United States Department of Agriculture

Foreign Agricultural Service

December 2017

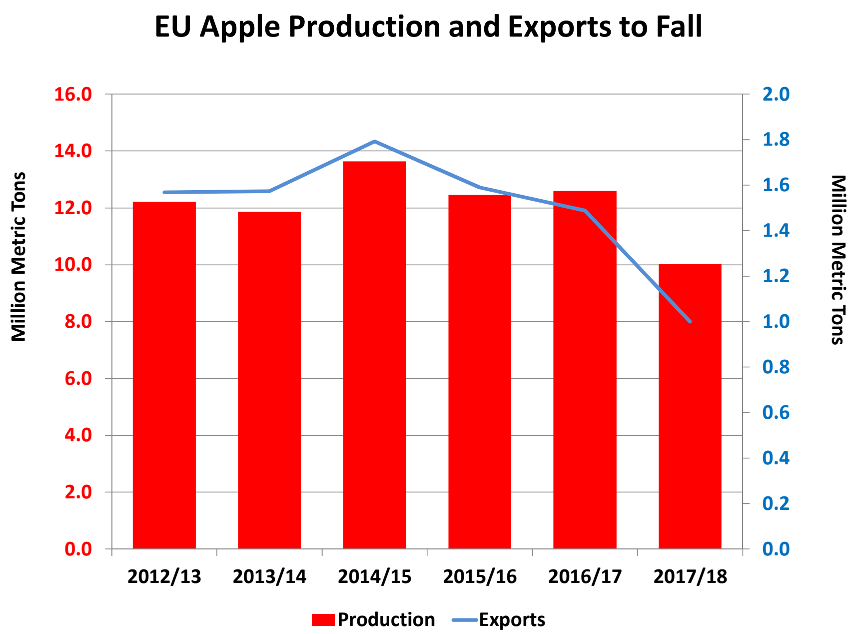
Fresh Deciduous Fruit: World Markets and Trade (Apples, Grapes, & Pears)

FRESH APPLES

World production for 2017/18 is projected down 2.6 million metric tons (tons) to 76.2 million as unseasonable freezes affected orchards in the EU, more than offsetting gains in China. Production losses are expected to dampen consumption to 64.6 million tons and to lower trade as reduced EU production affects both exports and imports.

China's production is expected to continue its upward trend, rising 600,000 tons to 44.5 million as gains in western provinces more than offset losses in northern China due to prolonged heat and drought. With consumption nearly flat, gains are going into processing, up 600,000 tons to 5.0 million. Suspended shipments to India, China's top market, are expected to drive exports down 180,000 tons to 1.2 million. India banned apples from China in May 2017 following detection of pests. Imports are forecast up 10,000 tons to 80,000 on continued demand for high-quality apples from the United States, Chile, and New Zealand.

EU production is forecast to be its lowest since 2007, dropping 20 percent to 10.0 million tons. Early bloom in March coupled with a severe April frost and sustained high temperatures in July has lowered production and fruit quality throughout the EU, especially top growers Poland and Italy. Exports are projected to follow production, plummeting one-third to 1.0 million tons. Imports are expected to surge 42 percent to 600,000 tons to meet demand resulting from lower available domestic supplies.



U.S. production is projected to slip 260,000 tons to 4.7 million due to freeze during bloom in Michigan and lower production in top growing western states, including Washington. Despite lower output, a slight rise in exports to 890,000 tons is expected on higher shipments to India. Imports should remain nearly even at 175,000 tons on sustained supplies from Chile.

Chile's production is forecast to rise a modest 50,000 tons to 1.4 million. Production is shifting as growers in the O'Higgins region switch to more profitable cherry and walnut crops. In addition, apple growing is moving to the southern regions of Biobio and Araucania, where temperatures and rainfall have reportedly become more conducive to apple growing. Modest growth in exports, up to 780,000 tons, is expected on higher demand from the EU.

Approved by the World Agricultural Outlook Board/USDA

Russia's production is slated to fall 230,000 tons to 1.3 million due to freeze during bloom in the Central Federal District. Lower domestic supplies are expected to trigger a slight recovery in imports, rising 36,000 tons to 690,000, though lower consumer purchasing power may curb import demand if prices are too high. Russia remains the top importer despite the continued ban on apples from certain countries.

Mexico's production is projected flat at 720,000 tons as adverse weather conditions inhibit output in main growing state Chihuahua. Imports are expected to erode 17,000 tons to 250,000 as the depreciation of the Peso against the dollar continues to affect purchases from main supplier the United States.

