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Vegetables and Melons Outlook

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Dry Bean Crop Down, Prices Rising

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The next release will
be on December 14,
2001

Approved by the
World Agricultural
Outlook Board.

The October estimate of U.S. dry bean production indicated a reduction of 27 percent from a year earlier to 19.4 million hundredweight (cwt). This would be the smallest dry bean crop since 1988 when low prices caused growers to cut acreage. The crop that year was further reduced when yields were cut by a severe Midwestern drought. This year, Michigan's crop was hit hard by dry weather with per-acre yields declining 60 percent to 600 pounds—the lowest since 1936. Michigan's dry bean crop will be the smallest since records began in 1909. As a result of the short crop, dry bean prices are rising rapidly and are expected to continue rising through mid-2002. With much improved grower prices during the 2001/02 marketing year, area planted to dry beans is expected to increase 25 to 30 percent in the spring of 2002.

This fall (largely October-December), fresh-market vegetable and melon area for harvest is forecast to rise 4 percent from a year ago. Fall area is forecast the same or higher for all items but cucumbers and watermelons. The largest gains were for sweet corn (up 24 percent) and honeydew melons (up 23 percent). Given increasing supplies of fresh vegetables and a slow economy restraining demand, fresh-market vegetable shipping-point prices are expected to remain below a year ago for most of this fall.

Contract production for the four major vegetables for processing (tomatoes, sweet corn, snap beans, and green peas) is expected to decline 10 percent from a year ago to 13.6 million short tons. Production was lower than a year ago for each crop, with green pea output down the most (29 percent). Seeking to reduce inventories and prop up weak wholesale prices, processors planned to reduce output this year by cutting area for harvest 9 percent. Production was curtailed further as yield for each crop was reduced by a cool, wet spring and a hot, dry summer.

The long-run outlook for domestic vegetable and melon production indicates annual increases of about 3 percent over the next decade. This would place total U.S. production at over 73 million metric tons by 2011—up from 62 million tons in 2000. The associated farm value of the 2011 crop is estimated at nearly \$21 billion, compared with \$14 billion in 2000.

Industry Overview

While growers and processors struggle with soft demand and the strong dollar, they may at least experience some breathing room on the cost of production front over the next year. Expected benefits include;

- continued low general inflation;
- reduced interest rates; and
- lower prices for energy and energy-related inputs.

Similarly, vegetable and melon exporters are likely to benefit from the expected devaluation of the U.S. dollar that began in July. Given that the dollar has been rising for the past 5 years, improvements in export competitiveness may be gradual. Further, exporters now face a weaker world economy that could hinder near-term export growth.

Some economic highlights for the U.S. vegetable and melon sector:

- This fall, fresh-market vegetable and melon area for harvest is forecast to rise 4 percent from a year ago. Fall area is forecast the same or higher for all items but cucumbers and watermelons.
- With increasing supplies and a slow economy restraining demand, fresh-market vegetable shipping-point prices are expected to decline this fall. This drop could be as much as 15 percent from both the previous quarter and from last fall.
- Contract production of the four major vegetables for processing is expected to decline 10 percent from a year ago to 13.6 million short tons. Production was lower than a year ago for each crop, with green pea output down the most (29 percent).
- Seeking to reduce inventories and prop up weak wholesale prices, vegetable processors planned to reduce output this year by cutting area for harvest 9 percent. Production was further curtailed as yield for each crop was reduced by a cool, wet spring, a hot, dry summer, and frost at the close of harvest.
- U.S. sweet potato growers expect to harvest 93,100 acres this fall, down 2 percent from a year ago. North Carolina and Louisiana, the top sweet potato-producing States, are each expected to harvest 1,000 acres less than last year.
- During the next decade, domestic production of all vegetables and melons is forecast to increase an average of 3 percent annually. U.S. production would exceed 73 million metric tons by 2011, with a farm value of nearly \$21 billion. The United States will remain a net importer of vegetables, with imports and exports expected to rise an average of around 3 percent annually during the next decade.

Table 1--U.S. vegetable industry: Area, production, value, unit value, and trade, 1999-2001 1/

Item	Unit	1999	2000	2001f
Area harvested	1,000 ac.	7,152	6,824	6,339
Vegetables				
Fresh-market	1,000 ac.	1,911	1,924	1,940
Processing	1,000 ac.	1,513	1,450	1,320
Potatoes	1,000 ac.	1,332	1,348	1,235
Dry beans	1,000 ac.	1,877	1,606	1,317
Other 2/	1,000 ac.	519	495	527
Production	Mil. cwt	1,372	1,365	1,253
Vegetables				
Fresh-market	Mil. cwt	448	452	445
Processing	Mil. cwt	384	344	310
Potatoes	Mil. cwt	478	514	450
Dry beans	Mil. cwt	33	26	19
Other 2/	Mil. cwt	29	29	29
Crop value	\$ mil.	13,730	14,298	15,095
Vegetables				
Fresh-market	\$ mil.	7,546	8,640	8,960
Processing	\$ mil.	1,743	1,513	1,350
Potatoes	\$ mil.	2,746	2,591	3,150
Dry beans	\$ mil.	548	423	495
Other 2/	\$ mil.	1,147	1,131	1,140
Unit value 3/	\$/cwt	10.01	10.48	12.05
Vegetables				
Fresh-market	\$/cwt	16.84	19.12	20.17
Processing	\$/cwt	4.54	4.40	4.37
Potatoes	\$/cwt	5.77	5.08	7.00
Dry beans	\$/cwt	16.55	15.98	25.50
Other 2/	\$/cwt	39.85	38.37	39.70
Trade				
Imports	\$ mil.	3,995	4,128	4,610
Vegetables				
Fresh & melons	\$ mil.	2,171	2,279	2,700
Canned, frozen	\$ mil.	858	762	825
Potatoes	\$ mil.	420	500	485
Dry beans	\$ mil.	50	65	50
Other 4/	\$ mil.	496	522	550
Exports	\$ mil.	3,289	3,314	3,340
Vegetables				
Fresh & melons	\$ mil.	1,068	1,219	1,250
Canned, frozen	\$ mil.	700	687	700
Potatoes	\$ mil.	806	768	715
Dry beans	\$ mil.	207	185	200
Other 4/	\$ mil.	508	456	475
Per capita use	Pounds	456	470	463
Vegetables				
Fresh & melons	Pounds	171	176	173
Processing	Pounds	129	128	127
Potatoes	Pounds	140	148	144
Dry beans	Pounds	8	8	7
Other 1/	Pounds	10	10	10

