

Voluntary Report – Voluntary - Public Distribution

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Report Name: Avocado Annual

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Report Highlights:

Mexico's 2024 avocado production is forecast at 2.77 million metric tons (MMT), a five percent increase over 2023 on strong export demand. Production in 2023 reached 2.65 MMT, up four percent compared to the previous year. Exports totaled 1.4 MMT in 2023, a 17 percent increase year on year. The United States is the number one market for Mexico's avocado exports, with an 81 percent share, followed by Canada, Japan, and Spain.

Executive Summary

Mexico's avocado sector has grown steadily during the past five years due to strong demand from international markets and growing domestic consumption. Production grew nearly 75 percent between 2014 and 2023, reaching 2.65 MMT and making Mexico the number one avocado producer globally. Mexico's avocado exports totaled 1.4 MMT in 2023, up 17 percent compared to 2022 exports of 1.2 MMT. Exports are projected to continue growing in 2024. Although export volumes increased in 2023, the value of exports decreased 12 percent due to appreciation of the Mexican peso against the U.S. dollar. Additionally, local producers report lower prices in 2023 due to smaller average fruit size that they attribute to climatic conditions, including above average temperatures and drought conditions seen predominantly in northern Michoacán.

The United States is Mexico's top avocado export market, with an 81 percent share valued at USD 2.7 billion in 2023. Other major export destinations include Canada, Japan, and Spain. Outside of exports to the United States, Peru is the number one competitor for Mexico in the international market, supplying the European market with 0.63 MMT of avocados in 2022.

Production

Mexico leads the world in avocado production, according to Government of Mexico (GOM) data on 2023 avocado production. Driven primarily by export demand, Mexico's avocado production is forecast to increase five percent year on year in 2024 to 2.77 MMT. Data from Mexico's Agri-Food and Fisheries Information System (SIAP) indicate production reached 2.65 MMT in 2023, up four percent compared to the previous year. Production has grown steadily during the past ten years, mostly due to increasing demand from the United States and other export markets, as well as rising domestic consumption. Continued near-term production growth is supported by favorable growing conditions – with a warm, subhumid climate and well-draining soil – and a production shift away from traditional crops to the higher value avocados. The past five years have seen a significant increase in avocado production, especially in the Valley Region of Jalisco, as producers diversify their crop mix to include avocados, or completely eliminate corn, wheat, and pasture area in favor of avocado orchards.

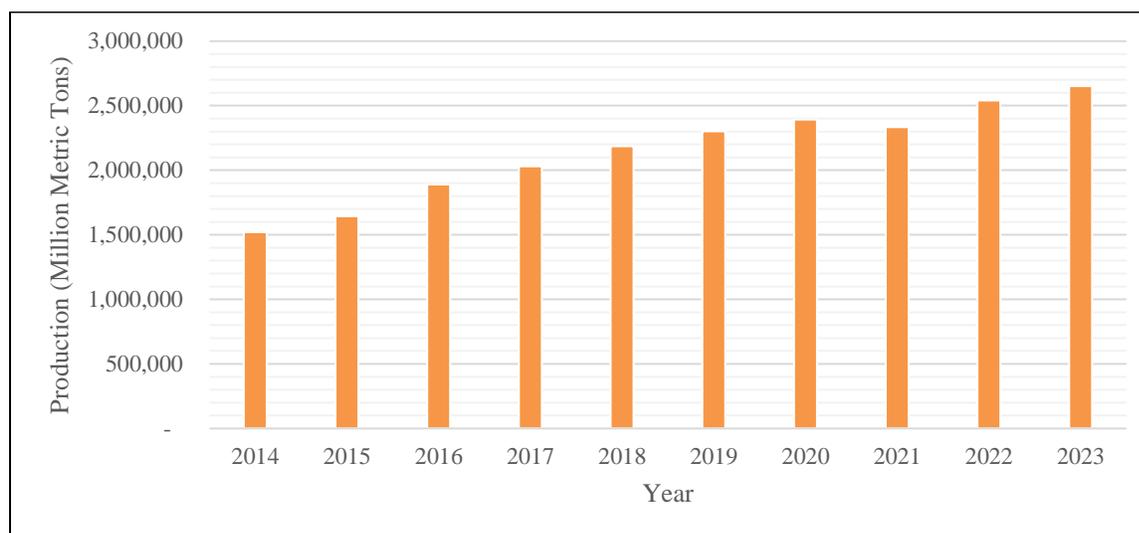
SIAP data put avocado planted area (i.e. area with mature, productive trees) at an estimated 257,571 hectares (ha) in 2023, up two percent from 2022 planted area of 252,133 ha. Planted area grew 46 percent between 2014 and 2023.

