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Report Name: Fresh Deciduous Fruit Annual

Country: Mexico

Post: Monterrey ATO

Report Category: Fresh Deciduous Fruit

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Report Highlights:

In terms of total volume, Mexico's marketing year (MY) 2024/25 total deciduous fruit production is forecast nearly unchanged, with a small decline in pear production mostly offset by minor growth in apple and table grape production. Apple consumption is forecast to grow only slightly. Pear consumption is estimated to grow by 3 percent. Grape consumption is forecasted lower as inflation affects purchasing power of Mexican households. With stable year-to-year domestic production, imported product largely from the United States will address the minor consumption growth for apples and pears. Even though U.S. apples entered the retail market at a competitive price to start the 2024 season, domestic supply is also abundant. Mexico's grape exports are forecast at a record for the second consecutive year.

Apples

Mexico Apples, Fresh – Production, Supply, and Distribution

Apples, Fresh Market Year Begins	2022/2023		2023/2024		2024/2025	
	Aug 2022		Aug 2023		Aug 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Mexico						
Area Planted (HA)	57817	57817	58200	57243	0	57300
Area Harvested (HA)	54950	54950	55250	54551	0	55200
Bearing Trees (1000 TREES)		0	0	0	0	0
Non-Bearing Trees (1000 TREES)		0	0	0	0	0
Total Trees (1000 TREES)		0	0	0	0	0
Commercial Production (MT)	808906	808906	810000	814533	0	815000
Non-Comm. Production (MT)	2000	2000	2000	2000	0	2000
Production (MT)	810906	810906	812000	816533	0	817000
Imports (MT)	232400	232355	320000	288176	0	290000
Total Supply (MT)	1043306	1043261	1132000	1104709	0	1107000
Domestic Consumption (MT)	1042006	1042000	1131400	1104206	0	1106600
Exports (MT)	1300	1261	600	503	0	400
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	1043306	1043261	1132000	1104709	0	1107000
(HA) ,(1000 TREES) ,(MT)						

Area

For MY 2024/25 (August–July) Post forecasts apple planted area at 57,300 hectares (ha). Area planted remains practically unchanged considering there is no indication from large growers in Chihuahua to expand cultivation in the major producing municipalities of Cuauhtemoc, Guerrero and Namiquipa. However, large growers in Chihuahua are seeking higher yields through investment in production and harvesting technology. Growers with financial means also indicate shifting some resources to corn, tomato, sorghum, oats and livestock production to diversify and improve profitability. The states of Coahuila and Puebla, which are the second and third largest apple producers, have neither expanded planting surface nor invested significantly in production/harvest technologies to increase yields. In Arteaga, Coahuila and Zacatlan, Puebla, the epicenter for apple production in each of those states, the concentration of manufacturing employment also creates appealing opportunities that pull laborers from rural to urban areas. Post’s MY 2024/25 forecast for harvested area is 55,200 ha, amidst generally favorable early season growing conditions in Chihuahua.

Production

Post’s total production forecast for MY 2024/25 is 817,000 metric tons (MT), slightly above the large crop estimate in 2023/24 of 816,533 MT. In MY 2023/24, Mexico's apple production increased 28.9 percent from the 2021/22 season, a recent low point, due in large part to post-harvest technology investment such as atmosphere-controlled storage. However, Post’s forecasted increase in production is tempered by the prevailing trends such as an overall reduction in chill hours received by orchards throughout the season that is key for fruit development and overall orchard health.

Apple Producing States in MY 23/24, Percent of Production

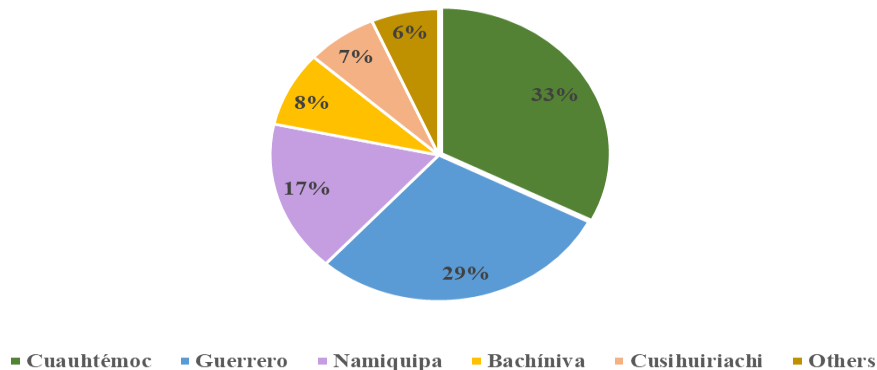


Source: SENASICA with Servicio de Informacion Agroalimentaria y Pesquera (SIAP) data.

