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Fresh Deciduous Fruit

Annual Report

2005

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Report Highlights:

Apple production for MY 2005/06 is forecast at 495,000 MT, roughly 14% lower than MY 2004/05. Mexico's Secretariat of Economy is conducting an anti-dumping investigation on U.S. apples, the results of which are expected in mid-September. Apple imports are forecast at 140,000 MT and it is anticipated that the U.S. will remain the largest supplier of apples to the Mexican market in 2005/06. MY 2005/06 pear production is forecast at 30,000 MT. U.S. pear imports are expected to increase as domestic production stagnates and consumer demand remains strong. Table grape production for MY 2006 is forecast at 200,000 MT. The U.S. continues to be the main table grape supplier to Mexico.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
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SECTION I. SITUATION AND OUTLOOK

APPLES

PRODUCTION

The MY 2005/06 (August/July) apple production is forecast at 495,000 MT, or 14 percent lower compared to MY 2004/05 production. Trade sources indicate that weather conditions in Chihuahua, the main apple producing state, have not been favorable for apple production. Freezing temperatures, as well as hailstorms, during the month of May and during harvesting season have damaged a number of orchards. The severe weather has primarily affected Red Delicious varieties, which may result in lower quality and smaller sized apples. The national average yield for MY 2005/06 is forecast at 8.5 MT/Ha. Yields in Chihuahua are forecast at a minimum of 12 MT/ha. Production estimates for MY 2003/04 and 2004/05 were updated with more reliable data, both from government and industry sources. According to numerous sources, MY 2004/05 was a record production year with good color, size, and quality. The year was also notable for the better than expected yields of 9.7 MT/Ha. The State of Chihuahua accounts for 42 percent of total Mexican apple production, Coahuila accounts for 11 percent, Durango accounts for 18 percent, and Puebla accounts for 15 percent. Producers in Chihuahua generally use more advanced production technology and typically yield higher quality apples than the other states.

Area planted and harvested for MY 2005/06 is forecast to decrease slightly. This is primarily due to two reasons:

- 1) Apple trees tend to have higher yields every other year. Thus 2005/06 is considered an "off year", or low-yield year, for many orchards under cultivation in Mexico.
- 2) Lower prices during the 2004/05 year have driven many inefficient producers out of the market. Large-scale and technologically sophisticated growers will plant or renew old orchards at higher tree densities. Smaller-scale growers, who are affected by price swings and higher costs of production, tend to abandon orchards under these conditions.

The new apple crop in Chihuahua will hit the market in mid-August with the Gala variety, and the beginning of September with the Red and Golden Delicious varieties. Area planted and harvested for MY 2004/05 was revised downward based on official estimates. Data for MY 2003/04 remains unchanged.

Producers indicate that increasing costs of production and limited credit could restrict future expansion. Yields are forecast to continue increasing due to increased density in planted areas. In order to remain competitive, producers are replacing a number of older orchards with higher-yielding and higher-density apple trees (600 trees per hectare or more), using advanced technology and newer irrigation systems. According to growers, almost 70 percent of the area in Chihuahua is planted with the Golden Delicious variety, and 30 percent with the Red Delicious variety. The Gala variety area comprises less than 5 percent of the total planted area in Chihuahua. According to growers, high-density varieties account for approximately 20 percent of Chihuahua's planted area. The remainder of the apple producing areas are planted at the more traditional spacing of 200 trees per hectare. Most areas in Chihuahua and Durango are irrigated.

Grower prices for Red and Golden Delicious apples in Chihuahua were about \$5 to \$5.50 pesos/kg (US\$0.46 to \$0.51/kg) during MY 2004/05, and growers expect higher prices for MY 2005/06 given the supply forecast. Costs of production range from \$23,000 to \$37,000 pesos/Ha. (US\$2,150 to \$3,458/Ha). The production cost will vary depending on whether growers have frost protection equipment, hail protection equipment, and new irrigation

systems. According to producers, electricity, gas, and packing costs, which depend on foreign inputs, have increased more than 10 percent compared to MY 2003/04.

