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**Report Name:** Fresh Deciduous Fruit Annual

**Country:** Mexico

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**Report Category:** Fresh Deciduous Fruit

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**Report Highlights:**

Overall, Mexico's market year (MY) 2023/24 deciduous fruit production is projected to remain steady year-to-year, with apple production increasing marginally, but from what is already estimated to be a large MY 2022/23 crop. Table grape production is projected to increase 1 percent. Mexico's minimal pear production is projected to decrease slightly. High food price inflation remains an issue for households and tempers demand, but a strong peso creates a variable situation where imports of U.S. product are stable. Domestic consumption of pears is projected down while apple and grape consumption is forecast to increase only slightly. Despite domestic production overcoming drought and climate challenges across all three crops in the current season, Post expects these factors could create wider variances in the year-to-year production situation in the future.

## Apples

**Table 1. Mexico Apple – Production, Supply, and Distribution**

Apples, Fresh Market Year Begins Mexico	2021/2022		2022/2023		2023/2024	
	Aug 2021		Aug 2022		Aug 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	58939	58939	58840	57817	0	58200
Area Harvested (HA)	55874	55874	52360	54950	0	55250
Bearing Trees (1000 TREES)	10701	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	2704	0	0	0	0	0
Total Trees (1000 TREES)	13405	0	0	0	0	0
Commercial Production (MT)	631767	631767	638000	808906	0	810000
Non-Comm. Production (MT)	2000	2000	2000	2000	0	2000
Production (MT)	633767	633767	640000	810906	0	812000
Imports (MT)	266300	266310	235000	232355	0	231500
Total Supply (MT)	900067	900077	875000	1043261	0	1043500
Domestic Consumption (MT)	899067	899120	873500	1042000	0	1042125
Exports (MT)	1000	957	1500	1261	0	1135
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	900067	900077	875000	1043261	0	1043500
(HA) ,(1000 TREES) ,(MT)						

### Area

For MY 2023/24 (August–July) Post forecasts apple planted area at 58,200 hectares (ha), up one percent from the previous year. Growth in area is estimated to come primarily from the major producing municipalities of the state of Chihuahua and can be attributed to the increased cultivation among communities within the Cuauhtemoc municipality especially. In recent years, Mennonite communities in particular around Cuauhtemoc have opted for crop conversion from corn to apples. According to the Unión Agrícola Regional de Fruticultores del Estado de Chihuahua (UNIFRUT) more than 50 percent of new orchards in Chihuahua are georeferenced in the Cuauhtemoc Mennonite community.

In Coahuila on the contrary, major producers continue to carry out research and planting trials with alternative crops, with a view towards diversifying away from apple production. Growers are also seeking long-term solutions to water scarcity concerns. Alternative crops of interest in Coahuila include grapes, pomegranate, and figs that depend on less water resources and appear to offer increased profitability. Suburban development continues to pressure apple planted area in the state, particularly in the municipality of Arteaga in Coahuila. The proximity of Arteaga to the city of Saltillo (state capital of Coahuila) makes the market value of farmland attractive for farmers, especially for those seeking to sell to developers. Additionally, for the few large growers in Arteaga, agricultural employment is a challenge. Finding enough labor is a top concern since farmworkers seek to settle in the nearby city of Saltillo. For many years, Saltillo has witnessed an increase in manufacturing and industrial jobs that often have higher wages and benefits than agricultural work. The ‘nearshoring’ phenomenon, whereby industrial activity has picked up even further in recent years has only amplified this trend.

Post’s MY 2023/24 forecast for harvested area is 55,250 hectares, with growth expected to come primarily from Chihuahua. However, impending climate change scenarios are a major concern for farmers that cannot anticipate events such as hailstorms to place hail nets in time to protect fruit for example. Producers also expect more frequent and extreme droughts due to climate change.

### Production

Post’s total production forecast for MY 2023/24 is 812,000 metric tons (MT). This is slightly above the already-record production of 810,906 MT in MY 2022/23 due to the previously mentioned increases in Chihuahua, and overall training for farmworkers in good harvest practices. However, growers are affected by ongoing adverse economic conditions and more frequent unexpected growing conditions like more violent, extreme and prolonged weather events that could bring future volatility to production volumes and quality. Also tempering Post’s forecast are persisting concerns regarding tree health from the previous year attributed to adverse climate. These include lack of water and a decline in “chill hours”, or the period that trees are in the ideal temperature range during colder months of the year. These factors can negatively affect tree development, as well as the consistency of flowering.

