Global Citrus Scan (2019_17)

(John Edmonds 7 June 2019) Citrus Growers Association (CGA)

RSA: Citrus exports might offer some relief

South Africa's economy shrank by 3.2% in the first quarter of 2019 compared to the last quarter – the worst performance in a decade. The nation could already be in a recession, with little evidence that the economy has caught fire in the second quarter…"The economy [is] no larger in 2019 Q1 than it was a year earlier. This data release reflects poorly on president Cyril Ramaphosa's 'economic stimulus and recovery plan', launched in September 2018," PricewaterhouseCoopers said in a report. The rand took a painful hit following the GDP release, falling almost 2% to R14.76/$. The second quarter should see a strong boost from agriculture, with the citrus industry on track to reach record exports of 137 million boxes this year due to large output. Citrus farmers have only started with their harvest activities in the second quarter. However SA's agricultural industry will probably still shrink over the whole year. This is due to dry weather in the central and western parts of the country which will hurt major summer crops such as maize, soybeans, and sunflower seeds.

[businessinsider.co.za; 5 June 2019]

Egyptian citrus exports at 1.6 million tons since beginning of season

Egypt's citrus exports have grown to 1.6 million tons since the beginning of the season as indicated in a report issued by the Central Department of Agricultural Quarantine at the Ministry of Agriculture…In January, the Cabinet's media center denied reports on a drop in Egypt's agricultural exports of citrus fruits, clarifying that Egypt's exports of citrus fruits had surged in 2018, as Egypt is reportedly the world's second exporter of citrus fruits…

[Freshplaza; 5 June 2019]

Chilean clementine season sees greater volumes of early varieties

The Chilean clementine season is running slightly ahead of last year despite expectations for a year-on-year drop overall. Juan Enrique Ortúzar of the Chilean Citrus Committee told FreshFruitPortal the country had so far shipped around 10,000 metric tons (MT). Growers have harvested around 17% of the crop, compared to 15% by this time last year. But Ortúzar said that the increase "does not reflect the forecast decline of 8-10% estimated by the Committee". According to Julio Cornejo, a citrus advisor, the increase to-date is due to greater supplies of early varieties. In addition, he said that the fruit sizing is coming along "quite well". Growers have made an effort recently to achieve the best sizing possible, he explained….The industry is expecting to harvest around 58,000MT, slightly under last year's number…As for the market response for Chilean clementines so far this season, Ortúzar said that everything has been going well…However, he noted that Chile still focuses too heavily on the U.S. market and is seeking growth elsewhere. "I think that getting into China is important. It's going to give a new boost to citrus and it's possible that we develop new lines of products a bit different from what we have planted for the U.S. market," he said. "We're going to have to be aware of the preferences of the Chinese market that really values sweet fruit with low acidity." One of the key issues in the Chilean soft citrus industry at the moment is finding a variety that fills the window after clementines finish and before mandarins start. "Although clementines and W. Murcott mandarins can supply the market during the citrus season, we're missing a variety that can cover the gap between them," he said.

[freshfruitportal.com; 28 May 2019]

Cautious approach for RSA citrus to Bangladesh

South African exporters will approach the Bangladesh market with extreme caution this year following the citrus debacle at the end of 2018 where there were issues with oversupply. Exporters expect the market to return to normal once the Valencia season gets underway, but they agree they cannot do without supplying Bangladesh because of the overall position it plays in the chess board of marketing in the East. "Bangladesh prefers smaller sizes of fruit and that is why it is so important for South African exporters in the region," one exporter told Fruitnet. Towards the end of last year, it was reported that an influx of South African citrus into Bangladesh put a stop to all fruit imports for three months. South African citrus sources had been reluctant to discuss the matter but stated importers failed to pick up the fruit they had ordered. Reports stated an unprecedented volume of South African citrus in October blocked Chittagong port and crashed the import market. According to three leading importers, this forced traders to halt all fruit orders from November to January. They described Bangladesh's import market situation as a "disaster", with importers and exporters alike suffering "huge losses". Now it is a new season, the situation seems to have returned to normal and lessons appear to have been learned…

[freshfruitportal.com; 28 May 2019]