Global Citrus Outlook

Methodologies and sources

Long-term comparison covering 1980 to 2017

Short-term comparison ranging from last 5 to 10 years

Data in T

EU trade data include internal shipments

Currency €/USD

FAOSTAT

EUROSTAT

COMTRADE

USDA World Citrus report

EU Commission citrus report

SHAFFE Summer Citrus report

Freshfel Qlickfresh

FRuitTROP Magazines

Citrus production and export in perspective of global fruit trends

Global Fruit production growth

Steady growth of **fruit production** in the last 3 decades (since 1980) from 338 Mio T to 865 Mio T

Bananas (148 Mio T) and **citrus** (146,5 Mio T) are the two leading products

Citrus (140%) , **lower growth rather** than world fruit average (155 %) and significantly lower **than the other fruit** (mangoes, avocadoes, melons, kaki

Share of citrus of total fruit production dropping from 18% to 17% => increased competition inside the fruit category and further pressure of overall decline of consumption of fresh produce in many markets

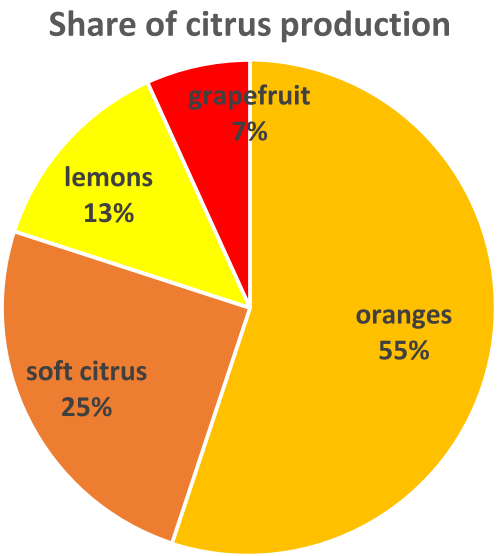
Citrus production & growth trends by categories

Oranges: share drops from 67% to 55% to 73 Mio T (growing in volume by 83%)

Soft citrus: up from 13% to 25% to 33 Mio T (growing in volume by 288%)

Lemons: increase from 8% to 13% to 17,5 Mio T (growing in volume by 218%)

Grapefruits: drop by 1% from 8% to 7% to 9 Mio T (growing in volume by 100%)



Global Fruit export trends

Steady growth of fruit exports in the last 3 decades from 23 Mio T to 87,5 Mio T

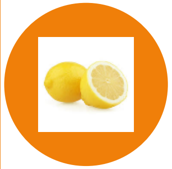
Growth of all fruit exports (280%), faster than production growth (+155%). However, **growth of citrus export** (133%) slower than production (139%)

Share of citrus of total export in last 3 decade drops from 30% to 18,5% at 16 Mio T

Citrus export growth trends by categories

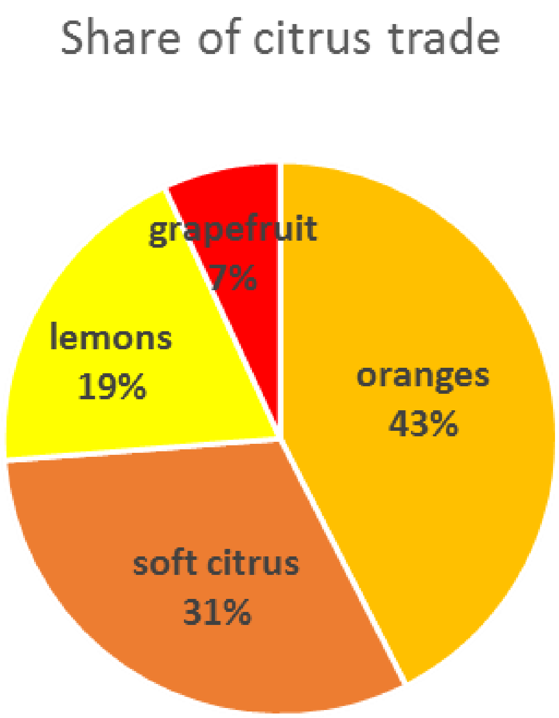
Oranges share drops from 59 % to 43 % at 6,8 Mio T

Soft citrus move from 15% to 31% to 5 Mio T



Lemons increase from 14 % to 19 % to 3,1 Mio

Grapefruits drop from 12 % to 7% to 1,1 Mio T



Leading citrus exporters

- **Spain**: n° 1 for oranges and soft citrus and 2nd to Mexico for lemons/limes
- **South Africa**: 2nd for oranges, 4th for soft citrus & lemons first for grapefruit

