



Grape

Grape (*Vitis vinifera*) is grown from temperate to warm regions; however, hot and dry climate is ideal. Indian grapes come in varied characteristics namely colored, white, seeded, unseeded, large and small berries. India rank seventh in global production & produces around 3 Million MT in 2018-19.

Latest Updates in International Market

The Netherlands: Good start for Egyptian and Italian grapes after difficult overseas season

The Dutch table grape market has returned to more favorable waters after a difficult period. Many small growers, who were mainly devoted to supplying the local market in other years, decided to export motivated by last year's good market conditions. As a result, no less than 35% more volume than initially expected was shipped to Europe. This has logically led to challenges in terms of sales. The prices for Egyptian grapes are quite high. There is a good demand from the Middle East, Asia and Russia, and therefore, the volume for the European market is limited. Everything reaching the market is immediately gone. Sales of Italian grapes also started at a high level two weeks ago. Traditionally, the first grapes are sold for expensive prices because there are no grapes with seeds available on the market. If the supply increases, the price will also fall somewhat to an acceptable level.

Indian season has been very difficult for importers in Netherlands. The Indian season has now ended and the Egyptian and Italian campaigns have just begun. There is a particularly severe shortage of red, seedless grapes. The supply of white seedless grapes is a little greater, but still a little scarce.



Belgium: Too early for grapes

It is a week or two too early for the sale of grapes. The grapes that are currently on the market come from Sicily. They look good, but the taste is currently still a bit disappointing. The taste of the grapes is expected to become much better in about two weeks.

Germany: More paperwork due to different varieties

Grapes are now available all year round in the German market and there are no longer any clear seasonal periods. Overseas grapes from countries like India, South Africa, Australia and Argentina are available with good quality 12 months a year.

Importers also starting with Italian and Spanish grapes. **The prices for the first batches are relatively stable and amount to around 3 and 4 Euro / kg.** There are, of course, price differences between the various varieties, but in general, the price levels are relatively high. With regard to the varieties, **current market trends show a preference for seedless grapes.**

The color of the grape varieties is also a major factor. **"In Germany, white grapes are very popular and their sales continue to grow. The ideal table grape is golden yellow, seedless and sweet in taste. "These quality requirements seem more important with grapes than with other products."** Nevertheless, Germans believe that the amount of varieties could eventually become a problem for Western European traders. Given the overseas import of grapes, new varieties appear every week, and in Germany, that needs to be notified.

France: Prices rise due to growing demand and smaller supply

Compared with previous years, the price of grapes has been under great pressure. There has been a lot more production from the Southern Hemisphere on the market. This year, there is an abundance of grapes of all different varieties. The demand for white grapes is currently higher than in previous weeks and Egyptian white grapes are benefiting from this. The higher price is also due to the smaller volume coming from this

This year, there has been a large volume of white grapes (Thompson variety) from India, putting prices on the French market under pressure.

Spain: First shipment of grapes to China and Vietnam

Spanish grape sector has been investing in new seedless varieties. These varieties are creating new opportunities and helping considerably boost the consumption of table grapes. This season, Spain is sending its first shipment of grapes to two new destinations: China and Vietnam.

The grape season has already started in Murcia (the most important producing region in Spain) with the harvest of the early varieties in Mazarron and Aguilas. These will be followed by ones from the Guadalentín Valley, Cieza and finally Yecla and Puerto Lumbreras. The market conditions are currently good thanks to a delay in the shipment of Egyptian grapes, Egypt will compete with Spain for a while, and then Italian grapes will also arrive on the market. The Spanish season lasts until December. Traders then switch to the fruit from Peru, Chile, South Africa or Brazil.

Italy: The season has kicked off

As long as the weather conditions remain favorable, the outlook for the season is good. The availability of grapes is currently limited, but the demand is at a similar level. Due to this balance between supply and demand, prices are stable. The situation is also looking good in the vineyards of Apulia. The season will start within a month. It is reported that the fruit is currently increasing in size. No diseases or infections have been detected in the Italian region.

Egypt: Expansion of exports

Egypt is expanding its potential market in Europe (Germany, the UK, the Netherlands and Poland), Malaysia, Hong Kong, China, Kenya and Sudan. The prices for Egyptian grapes were high in Europe.

China: More Chinese grapes on the domestic market

Grape marketing is currently in full swing in China. A lot of Australian grapes were imported and sold at a good price at the start of the year. At the moment, there is a large supply of local production on the market and prices vary a lot. New grape varieties are doing very well and are being sold for high prices, but already known varieties are marketed for a lower price. **The taste of grapes is important. It has to be sweet and the grape must be seedless. Companies are working hard to find new grape varieties. The marketing of grapes is also becoming increasingly important in China.** Yunnan is an important growing area in China and not many growers are familiar with the marketing. That is why the Chinese government has launched more initiatives this year to set up a brand for them, and other trading companies are also taking the initiative to help these growers.

New Chinese grape varieties becoming more popular

In the past, grapes from Xijiang were very well-known, but nowadays, grapes from Japan, Australia, and other countries have also become available to Chinese consumers, contributing to lower prices. Chinese grapes are mainly grown in Xinjiang and Yunnan. The core competitiveness of grapes is quality and prices. Compared with production areas in other parts of the world, the unique geographical conditions of Xinjiang bring about excellent taste, high sugar content, and a myriad of varieties.

The price of fresh fruit this year is on the lower side. With a large stock of raisins left, farmers are not eager to dry grapes into raisins this year, driving the price of fresh fruit down. However, with cooler days in Xinjiang in sight, prices are expected to increase gradually.



White seedless and fresh red grapes from Xinjiang



Chinese exports grapes to various countries in the Middle East and Southeast Asia such as Dubai, Bahrain, Maldives, and Bangladesh. The export performance has not been ideal in recent years, the main reasons being the rising labor costs and raw. Material costs in China. Export prices for Chinese products are catching up with those of developed countries.

Namibia to start grape exports to Chinese market

In about 18 months, Namibia will start grape exports to China. Negotiations between the two governments are well advanced. Namibia is looking to export 5 to 10 percent of the 7.5 million cartons of its total export volume to China. Namibia currently exports grapes to Britain and European Union markets.

United States: High demand expected for Californian grapes

The season in California have started later this year about 5 to 7 days compared to 2018 and about 7 to 10 days later than normal. USA have had a wet winter and spring, with few warm days in the spring as a reason for this delay. With a large production, the delay is also greater. The fruit's quality is good. The season will start with the red seedless Flame and white seedless Sugraone, followed by the red seedless Crimson and the white seedless Ivory. **Growers continue to assess the potential of introducing new varieties and this could entail challenges with regard to cultivation techniques.** California-based growers expect a high demand for grapes as soon as the harvest starts. **The demand for grapes is also expected to grow, as the fruit will be marketed fresh. This is partly due to the disappointing production of cherries, blueberries and strawberries in California this year.** Grape prices are currently not that high, as the supply is also high due to the supply coming from Mexico.

Mexico: All regions producing at the same time

Mexico has been exporting 5 million boxes of grapes to the United States every week. This is unusual. Early production regions in Mexico were delayed, while late production regions started the season earlier. For the coming days, 20 million boxes are expected to be shipped to the United States. The volume is about the same as two years ago, but it has all arrived at the same time. So far, the demand for grapes has been good, but the question is how long that will last. The quality of the Mexican grapes is good. Newer varieties also do well on the market with higher prices than the ones paid for traditional varieties. **Due to the current volume of grapes, there will be no market gap between the campaigns in Mexico and California. Also, Mexican growers are growing new varieties, such as the Ivory, Sweet Celebration and Arra.**

Australia: Growing exports to Vietnam

The grape season in Australia traditionally lasts from November to May. The most important varieties are the Menindee and Thompson white grapes, with a share of 38%, and red grapes such as the Crimson, Flame and Globe, with a share of 31%. **Australian growers traveled to Vietnam in February 2019 to try improving their trade relations.** Vietnam is the 7th largest importer of Australian grapes and exports have increased by 73% in the last four years. According to the sector, this increase proves the quality of Australian grapes. New varieties are also currently being planted,

but it takes time before these become productive. **Traditional varieties therefore remain the most important.**

New regulations in Japanese wine declines the imports of fresh grapes in Japan

Only wines that are made with 100% Japanese grapes and fermented in Japan can be classified as "Japanese wine," in distinction from the category of "domestic wine" used to indicate wines that are made in Japan from imported grapes. The high quality and subtle flavor of Japanese wines has been their selling point. A wine must be made with 100% Japanese grapes to be considered a "Japanese wine." Domestic production of wine grapes has been rising, but the aging of wine cultivators in Japan places a limit on how much production can be increased. Faced with this situation, major winemakers have been expanding their own cultivation of wine grapes.

