

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## China - Peoples Republic of

### Fresh Deciduous Fruit Annual

#### Annual 2010

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**Report Highlights:**

For MY 2010/11, China's apple production is forecast at 30.0 MMT, down five percent from the previous year due to unfavorable weather conditions in key producing provinces. Production for Apple Juice Concentrate (AJC) is projected to fall eight percent to 600,000 MT due to tight domestic supplies. Apple imports are projected to increase 30 percent to 80,000 MT based on continued strong domestic demand.

Grape imports are expected to decrease four percent to 75,000 MT due to additional supplies and improved quality of domestically-produced grapes. China's apple exports are estimated at 1.08 MMT, down 10 percent from last year because of rising domestic demand and favorable domestic prices. Pear and grape exports are estimated at 450,000 MT and 110,000 MT, respectively.

## **Commodities:**

Apples, Fresh

Apple Juice, Concentrated

Pears, Fresh

Grapes, Table, Fresh

## **Production:**

### **Apples**

China's apple production is forecast at 30 million metric tons (MMT) for marketing year (MY) 2010/11 (July-June), which is down five percent from the previous year, due mainly to unusually low temperatures that impacted flowering in key producing provinces.

In Shaanxi, the largest producing province, production is likely to drop by 20 percent. In Hebei, the fourth largest producer, crop supplies are expected to fall by 30 percent. Provinces such as Liaoning, Shanxi, and Gansu have also experienced similar weather patterns that will cause smaller crop supplies. Bad weather conditions did not affect production in other major producing provinces such as Shandong and Henan. Production in Shandong, the second largest apple-producing province, is forecast to escalate by 20 percent. Henan, the third largest producing province, is also expected to increase crop supplies by five percent. Based on official statistics, the MY 2009/10 crop was revised to 31,680,788 MT, down from the earlier estimate of 32.0 MMT.

Favorable returns in recent years will drive apple acreage higher, forecast at 2.1 million hectares in MY2010/11, which is up two percent from the previous year.

Current high labor wages and limited resources in China's eastern provinces resulted in the central and local governments in the western provinces to implement the 2003 National Plan of expanding apple production in the West. For example, over the past five years, the apple planted area in eastern Shandong has decreased by more than 20 percent as some farmers have switched to other crops like grapes due to more favorable returns. The expansion of new plantings in the western provinces such as Shaanxi and Gansu is expected to continue in the next three to five years. According to local officials in Shaanxi, acreage is projected to reach 667,000 hectares in 2015, which is nearly 20 percent higher from the current level. Other apple-producing provinces in the West include Xinjiang and Ningxia.

Fuji apples are the leading variety, which account for nearly 70 percent of the nation's total production. Other varieties include Gala, Meiba, Red Delicious, Qinguan, and Guoguang. The apple quality for MY2010/11 is expected to be lower than MY2009/10 because unfavorable weather conditions in the winter and spring months may affect the crop's size and appearance, as well as cause diseases to a small portion of apples.

## **Pears**

Due to a cold spring in northern China that resulted in fewer blossoms, pear production is forecast at 13 MMT for MY 2010/11 (July-June), which is down nine percent from the previous year. Abnormal weather conditions (cold temperatures in flowering stage and excessive rain during fruit development stage) have also led to a general lower grade of quality, compared to the quality in MY 2009.

Acreage is forecast at 1.07 million hectares in MY 2010, down slightly from the previous year. Some farmers in Hebei and Shandong, the two top producing provinces, have started to reduce pear plantings and switch to other fruit crops like peaches and grapes. Major varieties include Su pear, Ya pear, Snow pear, Jingbai, Cuiguan, Fengshui, Golden pear, Nanguo pear, and Fragrant pear.

## **Grapes**

Grape production is forecast at 6.2 MMT in MY 2010/11 (June-May), up nine percent from the previous year. Over the past three years, production has been increasing by more than 10 percent due to profitable market returns. Production in MY2009/10 was adjusted to 5.7 MMT to reflect output only for fresh-market grapes. Previous estimates included both fresh consumption and processing.

