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Argentina

Fresh Deciduous Fruit Semi-annual

2011

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Report Highlights:

Argentina´s CY 2011 fresh apple production is forecast to decrease to 970,000 MT, pear production is estimated to increase to 800,000 MT, and fresh table grape production is expected to remain stable at 145,000 MT, compared to previous USDA official estimates. For all types of fresh deciduous fruit, production is projected to be larger than in CY 2010, primarily as a result of favorable weather conditions which led to higher yields. Exports of apples and pears are forecast to increase to 230,000 MT and 470,000 MT, respectively, and table grape exports are projected to decrease to 55,000 MT, compared to previous estimates. Domestic consumption is estimated to decrease for apples, remain stable for pears, and increase for table grapes.

Executive Summary:

For CY 2011, Post forecasts a decrease in fresh apple production to 970,000 MT, and an increase in fresh pear production to 800,000, compared to previous USDA official estimates. Production for both fruits were larger than the previous year due to favorable weather conditions during the growing season of CY 2010 resulting in higher yields, and new plantations entering production. Production of fresh table grapes remained stable at 145,000 MT, up 5,000 MT from the previous year, as a result of good weather conditions. Exports are projected to increase to 230,000 MT for apples, and 470,000 MT for pears, as a result of larger production. Exports of table grapes are projected to decrease to 55,000 MT, down from previous estimates, due to larger domestic consumption. Domestic consumption of fresh apples is estimated to decrease to 275,000 MT as a result of larger exports; pear consumption is forecast to remain stable, and table grape consumption is expected to increase due to smaller exports than expected.

Commodities:

Apples, Fresh
Pears, Fresh
Grapes, Table, Fresh
Apple Juice, Concentrated

Production:

Production and Area

CY 2011 fresh apple production is forecast to decrease to 970,000 MT, and pear production is expected to increase to 800,000 MT, compared to previous USDA official estimates. For both fruit, production rebound significantly, compared to the previous calendar year, due to favorable weather conditions during the growing season of CY 2010 resulting in higher yields, and new plantations entering production. The fruit quality was very good, both in size and color. Fresh table grape production is forecast to remain stable at 145,000 MT. Although there was more rain than average, yields were high and the fruit quality was very good.

CY 2010 fresh apple and pear production remained stable at 830,000 MT and 650,000 MT, respectively, compared to USDA official estimates. Smaller volumes were initially expected due to late frosts during the spring of 2009, which affected blossoms of both fruit in the main growing area. The fruit quality was primarily affected in size, and it did not reach the standards required by the most highly demanding markets. Fresh table grape production remained stable at 140,000 MT. Production increased significantly in CY 2010, compared to the previous year, as a result of higher yields resulting from good weather conditions in the main growing area for that crop. Plantations were in very good sanitary conditions the past season compared to the previous one, when the appearance of fungal disease *peronospera* caused severe damage to the vines as a consequence of excess rain.

Apple juice concentrate (AJC) production in CY 2011 is expected to rebound to 50,000 MT due to larger supply of fruit for processing. AJC in CY 2010 decreased drastically to 31,500 MT due to smaller supply of fruit for processing. In addition, some fruit which should have been devoted for processing was reoriented to the fresh market, both exported to Brazil and other neighboring countries and sold in the domestic market, which paid relatively high prices.

Concentrated Apple Juice			
	CY 2009	**CY 2010**	**CY 2011**
Production	44,000 (Beginning Stocks: 1,700)	**31,500 (Beg. Stocks: 1,300)**	**50,000 (Beg. Stocks: 0)**
Exports	42,200	**30,500**	**46,000**
Imports	0	**1,390**	**0**
Domestic Consumption	3,500	**3,690**	**4,000**

Source: FAS Buenos Aires based on private sources

About 85-90 percent of total apple production and approximately 80-85 percent of total pear production is produced in Alto Valle of Rio Negro Province and Neuquen Province, and the balance is produced primarily in Valle de Uco, Province of Mendoza. Between 75-80 percent of the total production is exported, and 90 percent of exports are dominated by only 10 companies. There are about 3,000 producers and 60,000 workers in the region.

