ESTIMATES FOR 2013/14

Olive oil

In our previous issue we announced that world production of olive oil would be higher in 2013/14 than the crop year before. Although we are still working with forecasts, this increase is becoming more tangible since the 2013/14 season, running from October 2013 to September 2014, is now in swing in most of the producing countries except those in the southern hemisphere, Argentina for instance, where the dates are different (April 2013–March 2014).

According to the data that have come into the IOC Executive Secretariat from the olive growing countries, world production in 2013/14 looks set to top 3 200 000 t. A closer look reveals higher output in the EU producing countries (2 300 000 t). Leading the way is Spain where good weather conditions herald more than 1 500 000 t, followed by Italy where the outlook is also for higher production (500 000 t). Greece, on the other hand, expects a sharp decline in production to 230 000 t due to the severe drought this summer. As for the other olive growing nations of the EU, production is tipped to be higher in Portugal (76 200 t) and to reach 5 600 t in Cyprus, 5 000 t in France and 4 000 t in Croatia, which recently joined the EU in July 2013.

The picture in the rest of the IOC member countries is for production in Turkey (180 000 t) to be lower than the season whereas Morocco expects it to be slightly higher (120 000 t). In contrast with 2012/13, Tunisia's production looks poised to descend by almost 64% to 80 000 t. Estimates assess production at 62 000 t for Algeria, 30 000 t for Argentina and 25 000 t for Jordan, with smaller volumes for the rest of the countries. Notably, Uruguay joined the ranks of the IOC producing countries this crop year, having become a Member in July 2013. The outlook in the non-IOC producing countries is for output to be in the vicinity of 93 000 t.

Imports are assessed at around 770 000 t while **exports** are forecast to reach over 750 000 t. More than 70 pc of world exports will come from the European Union, chiefly Spain and Italy. World **consumption** is forecast to be similar to the season before, at just over 3 000 000 t.

Table olives

World production of table olives looks poised to be higher than in 2012/13, topping 2 500 000 t (+4%). Production in the EU countries as a whole is expected to be 700 000 t. Spain is again in lead position, with its production assessed at 513 100 t, up on the season before. In Greece, table olive output is expected to emulate olive oil production in that a sharp drop is forecast to 94 000 t (-41%). The tonnages for the rest of the EU countries are 74 000 t for Italy, 12 000 t for Portugal, around 3 000 t for Cyprus and 1 000 t for Croatia.

Among the rest of the IOC member countries, Turkey will top the ranking, with an estimated production of 430 000 t. Next comes Egypt (400 000 t), Syria (172 000 t), Algeria (168 500 t), Argentina (140 000 t), Morocco (100 000 t), Iran (82 000 t) and Albania (28 000 t). The figures for the rest of the countries are lower in volume. Non-IOC producing countries are expected to produce 220 000 t in all, with Peru in first place (80 000 t), followed by the United States (68 000 t) and Chile (34 000 t). The production of the rest of the countries is on a smaller scale.

As for consumption, the outlook is for it to top 2 585 000 t, so recording a small increase on the previous crop year (+3%).

I. WORLD MARKET FOR OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL MARKET IN 2012/13

Trade in olive oil and olive pomace oil expanded in the first eleven months of the 2012/13 crop year (October 2012–August 2013) in the import markets listed below, rising by 21 pc in Japan, 8 pc in Russia and 2 pc in Brazil but decreasing by 15 pc in Australia, 4 pc in the United States and 5 pc each in Canada and China. The EU data for August 2013 were not available at the time of publication, but the figures for the first ten months of the crop year (October 2012–July 2013) report an increase of 65 pc in extra-EU/27 imports and a decrease of 9 pc in intra-EU acquisitions versus the same period a season earlier. This is obviously linked to the low level of EU olive oil production in 2012/2013.