Argentina's production is expected to rise 20,000 tons to 550,000 as good growing conditions result in higher yield. Despite the rise in supplies, exports are projected flat at 80,000 tons. Consumption continues to climb as Argentina's inability to compete with other Southern Hemisphere suppliers forces product back onto the domestic market.

New Zealand's production is forecast to jump 30,000 tons to 570,000 on expanded harvest area, good winter chill, strong bloom, and good pollination. Following production, exports are slated to continue their upward trend, rising 40,000 tons to near 380,000 as improved prices temporarily draw higher shipments to the EU. Supplies to Asia are expected to remain steady.

South Africa's production is projected down 50,000 tons to 850,000 on lower harvested area as drought limits irrigation and lowers yield. Exports are likewise expected to contract, down 25,000 tons to 500,000, as fruit quality is affected by the drought conditions, leading to lower exportable supplies

Turkey's production is forecast to be slightly lower, down 150,000 tons to 2.8 million due to hail damage in the main growing regions of Central Anatolia and Mediterranean. Reduced shipments to Iraq and Egypt are projected to pressure exports lower.

India's production is expected to improve, rising to 2.3 million tons on favorable growing conditions; exports are projected to remain steady at 20,000 tons. Imports are forecast slightly lower to 350,000 tons as losses due to the ban on China apples are not expected to be completely replaced by shipments from the United States.

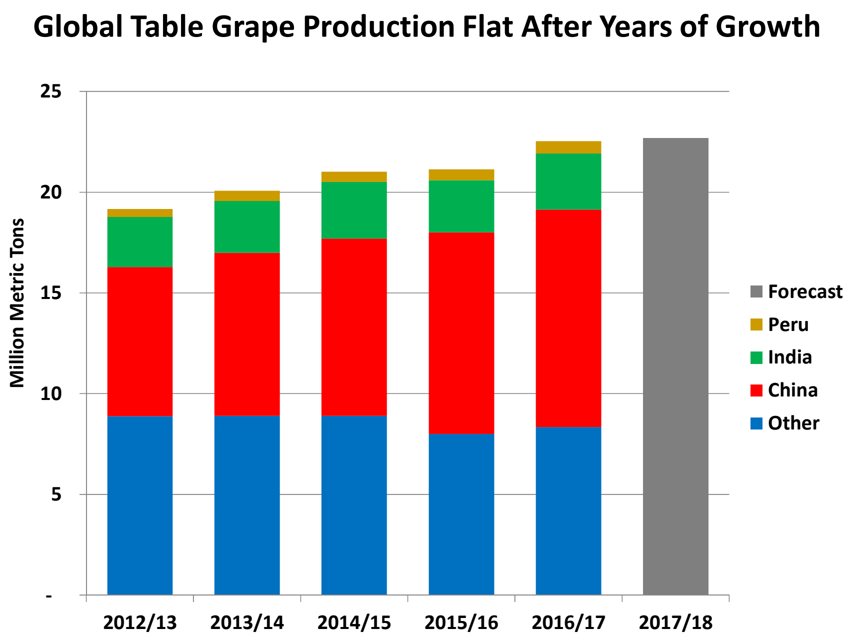
Key Revisions to 2016/17

Country	Attribute	Previous	Current	Change	Reason
Belarus	Imports	600	**544**	**-56**	Reduced shipments from the European Union
Brazil	Imports	160	**86**	**-74**	Down from Chile and Argentina
Chile	Exports	800	**750**	**-50**	Down to Brazil and the United States
China	Production	43,500	**43,900**	**400**	Updated data
European Union	Production	12,295	**12,591**	**296**	Gains in Poland
	Exports	1,515	**1,488**	**-27**	Reduced shipments to Belarus and Egypt
India	Production	1,900	**2,258**	**358**	Updated Data
	Imports	290	**370**	**80**	Higher deliveries to China
New Zealand	Exports	385	**337**	**-48**	Lower exportable supplies
Russia	Production	1,335	**1,509**	**174**	Greater-than-anticipated production

*Note: All figures are in thousand metric tons.

FRESH TABLE GRAPES

World production is projected nearly flat at 22.7 million tons as gains in China and India offset weather-related losses in the EU and Turkey. Exports are forecast up on higher shipments by India, Peru, and Turkey as global demand continues to rise. Imports are expected to rise as Russia rebounds following the lifting of its ban on Turkey grapes.