About 95 percent of total table grape production is concentrated in the Province of San Juan, Argentina. Organic fresh apple and pear production, destined for niche export markets, has been growing steadily during the past few years – despite 20-30 percent higher production costs compared to conventional fruit production. Higher production costs are primarily due to the manual pruning of fruit, biological weed control, and certification fees. Producers who have been more successful in the organic business are those who grow new non-traditional varieties, such as Cripps Pink and Braeburn apples, and Golden Bosc and Rocha pears. According to private sources, about 30-40 percent of organic fruit is sold as conventional fruit, especially in markets where there is an oversupply of organic fruit. An increasing volume of organic fruit is being destined for the manufacturing of organic juices.

Varieties

Two of the primary challenges of the fruit sector are to improve the quality of the fruit to meet the requirements of highly demanding export markets, and to develop new apple and pear varieties.

Among the bicolor apples, only some Gala and Braeburn clones have succeeded in Argentina. Others, like Fuji, Jonagold and Elstar, did not adapt well to local conditions. Among yellow apples, Golden Delicious is the classic variety. Although it adapted well to Argentina's production conditions, this variety has lost popularity due to marketing problems. Among the red varieties, Red Delicious is the most widespread variety in Argentina. Since it is sterile, it must be crossed with other varieties such as Gala, Fuji, Elstar, Golden Delicious, Granny Smith, Jonathan and Ozarkgold. In Argentina, many Red Delicious clones such as Starkrimson, Red Chief, Hi Early, Top Red Delicious, Oregon Spur, or Red King Oregon and Cooper 8, have been adopted. The second most important apple variety in Argentina is Granny Smith with 15 percent of the planted area.

Apple Variety	Share (%)
Red Delicious	65
Granny Smith	15
Gala	15
Pink Lady/Rome Beauty/Golden Delicious/ Fuji/Braeburn	5

Source: FAS Buenos Aires based on Cadenas Alimentarias, Alimentos Argentinos, MAGP

In Argentina, during the past couple of years, a shift towards the Royal Gala variety (bicolor) has occurred, as international markets are demanding less red varieties.

Among the most popular pear varieties, Bartlett accounts for 35 percent of the Argentine pear production followed by Packham's Triumph. Other varieties are: Red Sensation, Red Bartlett, Beurré D'Anjou, Red Anjou, Abate Fetel (Abbé Fetel), Conference, General Leclerc, and Forelle.

Pear Variety	Share (%)
William's	45
Packham's Triumph	30
Beurre D'Anjou	10
Red Bartlett	6
Abate Fetel	2
Beurre Bosc/Beurre Giffard/Clapps Favourite/Red Beurre D'Anjou	7

Source: FAS Buenos Aires based on Cadenas Alimentarias, Alimentos Argentinos, MAGP

The most popular table grape varieties are Superior Seedless and Red Globe (mostly exported), while the varieties Cherry and Moscatel are devoted for the domestic market.

Factors Affecting the Industry

-- Trade union conflicts over salary increases with Alto Valle harvesters and packing plant operators have continued during 2011, including strikes and road blockades. As a result, there was a 10-15 day delay in fruit harvesting, which caused that some first fruit were ripe upon arrival both in the domestic and export markets (although this created concern among local companies, losses were not reported). At the beginning of the current season, the Argentine fruit sector labor force of Rio Negro and Neuquen Provinces received a salary increase between 22 and 25.6 percent (in CY 2010, the increase was 23 percent), significantly increasing labor costs for the sector.

-- According to private sources, in CY 2010, conventional fruit production costs increased by approximately 25 percent. As a result of labor, energy, ocean freight, and input costs (labor costs account for about 55-60 percent of total production costs). As reported by private sources, the cost of production of a kilogram of pears is about $0.35 (for apples, about $0.29), and exporters paid to the producer between $0.20-0.22 (the juice industry paid $0.11-13 for fruit for processing). As a result of the steep cost increase, some fruit was not harvested. In addition, packers and exporters tend to produce and market their own fruit, minimizing the volumes of fruit purchased from smaller producers. This situation is primarily affecting smaller producers, who sell their fruit through large exporters, but it also affects larger companies, who are producers, packers, and exporters, and are becoming less competitive in the international market.

