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## **Argentina**

### **Fresh Deciduous Fruit**

### **Semi-Annual**

### **2000**

Approved by:

**David Mergen**

**U.S. Embassy**

Prepared by:

Edna Accari

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#### **Report Highlights:**

**Apple and pear production in 2000 is estimated to decrease due to unfavorable weather. Production of apples fell 37 percent, while pear production fell 18 percent. Exports of both fruits are also expected to decline reflecting reduced supplies.**

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Includes PSD changes: Yes  
Includes Trade Matrix: No  
Semi-Annual Report  
Buenos Aires [AR1], AR

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## Executive Summary

It is too early to forecast Argentine fresh deciduous fruit output for 2001, because September-November is the most critical time for damages of frosts. Private sources report that if no adverse climatic conditions occur from now until harvest time, normal or slightly higher production for both fruits is expected in 2001.

Apple and pear production in 2000 is estimated to decrease due to unfavorable weather. Production of apples fell 37 percent, while pear production fell 18 percent. Exports of both fruits are also expected to decline reflecting reduced supplies.

## Production

### Apples and Pears:

Weather conditions during 2000 have been rather unusual due to a prolonged cold winter coupled with frosts until recently. Although it is too early to forecast total 2001 fresh deciduous fruit harvest because September through November is the most critical period for damage of frosts, etc., private sources report that if no adverse weather condition occurred between now and the end of harvest time (January-March) apple and pear crops in 2001 are expected to be slightly higher or similar to the 1998 harvest.

Total Argentine apple production in 2000 is revised downward to 828,800 metric tons, or down 37 percent from the 1,316,035 metric tons produced in the previous season. Argentine production of fresh pears in 2000 is estimated at 475,500 metric tons, nearly 18 percent below last year's level. The decrease in both fruits was due to adverse climatic conditions, (prolonged frosts followed by some hail storms) during the latter part of September and October of 1999 during the flowering stage, especially affecting apples and to a lesser extent pears.

In addition to weather problems, private source indicate that both the processed and the fresh apple producers suffer from a productivity problem in the orchards which is carried over year to year. The general feeling is that only some 25,000 hectares (out of a total of 50,000 hectares of irrigated Valley) are well kept and cultivated. The rest are either non-commercially harvested for the fresh market or picked for processing or even left on the trees.

### **Concentrated Apple Juice**

Production of concentrated apple juice (CAJ) in 1999 is estimated at 91,396 metric tons, and is forecast to drop in CY 2000 to 57,970 metric tons, because of this season's weather reduced fresh production.

Revised apple and pear production by zone for 1999 and 2000 are as follows in metric tons:

	<b>A P P L E S</b>		<b>P E A R S</b>	
	<b>1999</b>	<b>2000</b>	<b>1999</b>	<b>2000</b>
Rio Negro	919,121	547,000	435,887	367,110
Neuquen	202,248	143,000	65,214	54,505
Mendoza	184,666	130,000	78,876	51,385
Others	10,000	8,000	3,000	2,500
<b>TOTAL</b>	<b>1,316,035</b>	<b>818,000</b>	<b>585,977</b>	<b>475,500</b>

### **Consumption**

Consumption of apples and pears in 2000 are expected to decrease by 30 and 29 percent respectively, reflecting reduced fresh production in both fruits, and the ongoing recession in the Argentine economy. Per capita consumption of apples in 2000 is estimated at 5.4 kgs. versus 9.1 kgs. in 1999, and pears at 2.5 kgs. against 3.6 kgs a year earlier.

### **Trade**

#### **TRADE - APPLES**

During the current season, the apple and pear sector have productivity problems, such as low yields due to use of poor cultural practices. The decline in the application of good orchard management was the result of low or negative returns in 1999/2000 when sharply reduced exports depressed apple prices. The strong Argentine peso (which is pegged to the U.S. dollar) cut sharply into export sales during this period.

Apple exports during CY 1999 totaled 179,723 metric tons (228,021 tons in CY 1998). Sales were valued at US\$ 95.3 million. Brazil ranked first as a destination for Argentine apples followed by the Netherlands and Belgium.

Normally pear exports are stronger during the first half of the year following the harvest while apple exports can more readily be drawn from cold storage facilities during the second half of the year.

During the first six months of 2000, apple exports totaled 78,995 metric tons versus 154,924 metric tons during the same period a year earlier. During this period, Belgium accounted for 23 percent of total shipments (32 percent less than in 1999), Brazil 16 percent (56 less than the same period of 1999, and the Netherlands 14 percent or 61 percent less than January-June 1999. During this period the United States imported 1,623 metric tons (3,097 tons imported during the comparable period in 1999). Regarding the Brazilian market, during the first half of the year apple exports show a significant fall of 56 percent. However, reportedly, the last word for this market has not been expressed yet due to the fact that the last and most important season for sales have not been calculated. Regional operators still maintain a high stock of Red Delicious apples in cold chambers in anticipation of a rise in demand.

