

Apple Juice Production and Trade in Selected Countries

Production of apple juice (AJ) in selected countries in 2001/02 is estimated at nearly 880,000 metric tons (70/71 degrees brix equivalent), 10 percent below the previous season's output. The downturn reflects decreased production in the main Northern Hemisphere producing countries, including Germany, Italy, Hungary, and the United States. Production of AJ in Argentina and Chile, the major producing countries in the Southern Hemisphere, is also forecast to decrease in the 2001/02 season. AJ production in China, the world largest producer, in 2001/02 is forecast to increase 16 percent to 200,000 tons. Exports of AJ from selected countries in 2001/02 are estimated at 754,000 tons, 2 percent below last season's shipments. U.S. AJ exports are expected to continue to decline in 2001/02, mainly due to lower production and increased domestic demand. These factors, on the other hand, are expected to boost U.S. AJ imports in 2001/02 to a record 285,000 tons, 26 percent more than imports in 2000/01. U.S. imports of AJ have increased steadily since the 1998/99 season, driven by decreased production, increased world supplies of lower-priced product, and increased demand as an ingredient in the juice, soft drink, and snacks processing industries.

China, the world's largest producer of AJ, continues to expand exports in 2001/02

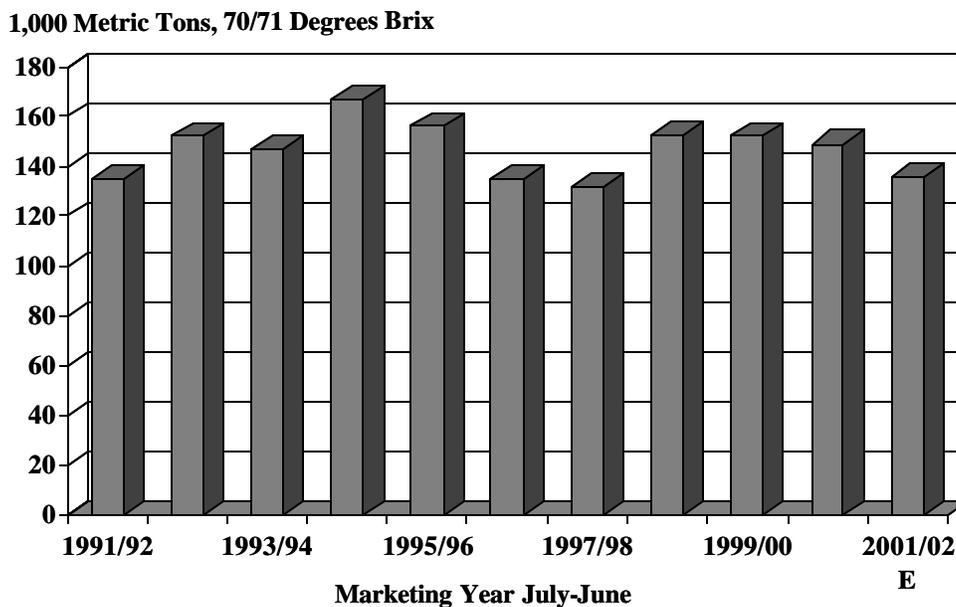
In marketing year (MY) 2001/02, China will likely surpass Poland and become the world's largest AJ producer. China's AJ production in 2001/02 is estimated at 200,000 tons (70/71 degrees brix), up 16 percent from the 2000/01 output, and slightly over Poland's estimated 190,000-ton output. In recent years, AJ production in China has been driven by increased export demand. Moreover, China can supply AJ at relatively lower prices than its competitors. Concentrated not-frozen AJ continues to be the main processed apple product in China.

Shandong province is China's major AJ-producing region. AJ production in Shandong province last season was estimated at 66,000 tons, nearly 40 percent of China's 2000/01 total AJ output. Much of the production of AJ in Shandong originates from 6 or 7 companies or processing plants. In the past, there were many processing plants in Shandong province. However, the number of AJ factories is believed to be decreasing, due to continued low world prices. Reportedly, less than 20 factories are now in operation within Shandong province, but only 6 or 7 are capable of large-scale production.