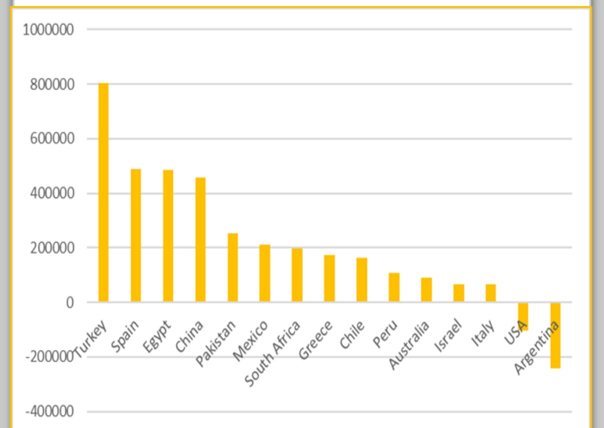
Oranges (in T)	TOP 15 = 87%
Spain	1,847,877
South Africa	1,173,121
Egypt	660,201
Turkey	620,775
United States	573,281
Pakistan	268,476
Greece	252,286
Australia	191,119
Peru	117,740
Portugal	113,759
Italy	113,452
Argentina	79,838
Chile	75,679
Mexico	75,535
Honduras	67,591

Soft Citrus	TOP 15 = 90%
Spain	1,110,432
China	493,983
Turkey	453,901
South Africa	201,111
Israel	128,925
Chile	116,901
Italy	84,670
Greece	71,661
Australia	62,251
Egypt	48,663
Peru	42,775
Pakistan	42,584
Argentina	40,863
United States	35,433
Georgia	23,874

Lemons	TOP 15 = 90%
Mexico	733,918
Spain	688,256
Turkey	451,911
South Africa	299,020
Argentina	237,653
United States	132,616
Brazil	92,393
Chile	76,806
Italy	47,470
Egypt	25,051
China	20,367
Colombia	16,475
India	16,369
Uruguay	14,491
Portugal	13,069

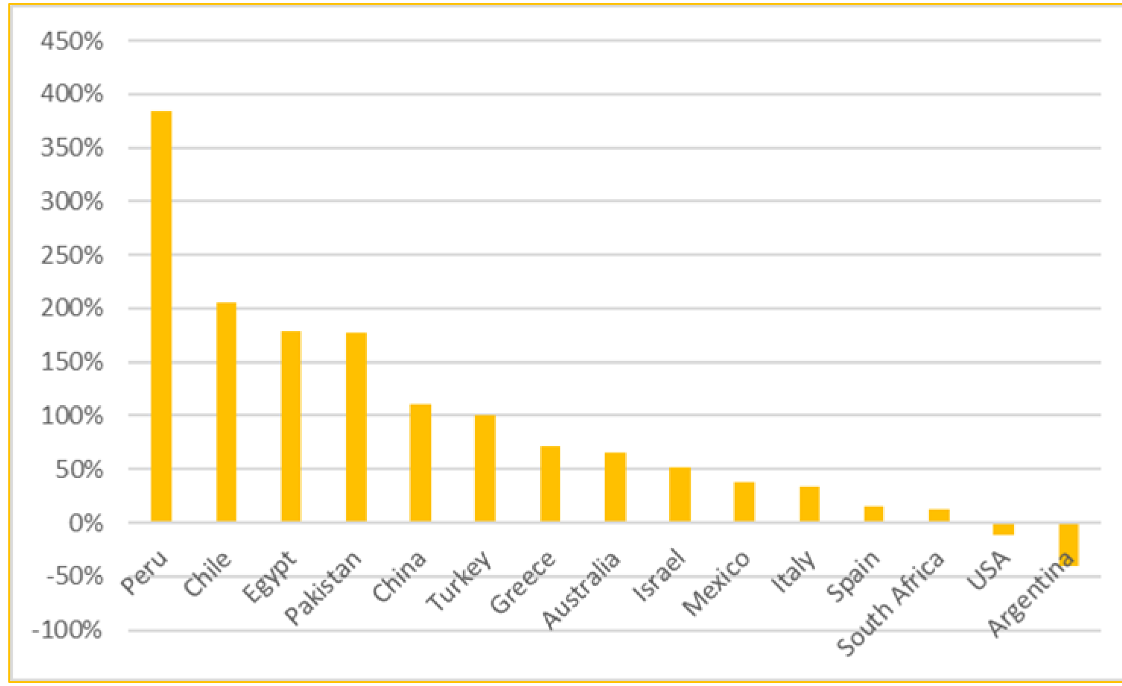
Grapefruit	TOP 15 = 83%
South Africa	227,245
China	192,326
Turkey	127,033
United States	84,503
Israel	79,142
Spain	59,140
Mexico	22,514
Egypt	14,374
Cyprus	8,212
Malaysia	2,977
Italy	2,579
Chile	2,182
Greece	1,425
Australia	1,320
Peru	1,080

Main citrus export trends (last 10 years -top 15)



Larger variations of all citrus export in T

- Turkey=> + 800.000 T
- Spain, Egypt, China => + 450/500.000 T
- Pakistan, Mexico , South Africa .....



