
2026 UPDATE

THE U.S. ECONOMIC CONTRIBUTIONS OF HASS AVOCADO IMPORTS FROM MEXICO



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Report to the Mexican Hass Avocado Import Association (MHAIA) and Asociación de Productores y Empacadores Exportadores de Aguacate de México (APEAM, A.C.)

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Abstract:

This report updates previous analyses of the contribution that U.S. imports of Mexican Hass avocados make to the U.S. economy in terms of U.S. aggregate output, GDP, employment, labor income and taxes (federal, state, and local). Those reports concluded that those imports created positive and economically important benefits for the U.S. economy for the years analyzed. The objective of this report is to update the measurement of the contribution of Mexican Hass avocado imports to the U.S. economy and the distribution of the contribution by U.S. industry sector for fiscal year (FY) 2025/26 (July/June). Results for FY 2024/25 are also provided for historical context. An historical view of how the contributions of Mexican Hass avocado imports to the U.S. economy have grown since they were first measured for FY 2012/13 is also provided. This report also provides a special focus on the effects of avocado imports from Mexico in FY 2025/26 on the state economies of California and Texas, the states with the highest levels of avocado consumption.

Acknowledgements:

We gratefully acknowledge funding for this project from the Mexican Hass Avocado Import Association (MHAIA) and the Asociación de Productores y Empacadores Exportadores de Aguacate de México (APEAM). We are particularly grateful to Dolora Sillman of MHAIA for providing key data used in this study. Nevertheless, the authors are solely responsible for the content of this report. The findings and conclusions are those of the authors and do not necessarily represent the views of MHAIA, APEAM, or Texas A&M University.



Executive Summary

This report updates the measurement of the contribution of Mexican Hass avocado imports to the U.S. economy and their distribution by U.S. industry sector for fiscal year (FY) 2025/26 (July/June) with a comparison to FY 2024/25 for historical context. An historical view of how those contributions have changed since they were first measured for FY 2012/13 is included. An analysis of the recent volatility in Mexican Hass avocado import value and the source and implications of that volatility on the contributions of imports to the U.S. economy is provided. A special emphasis on the contributions of those imports into California and Texas, the states with the highest levels of avocado consumption, on their respective economies for FY 2025/26 is also included.

U.S. avocado consumption trended almost continuously upward for over two decades. The U.S. market absorbed the rapidly growing import supply from Mexico over the years with relatively little negative impact on price because the U.S. demand for avocados was also growing rapidly. In recent years, however, shipments (imports) of avocados from Mexico and, therefore, U.S. avocado utilization have become increasing cyclical with shipment volume higher in one year with correspondingly lower prices and value and then lower shipment volume in the next year with correspondingly higher prices and value. While still increasing, the upward trend in Mexican avocado shipment volume and value in recent years has slowed substantially from previous years. The slower growth of avocado shipments (imports) from Mexico into the U.S. in recent years is the result of a number of factors, including lower real disposable incomes of U.S. consumers, production variability in Mexico, U.S. tariff policy, and more. An important force keeping upward pressure on U.S avocado consumption, however, is the highly effective avocado promotion efforts under the Hass Avocado Promotion, Research and Information Order established in 2002.

Imported avocados are packed in the country of origin and shipped to U.S. markets to various buyers. In 2024, almost 98% of the avocados from Mexico (non-organic and organic) were trucked to the United States through Texas border crossings (land ports). The imported avocados are transported to U.S. wholesalers (shippers) who distribute them to processors, supermarkets, restaurants, fast-food establishments, and elsewhere along the supply chain. As the imports move to U.S. end points, they generate economic growth by stimulating economic activity

along the avocado supply chain and, as a result, economic activity along associated supply chains with which the avocado import supply chain intersects.

To analyze the extent of the economic stimulus created in the U.S. economy by the sale of imported avocados from Mexico through the U.S. avocado import supply chain in FY 2025/26, this study employs a methodology referred to as “economic contribution analysis.” The analysis is based on the idea that a dollar spent in one sector of an economy stimulates additional economic activity as it circulates through the economy (the multiplier effect). The well-known, widely used, and heavily documented IMPLAN (IMPact analysis for PLANning) input-output system is used in the analysis. The principal outputs of the IMPLAN analysis are aggregate measures of the contribution of the \$3.2 billion in Hass avocado imports from Mexico in FY 2025/26 to key U.S. economic measures (comparison to FY 2012/13 in parentheses):

- \$7.1 billion in output or spending (\$1.7 billion);
- \$4.4 billion to the U.S. GDP (value-added) (\$1.2 billion);
- 37,163 jobs added (11,248);
- \$2.4 billion in labor income (\$0.7 billion); and
- \$1.0 billion in federal, state, and local taxes (\$0.2 billion).

Every dollar of U.S. imports of Mexican Hass avocados in FY 2025/26 generated \$2.21 in output, \$1.35 in GDP, and \$0.76 in labor income. Every million dollars of imports supported 11.5 U.S. jobs. Taxes generated by the imports amounted to 32.1% of the value of the imported avocados. Much of the benefits accrued to industries in the wholesale/retail and service sectors.

The cyclical nature of Hass avocado imports (shipments) from Mexico in recent years has resulted in a corresponding up and down pattern in the U.S. economic contributions of those imports. The volatility of import volume is linked to volatility in shipments of avocados from Mexico. The greater volatility in price, however, is linked to U.S. consumer insensitivity to price changes. For that reason, annual changes in import (shipment) value follow the direction of annual changes in price. That is, when price is up, then import value is up. If U.S. avocado consumers were quite price sensitive, however, the annual change in import value would follow the direction of annual change in import (shipment) volume.

The contributions to output, GDP, and to other economic measures from U.S. imports of Mexican Hass avocados in FY 2025/26 was lower than in the previous year of FY 2024/25 because the import value declined by 22% in that year. However, the contribution to all economic measures from imports in FY 2024/25 was also higher than in FY 2023/24 and in

every other year since FY 2012/13 except FY 2021/22 because the import value in that year was higher than in any other year except FY 2021/22. As long as the value of imported Hass avocados from Mexico varies up and down, the pattern of U.S. economic contributions of those imports will likewise vary up and down in the same direction.

Despite ups and downs in recent years, the contributions to the U.S. economy from Mexican Hass avocado imports over the years have experienced strong upward growth. A 220% increase in import value from \$991.9 million in FY 2012/13 to \$3.2 billion in FY 2025/26 boosted the contribution of those imports to U.S. output by 320% from \$1.7 billion to \$7.1 billion. Over the same period, the contribution of imports to U.S. GDP (value added) increased by nearly 270% from \$1.2 billion to \$4.4 billion. The contributions to U.S. labor income, U.S. tax revenues, and employment also registered dramatic increases (243%, 400%, and 230%, respectively).

For California and Texas, the two largest avocado consuming states in the country, their estimated imports of Mexican Hass avocados in FY 2025/26 (\$605.1 million and \$245.1 million, respectively) generated substantial contributions to their respective economies in that year:

- Output or spending – California: \$968.2 million and Texas: \$428.9 million;
- GDP – California: \$580.9 million and Texas: \$265.5 million;
- Jobs – California: 5,325 and Texas: 2,402;
- Labor income – California: \$357.0 million and Texas: \$147.3 million; and
- Taxes (federal, state, and local) – California: \$172.5 million and Texas: \$57.2 million.

Together, California and Texas accounted for only 19% – 22% of the U.S. total values of these economic measures in FY 2025/26 which means that 78% – 81% of the contribution of Mexican Hass avocado imports to the U.S. economy occurs in other states throughout the country.

Mexican Hass avocados continue to be pro-growth for the U.S. economy. Given the historical upward growth path of those imports, their contribution to the U.S. economy will likely only increase over the years. Clearly, however, volatility in the availability of avocado supplies from Mexico for whatever reason has the potential to create substantial corresponding price and import revenue volatility and, in turn, volatility in the level of their contributions to the U.S. and state economies. When that happens, not only do U.S. avocado consumers lose from price and supply volatility and uncertainty, the whole U.S. economy is affected as well, along with those of individual states that import avocados. Even so, the measured growth in the contributions of U.S. imports of Mexican Hass avocados to the U.S. and state economies since the first study was conducted for FY 2012/13 has been remarkable.

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2026 UPDATE: THE U.S. ECONOMIC CONTRIBUTIONS OF HASS AVOCADO IMPORTS FROM MEXICO

This report updates previous analyses of the U.S. economic benefits or contributions of imports¹ of Hass avocados from Mexico (Williams, Capps, and Hanselka, 2014 and 2016 and Williams and Hanselka, 2018, 2020, 2022, and 2024). The reports all concluded that those imports have had a positive and economically important effect on the U.S. economy for the years analyzed. The objective of this report is to update the measurement of the contribution of those imports to the U.S. economy and their distribution by U.S. industry sector for fiscal year (FY) 2025/26 (July/June). A comparison to the contributions of those imports to the U.S. economy in FY 2024/25 are provided also for historical context. An historical view of how the contributions of the imports to the U.S. economy have grown since they were first measured for FY 2012/13 is also provided. The report also provides a special focus on the effects of Mexican Hass avocado imports in FY 2025/26 into California and Texas, the states with the highest levels of avocado consumption, on their respective economies.

