

South African limes enter period of scarcity, counter to the rest of citrus

Limes are a funny thing

Limes run on a different clock from other citrus: as the volumes of oranges and lemons swell, lime numbers are receding. Traditionally prices reach a high point during the winter months from June onwards, reaching a peak in December when lime demand is stimulated by catering requirements for year-end functions.

"Limes are a funny thing," says a citrus trader, "you either get R300 [19 euros] or R10 [0.6 euros] for them." Lime prices have been known to drop from R60 (3.81 euros) per 3kg bag in December to just R8 (0.5 euros) the next month.

It is very sensitive to a supply increase and it is subject to inelastic demand, although its inclusion in cocktails and mocktails has stimulated demand particularly over the past four years. There have been more limes this year, not as a result of expansion but because of the same favourable production conditions that have raised other citrus volumes. One lime grower tells FreshPlaza that he has already sent 100 tonnes to the juice factories where it's a buyer's market: the juice factories don't cover transport costs like before. "Prices are currently very low because everybody has a lot of limes this year."

"It's not something that flies off the floor," says one market agent and another adds: "When you get limes on your floor, it needs to move out within five days." Not a great citrus variety to sell, says a third. Much of it is sold on consignment, like to the retailers that procure their limes on the municipal markets.

Quality impresses foreign buyers but export prices are uncompetitive

South Africa doesn't currently export limes, although there have been sporadic shipments and overseas traders have been impressed by the quality of the fruit on their visits to South African lime orchards. Export prices offered to farmers are below domestic prices; the local industry can't compete with the world's major lime producers like Brazil and Mexico.

The ideal for a lime grower – given that it's not a major citrus category in South Africa, and that it is mostly successfully grown in the northeast of the country (it turns yellow in the Eastern and Western Cape; one major producer in Citrusdal has some "tricks of the trade" to prevent their limes from colouring) – is to be more or less alone in the market during periods of the year like late winter, early spring, which does happen from time to time if, say, some growers have been affected by hail (as happens in Mpumalanga) and others have recently pruned their orchards.

At the moment, though, limes aren't overabundant. Good quality limes, with little wind damage or oleo (oil spotting) and good size, currently go for R40 (2.54 euros) to R50 (3.18 euros) a 3kg bag. Boxes of mixed sizes obtain lower prices, R30 (1.9 euros) to R40 for a 5kg box. Most demand is for juicing, which takes the smaller sizes, while limes meant for garnish purposes are preferred larger.



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Author: Carolize Jansen

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