Olive oil imports (including olive-pomace oils) (t)

No	Importing country	October 11	October 12	November 11	November 12	December 11	Decembre 12	January 12	January 13	February 12	February 13	March 12	March 13	April 12	April 13	May 12	May 13	June 12	June 13	July 12	July 13	August 12	August 13
1	Australia	2571.2	3521.0	3027.0	3858.0	1580.0	1506.0	3060.0	2227.0	2289.0	1905.0	3491.0	2225.0	2082.0	2485.0	2121.0	1927.0	2820.0	1770.0	2798.0	1739.0	3409.0	1667.0
2	Brazil	5247.0	9847.4	8866.7	8995.4	6004.8	6001.3	6414.7	5500.7	6453.8	7855.8	5615.9	6592.4	4583.7	4457.3	5845.0	3600.0	4715.5	4125.3	5635.5	5042.0	7933.9	6508.6
3	Canada	2925.7	4392.0	4080.0	3360.9	2979.7	2570.1	2471.5	4040.1	2263.6	3389.7	4939.5	2882.0	3455.1	2376.7	3794.9	2878.1	2896.4	2930.3	2963.6	3162.1	4126.7	3010.6
4	China	2364.0	2826.8	2901.2	4443.8	5638.7	4732.9	3897.1	6360.5	2063.1	1766.4	2524.6	2510.5	2472.9	3382.6	3200.7	2430.4	3922.2	2863.2	5067.7	3333.1	6874.3	4055.7
5	Japan	3085.0	4431.0	3064.0	4474.0	3392.0	3994.0	3597.0	4253.0	3519.0	3599.0	2670.0	4184.0	3897.0	4480.0	3801.0	5050.0	3994.0	4467.0	5142.0	5190.0	4758.0	5287.0
6	Russia	2477.2	3678.1	3435.1	3356.9	2789.5	2766.0	1728.7	1616.5	1909.2	2346.4	2895.7	2245.9	1992.2	2663.9	2521.5	2651.5	2575.4	3107.7	2476.8	2803.0	2727.5	2574.0
7	USA	20939.5	28507.0	29832.0	25118.0	23574.0	26505.0	27739.0	24571.0	17383.0	19018.8	33277.0	33208.0	24527.0	27271.0	28958.0	19927.5	23642.0	23851.0	33322.0	23241.0	27035.0	27972.0
8	Extra-EU/27	6122.0	14270.4	4982.0	10097.7	6254.7	4413.4	5174.4	8924.3	9766.9	15411.0	8034.6	14689.6	7439.0	14352.6	16223.0	15689.5	8252.0	25195.5	11527.0	14812.8	9336.9	nd
	Intra-EU/27	83267.6	91192.4	92717.7	73953.2	103378.2	94665.0	88265.9	98115.8	101533.0	81258.2	92686.2	83414.1	74969.3	79162.7	85354.0	66211.5	84683.6	74503.6	92597.5	78085.5	92198.2	nd
	Total	**128999.2**	**162666.1**	**152905.7**	**137657.9**	**155591.6**	**147153.7**	**142348.3**	**155608.9**	**147180.6**	**136550.3**	**156134.5**	**151951.5**	**125418.2**	**140631.8**	**151819.1**	**120365.5**	**137501.1**	**142813.6**	**161530.1**	**137408.5**	**158399.5**	

2. TABLE OLIVE MARKET IN 2012/13

As can be seen from the next table, table olive imports in the first eleven months of the 2012/13 crop year (October 2012–August 2013) rose by 13 pc in Brazil, 8 pc in the United States, 7 pc each in Canada and Russia, and 2 pc in Australia. Again, the EU data for August 2013 were not available when writing this newsletter. However, in the ten months from October 2012 to July 2013, extra-EU/27 imports and intra-EU-27 acquisitions both increased by 3 pc compared with the same period the season before.

