Pear Market
Review season 2017/18

PROGNOSFRUIT CONGRESS 2018

HELWIG SCHWARTAU, AMI

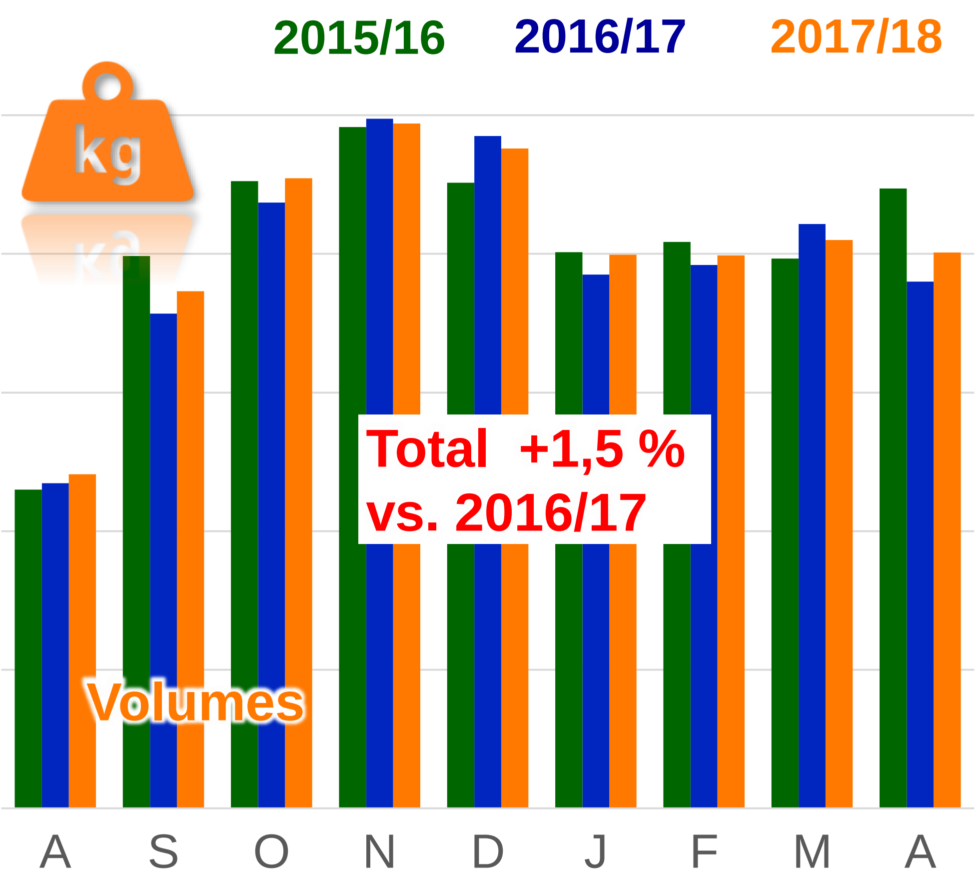
natürlich informiert.

Enough pears in season 2017/18

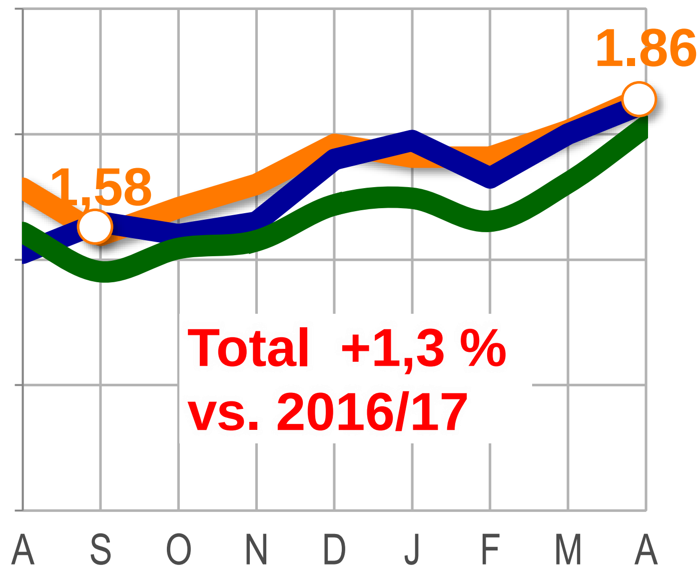
- Production - 7 % higher than 2016, but below average
  - Different movement in the first part of season:
    - Conference with active sales, a lot of pears with limited shelf-life
    - Abate Fetel with defensive sales
  - Last part of season
    - Conference with increasing prices
    - Abate Fetel under pressure
- Less imports from overseas, more and more retailer prefer EU pears and don‘t switch to overseas anymore
- Pear consumption is stable to increasing

Pears – the same as last season

Germany, Italy Spain, France – Monthly consumption and retail price (EUR/kg)