CONSUMPTION

Apple consumption for MY 2005/06 is forecast at 558,000 MT, down 15% compared to MY 2004/05. The expected decrease in consumption is mainly attributed to lower supplies and higher prices. At this point it is unclear what level of anti-dumping duties the Ministry of Economy will apply to U.S. Red and Golden Delicious apples for MY 2005/06, but an announcement is expected by mid-September 2005. Antidumping duties applied to U.S. Red and Golden Delicious apples have kept apple volumes relatively low, compared to pre-2002/03 levels. However, in May 2005 the Secretariat of Economy restarted the apple antidumping investigation. (See Trade Section) While the outcome of the investigation is unknown, at least until a new resolution is published, U.S. apples will continue to have access to the Mexican market at zero duty. Implementation of a high compensatory duty could restrict demand and push import volumes below the current 2005/06 forecast. MY 2004/05 apple consumption reflects the increase in availability. MY 2003/04 apple consumption data was revised downward due to lower availability of fruit.

According to growers, demand for apples for processing has not changed significantly this past year, largely due to reduced demand from the juice industry. Apples for the processing industry for MY 2005/06 are forecast to decrease to approximately 87,000 MT due to lower production levels, but the final amount will depend upon international prices for concentrated apple juice. However, currently, the outlook for these prices is not favorable. The estimate for apple supplies for processing for MY 2003/04 and MY 2004/05 remains unchanged.

From January to March domestic apple production competes with other fruits like mango and papaya. Prices for domestic apples were slightly lower during 2005 compared to 2004 due to higher domestic production. U.S. apple imports had a significant market presence between April 2005 and the onset of harvest, and were sold at lower prices compared to 2004.

TRADE

The forecast for apple imports for MY 2005/06 is estimated at 150,000 MT. The Government of Mexico is expected to announce the results of its current dumping investigation by mid-September 2005. 2005/06 import volumes will likely depend on the timing of the Government's decision and the level of the compensatory duties, if any. Nevertheless, the tighter domestic supply situation should help to support import volumes in 2005/06. Overall, imported apples from the United States have decreased in volume due to the anti-dumping duty of 46.85 percent imposed on U.S. Red and Golden Delicious apples in August 2002 (see report MX2120).

The estimate for apple imports for MY 2004/05 remains unchanged. Data reflects an increase of almost 17 percent compared to MY 2003/04. More apples were imported from the United States due to:

1. Healthy demand in Mexico;
2. A larger U.S. apple crop;
3. A drop in Asian demand for U.S. apples; and
4. A zero duty on U.S. Red and Golden Delicious apples since May 2005.

The suspension of the anti-dumping duty of 46.58 percent for most U.S. Red and Golden Delicious apples stimulated imports. When this occurred, U.S. apples realized a larger share of the market, as Chilean apples suffered from quarantine problems. Imports for MY 2003/04 remain unchanged.

On December 29, 2004, the Secretariat of Economy (SE) published in the *Diario Oficial* (Federal Register) an announcement suspending the application of the 46.58-percent duty on imported U.S. Red and Golden Delicious apples from the Pacific Northwest and established a new reference price system for members of the Northwest Fruit Exporters (NFE) organization. However, in February 2005 the First Circuit Court determined that there was a violation in setting this reference price agreement and ruled that the Secretariat of Economy (SE) must re-start the antidumping investigation it conducted in 1997. The First Circuit Court also ruled that members of the Northwest Fruit Exporters could export apples to Mexico without any duties. On May 26, 2005, SE announced the new antidumping investigation and eliminated the dumping duties (See report MX5050).

Other U.S. states, like Virginia and Michigan, continue exporting limited volumes of Golden and Red Delicious apples to Mexico even though the 46.85 duty still applies to them. Other apple varieties like Gala, Rome Beauty, Jonagold, and Pink Lady, which are not subject to the antidumping duty, are being imported at more affordable prices, but in smaller quantities.

Red and Golden Delicious varieties continue to account for almost all U.S. apple exports to Mexico. While Mexican consumers like the size and color of U.S. apples, Mexican apples are said to be sweeter. The U.S. apple industry will continue to face strong competition from other countries, like Chile. While Mexico is expected to complete a phytosanitary protocol to import apples from China, the domestic industry is not expecting significant competition, as the variety from China, Fuji, is not widely accepted by the domestic consumer. Apples from Argentina and South Africa continue to be imported, but not in significant volumes.

