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Argentina

Fresh Deciduous Fruit Annual

2012

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Report Highlights:
For CY 2013, Post forecasts an increase in production of all three types of fresh deciduous fruit to 1.03 MMT for apples, 820,000 MT for pears, and 141,000 MT for table grapes, compared to the previous year, due to favorable weather conditions. Exports are expected to rebound to 200,000 MT, 430,000 MT, and 50,000 MT, respectively, as a result of larger production. Domestic consumption is projected to increase for the three types of fruit.

As a consequence of the high inflation in dollar terms in Argentina during the past few years, which continues to increase production costs significantly, fruit exporters have become less competitive in international markets. Thus, it is expected that higher volumes of fruit will be devoted for the domestic market in the next marketing season in detriment of overseas markets.

Executive Summary:

Argentina's CY 2013 apple, pear, and table grape production is forecast to increase to 1.03 MMT, 820,000 MT, and 141,000 MT, respectively, due to favorable weather conditions, compared to CY 2012. Exports are expected to rebound to 200,000 MT for apples, 430,000 MT for pears, and 50,000 MT for table grapes, following the increase in production, and because smaller volumes of fruit are expected in the Northern Hemisphere fruit producing countries. Domestic consumption is forecast to increase for the three types of fruit to 325,000 MT for apples, 130,000 MT for pears, and 91,000 MT for table grapes.

Commodities:

Apples, Fresh
Pears, Fresh
Grapes, Table, Fresh

Production:

Production and Area

CY 2013 fresh apple, pear, and table grape production is estimated to rebound to relatively normal levels of 1.03 MMT, 820,000 MT, and 141,000 MT, respectively, due to favorable weather conditions, and also as a result of the natural lifecycle of plants, which allows fruit blossom heavier one season and lighter the following season. CY 2013 is expected to be this "heavier" season. However, for apples and pears, production is projected to be slightly smaller than in CY 2011, which was a very good season, as pruning and other tasks are not being carried out appropriately, and this might affect fruit volumes and qualities in the upcoming season.

CY 2012 fresh apple, pear, and table grape production is expected to remain unchanged at 860,000 MT, 760,000 MT, and 110,000 MT, respectively, compared to latest USDA official estimates. Production for apples and pears is forecast to decrease substantially, compared to CY 2011, as a result of unfavorable weather conditions, mainly hail storms during harvest, which affected fruit volumes and quality, and to a lesser extent, bee mortality, which prevented regular pollination due to ash contamination from the eruption of Puyehue volcano in Chile. Moreover, the harvest was delayed as a consequence of small fruit size resulting from high temperatures, excess rain, and strong winds, which affected seed formation. The decrease of fresh table grape production was due to late frosts during springtime.

CY 2011 fresh apple production increased to 1.06 MMT, compared to USDA official estimates, due to favorable weather conditions during the growing season of CY 2010 resulting in higher yields, and new plantations entering production. Fresh pear production decreased to 830,000 MT as yields were lower than expected. The fruit quality was good, both in size and color. Fresh table grape production decreased to 142,000 MT. Although there was more rain than average, yields were high and the fruit quality was very good.

For 2011/2012, area planted to apples is revised down from 30,000 to 29,000 hectares, and it is estimated to continue to decrease to 28,000 hectares in 2012/2013. This is primarily due to the economic and financial crisis affecting the main fresh deciduous fruit growing region of Argentina, Alto Valle and Valle Medio in the Province of Rio Negro, and also the fact that land that was traditionally used for apple production in the Province of Mendoza is increasingly being devoted to wine grape production and other more profitable crops. In

2011/2012, area planted to pears increased from 28,000 hectares to 29,000 hectares. This is the first time in history that area devoted for pear production exceeds area devoted for apple production in Argentina.

It is estimated that 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. About 35-40 percent of the total production is exported, and 70 percent of non-Mercosur overseas exports are dominated by only 5 companies. However, those firms constitute about 20 percent of the domestic market and 25 percent of exports to Brazil. There are about 2,800 producers and 60,000 workers in the fruit sector.