Table Olive Imports (t)

Nº	Importing country	October 11	October 12	November 11	November 12	December 11	December 12	January 12	January 13	February 12	February 13	March 12	March 13	April 12	April 13	May 12	May 13	June 12	June 13	July 12	July 13	August 12	August 13
1	Australia	1072.0	1330.0	1734.0	1858.0	1613.0	1821.0	1510.0	1597.0	1515.0	1906.0	1768.0	1423.0	1239.0	1161.0	1686.0	1785.0	1426.0	1183.0	1270.0	1258.0	1488.0	1289.0
2	Brazil	9746.1	12957.5	12350.8	11357.0	10340.0	10731.5	7069.0	7005.4	5554.5	7419.6	7868.7	7229.7	7641.4	7199.0	3941.8	8824.2	2256.9	9408.0	6482.7	8748.0	14797.5	8409.0
3	Canada	2953.7	2942.0	2577.0	2807.0	2024.0	2998.0	1755.0	2831.0	2020.0	1805.0	2270.0	1939.0	2071.0	2033.0	2488.0	2365.0	2364.5	2414.0	2303.0	2560.0	2114.0	2065.0
4	Russia	7707.0	9574.4	9949.0	9692.4	7889.0	6485.1	3001.9	5680.9	5430.6	5886.7	5501.0	6415.8	4395.7	5403.9	3959.4	4913.4	4489.0	3764.5	4898.5	5133.5	6759.7	5711.8
5	USA	10492.0	10404.0	10928.0	11100.0	9927.0	10050.0	10015.0	9317.0	8512.0	8969.5	11674.0	12126.0	12373.0	12451.0	11914.0	12608.0	11965.0	11428.0	13290.0	14109.0	12067.0	19961.0
6	Extra-EU/27	9240.2	9115.4	8571.5	8117.9	8318.6	8744.1	8243.4	8454.5	8302.9	8259.7	10304.7	10723.5	10978.8	12203.3	11688.2	12309.7	10145.0	10222.2	10333.7	10496.4	8505.7	nd
	Intra-EU/27	26663.6	31815.0	27978.6	30431.8	25353.6	26116.5	37203.3	26184.8	24356.5	24420.0	27946.2	27369.5	26313.6	31623.2	30452.8	31138.3	29461.2	30266.1	31041.3	35337.3	26033.0	nd
	Total	**67874.6**	**78138.3**	**74088.9**	**75364.1**	**65465.2**	**66946.2**	**68797.6**	**61070.6**	**55691.5**	**58666.5**	**67332.6**	**67226.5**	**65012.5**	**72074.4**	**66130.2**	**73943.6**	**62107.6**	**68685.8**	**69619.2**	**77642.2**	**71764.9**	