Grape acreage is forecast at 532,800 hectares in MY 2010, which is up eight percent from the previous year. According to industry sources, the trend is likely to continue for at least three years. While grape plantation in traditional producing provinces like Shandong and Hebei is increasing slowly, acreage is expanding rapidly in western provinces such as Gansu, Shaanxi and Xinjiang. The most widely planted variety is Red Globe, followed by Kyoho, Muscat Hamburg, Thompson Seedless, Tengnian, Longyan and Jingya.

Grape quality continues to improve as a result of enhanced grove management. For example, in southern Zhejiang and Jiangsu provinces, sophisticated frameworks have been built to protect the fruit from heavy rain during spring and summer months. New technologies have been adopted in grape production in Guangxi where grapes can be harvested twice a year.

## **Apple Juice Concentrate (AJC)**

China remains the world's largest AJC supplier with nearly 90 percent of its total production as exportable supplies. China's AJC production is forecast at 600,000 MT in MY 2010 (July-June), down eight percent from the revised number of around 650,000 MT in MY 2009.

High apple prices have made Chinese processors very cautious about producing large quantities of AJC. Market prices for juicing apples have been pushed to US\$150-165 per MT in China, which is roughly \$60-75 more than last year. As additional fresh apples are sold onto the domestic market because of favorable prices, there will be tighter supplies of apples for AJC.

Reportedly, at the end of MY2009, carry-in stocks were at a very low level of around 110,000 MT. Due to tight carry-in supplies, the MY 2010 export prices of Chinese AJC are expected to be significantly higher than that of MY 2009. The export prices (fob) of Chinese AJC were averaged at US\$858 per MT during MY 2009, which is up seven percent from the previous season.

## **Prices:**

Farm gate prices for top grade apples are quoted at US\$0.9 per kilo in Luochuan of Shaanxi province, 50 percent higher from the previous year. The spike in prices is largely due to reduced crop production and increased production costs, especially labor cost. Reportedly, in the Shaanxi province, total production costs in MY2009, which included fertilizer, pesticide, fruit bagging, and labor came close to US\$2,315 per hectare. In MY2010, total production cost is expected to increase by a minimum of 30 percent. Reportedly, some traders and affluent buyers are hoarding apple supplies in cold storage facilities for as long as one year in anticipation of rising prices. The Shandong province currently has a cold storage capacity of 3.0 MMT. Although the capacity is still expanding, all cold storages are currently booked. Reliable sources have also reported hoarding with other agricultural commodities such as garlic, green beans, ginger, sugar and cotton. Food inflation has reached record levels in China. The National Bureau Statistics has reported a food inflation rate of eight percent in September 2010. For more food price information, refer to the recently published GAIN report "China Food Price Inflation in 2010."

Purchase prices for pears in Gangsu were quoted at US\$0.24 per kilo, a 20 percent jump from the previous year. With rising production costs and flat world demand, current export prices are unprofitable for China's pear

industry. As a result, farmers in Hebei and Shandong, the two largest producing provinces, have begun to replace pear plantings with other profitable fruit crops like peaches and grapes.

Grape prices have maintained an upward trend over the past few years. In MY 2010, market prices are expected to increase due to rising demand. For example, in Chongqing Municipality, the wholesale prices for Kyoho are currently recorded at US\$0.75 per kilo, up 60 percent from MY 2009/10.

## **Consumption:**

Apples are the most consumed fruit in China (partly due to its health attribute). In northern China, there is a greater preference for large-sized apples than in southern China where small-sized apples are mostly sold. Most consumers prefer sweet and crunchy varieties like Fuji. Fresh apples are now available all year round in both developed and less developed areas, largely due to improved cold storage facilities and infrastructure. As a result of improvements to the distribution systems, consumption of apples is expected to continue upward.

Pear consumption is expected to remain stable during the summer and autumn months. In China, pears are considered a “cold” fruit and the perception is eating too many pears during the winter season could negatively affect one’s health.

Grapes remain one of the favorite fruit among Chinese consumers. Current estimates report support a growth in consumption at 10 percent a year. Like apples, the construction of cold storage facilities has extended the supply season and made grapes accessible to smaller cities and rural areas.

Juice beverages are in high demand by local consumers, especially young professionals and children. Although the consumption of juice beverages is increasing at around 15 percent a year, the rural areas are increasing at a slower pace compared to urban cities. This widening gap is mainly due to unaffordable prices.