Ø Monthly retail price

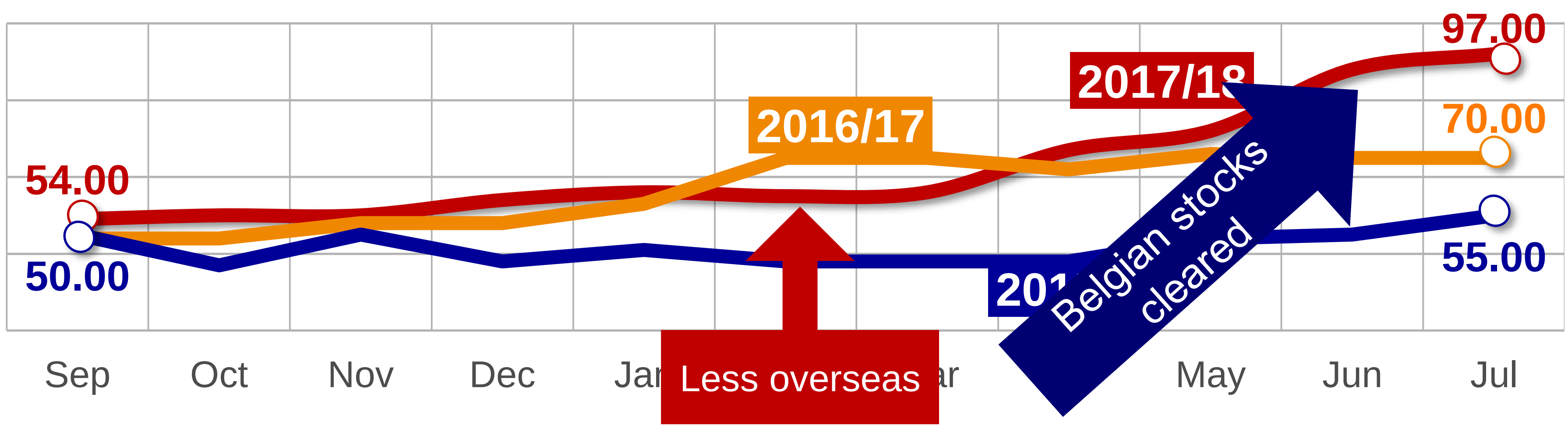


Source: AMI; European panal data

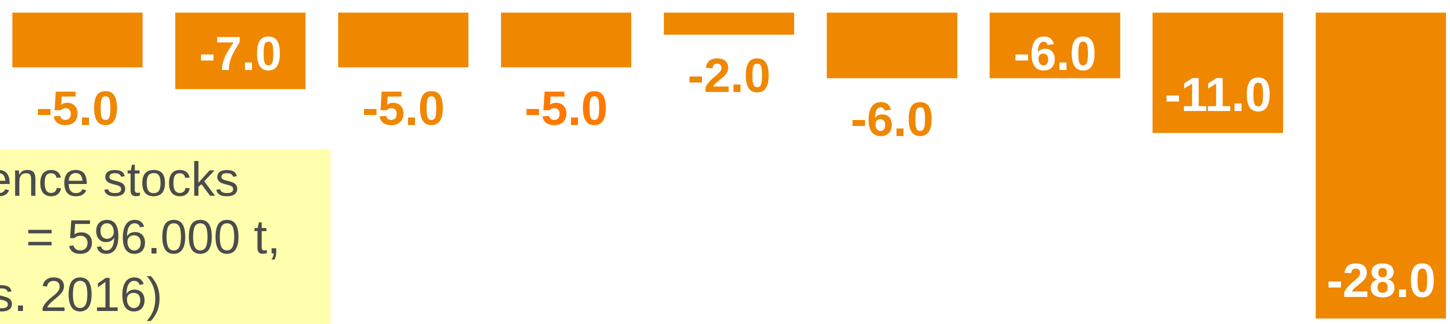
Conference – Season 2017/18

Dutch Conference 55-65 mm, price ex. region in EUR/100kg, excl. package

AMI



Conference - Monthly EU stocks 2017/18 vs. 2016/17, in %

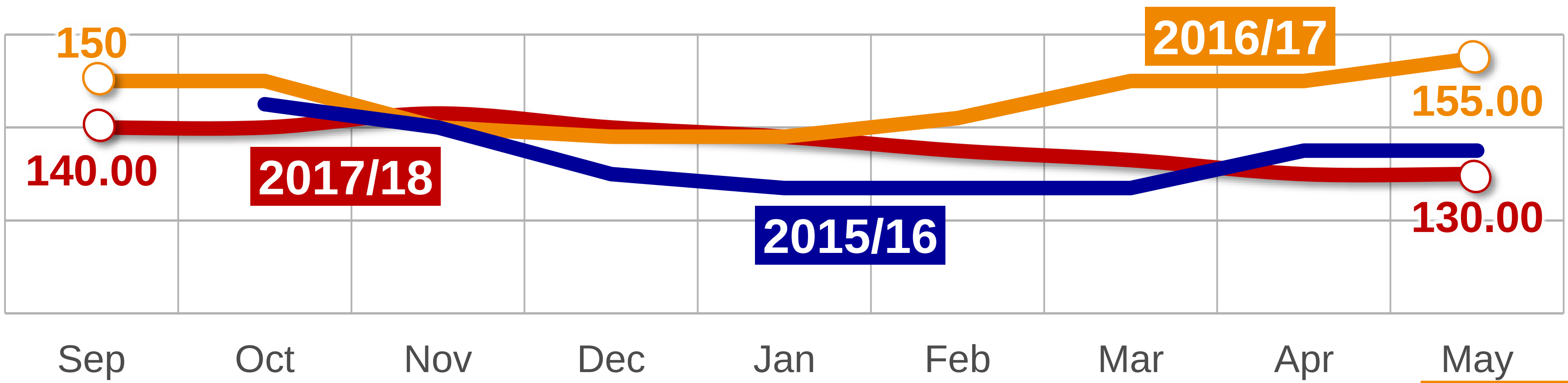


EU Conference stocks
1st Nov. 2017 = 596.000 t,
(-5 % vs. 2016)

Source: AMI; Dutch traders; WAPA

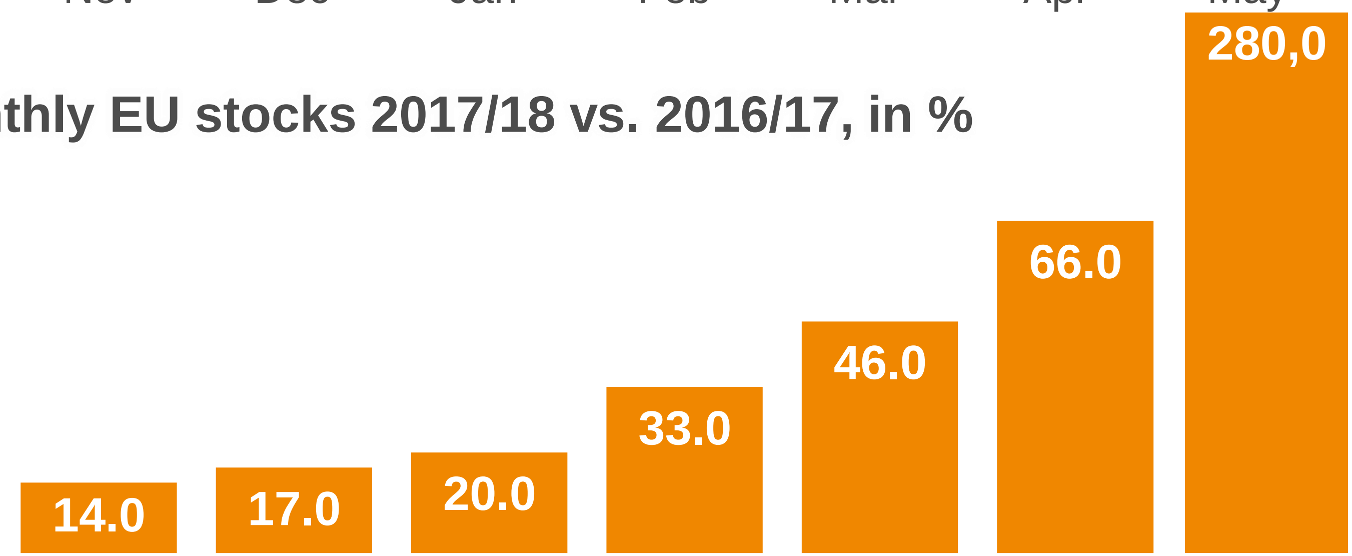
Abate Fetel – Loser 2017/18?

Italian Abate Fetel 70-75 mm, single layer, price ex. region in EUR/100kg, excl. package



Abate Fetel - Monthly EU stocks 2017/18 vs. 2016/17, in %

Abate Fetel stocks
1st November
2017 = 226.000 t
2016 = 200.000 t
2015 = 232.000 t
2014 = 241.000 t