1/ ERS estimates of trade in 2001. 2/ Other includes sweet potatoes, dry peas, lentils, and mushrooms. 3/ Ratio of total value to total production. 4/ Other includes mushrooms, dry peas, lentils, dehydrated vegetables, sweet potatoes, and vegetable seed.

Sources: Economic Research Service and National Agricultural Statistics Service, USDA.

Fall Area Up

This fall (largely October-December), fresh-market vegetable and melon area for harvest is forecast to rise 4 percent from a year ago. Fall area is forecast the same or higher for all items but cucumbers and watermelons. The largest gains were for sweet corn (up 24 percent) and honeydew melons (up 23 percent). Increases in shipments of sweet corn will likely not match the rise in area, with yields in California expected to be lower due to increased pest pressure.

With normal weather, supplies should be more than adequate to meet expected lackluster demand. Given acreage, current weather, and yield trends, potential fall-season fresh vegetable and melon shipments could be 1 to 4 percent greater than a year ago. While potential supplies could be up, demand appears to have softened over the past few months, largely as a result of the weaker economy. As a result, fall-quarter grower prices are expected to remain below year-earlier levels.

During the fall, the top five fresh vegetables in terms of volume (excluding potatoes and onions) are head lettuce, tomatoes, celery, cabbage, and carrots. Lettuce area is up 3 percent with yields likely to average near those of a year ago despite an early October bout with abnormally high temperatures in California. Fall tomato area is also up 3 percent, with Florida higher and California area lower. Minor damage to Florida fields from Tropical Storm Danielle in mid-September could delay harvest and trim early yields slightly.

California, which expects to harvest 3 percent more area this fall, accounts for 62 percent of fall-season area. Much of the gain in California is due to lettuce, carrots, and honeydew melons. Florida, with an estimated 23 percent of domestic fall-season area, expects to harvest 8 percent more fresh acreage, led by tomatoes and sweet corn.

Carrot acreage is up 7 percent from last fall in response to continuous gains in shipping-point prices over the past year. Until easing in September, monthly f.o.b. prices had trended higher since bottoming out in January of 2000 at \$9.62 per cwt--the lowest January price since 1980. Fresh-market carrot shipping-point prices peaked in July at \$20.70 per cwt--the highest nominal July price on record.

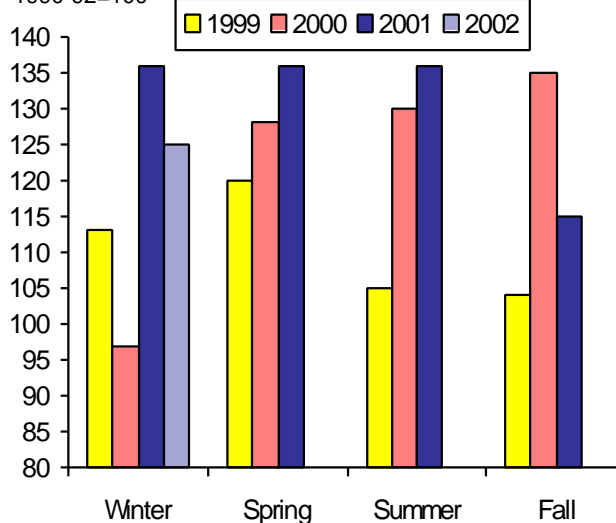
Shipments To Rise, Prices Soften

U.S. fresh-market vegetable and melon shipments are expected to be stronger this fall relative to a year ago. Through the first 3 quarters of 2001, preliminary data

indicate aggregate fresh-market volume was 7 percent below a year earlier, with volume down each quarter. However, assuming average fall weather and yields, volume is expected to rise slightly during the fourth quarter. Shipment volume was down about 3 percent last fall due to reduced acreage and sporadic weather disruptions.

Increased acreage this fall is a reflection of continued strong grower prices experienced over the past year. It

Figure 1
Vegetables: Quarterly f.o.b. shipping-point price
1990-92=100



Source: National Agricultural Statistics Service, USDA through the third quarter of 2001 and ERS forecasts thereafter.

Table 2--U.S. fresh vegetables: Fall-season harvested area, selected crops, 1999-2001 1/

Item	Fall		
	1999	2000	2001f
	--1,000 acres--		
Snap beans	19.5	18.4	18.5
Broccoli 2/	28.5	27.0	27.5
Cabbage	6.4	6.2	6.4
Cantaloup	11.3	8.6	8.9
Carrots	23.6	17.9	19.1
Cauliflower 2/	10.5	11.0	11.0
Celery 2/	6.9	6.4	6.9
Sweet corn	7.9	8.2	10.2
Cucumbers	9.7	8.0	7.9
Eggplant	0.7	0.7	0.7
Escarole/endive	0.8	0.8	0.8
Honeydew melons	5.3	4.3	5.3
Lettuce, head	34.7	34.4	35.4
Bell peppers	8.0	8.2	8.4
Tomatoes	29.1	23.9	24.6
Watermelons	1.0	1.0	0.9
Total	203.9	185.0	192.5

-- = Not available. F = NASS forecast.

