2024 Citrus Australia
AUSTRALIAN CITRUS CONGRESS
SUNSHINE COAST, QUEENSLAND
5 March | AGM & Welcome Event
6 & 7 March | Congress

Sour citrus, sweet solutions

Adapting to global and domestic changes across the juice industry

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2022 TRADE

1.37 million tonnes
66' Brix equiv

United States	88 k t
Canada	78%
Asia	5%
Europe	1%
Australia	0%

Spain	92 k t
Europe	87%
US & Canada	1%
Asia	7%
MENA	3%

Mexico	149 k t
Europe	9%
US & Canada	88%
Asia	3%
Australia	0%

Brazil	956 k t
Europe	60%
US & Canada	27%
Asia	9%
Australia	1%

S Africa	15 k t
Europe	41%
US & Canada	5%
Asia	5%
MENA	8%

Australia	2 k t
NZ / Pacific	57%
Asia	39%
US & Canada	3%

Source: ITC TradeMap; Fresh Intelligence analysis

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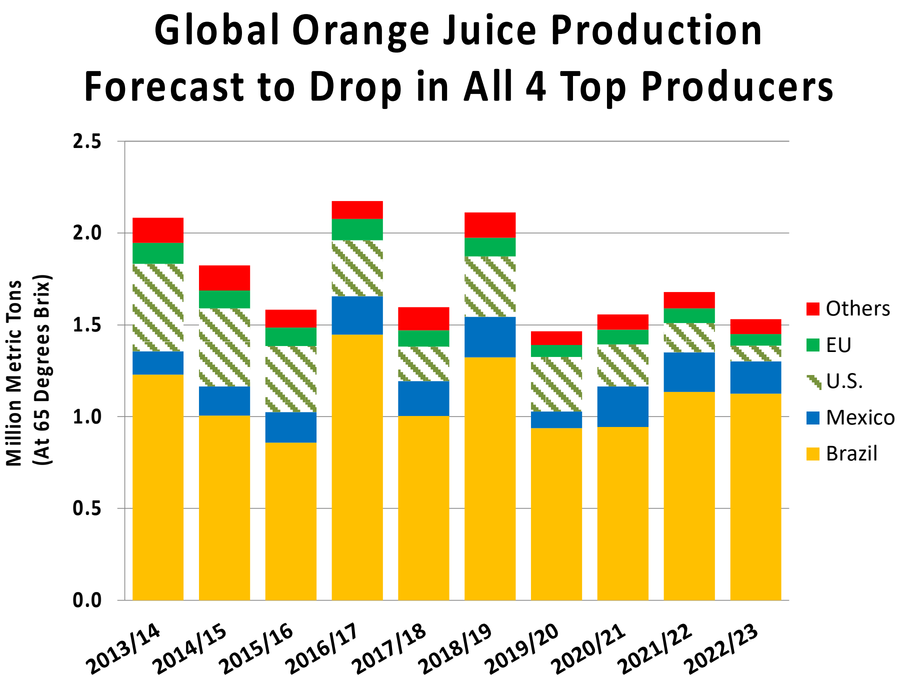
Global Orange Juice Production - 1.5 million tonnes

Brazil produces over 70 per cent of the world's commercial orange juice
The US supply is decreasing rapidly

Mexico is increasing export supply though not fast enough to offset demand
Europe (Spain, plus Italy Greece and Turkey) are small producers of juice in global context
Supply shortage plus steady demand = rising prices