Source: AMI; Italian traders; WAPA

Pear Market
Outlook season 2018/19

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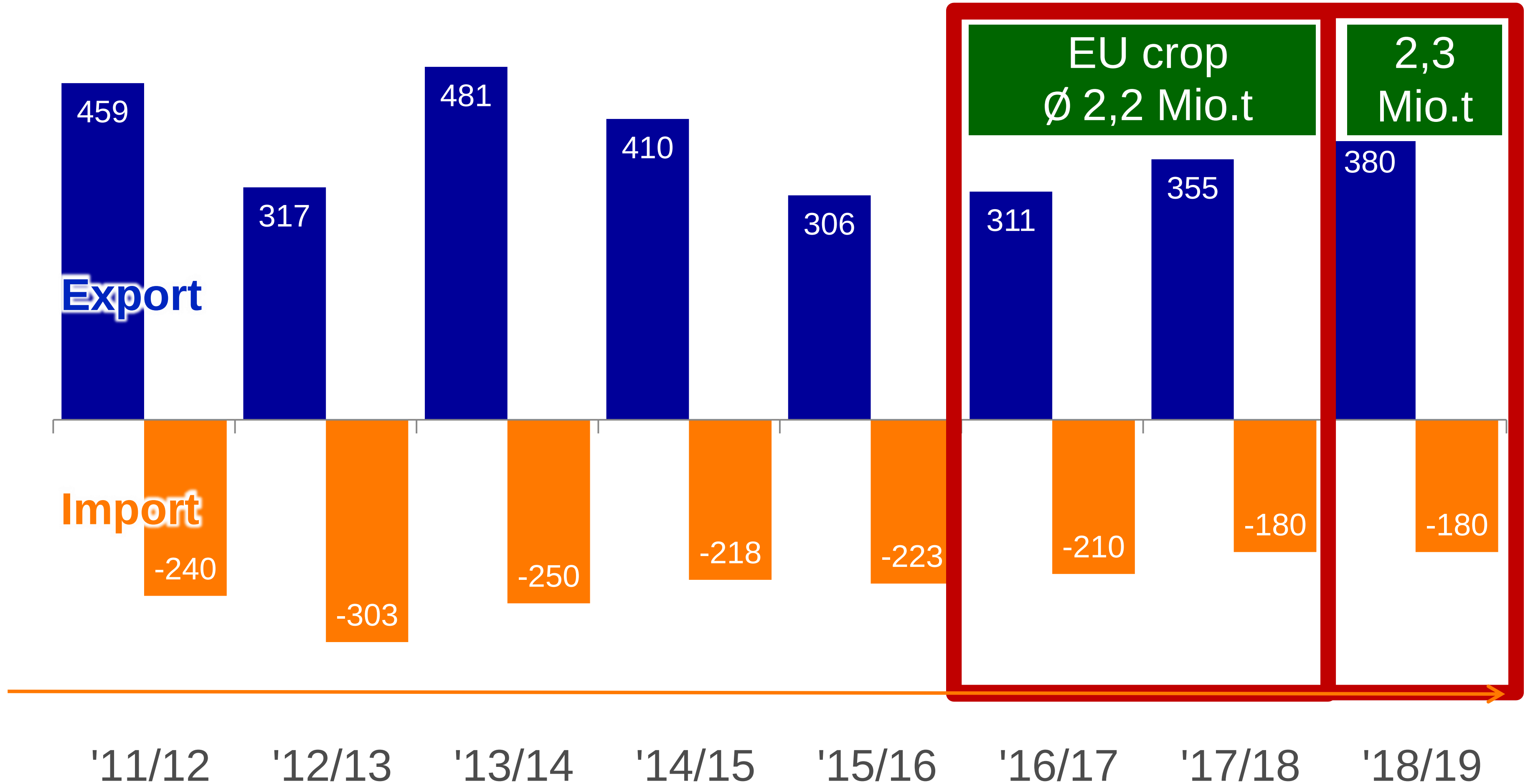
100.000 tons more?

- Drought and volume? We need an update for the estimation (Benelux)
  - The surface in Benelux is increasing, yearly 600 ha Conference, but in 2018 a record crop?
  - Abate Fetel with the same volume as previous year, repeated a strong competition with Conference?
- Market? Need in total more demand, last two years with lower crop
  - EU domestic market – more promotion and replace overseas?
  - Export volumes to Eastern markets, could it increase?

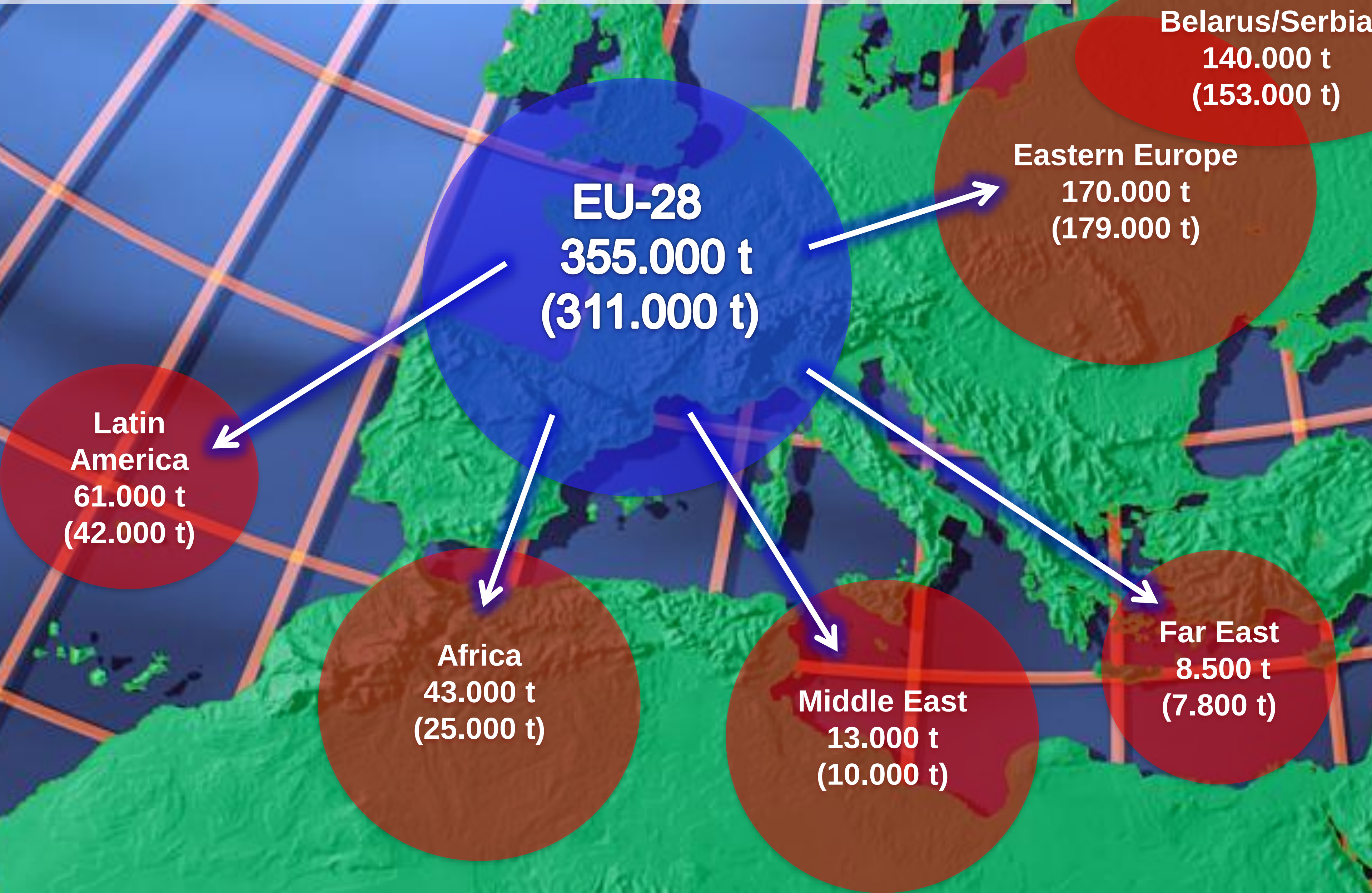
Increasing exports necessary

Trade balance for EU pear market (1.000 t)