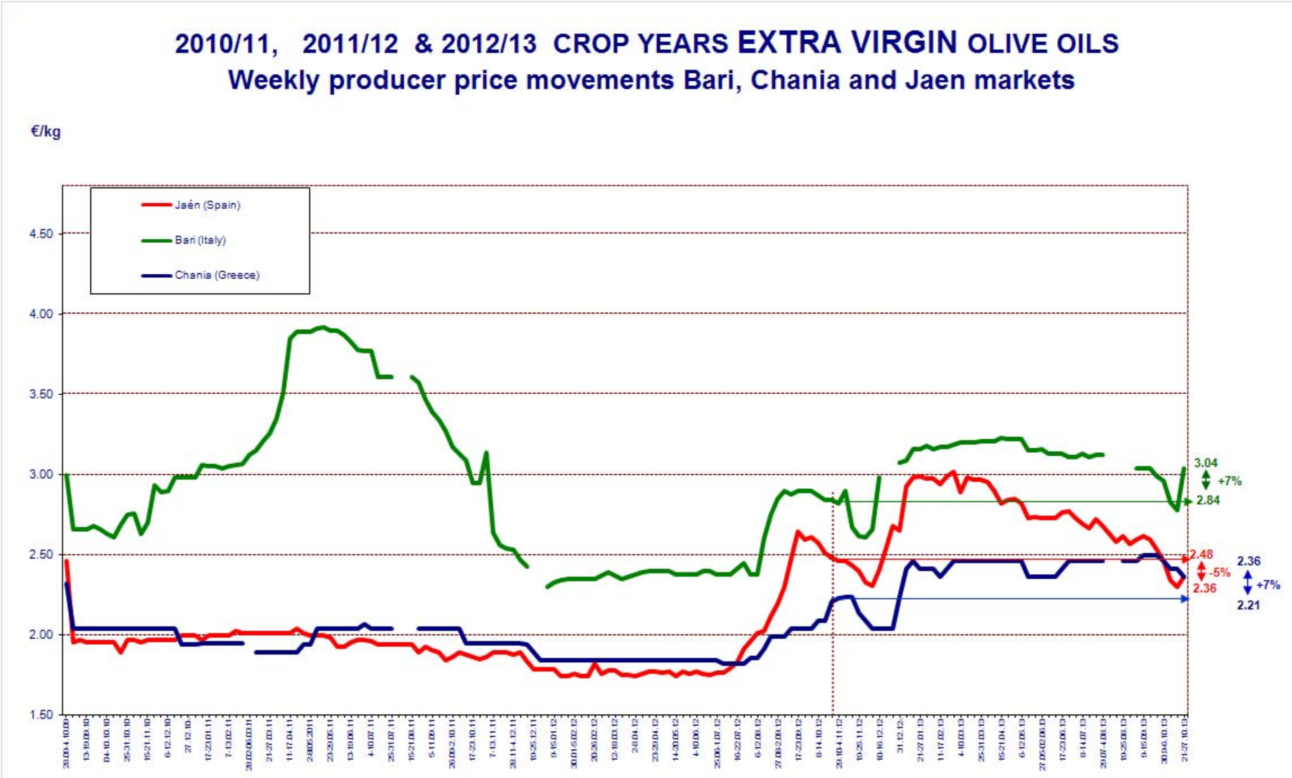
II. PRODUCER PRICE MOVEMENTS

Graphs 1 and 3 track the weekly movements in the prices paid to producers for extra virgin olive oil and refined olive oil in the top three EU producing countries. The monthly price movements for the same two grades of oil are given in Graphs 2 and 4.

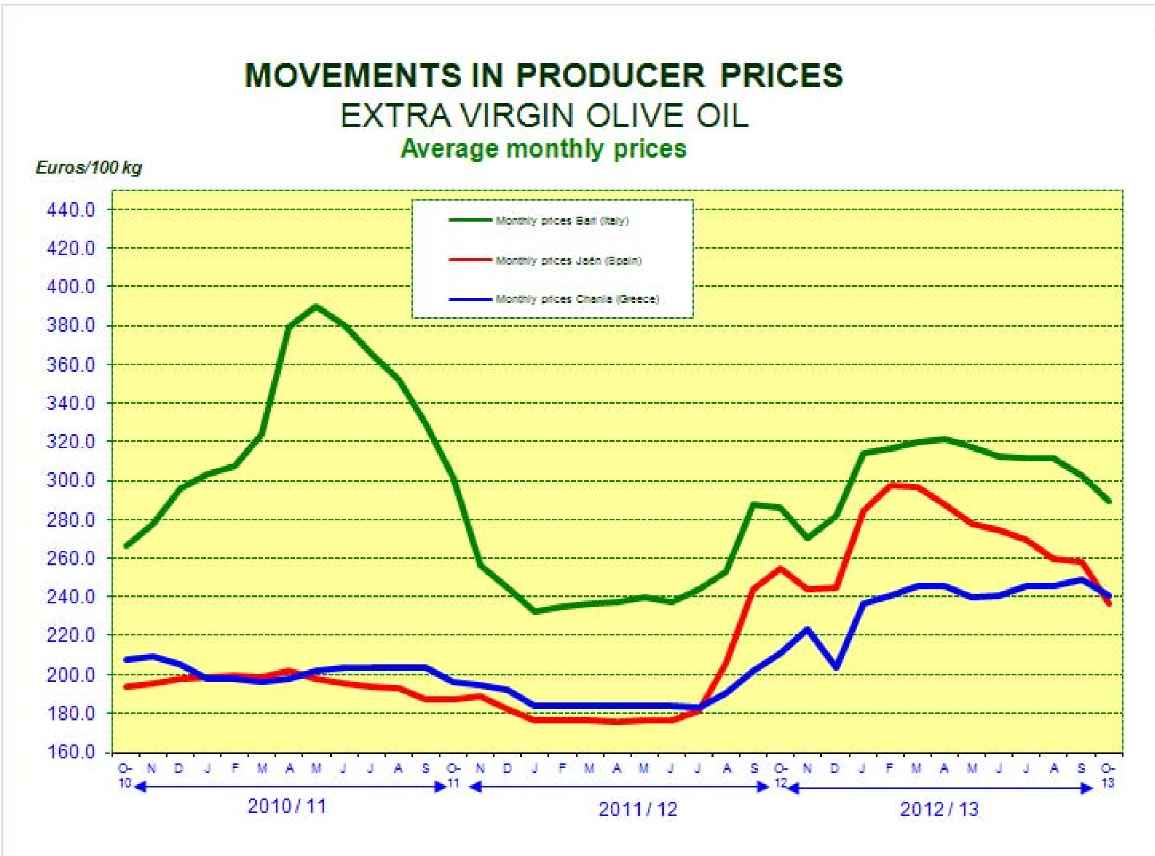
- **Extra virgin olive oil**: Standing at around €2.36/kg, the prices paid to producers in **Spain** in late October were 5 pc lower than the same time a season earlier as markets reacted to the announcement of a good crop in the 2013/14 season, which opened on 1 October 2013, and the likelihood of olive oil storage being emptied as much as possible to make way for new season production. Even so, it should be remembered that prices had begun moving downwards already at the beginning of April 2013. Prior to that, they had started to climb sharply in late July 2012, reaching €2.64/kg by the third week of September. They then switched course in the second week of October, dropping until the second week of December, only then to hit a peak of €3.02kg in early March 2013.