Larger variation of all citrus export in %

Peru => +380%

Chile => + 200%

Egypt, Pakistan => + 175%

China, Turkey => + 100%

Selected Citrus market developments

Regional citrus trade trends

Larger market growth in Russia, North America and Asia (Eastern & South East Asia)(based on import)

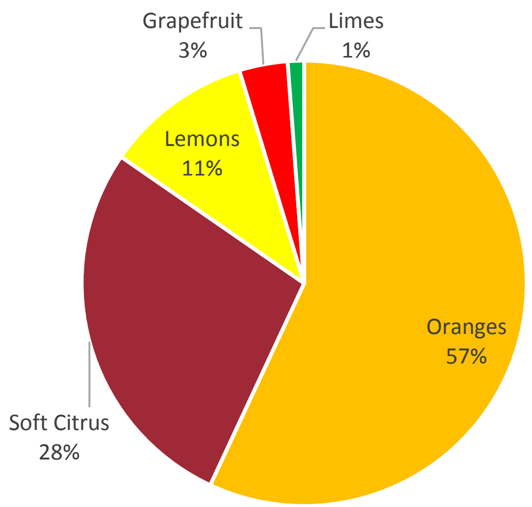
EU trends taking both intra EU and import value)

			var %	var vol in T
	Av 17-15	Av 07-05	Av 17-15/07-05	Av 17-15/07-05
Russian Federation	1,538,638	999,967	54%	538,671
North America	1,458,143	942,986	55%	515,158
EU	7,159,663	6,491,865	10%	667,798
Eastern Asia	1,110,163	858,031	29%	252,132
South-East Asia	545,985	385,482	42%	160,503
Southern Asia	86,739	18,375	372%	68,364
Central Asia	82,445	20,430	304%	62,015
South America	99,019	38,031	160%	60,988
Eastern Africa	52,456	20,454	156%	32,002
Europe	675,361	650,834	4%	24,527
Middle Africa	14,529	931	1461%	13,598
Oceania	50,583	39,071	29%	11,512
Northern Africa	21,296	12,872	65%	8,424
Caribbean	6,813	5,512	24%	1,301
Central America	112,556	111,381	1%	1,175
Western Africa	10,883	11,562	-6%	-678
Southern Africa	17,703	28,938	-39%	-11,235
Middle East	624,562	703,832	-11%	-79,270

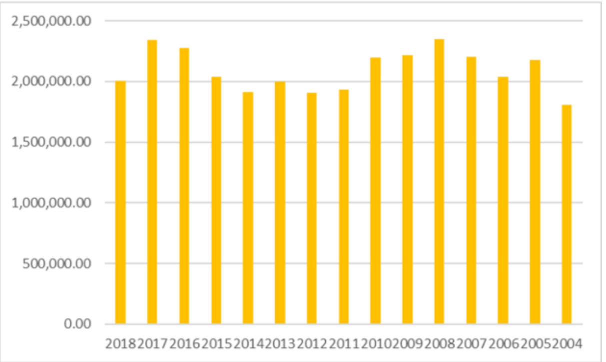
11 Mio T

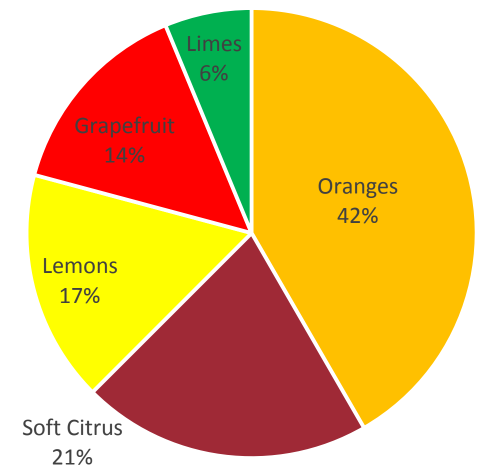
EU MARKET IN T	Production	Processing	Import	Export	Total fresh
Oranges	6,500,000	1,250,000	1,000,000	25,000	6,225,000
Soft Citrus	3,200,000	350,000	500,000	180,000	3,170,000
Lemons	1,000,000	280,000	400,000	75,000	1,045,000
Grapefruit	100,000	20,000	350,000	5,000	425,000
Limes	0	0	150,000	0	150,000
TOTAL	10,800,000	1,900,000	2,400,000	285,000	11,015,000

Intra EU trade: 7,25 Mio T
worth 6,5 billion €



South Africa	652,704
Egypt	331,235
Argentina	221,025
Morocco	203,756
Turkey	185,817
Brazil	79,357
Israel	74,711
Peru	61,409
Mexico	43,529
Zimbabwe	29,997
China	28,150
Uruguay	26,125
United States	15,278
Tunisia	12,512
Chile	10,410