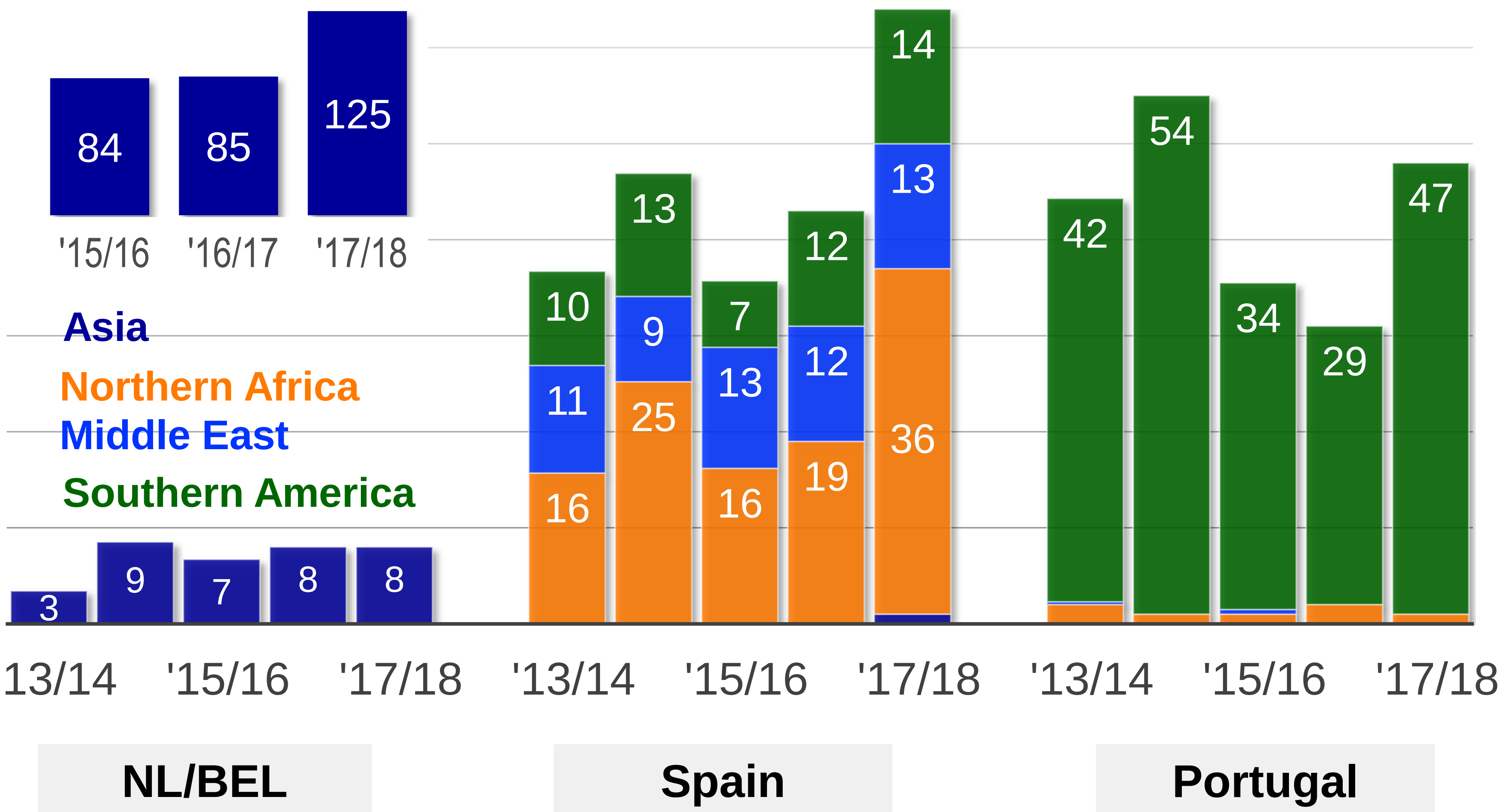
Source: Eurostat

EU 28 - Pear exports in 2017/18 (August – April), comparison to 2016/17



Spain and Portugal the main exporters

EU pear exports to markets outside Europe (Aug. – April), 1.000 t



Source: Eurostat

New pear markets, who could supply?

AMI

	POL	FRA	IT	BEL	NL	GER	SP	Total import (t)
Brazil								150.000 - 180.000
Mexico								100.000
Colombia								30.000
Canada								70.000
USA								85.000
Vietnam								75.000
China								100.000
India								30.000
Thailand								45.000

Negotiation

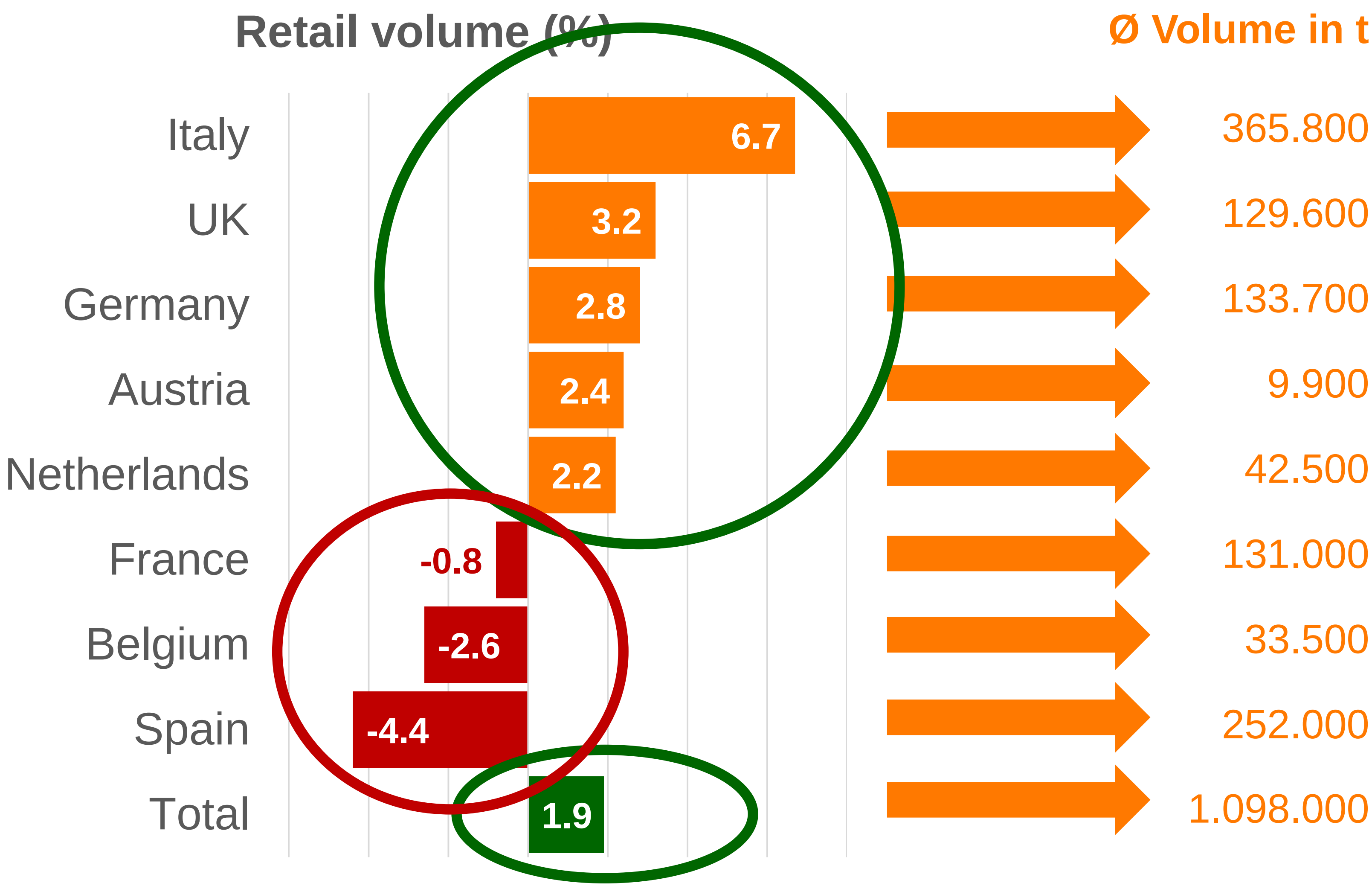
Export possible

Source: European national associations

The Netherlands/Belgium – pear exports
August 2017 till April 2018 (1.000 t)