Some in the AJ industry are very concerned about the low quality of China's AJ. Moreover, some believe that the quality of the product will not improve until processors switch to higher quality fruit. Apple growers generally sell their poorer quality fruit to AJ processors at low prices. Higher quality fruit is sold at much higher prices to the fresh consumption market.

Most of China's AJ is exported. China's exports of AJ in 2001/02 are forecast at more than 177,000 tons, up 15 percent from shipments in 2000/01. The main export destinations are expected to remain the United States and some countries in the EU. China exports low acid AJ, which is blended with high acid juice by the food and beverage industries in many importing countries.

U.S. Apple Juice Production Continues to Show Its Decreasing Trend



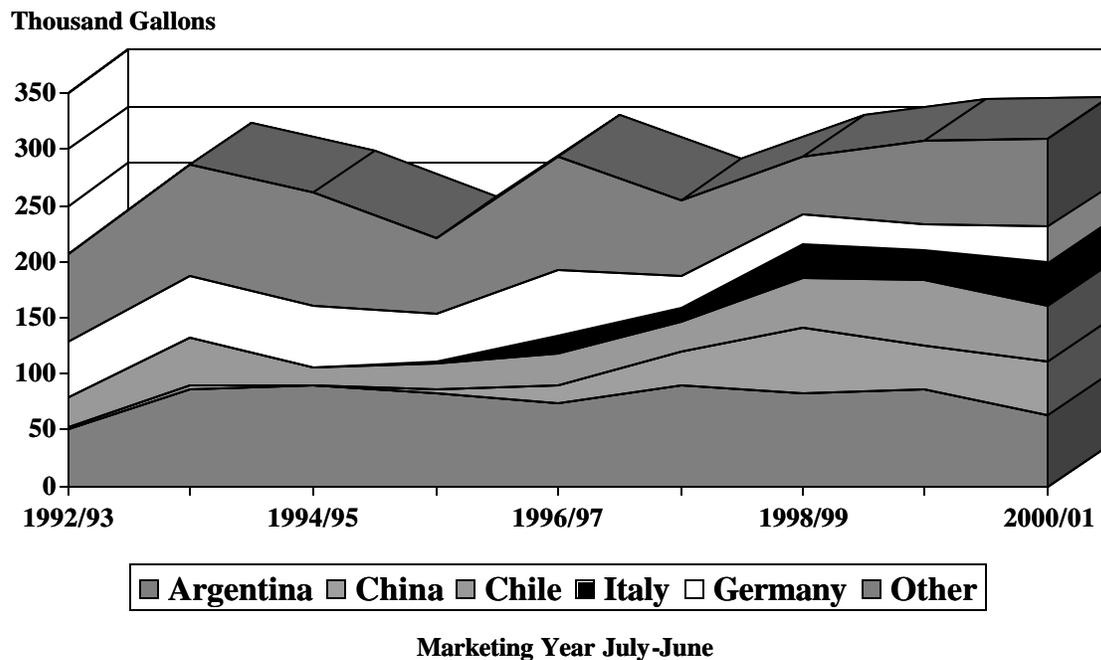
Source: U.S. Foreign Agricultural Service using data from the National Agricultural Statistics Service.
E-Estimate

The United States will remain a strong consumer of imported AJ

U.S. AJ production is expected to continue its downturn trend. Output in 2001/02 in the United States is estimated to decrease for the third consecutive season to 135,500 tons, down 9 percent from 2000/01 and the lowest level since 1997/98. Reduced supplies of processing apples and less attractive prices for processing fruit are expected to hamper overall U.S. AJ production in 2001/02. The amount of processing apples in 2001/02 in the United States is expected to decline 9 percent to 998,000 tons. U.S. import demand for AJ is expected to continue its upward trend, as well as remaining a net importer. U.S. AJ imports in 2001/02 are estimated at a record 285,000 tons, up 26 percent from 2000/01. U.S. import demand for mostly concentrated non-frozen AJ, totaled more than 176,000 tons, 70/71 degrees brix equivalent, for the period July 2001 through February 2002, up 30 percent from the same period last season.

