Competitiveness analysis of the Portuguese processed tomato sector and development strategies

Mª de Fátima Lorena de Oliveira a,*, Mariano Suárez de Cepeda b; Rodolfo Bernabéu b

a Instituto Politécnico de Coimbra, Escola Superior Agrária, CERNAS, Bencanta, 3045-601 Coimbra, Portugal, b Escuela Técnica Superior de Ingenieros Agrónomos y de Montes. Universidad de Castilla-La Mancha. Campus Universitario, s/n. 02071 Albacete, Espanha,

*Corresponding author: foliveira@esac.pt;

Abstract
This paper aims to examine the export competitiveness of the Portuguese processed tomato sector through a set of indicators used to measure international competitiveness from 1981 to 2013. During the 2011-13 period, we observe a slight improvement in competitiveness indicators. The world price is an important variable for Portuguese tomato paste exports. For tomato paste, we observe inter-industry trade and for other tomato products, a horizontal intra-industry trade is observable. The anchoring of industrial development to agricultural growth will be a predominant factor for the strategy of reducing costs in processed tomato production.

Key Words: Tomato products; trade patterns; product differentiation; exports;

1. Introduction
Since the beginning of the Portuguese economic crisis in 2011, the Food and Beverage (F&B) sector has been considered strategic for the improvement of competitiveness and for the growth of the Portuguese economy (PortugalFoods, 2016). The F&B trade deficit increases if tomato products are omitted, showing the contribution of tomato products to reducing the overall trade deficit. Portuguese production of tomatoes for processing rose from 732,000 tons in 1993(95) to 1,285,000 tons in 2013-15, representing an average annual growth rate of 2.9%, higher than that of the European Union (1.6%) and higher than the growth in world production, which was 2.5%. In 2011-2013, Portugal was the 8th largest producer of tomatoes for processing, accounting for 3% of world production of tomatoes for processing (World Processing Tomato Council [WPTC] several years) and the 5th largest exporter of tomato paste, generating 7% of world tomato paste exports in value and in quantity (FAOSTAT, 2016). Other tomato products have a less significant impact on exports. Tomato paste exports represented on average 96% of the total value of tomato products in 2011-13, while peeled tomato represented 4%, an increase on the previous period (from 1992 to 2007 peeled tomato accounted for an average of around 2% of total tomato product exports). Tomato juice accounted for an average of 0.05% of total tomato product exports (FAOSTAT, 2016). Almost 95% of Portuguese tomato products (namely tomato paste) are exports. In 2011-13 (average values), the leading export destinations for Portuguese tomato products were United Kingdom (27%). Japan
(15%) and Spain (13%). In 2009, the three main trading partners, Netherlands, Spain and United Kingdom represented 59% of total exports. In 2013, these three countries accounted for only 46%, thus showing an increase in market diversification. In 2013, markets outside EU, such as Japan, Kuwait and Russia accounted for 25% of the Portuguese tomato paste market (AICEP, 2016). The recent development of markets alone does not explain the changes in prices and increase in exports. The Portuguese tomato industry has undergone structural changes in production as has the entire agri-food sector (Oliveira, 2008). This, together with the changes in the national export strategy are key factors in the sector.

2. Conceptual Framework and Organizing Concepts

Although research on competitiveness indicators has followed the evolution of economic theory itself, there is still no consensus on the most appropriate indicator of competitiveness. Buckley (1988) concluded that one variable does not capture all elements of the concept and Fischer and Schonberg (2007) provided an extensive review on the literature about the different methodologies to estimate competitiveness. The Revealed Comparative Advantage (RCA) index is a widely used indicator to study competitiveness in all sectors and countries. The concepts of competitiveness and comparative advantage tend to be ambiguous and it is important to understand the differences and similarities between the two concepts. As Buckley (1988) and Dunmore (1986) emphasize, competitiveness is difficult to define in terms of economic concept. Siggel (2012, p. 20) highlights that “the two concepts are closely related” and “can be measured by unit cost/price ratios”. Despite the conceptual differences, competitiveness and comparative advantage are inextricably linked to international trade. Several works have focused on the RCA index as a measurement of competitiveness in the global market (Fertő and Hubbard, 2003; Utkulu, and Seymen, 2004; Siggel, 2006; Latruffe, 2010; Valenciano et al. 2012). The RCA index of country i for product j is often measured by the product’s share in the country’s exports in relation to its share in world trade (Equation I), 

