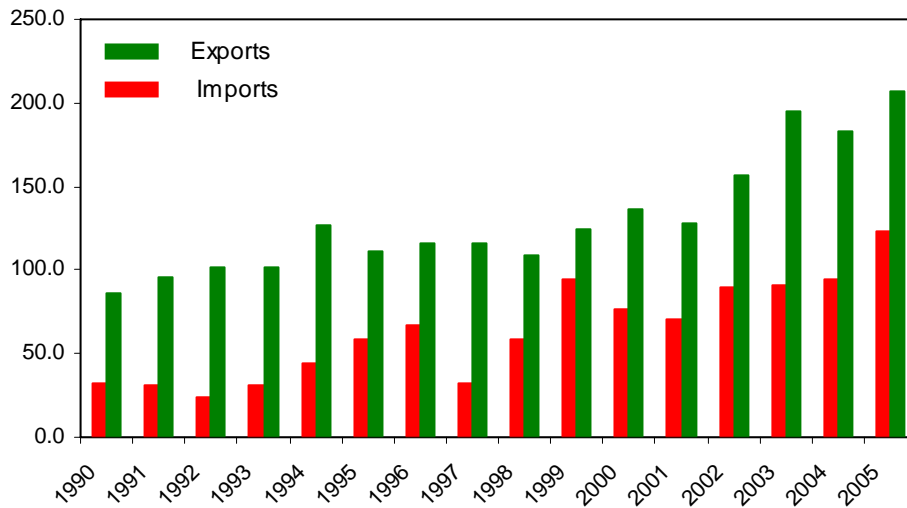
\* Fresh-w eight equivalent basis.

Source: Estimated by the Economic Research Service, USDA.

Figure 4

**Fresh strawberry exports and imports in the United States**

Million pounds



Source: Trade data provided by the Bureau of the Census, U.S. Dept. of Commerce.

March, supplies in cold storage were estimated at 126.9 million pounds, 27 percent below the same time last year. Cumulative deliveries of freezer berries (Grade No. 1, California) to processors as reported by the Processing Strawberry Advisory Board of California beginning March through mid-May were down 13 percent from the same period last year. Deliveries of juice berries, on the other hand, were up 6 percent, likely due to quality problems stemming from the heavy rains that had made some berries unmarketable in the fresh market. Continued tighter supplies of processing strawberries will likely help boost grower prices for processing strawberries in 2006, however, increases in imports will likely moderate any increase in prices. Because of lower overall supplies, U.S. consumption of frozen strawberries is projected to decline from last year's record of 2.23 pounds per person, down to an estimated 2.17 pounds in 2006, but still higher than any of the earlier years.

Imports are partly filling in for the lack of U.S. freezer berry supplies. January-March imports of frozen strawberries in the United States rose 18 percent from the same time a year ago, mostly due to the more than doubling of shipments from Chile and China. Increased shipments from both these sources, along with slight increases from Argentina and Ecuador, compensated for the lower shipments from Mexico, the leading supplier of frozen strawberries to the United States. Shipments from Mexico are expected to improve as they enter their peak period for shipping frozen strawberries to the United States. However, overall Mexican exports to the United States for 2005/06 are not likely to show any large growth. With very little change in frozen strawberry production this season from last, frozen strawberry exports from Mexico are forecast to remain flat during 2005/06, according to USDA's Foreign Agricultural Service (FAS).

While Mexico remains the top supplier to the United States, most of the growth in imports in recent years came from China. Imports from China increased almost sevenfold in the last 6 years, totaling 14.6 million pounds in 2005. In the 1990s, Mexico accounted for over 90 percent of U.S. frozen strawberry imports, however,

with growing competition from China in this market, Mexico's share has diminished in recent years, dropping to 54 percent last year. Meanwhile, China's share of U.S. imports rose from between 1-2 percent in the late 1990s to 21 percent in 2005. FAS forecast frozen strawberry production and exports in China for 2005/06 to be lower than the previous season due to uncertainties in export demand stemming from an antidumping investigation initiated by the European Union-25 (EU-25) in July 2005 against imports of frozen strawberries from China. Given this information, should an antidumping tariff be imposed on Chinese frozen strawberry exports to the EU-25, shipments normally intended for the EU-25 may likely be diverted to other export markets such as the United States, and could increase Chinese shipments to the United States.

### ***California Peach, Nectarine, and Plum Supplies Likely To Be Adequate in 2006***

Lack of chill hours this past winter and other spring weather problems have reduced the potential to produce bumper crops of peaches, nectarines, and plums (all are stone fruit crops) in California during 2006. However, California stone fruit growers are still hopeful to harvest an adequate amount of fruit this year. The California Tree Fruit Agreement (CTFA), a grower-funded group that promotes the marketing of fresh-market peaches, nectarines, and plums, reported their combined crop estimates for 2006 at 49.3 million boxes, only slightly below the last 2 years but down over 10 percent of what would be regarded as a full crop under existing productive acreage of approximately 36,000 acres each.

The first NASS forecast for the 2006 California peach crop released on May 12 was pegged at 1.54 billion pounds, 11 percent smaller than the 2005 crop. Production of freestone peaches, mostly for fresh use, was forecast at 740.0 million pounds, 4 percent below a year ago. Production of clingstone peaches, used mostly for processing, was forecast to be down 17 percent, to 800.0 million pounds. Preliminary estimates from CTFA have the fresh-market peach crop just fractionally above a year ago. Production estimates from NASS for both California nectarines and plums in 2006 will not be available until January 2007. However, pre-season estimates from CTFA indicate nectarine production will be down 4 percent while plum production will be down 7 percent. Tables 3-5 provide a historical series for peach, nectarine, and plum production in California over the last 16 years.

A mix of rain, hail, frost, cloudy conditions, and cold temperatures this spring have affected California's production of peaches, nectarines, and plums for 2006. These unsettled weather conditions hampered bee pollination activities which affected bloom and fruit set. The fruit set for early-variety peaches was reported to be normal, but sets for the mid- to late-season varieties appear lighter and inconsistent. Frost and hail have been reported across all growing areas, but in most cases the damage was not severe. The cold temperatures have slowed crop maturity, with harvesting running about 2 weeks later than last year for all varieties. Also, because of an extended bloom period, many orchards were showing varied stages of maturity. This indicates that harvesting will occur more frequently throughout the season, likely bringing a more consistent flow of supplies during the season but driving up harvesting cost. However, because the fruit are staying longer on the



trees to mature, they are expected to achieve good size, color, and flavor, all positive attributes in bargaining for better pricing.