1/ Data for 1999 may not include comparable States.

2/ Includes fresh-market and processing.

Source: National Agricultural Statistics Service, USDA.

also reflects last fall's record-high prices, which were up 30 percent from the lows seen during the fourth quarter of 1999. Given increasing supplies and a slow economy restraining demand, fresh-market vegetable shipping-point prices are expected to decline this fall. This drop could be as much as 15 percent from both the unexpectedly strong third-quarter levels this year and the fourth-quarter average of a year ago.

Storage Onion Crop Down, Prices Up

Production of storage onions is expected to decline 9 percent in 2001. The storage crop, which provides the bulk of the Nation's onions until next spring, accounts for about two-thirds of all onions grown. Both harvested area (down 4 percent) and per-acre yield (down 6 percent from the 2000 record) are lower this year. Yields were off due to a cool, wet spring and summer drought in many areas which cut average bulb size. Total onion production (storage and non-storage) for 2001 is estimated to be about 6.7 billion pounds—down 6 percent from a year ago.

Storage onion production in California dropped 22 percent to the lowest level since 1992. About two-thirds of California's crop is processed, largely into dehydrated products. California producers cut acreage 20 percent this year. Most of this cut was likely by dehydrators responding to lower wholesale prices. Inventories of dehydrated products are likely higher than usual, which has depressed prices for onion flour and powder by an estimated 5 to 7 percent.

In terms of both farm value and per capita consumption, onions are one of the top five vegetables in the United States. Given higher prices for the 2001/02 crop, the farm value could approach the 1998 record of \$838 million. Between \$50 and \$70 million of this value will consist of processing onions, with the remainder reflecting fresh-market production. The shipping-point price for fresh-market onions in September was \$13.70 per cwt—up 28 percent from a year earlier. Onion prices

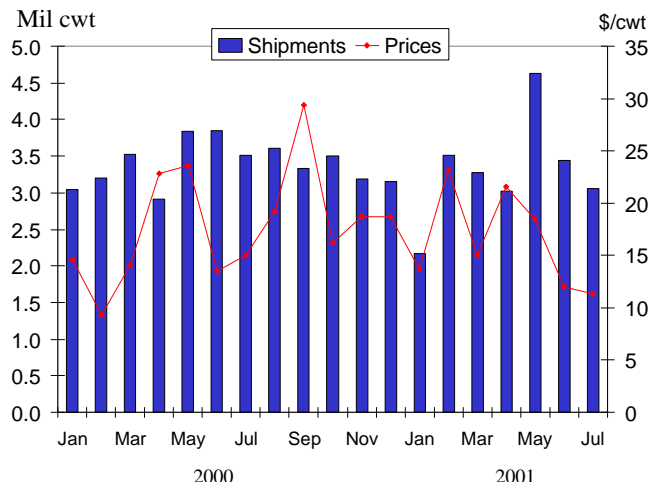
Table 3--Selected fresh-market trade volume, Jan - Aug

Item	Annual 2000	January - August		Change 2000-01 Percent
		2000	2001	
--1,000 cwt--				
Exports, fresh:				
Vegetables	39,402	25,696	25,914	1
Melons	5,566	4,560	4,139	-9
Potatoes	6,444	5,449	5,172	-5
Total	51,412	35,706	35,224	-1
Imports, fresh:				
Vegetables	55,552	38,399	44,896	17
Melons	19,689	15,999	15,673	-2
Potatoes	5,027	6,145	4,296	-30
Total	80,268	60,542	64,865	7

Source: Bureau of Census, U.S. Department of Commerce.

Figure 2

Onions: Shipments and shipping-point prices *



* Fresh dry-bulb onions. Source: AMS, USDA and USDA.

are expected to follow a typical pattern this season--reaching a seasonal low in October (reflecting harvest volume) and then trending upward into next April.

The current forecast for 2001 per capita fresh onion consumption is 18.8 pounds, virtually the same as the two previous years. Consumption is likely to remain flat as shrinkage remains and increased import volume offsets most of the drop in domestic production. The outlook for 2002 suggests that fresh consumption will remain stable for the fourth consecutive year as domestic output rises and imports decline.

Trade: Fresh Imports Up

The value of fresh-market vegetable and melon imports (excluding potatoes) was up 21 percent from a year ago during the first 8 months of 2001 (Jan.-Aug.). Much of the increase occurred during the first quarter. Tomatoes alone accounted for about one-third of the increase through August--the value of tomato imports rose 26 percent during the first 8 months. Bell peppers (up \$75 million), onions (up \$29 million), squash (up \$28 million), and cucumbers (up \$23 million) accounted for the lion's share of the remaining increase.

On October 5, after an investigation (covering calendar 2000) into alleged dumping of hothouse tomatoes from Canada, the U.S. Dept. of Commerce announced a preliminary affirmative determination that greenhouse tomatoes from Canada are being, or are likely to be sold in the United States at less than fair-value prices. If upheld pending further analysis, the estimated anti-dumping percentage duties could average in double-digit figures. The final determination is expected to be made in early 2002.