The production estimate in MY 2023/24 of 816,533 MT is based on currently available data. The MY 2023/24 crop resulted in higher volume and better quality due to overall ideal conditions throughout most of the season. In volume terms, MY 2023/24 represents a small increase from the prior year, based upon available data. Sentiment among producers in the medium-term is that output can be maintained at 2023/24 levels.

The states of Chihuahua, Puebla, and Coahuila account for over 93 percent of Mexican apple production. Chihuahua alone accounts for an estimated 85 percent of production. Without major growth in other states, Chihuahua will remain the primary cultivation area and is key to understanding Mexico’s national apple production. Given the higher temperatures and aridity experienced in Northern Mexico versus other apple producing regions of the world, one of the key factors allowing for successful commercial apple production in Chihuahua is the higher elevation of many of the production zones. Of the three top producing municipalities (Cuauhtémoc, Guerrero, Namiquipa) all are over 6,000 feet in elevation, with some cultivation zones well over 7,000 feet, which provides the periodic cooling needed for commercial orchards to produce.

Chihuahua Apple Production Share by Municipality in MY 23/24



Source: SIAP

In Chihuahua, Cuauhtemoc and Guerrero are the top apple producing municipalities, accounting for an estimated 62 percent of Chihuahua’s apple production and an estimated 52.5 percent of national production with 428,195 MT in 2023.

Consumption

Post’s consumption forecast for MY 2024/25 is 1.1 million metric tons (MMT), up .2 percent versus the 2023/24 estimate due to slightly higher availability and affordability with large crops both domestically and in the United States.

At the time of this report, U.S. apple prices are largely on par with Chihuahua fruit at retail level in Mexico. Overall, apple retail prices are still above 40 pesos per kilo, and with enduring food price inflation across numerous food staples in Mexico, it is difficult for the average household to consider apples as a central part of their food basket. The consumption forecast accounts for the still-elevated retail price of apples that prevents more broad-based consumption growth even though the fruit is in Mexico’s “Canasta Basica.” This is reflected in the 4.5 percent cumulative inflation in 2024 (January to September) and a higher 7.65 percent rate of inflation for fruits and vegetables (see below) affecting Mexican consumer purchasing power to buy groceries.

Mexico’s Agricultural Goods Cumulative Inflation Rate, 2024

Concepto	Variación porcentual					
	mensual			anual		
	2022	2023	2024	2022	2023	2024
INPC	0.62	0.44	0.05	8.70	4.45	4.58
Subyacente	0.67	0.36	0.28	8.28	5.76	3.91
Mercancías	0.94	0.31	0.21	10.84	6.20	2.92
Alimentos, bebidas y tabaco ^{2/}	1.08	0.27	0.06	13.38	7.57	3.92
Mercancías no alimenticias	0.77	0.35	0.33	8.00	4.59	1.69
Servicios	0.35	0.43	0.35	5.35	5.23	5.10
Vivienda ^{3/}	0.24	0.23	0.28	3.15	3.58	4.05
Educación (colegiaturas)	2.08	3.15	2.85	4.49	6.59	5.79
Otros servicios ^{4/}	0.10	0.04	0.08	7.44	6.32	6.07
No subyacente	0.47	0.70	-0.72	9.96	0.60	6.50
Agropecuarios	1.51	0.84	-1.65	15.05	3.25	6.76
*Frutas y verduras	2.35	1.02	-3.43	14.18	6.75	7.65
Pecuarios	0.82	0.67	-0.26	15.79	0.33	5.14
Energéticos y tarifas autorizadas por el gobierno	-0.42	0.57	0.03	5.88	-1.71	6.01
Energéticos	-0.72	0.74	-0.19	6.16	-4.61	6.92
Tarifas autorizadas por el gobierno	0.32	0.22	0.42	5.23	5.14	3.93

Source: INEGI

Consumption of locally grown apples is driven by price and palatability. In 2023, overall, Mexican Golden Delicious (roughly 56 percent of total production) and Red Delicious (roughly 30 percent of total production) varieties continue to dominate the market with wholesale/food market prices per kilo ranging from 18 to 26 percent below U.S. apples.