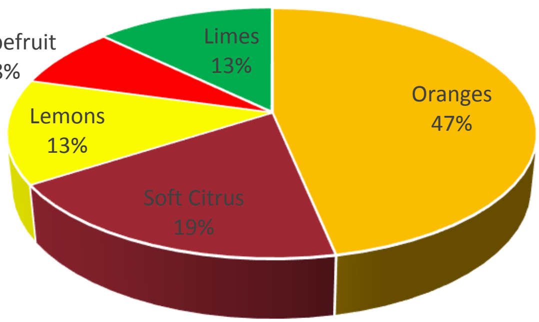


European Union: Market size

United States: Market size

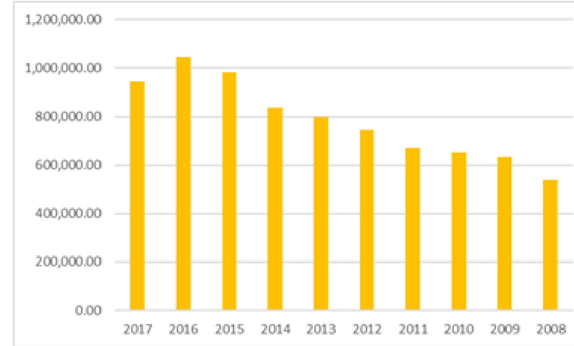
4,7 Mio T

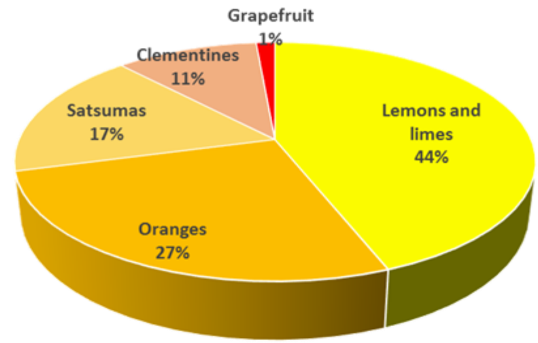
USA Market in T	Production	Processing	Import	Export	Total Fresh
Oranges	5,000,000	3,200,000	600,000	200,000	2,200,000
Soft Citrus	850,000	240,000	325,000	35,000	900,000
Lemons	800,000	175,000	100,000	90,000	635,000
Grapefruit	600,000	185,000	15,000	60,000	370,000
Limes	0	0	600,000	0	600,000
TOTAL	7,250,000	3,800,000	1,640,000	385,000	4,705,000



Total Import	944,226
Mexico	409,143
Chile	272,417
South Africa	73,433
Peru	55,979
Morocco	50,725
Uruguay	23,838
Spain	18,427
Australia	16,596
Israel	12,299
Colombia	3,733

Total Export	835,766
South Korea	227,158
Canada	212,363
Japan	126,014
Hong Kong	96,026
China	47,029
Mexico	23,553
Australia	18,500
Singapore	11,417
France	10,566
Malaysia	10,110

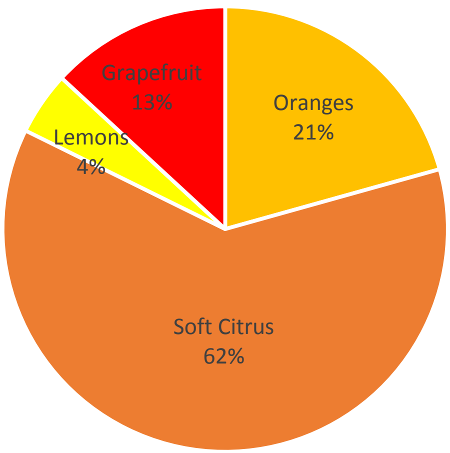




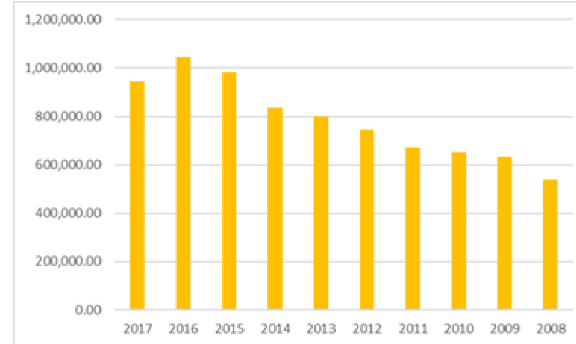
Lemon & limes together !!!

34 Mio T

China Market in T	Production	Processing	Import	Export	Total Fresh
Oranges	7,200,000	570,000	495,000	75,000	7,050,000
Soft Citrus	22,000,000	650,000	325,000	655,000	21,020,000
Lemons	1,750,000	175,000	35,000	50,000	1,560,000
Grapefruit	4,800,000	185,000	15,000	150,000	4,480,000
TOTAL	35,750,000	1,580,000	870,000	930,000	34,110,000

