

## **ESTIMATES ARE REVISED DOWN, BUT HIGHER PRODUCTION IS CONFIRMED FOR 19/20**

Higher production estimates for the Brazilian citrus belt (São Paulo and the Triângulo Mineiro) in the 2019/20 season were confirmed by Fundecitrus (Citrus Defense Fund) in a report released on Dec. 10. Although estimates were 0.8% lower than that reported in September, data indicate that the current crop should be 34.7% larger than the previous, totaling 385.31 million 40.8-kilo boxes of oranges.

According to Fundecitrus, new estimates were based on the lower rains in the citrus belt in 2019 (from May to November). With lower rains and high production, the size of the oranges produced in the citrus belt is shrinking – from 260 fruits per box, estimated by Fundecitrus in May, to 262 in December, 0.77% down. As regards the drop rate, new estimates increased from 17.60% to 17.63%, on average, considering all citrus varieties. If the drop rate remains at this level until the end of the crop, it will be the highest in all times, based on data from Fundecitrus.

Still according to the report, the harvesting of pera rio oranges has already reached 85%, against 50% for valencia and folha murcha varieties. Natal orange harvesting, in turn, has totaled 45% so far. As regards the total volume harvested, 74% of the 2019/20 crop has been harvested, against 78% in the same period last season.

This scenario indicates that, although estimates point to a smaller amount of late oranges this year – due to fruitlet losses in December/18 and lower flower settlement in mid-January/19 –, low supply, which is usual at the beginning of the year, may be postponed. The end of pear orange supply has been reported by Brazilian citrus farmers, but there still are some amounts of late oranges (mainly natal) available to be harvested in December and January.

Thus, based on the higher volume forecast for the current crop, agents from processors believe orange crushing will not be interrupted



between a crop and the other – although the crushing pace may be slower than that in 2019/20. It is worth to mention that the crushing pace has been fast at processors since the beginning of activities this year, reaching 100% of the capacity in almost all plants.

## **MARKET IN BRAZIL**

Despite the nearness of the holiday season, when the demand for citrus fruits usually decreases, farmers reported firm demand in the first fortnight of December. According to agents, this scenario may be linked to the beginning of the month, when workers' wages are paid.

As regards tahiti lime, quotes have been dropping, due to growing supply. According to Cepea collaborators, the supply of small-sized fruits is still high in the market of São Paulo State.

**Lien article :**

<https://www.cepea.esalq.usp.br/en/brazilian-agribusiness-news/estimates-are-revised-down-but-higher-production-is-confirmed-for-19-20.aspx>