POLICY

The NAFTA tariffs for U.S. and Canadian apples were completely lifted as of January 1, 2003, bringing the duty to zero. Under the Chile-Mexico free trade agreement, imported Chilean apples have a TRQ of 3,034,647 Kg. at a 1.7 percent duty for 2005. However, starting on January 1st 2006, imports of Chilean fresh apples will be duty free and not subject to a quota. Apples from other countries are subject to a 20-percent duty. During a trade mission to China, the Mexican government established protocols and agreements with the Chinese government to begin trade operations. Among the products to be imported from China to Mexico are fruits and vegetables, including apples. The Mexican government is preparing protocols and phytosanitary measures for Chinese apples, which could be ready in the very near future, according to official information.

MARKETING

Despite the possible re-imposition of anti-dumping duties, the United States is expected to remain the main apple supplier to the Mexican market. The U.S. apple industry's continued marketing and in-store promotion efforts have significantly contributed to creating a market for U.S. apples in Mexico. Strong U.S. apple import months are from January to May, although the U.S. does start shipping in smaller volumes in November. Canadian apples are imported from November to January, and Chilean apples are typically imported from March to June. Chilean apples do not compete directly with Mexican apples, as they do not hit the market at the height of Mexico's marketing year. Mexican apples are strongly marketed from September through December, but many are kept in cold storage to be marketed in the early months of the year, thus competing more directly with U.S., rather than Chilean apples.

Mexican consumers still prefer the Red and Golden Delicious varieties to any others. Commercially, these two varieties have a competitive advantage over other varieties because of their longer shelf life. Another variety widely demanded by consumers is the Rome

Beauty, which is mainly used for baking and cooking. Lately the Royal Gala has become more attractive to the Mexican consumer and is being sold in most supermarkets. Chilean producers are also marketing Royal Gala in Mexico.

Mexican producers continue doing market promotions and are advertising Mexican apples on the radio and certain TV spots. Chilean producers have also been working aggressively to penetrate the Mexican market and have introduced several varietal characteristics in an effort to target different population groups. The Chilean promotion strategy focuses on price more than on quality. According to traders, Chile is investing in in-store demonstrations and advertisements. Argentina and South Africa continue to export small quantities to Mexico as well.

CONCENTRATED APPLE JUICE

PRODUCTION AND TRADE

Reliable concentrated apple juice (CAJ) production numbers are difficult to obtain, as there is no Mexican statistical data available on this product. The industry tends to keep partial information, most of which is proprietary. According to industry sources, there are about seven primary processing plants in Mexico, of which the most important are four plants in Chihuahua. The industry indicated that since the entry of China's CAJ in the international market, Mexico's production has declined significantly due to a reduced market share in the U.S. Furthermore, the industry indicates they have more difficulties in obtaining fruit at affordable prices since apple growers have increased quality for fresh fruit. During MY 2004/05, fruit for the processing industry was priced at about US\$74-\$75 per MT. Since apple production for MY 2005/06 is expected at lower volumes, fruit for processing prices could be expensive for the industry. There is no information available on CAJ production, but it is expected to continue at low levels for export purposes, unless international prices increase.

The United States is Mexico's largest CAJ market. However, according to Mexican trade data, CY 2004 exports show a decrease in Mexican exports of CAJ to the United States of 39 percent. One processing plant in Chihuahua is still producing some CAJ for the export market and they normally export the juice to the United States. Although Mexico traditionally imports little CAJ, imports are increasing because of good international prices.

PEAR

PRODUCTION

Pear production in Mexico is very limited, therefore the Secretariat of Agriculture only publishes pear production data on an annual basis. Total pear production is forecast at 30,000 MT for MY2005/06 (July/June), a decrease compared to MY 2004/05, due to the alternate bearing cycle of the trees. In general, pear production is not expected to show significant increases, as growers are not heavily investing in this crop due to the high cost of production and low international and domestic prices. Approximately 85 percent of the area planted in Mexico is non-irrigated, and rainfall was average during this past growing season. Michoacan and Puebla are Mexico's main pear producing states, accounting for 75 percent of total Mexican production. The State of Puebla has marginally increased pear plantings, but this has been almost offset by a decrease in non-irrigated and low-yielding areas planted in Michoacan. Pear production estimates for MY 2004/05 were revised upward due to higher yields than expected. Data for MY 2003/04 remains unchanged.