During 2011/2012, area planted to table grapes decreased from 10,000 hectares to 9,500 hectares as a result of more area devoted to raisin production, especially the Flame Seedless variety. About 95 percent of total table grape production is concentrated in the Province of San Juan, Argentina.

Organics

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. In CY 2011, organic exports totaled 17,734 MT for apples, compared to 24,000 MT in CY 2010, and 26,489 MT for pears, compared to 15,000 MT the previous year. The main destinations were the EU and the U.S. 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. Exports of organic table grapes are negligible.

Varieties

Two of the primary challenges of the fruit sector are to improve quality to meet the requirements of 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. 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 is Granny Smith. 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, William's accounts for about 50 percent of the Argentine total 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. 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 started in early 2011 and have continued throughout 2011 and 2012, including strikes and road blockades. As a result, there was a 10-15 day delay in fruit harvesting in CY 2012, which resulted in some first fruit ripening upon arrival in both the domestic and export markets (although this created concern among local companies, losses were not reported). At the beginning of the past 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), and for the current season, the fruit sector obtained an additional increase of 12 percent, significantly increasing labor costs for the sector. Producers also protested on the roads about the continuous loss of competitiveness, and requested financial support from the government.

-- According to private sources, in CY 2012, conventional fruit production costs increased by about 15 percent in dollar value, as a result of increases in labor, energy, ocean freight, and input costs (labor costs account for about 60 percent of total production costs for apples and pears, and 70 percent for table grapes). As reported by private sources, the cost of production of a kilogram of fruit is about $0.29 (apples) and $0.35 (pears), and exporters paid to the producer between $0.15-0.22. As a result of the steep cost increase, some fruit was not harvested in CY 2011 and 2012. The largest table grape producers in the Province of San Juan have reported that they will devote more fruit to raisin production in the following marketing season if costs do not come down next marketing season.

--Large companies, who are producers, packers and exporters, are becoming less competitive in the international market because of increased costs, lower profitability, and decreased labor force. Private sources forecast that, during the past season, the fruit sector lost about $200 million (the official estimate is $105 million) as a result of loss of competitiveness, which added to a similar financial situation in CY 2010 plus lower profitability due to smaller production. During the current season, the situation worsened with costs that continue to increase and lower income. Private sources estimate that the labor force of the fruit sector decreased by about 1,000 workers per year (reportedly, 3,100 workers in the past three seasons) as a result of the crisis affecting the sector. Small companies are also affected by this since large companies tend to produce and market their own fruit, minimizing the volumes of fruit purchased from smaller producers.

-- High inflation rates of over 20 percent during the past few years, and estimated between 24 and 25 percent for CY 2012, and a stable dollar compared to the local currency, have been decreasing drastically the competitiveness of the local fruit sector in international markets and discourage domestic and foreign investment.

-- Despite the growth in production, the outlook for 2013 does not look positive as no significant change in the local economy is expected to help the fruit sector increase their competitiveness in export markets.

Consumption:

Domestic consumption in CY 2013 is forecast to increase for apples, pears, and table grapes to 325,000 MT, 130,000 MT, and 91,000 MT, respectively, compared to CY 2012, due to larger production. Also, as in the past few years, pear production has been growing faster than apple production. It is estimated that higher volumes of the three types of fruit will be devoted for the domestic market, in detriment of overseas markets, due to the inflation in dollar terms in Argentina. Consequently, production costs are expected to continue to go up making fruit exports less competitive in international markets. (Note: table grape volumes which will not be exported, as mentioned previously, will be devoted not only for domestic consumption but also for raisin production. In

the PSD table, both volumes will be included under the "Domestic Consumption" category, increasing it above the normal consumption level).

Domestic consumption in CY 2012 is projected to remain unchanged at 270,000 MT for apples and 120,000 MT for pears. Table grape consumption is expected to increase to 70,110 MT, compared to previous official estimates, as a result of smaller exports.