\[ RCA_{ij} = \frac{x_{ij}}{x_{wj}} \]

where xij and xwj are the values of country i’s exports of product j and world exports of product j, Xit and Xwt refer to the country’s total exports and world total exports. An RCA between zero and one indicates a comparative disadvantage and above one, a comparative advantage in the product. RCA Index has been criticized for its poor empirical distribution characteristics: distribution is unstable over time and it provides poor ordinal ranking property. Due to its asymmetric distribution, it yields an output which cannot be compared on both sides of its value (Leromain and Orefice, 2013; Laursen, 1998). Despite this weakness, the RCA index will be applied along with the Growth Rate of RCA, which reflects the export specialization level in a specific category of goods from a specific country (European Commission, 2007; Noéme and Oliveira, 2010). Several modifications have been suggested to overcome the empirical weakness of the pure RCA index. Laursen (1998) and Dalum et al. (1998) obtained the Revealed Symmetric Comparative Advantage (RSCA) (Equation II) 

\[ RSCA_{ij} = \frac{RCA_{ij} - 1}{RCA_{ij} + 1} \]

where if the RSCAij index of a country is above zero there is a comparative advantage and if it is below zero there is a comparative disadvantage for product j. With this transformation, the index becomes symmetrical, avoiding the zero problems when applying logarithm transformations of
the RCA index. Lauresen (2015) compared the RSCA to other measures of international trade specialization and concluded it is an indicator with good statistical proprieties.

Competitiveness and intra-industry trade are linked and the Grubel-Lloyd (GL) is, perhaps, the most commonly used statistical instrument for measuring intra-industry trade (Equation III). \( GL = 1 - \frac{|X_{ij} - M_{ij}|}{(X_{ij} + M_{ij})} \), where \( X_{ij} \) is the export of product \( j \) from country \( i \) and \( M_{ij} \) is the import of product \( j \) from country \( i \) (Latruffe, 2010). The GL values range from zero to one, with zero indicating that all trade related to the product is inter-industry (either imports or exports of good \( i \)). The value of 1 indicates Intra-Industry Trade only (country simultaneously imports and exports within the same sector/industry).

Inter-industry trade has its source in comparative advantage but the source of intra-industry trade is different and may be due to product differencing or fragmentation. It is necessary to distinguish between two types of intra-industry trade (Reinert, 2012): Horizontal Intra-Industry Trade (HIT) and Vertical Intra-Industry Trade (VIT). HIT refers to the simultaneous export and import of goods classified in the same sector and at the same stage of processing associated with specialization in varieties. It includes the trade of different varieties of similar products. In HIT, goods differ because they have specific attributes but are similar in quality. The international trade literature has addressed VIT in different ways. Some authors, such as Greenaway and Milner (2003), consider VIT to be the simultaneous export and import of goods classified in the same sector but with specialization in different quality ranges. The source of VIT is in fragmentation or international production sharing, i.e. both exports and imports in a given sector at different stages of processing (Reinert, 2012; Turkcan and Ates, 2011).

In this paper, we consider that VIT is the export and import of goods distinguished by quality. Starting from the assumption that differences in quality are reflected in differences in price, the unit value of export price of a particular good is used to separate VIT and HIT (Greenaway et al, 1994; 1995; Greenaway and Milner, 2003). This assumption is only acceptable with highly detailed trade data and several factors lead to slight departures from a strict association of prices with quality (Fontagné et al, 2006). Stiglitz (1987, p.2) states that “prices serve as a signal or as a screening device”, that is, even in a context of imperfect information, the quality will always reflect on the prices. Higher quality or quality differences increase costs and thus the price is higher (Stiglitz, 1987, Siggel, 2012). If the difference in unit values is below a given threshold, the goods are considered to have the same quality, otherwise they are considered to be differentiated vertically (Amador and Cabral, 2009). Trade flows are defined as horizontally differentiated where the spread (\( \alpha \)) in the unit value of exports relative to the unit value of imports is less than 15% (Equation IV), \( \frac{1}{1 + \alpha} \leq \frac{P_{x_{ij}}}{P_{m_{ij}}} \leq 1 + \alpha \), where \( P_{x_{ij}} \) is the unit value for exports, \( P_{m_{ij}} \) the unit value of import of good \( i \) for or from trade partner \( j \). If the relative unit values are outside this range, these goods are considered vertically differentiated.

