

Market News

India's coffee exports are likely to pick up from January upon the arrival of new crop supplies after remaining sluggish for nearly eight months. Exports faltered this year as a small domestic crop pushed up local prices above global levels. Indian arabica prices were 2% to 3% higher than global prices until a month ago, while robusta prices were 8% to 10% more, according to industry executives. Current local prices of arabica have fallen to almost on par with global prices on expectation of a better crop, reported *The Wall Street Journal*. [Full Story](#) (WSJ Subscription Required)

The publisher of the study suggesting genetically modified corn caused tumors in rats has come under heavy pressure from scientists to retract the paper and explain why it was ever printed. The calls follow a report by Europe's food safety watchdog this week dismissing the study's findings. Reed Elsevier, which published the study in its *Food and Chemical Toxicology* journal in September, stated on Friday it was considering the criticisms and would let readers know if it concluded it needed to change the way it checked research, reported *Reuters*. [Full Story](#)

A USDA audit that found agencies monitoring organic food producers were not conducting periodic testing for pesticide residues has led to new rules requiring such tests on 5% of organic foods, the Agriculture Department announced. In a Federal Register notice, USDA stated agencies that certify organic producers must begin testing for residues on at least 5% of organic farms next year. The tests, estimated to cost \$500 each, would be paid for by the certifying organizations, not their clients, reported *Western Farm Press*. [Full Story](#)

Carbon dioxide could reduce plant yields, according to transgenic plant scientists from the Max Planck Institute of Molecular Plant Physiology and the University of Potsdam. The scientists discovered that an increase in carbon dioxide levels could cancel out the beneficial effects of dwarf varieties. Using the model plant *Arabidopsis thaliana* (generally known as thale cress), the researchers were able to observe that a higher carbon dioxide concentration results in the unblocking of the capacity of dwarf plant to form gibberellic acid. The

carbon dioxide appears to have the same growth-stimulating effect as that triggered by the gibberellic acid. Thus, in the experiment, the dwarf plants gradually lost their advantage and increasingly resembled the control plants, reported *Science Daily*. [Full Story](#)

The current yearly national average price for a gallon of gasoline, \$3.63, is the highest average ever, according to GasBuddy.com. It is mathematically possible that 2012's average could still fall enough to avoid the record, but an "unthinkable calamity" would have to occur, GasBuddy noted, reported *Convenience Store News*. [Full Story](#)

Crop losses due to Sandy in the U.S. appear to have been minor, largely because most of the crops on the East Coast were already harvested, according to a vegetable crop specialist with the University of California, Riverside. The damage may not seem bad, but can readily be seen the following season, according to an entry on *Fast Growing Trees.com*, a blog about tree growth. Fruit trees may have been damaged enough that they will not come out of dormancy next spring, the blog stated. The high winds, salty water, flooding or heavy rains may lead to no fruit set the following season, reported *Fruit Growers News*. [Full Story](#)

With fruits performing better than vegetables, lower average retail prices in the third quarter held back sales gains for fresh produce, according to United FreshFacts on Retail. For the quarter ending Sept. 29, the report showed total produce sales were 1.7% higher than the third quarter of 2011, reflecting prices that were 0.7% lower and volume running 2.4% higher, reported *The Packer Online*. [Full Story](#)

USDA is adopting as a final an interim rule decreasing the assessment rate established for the Avocado Administrative Committee for the 2012-13 and subsequent fiscal periods from \$0.37 to \$0.25 per 55-lb.bushel container of Florida avocados handled. The Committee locally administers the marketing order for avocados grown in South Florida. The interim rule decreased the assessment rate to reflect a reduction in expenditures for research and to help reduce industry costs. [Full Notice](#)

Sweet potatoes might prove to be a sweet crop for the Northwest's Columbia Basin, according to *The Associated Press*.

The crop did surprisingly well in 2011 and 2012 trials near Pasco, WA, producing yields comparable to those in Louisiana and California, the top sweet potato-producing states, reported *OregonLive.com*. [Full Story](#)

The U.S. winter wheat crop, already facing the worst conditions in nearly three decades, is being hit yet again. Still suffering through one of the worst droughts in history, wheat farmers are also having to deal with the warmest conditions ever for early winter in the High Plains. In Kansas, the top U.S. wheat producing state, 2012 ranks as the warmest on record. The unseasonable warmth is causing young wheat plants to try to grow at a time when they normally would be entering dormancy for the winter, reported *Reuters*. [Full Story](#)

Researchers in Norway have succeeded in doubling survival rates among lobster larvae under farmed conditions. This could boost populations of a species threatened in the wild, and if all goes to plan, they will end their lives as well-nourished wild lobsters, reported *Science Daily*. [Full Story](#)