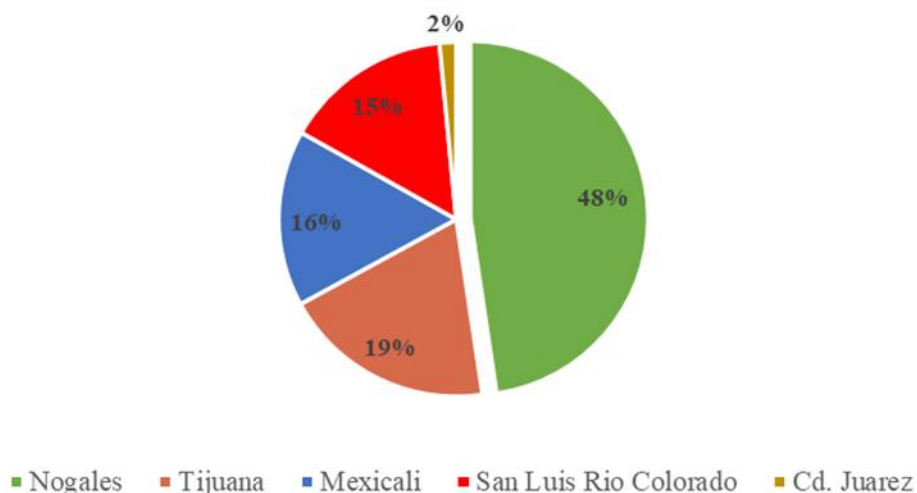
Trade

Post's import forecast for MY 2024/25 is 290,000 MT, 0.6 percent above the previous season. Increased domestic production, high retail price and inflation factors will limit further demand for imported apples.

Imported apples, which are available year-round to the consumer but at a higher price, will continue to supplement national production. Wealthier households and hospitality/foodservice industry purchases will continue to drive demand of imported apples, particularly lesser known varieties such as Gala, Fuji, Honeycrisp, Envy and Pink Lady to name a few that are available at retail in Mexico.

For MY 2023/24, Post estimates exports of U.S. fresh apples to Mexico at 288,176 MT, based on available data. The United States is Mexico's principal year-round apple supplier with diverse advantages including exportable supply, proximity, and established logistical advantages. Mexico is the largest export market for U.S. apples by some distance. In MY 2023/24, over 37 percent of U.S. apple exports went to Mexico, followed by 17 percent to Canada. Mexico also imports apples from Chile and South Africa, but only in small volumes in comparison to volumes from the United States. Largescale producers in Chihuahua aim to increase controlled atmosphere and refrigerated storage capacity to maintain stored fruit quality after harvest and offer palatable apples year-round much like the United States.

U.S. Apple Imports to Mexico, by Port of Entry 23/24



Source: Global Agricultural Trade System (GATS)

The major border ports of entry for U.S. fresh apple exports to Mexico are Nogales and Tijuana, followed by Mexicali and San Luis Rio Colorado. Together these ports of entry handle more than 80 percent of the volume of U.S. apple imports to Mexico. Since most U.S. exports largely originate from Washington and other western states, this trade pattern is well established. Mexican apple exports are forecast at 400 MT for MY 2024/25. Mexico's small quantity of apple exports go mainly to Belize, and occasionally to the United States. Some producers in Chihuahua are also processing and then exporting dehydrated product to the United States and elsewhere.

Policy

Applicable workplans between USDA's Animal and Plant Health Inspection Service (APHIS) and Mexico's Secretariat of Agriculture and Rural Development's (SADER) / National Service for Health, Food Safety, and Food Quality (SENASICA) contain phytosanitary regulations for the export of apples to Mexico from:

- California with methyl bromide as quarantine treatment
- The Center and Northeast of the United States
- The Northwest of the United States

For details on the above work plans please visit SENASICA's [website](#).

Tariffs

Apples exported from the United States enter Mexico duty free. Under the Chile-Mexico Free Trade Agreement, imported Chilean apples began to enter duty free as of January 1, 2006. Apples from other countries are subject to a duty of 20 percent. Mexico's apple H.S. code is 080810.