California Grapes

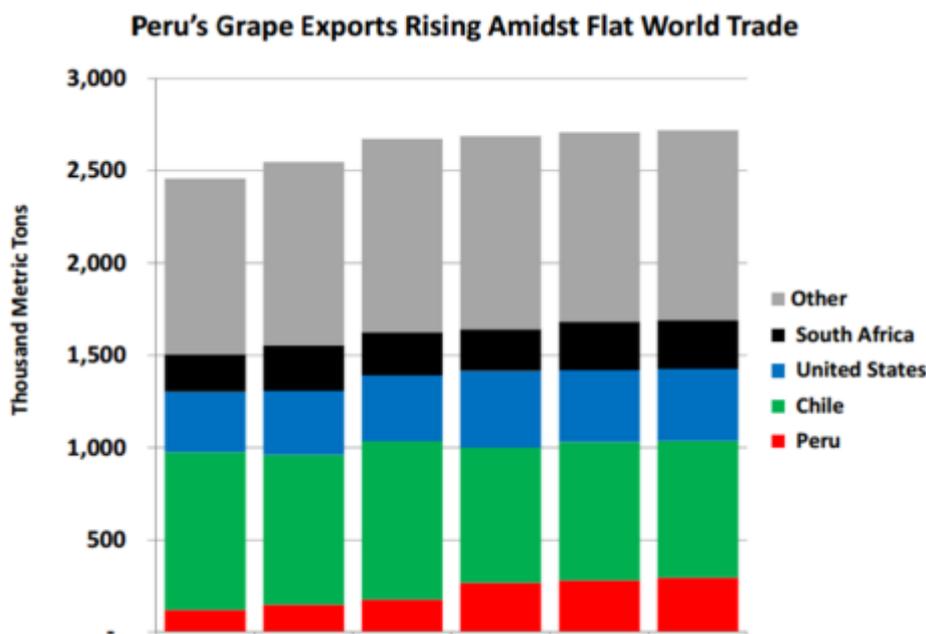
Higher yields, fewer market gaps and a plethora of new varieties catering to all tastes give consumers greater choice and availability than ever before. This is not just the case in North America but across most of the developed world, and the breeders and growers of California have been at the forefront of forging this new market reality. **There is no protocol required that might impact the grapes such as fumigation or cold treatment.** While overall acreage dedicated to grapes has been somewhat steady for the past several years, **the shift from varieties that produce 800-1,000 cartons per acre to new varieties that produce 1,200-1,800 cartons per acre has seen a dramatic increase.** Last season, the state produced 115.5 million 19-pound boxes. In its April forecast the California Table Grape Commission estimated this would rise marginally to 116.2 million boxes in 2019-20. **The average cost of fruit from Chile and to some extent Mexico and Peru gets well into the mid-\$30 range. Novel flavors and forms have come about by not just cross breeding within the Mediterranean family of grapes from which the majority of varieties on the market belong, but also by drawing on species originating from the Eastern United States and the Middle East that are completely different.**

Market Forecast 2019-2025

Driven by increasing demand for grape worldwide, the market is expected to continue an upward consumption trend over the next seven-year period. Market performance is forecast to retain its current trend pattern, expanding with an anticipated CAGR of +1.3% for the seven-year period from 2018 to 2025, which is projected to bring the market volume to 83M tonnes by the end of 2025.

CHILE, ITALY & PERU REMAINS COMPETITOR OF INDIAN GRAPES IN 2020

Chile (727K tonnes), followed by Italy (462K tonnes), the U.S. (420K tonnes), Peru (343K tonnes), South Africa (324K tonnes) and the Netherlands (289K tonnes) were the largest exporters of grapes, together making up 56% of total exports. The following exporters – China, Hong Kong SAR (201K tonnes), China (190K tonnes), Afghanistan (176K tonnes), India (172K tonnes), Turkey (166K tonnes) and Spain (161K tonnes) – each recorded a 23% share of total exports. The most notable rate of growth in terms of exports, amongst the main exporting countries, was attained by Afghanistan, while the other global leaders experienced more modest paces of growth. In value terms, the largest grape markets worldwide were Chile (\$1.2B), the U.S. (\$925M) and Peru (\$820M), together accounting for 36% of global exports. Among the main exporting countries, Peru recorded the highest growth rate of exports, over the last eleven years, while the other global leaders experienced more modest paces of growth.

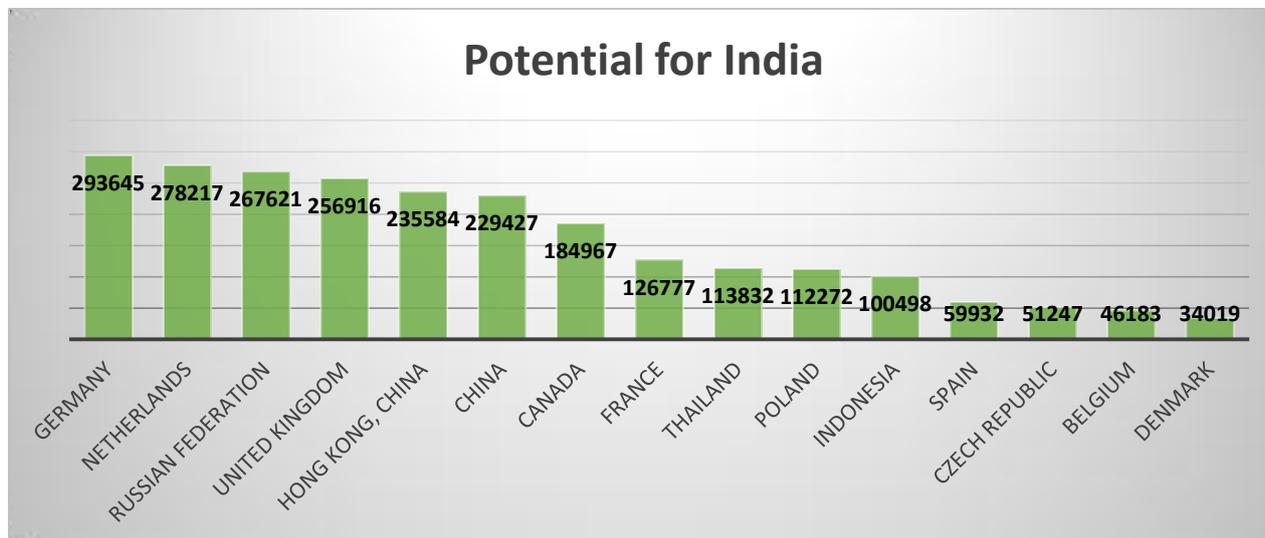


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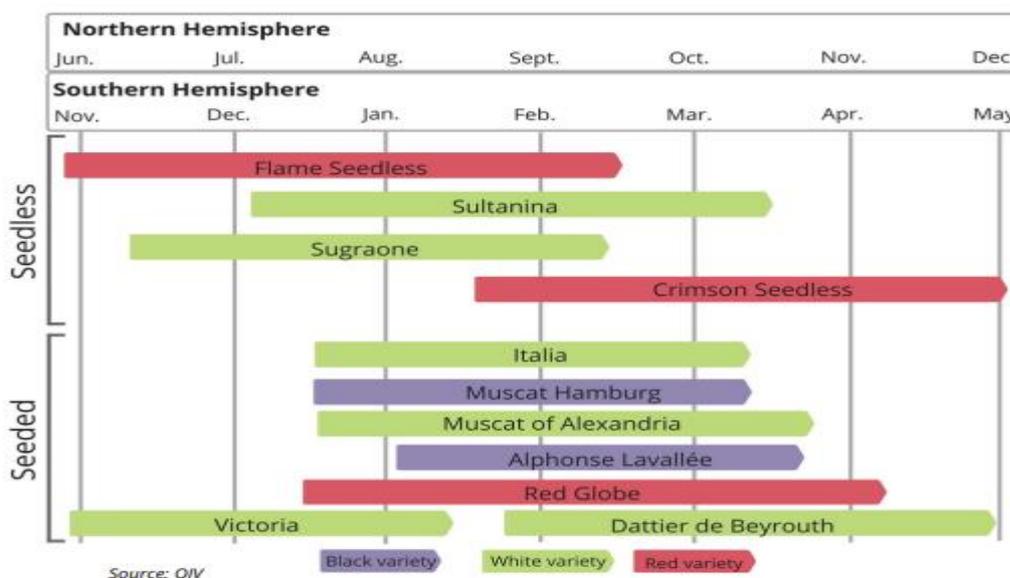
Total Exports of Grapes from India was around \$288,619,000 which is 3% of total exports of the world. India is currently a major exporter to Netherlands, Russian Federation, and United Kingdom. The growth of India exports to world is around 14% between 2014-18. And is expected to grow at 17%* in the coming years.

Germany, Netherlands, Russia and uk as untapped export markets for Indian grapes

Considering the world imports of grapes as against exports from India, the most potential future markets for India turns out to be Germany, Netherlands, Russian Federation. UK, China, Canada and France are moderately promising markets.