Processing Vegetables

Production Down

Contract production for the four major vegetables for processing (tomatoes, sweet corn, snap beans, and green peas) is expected to decline 10 percent from a year ago to 13.6 million short tons. Production was lower than a year ago for each crop, with green pea output down the most (29 percent). Seeking to reduce inventories and prop up weak wholesale prices, processors planned to reduce output this year by cutting area for harvest 9 percent. Production was curtailed further as yield for each crop was reduced by a cool, wet spring and a hot, dry summer.

According to the California Processing Tomato Advisory Board, 8.4 million short tons of tomatoes had been processed through October 6—down 18 percent from a year earlier. The harvest of California processing tomatoes in October generally brings a price premium to the grower due to the heightened risk of crop failure. Such late season volume can account for as little as 3 percent of the total crop (as in 1998 and 2000) or in the case of the record-large 2000 crop, 14 percent of output. It appears that California tomato processors will pack 8.6 million tons in 2001, with 9 percent packed after September 30. Other States are expected to process 0.5 million tons—about the same as Canada's crop. With supplies trimmed, wholesale tomato product prices are expected to rise this fall and continue strong into 2002.

Processed Trade: Imports Up

The value of processed (canned, frozen, dried) vegetable and melon imports rose 6 percent from a year ago during January to August 2001. The following import value comparisons with a year earlier were noted:

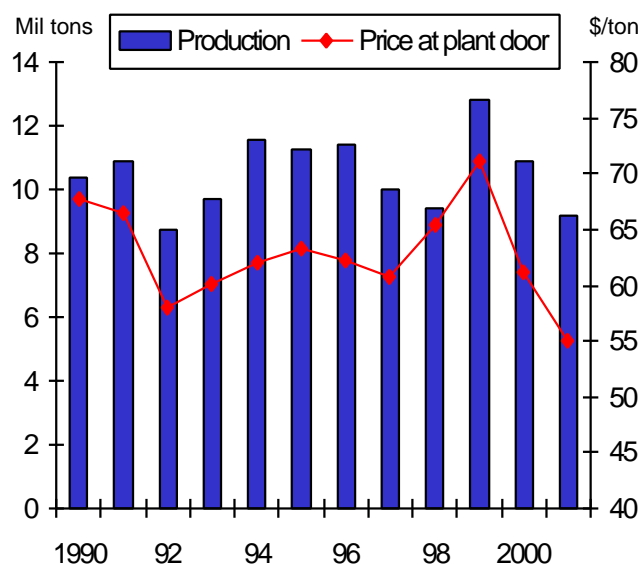
- Canned, up 12 percent to \$340 million;
- Frozen (excluding potatoes), up 1 percent to

\$191 million;

- Frozen potatoes, up 1 percent to \$241 million;
- Dried (excluding potatoes), down 4 percent to \$102 million;
- Planting seed (excluding potato), down 5 percent to \$102 million.

Increased imports of canned dry beans, sweet peas, tomato products, and miscellaneous vegetables outweighed reductions in items such as waterchestnuts and artichokes. With domestic supplies declining, higher prices could bring increased canned imports over the next year. On the frozen side, imports of broccoli rose 7 percent to \$79 million while frozen french fries, most all from Canada, rose 2 percent to \$223 million.

Figure 3
Processing tomatoes: Production and price



Source: USDA, NASS.

Table 4--Processing vegetables: Consumer and producer price indexes

Item	Sept 2001	Aug 2001	Sept 2000	Change previous:		Apr-Jun 2001	Jul - Sept 2000		Change previous:	
	Index			Percent		Index	Index		Percent	
Consumer Price Indexes (12/97=100)										
Processed fruit and vegetables	110.0	110.2	109.9	-0.2	0.1	108.1	106.3	110.0	1.8	3.5
Canned vegetables	112.6	113.3	111.3	-0.6	1.2	109.2	107.3	112.4	2.9	4.8
Frozen vegetables (1982-84=100)	168.3	166.6	169.0	1.0	-0.4	165.8	159.2	168.0	1.3	5.5
Dry beans, peas, lentils	99.5	99.9	99.6	-0.4	-0.1	99.0	99.6	99.7	0.7	0.1
Producer Price Indexes (90-92=100)										
Canned vegetables and juices	125.4	124.1	121.1	1.0	3.6	121.5	121.0	124.0	2.1	2.5
Pickles and products	177.5	177.5	177.0	0.0	0.3	177.1	175.6	177.3	0.1	0.9
Tomato catsup and sauces	118.9	118.1	116.1	0.7	2.4	116.3	115.7	117.9	1.4	1.9
Canned dry beans	123.1	122.9	122.3	0.2	0.7	122.8	122.3	123.0	0.2	0.5
Vegetable juices	104.3	105.8	108.5	-1.4	-3.9	112.5	111.2	107.5	-4.4	-3.3
Frozen vegetables	128.1	128.6	126.2	-0.4	1.5	128.4	126.2	128.5	0.1	1.8
Dried/dehydrated vegetables	156.9	148.8	166.4	5.4	-5.7	154.9	170.4	151.1	-2.5	-11.4

Source: Bureau of Labor Statistics, USDC.