## **Trade:**

### **Exports**

China’s apple exports are forecast at 1.08 MMT, down 10 percent from the previous year as a result of rising domestic demand and favorable domestic prices. Current export prices are offered at around US\$895/MT, which is almost \$240/MT higher than the MY2009/10 average price of US\$656/MT. This price escalation may dampen

China's exports of fresh apples to price sensitive buyers such as Russia and neighboring Asian countries. Post has revised the MY 2009/10 export estimate to 1.2 MMT based on official data.

Pear exports are forecast at 450,000 MT in MY2010/11, which is down nine percent from the previous year, due to weaker demand from major buyers in Southeast Asian countries and Russia. Lower quality pears offered at high prices is another factor that may hinder exports.

Grape exports are forecast at 110,000 MT in MY 2010, up eight percent from the previous year, due to increased exportable supplies. With increased production and improved quality, China's grape exports have increased to neighboring countries. The export prices in August were averaged at \$1,409 per MT, compared to US\$955 a year ago.

Based on official data, Post revised the MY 2009/10 export estimate to 102,041 MT (from 85,000MT), which is a 62 percent increase from the MY 2007/08 estimate.

## **Imports**

Apple imports are forecast at 80,000 MT in MY 2010, up 30 percent from the previous year. With reduced production and higher domestic prices, traders are expected to purchase more apples from Chile and the United States. The current farm gate prices would lead to higher retail prices which are already above US\$1.00 per kilo. This will make prices for domestic apples similar to prices for imported apples, which are priced as low as \$1.80 per kilo. In addition to a tightening price gap, U.S. apple competitiveness is strengthened by consumer perceptions. Many Chinese believe imported apples have a better appearance and are considered healthier than their locally-produced counterpart.

Grape imports are forecast at 75,000 MT in MY 2010, down four percent from the previous year. Imported grapes are facing increasing competition from additional supplies and improved quality of domestically-produced grapes. Although domestic grape prices have increased significantly over the past few years, they are still less expensive than imported grapes. Chile remains the largest grape supplier to China, followed by the United States.

## **Policy:**

In an effort to reduce the cost during the distribution, the Ministry of Finance and the Ministry of Commerce issued a joint notice on August 5, 2010 to launch a pilot program to improve the distribution system for

agriculture products in Hebei, Liaoning, Zhejiang, Shandong, Henan, Hubei, Chongqing, and Xinjiang. The goal of the program is to set up an effective, smooth, and safe agriculture distribution system in place in these provinces within three to five years. In this program, the central and provincial governments will provide financial support to building or upgrading agriculture wholesale market, retail market (wet market), construction of cold chain, and direct purchase by supermarket (through large agriculture producing enterprises or farm cooperatives). Hainan province is the first province to participate in the pilot program, which is expected to be finished by 2012 with a total investment of three billion yuan by both central and provincial governments.

Some local governments are actively engaged in promoting agricultural products in their localities. In Gansu, for example, the provincial government, in collaboration with industry association, invited traders and distributors across China to participate in a grape festival that involved visits to grape yards, free tasting, and business interaction, etc. Similar activities have happened in other provinces as well.

## **Marketing:**

### **Marketing of Fresh Deciduous Fruits**

Strong demand and fierce competition is encouraging retailers to find ways to differentiate themselves from competitors. As a result, retailers are looking for better quality, stable supply, and diverse varieties. Professional wholesale markets handle large quantities of imported fruits while distributors collect various products and arrange for the distribution to retailers and end-users. Retail has continued to expand in 2010 both in major and in secondary cities. In-store promotions and original packaging are efficient tactics for marketing imported fruits. Freshness, taste, health benefits, and price are the key factors which will influence consumers' buying decisions.

With the rapid price increase of domestic Fuji apples, many industry insiders expect increases in the sales of imported apples in the coming months. As large volumes of domestically grown grapes produce favorable flavors and prices, imports from Chile, Mexico, Peru, and the United States are at a competitive disadvantage.

### **Marketing of U.S. Apples**

In 2009, the total apple export value to China ports from the States reached \$15 million. However, the United States still ranked second as the largest fresh apples exporter to China after Chile (\$44.4 million).

