GRUPO PM

CALIFORNIA Kiwifruit Commission

California Kiwifruit Commission
Mexico Monthly Report
November 5, 2009
Reported by Grupo PM

A. CURRENT MARKET CONDITIONS

Fine fruit volumes at the wholesale market are currently increasing. Importers mentioned that there is good demand for fruit that has the most accessible/lowest prices. California Kiwifruit sales are picking up and volume is increasing in general.

Mexico City

California Kiwifruit is present with good availability, having a market share of 80%, dramatically increasing over the last two weeks. On average, arrivals are two loads per week per warehouse. Some retailers are still importing New Zealand fruit due to their lower prices and heavier-packed boxes. The quality of California Kiwifruits can be considered good with firm pulp, good pressure/ripeness and has a long shelf life. According to trade, California Kiwifruit shipments will continue increasing in the coming weeks; they also expect that prices will go down in the coming month. The sizes available are 25 to 27.

Trade expects New Zealand to be out of the market by December. The quality of this origin is good and continues to have constant sales volume.

1. Apples (WA, CH, USA, MX)	6. Kiwifruit (CH, NZ)
2. Grapes (California)	7. Strawberries (local)
3. Grapes (local)	8. Kiwifruit (California)
4. Pears (USA, ARG, CA)	9. Peaches (local) Peaches (CA)
5. Plums (CA)	

Guadalajara

California Kiwifruit currently has a market share of 83% in Guadalajara. The high availability is mainly due to the end of Chile's season. CKC prices were higher than Chile at the beginning of the month, but they have dropped in the last few days, increasing CKC demand. Available sizes are 20 to 27 and the quality is excellent.

The main competition for CKC is New Zealand which maintains low volumes in the market, having a market share of 8%. According to the trade, New Zealand's season end is eminent; Maynekman warehouse has this origin available and mentioned that their sales volume is moderate as a result of the origin's high prices.

Av. Coronel Ahumada 204, Lomas del Mirador, Cuernavaca, Morelos C.P. 62350
grupopm@grupopm.com www.grupopm.com tel. (777) 316 7370 fax (777) 316 7369

Imports of Chilean fruit ended in mid-October. At this time only Tarahumara warehouse have Chilean product available, representing a 9% market share; even though the Chilean quality is poor, this warehouse mentioned that they might receive more fruit in the coming days, while other warehouses have finished with Chile.

1. Washington apples	8. California pears
2. USA Pears	9. California apples
3. California grapes	10. New Zealand kiwifruit
4. Local apples	11. Chilean kiwifruit
5. California plums	12. California strawberries
6. California peaches	13. Local peaches
7. California Kiwifruit	

Monterrey

California Kiwifruit currently has a 60% market share. The first CKC arrivals were registered last week in Tito warehouse. CKC's availability is moderate – 1,000 boxes, size 30. According to importers, their sales volume is low as a result of lower customer traffic. Importers have mentioned that New Zealand fruit is still available mainly because they offer a heavier-pack box than California, making the New Zealand fruit slightly cheaper with similar quality to CKC offerings. Importers also said that this origin will be out of the market soon. The trade expects that CKC will reach 100% market share next month.

1. Washington apples	6. California plums
2. Local apples	7. California strawberries
3. USA Pears	8. Local grapes
4. California grapes	
5. California kiwifruit	

RETAIL LEVEL

Mexico City

California Kiwifruit has good availability in this sector and volumes are increasing. Some stores had mixed exhibitions of New Zealand and California kiwifruit with average sales volume. Their quality is good as well as their prices and sales volume is around 5 to 10 boxes per week per store.

Guadalajara

The availability of California kiwifruit in this sector has been increasing rapidly. On average, displays are 2 boxes per store and sales are between 6 to 10 boxes per week, per store. At the beginning of the month CKC prices were high but now are dropping, making the fruit more accessible. Chilean kiwifruit is already out of the market. New Zealand presented fair availability at stores and in some cases are being displayed mixed with CKC fruit, presenting very similar prices. Their quality can be considered good but their sales volume is fair.

Monterrey

California Kiwifruit presented moderate exhibitions mixed with New Zealand fruit. Sales volumes are moderate as a result of their high prices and small sizes – compared with the sizes available from competing origins. CKC sales are averaging 6 to 10 boxes per week/store. New Zealand is still available in all supermarket stores with good sales volume.

