United States Department of Agriculture

Foreign Agricultural Service

December 2015

Fresh Deciduous Fruit: World Markets and Trade (Apples, Grapes, & Pears)

FRESH APPLES

World apple production in marketing year 2015/16 is forecast to increase slightly to 77.0 million metric tons (tons) as increases in China are partially offset by decreases in the European Union (EU) and the United States. Global trade is forecast to remain stable at 6.7 million tons despite Russia's continued ban on fruit from certain countries.

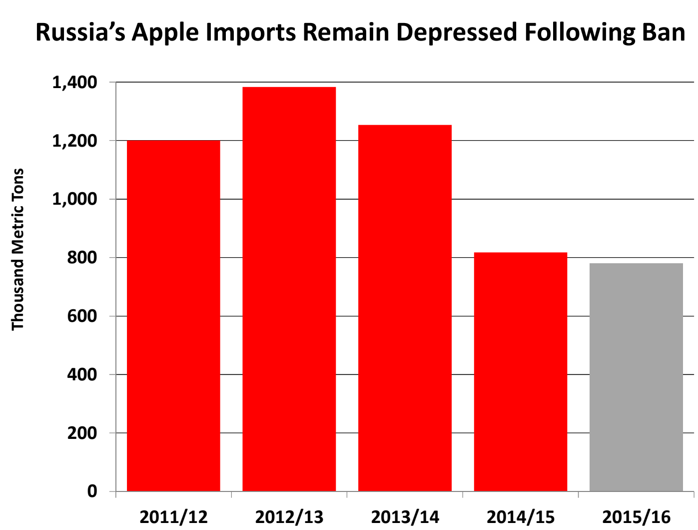
China's production continues to increase, rising 2.1 million tons to 43.0 million on favorable weather conditions and an increase in bearing acreage. Exports are forecast to rebound 150,000 tons to 900,000 as lower production costs make its product more competitive in Asian markets. Imports are forecast to surge 32,000 tons to 100,000 largely due to higher shipments from the United States resulting from the January 2015 agreement.

EU's production is forecast to decrease 1.4 million tons to 12.0 million after last year's record crop. Despite Russia's ban on EU imports, historically the EU's top market, exports are expected to remain elevated at 1.6 million tons on continued strong shipments to Belarus, Egypt, and Algeria. EU imports are forecast to rebound, up 52,000 tons to 450,000 on lower domestic available supplies.

United States' production is forecast down 500,000 tons to 4.6 million. While production decreased in all growing areas, top-growing states Washington, New York, and Michigan experienced drought conditions, a hard frost in May, and excessive spring rainfall, respectively. In January 2015, the United States reached agreement with Chinese officials to allow all U.S. grown apples access to the Chinese market. Exports are forecast to remain stable at 1.0 million tons as increased exports to China offset lower shipments to Canada and Mexico. Imports are expected to rise a modest 10,000 tons to 173,000 on higher shipments from Chile.

Russia's production is forecast to remain at 1.4 million tons on stable bearing acreage. Imports are forecast to continue decreasing, down 38,000 tons to 780,000, as banned EU imports have not been fully replaced. As a result, consumption is expected to decline as consumers' eroding purchasing power faces rising prices.

Chile's production is forecast flat at 1.4 million tons. Fewer bearable plantings are offset as producers transition to higher yielding varieties. Exports are forecast up 42,000 tons to 780,000 on higher exports to the United States and Russia.



Argentina's production is forecast to recover from last year's hail damage, increasing 80,000 tons to 720,000 on favorable growing conditions. This is still below historical levels as ongoing labor issues and rising input costs spur a continuing decline in acreage. Higher production is largely expected to go towards processing with exports forecast up slightly to 130,000 tons.

Mexico's production is forecast to decline a modest 17,000 tons to 700,000 as adverse weather affects yield and fruit quality. Imports are forecast down 24,000 tons to 290,000 on lower available supplies in the United States.

