

provided there have been no pest problems.

Argentine lemons will enter the U.S. mostly during the summer months when demand is the highest. Even so, the competition may eventually bring down prices at a time when domestic growers expect to get their best prices. To maintain their market position, some larger domestic shippers have become involved in marketing Argentine lemons.

Temple, tangelo, and tangerine crops are expected to be smaller in 2000/01. Florida's tangerine crop is lower than last year's record crop but still higher than the year before, and there should be an ample supply for this winter. The U.S. market can expect to continue to see Spanish clementines alongside tangerines in supermarkets. Americans have come to like clementines because they are easily peeled and seedless.

Citrus exports to China, which began in 2000, will continue to expand. High-quality navel and Valencia oranges, plus grapefruit and lemons, probably have the greatest potential for export growth. Beginning in the 2000/01 season, China's Citrus Agreement calls for additional counties in Florida and California to qualify for exports to China. Exports to the Philippines, especially of grapefruit, are also expected to rise. **AO**

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Specialty Crops

2000 U.S. Grape Crop to Hit Record High; Demand Up for Fresh Grapes and Wines

U.S. growers are producing more grapes in 2000 and selling them for less, offering consumers a bountiful supply of lower-priced, good-quality, fresh-market grapes and grape products. USDA forecasts a 20-percent rise in this year's grape production over 1999, surpassing the 1997 record. Harvests are up 24 percent in California, which grows more than 90 percent of the country's grapes, and 2 percent in Washington state, the second-largest U.S. producer.

More land in grapes in the two states and California's favorable weather account for this year's bumper crop. Growers in both states have increased their grape-bearing acreage in the 1990's, with California's up 15 percent. In the rest of the country, the total crop has dropped 5 percent, reflecting large declines in New York and Pennsylvania, where wet conditions this year caused mildew and insect problems and where some vineyards showed stress from last year's drought and heavy crop.

Although grapes are the fourth most popular fresh fruit among U.S. consumers, ample supplies of both citrus fruit and summer stone fruit (peaches, plums, and nectarines) have upped the competition in the domestic market, pushing prices down for fresh-market grapes for both growers and consumers. During the 1990's, more

than 80 percent of U.S. fresh-market consumption was domestically produced. Grower prices for fresh-market grapes from May through September were 24 percent lower than in the same period a year ago—an average \$636 per ton. Retail prices for fresh Thompson seedless grapes dropped an average of 8 percent from last season (June to September).

Mostly influenced by higher, good-quality production and lower prices, consumption of U.S. fresh grapes in both the domestic and export markets is expected higher during the 2000/01 season (May to April), mirroring last season's increases. U.S. consumption—estimated at 8.2 pounds per capita in 1999/2000—should rise by about 7 percent in 2000/01.

Nearly 30 percent of fresh-market grape production was exported during the 1990's. Exports of fresh grapes for this year (May to August) have already posted a 34-percent gain over the same period last season. Driving up exports were improved economic conditions in major export markets, including Canada, Hong Kong, Mexico, and the Philippines, as well as other Asian markets like Singapore, China, Thailand, and Indonesia. The industry is optimistic that next season California could begin shipping table grapes to Australia, until now a

closed market, at an estimated 1 million boxes per year—enough to put Australia among the top five markets for California grapes.

About 86 percent of the nation's grapes are processed—more than half for wine, more than a fourth for raisins, and the remainder for juice and canning. In California, where growers will harvest larger crops in every variety of grapes, only 12 percent are table-type grapes, while 47 percent are wine-type grapes and 42 percent are raisin-type. Washington processes virtually all of its grapes—about two-thirds for juice and one-third for wine.

According to the Wine Institute, California now produces more than 90 percent of U.S. wine grapes. In recent years, growers there have greatly increased the acreage they devote to wine grape production, with many vineyards adopting new technologies that produce higher yields and better-tasting wine. Last year, wine grape varieties accounted for well over half of the state's total grape acreage, an increase of 29 percent during the 1990's. Bearing acreage for wine grapes increased 10 percent from the previous year—to 424,000 acres—and non-bearing acreage increased about 7 percent—to 130,000 acres.

Briefs

California vineyards can expect to harvest a record 6.4 billion pounds of wine grapes in 2000, a result of higher yields and recent new plantings of premium wine varieties that have reached bearing age. Prominent wine grape varieties are Chardonnay and French Colombard for white wine, and Cabernet Sauvignon, Zinfandel, and Merlot for red wine. Increases in bearing acreage last year were greatest for Merlot (up 30 percent), Cabernet Sauvignon (up 16 percent), and Chardonnay (up 15 percent). Although California's growth appears to be strong, the state's grape industry faces a threat from Pierce's disease, a bacterial blight transmitted by insects (glassy-winged sharpshooters) and capable of destroying an entire grape-growing area. Until this disease is eradicated, the industry will remain vulnerable to the losses it can cause.

With about one-third of Washington state's total grape output processed for wine, the state's wine sector is growing at a healthy rate. According to the Washington Agricultural Statistics Service, total wine grape acreage more

than doubled between 1993 and 1999 (from 11,100 acres to 24,000), while bearing acreage increased by more than half (from 10,200 acres to 17,000). The state crushes all of its Concord and Niagara grapes for juice.

U.S. wine exports rose 4 percent in 1999 to a record 70 million gallons, with the United Kingdom, Canada, Japan, and the Netherlands accounting for more than two-thirds of shipments. Imports increased slightly over 1998 (less than 1 percent), coming mostly from the European Union, Chile, and Australia.

Increasing supplies of high-quality wines, stronger national economies, heightened awareness of the health benefits of moderate wine consumption, and market promotion efforts continue to encourage demand for U.S. wines both here and abroad. Exports of U.S. wine and imports into the country rose during the first 8 months of 2000 (up 5 percent and 13 percent), indicating the continuing strength of the market for domestic wine producers and grape growers.

U.S. raisin exports fell 28 percent and domestic consumption of raisins declined by 2 percent during 1999/2000. The supply of raisins in the U.S. fell last season as a result of reduced domestic shipments and a 30-percent downturn in imports. Partly responsible for the decline in imports were smaller raisin crops in Chile, South Africa, Greece, Turkey, and Mexico, which reduced overall world supplies.

Raisin exporters are optimistic for the 2000/01 season, in light of a recent upward trend. According to the Raisin Administrative Committee, California raisin shipments abroad (excluding Canada) in August and September were up 12 percent over the same period in 1999. This change reflects significant increases in demand from the United Kingdom, Germany, Korea, Taiwan, the Netherlands, and Denmark. **AO**

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