Mango

The European market month by month in 2019

A staccato supply with fluctuating demand

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Volumes and prices out of sorts from January to April

At the very start of 2019, the rapidly falling incoming Brazilian shipments, as well as the delay to Peruvian shipments, led to a marked under-supply. This situation meant ongoing high prices, with levels rarely charged at this time of year. However, from the second half of January, the European market was more abundantly supplied. By late January, Peru reached its usual export tempo, outstripping the market's natural demand.

It was not until early March that the European market got back on track. Throughout the month, incoming shipments were clearly down and rates on the up, because of poor sailing conditions off the coast of Europe, due to the delay to the West African campaign (high temperatures and low rainfall) and the gradual decrease in volumes from Peru, which was also experiencing logistical problems. Nonetheless, supermarket sector purchasers baulked at the asking prices, especially compared to those charged at the same time last year.

In mid-April, the market was swollen due to the combined shipments from Peru and Brazil. The different markets felt a different invigoration of demand in the run-up to the Easter holidays. The high prices charged for the previous several weeks, as well as the proliferation in qualitative problems with Peruvian merchandise, put certain distributors off this origin. Hence demand over Easter did not live up to the forecasts, which led to fruit being stored.

Market inscrutable, with gradually increasing saturation in May and June

In late April, immediately following the Easter holidays, the European market proved complicated. In spite of a considerable fall in supply levels, the market conditions were deteriorating. The lack of demand led to fruit being stored, which was harder to sell off at the end of this month.

In early May, the West African supply gradually swelled, with the transition between the Peruvian and West African campaigns completed in week 19. The market was primarily supplied by West African mangos, mainly from Côte d'Ivoire which was at its campaign peak.

In late May, massive incoming West African shipments, boosted by shipments from Brazil and Central America saturated the market, leading to the formation of stocks, in a context of less dynamic demand. Sales were disrupted by the multiple origins, varieties and differing quality levels present, as well as the meteorological variations in Europe.

In mid-June, it was actually possible to talk about a destructuring of the market. The supply was still abundant, with the combination of substantial incoming shipments from Brazil and stocks from Côte d'Ivoire. On top of these came imports from other West African origins (Mali, Burkina Faso and Guinea), the start of the Senegalese campaign and the Central American origins (Puerto Rico and the Dominican Republic).

Although in late June the European market seemed to stabilise and approach a new phase with the end of the West African campaigns, it remained swollen and confused. Sale prices varied according to the quality of the batches available.

Seasonal fruits on top in the summer

In July, the market was dominated by seasonal fruits, available in high quantities and at attractive prices. True, a classic and predictable phenomenon, but demand for tropical produce seems to have shrunk increasingly year on year during the summer period. The abundance of communication promoting seasonal fruits and proximity is creeping into the minds of consumers, which could have long-term consequences on purchases of exotic fruits, particularly in the European fruit production period.

In August, the supply was very small because of the fairly rapid end to the Puerto Rican, Dominican and Senegalese campaigns, which helped prices hold up.

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Over-supply again in September and October

The trio of supplier countries (Brazil, Israel and Spain) were providing high levels to the European market. The regularity of Israeli shipments, the rapidly increasing Brazilian shipments and surge in Spanish shipments made for sluggish market conditions, weighing down on prices.

In mid-September, while Israeli volumes were dwindling, Spanish volumes were on the rise, leading to a general oversupply in the face of quiet demand. Competition between suppliers favoured low bidding, in a context of flat demand.

A brief improvement in November

In early November, the market conditions improved. Due to the subsiding Spanish shipments, volumes on the market ebbed, which was the main reason for the change in direction of the rates, which had hitherto maintained a rather high level.

In November, Brazil remained the main sea-freight mango supplier to the European market. This rising supply matched demand for a time. Yet in early December, large volumes from Brazil, as well as the cumulative total over several weeks, weighed down on transactions, especially with demand remaining moderate.

A sluggish end to the year

The transition from the Brazilian supply to the Peruvian supply seemed to have gone fairly smoothly. Yet the markets remained very quiet in spite of the end-of-year festivities. Demand barely exceeded its normal level, and did not receive as much of a festive boost as in the past ■