

Nogales Produce Import Report 2014-15

AN OVERVIEW OF THE 2014-15 NOGALES FRESH PRODUCE IMPORTS

The Fresh Produce Association of The Americas is pleased to present the Nogales Import Report for the 2014-15 season. This report shows the compilation of data obtained via USDA-FAS GATS and AMS. It reflects all fresh produce imported to the U.S. through the Nogales port between the months of September 2014 and August 2015. The years used for the analysis presented here refer to season years.

We hope that the information provided through these tables and graphics can help the industry detect trends, challenges and opportunities. In order to do this we are providing comparative data that includes a parallel view of the last three seasons.

The data collected includes volume and gross imported customs value, value declared at U.S. Customs, for all fruits and vegetables and general information about the participation of the Nogales imports in the overall produce imports of the country. Customs value does not reflect the actual selling, or F.O.B., price of items.

TOP 10 ITEMS IMPORTED BY VOLUME

In order to evaluate the current import market of fresh produce from Mexico, we have ranked the items according to the data obtained during the 2014-15 season and then compared them with the two previous years.

Among the top 10 imports in volume and in order were: tomatoes, watermelons, cucumbers, squash, bell peppers, grapes, mangos, chili peppers, melons and eggplants. These represent approximately 89% of the total products imported from Mexico through Nogales.

By Item	Volume by Season			Nogales Produce		
	in 1,000 lbs.			Mkt Share in Volume		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
Tomatoes	1,260,318	1,185,773	1,123,825	22%	20%	19%
Watermelons	905,850	1,033,015	1,111,168	16%	18%	19%
Cucumbers	683,213	756,228	784,527	12%	13%	13%
Squash	529,896	632,232	622,265	9%	11%	10%
Bell Peppers	578,142	558,752	571,723	10%	10%	10%
Grapes	289,949	299,617	314,994	5%	5%	5%
Mangos	215,680	194,600	215,092	4%	3%	4%
Chili Peppers	183,155	208,981	210,146	3%	4%	4%
Melons	211,857	215,877	226,801	4%	4%	4%
Eggplant	109,429	103,926	99,623	2%	2%	2%
Top 10 volume	4,967,489	5,189,003	5,280,164	87%	89%	89%

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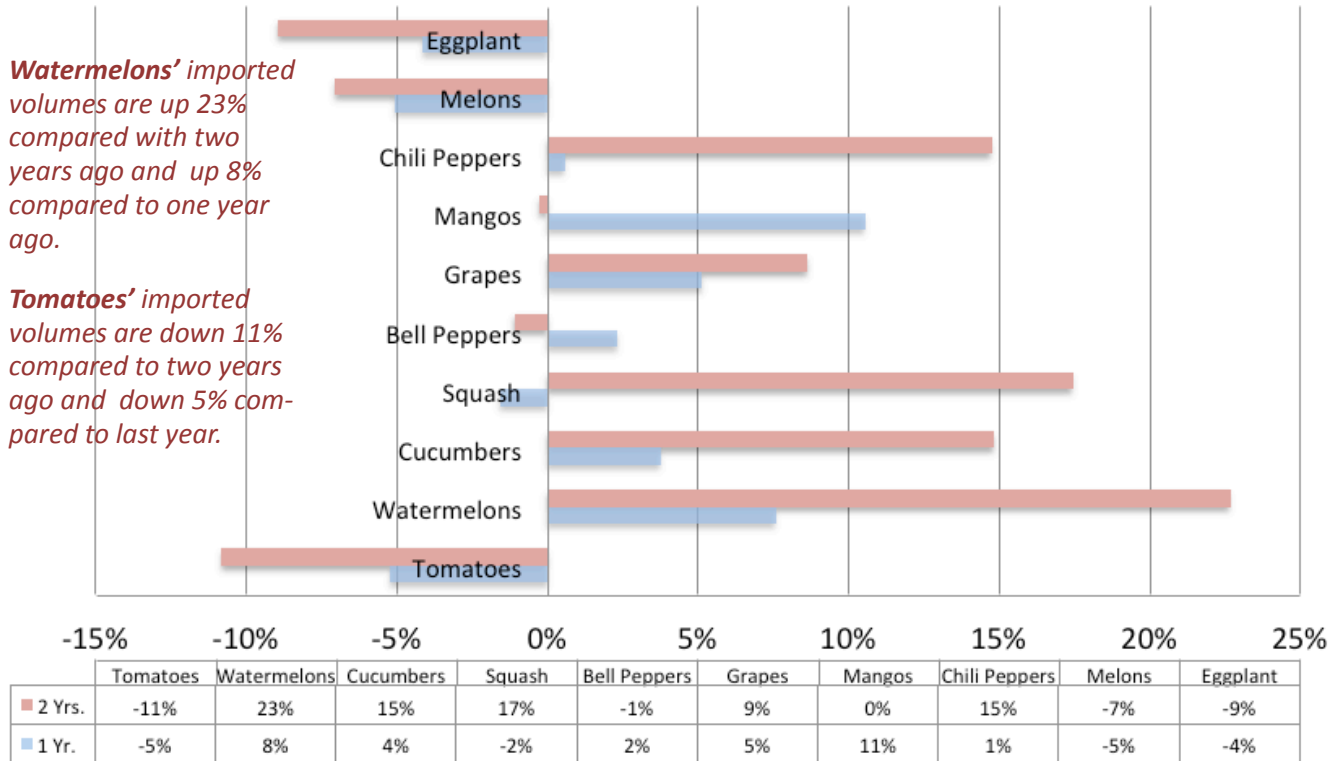