Positive EU consumption trend

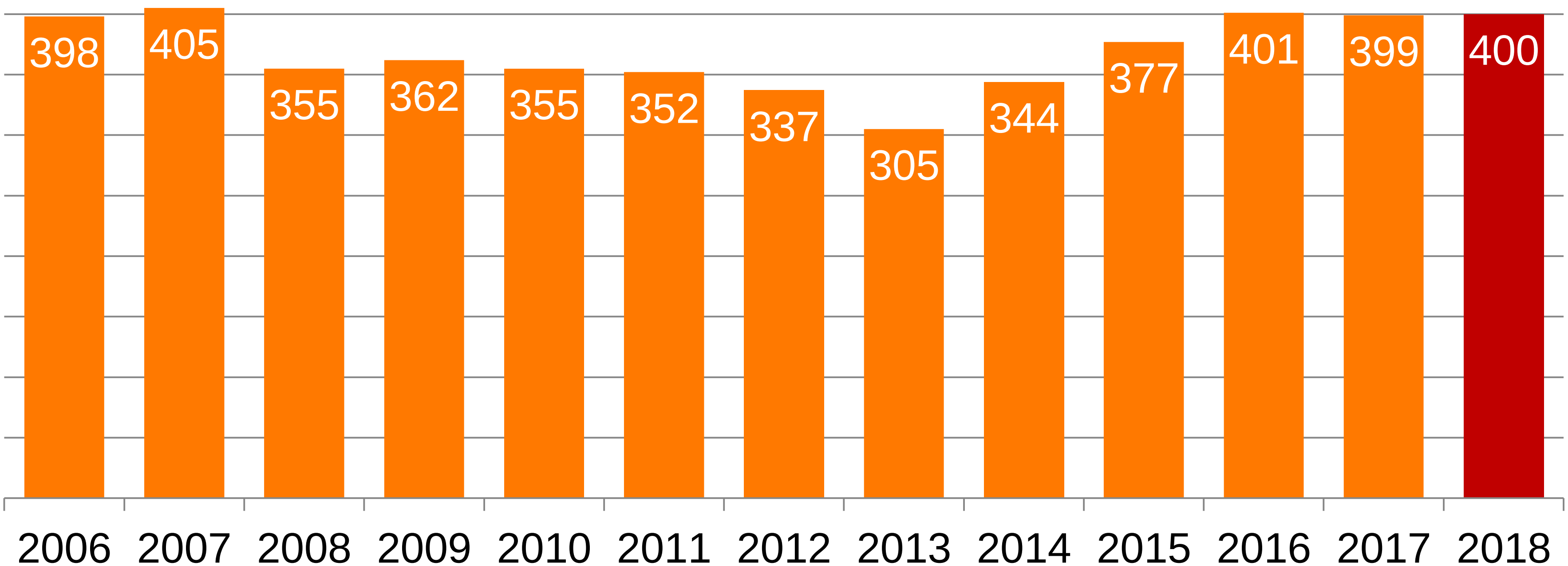
Yearly shifting volume in %, Ø 2013 – 2017,



Source: European panel data

Increasing consumption, stable price

Italian pear consumption, in 1.000 t



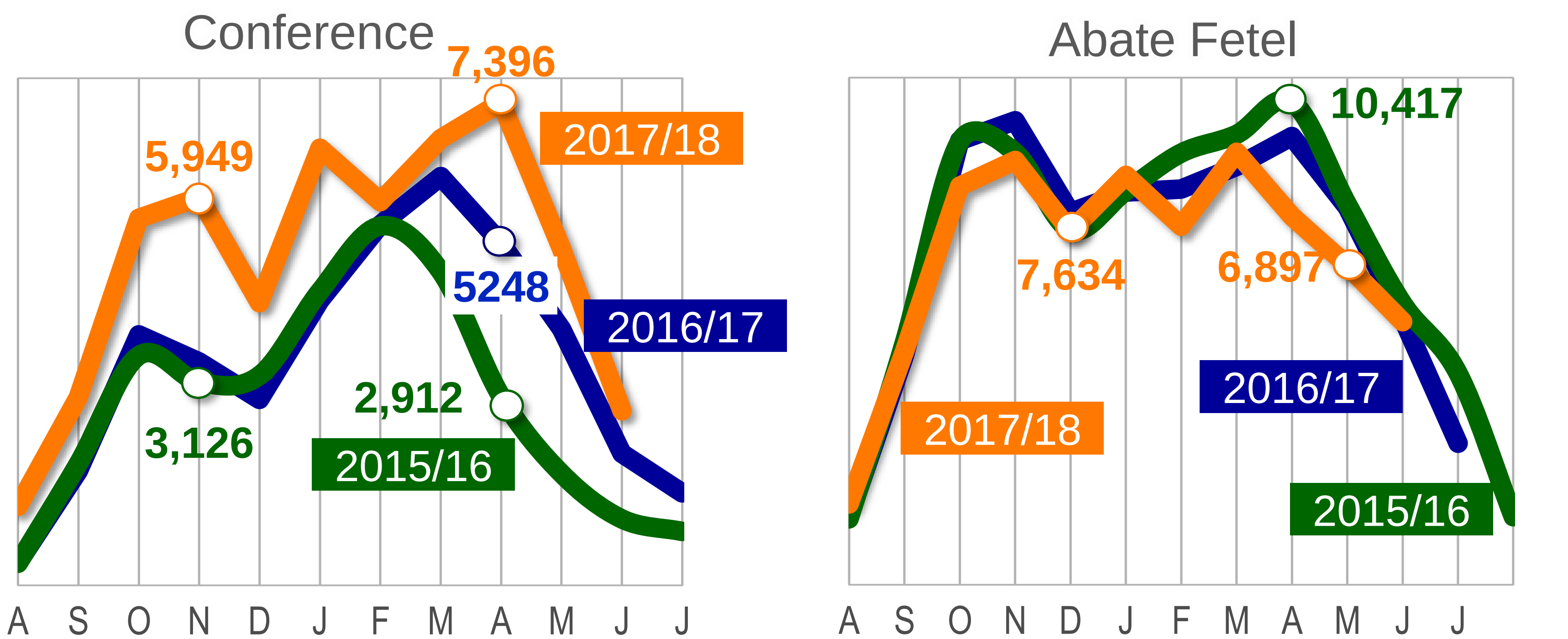
Retail price (EUR/kg)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	1,56	1,57	1,61	1,66	1,68	1,78	1,71	1,71	1,70	1,71

Source: CSO

Conference, even more pressure in 2018/19?

