



PECAN REPORT

Agricultural Marketing Service
Fruit and Vegetable Programs
Market News Branch

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PECAN IMPORTS FROM MEXICO* THROUGH TEXAS CROSSING POINTS (Shown in 1,000 lb units each)

*Country of Origin not specified.

Source: U.S.D.A. Federal-State Market News Phoenix, Arizona

	Weekly Total 2004 Crop					Crop Season**		Crop Final 2003
	Aug 1 to Sept 11	Week of Sept 12	Week of Sept 19	Week of Sept 26	Week of Oct 3	Total To Date 2004	2003	
Pecan-Inshell	50	50	90	270	270***	730	1,190	49,900
Pecan-Shelled	340	0	60	80	80***	560	1,970	7,670

Crop Season as defined by USDA runs from August 1 to July 31. *Thru October 7

PECANS - PRICES PAID TO GROWERS

Georgia (via Thomasville, Georgia)

The initial harvest of 2004 crop pecans began towards the end of September in scattered areas of South Georgia on the pawnee variety. Beginning in early October the gathering of a few additional early maturing nuts of money maker and seedling varieties was noted. The limited harvest that has occurred did so primarily in well managed orchards on irrigated acreage. Harvest activities during early October have remained slower than last year with growers continuing to work to clean the orchards from the effects of Tropical Storm Jeanne. That storm and prior storms Frances, to a greater extent, and Ivan, to a lesser extent, caused significant damage to orchards in both South and Central Georgia. Many orchards suffered loss of nut-bearing branches due to the effects of these storms. In some cases whole trees were lost. This is expected to have some effect on crops of future years. This year's crop will be most affected by the significant number of nuts which were prematurely blown from trees by these storms. Some nuts blown off by the most recent storm, Jeanne, may be salvaged but those dropped by the earlier storms will likely be lost as those nuts were still too immature at that time.

Practically all buying stations to date have yet to receive any significant deliveries and purchases. Marketing to date has primarily been noted f.o.b. the orchard on a direct basis between producer and buyer on a few lots of the pawnee variety. The transacted purchases were too few in number to accurately determine a representative market level either on a cents per pound or dollars per point basis. Those few sales did indicate that initial buying levels were higher than in other recent lower-producing years of the alternate bearing cycle. Most producers of well managed orchards have yet to begin with harvest activities. Buying stations are expected to begin receiving supplies over the next 10 days and then increase significantly over the next several weeks. Buying interest has been expressed by the giftpack, fundraising and in-shell trade but commercial shellers have expressed little or no buying interest.

----First Report of Season---

The next report is scheduled to be released on Thursday, October 21, 2004

PECAN PRODUCTION

Pecans: Utilized production is forecast at 189 million pounds (in-shell basis), down 33 percent from last year's crop but 9 percent above the 2002 crop. The current crop is expected to be lower than last year's due to the alternate bearing pattern typical of pecans. In addition to being a low year in this cycle, the Southeastern States generally noted high disease pressure early in the growing season caused by excessive rainfall, followed by widespread damage to trees and nuts due to the hurricanes and tropical storms in August and September. Western growing areas reported some drought and insect concerns, but overall a good, low year crop. Improved varieties are expected to produce 130 million pounds or 68 percent of the total, while the Native and seedling varieties make up the difference.

The Texas production forecast, at 50.0 million pounds, is 29 percent below the 2003 crop, but 25 percent above the 2002 crop. Growers in Texas' coastal areas reported scab caused by excessive amounts of rain, while growing conditions in other parts of the State were generally better. The Georgia production forecast is 40.0 million pounds, 47 percent below last year and down 11 percent from the last low crop in 2002. The last year Texas produced more pecans than Georgia was 1992. New Mexico's forecast, at 37.0 million pounds, is down 33 percent from last year but up 3 percent from two years ago.

Oklahoma forecasts a 28.0 million-pound pecan crop, more than 4 times larger than last year's crop of 6.00 million pounds and more than double the 2002 crop. Ample rainfall from April to August has helped to produce an above average crop. This increased production forecast is mostly attributed to higher production expected from Native and seedling varieties. Production in Arizona is forecasted at 13.0 million pounds, 42 percent below last year and 19 percent less than two years ago. Growers reported that hot, dry weather hurt the pecan crop. The Louisiana forecast of 8.00 million pounds is down 60 percent from last year but 33 percent higher than the 2002 hurricane-damaged crop. The California production forecast, at 3.40 million pounds, is down 8 percent from last year and 11 percent below two years ago.

Pecans: Utilized Production by Variety, State, and United States, 2002-2003 and Forecasted October 1, 2004

Crop and State	Utilized Production		
	2002	2003	2004
	1,000 Pounds		
Improved Varieties 1/			
AL	4,000	7,000	950
AZ	16,000	22,500	13,000
AR	1,200	1,400	1,300
CA	3,800	3,700	3,400
FL	500	500	200
GA	42,000	60,000	35,000
LA	2,000	4,000	2,000
MS	2,100	4,800	700
NM	36,000	55,000	37,000
NC	1,500	2,200	600
OK	1,500	1,500	4,000
SC	120	3,300	1,500
TX	20,000	37,000	30,000
US	130,720	202,900	129,650
Native & Seedling			
AL	1,000	1,000	50
AR	500	2,400	900
FL	900	1,600	300
GA	3,000	15,000	5,000
KS	2,900	2,000	2,500
LA	4,000	16,000	6,000
MS	900	2,200	300
NC	400	300	100
OK	8,500	4,500	24,000
SC	80	1,200	500
TX	20,000	33,000	20,000
US	42,180	79,200	59,650
All Pecans			
AL	5,000	8,000	1,000
AZ	16,000	22,500	13,000
AR	1,700	3,800	2,200
CA	3,800	3,700	3,400
FL	1,400	2,100	500
GA	45,000	75,000	40,000
KS	2,900	2,000	2,500
LA	6,000	20,000	8,000
MS	3,000	7,000	1,000
NM	36,000	55,000	37,000
NC	1,900	2,500	700
OK	10,000	6,000	28,000
SC	200	4,500	2,000
TX	40,000	70,000	50,000
US	172,900	282,100	189,300

1/ Budded, grafted, or topworked varieties.

Source: Agricultural Statistics Board, National Agricultural Statistics Service, USDA, October 2004

THE NEXT REPORT IS SCHEDULED TO BE RELEASED ON -THURSDAY, OCTOBER 21, 2004