

Tjeerd Hoekstra, Total Produce: "How the orange market will develop is the 'million-dollar question'."

The South African citrus season starts very unpredictably

In Europe, the overseas citrus market's start has been characterized by much uncertainty. "The prevailing global logistical chaos remains the largest unpredictable factor," says Tjeerd Hoekstra, Total Produce's commercial manager, in Rotterdam. "There's a shortage of containers in the correct place. That balance hasn't yet been restored in the market."



Delays

"That leads to sea freight tariff increases and major delays. We had to deal with that last year. And no one assumes those problems will be solved. That means there are weeks when two or three boats arrive at the same time. Whereas they usually arrive spread over three weeks. South Africa is currently reasonably quiet, COVID-19-wise. But like last year, it only takes a few contaminations in the ports to have a huge impact."

"When it comes to harvest predictions, we're getting various reports of large regional differences. All things considered, I assume there'll be slightly more volume available than last year. It's only the grapefruit crop that failed miserably. Average sizes should be at least one size

smaller than last year," says the importer.

The grapefruit season has now started. "The grapefruit market should be good in the coming weeks. Prices should be at least as high as last year. The market is empty, and prices are good. I think grapefruit will sell for €16 to 19 in the first few weeks. But volumes will be very limited."

Enough Spanish lemons

"There are plenty of lemons in South Africa. The export season will start later. Not because the fruit isn't ripe. But because there are still enough Spanish lemons on the market. However, the first lemons will be loaded in modest volumes this week. But there will still be Spanish lemons. That's for the next ten weeks, depending on how the quality holds up," Tjeerd continues. Concerning mandarins, it's reported that the recent years' growth is continuing. That's thanks to large numbers of young plantings.

"How the orange market will develop is perhaps the 'million-dollar question'. Last year, demand was exceptionally high because of the global pandemic. Expectations are now somewhat lower. We don't think the average price to be as high either. Our approach is not to refer too much to last year. We expect prices to be in between the last four years and the COVID-19 year's average."

"But a lot can happen and there are many unpredictable factors. Restaurant terraces will open all over Europe in May or June. That could significantly affect sales to the hospitality industry. Nobody in that sector has stock. There will also be good demand from other continents at the same time. That will affect the supply to Europe. If you know what will happen, please tell us. What we do know is that it'll be another interesting year," Tjeerd concludes.

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