Mexico Average Monthly Wholesale Apple Import Prices Golden Delicious (Pesos/kilogram)

Month	2023	2024	Change (%)
January	64.71	52.94	-18
February	57.65	54.12	-6
March	57.65	50.00	-13
April	57.65	47.06	-18
May	55.88	48.24	-13
June	52.94	50.00	-5
July	55.88	48.24	-13
August	54.71	47.06	-13
September	55.88	55.88	-
October	63.53	57.65	-9
November	61.76	--	-
December	57.65	--	-

Source: National Market Information Service

Pears

Mexico Pears, Fresh – Production, Supply, and Distribution

Pears, Fresh Market Year Begins Mexico	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	3589	3589	3411	3641	0	3600
Area Harvested (HA)	3559	3559	3371	3598	0	3617
Bearing Trees (1000 TREES)		0	0	0	0	0
Non-Bearing Trees (1000 TREES)		0	0	0	0	0
Total Trees (1000 TREES)		0	0	0	0	0
Commercial Production (MT)	26374	26374	26200	26919	0	26000
Non-Comm. Production (MT)	1000	1000	1000	1000	0	1000
Production (MT)	27374	27374	27200	27919	0	27000
Imports (MT)	79600	55933	85000	81553	0	85500
Total Supply (MT)	106974	83307	112200	109472	0	112500
Domestic Consumption (MT)	106874	83218	112150	109453	0	112480
Exports (MT)	100	89	50	19	0	20
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	106974	83307	112200	109472	0	112500

(HA) ,(1000 TREES) ,(MT)

Area

Considering lack of major commercial interest in the domestic pear sector, Post forecasts the MY 2024/25 (July-June) planted area at 3,600 ha, nearly unchanged from the year prior. Pears are grown mainly in the states of Michoacan and Puebla, and around 85 percent of the area planted is rainfed.

Production

Post's production forecast for MY 2024/25 is 27,000 MT, slightly below the previous MY due to lack of major investment in production technology and infrastructure. The sector is not expected to increase volume in the near term. In MY 2023/24, Michoacán and Puebla remained as the major pear producing states with 47 and 27 percent of total national production respectively, followed by Morelos with 8 percent; together accounting for over 80 percent of total production.

Pear Producing States in MY 23/24, Percent of Production



Source: SIAP

Consumption

Post's consumption forecast for MY 2024/25 is 112,480 MT. Domestic demand is mostly covered by imports, which in MY 2023/24 are estimated to account for nearly 80 percent of national consumption. U.S. pears hold an 88 percent market share of Mexico's pear imports. In general, the Mexican consumer prefers imported pears due to their higher quality, consistency, and year-round availability. However, import prices remain 25-40 percent higher than locally grown product. The most consumed pear variety in Mexico is Anjou.

Trade

Mexico's pear imports for MY 2024/25 are forecast at 85,500 MT, showing some growth to cover demand. With available data, MY 2023/24 imports are estimated at 81,553 MT based on available data. Further trade growth is limited due to high import prices and high inflation in Mexico. Exports remain negligible, with Post's forecast for MY 2024/25 at 20 MT.

Policy

There is no federal or local government support for pear production or marketing. Only pears from Oregon, Washington, California, and from areas not under quarantine are imported into Mexico.

Tariffs

The import duty on pears from the United States, Canada, Chile, and Argentina is zero. All other countries are subject to a duty of 20 percent. The pear H.S. code is 080830.

Mexico -Average Monthly Wholesale Pear Import Prices D'Anjou (Pesos/kilogram)

Month	2023	2024	Change (%)
January	45.6	40	-12.3
February	43.33	37.78	-12.8
March	47.22	35	-25.9
April	45.56	37.22	-18.3
May	43.33	41.67	-3.8
June	41.67	36.11	-13.3
July	41.67	40	-4.0
August	40	41.67	4.2
September	40	40.56	1.4
October	40	41.67	4.2
November	41.67	-	-
December	42	-	-

Source: Servicio Nacional de Información de Mercados

Table Grapes

Mexico, Grapes, Fresh Table – Production, Supply, and Distribution

Grapes, Fresh Table Market Year Begins Mexico	2022/2023		2023/2024		2024/2025	
	May 2022		May 2023		May 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	23606	23606	24000	23382	0	23500
Area Harvested (HA)	22839	22839	23250	22916	0	23000
Commercial Production (MT)	381000	381000	385000	384740	0	385000
Non-Comm. Production (MT)	1000	1000	1000	1000	0	1000
Production (MT)	382000	382000	386000	385740	0	386000
Imports (MT)	130400	129000	135000	111247	0	112000
Total Supply (MT)	512400	511000	521000	496987	0	498000
Fresh Dom. Consumption (MT)	303700	302313	291000	259311	0	258000
Exports (MT)	208700	208687	230000	237676	0	240000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	512400	511000	521000	496987	0	498000
(HA) ,(MT)						