China's production is slated for a modest boost of 400,000 tons to 11.2 million on good growing conditions. Area is estimated at approximately 800,000 hectares, the third year at this level, indicating growing area has stabilized after a rapid expansion of near 500,000 hectares in 16 years. Despite higher production, exports are forecast lower by 32,000 tons to 225,000. Improved crop management has boosted fruit quality, prompting higher prices and discouraging demand in price-sensitive Asian markets. Imports are expected to continue their upward trend on continued desire for counter-seasonal supplies from Southern Hemisphere producers, boosting imports 13,000 tons to 250,000.

India's production is projected to rise 216,000 tons to 3.0 million on good growing conditions. Exports are forecast to jump more than one-third to 272,000 tons on larger supplies and on higher shipments to the EU. As Turkey redirects shipments from the EU to Russia, India is expected to gain.

Turkey's production is forecast down 230,000 tons to 2.1 million on frost- and hail-damaged crops in the Aegean Region. Despite lower supplies, exports are expected to rise to 220,000 tons on the resumption of shipments to Russia following the May 2017 lifting of the ban on Turkey grapes.

EU production is projected down 216,000 tons to 1.5 million due to heavy autumn rainfall in top growing Member State Italy, lowering domestic consumption to 2.0 million tons. Exports are forecast steady at 86,000 tons as losses in the United Arab Emirates and Saudi Arabia are negated by growth in other Middle East markets and Africa. Imports are expected to rise to near 650,000 tons on lower domestic supplies.

U.S. production is expected to decline slightly to 935,000 tons as sustained high heat in the summer affected yield. Exports are anticipated to contract slightly on lower exportable supplies, slipping 17,000 tons to 330,000. Imports are forecast up to 620,000 tons on strong trade with Mexico, the majority of which occurs early in the May-April marketing year, and on demand for Southern Hemisphere supplies from Chile and Peru.

Peru's production is forecast to continue trending up, rising 30,000 tons to near 640,000 as new plantings continue to come into production and maturing vines generate higher yield. Solidifying its position as the second largest exporter after Chile, exports are expected to surge near 25 percent to 380,000 tons on higher demand especially from top market the United States.

Chile's production is slated to remain steady at 920,000 tons as normal yields are realized despite abundant rainfall, sufficient number of chill hours, and good spring growing conditions. Exports are expected to parallel production.

Russia's imports are forecast to rebound, jumping over 50 percent to 325,000 tons. Russia instituted a ban on various Turkish fresh produce in January 2016, which was lifted for table grapes in May 2017, restoring trade with its historical top table grape supplier.

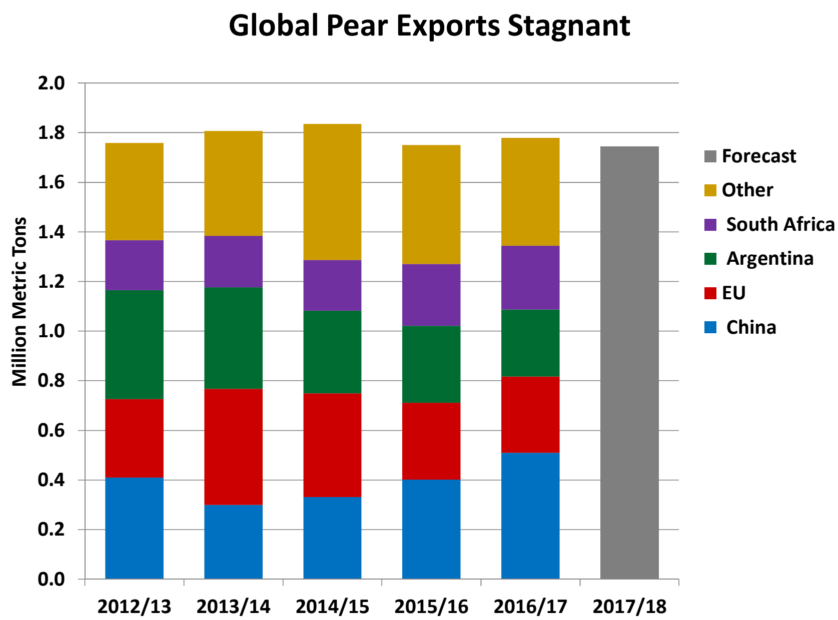
Key Revisions to 2016/17

Country	Attribute	Previous	Current	Change	Reason
Belarus	Imports	600	**544**	**-56**	Reduced shipments from the European Union
Brazil	Imports	160	**86**	**-74**	Down from Chile and Argentina
Chile	Exports	800	**750**	**-50**	Down to Brazil and the United States
	Production	43,500	**43,900**	**400**	Updated data
European Union	Production	12,295	**12,591**	**296**	Gains in Poland
	Exports	1,515	**1,488**	**-27**	Reduced shipments to Belarus and Egypt
India	Production	1,900	**2,258**	**358**	Updated Data
	Imports	290	**370**	**80**	Higher deliveries to China
New Zealand	Exports	385	**337**	**-48**	Lower exportable supplies
Russia	Production	1,335	**1,509**	**174**	Greater-than-anticipated production

