

# Market conditions: 2014

- Effect of CBS will determine decisions:
  - Uncertainty
- Impact on all SH exporters
- EU –rejections
  - On-shipped to Russia
  - Diversion to Middle East
  - Low volumes and high prices in EU



# General information

- **Lemons :**
  - Worldwide shortage
  - High prices for 1<sup>st</sup> arrivals
- **Grapefruit:**
  - Declining consumption
- **Climatic conditions in SH countries**
  - SA : Rain, wind



# Northern Europe

- **Soft citrus:** Morocco and Spain currently
- **Lemons:**
  - Volume DOWN from Spain
  - Argentina will export more
  - SA must keep volumes in mind, careful on price
- **Grapefruit: Decline**



# Southern Europe ( Excl. Russia)

- **Lemons** : High volume from Argentina

- **Grapefruit:**

- Great start – but – “Disaster end of season
- Accept 50 to 55’s
- Stay out after Week 24



# UK

- Power of retailers : Discounters (?)
- Resistance to price
- Stock piling from Argentina
- Market moves slow
- Decline in fresh fruit consumption



# Russia

- Devaluation of Rouble
- Disruption of wholesale network
- Decline in consumption
- Opportunity : Easter – Fresh fruit = Important



# Russia ( continued)

- **Soft citrus :**

- Volume from S America

- **Lemons:**

- Market needs lemons

- Prices higher than 2013

- Impact of rain in SA on volumes ?



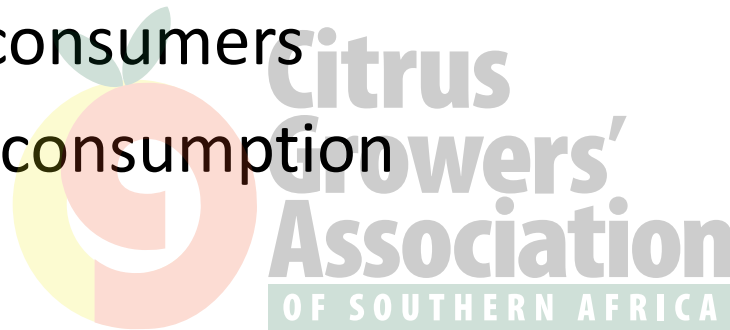
# Russia (3)

- **Grapefruit:**

- Profile of consumers
- Decline in consumption

- **Oranges:**

- Fruit size is important
- Expected that more will be sent to Russia due to rain and wind in SA



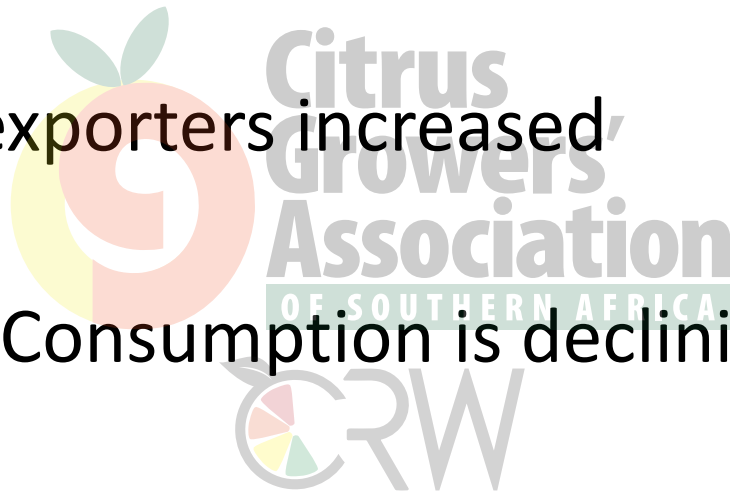


# Middle East : General information

- CBS impact
- SA exporters must not move to consignment market
- Power in the hands of wholesalers
- Consistency of : Quality, Volume, Price = NB
- Consumers : 85% ex-pats
- Saudi Arabia : Restriction on imports
- Ramadan : Earlier : 29/6 – 28/7

# Far East

- **CBS** : Fruit diverted to FE : Impact on price ?
- Number of exporters increased
- **Grapefruit** : Consumption is declining
- **Oranges** :
  - Shortage of USA volumes
  - gap for SA ?