The increase reflects increased imports from Argentina, Chile, and China. A rebound in import demand for the Chinese product has revived the U.S. industry's concern about China's AJ marketing strategy in the United States. Argentina, Chile, and China, are the major suppliers of AJ to the U.S. market. The Chinese product, however, is, on average, entering the United States at the lowest price. In response to industry complaints about the surge of low-priced AJ from China, on May 15, 2000, the United States imposed antidumping duties on certain suppliers of Chinese non-frozen AJ concentrate. The duties assessed range from 9 percent to 52 percent. However, these punitive duties have not reduced the volume of AJ entering the United States from China. The dumping duties will be in effect at least until 2005.

U.S. Imports of Apple Juice Continue to Increase



Source: U.S. Department of Commerce, Bureau of the Census

(The FAS Attaché Report search engine contains reports on the apple juice industry for more than 10 countries. For further information on supply, distribution, and trade, contact Samuel Rosa at (202) 720-6086).

**APPLE JUICE: PRODUCTION, SUPPLY, AND UTILIZATION
IN SELECTED COUNTRIES
(METRIC TONS AT 70/71 DEGREES BRIX EQUIVALENT)**

Country/ 1/ Mkting Year	Beginning Stocks	Production	Imports	Total Supply	Exports	Domestic Consumption	Ending Stocks
NORTHERN HEMISPHERE COUNTRIES							
China							
1999/00	0	103,000	681	103,681	70,710	32,971	0
2000/01	0	173,000	481	173,481	153,415	20,066	0
2001/02 E	0	200,000	594	200,594	177,147	23,447	0
Germany							
1999/00	107,631	98,560	266,658	472,849	76,048	269,709	127,092
2000/01	127,092	122,199	312,567	561,858	86,484	305,388	169,986
2001/02 E	169,986	75,000	300,000	544,986	90,000	274,986	180,000
Hungary							
1999/00	0	44,000	3,000	47,000	33,000	14,000	0
2000/01	0	82,000	15,000	97,000	72,000	25,000	0
2001/02 E	0	47,500	11,500	59,000	39,000	20,000	0
Italy							
1999/00	0	65,000	39,000	104,000	100,000	4,000	0
2000/01	0	71,000	35,000	106,000	102,000	4,000	0
2001/02 E	0	65,000	35,000	100,000	96,000	4,000	0
Poland							
1999/00	5,000	80,000	21,000	106,000	89,000	10,000	7,000
2000/01	7,000	190,000	3,000	200,000	185,000	11,000	4,000
2001/02 E	4,000	190,000	3,000	197,000	185,000	11,000	1,000
Spain							
1999/00	1,200	21,000	16,500	38,700	25,500	10,500	2,700
2000/01	2,700	18,000	12,300	33,000	17,500	13,500	2,000
2001/02 E	2,000	21,400	10,000	33,400	17,500	14,000	1,900
United States 2/							
1999/00	0	152,397	224,678	377,075	6,838	370,237	0
2000/01	0	149,008	225,934	374,942	5,391	369,551	0
2001/02 E	0	135,500	285,000	420,500	5,000	415,500	0
SUBTOTAL NORTHERN HEMISPHERE COUNTRIES							
1999/00	113,831	563,957	571,517	1,249,305	401,096	711,417	136,792
2000/01	136,792	805,207	604,282	1,546,281	621,790	748,505	175,986
2001/02 E	175,986	734,400	645,094	1,555,480	609,647	762,933	182,900

**APPLE JUICE: PRODUCTION, SUPPLY, AND UTILIZATION
IN SELECTED COUNTRIES
(METRIC TONS AT 70/71 DEGREES BRIX EQUIVALENT)**