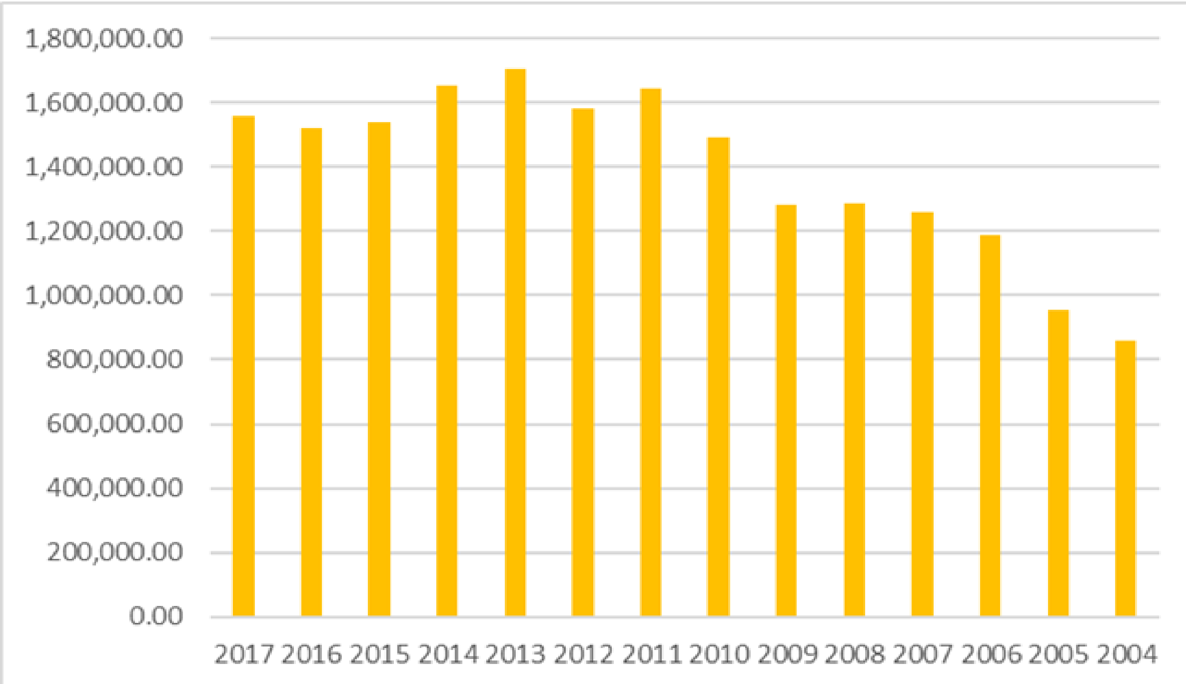


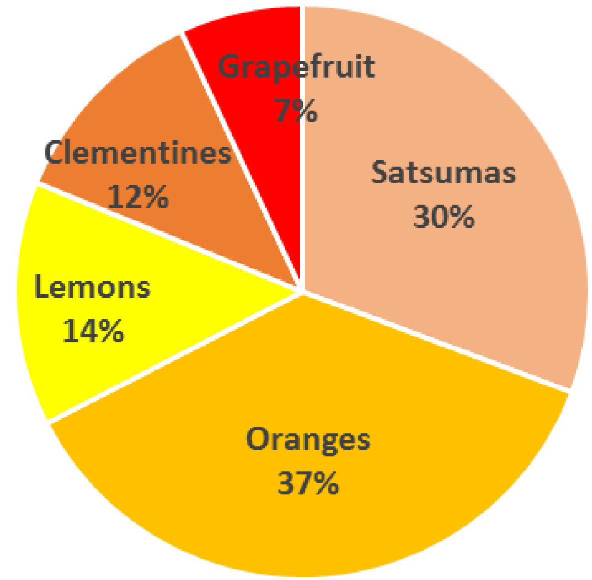
Total export	**932,622**
Viet-Nam	165,226
Russia	153,765
Thailand	138,345
EU	109,572
Malaysia	99,451
Kazakhstan	40,537
Philippines	46,725
Hong Kong	39,793
Myanmar	31,436
Indonesia	19,213



Total Import	**877,087**
South Africa	315,355
United States	173,405
Egypt	153,331
Australia	128,581
China	29,335
Spain	27,437
Israel	13,437
Thailand	10,038
Peru	7,920
Turkey	4,524
Argentina	2,415
Singapore	2,310
Morocco	1,713
Japan	1,168
Cyprus	985

China: Market size



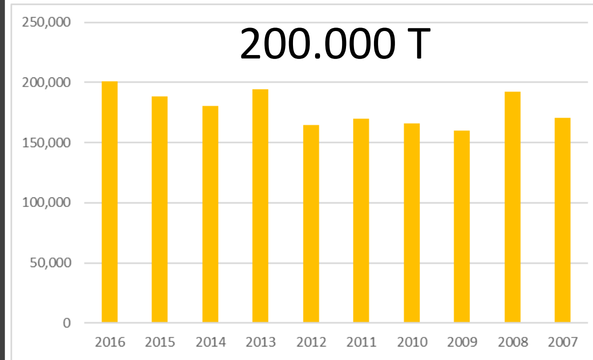


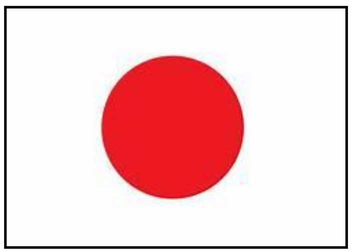
Turkey	596,135
Egypt	250,329
Morocco	230,147
South Africa	145,575
China	123,989
Argentina	67,432
Pakistan	65,416
Israel	18,787
Georgia	15,200
Uruguay	9,112
Peru	7,764

