Global Citrus Scan (2018_40)

John Edmonds 21 September 2018) Citrus Growers Association (CGA)

U.S. pricing reflects greater orange imports from Chile, South Africa

High volumes of imported oranges in the U.S. market over recent months have been reflected in market prices. Chile, which has shipped 96% of its oranges to the North American country, saw a 13% rise in volumes this year through August to a record 74,182 metric tons (MT). This marks a significant rise from the 2015 season when just 48,470MT were exported. Meanwhile, South Africa, which ships a small proportion of its oranges to the U.S., saw a 22% increase in overall Navel exports through week 35 to 381,000MT. USDA figures show that orange arrivals from South Africa through August doubled year-on-year to 25,290MT. The result of these increases from two of the U.S.'s key orange suppliers has been significantly lower prices compared to last year, according to USDA data. For South Africa, prices started out at the end of June around US$28-29 for a 15kg box but decreased as the season went on…By the first week of September, prices for South African oranges had fallen to US$13.40 per box – a massive 37% lower than 2017 and 13% lower than the three-year average. Chile faced a similar situation, with average prices in July between 6-9% lower than 2017 and only slightly below the three-year average…
[Freshfruitportal.com; 20 September 2018]

Challenging Valencia campaign could require market assistance

South Africa still has significant volumes of Valencias that need to be marketed, but there aren't a great many markets pulling significant volumes and therein lies the challenge, says Rowan Vickery, Citrus Executive at Capespan South Africa." There are opportunities, but they are only opportunities if the price is right. The period after the Mid-Autumn Festival in China could be an opportunity, while the Middle East is fairly stable, but we don't know for how much longer. Meanwhile the Northern Hemisphere's navel crop is coming on apace. Bangladesh is another market taking our Valencias." The Western and Northern Cape can still continue with Valencias to the EU, as they're free of citrus black spot and unaffected by the decision to pro-actively end the export season of Valencias from summer rainfall areas by 22 September, but the added export duty from mid-October may not make it worthwhile for much longer…In Russia the sales and consumption haven't been great…South Africa has in some cases over-shipped unwanted counts and it's then unrealistic to expect high prices if receivers can't shift volumes. One needs to take the long term view, to nurture partnerships in order to be the preferred supplier, both individually and as a country, in our established markets… However, he points out, there's more to it than sending more than markets could absorb. "There's been a combination of factors – the global economy, and plenty of inexpensive Northern Hemisphere summer fruit like stonefruit, berries and melons, coupled with, on our side, a very different crop from what we initially expected, both in terms of volumes and in terms of counts." In the major Valencia production areas in the north of the country there was a heavy crop set – as much as 20t per hectare more than last year, in some cases – but it came with the corollary of smaller sizes. The early Valencias were slightly larger but late Valencias are half a count to a count smaller than last year…In the Western Cape, because of the drought, there was a lighter crop set, yielding bigger fruit. And then there's Egypt, on the doorstep of Europe and the Middle East. "Egypt can react quicker to changes in the market while we have four weeks' worth of fruit on the water, and this year they had a record crop and they remained in Europe and the Middle East as late as the end of July. Egypt was a major price influencer this year."…One factor that the South African industry has been able to control admirably is false codling moth. "We have it well in hand and we've done an incredible job, driven by all of the additional practices brought in at the orchards and the packhouses, as well as the new shipping protocols."
[Freshplaza.com; 13 September 2018]

EU to maintain stronger checks on Turkish lemons in 2018-19

The European Commission (EC) has decided to maintain the reinforced controls on Turkish lemons for the 2018-2019 season beginning in September, according to Spanish grower association AILIMPO. AILIMPO said the checks are aimed at ensuring compliance with EU rules on maximum pesticide residue limits, as the EC believes they still constitute a risk. They will remain in place on a minimum of 10% of batches imported into the economic bloc…AILIMPO said Turkish lemons will be subject to the stricter controls until at least the end of the year..."…
[Freshfruitportal.com; 17 September 2018]

Bumper California navel deal predicted

…the California navel deal is looking to be the most fruitful in volume since the 2005-2006 season. The news comes with significance as total land volume this season is down 8,700 planted hectares from ten years prior…The survey predicts the initial 2018-2019 navel orange forecast is 80m cartons, up 11 percent from the previous year…
[www.fruitnet.com/asiafruit; 13 September 2018]