Global Citrus Scan (2017_23)

John Edmonds (23 June 2017)

Citrus Growers Association (CGA)

South African grapefruit volume estimates down

South Africa… has adjusted the initial red grapefruit, primarily Star Ruby, estimates for the season from a total of 12.4 million 17 kg cartons to 11.7 million cartons… "We had a quicker start to the season with substantial volumes shipped from weeks 15 to 18 driven by strong early demand, given the early end to the Florida season. Additionally, grapefruit reached optimal ripeness levels earlier this year and we're about a million to 1.2 million cartons ahead of where we were last year," says Jan-Louis Pretorius, chair of the Citrus Growers' Association Grapefruit Variety Focus Group. "There's an interesting dynamic in the grapefruit market as we have no competition for 15 or 16 weeks and this is part of the reason why we were able to steer ourselves out of a dilemma after 2014 when our grapefruit was obtaining sub-optimal, unsustainable prices." "I expect that the volumes remaining for the rest of the season will be on par with the volumes of last season, which was a very successful year. I see no reason for concern regarding grapefruit volumes and from here on out it will probably reduce drastically every week…If we can release grapefruit stock at a sustainable tempo until around week 28 or week 30, there's no reason to stress about the volumes," Pretorius says.
[Freshplaza.com; 23 June 2017]

Chilean Nadorcott exporters have "room to grow" in Europe

Chilean easy peeler shippers may be heavily focused on the U.S. market for now, but a representative of BioGold Sudamerica believes there are opportunities to greatly expand Nadorcott exports to Europe. "Chilean exporters are already starting to look for new markets," the entity's product manager Beatriz Araya told Fresh Fruit Portal…Last season, the U.S. received more than 90% of Chilean mandarin exports, with Europe only receiving around 5%, she explained. This season exports of late mandarin varieties are expected to hit 65,000 metric tons (MT), which would mark a 25% year-on-year rise. The figure is expected to rise to 100,000MT by 2020. Total mandarin and clementine plantings are estimated to be around 6,000 hectares, of which 4,000 hectares correspond to late varieties, with Nadorcott variety – or W. Murcott – representing 90% of the late harvest…"If you look at the seasonality of shipments from the Southern Hemisphere, you realize that Chile and Australia arrive toward the end of the season, when volumes from Peru and South Africa – the main suppliers of the variety – strongly decline," she said. "This is why we think that Chile has room to grow."…
[Freshfruitportal.com; 22 June 2017]

Lemon oversupply in Europe from all producer countries

According to Enrique Fuentes…from Murcia, the Spanish lemon sector's fear of having an oversupply of Verna lemons… has become a reality; not only because the harvest in Spain was almost twice as big as in the last summer, but also because other producing and competing countries have also filled the market with significant volumes…In addition, Argentina sent its lemon to Europe prematurely this year, because of the high prices there were in the European market. The Argentine lemons were available in Russia and started reaching other European ports in early May, when they usually start arriving in June. Meanwhile, Turkey, which ended its harvest a few months ago, has been storing its lemons in caves, as it usually does, and has been pushing its supply in some bordering markets," he said. Another circumstance to take into account is the abundance of non-commercial calibres, which regulates the supply depending on the market… If we discount these calibres, we could say that there is no oversupply in several destinations, such as France or Germany. However, there is an oversupply in Eastern European countries, where marketers make their purchases based on prices," he said…Enrique Fuentes said that in the coming seasons, the volumes of lemons of Spain and South Africa could increase significantly, if the weather conditions were right, given the growth in the surface of cultivation. Meanwhile, Argentina and Turkey would grow at a more moderate rate…
[Freshplaza.com; 16 June 2017]

Russian market plagued with bad lemons

A large amount of lemon shipments from Argentina and South Africa are flooding the Russian market. "This year has been very difficult for citrus in Russia. There was a large shortage of lemons last year which meant that producers and Russian importers alike, earned good money. I think that many were hoping to repeat the situation this when buying and now we have around 60% more volume compared to last year, which has brought really low prices. There is just way too much supply to meet demand." shared Andrey Volkov from Tropic International. Prices continue to drop, last week lemons were selling between 110-120 roubles per kilo and the prices this week are ranging between 70-80 roubles, which is below cost price. To make matters worse, Andrey said that they have been faced with some severe quality issues with the lemons coming out of Argentina. "The lemons coming from our South African suppliers are fine. We have a good relationship with them and they send exactly the quality we request. Unfortunately it hasn't been the same for our Argentinian exporters, with the exception of a few, so we will be making some decisions soon on whether or not to continue doing business with certain suppliers…
[Freshplaza.com; 14 June 2017]