



OVERVIEW GLOBAL PINEAPPLE MARKET

Oversupply, low prices, low demand; in Germany, the pineapple market is even described as catastrophic. Yet this situation appears to be limited to the European continent. Nearby, in Israel, pineapples are reaching sky-high prices, and the market is also better far away from the European continent. Nevertheless, South American producers are still concerned about the consequences of surpluses in the future. We take stock of the situation in some countries worldwide.

The Netherlands: Slight revival after a dramatic market

Over the past three weeks, the situation in the pineapple market has been dramatic, both for fruit marketed under programs and in the spot market, with prices ranging between € 3.50 and € 4.50. Since last week, there has been a slight upturn in both demand and sales. Prices went up to 6 Euro, and for week 30, importers expect prices in the free market to oscillate between 6.50 and 7.50 Euro. From August, due to a gap following the natural flowering in Costa Rica, prices are expected to amount to around 8 Euro. Importers also hope that Europe's pineapple consumption will increase due to the summer temperatures.

Catastrophe on German market

The German pineapple market is currently catastrophic. There has been an excess of shipments in recent weeks, especially from Costa Rica, but also from Colombia and other countries. This situation has been clearly observed since early June. Nevertheless, given the circumstances, traders say that they are relatively satisfied with the current prices. For the coming weeks, however, a lot of rain has been forecast in the Central American growing areas, so in all probability, smaller volumes will also be available. As a result, traders are hoping for a small stabilisation or a revival of the market.

Traders have been noticing a drop in the consumption of pineapples in recent years. The yield per hectare, however, is rising gradually, and this is putting some pressure on prices. However, the demand for niche products, such as crownless pineapples, remains stable. Other variants, such as organic pineapples and baby pineapples, do however play a small role in the retail sector and can only be found at specialist wholesalers.



France: Balance between supply and demand guarantees good prices

In France, the supply and the demand are nicely balanced. A trader at Rungis says: "It is important not to supply too many pineapples. The market situation is stable at the moment. The pineapples are sold for good prices (€ 2.20-€ 2.30 per kilo). At the moment, the trader is able to offer Costa Rican, Colombian and Ecuadorian pineapples, all shipped by plane.

Prices in Italy low due to competition from summer fruit

In contrast to previous years, in which problems were reported in the production, the supply is at a normal level again. There even seems to be a surplus. The prices are a little too low across the country, but that is not surprising, as the summer fruit season is in full swing. Consumers prefer those fruits to imports. Compared to other years, no exceptional situations are observed, apart from the stagnation in the demand. The prices vary considerably. Large multinationals sell the fruit for 7.50 to 8 Euro per box, but there are traders selling for 5 Euro per box. All that can be done is to wait for the market to recover. Pineapples are consumed all year round, so it should be possible to recover from this dip.

South Africa: Plenty of rain results in big harvest

Pineapple cultivation takes place mostly in Hluhluwe, northern KwaZulu-Natal, and in the subtropical East Cape. The most cultivated variety is the Queen pineapple. Adequate and frequent rainfall has caused the production volume to increase, resulting in oversupply and prices under pressure. A box of 10 pieces costs between 35 and 40 ZAR (2.26-2.58 Euro). The smaller sizes (14) cost 25 to 30 ZAR (1.60-1.93 Euro). Large sizes are the latest trend in the market, causing a shortage of small calibres for export to Dubai, Saudi Arabia and the US.

Colombia wants to boost pineapple exports

Pineapples are on a list of products with export potential that the government has put together. This means that the government is investing in this market. A production of 950,000 tonnes is expected for this year. In May, a trade agreement was signed with Argentina which is giving Colombian pineapples access to this market. With this, the Colombian government took a step forward in its plans to increase the export potential and diversify the market.



