


U.S. horticultural crop sales are projected to reach US\$71 billion in value over the next decade, up from \$62 billion in 2012, the United States Department of Agriculture (USDA) announced Monday. 

In the department's long term agriculture projections, fruits and tree nuts take the largest portion of horticultural sales over the decade, accounting for a 44% share in 2022. The category is complemented by estimated annual growth of 2%, in large part thanks to improved sales for tree nuts and non-citrus fruits.

Sales growth corresponds with an anticipated increase in consumption. U.S. per capita use of fruits and tree nuts is expected to grow 0.3% annually, growing from 287 lbs. in 2012 to 295 lbs. in 2022.

Despite relatively positive sales projections, fruits do take a hit when it comes to production prices. Slow production growth and declining citrus output are expected to help push up production prices by 1.8% a year. Vegetables, on the other hand, are expected to hold a better footing, with projected costs rising by 0.7% a year.

### **Trade outlook**

Horticulture is expected to deepen its trade deficit to US\$22.1 billion in 2022, compared to US\$12.4 billion in 2012.

Imports will make up over half of domestic fruit and nut use, as foreign production begins to take a larger role in supplementing domestic output.

Import value will also increase by 4.5% annually, compared to 8% the previous decade. For fiscal year 2022, horticulture imports are projected to reach US\$64.5 billion.

As imports grow, exports will become more important as well. 27% of U.S. fruits and nuts are expected to be sent abroad in 2022, compared to 23% in 2012. Vegetables are expected to increase from 16% to 21%.

Horticulture export value is expected to reach US\$42.4 billion, US\$20.8 billion of which is fruits and nuts.

### **Trade partners**

On a global level, developing nations are projected to be the fastest growing market for overall agricultural demand and trade, with Africa and the Middle East expected to see the

greatest growth.

Both price and production will grow globally, although various factors will impede better output.

Agricultural prices are projected to drop initially but remain above pre-2007 levels. Contributing factors will be increased per capita incomes, a depreciated dollar, high energy prices and increased biofuel production.

Despite projected growth in output, many factors will slow down overall agricultural growth. The USDA cites limited availability for planting area, lower productivity of remaining land, reduced research and development funding, difficulty expanding irrigation and increased cost of inputs.

Major export players, such as Argentina, Brazil, Canada, the E.U. and the U.S., are expected to maintain their international importance. New players are expected to rise as well thanks to wise investment in the agricultural sector. Rising nations for basic agricultural commodities include Russia, the Ukraine and Kazakhstan.

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