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AGRICULTURE

Smaller Florida orange crop predicted

Five of seven analysts surveyed by Bloomberg said the U.S. Department of Agriculture will lower last month's forecast of 140 million boxes.

By Shruti Date Singh

Bloomberg News

Florida's orange crop, the world's biggest after Brazil, may be smaller than the U.S. government estimated last month because groves have not recovered from the hurricanes of 2004 and 2005, a survey showed.

Five of seven analysts surveyed by Bloomberg said the U.S. Department of Agriculture later this week will lower last month's forecast of 140 million boxes.

The average prediction was for just under 136 million boxes, down from 147.9 million boxes last season. Most cited a smaller-than-expected crop of early- and mid-season oranges.

"There's not that much fruit to be picked," said Tom Spreen, chairman of the Food and Resource Economics Department of the University of Florida in Gainesville. He said he expects the USDA to reduce its estimate by 5 million boxes.

Orange juice futures are up 54 percent in the past year on expectations for a smaller crop in Florida.

Prospects for a smaller crop prompted Tropicana and Minute Maid to increase retail orange juice prices in 2006.

Production in Florida hasn't fully recovered from hurricanes in 2004 and 2005 that damaged groves and spread disease, said Rohit Savant, an analyst with CPM Group in New York, who expects a 3 million-box cut. In the season ending June 2004, Florida produced 242 million boxes of oranges.

The "shortness" of the mid- and early-season fruit left in the groves is a sign the forecast may be lowered, said Jerry G. Neff, a branch manager for Allendale in Bradenton.

"Growers would be very surprised if the estimate went up, and it wouldn't shock anyone if it went down a bit," said Ray Royce, executive director of the Sebring, Florida-based

Highlands County Citrus Growers Association, which represents producers with 70,000 acres of citrus groves.

Royce said in his area, many growers "are resigned to the fact they are not going to have a real good Valencia harvest."

The harvesting and processing of Valencia oranges, which usually runs from March to July, may wrap up by May this season, Royce said.

"We hope there is more fruit out there than we think there is," he said.

However, other growers expect no change in the USDA estimate.

"Everything is shipshape," said Doug Bournique, executive vice president and general manager of the Indian River Citrus League in Vero Beach.