Most of the harvest (49%) is sold fresh on the domestic market. Another 49% find its way to the processing industry in Colombia, where they are used for the manufacture of juices, jams, syrups and the like. The remaining 2% is exported. According to figures from the Ministry, the acreage expanded by 32% between 2014 and 2017, while the yield increased by 3%. Last year, 11 million dollars' worth of pineapples were exported, almost 10% more than in 2016. This year, exports increased by 4% and reached a value of 2.5 million dollars in the first quarter. The country has access to destinations like Chile, the Netherlands, the United States, France or Italy, among others.

Ecuador: Concerns about surplus in global market

European summer fruit is a major competitor for Ecuadorian exporters. "I understand that consumers in Europe prefer local fruit during the summer months, but it makes it difficult to export tropical fruit," says a trader. Ecuador is a small player in the market compared to Costa Rica. The acreage stands at about 6,000 hectares. The flowering of the pineapple plants starts in April and usually lasts until May or early June. The demand from Europe is low during the summer months. This year, however, a great volume is available, which is resulting in rock bottom prices. A trader hopes that prices will find their way up again from the beginning of August. However, the price did not recover last year, so there are fears of a repeat of this scenario. A trader is worried about the expanding acreage worldwide. It is growing annually in several countries. Although the demand is also increasing, the acreage is expanding faster. A solution lies in good risk diversification across different markets.

Ecuador is not well known for pineapple cultivation, but according to a trader, the fruit's quality is certainly not below that from Costa Rica.

Mexico: Longer organic pineapple season than expected

After a season that lasted longer than expected, there is currently a shift to organic production in some areas. The length of this year's organic pineapple season is unprecedented. Normally, the last batches are loaded between 25 June and 5 July, but this year, shipments have continued to be made in the week starting on 16 July. The harvest is shifting to the Yucatan region, which is expected to remain on the market until December. The North American country competes against Central American countries, and in the US, it also faces the supply from Hawaii.

The demand for organic pineapples is good in the US. "We see the greatest demand in the northwest of the East Coast," says a US importer. Besides, the demand is also on the rise in the Midwest and



Southwest. Thanks to the seasonal transition, prices have slightly increased. "It's just a small rebound of a dollar or two," says the US importer.

Cuban cultivation recovered after Hurricane Irma

In the province of Ciego de Avilla, investments are being made for the planting of more than 600 hectares of pineapples and the increase in the production. In the province, pineapple cultivation and the development of export markets have become a priority for growers and the government. The area was hit by Hurricane Irma, but cultivation has recovered well in recent months. The MD-2, the most popular variety for the European market, has been grown since 2012 in this part of Cuba. The Spanish red pineapple, which is also grown in other provinces, can also be found in the region.

China: A great pineapple supply

There is currently a great supply of pineapples on the Chinese market. Because of the good weather this year, the harvest is much larger than last year and the quality is also good. Some growers were hit by bad weather last season, which led to losses. The season in Taiwan kicks off in March and ends in July. The campaign started well, with great prizes, but after the Qingming festival in April, pineapples from the Philippines and Hainan also hit the market. This resulted in a surplus, which took a negative toll on prices. These fell particularly strongly in the wholesale markets, with retail prices remaining more stable. In general, there is more interest in importing pineapples. Several importers say that they want to expand the range with overseas pineapples in the coming year.

Australia: Good winter harvest causes prices to fall

Although pineapple sales usually peak in the southern hemisphere's summer months, especially around Christmas, the fruit is available all year round. Some growers in Queensland have a large harvest in July, which means that there is currently a large volume available in stores across the country. "This year, we have had good growing conditions and we have a good winter harvest," says a trader.

Every year, around 35 million pineapples are harvested in Australia, the majority of which are grown in the southeast and north of Queensland. In order to give a boost to consumption and demand, growers are investing in promotional campaigns during the winter harvest. In the financial year 2017



(ending in June), 77,482 tonnes of pineapples were harvested, according to the latest Hort Innovation figures. 41% of this was supplied to the processing industry. The volume was slightly lower that year, but the value rose by 3%, to 54.2 million dollars. All pineapples are sold on the domestic market and no pineapples are imported.

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