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Turkey

Dried Fruit

Semi-Annual

2002

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Report Highlights:

Rains in September and into October adversely affected Turkish raisin production. Both total production and quality declined to 200,000 MT from 240,000 MT which was our earlier estimate. The production was estimated at 220,000 MT in MY 2001 and 285,000 MT in MY 2000. Turkish raisin exports are estimated lower due to lower supply. The government announced a 56.1 percent import duty for all imported raisins for CY 2002.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
Ankara [TU1], TU

Raisin production in Turkey begins in August and ends normally in October. At the beginning of August MY 2002 raisin production was estimated at 230,000 MT due to the favorable weather conditions during the growing season. However, rainy and cool weather in September and during the first week of October negatively affected sultanas' quantity and quality. Many raisins and even unharvested sultanas still remain to be dried. However, rains are continuing in the growing regions. Even though production estimates still vary a great deal, current estimates indicate a decrease for the third year in a row. In addition to the lower quantity, the color is darker and the humidity (which causes raisins to take longer to dry and, as a result to be sensitive to fungus and some other diseases), is higher which means quality of raisins is also lower. About half of the raisin crop is expected to be standard #8 with most at lower grades (grade B and C).

TARIS, (the Central Union for Farmers' Sales Cooperatives) which is located in Izmir and buys cotton, olives, figs and raisins from members in the Aegean Region, announced its MY 2002 raisin procurement prices. In general, TARIS procures anywhere from 20-40 percent of Turkey's raisin crop. The procurement price for standard #9 quality raisins is TL 1,250,000 (about USD 0.75) per kilogram. Since MY 2000, TARIS has not bought any raisins below standard #8 quality. This price is about 43 percent higher than the revised price TARIS announced in MY 2001. The MY 2002 price may be revised upward again this year if market conditions' change. TARIS, which already procured approximately 18,000 MT so far, is expected to procure fewer raisins in MY 2002. It procured about 44,680 MT (about 20 percent of the total crop) in MY 2001.

TEKEL which is the government alcohol monopoly, uses raisins as well as fresh grapes for making "raki" (a Turkish alcoholic drink). It announced a raisin procurement price of TL 1,060,000 per kilogram recently. TEKEL officials plan to buy 60,000 MT of raisins directly from farmers. The procurement price TEKEL announced in MY 2002 is 100 percent higher than their MY 2001 price. In addition, TEKEL bought about 20,000 MT of older and lower quality of raisins from TARIS in the same marketing year. Of this total, 11,000 MT were MY 1999 crop raisin and 9,000 MT were MY 2000 and MY 2001 crops.

The PS&D carryover stock estimate for MY 2002 is expected to decrease due to lower supply. TARIS had approximately 39,000 MT in stocks at the end of MY 2001.

The Izmir Commodity Exchange is the main cash market for raisins. On October 4, 550 MT of raisins were traded. Spot prices ranged from TL 900,000 and TL 1,400,000 per kilogram for standard #7 through standard #10, compared to TL 900,000 and TL 1,050,000, for standard #9 and standard #10 in mid April (Izmir Commodity exchange does not report the prices for different standards anymore). With annual inflation currently averaging about 40 percent, these prices are about the same in real terms.

MY 2002 raisin exports are currently projected significantly lower at 175,000 than in MY 2001, due to reduced supplies. According to unofficial (Exporters' Union) data, traders exported 212,259 MT of raisins in MY 2001 (September 2001-August 2002) slightly less than the previous year's record high level (226,232 MT). Of this total, 183,390 MT were MY 2001 crop and remaining 28,869 MT were MY 2000 crops. According to the same data, the average export price in MY 2001 was USD 722 per

MT compared to USD 879 per MT in MY 2000. The United Kingdom, Germany, Netherlands, and Italy were the leading markets. Exports in MY 2002 are expected to drop even further due to lower supplies.

Official GOT trade data is now available only for the first six months of MY 2001. We are using Aegean Exporters Union data for the entire marketing year for 2001 (September 2001 - August 2002), but only six months' data officially obtained from the State Institute of Statistics (SIS).

In MY 2001, TARIS exported about 40 percent (about 18,000 MT) of its purchases compared to 16 percent (about 12,000 MT) a year ago.

Current export prices are about the same as a year ago. The prices were lower (approximately USD 650 per MT of standard #9) early in the season, but were raised after the rains in September. Currently, the price of standard #9 bulk is about USD 800 per MT and for standard #10 bulk is about USD 850 per MT (all prices are FOB Izmir). Prices may be slightly higher or lower depending upon the grade (as A, B, and C).

There is no direct export subsidy for raisins. In 2002, the government announced a 56.1 percent import duty for raisins of all origins based on CIF value in order to protect local producers.

Statistical Tables

PS&D Table for Raisins

PSD Table						
Country	Turkey					
Commodity	Raisins					
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		09/2000		09/2001		09/2002
Area Planted	80	80	82	82	82	82
Area Harvested	76	76	78	78	79	79
Beginning Stocks	37594	37594	69463	69463	39463	39204
Production	285000	285000	200000	220000	240000	200000
Imports	3101	3101	1000	2000	1000	3000
TOTAL SUPPLY	325695	325695	270463	291463	280463	242204
Exports	226232	226232	190000	212259	210000	175000
Domestic Consumption	30000	30000	41000	40000	40000	50000
Ending Stocks	69463	69463	39463	39204	30463	17204
TOTAL DISTRIBUTION	325695	325695	270463	291463	280463	242204

Export Trade Matrix

Export Trade Matrix			
Country	Turkey		
Commodity	Raisins		
Time period	Sep. - Aug.	Units:	Metric Tons
Exports for:	2001	Sep.01-Mar.02	2001
U.S.	23	U.S.	4
Others		Others	
United Kingdom	38908	United Kingdom	25044
Germany	33467	Germany	24296
Netherlands	24431	Netherlands	19012
Italy	15985	Italy	13689
France	12384	France	8585
Australia	10159	Australia	7096
Belgium	8938	Belgium	4265
Ireland	5283	Brazil	4029
Spain	4076	Spain	4025
Brazil	3101	Ireland	3171
Total for Others	156732		113212
Others not Listed	55504		22683
Grand Total	212259		135899

Import Trade Matrix

Import Trade Matrix			
Country	Turkey		
Commodity	Raisins		
Time period		Units:	Metric Tons
Imports for:	2000	Sep.01-Mar.02	2001
U.S.		U.S.	
Others		Others	
		Greece	196
		Philippines	63
		Uzbekistan	59
		Canada	41
		Algeria	40
		France	40
		Netherlands	38
		Ireland	38
		Italy	37
		Ukraine	34
Total for Others	0		586
Others not Listed			227
Grand Total	0		813