-- During CY 2010, the AJC industry faced a difficult situation due to lower supply of fruit for processing and the relatively high prices that they paid to producers, which in some cases reached up to $0.10/kg of fruit (over double the price they paid in 2008). Due to the poor quality of the fruit harvested during the past season, the fruit which would have usually been used for processing this season was exported, thus competing with the industry and causing an increase in prices.

-- The current economic conditions in Argentina (the stable value of the Argentine peso vis-a-vis the dollar and about 25 percent annual inflation rate) decreases the competitiveness of the local fruit sector and discourages domestic and foreign investment.

Consumption:

Domestic consumption of fresh apples in CY 2011 is estimated to decrease to 275,000 MT, compared to the latest USDA official estimates, as both exports and fruit for processing are expected to reach relatively high volumes. Consumption is expected to remain stable, compared to CY 2010. Consumption of fresh pears is projected to remain stable, compared to previous official estimates, and to increase, compared to CY 2010, when production was significantly smaller. Table grape consumption is expected to increase to 90,000 MT, as a result of larger production. Only low quality table grapes are destined for the domestic market and, until extra efforts are developed to devote higher quality varieties domestically, no drastic increase should be expected. Consumption of organic apples and pears is gradually growing in the domestic market, especially through upscale supermarket distribution channels.

AJC consumption in CY 2011 is estimated to increase to 4,000 as a result of larger production and a gradual expansion of the beverage industry, especially flavored waters within the health food sector, in detriment of carbonated drinks.

Domestic consumption of apples in CY 2010 increased slightly to 274,000 MT, compared to USDA official estimates, primarily due to reduced exports and increased imports. Pear consumption also increased to 60,000 MT, compared to official estimates, but decreased compared the previous year as a result of smaller supply. Table grape consumption in CY 2010 increased since exports were smaller than previously estimated. AJC consumption in CY 2010 increased slightly as a result of the expansion of the beverage industry , and also due to the relatively high price of sugar.

The Argentine domestic fruit market is highly concentrated in Buenos Aires City and suburbs, where over one third of the country’s total population lives, although the GOA has been trying to decentralize it through the creation of a few fruit distribution markets in the interior of the country. There are three distribution channels for the distribution of fresh fruit, as follows: (1) Large exporters from Alto Valle, which use the domestic market as a second alternative for their products since their main focus are export markets. They usually sell by volume rather than quality. Their main customers are hyper and supermarkets; (2) Medium-sized firms, which handle smaller volumes and focus on quality, and whose brands are usually well-known both in the domestic and export markets. They have consolidated niche markets, and they regulate their supply to maintain high prices. The domestic market is key to their business; (3) Small companies which handle small volumes that are distributed to pre-established points of sale in larger cities. They usually serve those stores where large exporters and medium-sized firms do not have a presence. In general, the markets they access have a high per capita fruit consumption rate. (Source: study carried out by a private consulting company.)

Trade:

CY 2011 exports are projected to increase to 230,000 MT for apples, and to 470,000 MT for pears, as a result of larger production and less fruit availability in other Southern Hemisphere competing countries. Table grape exports are expected to total 55,000 MT, down 5,000 MT than previously estimated, but up 5,000 MT from CY 2010.

CY 2010 apple exports are forecast to decrease slightly to 178,825 MT for apples, and increase to 418,116 MT for pears, compared to previous official USDA estimates. Both apple and pear exports decreased compared to the previous calendar year, as a result of smaller production and fruit reorientation to the domestic market due to lower quality standards. Table grape exports decreased to 50,142 MT, compared to USDA estimates, although they increased from the previous year, due to larger production.

CY 2011 AJC exports are expected to increase to 46,000 MT as a result of larger production and higher volumes of fruit for processing. In addition, there is less fruit availability for processing in main competitors, China and Poland, added to increasing domestic consumption in China. CY 2010 AJC exports decreased to 30,500 MT as a result of smaller production than CY 2009, and less fruit availability for processing.