Domestic consumption of fresh apples in CY 2011 is increased to Post estimate of 326,674 MT, compared to the USDA official estimate, as a result of larger production. Fresh pear and table grape consumption is decreased to Post estimate of 120,346 MT and 85,980 MT, respectively, due to smaller production and larger exports. 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.

Annual per capita consumption is estimated at 7-8 kg for apples and between 3-3.5 kg for pears. The overall trend is a slight decrease of apple domestic consumption and a gradual increase of pear consumption. This is due to younger pear trees entering production, while eradication of older apple trees is being carried out at a slower pace.

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: (1) Large exporters from Alto Valle, which use the domestic market as a secondary outlet for their products since their main focus is 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 2013 exports are estimated to increase to 200,000 MT for apples, 430,000 MT for pears, and 50,000 MT for table grapes, compared to the previous year, due to larger production. However, they are forecast to be smaller than expected as the local fruit sector does not expect any significant change in the economy that would increase their competitiveness in the international fruit market. Under this scenario, the Argentine fruit sector could be losing a great opportunity as it is estimated that in 2013 there will be smaller volumes of apples and pears in the Northern Hemisphere fruit producing countries, especially in west Europe and the U.S.

CY 2012 exports are projected to decrease to 160,000 MT for apples, 360,000 MT for pears, and 40,000 MT for table grapes, compared to previous USDA official estimates, as a result of smaller production, and lower competitiveness of local fruit companies in international markets due to the economic crisis affecting the Argentine fruit sector as the inflation in dollar terms makes fruit exports less profitable. Another important factor negatively affecting exports are Brazil's non-automatic import licences (see Policy section). Private sources estimate that, during the current marketing season, the apple and pear sector in the Alto Valle and

Valle Medio lost $130 million to the crisis and Brazilian restrictions. (About 30 percent of total apple exports and 35 percent of total pear exports are shipped to Brazil every year).

CY 2011 fresh apple exports increased slightly to 233,393 MT, compared to official estimates, as a result of larger production than expected, and fresh pear exports were revised up to 469,676 MT due to smaller domestic consumption and less fruit for processing. Table grape exports were increased to Post estimate of 56,417 MT as a result of smaller domestic consumption. Despite the increase, table grape exports are facing difficulties in some export markets, which have become more demanding in quality terms, due to competition with increasing fruit supply from Peru and Chile.

Fresh Apple Exports – Main Destinations

Partner Country	2010		2011		January-August 2012	
	USD	MT	USD	MT	USD	MT
World	139,040,600	178,825	188,443,0911	233,393	96,586,903	110,450
Brazil	39,626,154	48,778	63,805,115	73,781	17,363,364	16,751
EU	40,369,874	48,181	44,633,320	50,269	28,092,704	28,965
Russia	22,523,866	30,553	45,122,926	59,146	23,790,605	29,292
Algeria	15,395,645	20,064	15,222,443	20,415	9,096,025	11,590
Bolivia	3,043,088	6,055	3,542,661	6,594	2,134,129	4,072
Norway	5,223,797	6,056	5,132,649	5,774	3,933,202	4,408
U.S.	5,223,797	6,056	3,411,593	4,495	4,437,231	4,670
Libya	1,831,996	2,302	219,912	296	3,018,385	3,576

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

Fresh Pear Exports – Main Destinations

Partner Country	2010		2011		January-August 2012	
	USD	MT	USD	MT	USD	MT
World	332,821,105	418,116	409,125,672	469,676	308,867,548	348,064
Brazil	121,356,135	152,368	136,739,877	148,824	113,221,686	120,065
EU	89,446,546	112,347	121,968,313	141,246	64,935,132	75,808
Russia	72,572,847	94,283	85,022,758	106,280	79,889,104	94,800
U.S.	22,355,863	26,764	32,992,768	38,830	27,749,830	31,340
Mexico	5,423,365	5,957	7,472,333	6,752	2,602,560	2,228
Canada	4,718,193	5,869	5,448,048	6,044	3,989,759	4,335
Algiers	3,128,732	3,921	3,611,187	4,442	4,552,812	5,469
Peru	0	0	0	0	2,107,503	2,308