*Note: All figures are in thousand metric tons.

FRESH PEARS

World production is forecast up slightly to 25.1 million tons as gains in China offset losses in other top producer countries. Exports are expected to remain nearly flat at 1.7 million tons as losses in China offset higher shipments by Argentina. Imports are projected to remain steady at 1.7 million tons. With trade remaining flat despite continuing growth in production, consumption is expected to follow production, rising to 22.4 million tons.



China's production is projected slightly higher at 19.0 million tons as bumper harvests in middle and western provinces offset heat- and drought-induced losses in eastern provinces. Despite higher production, exports are forecast to weaken nearly 30,000 tons to 480,000. Higher prices due to good quality fruit are expected to discourage demand in price-sensitive Asian trading partners.

EU production is expected to remain flat at 2.3 million tons as gains in Italy, Spain, and Greece are offset by weather-related losses in northern Member States. Exports are forecast to remain steady at 309,000 tons as higher shipments to Brazil offset lower shipments to Belarus. Imports are unchanged at 207,000 tons on stable domestic supplies and reduced product in top supplier South Africa.

U.S. production is expected to ease slightly to 640,000 tons on lower yield in top growing state Washington. Lower available supplies are expected to reduce exports slightly to 120,000 tons. Imports are forecast up 7,000 tons to 80,000 on elevated shipments from China and South Korea.

Argentina's production is expected to rebound, rising 70,000 tons to 600,000 as good growing conditions result in a higher yield. At the same time, the industry is becoming increasingly concentrated as smaller growers sell orchards to larger producers, packers/exporters, and land developers, continuing a long-term decline. Despite higher available supplies, exports are forecast to recover only slightly from last year, rising to 280,000 tons on higher shipments to Brazil and Russia.

Chile's production is projected to rise a slight 6,000 tons to 296,000 on good growing conditions. Exports are expected to keep pace with production, rising a modest 5,000 tons to 155,000 as greater supplies boost shipments to the EU.

South Africa's production is forecast down 27,000 tons to 405,000 as the ongoing drought leads to lower harvested area and lower yield. However, exports are little changed at 250,000 tons.

Russia's production is forecast to drop almost 20 percent to 189,000 tons due to unfavorable growing conditions. Imports are expected to remain steady at 255,000 tons as greater shipments from Argentina and Turkey offset lower deliveries from Belarus. Russia remains the top importer despite the continued ban on pears from certain countries.

Key Revisions to 2016/17

Country	Attribute	Previous	Current	Change	Reason
Argentina	Exports	300	**260**	**-40**	Lower exportable supplies due to hail and frost
China	Production	19,300	**18,700**	**-600**	Updated data
	Exports	480	**509**	**29**	Larger shipments to Indonesia
EU	Production	2,279	**2,340**	**61**	Less than expected damage from adverse weather
	Imports	235	**207**	**-28**	Higher production leading to lower demand
Kazakhstan	Imports	0	**12**	**12**	Added to the database going back to 2001/02
Morocco	Imports	0	**21**	**21**	Added to the database going back to 2001/02
Russia	Production	159	**236**	**77**	Greater than expected production
*Note: All figures are in thousand metric tons.					

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Marketing Years:

Apples - The United States and Mexico are on an August-July marketing year. All other Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Table Grapes - The United States and Mexico are on a May-April marketing year. All other Northern Hemisphere countries are on a June-May marketing year. As of this report, the Southern Hemisphere country of Peru is now on an October-September marketing year, along with Argentina, Chile, and South Africa.