Washington State Red Delicious apples, available year-round in the market, enter modern retail venues and family-owned fruit stalls in China's larger cities. Red Delicious was considered a preferred choice for gift-giving

because it's shiny dark red color and unique, uniform shape. These are most commonly offered as gifts during national holidays such as the Mid-Autumn Festival, National Holiday, Spring Festival, and other special occasions.

The popularity of Gala and Granny Smith continues to grow. These two varieties are not allowed market access into China, but can often be found in the market. Though the import cost for Gala and Granny Smith apples remain high, consumers have shown willingness to pay for better quality apples, which are mostly available from August through March.

Chilean Grannies and Galas are allowed entry into China from March to September, and apples from New Zealand arrive in March. Industry insiders foresee a promising market prospect for U.S. Granny Smith and Gala varieties once market access issues reach resolution.

### **Marketing of U.S. Table Grapes**

For Chinese consumers, the favorite fruit to purchase at grocery stores is table grapes. Key exporting countries are the United States, Chile, Mexico, and Peru. U.S. grapes are consumed mainly during the Mid-Autumn Festival (September) and National Day (October) holidays, while Chilean grape exporters target China's Spring Festival (January or February). In 2009, China imported \$57 million of U.S. fresh grapes, up 49 percent from the previous year. However, Chile remains the dominant supplier to China with imports valued at \$94.2 million.

Southern China remains China's largest fresh table grape consumption region, followed by the Eastern and Northern regions. Each year, over 80 percent of imported table grapes enter China through South China ports. A large volume of California table grapes enter the Guangdong market via Hong Kong, Vietnam, and Taiwan.

Retail demand for U.S. seedless varieties continues to increase even though the retail price may be much higher than seeded varieties. Red Globe is the most popular seeded variety holding the highest sales volume. Most retailers offer both imported grapes and Chinese domestic varieties. Although China produces a large amount of Red Globes, U.S. grapes are firmer, larger, and taste better than the local product. Other varieties such as Crimson and Thomson are gaining ground in some niche markets. North China is the key production region for table grapes. In that region, the price of domestic table grapes is as low as one-sixth of the price of imported grapes; notwithstanding, U.S. grapes are still marketed with tremendous success in this region.

### **Regional Market**

China's imported fruit market can be divided into three regions: South, East, and North. South China, in particular Guangzhou, is the most mature market and has been the hub for imported fruit for over twenty-five years. There are three key importing ports in Southern China: Guangzhou, Shenzhen, and Shantou. Proximity with Hong Kong helps enhance Guangzhou's role in promoting imported produce. Direct shipments into Mainland China remain limited. Key consumption markets include major cities in the Pearl River Delta such as Guangzhou, Shenzhen, and Dongguan as well as emerging cities such as Foshan, Zhuhai, Zhongshan, Huizhou, Jiangmen, and Shunde. U.S. fresh fruit sales in the cities of Fuzhou, Xiamen, and Changsha have dramatically increased in the past two years.

In the East, Shanghai is the leading consumption center while other emerging markets in the East include Nanjing, Hangzhou, Wenzhou, and Wuhan. In North China, Dalian and Qingdao are emerging markets in addition to Beijing. Direct shipments to local ports help reduce transportation costs and facilitate trade. In recent years, more marketing activities have focused on the emerging East and North markets while the well-developed South China market maintains its stable growth through training seminars for traders in the retail sector and in-store promotions.

### **Wholesale Markets**

The Jiangnan Fruit and Vegetable Wholesale Market in Guangzhou is the largest wholesale market in China in terms of total sales and volume of imported fruit transactions. Industry sources estimate that 60-70 percent of all of China's imported fruits come through this market, and further expansion plans are in process. About 50 percent of those imports are consumed in Guangdong Province alone. The Longwu Fruit and Vegetable Wholesale Market in Shanghai and the Xinfadi Wholesale Market in Beijing are two other key hubs for the imported fruit trade in the East and North. Many of China's wholesale markets are expected to invest in upgrading their facilities and image over the next few years.