The assumption for \( \alpha = 0.15 \) is that transport and freight costs alone yield a difference in the export and import unit values of no more than ±15%. Otherwise, quality differentiation will predominate and intra-industry trade will be vertical (Greenaway, 1994, 1995; Fontagné and Fredenberg, 1997). The GL index provides important information but has some limitations. Despite the ability to calculate the GL Index over time, it does not have the required dynamic properties. An increase or decrease in the GL Index is
not necessarily associated with a corresponding increase or decrease in intra-industry trade (Marrewijk, 2009). In order to avoid repetitiveness on indicators, we choose the RSCA, GL and the Growth rate of RCA to measure international competitiveness.

3. Material and Methods

In this paper, we investigate international competitiveness through indicators such as the RCA and its derived indicator GL. These indicators allow the analysis of intra- and inter-industry trade, which are the key to a better understanding of the competitiveness of exports. In order to identify the factors influencing tomato exports, we use a log linear type of demand function (Shende and Bhole, 1999; Kumar, 2004; Kumar and Rai, 2007). The data for analysis applied in this study are based on secondary data from the FAOSTAT trade database and the Portuguese National Statistics Institute (INE), from 1981 to 2013. Volume values are in metric tons and price values are in 1,000 US$/t. The unit values of Portuguese, European and world tomato exports were derived from the data on quantity and value of tomato paste export available on FAOSTAT (2016). The values for Portuguese and world processing tomato production were derived from the WPTC (2016).

To determine the factors affecting export demand for tomato products, a regression analysis was carried out for a time span of 24 years (1989-2013), using the OLS method in STATA10. The tomato paste export data will be used to determine exports of the tomato processing industry because this is the major product for exports and almost all processing tomato is used to produce tomato paste. The factors influencing the Portuguese exports of tomato paste were identified using the log-linear Cobb-Douglas type of demand function (Shende and Bhole, 1999; Shende et al., 2005; Kumar and Rai, 2007; Kumar et al., 2008; Rani et al., 2014). After a logarithmic transformation, Equation V can be expressed as:

\[
\ln Y = \beta_1 + \beta_2 \ln Q_p + \beta_3 \ln Q_w + \beta_4 \ln M_w + \beta_5 \ln PR_w + \beta_6 \ln PR_{eu} + U_i,
\]

where: \(Y_{exp}\)=Portuguese exports of tomato paste in volume; \(Q_p\)=Portuguese production of processing tomato for processing in volume (Mt); \(Q_w\)=world production of processing tomato for processing in volume; \(M_w\)=world imports of tomato paste in volume; \(PR_w\)=ratio of Portuguese export price and world export price; \(PR_{eu}\)=ratio of Portuguese export price and European Union export price; \(\beta_1\)=Intercept; \(\beta_i\)=elasticities, and \(U_i\)=random error terms. We conducted the regression with all the parameters. However, when the above procedure was followed, we found that the parameter estimates had large correlations, and the model presented heteroscedasticity problems. Heteroscedasticity can be highly problematic with OLS methods. The coefficient \(\beta_i\) of the OLS model is the Best Linear Unbiased Estimator (BLUE), if the assumptions of the classic model, including homoscedasticity (Gujarati, 1995), are respected. The presence of heteroscedasticity did not result in biased parameter estimates. However, OLS estimates were no longer BLUE. If homoscedasticity is not tenable, we may be unable to rely on the interval estimates of the parameters, e.g., variance will no longer be so low; standard errors are biased and t-test and F-test are affected, resulting in inaccurate results. To avoid these problems, we deal with heteroscedasticity by omitting the variable of Portuguese processing tomato production. The final estimated regression was (Equation VI):

\[
\ln Y = \beta_1 + \beta_2 \ln Q_w + \beta_3 \ln M_w + \beta_4 \ln PR_w + \beta_5 \ln PR_{eu} + U_i
\]
4. Results and discussion