Long-Run Industry Outlook

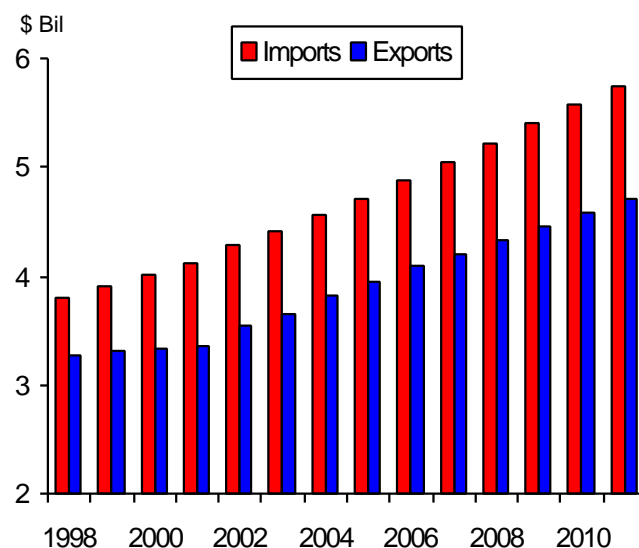
Domestic production of vegetables and melons is forecast to increase an average of about 3 percent annually during the next decade. This would place total U.S. production at over 73 million metric tons by 2011, with an estimated farm value of nearly \$21 billion (table 5). All major categories (fresh, processed, potatoes, sweet potatoes, pulses, and mushrooms) are expected to register gains. Potatoes will remain the largest vegetable crop produced in the United States, accounting for over one-third of total vegetable tonnage, and about 17 percent of the total forecasted farm value of vegetables in 2011.

The largest average annual percentage growth for the decade is expected to occur in pulses, due primarily to an anticipated recovery in dry bean production in 2002 and 2003 after a very small crop in 2001. After the initial recovery period however, pulse production is expected to settle to an average annual increase of about 2 percent through 2011. Growth in processing vegetable production may occur in much the same way. Due to high carry-over inventories from previous years, production in 2001 was cut by more than 10 percent for several processing vegetables. Assuming inventories return to more normal levels by early next year, processing vegetable production could rebound about 10 percent in 2002. If per capita consumption remains relatively steady, gains in production for the remainder of the decade should average about 1 to 2 percent annually. Production of vegetables for the fresh market is forecast to increase at a relatively steady pace of about 2 percent annually through 2011.

World trade is expected to continue gaining in importance to the vegetable industry in the coming decade. Exports of vegetables and processed vegetable products are forecast to increase an average of about 3 percent annually during the next decade, totaling \$4.7 billion by 2011--nearly one-third of total value of production at the farm level (up from 23 percent in 2000). However, the United States will remain a net importer of vegetables, with imports expected to experience similar growth rates as exports, totaling \$5.7 billion by 2011 (fig. 4).

Figure 4

Vegetables and melons: Long-run trade outlook



Source: USDA, ERS.

Table 5--Vegetables and melons outlook: U.S. production and value, 2000-11

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Production, farm weight													
Fresh 1/	1,000 mt	20,031	20,072	20,578	21,116	21,646	22,154	22,654	23,153	23,654	24,159	24,670	25,187
Processed 2/	1,000 mt	15,640	14,116	15,556	15,945	16,191	16,472	16,720	16,967	17,203	17,431	17,655	17,875
Potatoes	1,000 mt	23,297	20,412	21,180	22,878	24,354	25,051	25,346	25,473	25,625	25,909	26,342	26,874
Sweet potatoes	1,000 mt	626	642	672	673	680	685	691	697	704	710	717	724
Pulses	1,000 mt	1,530	1,180	1,575	1,787	1,898	1,942	1,986	2,030	2,076	2,123	2,170	2,219
Mushrooms	1,000 mt	394	387	405	420	434	447	459	471	482	493	503	514
Total	1,000 mt	61,518	56,809	59,966	62,820	65,203	66,752	67,857	68,791	69,743	70,824	72,056	73,392
Value of production													
Fresh 1/	\$ mil.	8,640	8,960	9,162	9,554	9,954	10,357	10,770	11,195	11,635	12,091	12,564	13,055
Processed 2/	\$ mil.	1,513	1,350	1,531	1,574	1,615	1,662	1,702	1,741	1,779	1,814	1,849	1,883
Potatoes	\$ mil.	2,591	3,150	3,263	3,233	3,063	3,050	3,136	3,266	3,390	3,483	3,539	3,569
Sweet potatoes	\$ mil.	211	221	229	234	240	245	251	256	262	268	274	280
Pulses	\$ mil.	482	545	644	716	734	749	765	781	797	814	830	848
Mushrooms	\$ mil.	867	865	896	918	936	953	968	982	995	1,006	1,017	1,027
Total	\$ mil.	14,304	15,091	15,726	16,229	16,541	17,017	17,591	18,221	18,858	19,477	20,074	20,661

1/ Includes artichokes, asparagus, snap beans, broccoli, brussels sprouts, cabbage, carrots, cauliflower, celery, sweet corn, eggplant, escarole-endive, garlic, lettuce, bell peppers, onions, spinach, tomatoes, and melons. 2/ Includes asparagus, lima beans, snap beans, broccoli, beets, cabbage, carrots, cauliflower, sweet corn, cucumbers, green peas, spinach, and tomatoes.

Source: USDA, Economic Research Service.

Dry Beans

Production Lowest Since 1988

The October estimate of U.S. dry bean production indicated a reduction of 27 percent from a year earlier to 19.4 million hundredweight (cwt). This would be the smallest crop since 1988 when low prices caused growers to cut acreage. The crop that year was further reduced when yields were cut by a severe Midwestern drought. This year, Michigan's crop was hit hard by dry weather, with per-acre yields declining 60 percent to 600 pounds—the lowest since 1936. Michigan's dry bean crop will be the smallest since records began in 1909.