The California peach, nectarine, and plum season started off slow in late April and early May, but supplies are expected to pick up around June, with sufficient supplies lasting through September. Season-to-date pack out for peaches and nectarines through May 13, 2006, were 61 percent and 65 percent behind the same time last year, based on CTFA estimates. Plum shipments, meanwhile, have not yet begun. The light supplies of peaches and nectarines so far this season have driven peach and nectarine prices higher than a year ago.

As of May 17, various varieties of yellow flesh California well-matured peaches in the State's Central and Southern San Joaquin Valley were priced at \$29.95 to \$31.95 (f.o.b. shipping point) for a two-layer tray pack of size 48-50s, \$23.95 to \$29.95 for 54-56s, and \$17.95 to \$21.95 for 60-64s. Around the same time last year, prices ranged from \$16.00 to \$18.00 for 48-50s, \$12.00 to \$14.00 for 54-56s, and \$10.00 to \$11.00 for 60-64s. F.o.b. shipping-point prices for various varieties of yellow flesh California well-matured nectarines ranged from \$27.95 to \$33.95 for 54-56s and \$25.95 to \$29.95 for 60-64s. Last year's nectarine prices ranged from \$24.00 to \$28.00 for 54-56s and \$18.00 to \$20.00 for 60-64s. Assuming favorable weather, supplies are expected to build up seasonally into the summer months, along with other summer fruit, likely putting downward pressure on prices. However, prices are likely to remain strong because of the expected lighter supplies compared with a year ago.

Table 3--Peaches: Production, utilization, and season-average grower price, California

Year	Production 1/ --Million pounds--	Utilization		Grower price	
		Fresh	Processed	Fresh	Processed 2/ --Dollars/pound--
1990	1,555	384	1,171	0.22	0.11
1991	1,597	402	1,195	0.16	0.11
1992	1,759	430	1,329	0.14	0.11
1993	1,640	386	1,254	0.19	0.11
1994	1,717	440	1,277	0.12	0.09
1995	1,323	323	1,000	0.24	0.11
1996	1,715	459	1,256	0.28	0.11
1997	1,839	498	1,341	0.14	0.13
1998	1,712	432	1,280	0.20	0.11
1999	1,792	508	1,284	0.20	0.11
2000	1,808	538	1,270	0.19	0.13
2001	1,677	538	1,139	0.21	0.12
2002	1,870	556	1,314	0.21	0.12
2003	1,837	565	1,272	0.20	0.11
2004	1,858	518	1,340	0.17	0.13
2005 3/	1,738	504	1,234	0.27	0.13

1/ Utilized production. 2/ Prices are only for clingstones which represents about 80 percent of all California peaches processed. 3/ Preliminary.

Source: *Noncitrus Fruit and Nuts Summary* (various issues), National Agricultural Statistics Service, USDA.

Table 4--Nectarines: Production, utilization, and season-average grower price, California

Year	Production 1/ --Short tons--	Utilization		Grower price	
		Fresh	Processed	Fresh	Processed
		--Short tons--	--Short tons--	--Dollars/ton--	
1990	232,000	229,500	2,500	2/	2/
1991	215,000	211,000	4,000	2/	2/
1992	236,000	233,000	3,000	2/	2/
1993	205,000	201,000	4,000	2/	2/
1994	242,000	238,000	4,000	2/	2/
1995	176,000	170,000	6,000	2/	2/
1996	247,000	239,800	7,200	2/	2/
1997	264,000	258,500	5,500	2/	2/
1998	224,000	207,600	16,400	2/	2/
1999	274,000	256,300	17,700	437.00	27.90
2000	267,000	260,700	6,300	407.00	24.00
2001	275,000	265,400	9,600	480.00	26.00
2002	300,000	300,000	--	382.00	--
2003	273,000	273,000	--	436.00	--
2004	252,000	252,000	--	342.00	--
2005 3/	239,000	239,000	--	519.00	--

1/ Production all utilized. 2/ Not published to avoid disclosure of individual operations. 3/ Preliminary.

Source: *Noncitrus Fruit and Nuts Summary* (various issues), National Agricultural Statistics Service, USDA.

Table 5--Plums: Production, season-average grower price, and crop value, California

Year	Utilized	Grower	Crop
	production	price	value
	Short tons	Dollars/ton	1,000 dollars
1990	223,000	603.00	134,412
1991	218,000	449.00	97,894
1992	250,000	252.00	63,033
1993	185,000	508.00	93,954
1994	247,000	321.00	79,358
1995	124,000	950.00	117,849
1996	228,000	420.00	95,831
1997	246,000	312.00	76,825
1998	188,000	529.00	99,388
1999	196,000	419.00	82,041
2000	197,000	442.00	87,115
2001	210,000	306.00	64,362
2002	201,000	386.00	77,586
2003	209,000	418.00	87,362
2004	144,000	516.00	74,347
2005 1/	171,000	551.00	94,163

1/ Preliminary.

Source: *Noncitrus Fruit and Nuts Summary* (various issues), National Agricultural Statistics Service, USDA.

### ***Banana Imports Down Slightly***

Cumulative imports of bananas in the United States during the first 3 months of 2006 (first-quarter) declined less than 1 percent from the same period a year ago, mostly due to tropical storms in October and November last year that badly damaged banana production regions in Guatemala and Honduras. First-quarter shipments from Guatemala, the Nation's number one supplier of fresh bananas, were down 31 percent and from Honduras down 13 percent. However, increased shipments from Costa Rica (up 39 percent) and Ecuador (up 4 percent) have helped compensate for some of the reduced volumes from these big suppliers. Also contributing to the lower first-quarter imports were reduced shipments from a number of other Latin American countries because of the colder-than-normal weather earlier this year that have inhibited good yields for their crops.

