Global Citrus Scan (2017_26)

John Edmonds (14 July 2017)
Citrus Growers Association (CGA)

Large supplies and stiff competition complicate South African lemon campaign

It has been a difficult lemon season for South Africa with one exporter calling the Russian market "a mess". In the Western Cape…some exporters try to avoid Russia and rather send to the European Union (because citrus black spot isn't an impediment), the USA or the Middle East. Exports haven't been helped by a Rand that…remains remarkably strong. The European Union has proved equally challenging, with Spanish Verna lemons remaining on the market for longer, further aided by their short transport time to market…"The season started off high but there was a big collapse in prices on the Russian market because of oversupply and competition from South America," says Stephen Paulsen of Emex International, who markets lemons grown in Limpopo…Pierre Hough of Goede Hoop Citrus in Citrusdal mentions that they don't encourage their growers to invest in new lemon plantings. "It's too much of a risk, with all the volumes expected to come in, so lemons make up less than 10% of our portfolio. We send some to Europe, some to the Middle East, but not to Russia."…Hannes de Waal, managing director of the Sundays River Citrus Company (SRCC), expects most volumes to come in before week 36 and the season to end a month earlier than usual. With the decreased navel volumes in the Eastern Cape there was more labour available to pick lemons, but, De Waal notes, picking has slowed down a bit during the past two or three weeks but lemons can't be left hanging in the orchard, unlike grapefruit, which makes it difficult to space out the volumes. "The lemon season has been volatile, it's true, but it's a commodity and like all commodities it's subject to commodity cycles," he continues. "With all the new lemon plantings – and there are orchards being planted, especially in the winelands, that aren't registered so we don't have the complete figures yet – there will be a shake-up sometime in the future when volumes are too high. Ten years ago the lemon industry wasn't doing well but since 2008 there has been a tremendous increase in lemon consumption worldwide. There is still so much positive work that can be done to promote lemon consumption domestically and worldwide, as well as research into its health benefits that I think we are blessed. We do a lot of empowerment work, we deliver a good product, but as I often tell farmers: build your reserves. You have to be ready to adapt." He says he is positive that the American market will open to the greater South African lemon industry at some point in the future.
[Freshplaza.com; 12 July 2017]

Wind damage to Midknight Valencias in Eastern Cape

The exceptionally strong winds that swept through the Cape a month ago have left their mark on the citrus orchards of the Eastern Cape, particularly on Midknight Valencias, of which volumes are estimated to be between 500,000 and a million cartons down. "We had storm-strength winds from the west for 48 hours continuously and this basically burned the trees on their western side to such an extent that leaves fell off, followed by the fruit," says Deon Joubert, chair of the CGA Valencia variety focus group. "Such strong winds are a rare occurrence, something we see maybe once in twenty years." Late navels, primarily Cambria, were less affected. The reasons for the damage on Midknights are due to two factors: citrus trees on the rough lemon rootstock were more protected against the dehydrating effect of the winds due to stronger sap flow, replacing moisture within the leaves and fruit cells, but most Midknights are on Carrizo rootstock. Also, Midknights have large leaves, making them more sensitive to adverse climatic conditions. It hasn't been an easy citrus season in the Eastern Cape. Now that the early navels have been picked, the damage due to splitting (due to exceptionally hot and dry conditions during flowering and fruit set) and subsequent opportunistic infections, is calculated at 50% overall. In the Gamtoos Valley which was less affected, the navel crop is about 40% down, while some growers in the Sundays River Valley saw losses of up to 70%...On the bright side, the dry conditions mean that the internal quality of the late fruit like Cambria and Midknight is fantastic, with very high brix and good ratios, says Snyman Kritzinger, general manager of Grown4U. Also, night temperatures are sufficiently cold for good colouration. Valencias are two weeks earlier than usual while it's expected that the lemon harvest will end about a month earlier than other years. Sizes on lemons are small which, together with large volumes going out, put prices under pressure in markets that take the smaller counts… Deon Joubert reckons that one can expect a 20% decrease over all citrus varieties in the Eastern Cape this year. At least the more 'difficult' varieties are over…Cambrias, Midknights, lemons and Nadorcotts, with a smattering of grapefruit – are traditionally easier fruit to market.
[Freshplaza.com; 11 July 2017]

Notable rise in Mexican lime exports to Europe

…Mexican lime shipments worldwide rose by 7% in the first four months of 2017, with major market the United States importing an extra 8,120 metric tons (MT) compared to the same period last year and European customers demonstrating a huge increase in demand. Mexican statistics service SIAVI shows exports to the U.S. were up 5% at 166,667MT, and sales to non-U.S. markets rose 70% to 9,440MT. The Netherlands accounted for the lion's share of this increase, more than doubling its imports of Mexican limes year-on-year to a level of 5,808MT, while France's imports rose 20% to 919MT and Spain's import volume was more than 10 times higher at 352MT. The Dominican Republic went from importing no Mexican limes for the period in 2016 to 289MT this year, but declines in imports were seen in Canada (-7.6%), Japan (-3.2%) and the U.K. (-64%)…
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