Changes can be attributed mainly to continuous increases in volume mainly of watermelon followed by cucumbers, grapes and chili peppers and the recovery in the volume of mangos and bell peppers as it could be seen in the following chart:

Changes in Volume by Season

Watermelons' imported volumes are up 23% compared with two years ago and up 8% compared to one year ago.

Tomatoes' imported volumes are down 11% compared to two years ago and down 5% compared to last year.



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TOP 10 ITEMS IMPORTED BY CUSTOMS VALUE

In terms of total imported customs value, tomatoes are consistently the number one imported item representing 21% average market share in the last three seasons. Given that eggplants are not as valuable as asparagus they switch places in the ranking table making asparagus the number 10 item with over \$60 millions in imports and a 2% share in the overall market.

By Item	Customs Value by Season			Nogales Produce		
	In US\$1,000			Mkt Share in Value		
	2012-13	2013-15	2014-15	2012-13	2013-14	2014-15
Tomatoes	\$675,908	\$596,899	\$561,678	23%	21%	20%
Bell Peppers	\$386,387	\$416,875	\$358,384	13%	15%	13%
Grapes	\$323,726	\$334,209	\$320,342	11%	12%	11%
Cucumbers	\$247,822	\$307,269	\$280,892	8%	11%	10%
Squash	\$253,549	\$252,485	\$269,459	9%	9%	10%
Watermelons	\$235,747	\$239,657	\$263,868	8%	8%	9%
Mangos	\$105,320	\$104,110	\$121,012	4%	4%	4%
Chili Peppers	\$103,440	\$111,112	\$101,175	4%	4%	4%
Melons	\$65,051	\$71,516	\$74,922	2%	3%	3%
Asparagus	\$105,661	\$49,388	\$60,857	4%	2%	2%
Top 10 total imported custom's value	\$2,502,611	\$2,483,520	\$2,412,589	86%	87%	86%