The decline in overall first-quarter 2006 imports occurred in February when shipments were down 10 percent. January imports were up 5 percent and March

imports were up 4 percent. Guatemalan shipments rose in March from the previous month but remained significantly lower than in March 2005. The same goes with shipments from Honduras. The potential for imports to be down overall during 2006 will depend on the length of time for production in these storm-stricken growing regions to fully recover this year. U.S. banana imports have declined in the last 3 years, to 8.4 billion pounds in 2005 (table 6). Imports were down 1 percent in 2005 from the previous year, as lower shipments from most major suppliers offset only a fractional increase from the largest supplier, Guatemala. In particular, shipments declined from Ecuador (down 2 percent), Costa Rica (down 5 percent), Honduras (down 11 percent), and Nicaragua (down 8 percent).

Banana prices quoted at the Philadelphia wholesale terminal market in January ranged from \$12.00-\$15.00 per 40-pound carton, compared with \$9.50-\$15.00 in January 2005. Prices rose higher in February as import supplies declined from January. Although supplies are slowly increasing, prices are holding up above a year ago. As of the second week in May, quoted prices were in a range of \$20.00-\$21.00 per 40-pound carton, compared with \$12.00-\$13.00 the same time last year.

At the retail level, however, U.S. consumers have not yet seen much of a price change for bananas during the first quarter of 2006 compared with the same period last year. National level retail banana prices during the first quarter averaged about 50 cents per pound, only fractionally higher than the average during the first quarter of 2005, but lower than the first quarter 2002-2004 averages. Bananas are still the most affordable fruit for consumers in the retail fresh produce department. U.S. consumers paid an average of at least \$1.00 per pound for most fresh citrus and noncitrus fruit during the first 3 months of 2006 (fig. 5). Only bananas and Navel oranges cost less than \$1.00 per pound, and bananas averaged 38 cents lower than Navel oranges. Bananas' cost advantage to retail consumers, along with its year-round availability and convenience attributes, helped sustain its lead in U.S. fresh fruit consumption for many years now, with average consumption of over 25 pounds per person each year during 2001-2005. Should imports continue to decline this year at a rate of less than 1 percent, similar to the average rate of decline during the first quarter, banana consumption in the United States in 2006 is projected to decline almost 2 percent from a year ago, to an estimated 24.7 pounds per person. If realized, this will be the fourth consecutive year of declining banana consumption in the United States.

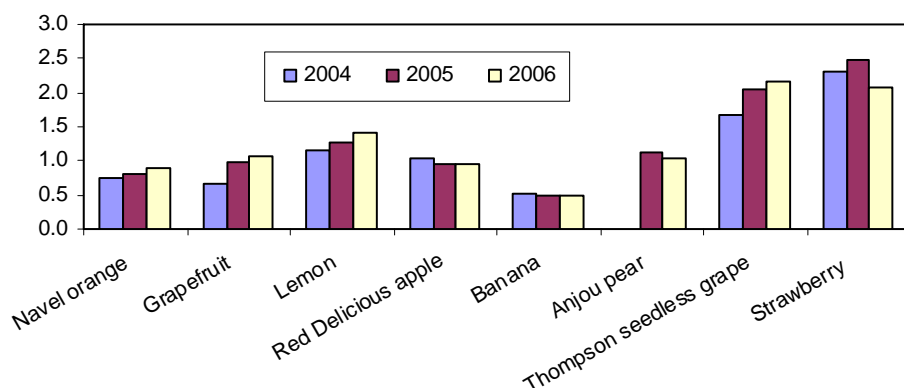
Table 6--U.S. imports of fresh bananas, excluding plantains, by country, 1996-2005

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Million pounds										
Guatemala	1,114	1,020	1,443	1,107	1,518	1,834	2,040	2,059	2,250	2,269
Ecuador	1,871	1,925	2,381	2,578	2,152	2,087	2,253	2,144	2,026	1,994
Costa Rica	2,138	2,103	2,405	3,536	3,001	2,386	1,987	2,152	1,908	1,814
Colombia	841	1,028	915	1,336	1,329	1,045	1,117	1,035	1,024	1,133
Honduras	1,410	1,243	831	184	608	841	990	953	1,120	999
Nicaragua	42	48	129	88	4	62	65	92	91	84
Other countries	910	950	523	633	274	212	161	118	119	139
World	8,327	8,317	8,627	9,461	8,886	8,467	8,613	8,552	8,538	8,431

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

Figure 5  
**Comparison of first-quarter average U.S. retail prices for selected fruit, 2004-2006**

Dollars per pound



Source: Bureau of Labor Statistics, U.S. Department of Labor  
<http://www.bls.gov/data/home.htm>

### ***2006 First-Quarter Papaya Imports Continue Lower***

Imports of papayas into the United States fell 8 percent in 2005 from the previous year after increasing for 6 straight years. Totalling 255.8 million pounds, imports accounted for over 90 percent of all the supplies available for domestic consumption. While small relative to imports, overall papaya production in Hawaii also declined in 2005, resulting in an 11-percent smaller fresh-market crop. Both the decline in imports and domestic production drove last year's fresh papaya consumption in the United States down 9 percent from the record-high in 2004, to an estimated 0.93 pound per person. Papaya demand in the United States had been on an upward trend since the 1990s (fig. 6), influenced mostly by the rapid growth of Latin American and Asian immigrants in the country who are most accustomed to this fruit. Although last year's papaya consumption fell, it was still higher than consumption levels in earlier years.

The top five suppliers of fresh papaya imports in the United States during 2005 were Mexico, Belize, Brazil, Guatemala, and the Dominican Republic (table 7). Mexico supplied more than 60 percent of the imports in 2005, a share that has diminished in recent years. Imports from Belize and Guatemala, on the other hand, continued to grow rapidly in recent years. While shipments continued to increase in 2005 from both these countries, shipments from Mexico declined 15 percent from the previous year and that alone was enough to drive overall imports down last year. Shipments were also down from Brazil and the Dominican Republic.