Country/ 1/	Mkting Year	Beginning Stocks	Production	Imports	Total Supply	Exports	Domestic Consumption	Ending Stocks
SOUTHERN HEMISPHERE COUNTRIES								
Argentina								
	1999/00	3,154	42,328	4,638	50,120	37,574	8,500	4,046
	2000/01	4,046	83,543	1,585	89,174	69,449	8,000	11,725
	2001/02 E	11,725	63,000	500	75,225	70,000	5,000	225
Chile								
	1999/00	248	35,800	0	36,048	35,307	500	241
	2000/01	241	46,100	0	46,341	45,500	500	341
	2001/02 E	341	40,000	0	40,341	39,400	500	441
New Zealand								
	1999/00	0	19,947	400	20,347	11,537	8,810	0
	2000/01	0	16,000	400	16,400	9,300	7,100	0
	2001/02 E	0	15,600	400	16,000	11,500	4,500	0
South Africa								
	1999/00	0	27,390	5,575	32,965	25,835	7,130	0
	2000/01	0	23,960	5,900	29,860	22,000	7,860	0
	2001/02 E	0	26,250	6,000	32,250	23,000	9,250	0
SUBTOTAL SOUTHERN HEMISPHERE COUNTRIES								
	1999/00	3,402	125,465	10,613	139,480	110,253	24,940	4,287
	2000/01	4,287	169,603	7,885	181,775	146,249	23,460	12,066
	2001/02 E	12,066	144,850	6,900	163,816	143,900	19,250	666
TOTAL SELECTED COUNTRIES								
	1999/00	117,233	689,422	582,130	1,388,785	511,349	736,357	141,079
	2000/01	141,079	974,810	612,167	1,728,056	768,039	771,965	188,052
	2001/02 E	188,052	879,250	651,994	1,719,296	753,547	782,183	183,566

1/ Northern Hemisphere marketing years are July-June for all countries except Italy where the marketing year is January-December. Southern Hemisphere marketing year is January-December except New Zealand where the marketing year is October-September.

2/ U.S. stock figures not available. U.S. apple juice production is estimated using the proportion of the fresh apple crop that is processed into juice and cider. U.S. export and import data is from U.S. Dept. of Commerce.

Note: Data for Mexico, Austria, Bulgaria, France, and Australia has been discontinued, as FAS no longer requires reporting on apple juice for those countries.

E= Estimate

Source: U.S. Department. of Commerce, Bureau of Census; USDA Attache reports and USDA/FAS estimates.

U.S. Apple Juice Imports
Marketing Years 1996/97-2000/01 and year to date
(July-June)
Metric Tons, 70/71 Degrees Brix Equivalent

Country	Rank by Volume 1/						Percent	Jul-Feb	Jul-Feb	Percent
		1996/97	1997/98	1998/99	1999/00	2000/01	Change 2/	2000/01	2001/02	Changed 3/
Argentina	1	53,616	65,303	60,646	62,768	46,019	-27%	23,722	53,993	128%
China	2	11,317	21,914	43,403	29,126	35,542	22%	19,860	30,136	52%
Chile	3	21,370	19,971	31,583	42,268	35,020	-17%	21,077	31,183	48%
Italy	4	11,831	9,036	21,377	18,668	28,081	50%	17,771	7,582	-57%
Germany	5	42,715	19,908	20,291	17,359	23,437	35%	15,177	16,661	10%
Hungary	6	27,071	19,179	6,273	2,092	11,014	426%	8,204	5,770	-30%
New Zealand	7	2,923	6,305	1,340	2,407	9,430	292%	5,519	3,281	-41%
Turkey	8	8,842	1,001	4,827	7,968	9,061	14%	5,451	5,141	-6%
South Africa	9	6,329	7,513	9,972	15,661	6,079	-61%	4,593	6,568	43%
Brazil	10	4,798	3,796	3,738	8,847	4,957	-44%	3,987	4,207	6%
Mexico	11	3,752	4,871	3,477	8,136	4,326	-47%	2,953	3,574	21%
Austria	12	8,227	1,245	1,739	1,372	4,072	197%	1,833	1,982	8%
Canada	13	2,662	3,518	2,713	3,856	3,552	-8%	2,234	2,584	16%
Poland	14	1,108	64	499	655	2,031	210%	1,191	1,699	43%
Moldova	15	2,467	1,041	1,237	579	1,148	98%	1,148	738	-36%
Others		5,267	1,543	1,215	2,916	2,165	-26%	1,194	1,021	-14%
Total		214,293	186,207	214,329	224,678	225,934	1%	135,915	176,122	30%

1/ Rank by descending order of volume of supplied product in marketing year 2000/01.

2/ Percentage changed from Marketing Year 1999/01/00 to 2000/01.

3/ Percentage changed from Jul-Feb 2000/01 period to Jul-Feb 2001/02.