Fresh Apples Exports – Main Destinations

Partner Country	2008		2009		2010	
	USD	MT	USD	MT	USD	MT
World	175,395,822	235,861	146,351,724	207,195	139,040,600	178,825
Brazil	39,471,166	45,210	37,297,717	50,646	39,626,154	48,778
EU	61,088,205	79,107	43,688,352	57,300	40,369,874	48,181
Russia	48,048,160	72,205	27,153,382	41,843	22,523,866	30,553
Algeria	12,676,795	18,589	23,956,896	34,588	15,395,645	20,064
Norway	4,500,631	6,247	4,885,756	6,502	5,103,172	6,978
U.S.	1,745,044	2,119	1,475,933	1,827	5,223,797	6,056

Source: FAS Buenos Aires based on data from the Global Trade Atlas

Fresh Pears Exports – Main Destinations

Partner Country	2008		2009		2010	
	USD	MT	USD	MT	USD	MT
World	339,938,274	465,110	338,888,198	454,176	332,821,105	418,116
Brazil	98,891,009	121,628	101,985,818	132,485	121,356,135	152,368

EU	113,946,401	162,872	117,149,761	160,146	89,446,546	112,347
Russia	76,542,410	116,441	65,400,874	95,814	72,572,847	94,283
U.S.	27,176,451	38,444	30,482,501	39,025	22,355,863	26,764
Mexico	6,832,810	7,713	4,463,641	4,491	5,423,365	5,957
Canada	3,078,055	4,250	2,860,476	3,866	4,718,193	5,869

Source: FAS Buenos Aires based on data from the Global Trade Atlas

Fresh Table Grape Exports – Main Destinations						
Partner Country	2008		2009		2010	
	USD	MT	USD	MT	USD	MT
World	88,730,105	69,718	58,949,466	46,265	71,090,071	50,142
EU	51,665,653	38,947	35,649,619	26,386	34,019,760	22,931
Brazil	10,209,441	8,925	8,123,176	7,502	15,950,412	11,580
Russia	23,457,530	18,663	11,899,382	9,297	16,096,890	11,341

Source: FAS Buenos Aires based on data from the Global Trade Atlas

Apple Juice Concentrate Exports – Main destinations						
Partner Country	2008		2009		2010	
	USD	MT	USD	MT	USD	MT
World	72,515,799	42,931	41,412,014	42,182	32,285,295	30,459
U.S.	69,965,988	41,431	39,631,846	40,886	28,286,727	26,840
EU	579,952	247	279,837	237	3,035,516	2,761
Trinidad & Tobago	409,988	280	359,021	393	403,389	427
Chile	45,955	22	69,722	57	103,609	102
Paraguay	104,597	48	102,800	56	156,457	100
Uruguay	48,207	25	96,313	71	109,063	97
Russia	1,090,672	734	143,898	99	97,885	63

Source: FAS Buenos Aires based on data from the Global Trade Atlas

Currently, over 60 markets are open to Argentine apples and pears. In CY 2010, Brazil remained as the most significant fruit export market (by country), especially for pears, followed by Russia. This is primarily due to the relatively high value of the real, compared to the dollar. Traditionally, Brazil has been more flexible than other markets, such as the EU and the U.S., regarding the quality of the fruit they import. However, they are becoming increasingly demanding as an export market. Algeria was the third export market for Argentine apples in CY 2010, with an increase of 75 percent in imports compared to CY 2009. The main export destination (by volume and country) for table grapes was Brazil totaling 11,580 MT, followed by Russia. Over 88 percent of AJC was exported to the U.S. in CY 2010.

During January 2011, Russia became the largest export market for both Argentine apples and pears. For table grapes, Russia was the largest export market, by country, followed by Brazil. According to Patagonia Norte port terminal, apple and pear exports increased by 22 percent during the first quarter of CY 2011, compared to the same period of CY 2010. Fresh deciduous fruit exports are expected to continue to focus on traditional markets, i.e. the EU, Brazil, and Russia, while local exporters are working on developing other non-traditional Latin American markets, such as Ecuador, Peru, Colombia, and Venezuela. Exports to Middle-East countries and northern Africa decreased significantly due to political conflicts affecting the region.

This marketing season, there is uncertainty about how fruit exports to the EU will progress as their stocks are relatively high (especially for pears), and several EU countries are facing a severe economic crisis which will probably affect consumption.

The U.S. market for fresh apples and pears is not expected to expand significantly since prices are lower than those paid by other export markets, such as Russia.

