

Global sourcing platform Tridge says the U.S. and Turkey are expected to see good cherry harvests due to optimal growing conditions, while Spanish nectarines and Italian apricots are experiencing difficulties as a result of the Covid-19 pandemic and adverse weather events.

"While there are many external factors that can determine the success of a harvest season, normally the primary influencer is the weather," said Hoshik Shin, founder and CEO at Tridge.

"US cherries are an excellent example of how hot or cold conditions can determine harvest results - optimum harvest conditions translate to greater production volumes which in turn helps meet the demand for the commodity.

"Unfortunately, some harvest seasons have been negatively impacted due to Covid-19, meaning that labor shortages are contributing to decreases in harvest levels. This means that low prices cannot be easily maintained."

## **U.S. cherries**

The US fresh cherry market is set to remain steady at 450,000 metric tons (MT) due to prime weather conditions for production, offsetting a biennial off-year decline in cyclical tart production.

Washington, California, and Oregon are the primary sweet cherry producing states, accounting for almost 90 percent of the quantity nationwide. Domestically, the cherry season starts as early as April in California; and can finish as late as August in Montana.

Recent years have brought a number of challenges to cherry growers in California, with weather conditions and temperature fluctuations affecting dormancy. 2018 saw a decrease of 58% in boxes produced (4 million boxes) compared to that of the previous year (9.5 million boxes) due to a freeze during bloom. And, record rains diminished the harvest to 5.25 million boxes in 2019 which was around half of the year's original forecast.

From 2017 to 2019, tariffs implemented by China contributed to slow exports and production. However, early this year, China lowered the rates on Californian cherries by 30% as part of the new tariff exclusions for US agricultural products; and, US suppliers are expected to start increasing shipments.

## **Turkish cherries**

Turkish cherries have had success with harvests in the past few years and despite minor logistical hiccups from the coronavirus, Turkey is expected to continue the positive streak.

The weather has been optimal for stone fruit production in the past few seasons, and 824K tons of cherries were produced in 2018/2019, up by 24.5K tons from the previous season. Forecasts for the MY 2019/2020 season were even higher, at 865K tons of cherries.

Strategically, Turkey has leaned towards satisfying the demands of the export market. Cherry farmers have been selective in planting high-yield trees, as well as planting sweet cherries over sour ones which are higher in-demand.

Turkey's top export market for stone fruits, Russia, has increased Turkish stone fruit imports the most over the past year, with growth in value of 44.2% for cherries. Turkey has managed to appeal to consumers worldwide with its attractive prices, an advantage made possible by low labor costs and high supply.

Furthermore, Turkey's currency has been steadily devalued against other currencies. Turkey's cherry prices in the global market have decreased by 18.9% within the past year.

The Turkish stone fruit sector remains largely unaffected by the coronavirus. Unlike other major producing countries such as Spain, Turkey has not suffered from severe labor shortages, as production is mainly done with domestic labor rather than seasonal workers.

Exports to Russia will experience some delays due to increased border checks, but the impact is expected to be minimal.

## **Spanish nectarines**

The harvest season for Spanish nectarines and peaches has started in the regions of Murcia, Catalonia, and Aragon, and is expected to finish late May. Spain shows a consistent export season from March to October, with the peak period between May and September.

However, the yield for the Spanish nectarine market is projected to be 508 million kg, which is a 20% decrease in volume compared to last year. Suppliers are expecting a further decrease in harvest volume due to labor shortages from Covid-19.

While Spain has not implemented any major restrictions, it is estimated that up to 40% of

the workforce will be impacted as migrant workers from Morocco, Belarus, and Ukraine are not allowed to enter the country.

Spain is the biggest exporter of nectarines and peaches, with its main export markets including Germany, France, Italy, and the UK. With export volume totalling 829.4K tons in 2019, the demand for the fruits has increased by 23% this year.

Yet, increased demand and labor shortages have seen the wholesale price of nectarines surge by up to 43%, which could soften the blow of the smaller harvest. For example, the white nectarine has increased from EUR 1.50 to EUR 2.13, while the yellow nectarine has increased from EUR 1.50 to EUR 2.15.

## **Italian apricots**

Italy is the second-biggest exporter of apricots, reaching an export volume of 56.3K tons in 2019. The expected production for 2020, however, has been hampered by frosts that occurred in late March and early April, with production in Northern Italy affected the most. The Northern Emilia Romagna region has seen the biggest estimated production decrease of almost 90% compared to last year.

The total Italian production volume for 2020 is expected to be 136K tons, a 56% decrease from approximately 307K tons in 2019.

While suppliers have seen increases in demand from Central and Northern regions, there has been very little demand from the South. Apricot producers are also left with more obstacles to overcome as a decreased number of workers has left the farms with a shortage of labor to harvest the fruits.