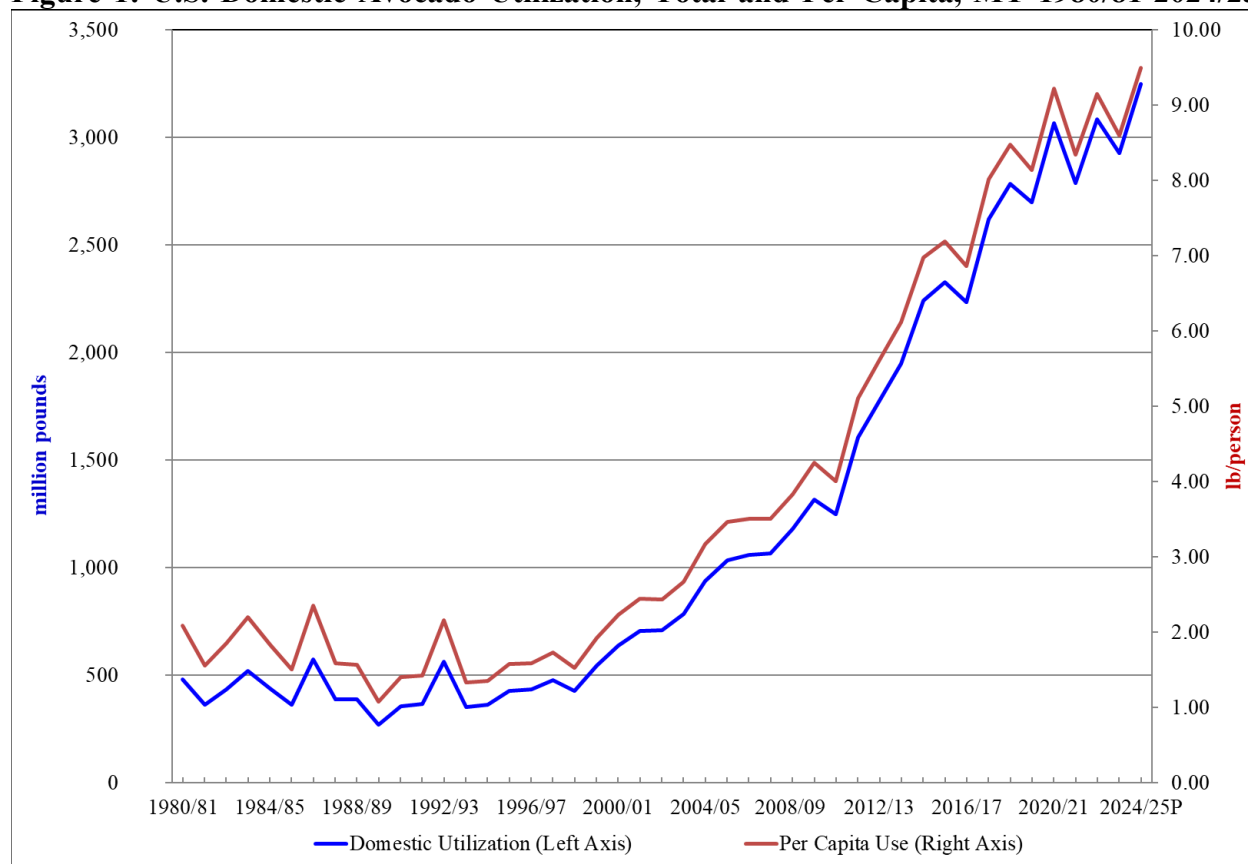
The report begins with a brief overview of the economic dimensions of U.S. avocado imports and consumption. Following a discussion of the methodology used in the analysis, the measured contributions of FY 2025/26 Mexican Hass avocado imports to the U.S. aggregate economy (with a comparison to FY 2024/25) are discussed. Then the contributions of FY 2025/26 imports to the Texas and California state economies for that year are discussed. An historical view of the contributions to the U.S. economy follows, providing context for changes in those values since the last biennial report. Finally, salient conclusions and implications of the analysis are highlighted.

ECONOMIC DIMENSIONS OF U.S. IMPORTS OF MEXICAN HASS AVOCADOS

U.S. avocado consumption trended almost continuously upward for over two decades (Figure 1). Hass avocados comprise about 95% of all U.S. avocado consumption and are the most widely available avocado variety. U.S. avocado consumption hovered at around an average of about 400

¹ This report refers to both U.S. “imports” of Hass avocados from Mexico and “shipments” of Hass avocados into the U.S. from Mexico - sometimes interchangeably. While intended to represent the same economic activity, imports are the value and/or volume of those avocados from Mexico as measured and reported by U.S. federal agencies and reported by the U.S. Department of Agriculture (USDA, 2026) and elsewhere. Shipment volume and or value, on the other hand, are Mexican Hass avocados shipped from Mexican suppliers to buyers in the U.S. as measured by the Mexican Hass Avocado Import Association (MHAIA, 2026). Consequently, imports and shipment values and volumes are not identical. The trends in each over time, however, are the same and tell the same story about the historical growth of Hass avocados coming into the U.S. from Mexico.



Figure 1: U.S. Domestic Avocado Utilization, Total and Per Capita, MY 1980/81-2024/25

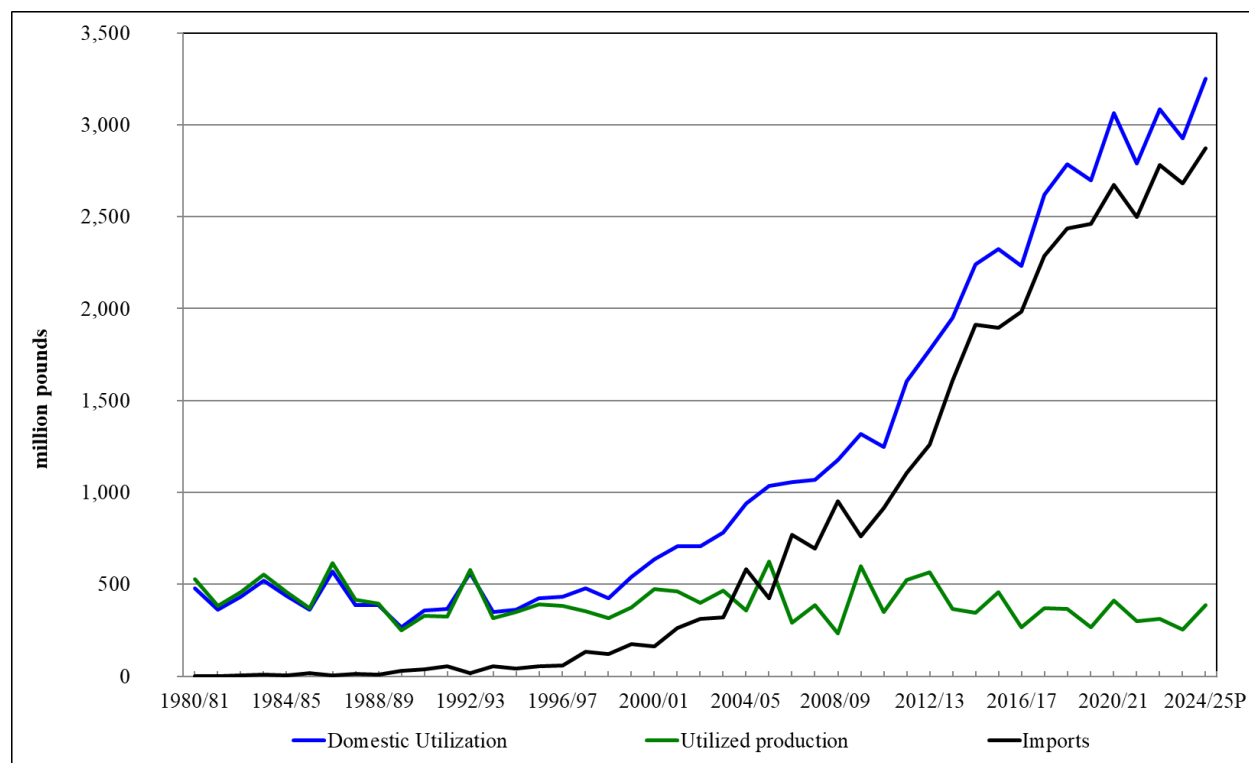
P= Preliminary and MY = Marketing year

Source: Graphic by authors using data from USDA (2026).

million pounds between 1980/81 through the mid-1990s with an average per capita consumption over that period of about 1.7 pounds. Then, beginning in about 1998/99, U.S. avocado consumption began to grow rapidly, skyrocketing by an impressive 666% through 2024/25 from 424.4 million lb to 3,250 million lb, for an average annual growth rate of 8.6% over that period. The result was a per capita consumption increase of 502% from 1.52 lb to 9.50 lb over that same period (Figure 1).

Forces Behind the Growth in U.S. Avocado Consumption

The growth in U.S. avocado consumption beginning in about 1998/99 was facilitated by an increasingly available supply of Hass avocados from Mexico following the piecemeal lifting of a long-standing U.S. phytosanitary ban on Hass avocado imports from Mexico between 1997 and 2001 (Figure 2). U.S. avocado consumption has grown in almost lock-step with imports given the rather low level and somewhat declining trend of U.S. domestic production of avocados over that period. With the freeing up of imports, avocados from Mexico got caught up in a massive and sustained growing U.S. consumer trend towards

