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Chile

Fresh Deciduous Fruit Annual

Apple, table grape and pear annual report

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Report Highlights:
The industry forecasts a small expansion of apples as weather has been favorable during last winter months, but output of table grapes will decrease slightly. Production of pears is also expected to fall again.

Executive Summary:

New estimates show that production of table grapes and pears will be lower than previously estimated in MY2010 (Jan-Dec 2010), but output of apple increased when compared to both the previous season and previous estimates. For the coming year, although it is too early for a forecast, only a small production expansion of grapes is expected.

The industry forecasts a small reduction of fresh apple and pear production, as weather has not been favorable in some growing areas. For table grape production, although weather has been behaving erratically during the last few weeks and predictions call for a colder than usual spring weather and rain during the summer months a small increase in output is expected. No major changes are expected for apple juice production.

Commodities:

Apples, Fresh

Production:

Total output in 2010 was larger than previously estimated, in spite of a delay in the start of the harvesting season and adverse weather conditions during the spring of CY2009. For 2011, although it is still early to predict production volume, Chile's apple harvest is forecasted to be slightly smaller than this year's harvest, as weather conditions during this last winter months (Jun-Aug. 2010) has been colder with frost in some growing areas. Although, as a result of the cold weather, more than sufficient cold hours have accumulated with a positive effect on budding and this will increase production, but freezing weather in some areas will affect output for a large number of apple varieties. The net effect is expected to lower output when compared to last year's production, as was reported by an industry source.

As producers have been diversifying their orchards, during the last decade, by planting new and more productive varieties, i.e., Fuji, Gala, Jonathan, Braeburn, Pink Lady and Galaxies in replacement for the traditional varieties, such as Red Delicious and its variations (i.e., Richard Red, Starking, etc) and increasing density of their orchards, output in the coming years is expected to keep expanding. Red apple varieties constitute over 75 percent of total planting and output. The main green variety is Granny Smith, which is used both for fresh export (mainly to Europe and the United States) as well as for concentrated apple juice production.

Crop Area:

Although some growers, mainly in Regions VII (Curico-Talca) and VIII (Chillan), continue to replace and increase their planting densities, farmers have been uprooting old orchards. However, in general, the total planted area is on hold due to a significant fall in economic returns observed during the last few years. A strong peso coupled with increased labor costs has been reducing the competitiveness of the labor-intensive fruit industry in Chile and has put a hold on the planted area after a continuous growth in the past. The exchange rate for the peso fell again during the last few months from 520 Chilean pesos to 495 pesos to the dollar. Other factors, like increasing energy costs are also affecting the industry. Consequently, industry sources have indicated that increases of new plantings and significant production increases in the coming years are not expected.

Consumption:

There are no official statistics on domestic fresh apple consumption. The figures shown in the PS&D table are estimated as a residual of production, minus an estimate of apples destined for processing and the known export figure.

Trade:

A strong export demand for apples resulted in an increase of volume exported in MY2010 when compared to both, the previous year and our last estimates. Economic returns increased also during 2010 as prices obtained for the exported apples increased slightly when compared to the previous year as was indicated by an industry source.

Production, Supply and Demand Data Statistics:

Apples, Fresh Chile	2008/2009		2009/2010		2010/2011	
	Market Year Begin: Jan 2009		Market Year Begin: Jan 2009		Market Year Begin: Jan 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	37,250	37,250		37,300		37,300
Area Harvested	32,780	32,780		32,900		32,900
Bearing Trees	14,750	14,750		14,800		14,800
Non-Bearing Trees	2,039	2,039		2,011		2,011
Total Trees	16,789	16,789		16,811		16,811
Commercial Production	1,270,000	1,270,000		1,360,000		1,305,000
Non-Comm. Production	10,000	10,000		10,000		10,000
Production	1,280,000	1,280,000		1,370,000		1,315,000
Imports	150	146		59		60
Total Supply	1,280,150	1,280,146		1,370,059		1,315,060
Fresh Dom. Consumption	201,500	181,646		185,000		187,000
Exports	678,650	678,500		790,000		710,000
For Processing	400,000	420,000		395,059		418,060
Withdrawal From Market	0	0		0		0
Total Distribution	1,280,150	1,280,146		1,370,059		1,315,060
HA, 1000 TREES, MT						