The U.S. is expected to remain the largest market for Argentine AJC, traditionally accounting for about 95 percent of total exports. In CY 2010, the U.S. share of Argentina's AJC exports decreased due to higher prices paid by non-traditional markets such as EU countries.

The U.K. and the U.S. are traditional markets for Argentine organic apples and pears. In the U.K. there is a more massive distribution of organic fruit, while in the U.S. organic fruit is sold in specialty retail stores. Brazil is becoming a very good market for Argentine organic fruit. In destinations such as the EU, where the organic fruit market is usually oversupplied, organic apples and pears are often sold as conventional fruit.

According to the Global Trade Atlas database, during CY 2010, Argentina imported 2,396 MT of apples, primarily from Chile, for a total value of $1,800,767; 194 MT of pears for a total of $168,924; 756 MT of table grapes valued at $1,336,755; and 1,388 MT of AJC valued at $1,392,335.

Policy:

Government Support to Producers

In January 2011, through the Program of Harvest Productive Recuperation, the Government of Argentina (GOA, in Spanish) announced that producers with less than 50 hectares will receive a subsidy of $150 per employee during 3 months to assist small producers to face harvesting costs. In addition, in response to the current crisis affecting the fresh deciduous fruit sector, the GOA announced the creation of a Fruit Observatory, integrated by both the official and private sector, whose main goal will be to determine the fruit sector profitability based primarily on the analysis of production costs. Both producers and industry have welcomed this initiative.

In November 2, 2010, the Ministry of Agriculture, Livestock, and Fisheries (MAGP, in Spanish) granted a government support fund of $5 million to apple and pear producers with less than 25 hectares to help them face the low farm-gate prices they received, below production costs, which have put them in a very difficult financial situation. (In the Alto Valle and Valle Medio of Rio Negro Province and Province of Neuquen -- the main apple and pear producing region of Argentina -- half of the farms have less than 10 hectares.) In January 2011, other additional $10 million were granted under this support program.
On June 1, 2010, the MAGP created the National Fruit Table through official Resolution No. 189/2010 with the purpose of fostering fruit quality and competitiveness of the Argentine fruit chain.

The MAGP has been also working on other ways to provide financial assistance to producers, such as a $1.75 million fund focusing on phytosanitary fruit issues, and a $1.25 million fund for hail insurance coverage.

In 2002, the Government of Neuquen Province implemented a voluntary Compensation Fund for Fruit Producers for growers who want to insure, at least, part of their harvest against hail damage. If over 50 percent of the harvest is damaged, the fund will cover the full harvest. Over 90 percent of producers have participated in this Fund. The Government of Rio Negro Province has a similar system to help fruit producers face challenges affecting the sector.

Since 2000, the Province of Rio Negro has had in operation the Agricultural Input Program (PAR, in Spanish) to facilitate the availability of agrochemicals to smaller producers through the implementation of a loan program. The program was so successful that, during the following years, new areas were incorporated such as tools for treatment of *Carpocapsa*, agricultural machinery and equipment, anti-hail nets, and training on Good Agricultural Practices.

Import and Export Regulations

On December 22, 2008, President Cristina Fernandez de Kirchner announced a package of stimulus measures for the Argentine agricultural sector. The measures affecting fruits and vegetables were published in the Official Bulletin, Decrees Nos. 38/2008 and 40/2008, on December 31, 2008. They established that the export tax for pears, apples, peaches, citrus fruit, grapes, blueberries, strawberries, onions, frozen potatoes, beans and pulses were reduced by 50 percent (i.e. fresh deciduous fruit and stone fruit currently pay a 5 percent export tax, while citrus fruit and vegetables pay 2.5 percent). The changes announced did not have a significant impact on overall fruit production. Export taxes for these products were already relatively low. Part of Argentina's 5 percent export tax on apples, pears, and table grapes is rebated depending on the size of the container. The export tax for AJC is 5 percent, with part of the tax also rebated depending on the size of the container.

In January 2011, the fruit industry, through the provincial government, requested the GOA to suspend export taxes, double rebates, and subsidize retirement allowances and fuel for producers. Moreover, industry continues to request that the GOA pay rebates on a timely basis but, to date, no progress was made on this issue.