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

Fresh Table Grape Exports – Main Destinations

Partner Country	2010		2011		January-August 2012	
	USD	MT	USD	MT	USD	MT
World	71,090,071	50,142	83,438,481	56,417	55,742,880	35,472
EU	34,019,760	22,931	35,887,372	23,206	25,080,390	15,003
Russia	16,096,890	11,341	22,363,473	15,198	10,431,602	6,849

Brazil	15,950,412	11,580	19,875,477	13,497	13,686,853	8,734

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

Currently, over 70 markets are open to Argentine apples and pears. In CY 2011, Brazil remained the most significant fruit export market for apples and pears (by volume and value), followed by the EU (for pears) and Russia (for apples and table grapes). This was 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.

During the first part of the year, most apple and pear exports are usually devoted for overseas markets (mainly Europe and the U.S.) and, during the last part of the year, exports are oriented to Mercosur countries. During January-August 2012, exports of apples to overseas markets decreased by about 20 percent and pears about 40 percent, compared to the same period in 2011. The two main factors that caused such decrease were relatively high prices of local fruit supply to cover increased costs, which some of the main export markets were not willing to pay, and smaller volumes of fruit for export, whose quality was affected by summer hail storms. In addition, exports to Brazil decreased between 50-60 percent, compared to the previous year, as a result of the application of non-automatic import licenses by Brazil to Argentine apple and pear exports.

The U.K. and the U.S. are traditional markets for Argentine organic apples and pears. In the U.K. there is a broader distribution of organic fruit, while in the U.S. organic fruit is sold in specialty retail stores. Brazil is becoming a very significant 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.

Argentina is a net fruit producing and exporting country. Thus, fresh deciduous fruit imports have traditionally been negligible especially during the past couple of years with government food import restrictions in place (see Policy Section).

Policy:

Government Support to Producers

The Government of the Province of Rio Negro has announced a $9-million (U.S.) support program aimed at assisting fruit producers to overcome the current economic crisis and recuperate from the effects of late frosts or hail damage, carry out pruning tasks, take appropriate phytosanitary measures, etc. They will also receive financial assistance for fuel supply in the form of a subsidy. We are unsure of how the program will be implemented.

In addition, the GOA created a Fruit Observatory, integrated by both the official and private sector, whose main goal is to determine the fruit sector profitability based primarily on the analysis of production costs. Both producers and industry have welcomed this initiative. For the 2010/2011 season, the Observatory concluded that producers lost $0.075/kg of fruit.

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.

In 2002, the Government of Neuquen Province implemented a voluntary Compensation Fund for Fruit Producers – which is still in force -- 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 to the exporter 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 or reduce fruit export taxes and double rebates. 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, and table grapes:

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

Export and Import Restrictions

As of February 2012, the GOA has established new trade restrictions affecting all imports. Although fresh apple and pear imports have traditionally been small, these policies have decreased imports significantly. Some of these policies require preapproval for imports weeks before beginning the importation process. Additional obstacles include the imposition of strict limits on foreign exchange transactions and restrictions against the payment of dividends and repatriation of profits, more widespread usage of non-automatic import licenses, and difficulties in obtaining certificates of country-of-origin for products to be imported. Under this scenario, it has been difficult for producers to obtain imported inputs, such as agrochemicals, and they were forced to purchase locally manufactured inputs at higher costs.

In early May 2012, as a retaliation measure to Argentine import restrictions, the Government of Brazil (GOB) suspended automatic import licenses for a few Argentine fresh products, including apples, pears, table grapes, plums, wine, potatoes, wheat flour, and cheese, and in early June, an additional phytosanitary authorization was requested for Argentine apples, pears, quinces, and lemons entering Brazil. As a result, an import license for these products must be requested in advance. This measure has impacted seriously in the local fruit sector with fruit oversupply exceeding the local processing capacity, and especially considering that Brazil is the primary export destination for Argentine apples and pears in the second semester of the year. Private sources estimate that, during May-September 2012, apple and pears exports to Brazil decreased by 50-60 percent. Currently, pear and table grape exports are not being delayed, and the phytosanitary authorization requirement has been recently lifted. However, the approval of import licences for apples is still taking about 20 days.