Post’s production estimate in MY 2022/23 is 810,906 MT, based on available data. In MY 2021/22, apple growing areas were more adversely affected by weather and climate factors. On the upside for MY 2022/23 crop, the fruit, although of smaller size, came out in both higher volume and quality because the dry environment prevented the growth of fungi and other pathogens that negatively affect the apple. In volume terms, MY 2022/23 represents a major increase from the prior year, based upon available data. On the opposite end of the spectrum, production zones were also subject in recent winters to brief but more intense cold events that can damage trees. Post expects continued volatility in Mexico’s year-to-year production volumes.

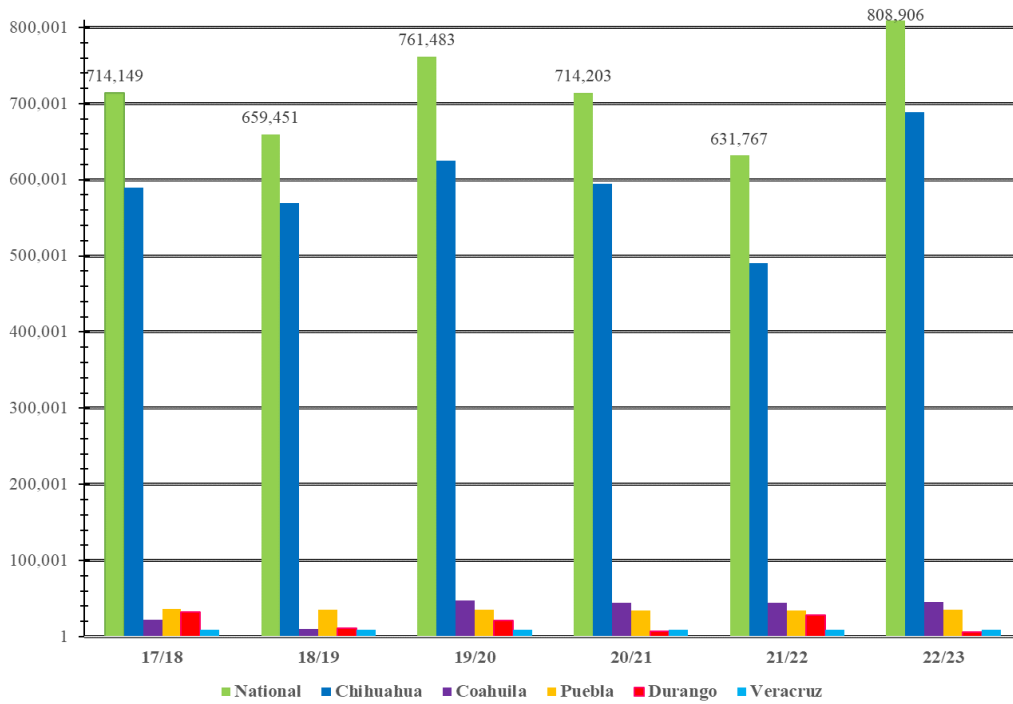
**Figure 1: Apple Producing States in MY 22/23, Percent of Production**



Source: SENASICA with Servicio de Informacion Agroalimentaria y Pesquera (SIAP) data.

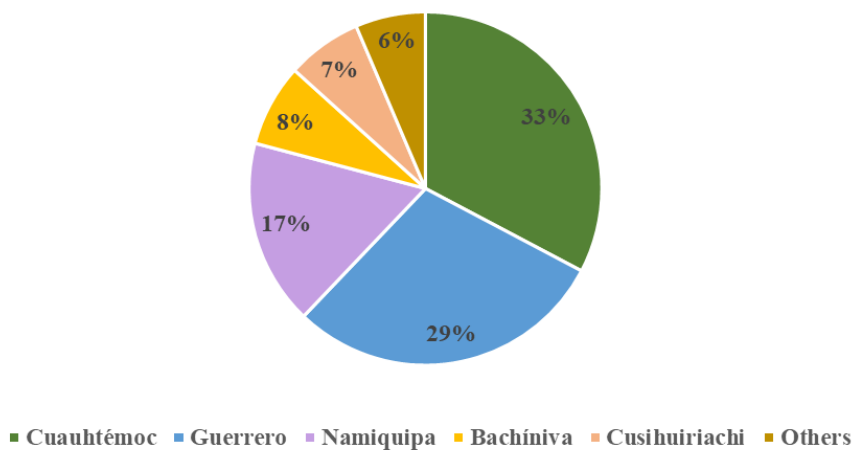
Figure 1 above shows Mexico’s state-level distribution of apple production. Chihuahua is the largest producing state, accounting for an estimated 85 percent of national apple production. Figure 2 below provides both state and national production levels over the last six MYs. This figure also indicates the recent record increase in national production since MY 2019/20, as a result of higher productivity in Chihuahua given its proportion of national productivity.

