GAIN Report

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Argentina Fresh Deciduous Fruit Fresh Fruit Annual 2000 2000

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Report Highlights:

Total fresh deciduous fruit and table grape production in MY 2000 is forecast to decrease by approximately 20 percent from the previous year. Unfavorable weather such as hail storms during the growing period and late frosts in November are the reasons for this expected reduction in total fresh deciduous fruit output.

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Executive Summary

Executive Summary

Fresh deciduous fruits and table grape production in MY 2000 is forecast at 1.5 million metric tons, (mmt) down nearly 20 percent from 1999 levels. This decrease is due to unfavorable climatic conditions (hail storms, and late frosts in early December) principally in the important producing provinces of Rio Negro and Neuquen.

Total deciduous fruit and table grape PS&D for 2000 with previous year data in parenthesis, in metric tons, follows:

Production	1,505,142	(1,889,377)
Consumption	472,700	(512,985)
Exports	464,000	(468,378)
Processing	580,142	(916,022)

SOURCE: Private sources

SECTION 1. SITUATION AND OUTLOOK

Apple Production

Argentine production for fresh apples in 1999 is revised upwards by post from its earlier estimate to 1,288,174 metric tons, 16 percent higher than 1998 levels, as very favorable climatic conditions prevailed during the entire growing period. Fresh apple output in 2000 (harvested in February-March 2000) is forecast to drop by 22 percent from the 1999 season. The reason for this decrease is attributed to unfavorable climatic conditions such as hail storm and late frosts in November and early December in Rio Negro and Neuquen, especially around Rio Colorado and the Middle Valley areas. Late frost also hit the High Valley but to a lesser extent. Moreover, recent hail storms were recorded in Mendoza, adversely affecting apples and grapes as well, which will also put downward pressure on total crop volume. If normal to good weather conditions prevail from now until harvest time, total 2000 Argentine apple production is forecast at 1.005.027 metric tons.

According to producers the area planted to apples is not really expanding, however, apple orchards that were planted during the last four or five years to such varieties as Braeburn, Atwood, Mondial Gala, Royal Gala and Fuji are already in the bearing period. Moreover, since last year many growers are replanting orchards with higher yielding strains such as Lady Pink, Pacific Rose, Jonagold and Jonafored, which will be coming into production within 5 years from now. Farmers are also improving orchard management. Thus, with the same land Argentina will be more competitive due to greater yields.

This season's apple quality is expected to be very good, but product size will average slightly smaller than last season

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due to hail damage.

Revised apple production by zone for 1999 and 2000, is as follows in metric tons.

PROVINCES	1999	2000
Rio Negro	894,550	718,899
Neuquen	199,803	158,128
Mendoza	183,821	120,000
Others	10,000	8,000
TOTAL	1,288,174	1,005,027

SOURCE: Private sources

Trade

Argentina's heaviest export period is March through May. During CY 1998 Argentina exported 228,021 metric tons of fresh apples valued at US\$ 110.2 million. During January-September 1999 (latest data available) apple exports totaled 160,764 metric tons, valued at US\$ 86.6 million. Brazil was the principal customer, taking 37,520 metric tons, followed in order of importance by Belgium with 26,782 metric tons, The Netherlands with 26,197 metric tons, Russia with 21,538 metric tons and Norway with 12,066 metric tons. Total Argentine apple exports in CY 1999 are estimated at 175,969 metric tons.

Argentine apple exports in CY 2000 are predicted to decrease by two percent to 173,000 metric tons, due to an expected smaller crop. The European Union and Brazil are the largest importers of Argentina's apples. No significant change in markets are predicted for the next year.

Argentine apple imports during CY 1998 totaled 6,413 metric tons. During the first eight months of CY 1999, Argentina imported 7,771 metric tons of apples. Principal suppliers were Chile with 7,101 metric tons, Brazil 362 metric tons, France 128 metric tons, United States 64 metric tons. Total apple imports in CY 1999 are estimated at 4,000 metric tons, and are forecast to increase slightly next year due to the expected smaller domestic output.

Consumption

Argentine consumption of fresh apples in CY 2000 is forecast at 347,000 metric tons, down four percent from the previous year due to an expected lower fresh output. Per capita consumption in 2000 is forecast at 9.5 kgs. versus 10.0 kgs. in 1999.