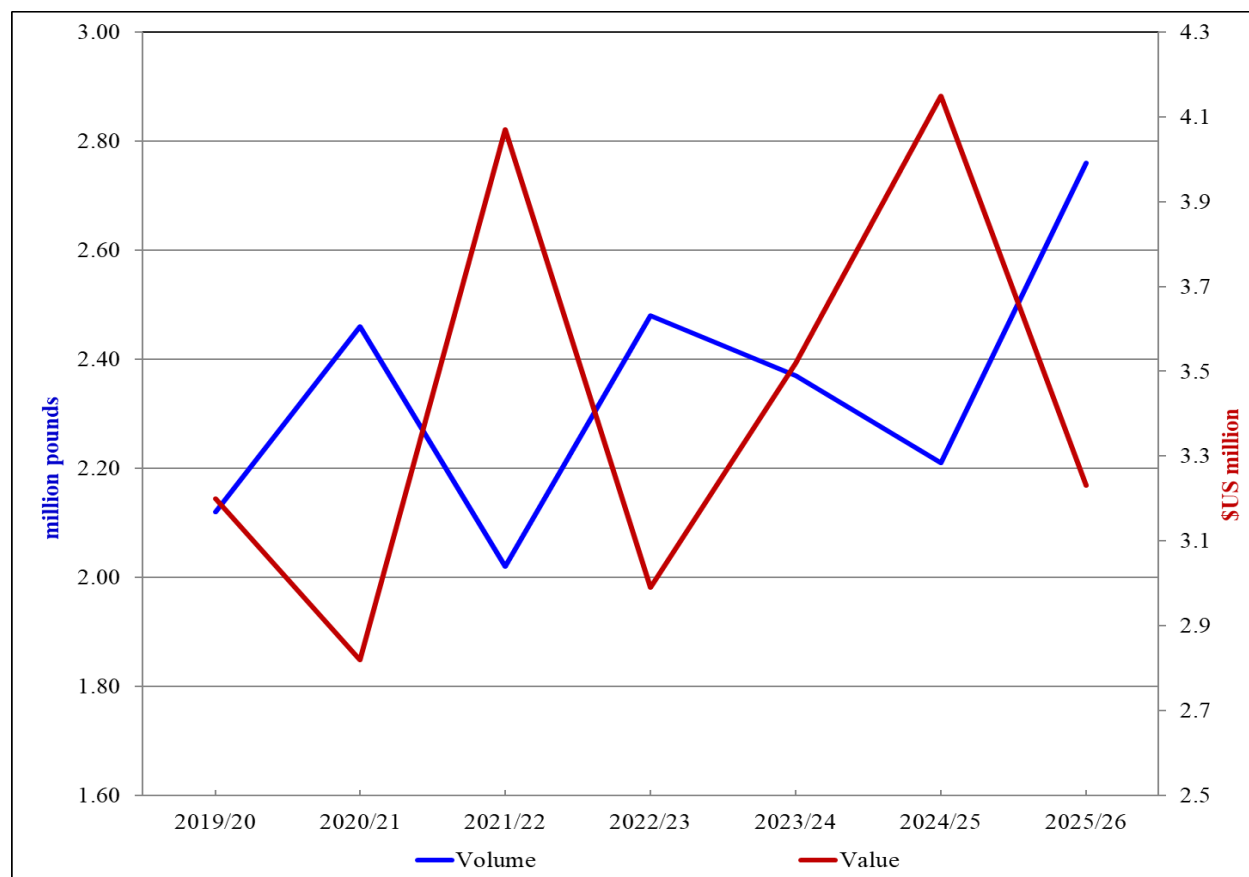
Figure 2: U.S. Avocado Supply and Utilization, MY 1980/81-2024/25

P= Preliminary and MY = Marketing year

Source: Graphic by authors using data from USDA (2026).

ethnic as well as health-promoting foods, particularly as consumers became increasingly aware of the “superfood” health profile of avocados (Ware, 2021). The U.S. market absorbed the rapidly growing import supply from Mexico over the years with relatively little negative impact on price because the U.S. demand for avocados was also growing rapidly. In recent years, however, shipments (imports) of avocados from Mexico and, therefore, U.S. avocado utilization have become increasing cyclical with shipment volume higher in one year with correspondingly lower prices and value and then lower shipment volume in the next year with correspondingly higher prices and value (Figure 3). While still increasing, the upward trend in Mexican avocado shipment volume and value in recent years has slowed substantially compared to previous years.

The slower growth of avocado shipments (imports) from Mexico into the U.S. in recent years is the result of a number of factors, including lower real disposable incomes of U.S. consumers, production variability and other supply disruptions in Mexico, and more. An important force keeping upward pressure on U.S avocado consumption, however, is the highly effective avocado promotion efforts under the Hass Avocado Promotion, Research and Information Order established in 2002. A recent benefit-cost analysis of Hass avocado promotion in the U.S. for the period of 2018-2022 concluded that the return to those who pay for the promotion (domestic

Figure 3: Mexican Hass Avocado Shipment Volume and Value, FY 2019/20-2025/26

Source: Graphic by authors using data from MHAIA (2026). FY = fiscal year (July/June)

producers and importers of Hass avocados) ranges between \$1.85 and \$3.34 per dollar spent on promotion, “strong evidence that the promotion programs conducted under the auspices of the HAB [Hass Avocado Board] were successful during the review period in increasing profits to California producers and importers of Hass avocados” (Guo, et al., 2024). Avocados from Mexico (AFM), a cooperative venture between the Mexican Hass Avocado Import Association (MHAIA) in the United States and the Association of Avocado Exporting Producers and Packers of Mexico (APEAM), conducts the largest share of avocado promotion in U.S. markets. AFM has utilized national media to focus its advertising on major national events such as the Super Bowl, Cinco de Mayo, and others, emphasizing the taste, healthfulness, and versatility of avocados as well as the near year-round availability of avocados from Mexico. Guo, et al. (2024) report that AFM also has substantially “expanded its digital and social media marketing, established brand leadership in e-commerce, and introduced new programs to reach consumers via the foodservice channel.” They also report that AFM “communicates a brand promise of

goodness via a triad of ‘Healthy, Tasty & Fun’ and the ‘Mexicanity’ of its brand that is designed to appeal both to Hispanic and broader audiences.”

U.S. State-Level Consumption of Avocados

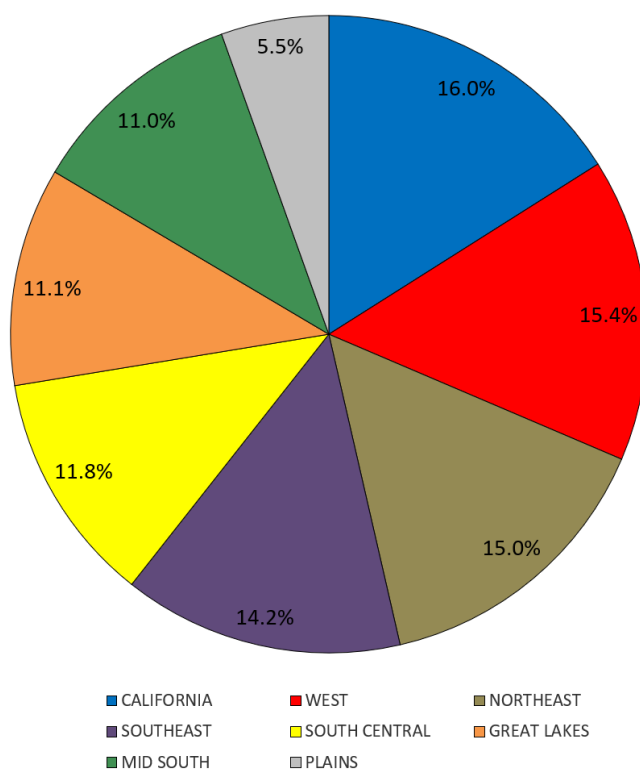
Avocados are consumed in every state of the union. The largest share is consumed in western states and the smallest in southern and plains states, according to the most recently available avocado sales data from Information Resources, Inc. (IRI) on the retail volume of avocados sold across the eight IRI regions in 2025 (HAB, 2026). California now accounts for the largest share of regional avocado consumption (16.0%) (Figure 4). The West region (Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming) fell to second place compared to two years ago with a 15.4% share of regional avocado consumption in 2025. The Northeast region (Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island), was third in avocado consumption with 15.0%. The Southeast region (Alabama, Florida, Georgia, Mississippi, South Carolina) fell to fourth place with a 14.2% share of regional avocado consumption. The South Central region (Arkansas, Louisiana, Oklahoma, Texas) followed with a 11.8% share, the Great Lakes region (Illinois, Indiana, Michigan, Ohio, Wisconsin) followed with a 11.1% share, the Mid-South region (Delaware, District of Colombia, Kentucky, Maryland, North Carolina, Tennessee, West Virginia) with an 11.0% share, and finally the Plains region (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota) with a 5.5% share.

Mexican Hass Avocado Import Supply Chain

Imported avocados are packed in the country of origin and shipped to U.S. markets to various buyers. In 2024, almost 98% of the avocados from Mexico (non-organic and organic) were trucked to the United States through Texas border crossings (land ports), primarily Pharr (58.2%) and Laredo (39.4%) (USDA, 2024). The imported avocados are transported to U.S. wholesalers (shippers) who distribute them to processors, supermarkets, restaurants, fast-food establishments, and elsewhere along the supply chain (Figure 5). As the imports move to U.S. end points, they generate economic growth by stimulating economic activity along the avocado supply chain and, as a result, economic activity along associated supply chains with which the avocado import supply chain intersects (Figure 5).

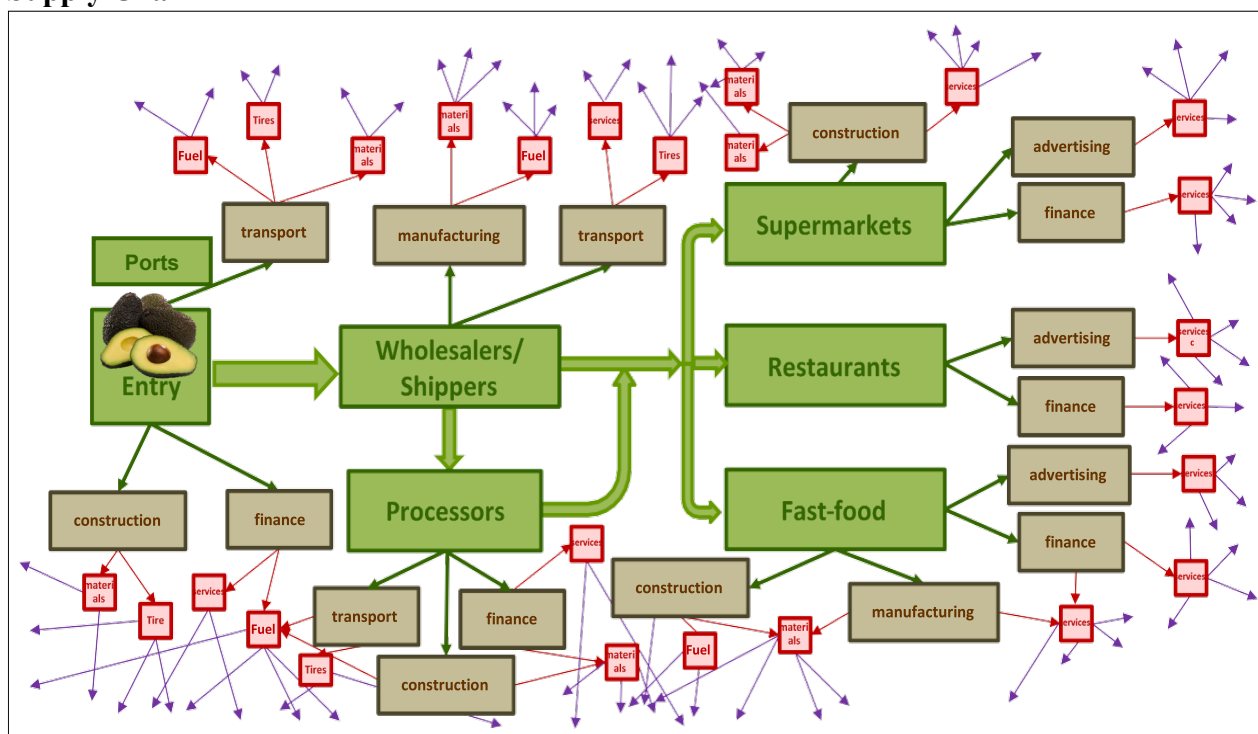
For example, avocado shipments passing through U.S. land ports require services from port officials such as the U.S. Customs and Border Protection and other Federal Inspection Agencies

Figure 4: Estimated Shares of U.S. Avocado Consumption Volume by Region (%), 2025



Source: Developed by authors from data in HAB (2025).