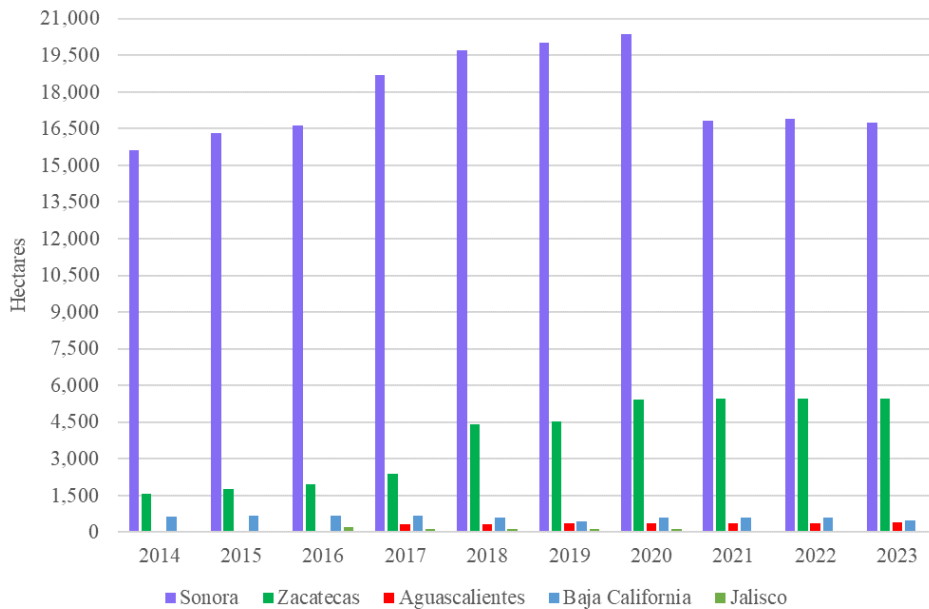
Area

MY 2024/25 (May–April) planted area is forecast at 23,500 ha, marginally above MY 2023/24 as large growers in Sonora gradually plant new varieties of grapes although largely in the same fields as traditional grapes. Farmers in Sonora, while benefiting in the immediate term from available groundwater and abundant sunshine, face severe drought pressures in this arid region. Higher input costs also pose a challenge, particularly for small growers, to produce exportable quality grapes. Large table grape growers are diversified into other fruit crops including tomatoes, peppers, squash, asparagus, and watermelon. Some large growers also have pecan plantations.

Production

Post’s production forecast for MY 2024/25 is 386,000 MT, largely unchanged from MY 2023/24, considering that the sector is almost entirely oriented towards exporting a relatively stable volume to the United States within a short window of the year. Sonora is Mexico’s largest table grape-producing state accounting for over 80 percent of national production, followed by Zacatecas with 15.8 percent and Aguascalientes with 1.8 percent. Sonora is the largest producer thanks to its desert climate, sandy soils and use of precision irrigation. More than 90 percent of the commercial table grape fields in the state are under a drip irrigation system, but many large producers point to water availability as an emerging challenge to overcome.

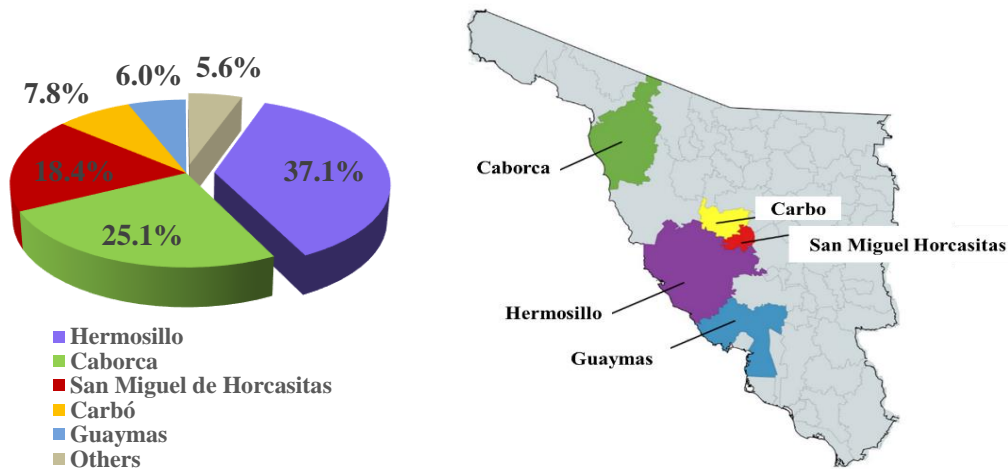
Table Grape Planted Surface (ha) by Major Producing States