Concentrated Apple Juice Production

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Argentina is the leading concentrated apple juice (CAJ) producer in the Southern Hemisphere. Traditionally, apples not suitable for fresh export and the domestic market, are processed into apple juice, cider and other products. During 1999, an estimated amount of 754,675 metric tons of apples was used by the industry. Of that volume, 584,975 metric tons was processed for concentrated apple juice CAJ, and 125,700 metric tons was used for the elaboration of cider due to the festivities of the millenium, and the rest was used for other products. In 2000 it is forecast that 490,027 metric tons of total apple production will be used by the industry, of which 351,027 metric tons will be processed as CAJ, 103,000 metric tons will be used for ciders, and the remainder, for drying or processed into jams, and vinegar.

Trade

Argentina is the third largest CAJ exporter. The United States remains the largest single market for Argentine CAJ exports. Argentine CAJ exports in CY 1998 reached 62,305 metric tons, valued at US\$ 56.3 million. The United States was practically the only buyer, taking 96 percent of total shipments. Exports of CAJ during the first eight months of 1999 totaled 55,434 metric tons, valued at 51 million dollars. Once more, the United States purchased 99 percent of total volume, valued at US\$ 50.5 million. Total 1999 exports are calculated to reached 77,200 metric tons. Argentine CAJ exports in 2000 are forecast at 51,600 metric tons, down 37 percent because of an expected weather-reduced fresh crop.

Argentine imports of CAJ during 1998 totaled 1,621 metric tons, of which 73 percent was supplied by Brazil. CAJ imports during January-August 1999 were only 810 metric tons and nearly all came from Brazil. Imports in 2000 are expected to reach 2,000 metric tons.

Pear Production

Argentina's pear production volume is the largest in the Southern Hemisphere. The MY 1999 Argentine pear production estimate has been revised upward to 579,911 metric tons, as climatic conditions were better than earlier anticipated. Argentine production of fresh pears in 2000 (harvested during January-February) is forecast at 479,115 metric tons, 12 percent below a year earlier, reflecting adverse weather during late November and early December. It is considered that weather damage to pears was less severe than for apples. During the last 3-4 years, old pear orchards were removed and replaced by nearly 2 million new plants, especially varieties William's, Packham's Triumph and Beurre d'Anjou.

Revised pear production by zone for 1999 and 2000, is as follows in metric tons.

PROVINCES	1999	2000
Rio Negro	433,991	369,110
Neuquen	64,044	55,505
Mendoza	78,876	52,000
Others	3,000	2,500

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SOURCE: Private trade

Trade

Argentina is the world's largest fresh pear exporter. The fresh pear marketing season is year- around with the bulk marketed in February-April. Exports of pears during January-September 1999 reached 269,441 metric tons valued at US\$ 160.8 million. Brazil was Argentina's main market taking 32 percent of total shipments, followed by the other two important markets the United States and Italy taking 13 and 12 percent, respectively. Export of fresh pears in 2000 are forecast at 275,000 metric tons, slightly less than in the previous season, due to a expected smaller crop.

Consumption

Per capita consumption of fresh pears in Argentina in CY 2000 is forecast at 3.3 kgs. against 4.0 kgs. in 1999, due to reduced domestic availabilities.

Table Grape Production

Argentine table grape production in 2000 (harvested December 1999 - May 2000) in San Juan, Mendoza and Catamarca provinces, is forecast at 22,000 metric tons slightly less than the previous year due to inclement weather (frosts) in Mendoza. San Juan is better known as the principal producing province for table grapes.

Trade

Table grape exports in during the first eight months of 1999 totaled 15,859 metric tons. Brazil was the main purchaser followed by The Netherlands and Belgium. Exports of table grapes in 2000 are projected to reach 16,000 metric tons, with no significant change in export patterns.

Policy

No changes since last reported in AR9062 dated September 19, 1999.