Export Trade Matrix					
Country	Chile				
Commodity	Apples, Fresh				
Exports for:	2008		**2009**		
Time Period	Jan-Dec	Units:	M.T.		
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	93,784	96,616	U.S.	88,057	65,079
Others			**Others**		
Netherlands	83,829	71,862	Netherlands	64,950	37,190
Colombia	57,338	43,640	Colombia	59,293	39,050
Saudi Arabia	51,277	37,449	Peru	38,899	19,176
Venezuela	44,637	75,458	Ecuador	38,864	21,878
Ecuador	43,170	28,297	Saudi Arabia	36,068	25,197
Russia	38,279	30,619	Taiwan	31,953	34,347
U.K.	37,771	35,510	UK	30,696	22,665
Taiwan	35,108	41,766	Russia	30,446	20,676
Spain	28,164	24,923	Venezuela	27,520	41,193
Peru	27,950	15,556	U Arab Emirates	25,458	16,826
Total for Others	447,523			384,147	
Others not Listed	229,401			206,296	
Grand Total	**770,708**	**670,626**		**678,500**	**483,031**
Time Period	Jan-Sep				
Exports for:	2009		**2010**		
U.S.	87,904	98,863	U.S.	121,083	80,135
Others			**Others**		
Netherlands	64,950	35,407	Colombia	58,850	40,821
Colombia	49,595	31,583	Saudi Arabia	58,531	38,940
Saudi Arabia	36,068	25,273	Netherlands	56,856	36,180
Ecuador	34,383	18,167	Taiwan	51,305	56,173
Peru	32,414	15,523	Ecuador	40,554	25,937
Taiwan	31,953	33,815	Russia	37,958	26,308
U.K.	30,694	20,708	U.K.	35,883	25,816
Russia	30,446	19,885	Peru	35,484	19,012
Venezuela	25,690	39,811	U.A.Emirates	28,769	19,215
U.A. Emirates	25,458	16,265	India	22,912	14,549
	361,651			427,102	
	199,049			217,669	
	648,604	**434,135**		765,854	526,197
Note: Volume in M.T. and Value in Thous.US$ F.O.B.					

Commodities:

Grapes, Table, Fresh

Production:

Although the weather has been behaving erratically during the last few weeks and predictions call for a colder than usual spring weather and rain during the summer months, table grape production is expected to increase almost 6 percent when compared to the previous season when output fell significantly also due to adverse weather conditions observed during the spring of 2009 (Sep-Nov 2009). Sufficient cold hours accumulated during last winter (Jun-Aug 2010) will assure an increase in production and harvest in the coming season.

Chile produces over 36 varieties of table grapes for export. Thompson Seedless and Flame Seedless account for the bulk of production. Varieties like Red Globe, Superior Seedless, Crimson and Autumn Royal have increased significantly in the last few years, as most of the replanting has been with these varieties. Table Grapes are planted from Region III (Copiapo) to Region VII (Curico-Talca).

Crop Area

Industry sources agree that new additional plantings are not likely for the next few years as economic returns have been affected by increasing costs and falling prices for table grapes. Additionally, the revaluation of the Chilean peso against the dollar has not being helping the fresh fruit export industry in general, as their cost are in pesos and the income is in dollars.

Consumption:

As with other Chilean fresh fruits, domestically consumed table grapes are mainly export rejects. There are no official statistics on domestic consumption. Domestic fresh consumption is derived from the only known figure, which is exports, and estimated production data. Domestic consumption generally accounts for about 10 percent of total output, while processing accounts for another 30 percent.

Trade:

Table grape export volumes fell in 2010 as a result of a smaller production. Over 50 percent of total exports go to the US, growing almost 10 percent in 2010 when compared to the previous year, mainly due to more favorable dollar value when compared to the Euro. Nevertheless, the EU remained as the second export market. For 2010 a smaller production is expected. As a result exports are expected to fall accordingly. As in the past, table grapes are being imported during the off-season.

Production, Supply and Demand Data Statistics:

Grapes, Fresh Chile	2008/2009		2009/2010		2010/2011	
	Market Year Begin: Jan 2009		Market Year Begin: Jan 2009		Market Year Begin: Jan 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	56,000	56,000	62,410	62,411		62,415
Area Harvested	48,900	48,900	53,000	53,085		53,200
Commercial Production	1,200,000	1,200,000	1,020,000	1,100,000		1,166,000
Non-Comm. Production	5,000	5,000	5,000	5,000		5,000
Production	1,205,000	1,205,000	1,025,000	1,105,000		1,171,000
Imports	292	292	260	195		200
Total Supply	1,205,292	1,205,292	1,025,260	1,105,195		1,171,200
Fresh Dom. Consumption	354,902	354,887	360,260	305,195		361,200
Exports	850,390	850,405	665,000	800,000		810,000
For Processing	0		0			
Withdrawal From Market	0		0			
Total Distribution	1,205,292	1,205,292	1,025,260	1,105,195		1,171,200
HA, MT						

