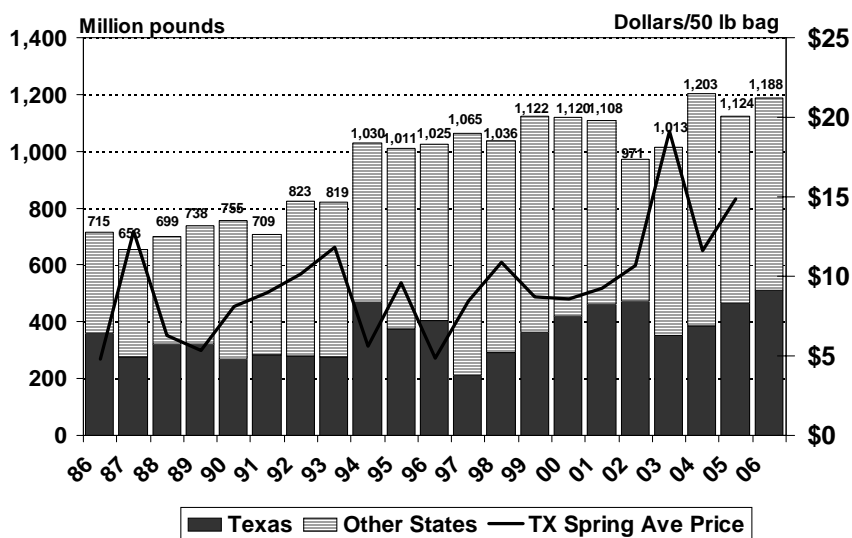


U.S. Spring Onion Acreage for Harvest Up 7.4%; Production Up About 5.6% Market Outlook Mixed to Weak

Jose G. Peña, Professor and Extension Economist-Management

USDA's initial U.S. spring onion acreage for harvest estimate of 37,900 acres is up 2,600 acres (7.4 percent) from 35,300 acres harvested last year and just slightly higher than the 35,700 acres harvested in 2004 when the market weakened. Early estimates of spring onion production, based on yield forecasts (Georgia and Texas) or average yields of the past 10 years (Arizona and California), at 1.188 billion pound is up 5.6 percent from 1.124 billion pounds produced last year, when prices improved over the 2004 season. (See Figure 1). Early this past week (4.10-11.06), spring onions were trading at about \$9-\$10 for 50 lb sacks of super colossals, \$7-\$8 for colossals, \$6 for jumbos and \$4.00-\$4.50 for mediums. Early estimates indicate that adequate supplies will be available when the harvest opens in the Laredo-Winter Garden region of Texas.

**Figure 1: U.S. Spring Onion Production/Price
1986-2006¹**



¹2006 – Preliminary forecast

Acreage and Yields Up

Increased acreage for harvest and a higher forecast yields influenced the increased production estimate. (See Figure 2). While only 200 more acres of spring onions were planted, the estimate of the acres for harvest for 2006 at 37,900 acres is up 7.4 percent from 35,300 acres harvested last year. Acreage for harvest are up across the U.S. spring onion production belt, except in Arizona, which is

down 50 percent from 2,000 acres harvested last year. Georgia lost close to 1,000 acres of onions to hail last year. This year, Georgia not only planted 500 more acres, but also plans to 3,000 more acres, up 28.6 percent from 10,500 acres harvested last year. (See Table 1).

