

Chilean Cherry Market Review – Toesca Perspective

China remains the single most important destination market for Chilean cherries, absorbing more than 85% of total export volumes in recent seasons and effectively setting the reference price for the global category. Despite ongoing industry efforts to diversify toward markets such as the United States, Korea, Taiwan, and Europe, China continues to account for well above 75–80% of shipments, underscoring the structural concentration of the industry.

Given this level of exposure, developments in the Chinese market are not merely commercial variables; they are structural determinants of revenue realization, risk distribution, and overall asset performance. Price formation, timing dynamics, and quality perception in China directly influence grower returns across the entire export system. For this reason, the analysis below focuses primarily on China, as it remains the marginal price-setting market for the industry.

Cherries continue to be one of the clearest examples of how asset design and structural decisions translate directly into financial outcomes.

During the 2025/26 season, rather than total export volume, weekly shipment dynamics became the primary driver of price behavior and risk distribution throughout the campaign.

Initial market expectations pointed to a significantly larger season in terms of volume. However, as the season progressed, actual shipments consistently came in below those projections, resulting in a markedly different scenario than anticipated at the outset.

The start of the season was characterized by a substantial increase in early fruit relative to the prior year. In week 46, shipments increased from approximately 6 thousand tons to nearly 17 thousand tons, representing close to a 180% year-over-year increase. This advance was supported by a combination of varietal selection focused on ultra-early genetics, the use of protective covers, and climatic conditions that favored earlier development.

This larger early volume allowed certain producers to access stronger price windows, but at the same time placed pressure on the Chinese market due to supply concentration in the initial weeks. From a pricing perspective, the curve shifted forward by an estimated 10 to 14 days compared to the previous season, closely aligned with the observed production advance.

During weeks 47 and 48, volumes remained above the prior year, though without an abrupt supply shock. A consistent signal across the industry was that many packing facilities processed volumes roughly 30% below initial expectations, reflecting both production and operational adjustments.

Starting in week 49, shipments began to slow, converging toward levels similar to the previous season. This trend intensified from week 50 onward, with year-over-year declines of approximately 20%, and became particularly evident in week 51, traditionally the peak week of the season. While the 2024/25 campaign reached roughly 133 thousand boxes during that week, volumes in the 2025/26 season were materially lower, on the order of 30% below the prior year.

In the final stretch of the season, lower fruit arrivals persisted, yet average prices remained below those of the previous campaign. This outcome drew market attention, as lower-than-expected supply would theoretically have implied stronger demand pressure and higher prices.

Toward the end of the campaign, in an effort to ensure availability closer to the Chinese New Year on February 17, some receivers and exporters chose to hold fruit in storage, aiming to commercialize it nearer to the holiday window. With the benefit of hindsight and full-season data, it is now evident that this strategy proved counterproductive. The fruit did not consistently withstand extended storage in optimal condition, and the market penalized quality deterioration immediately through lower prices. Moreover, by that stage of the season, consumer fatigue had already become apparent. Retailers reported that buyers were increasingly shifting attention toward alternative fruits perceived as fresher, more reliable, or more novel for gifting purposes. In practical terms, the attempt to time the market by extending storage did not restore pricing power; instead, it amplified condition risk in a market that had already absorbed significant volume earlier in the season.

As Toesca, we were on the ground in China during the peak of the commercial window, meeting directly with importers, receivers, wholesale operators, retail chains, and distribution centers in both Shanghai and Guangzhou. The consistent feedback across market participants was that the Chinese cherry market has matured significantly. Consumers are now highly informed, differentiate clearly between varieties, and prioritize firmness and condition above color or even flavor in certain instances. Quality inconsistency in recent seasons has eroded part of the premium positioning historically associated with Chilean cherries, and the market is actively filtering exporters and brands that fail to meet stable standards.

Another structural shift observed in the field is that cherries are no longer perceived as a scarce or truly exclusive product. The sharp expansion in supply over recent years, combined with an extended marketing window and quality dispersion, has reduced their aspirational status, particularly around Chinese New Year. Retailers emphasized that softness and condition issues—especially in darker fruit—have had a more negative impact on pricing than total volume alone. In parallel, large importers are consolidating their supplier base, favoring exporters with scale, quality discipline, and the capacity to respond when issues arise.

From an asset perspective, this season reinforces a central investment lesson: timing is not an operational detail, it is a balance sheet variable. Early positioning, disciplined harvest timing to protect firmness, strict export filtering, and prudent commercial timing are not agronomic nuances—they directly influence market access, channel optionality, and realized returns. In a highly concentrated market structure such as cherries, where one destination determines the marginal price, commercial discipline becomes as important as agronomic execution.

Additionally, the Chinese market continues to raise its standards, prioritizing quality, size, and consistency. This makes top-tier orchard management increasingly critical, as well as the selection of the right export partner. In periods of heightened commercial pressure, market diversification, brand positioning, and access to structured retail channels shift from tactical advantages to structural components of long-term value capture.