

Global Citrus Scan (2020_16)

(John Edmonds 5 June 2020)



Citrus Growers Association (CGA)

South African grapefruit industry pulls back exports after speedy start

About two-thirds of South Africa's grapefruit crop has been exported in a season, which got off to a sprint but has since settled into a steady jog. If the grapefruit season can be stretched until the beginning of August, growers could benefit from the traditional upswing at the tail end of the season. The early start to the South African grapefruit season and subsequent high shipment volumes initially caused some negative sentiment in the market, with some buyers expressing disbelief that the season was simply really early... Since week 19 packing rates have slowed down, bringing grapefruit shipments in line with previous years... In northern Europe, the market is fairly strong, except on larger counts. Japan has also received significantly more counts 35 among the higher volumes that have gone there and there has been nervousness regarding the market's ability to absorb traditional volumes. China and Hong Kong, too, received a higher proportion of larger-sized fruit, counts 35 and 40, also a lot of 45s, but the market is holding up well. Demand from South Korea is good but rejections of non-compliant consignments and associated forwarding problems are hampering a constant flow of supply, notes the grapefruit focus group. In Russia grapefruit prices are on a steep decline due to the large volumes sent at the beginning of the season. The Middle Eastern market seems saturated, even though cumulative volumes this year are lower than past seasons. Most South African grapefruit producers have Valencias as well, and given the sheer volumes of Valencias that will be ripening soon, some packhouses will use the opportunity to stagger their grapefruit packing while some may prefer to get their grapefruit packing out of the way, even if not ideal from a marketing viewpoint. Like last year, a concern has again been raised that some fruit packed for processing do not end up at processing facilities but instead are marketed in competition with higher-grade fruit, a practice which is to the detriment of the entire grapefruit industry, the focus group points out.

[Freshplaza.com; 2 June 2020]

Rapidity of lemon increase takes South African industry by surprise

...The lemon estimate for this season stands at 27.6 million cartons. South Africa's largest lemon production area, the Sunday River Valley in the Eastern Cape, for instance, exported 10.2 million cartons of lemons last year – this year it's expected to be 12 million. Packing is approaching the halfway mark in this area. Many areas have experienced close to a doubling of their lemon volumes this year. The Senwes area, second largest lemon production area, is winding down its lemon harvest which could end above its estimate of 5.1 million cartons. It has been a difficult season in which to experience a surge of volumes, with no demand from the juice or the food service sectors. South Africa's saving grace this season has been that Spain and Turkey were out early. By the end of week 21 South Africa had sent 275% more lemons to Europe and 395% more to the UK than at the same point during the previous season. There has been a 20% drop in the amount of lemons going to South East Asia, when compared to last year up to this point. The Middle Eastern lemon market has crashed. It has received almost half of South Africa's lemons, particularly small counts. Exporters are gritting their teeth and hoping for a stabilisation of the market over the coming weeks...

[Freshplaza.com; 1 June 2020]

Spanish citrus campaign ends strongly

The sharp rise in sales for Spanish citrus seen during the latter stages of the season have failed to translate into significantly better returns for Valencian growers, according to one of the region's agricultural unions, La Unió de Llauradors... the union said the price increases seen in later varieties had not been enough to offset the smaller crop. The effect was compounded by the fact that most sales contracts had already been agreed prior to the price increases, La Unió said. Describing the 2019/20 campaign as "atypical" and with "many ups and downs", the union calculates that the average price paid to producers increased by 80 per cent compared with last season, returns had only risen by around 20 per cent because of the smaller harvest...

[fruitnet.com/eurofruit; 2 June 2020]

Argentina: Citrus production in Entre Ríos falls between 30 and 40%

The vice president of the Federation of the Citrus of Entre Ríos (Fecier), Dante Grigolatto, warned on Tuesday that the production of citrus in the province registers a drop of between 30 and 40% compared to previous years. "There is between 30 and 40% less production due to bad seasons and not being able to care for how a plant should be cared for, and this season the drop in supply and demand" due to the coronavirus pandemic, Grigolatto said. "Although this year the fruit started well, there is less supply and demand, that is why they are compensated by prices," the business manager added in a statement... Finally, the manager warned that "there are no fruits for production and it will be a problem for the Jucofer juice factory, which since 2016 produces fruit juices and supplies for the multinational Coca Cola, in the town of Villa del Rosario.

[https://www.unoentrierios.com.ar; 2 June 2020]