Lack of investment, high costs of production, scarce water supplies in pear producing regions, and disease problems have limited production growth. Some growers, however, have begun to experiment with planting more disease-resistant and longer shelf-life varieties. Area planted for MY 2005/06 is forecast to remain unchanged from MY 2004/05 area. Area planted and harvested for MY 2004/05 was revised upward due to a slight increase in plantings in some states. Data for area planted and harvested for MY 2003/04 remains unchanged.

CONSUMPTION

Domestic supply continues to rely on imports, mainly from the United States. Pear consumption for MY 2005/06 is forecast at 108,000 MT due to expected lower retail prices. Pear consumption for MY 2004/05 was revised downward due to higher imported prices and lower fruit quality. Pear consumption estimates for MY 2003/04 remain unchanged.

Wholesale prices for U.S. pears in Mexico were higher for MY 2004/05 compared to MY 2003/04 prices. Prices for D'anjou pears began almost 9 percent higher in October 2005 compared to October 2004, at approximately US\$22 per 18-kg box and ending in June 2005 at approximately US\$28.00 per box. Retail prices in supermarkets by June 2005 were about US\$2.10/kg for D'anjou pears and US\$2.60/kg for Bosc pears. Anjou pears continue to be the most sought after variety in the market, followed by the Bosc, Bartlett and the Red Anjou varieties. Other varieties of pears are not yet in high demand by consumers in Mexico.

TRADE

Pear imports for MY 2005/06 are forecast to increase to 80,000 MT, due to healthy demand and expected affordable consumer prices. Pear import estimates for MY 2004/05 were revised downward, due to higher prices for imported pears resulting from reported problems with quality that reduced import volumes. U.S. Bartlett pears are usually imported during July, August, and September, while U.S. Anjou pears are imported towards the end of September and October. The pear import estimate for MY 2003/04 remains unchanged. The presence of Chilean and Argentinean pears is limited in the Mexican market, but they are of fair to good quality and were priced lower than U.S. pears in 2005. Under the different trade agreements, the import duty on pears from the U.S., Chile, and Argentina is zero.

MARKETING

The United States remains Mexico's main pear supplier. Market promotion efforts for U.S. pears continue in several Mexican cities, supermarkets, and street markets. However, the wholesale markets remain the most important fruit distribution channel in Mexico. According to traders, in-store promotions have helped to increase sales. Most of the imported pears are from Washington, Oregon, and California. Of total imports, U.S. pears account for approximately 90 percent of the market, while imports from Chile and Argentina represent approximately 4 percent each.

Due to limited production, Mexican pears are almost exclusively sold through local, small markets; very few are sold through supermarkets. One of the Mexican pear varieties, which consumers tend to prefer, is the Kiefer variety, better known as Pera Piña. Low production, however, precludes the Pera Piña from having a significant market presence.

TABLE GRAPES

PRODUCTION

Total table grape production for MY 2006 (Jan/Dec) is forecast at 200,000 MT, a decrease from MY 2005 due to an off year cycle. Total production is difficult to determine since price relationships between table grapes, raisin grapes, and industrial grapes in any given period might attract more grapes into, or out of, each market. Table grape production for MY 2005 was revised upward based on industry data reflecting good weather conditions and higher yields in Sonora, the main state producing table grapes. However, some rainfall and high temperatures during the harvesting season affected the quality of the grapes. MY 2004 official production data was revised downwards, reflecting lower than estimated production due to adverse weather conditions.

Area planted for MY 2006 is forecast to be slightly higher compared to MY 2005 area planted. Furthermore producers in Sonora, the major producing state, are working to increase yields by improving crop management, more than by increasing area planted. Area planted and harvested for MY 2005 were revised upward as some producers were encouraged to plant a few more hectares due to generally better market conditions. Area planted for MY 2004 was revised downward and area harvested was revised upward based on official estimates. All area for table grapes is irrigated.