Av. Coronel Ahumada 204, Lomas del Mirador, Cuernavaca, Morelos C.P. 62350
grupopm@grupopm.com www.grupopm.com tel. (777) 316 7370 fax (777) 316 7369

A.2. PRICES

Exchange rate: $13.26

WHOLESALE LEVEL (US$/BOX)

California Kiwifruit

		Mexico City		Guadalajara		Monterrey	
Size	**Weight**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
20	20lb	---	---	---	17.72	---	---
22	20lb	---	---	---	17.72	---	---
23	20lb	---	---	---	17.72	---	---
25	20lb	---	21.11	---	16.97	---	---
27	20lb	---	19.60	---	16.59	---	---
30	20lb	---	---	---	15.84	---	21.11

Competition Zespri

		Mexico City		Guadalajara		Monterrey	
Size	**Weight**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
22	22lb	---	---	---	---	---	---
25	22lb	---	22.62	---	18.10	---	22.62
27	22lb	---	---	---	---	---	---
30	22lb	---	---	---	---	---	---

Competition Chile

		Mexico City		Guadalajara		Monterrey	
Size	**Weight**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
20	22lb	---	---	---	---	---	---
22	22lb	---	---	---	---	---	---
23	22lb	---	---	---	15.08	---	---
25	22lb	---	---	---	15.08	---	---
27	22lb	---	---	---	---	---	---
33	22lb	---	---	---	---	---	---

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Other Fruits

		Mexico City		Guadalajara		Monterrey	
PRODUCT	**ORIGIN**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
Apples	California	---	--	---	18.85	---	--
	Chile	---	--	---	--	---	--
	Local	---	11.11	---	15.08	---	13.57
	Washington	---	25.92	---	23.38	---	27.14
Grapes	California	---	19.25	---	27.15	---	22.62
	Chile	---	---	---	--	---	--
	Local	---	8.88	---	--	---	24.13
Kiwis	California	---	20.35	---	17.04	---	21.11
	Chile	---	---	---	15.08	---	--
	New Zeeland	---	22.62	---	18.10	---	22.62
Nectarines	California	---	---	---	--	---	--
	Chile	---	---	---	--	---	--
	Local	---	---	---	--	---	--
Peaches	California	---	19.25	---	26.40	---	30.92
	Chile	---	---	---	--	---	--
	Local	---	14.81	---	--	---	--
Pears	Argentina	---	---	---	--	---	--
	California	---	15.55	---	16.21	---	--
	Northwest USA	---	29.62	---	30.92	---	24.13
Plums	California	---	24.44	---	26.40	---	22.62
	Chile	---	---	---	--	---	--
	Local	---	---	---	--	---	--
Strawberries	California	---	18.09	---	--	---	15.46
	Local	---	18.09	---	9.05	---	12.82

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RETAIL LEVEL (US$/lb)

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CALIFORNIA Kiwifruit Commission

Supermarket Chains

Mexico City

		Walmart		Superama		Soriana		Com. Mex		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	---	1.30	---	1.54	---	--	---	---	1.42
Chile	Hayward	--	--	--	--	--	--	--	--	--
New Zealand	Hayward	---	1.54	---	1.66	---	1.19	---	1.13	1.38

Guadalajara

		Com. Mex.		Wal-Mart		Soriana		Aurrerá		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	--	1.47	--	1.54	--	1.40	--	1.53	1.49
Chile	Hayward	--	--	--	--	--	--	--	--	--
New Zealand	Hayward	--	--	--	--	--	1.40	--	--	1.40

Monterrey

		HEB		Walmart		Soriana		Sam's		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	-	1.70	--	--	-	1.53	-	--	1.61
Chile	Hayward	--	--	--	--	--	--	--	--	--
New Zealand	Hayward	--	1.70	--	1.36	--	1.53	--	1.67	1.56

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Other Fruits

		Mexico City		Guadalajara		Monterrey	
PRODUCT	**ORIGIN**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
Apples	California	---	---	---	1.16	---	---
	Chile	---	---	---	--	---	---
	Local	---	0.68	---	0.85	---	0.56
	Washington	---	0.82	---	0.99	---	1.15
Grapes	California	---	1.19	---	1.30	---	2.05
	Chile	---	---	---	--	---	---
	local	---	0.95	---	1.20	---	1.19
Kiwis	California	---	1.42	---	1.47	---	1.62
	Chile	---	---	---	--	---	--
	New Zealand	---	1.38	---	1.40	---	1.53
Nectarines	California	---	--- ---	---	--	---	1.70
	Chile	---	---	---	--	---	---
	Local	---	---	---	--	---	---
Peaches	California	---	1.54	---	1.33	---	1.55
	Chile	---	---	---	--	---	---
	Local	---	0.95	---	--	---	---
Pears	Argentina	---	---	---	--	---	----
	California	---	0.95	---	0.78	---	1.38
	Northwest USA	---	1.13	---	1.20	---	1.07
Plums	California	---	1.54	---	1.33	---	1.70
	Chile	---	---	---	--	---	---
	Local	---	---	---	--	---	---
Strawberries	California	---	---	---	--	---	3.20
	Local	---	2.17	---	2.91	---	---