Table 1: Mexico Avocado Area and Production

Year	Planted Area (ha)	Harvested Area (ha)	Production (MT)
2014	175,940	153,771	1,520,695
2015	187,327	166,945	1,644,226
2016	205,250	180,536	1,889,354
2017	218,493	188,723	2,029,886
2018	231,524	206,389	2,184,663
2019	234,270	215,942	2,300,889
2020	241,136	224,422	2,393,849
2021	248,456	226,534	2,333,368
2022	252,133	236,132	2,540,715
2023	257,571	246,334	2,652,501

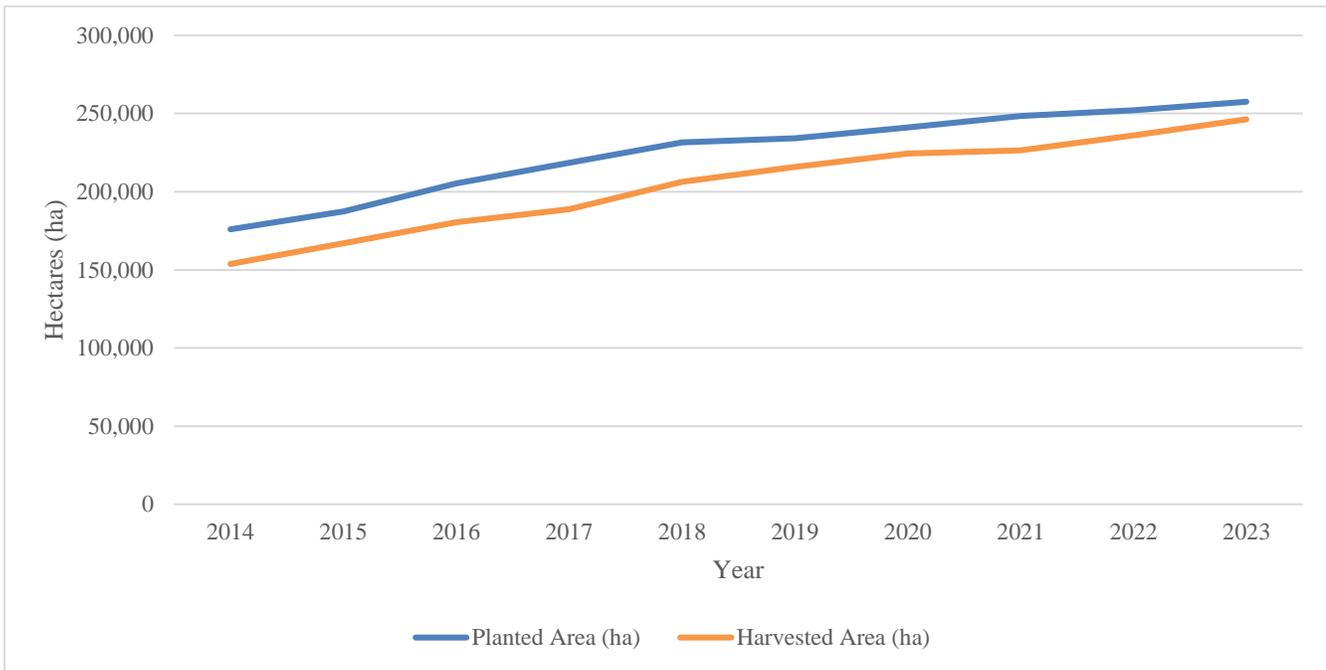
Data source: SIAP

Graph 1: Mexico Avocado Production



Data source: SIAP

Graph 2: Mexico Avocado Planted and Harvested Area



Data source: SIAP

Map 1: Main Avocado Planted Area in Mexico (2023)