To analyze the international competitiveness and export performance of Portuguese processed tomato products, the export performance ratios were estimated. We used export and import data provided by FAOSTAT (2016). The analysis was conducted considering average values of triennia from 1981 to 2013. To build the RCA, RSCA and GL indicators, the average value of imports and exports for each product for each time period was used (Tab. 1).

Tab. 1. - Revealed Comparative Advantage (RCA), Revealed Symmetric Comparative Advantage (RSCA) and Grubel-Lloyd (GL) from 1981-84 to 2011-13

<table>
<thead>
<tr>
<th>Periods</th>
<th>Tomato Paste</th>
<th>Average Annual Growth Rate (centred average value)</th>
<th>Peeled Tomato</th>
<th>Average Annual Growth Rate (centred average value)</th>
<th>Tomato Juice</th>
<th>Average Annual Growth Rate (centred average value)</th>
<th>Tomato Products (all products)</th>
<th>Average Annual Growth Rate (centred average value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCA</td>
<td>41.56</td>
<td>25.25</td>
<td>20.93</td>
<td>17.30</td>
<td>17.35</td>
<td>20.18</td>
<td>-8.0%</td>
<td>-3.1%</td>
</tr>
<tr>
<td>RSCA</td>
<td>0.95</td>
<td>0.92</td>
<td>0.91</td>
<td>0.89</td>
<td>0.89</td>
<td>0.91</td>
<td>-0.5%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>GL</td>
<td>0.00</td>
<td>0.00</td>
<td>0.03</td>
<td>0.02</td>
<td>0.04</td>
<td>0.05</td>
<td>122.8%</td>
<td>63.1%</td>
</tr>
<tr>
<td>Average</td>
<td>0.34</td>
<td>0.31</td>
<td>0.50</td>
<td>0.86</td>
<td>0.70</td>
<td>3.09</td>
<td>-1.9%</td>
<td>8.5%</td>
</tr>
<tr>
<td>RCA</td>
<td>0.41</td>
<td>0.15</td>
<td>0.08</td>
<td>0.13</td>
<td>0.46</td>
<td>0.48</td>
<td>-15.2%</td>
<td>-10.0%</td>
</tr>
<tr>
<td>RSCA</td>
<td>-0.41</td>
<td>-0.73</td>
<td>-0.85</td>
<td>-0.61</td>
<td>-0.37</td>
<td>-0.34</td>
<td>10.0%</td>
<td>2.5%</td>
</tr>
<tr>
<td>GL</td>
<td>0.00</td>
<td>0.87</td>
<td>0.47</td>
<td>0.23</td>
<td>0.76</td>
<td>0.84</td>
<td>-9.7%</td>
<td>-11.2%</td>
</tr>
<tr>
<td>Average</td>
<td>29.99</td>
<td>16.75</td>
<td>14.06</td>
<td>12.14</td>
<td>12.12</td>
<td>14.74</td>
<td>-9.2%</td>
<td>-2.9%</td>
</tr>
<tr>
<td>RCA</td>
<td>0.94</td>
<td>0.89</td>
<td>0.87</td>
<td>0.85</td>
<td>0.85</td>
<td>0.87</td>
<td>-0.9%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>RSCA</td>
<td>0.00</td>
<td>0.02</td>
<td>0.09</td>
<td>0.09</td>
<td>0.14</td>
<td>0.16</td>
<td>238.4%</td>
<td>27.8%</td>
</tr>
</tbody>
</table>

Source: Compiled by the authors, based on FAOSTAT (2016)

