SOFT CITRUS NEWS

20% INCREASE IN CHILEAN CLEMENTINES AND MANDARINS TO US

Through Week 32, Chilean exporters had loaded almost 33 000 metric tons of clementines and mandarins to the US representing an increase of almost 20% through the same period last year. East coast loadings are up 46% over last year while west coast loadings are down by 13.3%.
Through Week 33, clementine prices on the east coast continued to show softness with selling prices for 10 x 3 lbs bags of US$ 24-26 for sizes 3 and larger, US$ 22-24 for size 4 and US$ 20-22 for size 5. West coast value-added prices are running at similar levels. But the worst weeks of this difficult clementine season appear to be over and market conditions have slowly begun to improve. Chilean clementine arrivals have declined and South African clementine arrivals are done for the season. Peruvian W. Murcotts are available but the Chilean late mandarin harvest is just underway and noteworthy volumes will not likely be seen in the US until Week 35. All of this coincides with the end of the North American holiday season and the return to school, factors that will serve to boost citrus consumption as we move into September. Many receivers will be cleaning up their clementine stocks in Weeks 34 and 35. But by Week 36 expect to see a healthier soft citrus market with prices that reflect increased chain store demand and more manageable inventories. This should bode well for the W. Murcotts and other late mandarins.
[Freshplaza.com; 20 August 2012]

U.S. Clementine oversupply headaches "avoidable"

Southern Hemisphere clementine exporters could have prevented U.S. prices from nosediving with better planning, communication and marketing, claims a leading distributor. Seald Sweet International chief executive officer Mayda Sotomayor, said U.S. clementine supply was 30% higher this season but the market was big enough to absorb large volumes. "It had a lot to do with the fact that the product was not being promoted. It's not the fault of the retailers; it's about better planning, knowing when the volume is coming in and better communications with suppliers to have a flow through to the consumers in a consistent way." She said promotions of cantaloupes, honeydew melons and stone fruit had taken precedence over clementines in U.S. supermarkets. South Africa shipped more fruit to the U.S. than normal due to Europe's economic crisis while Chilean supply was over a shorter period, resulting in both countries peaking at the same time in late June and early July. Fisher Capespan senior vice-president of marketing and sales Paul Marier, agreed this year's clementine season had been particularly difficult. "The market got stuffed up pretty good and that translated to low prices and people sitting on stock for longer; therein lies the problems with decay and significant losses on re-bagging." Sotomayor added now that clementines have started to be publicized more, the situation had changed completely with higher demand and recovering prices. She said there should be better communication within the industry to avoid the same thing happening in future seasons. "If the market had prepared itself for this, volumes could have flowed and there would have been less damage to the price." Marier said prices for clementines at the moment were US$6-8 lower than the previous year at around US$22-25 per 30lb box. Sotomayor said during the peak moment of supply prices fell below this level. Pack-up percentages were also lower due to clementine stocks being held for longer before sale, resulting in higher decay levels. Late maturing mandarins are not expected to suffer the same challenges as U.S. demand is predicted to pick up from next week as families prepare for children returning to school. Marier said pupils' lunch boxes would typically include either a clementine or mandarin fuelling market demand. He's expecting prices per 30lb box to recover to around US$32 within the next few weeks.*[www.freshfruitportal.com; 22 August 2012]*