Data Source: SIAP

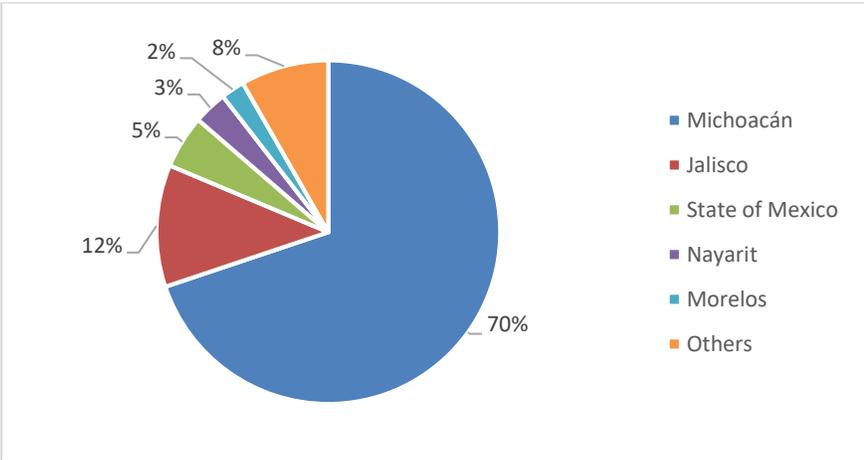
While avocados are grown throughout the country, three states account for 90 percent of Mexico’s avocado production – Michoacan with 73 percent of production, Jalisco with 12 percent, and the State of Mexico with 5 percent. Historically, Michoacan has been the leading avocado producing state, and until 2022 it was the only state eligible to export avocados to the United States. With the addition of Jalisco in July of 2022, there are now two states eligible for export of avocados to the United States. Per the Association of Avocado Exporting Producers and Packers of Mexico (APEAM), as of February of 2024, there are 58 avocado packing facilities in Michoacan approved for export to the United States, and 11 such facilities in Jalisco.

Table 2: Mexico Avocado Area and Production by State (2023)

State	Planted Area (ha)	Harvested Area (ha)	Production (MT)
Michoacan	179,914	177,425	1,933,325
Jalisco	29,589	26,859	322,837
State of Mexico	12,892	11,412	132,170
Nayarit	8,142	7,269	76,587
Morelos	5,700	5,636	52,926
Others	21,334	17,733	134,655
Total	257,571	246,334	2,652,501

Data Source: SIAP

Graph 3: Mexico Avocado Planted Area by State (2023)



Data Source: SIAP

Growing Conditions

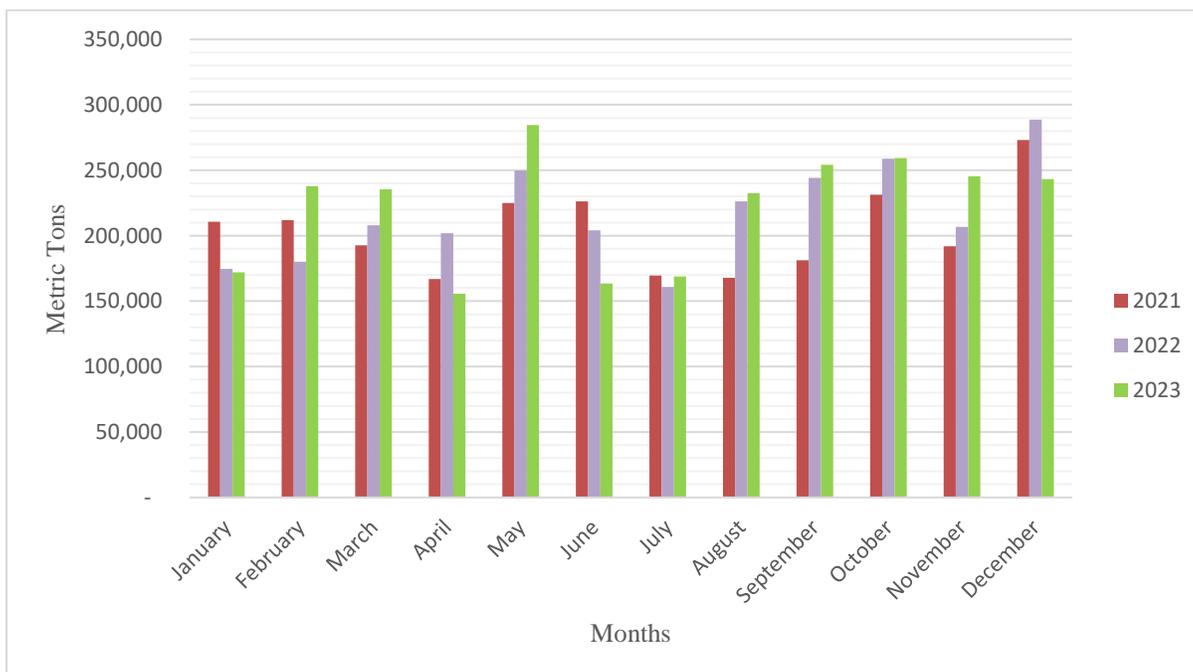
Avocado trees are tropical or sub-tropical trees that grow best in areas with strong sunlight. Local producers favor planting at altitudes between 800 and 2,500 meters above sea level in clay or loamy soil with good drainage. Growers report that 1,200 mm of evenly distributed rain per year is sufficient for good yields. Avocado trees generally require moderate temperatures (60° and 85° F) and new seedlings do best when planted in the spring months. Trees can grow up to 60 feet tall and 35 feet wide and require regular care for maximum yield.