Due to the above factors, total apple exports during CY 2000 are estimated at 100,000 metric tons, a drop of nearly 44 percent.

Argentine apple imports in CY 1999 totaled 11,859 metric tons. The principal exporters were Chile with 78 percent, and France with 9 percent. The United States exported 99 metric tons.

## **TRADE - PEARS**

Fresh pear exports in 1999 reached 286,397 metric tons for an export value of US\$ 169.8 million. Principal markets were Brazil with 33 percent of total imports, followed by the United States and Italy with 16 percent each.

Pear exports during January-June 2000 reached 245,894 metric tons, (253,622 metric tons in January-June 1999). During the above period 52,801 metric tons were exported to Brazil or 17 percent less than in 1999, 47,435 metric tons to Italy or 8 percent more than 1999, 45,351 metric tons to the United States or nearly 2 percent more than 1999, 28,826 metric tons to the Netherlands or 10 percent less than the previous period, and 14,562 metric tons to Russia up 49 percent from the same period a year ago.

Total Argentine pear exports for CY 2000 are estimated at 275,000 metric tons.

Concentrated apple juice exports in 1999 totaled 82,119 metric tons. The United States accounted for 98 percent of total shipments.

Imports of CAJ in CY 1999 were 1,494 metric tons, Brazil being the main purchaser.

## **Policy**

No change since last reported in AR0001.

**Table 1. Apple Supply & Demand**

PSD Table						
Country	Argentina					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	54	54	54	54	54	54
Area Harvested	53	53	53	53	53	53
Bearing Trees	27100	27100	27100	27100	27100	27100
Non-Bearing Trees	4000	4000	4000	4000	4000	4000
Total Trees	31100	31100	31100	31100	31100	31100
Commercial Production	1390985	1108335	1253626	1316035	1347315	828800
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	1390985	1108335	1253626	1316035	1347315	828800
TOTAL Imports	5033	6414	4000	11859	4000	7000
TOTAL SUPPLY	1396018	1114749	1257626	1327894	1351315	835800
Domestic Fresh Consump	407714	324009	398000	330973	405500	232000
Exports, Fresh Only	229654	228021	228000	179723	225000	100,000
For Processing	758650	562719	631626	817198	720815	503800
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	1396018	1114749	1257626	1327894	1351315	835800

**Table 2. Apple Exports**

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Apples		
Time period	C. Year	Units:	M. Tons
Exports for:	1998		1999
U.S.	1205	U.S.	2,960
Others		Others	
Brazil	100493	Brazil	51431
Netherlands	39172	Netherlands	28114
Belgium	26464	Belgium	26,498
Norway	11536	Russia	23295
Spain	5740	Norway	12345
Russia	19451	Portugal	8777
Sweden	5488	Spain	7591
Germany	4537	Sweden	5233
Portugal	6028	Germany	3995
Poland	1523	France	1703
Total for Others	220432		168982
Others not Listed	6384		7781
Grand Total	228021		179723

**Table 3. Apple Imports**

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Apples		
Time period	C. Year	Units:	M. Tons
Imports for:	1998		1999
U.S.	454	U.S.	99
Others		Others	
Chile	5009	Chile	9529
Brazil	465	Brazil	484
Italy	18	Italy	398
France	312	France	1049
Uruguay	103	Uruguay	36
BS.AS.free zone	53	Spain	264
Total for Others	5960		11760
Others not Listed			
Grand Total	6414		11859



**Table 4. Apple Prices**

Prices Table			
Country	Argentina		
Commodity	Fresh Apples		
Prices in	pesos	per uom	kilo
Year	1999	2000	% Change
Jan	0.67	0.88	31.34%
Feb	0.62	0.66	6.45%
Mar	0.48	0.51	6.25%
Apr	0.48	0.56	16.67%
May	0.51	0.57	11.76%
Jun	0.53	0.57	7.55%
Jul	0.53		-100.00%
Aug	0.51		-100.00%
Sep	0.58		-100.00%
Oct	0.59		-100.00%
Nov	0.63		-100.00%
Dec	0.63		-100.00%
Average wholesale	prices.		
Exchange Rate	peso=1US\$	Local currency/US \$	