U.S. Apple Juice Imports
Marketing Years 1996/97-2000/01 and year to date
(July-June)
Value in U.S. Dollars

Country	Rank by Value 1/	1996/97	1997/98	1998/99	1999/00	2000/01	Percent Changed 2/	Jul-Feb 2000/01	Jul-Feb 2001/02	Percent Changed 3/
Argentina	1	\$78,966,061	\$73,281,802	\$55,255,473	\$65,777,527	\$46,189,169	-30%	\$28,912,179	\$40,755,898	41%
Chile	2	\$39,270,307	\$28,267,477	\$30,050,798	\$46,407,134	\$43,048,237	-7%	\$30,013,333	\$26,073,625	-13%
Italy	3	\$21,405,103	\$12,782,700	\$23,454,848	\$25,641,953	\$32,046,506	25%	\$21,700,161	\$9,074,120	-58%
China	4	\$22,299,718	\$24,656,275	\$34,064,871	\$30,662,961	\$29,730,207	-3%	\$17,108,298	\$22,790,224	33%
Germany	5	\$81,067,575	\$34,015,682	\$21,561,493	\$23,467,241	\$25,308,693	8%	\$16,906,081	\$16,284,006	-4%
Hungary	6	\$43,886,982	\$20,373,536	\$5,085,423	\$2,610,014	\$10,545,904	304%	\$7,797,813	\$6,988,285	-10%
Turkey	7	\$16,244,093	\$1,404,260	\$4,014,923	\$8,645,106	\$9,588,197	11%	\$5,623,997	\$4,250,874	-24%
New Zealand	8	\$4,976,532	\$7,376,193	\$1,247,578	\$2,375,018	\$8,740,249	268%	\$5,574,025	\$2,657,785	-52%
South Africa	9	\$12,532,415	\$10,103,451	\$8,324,554	\$18,669,068	\$7,662,674	-59%	\$6,261,153	\$5,982,957	-4%
Canada	10	\$6,809,352	\$7,930,522	\$6,212,027	\$8,083,142	\$7,597,701	-6%	\$4,587,289	\$5,680,697	24%
Mexico	11	\$8,352,055	\$7,757,363	\$4,280,497	\$10,684,974	\$6,130,381	-43%	\$3,786,810	\$6,194,442	64%
Brazil	12	\$8,558,531	\$4,151,609	\$2,660,136	\$10,168,983	\$5,424,846	-47%	\$3,833,120	\$4,859,175	27%
Austria	13	\$15,241,452	\$2,140,740	\$2,020,751	\$2,007,317	\$4,809,758	140%	\$2,275,994	\$2,606,908	15%
Poland	14	\$2,082,582	\$352,780	\$556,321	\$949,664	\$2,680,921	182%	\$1,758,301	\$1,653,424	-6%
Moldova	15	\$4,984,102	\$1,828,742	\$1,707,969	\$1,264,824	\$1,584,000	25%	\$1,584,000	\$604,800	-62%
Others		\$12,098,372	\$4,101,366	\$1,825,473	\$4,357,899	\$3,018,184	-31%	\$1,798,035	\$1,536,565	-15%
Total		\$378,775,232	\$240,524,498	\$202,323,135	\$261,772,825	\$244,105,627	-7%	\$159,520,589	\$157,993,785	-1%

1/ Ranked by descending order of total value of supplied product in marketing year 2000/01.

2/ Percentage changed from Marketing Year 1999/01/00 to 2000/01.

3/ Percentage changed from Jul-Feb 2000/01 period to Jul-Feb 2001/02.

U.S. Apple Juice Imports
Marketing Years 1996/97-2000/01 and year to date
(July-June)
Average Price (U.S. \$) Per Ton
Top 15 Suppliers