Little has been done to encourage the next generation of farmers to step in and provide society's food, feed, fuel and fiber. With so many U.S. farmers so close to retirement, and a generation of young people less inclined to follow in their parents' footsteps, one wonders, who will be farming this land in 2025? A professor at the University of Missouri is addressing this potential shortage of knowledge and skill by providing the necessary transfusion of youth, reported *Western Farm Press*. [Full Story](#)

Nearly two-thirds of farmers who responded to a California Farm Bureau Federation survey claimed they were challenged to find enough workers to help tend and harvest crops this year. Some 61% of respondents experienced worker shortages of varying degrees. Among farmers who grow labor-intensive crops (tree fruits, vegetables, table grapes, raisin grapes and berries) 71% reported employee shortages. To cope, farmers offered higher wages, delayed pruning/harvesting, turned to mechanization or did not harvest some of their crop, reported *The Sacramento Bee*. [Full Story](#) (Free Registration Required)

A recent sharp decline in the export price for guar gum to \$7,000 a ton, from a peak of \$27,000 a ton in May, has caused trouble for Indian farmers. The country produces 85% of the world's supply of guar, and Indian processors of the gum estimate global production at around 900,000 tons, generating \$7 billion in export earnings. The crop has seen a recent bubble, with U.S. oil-services companies, worried that a drought in India would hurt guar output, began to stockpile the gum. At the same time, Indian-based commodity speculators began to ramp up the price of the bean and gum on local futures markets, reported *The Wall Street Journal*. [Full Story](#) (WSJ subscription required)

Warm growing weather has brought on a surge of broccoli and cauliflower volumes and a corresponding slump in markets, but shippers claim that could change quickly with cooler weather and holiday demand. Broccoli and cauliflower crops were running a week to two weeks ahead of schedule in early December due to abnormally warm growing weather, stated the chief executive officer of Church Bros. Cauliflower supplies will likely be 175% of normal, stated a salesman for the company, reported *The Packer Online*. [Full Story](#)

Utah Onions is again offering Vidalia sweet onions through a new agreement with Gerrald's Farms. The partnership expands Utah Onions' sweet onion offerings from August through January to April to January, stated the director of business development, and is a step toward a year-round sweet onion program, reported *The Packer Online*. [Full Story](#)

Malena Produce will have increases in several commodities for the coming winter season and will be adding a few new ones, according to its Vice President. Some of the product expansions will extend the company's shipping season as well, reported *The Produce News*. [Full Story](#)

Hard cider is poised for great growth due to national distribution, attractive demographic appeal and constant innovation, despite only representing a 0.3% share of the beer category, according to a Nielsen report. In 2012, cider sales have grown 65% vs. 2011, with 1.8 million cases sold. In addition, the emerging category added 54 items this year, Nielsen noted. As for

why cider is selling so well, Nielsen hypothesized it is because cider draws the interest of the young Millennial demographic, traditionally a beer consumer who has switched allegiance to spirits in recent years, reported *Convenience Store News*. [Full Story](#)

Dukkah (a Middle Eastern spice blend), cajeta (a milk caramel popular in Mexico) and katsu (a thick, tangy sauce popular in Japan) are all flavors predicted to be trends in 2013, according to McCormick's *Flavor Forecast* report, reported *Reuters*. [Full Story](#)

U.S. winter wheat farmers could abandon more than a quarter of the new wheat crop due to devastating weather, though decisions on abandonment will not be made until spring, experts stated this week. Historic drought, coupled with record warm weather and high winds sweeping across the Plains, have left the new crop in the worst condition in decades, reported *Reuters*. [Full Story](#)

Grain prices will likely again drive U.S. agriculture in 2013, according to several speakers at the Tennessee agriculture leadership forum. Near record low stocks of soybeans and corn and wheat will keep demand for these grain products high and prices good for farmers through the 2013 season. However, livestock and dairy farmers will continue to be in a high stress economic situation due to continually increasing grain prices, economists contend, reported *Southeast Farm Press*. [Full Story](#)

Farms are rushing to get what they need before the Mississippi River's dropping water levels shut off the flow of cargo, threatening next season's crops. "Worst-case scenario, we run very short of supplies when they're needed for planting," stated a plant food director for Growmark. His company is stockpiling as much urea and potash - ingredients in fertilizer - as it can in its warehouse. The rush is on to keep customers supplied, workers employed, and commerce alive in communities that rely on the nation's busiest waterway, reported *Bloomberg Businessweek*. [Full Story](#)

California strawberry production has basically become a year-round proposition, but the early-December period still has sketchy supplies, which has led to a significant demand-exceeds-supply situation and skyrocketing prices for the

current time period. The market should ease up a bit over the next several weeks, but a strong market should take grower-shippers into the new-crop season, reported *The Produce News*. [Full Story](#)