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Chile

Fresh Deciduous Fruit Annual

Apples, Table Grapes and Pears Annual

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Report Highlights:
The industry forecasts that this year's production of table grapes and apples will be similar to last year's.

Executive Summary:

In spite of favorable weather conditions during this last winter months (Jun-Aug. 2012) with almost no frost in most growing areas and sufficient cold hours accumulated which should have a positive effect on budding to assures a good production, the industry predicts a harvest volume similar to that of last year (an unusually low harvest due to adverse weather conditions). As severe drought continues to adversely affect a large area of table grape production output is expected to be similar in volume than the previous year.

Commodities:

Apples, Fresh

Production:

Total output for the coming 2013 production season, although it is still too early for a good prediction on production volume, is forecasted to be slightly smaller than this year's harvest. Weather conditions during this last winter months (Jun-Aug. 2012) has been favorable with almost no frost in most growing areas and sufficient cold hours have accumulated which should have a positive effect on budding to assures a good production. Nevertheless industry sources have indicated that although the largest area is planted to the Gala variety for which a normal production is expected, some varieties like Fuji, Pink Lady, Breaburn and Red Delicious are affected by alternate bearing. Normal conditions are also expected for the green varieties.

For the coming years, since producers have been diversifying their orchards, by planting new and more productive varieties, i.e., Fuji, Gala, Jonathan, Braeburn, Pink Lady and Galaxies in replacement for the traditional varieties, such as Red Delicious and its variations (i.e., Richard Red, Starking, etc) and increasing orchard density, we could expect that output keeps expanding under normal weather conditions. Red apple varieties constitute over 75 percent of total planting and output. The main green variety is Granny Smith, which is used both for fresh export (mainly to Europe and the United States) as well as for concentrated apple juice production.

Crop Area

Although some growers, mainly in Regions VII (Curico-Talca) and VIII (Chillan), continue to replace and increase their planting densities, farmers have been uprooting old orchards. However, in general, the total planted area is on hold due to a significant fall in economic returns on apples during the last few years. A strong peso together with increased labor costs has also been a factor by reducing competitiveness of the labor-intensive fruit industry in Chile. All this has brought the planted area into a hold after a continuous growth in the past. The exchange rate for the peso fell again during the last 12 months. Other factors, like increasing energy costs and labor shortage which increases labor cost, are also affecting the industry. Consequently, industry sources have indicated that increases of new plantings and significant production increases in the coming years are not expected.

Consumption:

There are no official statistics on domestic fresh apple consumption. The figures shown in the PS&D table are estimated as a residual of production, minus an estimate of apples destined for processing and the known export figure.

Trade:

A strong demand for apples resulted in an increase of the value of exports in MY2011. Economic returns increased also during 2012 as prices obtained for the exported apples increased slightly again. The US continues to be Chile's largest export market for apples.

Production, Supply and Demand Data Statistics:

Apples, Fresh Chile	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Planted	37,300	37,300	0	37,300		37,300
Area Harvested	33,000	33,000	0	33,100		33,150
Bearing Trees	14,845	14,845	0	14,890		14,912
Non-Bearing Trees	1,966	1,966	0	1,921		1,899
Total Trees	16,811	16,811	0	16,811		16,811
Commercial Production	1,496,000	1,421,000	1,400,000	1,350,000		1,300,000
Non-Comm. Production	10,000	10,000	10,000	10,000		10,000
Production	1,506,000	1,431,000	1,410,000	1,360,000		1,310,000
Imports	800	820	500	550		600
Total Supply	1,506,800	1,431,820	1,410,500	1,360,550		1,310,600
Fresh Dom. Consumption	233,400	197,000	195,000	195,000		195,000
Exports	801,400	800,034	750,000	760,000		750,000
For Processing	472,000	434,786	465,500	405,550		365,600
Withdrawal From Market	0	0	0			
Total Distribution	1,506,800	1,431,820	1,410,500	1,360,550		1,310,600
HA, 1000 TREES, MT						

Export Trade Matrix

Country	Chile				
Commodity	Apples, Fresh				
Exports for:	2010		**2011**		
Time Period	Jan-Dec	Units:	M.T.		
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	121,083	100,139	U.S.	90,634.0	84,160.8
Others			**Others**		
Colombia	76,614	53,956	Colombia	70,874	56,316
Saudi Arabia	58,979	41,810	Netherlands	60,414	48,910
Netherlands	56,856	38,966	Saudi Arabia	54,202	41,213
Taiwan	51,305	56,435	Russia	48,688	36,990
Ecuador	47,412	30,868	Taiwan	46,451	55,781
Peru	47,185	26,361	Ecuador	46,427	33,352
Russia	38,018	26,629	Peru	37,804	24,051
UK	35,885	28,751	India	29,194	19,206
U Arab Emirates	28,859	19,959	U.K.	29,142	26,689
India	23,035	15,055	Venezuela	26,512	26,806
Total for Others	464,147			449,706	
Others not Listed	251,920			260,494	
Grand Total	**837,149**	**624,931**		**800,834**	**667,228**