Phytosanitary Issues

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

Argentina has been negotiating access to China for apples and pears for several years. Although China would allow imports from Argentina, they require methyl bromide treatment. Argentina does not treat with this chemical because it reduces fruit quality. Therefore, the fruit is kept out of the market. In addition, China does not recognize the Rio Negro and Neuquen area as free of fruit fly, where the majority of apples and pears are produced. Negotiations are on-going to work on these issues.

Marketing:

Prices

Overall, fresh fruit FOB prices were historically high during CY 2011, they were higher in CY 2012, and they are likely to remain high, and even increase further in CY 2013, as it is estimated that there will be less fruit availability in the Northern Hemisphere. However, the high prices were not sufficient to cover costs, which resulted in increased financial difficulties for the local fruit sector.

In CY 2012 and CY 2013, smaller fruit volumes are projected to be exported to the primary markets for Argentine fruit, such as the EU, the U.S., and Russia (accounting for roughly 75 percent of total apple and pear exports), since so far the prices paid by those markets have remained lower than domestic costs.

The following tables show average export prices for CY 2010-2011 and January-August 2012:

FOB Prices ($/MT) Fresh Apples			
Month	**2010**	**2011**	**January-August 2012**
Jan	795	745	1,001
Feb	772	809	856
Mar	769	780	862
Apr	795	805	881
May	828	840	903
Jun	800	779	873
Jul	772	750	822
Aug	713	782	832
Sep	708	803	n/a
Oct	704	811	n/a
Nov	700	882	n/a
Dec	759	930	n/a
Average	760	810	n/a
Exchange rate	4.73	Local currency/US$1	
Date of Quote	10/19/2012		

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

FOB Prices ($/MT) Fresh Pears			
Month	**2010**	**2011**	**January-August 2012**
Jan	822	830	956
Feb	775	835	856
Mar	788	831	867
Apr	800	830	915
May	796	850	884
Jun	813	903	919
Jul	822	990	1,001
Aug	826	966	1,017
Sep	796	1.017	n/a
Oct	800	1.087	n/a
Nov	793	1.314	n/a

Dec	835	1.439	n/a
Average	806	991	n/a
Exchange rate	4.73	Local currency/US$1	
Date of Quote	10/19/2012		

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

FOB Prices ($/MT) Fresh Table Grapes			
Month	**2010**	**2011**	**January-August 2012**
Jan	1,481	1,461	1,626
Feb	1,335	1,378	1,424
Mar	1,277	1,382	1,488
Apr	1,282	1,329	1,561
May	1,333	1,397	425
Jun	1,644	1,468	568
Jul	1,038	2,311	425
Aug	500	500	0
Sep	0	500	n/a
Oct	500	500	n/a
Nov	500	0	n/a
Dec	1,547	1,724	n/a
Average	1,131	1,268	n/a
Exchange rate	4.73	Local currency/US$1	
Date of Quote	10/19/2012		

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

Retail Prices (US$/kg) – October 2012		
	Variety	Price (US$/kg)
Pears	Packham's Triumph (Premium)	3.14
	Packham's Triumph (Standard)	2.47
	William's	n/a
	Beurre D'Anjou	n/a
	Beurre Bosc	n/a
	Abate Fetel	n/a
Apples	Red Delicious (Premium)	4.28
	Red Delicious (Standard)	3.14
	Granny Smith (Premium)	4.28
	Granny Smith (Standard)	2.92

	Royal Gala	n/a
	Rome Beauty	2.73
Table Grapes	Red Globe (Premium) – From Brazil	n/a
	Red Globe (Standard)	n/a
	Superior Seedless (Premium) – From Brazil	n/a