New Zealand's production is forecast at a record 550,000 tons on a compressed high-volume flower bloom that is expected to break the crop out of the biennial bearing cycle. Exports are forecast to rise 13,000 tons to 340,000 as New Zealand continues shifting product away from the EU towards Asian markets.

South Africa's production is forecast flat at 865,000 tons on normal growing conditions. As a result, exports are projected to remain stable at 455,000 tons.

Turkey's production is forecast to jump 451,000 tons to 2.7 million, rebounding from last year's frost-damaged crop. Exports are forecast to surge 62,000 tons to 190,000 on higher exports to Egypt and Iraq.

Key Revisions to 2014/15:

Global Production is raised 5.6 million tons to 76.5 million.

- China is raised 3.1 million tons to 40.9 million on updated data.
- Iran production of 1.7 million tons is added. Iran is added to the PSD with data going back to 2001/02.
- Serbia is raised 152,000 tons to 332,000 due to updated data.

World imports are raised 948,000 tons to 6.0 million.

- The following 20 countries are added to the database, for a combined total of 884,000 tons; data was added back to 2001/02: Afghanistan, Albania , Angola, Bosnia & Herzegovina, Burma (Myanmar), Dominican Republic, Egypt, Iraq, Israel, Kuwait, Nepal, Nigeria, North Korea, Oman, Pakistan, Qatar, Syria, Turkmenistan, Zambia, Zimbabwe.
- Belarus was raised 99,300 tons to 724,300 on higher imports from the EU.

World exports are raised 1.2 million tons to 6.7 million.

- The EU is raised 100,000 tons to 1.8 million tons on higher exports to Egypt and Algeria.
- The United States is raised 106,000 tons to 1.0 million tons on increased exports to Mexico and India.
- Belarus exports of 570,000 tons are added to the database; data was added back to 2001/02.
- Iran exports of 287,500 tons are added. Iran is added to the PSD with data going back to 2001/02.

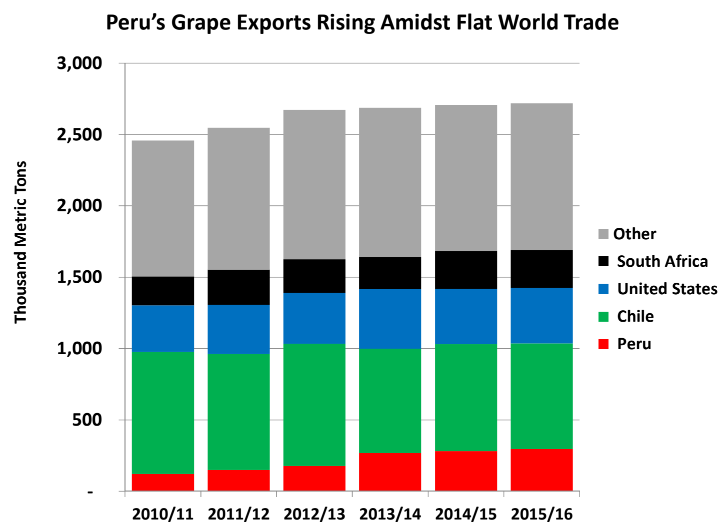
FRESH TABLE GRAPES

World table grape production is forecast up 479,000 tons to 21.1 million as continued growth in China more than offsets declines in Turkey. Although global trade is forecast to remain steady at 2.7 million tons, Peru is forecast to again increase its market share.

China's production is forecast to jump 800,000 tons to 9.6 million on higher area. Exports are forecast to surge 35,000 tons to 165,000 as lower prices and good quality fruit boost exports to neighboring Asian markets. Imports are forecast to rise 24,000 tons to 250,000 on higher shipments from top suppliers Chile and Peru.

Turkey's production is forecast to drop 345,000 tons to 2.0 million tons as the main growing region of Western Turkey was hit by a spring frost. Exports are forecast to drop 78,000 tons to 179,000 on lower output and reduced shipments to top market Russia, where a ban on certain Turkish imports goes into effect January 1, 2016.