AMI

Monthly German consumption, in tons



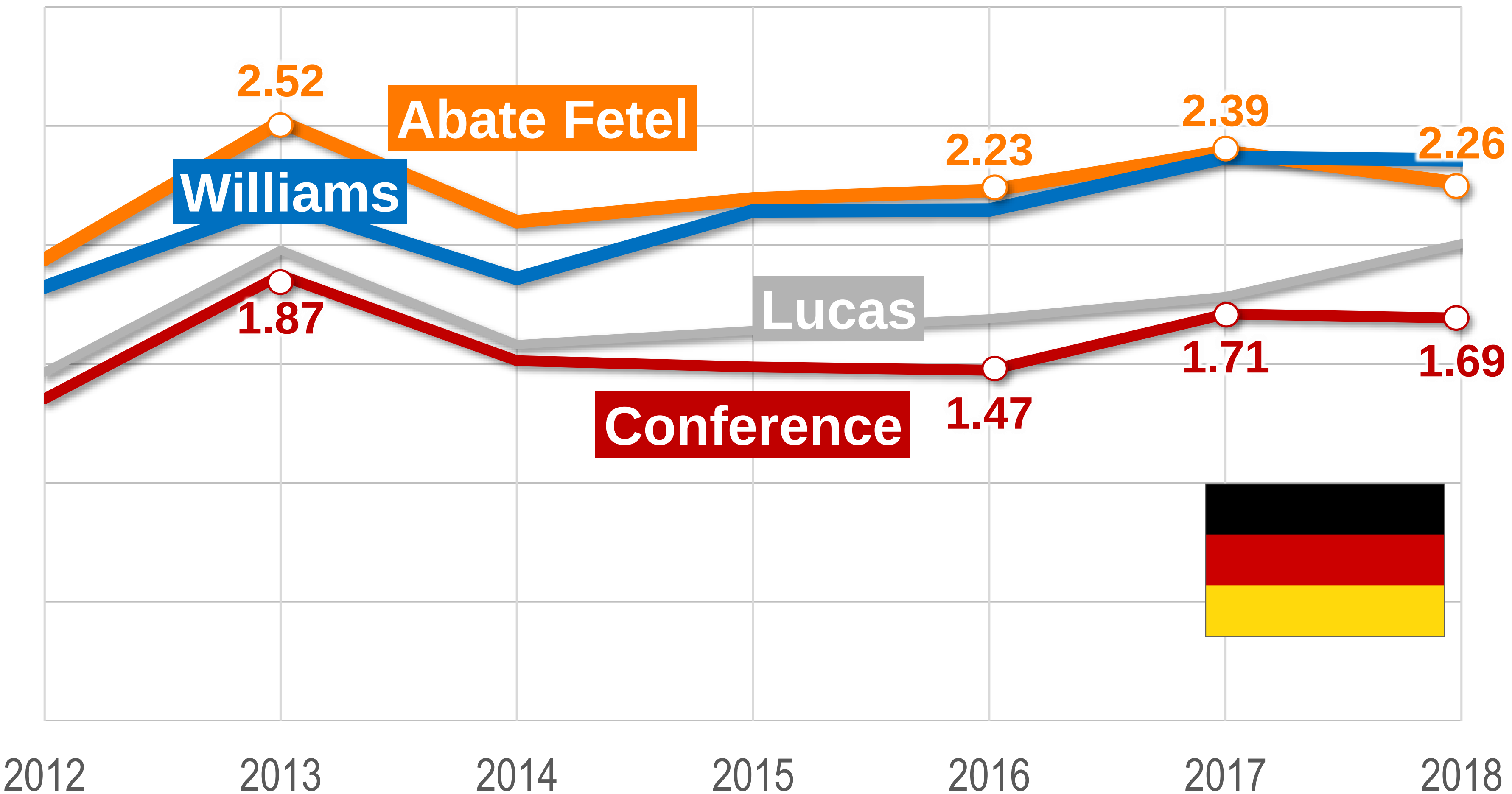
Total August – June (turnover)
2017/18 = 54,7 Mio. EUR
2016/17 = 39,7 Mio. EUR
2015/16 = 32,7 Mio. EUR

Total August – June (turnover)
2017/18 = 78,6 Mio. EUR
2016/17 = 83,7 Mio. EUR
2015/16 = 85,5 Mio. EUR

Source: AMI analysis based on GfK household panel

Conference - Cheap retail price

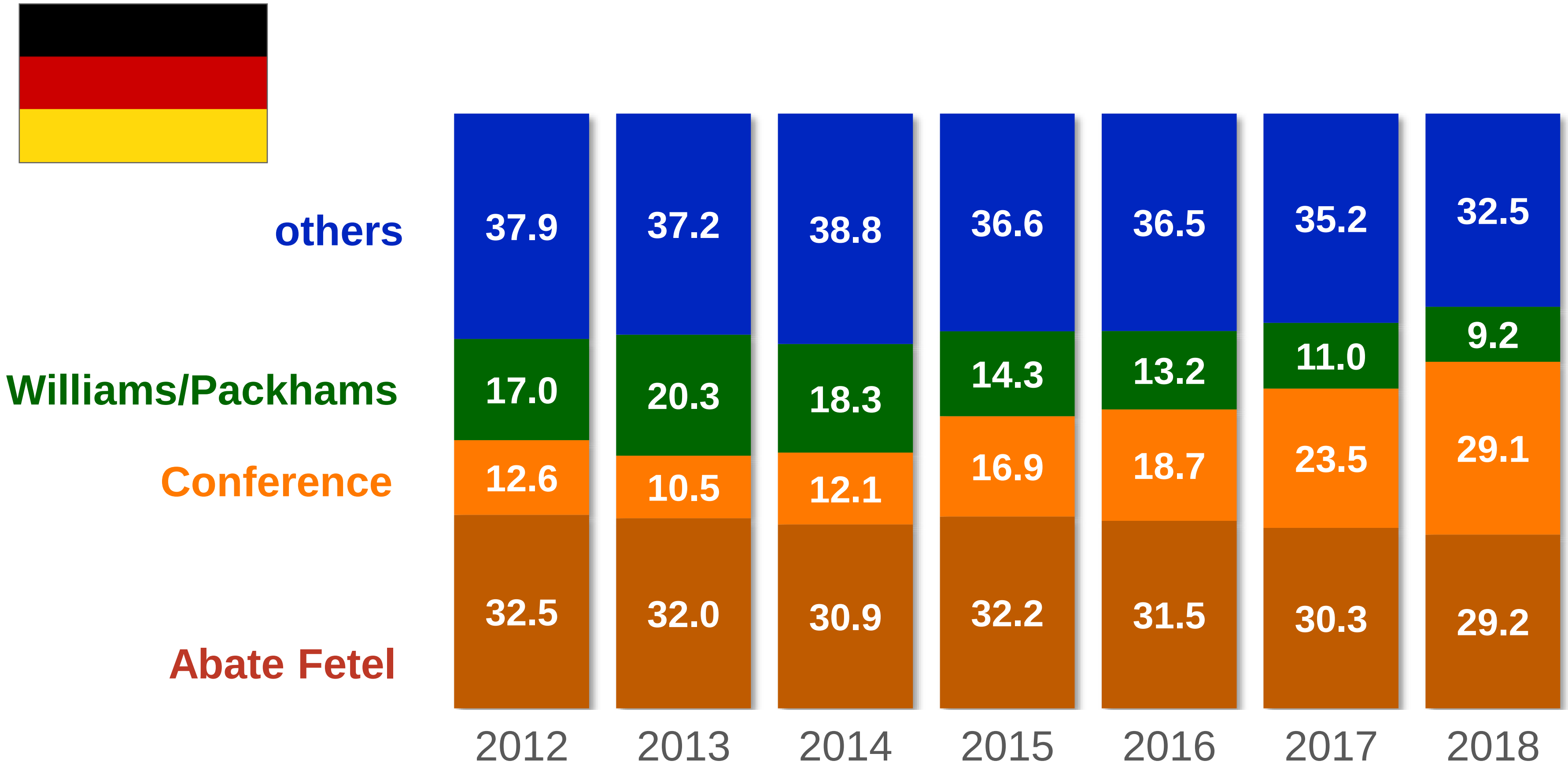
German retail prices January to June, in EUR/kg