Russia
All citrus imports

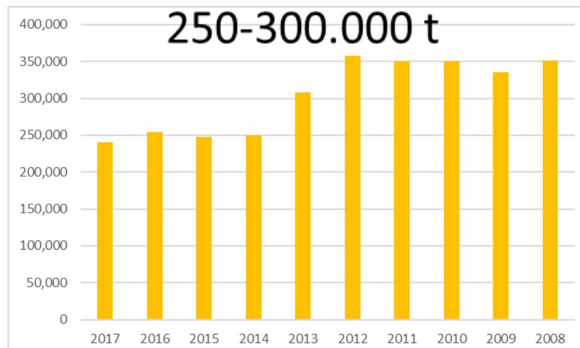
Other citrus imports markets

Main suppliers :
South Africa, Egypt,
Australia, USA



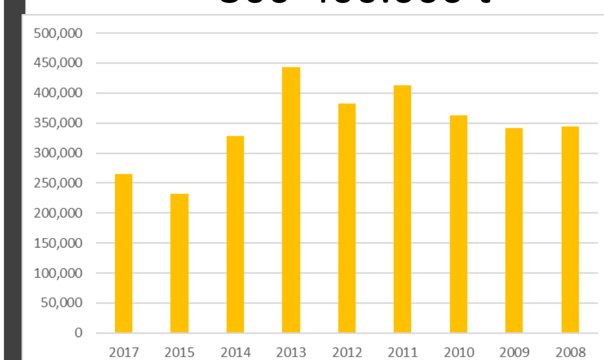


Main suppliers : USA,
South Africa, Australia,
Chile, Mexico,Israel



Main suppliers : Turkey,
Egypt, Spain, Italy, South
Africa

300-400.000 t



Trade and consumption trends & outlook by citrus varieties

ORANGE OUTLOOK

STRONG CROP IN 2018/2019 IN EU_USA AND SH DUE TO **FAVOURABLE CONDITIONS EXECPT CHINA**

DIVERSIFICATION OF VARIETIES

BALANCE BETWEEN FRESH AND PROCESS MARKET

COMPETITION BETWEEN ORANGES AND SOFT CITRUS

REPLACEMENT OF OLD CULTIVARS TO CONTINUE FOR MORE CONVENIENCE

IMPACT OF CLIMATE ON PRODUCTION AND CONSUMPTION

UNSETTLED ENVIRONMENT ON THE EUROPEAN MARKETS :

IMPORTS FROM EG,MA, RSA TO BE UNDER PRESSURE

SOFT CITRUS OUTLOOK

EVOLUTION OF THE CALENDAR AND VARIETAL MIX

NOT ALL INNOVATION ARE SUCCESFULL

BETTER RESULTS FOR THE LATER PART OF THE NH SEASON WITH VARIETIES WITH GOOD TASTE AND COLOURING

NEW PLANTINGS IN NH OF LATE SEASON IN SPAIN, ISRAEL, MORROCO **AS LARGE OF 350;000 T**

CAPACITY OF EU MARKET TO ABSORB OR MARKET DIVERSIFICATION NEEDED TO ASIA, USA??

SEASON OVERLAP?

NH EARLY VARIETIES AND SH LATE VARIETIES WITH ADDITIONAN PRODUCTION IN PERU, RSA, ARGENTINA, URUGUAY

LEMON OUTLOOK

MAIN PRODUCING COUNTRIES TO REPORT SIGNIFICANT INCREASE BY > 700.000 T IN NH AND > 550.000 T IN SH IN NEXT 5 YEARS

IN PAST YEARS LEMON WAS ON DEMAND WITH HIGH RETURN INCREASING BY 100.000 T PER YEAR

SPAIN EXPECTING THIS YEAR A RECORD VERNA CROP , NEW PLAYERS ON THE MARKETS

FINDING NEW BALANCE ON THE MARKET NEEDED

LEMONS WAS TRENDY , BUT NEED OF COLLECTIVE **PROMOTION** CAMPAIGN TO KEEP TRACK OF GROWTH (?)

GRAPEFRUIT OUTLOOK

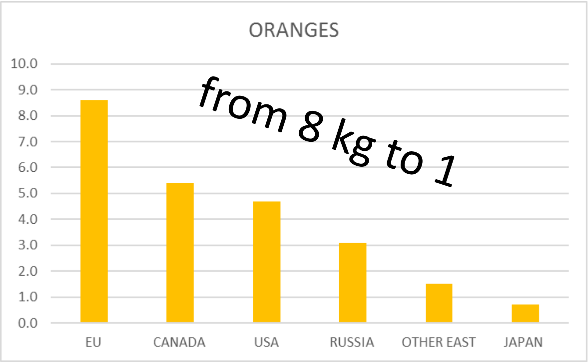
DECLINE OF PRODUCTION IN USA, SHRINKING OF EU MARKET BY 20% IN 10 YEARS AS DECLINE OF FLORIDA NOT REALLY COMPENSATED