The Hass avocado variety is the leading variety both for export and domestic consumption, due in part to its durability in transport and availability virtually year around. Industry sources report that the Hass variety accounts for 97 percent of total production, with the Criollo, Fuerte, and Mendez varieties making up the remaining three percent.

Local producers report that in Mexico each avocado tree can produce 75 to 80 kilograms (165 to 175 pounds) of fruit per flowering, with trees flowering twice per year. Trees need about eight years to start producing fruit, and some growers have trees that are 50 years old and still producing.

Mexico’s two main avocado seasons are “La Loca” (June–September), the primary flowering period, and “La Normal” (September–February), the main fruit production period. According to industry sources, floral development requires between 85 and 200 days, regardless of climatic conditions and use of irrigation. Avocado production relies on pollinator insects, including bees, hoverflies, and wasps.

Graph 4: Monthly Avocado Harvest in Mexico



Data source: SIAP

Consumption

Mexico's domestic avocado consumption has been increasing in recent years, with consumers having more access to the fruit year around. While a small amount of domestic demand is met by states that do not export, including the State of Mexico, Nayarit, and Morelos, the bulk of domestic consumption is covered by the leading production and exporting states of Michoacán and Jalisco.

According to official GOM data, annual per capita avocado consumption grew from about 8 kilograms (18 pounds) in 2021 to nearly 11 kilograms (24 pounds) in 2023. Due to relatively high prices compared to other fruits, avocados are considered a luxury food item in Mexico and are not included in the basic food basket defined by the GOM.

Avocados have a wide variety of uses, from food consumption as fresh fruit or in guacamole – one of the most popular Mexican dishes worldwide – to use in industrial products such as cosmetics.

Trade

Mexico's avocado exports reached 1.4 MMT in 2023, a 15 percent increase from 2022. By value, 2023 exports totaled USD 3.03 billion, a 12 percent decrease from the USD 3.44 billion exported in 2022. The United States is the number one destination for Mexican avocados, with a volume of 1.12 MMT in 2023, up 19 percent compared to the prior year. The U.S. market accounts for 80 percent of Mexico's total avocado exports, with the remainder going to Canada, Japan, Spain, and Central America.