Time Period	Jan-Sep				
Exports for:	2011		**2012**		
U.S.	90,634	61,288	U.S.	121,885	90,466
Others			**Others**		
Colombia	64,233	48,535	Colombia	68,758	61,552
Netherlands	60,414	43,576	Netherlands	50,030	33,567
Saudi Arabia	53,962	40,766	Saudi Arabia	47,368	38,810
Russia	48,688	35,364	Taiwan	44,467	53,698

Taiwan	46,451	54,292	Ecuador	43,716	33,186
Ecuador	41,553	28,503	Russia	34,600	27,397
Peru	33,560	20,517	Peru	34,151	24,136
U.K.	29,142	21,814	Venezuela	28,200	34,001
India	29,095	17,900	U.K.	25,946	18,653
United Arab E.	26,406	18,707	United Arab E.	24,626	18,967
	433,503			401,862	
	249,919			210,698	
	774,056	**575,741**		**734,444**	**595,895**

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

Commodities:

Grapes, Table, Fresh

Production:

Although weather has been good in some growing areas for table grape production with sufficient cold hours accumulated during the last winter (Jun-Aug 2012) which assures a good production and harvest in the coming season (MY2013), the industry predicts a similar in volume to last year's harvest as the northern production areas are being affected by a severe drought. The Atacama (Copiapo), Coquimbo and Valparaiso Region is being affected by this drought for the second year. This area represents an estimated 52 percent of the total planted area in the country.

Chile produces over 36 varieties of table grapes for export. Thompson Seedless and Flame Seedless account for the bulk of production. Varieties like Red Globe, Superior Seedless, Crimson and Autumn Royal continued to increase in the last few years, as most of the replanting has been with these varieties. Table Grapes are planted from Atacama Region (Copiapo) to Maule Region (Curico-Talca).

Crop Area

Industry sources agree that new plantings are not likely for the next few years as economic returns have been affected by increasing costs and in general falling prices for table grapes. Additionally, a revaluation of the Chilean peso against the dollar has not being helping the fresh fruit export industry in general, as their cost are in pesos and the income is in dollars.

Consumption:

As with other Chilean fresh fruits, domestically consumed table grapes are mainly export rejects. There are no official statistics on domestic consumption. Domestic fresh consumption is derived from the only known figure, which is exports, and estimated production data. Domestic consumption generally accounts for about 10 percent of total output, while processing, mainly into raisins, accounts for another 30 percent.

Trade:

Table grape export volumes fell in 2012 when compared with the previous year, as a result of a smaller production. In 2013, industry sources indicate that export volume will probably reach similar levels than in last year but at a larger export value is expected due to a strong demand from the EU. There is reportedly an unsatisfied demand of table grapes in the EU, as producers from Greece, Italy and Spain could not satisfy the demand this past season. There is also a strong demand in China, although still small volumes if compared with other markets, but exports in 2012 expanded 130 percent in volume and 148 percent in value when compared to the previous year. A little over 40 percent of total exports go to the US. The EU is Chile's second most important table grape export market. As in the past, table grapes are being imported during the off-season.

Production, Supply and Demand Data Statistics:

Grapes, Fresh Chile	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	62,462	62,462	0	62,470		62,470
Area Harvested	53,118	53,118	0	53,125		53,125
Commercial Production	1,210,000	1,210,000	1,170,000	1,170,000		1,170,000
Non-Comm. Production	5,000	5,000	5,000	5,000		5,000
Production	1,215,000	1,215,000	1,175,000	1,175,000		1,175,000
Imports	200	177	300	250		200
Total Supply	1,215,200	1,215,177	1,175,300	1,175,250		1,175,200
Fresh Dom. Consumption	361,400	361,657	345,300	345,250		345,000
Exports	853,800	853,520	830,000	830,000		830,200
For Processing	0		0			
Withdrawal From Market	0		0			
Total Distribution	1,215,200	1,215,177	1,175,300	1,175,250		1,175,200
HA, MT						

