GLOBAL CITRUS SCAN (14)

John Edmonds (25 April 2014) Citrus Growers Association (CGA)

South African citrus no competition in the Middle East

As volumes of South African lemons increase in the Middle Eastern market so the prices are coming down a bit. David Pearce from GF Marketing said they are now getting $18 FOB, where as in the beginning they were getting $21 FOB. The drop in price is normal as the volumes increase; at the moment South African lemons are alone in the Middle East market so volume is the only thing controlling the price of lemons. Pearce expects that lemon volumes will remain short for the rest of the season. Grapefruit has been on the go for 3 weeks and Star Ruby are fetching $8 FOB in the Middle East for 15kg cartons of small size, count 55/60, there is a big crop this year and with a global drop in consumption a lot of people are concerned about how the season will go. Meanwhile early Navels will start to be packed in week 18 in South Africa and GF Marketing will send the first to the Middle East in week 19, as yet the market is uncertain.
[Freshplaza.com; 24 April 2014]

U.S. proposes new rules for Philippine mangoes, Japanese oranges

If the proposals put forth by the Animal and Plant Health Inspection Service (APHIS) are approved, it would mean four new mango-producing regions in the Philippines could ship to the world's largest economy, while more Japanese Unshu orange-growing areas would be granted access....APHIS highlights that Japan has not sent any Unshu oranges to the U.S. in the last three years, but at the request of the country's government it has evaluated the possibility of changing its approach to citrus canker from Japan in a way that is more consistent with domestic policy. The proposal aims to remove restrictions on exports that currently only allow shipments from canker-free zones, such as the islands of Honshu and Kyushu, and parts of Shikoku. However, as a condition the fruit would need to undergo surface sterilization to effectively make shipments free of leaves, twigs and other plant material. "Our proposed removal of the requirements for Unshu oranges exported to the United States to have been produced in specified canker-free areas and jointly inspected by the NPPO [National Plant Protection Organization] of Japan and APHIS in the groves and packinghouses would parallel the changes we made in 2009 to the domestic citrus canker regulations and thus harmonize these regulations with our domestic regulations," APHIS said....In terms of Japanese Unshu oranges, the service said 2,400 metric tons (MT) of the fruit was exported worldwide in 2012 at a value of US$4.5 million. "Canada was the main destination, accounting for 83 percent of Japan's exports (2,000 MT). Unshu oranges have not been imported from Japan into the United States for the last 3 years," APHIS said. "Between 1996 and 2009, the United States imported about 200 MT of Unshu oranges from Japan annually, valued at about $340,000, only during the months of November and December. They were typically sold at a premium in ethnic specialty stores and through small-package direct delivery to customers who celebrated the New Year's holidays." Under the proposed rule, Japan would be able to export 500MT of Unshu oranges to the United States, however APHIS described this as an "ambitious goal".
[www.freshfruitportal.com; 11 April 2014]

Orange juice prices increase due to disease

Price of orange juice continues to soar due to Florida oranges suffering disease since the start of the season. Florida is the world's second orange juice producer and harvest is expected to drop 18% this year. This means that prices will be similar to 1985 (disastrous frost) which caused a surge in orange juice prices on the New York Stock Exchange to rise over 11% in 3 weeks. Authorities have seen their harvest forecasts drop four times more than expected. The USDA recently published a report on frozen orange juice, stating that prices are unprecedented since the end of March 2012. The Yellow Dragon disease is not the only reason for such high prices- the drought in Brazil (world's number 1 orange juice producer) is also an important factor.
[Freshplaza.com; 24 April 2014]

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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