

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Required Report - public distribution

Date: 7/7/2016

GAIN Report Number: CI1617

Chile

Raisin Annual

Raisin exports expected to reach 70,000 MT in MY2015/16

Approved By:

Anita Katial, Agricultural Attaché

Prepared By:

Sergio González, Agricultural Specialist

Report Highlights:

In January- April MY2015/16 raisin exports increased 24% in volume and 1.9% in value over the same period MY2014/15. The main export market was the United States where exports grew 133.3% in volume and 111.4% in value. Exports are expected to reach 70,000 MT in MY2015/16 due to a higher raisin production volume that comes from table grapes that do not have the conditions to be exported as fresh.

Commodities:

Raisins

Production:

Raisin production in Chile has a unique characteristic since it is mainly comprised of grape varieties that are destined for fresh exports such as Thompson Seedless and Flame Seedless. When the fruit does not comply with the conditions required to be exported fresh, it is used for raisins, juice or wine production. This is one of the reasons why Chile's raisin exports consist of 67% "Jumbo" size raisins. Orchards designated exclusively for raisin production are few and many times the older orchards, which do not have the conditions to produce grape for fresh exports, produce approximately 4,500 hectares (ha) of table grapes that could be destined for raisin production exclusively.

Between 21 to 24% of the total grape production is destined to become raisin products. According to data from Chilealimentos (Chile's food producers association) the total grape production in MY2014/15 was 1,372 MMT and was utilized as follows: for table grapes 851,000 MT (62%); raisin production 302,000 MT (22%); juice production 144,000 MT (11%); wine production 75,000 MT (5%). The ratio between fresh grape and raisins is 5/1; therefore, 302,000 MT of the table grapes were equivalent to 60,400 MT of raisin production in MY2014/15. Adding the production from older orchards, raisin production totaled 64,591 MT in MY 2014/15.

During MY2015/16 the winter was characterized by the fewer than ideal number of chill hours, which reduced the blossom and fruit set of all fruits. More specifically, blooming was delayed, uneven, and lasted longer. Rain in mid-April MY2015/16-- during the harvest of table grapes and wine grapes -- decreased the quality and volume of the exportable fruit. During this time, high levels of humidity also caused fungus diseases like Botrytis on table and wine grapes. As a result, a lower export volume of table grapes is expected during MY2015/16. This could favor the production of raisins, since fruit exposed to rain does not have the conditions to be exported fresh as it has to be able to travel to foreign markets for weeks.

Consumption:

There is no official data of grape consumption in Chile. Raisins are used by the food industry in ice cream, chocolate and other processed food products. The food industries that use raisins have grown 8.5% in volume between MY2011/12 and MY2014/15. Domestic consumption will show a moderate increase up to 3,600 MT in MY 2015/16.

Policy:

Chile formed a National Commission for Tree Nuts and Dehydrated Fruits (Comisión Nacional Frutos Secos y Deshidratados) which identified problems in the industry and created actions to overcome them. Recent accomplishments have been the signing of the FTA with Thailand in 2015, which immediately reduced tariffs duties for Chilean raisins.

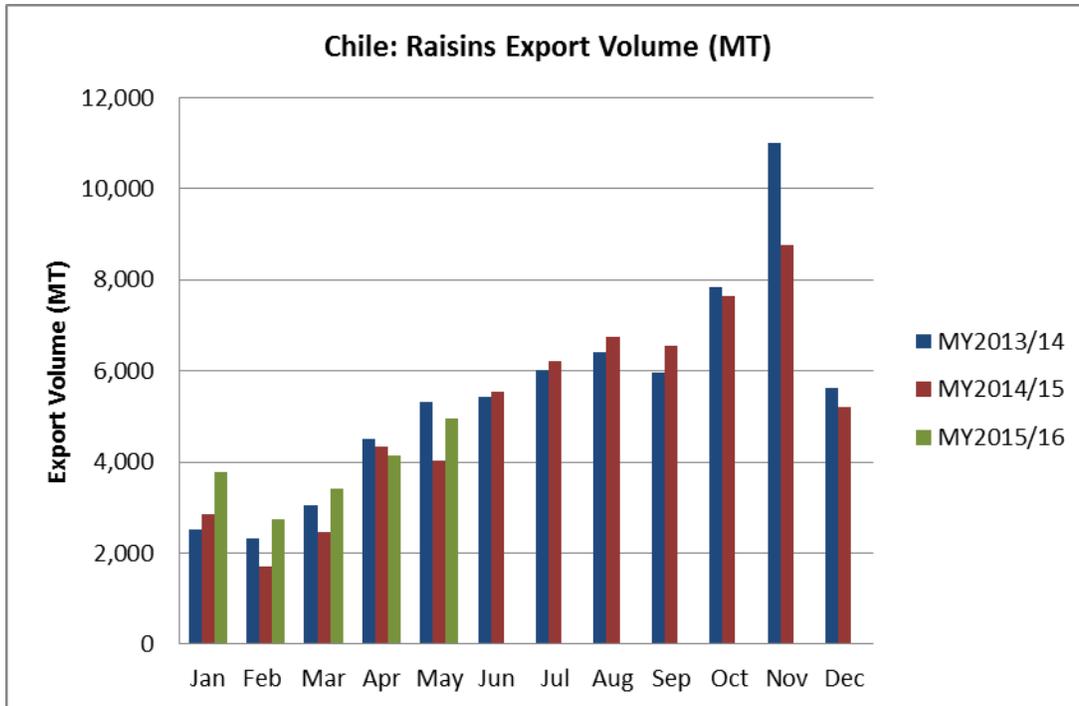
Trade:

