

# OVERVIEW GLOBAL STRAWBERRY MARKET

There is a good strawberry production in north-western Europe thanks to the summer weather, although it is also true that the hot weather is causing some quality problems. For the time being, however, that problem seems limited. Given the midsummer celebrations in Scandinavia, demand in that region increases enormously. The European sector is optimistic about the season. In North America, the harvest from British Columbia is arriving later than last year and there has been some winter damage; however, most strawberries are grown in California. Mexican exporters are mainly looking at the US market; exports to Europe are not attractive given the large volumes that are grown in Europe.

## France: more Moroccan product

According to estimates, this year's harvest is 3% greater than last year and 12% greater than the average between 2012 and 2016. The season started in March, with prices that were 3% above the average market for 2012-2016. Although the price remained stable, a small crisis was in store for round strawberries by the end of the month. In April, the supply increased, so prices fell. Nevertheless, the situation was better than a year earlier.

The good weather in early spring has allowed for a normal production calendar. Spain is the largest supplier of strawberries in France, with a market share of 85% in March 2017. Moroccan strawberries account for 14% of the market. The North African country saw its market share increase by 4%. The Spanish production is promoted in supermarkets. Usually, these strawberries compete with the domestic product. Imports rose by 11% in March to 24,300 tonnes. Exports also increased by 14%, although in terms of volume, these amount to just one-fifth of the volume imported.

The acreage is slightly under pressure and amounts to 3,770 hectares. The open-ground crops are losing ground, while greenhouse cultivation continues to grow.

## Italy expects normal season

The last few months have been difficult for strawberry sales due to an overlap caused by unusual weather conditions. Growers need to consider what new breeds could be planted. Central Northern Italy tries not to produce too early to prevent overlap with the south. The region cultivates the later

varieties. The planting normally takes place in spring, and the fruit is later harvested during the summer months. In the summer months, it is planted again for the spring harvest.

The current season is going to be abnormal. Production in several European countries is lagging behind, which, according to a trader, should be beneficial for the strawberries from Val Martello. The harvest has already kicked off and the peak is expected by the end of June and the first three weeks of July.

Compared to last year, the harvest volume is expected to remain stable at 400 tonnes. A grower tells us that this year they had expected an increase in the production, but the weather in April was bad for strawberries. Prospects point to a good season, just because there is no overproduction. Prices are good and growers are optimistic. The season lasts until the end of August. The majority (99%) of the Val Venosta strawberries are intended for the domestic market. A small volume is exported to Austria. The Elsanta variety accounts for a 70% share of the production, followed by the Darselect (15%).

### **Spain closed a good season**

The harvest started in the province of Avila. Thanks to these crops, the company is able to supply strawberries all year round. When the high temperatures in Huelva put an end to the strawberry campaign there, the season in Castile-Leon follows, between June and November. A grower assures us he is satisfied with the results of the season in Huelva, which ended in May.

The season came to a close with 320,000 tonnes of strawberries marketed. According to a trader, this season was "much easier than usual and with stable prices." That's good news for growers, after three or four bad years. The acreage has been under pressure in recent years and has decreased by 8%

### **Greece targets the Middle East**

A trader is enthusiastic about the strawberry season. It is the third year in a row with growth. The company plans to export to the Gulf States and explore new markets in Asia. The boycott on Qatar by Arab countries is making the transport more difficult. With air freight, however, the market can still be reached.

### **The Netherlands: Great strawberry supply from open-ground and protected crops**

Strawberries are currently largely available in the Netherlands. The average production in spring lagged a little behind, but now the situation is back to normal. Incidentally, prices are also not that bad. Due

to the midsummer celebrations, there was a good demand from Scandinavia over the weekend, but that has now been reduced again. Germany is reasonably self-sufficient with its own production, so Dutch exporters currently ship mostly to Belgium and France. "There is a good demand, even though temperatures are currently a bit too high to sell strawberries."

Last week there was still a considerable price difference between protected and open-ground crops, but that difference has now been slightly reduced. At this time, both open-ground and protected crops are in full production, so there should be a big supply this week and the next. Consequently, traders expect prices to be under pressure. In any case, due to this accelerated ripening, fewer strawberries will be available on the market in a few weeks.