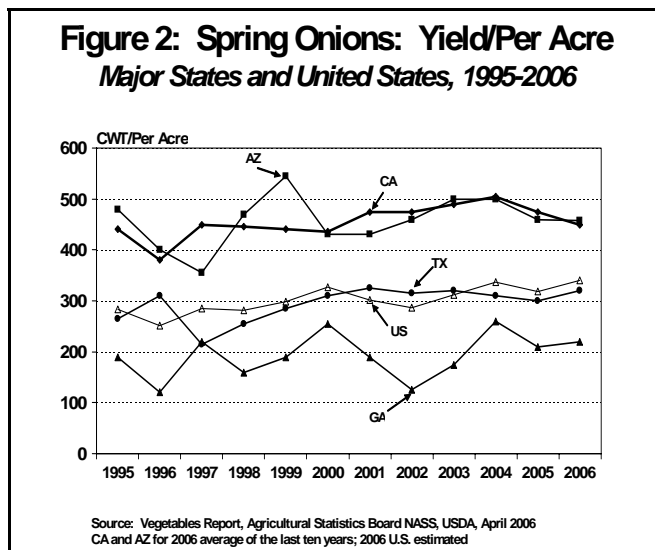


TABLE 1. U.S. SPRING ONION ACRES PLANTED AND HARVESTED

STATE	2000	2001	2002	2003	2004	2005	2006	Percent Change	2000	2001	2002	2003	2004	2005	2006 ¹	Percent Change
	Acres Planted								Acres Harvested							
ARIZONA	3,300	3,100	1,600	1,500	1,600	2,000	1,000	-50.0%	3,200	3,000	1,500	1,500	1,600	2,000	1,000	-50.0%
CALIFORNIA	7,200	6,400	6,400	7,700	7,300	7,500	7,600	1.3%	7,100	6,200	5,700	7,500	7,100	7,300	7,400	1.4%
GEORGIA	15,000	14,500	14,700	14,000	16,500	13,500	14,000	3.7%	10,000	13,500	11,500	12,500	14,500	10,500	13,500	28.6%
TEXAS	15,900	15,200	16,200	12,800	14,500	17,000	17,600	3.5%	13,500	14,200	15,000	11,000	12,500	15,500	16,000	3.2%
Lower Rio Grande Valley	11,100	12,300	11,300	8,300	9,100	12,500	13,500	8.0%	9,000	11,700	10,500	6,900	7,800	11,400	12,300	7.9%
Winter Garden/Laredo ²	4,800	2,900	4,900	4,500	5,400	4,500	4,100	-8.9%	4,500	2,500	4,500	4,100	4,700	4,100	3,700	-9.8%
TOTAL	41,400	39,200	38,900	36,000	39,900	40,000	40,200	0.5%	33,800	36,900	33,700	32,500	35,700	35,300	37,900	7.4%

Source: Vegetables report, USDA-NASS, April 3, 2006

1/Preliminary estimate of 2006 acres for harvest.

2/Includes San Antonio and Eagle Pass, and the Coastal Bend areas.

Spring Onion Production in Texas

The estimate of acreage for harvest in the lower Rio Grande Region of Texas at 12,300 acres is up 7.9 percent from 11,400 acres harvested last year. The estimate of acres for harvest in the Laredo/Winter Garden region at 3,700 acres is down close to 10% from 4,100 acres harvested last year.

The harvest in the Lower Rio Grande Valley region began in early March, about a week earlier than usual, and has reached its peak. The harvest should end slightly earlier than usual. Also, by then, shipments from Mexico should be winding down, but the harvest in the Imperial Valley of California and Georgia will start, probably as early as the end of April. The harvest in the Winter Garden region of Texas will complete with the harvest in Georgia and California. With a good crop in Texas and increased production in Georgia, it appears that adequate spring onion supplies will be available through June.

Texas continues to lead the nation with a spring onion production estimate of 512.0 million pounds, up 10.1 percent from 465.0 million pounds produced last year and up 32.1 percent from 387.5 million pounds produced in 2004. The production in Texas currently accounts for about 43.1 percent of the 1.188 billion pound U.S. spring onion production estimate.

Carry-in Stocks Down

While the 2005 spring onion market was influenced by increased storage onion carry-in supplies into 2005, it does not appear that storage onions will compete with spring onions this season. Summer storage onion production in 2005 at 4.97 billion pounds was down 14 percent from 5.79 billion pounds produced in 2004. While there are about one million 50 lb sacks of carry-in storage onion stocks, most of these stocks will be marketed in Canada and the northwest.