Peru's production is forecast to rise a modest 10,000 tons to 510,000 as new plantings, driven by strong foreign demand, continue to come into production. Exports are forecast to rise 15,000 tons to 295,000 as market share continues to expand in top markets China and the EU.



EU's production is forecast up 49,000 tons to 1.7 million on increased output in Spain. Despite the Russian ban, exports are expected to remain stable at 105,000 tons on sustained exports to new markets in North Africa and the Middle East. Imports are projected down slightly to 600,000 tons on stable demand and higher domestic production.

United States' production is forecast up 29,000 tons to 984,000 on higher yield in California despite drought being a concern for many growers. Exports are forecast to remain flat at 390,000 tons on unchanging demand from top markets Canada and Mexico. Imports are forecast to slip 7,000 tons to 540,000 on lower available product from top supplier Chile.

Chile's production is forecast to contract slightly to 925,000 tons on continued low yields following last year's March floods and July snow that affected orchards in the north. Exports are forecast down 10,000 tons to 740,000 on lower exportable supplies.

Russia's production is forecast down 9,300 tons to 90,000 on reductions in both commercial and household production. Imports are forecast to fall 51,000 tons to 250,000 as consumer purchasing power continues to fall, consumption declines, and shipments from Turkey are reduced following Russia's ban.

Argentina's production is forecast to contract slightly to 100,000 tons on lower harvest area. Exports are forecast to slip to 20,000 tons.

Key Revisions to 2014/15:

Global production is raised 38,000 tons to 20.6 million.

- Turkey is raised 430,000 tons to 2.4 million on updated data.
- Chile is lowered 277,000 tons to 929,000 on as a result of flooding and snow.
- China is lowered 200,000 tons to 8.8 million on updated data.

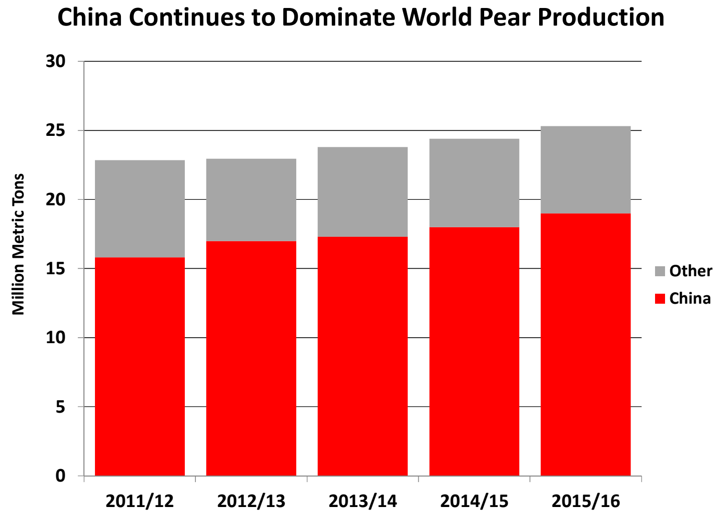
World exports are lowered 158,000 to 2.7 million.

- Chile is lowered 80,000 tons to 750,000 due to lower production.
- South Africa is lowered 57,000 tons to 264,000 on revised data and as a result of changing the marketing year to October-September.

FRESH PEARS

World pear production is forecast up 922,000 tons to 25.3 million on greater production in China. Global trade is forecast up slightly on higher exports to Indonesia.

China's production is forecast up 1.0 million tons to 19.0 million on higher yield following favorable growing conditions in major producing areas. Exports are forecast up 28,000 tons to 360,000 on rising demand in Asian markets. Imports are expected to continue to grow, increasing 5,000 tons to 15,000 on rising demand for Western pears. The United States has been the largest pear supplier to China after gaining market access in 2013.



EU's production is forecast down 144,000 tons to 2.5 million due mainly to unfavorable weather conditions. Exports are forecast to remain stable at 415,000 tons despite Russia's ban on fruit from certain countries as Belarus continues to be an important market. Imports are forecast flat, at 220,000 tons, on unchanging demand for Southern Hemisphere supplies.

