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Spain

Canned Deciduous Fruit

Semi Annual

2004

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Report Highlights:

Production estimates for Spain's MY 2003/04 peach and pear crops have been revised upward. With abundant raw materials and reduced competition in international markets, processors had record outputs for both canned peaches and pears and expect to have record exports as well.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Semi-Annual Report
Madrid [SP1]
[SP]

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Executive Summary

Canned Peaches

We have revised our estimates for MY 2003/04 Spanish fresh and canned peach production upwards from our previous report. Fresh peach production is now estimated at 1.28 million tons, or 3 percent above last year. Based on available final data, total fruit delivered to the industry reached about 175,000 Mt. (This quantity was below the EU processing threshold set for Spain; consequently, no penalties are expected for MY 2004/05.) Based on these deliveries, total canned production for MY 2003/04 is estimated at a record of 192,000 tons, up 28 percent from the previous MY. The larger deliveries to the canning industry were due to low stock levels at the beginning of MY 2003/04 as well as to excellent prospects for exports throughout the year. In fact, the lack of supplies from competitors, especially Greece, could give Spanish canned peach producers record exports and profits in MY 2003/04. Perhaps the only dark spot in this scenario is the U.S. market. Due to the weakness of the dollar, Spanish exports to the U.S. market may decline to about 2,000 tons for the MY.

For MY 2004/05, low beginning stock levels should encourage canners to maintain robust production levels.

Canned Pears

Our estimates of MY 2003/04 fresh and canned pear production have also been revised upwards. The fresh pear crop is set at 681,800 tons, or 13 percent higher than in MY 2002/03. About 44,922 tons were delivered to processors, an increase of about 19 percent above the previous MY. This quantity delivered is 9,723 tons above the EU processing threshold for canned pears, which could result in further penalties during MY 2004/05. Total canned pear production for MY 2003/04 is estimated at a record 48,500 Mt. The export market has not been as good as previously expected: canners now think they will ship about 25,000 Mt for the MY. While this is a substantial improvement over MY 2002/03, it will only allow a small reduction in the high stocks of canned pears that have hung over the Spanish market for a number of years.

PSD Tables

PSD Table**Country****Spain****Commodity****Canned Peaches**

(MT)(MT, Net Weight)

Market Year Begin	2001	Revised	2002	Estimate	2003	Forecast	UOM
	USDA Official	Estimate	DA Official	Estimate	DA Official	Estimate	[New]
	06/2001		06/2002		06/2003		MM/YYYY
Deliv. To Processors	113000	113000	136657	136657	155000	175000	(MT)
Beginning Stocks	22000	22000	3833	3833	1000	1000	(MT, Net Weight)
Production	125000	125000	150322	150322	170500	192000	(MT, Net Weight)
Imports	3361	3361	4979	5037	4000	4500	(MT, Net Weight)
TOTAL SUPPLY	150361	150361	159134	159192	175500	197500	(MT, Net Weight)
Exports	75528	75528	87703	88968	103500	126500	(MT, Net Weight)
Domestic Consumption	71000	71000	70431	69224	71000	70000	(MT, Net Weight)
Ending Stocks	3833	3833	1000	1000	1000	1000	(MT, Net Weight)
TOTAL DISTRIBUTION	150361	150361	159134	159192	175500	197500	(MT, Net Weight)

PSD Table**Country****Spain****Commodity****Canned Pears**

(MT)(MT, Net Weight)

Market Year Begin	2001	Revised	2002	Estimate	2003	Forecast	UOM
	USDA Official	Estimate	DA Official	Estimate	DA Official	Estimate	[New]
	06/2001		06/2002		06/2003		MM/YYYY
Deliv. To Processors	44700	44700	37731	37731	43000	44922	(MT)
Beginning Stocks	3000	3000	12600	12600	13481	13481	(MT, Net Weight)
Production	48300	48300	40480	40480	46400	48500	(MT, Net Weight)
Imports	454	454	900	925	450	450	(MT, Net Weight)
TOTAL SUPPLY	51754	51754	53980	54005	60331	62431	(MT, Net Weight)
Exports	20782	20782	14499	14743	28200	25000	(MT, Net Weight)
Domestic Consumption	18372	18372	26000	25781	25000	26000	(MT, Net Weight)
Ending Stocks	12600	12600	13481	13481	7131	11431	(MT, Net Weight)
TOTAL DISTRIBUTION	51754	51754	53980	54005	60331	62431	(MT, Net Weight)