GLOBAL CITRUS SCAN (20)

John Edmonds (29 June 2012) Citrus Growers Association (CGA)

Argentina: Citrus losses are around the 10,000 hectares

"The situation in the area is desperate. The entire fruit was lost, many plants will be useless, nurseries were destroyed," said the National Deputy Lucio Aspiazu (UCR-Corrientes). Aspiazu met with producers of the departments of Federation and Concordia (Entre Rios) and Monte Caseros (Corrientes) who were affected by the frost. "This is a fatal blow to the economy of the area, we need help to get people back to producing and some kind of subsidy for people to live until production is recovered," said the deputy. According to estimates by the national legislature, there are 20,000 families in these regions that today are facing a critical situation because of the loss of production. "This situation is hitting in a direct way 20,000 families that live out of this activity, and indirectly, thousands of people that live out of citrus production," he said.
[Lanacion; 29 June 2012]

Chilean Clementines flood US market

The tonnage of clementines departing Chile for the US east and west coasts continues to run well-ahead of last season. Through Week 24, Chilean exporters loaded 10,173 metric tons of clementines on vessels bound for the US east coast representing a 45.3% increase in tonnage through the same week last year. Over the same period Chilean exporters loaded 4,836 metric tons to the US west coast representing a 41.2% increase over last season. The heaviest Chilean clementine loadings have been in Week 22 onward and that fruit will have just started to arrive at its destination in Week 25 although some vessels have been delayed owing to traffic tie-ups at the Panama Canal. The first South African bulk citrus vessel is expected to be available on the east coast early next week and it will add its cargo of clementines (and navel oranges) to the east coast's summer citrus offerings. The last of the Peruvian clementines will also be arriving next week... Through Week 25, clementines on the east coast have been selling at US$ 32-36 (mostly US$ 34) for standard sizes in the value-added, fixed weight packages. With the increased volume of clementine arrivals erasing any residual perception of scarcity in the market, size 5's are getting US$ 30 in the value-added package and size 6's are a struggle to move. The increased Chilean arrival volumes and the addition of the South African clementines to the volume of product available for sale will almost certainly result in a price shift in the market from Week 26 onward. Most contract prices are also set to decline next week. We expect to see clementines from Chile and South Africa move down a notch to US$ 28-30 and soon thereafter settle in to the US$ 26-28 price for the value-added package. To try to demand more as California table grapes and other summer fruits become more widely available could be a futile exercise. The mission must be to continue to move fruit at prices that will allow summer citrus to remain competitive and well-represented amidst the veritable cornucopia of domestic offerings now in the market.
Through Week 24, Chilean exporters have shipped almost 1,000 metric tons of navel oranges to the east coast or more than twice the volume shipped through the same week last season. Over that same period, 122 metric tons have been shipped to the west coast, a number also well ahead of last season`s loadings of 84 metric tons through the same week. The first Chilean navel orange arrivals on the east coast will coincide with next week's arrival of the first bulk vessel of South African navels. The opening of the navel season on the east coast is expected to be better than last season – not so much that prices will be higher, but that movement will be faster and inventories should not get backed up as they have in prior seasons when California oranges have remained readily available through the first two weeks of July. We expect to see navel orange prices open up next week at US$ 30 on 40's, 48's and 56's, US$ 28 on 64's, US$ 26 on 72's and 88's. While the rain that has been falling in Chile is welcome after years of drought, it has made the picking and packing of the earliest navels a start and stop exercise. But the rain has also served to bring down the fruit's acidity levels. This is allowing Chilean producers to pack fruit with good sugar:acid ratios in the earliest weeks of the season and will also help prevent delays on loading later on when navel oranges will be subject to USDA / AMS navel orange marketing order constraints.
[Freshplaza.com; 25 June 2012]

Chile: New quality standards for export oranges

The Citrus Committee in Chile has a clear mission: to position Chilean oranges as one of the best from the Southern Hemisphere. The way to achieve it is to implement a program of Orange Maturity Verification (OMV), specially directed to exports to the United States and Korea…companies must comply with following parameters: Solvable solids average ≥9,6 °Brix and the relation with acidity: 9,0:1.
[Diariodelagro; 22 June 2012]

If you need more information on any of these issues, or if there is anything else that CGA can assist with, please contact us at 031 7652514, or johne@cga.co.za
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