Persistent lower imports from Mexico have driven down overall papaya supplies in the United States during the first 3 months of 2006 despite increased shipments from other major foreign suppliers. Total imports through March were down 19 percent from the same period last year. Weekly shipment data from USDA's AMS, however, indicate that Mexican shipments to the U.S. market were catching up in recent weeks, but papaya prices were holding strong. AMS-quoted f.o.b. shipping-point prices for Mexican Maradol variety papayas crossing through Texas as of early May were at \$20.00 per 35-40 pound carton, compared with \$9.00 to \$10.75 per carton the same time last year. If imports from Mexico continue to improve

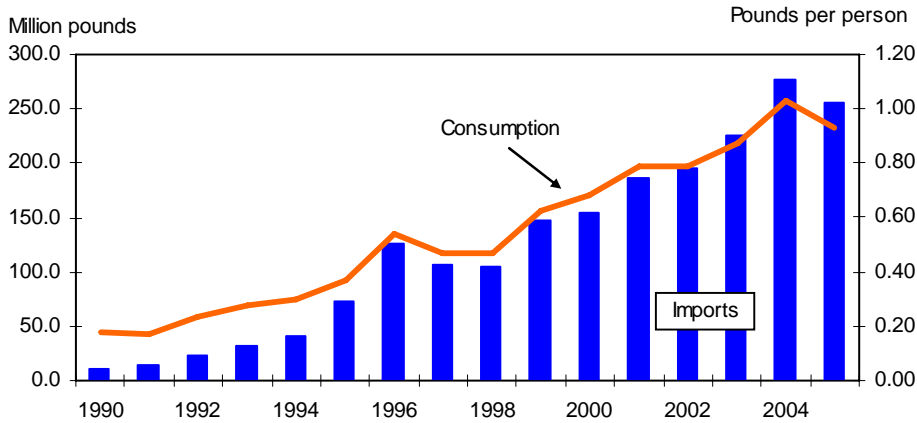
Table 7--U.S. imports of fresh papayas, by country, 1996-2005

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1,000 pounds										
Mexico	110,661	88,233	87,438	123,307	121,527	151,879	147,632	164,494	207,703	176,772
Belize	5,347	7,971	9,397	8,485	12,269	12,868	24,297	34,662	53,390	61,104
Brazil	0	19	1,102	6,229	10,301	11,220	12,820	15,825	10,700	10,134
Guatemala	10	0	67	0	0	326	724	769	914	2,740
Dominican Republic	2,517	2,122	1,152	2,608	5,579	6,342	5,323	5,470	2,647	2,350
Other countries	7,560	7,920	6,462	5,933	4,398	3,525	4,372	3,377	2,448	2,738
World	126,095	106,264	105,620	146,561	154,073	186,160	195,166	224,598	277,803	255,836

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

Figure 6

**Fresh papayas: U.S. imports and domestic consumption**



Source: U.S. trade data from the Bureau of the Census, U.S. Dept. of Commerce and consumption estimates derived by the Economic Research Service, U.S. Dept. of Agriculture.

during its heavy shipping period from April through June, this will likely put downward pressure on papaya prices and help boost U.S. consumption for 2006.

Persistent rains across papaya-growing regions in the State of Hawaii from mid-February through March 2006 caused flooding in the orchards, increased disease pressure, and some fruit drop and tree losses, particularly on the western islands of Oahu and Kauai. The State's papaya production, however, is concentrated on the Hawaii Island where orchards were not as badly affected by the rains and instead experienced steady flowering and new growth. Nevertheless, Hawaii's papaya acreage totaled 2,060 acres in March, down 10 percent from the previous month and down 17 percent from March 2005. Harvested area declined less than 1 percent from the previous month, to 1,775 acres, but was 340 acres higher than a year ago. In April, total crop acreage continued to decline, and harvested acreage was nearly unchanged from March but was down 23 percent from April 2005. Hawaii's overall fresh papaya utilization during the first 4 months of 2006 was down 11 percent from the same period a year ago. As a result, grower prices for this year have remained strong, with January-March prices averaging \$0.38 per pound, compared with \$0.36 during the same period a year ago.

Hawaii's papaya production in 2005 was estimated at 32.5 million pounds, down from 35.8 million pounds the previous year and the smallest crop since the 1980s. Although the number of papaya farms and harvested acreage in Hawaii were both

up in 2005 from the previous year, production was reduced due to poorer yields. Despite the decline in production last year, the average grower price for fresh-market papayas was unchanged from the 2004 average of \$0.36 per pound. However, 2005's average grower price remained strong relative to the average of the 4 previous years.

The Hawaii Island accounted for 91 percent of the State's papaya harvested acres and was home to over three-quarters of the State's papaya farms during 2005. Bearing acreage in Hawaii Island rose 48 percent in 2005, while the growing regions of Maui/Molokai/Oahu showed declines and Kauai had no change.

### ***Mango Imports Higher***

U.S. mango imports during the first 3 months of 2006 increased 27 percent from the same period a year ago. The United States imports mangoes from many countries in Central and South America, but Mexico supplies more than half of the annual import volume (table 8). Shipments from Peru and Ecuador supply the U.S. market during the winter months. Mexican shipments begin in February but are heaviest from May through July. Half of the imports for this year through March were from Peru whose shipments to the United States were up 14 percent from last year. Shipments from Mexico accounted for 30 percent of total imports to date and were up more than 50 percent. Shipments from other major suppliers were also up, except from Brazil and Haiti.

Mexican shipments started off early this year, with February shipments up sharply from the same time last year. AMS shipment data indicate that import shipments from Mexico continue to be above a year ago through the second week of May. Despite increased supplies, mango prices are averaging higher. F.o.b. shipping-point prices for Mexican Haden and Tommy Atkins mangoes crossing through Texas as of May 10 ranged from \$4.00-\$5.00 per 1-layer carton (8s), compared with \$3.00-\$4.00 per carton the same time last year.

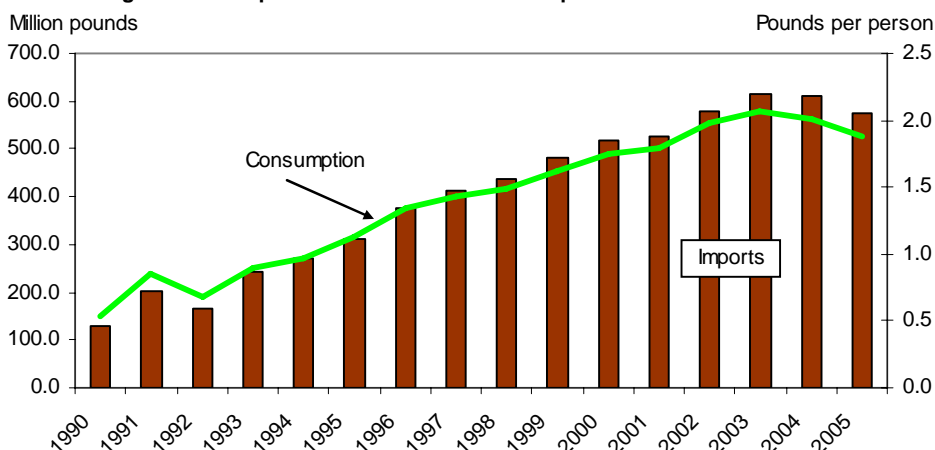
Table 8--U.S. imports of fresh mangoes, by country, 1996-2005