Although official estimates by bean class will not be available until December 11, reduced output is expected for most classes, including pinto, navy, black, Great Northern, red kidney, cranberry, and lima beans. Smaller crops and steady demand should go a long way toward emptying dry bean elevators and warehouses over the 2001/02 season. As a result, aggregate dry bean prices are expected to rise through mid-2002. With much improved grower prices in the 2001/02 marketing year, area planted to dry beans is expected to increase 25 to 30 percent in the spring of 2002.

Prices Continue To Rise

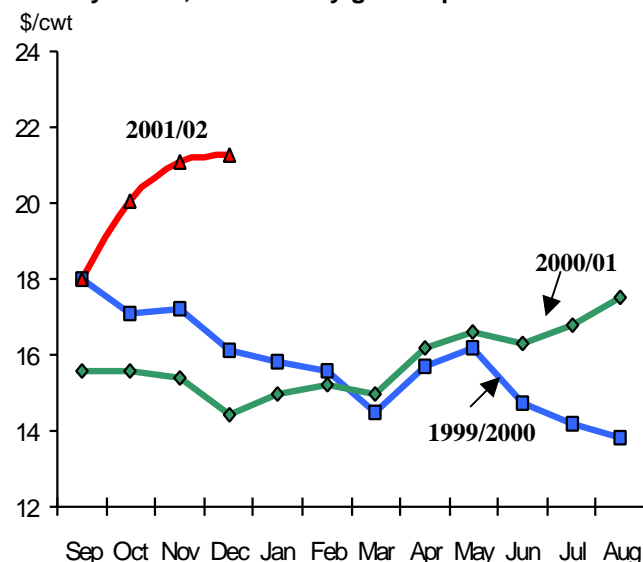
During the winter quarter (Jan-Mar), aggregate dry bean grower prices averaged 2 percent below a year earlier. However, during the second quarter the markets began to react to a combination of stronger export demand and grower intentions to reduce 2001 acreage. Second quarter prices averaged 5 percent higher than a year earlier. Since then, momentum has continued to shift markets higher as players react to low yields and a short 2001 crop. This was reflected in third-quarter grower prices, which averaged 20 percent above a year earlier as prices across most bean classes began to rise. Price leaders during the third quarter included black beans (up 40 percent from the second quarter) and navy beans (up 20 percent). Due to the drought conditions in Michigan this summer, both navy and black beans are likely to be in much shorter supply in the coming year. These two classes are likely to lead bean prices higher during the fourth quarter of 2001, with grower prices for all beans expected to average about 40 percent above a year ago.

Exports Stronger in 2001

During January–August, dry bean export volume rose 24 percent from a year earlier. Through August, export volume was up for navy, pinto, black, light-red kidney, and Great Northern beans. Partly offsetting were declines for limas, small red, dark-red kidney, and pink beans.

Figure 5

U.S. dry beans, all: Monthly grower prices



Source: USDA, NASS.

Table 6--U.S. dry beans: Production, 1999-2001

Item	1999	2000	2001p	Percent
				change
	--1,000 cwt--			Percent
North Dakota	8,265	7,613	6,300	-17
Nebraska	3,740	3,230	2,860	-11
Colorado	2,755	1,980	1,785	-10
California	2,455	2,100	1,513	-28
Minnesota	2,558	2,440	1,450	-41
Idaho	2,112	1,716	1,351	-21
Michigan	7,350	4,125	1,230	-70
Washington	750	640	665	4
Wyomng	788	762	500	-34
Others	2,312	1,834	1,742	-5
United States	33,085	26,440	19,396	-27

p = NASS preliminary estimate.

Source: National Agricultural Statistics Service, USDA.

Table 7--U.S. dry beans: Export volume by class

Item	Jan-Dec 2000	January - August		Percent
		2000	2001	change
	--Million pounds--			Percent
Pinto	164.2	82.1	124.1	51
Navy	163.6	64.0	99.0	55
Great Northern	103.3	55.0	62.8	14
Black	43.8	22.4	40.6	81
Light-red kidney	21.6	12.6	27.4	118
Dark-red kidney	39.3	22.0	17.3	-21
Baby lima	28.4	21.5	14.8	-31
Chickpeas	64.0	22.8	20.9	-8
Small red	18.5	13.5	10.1	-25
Others	139.4	81.2	75.0	-8
All classes	786.1	397.0	492.0	24

Source: National Agricultural Statistics Service, USDA.

Sweet Potatoes

Acreage Down 2 Percent

U.S. sweet potato growers expect to harvest 93,100 acres this fall, down 2 percent from a year ago. North Carolina and Louisiana, the top sweet potato-producing States, are each expected to harvest 1,000 acres less than last year. Acreage is also down slightly or the same as a year ago in most other States, with the notable exception of Mississippi, where harvested area is expected to be 14,800 acres--20 percent higher than in 2000.

Although there has been a decrease in acreage, it is not clear that there will be a corresponding decrease in production because overall yields are uncertain at this point in time. As of mid-October, harvest was on schedule or slightly ahead in most growing areas. The most notable exception was Texas, which was running behind schedule due to prolonged wet conditions.

Harvest of sweet potatoes typically begins in mid-to-late August in some southern areas of Louisiana, Mississippi, and Texas, working its way northward to North Carolina by early to mid-September. Harvest is in full swing or winding down in most areas by mid-October. This year growers have been experiencing varied crop and harvest conditions ranging from somewhat dry to relatively wet.

If national yields rise from a year earlier and return to trend (152 cwt/acre), sweet potato production would rise from a year ago to 14.1 million cwt. This slight increase in production would unlikely change grower prices significantly from the \$15.30/cwt average received for the 2000 crop. However, if overall yields turn out to be no better than a year ago (145 cwt/acre), sweet potato production would drop slightly from last year's total to around 13.5 million cwt. Given steady demand, production at this level could strengthen grower prices to around \$16.00 per cwt.

