

CITRUS SICILY

MARKET UPDATE JANUARY 2024

The citrus market in Sicily (winter harvest) is currently navigating through a period marked by unique challenges and opportunities. As we delve into the specifics of each citrus variety, it's important to understand that these dynamics are shaped not only by local factors but also by broader European and global trends. This update aims to provide a nuanced view of each segment within Sicily's citrus industry, reflecting on how external and internal factors interplay to define the current market scenario.

Blonde Oranges

- Demand and Availability: High demand but low availability.
- Pricing: Costs are 100% higher compared to the same period last year.
- Causes: Global shortage of juice and oil; reduced orange availability in Spain; increased demand for fresh oranges in Italy.

Blood Oranges

- Harvest: Delayed by 2-3 weeks.
- Volume and Size: Higher volume than the last crop but with smaller sizes due to lack of water, increasing handling costs.
- Market Uncertainty: The cost of fruit remains uncertain.

Lemons

- Production Volume: In line with the last crop.
- Pricing Trends: High current prices, but a decrease is anticipated due to low demand for essential oil and adequate supply from Spain.
- Market Outlook: No urgency for processing, given the global market conditions.

Tangerines/Mandarins

- Crop Quality: Poor early variety crop leading to high fruit costs, which may affect the late variety used for juice.
- Market Dynamics: High demand for mandarin derivatives to compensate for the shortage of blonde oranges.

European Context

- The Sicilian Regional Assembly has allocated 7 million Euros to support the citrus fruit sector, especially for the purchase of oranges for humanitarian and social purposes.
- The EU citrus production, particularly in Spain, faces constraints due to adverse climatic conditions, but the lemon crop is expected to grow over 15% year-over-year.
- Spain's overall citrus harvest for 2023/24 is anticipated to fall below 5.8 million tons, affecting mainly mandarins, clementines, and oranges, while lemon and grapefruit production may rise.

The current situation underscores the interconnectedness of local and global markets and the impact of environmental factors on agricultural outputs. While the region braces for the repercussions of these dynamics, the support from the Sicilian government and the resilience of the market players will be crucial in navigating through this period. The ongoing developments in the citrus market should be monitored with a keen eye for evolving trends and opportunities.



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