

Apple inventories in the Chinese market are sky-high following a period of higher production and shrinking demand, according to a local organization.

Zhuochuang Information reported that as of June 18, national apple inventories were 3.3m metric tons (MT) - triple the 1.14m MT in the same period last year and almost double the 1.85m MT in 2018.

In line with high inventories, the market pricing has continued to fall.

According to experts, this year the Covid-19 pandemic heavily impacted on the typical holiday-period lift in the first few weeks of the year. Chinese New Year is normally one of the important festivals driving apple consumption, but due to the pandemic sales of apples fell sharply during the celebration.

According to Zhuochuang Information, the national consumption of apple was 150,000MT in February, significantly lower than the 420,000MT registered in the same period last year.

In March, with Covid-19 prevention and control going on, China's apple market saw a small boost to consumption. However, due to the continuing spread of the virus overseas, the domestic market has remained in the shadow of the pandemic.

Experts say that in June, due to new covid cases in Beijing, the Dragon Boat Festival will have limited impact on apple sales. And other fresh fruits are coming to the market and may push apple prices even lower.

The high stocks and low prices will likely make China less attractive for Southern Hemisphere countries currently in the middle of the apple export season.