Indian exports of grapes have shown increasing trend during recent years due to its quality and soil, climatic conditions that are favourable for grapes cultivations. India not only produces grapes and exports it but also has remarkable presence in affiliated industries such as wine making, raisins etc. Tropical geographical conditions allow India to cater the demands of imports of countries, lying in a southern hemisphere. As harvesting season changes, according to the geographical location of the country.



Schematic presentation of the table grape harvest season



United States of America

United States is the Largest importer of the Grapes in the world and India's export to US is 0%. We are not exporting our grapes to US. In USA; Chile, Mexico, and Peru accounts for 98% of the total imports in the country and they are the prime exporters to USA.

Consumption Pattern

- Recent research shows, the grapes are the third most popular fruit in the U.S., a place they have held for 10 straight years
- 96% of primary shoppers in the U.S. prefer grapes grown in California vs. another country when prices are the same. 77% say they still prefer California grapes even if they're priced higher than grapes from other origins.²
- A majority of U.S. shoppers – 52% – purchase grapes once per week or more.
- In the U.S., a household's primary shopper is the one most often eating grapes (91%).
- The United States is a growing market for wines with the domestic demand exceeding the wine production in the country. Almost all 50 states of the US produces wine, however, most of the US wine production comes from California and Washington. The geological and climatic condition of the United States has provided these states with favourable wine growing conditions, like higher altitude continental climates or coastal fog-laden areas.
- While the domestic production of grapes is focused toward supplying to the wine industry, the imports are mostly for table purpose.
- In the U.S., grape imports increased at an average annual rate of +4.4% over the period from 2007-2017. In the other countries, the average annual rates were as follows: Germany (+1.5% per year) and the Netherlands (+2.1% per year)

Potential for India to Export in FY2020:

As Season is late in US this year and harvest is expected in July so we can tap the market by entering in the US market for wine production. As in India grapes harvest comes in the month of April, we can take advantage of the early entry into US market and can supply the grapes to the wine producers of the USA.

Major competitors to the Indian Grapes in the US market:

1. Chile

Chile: Chile is the major exporter of table grapes in the USA. The arid climate of the Chilean summer provides ideal conditions for the production of quality fruit. While known for such popular grape varieties as Red Globe, Crimson and Thompson Seedless, Chile has been introducing numerous new varieties onto the world market, with a focus on superior size, condition and taste. This includes such varieties as:

- Sweet Celebration
- Midnight Beauty
- Timco
- Scarlota Seedless
- Magenta
- Sweet Jubilee
- Timpson

Paving the path for Indian grapes in the US market

Chile table grape and nut exporters face a challenging outlook this season as the impact of President Trump's trade war with China limits opportunities in the US market. There is a crisis, because the varieties that Chile produces are old and need to be replaced, and the US – our main market – does not want them," CEO of top trade company".

Duty Rates:

Currently Chile table grapes are under 0% rate but due to trade war and stance of President of USA, this duty rate is expected to increase as it may be shifted back to MFN rate to decrease imports. This may result in losing competitive advantage for Chile table grapes and result in loss of business for them.

Political Unrest in Chile: - In late October, riots erupted in the capital of Chile, Santiago, in response to the rising price of tickets for public transport. There have been violent protests in Santiago and other areas of Chile since then and the government has not yet been able to calm the unrest.

2) **Mexican Exports to the US is lowered:** Since the beginning of June, Mexico has been exporting 5 million boxes of grapes to the United States every week. This is unusual. Early production regions in Mexico were delayed, while late production regions started the season earlier. For the coming days, 20 million boxes are expected to be shipped to the United States. The quality of the Mexican grapes is good; the controls carried out by inspectors confirm this. "99% of the grapes go through these inspections," said a trader. Newer varieties also do well on the market with higher

prices than the ones paid for traditional varieties. Due to the current volume of grapes, there will be no market gap between the campaigns in Mexico and California. Also, Mexican growers are growing new varieties, such as the Ivory, Sweet Celebration and Arra

Indian grapes can Benefit from Mexico's less production:

Exit of US from the agreement resulted in high rates of duty on Mexican grapes and thereby losing of competitiveness by Mexican grapes in the US market. Indian exporters can tap this market share of Mexican grapes by exporting the same quality of grapes to the US market at a low price as CIF price of Indian grapes is low as compared to the Mexican markets.

3) Peru

Arrivals of Peruvian grapes into the US are coming slowly, with many importers holding off on them until the substantial amount of California fruit starts to clear. There have been a few arrivals already, but more fruit is not expected until later in November 2018. Last year in 2018, Californian grapes enjoyed a good season resulted in less scope for the Peruvian grapes exporters to enter in the US market. This result in diversification of the exports of Peru grapes to other countries in the world. This year also the Mexican and Chile grapes have captured significant share of market resulting in low market share for Peru grapes.

Factors lowering the Peru's export of grapes to the US Market and Opportunity of Indian Exports:

- Low demand of Peruvian grapes
- High domestic production
- Currency fluctuation
- Trade war resulting in high tariffs



Republic of Korea

The distribution of grape cultivars is dependent on the prevailing climate in The Republic of Korea. The grape crop has had several physiological disorders like berry shattering, berry cracking and water berries under abnormal weather conditions. Thus making it lucrative market for exports.



Mexico

First of all, the Mexican table grape harvest was forecast to be a record crop in terms of size – initial estimates were for 22 million boxes of table grapes. A colder than normal spring across north-western Mexico meant the Mexican table grape export campaign suffered a delay of several weeks. Mexico is the major importer of grapes for the purpose of wine manufacturing and is the exporter of grapes for keeping it as table fruits.

Opportunity for Indian Exporters:

- Demand of small size grapes for wine production purpose.
- Cost benefit for Indian exporters as compared to US exporters who have share of 31.8% in Mexican imports.
- Trade war impact will also benefit India as Mexico is also imposing high rates of tariffs on US goods.



Japan

The Japanese fresh fruit market is estimated at around 4.71 million MT demanded as of 2015. Currently, Japan imports one third of fresh fruit demanded, approximately 1.6 million MT in 2017, led by banana, pineapple, kiwi, orange, and grape fruit. The United States ranks second (after the Philippines) in value of fresh fruit exports to Japan at US\$360 million in 2017. The United States is the leading supplier of orange, lemon, grape and cherry. The Japanese fresh fruit sector is highly competitive with other countries making some inroads to the market. Opportunities for Indian fresh fruit exports to Japan are expected to increase in the near- to medium-term due to a decrease in Japan's domestic production resulting from aging fruit farmers.

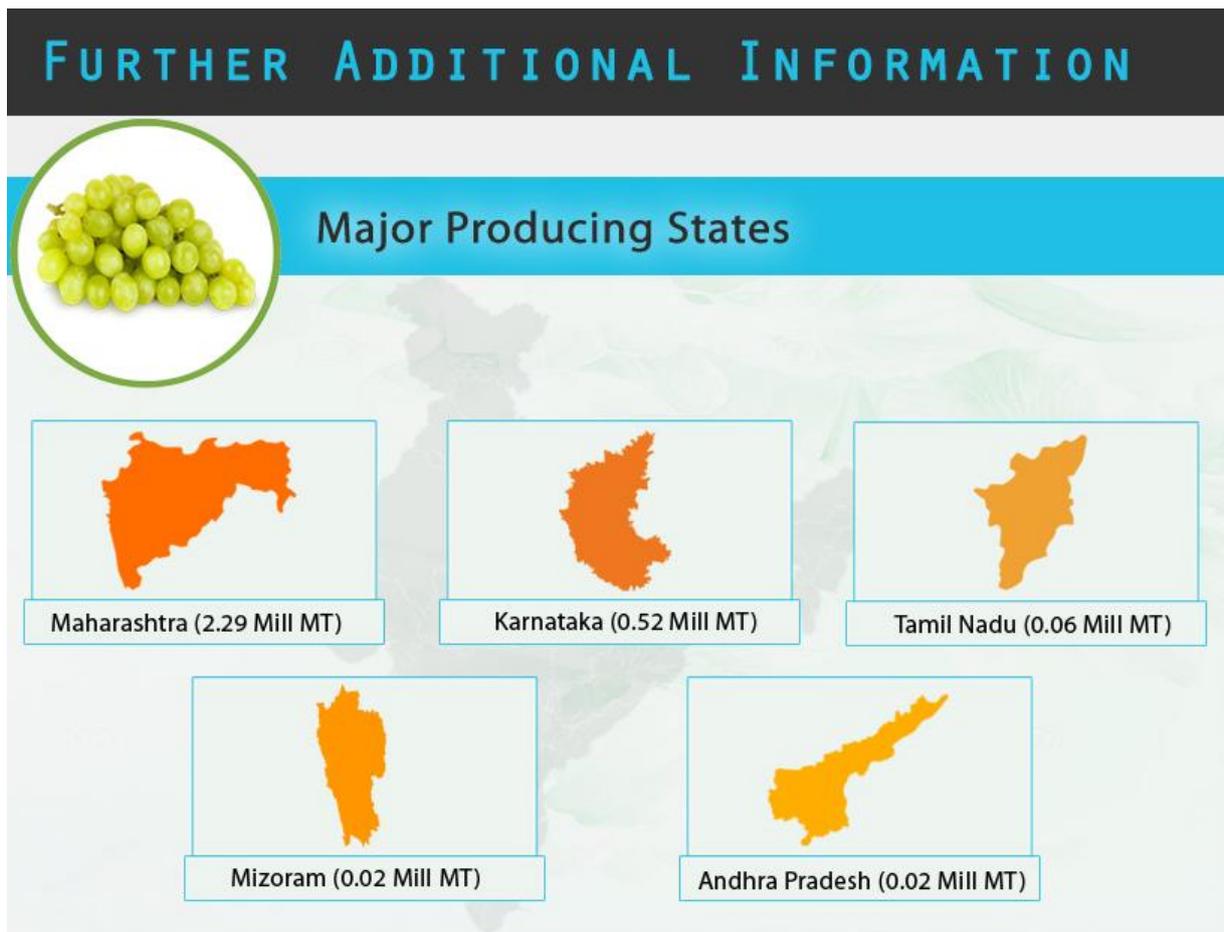
Exporting Grapes to the JAPAN is a lucrative choice