United States' production is forecast down 89,000 tons to 665,000 driven mostly by fewer bearing acres in top-growing states Washington and Oregon. Exports are forecast down 10,000 tons to 165,000 on smaller available supplies and lower shipments to Mexico. Imports are forecast up a modest 5,000 tons to 95,000 on lower domestic production and higher available supplies in Southern Hemisphere countries.

Argentina's production is forecast to return to more historical levels, increasing 70,000 tons to 650,000 on favorable growing conditions and despite a continued loss in growing area driven by ongoing labor issues and rising input costs. The increase in production is largely expected to go towards processing and consumption with exports forecast up only slightly to 310,000 tons.

Chile's production is forecast to rise a modest 10,000 tons to 300,000 on gains in planting area. Exports are forecast up 22,000 tons to 160,000 on higher shipments to the EU and United States.

South Africa's production is forecast slightly higher to 410,000 tons on normal growing conditions. Exports are forecast down 15,000 tons to 190,000 due to greater demand from the domestic processing industry.

Russia's production is forecast to remain flat at 160,000 tons due to unfavorable weather conditions. Imports are forecast to drop 24,000 tons to 240,000 largely due to the ban on fruit from certain countries. As a result, consumption is expected to decline as consumers' eroding purchasing power faces rising prices.

Key Revisions to 2014/15:

Global production is raised 185,000 tons to 24.4 million.

- EU production is raised 184,000 tons to 2.6 million on updated data.
- South Korea production of 303,000 tons is added. South Korea is added to the PSD with data going back to 2001/02.
- Taiwan production of 135,000 tons is added to the database; data was added back to 2001/02.

World imports are raised 64,000 tons to 1.6 million.

- Brazil is lowered 24,000 tons to 201,000 on lower imports from Argentina.
- EU is lowered 11,000 tons to 219,000 on lower imports from Southern Hemisphere countries.
- Indonesia is lowered 13,800 tons to 86,200 on lower imports from China.
- Russia is lowered 11,400 tons to 263,600 on updated data.

World exports are raised 149,000 tons to 1.8 million.

- Belarus exports of 163,000 tons are added to the data base; data was added back to 2001/02.
- South Korea exports of 23,300 tons are added. South Korea is added to the PSD with data going back to 2001/02.

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Marketing Years:

Apples - The United States and Mexico are on an Aug-July marketing year. All other Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Table Grapes - The United States and Mexico are on a May-April marketing year. All other Northern Hemisphere countries are on a June-May marketing year. Southern Hemisphere countries of Argentina, Chile, and New Zealand are on a calendar year indicated as the second year of the split year; South Africa is on an October-September marketing year (adjusted from calendar) on the first year of the split year.

Pears - Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Apple Summary

(1,000 Metric Tons)

