

United States Horticultural Exports to Asia

U.S. horticultural exports to Asia during June/May 1999/2000 are up 4 percent in value from the preceding year but down 15 percent from the record set in 1996/97. Exports in 1999/2000 reached \$3.2 billion compared to \$3.7 billion in 1996/97. Exports to Japan, totaling \$1.7 billion, accounted for 53 percent of all 1999/2000 U.S. horticultural shipments to Asia; followed by \$405 million to Hong Kong, accounting for 12 percent; and \$330 million to Taiwan, accounting for 10 percent. Over the last five years, leading growth items are french fries, which increased by 30 percent to reach \$282 million; potato chips, increasing 77 percent to total \$131 million; and wine, which rose 104 percent to \$102 million. U.S. exports of beer, which totaled \$205 million in 1995/96, have declined steadily, reaching only \$54 million in 1999/2000.

Principal Export Markets

Japan, Hong Kong, Taiwan and South Korea account for over 82 percent of the value of U.S. horticultural exports to Asia. In value, Japan imports about 25 percent of its horticultural products from the United States and about 25 percent from China; South Korea imports about 32 percent from the United States and 28 percent from China; and Taiwan imports about 43 percent from the United States with Thailand being the second largest supplier, accounting for about 8 percent of horticultural imports.

Japan alone accounts for over half of U.S. horticultural product exports to Asia. U.S. exports to Japan in June/May 1999/2000 were \$1.7 billion, down 11 percent from the 1995/96 level of \$2 billion. Several factors are responsible for this decline: economic stagnation, an increase in exchange rates, and short U.S. crops in the principal export items of citrus fruit and tree nuts.

The yen to dollar exchange rate rose from 83 in 1995 to 148 in 1998, making imported U.S. items 78 percent more expensive to the Japanese consumer. The 1999/2000 average exchange rate is 109, which is 31 percent above the low point set in 1995.

Hong Kong is traditionally a strong market for U.S. horticultural products, but shipments during the last two years have fallen off by 33 percent. About 75 percent of this decline is attributed to reduced shipments of oranges, grapes, pistachios, beer, apples, and one basket category, which includes food preparations not elsewhere specified in the export schedule. These reduced shipments are due to a weak economy, a crackdown on transshipments to the Chinese mainland, and to reduced U.S. supplies of citrus fruit, tree nuts and grapes.

U.S. exports to Taiwan and the Philippines remained strong during the last 5-year period, and exports to South Korea, while showing some weakness in 1997/98 and 1998/99, rebounded.

The Asian economic downturn affected several other markets in the region, notably Thailand, Indonesia and Singapore; however, exports to these markets regained the levels set in 1995/96.

Growth Items

Three items stand out as consistently strong exports for the 5 year period from 1995/96 through 1999/2000. These are french fries, which increased \$65 million from \$217 to \$282 million; potato chips, which increased from \$74 million to over \$131 million; and wine, which has increased from \$50 million to \$102 million. Both french fries and potato chips have become increasingly popular in many Asian countries.

U.S. Exports of French Fries

June - May

Country	1995/96	1996/97	1997/98	1998/99	1999/2000
Millions Dollars					
Japan	138	153	161	189	181
South Korea	16	21	17	18	23
Hong Kong	14	18	19	19	18
Taiwan	11	14	15	17	16
Philippines	10	12	14	12	12
China	1	2	2	5	11
Other	27	30	28	21	22
Total	217	251	256	281	282

Source: U.S. Census

U.S. Exports of Potato Chips

June - May

Country	1995/96	1996/97	1997/98	1998/99	1999/2000
Millions Dollars					
Japan	42	32	27	48	58
Taiwan	8	6	9	18	21
Hong Kong	3	5	15	13	17
South Korea	5	8	6	13	16
Thailand	1	4	4	5	6
Other	15	11	9	3	13
Grand Total	74	66	70	100	131

Source: U.S. Census

Japan accounted for almost all of the increase in U.S. wine exports to Asia. However, the United States still accounts for only 8 percent of Japan's total wine imports.

U.S. Exports of Wine
June - May

Country	1995/96	1996/97	1997/98	1998/99	1999/2000
Millions Dollars					
Japan	32	32	75	69	78
Taiwan	4	9	21	7	5
Hong Kong	4	10	10	6	4
Singapore	2	3	4	3	4
South Korea	2	5	2	2	3
Other	6	11	6	7	8
Grand Total	50	68	117	92	102

Source: U.S. Census

U. S. Horticultural Exports to Asia
June/May

Commodity Groups	1995/96	1996/97	1997/98	1998/99	1999/2000
Millions Dollars					
Miscellaneous Fruit and Vegetables	623	673	587	518	543
Fresh Deciduous Fruit	462	496	438	361	419
Frozen Vegetables	295	332	346	376	375
Fresh Citrus Fruits	496	440	432	342	355
Tree Nuts	287	309	298	242	237
Fresh Vegetables except Potatoes	223	214	198	196	219
Prepared or Preserved Vegetables	212	253	218	197	200
Fruit and Vegetable Juices	257	223	167	193	195
Dried fruits	116	127	122	137	123
Essential Oils	207	255	125	102	111
Wine	50	69	117	92	102
Dried and Dehydrated Vegetables	59	60	51	44	56
Other Fresh Fruit	56	54	46	43	49
Processed Fruit	59	55	42	41	37
Frozen Fruit	32	30	39	43	36
Ginseng	80	72	44	33	35
Miscellaneous Prepared Fruit	26	27	36	38	32
Nursery Products	7	7	27	22	31
Hops	12	12	11	9	10
Melons	15	13	8	8	10
Cut Flowers	7	5	4	4	4
Potatoes	3	2	2	3	3
Olives	2	2	2	2	2
Grand Total	3,586	3,730	3,359	3,048	3,185

Source: U.S. Census

**U.S. Horticultural Exports to Asia
June/May**

Country	1995/96	1996/97	1997/98	1998/99	1999/2000
Millions Dollars					
Japan	2,021	1,909	1,684	1,672	1,713
Hong Kong	533	619	608	416	405
Taiwan	344	371	389	353	330
South Korea	219	285	198	176	257
Philippines	97	125	103	88	97
Singapore	124	118	99	97	96
Malaysia	76	90	77	66	71
China	17	27	42	56	70
India	19	32	54	52	54
Indonesia	70	81	55	27	41
Thailand	56	60	38	31	36
Vietnam	5	5	4	3	5
Sri Lanka	2	2	3	4	3
Bangladesh	1	2	2	3	2
Pakistan	1	1	2	2	2
Cambodia	1	1	1	0	1
Brunei	0	1	1	1	0
Nepal	0	0	0	0	0
Macau	0	0	0	1	0
Southern Asia NEC	0	0	0	0	0
Afghanistan	0	0	0	0	0
Laos	0	0	0	0	0
North Korea	0	0	0	0	0
Mongolia	0	0	0	0	0
Burma	0	1	0	0	0
	3,586	3,730	3,359	3,048	3,185

NEC - Not Elsewhere Classified
Source: U.S. Census

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