Although wine consumption has increased in recent years, the total consumption of not only grapes but also all kinds of fruit has been continuously on the decline in the last two decades. Grape farmers who have small grape farms cannot increase their vineyard area or their production to improve their income further. This consumption

decrease is one of the biggest constraints in Japan. A second problem is that, as they age, most farmers suffer the consequences of the long, hard, and intensive labour required for berry thinning and bunch trimming, among other tasks that are necessary to produce high quality grapes. The requirement of intensive labour is the reason why there are few young successors. Therefore, new techniques to achieve low-cost production and save labour are required to solve those problems.

Challenges Ahead for Exports in Japan :

The consumption of grapefruit has declined in Japan due to sweet fruit preference among younger consumers coupled with the reported incompatibility of grapefruit with hypertension medicine, which has led the majority of older Japanese consumers to refrain from consuming grapefruits. The United States used to be the largest supplier of grapefruit to Japan over the years but it yielded its number one position in volume to South African for the first time in 2017, due to a short supply caused by the damage from Hurricane Irma and greening disease.



India's Export

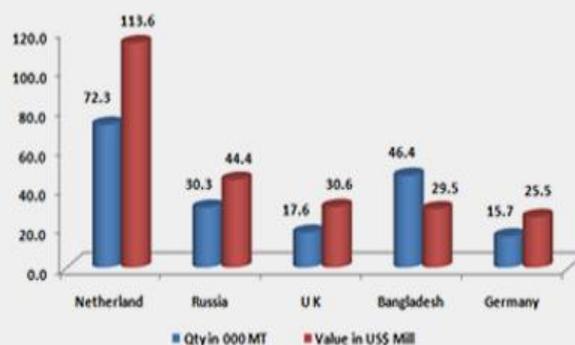
CAGR 20.67%

5 Years

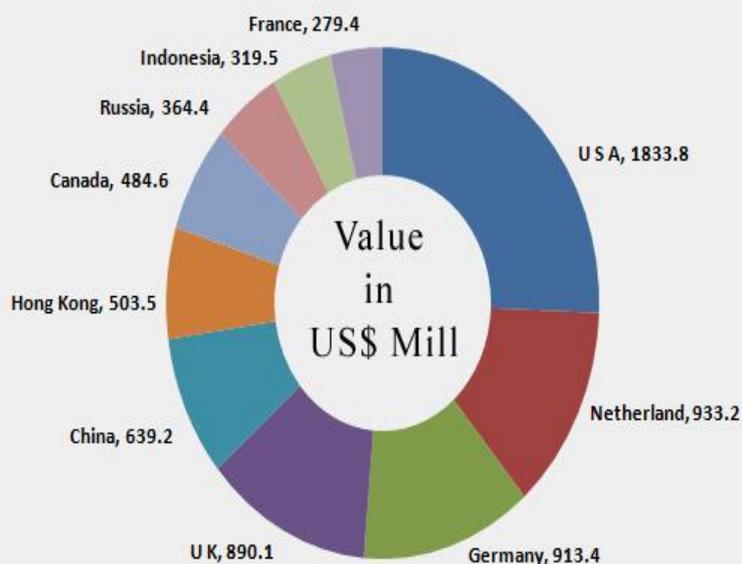


Export of grapes from India is 246.1 Thousand MT, valuing Rs. 2,335.25 crores during 2018-19

MAJOR DESTINATIONS

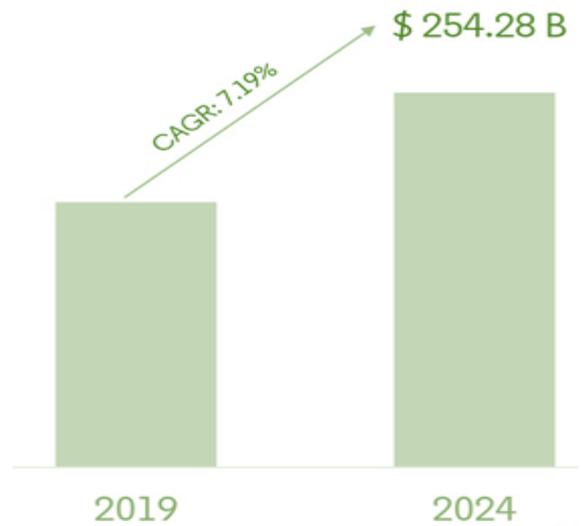
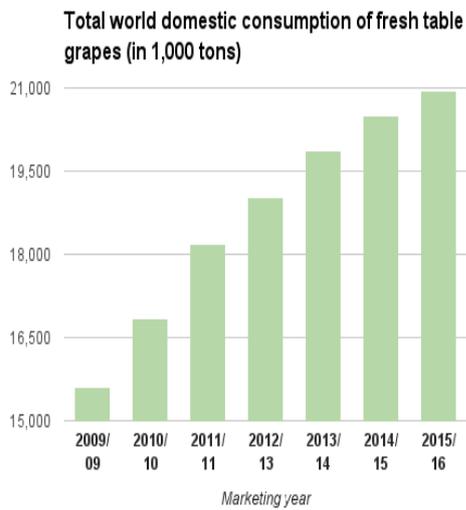


Top Grapes Importer Countries



Grapes Market to Reach \$254 Billion in 2024

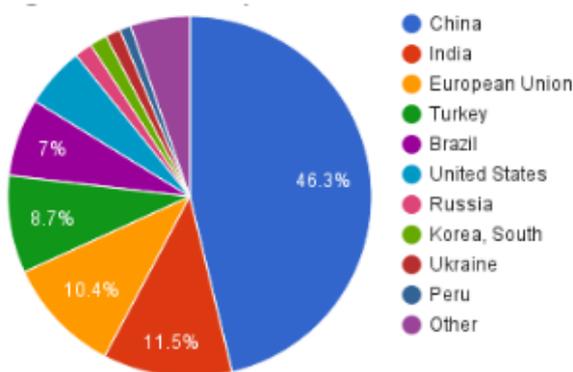
Global consumption of fresh table grapes is set to rise for the 6th consecutive year, going from just over 20.9 million tons in 2018, amounting to growth of nearly 34%. The grapes market was valued at USD 167.90 billion in 2018 and is estimated to reach a value of USD 254.29 billion by 2024, witnessing a CAGR of 7.19% for the forecast period 2019-2024.



Global Grape Market 2019 – China Emerges as the Largest Consumer, with the Highest Growth Rate over the Last Decade along with the US and Italy

China (14M tonnes) remains the largest grape consuming country worldwide, accounting for 19% of total consumption. Moreover, grape consumption in China exceeded the figures recorded by the world's second-largest consumer, the U.S. (6.9M tonnes), twofold. The third position in this ranking was occupied by Italy (6.7M tonnes), with a 8.9% share.

In China, grape consumption increased at an average annual rate of +7.1% recording the highest growth rate of the grape market, in terms of the main consuming countries over the last eleven-year period.



China (\$21.3B), the U.S. (\$15.1B) and France (\$13.9B) are expected to constitute the countries with the highest levels of market value in 2020 with a combined 37% share of the global market.

The countries with the highest levels of grape per capita consumption in 2019 are Italy (113 kg per person), Spain (113 kg per person) and France (92 kg per person) recording the average annual rates of consumption growth.