**Figure 2: Mexico’s National and State Apple Production**



Source: SIAP

**Figure 3: Chihuahua Apple Production Share by Municipality in MY 22/23**



Source: SIAP

Figure 3 above shows Chihuahua’s municipality-level distribution of apple production. Cuauhtemoc and Guerrero continue as the top largest producing municipalities, accounting for an estimated 62 percent of Chihuahua’s apple production and an estimated 53 percent of national production with 428,000 MT in 2022.

### Consumption

Post’s consumption forecast for MY 2023/24 is 1.04 million metric tons (MMT), nearly unchanged from Post’s 2022/23 estimate. Affordability issues will continue to hinder consumption growth in products such as apples even though this fruit is in the “Canasta Basica”. These figures consider the effect of inflation on the average Mexican household budget and a decline of purchasing power to buy groceries even though Mexico’s annual inflation level of 4 percent (4.64 percent annual inflation in August 2023, according to INEGI) is below the high inflation of 8.7 percent in the previous year.

**Figure 4: Mexico’s Inflation Rate, 2023**



Source: INEGI

Consumption of locally grown apples is driven by price and palatability. Overall, Mexican Golden Delicious (roughly 70 percent of total production) and Red Delicious (roughly 30 percent of total production) varieties continue to dominate the market with retail prices per kilo ranging from 18 to 25 percent below apples imported from the United States.

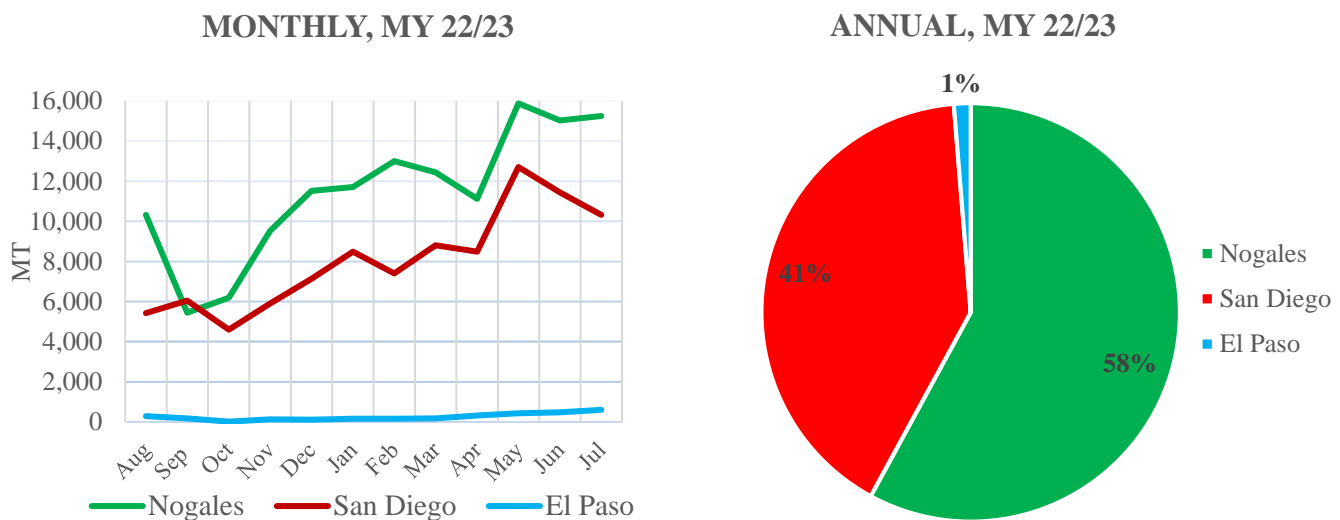
### Trade

Post's import forecast for MY 2023/24 is 231,500 MT. This is marginally lower than the previous MY. Ample domestic production and factors of affordability discussed in the consumption section will limit demand for imported apples. Imported apples, which are available to the consumer at a higher price, will continue to supplement national production, but in the short term, this demand for imported product will

continue to rely on purchases by wealthier households. Overall, Post does not expect significant trade growth in the current environment.