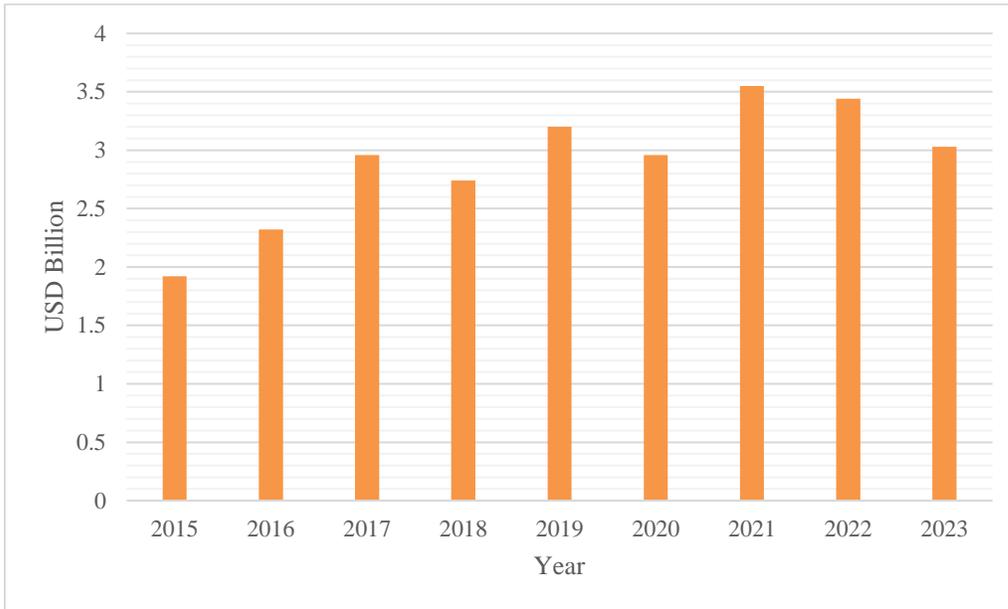
Mexico is the number one avocado supplier to the United States, with an 89 percent of U.S. avocado imports, followed by Peru (six percent), and the Dominican Republic (four percent). Hass is the top export variety, with a greater than 90 percent share, followed by the Criollo, Fuerte, and more recently, the Mendez variety.

Mexico's 2023 avocado exports were comprised of 96 percent fresh product, 3 percent guacamole, and 1 percent pulp for further processing. The December to February timeframe accounts for 33 percent of exports, with the Super Bowl being one of the biggest demand drivers for Mexico's avocado exports to the United States.

Avocados ranked fourth in value among Mexico's agricultural exports in 2023, after beer, tequila, and berries.

Avocados from Michoacan and Jalisco are eligible for export to the United States duty-free. Producers and packing facilities are subject to a plant health Avocado Preclearance Program, which is carried out jointly by APEAM, the USDA Animal and Plant Health Inspection Service (APHIS), and Mexico's National Service of Health, Food Safety, and Food Quality (SENASICA). The program is designed to identify and mitigate the risk of exotic pest introductions through action taken in foreign countries. Integrity checks to ensure compliance with the program guidelines may be conducted at the U.S. port of entry.

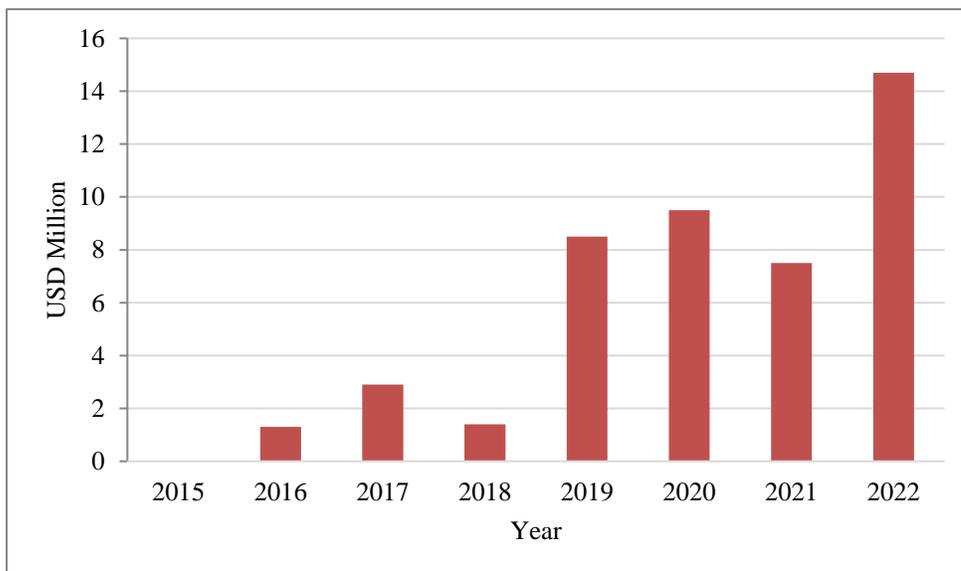
Graph 5: Mexico Avocado Exports (USD Billion)



Data Source: SIAP

Mexico’s avocado imports reached USD 15 million in 2022. Data on 2023 imports is not yet available. Mexico primarily imports avocados from Peru and Colombia, to fulfill domestic demand during lower production periods.

Graph 6: Mexico Avocado Imports (USD Million)



Data Source SIAP

Attachments:

No Attachments.