Below are tables on current tariffs, taxes, and rebates, for apples, pears, table grapes, and AJC:

Fresh Apples (0808.10) & Pears (0808.20)	
Outside the Mercosur area	
Import Tariff (%)	10.00
Statistical Tax (%)	0.50
Export tax (%)	5.00
Export Rebate (%) Bulk (apples)	3.40
Export Rebate (%) Bulk (pears)	2.70
Export Rebate (%)Cases containing between 2.5 Kg. and 20 Kg.	5.00
Cases containing 2.5 Kg. or less	6.00
Within the Mercosur area	
Import tariff (%)	0.00
Export tax (%)	5.00

Export Rebate (%) Bulk (apples)	3.40
Export Rebate (%) Bulk (pears)	2.70
Export Rebate (%) Cases containing between 2.5 and 20 kg.	5.00
Cases containing 2.5 kg. or less	6.00

Source: FAS Buenos Aires based on data from Tarifar

Fresh Table Grapes (0806.10)	
Outside the Mercosur area	
Import Tariff (%)	10.00
Statistical Tax (%)	0.50
Export tax (%)	5.00
Export Rebate (%) Bulk	2.70
Export Rebate (%)Cases containing between 2.5 Kg. and 20 Kg.	4.05
Cases containing 2.5 Kg. or less	6.00
Within the Mercosur Area	
Import tariff (%)	0.00
Export tax (%)	5.00
Export Rebate (%) Bulk	2.70
Export Rebate (%) Cases containing between 2.5 and 20 kg.	4.05
Cases containing 2.5 kg. or less	6.00

Source: FAS Buenos Aires based on data from Tarifar

Apple Juice Concentrate (2009.79)	
Outside the Mercosur Area	
Import Tariff (%)	14.00
Statistical Tax (%)	0.50
Export tax (%)	5.00
Export Rebate (%) Containers larger than 1 liter	5.00
iners of 1 liter or less	6.00
Within the Mercosur Area	
Import tariff (%)	0.00
Export tax (%)	5.00
Export Rebate (%) Containers larger than 1 liter	5.00
iners of 1 liter or less	6.00

Source: FAS Buenos Aires based on data from Tarifar

Export/Import Restrictions and Phytosanitary Issues

In November 2009, the Government of Brazil imposed new import requirements which affected Argentine fruit. Special permits must be requested to allow the entry of trucks carrying fruit and other agricultural products. Local fruit exporters have been operating with a one-week delay but both Brazilian importers and Argentine fruit suppliers have adjusted to the new requirement. According to industry estimates, local companies lost $1 million in one month, by the time the requirement was implemented. Although Argentina exports fruit to Brazil throughout the year, the second half of the year is when exports become increasingly frequent.

The GOA phytosanitary authorities (SENASA, in Spanish), at the national and provincial level, and through the Foundation Barrier of Patagonia (FUNBAPA, in Spanish), have a National *Carpocapsa* Eradication Program, which has managed to keep the plague under control.

The Patagonia area of Argentina is considered free of Mediterranean Fruit Fly (*C. Capitata*) as a result of on-going eradication and quarantine efforts in the country. In April 2011, APHIS Argentina was notified by SENASA that Medfly adults were intercepted which, according to protocols in place, was considered an outbreak. SENASA has implemented emergency actions according to the Fruit Fly Emergency Manual of Proceedings.

Argentine and Chinese sanitary authorities have finalized negotiations to have the Chinese market open to Argentine apples and pears. However, additional documentation must still be agreed upon before any fruit shipment is allowed entry into China. There are also on-going official negotiations with India and Philippines.

Marketing:

Prices

Overall, fresh fruit FOB prices were historically high during CY 2010. However, they were not sufficient to cover costs. Average FOB prices of fresh apples exceeded prices during the same period of CY 2009. For pears and table grapes, prices were higher than the previous year during the first semester of CY 2010, and they fell towards the end of the year. For AJC, prices were higher during the first half of the year and decreased towards the end of the year.

During the first quarter of 2011, average FOB prices for apples and pears showed an upward trend: for apples \$0.795/kg, and for pears \$0.822/kg (Source: National Service of Agrifood Safety and Quality – SENASA, in Spanish.)