For MY 2022/23, Post estimates Mexico’s apple imports at 232,355 MT, based on available data. The United States is a year-round supplier with numerous advantages including exportable supply, proximity, and established logistical advantages. Mexico is the largest export market for U.S. apples by some distance. In MY 2022/23, around 40 percent of U.S. apple exports went to Mexico, followed by 23 percent to Canada and 7 percent to Taiwan. Chile is also a regular supplier to Mexico, but only in small volumes in comparison to the United States. Large scale producers in Chihuahua continue increasing high technology-controlled atmosphere and refrigerated storage capacity to preserve and offer quality apples year-round much like the United States.

**Figure 5: U.S. Apple Exports to Mexico, by U.S. Customs District**



Source: Global Agricultural Trade System (GATS)

In looking at trade flows of U.S. fresh apple exports to Mexico, the Nogales and San Diego customs districts handle the bulk of exports, with the El Paso district an occasional conduit for exports to Mexico. As most U.S. exports are derived from western states, this trade pattern is not unexpected.

Mexican apple exports are forecast at 1,135 MT for MY 2023/24. Mexico’s small quantity of apple exports go mainly to Belize, and occasionally to the United States.

**Policy**

The following workplans between USDA’s Animal and Plant Health Inspection Service (APHIS) and Mexico's Secretariat of Agriculture and Rural Development’s (SADER) / National Service for Health, Food Safety, and Food Quality (SENASICA) contain phytosanitary regulations for the export of apples to Mexico from:

- California with methyl bromide as quarantine treatment
- The Center and Northeast of the United States
- The Northwest of the United States

For details on the above work plans please visit SENASICA's [website](#).

### Tariffs

Apples exported from the United States enter Mexico duty free. Under the Chile-Mexico Free Trade Agreement, imported Chilean apples began to enter duty free as of January 1, 2006. Apples from other countries are subject to a duty of 20 percent. Mexico's apple H.S. code is 080810.

**Table 2. Mexico -Average Monthly Wholesale Apple Import Prices**

#### Golden Delicious (Pesos/kilogram)

Month	2022	2023	Change (%)
January	42.94	64.71	51
February	38.24	57.65	51
March	35.29	57.65	63
April	36.47	57.65	58
May	38.24	55.88	46
June	42.94	52.94	23
July	42.35	55.88	32
August	40.59	54.71	35
September	42.35	55.88	32
October	45.88	63.53	38
November	47.06	NA	-
December	NA	NA	-

Source: National Market Information Service

## Pears

**Table 3. Mexico Pears – Production, Supply, and Distribution**

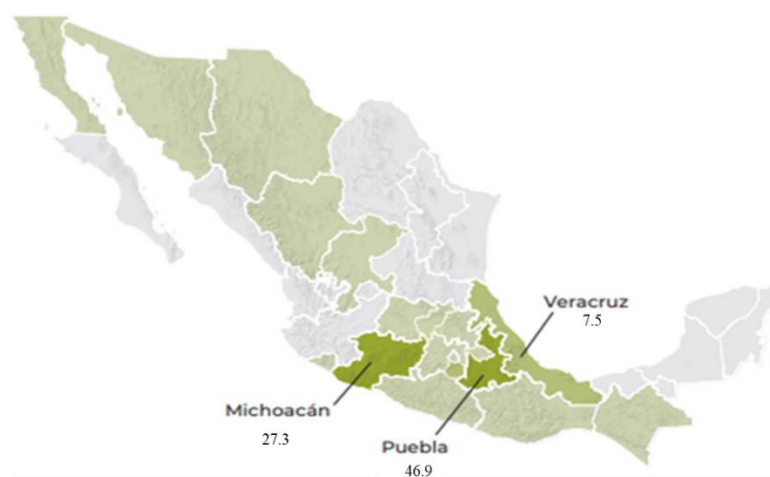
Pears, Fresh Market Year Begins Mexico	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	3660	3660	3630	3589	0	3400
Area Harvested (HA)	3610	3610	3600	3559	0	3371
Bearing Trees (1000 TREES)	797	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	11	0	0	0	0	0
Total Trees (1000 TREES)	808	0	0	0	0	0
Commercial Production (MT)	25843	25843	24600	26374	0	26200
Non-Comm. Production (MT)	1000	1000	1000	1000	0	1000
Production (MT)	26843	26843	25600	27374	0	27200
Imports (MT)	71500	71508	75000	55933	0	55800
Total Supply (MT)	98343	98351	100600	83307	0	83000
Domestic Consumption (MT)	98293	98256	100500	83218	0	82915
Exports (MT)	50	95	100	89	0	85
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	98343	98351	100600	83307	0	83000

