United States Department of Agriculture

Foreign Agricultural Service

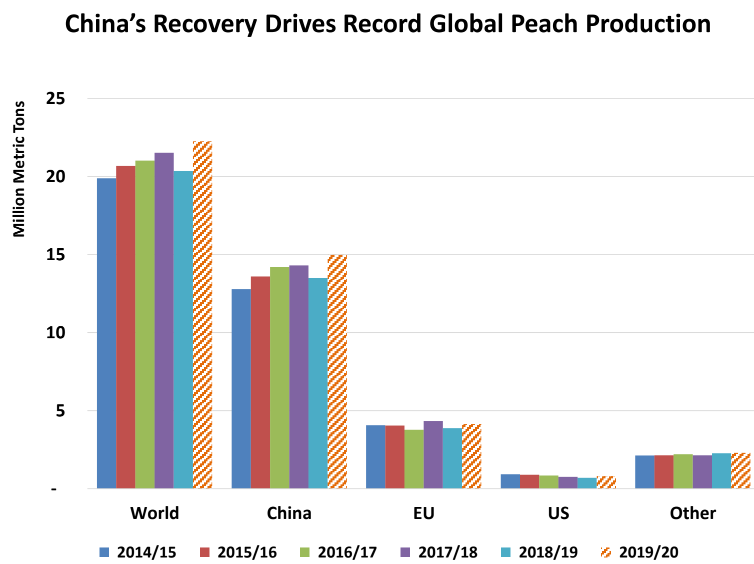
September 2019

Fresh Peaches and Cherries: World Markets and Trade

Fresh Peach/Nectarine 2019/20 Highlights

World peach and nectarine production is forecast up 1.9 million metric tons (tons) to a record 22.3 million as orchards in China, the European Union, and the United States rebound from severe weather in the previous year. Imports and exports are projected up on rejuvenated global supplies.

China's production is projected up 1.5 million tons to a record 15.0 million as early-season dry conditions in top-producer Shandong province were countered by good growing conditions in other producing provinces. With record supplies, exports are set to rebound nearly 60 percent to 100,000 tons, driven by higher shipments to Vietnam. A boost in imports to 28,000 tons is also expected, prompted by an increasing demand for Chilean product and elimination on January 1, 2019, of the tariff on Australian imports as part of the bilateral Free Trade Agreement.



U.S. production is expected to rise nearly 20 percent to 814,000 tons as plenty of chill hours resulted in very good bloom for California freestone peaches and top East Coast producing states. Higher supplies are forecast to lift exports to top markets Canada and Mexico, rising to 75,000 tons. Lower shipments from Chile in early 2019 are expected to ease total imports to 35,000 tons.

EU production is forecast up nearly 260,000 tons to 4.1 million, its third highest level in 9 years, rebounding from the previous year's losses stemming from a wet spring and extended cold temperatures. Planted area is anticipated to remain stable. Improved supplies are expected to raise exports nearly 30 percent to 200,000 tons and reduce imports to 30,000.

Turkey's production is projected up slightly to 830,000 tons on favorable weather conditions during bloom and harvest. Planting area also is expected to rise again as growers continue to convert orchards to varieties suitable for export markets and the domestic juice industry. Exports are projected to remain steady at 130,000 tons on stable supplies. Note: the historical production series has been revised going back to 2001/02 due to updated data.

Chile's production is estimated at 162,000 tons, a marginal rise on slightly higher yield. Exports are expected to remain steady at 98,000 tons as higher shipments to China offset lower shipments to top market United States.

Japan's production is forecast to slide 12,000 tons to 102,000. Weather events have exacerbated the overall downward trend as orchards continue to suffer from a 2018 typhoon, followed by frost and hail damage in spring 2019 that further lowered yields.

Australia's production is expected to see a third straight year of improvement, rising to 96,000 tons. This trend is expected to continue growing as orchards are replanted with newer, higher-yielding varieties. Parallel to production, exports should see a third straight year of growth, rising to 17,000 tons on higher supplies and strong demand from top-market China.

Russia is expected to remain the world's top importer as sustained shipments from Turkey and Belarus keep imports nearly unchanged at 225,000 tons.