	2010/11	2011/12	2012/13	2013/14	2014/15	Dec 2015/16
Production						
China	33,263	35,985	38,500	39,680	40,920	43,000
European Union	10,981	12,338	12,207	11,865	13,619	12,220
United States	4,175	4,231	4,049	4,690	5,075	4,561
Turkey	2,500	2,700	2,900	2,930	2,289	2,740
India	2,891	2,203	1,915	2,200	2,200	2,200
Iran	1,843	1,700	1,693	1,693	1,693	1,693
Russia	910	1,124	1,264	1,417	1,409	1,390
Chile	1,431	1,360	1,420	1,310	1,350	1,350
Brazil	1,339	1,340	1,231	1,377	1,266	1,240
Ukraine	954	1,127	1,211	1,211	1,211	1,211
Other	5,252	5,540	5,234	5,442	5,421	5,414
Total	65,538	69,648	71,624	73,815	76,452	77,019
Fresh Dom. Consumption						
China	26,520	30,647	32,317	34,920	37,038	38,600
European Union	7,618	8,072	7,902	7,351	7,769	7,159
Turkey	2,328	2,517	2,762	2,639	2,064	2,452
India	2,988	2,381	2,085	2,364	2,384	2,372
United States	2,157	2,195	2,293	2,498	2,604	2,298
Russia	1,533	1,564	1,992	2,116	1,800	1,730
Iran	1,709	1,452	1,266	1,487	1,405	1,368
Other	8,143	8,788	8,739	9,278	9,540	9,727
Total	52,994	57,615	59,355	62,655	64,605	65,705
For Processing						
European Union	2,973	3,281	3,273	3,562	4,128	3,696
China	5,760	4,400	5,200	3,850	3,200	3,600
United States	1,341	1,368	1,058	1,562	1,597	1,394
Russia	458	721	570	459	370	370
Chile	434	403	392	295	361	320
Argentina	500	450	420	250	280	310
South Africa	216	215	246	200	270	200
Other	819	870	754	849	653	637
Total	12,500	11,708	11,912	11,028	10,859	10,527
Imports						
Russia	1,111	1,201	1,383	1,254	818	780
Belarus	61	168	159	278	724	660
European Union	620	518	536	622	398	450
Mexico	214	216	266	227	314	290
Canada	191	190	250	222	217	260
Egypt	56	94	76	158	201	250
United Arab Emirates	147	166	223	189	224	225
Iraq	153	249	210	189	202	200
India	144	208	197	197	204	192
United States	149	173	195	213	163	173
Other	2,372	2,358	2,430	2,422	2,606	2,693
Total	5,217	5,541	5,925	5,970	6,072	6,173
Exports						
European Union	1,010	1,503	1,568	1,574	1,795	1,615
United States	827	841	893	843	1,036	1,042
China	1,057	1,012	1,026	934	750	900
Chile	801	792	833	820	738	780
Belarus	13	63	104	210	570	500
South Africa	335	389	459	382	450	455
New Zealand	300	285	322	308	327	340
Iran	134	248	428	206	288	325
Turkey	77	87	41	193	128	190
Argentina	233	134	162	144	120	130
Other	444	473	360	394	478	413
Total	5,230	5,826	6,197	6,008	6,680	6,690

Note: The United States and Mexico are on an August-July marketing year. All other Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Table Grapes Summary

(1,000 Metric Tons)

	2010/11	2011/12	2012/13	2013/14	2014/15	Dec 2015/16
Production						
China	6,200	6,600	7,400	8,085	8,800	9,600
India	1,235	2,221	2,483	2,500	2,500	2,500
Turkey	2,150	2,200	2,200	2,200	2,350	2,005
European Union	2,090	1,898	1,724	1,816	1,634	1,683
Brazil	1,495	1,515	1,440	1,437	1,451	1,460
United States	865	857	874	1,013	955	984
Chile	1,215	1,175	1,195	1,055	929	925
Peru	297	365	398	500	500	510
South Africa	245	286	262	252	291	294
Korea, South	269	278	260	260	260	260
Other	855	823	929	859	921	851
Total	16,916	18,217	19,164	19,977	20,592	21,072
Fresh Dom. Consumption						
China	6,230	6,644	7,436	8,212	8,896	9,685
India	1,166	2,111	2,335	2,363	2,430	2,404
European Union	2,514	2,345	2,134	2,241	2,126	2,177
Turkey	1,914	1,960	1,992	1,997	2,094	1,828
Brazil	1,470	1,496	1,429	1,443	1,456	1,462
United States	1,118	1,044	1,084	1,117	1,113	1,134
Russia	436	447	444	407	389	330
Korea, South	313	331	315	320	325	322
Ukraine	359	360	364	352	342	280
Peru	179	220	222	234	227	210
Other	1,153	1,224	1,281	1,195	1,106	1,106
Total	16,852	18,181	19,035	19,880	20,503	20,936
Imports						
European Union	552	581	560	577	603	600
United States	580	533	567	519	547	540
China	118	150	159	231	226	250
Russia	408	393	389	349	301	250
Hong Kong	143	163	144	210	215	220
Canada	189	173	176	182	177	178
Thailand	35	63	85	87	89	90
Kazakhstan	20	55	80	28	67	73
Mexico	61	75	59	77	69	68
Korea, South	45	53	55	60	66	63
Other	246	276	275	286	284	278
Total	2,396	2,514	2,549	2,607	2,644	2,609
Exports						
Chile	854	812	856	732	750	740
United States	327	346	357	416	389	390
Peru	121	149	177	267	280	295
South Africa	203	246	235	226	264	266
Turkey	236	241	209	204	257	179
Hong Kong	109	124	105	164	172	175
China	88	106	123	104	130	165
Mexico	171	138	168	150	152	163
European Union	128	134	150	152	102	105
India	72	114	151	142	74	100
Other	149	139	142	130	138	141
Total	2,458	2,548	2,673	2,687	2,708	2,719