Pears - Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Apples, Fresh: Production, Supply and Distribution in Selected Countries

(1,000 Metric Tons)

	2012/13	2013/14	2014/15	2015/16	2016/17	Dec 2017/18
Production						
China	38,500	39,680	40,920	42,600	43,900	44,500
European Union	12,207	11,865	13,636	12,453	12,591	10,021
United States	4,049	4,690	5,067	4,521	4,912	4,653
Turkey	2,900	2,930	2,289	2,740	2,900	2,750
India	1,915	2,498	2,498	2,520	2,258	2,300
Iran	1,693	1,573	1,573	1,573	1,573	1,573
Chile	1,420	1,310	1,210	1,335	1,310	1,360
Russia	1,264	1,417	1,409	1,311	1,509	1,277
Ukraine	1,211	1,100	1,100	1,100	1,100	1,100
Brazil	1,231	1,377	1,263	1,041	1,045	1,045
Other	5,245	5,735	5,825	5,744	5,661	5,630
Total	71,635	74,175	76,789	76,938	78,760	76,208
Fresh Dom. Consumption						
China	32,317	34,920	37,040	37,526	38,189	38,380
European Union	7,929	7,353	7,781	7,544	7,704	6,319
United States	2,293	2,498	2,702	2,538	2,730	2,544
Turkey	2,762	2,639	2,064	2,532	2,576	2,441
India	2,085	2,662	2,681	2,311	2,231	2,245
Russia	1,992	2,116	1,803	1,646	1,580	1,575
Iran	1,266	1,367	1,285	1,138	1,340	1,273
Other	8,760	9,477	9,854	10,234	10,236	9,803
Total	59,404	63,032	65,209	65,469	66,586	64,580
For Processing						
China	5,200	3,850	3,200	4,000	4,400	5,000
European Union	3,273	3,562	4,139	3,601	3,728	3,301
United States	1,058	1,562	1,492	1,393	1,485	1,394
Russia	570	459	370	335	459	337
Chile	392	295	332	320	307	321
Argentina	420	250	300	230	200	206
Canada	116	149	151	142	169	155
Other	884	901	771	740	583	535
Total	11,912	11,028	10,754	10,760	11,332	11,249
Imports						
Russia	1,383	1,254	820	746	654	690
European Union	563	622	400	451	423	600
Belarus	159	278	724	657	544	450
India	197	197	204	202	370	350
Mexico	266	227	314	218	267	250
Canada	250	222	217	230	221	224
Iraq	210	190	202	296	238	220
United Arab Emirates	224	189	225	213	192	195
Bangladesh	121	148	151	203	245	185
United States	195	213	163	188	171	175
Other	2,395	2,447	2,675	2,959	2,847	2,552
Total	5,962	5,986	6,096	6,363	6,172	5,891
Exports						
China	1,026	934	748	1,151	1,381	1,200
European Union	1,568	1,573	1,792	1,590	1,488	1,000
United States	893	843	1,037	778	868	890
Chile	833	820	628	765	750	780
South Africa	459	382	466	511	525	500
New Zealand	322	308	329	347	337	376
Iran	428	206	288	435	233	300
Serbia	40	143	153	233	239	230
Turkey	41	193	128	109	215	200
Belarus	104	210	571	258	62	82
Other	482	395	403	326	392	338
Total	6,197	6,006	6,541	6,502	6,491	5,896

Note: The United States and Mexico are on an August-July marketing year. All other Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Grapes, Fresh table: Production, Supply and Distribution in Selected Countries

(1,000 Metric Tons)