Export Trade Matrix					
Country	Chile				
Commodity	Grapes				
Exports for:	2008		**2009**		
Time Period	Jan-Dec				
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	435,021	637,751	U.S.	467,933	627,506
Others			**Others**		
Netherlands	95,623	124,472	Netherlands	80,979	94,658
U.K.	62,825	97,576	UK	52,984	77,601
Russia	45,438	63,649	Russia	30,492	39,081
So. Korea	29,548	51,793	Hong-Kong	30,222	45,021
Mexico	22,426	32,726	So. Korea	25,991	40,491
Hong-Kong	14,929	22,520	México	19,138	25,020
Germany	12,857	13,797	Germany	13,531	13,697
Spain	12,805	18,325	Spain	12,299	14,899
China	9,195	15,838	China	12,284	19,207
Taiwan	8,528	14,436	Brazil	10,872	12,792
Total for Others	314,174			288,793	
Others not Listed	87,690			93,680	
Grand Total	**836,885**	**1,250,051**		**850,405**	**1,135,258**
Time Period	Jan-Sep				
Exports for:	2009		**2010**		
U.S.	435,443	518,824	EE.UU.	394,363	585,717
Others			**Others**		
Netherlands	80,967	88,662	Netherlands	68,123	84,784
U.K.	52,983	63,782	U.K.	49,657	68,575
Russia	30,492	37,528	Russia	41,387	59,363
Hong-Kong	30,222	41,761	South Korea	31,011	59,005
So. Korea	25,973	37,810	Hong-Kong	25,109	40,313
Mexico	18,980	23,318	México	18,447	31,458
Germany	13,531	13,002	Brazil	11,697	16,871
Spain	12,299	14,061	Spain	11,499	14,134
China	12,284	14,162	China	9,830	15,329
Brazil	10,750	12,522	Canada	7,672	12,621
	288,481			274,432	
	93,442			94,740	
	817,366	**984,663**		**763,536**	**1,122,190**
Note: Volume in M.T. and Value in Thous.US$ F.O.B.					

Commodities:

Pears, Fresh

Production:

It is still early to predict production volume for pears in the coming year. Although weather conditions during this last winter months have been good allowing enough cold hours to accumulate for a good budding which has a positive effect on total production, frost in some areas where pears are produced will have a negative effect on final output for most pear varieties. As a result the industry is predicting another fall in output and exports of pears for the coming season.

There are over 36 pear varieties grown in Chile. Packam's Triumph and Beurre Bosc make up over 60 percent of Chile's exports. Other important varieties in Chile are Abate Fetel, Coscia, Summer Bartlets and D'Anjou.

Consumption:

Most pears are consumed fresh because only a few existing varieties in Chile can be processed for canned pears or juice concentrates. Domestically consumed pears are mainly export rejects.

Trade:

Exports are expected to fall as a smaller output is expected. The European Union is Chile's main export market. Close to 50 percent of exports are destined for the EU.

Production, Supply and Demand Data Statistics:

Pears, Fresh Chile	2008/2009		2009/2010		2010/2011	
	Market Year Begin: Jan 2009		Market Year Begin: Jan 2010		Market Year Begin: Jan 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,590	6,590	6,590	6,590		6,590
Area Harvested	6,000	6,000	6,000	6,000		6,000
Bearing Trees	2,981	2,981	2,981	2,981		2,981
Non-Bearing Trees	285	285	285	285		285
Total Trees	3,266	3,266	3,266	3,266		3,266
Commercial Production	225,000	278,000	220,000	260,000		248,800
Non-Comm. Production	2,000	2,000	2,000	2,000		2,000
Production	227,000	280,000	222,000	262,000		250,800
Imports	0		0	22		20
Total Supply	227,000	280,000	222,000	262,022		250,820
Fresh Dom. Consumption	76,968	82,000	75,000	82,000		80,000
Exports	130,038	129,570	127,000	115,056		110,000
For Processing	19,994	68,430	20,000	64,966		60,820
Withdrawal From Market	0		0			
Total Distribution	227,000	280,000	222,000	262,022		250,820
HA, 1000 TREES, MT						