Figure 5: Economic Multiplier Effects of Mexican Hass Avocado Imports through the U.S. Supply Chain



Source: Developed by authors.

responsible for the enforcement of federal laws pertaining to such activities. As the avocado shipments move inland from the ports, they stimulate a large number of other economic activities related to cold storage, transportation, wholesale and retail trade, advertising, construction, finance, manufacturing and processing, infrastructure, and numerous after-market services. The economic activities stimulated at each point in the supply chain not only generate services and jobs at those points but also services and jobs along the supply chains that intersect at those points (Figure 5). For example, the transport of avocados requires fuel which generates a demand by fuel retailers for fuel from their suppliers who then must demand more fuel from refiners who demand more oil from oil suppliers and so on. At each point on the fuel supply chain, the additional demand for fuel initiated by the avocado shipments contributes to profits and employment. Also, the suppliers of fuel equipment, transportation services, repair services, and other fuel support services are also all benefited by the additional demand for fuel generated by the shipments. The same process holds true at each point in the avocado import supply chain resulting in additional economic activity along all intersecting supply chains.

METHODOLOGY

In this study, we conduct an analysis of the contribution of Hass avocado shipments to the U.S. from Mexico in FY 2025/26 to the value of U.S. national aggregate output, Gross domestic product (GDP) or value-added, employment, labor income, and taxes paid (federal, local, and state-level) in those years. A comparison to those effects for Hass avocado imports in FY 2024/25 is provided for historical context. We then conduct similar analyses for Texas and California only for FY 2025/26, the two largest avocado consuming states, to measure the effects of avocado imports into those two states on their respective state economies.

Known as “economic contribution analysis,” this analytical methodology measures the direct, indirect, and induced effects (contributions) of avocado shipments from Mexico on the U.S. national economy as well as on the economies of California and Texas. The direct effects are the initial economic activities that are impacted by those shipments as they move through their respective supply chains. The direct effects result in two types of secondary effects: (1) indirect and (2) induced. The indirect effects result from the purchase of inputs among local industries as a result of the shipments moving through the respective supply chains. The induced effects result from the expenditure of institutions such as households and governments benefitting from increased activity among local businesses (IMPLAN, 2022).

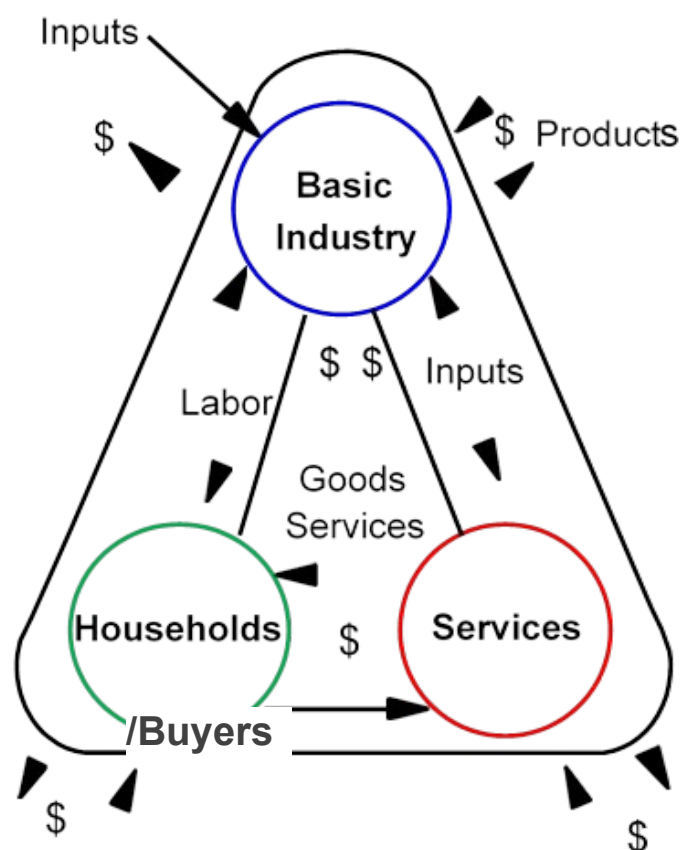
Economic contribution analysis is based on the idea that a dollar spent in a region/country stimulates additional economic activity or multiplies as it circulates through the economy. The measurement of the economic contribution of avocado imports from Mexico on the U.S., Texas, and California economies is conducted using the well-known, widely used, and heavily documented IMPLAN (IMpact analysis for PLANning) input-output system (IMPLAN Model, 2024a). Input-output analysis reflects the effects of a change in one sector of the economy on other sectors (the multiplier effect). Input-output analysis captures the relationships between industries and estimates the change in each sector's sales due to an initial change in final demand for a given industry's output. The sum of these changes is the industry's multiplier.

To measure impacts, the IMPLAN system produces multipliers which estimate the total economic contribution of expenditures within an economy (the entire U.S. or a state in this case). Multipliers are calculated based on the purchasing patterns of industries and institutions in the regional economy. Each industry and region combination has a unique spending pattern and a unique multiplier relating to the direct, indirect, and induced effects of the spending.

Four types of economic effects are reported from IMPLAN analyses. The ***employment contribution*** measures the number of jobs (both full-time and part-time) attributable to the direct economic activity stimulated (U.S. imports of Hass avocados from Mexico, in this case). The ***contribution to labor income*** measures the effect of spending by businesses on the incomes of households and indicates a benefit to local residents. The ***value-added contribution*** measures the impact on gross domestic product (GDP) and indicates the return to resources used by businesses. The ***output contribution*** measures economic activity (total spending) generated. Labor income is a subset of value-added which is part of output. These four effects provide a better perspective of the contribution of an economic activity like avocado imports from Mexico but represent separate measures of economic contribution and are not meant to be summed (Clouse, 2019).

The foundation of a given sector of an economy (such as agriculture or retailing) is those businesses which sell some or all of their goods and services to other businesses and/or buyers outside of that sector (Woods et al., 2007). Such a business is considered to be a “basic industry” of the sector (Figure 6). The flows of products out of, and dollars into, that sector are represented by the two arrows in the upper right portion of Figure 6. To produce these goods and services for “export” outside the sector, the basic industry purchases inputs from outside of the sector, labor from the residents or “households” in the sector, and inputs from service industries located within the sector. The flow of labor, goods, and services in the sector is completed by households

Figure 6: Overview of the Economic System of a Sector of the Aggregate Economy



Source: Adapted from Woods, McCorkle, and Niemeyer (2007).

or other buyers using their earnings to purchase goods and services from the sector's service industries. As depicted in Figure 6, a change in any one segment of a sector of the economy will have reverberations throughout the economic system of the sector (Woods et al., 2007). Interactions among sectors create the national aggregate effects.

Procedures Followed in the National Aggregate Analysis

The national economic contribution analysis of Hass avocado imports from Mexico to the United States was conducted using an IMPLAN input-output model of the U.S. economy. Using 2024 IMPLAN internal model data for the United States, the IMPLAN software was used to write component information, add structural matrices, create regional absorption tables, commodity balances, market shares, and international transfers, and compute and create multipliers for the U.S. model (IMPLAN Model, 2024b; Clouse, 2020). With the U.S. model constructed, the next step was to determine the IMPLAN sector to use for the analysis of the economic contribution of

avocado imports from Mexico. IMPLAN consists of 528 different sectors from production to transportation, wholesale, manufacturing, retail, services, and others. For this particular analysis, commodity sector 3004 representing fruits was used because this industry sector best reflects the direct impact that Hass avocado imports from Mexico would have on the U.S. economy.

Within the U.S. national model, the margins for production, transportation, wholesale, and retail were identified. The value of Mexican Hass avocado imports to the United States (as represented by shipment data from MHAIA, 2026) for FY 2025/26 and separately for FY 2024/25 for comparison were divided by the margin for production to arrive at the total sales value at the retail level. *The margin for production was zeroed out to enable the results of the model to best reflect the impact of importing rather than domestically producing avocados.*

Next, a “commodity output” type with a specification for the fruits sector was selected. The total retail sales value was entered as the value for the event within the U.S. model. With the total retail sales value of avocado shipments for FY 2025/26 (and then separately for FY 2024/25 for comparison) entered into the model, the analysis of this commodity change to the U.S. economy was conducted for each year which entailed selecting and naming a scenario for the given “commodity change” type, analyzing a single region, whereby IMPLAN calculated direct, indirect, and induced impacts.

Finally, summary and industry sector results for the direct, indirect, induced, and total effects for output (total spending), employment (full and part-time jobs), value added (contribution to GDP), labor income (employee compensation), and taxes (local, state, and federal) were reported out by the IMPLAN model for this particular commodity change activity across the economy for each year.