(HA) ,(1000 TREES) ,(MT)

### Area

Considering low investment and decline in planted area in coming years, Post forecasts the MY 2023/24 (July-June) planted area at 3,400 ha, 5 percent less from the year prior. Pears are grown mainly in the states of Puebla and Michoacán and approximately 85 percent of the area planted is rainfed.

**Figure 6: Pear Producing States in MY 22/23, Percent of Production**



Source: SIAP



### **Production**

Post's production forecast for MY 2023/24 is 26,200 MT, slightly lower than the previous MY on lower planted area due to the lack of investment in production technology and infrastructure. In 2022, Puebla accounted for 47 percent of total national production followed by Michoacán with 27 percent of total production; together accounting for 74 percent of total production.

### **Consumption**

Post's consumption forecast for MY 2023/24 is 82,915 MT, marginally below the previous year. U.S. pears cover most of that domestic demand, with an 88 percent market share of Mexico's pear imports. In general, the Mexican consumer prefers imported pears due to their higher quality, consistency and year-round availability. However, import prices remain 25-40 percent higher than locally grown product. The most consumed pear variety in Mexico is Anjou.

### **Trade**

Post's forecast for MY 2023/24 imports is 55,800 MT, just fractionally below previous MY. Trade growth is limited due to high import prices and high inflation in Mexico. Exports remain negligible, with Post's forecast for MY 2023/24 at 85 MT.

### **Policy**

There is no federal or local government support for pear production or marketing. Only pears from Oregon, Washington, California, and from areas not under quarantine are imported into Mexico.

### **Tariffs**

The import duty on pears from the United States, Canada, Chile, and Argentina is zero. All other countries are subject to a duty of 20 percent. The pear H.S. code is 080830.

**Table 4: Mexico -Average Monthly Wholesale Pear Import Prices  
D'Anjou (Pesos/kilogram)**

Month	2022	2023	Change (%)
January	51.11	45.6	-10.8
February	49.44	43.33	-12.4
March	48.33	47.22	-2.3
April	47.22	45.56	-3.5
May	45.56	43.33	-4.9
June	41.67	41.67	0.0
July	38.89	41.67	7.1
August	38.33	40	4.4
September	37.78	40	5.9
October	37.72	40	6.0
November	37.22	NA	-
December	NA	NA	-

Source: Servicio Nacional de Información de Mercados

### Table Grapes

**Table 5: Mexico, Grapes, Fresh Table – Production, Supply, and Distribution**

Grapes, Fresh Table Market Year Begins	2021/2022		2022/2023		2023/2024	
	May 2021		May 2022		May 2023	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	23570	23570	22000	23606	0	24000
Area Harvested (HA)	22603	22603	20500	22839	0	23250
Commercial Production (MT)	357790	357790	346000	381000	0	385000
Non-Comm. Production (MT)	1000	1000	1000	1000	0	1000
Production (MT)	358790	358790	347000	382000	0	386000
Imports (MT)	103000	102954	130000	129000	0	131000
Total Supply (MT)	461790	461744	477000	511000	0	517000
Fresh Dom. Consumption (MT)	266190	255115	275000	302313	0	307500
Exports (MT)	195600	206629	202000	208687	0	209500
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	461790	461744	477000	511000	0	517000

(HA) ,(MT)

### Area

MY 2023/24 (May–April) planted area is forecast at 24,000 ha, two percent above MY 2022/23 as farmers lack funding to switch to new grape varieties, or to incorporate technology in the field for efficient use and control of water to address drought and climate change-related pressures. Farmers also

