GLOBAL CITRUS SCAN (2016_26)

John Edmonds (8 July 2016) Citrus Growers Association (CGA)

USA: Saturated market for some South American citrus

Clementines coming from Chile, Uruguay and Peru have saturated the market, while oranges and lemons are in tight supply. “At this moment the market is saturated and demand has been somewhat quiet,” said Paul Ross of Southern Sun, indicating the clementines have come early out of Chile this year. “They’re almost near finishing - probably two or three weeks more and they’ll be done, which is quite a bit earlier than normal,” he said…“The whole month of July Peru is going to have very high production as well. Uruguay is shipping the heaviest volumes of the season in the next two to three weeks…“What I’ve seen in terms of Chilean fruit next weeks is a very big arrival week and after that the volumes are down significantly,” said Ross. “There may be a gap between the Chilean clementines and the Chilean Murcotts, and even though many growers are reporting the crop to be about 10 days early, they won’t be here in time.”…“Chilean murcotts will probably start arriving here by August 15; the normal date is August 25. The time between August 1 and 15 could be an empty market here. It depends on Peru and what they have and when they finish.”…Ross and Victor traveled to Chile about a month ago, and they both said quality was beautiful for navels and lemons. “The fruit is some of the best it’s been,” said Ross. “Chile had more rain this year and all the citrus commodities sized up beautifully.”
[Freshfruitportal.com; 28 June 2016]

RSA citrus trade sees Brexit opportunities

…In its first formal reaction to the decision by Britain to leave the European Union, the South African Citrus Growers Association (CGA) says Brexit has shaken many out of their comfort zones and has got people questioning the world as we know it. “Political analysts predict a shake-up throughout the EU,” says Justin Chadwick of the CGA. “The impact of the decision by the UK to exit the European Union is still to be completely played out and consequences (good and bad) will surface for many years, making it a very complex situation.” In highlighting the longer term impact, the CGA points out that for more than the past 100 years the UK has been the biggest importer of Southern African citrus, taking about 10 per cent of total citrus exports from the region. “Brexit should see a normalisation of citrus trade between Southern Africa and the UK, unencumbered by protectionism, tariffs and technical barriers to trade," he adds…Since citrus would not be a sensitive product with regard to protecting domestic producers it could be anticipated that the UK would have reduced duty levels for Southern African citrus.” The CGA says this would mean that UK citizens could potentially enjoy excellent quality Southern African citrus at even lower prices…Observers say this would mean that South African fruit exported to the EU would no longer be subject to CBS scrutiny, which would make life much easier for the South Africans who export their citrus to the UK. It could also open the door for the country’s organic lemon growers to re-enter the UK market after they accepted a voluntary ban this year…
[www.fruitnet.com/eurofruit; 4 July 2016]

Europe: "Lemon market to remain hot until October"

The distressing shortage of lemon is causing sky high prices. "Lemons are being supplied in dribs and drabs and are barely touching the ground. Last week the prices were around 37/38 Euro for 18 kilo and the expectation is that this will rise further in the coming days. It looks like the prices will rise above 40 Euro at the end of this week. Some importers are already asking for these prices," says Dirk Biltereyst of importer Van Lier. "Argentina is on the market at the moment and due to the extreme weather conditions there is less and damaged production. They had to deal with extreme rainfall due to which a large percent of the harvest isn't suitable for export. On top of this the production of Spanish Verna lemons was very low, due to which there are now shortages on the markets." Who will pay such a high price for lemons? Dirk: "Lemons are a product most people need. Catering in particular us a big buyer in lemons and they generally only serve a quarter or half lemon, so it doesn't have that large an impact on their costing price." He expects this exceptional market situation for lemons to hold up for now. "There will be a shortage for all the overseas season and we can't expect a lot of production from European countries before the start of October, so until then the market will likely remain hot…
[Freshplaza.com; 7 July 2016]

Europe: “Less supply and good demand Peruvian minneolas”

The tangerine market could currently be called good as an extension of the total citrus market. This results in good prices for Peruvian minneolas…We have started shipping from Paracas, and from there we will ship until week 30-31,” say Thijs Terwindt, responsible for import from Peru with Van der Lans International. According to Terwindt, the volume of Peruvian minneolas is lower than usual this year, in part because trees have been cut down as a consequence of results in the past. “The market is good, currently. Supply of clementines is limited, making the minneolas a good alternative. Two weeks ago we started with prices around 17-18 euro for the first arrivals, and by now prices are around 15-16 euro. While South African minneolas are also available, their colour and quality is not as good.” “The quality of the Peruvian minneolas is fine. The colour is not dark orange, but every shipment is improving…The minneolas are popular in domestic retail in particular, but also on the Belgian, British and Scandinavian retail markets.”
[Freshplaza.com; 7 July 2016]