Procedures Followed in Texas and California State-Level Analyses

The same general methodology and procedures used for the U.S. analysis were used in the analyses of the Texas and California state-level economic contributions of Mexican Hass avocado shipments into those states using the specific IMPLAN models for just those states. For each state analyzed, the FY 2025/26 estimated value of Mexican Hass avocado shipments into each state was entered into the respective state model as the industry sales for the commodity sector for fruits. The value of avocado shipments into each state (net of transshipments) in FY 2025/26 had to be estimated because state-level shipment data are not available.

The first step in estimating the value of shipments to each individual state was to estimate U.S. *regional* avocado consumption values by multiplying the estimated U.S. national value of

avocado consumption by the U.S. regional shares of avocado consumption values (dollar sales) in 2025 using the Regional Composite Data published by Symphony Information Resources Inc. Group/FreshLook Marketing (IRI/FreshLook) (HAB, 2026). IRI/FreshLook gathers chain-wide fresh avocado sales data across all major U.S. retail markets. Although the data do not capture 100% of all U.S. avocado sales, the data provide a useful representation of the avocado category by region at the retail level of the marketing channel.

The IRI/FreshLook avocado sales data include an aggregation of sales in the grocery, mass, club, drug, dollar, and military channels. IRI/FreshLook gathers and reports chain-wide fresh avocado sales data across all major U.S. retail markets on a calendar quarter basis. The data are organized into and reported for eight U.S. regions, including: (1) California, (2) Great Lakes, (3) Mid-South, (4) Northeast, (5) Plains, (6) South Central, (7) Southeast, and (8) West. These regions include avocado sales data for the major metropolitan markets in those regions plus some additional cities in each region. The major metropolitan markets captured in each of the eight regions include: (1) **California:** Los Angeles; Sacramento; San Diego; and San Francisco; (2) **Great Lakes:** Chicago, IL; Cincinnati, OH; Cleveland, OH; Columbus, OH; and Detroit, MI; (3) **Mid-South:** Baltimore, MD; Louisville, KY; Memphis, TN; Raleigh, NC; Richmond, VA; and Roanoke, VA; (4) **Northeast:** Albany, NY; Boston, MA; Buffalo, NY; New England; New York; Philadelphia, PA; and Pittsburgh, PA; (5) **Plains:** St. Louis, MO; Omaha, NE; Des Moines, IA; Minneapolis/St. Paul, MN; Kansas City, KS/MO; and Wichita, KS; (6) **South Central:** Dallas, TX; Houston, TX; and Little Rock, AR; (7) **Southeast:** Atlanta, GA; Charlotte, NC; Columbia, SC; Jacksonville, FL; Miami, FL; Orlando, FL; and Tampa/St. Petersburg, FL; and (8) **West:** Boise, ID; Denver, CO; Las Vegas, NV; Phoenix, AZ; Portland, OR; Seattle, WA; and Spokane, WA. According to these data, the regional avocado shares of the value (dollar sales) of avocado consumption in 2025 were: (1) California – 18.1%, (2) West – 17.3%, (3) Northeast – 14.4%, (4) Southeast – 13.6%, (5) Great Lakes – 10.8%, (6) Mid South – 10.7%, (7) South Central - 10.0%, and (8) Plains – 5.0%. While not identical, these estimated shares of the regional value of avocado consumption are similar to the shares by volume as shown in Figure 4.

The next step in estimating the value of shipments to individual states involved calculating the state values of avocado consumption in 2025 for each of the eight regions as a product of the respective estimated regional values of avocado consumption and the shares of each state of the aggregate GDP for the corresponding region (BEA, 2025). *To account for the fact that California produces and sells avocados across the U.S., the estimated values of state avocado consumption in 2025 were reduced by the value of California avocados consumed in the*

corresponding states in 2025 to generate the state values of avocado consumption net of the value of California avocados consumed (net state value of avocado consumption). The state values of California avocado consumption were estimated by multiplying the value of California avocado production in 2024/25 as published by the California Avocado Commission (CAC, 2026) by the share of each state of national aggregate GDP (BEA, 2025).

The final step in estimating the state values of Mexican Hass avocado shipments was to multiply the value of total shipments in FY 2025/26 (\$3.227 billion) by each state's share of the aggregate net state value of avocado consumption. The resulting estimates of the value of avocado shipments by state for FY 2025/26 are exhibited in Table 1. Not surprisingly, the two top states were California at \$605.1 million and Texas at \$245.1 million (in bold) which then formed the inputs into the IMPLAN models for the Texas and California analyses as described earlier.

ANALYSIS OF THE U.S. ECONOMIC CONTRIBUTION OF HASS AVOCADO IMPORTS FROM MEXICO

This section presents a summary of the aggregate economic contributions of Hass avocado imports from Mexico to the U.S. national economy for FY 2025/26 with comparison to FY 2024/25 for historical context and then to the economies of Texas and California for (only) FY 2025/26 derived following the procedures outlined in the preceding section. We used shipment data as collected by the Mexican Hass Import Association (MHAIA, 2026) to represent “imports” for these analyses. In each case, the analytical emphasis is on the contribution of the imports to the value of output, value-added, employment, labor income, and taxes paid (federal, state, and local) at the national level and then specifically for Texas and California.

Avocado import contribution multipliers are then presented for the U.S. for each year and then for Texas and California. The multipliers represent the respective dollar value of the contribution of imports (as represented by shipment data) of Mexican Hass avocados to output, value added, and labor income per dollar of avocado imports. An employment multiplier is also presented which reflects the number of jobs generated per million dollars of Hass avocado imports from Mexico. Finally, a tax multiplier is presented for the U.S. for each year and for Texas and California showing the value of all federal, state, and local taxes generated as a result of all activities stimulated by Hass avocado imports from Mexico as a share of the value of imports. The aggregate economy-wide contributions in each case (U.S., Texas, and California) are also broken down by industry.

Table 1: Estimates of State Values of Mexican Hass Avocado Shipments, FY 2025/26

State	Shipment Value	State	Shipment Value
Alabama	\$41,750,749	Montana	\$13,230,795
Alaska	\$12,050,627	Nebraska	\$16,544,603
Arizona	\$96,099,136	Nevada	\$45,215,602
Arkansas	\$16,745,801	New Hampshire	\$9,296,933
California	\$605,123,313	New Jersey	\$65,708,993
Colorado	\$93,871,737	New Mexico	\$24,543,909
Connecticut	\$27,882,312	New York	\$182,769,404
Delaware	\$11,140,197	North Carolina	\$84,941,646
District of Columbia	\$18,306,035	North Dakota	\$6,839,522
Florida	\$224,525,020	Ohio	\$83,673,034
Georgia	\$113,181,370	Oklahoma	\$23,159,728
Hawaii	\$20,018,265	Oregon	\$55,078,929
Idaho	\$21,776,581	Pennsylvania	\$78,246,178
Illinois	\$104,030,567	Rhode Island	\$6,218,240
Indiana	\$47,189,007	South Carolina	\$46,361,620
Iowa	\$23,146,364	South Dakota	\$6,736,532
Kansas	\$20,161,778	Tennessee	\$56,055,238
Kentucky	\$29,167,000	Texas	\$245,118,841
Louisiana	\$28,700,995	Utah	\$50,761,150
Maine	\$7,617,166	Vermont	\$3,581,087
Maryland	\$53,995,017	Virginia	\$75,883,111
Massachusetts	\$60,741,445	Washington	\$143,780,317
Michigan	\$63,186,017	West Virginia	\$10,385,460
Minnesota	\$44,392,030	Wisconsin	\$40,940,523
Mississippi	\$20,201,325	Wyoming	\$8,453,782
Missouri	\$39,130,187	Total	\$3,227,655,218

Source: Developed by authors from data in HAB (2026), CAC (2026), and IMPLAN Model (2024b).

National Aggregate Analysis Results for FY 2025/26 with comparison to FY 2024/25

The national analysis demonstrates that Hass avocado imports from Mexico have made a substantial contribution to the U.S. economy as they have moved along the U.S. avocado import supply chain, generating multiplier effects along intersecting supply chains, and adding to U.S. output, value-added, income, jobs, and taxes as a result. The total of all the direct, indirect, and induced effects of the \$4.15 billion and \$3.22 billion of U.S. imports (shipments) of Mexican Hass avocados in FY 2024/25 and FY 2025/26, respectively, on U.S. output or total spending amounted to \$9.22 billion and \$7.14 billion, respectively (Table 2). That is, the \$4.15 billion in

Table 2: National Economic Contribution of Mexican Hass Avocado Shipments, FY 2024/25 and FY 2025/26

Fiscal Year	U.S. Output (\$ million)	U.S. Value-added (\$ million)	U.S. Employment (no. of jobs)	U.S. Labor Income (\$ million)	Taxes* (\$ million)
2024/25	\$9,224.8	\$5,632.8 (0.018% of U.S. GDP)	49,450 (0.032% of U.S. employment)	\$3,152.4	\$1,343.2
2025/26	\$7,144.4	\$4,363.1 (0.014% of U.S. GDP)	37,163 (0.023% of U.S. employment)	\$2,440.3	\$1,038.3

* federal, state, and local.

Mexican Hass avocado imports in FY 2024/25 stimulated U.S. economic activity that generated a total of \$9.22 billion in U.S. output or total spending. The lower \$3.22 billion in imports in this last fiscal year (FY 2025/26) generated a lower \$7.14 billion in U.S. output. At the same time, the total economic activity stimulated by those imports in FY 2024/25 added \$5.63 billion to the U.S. GDP (about 0.018% of the U.S. GDP) in that year, created \$3.15 billion in U.S. labor income and \$1.34 billion in taxes (federal, state, and local), and supported 49,450 jobs (0.032% of U.S. employment). The lower economic activity stimulated by the lower import value in FY 2025/26 added a lower \$4.363 billion to the U.S. GDP (about 0.014% of the U.S. GDP) in that year, created \$2.44 billion in U.S. labor income and \$1.04 billion in taxes (federal, state, and local), and supported a lower 37,163 jobs (0.023% of U.S. employment).