Growing Demand in Asia, Middle East and Russia expected in 2019-22

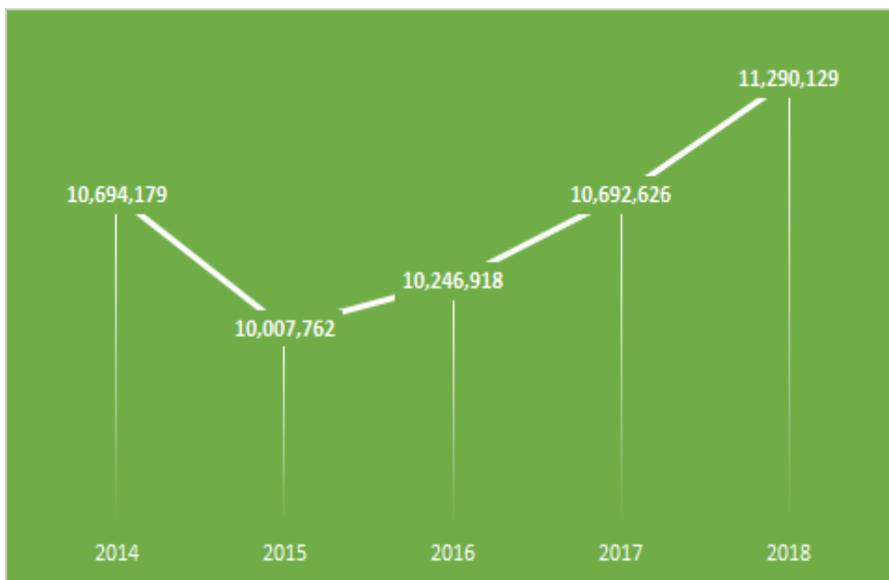


Table grape consumption in tonnes

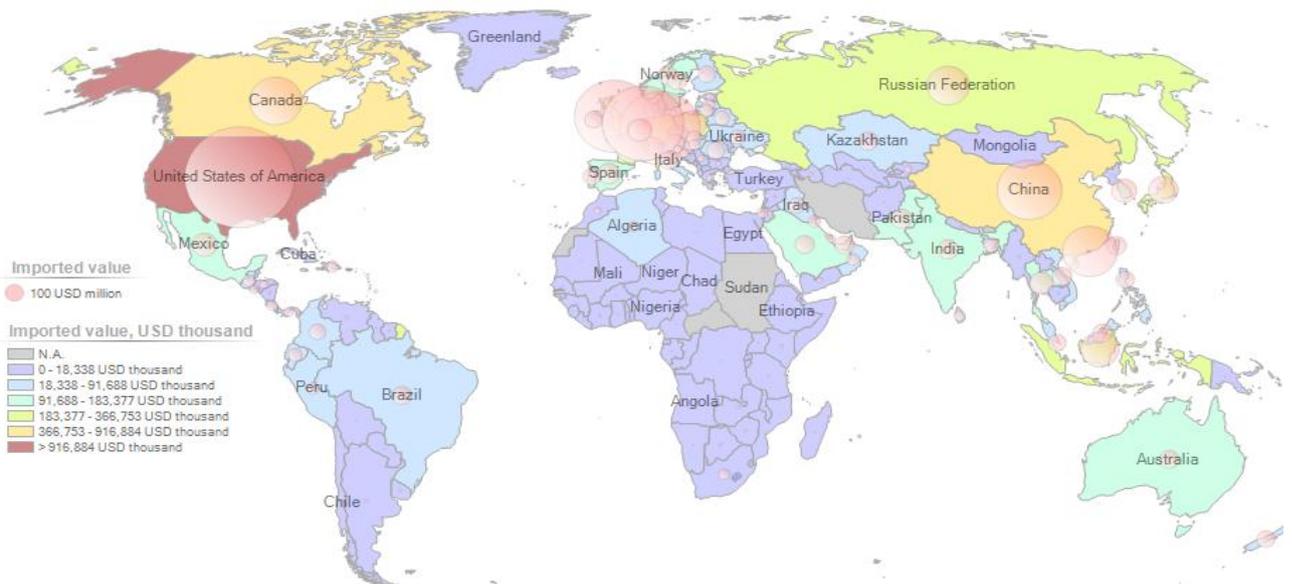
lower than 100 000 from 100 000 to 300 000 from 300 000 to 700 000 from 700 000 to 900 000 higher than 1 million

There is a growing demand for grapes in Asia, the Middle East and Russia. As a result, volumes on the European market are limited this year. This is even causing some shortages on the market. The Indian grape season is over and the Egyptian season is also coming to an end, while the campaign is starting in Murcia, Spain and Italy. In California, the season is also expected to start in the coming days. Mexico has not managed to provide a staggered supply. All grapes are currently coming onto the market at the same time and are filling the shelves in the United States. In any case, this hasn't caused any major problems thanks to the demand. In East Asia, it is mainly Australia that supplies the Chinese market with grapes.

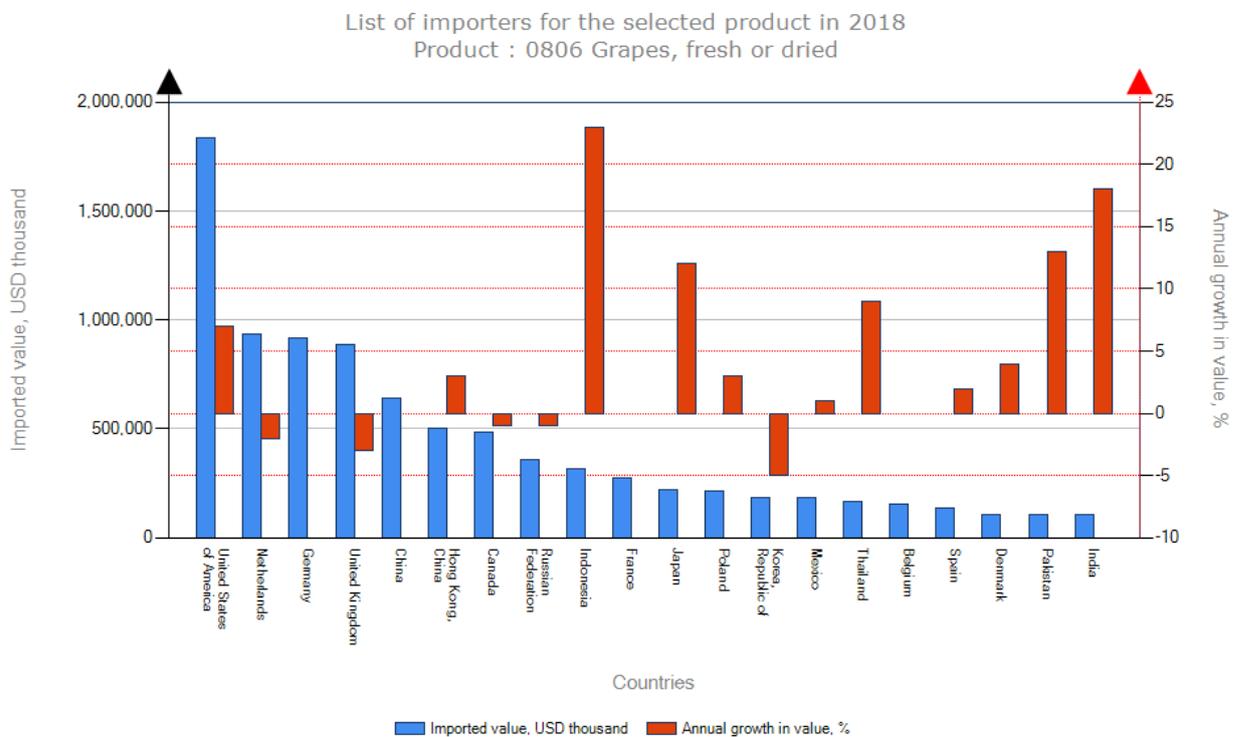
Global grape imports to increase by 2% (values in USD 000)



Total World imports of Grapes in 2018 was \$9,460,750,000 and is expected to increase by around 4% in 2019-22. United States being the major importer of Grapes followed by Netherlands and Germany.



United States will remain major importer of Grapes followed by Netherlands and Germany.