The following tables show average export prices for CY 2009 and 2010:

FOB Prices ($/MT) Fresh Apples		
Month	**2009**	**2010**
Jan	794	795
Feb	738	772
Mar	702	769
Apr	722	795
May	713	828
Jun	684	800
Jul	651	772
Aug	646	713
Sep	659	708
Oct	681	704
Nov	692	700
Dec	750	759
Average	703	760
Exchange rate	4.03	Local currency/US$1
Date of Quote	04/21/2011	

Average price in January 2011: $774/MT

Source: FAS Buenos Aires based on data from the Global Trade Atlas

FOB Prices ($/MT) Fresh Pears		
Month	**2009**	**2010**
Jan	736	822
Feb	716	775
Mar	728	788
Apr	726	800
May	736	796
Jun	754	813
Jul	814	822
Aug	829	826
Sep	861	796
Oct	899	800
Nov	989	793
Dec	1,031	835
Average	818	806
Exchange rate	4.03	Local currency/US$1

Date of Quote	04/21/2011	

Average price in January 2011: $832/MT

Source: FAS Buenos Aires based on data from the Global Trade Atlas

FOB Prices ($/MT) Fresh Table Grapes		
Month	**2009**	**2010**
Jan	1,285	1,481
Feb	1,165	1,335
Mar	1,092	1,277
Apr	1,152	1,282
May	1,031	1,333
Jun	1,235	1,644
Jul	2,485	1,038
Aug	479	500
Sep	0	n/a
Oct	0	500
Nov	1,829	500
Dec	1,581	1,547
Average	1,333	1,131
Exchange rate	3.98	Local currency/US$1
Date of Quote	04/21/2011	

Average price in January 2011: $1,454/MT

Source: FAS Buenos Aires based on data from the Global Trade Atlas

FOB Prices ($/MT) Apple Juice Concentrate		
Month	**2009**	**2010**
Jan	1,048	1,753
Feb	1,284	891
Mar	1,181	1,084
Apr	1,187	984
May	1,077	993
Jun	1,635	1,004
Jul	862	1,030
Aug	1,008	1,014
Sep	864	1,117
Oct	1,135	1,012
Nov	854	1,053

Dec	843	1,233
Average	1,082	1,097
Exchange rate	4.03	Local currency/US$1
Date of Quote	04/21/2011	

Average price in January 2011: $1,220/MT

Source: FAS Buenos Aires based on data from the Global Trade Atlas

Retail Prices (US$/kg)		
	Variety	Price (US$/kg)
Pears	Packham's Triumph	3.03
	William's (Premium)	3.50
	William's (Standard)	1.75
Apples	Red Delicious (Premium)	4.23
	Red Delicious (Standard)	2.48
	Granny Smith (Premium)	3.51
	Granny Smith (Standard)	2.48
	Royal Gala	2.40
Table Grapes	Red Globe (Premium)	3.73
	Red Globe (Standard)	2.83

Source: FAS Buenos Aires based on data from local supermarkets and grocery stores

Retail prices for fresh organic apples and pears may vary between 5-35 percent over prices of conventional fruit, depending on the fruit variety.

The following table illustrates average wholesale prices for all varieties of fresh apples, pears, and table grapes:

Apples, Pears, and Table Grapes, Fresh Domestic Wholesale Prices for all Varieties (US$/kg.)									
	2008			**2009**			**2010**		
	Apples	**Pears**	**Grapes**	**Apples**	**Pears**	**Grapes**	**Apples**	**Pears**	**Grapes**
January	0.85	0.71	0	0.45	0.62	2.09	0.76	0.84	0
February	0.89	0.53	0.65	0.47	0.51	1.93	0.78	0.87	0
March	0.83	0.48	0.59	0.48	0.48	1.91	0.76	0.57	0.64
April	0.88	0.49	0.61	0.57	0.46	0	0.75	0.64	0.69
May	0.89	0.56	0.69	0.62	0.48	0.61	0.68	0.67	0.93
June	0.99	0.60	0	0.68	0.49	0	0.70	0.70	0.95
July	0.99	0.67	0	0.68	0.57	0	0.72	0.66	1.41
August	1.10	0.71	0	0.72	2.62	0	0.74	0.71	1.85
September	1.11	0.81	0	0.70	0.59	0	0.76	0.74	3.30
October	1.02	0.79	0	0.64	0.62	0	0.80	0.80	3.73
November	1.29	0.98	0	0.77	0.91	0	0.80	0.74	3.85
December	0.60	1.06	0	0.78	0.92	0	0.86	0.72	n/a
Annual Average	**0.95**	**0.70**	**0.64**	**0.63**	**0.61**	**0.54**	**0.76**	**0.72**	**1.93**