Implied National Economic Contribution Multipliers

Every dollar of Mexican Hass avocado imports in FY 2024/25 and in FY 2025/26 generated virtually the same value in gross output of \$2.22 and \$2.21, respectively, \$1.36 and \$1.35 in GDP (value-added), respectively, and \$0.76 in labor income in both years (Table 3). Every million dollars of those imports in FY 2024/25 and FY 2025/26 supported 11.9 jobs and 11.5 jobs in the U.S. economy in the two years, respectively. Taxes generated by the imports amounted to 32.4% and 32.1% of the value of the imported avocados in the two years, respectively (Table 3). Stated in this way, these contributions measure the multiplier effect of the imports. That is, they indicate how much additional output, GDP, etc. is generated by each dollar of imports. For example, for every additional \$100 million in Mexican Hass avocado imports, U.S. output or spending in

Table 3: Implied National Economic Contribution Multipliers for Mexican Hass Avocado Imports, FY 204/25 and FY 2025/26

Fiscal Year	U.S. Output Multiplier (\$output/\$imports)	U.S. Value-added Multiplier (\$VA/\$imports)	U.S. Employment Multiplier (jobs/\$million imports)	U.S. Labor Income Multiplier (\$income/\$imports)	Taxes* Multiplier (% of import value)
2024/25	2.22	1.36	11.9	0.76	32.4%
2025/26	2.21	1.35	11.5	0.76	32.1%

* federal, state, and local.

2025/26 increased by \$221 million while GDP increased by \$135 million, labor income by \$76 million, and employment by 1,150 jobs.

Industry Distribution of the National Economic Contribution of Mexican Hass Avocados

An industry breakdown of the economic contributions reveals that the wholesale/retail and service industries accounted for most of the contribution of Mexican imports to U.S. economic activity in FY 2025/26 as might be expected (Table 4). Together those two industries accounted for 79% of the FY 2025/26 contribution of imports of Mexican Hass avocados to U.S. gross output, and approximately 84% of the contribution to the U.S. GDP (value-added) and U.S. employment, and 81% of the contribution to U.S. labor income. The manufacturing industry is also a major beneficiary of U.S. imports of Mexican Hass avocados, accounting for 7.0% of their contribution to gross output and 2% to 3% of the contribution made to GDP, labor income, employment, and taxes. Transportation and warehousing and a large number of miscellaneous services (such as advertising, insurance, accounting and legal services, repair services, and more) account for much of the remaining contribution of U.S. imports of Mexican Hass avocados to the U.S. economy. The relative contributions by industry sector are similar for FY 2024/25 (not shown).

Texas State-Level Analysis (FY 2025/26 Only)

This section focuses specifically on the contribution of Hass avocado imports from Mexico in FY 2025/26 into Texas (and not transshipped through Texas to other states) on the Texas economy as Hass avocados from Mexico moved along the avocado import supply chain within Texas. The

Table 4: National Industry Distribution of the Economic Contribution of Mexican Hass Avocado Imports, FY 2025/26

Industry	U.S. Output (\$ million)	U.S. Value-Added (\$ million)	U.S. Employment (no. of jobs)	U.S. Labor Income (\$ million)
Wholesale/Retail	\$3,120.8	\$2,113.7	19,891.9	\$1,130.4
Manufacturing	\$474.3	\$141.7	679.4	\$69.7
Transportation & Warehousing	\$641.5	\$366.9	4,154.9	\$270.4
Services	\$2,511.0	\$1,542.8	11,155.6	\$850.2
- Food & accommodation	\$173.9	\$100.3	1,472.4	\$58.1
- Other	\$2,337.1	\$1,442.5	9,683.2	\$792.1
Agriculture	\$39.4	\$16.9	209.4	\$9.9
Other	\$357.4	\$181.1	1,071.7	\$109.7
Total*	\$7,144.4	\$4,363.1	37,162.9	\$2,440.3

* Totals may not add due to rounding.

analysis was done only for the most recent year (FY 2025/26). As shown in bold earlier in Table 1, the Texas share of the value of U.S. avocado imports amounted to an estimated \$245.1 million. This Texas share of U.S. avocado imports generated multiplier effects along intersecting supply chains within the state, adding to Texas output, value-added, income, jobs, and taxes as a result. The total of all the direct, indirect, and induced effects of the Mexican Hass avocado imports in FY 2025/26 on Texas output or total spending amounted to \$428.9 million (Table 5). That is, the \$245.1 million of Mexican Hass avocados imported into (and not transshipped through) Texas in FY 2025/26 stimulated Texas economic activity that generated a total of \$428.9 million in output or total spending. At the same time, the total economic activity stimulated by those imports added nearly \$265.5 million in FY 2025/26 to the Texas GDP, created \$147.3 million in Texas labor income, \$57.2 million in taxes (federal, state, and local), and supported 2,403 jobs in Texas.

Implied Texas Economic Contribution Multipliers

Every dollar of Mexican Hass avocado imports into Texas in FY 2025/26 generated \$1.75 in state gross output to Texas, \$1.08 in state GDP (value-added), and \$0.60 in state labor income (Table 6). Every million dollars of those imports generated 9.7 jobs in Texas. Taxes generated by the

Table 5: Texas Economic Contribution of Mexican Hass Avocado Imports, FY 2025/26

Texas Output (\$ million)	Texas Value-added (\$ million)	Texas Employment (no. of jobs)	Texas Labor Income (\$ million)	Taxes* (\$ million)
\$428.9	\$265.5	2,403	\$147.3	\$57.2

* federal, state, local.

Table 6: Implied Texas Economic Contribution Multipliers for Mexican Hass Avocado Imports, FY 2025/26

Texas Output Multiplier (\$output/\$imports)	Texas Value-Added Multiplier (\$VA/\$imports)	Texas Employment Multiplier (jobs/\$million imports)	Texas Labor Income Multiplier (\$income/\$imports)	Tax* Multiplier (% of import value)
1.75	1.08	9.7	0.60	23.3%

* federal, state, local.

imports amounted to 23.3% of the value of the Mexican avocados imported into Texas (Table 6). Thus, these multiplier effects of the import of Mexican Hass avocados into Texas indicate how much additional Texas output, GDP, etc. is generated by each dollar of those imports. For example, for every \$100 million increase in Mexican Hass avocado imports into Texas, state total output or spending increases by \$175 million while state GDP increases by \$108 million, state labor income by \$60 million, and state employment by 970 jobs.

Industry Distribution of the Texas Economic Contribution of Mexican Hass Avocados

An industry breakdown of the economic contributions to the Texas economy from Hass avocado imports reveals that Texas wholesale/retail and service industries account for most of the contribution as was the case for the aggregate U.S. economy (Table 7). Together those two industries account for 82% of the contribution of imports of Mexican Hass avocados to Texas gross output and approximately 83% to 86% of the contribution to the state GDP (value-added), employment, and labor income. The Texas transportation and warehousing sector is also a major beneficiary of Mexican Hass avocados imports, accounting for 10% of their contribution to state gross output and 9% to 12% of the contribution made to state GDP, labor income, employment, and taxes. Texas manufacturing and a large number of miscellaneous services (such as

Table 7: Texas Industry Distribution of the Economic Contribution of Mexican Hass Avocado Imports, FY 2025/26

Industry	Texas Output (\$ million)	Texas Value-Added (\$ million)	Texas Employment (no. of jobs)	Texas Labor Income (\$ million)
Wholesale/Retail	\$223.1	\$152.7	1,421.7	\$81.3
Manufacturing	\$11.6	\$3.6	16.8	\$1.5
Transportation & Warehousing	\$43.2	\$23.3	282.0	\$17.4
Services	\$130.4	\$75.8	630.5	\$41.3
- Food & accommodation	\$8.7	\$4.5	95.2	\$2.8
- Other	\$121.7	\$71.3	535.3	\$38.5
Agriculture	\$0.53	\$0.27	5.9	\$0.19
Other	\$20.1	\$9.9	44.8	\$5.6
Total**	\$428.9	\$265.5	2,401.7	\$147.2

* Totals may not add due to rounding.

advertising, insurance, accounting and legal services, repair services, and more) account for much of the remaining contribution of Mexican Hass avocado imports to the Texas economy.

California State-Level Analysis (FY 2025/26 Only)

This section focuses specifically on the contribution of Hass avocado imports from Mexico in FY 2025/26 into California (and not transshipped through California to other states) on the California economy as Hass avocados from Mexico moved along the avocado import supply chain within that state. As shown in bold earlier in Table 1, the California share of the value of U.S. avocado imports amounted to an estimated \$605.1 million. This California share of U.S. avocado imports generated multiplier effects along intersecting supply chains within the state, adding to California output, value-added, income, jobs, and taxes as a result. The total of all the direct, indirect, and induced effects of Mexican Hass avocado imports into California in FY 2025/26 on state output or total spending amounted to \$968.2 million (Table 8). That is, the \$605.1 million of Mexican Hass avocados imported into (and not transshipped through) California in FY 2025/26 stimulated California economic activity that generated a total of \$968.2 million in output or total spending. At the same time, the total economic activity

Table 8: California Economic Contribution of Mexican Hass Avocado Imports, FY 2025/26

California Output (\$ million)	California Value-added (\$ million)	California Employment (no. of jobs)	California Labor Income (\$ million)	Taxes* (\$ million)
\$968.2	\$580.9	5,325	\$357.0	\$172.5

* federal, state, local.

stimulated by those imports added nearly \$580.9 million in FY 2025/26 to the California GDP, created \$357.0 million in California labor income, \$172.5 million in taxes (federal, state, and local), and supported 5,325 jobs in California.

Implied California Economic Contribution Multipliers

Every dollar of Mexican Hass avocado imports into California in FY 2025/26 generated \$1.60 in state gross output, \$.96 in state GDP (value-added), and \$0.59 in state labor income (Table 9). Every million dollars of those imports generated 8.8 jobs in the state. Taxes generated in California by the imports amounted to 28.5% of the value of Mexican Hass avocado imports into the state (Table 9). These multiplier effects of the imports into California indicate how much additional California output, GDP, etc. is generated by each dollar of those imports. For example, for every \$100 million increase in Mexican Hass avocado imports into California, state output or spending increases by \$160 million while state GDP increases by \$96 million, state labor income by \$59 million, and state employment by 880 jobs.