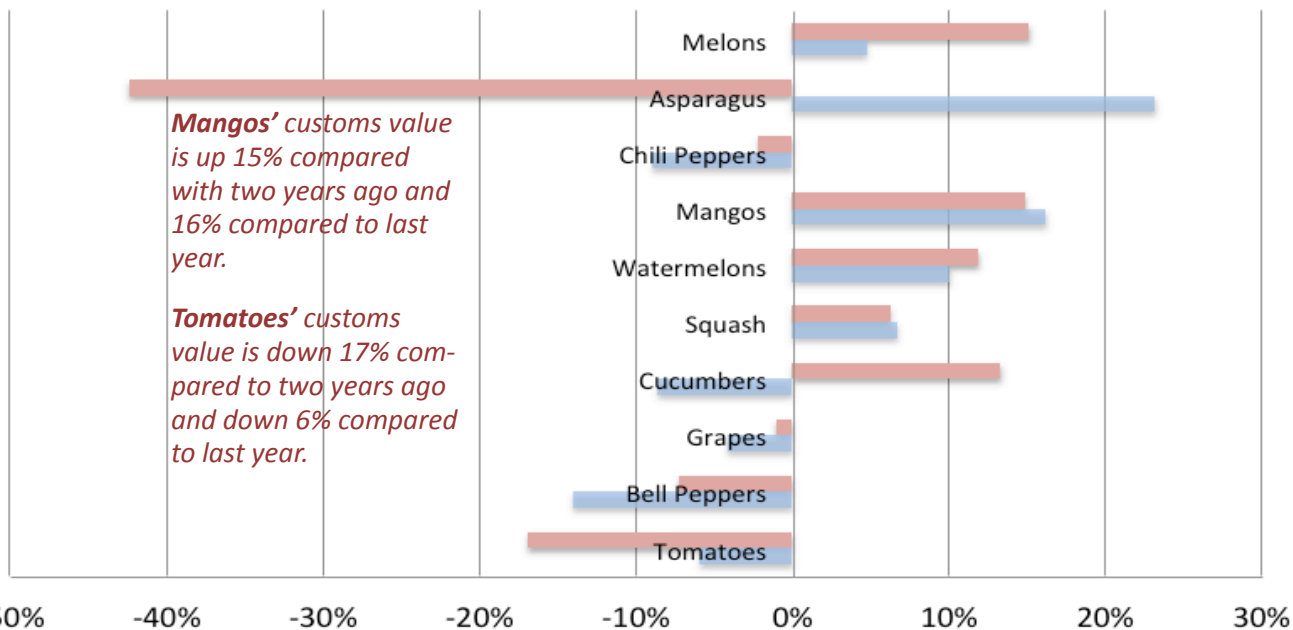
Note: The data collected includes volume and gross imported customs value, value declared at U.S. Customs, for all fruits and vegetables and general information about the participation of the Nogales imports in the overall produce imports of the country. Customs value does not reflect the actual selling, or F.O.B., price of items.

The most significant contributions in terms of gross imported customs value are the continued growth of mangos, watermelons, squash, the recovery of asparagus and also cucumbers, despite the drop in the total value of this item in the last year.

However these increases were not enough to compensate for the drop in the total customs value of tomatoes, bell peppers, grapes and chili peppers which explains a drop in the total gross imported value of fresh produce from Mexico through the Nogales port of 1% in one year and 4% since two seasons ago.



Changes in Customs Value by Season



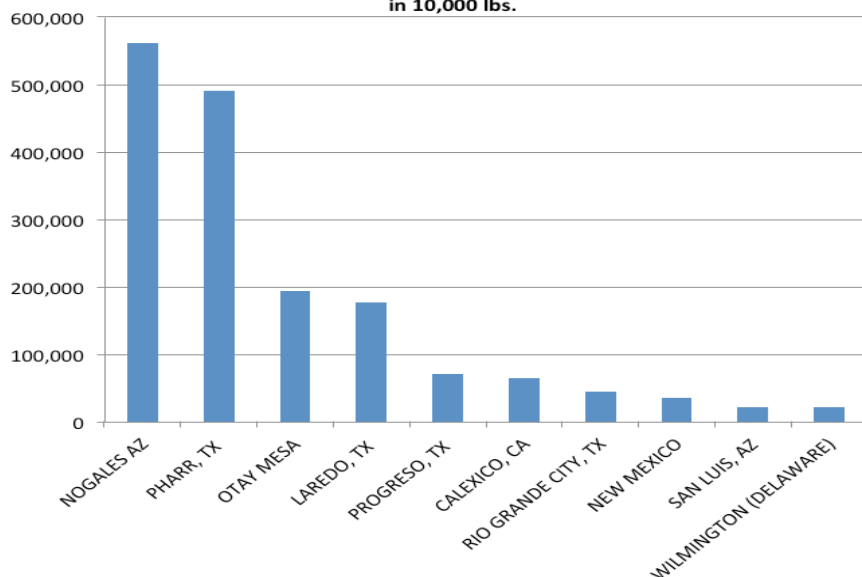
	Tomatoes	Bell Peppers	Grapes	Cucumbers	Squash	Watermelons	Mangos	Chili Peppers	Asparagus	Melons
2 Yrs.	-17%	-7%	-1%	13%	6%	12%	15%	-2%	-42%	15%
1 Yr.	-6%	-14%	-4%	-9%	7%	10%	16%	-9%	23%	5%

Note: The data collected includes volume and gross imported customs value, value declared at U.S. Customs, for all fruits and vegetables and general information about the participation of the Nogales imports in the overall produce imports of the country. Customs value does not reflect the actual selling, or F.O.B., price of items.