Data Changes:

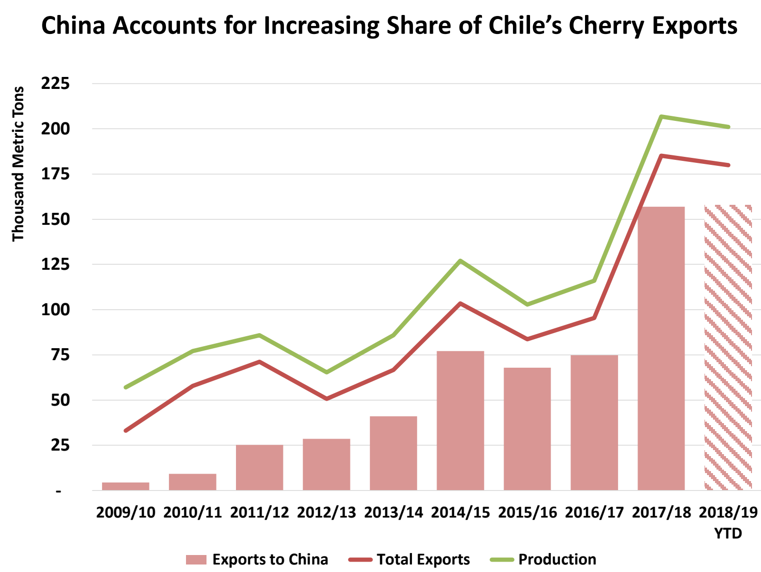
- The "For Processing" category for Argentina peaches has been reduced to zero going back to 2001/02 because the quantity of processed peaches is unknown. The balance has been added to the "Fresh Domestic Consumption" category.

Fresh Cherry 2019/20 Highlights

World cherry production is forecast to ease slightly to 3.6 million metric tons on weather-damaged crops in the European Union. Despite record Chilean exports, global trade is expected to slip to 454,000 tons on lower Uzbekistan and U.S. shipments.

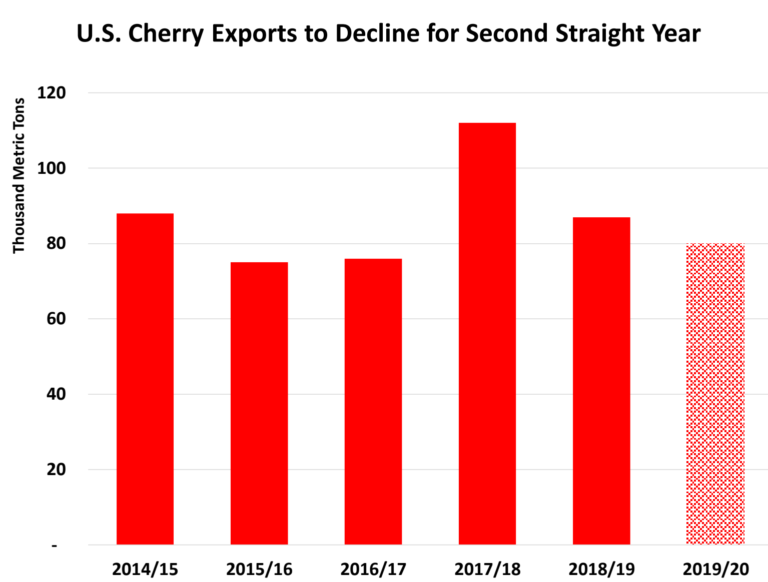
Turkey's production is expected to rise over 40,000 tons to 865,000 on good growing conditions. Spurred by strong export demand, growers are continuing to invest and improve orchards, switching to high-yield varieties and gradually expanding acreage for sweet cherries. Modern high-density orchards have also recently been established using new cultivars, rootstocks, training systems, and growing techniques. Higher supplies are expected to raise exports to a near-record 78,000 tons, continuing its long upward trend. Note: the historical production series has been revised going back to 2001/02 due to updated data.

Chile's production is forecast to jump 30,000 tons to 231,000 on increased area of mature bearing trees. Between 2009/10 and 2018/19, growing area has almost tripled, a trend that is expected to continue. Exports are projected up to 205,000 tons on higher supplies, with shipments to China accounting for a vast and increasing share of Chile's total exports. The percent of exports going to China has risen from 13 to almost 90 percent since 2009/10.