Export Trade Matrix

Country Chile

Commodity Grapes

Exports for:	2010		**2011**		
Time Period	Jan-Dec				
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	411,496	704,958	U.S.	402,060	649,503
Others			**Others**		
Netherlands	68,123	100,769	Netherlands	85,008	138,555
UK	49,658	81,589	UK	50,792	101,769
Russia	41,387	61,111	Hong-Kong	39,785	74,010
So. Korea	31,103	62,048	So. Korea	39,404	78,762
Hong-Kong	25,191	48,489	Russia	35,917	52,558
México	18,588	32,400	China	23,832	48,610
Brazil	11,699	16,905	México	19,578	32,497
Spain	11,499	16,486	Brazil	18,789	27,184
China	9,830	21,148	Canada	18,484	32,846
Canada	7,698	14,600	Spain	11,945	15,965
Total for Others	274,775			343,535	
Others not Listed	94,814			107,926	
Grand Total	**781,085**	**1,306,974**		**853,520**	**1,430,333**

Time Period	Jan-Sep				
Exports for:	2011		**2012**		
U.S.	378,206	514,893	U.S.	336,337	484,474
Others			**Others**		
Netherlands	84,969	112,659	Netherlands	79,774	109,500
U.K.	50,749	85,056	China	55,152	99,255
Hong-Kong	39,785	63,781	U.K.	49,155	70,319
South Korea	39,310	73,033	South Korea	46,375	90,379
Russia	35,917	47,640	Russia	29,472	41,088
China	23,797	39,898	Brazil	22,314	35,193

Mexico	19,454	31,359	México	22,094	33,313
Brazil	18,728	26,958	Canada	16,750	20,929
Canada	18,355	22,963	Hong-Kong	14,347	24,107
Spain	11,945	15,169	Japan	12,062	21,783
Total for Others	343,010			347,493	
Others not Listed	107,855			109,963	
Grand Total	**829,070**	**1,197,926**		**793,793**	**1,193,180**

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

Commodities:

Pears, Fresh

Production:

As for apples, it is still too early for a good prediction on pear production volumes. Weather conditions during this last winter months (Jun-Aug. 2012) have been favorable with almost no frost in most growing areas and sufficient cold hours have accumulated which should have a positive effect on budding and assure a good production. We still have to see the fruit setting, as it was indicated by an industry contact. Nevertheless the industry predicts a similar to last year production and stable exports for the coming season.

There are over 36 pear varieties grown in Chile. Packam's Triumph and Beurre Bosc make up over 60 percent of Chile's exports. Other important varieties in Chile are Abate Fetel, Coscia, Summer Bartlets and D'Anjou.

Consumption: Most pears are consumed fresh because only a few existing varieties in Chile can be processed for canned pears or juice concentrates. Domestically consumed pears are mainly export rejects.

Trade:

Exports are expected to be similar to last year. The European Union is Chile's main export market. Close to 50 percent of pear exports are destined for the EU.

Production, Supply and Demand Data Statistics:

Pears, Fresh Chile	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,590	6,590	0	6,590		6,590
Area Harvested	6,000	6,000	0	6,000		6,000
Bearing Trees	2,981	2,981	0	2,981		2,981
Non-Bearing Trees	285	285	0	285		285
Total Trees	3,266	3,266	0	3,266		3,266
Commercial Production	288,000	288,000	285,000	285,000		285,000
Non-Comm. Production	2,000	2,000	2,000	2,000		2,000
Production	290,000	290,000	287,000	287,000		287,000
Imports	0	225	25	50		50
Total Supply	290,000	290,225	287,025	287,050		287,050
Fresh Dom. Consumption	85,300	85,000	87,025	87,000		86,000
Exports	134,700	133,551	130,000	130,000		131,000
For Processing	70,000	71,674	70,000	70,050		70,050

Withdrawal From Market	0	0	0	0		
Total Distribution	290,000	290,225	287,025	287,050		287,050
HA, 1000 TREES, MT						

Export Trade Matrix

Country Chile

Commodity Pears, Fresh

Exports for:	2010		**2011**		
Time Period	Jan-Dec				
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	16,916	16,448	U.S.	19,971	18,039
Others			**Others**		
Netherlands	16,990	16,330	Netherlands	20,015	21,104
Colombia	16,555	13,461	Colombia	18,355.7	16,699.7
Italy	13,039	15,249	Italy	13,924.2	17,371.1
Peru	11,295	7,665	Peru	10,786.0	8,142.8
Ecuador	8,931	6,543	Ecuador	10,628.5	8,858.5
Germany	4,774	4,513	Venezuela	8,807.7	10,123.8
Russia	4,520	4,180	Germany	5,727.0	6,992.4
Spain	4,334	4,553	Russia	4,268.1	4,622.1
Venezuela	2,560	2,849	Spain	3,189.0	3,933.0
Saudi Arabia	2,546	2,426	México	2,143.8	1,901.3
Total for Others	85,544			97,845	
Others not Listed	13,821			15,736	
Grand Total	**116,281**	**106,949**		**133,551**	**133,758**