Factors influencing the Global Demand of Grapes

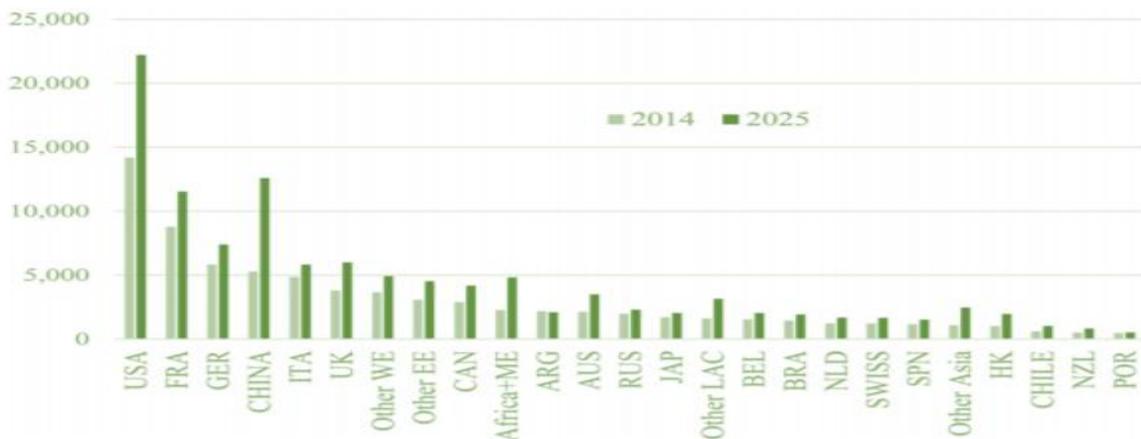
➤ Increasing Health Consciousness will drive the Grapes Market

Grapes are packed with Vitamins C and K and as per our research deficiency of both types of vitamins in the world will be the demand initiator for the grapes in the coming years. High antioxidants contents in grapes prevent chronic disease like cancer, asthma etc. As per recent research plant compound found in grapes protect against breast cancer. As per reports 2 million new cases will be found in 2021 for breast cancer.

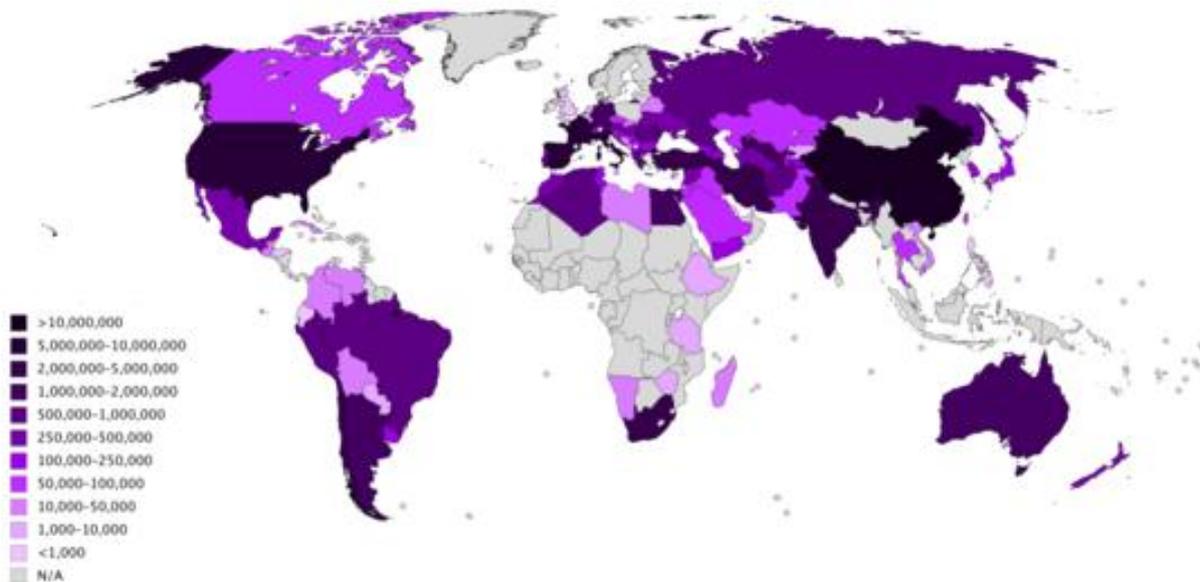
“Health benefits of grapes will be driving factor for growing demand of grapes. Other health benefits of grapes are reducing cholesterol and help in controlling diabetes.

➤ **Increasing Wine consumption across the world**

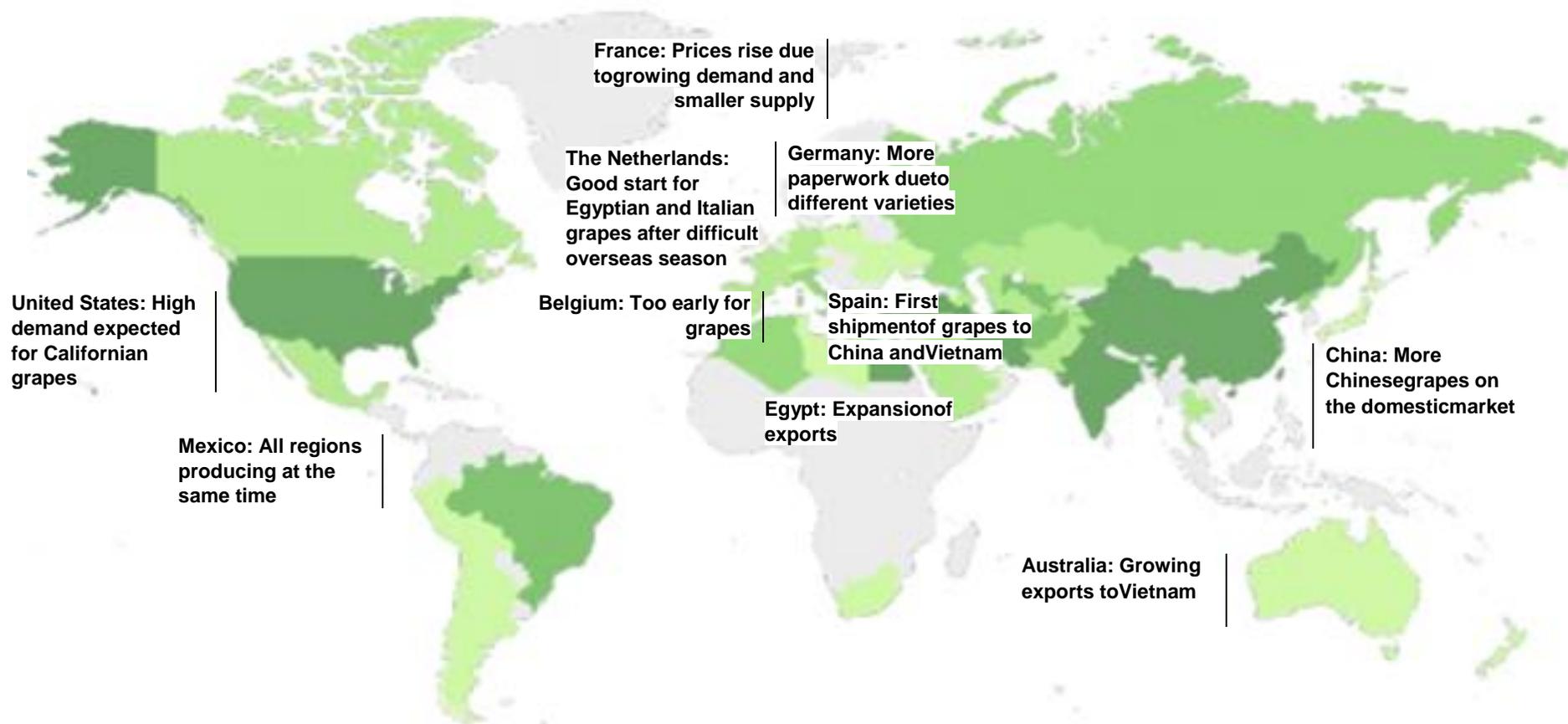
The country rankings by projected value of total wine consumption change somewhat more than those for production by 2025, with China taking second place after the United States ahead of France and Germany, and then the United Kingdom slightly overtaking Italy to slip into fifth place. The United States, France, and Germany retain the top three rankings for consuming fine wine, but Canada slightly overtakes Italy for fourth place, in terms of value at least. In the case of commercial-wine consumption, China strengthens its number-one position ahead of the United States, and the United Kingdom does likewise vis-à-vis Germany for third place.



china, India and Latin America remains Global Producers of Grapes



Global supply scenario of grapes





Current Exporting Markets of Grapes from India



Netherlands: - The Dutch table grape market has returned to more favourable waters after a difficult period. Importers say that the Indian season has been very difficult. Many small growers, who were mainly devoted to supplying the local market in other years, decided to export motivated by last year's good market conditions. As a result, no less than 35% more volume than initially expected was shipped to Europe. This has logically led to challenges in terms of sales. The Indian season has now ended and the Egyptian and Italian campaigns have just begun. The prices for Egyptian grapes are quite high. There is a good demand from the Middle East, Asia and Russia, and therefore, the volume for the European market is limited. Everything reaching the market is immediately gone. There is a particularly severe shortage of red, seedless grapes. The supply of white seedless grapes is a little greater, but still a little scarce. The supply is expected to increase somewhat in the coming weeks. Sales of Italian grapes also started at a high level two weeks ago. Traditionally, the first grapes are sold for expensive prices because there are no grapes with seeds available on the market. If the supply increases, the price will also fall somewhat to an acceptable level.