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

Retail prices for fresh organic apples and pears may vary between 5-50 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.)									
	2010			2011			January-September 2012		
	Apples	Pears	Grapes	Apples	Pears	Grapes	Apples	Pears	Grapes
January	0.76	0.84	0	0.73	0.53	1.25	0.93	0.90	0.12
February	0.78	0.87	0	0.75	0.52	0.84	0.88	0.83	0.86
March	0.76	0.57	0.64	0.74	0.54	0.86	0.93	0.79	0.07
April	0.75	0.64	0.69	0.67	0.56	0.88	0.90	0.82	1.10
May	0.68	0.67	0.93	0.65	0.56	0.91	0.92	0.74	1.06
June	0.70	0.70	0.95	0.68	0.59	1.16	0.96	0.75	1.34
July	0.72	0.66	1.41	0.70	0.58	1.45	1.01	0.74	1.70
August	0.74	0.71	1.85	0.68	0.59	2.51	1.12	0.78	2.11
September	0.76	0.74	3.30	0.75	0.62	4.88	1.17	0.87	4.78
October	0.80	0.80	3.73	0.77	0.72	5.98	n/a	n/a	n/a
November	0.80	0.74	3.85	0.84	0.85	0	n/a	n/a	n/a
December	0.86	0.72	0	0.93	1.01	1.63	n/a	n/a	n/a
Annual Average	**0.76**	**0.72**	**1.93**	**0.74**	**0.64**	**2.03**	**n/a**	**n/a**	**n/a**

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	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	30,000	30,000	30,000	29,000		28,000
Area Harvested	28,000	28,000	28,000	27,000		26,000
Bearing Trees	27,000	27,000	27,000	26,500		25,500
Non-Bearing Trees	5,000	5,000	5,000	4,500		4,500
Total Trees	32,000	32,000	32,000	31,000		30,000
Commercial Production	1,040,000	1,060,000	860,000	860,000		1,030,000
Non-Comm. Production	0	0	0	0		0
Production	1,040,000	1,060,000	860,000	860,000		1,030,000
Imports	300	67	0	30		0
Total Supply	1,040,300	1,060,067	860,000	860,030		1,030,000
Fresh Dom. Consumption	317,100	326,674	270,000	270,000		325,000
Exports	233,200	233,393	180,000	160,000		200,000

For Processing	490,000	500,000	410,000	430,030		505,000
Withdrawal From Market	0	0	0	0		0
Total Distribution	1,040,300	1,060,067	860,000	860,030		1,030,000
HA, 1000 TREES, MT						

Pears, Fresh Argentina	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	28,000	28,000	28,000	29,000		29,000
Area Harvested	26,000	26,000	26,000	27,000		27,000
Bearing Trees	19,000	19,000	19,000	20,000		20,000
Non-Bearing Trees	4,000	4,000	4,000	4,000		4,000
Total Trees	23,000	23,000	23,000	24,000		24,000
Commercial Production	840,000	830,000	760,000	760,000		820,000
Non-Comm. Production	0	0	0	0		0
Production	840,000	830,000	760,000	760,000		820,000
Imports	3,000	22	0	110		0
Total Supply	843,000	830,022	760,000	760,110		820,000
Fresh Dom. Consumption	123,400	120,346	120,000	120,000		130,000
Exports	469,600	469,676	380,000	360,000		430,000
For Processing	250,000	240,000	260,000	280,110		260,000
Withdrawal From Market	0	0	0	0		0
Total Distribution	843,000	830,022	760,000	760,110		820,000
HA, 1000 TREES, MT						

Grapes, Fresh Argentina	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	10,000	10,000	10,000	10,000		9,500
Area Harvested	9,500	9,500	9,500	9,500		9,300
Commercial Production	145,000	142,000	110,000	110,000		141,000
Non-Comm. Production	0	0	0	0		0
Production	145,000	142,000	110,000	110,000		141,000
Imports	400	397	0	110		0
Total Supply	145,400	142,397	110,000	110,110		141,000
Fresh Dom. Consumption	89,600	85,980	65,000	70,110		91,000
Exports	55,800	56,417	45,000	40,000		50,000
For Processing	0	0	0	0		0
Withdrawal From Market	0	0	0	0		0
Total Distribution	145,400	142,397	110,000	110,110		141,000
HA, MT						