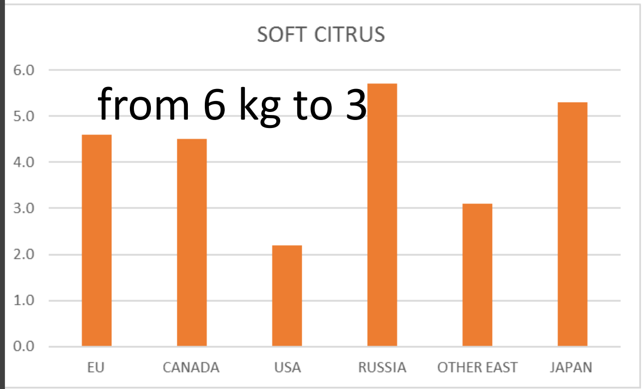
STABLE PRODUCTION IN THE MEDITERRANENAN BASIN

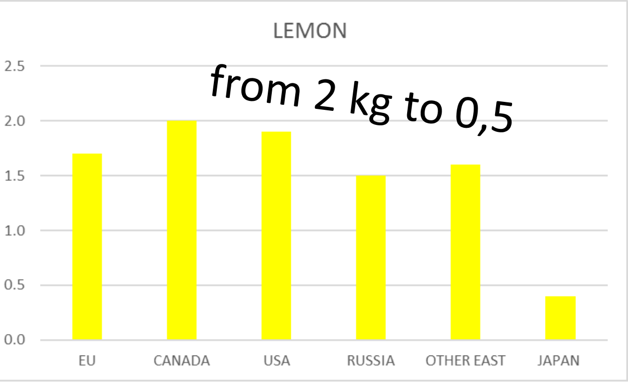
STILL LUCRATIVE ASIAN MARKET IN PARTICULAR FOR ISRAEL

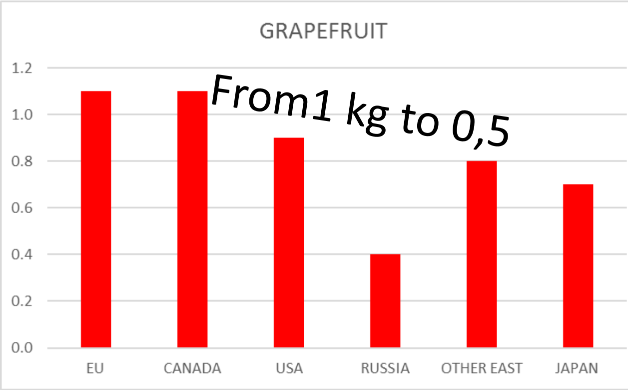
RECOVERY IN FLORIDA

SOUTH AFRICA UNDISPUTED EXPORTER FROM SH WITH 30% OF WORLD TRADE? AHEAD OF TURKEY AND USA





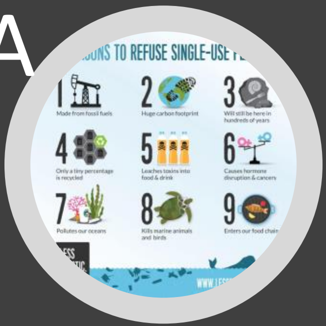




CONSUMPTION: STILL WIDE DIVERGENCE SELECTED MARKETS?

Other issues influencing future fresh produce and citrus market developments

SUSTAINABILITY NOT ANY MORE A BUZZWORD BUT A BUSINESS REALITY



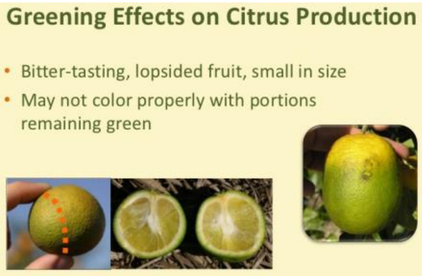
CLIMATE CHANGE & RELATED SUSTAINABILITY ISSUES