Source: AMI analysis based on GfK household panel

Loser oversea pears

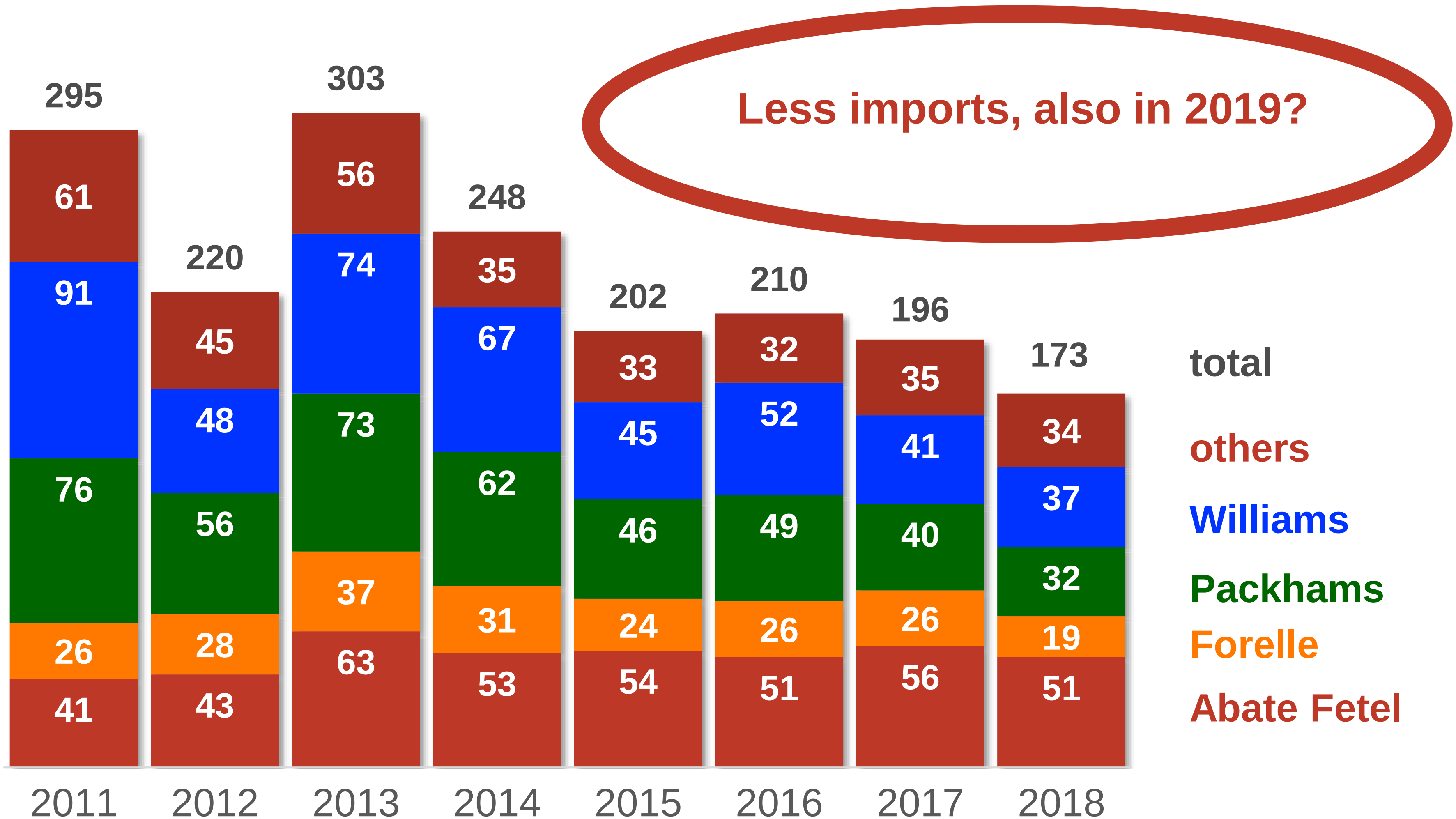
Pear consumption in Germany – market share January to June, in %



Source: AMI analysis, based on GfK household panel

Less imports from Southern Hemisphere

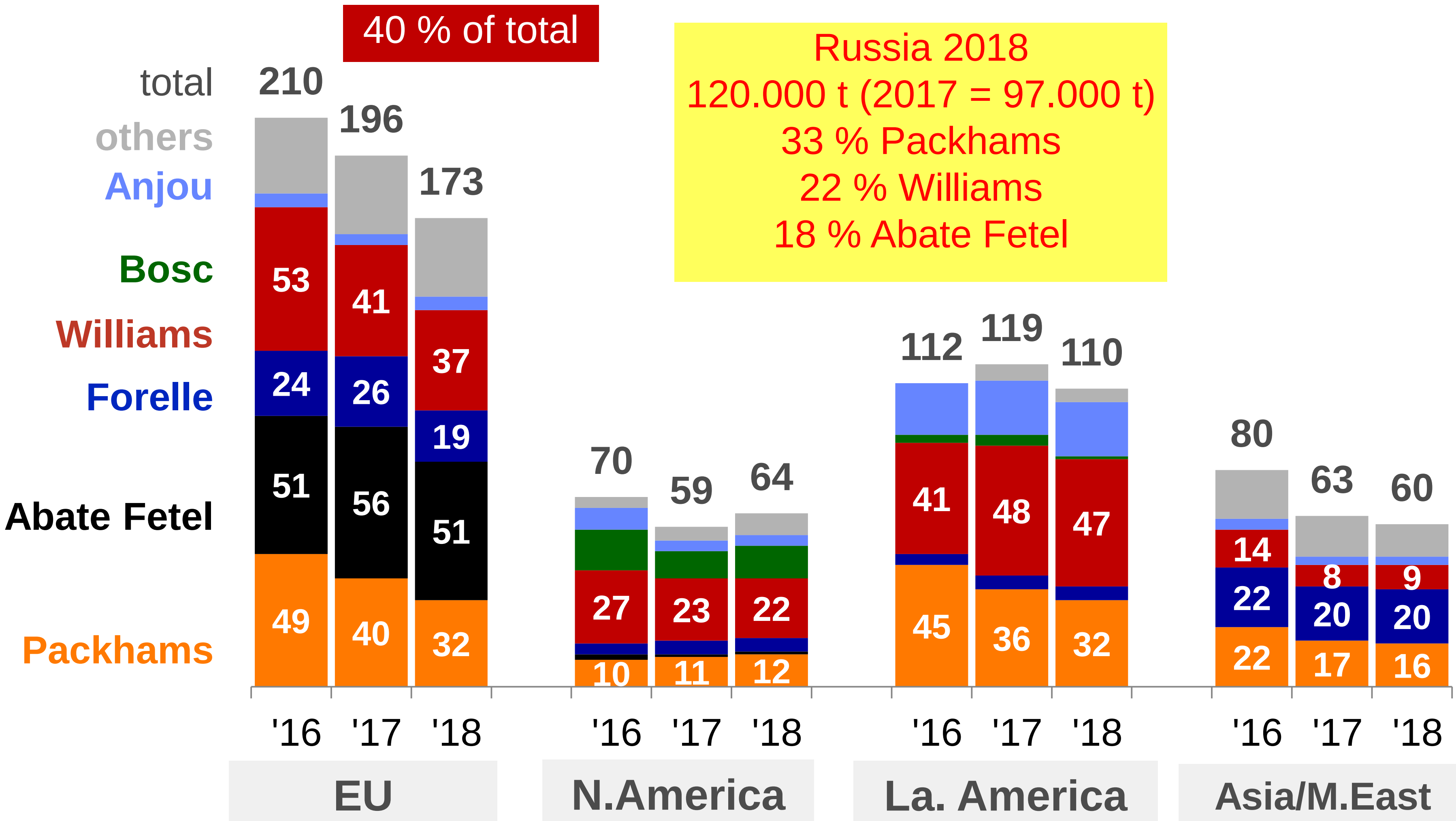
EU – Pear imports from Southern Hemisphere up to July, in 1.000 t



Source: Associations/traders of Southern Hemisphere

Overseas – Europe still in focus

Oversea pears – Global exports until the end of July, in 1.000 t



Source: Associations/traders of Southern Hemisphere

South Africa –
Export focus on Asia and Middle East (%)

South Africa 2016 pear planting (%)

variety	0-3 years	4-10 years	11-15 years
Packhams	51	41	26
Forelle	15	26	40
Williams	9	6	20
A. Fetel	1	13	12
total (ha)	681	2.533	1.417

Source: Hortgro

Pears - club varieties - slow development

Estimated European volumes, in tons

Variety/brand	2018	2023	2028
Migo	5.000	12.000	30.000
Sweet Sensation	7.000	9.000	
Red Conference		1.000	10.000
QTee	2.000	15.000	

Migo: EU production mostly in the Netherlands (30 %), Belgium/Austria (15 %) Southern Hemisphere and Northern America in 10 years = 5.-10.000 t expected

Red Conference: In 2019 planting 100.000 trees (50% Belgium, 50 % Netherlands) in the next 5 years 500.000 trees, first supply in 2021