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
	1,000 pounds									
Mexico	306,842	348,045	356,240	360,105	366,856	344,744	361,485	381,953	383,760	350,476
Peru	9,896	7,378	8,007	25,090	27,111	34,288	45,227	45,375	66,857	65,816
Brazil	10,773	11,913	15,540	28,030	37,443	59,385	79,454	86,054	59,937	57,637
Ecuador	8,569	1,936	11,596	22,910	38,922	42,037	47,311	60,177	55,194	53,093
Haiti	18,132	22,721	15,748	20,159	22,397	12,957	18,456	13,368	17,779	20,703
Guatemala	15,175	14,921	22,555	21,051	18,262	22,739	21,053	18,207	19,346	20,539
Nicaragua	2,081	1,708	3,236	1,495	3,409	3,870	3,150	4,813	2,958	3,271
Costa Rica	802	1,263	891	2,393	3,223	4,384	2,940	3,046	2,555	2,818
Other countries	5,508	1,323	1,365	1,447	682	165	1,506	822	851	705
World	377,777	411,207	435,177	482,681	518,305	524,569	580,582	613,815	609,236	575,058

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

Figure 7

**Fresh Mangoes: U.S. imports and domestic consumption**



Source: U.S. trade data from the Bureau of the Census, U.S. Department of Commerce and consumption estimates derived by the Economic Research Service, U.S. Dept. of Agriculture.

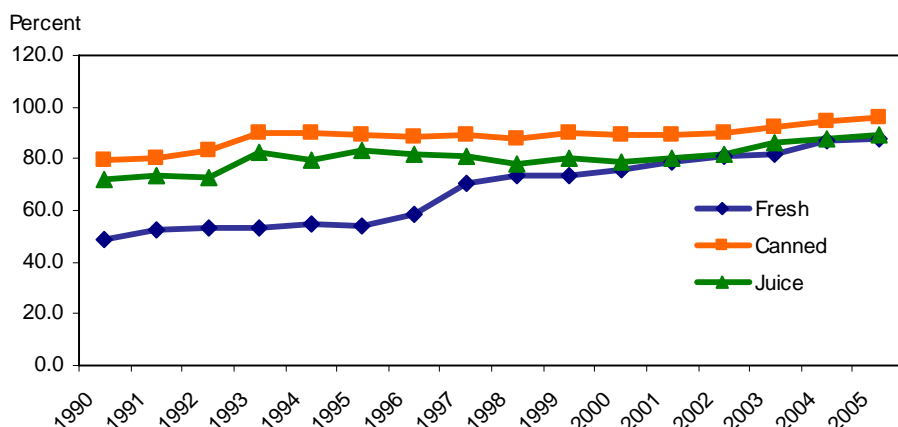
Because mangoes are grown in the United States in very limited quantities, U.S. markets are greatly dependent on imports to meet domestic demand for the fruit. Imports have increased an average of 12 percent annually since 1990, rising year-after-year from 1994 to 2003. Rains reduced Mexican supplies during the first half of the 2004 season, leaving just a fractional increase in their overall shipments to the United States that year. Moreover, shipments from some important foreign suppliers such as Brazil, Ecuador, Nicaragua, and Costa Rica registered significant reductions in 2004. In 2005, shipments were down from the four leading suppliers—Mexico, Peru, Brazil, and Ecuador—pushing overall imports below the previous year (table 8). U.S. mango imports in 2005 declined 6 percent from the previous year, to 575.1 million pounds. Mexico accounted for 61 percent of the imports, and while they continue to dominate the U.S. mango market, growing competition from countries such as Peru, Ecuador, and Brazil have diminished their share of total U.S. imports from over 80 percent during most of the 1990s.

Despite a growing demand for mangoes in the United States, domestic consumption during the last 2 years failed to track the growth pattern seen in earlier years due to lower imports. After increasing for 11 straight years since 1993, mango consumption in the United States declined for the second consecutive year in 2005 (fig. 7). Annual consumption was estimated at 1.9 pounds per person in 2005, down from the record 2.1 pounds in 2003 and 2.0 pounds in 2004. Should imports continue higher through most of 2006, the recent downward trend in consumption will likely be reversed.

**2006 Pineapple Imports Up in Early 2006**

The U.S. pineapple market is facing increased supplies of both fresh and processed pineapple products thus far in 2006. First-quarter imports of fresh pineapples were up 19 percent from the same time last year, and canned pineapple and pineapple juice imports were up 5 percent and 9 percent, respectively. Most leading suppliers of fresh pineapples to the United States shipped lower quantities from January through March, but large increases in shipments from Costa Rica, the top supplier,

Figure 8  
**U.S. pineapple import share of domestic consumption**



Source: Estimated by the Economic Research Service, U.S. Department of Agriculture.

drove up overall imports. Big increases from Sri Lanka and South Africa also contributed to the boost in fresh pineapple imports. Canned and juice shipments from the United States' number one source, the Philippines, were behind last year, however, these were offset by increased shipments from Thailand. Moreover, significantly larger shipments from Indonesia, Costa Rica, Vietnam, and Mexico have also contributed to the larger juice imports.

Pineapple demand in the United States remains heavily reliant on imports. Declining domestic production (virtually all from Hawaii) over the past several years has boosted the import share of domestic pineapple consumption, becoming more pronounced in recent years (fig. 8). The average market share of U.S. fresh pineapple imports rose from 49 percent of domestic consumption in 1990 to 88 percent in 2005. Likewise, import shares for canned pineapples and pineapple juice rose from 79 percent to 96 percent and from 70 percent to 88 percent, respectively.

The fresh market remains a smaller segment of the U.S. pineapple market although it is where most of the growth for the industry has been. Domestic demand for both canned and pineapple juice has been on a downward trend, while the introduction of "extra sweet" golden varieties of pineapples during the mid-1990s helped boost fresh-market demand. As a result, fresh pineapple imports increased rapidly since 1996 at the same time that canned and juice imports remained fairly steady (tables 9-10). The quantity of canned pineapple and pineapple juice imports in the United States far outweighed fresh pineapple imports for many years until after the turn of the 21st century when fresh pineapple imports reached comparable levels, even surpassing juice imports in the past 2 years (when compared on a fresh-weight equivalent basis).