SECTION II. STATISTICAL TABLES

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Table 1. Apple Supply and 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	1288174	1347315	1005027
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	1390985	1108335	1253626	1288174	1347315	1005027
TOTAL Imports	5033	6414	4000	4000	4000	5000
TOTAL SUPPLY	1396018	1114749	1257626	1292174	1351315	1010027
Domestic Fresh Consump	407714	324009	398000	361530	405500	347000
Exports, Fresh Only	229654	228021	228000	175969	225000	173,000
For Processing	758650	562719	631626	754675	720815	490027
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	1396018	1114749	1257626	1292174	1351315	1010027

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Table 2. Apple Exports

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Apples		
Time period	C. Year	Units:	M. Tons
Exports for:	1997		1998
U.S.	1939	U.S.	1,205
Others		Others	
Brazil	96492	Brazil	100493
Netherlands	47576	Netherlands	39172
Belgium	28693	Belgium	26,464
Norway	10884	Norway	11536
Spain	7911	Spain	5740
Russia	7224	Russia	19451
Sweden	6688	Sweden	5488
Germany	5860	Germany	4537
Portugal	5690	Portugal	6028
Paraguay	2715	Poland	1523
Total for Others	219733		220432
Others not Listed	7982		6384
Grand Total	229654		228021

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Table 3. Apple Imports

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Apples		
Time period	C. Year	Units:	M. Tons
Imports for:	1997	1	1998
U.S.	1400	U.S.	454
Others		Others	
Chile	1527	Chile	5009
Brazil	1333	Brazil	465
Italy	52	Italy	18
France	36	France	312
Netherlands	434	Uruguay	103
Spain		BS.As.free zone	53
Total for Others	3633	3	5960
Others not Listed			
Grand Total	5033	3	6414

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Table 4. Apple Prices

n				
Prices Table				
Country	Argentina			
Commodity	Fresh Apples			
Prices in	pesos	per uom		kilo
Year	19	998	1999	% Change
Jan	0	.53	0.67	26.42%
Feb	0	.77	0.62	-19.48%
Mar	0	.47	0.48	2.13%
Apr	0	.43	0.48	11.63%
May	0	.44	0.51	15.91%
Jun		0.3	0.53	76.67%
Jul	0	.58	0.53	-8.62%
Aug	0	.59	0.51	-13.56%
Sep	0	.57	0.58	1.75%
Oct	0	.57	0.59	3.51%
Nov	0	.61	0.63	3.28%
Dec	0	.67	0.63	-5.97%
Average wholesale	prices.			
Exchange Rate	peso=1US\$	Local curren	ncy/US \$	

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Table 5. Concentrated Apple Juice Supply and 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	584975	720815	351027
Beginning Stocks	0	5641	6948	2000	0	2000
Production	86737	60800	68300	84800	76700	51600
Imports	1341	1621	1500	900	0	2000
TOTAL SUPPLY	88078	68062	76748	87700	76700	55600
Exports	72430	62305	70000	77200	68000	51600
Domestic Consumption	8700	3757	6748	8500	8700	4000
Ending Stocks	6948	2000	0	2000	0	0
TOTAL DISTRIBUTION	88078	68062	76748	87700	76700	55600

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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:	1997		1998
U.S.	69450	U.S.	60099
Others		Others	
Chile	397	Japan	1202
Japan	2677	Uruguay	282
Canada	150	Paraguay	50
Australia	120	Trinidad Tobago	112
Brazil	943	Brazil	439
		Spain	100
Total for Others	4287		2185
Others not Listed			21
Grand Total	73737		62305

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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:	1997		1998
U.S.	16	U.S.	14
Others		Others	
Brazil	943	Brazil	1170
Chile	143	Chile	56
Paraguay	11	Paraguay	269
Netherlands	203	France	58
Total for Others	1300		1553
Others not Listed	25		54
Grand Total	1341		1621

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Table 8. Pear Supply and 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	579911	536549	479115
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	561128	515697	540401	579911	536549	479115
TOTAL Imports	1746	666	1500	1500	1500	2000
TOTAL SUPPLY	562874	516363	541901	581411	538049	481115
Domestic Fresh Consump	141742	110751	130501	145455	138499	118700
Exports, Fresh Only	278179	290911	311700	277409	300000	275000
For Processing	142953	114701	99700	158547	99550	87415
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	562874	516363	541901	581411	538049	481115