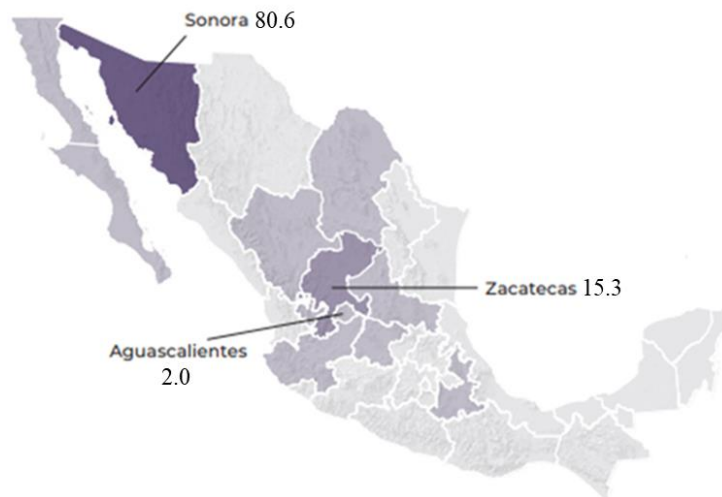
continue to face higher input costs to produce grapes and consider planting more profitable horticultural crops. Many table grape growers are diversified into other vegetable and fruit crops including tomatoes, peppers, squash, asparagus, and watermelon.

### Production

Post’s production forecast for MY 2023/24 is 386,000 MT, a marginal 1 percent increase over MY 2022/23 considering unpredictable adverse climate change effects in Sonora. Sonora is Mexico’s largest table grape-producing state by a wide margin. The majority of grapes from Sonora are for export, mainly to the United States. The second largest table grape-producer is Zacatecas where grape production is mainly for winemaking, the juice industry, and a smaller volume goes to the fresh retail market. The third producer is Aguascalientes in grape production with fruit for industrial use. The fourth table grape-producer is Baja California, where most grape production is used for winemaking. It is important to note that SIAP statistics include all varieties of grapes (table grapes, grapes for wine making). However, Post estimates and projections are for table grapes only. Attracting a stable labor force for table grape production and harvesting in Sonora is also cited by major growers as a continual challenge, with many of the same trends mentioned in this report’s apple section present in the grape market as well.

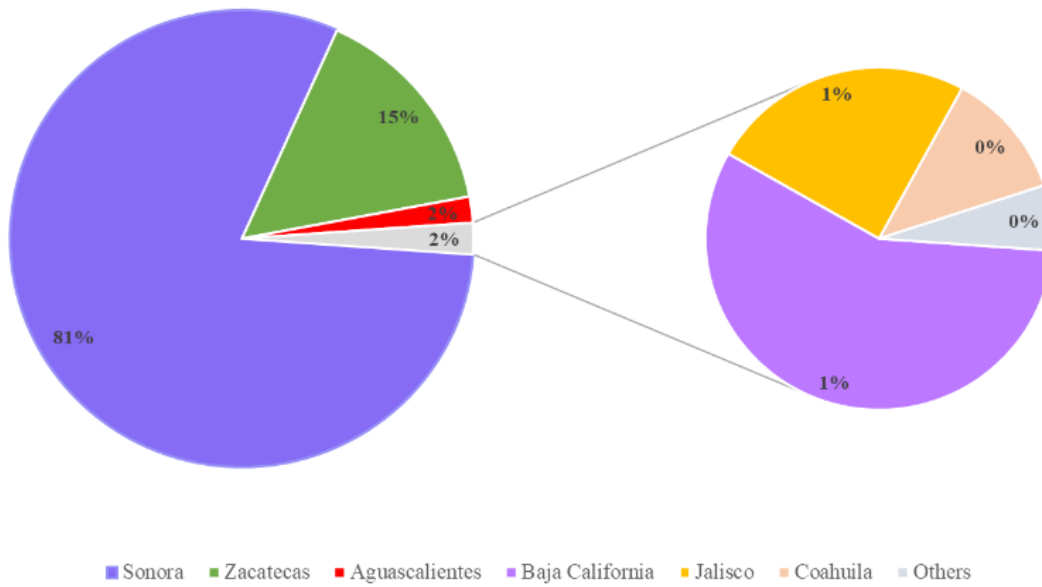
For Mexico’s total fresh table grape production in the current season, Sonora accounts for over 80 percent of planted area and production (see Figure 7 below). Sonora has previously accounted for as much as 90 percent of Mexico’s table grape area and production, but cultivation has expanded in several other states. Principal grape varieties produced in Sonora are Superior Seedless or Sugraone, Flame, Perlette, and Red Globe. While Post and USDA Official numbers include only fresh table grapes, Mexico’s total grape production (includes those for wine and juicing) is more geographically varied. The state of Sonora still accounts for over 71 percent of total planted area, followed by Zacatecas (23 percent, Baja California (2.5 percent), and Aguascalientes (1.6 percent).