India' position in global importing countries

<i>United States of America</i>	Country	% Share	CIF	Duty	FLP
	Chile	51.70%	2,786	0%	2,786
	Mexico	24.10%	3,008	0%	3,008
	Peru	23.10%	3,476	0%	3,476
	Brazil	0.70%	4,345	0%	4,349
	South Africa	0.20%	4,375	0%	4,375
<i>Netherlands</i>	South Africa	30.30%	2,853	0%	2,853
	Peru	17.80%	2,930	0%	2,930
	India	11.90%	2,252	6%	2,394
	Chile	11.70%	2,252	0%	2,252
	Brazil	5.80%	2,559	9%	2,779
<i>Germany</i>	Italy	31.40%	1,963	0%	1,963
	South Africa	22.50%	3,059	0%	3,059
	India	8.20%	2,638	6%	2,804
	Spain	8.00%	2,221	0%	2,221
	Netherlands	6.10%	3,238	0%	3,238
<i>United Kingdom</i>	South Africa	24.00%	2,535	0%	2,535
	Spain	16.80%	2,653	0%	2,653
	Chile	10.90%	2,502	0%	2,502
	Peru	9.20%	2,289	0%	2,289
	Egypt	7.60%	3,291	0%	3,291
<i>China</i>	Chile	45.70%	2,275	0%	2,275
	Australia	24.00%	3,172	0%	3,172
	Peru	19.20%	2,445	0%	2,445
	United States of America	5.50%	3,036	13%	3,431
	South Africa	4.40%	2,517	13%	2,844
<i>Hong Kong, China</i>	Chile	39.50%	1,834	0%	1,834
	Australia	19.70%	2,207	0%	2,207
	Peru	12.80%	1,839	0%	1,839
	United States of America	11.10%	2,362	0%	2,362
	South Africa	6.50%	2,227	0%	2,227
<i>Canada</i>	United States of America	43.80%	1,878	0%	1,878
	Chile	26.40%	2,577	0%	2,577
	Mexico	11.20%	2,665	0%	2,665

	South Africa	8.70%	3,057	2%	3,106
	Peru	8.00%	2,974	0%	2,974
<i>Russian Federation</i>	Turkey	27.20%	978	4%	1,015
	India	13.90%	1,587	4%	1,647
	Uzbekistan	11.90%	795	0%	795
	Moldova, Republic of	10.90%	939	0%	939
	Chile	8.40%	1,558	4%	1,617
<i>Indonesia</i>	China	55.60%	2,665	0%	2,665
	Australia	21.00%	4,056	0%	4,056
	United States of America	12.20%	4,347	3%	4,477
	Chile	6.20%	2,798	3%	2,882
	Peru	3.60%	4,141	3%	4,265
<i>France</i>	Italy	59.50%	1,461	0%	1,461
	Spain	11.20%	2,053	0%	2,053
	South Africa	7.00%	2,764	0%	2,764
	Peru	5.40%	2,260	0%	2,260
	Chile	5.10%	2,120	0%	2,120
<i>Poland</i>	Italy	37.30%	1,313	0%	1,313
	Peru	12.40%	2,236	0%	2,236
	Germany	11.70%	1,978	0%	1,978
	Chile	9.70%	1,806	0%	1,806
	South Africa	6.50%	2,657	0%	2,657
<i>Korea, Republic of</i>	Chile	53.60%	2,885	0%	2,885
	United States of America	31.80%	2,778	26%	3,511
	Peru	13.20%	2,995	45%	4,343
	Australia	1.30%	2,957	45%	4,288
	Viet Nam	-	-	36%	-
<i>Mexico</i>	United States of America	64.90%	1,405	0%	1,405
	Chile	22.10%	2,093	0%	2,093
	Peru	13.00%	2,430	0%	2,430
	Japan	-	-	0%	-
	Guatemala	-	-	0%	-
<i>Thailand</i>	China	60.50%	975	0%	975
	Australia	9.00%	2,652	0%	2,652
	Peru	8.80%	2,398	0%	2,398

	India	7.10%	2,360	0%	2,360
	United States of America	7.00%	1,899	43%	2,714
<i>Belgium</i>	Netherlands	39.50%	2,918	0%	2,918
	Italy	27.20%	1,944	0%	1,944
	Spain	14.90%	2,720	0%	2,720
	Germany	9.10%	4,279	0%	4,279
	South Africa	5.50%	2,877	0%	2,877
<i>Spain</i>	Peru	27.90%	2,574	0%	2,574
	Chile	22.80%	2,228	0%	2,228
	Italy	19.70%	887	0%	887
	Netherlands	10.30%	2,409	0%	2,409
	South Africa	6.70%	2,357	0%	2,357
<i>Denmark</i>	Spain	38.80%	2,467	0%	2,467
	Netherlands	19.80%	2,467	0%	2,467
	Belgium	8.60%	2,467	0%	2,467
	Italy	7.80%	2,466	0%	2,466
	Germany	7.00%	2,466	0%	2,466
<i>Czech Republic</i>	Italy	25.00%	1,316	0%	1,316
	Germany	19.40%	2,234	0%	2,234
	Netherlands	10.80%	2,343	0%	2,343
	India	8.00%	2,558	6.3%	2,719
	South Africa	7.30%	2,438	0%	2,438

Tariffs on Grapes in different Exporting countries

United States of America	NA
Korea, Republic of	FTA
Mexico	NA
Japan	MFN Rate of 30% instead of FTA same rate is applied till 2021
Pakistan	Under Sensitive list of SAFTA. Revised in 2006. Duty rate is as per SAFTA
United Arab Emirates	MFN Rate as no FTA in force
Saudi Arabia	MFN Rate as no FTA in force
Oman	MFN Rate as no FTA in force
Finland	MFN Rate as no FTA in force
Sri Lanka	FTA Under consideration
Chile	FTA in force but Grapes are under MFN Rate of 30%
Peru	Under negotiation 5th round was held in Delhi on 23rd August 2019
Brazil	FTA in force but Grapes are under MFN Rate

South Africa	Data not available
Australia	Data not available
Viet Nam	ASEAN FTA in force but 080610 is under MFN rate of 30%
Guatemala	No FTA MFN Rate apply
New Zealand	FTA and CECA is under negotiation
Afghanistan	Trade Agreement is there but no preferential rate for 080610
Iran	Data not available
Norway	PTA is under negotiation till then MFN Rates apply
Albania	No Agreements as such MFN Rates apply
Andorra	No Agreements as such MFN Rates apply

Import Prices by Country

The average grape import price stood at \$1,905 per tonne in 2018, flattening at the previous year. Over the period under review, the grape import price, however, continues to indicate a relatively flat trend pattern. The pace of growth appeared the most rapid in 2012 when the average import price increased by 11% year-to-year. In that year, the average import prices for grapes attained their peak level of \$1,999 per tonne. From 2013 to 2018, the growth in terms of the average import prices for grapes remained at a lower figure. There were significant differences in the average prices amongst the major importing countries. In 2018, the country with the highest price was the UK (\$2,535 per tonne), while Russia (\$1,094 per tonne) was amongst the lowest. From 2007 to 2018, the most notable rate of growth in terms of prices was attained by Thailand, while the other global leaders experienced more modest paces of growth.

Trend followed by Exchange Rate in the Global Market

Year	Month	Min	Max	Close	Tot,%
2019	November	70.76	73.97	72.88	2.68%
2019	December	72.72	74.94	73.83	4.02%
2020	January	73.22	75.46	74.34	4.73%
2020	February	71.96	74.34	73.06	2.93%
2020	March	73.06	75.64	74.52	4.99%
2020	April	73.31	75.55	74.43	4.86%
2020	May	72.64	74.86	73.75	3.90%
2020	June	72.57	74.79	73.68	3.80%
2020	July	73.06	75.28	74.17	4.49%
2020	August	71.60	74.17	72.69	2.41%
2020	September	71.45	73.63	72.54	2.20%
2020	October	72.54	74.95	73.84	4.03%
2020	November	71.27	73.84	72.36	1.94%
2020	December	72.36	74.86	73.75	3.90%

2020					
Jan	73.83	73.22-75.46	74.34	0.7%	4.7%
Feb	74.34	71.96-74.34	73.06	-1.7%	2.9%
Mar	73.06	73.06-76.38	75.25	3.0%	6.0%
Apr	75.25	74.03-76.29	75.16	-0.1%	5.9%
May	75.16	73.36-75.60	74.48	-0.9%	4.9%
Jun	74.48	73.29-75.53	74.41	-0.1%	4.8%
Jul	74.41	73.78-76.02	74.90	0.7%	5.5%
Aug	74.90	72.09-74.90	73.19	-2.3%	3.1%
Sep	73.19	71.94-74.14	73.04	-0.2%	2.9%
Oct	73.04	73.04-75.47	74.35	1.8%	4.7%
Nov	74.35	71.04-74.35	72.12	-3.0%	1.6%
Dec	72.12	72.12-74.61	73.51	1.9%	3.6%

Source: <http://dollarrupee.in/>

Addendum on Grapes Reports

Competitive Advantage/ RCA

In this era of Globalization, it is important for any nation to involve in global trade for national income composition. Given their rapid rate of urbanization and income growth, middle-income countries have become target markets for global trade. The changing consumer preferences are also evident in the year-round consumer demand for important products specially in case of fresh fruit and vegetables, which matches year-round availability with consumers willing to pay more for imported out-of-season fresh products. While being a exporter, every country faces increasing competition from emerging markets as well as the existing competitors.

