

U.S. apple exports to Mexico and India declined sharply during the first half of the year but rose to several Far Eastern markets, according to data from the USDA's Foreign Agricultural Service (FAS).

Mexico and India - the U.S.'s top two apple markets in 2018 - saw reductions of 33% and 67% respectively. To Mexico, exports from January through June fell from US\$167m to US\$117m year-on-year; to India they fell from US\$149m to US\$50m.

The significant declines came amid tariffs and threats of tariffs from both countries.

Mexico in June 2018 imposed a 20% tariff on U.S. apple imports, which it lifted in May this year. Meanwhile, India had threatened an additional 20% tariff on U.S. apples since last year and followed through in June. The duties were in retaliation for U.S. tariffs on aluminum and steel imports.

There had been strong growth in U.S. apple exports to both markets from 2016 to 2018. Volumes to Mexico rose from US\$182m to US\$258m over those years, while volumes to India more than doubled from US\$62m to US\$156.

Exports to Canada - the U.S.'s number three apple market in 2018 - dropped by 7% from US\$79m to US\$74m from January through June this year. In contrast to Mexico and India, exports to Canada fell over 2016 to 2018, dropping from US\$179m to US\$140m.

Gains in apple exports to Far Eastern markets

However, while the top three markets saw declines from January through June, there were increases to the next four largest markets. Those destinations - which are all in the Far East - are Taiwan, Vietnam, Indonesia, and Hong Kong.

U.S. apple exports to Taiwan rose by 27% to US\$27m; to Vietnam, they grew by 17% to US\$24m; to Indonesia, they rose 13% to US\$19m; and to Hong Kong they grew 15% to US\$16m.

The number eight and nine markets - the United Arab Emirates and Saudi Arabia - saw declines of 58% and 25% respectively.

Total apple exports to all markets fell by 30% over the six-month period, declining from US\$584m to US\$411m. Over the five years from 2014 through 2018, exports were registered at US\$960m, US\$923m, US\$838m, US\$874m, and US\$936m.