The state of Sonora accounts for almost 80 percent of the total area planted to table grapes. Market and growing conditions are favorable, but a lack of water continues to limit more aggressive expansion. The national average yield forecast for MY 2006 is expected at 11 MT/Ha, but is largely dependent on cultural practices. The national average yield for MY 2005 is estimated to be at 13 MT/Ha due to better weather conditions in Sonora. Sonora has an average yield of 12 MT/Ha. According to producers, in 2005 the cost of production in Sonora was between US\$7,000/Ha and US\$9,000/Ha, depending on inputs. Producers indicate that expansion is limited mainly by low water availability from aquifers in Sonora. As a result, producers are trying to become more efficient by increasing yields instead of increasing acreage. The high cost of production and high interest rates for credit also limit table grape expansion. In fact, producers state that the only credit to which they have access comes from U.S. brokers and distributors, who give them advance payments for harvesting and packing table grapes. Some of the main varieties that Mexico produce are: Perlette, Flame, Sugraone, and Red Globe.

CONSUMPTION

Table grape consumption for MY 2006 is forecast downward at 130,000 MT. The volume of Mexican grapes in the market will ultimately depend on the volume exported, as producers tend to serve the international market first. Consumers will keep buying grapes as long as prices continue to be affordable. The consumption estimate for MY 2005 was revised upward as supplies of table grapes in the domestic market were larger due to higher production, which resulted in lower prices compared to MY 2004. Data for MY 2004 table grape consumption was revised downward from previous estimates, due to lower domestic and imported supplies and higher prices.

Compared to the July 2004 prices of US\$9.25/9-kg box, wholesale prices in July of 2005 for domestic Perlette grapes were significantly lower, at US\$7.65/9-kg box. Domestic prices are expected to remain largely unchanged from 2005. Some large supermarkets are marking prices down as quality has diminished. Prices for imported Red Globe grapes were higher

during 2005 compared to 2004. The Perlette variety is the most widely preferred by consumers, followed by the Red Globe and the Superior varieties.

TRADE

Table grape imports for MY 2006 are forecast at 80,000 MT, a 5-percent increase from MY 2004, driven by lower domestic production. Table grape imports for MY 2005 were revised downward due to decreased demand for imported grapes resulting from greater domestic availability of grapes at lower prices. Table grape imports for MY 2004 reflect official data. U.S. and Chilean imports have a zero duty and both countries continue to increase exports to the Mexican market. According to traders, U.S. promotional efforts to export table grape varieties to Mexico, other than Red Globe or Thompson, are resulting in increased sales. U.S. table grapes can only be imported from California due to Mexico's phytosanitary restrictions on table grapes from other U.S. states.

Table grape exports for MY 2006 are forecast at 150,000 MT, assuming healthy international demand. Export estimates for MY 2005 remained unchanged at 160,000 MT, reflecting a very good export year. Export estimates for MY 2004 were revised slightly upward, based on Mexican trade data. Most of Mexico's table grapes are exported to the United States. Growers indicated that export f.o.b. prices at the beginning of the season - May 2005 - were, on average, about US\$30/8-kg box of perlettes and approximately US\$32/box of flame seedless. However because peak season in the U.S. starts at the end of May, by the end of the month prices had plummeted to approximately US\$12/box for perlette and US\$14/box for flame. Mexican export prices usually range between US\$14 and \$16/box.

U.S. and Chilean table grape production seasons differ and there is no significant direct competition between grapes from these countries. U.S. suppliers export to Mexico from January to February and from August to December, before and after the Mexican season. Chile usually exports from January to April and from June to July. Under the Mexico-Chile Free Trade Agreement, Chilean table grapes enter duty free from January 1 to April 14, and from June 1 to December 31. Mexican importers must obtain an import permit from April 15 to May 31. However, starting in 2006, Chilean table grapes will be able to enter duty free all year round.

The Mexico-European Union (EU) Trade Agreement, signed in 2000, has a duty phase-out plan wherein the grape tariff on Mexican table grapes exported to the EU will be reduced from 12.6 percent to zero by 2008. Mexico has not been able to take full advantage of this agreement since most of its grapes are being exported to the U.S. Mexico could also be exporting grapes to China in 2006, as the Mexican government is establishing protocol and phytosanitary agreements to that end.

