

Spain's Olive Oil Market Expected to Stabilize

These last couple of months have been a roller coaster of speculation regarding Spain's current and coming year of olive oil production. Average production levels, low reserves, atypical weather, and inexplicably low prices have all contributed to the uncertainty.

SEE MORE: [Complete Coverage of the 2015 Olive Harvest](#) Now, however, experts say that Spain's olive oil market should stabilize come harvest end. During the [XXIII Jornada de Olivar](#), an event put on by ASAJA-Sevilla and presented to over 200 olive growers, the convening experts agreed that, while Spain is set to produce more olive oil this year, demand should meet the higher numbers since the season began with almost no reserves.

The International Olive Council agrees, predicting [world olive oil production](#) to reach 2,988,500 tons, an increase of 22 percent over last year, and a consumption of 2,989,000 tons, an increase of 5 percent. So the consensus is that production in Spain and the rest of the world should be right in line with meeting global demand.

"For this reason," ASAJA-Sevilla added, "the final consumption will be slightly above the forecasted production of the current harvest, which, according to the IOC, will be an average season at a global level, and one that won't generate reserves."

The fact that it may not generate reserves goes back to an ongoing concern about this year's seemingly satisfying, albeit average, Spanish harvest. Indeed, even though the country is expected to meet this year's demand, it will very possibly end up with little stock. A problem made even bigger given that, if dry and warm weather persist, the next season could be a low-producing one.

So, while the outlook is good for this season, the market's stability next season is hardly as certain.

Source : <http://www.oliveoiltimes.com/18/12/2015>