# China

- Increased demand for citrus
  - expect good market
- SA's official PUC-list received by AQSIQ
- Cold-treatment remains risk for quality, cost



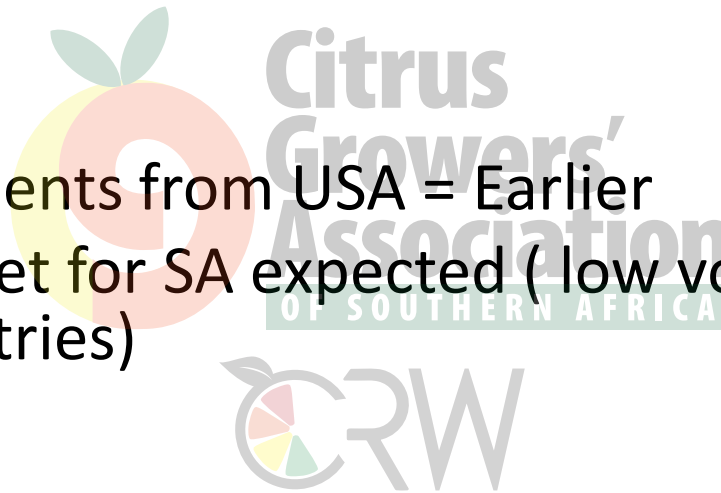
# China (2)

- **Soft citrus and Lemons:**
  - Concerns about unofficial nova's in market
- **Grapefruit :**
  - Increased demand ; bigger sizes
- **Valencia's :**
  - Good market expected
  - Risk : Cold -treatment



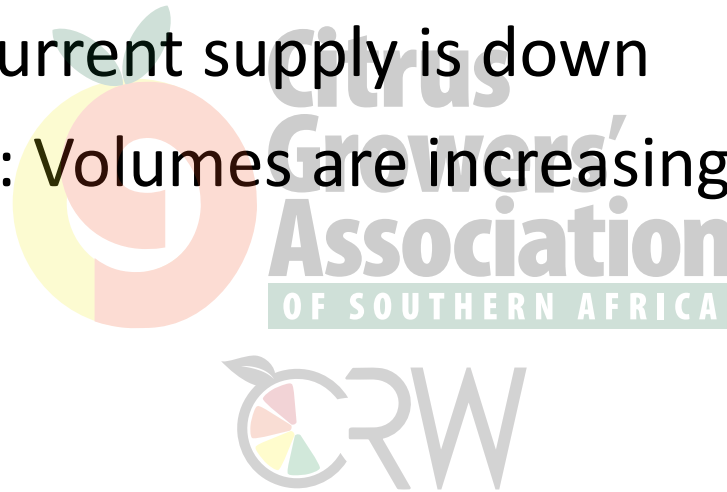
# Japan

- **Exchange rate :** Yen devaluated
- **Soft citrus:**
  - Final shipments from USA = Earlier
  - Good market for SA expected ( low volumes from other countries)
- **Grapefruit :**
  - Movement is slow
  - USA and SA overlap possible



# Japan (2)

- **Oranges:**
  - Navels: Current supply is down
  - Valencia's : Volumes are increasing



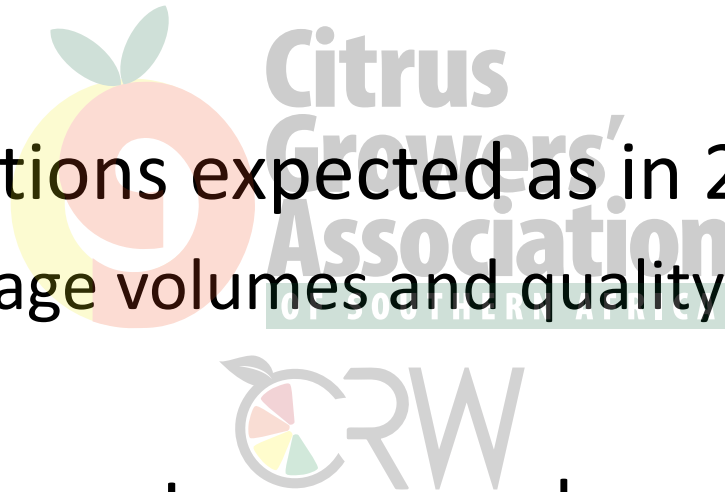
# India

- High import duties, cold-steri requirements
- **Soft citrus :**
  - Low market interest
- **Lemons :**
  - Demand is increasing



# USA & Canada

- Currently : Only W-Cape and N –Cape
- Same conditions expected as in 2013:
  - SA to manage volumes and quality
- Chile and Peru : Increase volumes







THANK YOU