### **Belgium: large supply on auctions**

There is a large supply of strawberries. An auction tells us that 1,500 tonnes will be supplied. Over the past seven weeks, over 11,500 tonnes have been auctioned, which amounts to more than 1,600 tonnes of the fruit per week. This figure will increase even further and reach 15,000 tonnes by the end of this week. Given these figures, it can be said that the supply is 8% greater than last year and 23% greater than in 2015. The demand is good and prices have increased in the run-up to the weekend.

Due to the warm weather, the season started early. The auction therefore expects a decline in the supply in the coming weeks.

### **British season starts early**

Due to the mild winter, the first strawberries in the north of the UK could already be harvested in February, according to a Scottish grower. Last week, however, it was very hot, with 30 degrees Celsius, and this causes quality problems. Retailers have been organising promotions with strawberries these past few weeks, causing prices to increase on the free market. The demand is good and will continue to rise ahead of the Wimbledon tennis tournament. During the event, the consumption of British strawberries rises significantly to 28,000 kilos; enough for 140,000 servings. These strawberries are served with a total of 10,000 litres of whipped cream.

### **Shortage of strawberries during Swedish midsummer celebration**

Last week, the situation was still positive and enough volumes were expected for the midsummer celebration. This week, however, the supplier of a large retailer fears a shortage of the fruit. He is happy to be able to import from the Netherlands in order to fill the gap. Other traders also believe that there will be a shortage. The cool spring has delayed the harvest of the soft fruit. Growers expect 70% less supply in the week of the celebration, which is held in Sweden on Friday 23 June. It is one of the biggest holidays for the northern country and is celebrated with strawberries and potatoes. The weather was good this week. "Last week, we had good volumes and low prices," explains a trader. "The weather is good again, so we expect normal volumes ahead of the midsummer party." In the run-up to the holiday, demand for local strawberries increases.

### **North America: late season start in British Columbia**

California is the largest strawberry producer in the United States. The crops are mainly located in the regions of Santa Maria, Watsonville and Salinas. The supply is good and is expected to remain stable during the summer months. The Californian campaign lasts from mid-June to mid-July. According to the USDA, prices are comparable to those of the same period a year ago: 9 to 10 dollars per 8 containers of 1 lb and 10 to 12 dollars for the same amount of organic strawberries.

In British Columbia, the harvest started three weeks later than usual. This year, it kicked off on 5 June. At this time, the volume available is still limited, but it is expected to increase later in the season.

Because of this year's winter conditions, the harvest is smaller. A grower tells us that the winter weather caused 70% damage in a field. Other fields were affected to a lower extent, with a 10% loss. The crops are mostly located in the Fraser Valley and Vancouver Island.

### **Mexico focused on the US**

The season starts at the end of September/October and runs until March. The end of the campaign is also determined by the prices. The main export market is North America. Due to production in Europe and Egypt, exports to the Old continent are not attractive. The US also has its own production in, for example, California, but that market has a much greater demand. As a result, Mexico can easily sell its strawberries on this market. Prices usually serve to determine when the season will come to an end. If prices remain high, the country remains on the market until April. When the local US production arrives, prices go down, so Mexican growers choose to sell the rest of the production as frozen fruit.

In January, exports increased by 63.1% and reached \$ 88.7 million, as revealed by official figures. Between 2013 and 2016, exports increased by 55.9% from \$ 417.5 million to more than \$ 650.8 million last year. This entails an average growth rate of 11% per annum. The main destinations are the US, Canada, Brazil, Saudi Arabia and the United Kingdom.

#### **Australia: Good supply, low prices**

Strawberries are grown year-round across the country. Traditionally, it has been a summer product with a season between October and May; however, by resorting to various techniques, it has become possible to grow strawberries between June and September.

Queensland is currently on the market. According to a producer, the conditions are perfect. The temperature during the day is just below 30 degrees and the nights are cool. However, the grower makes a comment about the rapid decline in prices this year compared to other years. "Normally we do not see these prices before mid-July."

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