Fresh pineapple imports increased an average of 17 percent annually since 1996, increasing each year for the last 9 years and reaching an all-time high of 1.3 billion pounds in 2005 (table 9). Despite declining U.S. production, there were sufficient fresh pineapple supplies in the U.S. market to meet the growing demand, increasing domestic consumption from an estimated 1.9 pounds per person in 1996 to a record 4.9 pounds per person in 2005. For the same period, U.S. consumption of canned pineapple remained relatively flat at an estimated 4.7 pounds per person, and



pineapple juice consumption also fell from 5.7 pounds to 3.8 pounds, fresh-weight basis.

Even with 1,000 more acres harvested compared with the previous year, Hawaii's pineapple production continued to decline for the fifth consecutive year in 2005, totaling 212,000 tons (equivalent to 424.0 million pounds). Fresh-market production increased almost 2 percent, to 106,000 tons (or 212.0 million pounds), but processing production decreased 9 percent, to 106,000 tons (also 212.0 million pounds). The increase in fresh-market production led to lower grower prices in the fresh market, but processing pineapple grower prices did not receive any additional boost from reduced processing supplies. The 2005 season-average grower price for Hawaiian fresh-market pineapples was \$600.00 per ton (or 30 cents per pound), down from \$634.00 (or 31.7 cents per pound) in 2004. The 2005 season-average grower price for processing pineapples remained unchanged from the 2004 average of \$148.00 per ton (or 7.4 cents per pound).

Hawaii's pineapple industry is expected to shrink with the decision of Del Monte Fresh Produce Incorporated to end its pineapple operations in Hawaii in December 2008. Del Monte Fresh is one of the three remaining firms that grow and market pineapples from Hawaii. The other two are Maui Pineapple Company, the State's largest pineapple producer, accounting for over 40 percent of pineapple acreage in Hawaii, and Dole Fresh Fruit Company. Through most of the 1990s, these three firms comprised the State's pineapple industry. There previously were 10 companies in 1955 and four in 1990. Both Del Monte Fresh and Dole lease land in the Island of Oahu. Maui Pineapple Company, on the other hand, owns the land it crops in Maui and has the only remaining pineapple cannery in the State.

Del Monte's pineapple planting in Hawaii ended in February of this year, but with the pineapple's 3-year crop cycle, the company expects to continue harvesting and packing locally produced pineapples through mid-2008. The growth in production among lower-cost pineapple-producing countries has made it no longer competitive for the company to produce in Hawaii, although current lease issues were also a factor. Except for Maui Pineapple Company, the other two companies have production operations in other countries. Del Monte's production extends to Costa Rica, Brazil, and the Philippines and for Dole to Ecuador. Although Del Monte's departure will likely lead to a decline in the number of pineapple farms in Hawaii, which in both 2004 and 2005 totaled 30 farms, future pineapple production trends in the State will be determined by production expansion decisions made, if any, by the remaining two companies.

Table 9--U.S. imports of fresh and frozen pineapples, by country, 1996-2005

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1,000 pounds										
Costa Rica	192,305	344,342	446,029	504,018	574,663	581,531	765,120	888,956	873,559	978,509
Ecuador	8,939	9,281	5,268	11,785	14,341	18,788	40,405	65,713	76,817	83,291
Honduras	60,126	54,460	59,414	73,976	72,570	44,690	45,478	54,516	75,911	73,072
Guatemala	877	333	1,018	3,846	1,681	5,581	1,617	6,471	38,840	71,889
Mexico	17,849	35,423	41,009	33,530	38,505	54,180	39,799	33,421	60,102	61,238
Thailand	6,179	5,299	6,505	4,722	6,255	8,021	6,845	9,255	8,894	10,032
Panama	5,627	564	299	0	275	561	930	1,062	3,884	8,321
Philippines	101	267	13	0	126	1	0	2	153	4,424
Vietnam	0	0	0	344	497	741	1,468	662	241	526
Sri Lanka	0	0	0	0	28	80	48	91	60	406
Other countries	13,095	5,879	3,938	474	2,350	1,477	935	2,500	1,286	1,053
World	305,098	455,849	563,493	632,697	711,292	715,651	902,645	1,062,649	1,139,747	1,292,761

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

Table 10--U.S. imports of canned pineapples, by country, 1996-2005

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1,000 pounds										
Philippines	276,574	277,709	247,345	274,052	306,735	296,357	287,462	304,298	286,954	282,038
Thailand	172,067	167,347	109,955	257,272	183,580	168,261	183,595	224,135	240,722	279,397
Indonesia	120,862	145,840	108,676	144,861	146,360	122,026	135,323	117,412	113,174	129,213
China	3,907	5,011	22,354	29,904	17,098	17,888	31,459	54,173	58,299	75,108
Malaysia	18,044	20,915	15,084	15,077	9,556	10,000	11,322	17,877	16,463	16,037
Other countries	68,387	44,382	44,985	37,258	41,046	33,604	35,297	26,845	10,108	8,739
World	659,840	661,204	548,399	758,424	704,376	648,136	684,457	744,740	725,720	790,532

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

Table 11--U.S. imports of pineapple juice, by country, 1996-2005

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1,000 single-strength gallons										
Philippines	36,806	37,673	33,963	33,459	34,971	39,319	38,754	48,821	40,820	36,948
Thailand	31,131	23,045	17,203	29,573	22,522	21,454	20,213	19,535	16,732	16,881
Indonesia	6,771	8,888	5,244	9,795	6,260	6,924	10,224	8,625	6,451	7,991
Costa Rica	1,704	2,916	1,598	3,073	2,124	1,953	3,716	2,885	1,634	2,655
Mexico	640	732	2,093	509	349	235	627	1,279	604	808
Brazil	11	0	43	904	298	21	657	739	181	490
China	0	21	121	80	22	180	189	120	172	379
Vietnam	0	0	0	0	0	0	76	275	958	245
Honduras	970	472	114	78	66	57	241	193	268	217
Singapore	39	0	0	0	0	0	21	58	0	137
Other countries	5,772	2,335	1,122	752	870	554	674	1,382	522	343
World	83,846	76,082	61,502	78,224	67,482	70,698	75,391	83,912	68,343	67,095

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

### ***First Forecast for 2006 Almond Crop Higher Than Last 2 Years***

USDA's NASS revised California's 2005 almond crop to 915 million pounds, shelled basis, 4 percent higher than the January forecast. Despite the increased forecast, the 2005 almond crop was still the smallest in 4 years.