The results indicate that RCA values for tomato paste and tomato products were higher than 1, and thus the country has a comparative advantage in tomato paste and tomato products (all tomato product exports). It is important to notice that the RCA value has decreased from 1981-82 to 2004-06 for tomato paste and for tomato products as a whole. The last three-year period (2011-13) shows an improvement on the international trade indicators, compared to the indicators observed in the periods 1999-01 and 2005-07 as we can see in Table 1. The RCAs for peeled tomato were much lower than 1 and hence there is a comparative disadvantage. The RSCAs for tomato paste and tomato products (as a whole) are close to 1, meaning that Portugal has a comparative advantage. For tomato juice, this value is negative and for peeled tomato, the value was negative until 2011-13. For tomato juice, the results show that Portugal has not been competitive in exports. This indicates that Portugal was competitive for tomato paste exports but was not competitive for peeled tomato and tomato juice, throughout the period of study. The GL index is almost 0 for tomato paste, but close to 1 for other tomato products. It appears that there was almost pure inter-industry trade for tomato paste and intra-industry trade for peeled tomato in 2011-13 (GL= 0.96). For tomato paste, this value indicates, for all trade in the product, i.e. only exports or only imports, that Portugal is a net exporter in the sector of tomato paste. It is important to
relate these results to Appendix A, indicating that the terms of trade have deteriorated from 1999-01 to 2011-13 with a slight improvement in the latter period. For tomato juice and peeled tomato, the GL index indicates that there is intra-industry trade, simultaneously for import and export of similar types of goods or services.

A large number of empirical studies divide the total flows in HIT and VIT, assuming that quality differences are reflected in price differences, information on unit values of exports and imports (Appendix A). HIT and VIT are empirically identified by these differences. Analysing the intra-industry trade for peeled tomato and tomato juice during the period 1987-89 to 2011-13, it can be seen in Appendix A that the terms of trade (\(P_{xi}/P_{mi}\)) from 1987-89 to 1999-01 for peeled tomato are higher than 1 and for tomato juice this value is higher than 1 in the last two periods. If we consider the value in all periods, they are within the interval defined above (15%). This means that the trade in peeled tomato and tomato juice is horizontally differentiated. Trade in these products is basically determined by consumer preferences for products with specific attributes. However, for tomato juice in the 2011-13 period, the trade is clearly vertically differentiated by quality preferences. Our results showed that four factors can explain about 92% of the variation in Portuguese tomato paste exports: the volume of international trade in tomato paste, the volume of world production of processing tomato, the ratio of Portuguese and world tomato paste export prices, and the ratio of Portuguese and European Union tomato paste export prices (Table 2).

**Tab. 2. - Estimation of export demand model for Portuguese tomato paste from 1989 to 2013.**

<table>
<thead>
<tr>
<th>Regressor</th>
<th>Coefficient</th>
<th>Standard error</th>
<th>t-ratio</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter ((\ln\beta))</td>
<td>(\beta 1)</td>
<td>-0.784</td>
<td>1.624</td>
<td>-0.48</td>
</tr>
<tr>
<td>(\ln Q_w)</td>
<td>(\beta 2)</td>
<td>-0.050</td>
<td>0.238</td>
<td>-0.21</td>
</tr>
<tr>
<td>(\ln M_w)</td>
<td>(\beta 3)</td>
<td>0.844</td>
<td>0.137</td>
<td>6.16</td>
</tr>
<tr>
<td>(\ln PR_w)</td>
<td>(\beta 4)</td>
<td>-2.130</td>
<td>0.688</td>
<td>-3.10</td>
</tr>
<tr>
<td>(\ln PR_{eu})</td>
<td>(\beta 5)</td>
<td>1.002</td>
<td>0.626</td>
<td>1.60</td>
</tr>
</tbody>
</table>

\(R^2 = 0.915\)  \(\text{Adj } R^2 = 0.900\)  \(F(4, 20) = 54.79 ; \text{Prob } F = 0.000\)  \(\text{Root MSE} = .1015\)

**Note:** Heteroscedasticity tests apply for the estimation:
1) Which assumes that the regression disturbances are normally distributed: Breusch-Pagan/Cook-Weisberg test (BP/CW), \(\chi^2(1) = 5.19\); Prob > \(\chi^2 = 0.023\) (not reject heteroscedasticity).
2) The \(N^R R^2\) version of the score test that drops the normality assumption: BP/CW test \(N^R R^2\), \(\chi^2(1) = 3.81\); Prob > \(\chi^2 = 0.0511\) (reject heteroscedasticity); White's test for \(\chi^2(14) = 16.06\); Prob > \(\chi^2 = 0.3100\) (reject heteroscedasticity).