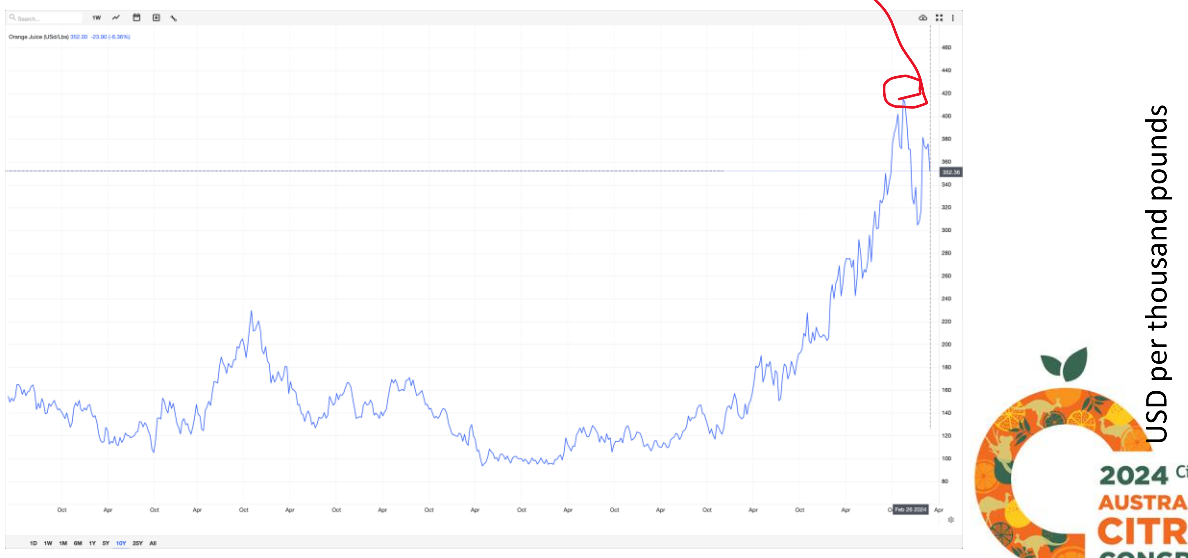
Spot price of Orange Juice US$4.15 per lb. 18 Nov 2023 (Trading Economics CFD)

(US $9.22 per kg / AU 14.71 per kg) (66'Brix equivalent)



Orange Juice (Usd/Lbs.)

66'Brx equivalent



Source: CFD Trading Economics

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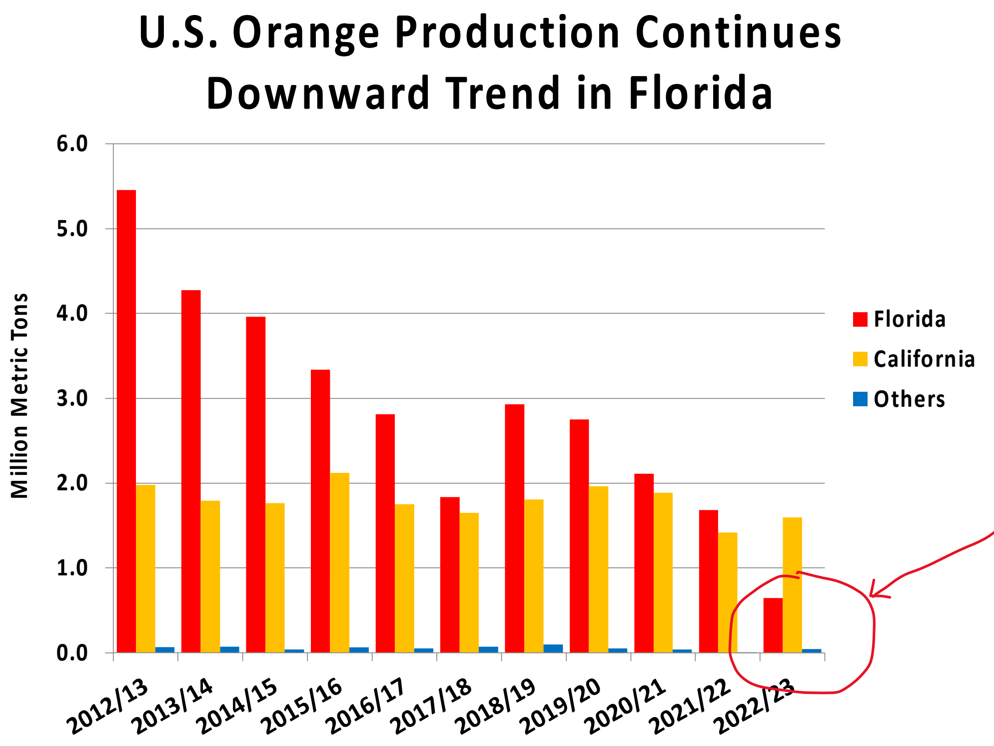
US Implications – Florida Citrus is disappearing

