Global Citrus Scan (2017_19)

John Edmonds (26 May 2017) Citrus Growers Association (CGA)

Andres Ribas, Vientosur: "A good citrus import-season expected in Europe"

"We expect again a nice overseas citrus season in Europe, but with many different factors", shared Mr. Andres Ribas van Oosterom, Vientosur's Managing Director. "Even if all the citrus from the southern hemisphere will be ready to export a few weeks earlier, the northern hemisphere is experiencing an earlier end of the citrus season on each commodity on average as well. Therefore, in general we should not expect a market crash between north and south productions offers in Europe, but almost empty markets for the first arrivals." "South Africa, as the biggest citrus export country from the southern hemisphere, has mostly recovered from last year's shortage …South Africa is now not only trying to prevent CBS (Citrus Black Spot) strikes in the EU, but also now the FCM (False Codling Moth)…this will definitely add risk (and costs) for the RSA to export to the EU and will surely slow down some export volumes intentions to this market … "Together with an earlier than expected end of orange imports from Egypt and Morocco, and thanks to the Ramadan period that starts at the end of week 21, the remaining exportable volumes at those origins will require higher pricing…On the other hand, Spain and Morocco expect a much smaller sizing this year, which will make it more difficult to market them." "In contrast, Argentina and Uruguay seem to be experiencing a lower production level this year in oranges, but on average…it has been affected by a 15% drop in oranges. Also a bigger demand for Uruguayan oranges from the USA is to be expected." "To summarize, it seems that Europe promises a high level pricing entry for the southern orange productions and will probably remain at the last 2 years average pricing", concludes Andres. "Regarding grapefruit, South Africa is the only significant player that targets Europe during its summer. Our market so far has broken price records and expectations for the first arrivals, thanks to an empty market of grapefruit from Spain, Israel, Turkey, Cyprus and Florida. In the past month, Europe has sold 20% less grapefruit volumes, because of higher prices and very limited availability. Now some more real RSA volumes are shipped to Europe and the prices will definitely drop down a bit to the last 2-year average selling prices and volumes." "Speaking about soft citrus, thanks to a lower production of RSA, early varieties, and an earlier season end of Morocco and Spain, the European market is performing stronger than average so far. Even after Peru doubled their exports to the EU, these extra volumes have not compensated the shortage of thousands of pallets…" "Last but not least, the 2017 recovered Verna lemon production from Spain, threated to crash with the first lemon shipments from Argentina. Even RSA is having an earlier production peak this year and has so far avoided the EU for -50% of the volumes until now…Added to that, in the last weeks Argentina has experienced many difficulties to get their volumes on the water." "First focusing on Russia, the eastern EU, the Middle East and some to the Far East, now heading back to EU as well, faces circumstantial problems like rains to harvest, union strikes (on all operational and logistic activities) and a lack of empty containers at the Buenos Aires port. Altogether these have given much more space to Spain to market their remaining (substantial) volumes correctly during May and June. Now we expect a much more normal season than in 2016, which has been surreal regarding prices and starting volumes…", explains Andres.
[Freshplaza.com; 22 May 2017]

Chile: Lemon season is delayed by three weeks

According to information provided to SiMFRUIT by the ASOEX Citrus Committee, the 2017 Chilean Lemon Export Season began in week 18 - three weeks later than last season - with the shipment of 5,760 boxes of Genova lemons to the western coast of the United States. In week 19, the volume increased to 19,152 boxes (330 tons), 59% of which was sent to the United States (84% of this volume to the West Coast and 16% to the East Coast), while the remaining 41% was sent to Japan. According to the Committee, the lemons harvested so far have a good quality, color, and juice content. On average, their sizes are bigger than the sizes obtained last season. The fruits are expected to have a size that ranges between 115s and 165s, and most of them are around 140s. So far, the Chilean lemon industry has exported a total of 52,200 boxes of lemons (899 tons), i.e. 37% less than at the same time last season.
[Freshplaza.com; 22 May 2017]

Early finish for Egyptian Valencia oranges

The Egyptian season for Valencia oranges is virtually finished. According to Dalia Gamal of Sonac, the season was better than last year. "Sizes were average and we had good volumes for all markets. We started out with medium prices that got stronger as the season went on. We did have to deal with a reduction in volume by 20% due to weather conditions," says Dalia Gamal…According to Dalia, the market will be very empty the moment South African oranges hit the market…The season for Navel oranges finished earlier as well, in the first week of January. The Valencia season started three weeks earlier than normal. There was a lot of demand for Egyptian oranges from Europe and Russia, with Europe having shortages due to the frost at the beginning of this year. "Europe usually demands big sizes, while we can supply all ranges and sizes of oranges. The demand in Europe brought a balance in prices with regards to the Far East," says Dalia.
[Freshplaza.com; 19 May 2017]