	2012/13	2013/14	2014/15	2015/16	2016/17	Dec 2017/18
Production						
China	7,400	8,085	8,800	10,000	10,800	11,200
India	2,483	2,585	2,823	2,590	2,784	3,000
Turkey	2,200	2,200	2,350	2,005	2,350	2,120
European Union	1,724	1,816	1,638	1,753	1,666	1,450
Brazil	1,440	1,437	1,492	959	970	970
United States	874	1,013	955	947	943	935
Chile	1,195	1,055	939	868	916	920
Peru	398	500	500	540	605	638
Mexico	280	260	247	282	256	290
South Africa	262	252	291	285	334	287
Other	909	864	977	908	909	933
Total	19,164	20,067	21,013	21,138	22,533	22,742
Fresh Dom. Consumption						
China	7,436	8,212	8,899	10,022	10,780	11,225
India	2,335	2,448	2,752	2,220	2,358	2,483
European Union	2,134	2,241	2,131	2,280	2,222	2,011
Turkey	1,992	1,997	2,094	1,831	2,178	1,901
United States	1,084	1,117	1,113	1,150	1,189	1,225
Brazil	1,429	1,443	1,490	956	960	960
Russia	444	407	389	346	304	424
Korea, South	315	329	334	316	317	328
Ukraine	364	352	342	273	291	295
Peru	249	273	222	231	289	250
Other	1,319	1,249	1,186	1,287	1,323	1,289
Total	19,101	20,066	20,951	20,912	22,211	22,391
Imports						
European Union	560	577	604	615	643	647
United States	567	519	547	530	593	620
Russia	389	349	302	256	212	325
China	159	231	226	249	237	250
Hong Kong	144	210	215	232	229	225
Canada	175	180	175	171	176	178
Thailand	85	87	89	131	157	140
Vietnam	45	51	51	76	75	90
Kazakhstan	80	28	67	100	81	80
Mexico	59	77	69	67	76	75
Other	333	349	343	321	384	352
Total	2,596	2,658	2,688	2,747	2,861	2,982
Exports						
Chile	854	728	761	688	730	733
Peru	149	228	280	297	310	380
United States	357	416	389	328	347	330
India	151	142	76	160	200	272
South Africa	235	226	264	255	304	258
China	123	104	127	227	257	225
Turkey	209	204	257	175	173	220
Hong Kong	105	164	172	190	212	200
Mexico	168	150	152	164	156	195
Australia	79	86	91	119	117	130
Other	224	193	157	132	129	128
Total	2,654	2,642	2,726	2,734	2,934	3,071

Note: The United States and Mexico are on a May-April marketing year. All other Northern Hemisphere countries are on a June-May marketing year. Southern Hemisphere producer countries of Argentina, Chile, Peru, and South Africa are on an October-September marketing year, and Australia and Brazil are on a calendar year indicated as the second year of the split year. Some countries may include raisin-type and/or table-type grapes.

Pears, Fresh: Production, Supply and Distribution in Selected Countries

(1,000 Metric Tons)

	2012/13	2013/14	2014/15	2015/16	2016/17	Dec 2017/18
Production						
China	17,000	17,300	18,000	18,700	18,700	19,000
European Union	2,009	2,523	2,566	2,513	2,340	2,336
United States	772	795	754	729	668	640
Argentina	780	690	590	580	530	600
Turkey	390	415	305	415	440	420
South Africa	392	414	411	430	432	405
India	340	317	317	323	352	350
Chile	289	267	290	267	290	296
Japan	294	295	295	295	295	295
Korea, South	173	282	303	261	238	247
Other	517	502	525	522	604	558
Total	22,956	23,800	24,355	25,034	24,889	25,147
Fresh Dom. Consumption						
China	15,243	15,506	16,028	16,607	16,478	16,776
European Union	1,732	2,009	2,027	2,048	1,942	1,968
Turkey	363	392	282	381	414	393
United States	395	409	414	390	406	385
Russia	464	528	400	397	390	385
India	357	333	335	299	332	328
Japan	293	294	294	294	294	294
Korea, South	159	258	273	228	205	214
Brazil	212	227	194	163	181	201
Indonesia	136	96	86	92	155	165
Other	1,142	1,087	1,159	1,206	1,218	1,259
Total	20,496	21,138	21,493	22,105	22,015	22,368
For Processing						
China	1,350	1,500	1,650	1,700	1,720	1,750
European Union	237	300	294	356	296	264
United States	272	265	255	262	209	215
Argentina	266	186	153	170	165	200
South Africa	141	158	160	132	132	112
Chile	62	65	58	56	57	57
Russia	20	20	9	9	55	37
Turkey	10	10	7	10	10	10
India	0	0	0	7	8	8
Korea, South	0	0	6	10	7	6
Other	36	36	6	6	7	6
Total	2,394	2,539	2,599	2,718	2,666	2,666
Imports						
Russia	369	431	265	267	252	255
European Union	278	255	221	224	207	207
Brazil	190	208	179	147	165	185
Indonesia	136	96	86	92	155	165
Belarus	19	60	186	151	152	143
Vietnam	63	37	43	73	79	85
United States	79	82	89	79	73	80
Other	573	532	567	587	578	580
Total	1,706	1,700	1,636	1,620	1,660	1,700
Exports						
China	409	299	332	401	509	480
European Union	317	469	417	310	308	309
Argentina	439	409	333	310	270	280
South Africa	202	207	205	250	257	250
Chile	143	117	144	129	150	155
United States	184	203	175	156	126	120
Belarus	11	38	163	122	92	85
Other	52	65	67	73	68	66
Total	1,759	1,807	1,835	1,751	1,779	1,745

Note: Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.