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Executive Summary

Avocados are known internationally for their high vitamin content and versatility for use in different dishes. Avocado consumption has seen high growth in different world markets, given the trend to consume products with natural fat, increased knowledge of its properties and the perception that it is a healthy food. The greatest demand in the world market is for the Hass and Fuerte varieties.

Demand for avocados is currently concentrated in developed countries. The United States and European markets are the largest consumers of this fruit, with average per capita consumption of 2.5 kg. and 0.56 kg. respectively.

It is estimated that total consumption of avocados in the United States reached 750,000 tons in 2013, with average annual growth (CAGR) of 9.2%, while consumption in the European region totaled 290,000 tons in the June 2013-May 2014 season.

Avocado consumption is on the rise, not only in the United States and European markets, but also in countries with knowledge of this fruit's flavor and benefits, such as Asian countries. Malaysia, Japan and South Korea are among the most attractive markets for this fruit, as are Serbia, the Czech Republic and Bosnia.

These global opportunities are already receiving special attention from exporting countries such as Mexico, Chile, South Africa, Peru and the United States, which are interested in entering or increasing their shipments to these markets.

China is another very attractive market. Although Mexico is its largest supplier, this Asian giant has shown willingness to open its market to more suppliers interested in entering it because of the great opportunity this country represents as a consumer and importer. In just two years, China’s imports increased from 32 tons in 2013 to 1,498 tons in 2014.

CIF unit prices for avocado imports by the largest consumers (United States and Europe) had annual growth rate (CAGR) of 1.30% and 2.73% during the 2009-2013 period respectively.

On the supply side, avocado production has followed an upward trend worldwide, reaching 4,717,000 tons in 2013. Mexico is considered the largest avocado producer, consumer and exporter, with shipments of 563,492 tons in 2013. It is followed by Peru and Chile as the largest avocado suppliers, with shipments of 114,515 and 96,937 respectively, in the same year.

With regard to avocado consumption, the main way this fruit is consumed is fresh. However, a few years ago, its industrialization began with the processing of pulp and the extraction of oil.
As it is a very versatile fruit, avocado is used in a number of forms, such as avocado purée, packaged slices and chunks, dehydrated or dried avocado, oil, and even cosmetics made with this fruit.

Forecasts remain positive for the world avocado market in terms of consumption, as well as commercialization. It is expected that Europe will continue to be one of the main destination markets for avocado, given that increasing growth in its consumption is expected in the coming years.

The same outlook applies to the United States, with Peru as an increasingly important supplier. Avocado shipments from Peru to the U.S. are expected to reach 99,790 tons, which is a 53% increase.

With an expected increase in demand for avocado from the major markets, as well as newer markets such as China, growth of exports of this fruit is also forecasted, especially for major suppliers such as Mexico and Peru.

As a result of the foregoing, the avocado market is very attractive, given the opportunities identified with regard to growth in demand; expansion and diversification of markets, which are no longer concentrated in Europe and the United States; vast knowledge about avocado production; and the highly competitive prices at which this interesting fruit is commercialized.