Time Period	Jan-Sep				
Exports for:	2011		**2012**		
U.S.	16,916	16,448	U.S.	16,576	12,292
Others			**Others**		
Netherlands	16,990	16,330	Netherlands	20,003	19,108
Colombia	15,440	12,464	Colombia	19,117	18,496
Italy	13,039	15,249	Italy	14,963	15,143
Peru	10,037	6,755	Ecuador	10,119	9,108
Ecuador	8,677	6,350	Peru	9,378	7,249
Germany	4,774	4,513	Venezuela	9,175	10,652
Russia	4,520	4,180	Germany	5,101	3,116
Spain	4,334	4,553	Russia	3,727	3,675
Saudi Arabia	2,546	2,426	Spain	3,094	3,156
France	1,997	1,919	Saudi Arabia	2,315	2,550
	82,355			96,992	
	13,785			14,998	
	113,056	**104,168**		**128,566**	**118,392**

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

Commodities:

Apple Juice, Concentrated

Production:

Chile’s production of apple juice concentrate (AJC) primarily reflects foreign demand and the availability apples for processing. Although, the AJC industry has encouraged farmers to produce sour-type apples, as well as to expand new plantings of apple varieties mainly for juice purposes, the Chilean industry still processes almost only fresh apple export rejects. The apple juice industry competes with the pulp and dried apple industry for the apples left from the fresh exported process.

As a result of a strong export demand for concentrated apple juice, reflected in an increase of the export price (74 percent increase) which raised the export value by over 2,000 percent and 47 percent in volume from CY2010 to CY2011. In spite of another increase of the export price during the first 9 months of 2012 volumes did not expand as a smaller harvest of apples in 2012 resulted also in a reduced availability of apples for the AJC industry. For 2013 apple volumes and exports are expected to stay at similar levels to last season.

Consumption:

Limited amounts of AJC, principally single-strength juice, are consumed domestically. AJC competes with a variety of fresh and processed juices in Chile.

Trade:

The United States is Chile's largest AJC export market, accounting for 32 percent of total export sales. Other markets of increasing importance are Canada, Japan and Mexico. Latin American export markets also are growing. Levels of AJC exports will depend upon foreign demand and the ability of the industry to compete in international markets against other suppliers such as China.

Production, Supply and Demand Data Statistics:

Export Trade Matrix

Country	Chile				
Commodity	Apple Juice, Concentrated				
Exports for:	2010		**2011**		
Time Period	Jan-Dec	Units:	M.T.		
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	18,599	18,511	U.S.	18,599	18,511
Others			**Others**		
Canada	5,405	5,872	Canada	10,553	20,248
Japan	3,834	4,076	Japan	4,837	7,950
México	3,809	4,117	México	4,696	8,765
Netherlands	1,689	1,958	Germany	4,289	8,476
Germany	1,264	1,427	U.K.	2,558	5,169
So. Korea	1,056	1,302	So. Korea	2,288	4,598
U.K.	480	558	Netherlands	1,112	2,281
Argentina	458	484	Poland	533	1,008
El Salvador	294	322	Spain	442	887
Peru	184	257	Argentina	438	700
Total for Others	18,472			31,746	
Others not Listed	662			4,995	
Grand Total	**37,732**	**39,847**		**55,339**	**101,656**

Time Period	Jan-Sep				
Exports for:	2011		**2012**		
U.S.	21,332	37,059	U.S.	12,223	24,166

Others			**Others**		
Canada	8,720	16,879	Germany	4,964	9,505
Germany	4,229	8,357	U.K.	4,187	8,690
Japan	3,626	5,725	Japan	3,161	6,200
México	3,420	6,180	Poland	2,775	5,246
U.K.	2,305	4,649	México	2,318	4,533
So. Korea	1,797	3,607	Canada	2,312	4,434
Netherlands	1,090	2,226	Netherlands	1,603	3,029
Poland	533	1,008	Spain	1,560	3,091
Spain	442	887	So. Korea	1,280	2,716
Argentina	334	492	Ireland	680	1,387
	26,495			24,839	
	801			1,602	
	48,628	**88,659**		**38,665**	**76,340**

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