

Global Citrus Scan (2018_39)

John Edmonds (14 September 2018)



Citrus Growers Association (CGA)

South African Valencia suspension to maintain zero CBS interceptions

By the end of August there had been zero interceptions of citrus black spot on South African citrus reaching the EU, placing the industry in a favourable position in which it would like to end the season. Therefore it was decided, in conjunction with the Fresh Produce Exporters' Forum and the Department of Agriculture, Forestry and Fisheries (DAFF), to pro-actively close the export season on late Valencias on 22 September 2018. "South Africa has decided to err on the conservative side," says Deon Joubert, Citrus Growers' Association EU envoy. "It's been a fantastic year, for both CBS and FCM interceptions, and it shows the degree to which the entire industry has worked together." By the end of August there had been four interceptions of FCM, a tremendous decrease from previous years when it hadn't yet been a quarantine pest in the EU...The reason to only suspend Valencias is based on reputable data that late Valencias are the only commodity which presents an increased risk of CBS interceptions late in the season, says Deon Joubert. Late mandarins and lemons do not present a similar risk and therefore their EU exports remain unaffected...

[Freshplaza.com; 11 September 2018]

Sundays River Valley concludes very challenging season

It has been another difficult season in the Sundays River Valley, with slumbering labour unrest (against the background of 'expropriation without compensation') and a drought, the impact of which was more severe than anticipated, coupled with a slack market for most citrus categories except lemons. Three weeks to go, with the last of the Valencias and grapefruit being packed, and export volumes are reckoned to be between 10 and 20% lower, says Hannes de Waal, managing director of the Sundays River Citrus Company, but in terms of returns the outlook is more favourable, primarily because of lemons. "The lemon markets pulled us through, and it was strong because of Argentina's enormous problems with quality." "The orange market was never spectacular, with Egypt staying in the market for so long, but on large counts the Valencia price isn't bad. Problem is, we mostly had smaller counts, and Valencia exports will be 8 to 10% down on last year which is unheard of, since we had the heat and wind damage on the Valencias last year." As for grapefruit, of which the Sundays River Valley is not a dominant producer, in total South Africa had 2 million cartons more on the market, also smaller counts, making this a very difficult season. The Rand has weakened by 7% over the past month as all developing markets were hurt by the woes of the Turkish lira and the South African economy is officially in recession, it was announced this week. "We believed, as many economic advisors did, that the Rand would move to R10 or R11 to the US Dollar [it's R15.42 today], so we're not benefiting much from the current weakening."...Last week employees of the Sundays River Valley's citrus operations were forced to miss one day of work when a group of South African National Civic Organisation members prevented buses from taking people to work. It's a case of 20 people holding 40,000 hostage, as Hannes de Waal puts it...the attempts to disrupt citrus operations are part of a larger picture of political struggle and can be viewed in the context of upcoming national elections and the populist rhetoric of the expropriation campaign. There are between 40,000 and 70,000 people living in the Valley, of whom approximately 40,000 are employed by the citrus industry..."I do think the disruption is over for the year," De Waal concludes, "but after this season, we're really looking forward to next season."

[Freshplaza.com; 6 September 2018]

Ailimpo predicts stable grapefruit crop

Murcia-based interprofessional body Ailimpo has released its Spanish grapefruit production estimate for the 2018/19 season, predicting a crop of 76,000 tonnes for the campaign, similar to the 76,104 tonnes harvested in 2017/18... "It is expected that Spain's commercial position will continue to strengthen in the EU, where it has already surpassed Florida and Israel in market share," the organisation stated. The season should start with larger-graded fruit to satisfy early demand, Ailimpo noted, while the country waits for the end of stocks of smaller grades from South Africa, as well as the end of the Mexican campaign...

[www.fruitnet.com/eurofruit; 6 September 2018]

Brazil's orange crop estimate cut by 5 pct due to drought -report

SAO PAULO, Sept 10 (Reuters) - The 2018/19 crop of oranges in Brazil's main producing belt will reach a lower-than-expected 273.3 million boxes (40.8 kg each), according to a projection from research body Fundecitrus released on Monday. The estimate is 5.2 percent smaller than a previous projection...because of drier-than-normal weather in the producing area between May and July, which led to smaller fruits...Brazil is the world's largest producer and exporter of orange juice. Harvest in the current cycle has reached 36 percent of the area...

[www.reuters.com; 10 September 2018]