Industry Distribution of the California Economic Contribution of Mexican Hass Avocados

An industry breakdown of the economic contributions reveals that the wholesale/retail and service industries account for most of the contribution of Mexican imports to California economic activity as was shown to be the case also for Texas and the aggregate U.S. economy (Table 10). Together those two industries account for 82% of the contribution of imports of Mexican Hass avocados to California state gross output, and approximately 84% to 85% of the contribution to the state GDP (value-added), employment, and labor income. The state transportation and warehousing industry is also a major beneficiary of imports of Mexican Hass avocados, accounting for 10% of their contribution to state gross output and 9% to 11% of the contribution

Table 9: Implied California Economic Contribution Multipliers for Mexican Hass Avocado Imports, FY 2025/26

California Output Multiplier (\$output/\$imports)	California Value-Added Multiplier (\$VA/\$imports)	California Employment Multiplier (jobs/\$million imports)	California Labor Income Multiplier (\$income/\$imports)	Tax* Multiplier (% of import value)
1.60	0.96	8.8	0.59	28.5%

* federal, state, local.

Table 10: California Industry Distribution of the Economic Contribution of Mexican Hass Avocado Imports, FY 2025/26

Industry	California Output (\$ million)	California Value-Added (\$ million)	California Employment (no. of jobs)	California Labor Income (\$ million)
Wholesale/Retail	\$478.4	\$297.1	3,050.6	\$182.7
Manufacturing	\$33.7	\$9.9	46.5	\$4.0
Transportation & Warehousing	\$98.0	\$54.1	610.6	\$39.2
Services	\$318.9	\$200.7	1,468.9	\$117.2
- Food & accommodation	\$20.5	\$11.8	196.4	\$7.9
- Other	\$298.4	\$188.9	1,272.5	\$109.3
Agriculture	\$1.7	\$9.8	9.5	\$4.9
Other	\$37.5	\$18.1	138.9	\$13.5
Total**	\$968.2	\$580.9	5,325.0	\$357.0

* Totals may not add due to rounding.

made to state GDP, labor income, employment, and taxes. Manufacturing and a large number of miscellaneous services (such as advertising, insurance, accounting and legal services, repair services, and more) in California account for much of the remaining state economic contribution of Mexican Hass avocado imports into the state.

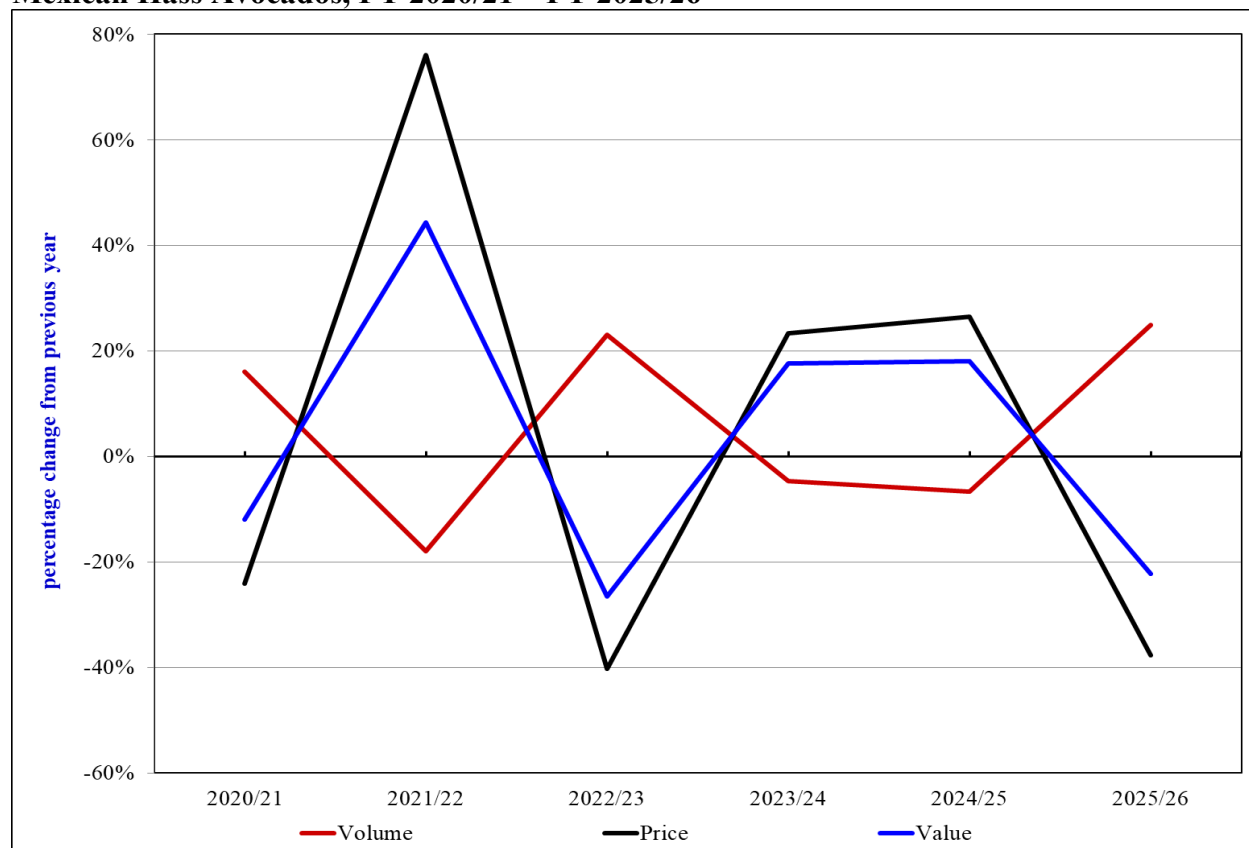
Historical View of the Economic Contribution of Mexican Hass Avocado Imports

As noted earlier, the rapid upward growth that characterized shipments of Mexican Hass avocados into U.S. markets over the years has become slower and much more cyclical than in the past (shown earlier in Figures 1 and 3). As illustrated in Figure 7, the volume, value, and price of those shipments have varied widely from year to year over FY 2020/21 through FY 2025/26. Price and value have tended to move together in often wide annual swings while volume has tended to vary somewhat less widely in the opposite direction. The reason for the swings is largely due to annual variation in Mexican avocado production and shipments (supply) rather than by consumer demand. U.S. avocado consumption continues to be affected much more by disposable household income and other macroeconomic forces than by price.

Note from Figure 7 that when shipment volume goes down, price tends to go up by a much greater percentage so that the value of the shipments goes up. This behavior is due to the relative price insensitivity (referred to as price “inelasticity” by economists) of U.S. avocado consumers. Note from Figure 7 that in years when volume declines, for example, avocado consumers are not much inclined to cut consumption so that the price must increase in percentage terms (black line in Figure 7) by relatively more than the percentage decline in the volume (red line in Figure 7) in order for the market to clear. *Note that in this case, the value of shipments actually rises despite the decline in volume* (blue line in figure 7). By the same token, when volume increases, the value of shipments declines. Again, this behavior is due to the price insensitivity of U.S. avocado consumers. On the other hand, if avocado consumers were quite sensitive to price changes (price “elastic”), the opposite would be the case. Consumers would adjust to upward pressure on price by cutting back substantially on purchases by a greater percentage than the percentage increase in price so that the revenue from shipments would drop. So, if avocado consumers were highly sensitive to price, value and volume would tend to move in the same direction with an opposite change in price. In other words, if consumers were price sensitive, then a drop in volume would bring a price increase but a reduction in the value of shipments.

Table 11 shows the year-to-year percentage changes in shipment volumes and the corresponding percentage changes in price and value from FY 2020/21 through FY 2025/26 that are behind Figure 7. The positive average for volume, value, and price in the last row of the table indicates that, on average, all three have increased although at a much smaller average annual rate than in previous years. The last column of Table 11 shows a “price flexibility index” calculated as the percentage change in prices divided by the percentage change in shipments. An

Figure 7: Annual Percentage Changes in the Volume, Value, and Price of U.S. Shipments of Mexican Hass Avocados, FY 2020/21 – FY 2025/26



Source: Developed by authors from data in MHAIA (2026).

Table 11: Price Response to Changes in Mexican Hass Avocado Shipments, FY 2020/21 – FY 2025/26

Fiscal Years	Shipments of Hass Avocados from Mexico			Price Flexibility Index
	Volume	Average Price	Value	
	----- annual percentage change -----			(column 2/column 1)
2020/21	16.0	-24.2	-12.0	-1.51
2021/22	-18.0	76.0	44.3	-4.22
2022/23	23.1	-40.3	-26.6	-1.75
2023/24	-4.7	23.4	17.6	-5.00
2024/25	-6.7	26.5	18.1	-3.96
2025/26	24.9	-37.8	-37.7	-1.52
Average	5.8	3.2	4.0	-2.99

Source: Calculated from data provided by MHAIA (2026)

absolute price flexibility value of greater than one indicates that the absolute percentage change in price is greater than the corresponding absolute percentage change in volume. Note that all the price flexibility indices are greater than one in absolute value. That means that price changed either up or down from year to year by a greater percentage than the change in volume. The negative sign means that volume and price moved in opposite directions from year to year, as would be expected. The index demonstrates fairly clearly that U.S. consumption of avocados is price-insensitive because larger percentage changes in price in one direction correspond to smaller year-to-year changes in shipment volume. As a result, year to year changes in the value of avocado shipments vary in the same direction as price. When volume is down, then price is up and value is up. Conversely, when volume is up, then price and value are down. If U.S. avocado consumers were price sensitive, however, price and value would vary in opposite directions.