THE OVERALL PICTURE OF NOGALES AS A PORT OF ENTRY

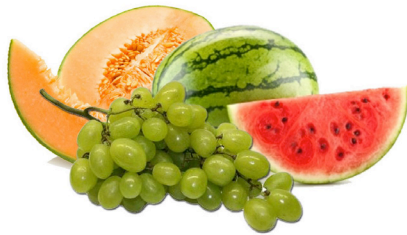
Nogales continues to be the number one port of entry for Mexican produce in volume with a total of 5.6 billion pounds of fresh produce crossing during the 2014-15 season, according to Market News from the AMS of USDA.

Mexican Produce Importations Top 10 Ports in 10,000 lbs.



IMPORTED VOLUME OF PRODUCE BY CATEGORY

Approximately two thirds of the total imported volume of Mexican Produce imported through Nogales is fresh vegetables and one-third fresh fruit, which is consistent among the seasons being compared.



Category	Nogales Produce					
	Volume in 1000 lbs. by Season			Mkt share in volume		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
Fresh Fruit	1,866,331	1,979,589	2,105,691	33%	34%	35%
Fresh Vegetables	<u>3,818,396</u>	<u>3,853,832</u>	<u>3,828,317</u>	<u>67%</u>	<u>66%</u>	<u>65%</u>
Total fresh produce	5,684,727	5,833,422	5,934,007	100%	100%	100%

FRESH PRODUCE CROSSING THROUGH NOGALES DETAILED

The USDA-FAS recognizes over 50 items currently crossing from Mexico from the most popular like tomatoes to Jicama and others not as well known. For the purpose of this report subtypes of those items have been grouped. Such is the case of tomatoes that include cherry, mature green, plum and grape.

Note: The data collected includes volume and gross imported customs value, value declared at U.S. Customs, for all fruits and vegetables and general information about the participation of the Nogales imports in the overall produce imports of the country. Customs value does not reflect the actual selling, or F.O.B., price of items.

Product	Customs Value in \$1000 & Volume in Lbs by Season		
	2012-13	2013-14	2014-15
Artichokes	\$1,423.00	\$1,400.00	\$1,138.00
	1,614,225	1,683,891	1,403,463
Asparagus	\$105,661	\$49,388	\$60,857
	40,192,255	54,589,983	34,865,666
Avocados	\$52,950	\$50,075	\$36,505
	67,883,417	50,838,157	35,842,534
Bananas	\$14,822	\$10,315	\$10,197
	35,600,687	17,997,437	18,324,823
Beets & Horseradish	\$6,280	\$581	\$476
	12,969,133	1,211,220	1,136,042
Bell Peppers	\$386,387	\$416,875	\$358,384
	578,141,779	558,752,344	571,722,800



