

# OVERVIEW GLOBAL MANDARIN MARKET

Following a Spanish season marked by the weather, the campaign in the southern hemisphere has had an earlier start. Both Peru and Chile expect to begin earlier than expected. South Africa expects a normal season, although a significant growth of the late varieties could cause some problems. A dry winter would also be disastrous for some growers. China expects a smaller production; in addition to the weather, Citrus Greening is taking a considerable toll. Morocco is trying to grow internationally.

## End in sight after precarious season in Spain

The end of the campaign is in sight for the major production areas, such as Valencia and Andalusia. In general, production volumes have been smaller, although prices have been good.

In Andalusia, the prices of mandarins and clementines rose in the last weeks of February, reaching slightly higher levels than in the previous year. The fruit generated about 9% more, with an average price of 60 cents per kilo. Within Andalusia, Huelva is the largest mandarin producer with a market share of 53%. Second is Seville with 18%, closely followed by Almeria with 17%. Last year, Andalusia's total production stood at over 359 million kilos.

In Valencia, the last Nadorcott, Ortanique, Orri and Murcot mandarins have already been harvested. The late varieties have been harvested about three to four weeks earlier due to the mild temperatures recorded in November and December. The fruit is ripe and consequently needs to be harvested. The heavy rainfall in January had a great impact on the Clemenules, the most important clementine in terms of volume. This resulted in huge losses, which is also why there was more demand for the late varieties.

The highest price has been paid for the Orri, whose production has been limited. At week 10, the prices at origin for the Nadorcott oscillated between 65 and 84 cents per kilo. The Ortanique cost between 18 and 28 cents, while the Orri topped the ranking with 0.94 to 1.20 Euro per kilo.

### **Morocco hopes for market recovery**

Clementines have had a difficult year, reports an exporter. Despite all the efforts of producers to increase the volume, the actual harvest is still structurally lower than the estimates. For the fifth season in a row, the volume has fallen below the initial estimates. Although there were no problems to process the orders, this will result in lower profits for the growers.

Moreover, Moroccan mandarins faced unexpected competition from Spain. "Because of the bad weather in Spain, many growers started to harvest earlier, so they were already on the market in January. Normally, this does not happen until February," stated an exporter. March promises to be a better month for Moroccan exporters. Traders are hoping to take advantage of the disappointing results in California, which has suffered the impact of bad weather conditions.

### **Good market despite rainfall in California**

Growers in California have been forced to harvest the mandarins in the dry periods between storms. In recent weeks, a record amount of rain has been recorded in the Central Valley, so the harvest has been delayed. The harvest, including that of the Tango, is now in full swing. This mandarin is largely exported to Australia and Asia. Despite the rain, a grower affirms that the season's results have been good, mostly thanks to the high number of export contracts and domestic programs at supermarkets. The season is expected to last until the last week of April.

Since California's supply is limited, the prices are high. As soon as the rains stop, prices are expected to fall again. That reduction is also expected to affect imported fruit.

Besides the domestic production, there is also supply from Spain. As the volume of Californian mandarins increases, imports will be reduced. Spain is currently on the market, but there is also supply from Morocco. The North African country is still trying to gain a foothold on the US market. Moreover, over the next three to four weeks, fruit is also expected to arrive from Israel. There should be enough supply at least until late May, when the Peruvian production will hit the market. A trader explains that most of the local production is exported and that the US demand is met with Spanish, Moroccan and Israeli mandarins.

For growers, the rain is not the only problem; they also need to find a destination for the smaller mandarins. Retailers have a preference for the larger calibres. The export of these small mandarins is not attractive. The best solution, according to a grower, is to set up school programs. The problem is that a great amount of small sizes is expected this year.

### **Peru earlier on the market**

The first Satsumas are expected about two weeks earlier, reports an American importer. This season fits well with the Spanish import season in the United States. "Peru started earlier this year with grapes and it seems that the mandarins will follow the same path," states the American importer.

### **Chile expects early start**

Chile expects an early start to the season. The beginning of the season has been hot, but the fruit still has some time to grow. "We will have a good Chilean season," predicts an American importer. This prospect is based, in part, on the increased supply. The acreage has expanded and new fruit is also expected on the market this year.

### **China expects 5% smaller harvest**

According to estimates, the volume of Chinese mandarins will be 5% lower this year compared to the previous season. The total production is estimated at 19.3 tonnes. There are several factors that have played a role in this decline. Citrus Greening is taking a considerable toll on the mandarin production, especially in the provinces of Guangdong and Guangxi. Also, the rainfall recorded in spring and last autumn has had an impact on the harvest. Lastly, it should also be noted that after the great harvest achieved last year, this year is an off season, and this natural cycle will naturally result in a smaller harvest than expected. Nevertheless, in several provinces, including Hunan and Sichuan, a larger harvest is expected. The acreage remains stable.

Prices were high at the beginning of the season, ranging from 4 to 12 renminbi (0.50 to 1.50 Euro) per kilo. For the late varieties, the price fell to 2 renminbi. Demand continues to grow for premium, imported mandarins. Demand for them is especially high in the big cities in the east. Australia and South Africa are the main suppliers of this citrus.

### **South Africa expects good season**

A normal season is expected in South Africa. The bulk of the production takes place in Boland and Western Cape. The harvest kicks off in week 17. The temperatures recorded over the next month will also determine the development of the season. Torrential rainfall in the north of the country has already had a limited impact on the fruit. The harvest in the region was delayed for a number of producers and the size of the mandarins is a little larger.

This week, the harvest of the Satsumas has started for a number of growers in Boland. The producers are happy, even though the volume is smaller than last year. The main consumer of these mandarins, the United Kingdom, also buys the smaller calibres. Moreover, exports go also to Russia and some small volumes are shipped to the EU.

Growers in the Eastern Cape and Senwes are also happy with the campaign; however, there are some concerns within the sector regarding the growth of the late mandarin varieties. The volume is reported to be doubled in 2023. In the Western Cape, the coming winter will be determining for the sector. Although there is still sufficient water available, a dry winter would be disastrous for the growers.

### **Good prices in Belgium**

According to an importer, the Spanish mandarin campaign is about to come to a close. The Nadorcott season is already over. At the moment, the most common variety is the Orri, which will remain on the shelves for another month. These are "excellent mandarins," according to the importer. Prices range between 2 and 2.50 Euro, which is really good. Especially since the demand is not very high. That average demand is partly due to the good prices.

There is also a limited supply of Nadorcott and Ortanique. A trader comments that "the supply is increasingly limited, but the demand follows the same trend. I believe that the prices are quite normal, not spectacularly high. The supply is smaller, but the price could be higher if there was more demand." According to this importer, it is not so much the price that is affecting the demand, but the fact that there have been mandarins available since September and consumers are now starting to look more into other products.

#### **Netherlands: good demand for mandarins on domestic market**

The demand for mandarins is still very good. In the domestic market, there is high demand for good quality mandarins. The prices stand at around 2 Euro per kilo for the Tang Gold, at 1.70 Euro for the ClemenGold and at around 2 Euro for the Orri. Traders are certain about upcoming changes in the Orri market given the good demand from Germany, France and the United Kingdom. Importers are currently working with the latest Tang Gold from Spain. The ClemenGold season will last for another three months. The demand for mandarins is expected to remain at good levels in the short term.

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