### **Retail Markets**

The precipitous rate of retail chain expansion, namely supermarkets and hypermarkets have significantly influenced imported fruit sales. Chinese consumers are increasing the frequency of food purchases in supermarkets. The best venues for U.S. apples and table grapes in the East and North are the modern retail outlets. In the South, imported apples and grapes can be found not only in hypermarkets and supermarkets, but also at many smaller fruit stalls. In order to attract more traffic and differentiate from competitors, fruit gift baskets and boxes were introduced into retail stores. Waterfall displays at store entrances, color breaks, in-store sampling, theme promotions, and nutritional guidance have also helped boost sales. Recently, some produce

chain stores began offering on-line internet purchasing services. This trend is likely to become popular in major cities such as Beijing, Shanghai, Shenzhen, and Guangzhou.

### **Cold Chain Development**

Cold chain storage and proper handling is essential in keeping fruits fresh and extending the shelf life like and quality of imported fresh fruit. The central government as well as provincial leaders have targeted efforts to invest in cold chain refrigeration infrastructure. Greater cold storage warehouse facilities have been constructed in the last few years; however, both traders and retailers lose much of the value of the produce item due to a broken cold chain. There is tremendous room for improvement in cold chain management in China.

### **IPR Concerns**

IPR issues are still a problem for fresh deciduous fruits. Plastic packages labeled as “California table grapes” sometimes are misused to pack domestically produced table grapes or those sourced from other countries. “Washington Red Delicious” labels printed with the logo is sometimes placed on the domestic “Huaniu” variety. Consumers and some local retailers have little awareness of varietal differences for imported fruit. Few retailers will mark individual variety names on their price tags. The common practice is to indicate origin of country only.

## Tables

### Apple Production and Acreage by Province 2005-2009

Province	2005		2006		2007		2008		2009	
	1000 ha	MT								
Shaanxi	426.3	5,601,167	462.2	6,499,755	484.9	7,015,682	530.9	7,455,054	564.9	8,051,728
Shandong	342.5	6,716,634	311.1	6,930,492	304.9	7,249,227	276.3	7,631,768	270.4	7,710,497
Henan	165.8	3,006,245	167.7	3,227,885	182.3	3,523,310	173.1	3,743,917	175.7	3,886,253
Hebei	263.9	2,202,273	253.1	2,357,620	250.0	2,478,845	243.8	2,615,982	235.5	2,767,973
Shanxi	151.4	1,648,413	146.0	1,867,049	144.3	1,872,681	148.2	2,228,789	145.2	2,384,755
Liaoning	110.3	1,299,595	109.1	1,301,399	107.1	1,514,871	114.0	1,709,138	121.9	1,948,100
Gansu	183.8	1,012,568	207.4	1,254,141	247.6	1,424,253	246.5	1,641,352	261.6	1,856,204
Jiangsu	38.4	552,794	36.5	572,600	35.1	618,453	34.8	575,299	34.8	572,333
Xinjiang	28.6	330,206	31.1	327,886	32.5	388,881	38.5	435,392	55.3	535,058
Sichuan	26.6	242,923	26.2	248,022	27.8	296,977	28.6	389,048	28.6	408,938
Anhui	13.9	278,143	13.4	341,828	13.3	403,627	17.1	304,886	16.1	368,978
Ningxia	19.1	222,126	20.3	200,694	21.5	275,525	31.5	283,461	33.5	327,487
Yunnan	31.5	159,396	30.3	201,962	31.1	234,855	29.9	267,954	30.5	269,289
Jilin	18.6	252,298	17.7	268,055	14.2	133,153	14.5	135,219	13.4	145,764
Heilongjiang	15.5	177,432	13.3	159,759	13.2	150,534	12.0	138,330	12.0	140,670
Beijing	10.8	138,447	9.5	131,071	10.3	119,459	9.2	120,543	8.2	119,676
Inner Mongolia	22.5	62,319	22.9	65,961	21.3	61,672	23.1	69,919	22.6	78,576
Tianjin	6.4	66,039	6.2	64,076	5.5	59,709	5.4	62,946	5.3	63,405
Guizhou	5.7	10,230	6.0	10,628	6.4	11,023	6.3	12,182	6.9	16,177
Hubei	3.3	12,437	3.2	11,866	3.0	10,351	3.3	8,881	2.2	11,445
Chongqing	1.9	6,094	1.7	6,326	1.8	6,693	1.6	5,831	2.0	6,887
Qinghai	2.8	7,316	2.9	5,939	2.7	5,804	2.5	5,823	2.5	5,729
Tibet	0.7	5,674	1.0	3,934	1.0	3,994	1.1	4,423	0.1	4,427
Fujian	0.0	198	0.0	189	N/A	201	N/A	310	N/A	300
Shanghai	0.0	114	0.0	158	N/A	154	N/A	162	N/A	139
National Total	1,890.3	24,011,081	1,898.8	26,059,298	1,961.8	27,859,935	1,992.2	29,846,609	2,049.1	31,680,788