MARKETING

The United States is expected to remain Mexico's main supplier of table grapes, largely as a result of market promotion efforts by the U.S. table grape exporters. U.S. promotional efforts of different table grape varieties have resulted in an increase in imports into the Mexican market. Chile, on the other hand, puts very limited resources into promoting its grapes in Mexico.

SECTION II. STATISTICAL TABLES

Apples PS&D Table

Mexico						
Apples, Fresh					(HA) (1000 TREES)(MT)	
	2003 Revised		2004 Estimate		2005 Forecast	
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin	08/2003		08/2004		08/2005	
Area Planted	62995	62995	63180	62694	0	62400
Area Harvested	60973	60973	61100	59095	0	58000
Bearing Trees	14145	14145	14175	13908	0	13456
Non-Bearing Trees	469	469	482	834	0	1020
Total Trees	14614	14614	14657	14742	0	14476
Commercial Production	572000	486850	503000	565906	0	490000
Non-Comm. Production	7000	7000	7000	7000	0	5000
TOTAL Production	579000	493850	510000	572906	0	495000
TOTAL Imports	149338	149338	174000	174000	0	150000
TOTAL SUPPLY	728338	643188	684000	746906	0	645000
Domestic Fresh Consump	636338	551188	592000	654906	0	558000
Exports, Fresh Only	0	0	0	0	0	0
For Processing	92000	92000	92000	92000	0	87000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	728338	643188	684000	746906	0	645000

Pear, PS&D Table

Mexico						
Pears, Fresh					(HA) (1000 TREES) (MT)	
	2003 Revised		2004 Estimate		2005 Forecast	
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin	07/2003		07/2004		07/2005	
Area Planted	4659	4659	4660	5060	0	5060
Area Harvested	4530	4530	4550	4871	0	4800
Bearing Trees	946	946	950	1018	0	1003
Non-Bearing Trees	26	26	22	40	0	54
Total Trees	972	972	972	1058	0	1057
Commercial Production	27993	27993	28500	31872	0	29000
Non-Comm. Production	1000	1000	1000	1000	0	1000
TOTAL Production	28993	28993	29500	32872	0	30000
TOTAL Imports	85712	85712	87000	68000	0	80000
TOTAL SUPPLY	114705	114705	116500	100872	0	110000
Domestic Fresh Consump	112705	112705	114500	98872	0	108000
Exports, Fresh Only	0	0	0	0	0	0
For Processing	2000	2000	2000	2000	0	2000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	114705	114705	116500	100872	0	110000

Table Grapes PS&D Table

Mexico						
Grapes, Table, Fresh					(HA)(MT)	
	2003 Revised		2004 Estimate		2005 Forecast	
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin	01/2004		01/2005		01/2006	
Area Planted	18700	18625	18700	19000	0	19300
Area Harvested	17000	18166	17100	18200	0	18400
Commercial Production	165500	152785	190000	229000	0	198500
Non-Comm. Production	1500	1500	1800	1800	0	1500
TOTAL Production	167000	154285	191800	230800	0	200000
TOTAL Imports	82000	69445	90000	76000	0	80000
TOTAL SUPPLY	249000	223730	281800	306800	0	280000
Domestic Fresh Consump	129200	103730	121800	146800	0	130000
Exports, Fresh Only	119800	120000	160000	160000	0	150000
For Processing	0	0	0	0	0	0
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	249000	223730	281800	306800	0	280000

Trade Matrixes

Apples		Unit: Metric Tons	
Exports for MY 2004/05 (Aug-July*) to:		Imports for MY 2004/05 (Aug-July*) from:	
U.S.	0	U.S.	104,748
EL SALVADOR	81	CHILE	12,967
BELIZE	111	CANADA	7,135
OTHER	0	OTHER	413
TOTAL	192	TOTAL	125,263

Pears		Unit: Metric Tons	
Exports for MY 2004/05 (Jul-Jun*) to:		Imports for MY 2004/05 (Jul-Jun*) from:	
U.S.	3	U.S.	57,720
BELIZE	19	ARGENTINA	6,577
		CHILE	1,664
OTHER	4	OTHER	
TOTAL	26	TOTAL	65,961