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Table 9. Pear Exports

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Pears		
Time period	C.Year	Units:	M. Tons
Exports for:	1997		1998
U.S.	32805	U.S.	34951
Others		Others	
Brazil	130960	Brazil	124932
Italy	40393	Italy	38026
Belgium	25308	Belgium	28971
Netherlands	22522	Netherlands	32256
France	7067	France	4990
Portugal	5191	Portugal	3977
Germany	4896	Germany	4395
Sweden	1969	Sweden	3124
Russia	1543	Russia	9356
Spain	1055	Spain	872
Total for Others	240904		250899
Others not Listed	4470		5061
Grand Total	278179		290911

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Table 10. Pear Imports

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Pears		
Time period	C. Year	Units:	M. Tons
Imports for:	1997		1998
U.S.	0	U.S.	0
Others		Others	
Brazil	1151	Brazil	545
Netherlands	397	Uruguay	17
Chile	198	Chile	104
Total for Others	1746		666
Others not Listed			
Grand Total	1746		666

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Table 11. Pear Prices

Prices Table			
Country	Argentina		
Commodity	Fresh Pears		
Prices in	pesos	per uom	kilos
Year	199	8 1999	% Change
Jan	0.4	7 0.66	40.43%
Feb	0.5	4 0.37	-31.48%
Mar	0.4	8 0.48	0.00%
Apr	0.4	9 0.48	-2.04%
May	0.4	4 0.5	13.64%
Jun	0.5	0.61	10.91%
Jul	0.6	8 0.71	4.41%
Aug	0.6	8 0.55	-19.12%
Sep	0.6	4 0.59	-7.81%
Oct	0.6	0.63	3.28%
Nov	0.7	0.81	8.00%
Dec	0.9	8 0.99	1.02%
Average wholesale prices			
Exchange Rate	pesos=1 US\$	Local currency/US \$	

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Table 12. Table Grapes Supply and Demand

PSD Table						
Country:	Argentina					
Commodity:	Fresh Table Grapes					
		1998		1999		2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Commercial Production	96800	29,670	120000	21,000	110000	22,000
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	96800	29670	120000	21000	110000	22000
TOTAL Imports	3006	3,228	2500	3700	2500	3700
TOTAL SUPPLY	99806	32898	122500	24700	112500	25700
Domestic Fresh Consump	73556	10888	90500	6000	82500	7000
Exports, Fresh Only	12250	18,010	14000	15900	14000	16000
For Processing	14000	4000	18000	2800	16000	2700
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	99806	32898	122500	24700	112500	25700

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Table 13. Table Grape Exports

Export Trade Matrix			
Country:		Units:	M. tons
Commodity:			
Time period:			
Exports for	1997		1998
U.S.		U.S.	501
Others		Others	
Belgium	7226	Belgium	9746
Bolivia	0	Netherlands	2769
Brazil	3411	Brazil	2277
Spain	54	Canada	1363
France	92	Russia	379
Netherlands	1318	U.K.	607
Italy	291	Spain	97
Paraguay	71	France	102
United Kingdom	528	Italy	49
Germany	92	Norway	31
Total for Others	13083		17420
Others not listed	112		89
Grand Total	13195		18010

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Table 14. Table Grape Imports

Import Trade Matrix		
Country:	Units:	M. Tons
Commodity:		
Time period:		
Imports for	1997	1998
U.S.	172 U.S.	64
Others	Others	
Brazil	1271 Brazil	1880
Chile	1279 Chile	1284
Spain	0	
Italy	44	
Uruguay	4	
Total for Others	2598	3164
Others not listed	5	0
Grand Total	2775	3228

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Table 15. Table Grape Prices

	1	1		
Prices Table				
Country:				
Commodity:				
Year:	CY			
Prices in (currency)	pesos	per (uom)	kilos	
Year	1998	1999	% Change	
Jan	0.65	0.64	-1.5%	
Feb	0.68	0.62	-8.8%	
Mar	0.66	0.8	21.2%	
Apr	0.65	0.8	23.1%	
May	1.17	1.05	-10.3%	
Jun	1.39	1.13	-18.7%	
Jul	2.01	1.51	-24.9%	
Aug	2.11	1.67	-20.9%	
Sep	2.25	1.56	-30.7%	
Oct	2.21	1.61	-27.1%	
Nov	1.94	1.65	-14.9%	
Dec	1.44	1.8	25.0%	