Product	Customs Value in \$1000 & Volume in Lbs by Season		
	2012-13	2013-14	2014-15
Blackberries	\$9,514	\$7,415	\$8,765
	4,507,571	4,296,369	4,828,785
Blueberries	\$2,207	\$11,509	\$29,450
	1,858,717	3,195,821	6,510,251
Broccoli	\$6,522	\$6,121	\$6,835
	21,251,239	20,011,139	16,944,289
Brussels Sprouts	1937.00	1681.00	4241.00
	3,509,759	3,037,750	6,431,546
Cabbage	\$485	\$889	\$418
	1,414,927	3,056,048	1,372,819
Carrots	\$4,822	\$3,922	\$4,729
	21,814,741	18,274,337	21,319,583
Celery	\$8,570	\$6,904	\$10,830
	37,546,046	32,343,357	46,165,900
Chickpeas	\$1,236	\$1,298	\$1,037
	1,479,963	1,452,185	1,128,326
Chicory	\$903	\$1,722	\$2,222
	2,940,746	4,328,997	4,950,701
Chili Peppers	\$103,440	\$111,112	\$101,175
	183,154,756	208,981,469	210,146,171
Cauliflower	\$1,598	\$1,242	\$978
	4,407,922	3,282,242	2,190,072
Cucumbers	\$247,822	\$307,269	\$280,892
	683,212,991	756,228,328	784,526,864
Dasheens	\$-	\$-	\$812
	-	-	994,505
Eggplant	\$46,839	\$40,532	\$40,058
	109,429,310	103,926,351	99,623,148
Garlic	\$405	\$629	\$968
	378,534	667,780	703,936
Grapefruit	\$1,636	\$2,514	\$2,438
	3,684,806	5,083,860	5,247,443
Grapes	\$323,726	\$334,209	\$320,342
	289,949,101	299,617,033	314,993,614
Green Beans	\$41,098	\$45,092	\$34,568
	57,358,328	56,403,506	60,805,256
Jicama	\$3	\$21	\$134
	10,582	74,296	544,542



Product	Customs Value in \$1000 & Volume in Lbs by Season		
	2012-13	2013-14	2014-15
Kohlrabi	\$8,567	\$4,102	\$5,140
	25,361,317	11,415,756	12,562,822
Leeks & Ot Veg	\$1,556	\$1,040	\$1,867
	2,647,972	2,372,835	3,451,778
Lemons	\$267	\$465	\$855
	790,357	1,212,542	3,368,884
Lettuce	\$25,625	\$573	\$12,009
	285,664,196	1,337,765	9,701,001
Limes	\$10,729	\$13,049	\$12,037
	34,706,933	32,275,014	38,160,915
Loganberries	\$3,243	\$474	\$866
	1,566,164	186,732	473,994
Mandarins	\$19	\$466	\$545
	113,759	1,165,364	1,836,671
Mangos	\$105,320	\$104,110	\$121,012
	215,680,215	194,600,055	215,092,242
Melons	\$65,051	\$71,516	\$74,922
	211,857,399	215,877,088	226,800,772
Onion	\$58,754	\$39,752	\$38,910
	84,809,628	73,493,741	59,560,305
Oranges	\$7,405	\$14,560	\$15,328
	42,979,118	70,665,430	70,622,440
Other Fruits	\$11,949	\$15,969	\$12,659
	2,489,901	31,616,934	29,568,399
Other Vegetables	\$26,998	\$22,271	\$26,999
	50,841,464	32,809,635	39,560,189
Papayas	\$748	\$737	\$598
	1,698,000	1,658,317	1,346,143
Peas	\$5,125	\$6,161	\$6,997
	7,703,392	6,917,003	7,245,713
Pineapples	\$1,859	\$2,848	\$2,182
	5,871,130	8,143,876	5,766,411
Plantains	\$5	\$14	\$114
	1,984	33,951	302,254
Radishes	\$5,712	\$2,589	\$4,579
	11,583,749	5,384,570	8,537,842
Raspberry	\$13,283	\$2,974	\$6,681
	3,648,210	820,561	2,274,730



Product	Customs Value in \$1000 & Volume in Lbs by Season		
	2012-13	2013-14	2014-15
Spinach	\$378	\$98	\$932
	1,879,882	435,854	1,456,374
Squash	\$253,549	\$252,485	\$269,459
	529,895,818	632,232,195	622,265,317
Strawberry	\$16,963	\$12,583	\$22,944
	10,569,402	5,896,704	13,080,687
Sweet Corn	\$23,767	\$22,798	\$27,027
	64,272,245	74,342,741	73,067,146
Tomatoes	\$675,908	\$596,899	\$561,678
	1,260,318,377	1,185,772,590	1,123,824,899
Watermelons	\$235,747	\$239,657	\$263,868
	905,849,672	1,033,015,391	1,111,167,940

CONCLUSIONS

Many factors can influence the variations in the volume and gross imported custom's value of these items including production, supply and demand, use of alternative ports, the value per Lb. and a combination of all these.

However volume of fruits and vegetables imported through Nogales continued to grow with markedly higher tendencies in watermelons, cucumbers, grapes and chili peppers.