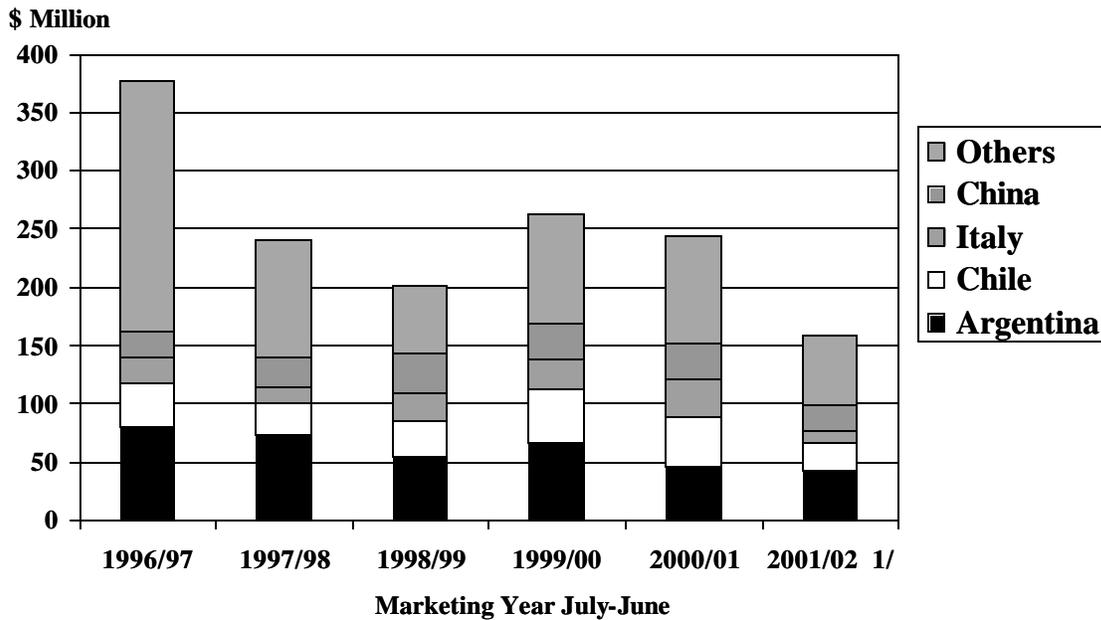
Country	Rank by \$ per Ton 1/	1996/97	1997/98	1998/99	1999/00	2000/01	Percent Changed 2/	Jul-Feb 2000/01	Jul-Feb 2001/02	Percent Changed 3/
China	1	\$1,970	\$1,125	\$785	\$1,053	\$836	-21%	\$861	\$756	-12%
New Zealand	2	\$1,703	\$1,170	\$931	\$987	\$927	-6%	\$1,010	\$810	-20%
Hungary	3	\$1,621	\$1,062	\$811	\$1,248	\$958	-23%	\$950	\$1,211	27%
Argentina	4	\$1,473	\$1,122	\$911	\$1,048	\$1,004	-4%	\$1,219	\$755	-38%
Turkey	5	\$1,837	\$1,403	\$832	\$1,085	\$1,058	-2%	\$1,032	\$827	-20%
Germany	6	\$1,898	\$1,709	\$1,063	\$1,352	\$1,080	-20%	\$1,114	\$977	-12%
Brazil	7	\$1,784	\$1,094	\$712	\$1,149	\$1,094	-5%	\$961	\$1,155	20%
Italy	8	\$1,809	\$1,415	\$1,097	\$1,374	\$1,141	-17%	\$1,221	\$1,197	-2%
Austria	9	\$1,853	\$1,720	\$1,162	\$1,463	\$1,181	-19%	\$1,242	\$1,315	6%
Chile	10	\$1,838	\$1,415	\$951	\$1,098	\$1,229	12%	\$1,424	\$836	-41%
South Africa	11	\$1,980	\$1,345	\$835	\$1,192	\$1,261	6%	\$1,363	\$911	-33%
Poland	12	\$1,880	\$5,503	\$1,115	\$1,450	\$1,320	-9%	\$1,476	\$973	-34%
Moldova	13	\$2,021	\$1,756	\$1,381	\$2,185	\$1,380	-37%	\$1,380	\$819	-41%
Mexico	14	\$2,226	\$1,592	\$1,231	\$1,313	\$1,417	8%	\$1,282	\$1,733	35%
Canada	15	\$2,558	\$2,254	\$2,290	\$2,097	\$2,139	2%	\$2,054	\$2,199	7%

1/ Ranked by ascending order of averaged price per ton of supplied product in marketing year 2000/01.

2/ Percentage changed from Marketing Year 1999/01/00 to 2000/01.

3/ Percentage changed from Jul-Feb 2000/01 period to Jul-Feb 2001/02.

The Value of U.S. Imports of Apple Juice Has Declined



1/ Average import value for the period July 2001 to February 2002.
 Source: U.S. Department of Commerce, Bureau of the Census