GLOBAL CITRUS SCAN (21)

John Edmonds (3 July 2015) Citrus Growers Association (CGA)

EU: South Americans not making up for drop in South African citrus volumes

So far the orange market has been doing well. Eddy Jager from Jaguar expects this to continue for the time being, "Substantially less is being sent to Europe from South Africa…these volumes are also not being picked up by South American exporters. Therefore, Uruguay, with it's market access to the U.S., has shifted it's focus this year. For now, the European market will not get flooded, although the warm weather will somewhat inhibit consumption." "Right now we have Navels from South America and South Africa, and the Uruguayan Salustiana's are about to come in. With the tangerines we are now switching from Clementines to Nadorcott, and the Minneola's from South Africa and Peru are about to arrive. The first Ellendales are also due to arrive soon," says Eddy. "Both the tangerines and oranges are of good quality this season." Prices for both the tangerines and the oranges are very good, "The price of 14-16 Euro for Clementines is quite high, but it was 17-18 Euro. The danger with these high prices is that they can decide to send more citrus instead, this is always the uncertainty that hangs over the market," says Eddy. "Given the current exchange rate, the Nardorcott's will also get a good price." The Argentinian lemon season got off to a difficult start after the heavy rains in April, which caused some pressure to send larger volumes to Europe. Because very large volumes of lemons were imported to Europe in the first five weeks of the season, the importer expected smaller volumes in the second half of the season. It is expected that this will lead to higher prices.
[Freshplaza.com; 2 July 2015]

Egypt: Increase in lemon prices

Yahya Al-Sunni, head of the Vegetables and Fruit Department of the Cairo Chamber of Commerce, stated that the main causes for the remarkable increase in lemon prices in Egyptian markets at the moment are the high demand from consumers, especially in restaurants and hotels, as well as a shortage in supply. Al-Sunni assured that these high levels are temporary and that lemon prices should go back to normal levels following the end of the holy month of Ramadan. "Some traders have excessively increased their prices, pointing out that a kilo of lemon in the transit market currently costs between 7 and 14 pounds per kilo (between 0.82 and 1.64 Euro), depending on quality. Consequently, a call has been made stressing the need for rationalisation in consumer consumption.
[Freshplaza.com; 26 June 2015]

Lemon exports from southern hemisphere increase

So far this season Argentina maintains its leadership in the supply of lemons in the Southern Hemisphere, as it has exported to date 96,400 tons of this fruit, 60% more than all of what it exported in 2014, but still below the levels shown in previous years (2011, 2012 , 2013). South Africa follows with export volumes around 46,000 tons (less than in previous years). Chile began its season in Week 19 and has had a significant increase in export volume. This year the total accumulated up until week 25 is 15,564 tons; however during the past year it was 5,236 tons, i.e. it has had a 161% increase in lemon exports mainly because of the damage due to the frost in September 2013. However when compared with previous years, the gap remains significant, in 2013 Chile had exported a cumulative of 5,968 tons by week, and in 2012 that number amounted to 11,292 tons. There is also a difference in main market destinations, as Argentina ships 90% of its lemon to the European market, while Chile sends 98% of its exports to the US and Asia. Meanwhile, South Africa mainly exports its lemons to Europe and the Middle East, although shipments to Asia have had a remarkable growth in the past 5 seasons.
[Freshplaza.com; 26 June 2015]

Bad weather, virus affects Moroccan citrus production

The 2014-2015 Moroccan citrus fruit season was affected by a lack of rain at the start of the season and then flooding at harvest. These factors led to a 14.3% decrease in production (1.9 million tons) compared to the previous season.
But perhaps worse still is the effect of Citrus Tristeza Virus, which is particularly harmful for citrus fruits grafted from bitter orange roots, which is the case for 95% of Moroccan citrus production. To stop the virus spreading the government has launched a strategy to help pay back producers for trees that have been infected and plant new ones. According to Plan Maroc Vert, the country aims to produce 2.9 million tons of citrus and export 1.3 million tons by 2018.
[Freshplaza.com; 26 June 2015]

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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