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# Chile

# Raisin Annual

# Chile Raisin Annual Report

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**Report Highlights:**
**Chile's raisin production is estimated to fall during the present Marketing Year due to a smaller availability of grapes and adverse weather conditions that did not allow large amounts of grapes to be sun dried into raisins.**

**Executive Summary:**

For in 2010/11 (Jan-Dec 2010), raisin production is expected to fall significantly compared to the previous year, as the availability of discarded table grapes is smaller due to a fall in an demand by the wine and juice industry and a smaller total table grape production.

**Commodities:**

Raisins

**Production:**

Raisin production in 2010/11 (Jan-Dec 2010) will be significantly smaller than last years output. A fall in production of table grapes together with colder than usual weather during last spring and summer and a increased demand for grapes by the wine and juice industry during this season, explains the large fall of raisin production. A smaller production of table grapes and a strong export demand for these reduced the availability of grapes for drying purpose. Additionally a smaller output of grapes for wine during this season also increased demand for table grapes which is used for the wine and juice industry increasing prices for the discarded grapes. Additionally as a result of lower temperatures during the summer months many producers could not sun dry as many grapes as last year. In Chile there are no grapes planted only for raisin production. Raisins come from discarded table grapes that do not make it for exports or domestic fresh consumption which are mainly sundried into raisins. Mainly grapes from Thompson and Flame Seedless varieties are used for raisin production. Most of the drying process in Chile is carried out by using the sun to dry grapes which come from export left over. Grapes are laid on plastic film in open fields, where they are sun-dried for a 15 to 20 day period. There is also a large number of facilities that use drying tunnels. After the drying process is completed they are washed and cleaned from stems, sized and packed either in bulk or smaller containers depending on the destination market.

For the coming years industry sources expect, production to recover to similar levels than in the past, in spite of an increasing areas of table grape orchards that are suitable for drying into raisins. A large number of farmers who have had negative economic returns with table grape varieties during the last few seasons have decided to uproot their orchards. Additionally, the on-going revaluation of the peso against the dollar is making production for exports less attractive as income is in dollars and cost is in pesos. Raisins are mainly produced for exports; over 90 percent of production is for that market.

**Consumption:**Chile's best quality raisins are exported. As with most of Chile’s fruit production, the domestic market normally receives raisins rejected for export. Because domestic raisin consumption is small, it does not influence production or trade decisions. The main end-users of raisins are the baking, pastry and ice cream industries. Raisins are primarily used in finished products such as cakes, cookies, and ice cream. Non-industrial usage and snack consumption are both very limited.

**Trade:**Over 90 percent of Chilean raisin production is exported. The Latin American market accounts for half of Chile's raisin exports and it is generally the destination for the lower quality raisins. For next year, exports are expected to increase again due to the greater availability of raisins. Raisins are normally exported year around, but the months of heaviest flow are June/July and November/December of each year.

**Stocks:**
Most raisin exporters have a policy of maintaining stock levels close to zero. Whenever possible, exporters prefer to sell or export all of their production. Variations in the ending stock level from one marketing year to the next, generally only means that raisins have not yet been shipped to their destination.

**Policy:**
The government does not provide direct export subsidies or play any role in setting quality standards for this product.

**Prices**

Raisins currently are not a key consumer item in Chile. Consequently, neither the government nor the various exporter associations maintain retail or wholesale prices. Export prices for CY2009 averaged US$1,520/MT, down from CY2008 average price of US$1,935/MT.

