GLOBAL CITRUS SCAN (38)

John Edmonds (18 October 2013)
Citrus Growers Association (CGA)

Australian citrus to hit record in China

Chinese demand for Australian citrus is anticipated to set a new record this year, according to peak industry body Citrus Australia. 2013 marks the third year that Australian citrus has been legally sold to China, having previously entered through sales to Hong Kong and transport to mainland China via 'grey channels'. Market development general manager Andrew Harty has stated his expectation that China's growing middle class is set to become Australia's biggest export market in the next decade, driven by a demand for safer fresh produce. "Not a week goes by in China where there's not some major food scandal," he told the ABC. "I think there was a recent survey of residents in Shanghai in which 73 per cent of them said they did not trust local produce. "It is something of a crisis over there, the food safety issue, so anybody that can afford it will buy imported product." Since Australian citrus first began to enter China legally in 2011, sales have grown exponentially and may surpass the US for the first time this year. "It's been absolutely phenomenal growth," Harty told the ABC. "In 2010, there was no trade at all. In 2011, I think about 11 or 12 containers, last year up to 110 and this year we are looking at around about 8,000 tonnes of product going in there. "Previously, our biggest market was the United States, which this year will probably do about the same. In fact, China might eclipse the United States for the first time this year which will be an absolute milestone for our industry."
[www.fruitnet.com; 14 October 2013]

Morocco set for huge rise in citrus exports

After forecasting a record citrus crop, preliminary indications are for a near 70% increase in exports.
[www.reefertrends.com; 15 October 2013]

Iran Orange production target: 4m tons

Some 4 million tons of orange will be harvested in the current Iranian year (to end March 2014), said the head of the Union of Orchard Owners. Mojtaba Shadlou put the price of one kilogram of premium orange in the market at 20,000 rials, ISNA reported. He said the rise in production of citrus fruits will reduce the final price. "Orange harvest will start in December and continue until May for varieties such as Valencia," he said. Shadlou predicted that the production of various citrus fruits such as orange, tangerine, grapefruit, sweet lemon and sour orange will hit 7 million tons.
Close to 68 million tons of oranges are produced across the world annually. Brazil and the US are top orange producers. Iran ranked seventh worldwide in terms of orange output last year…
[Iran Daily; October 2013]

First Uruguayan citrus heads for US

The first five containers of Valencia oranges bound for Philadelphia are due to set sail from the Uruguayan port of Montevideo on Wednesday following the USDA's recent decision to grant access to the US market. Speaking to El Observador Agropecuario, Federico Montes, citrus advisor at the Uruguayan Ministry of Agriculture and Fisheries, confirmed that the fruit has been supplied by five companies – Citrícola Salteña, Urudor, Milagro, Forbel and Naranjales Guarino. It is currently being packed at a specially modified packhouse in Paysandú before undergoing cold treatment. Montes indicated that the trial shipment would allow the authorities to test monitoring systems and portside logistics ahead of the first full season in 2014
[www.fruitnet.com; 14 October 2013]

US: Orange juice market shrivels as demand sours

Americans are drinking less orange juice than they used to, due to greater variety in the beverage aisle from energy drink Red Bull to Vitaminwater, and juice-based health crazes like pomegranate and açai…In the market for orange juice futures, traders held just $440.8 million as of Monday, down 60% from $1.1 billion in August 2011. So far this year, average daily trading volume is 2,233 contracts, a 15% decline in the past decade. Americans are drinking less orange juice than they used to, particularly the frozen variety traded in the futures market. One reason for the slide was the revival of the low-carbohydrate Atkins diet in the late 1990s. Also hurting orange juice: greater variety in the beverage aisle, from energy drink Red Bull to Coca-Cola Co.'s Vitaminwater, and juice-based health crazes like pomegranate and açai, says Ross Colbert, global beverage strategist at Rabobank in New York. Meanwhile, the spread of citrus greening, a disease that chokes off nutrients to fruit and causes them to drop prematurely from the tree, reduced supplies and drove up prices.
[wsj.com; 16 October 2013]

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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