

In this installment of the 'Agronomics In Charts' series, Sarah Ilyas evaluates the after-effects of the ban on Mexican avocados. Each week the series looks at a different horticultural commodity, focusing on a specific origin or topic visualizing the market factors that are driving change.

Avocado imports from Mexico make a significant contribution to the U.S. economy as they slide through the import supply chain, generating value-added income, jobs and taxes in addition to benefiting cross-linked supply chains. Avocados grown locally in California can meet only around 10% of U.S. demand.

To satiate the local demand for avocados, the U.S. imports them from Mexico, which provides about 90 percent of the U.S. supply. Avocados are sometimes referred to as "[green gold](#)" because of the prices they have the potential to command in international markets.

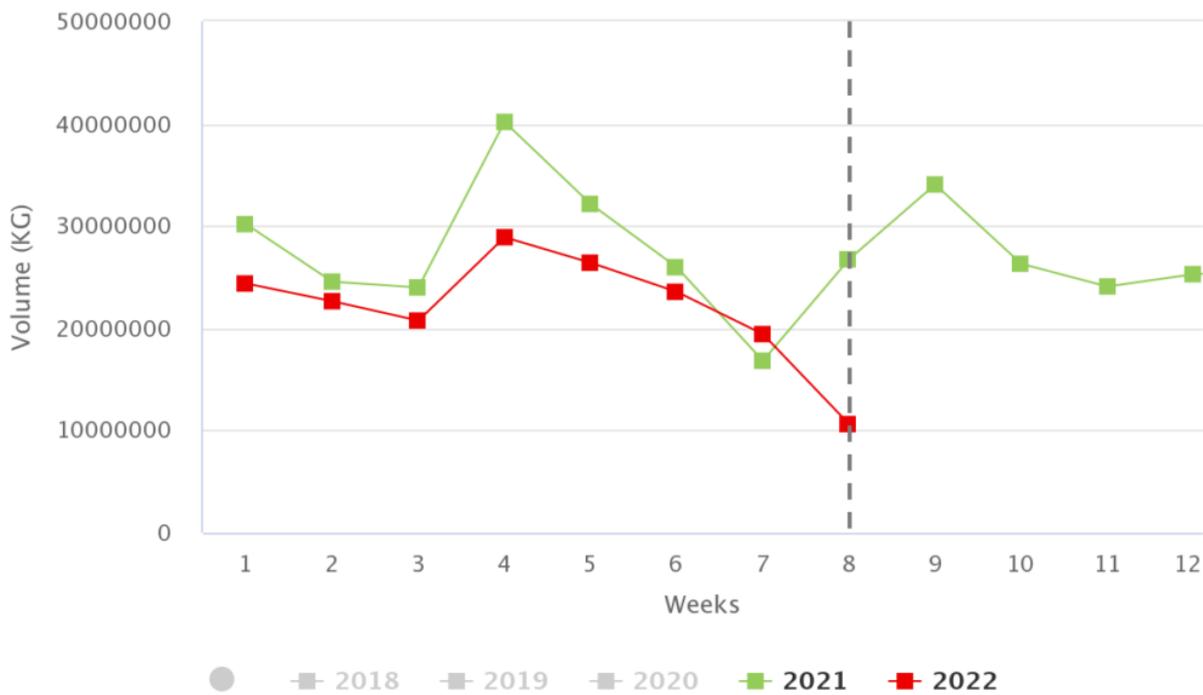
[The "Volume Data & Projections" page](#) on the Hass Avocado Board website projected that Mexico would pack around 57 million pounds of avocados for exports to the US in the first week of March. The suspension resulted in only around 24 million pounds of Mexican avocados trickling into the United States from Mexico during the week of Feb. 11. That was because fruit already in storage or in transit was allowed to be shipped into the U.S.

Rob Wedin, executive vice president of sales for Calavo Growers Inc., Santa Paula, CA claimed in an industry publication that the drop in supplies resulted in an increase in the market price as well as an increase in fruit harvested in California for the U.S. market.

According to his figures, California harvested 7.5 million pounds during the week of Feb. 13, which was considerably greater than the volumes projected. California growers were quick to capitalize on the situation and were remarkably quick with shipments, which, according to Rob Wedin came in "about two months ahead of schedule."

[Prior to the ban, the Haas avocado board projected that California would send in around 6-8 million cartons in February](#), however, the final number was over 20 million cartons. California had estimated its crop to be around 306 million pounds for the season with about 80 percent of the volume marketed from April through July. A significant portion of that amount is anticipated to be sold prior to April. During week 7, approximately 19 K tonnes of avocados were imported, as can be noted below. Following the lift on February 18, week 8 saw around 10.6 K tonnes seeping in.

