

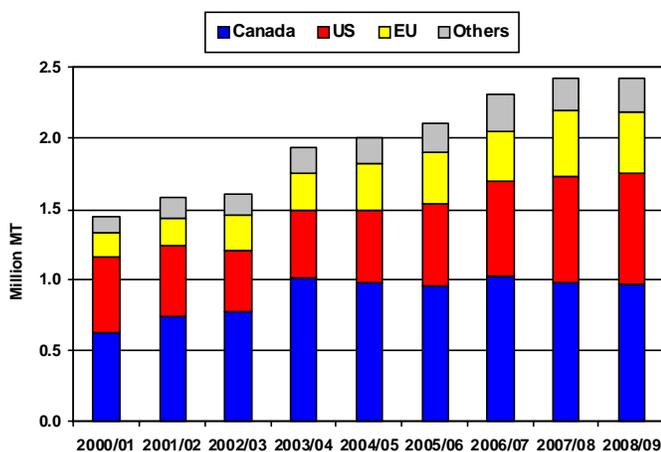
Frozen Potato Products: World Markets and Trade

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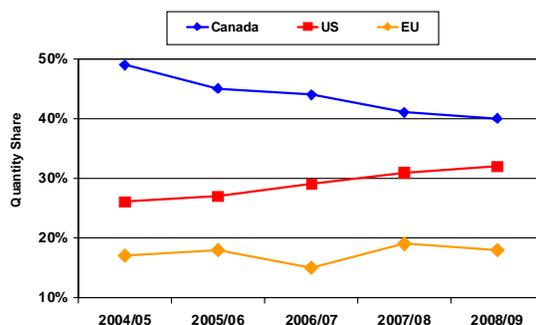
World Demand for Frozen Potato Products Stalls in 2008/09

Over the past decade, world demand for frozen potato products (comprised mostly of frozen fries) has trended upward, expanding over 50 percent. However, the global economic crisis has stalled world demand. In marketing year (July-June) 2008/09, world exports remained about the same as the previous year at 2.5 million tons. The United States has gained shares from Canada, the world's largest exporter.

World Exports Slow Down Due to Economic Crisis



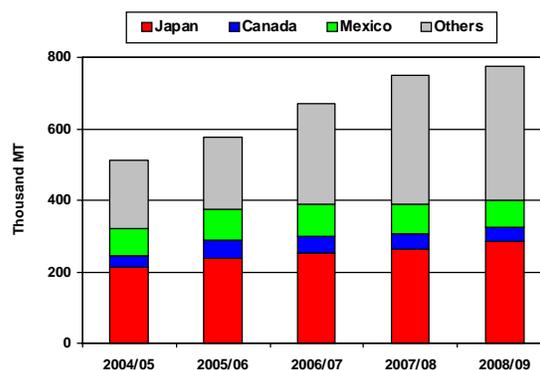
U.S. Won Global Export Shares from Canada



U.S. Exports Surged Over Past Few Years

U.S. exports grew by 50 percent over the past five years to about 775,000 tons due mainly to strong demand by the fast food industries in China and Japan and a weaker dollar which made our products more competitive. In 2008/09, despite the global economic problems, U.S. exports to the world rose almost 5 percent due mainly to small growth markets, particularly Hong Kong and Australia.

U.S. Exports Rose Slightly in 2008/09 Despite Global Economic Problems



Canada's Exports Down on Weak U.S. Demand

Canada's exports were relatively unchanged at about 970,000 tons over the past few years as a result of flat U.S. demand. Canada supplies more than 80 percent of U.S. imports. Canadian exports are forecast to shrink to about 950,000 tons in 2009/10 due to anticipated lower demand from the United States and the strengthening Canadian dollar.

EU's Exports Slid 10 Percent Last Year

EU's exports of frozen potato products slipped 10 percent to 440,000 tons on weak demand from Saudi Arabia, Russia, and Brazil, its top markets, which buy over half of EU exports.

Japan's Imports Expand Slightly

Japan is the world's second largest import market. Over 90 percent of Japanese consumption is supplied by imports, which have surged 20 percent over the past five years. Despite the world economic crisis, Japan's purchases are expected to expand another 5 percent to 340,000 tons in 2009/10, primarily from the United States.

China Is Key Growth Market

Although small, imports account for half of domestic consumption, with most coming from the United States (40,000 in 2008/09). Given that China's economy continues to strengthen, this nation remains a key growth market.

For more information, please contact Shari Kosco at 202-720-2083 or shari.kosco@usda.gov. You may also visit our fruit & vegetable commodity webpage at http://www.fas.usda.gov/http/fruit_veg.asp