The long-run outlook for sweet potato production in the United States shows slow but steady growth over the next decade (table 5). Production should increase at or slightly faster than the rate of growth in population. Although rising, trade in sweet potatoes is a small component of the industry. Only 2 percent of sweet potato supplies were exported during the 1990s--up from 1 percent in the 1980s. Export volume rose 53 percent during this time even as U.S. production remained flat. Over the next decade, exports of sweet potatoes are forecast to continue trending upward, increasing 4 to 5 percent annually. However, imports of sweet potatoes are expected to largely offset export gains, helping to keep domestic per capita consumption at or near the current level of 4.4 to 4.5 pounds over the coming decade.

Table 8--Sweet potatoes: Quarterly wholesale price index 1/

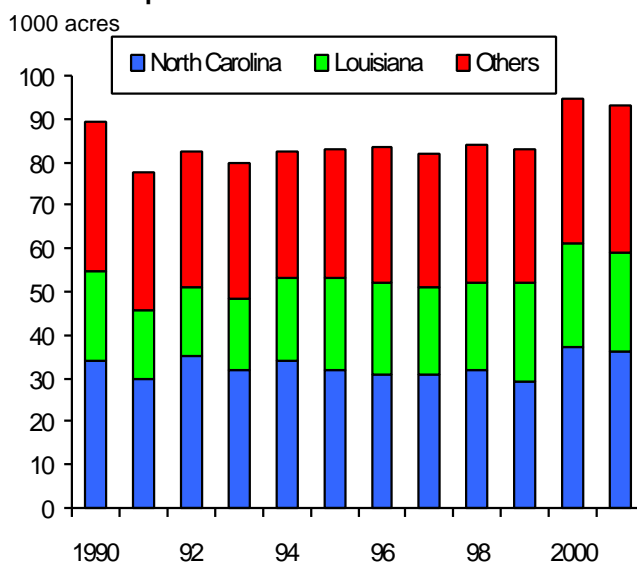
Item	1999	2000	2001	Change
				2000-01
		--1982=100--		Percent
Jan-Mar	204.2	213.1	197.6	-7
Apr-Jun	207.3	222.5	201.7	-9
Jul-Sep	174.6	221.6	214.3	-3
Oct-Dec 2/	172.8	205.1	202.0	-2
Average	189.7	215.6	203.9	-5

1/ Fresh-market. 2/ Fourth quarter 2001 forecast by ERS.

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

Figure 6

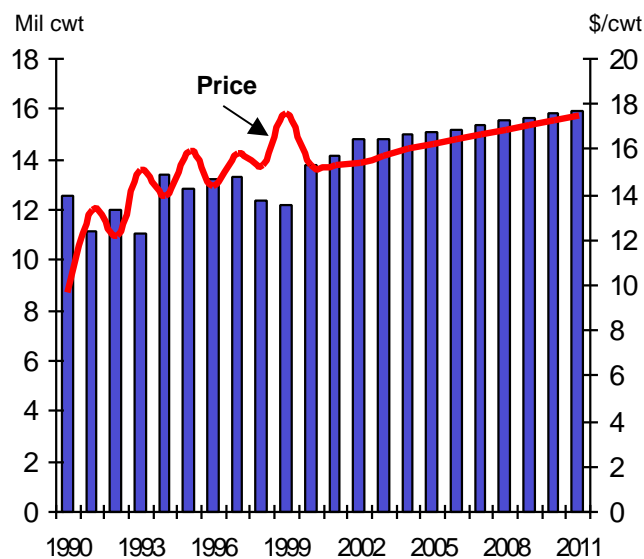
U.S. sweet potatoes: Area harvested



Source: USDA, NASS.

Figure 7

U.S. sweet potatoes: Production and grower price



Source: USDA, NASS except ERS forecasts for 2001-2011.

Commodity Highlight: Pumpkins

Pumpkins are native to the Americas and are members of the *Cucurbit* (gourd) family, which includes watermelon, cucumbers, and zucchini squash. Pumpkins are grown in virtually every State, with U.S. production for all uses (fresh, ornamental, processing, seed, and other) exceeding 1.7 billion pounds in 2000. According to data derived from the 1997 Census of Agriculture and the National Agricultural Statistics Service of USDA, Illinois is the leading producer with about one-fourth of national production. Most pumpkins produced in Illinois are processed into pie fillings.

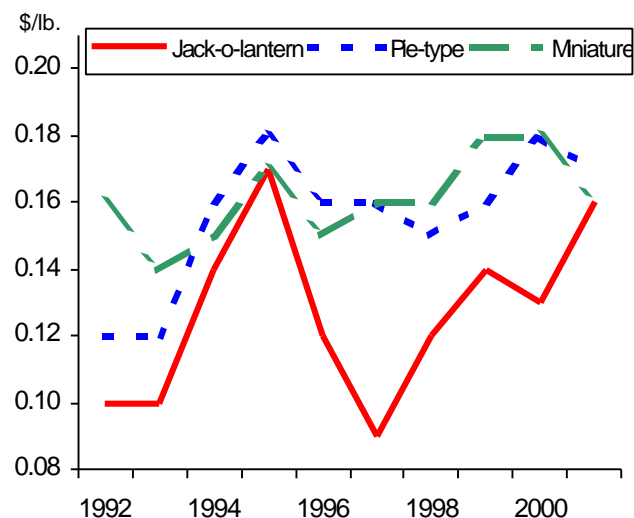
California is the second largest source of pumpkins, accounting for about 10 percent of national production. California is the leading supplier of fresh market pumpkins. New York (6 percent), Pennsylvania (6 percent), and Michigan (4 percent) round out the top five producers. Economic Research Service estimates suggest the farm value of the U.S. pumpkin crop was \$172 million in 2000, with the top six States accounting for \$102 million (USDA/NASS).