- IMPACT ON CROP QUALITY AND YIELDS
- IMPACT ON TRADE AND FTA
- IMPACT ON CONSUMPTION

Pesticide-FREE

POLICY PRIORITIES AND COHERENCE IN FOOD AND PLANT SAFETY

SETTING THE RIGHT BALANCE BETWEEN THE NEEDS TO PROTECT PLANT AND CONSUMERS WITH THE NEEDS OF A TRADING ENVIRONMENT

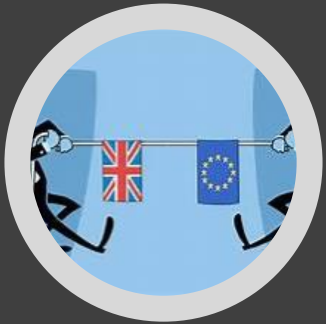


BENEFIT OF RESEARCH AND INNOVATION TO BE MATCHING SOCIETAL ACCEPTANCE

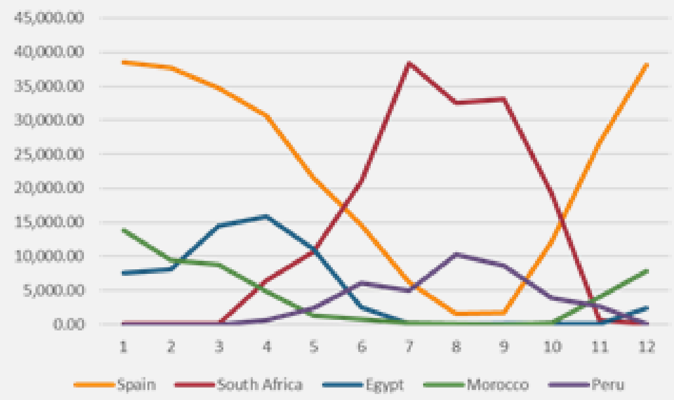
SCIENCE

EMOTION

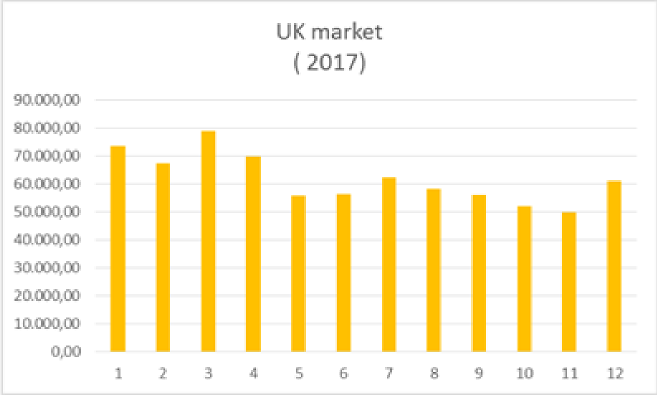
UNCERTAIN TRADE ENVIRONMENT BETWEEN UNILATERALISM, BILATERALISM AND MULTILATERALISM

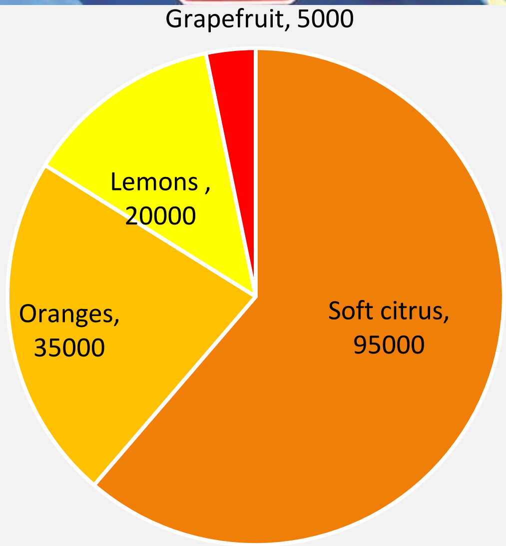


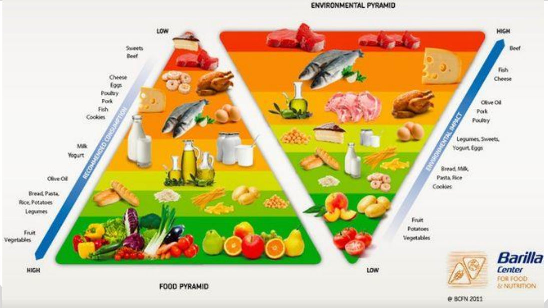
COPING WITH TRADE UNCERTAINTIES

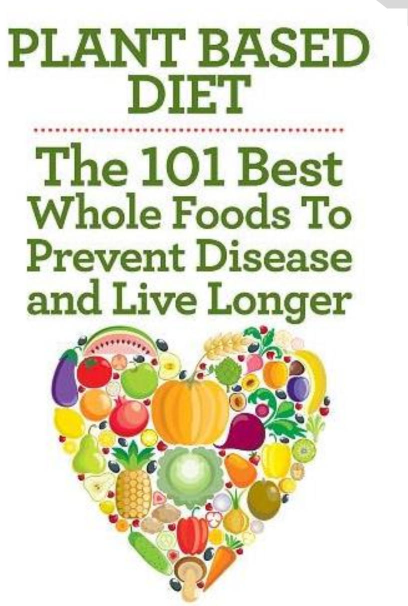


UK Annual volume ca 750.000 T









OPPORTUNITIES OF HEALTHY LIFESTYLE AND NEW CONSUMERS PATTERN

Conclusions

- Citrus fruit are competing with other fresh fruit and other agrifood assortments – making further consumption growth challenging

- Fruit and citrus have positive assets in regard to health and other societal concerns that should better be put forward to stimulate demand . Year round availability is important

- Citrus is a global business, with the EU as a key center of business, but as new players and orchard adjustment arise, new market are opening leading to new market diversification.

- The trade environment is challenging, leading to new uncertainties and capacity to business to reposition

- The millennials , adopting new eating habits , could influence the demand. Fresh produce, including the citrus categories have multiple assets to advocate to conquer these consumers of tomorrow