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UNITED STATES DEPARTMENT OF AGRICULTURE  
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THE OUTLOOK FOR FRUITS AND TREE NUTS IN 1967

Talk by Martin A. Blum  
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at the 44th Annual Agricultural Outlook Conference  
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General Supply and Demand Prospects

Prospective supplies of fresh and processed fruits from this fall to mid-1967 are moderately larger than in the same period of 1965-66. Substantial increases are likely in fresh and processed oranges. Supplies of canned deciduous fruits are expected to be up moderately from last year. Total supplies of dried fruits and edible tree nuts may approximate 1965-66 levels. Consumer demand for fresh and processed fruits, supported by a continuing growth in income and population is expected to expand further.

Citrus Fruit

Early-season prospects point to a 1966-67 citrus fruit crop substantially above the production in 1965-66 and the largest of record. Most of the increase is expected to take place in Florida--especially in the production of oranges--where groves have shown rapid recovery from the effects of the disastrous December 1962 freeze and the new plantings of recent years are beginning to bear fruit in volume. Further increases in citrus production are in prospect in the years ahead especially in Florida and Texas as more new trees start bearing. Weather, of course, will be an important factor influencing year-to-year changes in production.

The 1966-67 early, midseason and Navel orange crop according to the first forecast (made October 1) will be 89.6 million boxes--23 percent above 1965-66 and 51 percent above the 1960-64 average. Production in Texas, as well as in Florida, will be up sharply from last season. But in California and Arizona, prospects are down considerably from 1965-66. Florida is by far the leading producer, accounting for 82 percent of the new crop, followed by California with 16 percent. Texas and Arizona production represents only 2 percent of the 1966-67 output of early, midseason and Navel varieties.

Early season prospects for Florida Valencia oranges also point to a crop sharply above 1965-66 and the largest since the record set in 1961-62. Production in Arizona and Texas, relatively minor producers, is also up substantially from last season. The first forecast of the California Valencia crop will be released in the December 9 crop report. Early-season indications point to a good crop.

The 1966-67 grapefruit crop (excluding the usual small summer crop in California) is expected to be moderately above 1965-66 and considerably above average. In Florida, the principal grapefruit-producing State, a crop considerably larger than last season's output is indicated. The prospective crops of all varietal groups--white seedless, pink seedless and other (seeded) varieties--are up significantly from last year. Production prospects for grapefruit in Texas are up sharply from a year ago, up slightly for Desert Valley fruit in California, but down considerably in Arizona because of poor fruit set in many groves.

Among other citrus fruits, prospective production of tangerines, tangelos and limes--all produced in Florida--is much larger than last season. In Arizona a substantially larger lemon crop is forecast.

Fresh market movement of the 1966-67 Florida citrus crop started later than last season and was still increasing in early November. Both quantities marketed fresh and for processing are expected to be substantially larger than in 1965-66. In view of the expected record citrus crop, price prospects for oranges and grapefruit through this winter do not appear as favorable as they were during this period in 1965-66. Although prices declined as usual with increasing shipments, the season had not advanced sufficiently by early November to establish price levels for this year.

The 1965-66 pack of Florida frozen orange concentrate was about a fifth below the 1964-65 output mainly because of a higher concentration in the finished product, a tightening by the industry of standards governing processing procedures, and lower yielding fruit. The smaller 1965-66 pack, accompanied by an improved movement to distributive channels, together, more than offset the near record-large stocks on hand at the beginning of last season. Supplies of frozen concentrate as well as canned orange products at the start of the 1966-67 season are considerably lighter than a year ago and should help ease the burden of marketing the large new orange crop. Consumption of chilled orange juice has also shown substantial gains during the past season and further increases in usage of oranges for this product is anticipated.

Output of canned single-strength grapefruit juice was up substantially in 1965-66. Although movement during the past season was good, stocks on hand this fall are up sharply from a year earlier. For the 1966-67 season, the price effects of increased production and larger carryover of processed grapefruit items will probably outweigh the impact of continued strong consumer and export demand.