Pumpkin production has expanded rapidly over the past two decades. According to the Census of Agriculture, the number of farms reporting pumpkin acreage has doubled since 1982 to 10,483. At the same time, area harvested has nearly tripled to 74,354 acres. Partly because of this growth, USDA began estimating annual production and value for the top six states in 2000.

Interstate movement of pumpkins only amounts to several million pounds (out of 1.8 billion produced). Significant movement between States over and above these shipments usually occurs when weather reduces local supplies. As a result, most pumpkins purchased in

Figure 8

Pumpkins: Boston wholesale price, 1992-2001 1/



1/ Price in early October for New England-grown pumpkins.

Source: USDA. AMS. Market News.

Table 9--Pumpkins: Acreage, production, and value, 2000

Item	Acres	Yield	Produc-	Season-	Crop
	harvested	Cwt	tion	ave price	value
	Acres	Cwt	1000 cwt	\$/cwt	1000 \$
Illinois 1/	8,900	410	3,636	3.37	12,267
California 1/	5,900	305	1,800	10.60	19,080
New York 1/	5,700	200	1,140	23.10	26,334
Pennsylvania 1/	6,400	170	1,090	9.00	9,810
Michigan 1/	4,400	160	704	38.00	26,752
Ohio 1/	3,500	165	579	12.70	7,354
Others 2/	39,554	217	8,592	8.15	70,064
United States 2/	74,354	236	17,541	9.79	171,661

1/ As published by USDA, NASS in "Vegetables, 2000 Summary".

2/ Estimated by ERS based on the 1997 Census of Agriculture.

Source: Economic Research Service, USDA.

local markets come from farms surrounding a given urban area. The popularity of urban pumpkin patches, fall festivals, and ornamental use of pumpkins in homes and businesses have all helped to increase demand over the past two decades. The ornamental jack-o-lantern remains the most popular use of pumpkins in the United States. Total domestic use of all pumpkins was estimated to be 1.6 billion pounds in 2000. This works out to nearly 6 pounds per capita.

Although the most popular food use remains the traditional pumpkin pie, other food uses include bread, muffins, pudding, custards, soup, stuffing, and roasted seeds. New strains of hull-less pumpkin seeds may lead to increased demand for use in foods such as granola, trail mix, and other snack products.

Pumpkins are largely sourced domestically with little apparent world trade. Although there are no HS trade codes specifically for pumpkins, ERS estimates suggest less than 1 percent of domestic use comes from imports and less than 1 percent of production is exported. Because of variations in terminology from region to region, some products traded as pumpkins, may actually be varieties of squash.

Pumpkin prices vary from year to year depending on supplies available and the markets served. In the Boston wholesale market, prices varied in early October for jack-o-lantern style pumpkins depending on the shipping point. Reflecting a larger crop this year in Texas, the price of pumpkins shipped from Texas to Boston were 7 percent below a year earlier. However, the price of a similar offering of New England-grown pumpkins was 20 percent above a year earlier. In general, pie-type and miniature ornamental pumpkin wholesale prices were 5 to 10 percent below a year earlier.

Special Articles

The following are links to recent articles released on subjects directly related to the vegetable and melon industry. These articles are in Adobe Acrobat format.

1. Trade Issues Facing U.S. Horticulture in the WTO Negotiations

<http://www.ers.usda.gov/publications/vgs/aug01/285-01>

U.S. objectives for the upcoming negotiations are discussed including reducing tariffs and improving market access, eliminating and prohibiting the use of export subsidies, and placing further limitations on trade-distorting domestic support programs. Phytosanitary and food safety protocol is also covered.

2. How Sweet It Is: Fresh Sweet Corn

<http://www.ers.usda.gov/publications/AgOutlook/aug2001/A0283e.pdf>

Corn-on-the cob is back. After more than a decade of nibbling, Americans enthusiastically embraced fresh-market sweet corn during the 1990s. Consumption reached record highs in the 90s powered by new sweeter varieties and value-added packaging. Backed by this strong demand, rising production and higher shipping-point prices pushed average crop value up 81 percent between 1988-1990 and 1998-2000 to \$456 million.

Data Tables

The following links provide the tabular data on vegetables and melons associated with this issue of the Vegetables and Melons Outlook. You may choose links for Adobe Acrobat table compilations or the original Excel 97 workbook (spreadsheet) tables.

1. Per capita use (consumption)

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/percap.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/percap.xls>

2. Fresh vegetables and melons

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/fresh.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/fresh.xls>

3. Processing vegetables

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/proc.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/proc.xls>

4. Potatoes

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/potat.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/potat.xls>

5. Sweet potatoes

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/swpot.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/swpot.xls>

6. Dry edible beans

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/drybn.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/drybn.xls>

7. Mushrooms

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/mush.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/mush.xls>

8. Vegetable and melon trade

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/trade.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/trade.xls>

9. Vegetable prices

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/price.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/price.xls>

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Data Tables (continued)

10. Dry peas and lentils

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/drypea.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/drypea.xls>

11. World vegetable production

PDF file:

<http://www.ers.usda.gov/publications/vgs/tables/world.pdf>

Excel file:

<http://www.ers.usda.gov/publications/vgs/tables/world.xls>

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Potatoes, sweet potatoes, long-run outlook