- Florida produces most of US commercial orange juice
- Citrus Greening detected in 2005 started the downward production trend
- Hurricanes Irma (2017) and Ian (2022) decimated the orange groves – over US$ 500 Million damage
- US forecast for 2023 Florida crop is the lowest since 1940's - ~ 640,000 tonnes
- Demand for fresh oranges is very high and offset by California to maintain domestic supply
- Juice production is reducing, and this means demand from Mexico and Brazil is up to satisfy domestic needs
- Neither can ramp up production – supply scarcity pushes up prices



Source: USDA FAS, July 2023

Frozen Concentrated Orange Juice

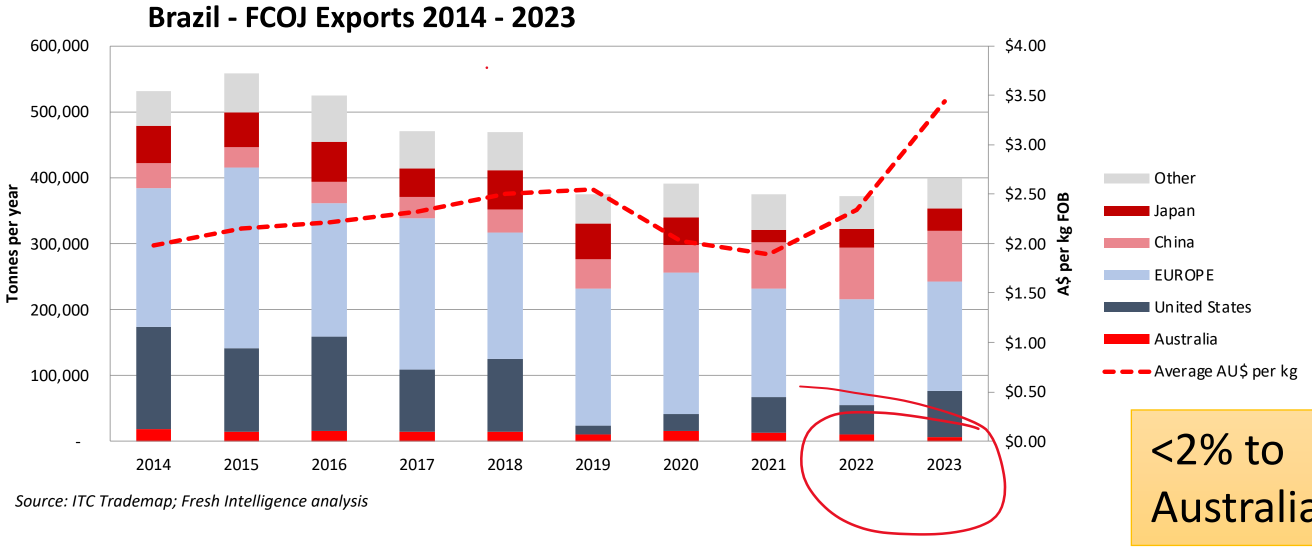
Brazil exports almost 400,000 tonnes of FCOJ. (plus 500,000 tonnes of NFC 66% brix equivalent)

Most volume has been to Europe and increasingly China.
Volumes to US had decreased, though now rising to offset their lack of capacity

Australia accounts for less than 2% of exports

Prices (FOB) have been rising rapidly, now at record levels.

Frozen Concentrate (FCOJ) exports have been falling and offset by Not From Concentrate (NFC)