Table grapes		Unit: Metric Tons	
Exports for MY 2004 (Jan-Dec) to:		Imports for MY 2004 (Jan-Dec) from:	
U.S.	119,303	U.S.	38,706
HONG KONG	476	CHILE	30,739
OTHER	231	OTHER	0
TOTAL	120,010	TOTAL	69,445

Table grapes		Unit: Metric Tons	
Exports for MY 2005 (Jan-Dec*) to:		Imports for MY 2005 (Jan-Dec*) from:	
U.S.	0	U.S.	98
BELIZE	7	CHILE	25,480
OTHER	0	OTHER	0
TOTAL	7	TOTAL	25,578

SOURCE: Global Trade Information Services, Inc. World Trade Atlas, Mexico Edition, April 2005
* As of May 2005

Apple Prices

AVERAGE MONTHLY WHOLESALE APPLE IMPORT PRICES RED DELICIOUS PESOS/KILOGRAM			
Month	2004	2005	Change %
January			
February			
March	17.04		
April	16.33		
May	16.40	12.56	(23.41)
June	17.04	12.67	(25.64)
July	17.41	12.20	(29.92)
August	16.99	12.22*	(28.07)
September	17.31		
October			
November			
December			
CIF-Mexico City			

AVERAGE MONTHLY WHOLESALE APPLE DOMESTIC PRICES RED DELICIOUS PESOS/KILOGRAM			
Month	2004	2005	Change %
January	11.62	9.60	(17.38)
February	12.38	9.88	(20.19)
March	12.50	9.56	(23.52)
April		9.32	
May			
June			
July			
August			
September	10.93		
October	10.50		
November	10.50		
December	10.20		
CIF-Mexico City			

Source: Servicio Nacional de Informacion de Mercados
 2004 Exchange Rate Avg.: U.S.\$1.00 = 11.29 pesos
 August 17, 2005 Exchange Rate: U.S.\$1.00 = 10.58 pesos
 *As of Third Week of August 2005

Shaded  area indicates that prices were not available.

Pear Prices

AVERAGE MONTHLY WHOLESALE PEAR IMPORT PRICES D'ANJOU PESOS/KILOGRAM			
Month	2004	2005	Change %
January	13.58	16.04	18.11
February	12.92	16.09	24.53
March	12.78	17.19	34.50
April	13.79	17.22	24.87
May	15.67	17.76	13.33
June	16.84	17.04	1.18
July	17.42	16.67	(4.30)
August			
September			
October	15.00		
November	16.34		
December	16.11		
CIF-Mexico City			

Table Grape Prices

AVERAGE MONTHLY WHOLESALE GRAPE IMPORT PRICES GLOBE PESOS/KILOGRAM			
Month	2004	2005	Change %
January	23.07	26.58	15.21
February	17.78	21.12	18.78
March	14.98	13.74	(8.27)
April	15.97	12.80	(19.84)
May	16.22	15.33	(5.48)
June	19.10	17.48	(8.48)
July	19.00	15.56	(18.10)
August	18.13		
September	19.40		
October	17.38		
November	23.44		
December	28.00		
CIF-Mexico City			

Source: Servicio Nacional de Informacion de Mercados
 2004 Exchange Rate Avg.: U.S.\$1.00 = 11.29 pesos
 July 15, 2005 Exchange Rate: U.S.\$1.00 = 10.63 pesos

AVERAGE MONTHLY WHOLESALE GRAPE DOMESTIC PRICES			
	PERLETTE		PESOS/KILOGRAM
Month	2004	2005	Change %
January			
February			
March			
April			
May			
June	12.22	14.46	18.33
July	10.61	8.28	(26.95)
August			
September			
October			
November			
December			
CIF-Mexico City			

Source: Servicio Nacional de Informacion de Mercados
 2004 Exchange Rate Avg.: U.S.\$1.00 = 11.29 pesos
 July 15, 2005 Exchange Rate: U.S.\$1.00 = 10.63 pesos



Shaded area indicates that prices were not available

Exchange Rate