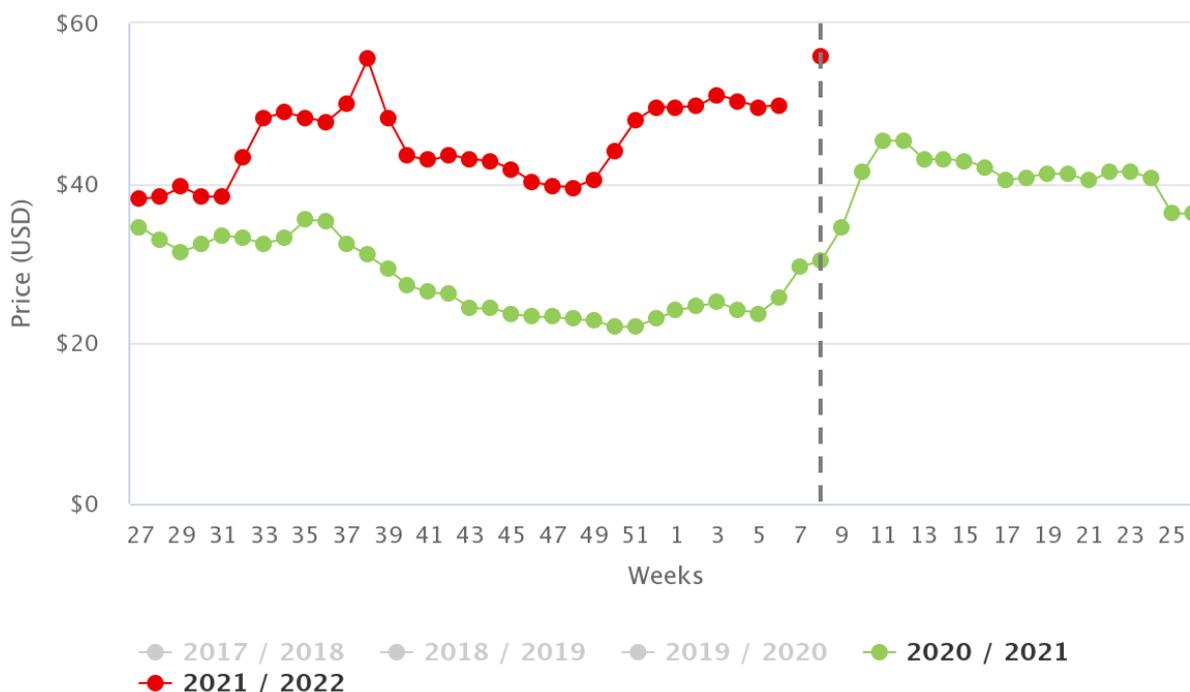
Avocado Volumes by History in the US | From Mexico



(Source: USDA Market News via [Agronometrics](#). Agronometrics users can view this chart with live updates [here](#))

The ban lasted for a mere week indicating that the US avocado market held steady despite the ban. Prices nearly doubled following the ban in week 7. According to Rob Wedin, the impact of the higher pricing due to the ban will likely linger. Retailers are projecting that the f.o.b. prices will plunge as Mexico steps up its production. Some retailers, Rob claims, have canceled promotions and are waiting for prices to be slashed before advertising avocados again.

Avocado Prices by History (As Reported) in the US | Hass



(Source: USDA Market News via [Agronometrics](#). Agronometrics users can view this chart with live updates [here](#))

Although California growers reaped quick returns from the ban, it won't be long before Michoacán makes up for lost time and the market is complemented by fruit from Peru which should bring prices down a bit. In the meanwhile, however, California growers can continue to steal the show.

In our 'In Charts' series, we work to tell some of the stories that are moving the industry. Feel free to take a look at the other articles by [clicking here](#).

All pricing for domestic US produce represents the spot market at Shipping Point (i.e. packing house/climate controlled warehouse, etc.). For imported fruit, the pricing data represents the spot market at Port of Entry.

You can keep track of the markets daily through Agronometrics, a data visualization tool built to help the industry make sense of the huge amounts of data that professionals need to

access to make informed decisions. If you found the information and the charts from this article useful, feel free to visit us at www.agronometrics.com where you can easily access these same graphs, or explore the other 21 commodities we currently track.