

OVERVIEW GLOBAL POMEGRANATE MARKET

It has been a difficult season so far pomegranate producing countries like India and Egypt, who have been on the market since September, for very different reasons. Where one country has quality issues due to rain, the other has had issues due to heat. Overall, demand is somewhat steady, if not growing for this super food which has been increasing in popularity over the last few years in new markets which hadn't been very familiar with the fruit previously. For producing countries where production is about to start, the situation looks a bit more promising and stable. Although this might not be the biggest year for production, high quality is making up where production numbers might have been less than desired.

India: Heavy rains causing difficulties for producers

Heavy rains and flooding which hit India a few months ago have limited pomegranate production, causing prices to increase by 30-40% since last week. Before that, there had been an oversupply, so overall, the market has been seeing peaks and valleys this season.

Global demand is good for Indian pomegranates, especially in the German and Dutch markets, where they are known for good quality. An Indian trader attributes this to having the edge over other producing countries when it comes to keeping up on investments in production technology, along with more experience.

Peak demand for Indian pomegranates takes place in December, January and March.

Fresh pomegranate arils are also providing a lot of opportunities for Indian growers, and that market continues to grow every year with new markets like USA and Europe. The biggest draw to the arils is that they are convenient to eat, which consumers prefer, making them more widely available in the market.

Egypt: Hot weather causes minor quality issues

In contrast to the Indian season, Egypt has been struggling with very hot weather over the last couple of months. In general, quality is expected to be better than last season, but there have been some minor issues with sunburn.

The biggest markets for Egyptian pomegranates are currently Malaysia, Singapore, Russia, Ukraine and some European countries.

India is making Egypt's entry into Asian markets difficult, especially since their seasons coincide. What makes matters more difficult is that most Asian consumers are more familiar with Indian pomegranates, so there is still a lot of work for Egypt to build up a reputation in those countries. Countries like Malaysia and Singapore are willing to pay good prices for big sizes and premium quality, which makes them a very appealing export destination.

Early days for South African season

Although it is still too early to say exactly what the pomegranate season in South Africa will bring, with the trees still in the flowering stage, growers are expecting an increase this season of around 15% in the Western and Northern Cape.

Producers have had a lot to pay attention to this season, along with the drought, the EU also issued new false codling moth regulations. After working closely with citrus and stonefruit growers, pomegranate growers have developed a new system for orchard sanitation, monitoring and spraying measures, in order to lower FCM's (Food Contact Materials) during production. The change was crucial, due to the fact that the EU remains the largest market for SA pomegranates, taking 50% of production.

Difficult market for Belgium and surrounding countries

Smaller sized pomegranates are the preferred format in Benelux, however, the market is proving difficult at the moment, with small sizes receiving low prices.

Wonderful remains the most important variety, but when this variety is not available, the market opens for other varieties such as Acco, Emek, Herkovitz en Bagwa.

It is often a juggling act for importers to meet the demands of their export countries because every European market has different preferences when it comes to size and origins. On the whole, consumers in Benelux and Scandinavia prefer smaller sizes, Germans prefer Turkish production, and larger sizes are sent to other destinations such as Eastern Europe.

US: Slightly late, but good season expected in California

The pomegranate harvest is expected to start around a week to 10 days later compared to last year (October 16), along with a slight decrease in production totals, however, producers say that the lower yield will be offset by 'bigger and sweeter' pomegranates.

In a typical year, approximately 6,000,000 boxes of pomegranates are produced in the United States for the fresh market. Initial field estimates have shown that this year's harvest will be 15-20% lower than normal.

After water shortages the last couple of years in California stressed the trees, they are looking healthier this year, after growers were able to use fresh instead of pump water, but it will take a couple of years for the trees to recover in terms of yield.

Increased demand for Italian pomegranates

Demand is increasing for Italian pomegranates. Domestically, Italian, Iranian and Egyptian pomegranates are the most available in the wholesale, but consumers there still prefer their own production, despite higher prices. When the quality is high across the board, buyers then choose by origin.

Production is increasing in Italy (Sicily), but traders shared that it would be difficult to enter the Northern European market because of the heavy presence of competition from countries such as Israel, Turkey and Spain, however, they do think that offering organics might provide some good opportunities.

Demand and interest in this fruit seem to be growing strongly this year on all distribution channels (Big retail, Normal Trade, Horeca). This applies both to the fresh product and to the processed one, particularly for pomegranate juices, which are increasingly popular on the market, although often mixed with other fruits.

Spain: Elche pomegranates receive geographical protection

The official opening of the Elche pomegranate season was held on 3 October in Albaterra. Michelin chefs were present to celebrate that fact that the 2017/2018 season will be the first where the pomegranates will be marketing with a Protected Geographical Origin seal.

As of next week, the first Wonderful varieties are expected to become available for the European market.

Weather good for production in France

French production is primarily destined for the juice market. However, demand for both juice and fresh has been increasing after recent studies have reported the health benefits of consuming pomegranates. Growers have been increasing production volumes year on year, but production in the country is still small, with only three to four growers in the entire country, with a total amount of around 100 tons (at least 10x to 20x that amount is imported into France from other producing countries).

Pomegranate production fairly new to Australia

Compared to other countries, pomegranates are fairly new to Australian land, with many major crop plantings occurring less than 10 years ago, and providing a very small percentage of world production. With fresh pomegranates available between March and September, one of Australia's largest producers says demand is slowly growing as its health benefits of the "super food", and taste, gain more exposure. But it is not just the fresh produce, Australian producers have been investing in making "value-add" products from its arils, such as cold pressed juice with no additives or preservatives, freeze-dried pomegranate arils and powder.

Like many other produce lines from Australia, the Asian market is being seen as a golden opportunity for exports once supply increases, as local production runs counter seasonal to the northern hemisphere.

Tunisia made pomegranates popular in China

The Tunisian soft seed pomegranate has gradually become popular as a high-end fruit since it was introduced into China from Tunisia in 1986. Currently, the main three producing areas in China are Henan, Yunnan and Sichuan province, and the listing periods are respectively from the beginning of October to mid November, from late August to early October and from late July to early October.

Nationwide, the annual output is relatively stable. Compared with 2015, the average market price rose by at least 10% in 2016, but it is expected to remain flat throughout 2017.

Compared to common fruits like bananas and apples, the Tunisian pomegranate is a less well-known fruit variety and, due to their relatively high prices, the end customers are normally medium and high-end consumer groups.

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