Source: FAS Buenos Aires based on data provided by the Buenos Aires Central Market

Note: “0” means “not in season/no fruit sold”.

Production, Supply and Demand Data Statistics:

Apples, Fresh Argentina	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	32,000	32,000	30,000	30,000	30,000	30,000
Area Harvested	26,000	26,000	28,000	28,000	28,000	28,000
Bearing Trees	27,000	27,000	27,000	27,000	27,000	27,000
Non-Bearing Trees	5,000	5,000	5,000	5,000	5,000	5,000
Total Trees	32,000	32,000	32,000	32,000	32,000	32,000
Commercial Production	933,000	933,000	830,000	830,000	990,000	970,000
Non-Comm. Production	0	0	0	0	0	0
Production	933,000	933,000	830,000	830,000	990,000	970,000
Imports	1,375	1,375	1,400	2,396	1,000	1,000
Total Supply	934,375	934,375	831,400	832,396	991,000	971,000
Fresh Dom. Consumption	256,180	256,180	270,400	273,571	301,000	275,000
Exports	207,195	207,195	180,000	178,825	210,000	230,000
For Processing	471,000	471,000	381,000	380,000	480,000	466,000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	934,375	934,375	831,400	832,396	991,000	971,000
TS=TD		0		0		0
Comments	Units of Measure: hectares, thousand trees, and metric tons.					
AGR Number						

Comments To Post

Pears, Fresh Argentina	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	27,000	27,000	28,000	22,000	28,000	22,000
Area Harvested	24,000	24,000	26,000	20,000	26,000	20,000
Bearing Trees	23,000	23,000	23,000	19,000	23,000	19,000
Non-Bearing Trees	5,000	5,000	5,000	4,000	5,000	4,000
Total Trees	28,000	28,000	28,000	23,000	28,000	23,000
Commercial Production	780,000	780,000	650,000	650,000	790,000	800,000
Non-Comm. Production	0	0	0	0	0	0
Production	780,000	780,000	650,000	650,000	790,000	800,000
Imports	40	40	50	194	20	100
Total Supply	780,040	780,040	650,050	650,194	790,020	800,100
Fresh Dom. Consumption	85,864	85,864	55,000	60,000	90,020	90,100
Exports	454,176	454,176	400,000	418,116	460,000	470,000
For Processing	240,000	240,000	195,050	172,078	240,000	240,000
Withdrawal From Market	0	0	0		0	
Total Distribution	780,040	780,040	650,050	650,194	790,020	800,100
TS=TD		0		0		0
Comments	Units of Measure: hectares, thousand trees, and metric tons.					
AGR Number	Area planted and harvested for 2010 and 2011 was adjusted according to an update of the 2005 Census, carried out in 2010.					

Grapes, Fresh Argentina	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	10,000	10,000	10,000	10,000	10,000	10,000
Area Harvested	9,500	9,500	9,500	9,500	9,500	9,500
Commercial Production	120,000	120,000	140,000	140,000	145,000	145,000
Non-Comm. Production	0	0	0	0	0	0
Production	120,000	120,000	140,000	140,000	145,000	145,000
Imports	1,536	1,536	437	756	500	500
Total Supply	121,536	121,536	140,437	140,756	145,500	145,500
Fresh Dom. Consumption	75,271	75,271	85,437	90,614	85,500	90,500
Exports	46,265	46,265	55,000	50,142	60,000	55,000
For Processing	0	0	0	0	0	0
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	121,536	121,536	140,437	140,756	145,500	145,500
TS=TD		0		0		0
Comments	Units of Measure: hectares and metric tons.					
AGR Number						
Comments To Post						