Global Citrus Scan (2018_26)

John Edmonds (29 June 2018) Citrus Growers Association (CGA)

SA grapefruit: not a healthy market in Europe

South African grapefruit exports stand at 8.5 million 17kg cartons shipped by week 25, while initial reticence regarding the grapefruit season has given way to more positive sentiment. In the beginning colour development was slow and the fruit was small but of late, fruit have sized up. Last week the grapefruit estimate was upped to 15.7 million 17kg cartons, from 14.8 million 17kg cartons, as packouts have increasingly improved as a result of both colour and size distribution progressively improving. In the Letsitele area alone the estimate has been raised by 600,000 cartons. “I don’t think there’s too much fruit. We’re back to a normal crop, with 60 to 65% already shipped and 70% packed,” says Rowan Vickery, head of citrus at Capespan South Africa. “We’re very lucky – the quality’s exceptional this year, with a long shelf life, and the South African industry has been approaching the marketing responsibly. There will be a pause in grapefruit packing of about four weeks, while most of the guys switch over to their early Valencias (they’re colouring up very nicely), and then going back to grapefruit towards the middle to end of July.” This lull in grapefruit packing will allow fruit still hanging to further improve in terms of size.

“In every conversation with producers since the start of the season, sentiment has been turning more positive,” says Jan-Louis Pretorius, chairperson of the Citrus Growers' Association grapefruit focus group. “Initially a substantial percentage of the fruit was too small for export but fortunately grapefruit keeps on growing, which is why we have seen a consistent improvement in the size and packouts.”…“In general fruit was smaller than we expected which has already had a big impact on marketing,” says Piet Smit, managing director of the Komati Fruit Group. “A lot of small fruit has already been exported, even some unpopular counts like count 60 for which there usually is no demand, which has caused some blockages in the European market, resulting in problems in terms of pricing and sales tempo. These unpopular, unwanted counts land in the hands of the traditional traders who, when the fruits don’t sell, lower the prices to move stock. It’s not a healthy market in Europe.” Rowan Vickery adds that there is a lot of cheap local summer fruit on the European market as well as Spanish late navels and Valencias from Spain and Egypt, all jostling for space in the consumer basket…“If you serve a wide distribution of markets and you’re not just dependent on European traders, you can have a good year,” Piet Smit comments. Pieter Vorster of Mahela Boerdery in Letsitele says that after a slow start regarding colouring, with small calibres, they are now peaking on size 50, followed by 45, 55 and 40…“In the Far East, like China and Korea, South African grapefruit obtain good prices but the markets take low volumes. It’s an established market and we’d like to send more to the Far East.”…To that end, the Citrus Growers’ Association, in partnership with the Fresh Produce Exporters’ Forum and the economic section of the South African Embassy in Seoul, will be promoting South African grapefruit at 36 Emart stores, the largest retailer in South Korea, from 13 to 15 July.

“South Korea is a very important, growing market for our grapefruit and through this generic promotion, which will be primarily focused on tasting sessions, we aim to position South African grapefruit as the equal of the Florida grapefruit with which they’re more familiar,” says Jan-Louis Pretorius…

[freshplaza.com; 28 June 2018]

Australia dodges citrus greening disease

A plant disease currently not present in Australia has been detected an illegal import of citrus budwood…“Citrus Australia is thankful that the recent interception of citrus material by biosecurity staff at Brisbane airport has prevented Huanglongbing entering Australia,” said CEO of Citrus Australia, Nathan Hancock…The Australian government today also announced an additional AU$137.8m (US$100m) toward national biosecurity. Of that, $36.5 million will be allocated for a team of biosecurity analytics specialists to help determine which passengers, countries and imports are likely to bring in pests and diseases…

[www.freshfruitportal.com; 29 June 2018]

Spain wraps up “difficult” citrus season in China

Spanish citrus exporters faced a challenging campaign in the Chinese market during the 2017-18 season, with low prices that were mainly attributed to quality issues and fierce competition. Alice Li, development director of the Asia Pacific region for Murcia-based exporter Gruventa, said Spanish citrus production volumes had been similar to the year before but noted weather-related problems had led to inconsistent quality at the beginning of the year…Li explained that…more serious problems emerged after cold treatment and a 30-day voyage to China…Strong competition from both Chinese and Egyptian oranges led to a sharp price decline, in some cases even falling to half of the normal levels…It was not until around mid-May this year that the market conditions improved and the per-box price rose above RMB200 (US$31), she said. The domestic citrus industry in China has developed rapidly in recent years, limiting opportunities for imported fruit. The local season tends to come to an end after Chinese New Year, which usually takes place in February or late January. However, the domestic season extended much longer than normal this year, with some late-season oranges even being sold in May. Egyptian citrus typically enters the market in heaviest volumes during Chinese New Year, and often sells at low prices…

[www.freshfruitportal.com; 22 June 2018]