Global Citrus Scan (2017_25)

John Edmonds (5 July 2017)

Citrus Growers Association (CGA)

U.S. imported citrus market robust across the board

Many of the citrus categories are faring well in the U.S. market at present, with price levels higher than what would typically be expected at this time of year. That is according to Capespan North America CEO Mark Greenberg, who last week gave Fresh Fruit Portal the low-down …He explained while Navels would normally be competing with California, which has traditionally stayed into the U.S. market deep into July and kept prices 'in check', this year rains affected production and resulted in an earlier finish than normal. "There were actually a few weeks when Navels were almost non-existent in the market, so with the arrival this past week of the first substantial imports from South Africa we're seeing a very strong Navel orange market and it will probably stay strong for some time," he said. "The Chileans will also start landing heavier volumes of Navel oranges in the U.S. – some have already arrived, but the bigger volumes will come the further we get into July." Overall he anticipated a season that showed generally higher prices than in previous years, probably along with lighter volumes from both Chile and South Africa. He largely attributed Chile's potential reduction to rainfall over recent weeks and South Africa's due to substantial fruit drop in the Eastern Cape. In a report from week 26, he explained Chilean shippers were expecting the rains to shave off around 20% of the Navel crop taken from the field, with perhaps another 10% to be lost at packing. He also said prices for Navels of sizes 40, 48 and 56 were around US$30-34 per carton. As for easy peelers, Greenberg highlighted the import season actually started off with slightly lower prices than he would normally expect, as the California crop didn't end as early as the Navels. But he said prices had been rising since around mid-May. "Up until this week we have seen very solid pricing on clementines," he said, adding he expected them to stay so for a while…"…I think the absence of Navel oranges focused a lot of attention on the soft citrus." Going forward, he anticipated higher levels of soft citrus to arrive from Chile and Peru…By week 21 Chilean easy peeler shipments to the U.S. were up 29% year-on-year, but by the end of week 25 they were around 9% down, he explained in the report. He said Chile's total clementine shipments to the U.S. could be as much as 15% down on 2016…Through week 25 he said prices for standard size clementines were in a comfortable US$34-36 range. He said lemons were doing "very well", with Chile the main exporter supplying the market at present. But it seems Argentina has not yet been able to carry out its inaugural shipment after recently regaining market access…"… The market is quite strong and will probably remain strong through the middle of August, I would guess because that's when the California desert lemons start to arrive…Large-sized lemons were trading at around US$40-48 per carton in week 26.."
[Freshfruitportal.com; 4 July 2017]

Mexico: Italian lemon production increases by 40% in Tamaulipas

Italian lemon planting grew by 40 percent in the municipalities in the central area of Tamaulipas, stated Javier Ibarra Echartea.Ibarra Echartea, who is the leader of the citrus sector of the social sector of the CNC, said that the area devoted for the production of this type of citrus went from 3,500 hectares to just over 5 thousand hectares…"Currently the lemon is in full development and the harvest will start in August, which is expected to produce 140 thousand tons."…He acknowledged the efforts of the citrus growers to find a market for export, as this has allowed Tamaulipas to position itself in the United States and Europe…
[Freshplaza.com; 30 June 2017]

Egypt causes citrus prices to plunge, affecting the Spanish campaign

Sources of the Citrus Management Committee (CGC), the association that brings together the main Spanish private exporters, have been trying to find an explanation for the presence of Egyptian oranges in Spain when the campaign is still on-going…The Valencia Late, for which Valencian growers receive between 0.30 and 0.50 €/kg, arrive from Egypt at that same price…The figures processed by the CGC reveal sales to the EU market of up to 270,000 tonnes in the last complete season (2015/2016), when only three seasons earlier (2012/2013) this figure barely reached 180,000 tonnes. Imports have therefore grown by 50%. And this season…this growth rate has accelerated even more, as until March, the EU imported almost 19% more tonnes of Egyptian citrus than in the same period last year… it is already clear that, by offering lower prices, they are gaining ground in the market, mainly in Eastern Europe, in countries like Bulgaria, Poland or Romania," explained the representatives of the CGC…In October 2016, the Egyptian government offered 210,000 hectares in new cultivation areas as part of its effort to recover 630,000 hectares of marginal and desert lands in the southern Nile for agricultural use. Large companies, some of them with clear experience in exporting to Europe, have shown an interest in acquiring immense new areas for cultivation, many of them for the production of citrus.
[Freshplaza.com; 30 June 2017]

Argentina resumes citrus exports to Brazil

The Ministry of Agribusiness of the Nation confirmed that exports of lemons to Brazil had resumed after Brazil reopened its market for Argentine citrus fruit last month, eight years after having banned the imports for health reasons…According to estimates by the Ministry of Agribusiness, last year Brazil imported 28,000 tons of sweet citrus (oranges and mandarins) and 1,440 tons of lemons. Their main suppliers are Spain and Uruguay…
[Freshplaza.com; 29 June 2017]