Total raisin exports dropped 6% in volume and 24.4% in value in MY2014/15 over MY2013/14, totaling 62,044 MT and US\$ 133.4 million. The main destination market for Chilean raisins is the United States where exports grew 50.6% in volume and 23.3% in value in MY2014/15 over MY2013/14, totaling 8,194 MT and \$16.8 million. Other relevant markets for Chilean raisins are United Kingdom, Peru, Mexico, and Venezuela.

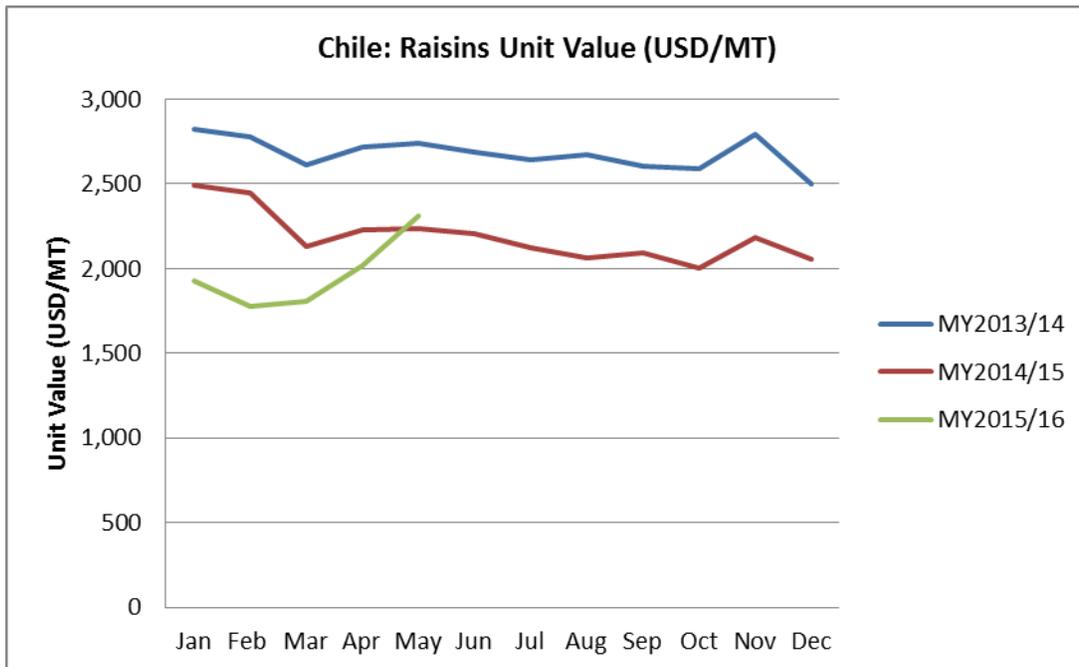
In January- April MY2015/16 raisin exports increased in 24% in volume and 1.9% in value over the same period MY2014/15. The main destination was the U.S. where exports grew 133.3% in volume and 111.4% in value (see table Chile Exports Statistics).

Monthly raisin exports tend to peak in October and November. Unit value for raisins was around US\$2,600/MT throughout MY2013/14 but decreased through MY2014/15 to around US\$ 2,000/MT. In MY2015/16 unit value continued to decrease January through March to values lower than US\$2,000/MT but recovered in May up to US\$2,311 /MT which is 3.4% higher over the same month in MY2014/15.