NASS also provided its first forecast for the 2006 California almond crop at 1.02 billion pounds, shelled basis. If realized the 2006 crop would be larger than either of the previous 2 years, although it would be 2 percent smaller than the 2003 crop and 6 percent smaller than the record-high 2002 crop.

The new season's crop was affected by a relatively warm winter not providing enough chilling hours, frost, and a wet spring. Despite these factors, the almond set is reported to look good, with a lighter set in the northern growing areas as a result of the frost, but a heavy set in the southern area. NASS' preliminary acreage forecast is for 580,000 bearing acres, unchanged from last year. The yield forecast for 2006 is 1,760 pounds per acre, the same as in 2004. This year NASS forecasts there are 10,000 more bearing acres than in 2004, accounting for the 15-million-pound increase in production between the 2 years.

According to the *2005 California Almond Acreage Report* released May 1 by NASS' California Field Office, Kern County was California's biggest almond-producer in 2005, accounting for 18 percent of all bearing acreage and 27 percent of nonbearing acreage. Merced, Stanislaus, Fresno, and Madera round out the top five almond counties by acreage. The nonpareil almond was the leading almond variety grown in California. In 2005, 38 percent of the bearing acres were planted to nonpareil and 39 percent of the nonbearing acres were planted to nonpareil almonds. The Carmel variety has the next biggest number of bearing acres, with 17 percent of the total, followed by Butte and Padre varieties.

In 2005, almond growers received an average price of \$3.08 per pound (shelled), 39 percent higher than in 2004 and the highest on record. Despite the 9-percent smaller crop in 2005 compared with 2004, the higher prices in 2005 drove the crop's value to \$2.725 billion, 24 percent higher than in 2004.

On the New York wholesale market, almond prices began the 2005/06 season at \$1.64 per pound (inshell), 30 to 40 cents higher than much of the 2004/05 season, according to market news data from USDA's AMS. Prices peaked in late-October through mid-November at \$1.84 per pound before finishing out the season at \$1.48 per pound, about 51 cents more per pound than at the end of the 2003/04 season and about 30 cents more than the end of the 2004/05 season.

The 2005/06 almond shipments have been lagging behind the 2004/05 season through April mostly because of the expected smaller supply. According to data from the Almond Board of California, domestic shipments from August 2005 through April 2006 have been down 11 percent from last season, and export shipments have been down 14 percent. At the same time, as of the end of April, the amount of inventory remaining uncommitted is 2 percent higher than last year. Shipments so far this season have been lower to the major export markets—Spain, Germany, India, Japan, and Italy. With the higher prices in 2005/06, lower-priced inshell almond shipments increased to some of the major markets while higher-priced shelled almond shipments declined. For example, the quantity of inshell almonds shipped to both Germany and Italy increased from a year ago, but the quantity of shelled almonds shipped declined. Shipments to India, however, the major market for inshell almonds, decreased by 26 percent so far this season, driving down total inshell shipments.

## Fruit and Tree Nuts Trade Outlook

### *Exports of Fresh Apples, Strawberries, Grapefruit, and Lemons Up Through March*

U.S. exports for fresh apples, strawberries, grapefruit, and lemons were up for this season through March (table 12). Except for apples, crop size was larger for these fruit crops in 2005/06 than the previous season, increasing the quantity of fruit for export. Demand for U.S. fresh apples remained strong for this season to date in most export markets, especially in Mexico, Taiwan, Hong Kong, Malaysia, and Indonesia. The largest exports to date have been to Mexico, where shipments were up 93 percent from the same time last season. Shipments to Canada, meanwhile, were down 4 percent.

Although the 2006 California strawberry season was just getting underway in January through March, shipments to export markets were up 41 percent from the same period a year ago. U.S. strawberry exports were up significantly to its top three export markets—Canada, Japan, and Mexico. Following a good start to this year's export season, however, excessive moisture has caused short-term supply disruptions and some quality issues to the California strawberry crop this spring, likely pushing down exports during the early spring months.

U.S. grapefruit exports in 2005/06 to date totaled 153.9 million pounds. Although up 6 percent from the same period last season, export shipments remain well below the export volumes shipped by the United States in recent years and throughout the 1990s. Shipments remain low as Florida grapefruit production continues to be

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

Commodity	Marketing season	Season-to-date (through March)		Year-to-date change
		2005	2006	
		--- 1,000 pounds ---		Percent
Fresh-market:				
Oranges	November-October	656,509	651,105	-0.8
Grapefruit	September-August	419,281	436,766	4.2
Lemons	August-July	144,775	153,887	6.3
Apples	August-July	919,388	1,142,781	24.3
Grapes	May-April	683,431	827,323	21.1
Pears	July-June	296,010	292,999	-1.0
Peaches (including nectarines)	January-December	4,640	1,936	-58.3
Straw berries	January-December	35,265	49,617	40.7
Sweet cherries 1/	January-December	326	1,434	339.5
		--- 1,000 sse gallons 2/ ---		
Processed:				
Orange juice, frozen concentrate	October-September	24,376	33,715	38.3
Orange juice, not-from-concentrate	October-September	33,259	32,912	-1.0
Grapefruit juice	October-September	12,611	8,050	-36.2
Apple juice and cider	August-July	3,582	4,874	36.1
Wine	January-December	21,670	21,991	1.5
		--- 1,000 pounds ---		
Raisins	August-July	183,500	158,349	-13.7
Canned pears	August-July	19,056	20,215	6.1
Canned peaches	July-June	61,128	49,483	-19.1
Frozen straw berries	January-December	5,082	5,561	9.4
		--- 1,000 pounds ---		
Tree nuts:				
Almonds (shelled basis)	August-July	580,094	590,980	1.9
Walnuts (shelled basis)	August-July	104,150	165,142	58.6
Pecans (shelled basis)	September-August	19,631	18,372	-6.4
Pistachios (shelled basis)	September-August	39,050	37,451	-4.1

1/ Beginning July 2005, includes tart cherries.