Source: China Agriculture Statistical Report

## Pear Production and Acreage by Province 2005-2009

Province	2005		2006		2007		2008		2009	
	1000 ha	MT								
Hebei	215.0	3,246,220	215.0	3,334,972	200.9	3,459,772	197.7	3,539,679	194.1	3,640,682
Shandong	69.9	1,061,389	59.6	1,103,481	54.9	1,172,162	48.8	1,190,413	45.2	1,166,317
Liaoning	91.6	690,354	87.7	705,232	79.6	762,452	83.2	937,944	97.9	1,103,509
Henan	39.2	654,680	41.1	695,950	43.2	799,939	46.0	876,538	47.1	922,590
Xinjiang	66.8	367,808	69.2	435,203	70.5	541,451	73.1	692,831	69.5	874,988
Anhui	38.6	638,058	37.4	803,652	36.4	929,719	39.5	628,895	38.5	867,949
Sichuan	83.0	684,593	80.5	746,048	82.3	819,776	83.3	821,316	84.0	845,236
Jiangsu	47.3	556,158	40.2	614,252	36.4	627,634	36.7	639,385	37.3	662,410
Shaanxi	59.6	621,224	60.4	650,028	55.1	618,962	52.2	854,119	51.6	629,939
Shanxi	30.0	246,247	29.6	184,207	31.1	326,969	30.7	378,518	31.1	479,790
Hubei	35.9	501,856	38.1	518,020	35.5	493,185	35.4	473,326	38.2	468,461
Zhejiang	26.6	310,375	26.5	329,753	27.9	360,524	27.5	375,587	25.4	382,379
Gansu	49.5	283,345	48.4	314,798	46.8	294,239	44.4	285,490	35.6	320,461
Yunnan	39.7	197,028	41.7	216,936	43.4	240,519	46.9	286,850	48.3	278,681
Chongqing	28.0	180,049	29.0	171,962	30.8	206,088	32.7	235,587	35.4	259,982
Guangxi	16.7	120,741	17.8	135,582	18.0	156,428	18.6	181,679	18.9	193,990
Fujian	23.0	147,755	22.4	152,309	22.3	164,479	22.1	169,303	22.4	183,967
Guizhou	36.5	123,740	36.8	139,412	38.5	148,008	41.3	162,872	43.6	167,719
Beijing	11.2	145,759	11.0	153,566	10.4	154,368	10.4	151,643	9.8	155,889
Jilin	17.8	134,833	17.1	137,690	16.0	129,540	16.6	147,119	15.4	142,198
Hunan	27.5	108,417	30.9	117,613	36.9	133,225	30.7	125,529	30.8	128,561
Jiangxi	26.2	74,538	26.7	80,651	23.5	89,012	26.1	113,715	26.2	117,653
Inner Mongolia	10.8	77,602	8.9	79,391	8.9	85,216	9.7	86,612	7.9	78,399
Guangdong	7.3	42,963	6.9	43,808	7.0	51,035	7.3	46,365	7.4	55,116
Heilongjiang	5.4	48,422	4.9	49,124	5.1	46,524	5.3	47,078	4.2	41,164
Tianjin	3.5	22,553	3.5	25,719	36.4	28,870	3.4	29,774	3.6	33,131
Shanghai	2.0	18,794	2.0	31,639	2.0	31,855	1.9	30,961	1.9	32,733
Ningxia	2.3	12,081	2.7	9,242	2.7	17,174	2.3	23,194	2.3	22,831
Qinghai	1.2	5,105	1.1	4,912	1.1	4,894	0.9	4,680	0.9	4,835
Tibet	0.1	836	0.1	931	0.1	987	N/A	1,140	N/A	1,420
National Total	1,112.0	11,323,514	1,087.1	11,986,083	1,071.3	12,895,005	1,074.5	13,538,142	1,074.3	14,262,979

