Despite hail storms that dealt a blow to Argentina's apple and pear production, the nation's exports are expected to remain higher than last year, according to the United States Department of Agriculture (USDA).

Production for apples and pears in calendar year 2013 is forecast to drop to 910,000 metric tons (MT) and 780,000MT, respectively, according to a USDA Foreign Agricultural Service (FAS) Global Agricultural Information Network (GAIN) report.

Original estimates were set at 1,030,000MT and 820,000MT. Hail storms, however, damaged an estimated 80,000-100,000MT of fruit, primarily apples.

About half of the damaged fruit will go to processing and the other half will be lost.

Table grapes, in contrast, experienced more favorable weather and are forecast to stay on course at 141,000MT.

As a point of reference, in 2012, total fresh apple, pear and table grape volumes came in at an estimated 860,000MT,
760,000 MT, and 110,000MT.

On the export end, both apple and pear volumes are expected to increase compared to last year to 160,000MT and 470,000MT, respectively.

The positive apple forecast comes despite a previous USDA estimate predicting 310,000MT in exports for the fruit. Pears were forecast at 20,000MT less.

Factors playing in favor of improved apple exports include lower fruit availability and high prices paid by export markets in the first quarter of the calendar year.

Grapes exports, on the other hand, are expected to suffer from lack of international competitiveness and to decrease by half to 25,000MT.

Production trends

For 2013, total area planted for apples decreased from 28,000 to 27,500 hectares. Pear decrease from 29,000 to 28,500 hectares.

Economic and financial crises in the main growing region in Rio Negro have been attributed to the decline. Small growers are reportedly selling their land off to larger producers and, in some case, to real estate companies.

Land used for apple production in Mendoza is also going increasingly toward wine grapes and other more profitable crops.

Other factors that have made production difficult include conflicts with trade union over wages, rising input costs, inflation and declining competitiveness of larger companies.

www.freshfruitportal.com