Export Trade Matrix					
Country	Chile				
Commodity	Pears, Fresh				
Exports for:	2008		**2009**		
Time Period	Jan-Dec				
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	25,061	21,916	U.S.	18,187	15,156
Others			**Others**		
Netherlands	27,166	28,478	Netherlands	26,739	21,845
Italy	12,325	17,359	Italy	14,605	16,763
Colombia	11,925	10,089	Colombia	13,514	10,074
Venezuela	11,532	22,265	Peru	9,790	5,934
Peru	7,218	4,827	Venezuela	8,460	13,133
Ecuador	6,789	4,965	Ecuador	6,730	4,445
Spain	5,741	5,537	Germany	5,179	4,252
Russia	4,134	3,346	Spain	5,032	4,810
Belgium	3,135	2,966	Russia	3,728	2,963
Germany	2,307	2,756	UA Emirates	2,275	2,181
Total for Others	92,272			96,053	
Others not Listed	15,755			15,330	
Grand Total	**133,088**	**138,379**		**129,570**	**113,012**
Time Period	Jan-Sep				
Exports for:	2009		**2010**		
U.S.	18,187	12,195	EE.UU.	16,916	12,012
Others			**Others**		
Netherlands	26,739	19,405	Netherlands	16,990	13,997
Italy	14,605	14,620	Colombia	15,440	12,305
Colombia	13,502	9,830	Italia	13,039	13,366
Peru	9,045	5,293	Peru	10,037	6,493
Venezuela	8,460	13,284	Ecuador	8,677	6,319
Ecuador	6,730	4,372	Germany	4,774	2,391
Germany	5,179	2,768	Russia	4,520	4,173
Spain	5,032	4,617	Spain	4,334	3,836
Russia	3,728	2,830	Saudi Arabia	2,546	2,438
UA Emirates	2,275	2,182	France	1,997	1,705
	95,295			82,355	
	15,242			13,785	
	128,724	**101,873**		**113,056**	**91,209**
Note: Volume in M.T. and Value in Thous.US$ F.O.B.					

Commodities:

Apple Juice, Concentrated

Production:

Chile’s production of apple juice concentrate (AJC) primarily reflects foreign demand and apple for processing availability. Although the apple juice industry mainly processes export rejects. Although, the AJC industry has encouraged farmers the production of sour-type apples, as well as to expand new plantings of apple varieties mainly for juice purposes, it still processes almost only export rejects. The apple juice industry competes with the pulp and dried apple industry for the apples left from the fresh exported process.

Consumption:

Limited amounts of AJC, principally single-strength juice, are consumed domestically. AJC competes with a variety of fresh and processed juices in Chile.

Trade:

The United States is Chile's largest AJC export market, accounting for 60 percent of total export sales. Other markets of increasing importance are Japan, Mexico and Canada. Latin American export markets also are growing fast. Levels of AJC exports will depend upon foreign demand and the ability of the industry to compete in international markets against other suppliers such as China.

Production, Supply and Demand Data Statistics:

Export Trade Matrix					
Country	Chile				
Commodity	Apple Juice, Concentrated				
Exports for:	2008		**2009**		
Time Period	Jan-Dec	Units:	M.T.		
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	26,426	45,108	U.S.	23,770	24,447
Others			**Others**		
Japan	5,513	9,768	Japan	5,207	5,990
Canada	3,166	5,611	México	3,761	4,585
México	2,546	5,520	Canada	3,677	3,130
Costa Rica	306	646	So. Korea	848	906
Peru	186	427	Costa Rica	199	352
So. Korea	108	229	Peru	140	200
Panamá	80	175	Panamá	123	155
Dominican Rep	69	151	Venezuela	98	106
Pakistan	65	127	Ecuador	56	94
Colombia	56	115	Dominican Rep.	55	74
Total for Others	12,094			14,164	
Others not Listed	147			212	
Grand Total	**38,667**	**68,170**		**38,146**	**40,318**
Time Period	Jan-Sep				
Exports for:	2009		**2010**		
U.S.	17,062	19,006	U.S.	13,608	13,125
Others			**Others**		
Canada	3,319	2,848	Canada	4,460	4,572
Japan	3,006	3,793	Japan	3,089	3,203
Mexico	2,104	3,083	México	2,784	2,997
So. Korea	668	728	So. Korea	730	886
Costa Rica	141	254	Netherlands	322	321
Panama	111	142	Argentina	249	261
Peru	78	120	U.K.	249	233
Venezuela	59	65	El Salvador	220	239
Ecuador	43	68	Peru	147	209
Dominican Rep.	41	59	Venezuela	137	152
	9,570			12,387	
	182			486	
	26,814	**30,423**		26,481	26,857
Note: Volume in M.T. and Value in Thous.US$ F.O.B.					