**Figure 7: Table Grape Producing States in MY 22/23, Percent of Production**



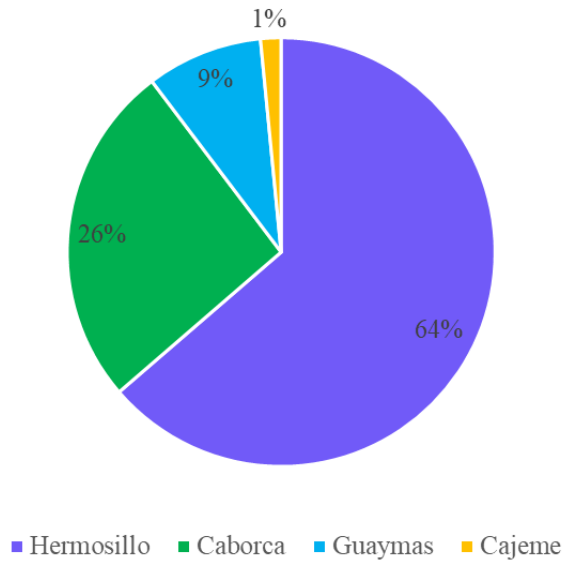
Source: SIAP

**Figure 8: Mexico Table Grape Production by State in MY 22/23**



Source: SIAP

**Figure 9: Sonora Table Grape Production Share by Municipality in MY 22/23**



Source: SIAP

Figure 9 above shows Sonora’s municipality-level distribution of table grape. Hermosillo and Caborca remain as the top largest producing municipalities, accounting for an estimated 90 percent of Sonora’s table grape production and an estimated 72 percent of national production with 275,432 MT in 2022.

### **Consumption**

The consumption forecast for the MY 2023/24 season is 307,500 MT, marginally higher than in MY 2022/23. Limited demand growth is attributed to the small increase in domestic production, high inflation, and increased prices at point of sale. For many consumers, grapes are a high-end product, and imported table grapes are most often found in higher end supermarkets.

### **Trade**

Imports for MY 2023/24 are forecast at 131,000 MT, marginally above MY 2022/23. Despite slightly higher domestic supply, Post forecasts minimal growth. High import prices and a decrease in consumers purchasing power in Mexico also limits demand. Mexico is consistently the second largest market for U.S. table grapes after Canada. Similar to Mexico's imports of U.S. fresh apples, imported table grapes flow primarily through the Nogales and San Diego customs districts due to the fact that all U.S. exports to Mexico are produced in California. With most exportable production in Sonora, Mexico's table grape exports to the United States move primarily through the Nogales district.

Post forecasts Mexico's MY 2023/24 exports at 209,500 MT, essentially unchanged from MY 2022/23. With both production and consumption projected practically on par with the previous MY, exportable supply remains relatively stable. Most of Mexico's table grape production is exported to the United States (99 percent) with small quantities to Japan.

### **Policy**

Mexico's regulations establish that the importation of table grapes from the United States is limited to product from the State of California following specific import requirements. For detailed information on import requirements visit Mexico's Secretariat of Agriculture and Rural Development's (SADER) / National Service for Health, Food Safety, and Food Quality (SENASICA) [website](#).

### **Tariffs**

Under their respective trade agreements, the import duty on grapes from the United States, Chile, Japan, and Peru is zero. The table grapes H.S. code is 080610.

**Table 6: Average Monthly Wholesale Red Globe Import Prices  
(Pesos/kilogram)**

<b>Month</b>	<b>2022</b>	<b>2023</b>	<b>Change (%)</b>
January	52.50	75	42.9
February	43.75	60	37.1
March	50.00	56.25	12.5
April	46.25	57.5	24.3
May	43.75	43.75	0.0
June	62.50	47.75	-23.6
July	50.00	56.25	12.5
August	43.75	43.75	0.0
September	43.75	47.75	9.1
October	43.75	75	71.4
November	50.00	NA	-
December	NA	NA	-

Source: National Service for Market Information

**Attachments:**

No Attachments