Source: China Agricultural Statistical Report

## Grape Production and Acreage by Province 2005-2009

Province	2005		2006		2007		2008		2009	
	1000 ha	MT								
Xinjiang	96.2	1,287,642	103.9	1,502,035	109.6	1,654,581	108.8	1,648,718	114.7	1,932,157
Hebei	54.2	863,938	58.1	878,417	57.9	946,886	61.0	988,071	63.4	1,050,802
Shandong	46.5	831,401	42.3	845,487	44.2	917,312	36.7	904,759	37.9	935,686
Liaoning	28.1	581,711	26.8	587,191	25.2	493,775	26.6	614,422	26.8	642,124
Henan	26.2	412,605	25.0	405,125	26.2	419,473	26.8	437,329	29.6	461,083
Zhejiang	9.8	219,942	10.4	238,389	12.1	269,051	14.6	332,472	17.0	390,359
Jiangsu	11.4	153,021	13.0	208,275	12.7	202,401	14.9	242,747	18.1	278,506
Shaanxi	13.9	139,372	14.7	168,353	15.1	185,261	17.7	216,562	23.9	258,829
Anhui	6.0	173,264	5.8	174,710	5.2	178,298	6.2	182,011	6.8	214,046
Sichuan	12.1	160,827	12.9	170,534	13.4	180,134	14.8	201,673	16.2	206,370
Guangxi	10.0	119,135	11.5	137,047	11.1	158,873	11.6	170,750	12.9	180,790
Yunnan	5.6	69,734	6.3	90,117	7.0	93,800	7.9	128,449	9.6	167,090
Jilin	10.2	109,971	11.0	110,948	11.1	138,885	12.4	131,940	11.2	144,685
Shanxi	13.2	119,187	10.2	91,699	9.8	104,274	10.1	116,618	10.3	129,413
Hubei	4.8	49,671	5.2	73,670	5.7	86,313	5.9	98,467	6.2	123,644
Gansu	8.9	77,506	8.9	90,443	10.2	105,950	11.0	99,601	13.4	116,185
Ningxia	7.8	48,154	8.8	64,796	10.2	70,576	14.0	97,033	20.2	115,827
Tianjin	5.1	93,229	5.2	104,103	5.4	109,545	5.1	99,959	5.2	104,560
Fujian	5.0	59,066	5.5	85,010	5.2	86,808	5.5	95,912	5.6	98,817
Hunan	12.4	52,255	13.0	59,502	18.9	73,180	14.5	73,365	15.2	83,892
Shanghai	1.8	26,681	2.1	33,895	2.7	45,682	3.8	62,508	4.2	77,123
Inner Mongolia	5.3	29,119	4.5	35,386	4.8	40,989	4.8	40,644	6.0	46,983
Heilongjiang	1.7	20,720	1.6	22,728	1.8	21,847	2.7	45,062	2.5	42,206
Guizhou	4.5	21,050	4.5	22,516	5.9	32,793	6.5	36,182	7.6	41,734
Beijing	3.2	50,559	3.0	47,377	2.7	47,486	3.0	45,112	2.7	40,618
Chongqing	2.3	20,727	2.6	18,919	2.7	22,666	2.5	24,711	3.9	31,124
Jiangxi	1.9	3,741	1.9	3,856	12.7	9,614	1.9	16,012	2.4	24,564
Tibet	0.0	103	0.0	114	0.1	250	N/A	289	N/A	1,286
Qinghai	0.0	80	0.0	114	N/A	112	N/A	106	N/A	109
National Total	408.1	5,794,411	418.7	6,270,756	438.4	6,696,814	451.2	7,151,484	493.4	7,940,612