2/ Single-strength equivalent.

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

below average, following major hurricane damage in 2004 and 2005. Exports were down to Japan and Canada but were very strong to South Korea.

The large lemon crop in Arizona has contributed to plentiful supplies in 2005/06, aiding in boosting U.S. lemon exports up this season from August 2005 through March 2006. The Arizona shipping season, however, already ended in March, leaving California to supply the domestic and export markets for the remainder of the 2005/06 marketing season. Exports were up to major markets, Japan, Hong Kong, South Korea, and China. Exports were very strong to Taiwan (up 2002 percent) and Singapore (up 382 percent).

### ***Fresh Grape Imports Up, Peach and Lime Imports Down***

U.S. fresh grape imports were up 14 percent for this season through March compared with the previous season (table 13). Shipments from Chile, the United States' major supplier of fresh grapes during the winter, finally picked up in March after falling behind a year ago because of frost damage affecting most of their early-variety grapes. With still significant volume through April, Chilean shipments to the United States through the remainder of their shipping season will likely continue to be improved as their late-season variety crops are expected to produce plentiful supplies.

There are preliminary reports that the early-variety grape crops in Mexico, which begins shipping to the United States in May, will be in low supply due to adverse weather conditions this winter. This will likely limit import supplies of fresh grapes for the remainder of the spring. The United States is the main market for Mexican table grape exports. USDA's Foreign Agricultural Service (FAS) forecasts Mexico's overall table grape exports in 2005/06 to be down 6 percent from last season, due partly to the expected smaller crop. However, it is still too early to tell whether or not this projected decline in total exports from Mexico will be translated to lower overall shipments to the United States for the upcoming 2006/07 marketing season.

U.S. imports of fresh peaches (including nectarines) declined this season from January through March compared with a year ago. Chile supplied virtually all of the imports, which were down 23 percent. Export supplies were down in Chile due to the frost that affected most of their production areas during the early spring (end of August and September).

U.S. lime imports declined 14 percent in January through March from the same period a year ago. Most of the decline may be attributed to shipments from Mexico which were down 17 percent and accounted for 94 percent of the total imports to date. Shipments were also down from Honduras and El Salvador but were up from Guatemala, Colombia, and Ecuador.

Table 13--U.S. imports of selected fruit and tree nut products

Commodity	Marketing season	Season-to-date (through March)		Year-to-date change
		2005	2006	
		--- 1,000 pounds ---		Percent
Fresh-market:				
Oranges	November-October	19,933	12,386	-37.9
Tangerines (including clementines)	October-September	156,145	156,786	0.4
Lemons	August-July	60,068	52,110	-13.2
Limes	January-December	151,830	131,234	-13.6
Apples	August-July	80,720	105,549	30.8
Grapes	May-April	2,665,013	3,043,448	14.2
Pears	July-June	102,717	100,980	-1.7
Peaches (including nectarines)	January-December	140,019	108,427	-22.6
Bananas	January-December	2,075,403	2,058,412	-0.8
Mangoes	January-December	112,309	142,113	26.5
		--- 1,000 sse gallons 1/ ---		
Processed:				
Orange juice, frozen concentrate	October-September	140,775	128,402	-8.8
Apple juice and cider	August-July	247,170	270,444	9.4
Wine	January-December	40,967	44,444	8.5
		--- 1,000 pounds ---		
Canned pears	August-July	28,942	40,941	41.5
Canned peaches (including nectarines)	July-June	62,961	79,399	26.1
Canned pineapple	January-December	207,865	217,612	4.7
Frozen straw berries	January-December	51,792	60,890	17.6
		--- 1,000 pounds ---		
Tree nuts:				
Brazil nuts (shelled basis)	January-December	5,550	2,539	-54.2
Cashew s (shelled basis)	January-December	74,486	60,067	-19.4
Pine nuts (shelled basis)	January-December	3,429	2,117	-38.3
Pecans (shelled basis)	September-August	55,747	53,179	-4.6

1/ Single-strength equivalent.

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

## Contacts and Links

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### Data

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

### Recent Articles

#### *Fruit and Vegetable Backgrounder*

<http://www.ers.usda.gov/Publications/vgs/apr06/VGS31301/>

This article describes the economic characteristics of the U.S. fruit and vegetable industry, providing supply, demand, and policy background for an industry that accounts for nearly a third of U.S. crop cash receipts and a fifth of U.S. agricultural exports. A variety of challenges face this complex and diverse industry in both domestic and international markets, ranging from immigration reform and its effect on labor availability to international competitiveness.

#### *China's Rising Fruit and Vegetable Exports Challenge U.S. Industries*

<http://www.ers.usda.gov/Publications/FTS/Feb06/FTS32001/>

China has raised its profile in global fruit and vegetable markets, with the value of its exports during 2002-04 more than double the value from a decade earlier. Most of China's exports are processed fruits and vegetables that do not yet pose a serious challenge to U.S. exports. However, China's fresh vegetable sales to Japan and other Asian markets compete directly with U.S. products. In addition, the United States has been the largest market for China's apple juice exports. Over time, China's growing domestic market may absorb more of its production. Moreover, China faces stiff challenges in improving the quality and safety of its products, upgrading its marketing and distribution infrastructure, and reducing marketing costs.

#### *Resolution of the U.S.-Japan Apple Dispute: New Opportunities for Trade*

<http://www.ers.usda.gov/Publications/FTS/Oct05/fts31801/>

This article examines the expected impact of Japan's new phytosanitary protocol for imports of U.S. apples that complies with recent World Trade Organization ruling. With the elimination of the restrictive fire-blight protocol, U.S. producers have a

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new opportunity to export apples to a high-quality export market, at a significantly lower cost than before.

### ***Understanding Fruit and Vegetable Choices***

<http://www.ers.usda.gov/publications/aib792/>

This article provides information on the economic, social, and behavioral factors influencing consumers' fruit and vegetable choices. USDA's Food Guide Pyramid recommends 2-4 servings of fruit and 3-5 servings of vegetables daily, but current consumption levels of these healthy food do not meet dietary recommendations.

### ***Related Websites***

Fruit and Tree Nuts Briefing Room,

<http://www.ers.usda.gov/Briefing/FruitAndTreeNuts/>

Organic Farming and Marketing,

<http://www.ers.usda.gov/Briefing/Organic/>

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