Black raisins are 86% of raisin exports. Black raisin exports have grown 22.4% January-May MY2015/16 over the same period MY2014/15. Exports are expected to reach 70,000 MT in MY2015/16 due to a higher raisin production volume that comes from table grapes that do not have the conditions to be exported fresh. In MY2016/2017 weather conditions are expected to be influenced by “La Niña” (presents a dry winter with cold temperatures) versus “El Niño” (which typically has a Spring with higher temperatures than average and can present rain fall during the summer season that is not typical), which can increase average temperatures during the winter and present episodes of drought in various agricultural regions. Production is expected to be 64,600 MT as fresh table grape exports rebound to higher levels reducing fresh grape/raisin ratio.



Source: ODEPA, 2016.



Source: ODEPA, 2016.

Chile Export Statistics						
Commodity: 080620, Grapes, Dried (Including Raisins)						
Marketing Year: 2013/14 – 2014/15						
Partner Country	Quantity (MT)		Variation	Value (USD)		Variation
	MY2013/14	MY2014/15	2014/2015	MY2013/14	MY2014/15	2014/2015
World	66,020	62,044	-6.0%	176,487,123	133,365,694	-24.4%
United States	5,442	8,194	50.6%	13,607,985	16,778,303	23.3%
United Kingdom	6,283	7,171	14.1%	17,566,793	15,836,969	-9.8%
Peru	5,694	5,354	-6.0%	14,432,665	11,549,201	-20.0%
Mexico	6,141	6,331	3.1%	13,604,936	10,613,344	-22.0%
Venezuela	7,624	3,775	-50.5%	23,601,318	9,721,413	-58.8%
Netherlands	2,763	2,907	5.2%	8,334,633	7,241,541	-13.1%
Colombia	5,866	3,411	-41.9%	13,548,280	6,015,729	-55.6%
Russia	3,457	2,281	-34.0%	10,449,413	5,901,009	-43.5%
Taiwan	1,714	2,154	25.7%	4,166,294	4,556,315	9.4%
France	1,394	1,449	3.9%	4,646,078	3,920,495	-15.6%
Others	19,642	19,017	-3.2%	52,528,728	41,231,375	-21.5%

Chile Export Statistics						
Commodity: 080620, Grapes, Dried (Including Raisins)						
Year To Date: January – April						
Partner Country	Quantity (MT)		Variation	Value (USD)		Variation
	MY2014/15	MY2015/16	2015/2016	MY2014/15	MY2015/16	2015/2016
World	11,359	14,080	24.0%	26,202,670	26,713,587	1.9%
United States	989	2,307	133.3%	2,121,190	4,483,923	111.4%
United Kingdom	1,363	1,431	5.0%	3,364,818	2,942,663	-12.5%
Colombia	1,038	1,299	25.1%	1,992,711	1,940,783	-2.6%
Russia	416	927	122.8%	1,166,297	1,916,891	64.4%
Netherlands	744	847	13.8%	1,947,503	1,801,286	-7.5%
Mexico	1,224	1,178	-3.8%	2,198,264	1,658,931	-24.5%
Taiwan	435	813	86.9%	955,645	1,550,610	62.3%
Peru	528	599	13.4%	1,168,693	1,189,569	1.8%
Spain	506	499	-1.4%	1,155,030	948,940	-17.8%
Denmark	380	441	16.1%	908,018	839,715	-7.5%
Others	3,736	3,739	0.1%	9,224,501	7,440,276	-19.3%

Source of Data: Chile Customs - Servicio Nacional de Aduana.

Production, Supply and Demand Data Statistics:

Raisins Market Begin Year	2014/2015		2015/2016		2016/2017	
	Jan 2015		Jan 2016		Jan 2017	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	52,200	0	48,600	0	47,000
Area Harvested	0	49,600	0	46,200	0	45,000
Beginning Stocks	300	300	500	525	0	400
Production	64,000	64,591	65,000	72,875	0	64,600
Imports	600	1,078	500	500	0	1,000
Total Supply	64,900	65,969	66,000	73,900	0	66,000
Exports	61,000	62,044	62,000	70,000	0	62,000
Domestic Consumption	3,400	3,400	3,500	3,500	0	3,600
Ending Stocks	500	525	500	400	0	400
Total Distribution	64,900	65,969	66,000	73,900	0	66,000

(HA) ,(MT)