The coefficient for world imports of tomato paste in volume and the ratio of Portuguese and world export prices of tomato paste are statistically significant. From Table 3, we see that the output elasticity of world processing tomato production and the ratio of Portuguese and world prices are 0.84 and -2.13, respectively. Portuguese exports were found to increase with an increase in international trade, i.e., 1% of increase in quantity of world tomato paste exports led, on average, to an increase of about 0.8% in Portuguese tomato paste exports. The increase in world demand of tomato products enhances Portuguese exports. The ratio of Portuguese export prices and world prices is also an important variable in Portuguese exports, affecting them negatively. The ratio of Portuguese and world export prices is negative, i.e., a 1% increase in this ratio led, on average, to a 2.13% decrease in Portuguese exports. However, the coefficient of the ratio of Portuguese price and European price has a
positive sign but is not statistically different from 0. The demand of Portuguese exports of tomato paste is negatively affected by world prices but not by European export prices. The Portuguese export price is closer to world price than to the European Price. Portugal exports almost all its production to more than 40 countries around the world. The availability of tomato paste in the world market and not only the EU market can explain the sensitivity to the world price and not the EU price, where Italy is the largest exporter, 56% of EU market, and the price maker in the European market.

5. Conclusions

This study describes a sector undergoing structural changes that impact on its competitiveness. The increase in the number of new processed tomato producers and the increase in consumption, but at a different rate, led to a price decline until 2007. In recent years, prices have been seen to increase but new competitors and new consumer markets have also emerged. This work finds that competitiveness in the export of processed tomato from 1980-82 to 2004-06 declined. However, in 2011-13, we can observe a slight improvement in the competitiveness indicators. Despite the increase in exports of peeled tomato and tomato juice, the weight of these products in total Portuguese exports of tomato products is minor across all the study period. The ratio of Portuguese export price and world price of tomato paste is an important variable in Portuguese exports. Price is currently an important variable for Portuguese trade. Improving product differentiation and being less price-dependent could improve the export competitiveness of Portuguese processed tomato products. With the new competitors, competitiveness by price may be a dangerous path for the Portuguese tomato paste market. Despite the sector presenting a less positive development until 2004, the most important feature of the last three-year period is the recovery of certain indicators and the diversification of the export market.

Processed tomato products are currently going through significant changes, not only in the consumer market but also in the production market. The key to adapting the tomato processing industry to the new trend is the market. The international tomato product market is highly competitive and dynamic. Research and innovation are critical factors of success. Both the emerging and the traditional markets for Portuguese tomato products are particularly demanding in terms of quality and in best agricultural and environmental practices.

The results show quality and price are both important in international competitiveness. Know-how in agricultural productivity to reduce production costs, maintaining the quality of processing tomato linked to the efficient use of resources and their sustainability can improve productivity, reduce costs and achieve a market gain as a healthy and environmental friendly product. Best knowledge in process and product innovation and a new range of quality products created through market diversification can help the revival of the Portuguese tomato industry.

Innovation in the food chain and value creation, not only at product level but also in the efficient use of natural resources should be strategic goals for what is one of most the important sectors in the Portuguese food industry. These results are interesting but future studies are needed to analyse the relationship between markets in the EU.