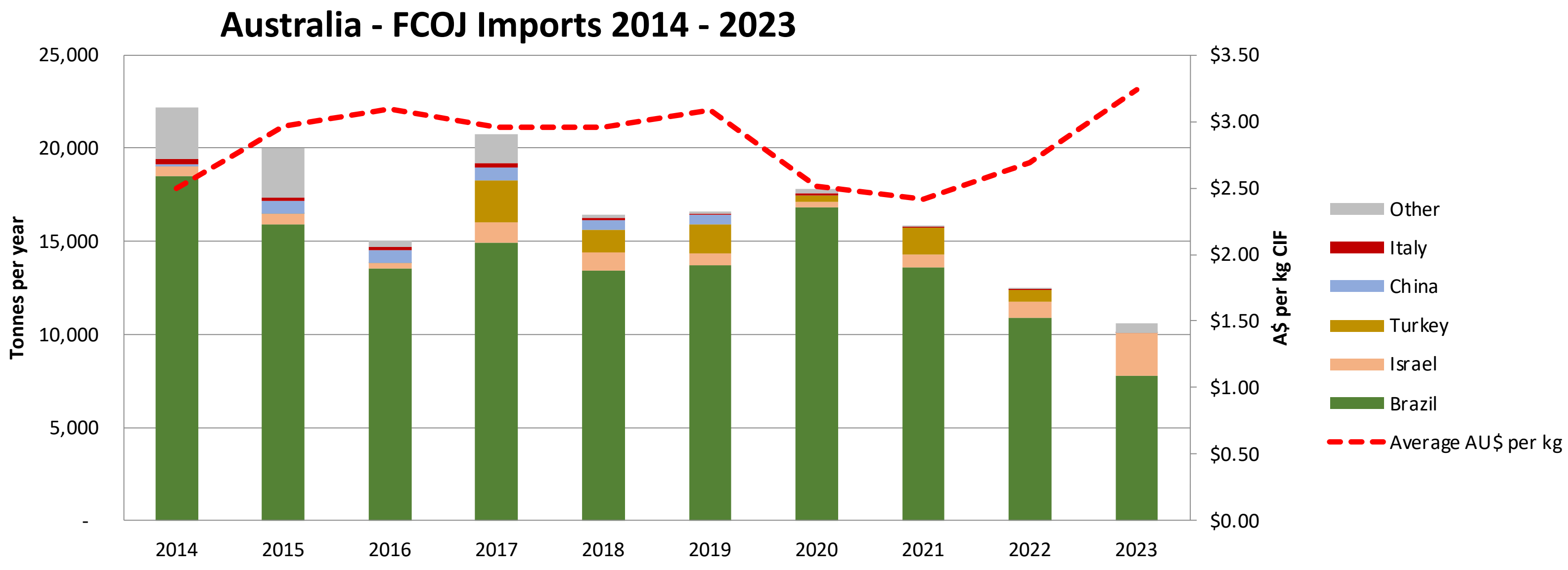


<2% to Australia

Australia

Australian FCOJ imports have been declining.

10,587 tonnes imported in 2023 - down from 22,000 tonnes in a decade.
Brazil accounts for over 75 per cent of supply followed by Israel now with 20 per cent
Unit values per kg have increased to $3.21 per kg