China's production is forecast up 24 percent to 420,000 tons as orchards recover from last year's freeze-damaged crops and as more trees come into production. Imports are expected to rise 15,000 tons to 195,000 as higher supplies from Chile more than offset lower shipments from the United States. Though higher tariffs remain in place on U.S. cherries, the United States is expected to remain China's top Northern Hemisphere supplier.

U.S. production is anticipated to remain steady at 450,000 tons as good growing conditions for sweet cherries offsets a biennial off-year decline in cyclical tart cherry production. Imports are expected to rise to 18,000 tons on higher available supplies from Chile. Exports are forecast to decline for the second straight year, down to 80,000 tons, as high retaliatory tariffs continue to suppress U.S. shipments to China. If realized, this will mark the first time U.S. cherry exports have experienced 2 straight years of decline since 2002/03, when output suffered a 44-percent drop that significantly lowered



exportable supplies. Despite declining exports, the United States is expected to remain the leading exporter among Northern Hemisphere suppliers. However, given current trends, Turkey could overtake after 2019/20.

EU production is projected to drop over 20 percent to 648,000 tons as hail affected early varieties in Italy, and frost, low temperatures, and drought caused significant loss of fruit buds in top-producer Poland. Lower supplies are expected to pressure exports lower to 15,000 tons and boost imports to 55,000 tons.

Russia's imports are expected to contract 13,000 tons to 80,000 on lower supplies from Kazakhstan, Moldova, and Serbia.

Data Changes:

- The "For Processing" category for Canada and Ukraine cherries has been reduced to zero going back to 2001/02 because the quantity of processed cherries is unknown. The balance of each is being added to their respective "Fresh Domestic Consumption" categories.

For additional information, please contact Elaine Protzman at 202-720-5588, or *elaine.protzman@usda.gov*

For email subscription, click here to register: https://public.govdelivery.com/accounts/USDAFAS/subscriber/new

To download additional data tables, go to Production, Supply and Distribution Database (PSD Online): (https://apps.fas.usda.gov/psdonline/app/index.html#/app/home), click on the tab **Reports and Data,** then **PSD Reports**, and then **Fruits and Vegetables**

For FAS Reports and Databases: Current *World Markets and Trade* Reports: https://apps.fas.usda.gov/psdonline/app/index.html#/app/home and click on the tab **Reports and Data**, then **PSD Publications**.

For archived *World Markets and Trade* Reports:
https://usda.library.cornell.edu/concern/publications/0g354f20t?locale=en

For Production, Supply and Distribution Database (PSD Online):
https://apps.fas.usda.gov/psdonline/app/index.html#/app/home

For the Global Agricultural Information Network (Agricultural Attaché Reports):
http://gain.fas.usda.gov/Pages/Default.aspx

For Global Agricultural Trade System (U.S. Exports and Imports):
https://apps.fas.usda.gov/gats/default.aspx

Marketing Years:

Peaches/Nectarines - Northern Hemisphere countries are on a January-December year. Southern Hemisphere countries are on a November-October year indicated as the first year of the split year.

Cherries - Northern Hemisphere countries are on an April-March year. Southern Hemisphere countries are on a November-October year indicated as the first year of the split year.

The next publication of this circular will be in September 2020.

Peaches and Nectarines, Fresh: Production, Supply and Distribution in Selected Countries

(1,000 Metric Tons)