Source: SIAP

90 percent of Sonora’s crop is exported, mainly to the United States, during the May to July harvest. The second largest table grape-producer is Zacatecas where most of the fruit is for the juice industry, and some volume goes to the fresh retail market domestically. The third producer is Aguascalientes with fruit primarily for industrial use. Recruiting labor for table grape production and harvesting in Sonora is an issue for growers. Many of the same trends mentioned in this report’s apple section are present in the grape sector as well. Sonora has previously accounted for as much as 90 percent of Mexico’s table grape area and production, but cultivation has expanded in several other states. Principal grape varieties produced in Sonora are Superior Seedless or Sugaone, Flame, Perlette, and Red Globe. Hermosillo, Caborca, San Miguel de Horcasitas, Carbó, and Guaymas are the primary table grape producing municipalities in Sonora. The first three account for 80 percent of Sonoran production and 65 percent of national production.

Sonora Table Grape Production Share by Municipality in MY 23/24



Source: SIAP

In 2023, Sonora accounted for over 71 percent of total planted area, followed by Zacatecas (23.4 percent), Baja California (2.1 percent), and Aguascalientes (1.7 percent). The Baja region is more well-known for its cultivation for wine production.

Consumption

The consumption forecast for the MY 2024/25 season is 258,000 MT, marginally below MY 2023/24 estimated consumption. This is attributed to the small increase in domestic production, high inflation, and focus on export markets like the United States. For many consumers, grapes are a high-end product. Imported table grapes, particularly new varieties, are most often found in higher end supermarkets. In 2024, the average wholesale price per kilo for U.S. Red Globe was \$44.07 pesos while the average retail price for Red Globe and Whites averaged \$149 pesos per kilo. The retail price per kilo for new varieties like Moon Drops and Cotton Candy is above \$149 pesos per kilo.

Trade

Imports for MY 2024/25 are forecast at 112,000 MT, marginally above the MY 2023/24 estimate of 111,247 MT. Despite slightly higher domestic supply, Post forecasts minimal growth in trade. Mexico is consistently the second largest market for U.S. table grapes after Canada. Similar to Mexico's imports of U.S. fresh apples, imported table grapes flow primarily through the Nogales and San Diego customs districts due to the fact that all U.S. exports to Mexico are produced in California. With most exportable production in Sonora, Mexico's table grape exports to the United States move primarily through the Nogales district.

Post forecasts Mexico's MY 2024/25 exports at 240,000 MT, up 1 percent from the MY 2023/24 estimate. This represents a record export volume for the second consecutive year. With both production and consumption projected practically on par with the previous MY, exportable supply remains relatively stable. Mexico exports most of its table grape production to the United States (over 98 percent) with small quantities to Japan, Guatemala, Costa Rica and Belize.

Policy

Mexico's regulations establish that the importation of table grapes from the United States is limited to product from the State of California following specific import requirements. For detailed information on import requirements visit Mexico's Secretariat of Agriculture and Rural Development's (SADER) / National Service for Health, Food Safety, and Food Quality (SENASICA) [website](#).

Tariffs

Under their respective trade agreements, the import duty on grapes from the United States, Chile, Japan, and Peru is zero. The table grapes H.S. code is 080610.

**Average Monthly Wholesale Red Globe Import Prices
(Pesos/kilogram)**

Month	2023	2024	Change (%)
January	75	44.83	-40.2
February	60	43.75	-27.1
March	56.25	40.9	-27.3
April	57.5	45.45	-21.0
May	43.75	48.01	9.7
June	47.75	43.75	-8.4
July	56.25	43.32	-23.0
August	43.75	46.7	6.7
September	47.75	46.75	-2.1
October	75	43.61	-41.9
November	46.12	NA	-
December	44.69	NA	-

Source: National Service for Market Information

Attachments:

No Attachments