### Deciduous Fruit

Total production of deciduous fruits is expected to continue a slow upward trend over the next few years as a result of increased bearing acreages of many fruits, improved varieties, and better cultural methods. Production, especially in the Eastern and Central States, suffered in 1966 as a result of spring freezes and summer drought conditions in many areas. But total production in 1967 may

not be greatly different from 1966 when weather favored the growth, development and harvest of some important fruit crops in the Pacific Coast States.

Deciduous fruit production in 1966, as estimated October 1 was about 7 percent below 1965 but still 5 percent above average. Most of the reduction from last year was due to smaller crops of grapes, apples, plums and prunes but the production of apricots, sour cherries and peaches was also down. Larger crops of pears, sweet cherries, and cranberries, were not sufficient to offset the smaller crops of other fruits. Grower prices for most 1966 fruit crops were moderately to substantially above 1965 levels.

Most 1966 deciduous fruit crops have already been marketed by growers except for such crops as apples, pears, grapes and cranberries which can be held in cold storage for sale later in the season. Year-end cold storage stocks of apples are expected to be larger in the Western States but smaller in the Central and Eastern States than on January 1, 1966. Year-end stocks of pears and cranberries may be up somewhat but grape holdings will likely be below the level of a year ago.

Supplies of fresh strawberries in 1967 will largely depend upon prospective acreage for harvest, which is down a little from 1966, and weather and market conditions for the new crop.

The 1966-67 pack of canned deciduous fruits probably will be moderately larger than last season's output primarily because of increases in such important items as canned peaches, pears, and fruit cocktail--the result of substantially larger 1966 crops of California Clingstone peaches and Bartlett pears.

Output of frozen deciduous fruits may be smaller than in 1965-66 primarily because of a sharp reduction in the pack of red tart cherries in the Great Lakes States where unfavorable weather this season drastically curtailed the crop. But the quantity of strawberries and other berries normally frozen in substantial quantities may be up somewhat from last season.

Production of dried fruits in 1966-67 is expected to be considerably smaller than in 1965-66 because of a substantial decrease in dried prunes and a moderate reduction in raisins--two items which account for most of the U. S. dried fruit pack. Offsetting, are increased carryover stocks, especially of raisins, so total supplies in 1966-67 may not be greatly different from 1965-66.

#### Edible Tree Nuts

The 1966 crop of 4 edible tree nuts (almonds, filberts, pecans and walnuts) is moderately smaller than the 1965 crop but materially above average. The decrease in this season's crop is due entirely to pecans. Production of almonds, filberts and walnuts is substantially above both last year and average. Prices in 1966-67 are expected to be somewhat higher for pecans, largely unchanged for almonds and walnuts, and somewhat lower for filberts.

The United States is a net importer of edible tree nuts as a result of heavy importations of kinds of nuts not grown domestically, especially cashews and Brazil nuts. Imports of cashews, the leader, will likely be somewhat smaller in 1966-67 than in recent years because of reduced foreign supplies. But U. S. imports of Brazil nuts are expected to increase substantially from the relatively low levels of last season due to a much larger crop in Brazil this year.

### Export Outlook

Export prospects for 1966-67 vary among major fruits but movement to foreign markets, in total, may be somewhat smaller than in 1965-66 despite increased supplies of some important export items and continuing favorable demand in importing countries. The volume of U. S. exports may be tempered by anticipated larger foreign crops of many fruits regularly exported by the U. S. in substantial quantities.

Increased supplies of Mediterranean citrus fruits are expected to continue during the coming season. Even so, with larger U. S. supplies, the volume of exports of fresh oranges and grapefruit may be up moderately, primary to Canada, and that of lemon exports will likely be at least as good as the favorable movement of last season. Exports of processed citrus juices may increase moderately due to anticipated larger supplies of quality products offered at attractive prices. For deciduous fruits, the volume of fresh apple exports probably will not be quite as heavy as the record quantity in 1965-66, due to increased production in Western Europe. Prospects are for somewhat larger exports of canned fruits primarily because of substantially increased supplies of canned peaches and fruit cocktail--leading export items. But dried fruit exports may not match the levels of last season, mainly because of sharply reduced supplies of dried prunes this year. Tree nut exports probably will not differ greatly from the large 1965-66 volume due to increased foreign production of competing nuts.