To analysis the competition in the market, revealed comparative advantage is an index used in international economics for calculating the relative advantage or disadvantage of a certain country in a certain class of goods or services as evidenced by trade flows.

The RCA (Reveal Comparative Advantage) Value for India Grapes:

	Export in billion
Grapes Export from India	0.39
Total Agri culture export from India	39
Total Export of Grapes by all Countries	10.96
Total Export of Agriculture from World	1820

RCA Calculation:

X: Grapes Export from India/ Total Agri culture export from India

Y: Total Export of Grapes by all Countries/ Total Export of Agriculture from World

$$\mathbf{X: 0.39/39 = 0.01} \quad \mathbf{Y: 10.96/18.20 = 0.006}$$

RCA: X/Y

$$\mathbf{X/Y: 0.01/ 0.006 = 1.67}$$

RCA Value is 1.67

A comparative advantage is "revealed" if $RCA > 1$. If RCA is less than unity, the country is said to have a comparative disadvantage in the commodity or industry.

As comparative advantage is "revealed" if $RCA > 1$, there is lots of scope for India's Grapes export. It clearly shows India's has lot of scope for Grapes Export. However production of Grapes currently is much higher than demand in the domestic market. There is need to promote export of grape and its products to sustain present production trend.

Seasonality Calendar of Grapes in Major Competitor of India

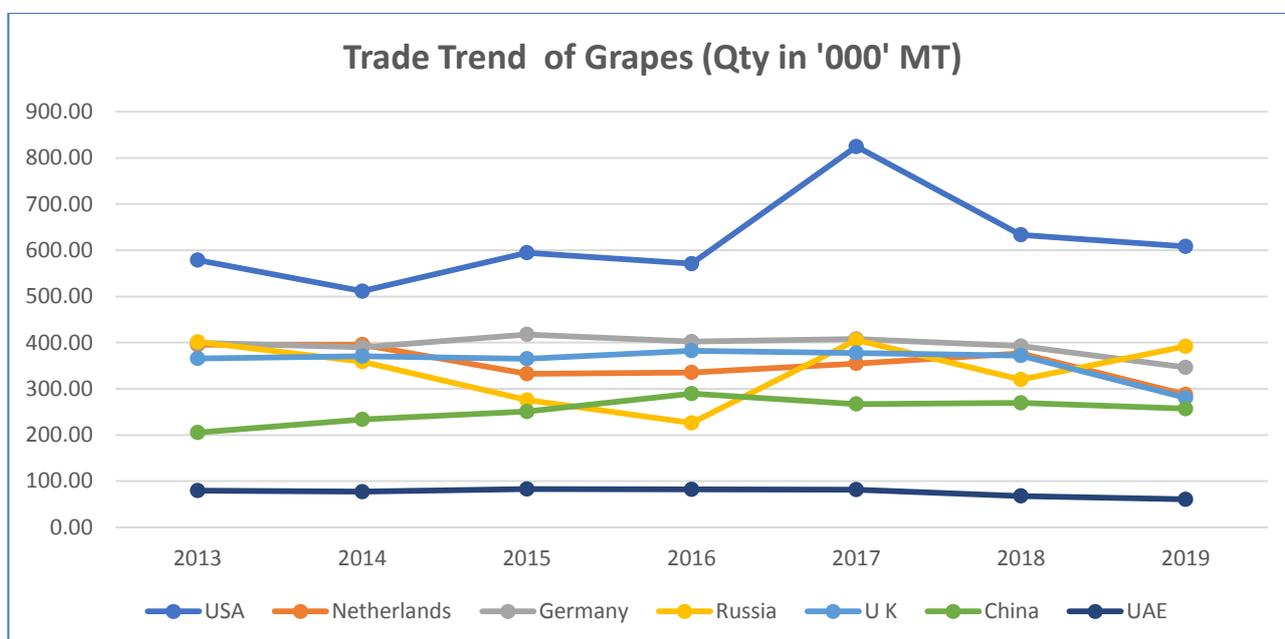
Country	Product	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
South Africa	Grapes Black Seeded	█	█	█	█	█	█						█
	Grapes White Seedless	█	█										█
	Grapes White Seeded	█	█	█	█								
	Grapes Red Seedless	█	█	█	█	█							█
	Grapes Redglobe	█	█	█	█							█	█
Peru	Flame Seedless										█	█	█
	Thompson Seedless	█									█	█	█
	Sugraone Seedless	█										█	█
	Crimson Seedless	█										█	█
	Arrais Seedless	█										█	█
	Red Globe	█	█	█							█	█	█
Chile	Flame (Red Seedless)	█	█	█									
	Crimson (Red Seedless)			█	█	█							
	Sugraone (Green Seedless)	█	█	█									
	Thompson (Green Seedless)	█	█	█	█	█							
	Black Seedless	█	█	█	█								
	Autumn Royal (Green Seedless)			█	█	█							
	Red Globe (Red Seedless)	█	█	█	█	█							

Predictive Demand in Major Market

With the analysis of above there has been shortlist the major market for India's Grapes, now the quantity demand of these shortlisted market has been calculated with the help of Artificial Intelligence and use "Gravity Model".

Trade Trend and Predicted Demand Analysis for Major Market							
Qty. in Thousand MT							
Major Importer	2013	2014	2015	2016	2017	2018	2019
USA	578.60	511.28	594.65	570.74	824.45	633.52	608.21
Netherlands	395.14	395.64	332.42	335.43	354.80	376.61	287.72
Germany	399.19	389.80	417.83	402.11	408.01	392.45	346.25
Russia	401.38	358.56	275.64	225.98	405.76	319.99	391.97
U K	365.67	370.59	364.95	382.52	377.44	371.84	280.48
China	205.30	233.61	250.57	289.48	267.03	269.38	256.80
UAE	79.53	76.99	82.86	82.04	81.58	68.00	60.50

Prediction for 2019 has been forecasted with Artificial Intelligence and Machine Learning with the use of Gravity Model



Import Tariff

A tariff is a tax on imports or exports between the nations. It is a form of regulation of foreign trade and a policy that taxes foreign products to encourage or safeguard domestic industry. Traditionally, states have used them as a source of income. Now, they are among the most widely used instruments of protectionism, along with import and export quotas.

Import Tariff in the above-mentioned major market for India's Grapes is given below:

MFN Tariff for India with Major Partner

Product Name	HS Code	Importing Country	Average of AV Duties	List of Non-AV Duties
Grapes, fresh or dried.	0806	China	11.5	
Fresh grapes	080610	China	13.0	
Dried grapes	080620	China	10.0	
Grapes, fresh or dried.	0806	*European Union	8.4	
Fresh grapes	080610	*European Union	14.4	[EP]
Dried grapes	080620	*European Union	2.4	
Grapes, fresh or dried.	0806	Russian	4.2	
Fresh grapes	080610	Russian	5.0	
Dried grapes	080620	Russian	3.3	
Grapes, fresh or dried.	0806	UAE	0.0	
Fresh grapes	080610	UAE	0.0	
Dried grapes	080620	UAE	0.0	
Grapes, fresh or dried.	0806	USA	0.0	
Fresh grapes	080610	USA	0.0	[\$1.13/m3] [\$1.80/m3]
Dried grapes	080620	USA		[1.8 cents/kg] [2.8 cents/kg] [3.5 cents/kg]

Note: Ad valorem tariffs (**AV**) are those imposed as a percentage of the custom value of the product imported

EP: European Partner

*: Tariff for Netherland, Germany and UK are same as these are the member of European Union

Source: WTO

Non MFN Tariff for India with Major Partner

Product Name	HS Code	Importing Country	Agreement	Average of AV Duties	List of Non-AV Duties
Fresh grapes	080610	*European Union	Generalized System of Preferences (GSP) scheme	9.45	
Fresh grapes	080610	*European Union	EU - Country Specific Tariff Preferences for India	14.4	[EP]
Fresh grapes	080610	Russian Federation	GSP duty rates	3.75	
Fresh grapes	080610	USA	Generalized System of Preferences (GSP) scheme	0	[\$1.80/m3] [\$1.13/m3]

Note: Ad valorem tariffs (**AV**) are those imposed as a percentage of the custom value of the product imported

EP: European Partner