U.S. Raisin Production Likely To Decline for a Second Year: Based on the *2011 California Raisin Grape Objective Measurement Report*, bearing acreage for the California raisin grape crop was unchanged from a year ago at 210,000 acres but there were 20 percent more bunches per vine at 38.7. The cool, wet weather in the early summer has resulted in some mildew problems, likely lowering yields. Back

in August, NASS forecast the 2011 California raisin grape crop at 4.1 billion pounds (or 2.05 million tons, fresh weight), down 1 percent from a year ago.
California's raisin grape crop is not entirely utilized for raisin production. It is also not the only type of grape dried into raisins, although it constitutes the majority.
Over the past 5 seasons (2006/07-2010/11), the share of the raisin crop dried into raisins ranged from 70 percent to 85 percent, with the remainder moving through the fresh market, wineries, and canners. About 4 percent of California's table grapes are also used in raisin production. Hence, the forecast smaller harvest for raisin and table grapes in California this year is expected to lower the quantity of available grapes for drying. Moreover, the reported cool, wet weather early this summer also delayed crop maturity by about two weeks, which is expected to increase the drying ratio and consequently lower U.S. raisin production for the 2011/12 marketing season. USDA forecast U.S. raisin production to be down 4 percent in 2011/12 from the previous season, totaling 738.5 million pounds, dried weight (equivalent to 369,000 short tons or 355,000 metric tons as reported by the Foreign Agricultural Service).

Following the low prices in the early 2000s, U.S. grower prices for raisin grapes dried into raisins have held strong, averaging at least $1,000 per ton (dried basis) (fig. 5). In 2010/11, prices averaged $1,540 per ton, up from $1,130 the previous season and the highest since 2004. While domestic raisin production increased in 2010/11, tight inventories coming into the season drove down overall raisin supplies in the United States, supporting raisin-grape grower prices and contributing to lower domestic consumption and exports than in 2009/10. U.S. raisin exports fell significantly to most major European markets and were down slightly to Japan and China in 2010/11, driving overall U.S. exports last season down 13 percent from the record-high 370.5 million pounds (dried basis) in 2009/10.

Figure 5
California raisin grape production dried into raisins and average grower price

Source: USDA, National Agricultural Statistics, *Noncitrus Fruits and Nuts Summary*, various issues.

While this season's domestic raisin production is anticipated to decrease, exports of U.S. raisins in 2011/12 are forecast to increase 6 percent from last season to 343.0 million pounds (dried weight) on expanded exports to Europe and China. If

realized, this will still be down from the record exports in 2009/10, but nonetheless strong relative to the previous 10-year average. U.S. raisin imports in 2011/12 are forecast to remain relatively unchanged from last season's 42.8 million pounds (dried basis) as higher beginning inventories will be able to cover for the anticipated decline in domestic production. In 2010/11, imports were down 8 percent from the previous season. Imports from the United States' largest supplier—Chile—declined 36 percent last season to 16.3 million pounds, more than offsetting the increases from most other international sources, including the Republic of South Africa, Mexico, Argentina, and China.