**Production, Supply and Demand Data Statistics:**

| **Raisins** **Chile** | 2008/2009 | | | 2009/2010 | | | 2010/2011 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Market Year Begin: Jan 2008 | | | Market Year Begin: Jan 2009 | | | Market Year Begin: Jan 2010 | | |
| | USDA Official | Old Post | New Post | USDA Official | Old Post | New Post | USDA Official | Old Post | New Post |
| Area Planted | 56,000 | | 56,250 | 56,000 | | 56,000 | | | 56,000 |
| Area Harvested | 48,900 | | 47,840 | 49,100 | | 48,900 | | | 49,100 |
| Beginning Stocks | 1,000 | | 1,170 | 1,500 | | 1,379 | | | 1,622 |
| Production | 70,000 | | 68,000 | 70,000 | | 81,000 | | | 50,000 |
| Imports | 0 | | 20 | 0 | | 20 | | | 20 |
| Total Supply | 71,000 | | 69,190 | 71,500 | | 82,399 | | | 51,642 |
| Exports | 67,300 | | 65,611 | 65,000 | | 78,277 | | | 47,000 |
| Domestic Consumption | 2,200 | | 2,200 | 4,100 | | 2,500 | | | 2,800 |
| Ending Stocks | 1,500 | | 1,379 | 2,400 | | 1,622 | | | 1,842 |
| Total Distribution | 71,000 | | 69,190 | 71,500 | | 82,399 | | | 51,642 |

**Author Defined:**

**Export Trade Matrix**

| | | | | | |
|---|---|---|---|---|---|
| **Country** | Chile | | | | |
| **Commodity** | Raisins | | | | |
| **Exports for:** | 2008 | | **2009** | | |
| Time Period | Jan-Dec | Units: | M.T. | | |
| Units: | **Volume** | **Value** | | **Volume** | **Value** |
| U.S. | 10,868 | 17,124 | U.S. | 12,917 | 18,014 |
| **Others** | | | **Others** | | |
| México | 7,053 | 11,109 | México | 10,161 | 12,350 |
| Peru | 6,247 | 9,258 | UK | 6,746 | 9,854 |
| UK | 5,893 | 10,276 | Peru | 6,283 | 7,751 |
| Colombia | 4,888 | 8,471 | Colombia | 5,506 | 7,133 |
| Netherlands | 3,691 | 7,401 | Brazil | 4,559 | 6,577 |
| Russia | 3,579 | 7,511 | Venezuela | 3,812 | 11,955 |
| Venezuela | 3,409 | 18,903 | Russia | 3,809 | 6,453 |
| Germany | 2,051 | 3,870 | Netherlands | 3,395 | 5,968 |
| Ecuador | 2,028 | 3,344 | Germany | 2,241 | 3,149 |
| Brazil | 1,973 | 3,520 | Ecuador | 1,767 | 2,240 |
| Total for Others | 40,811 | | | 48,279 | |
| Others not Listed | 13,932 | | | 17,081 | |
| **Grand Total** | **65,611** | **122,982** | | **78,277** | **118,943** |

| | | | | | |
|---|---|---|---|---|---|
| **Time Period** | Jan-Jun | | | | |
| **Exports for:** | 2009 | | **2010** | | |
| U.S. | 4,798 | 6,876 | U.S. | 3,480 | 5,834 |
| **Others** | | | **Others** | | |
| México | 4,939 | 5,884 | UK | 2,395 | 4,631 |
| Colombia | 2,328 | 2,962 | Colombia | 2,360 | 4,778 |
| UK | 2,186 | 3,467 | México | 2,349 | 4,053 |
| Peru | 1,226 | 1,057 | Russia | 2,223 | 5,212 |
| Netherlands | 1,164 | 2,101 | Netherlands | 1,435 | 3,212 |
| Russia | 798 | 1,474 | Peru | 1,408 | 2,680 |
| Germany | 691 | 986 | Denmark | 874 | 1,585 |
| Brazil | 590 | 801 | Venezuela | 848 | 2,018 |
| France | 536 | 1,137 | Spain | 834 | 1,723 |
| Spain | 512 | 786 | Ecuador | 701 | 1,317 |
| Total for Others | 14,970 | | | 15,427 | |
| Others not Listed | 5,554 | | | 5,214 | |
| **Grand Total** | **25,322** | **42,269** | | **24,120** | **48,588** |

**Note**: Volume in M.T. and Value in Thous.US$ F.O.B.