Source: China Agriculture Statistical Report

## Production, Supply and Demand Data Statistics:

### Fresh Apples

Apples, Fresh China	2008/2009			2009/2010			2010/2011		
	Market Year Begin: Jul 2008			Market Year Begin: Jul 2009			Market Year Begin: Jul 2010		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USD A Offici al	Old Po st	New Post
Area Planted	1,980,00	1,980,00	1,992,20	2,000,00	2,000,00	2,049,10			2,100,00
Area Harvested	0	0	0	0	0	0			0
Bearing Trees	0	0	0	0	0	0			0
Non-Bearing Trees	0	0	0	0	0	0			0
Total Trees	0	0	0	0	0	0			0
Commercial Production	28,500,00	28,500,00	29,800,00	32,000,00	32,000,00	31,680,78			30,000,00
Non-Comm. Production	0	0	0	0	0	0			0
Production	28,500,00	28,500,00	29,800,00	32,000,00	32,000,00	31,680,78			30,000,00
Imports	44,000	42,000	48,487	60,000	58,000	61,314			80,000
Total Supply	28,544,00	28,542,00	29,848,487	32,060,00	32,058,00	31,742,102			30,080,00
Fresh Dom. Consumption	22,044,00	23,172,00	23,875,28	26,910,00	26,598,00	24,940,848			24,200,00
Exports	1,500,00	870,000	1,173,259	1,150,00	1,460,00	1,201,254			1,080,00
For Processing	4,000,00	4,000,00	4,800,00	4,000,00	4,000,00	5,600,00			4,800,00
Withdrawal From Market	0	0	0	0	0	0			0
Total Distribution	32,060,00	32,058,00	29,848,487	32,060,00	32,058,00	31,742,102			30,080,00

### Fresh Pears

Pears, Fresh China	2008/2009			2009/2010			2010/2011		
	Market Year Begin: Jul 2008			Market Year Begin: Jul 2009			Market Year Begin: Jul 2010		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USD A Offici al	Old Po st	New Post
Area Planted	1,074,50	1,074,50	1,074,50	1,080,00	1,080,00	1,074,30			1,074,00
Area Harvested	0	0	0	0	0	0			0
Bearing Trees	0	0	0	0	0	0			0
Non-Bearing Trees	0	0	0	0	0	0			0
Total Trees	0	0	0	0	0	0			0
Commercial	13,538,1	13,538,1	13,538,1	13,800,0	13,800,0	14,262,9			13,000,0

Production	42	42	42	00	00	79			00
Non-Comm. Production	0	0	0	0	0	0			0
Production	13,538,142	13,538,142	13,538,142	13,800,000	13,800,000	14,262,979			13,000,000
Imports	9	9	9	10	5	13			10
Total Supply	13,538,151	13,538,151	13,538,151	13,800,010	13,800,005	14,262,992			13,000,010
Fresh Dom. Consumption	12,062,593	12,062,593	12,062,593	12,237,910	12,227,905	12,690,907			11,450,010
Exports	445,558	445,558	445,558	460,000	470,000	469,985			430,000
For Processing	1,030,000	1,030,000	1,030,000	1,102,100	1,102,100	1,102,100			1,120,000
Withdrawal From Market	0	0	0	0	0	0			0
Total Distribution	13,538,151	13,538,151	13,538,151	13,800,010	13,800,005	14,262,992			13,000,010

## Table Grapes

Grapes, Fresh China	2008/2009			2009/2010			2010/2011		
	Market Year Begin: Jun 2008			Market Year Begin: Jun 2009			Market Year Begin: Jun 2010		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Planted	451,200	451,200	451,200	468,000	468,000	493,400			532,800
Area Harvested	0	0	0	0	0	0			0
Commercial Production	4,953,000	7,151,484	4,953,000	5,623,000	7,723,000	5,674,612			6,200,000
Non-Comm. Production	0	0	0	0	0	0			0
Production	4,953,000	7,151,484	5,091,484	5,623,000	7,723,000	5,674,612			6,200,000
Imports	80,100	80,107	80,100	90,000	125,000	78,169			75,000
Total Supply	5,033,100	7,231,591	5,171,584	5,713,000	7,848,000	5,752,781			6,275,000
Fresh Dom. Consumption	4,969,900	5,108,387	5,108,384	5,613,000	5,663,000	5,650,740			6,165,000
Exports	63,200	63,204	63,200	100,000	85,000	102,041			110,000
For Processing	0	2,060,000	0	0	2,100,000	0			0
Withdrawal From Market	0	0	0	0	0	0			0
Total Distribution	5,033,100	7,231,591	5,171,584	5,713,000	7,848,000	5,752,781			6,275,000