**Table 5. Concentrated Apple Juice Supply & Demand**

PSD Table						
Country	Argentina					
Commodity	Concentrated Apple Juice				(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Deliv. To Processors	758650	413486	631626	630631	720815	400000
Beginning Stocks	0	5641	6948	883	0	3154
Production	86737	59926	68300	91396	76700	57970
Imports	1341	1621	1500	1494	0	2000
TOTAL SUPPLY	88078	67188	76748	93773	76700	63124
Exports	72430	62305	70000	82119	68000	50000
Domestic Consumption	8700	4000	6748	8500	8700	8500
Ending Stocks	6948	883	0	3154	0	4624
TOTAL DISTRIBUTION	88078	67188	76748	93773	76700	63124

**Table 6. Exports of Concentrated Apple Juice**

Export Trade Matrix			
Country	Argentina		
Commodity	Concentrated Apple Juice		
Time period	C. Year	Units:	M. Tons
Exports for:	1998		1999
U.S.	60099	U.S.	80872
Others		Others	
Japan	1202	Japan	480
Uruguay	282	Uruguay	308
Paraguay	50	Brazil	183
Trinidad Tobago	112	Trinidad Tobago	132
Brazil	439	Puerto Rico	84
Spain	100	Chile	29
		Paraguay	25
		Venezuela	6
Total for Others	2185		1247
Others not Listed	21		
Grand Total	62305		82119

**Table 7. Imports of Concentrated Apple Juice**

Import Trade Matrix			
Country	Argentina		
Commodity	Concentrated Apple Juice		
Time period	C. Year	Units:	M.Tons
Imports for:	1998		1999
U.S.	14	U.S.	9
Others		Others	
Brazil	1170	Brazil	1395
Chile	56	Chile	17
Paraguay	269	Paraguay	66
France	58	Thailand	6
Total for Others	1553		1484
Others not Listed	54		1
Grand Total	1621		1494

**Table 8. Pear Supply & Demand**

PSD Table							
Country	Argentina						
Commodity	Fresh Pears				(HA)(1000 TREES)(MT)		
	Revised	1997	Preliminary	1998	Forecast	1999	
	Old	New	Old	New	Old	New	
Market Year Begin		01/1998		01/1999		01/2000	
Area Planted	18	18	18	18	18	18	
Area Harvested	18	18	18	18	18	18	
Bearing Trees	9036	9036	9036	9036	9036	9036	
Non-Bearing Trees	1200	1200	1200	1200	1200	1200	
Total Trees	10236	10236	10236	10236	10236	10236	
Commercial Production	561128	515697	540401	582977	536549	475500	
Non-Comm. Production	0	0	0	0	0	0	
TOTAL Production	561128	515697	540401	582977	536549	475500	
TOTAL Imports	1746	666	1500	312	1500	650	
TOTAL SUPPLY	562874	516363	541901	583289	538049	476150	
Domestic Fresh Consump	141742	110751	130501	128973	138499	91000	
Exports, Fresh Only	278179	290911	311700	286397	300000	275000	
For Processing	142953	114701	99700	167919	99550	110150	
Withdrawal From Market	0	0	0	0	0	0	
TOTAL UTILIZATION	562874	516363	541901	583289	538049	476150	

**Table 9. Pear Exports**

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Pears		
Time period	C. Year	Units:	M. Tons
Exports for:	1998		1999
U.S.	34951	U.S.	44790
Others		Others	
Brazil	124932	Brazil	95071
Italy	38026	Italy	44416
Belgium	28971	Belgium	29283
Netherlands	32256	Netherlands	32296
France	4990	France	5426
Portugal	3977	Portugal	5957
Germany	4395	Germany	5069
Sweden	3124	Sweden	3321
Russia	9356	Russia	10379
Spain	872	U.Kingdom	3753
Total for Others	250899		234971
Others not Listed	5061		6636
Grand Total	290911		286397

**Table 10. Pear Imports**

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Pears		
Time period	C. Year	Units:	M. Tons
Imports for:	1998		1999
U.S.	0	U.S.	44
Others		Others	
Brazil	545	Brazil	176
Uruguay	17	Chile	92
Chile	104		
Total for Others	666		268
Others not Listed			
Grand Total	666		312

**Table 11. Pear Prices**

Prices Table			
Country	Argentina		
Commodity	Fresh Pears		
Prices in	pesos	per uom	kilos
Year	1999	2000	% Change
Jan	0.66	0.52	-21.21%
Feb	0.37	0.46	24.32%
Mar	0.48	0.52	8.33%
Apr	0.48	0.53	10.42%
May	0.5	0.52	4.00%
Jun	0.61	0.49	-19.67%
Jul	0.71		-100.00%
Aug	0.55		-100.00%
Sep	0.59		-100.00%
Oct	0.63		-100.00%
Nov	0.81		-100.00%
Dec	0.99		-100.00%
Average wholesale prices			
Exchange Rate	pesos=1 US\$	Local currency/US \$	