The price insensitive behavior of avocado consumers is explained by at least two important forces. First, avocado consumers are loyal to avocados when prices change because they have integrated avocados into their recipes and food preferences. So, when price increases, they tend to continue purchasing avocados. Second, avocados have no real substitutes so when price increases, there are no alternatives to avocados available to substitute in their cooking and food consumption. Many other products like meat, for example, have good substitutes so that when the price of beef goes up, for example, consumers tend to switch to chicken instead. Thus, beef tends to experience larger percentage drops in consumption from a beef supply drop than the percentage increase in price than would be the case if beef had no substitutes. In the case of avocados, the only real substitute for consuming avocados is to NOT consume avocados. In the short run, consumers tend to stay with their consumption of avocados when price increases. Over the longer run, consumers will tend to make greater downward adjustments in avocado use when facing a sustained increase in price as they opt to simply buy fewer avocados with the potential long-run consequence of a large decline over time in U.S. avocado consumption.

The bottom line is that volume swings in avocado shipments are largely the result of Mexican production variability and other supply disruptions but the behavior of avocado shipment value is the result of U.S. avocado consumer insensitivity to price changes given a change in shipment volume – when volume is up, then value is down and when volume is down, then value is up. As a matter of producer strategy, the insensitivity of U.S. avocado consumers to price changes suggests that industry-wide Mexican avocado producer cooperation to restrict avocado shipments into the U.S. market would bring producers greater total revenue than by allowing greater shipments into U.S. markets. This is short-run thinking, however, because, over

time, avocado consumer reaction to a sustained increase in price would be to abandon avocados and to search for other sources of supply which would benefit producers in California, Peru, Chile, and potentially elsewhere.

The up and down yearly pattern of the U.S. economic contributions of U.S. imports of Mexican Hass avocados, as shown in Figure 8, is largely the result of the variation in the import value of those shipments in each year. Figure 8 shows that the contributions to output, GDP, and to other economic measures from U.S. imports of Mexican Hass avocados in FY 2025/26 was lower than in FY 2024/25 because the import value declined by 22% in that year. However, the contribution to all economic measures from imports in FY 2024/25 was higher than in FY 2023/24 and in every other year except FY 2021/22 because the import value in that year was higher than in any other year except FY 2021/22. As long as the value of imported Hass avocados from Mexico varies up and down, the pattern of U.S. economic contributions of those imports will likewise vary up and down in the same direction.

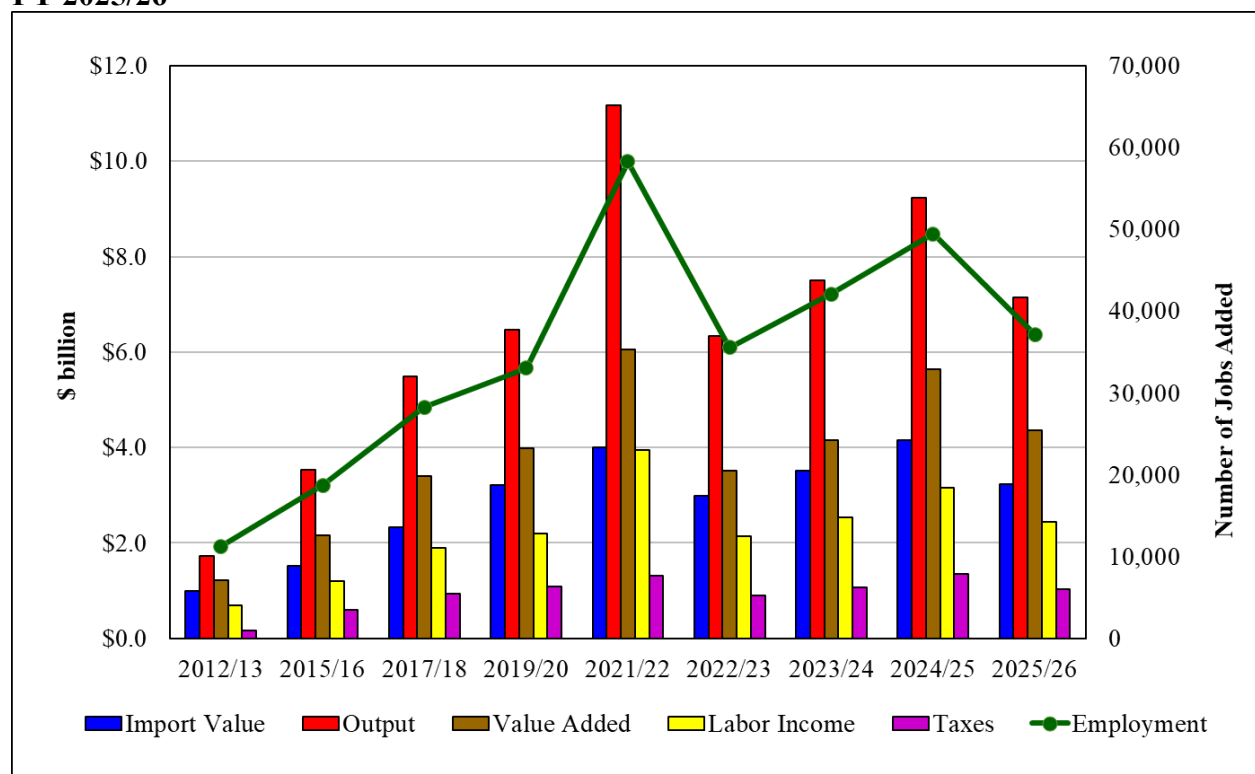
CONCLUSIONS AND IMPLICATIONS

The objective of this report was to update the measurement of the contribution of Mexican Hass avocado imports to the U.S. economy for fiscal year (FY) 2025/26 (July/June). A comparison for the previous year (FY 2024/25) was included to provide some context for the FY 2025/26 results. This and previous studies provide clear evidence that imports of Mexican Hass avocados are pro-growth for the U.S. economy. Mexican Hass avocado shipments into the United States generate multiplier effects along intersecting supply chains across U.S. industries and sectors, contributing substantially to U.S. aggregate output, value-added, income, jobs, and taxes as a result. For FY 2025/26, the \$3.2 billion in U.S. imports of Mexican Hass avocados contributed the following to the U.S. economy (comparison to FY 2012/13 in parentheses):

- \$7.1 billion in output or spending (\$1.7 billion);
- \$4.4 billion to the U.S. GDP (value-added) (\$1.2 billion);
- 37,163 jobs added (11,248);
- \$2.4 billion in labor income (\$0.7 billion); and
- \$1.0 billion in federal, state, and local taxes (\$0.2 billion).

Every dollar of FY 2025/26 Mexican Hass avocado imports generated \$2.21 in output, \$1.35 in U.S. GDP, and \$0.76 in labor income. Every million dollars of those imports supported 11.5 U.S. jobs. Taxes generated by the imports amounted to 32.1% of the value of the imported avocados.

Figure 8: U.S. Economic Contribution of Mexican Hass Avocado Imports, FY 2012/13 – FY 2025/26



Source: Developed by authors from research results.

The rapid upward growth that characterized Mexican Hass avocados shipments into U.S. markets over the years has become slower and more cyclical than in the past. In recent years, price and value have tended to move together in often wide annual swings while volume has tended to vary somewhat less widely in the opposite direction. The reason for the swings is largely due to annual Mexican Hass avocado supply variations rather than changes in consumer demand. U.S. avocado consumption continues to be affected much more by disposable household income and other macroeconomic forces than by price.

The cyclical nature of Mexican Hass avocado imports in recent years has resulted in a corresponding pattern in the U.S. economic contributions of those imports. Their contributions to output, GDP, and to other economic measures in FY 2025/26 were lower than in FY 2024/25 because the import value declined by 22% in that year. However, the contribution to all economic measures from imports in FY 2024/25 was also higher than in FY 2023/24 and in every previous year since FY 2012/13 except FY 2021/22 because the import value in that year was higher than in any other year except FY 2021/22. As long as the value of imported Hass

avocados from Mexico varies up and down, the pattern of U.S. economic contributions of those imports will likewise vary up and down in the same direction.

Nevertheless, the economic contributions of imports to the U.S. economy over the years have experienced a strong upward trend. While the value of those imports increased by over 220% from \$991.9 million in FY 2012/13 to \$3.2 billion in FY 2025/26, the contribution of those imports to U.S. output increased by over 320% from \$1.7 billion to \$7.1 billion. Over the same period, the contribution of those imports to U.S. GDP (value added) increased by nearly 270% from \$1.2 billion to \$4.4 billion. The contributions to U.S. labor income, U.S. tax revenues, and employment also registered dramatic increases (243%, 400%, and 230%, respectively).

The special focus on the contributions of Mexican Hass avocado imports into California and Texas, the states with the highest levels of avocado consumption, on their respective state economies found that the estimated imports of \$605.1 million and \$245.1 million, respectively, in FY 2025/26 generated the following economic contributions to each state in that year:

- Output or spending – California: \$968.2 million and Texas: \$428.9 million;
- GDP – California: \$580.9 million and Texas: \$265.5 million;
- Jobs added – California: 5,325 and Texas: 2,402;
- Labor income – California: \$357.0 million and Texas: \$147.3 million; and
- Taxes (federal, state, and local) – California: \$172.5 million and Texas: \$57.2 million.

Together, California and Texas accounted for only 19% – 22% of the U.S. total values of these economic measures in FY 2025/26 which means that 78% – 81% of the contribution of Mexican Hass avocado imports to the U.S. economy occurs in other states throughout the country.

The primary implication of this update study is clear and straight forward – imports of Mexican Hass avocados continue to be pro-growth for the U.S. economy. Given the historical upward growth path of those imports, their contribution to the U.S. economy will likely only increase over the years. Clearly, however, volatility in the availability of avocado supplies from Mexico for whatever reason has the potential to create substantial corresponding price and import revenue volatility and, in turn, volatility in the level of their contributions to the U.S. and state economies. When that happens, not only do U.S. avocado consumers lose from price and supply volatility and uncertainty, the whole U.S. economy is affected as well, along with those of individual states that import avocados. Even so, the measured growth in the contributions of U.S. imports of Mexican Hass avocados to the U.S. and state economies since the first study was conducted for FY 2012/13 has been remarkable.

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