Note: The United States and Mexico are on a May-April marketing year. All other Northern Hemisphere countries are on a June-May marketing year. Southern Hemisphere countries of Argentina, Chile, and New Zealand are on a calendar year indicated as the second year of the split year; South Africa is on an October-September marketing year. Some countries may include raisin-type and/or table-type grapes.

Pear Summary

(1,000 Metric Tons)

	2010/11	2011/12	2012/13	2013/14	2014/15	Dec 2015/16
Production						
China	15,057	15,800	17,000	17,300	18,000	19,000
European Union	2,378	2,895	2,009	2,523	2,594	2,450
United States	738	876	772	795	754	665
Argentina	830	760	780	690	580	650
Turkey	380	390	390	415	305	415
South Africa	360	361	392	414	400	410
India	335	340	340	340	340	340
Chile	290	287	289	267	290	300
Japan	313	299	300	300	300	300
Korea, South	308	291	173	282	303	259
Other	623	544	515	472	524	523
Total	21,611	22,842	22,960	23,798	24,390	25,312
Fresh Dom. Consumption						
China	13,514	14,118	15,243	15,506	16,028	16,955
European Union	2,187	2,254	1,732	2,009	2,050	2,016
Turkey	346	367	363	392	279	390
Russia	500	506	464	528	399	375
United States	410	456	395	409	414	369
India	352	360	357	356	358	360
Japan	312	298	299	299	299	299
Korea, South	286	271	159	258	279	237
Brazil	231	239	212	227	220	223
Taiwan	186	160	147	124	147	147
Other	1,144	1,091	1,103	997	1,061	1,121
Total	19,467	20,122	20,474	21,105	21,533	22,491
For Processing						
China	1,120	1,264	1,350	1,500	1,650	1,700
United States	256	292	272	265	255	226
European Union	172	410	237	300	288	224
Argentina	240	280	266	186	170	220
South Africa	113	127	141	158	147	172
Chile	72	70	62	65	58	57
Russia	40	43	20	20	9	10
Mexico	3	3	3	4	4	4
Canada	0	0	0	0	0	0
Australia	30	30	30	30	0	0
Other	13	13	13	12	13	0
Total	2,059	2,531	2,394	2,539	2,594	2,612
Imports						
Russia	410	419	369	431	264	240
European Union	324	227	278	255	219	220
Brazil	210	217	190	208	201	205
Belarus	8	19	19	60	186	160
Indonesia	138	129	136	96	86	100
United States	79	63	79	82	90	95
Mexico	75	96	83	90	85	84
Other	449	498	527	448	476	529
Total	1,693	1,667	1,680	1,670	1,607	1,633
Exports						
European Union	344	458	317	469	417	415
China	423	419	409	299	332	360
Argentina	470	400	439	409	300	310
South Africa	182	182	202	207	205	190
United States	151	191	184	203	175	165
Chile	141	134	143	117	138	160
Belarus	0	3	11	38	163	140
Other	62	59	52	65	66	72
Total	1,773	1,845	1,759	1,808	1,795	1,812

Note: Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year. The abbreviation "nr" (not reported) indicates there was no 2014/15 data for that country when it was published in December 2014/15.