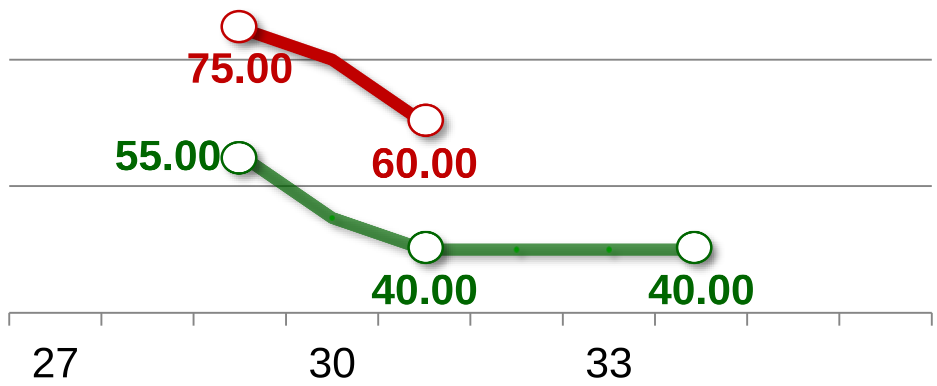
Sweet Sensation: Slightly increasing volume (80 % NL), small volume BEL/IT

QTee: Worldwide 550 ha (4.000 t), 2023 = 900 ha (30.000 t), Top producer South Africa (33 %). EU production: Mostly in Belgium with 30 %, France 17 %.

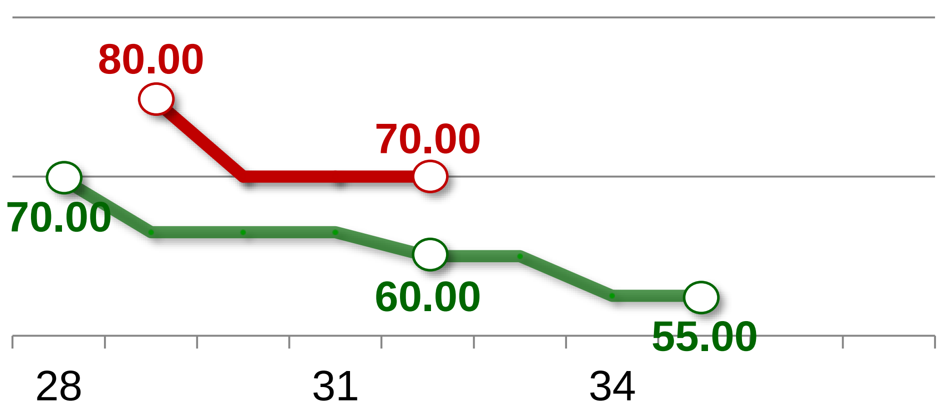
Source: European traders

Higher price for summer pears

Spanish pear production:
2018 = 311.000 t
2017 = 331.000 t
2016 = 311.000 t
2015 = 344.000 t



French pear production:
2018 = 135.000 t
2017 = 133.000 t
2016 = 138.000 t
2015 = 155.000 t

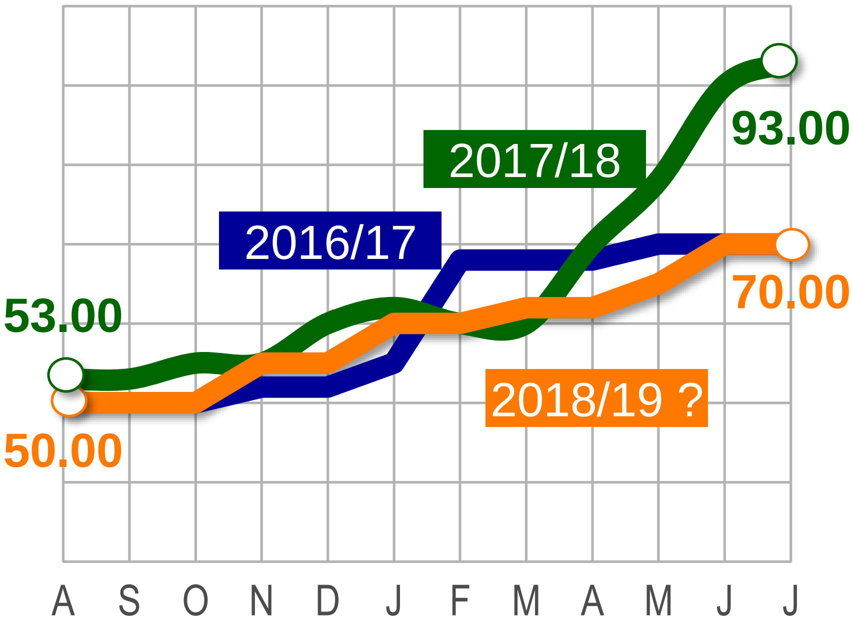


Source: Mercolleida; RNM France

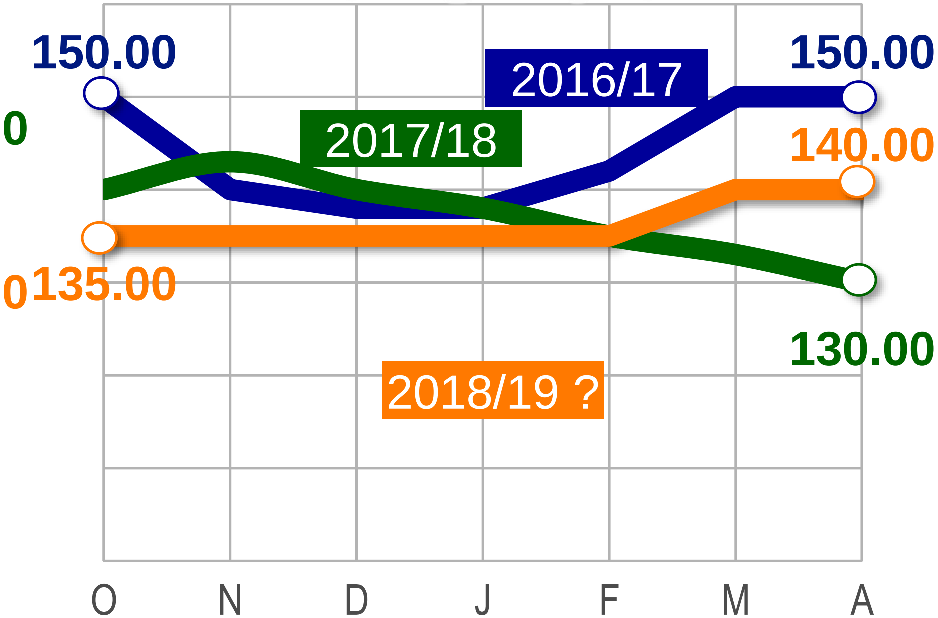
Who is the winner, who is the loser 2018/19?

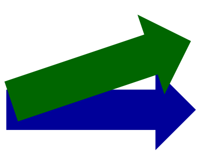
Price for pears, EUR/100 kg net

BEL/NL – Veiling price
Conference, class 1, 55-65mm

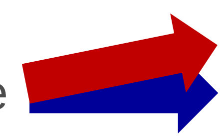


Italy – Export price
Abate Fetel, single layer, 70-75mm



Price 

Basic trends during the season

Price 

Source: Belgian, Dutch and Italian traders

Outlook for 2018/19

- 100.000 t more than 2015 and 2016?
- Summer pears currently with higher price level, Conference will start on the same level as in 2017 (less problems with quality vs. 2017).
  Abate on a lower price level.
- Quality: Conference - more small size, strong price difference between 55-65 mm and 65-75 mm, but smaller packages (55-65 mm) are preferred.
- Overseas will be more and more displaced
- Export has to increase a lot.

Thanks a lot for your attention.

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