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**APPENDIX.**

**Tab. A. - Exports and imports of tomato products in value (1,000 US$) and quantity (tonnes). Unit price of exports and imports (1,000 US$/t) and terms of trade.**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Paste</td>
<td>Export Price (1,000US$/t)</td>
<td>0.69</td>
<td>0.88</td>
<td>0.86</td>
<td>0.65</td>
<td>0.71</td>
<td>1.03</td>
<td>4.2%</td>
<td>-0.3%</td>
<td>-4.6%</td>
<td>1.4%</td>
<td>6.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>0.64</td>
<td>0.64</td>
<td>0.62</td>
<td>0.50</td>
<td>0.62</td>
<td>0.51</td>
<td>0.2%</td>
<td>-0.7%</td>
<td>-3.4%</td>
<td>3.7%</td>
<td>-3.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paste</td>
<td>Import Price (1,000US$/t)</td>
<td>1.00</td>
<td>1.64</td>
<td>0.82</td>
<td>0.63</td>
<td>0.79</td>
<td>1.00</td>
<td>8.6%</td>
<td>-10.9%</td>
<td>-4.3%</td>
<td>3.8%</td>
<td>4.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>0.00</td>
<td>0.59</td>
<td>0.56</td>
<td>0.49</td>
<td>0.75</td>
<td>0.91</td>
<td>-0.8%</td>
<td>-2.2%</td>
<td>7.4%</td>
<td>3.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paste</td>
<td>Terms of trade</td>
<td>0.69</td>
<td>0.54</td>
<td>1.05</td>
<td>1.04</td>
<td>0.90</td>
<td>1.03</td>
<td>-4.1%</td>
<td>11.9%</td>
<td>-0.3%</td>
<td>-2.3%</td>
<td>2.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>1.09</td>
<td>1.10</td>
<td>1.02</td>
<td>0.83</td>
<td>0.56</td>
<td>-0.1%</td>
<td>0.1%</td>
<td>-1.2%</td>
<td>-3.4%</td>
<td>-6.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paste</td>
<td>Export Value (1,000 US$)</td>
<td>45,471</td>
<td>81,699</td>
<td>94,286</td>
<td>78,633</td>
<td>119,634</td>
<td>217,940</td>
<td>10.3%</td>
<td>2.4%</td>
<td>3.0%</td>
<td>7.2%</td>
<td>10.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>5,304</td>
<td>480</td>
<td>1,500</td>
<td>1,873</td>
<td>2,371</td>
<td>9,226</td>
<td>-33.0%</td>
<td>20.9%</td>
<td>3.8%</td>
<td>4.0%</td>
<td>25.4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paste</td>
<td>Export Quantity (t)</td>
<td>66,412</td>
<td>93,410</td>
<td>108,686</td>
<td>120,186</td>
<td>169,813</td>
<td>210,734</td>
<td>5.8%</td>
<td>2.6%</td>
<td>1.7%</td>
<td>5.9%</td>
<td>3.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>8,178</td>
<td>727</td>
<td>2,421</td>
<td>3,828</td>
<td>3,716</td>
<td>17,955</td>
<td>-33.2%</td>
<td>22.2%</td>
<td>7.9%</td>
<td>-0.5%</td>
<td>30.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paste</td>
<td>Import Value (1,000 US$)</td>
<td>73</td>
<td>1,622</td>
<td>995</td>
<td>2,330</td>
<td>5,338</td>
<td>67.5%</td>
<td>-7.8%</td>
<td>15.2%</td>
<td>14.8%</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>1,052</td>
<td>2576</td>
<td>3,145</td>
<td>6,701</td>
<td>11,375</td>
<td>16.1%</td>
<td>3.4%</td>
<td>13.4%</td>
<td>9.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paste</td>
<td>Import Quantity (t)</td>
<td>56</td>
<td>1,867</td>
<td>1,610</td>
<td>2,967</td>
<td>5,366</td>
<td>79.2%</td>
<td>-2.4%</td>
<td>10.7%</td>
<td>10.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juice</td>
<td>1,656</td>
<td>4517</td>
<td>6,468</td>
<td>8,933</td>
<td>12,508</td>
<td>18.2%</td>
<td>6.2%</td>
<td>5.5%</td>
<td>5.8%</td>
<td></td>
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</tr>
</tbody>
</table>

Note: The terms of trade defined as the ratio $P_x/P_m$ where $P_x$ is Unit Export Price and $P_m$ is the Unit Import Price (Krugman and Obstfeld, 2007).

Source: Compiled by the authors, based on WPTC (several years) and FAOSTAT (2016)