Economic Considerations of Fresh Citrus Markets

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- The world citrus industry has experienced a period of rapid growth over the past 15 years.
- World citrus production grew at 3.5 percent compounded rate over the period 1987-89 through 1997-99.
- The rate of growth for tangerines and lemons was higher, at 4.3 percent and 3.6 percent, respectively.
- Rapid production growth has supported higher levels of consumption.

World per capita consumption of all citrus was 14.2 kg in 1997-99, up from 11.5 kg in 1987-89.
- With rapid growth in production has come declining prices for both fresh and processed citrus products.
- Prices for many individual citrus products have reached lows not seen in many years.
- These low prices will inevitably slow the rate of production growth.

Growth of World Agricultural Production and Total Citrus Production

World Agricultural Production Index and Citrus Production Index

CITRUS - CONSUMPTION

FRESH (thousand MT)

Developing
Developed
World

CITRUS - CONSUMPTION

Fresh and Projected

Developing
Developed
World

0 20000 40000 60000 80000 100000 120000

1987-89 1997-99 2010
Trends in the U.S. Market

- Per capita consumption of fresh fruit in the United States has been increasing.
- Per capita of fresh citrus has remained flat.
- Fresh citrus’ share of total fresh fruit consumption declined from 30 percent in 1980 to 24.8 percent in 2001.
- Grapes, strawberries, kiwi, mangoes, and pineapple have all gained market share.
Concluding Remarks

- World citrus production is expected to grow at a slower rate compared to the previous 20 years.
- Most production expansion will occur in the developing countries of Asia and Central and South America.
- Fresh orange and grapefruit consumption in developed countries has been declining.
• Fresh citrus consumption in the U.S. is stagnant.
• Increased availability of other fresh fruit products has adversely affected fresh citrus and stone fruits.
• Increased imports of oranges have been mostly counter seasonal supply to Florida.
• Increased imports of Clementines from Spain and Morocco have hurt early tangerine varieties.

Future Directions
• Fresh citrus is facing a difficult situation.
• Clearly, there appears to be a market for seedless easy-peelers. Can we grow these varieties in Florida?
• Convenience appears to be another factor working against fresh citrus. Is fresh cut citrus a viable alternative?
• Continue to pursue export markets.

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