	2014/15	2015/16	2016/17	2017/18	2018/19	Sep 2019/20
Production						
China	12,784	13,600	14,200	14,300	13,500	15,000
European Union	4,055	4,043	3,778	4,346	3,881	4,138
Turkey	609	643	674	772	790	830
United States	930	889	840	758	687	814
Brazil	216	192	249	249	249	249
Argentina	250	266	251	90	226	226
Uzbekistan	200	220	203	193	193	193
South Africa	194	182	184	184	184	184
Mexico	174	176	177	164	164	164
Chile	137	146	149	159	158	162
Other	342	316	322	322	311	296
Total	19,890	20,673	21,026	21,535	20,343	22,255
Fresh Dom. Consumption						
China	10,719	11,314	11,627	11,813	11,258	12,528
European Union	2,733	3,022	2,892	3,357	3,022	3,227
Turkey	449	472	504	558	533	565
United States	456	424	401	393	327	430
Brazil	240	215	268	267	267	267
Russia	260	231	233	281	259	257
Argentina	246	265	251	86	222	222
Other	1,131	1,107	1,091	1,081	1,034	1,096
Total	16,233	17,049	17,266	17,836	16,922	18,592
For Processing						
China	2,000	2,200	2,500	2,400	2,200	2,400
European Union	972	708	666	734	708	711
United States	412	430	406	349	330	344
Turkey	120	120	120	125	130	135
Japan	16	16	14	14	13	14
Australia	10	10	10	10	10	10
Chile	5	6	6	6	6	6
Other	0	0	0	0	0	0
Total	3,535	3,490	3,722	3,639	3,396	3,619
Imports						
Russia	225	200	197	250	228	225
Belarus	82	170	110	108	58	70
Vietnam	16	22	18	22	13	55
Kazakhstan	46	37	36	45	45	45
Ukraine	42	17	26	34	23	45
Canada	40	41	44	34	37	40
United States	23	38	47	40	38	35
European Union	26	28	31	27	35	30
Switzerland	31	34	31	34	29	30
China	0	0	0	9	22	28
Other	105	113	125	115	129	113
Total	637	699	666	717	656	716
Exports						
European Union	357	297	226	251	155	200
Turkey	39	51	51	89	127	130
China	65	86	74	96	63	100
Chile	84	86	88	97	97	98
United States	86	73	81	55	69	75
Uzbekistan	20	12	42	38	54	45
Belarus	55	150	87	84	44	40
South Africa	19	20	19	19	18	18
Australia	9	10	9	12	16	17
Argentina	4	1	1	4	4	4
Other	2	2	3	4	2	3
Total	739	788	680	748	650	730

Note: The marketing year begins in January of the first year for Northern Hemisphere countries and November of the first year for Southern Hemisphere countries.

Cherries (sweet and sour), Fresh: Production, Supply and Distribution in Selected Countries

(1,000 Metric Tons)

	2014/15	2015/16	2016/17	2017/18	2018/19	Sep 2019/20
Production						
Turkey	628	719	795	809	824	865
European Union	758	751	734	620	835	648
United States	462	417	456	508	441	450
China	220	250	330	380	340	420
Russia	275	234	277	246	246	246
Ukraine	250	270	220	243	243	243
Chile	127	103	116	207	201	231
Uzbekistan	125	140	162	194	194	194
Serbia	114	128	178	119	119	119
Syria	54	62	69	69	69	69
Other	117	147	150	135	135	135
Total	3,130	3,221	3,486	3,529	3,646	3,619
Fresh Dom. Consumption						
Turkey	423	495	560	584	574	607
China	307	331	407	559	510	595
European Union	422	424	434	468	497	394
Russia	344	308	348	314	339	326
Ukraine	249	269	219	239	239	240
United States	169	167	171	219	189	208
Uzbekistan	108	135	133	166	166	184
Other	344	376	454	386	371	362
Total	2,364	2,504	2,723	2,936	2,885	2,915
For Processing						
European Union	339	315	333	187	368	293
Turkey	155	155	155	165	175	180
United States	218	189	222	191	177	180
China	5	6	8	12	10	20
Chile	8	6	5	6	6	6
Japan	2	2	2	2	2	2
Azerbaijan	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	726	673	724	563	738	680
Imports						
China	92	87	85	192	180	195
Russia	69	74	71	68	93	80
European Union	42	36	57	50	47	55
Canada	30	27	23	33	28	30
United States	12	13	13	14	12	18
Korea, South	14	13	14	19	19	15
Taiwan	11	9	11	15	12	11
Belarus	12	44	18	8	14	10
Kazakhstan	22	6	24	22	25	8
Japan	5	5	5	5	3	5
Other	3	4	9	7	5	5
Total	312	319	330	432	437	432
Exports						
Chile	103	84	95	185	180	205
United States	88	75	76	112	87	80
Turkey	50	69	80	60	75	78
Azerbaijan	10	12	15	15	24	24
European Union	39	48	25	14	16	15
Canada	9	14	10	11	13	12
Serbia	12	8	19	21	16	12
Uzbekistan	17	5	29	28	28	10
Australia	4	6	3	4	5	6
Argentina	3	2	4	4	4	4
Other	16	41	12	7	12	8
Total	351	362	368	462	460	454

Note: The marketing year begins in April of the first year for Northern Hemisphere countries and November of the first year for Southern Hemisphere countries. Fresh cherries includes sweet and sour cherries.