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Public Markets

Mexico City

		Coyoacan		Mixcoac		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	1.36	---	1.71	---	1.53
Chile	Hayward	---	---	---	---	---
New Zealand	Hayward	1.19	---	1.71	---	1.45

Guadalajara

		Calle 3		San Juan de Dios		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	--	1.54	--	1.61	1.58
Chile	Hayward	--	--	--	--	--
New Zealand	Hayward	--	--	--	--	--

Monterrey

		San Luis		Juárez		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	-	-	--	--	--
Chile	Hayward	--	--	--	--	--
New Zealand	Hayward	--	--	--	1.19	1.19

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Other Fruits

		Mexico City		Guadalajara		Monterrey	
PRODUCT	**ORIGIN**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
Apples	California	--	---	--	---	--	---
	Chile	--	---	--	---	--	---
	Local	--	0.61	--	---	--	0.68
	Washington	--	0.89	--	1.10	--	1.02
Grapes	California	--	----	--	1.54	--	---
	Chile	--	--	--	---	--	---
	local	--	1.02	--	1.20	--	1.02
Kiwis	California	--	1.53	--	1.54	--	---
	Chile	--	----	--	--	--	---
	New Zealand	--	1.45	--	--	--	1.19
Nectarines	California	--	---	--	--	--	--
	Chile	--	--	--	--	--	---
	Local	--	--	--	--	--	---
Peaches	California	--	1.54	--	1.54	--	0.85
	Chile	--	--	--	--	--	---
	Local	--	0.89	--	--	--	---
Pears	Argentina	--	---	--	--	--	---
	California	--	0.82	--	0.68	--	---
	Northwest USA	--	0.95	--	1.27	--	0.85
Plums	California	--	1.71	--	1.34	--	0.68
	Chile	--	--	--	---	--	---
	Local	--	---	--	0.00	--	---
Strawberries	California	--	----	--	0.00	--	1.88
	Local	--	2.05	--	1.37	--	1.50

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C. LIST OF TRADE CONTACTS

Mexico City

Wholesale Level
Martín García, Warehouse K-69
Jesús Mena, Warehouse K
Juan Luis García Sámano, Warehouse L-113
Javier García, Warehouse Q-178
Jaime Jiménez, Warehouse L-84

Retail Level
Germán Guzmán, Mega
Justino Gómez, Aurrera
Porfirio Ramírez, Superama
Tomás García, Wal-Mart
Gerardo Guzmán, Mixcoac Public Market
Aurelia Hernández, Mixcoac Public Market
Gregoria Campos, Coyoacan Public Market
Graciela Vivanco, Coyoacan Public Market

Guadalajara

Wholesale Level
Juan Gallardo, Warehouse #409
Arturo Delgadillo, Warehouse #423
Carlos Camarena, Warehouse #427
Juan Navarro, Warehouse #431

Retail Level
Víctor Rojas, Comex
Faustino López, Soriana
Carlos Corona, Alcalde Market
José Luis Zamudio, Calle 3 Public Market

Monterrey

Wholesale Level
Héctor Rodríguez, Warehouse L351-338
Carlos García, Warehouse L-255

Retail Level
Ernesto Garza, HEB
Federico García, Soriana

Activities

Merchandising

City	Public market	Stalls	Street Market	Stalls	Warehouses	Fruit stores	Stores Supermarket	Comments
Mexico City	42	74	38	64	20	48	46	Good availability and constant sales
Guadalajara	20	35	10	27	12	15	20	Good quality, accessible prices
Monterrey	3	8	3	8	6	12	28	Small sizes that affected their demand. High competition with bigger sizes

Technical Support

During this period we carried out 6 audits and 6 technical visits.

Road Show:

Up to date, we have reached 77 promotional days in Mexico City, Puebla, Celaya, Irapuato, León and Guadalajara through this activity, reaching 71,095 contacts.

Mrs. Sofía Pérez Vargas
Clasica Azteca – Guadalajara
"Very good event in general terms, very clear and useful information. People learned how to make different and healthy dishes for their family. Kids learn a lot in this way by organizing fun activities".

Company Road Show – Up to date, we have reached 19 promotional days in Mexico City and Guadalajara, reaching 6,010 contacts.

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