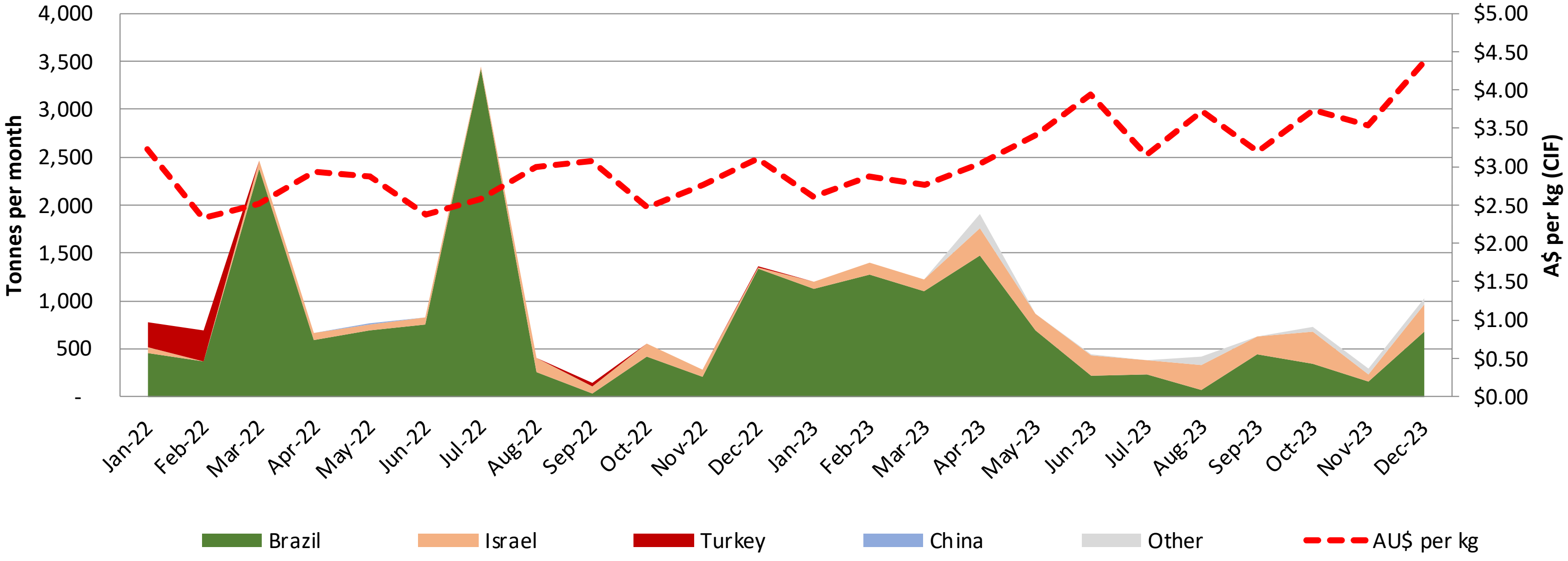


Source: ITC Trademap; Fresh Intelligence analysis

Australia

FCOJ is used in low value lines that often retail under $2.00 per kg.

Over last 2 years import monthly supply patterns have changed.
Israel became a more significant supplier in 2023 as supply and prices from Brazil became difficult
With pressure on Brazilian supply from United States and Europe, FCOJ will be harder to source.



Source: IHS Global Trade Atlas; Fresh Intelligence analysis

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Estimating the supply gap

	2020	2021	2022	2023	2024 *	2024 #
	Tonnes	Tonnes	Tonnes	Tonnes	*Tonnes*	*Tonnes*
Fresh Orange Production	511,345	473,697	535,185	505,000	*530,000*	*530,000*
Exported	182,022	158,735	143,194	153,651	*160,000*	*160,000*
share of production	36%	34%	27%	30%	*30%*	*30%*
Domestic	114,377	116,423	129,311	130,000	*130,000*	*130,000*
share of production	22%	25%	24%	26%	*25%*	*25%*
Fresh Oranges Processed 2022	195,700	184,858	214,296	221,349	*240,000*	*240,000*
Share of production as juice	38%	39%	40%	44%	*45%*	*45%*
Est Fresh Juice (500kg per tonne)	**97,850**	**92,429**	**107,148**	**110,675**	***120,000***	***120,000***
					** Better*	*# Worse*
Imported FCOJ	17,792	15,825	12,424	10,587	***10,000***	***2,000***
Est Fresh Juice Equiv (8.6 fold)	153,011	136,095	106,846	91,048	*86,000*	*17,200*
Imported NFC	996	711	812	644	*1,000*	*500*
Fresh Juice Import Equiv (tonnes)	**154,007**	**136,806**	**107,658**	**91,692**	***87,000***	***17,700***
Total Fresh Juice supply (tonnes)	**251,857**	**229,235**	**214,806**	**202,367**	***207,000***	***137,700***
Est Demand (juice tonnes)				220,000	*220,000*	*220,000*
Shortfall (Juice tonnes)				17,633	*13,000*	*82,300*
Shortfall (66'c Brix FJOJ)				2,050.38	*1,511.63*	*9,569.77*
Shortfall in Fresh Oranges				**35,267**	***26,000***	***164,600***

Assumptions				
Fold	8.6	total consumption	859,225,600	x 250ml glasses
Juice per ton	500			
		per capita	33.4	250ml glasses per year

Source: S&P Global Trade Atlas, Hort Innovation Stats Handbook, Fresh Intelligence analysis

In 2024 based on current forecasts, if:
*10,000 tonnes FCOJ can be sourced we have a shortfall of 26,000 tonnes of fresh oranges to meet past demand
2,000 tonnes FCOJ sourced then shortfall is 164,600 tonnes to meet same demand

Shortage of fresh oranges allowing for 2024 imports at better and worse scenarios

Discussion

REFERENCES

- International Trade Centre, TRADE MAP www.trademap.org/
- IHS Global Trade Atlas
- FAOSTAT
- Citrus Australia
- Citrus BR
- USDA (Foreign Agriculture Service)

DISCLAIMER

- Fresh Intelligence Consulting collated the data for Citrus Australia from data provided by the international trade databases as referenced.
- While every effort is made to ensure that the data is a true reflection of the trade, some errors may occur due to the reporting and Fresh Intelligence Consulting takes no responsibility for any losses that may occur as a result of decisions based on this data.
- Views expressed are personal and may not reflect the same views of Citrus Australia.

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