  After falling in the first weeks of October, **prices in Italy** switched direction and rose to €3.04/kg in the last week of the month, up by 7 pc on the same time the year before. Previously, they had risen from a low of €2.61/kg in the last week of November 2012 to €3.23/kg in the last week of April 2013, at which point they progressively dipped to €3.12/kg (-3 pc) where they held steady (see Graph 1).

Prices in Greece have dropped in recent weeks, reaching the same level as in Spain in the last week of October (€2.36/kg). Despite this decline, prices are still 7pc higher than the same period a year earlier.

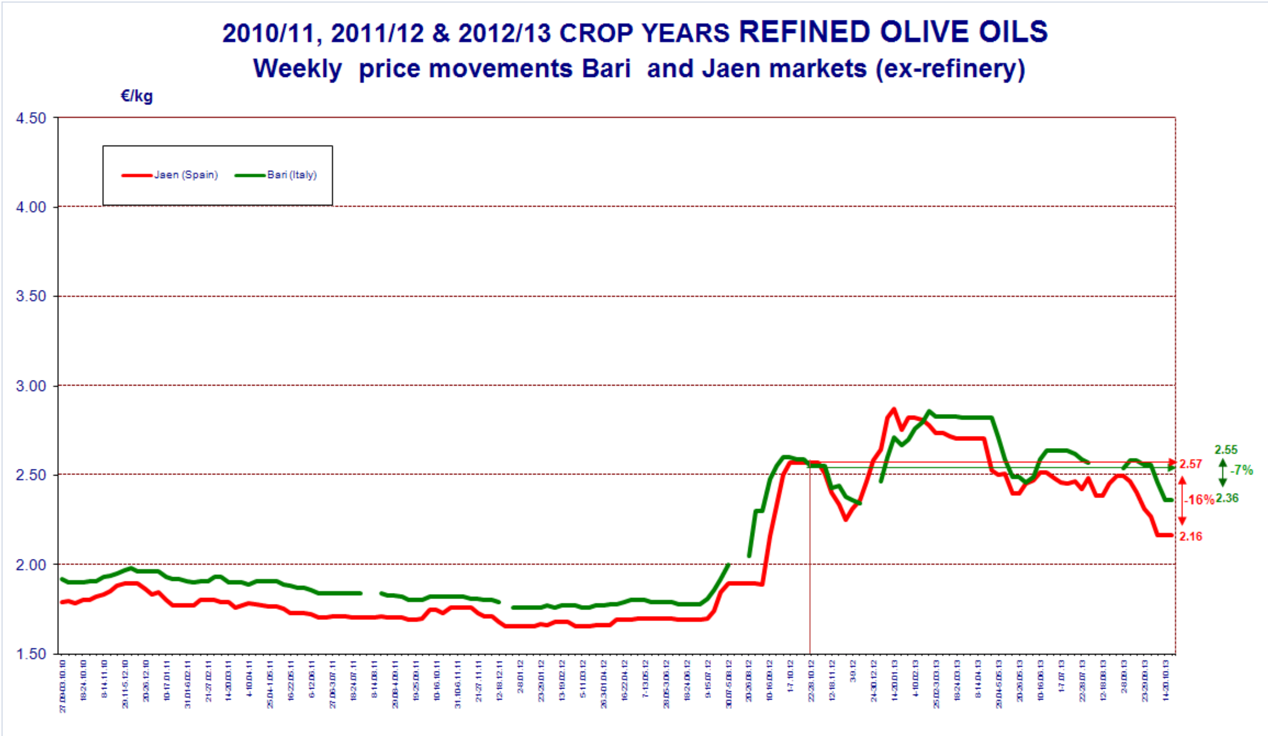


Graph 1

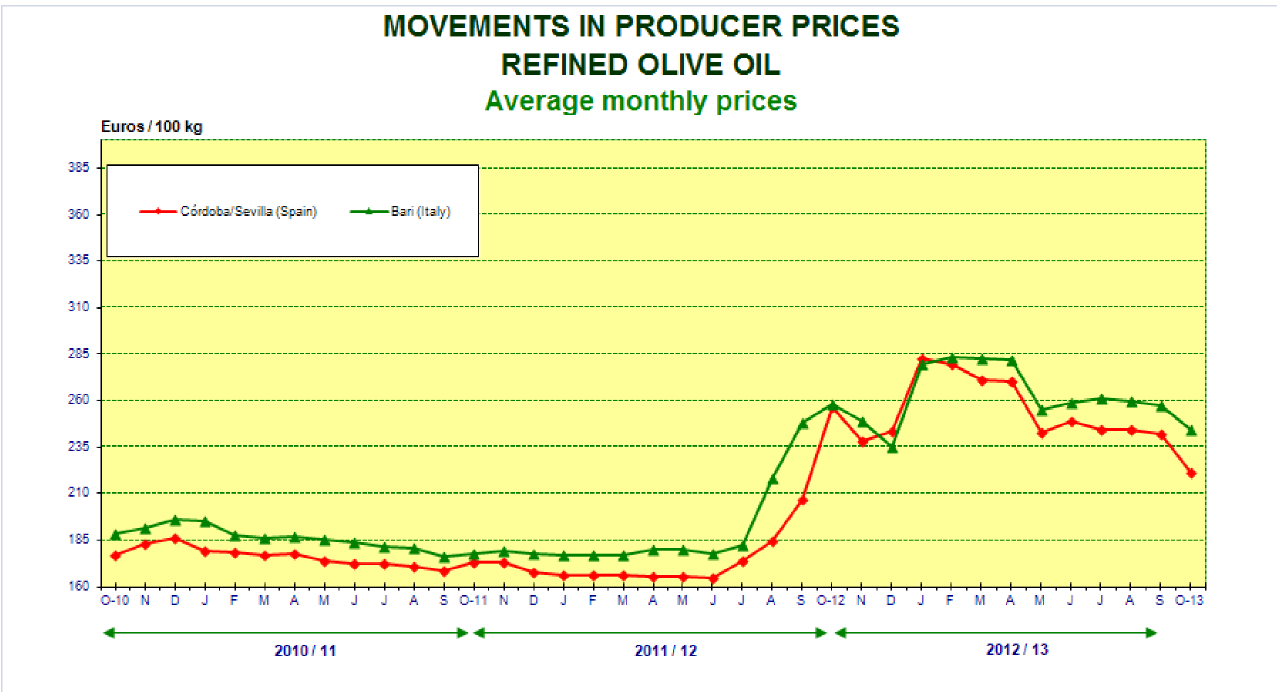


Graph 2

- **Refined olive oil**: Prices for refined olive oil also started to decrease more in Spain than in Italy in the last weeks of October 2013, reaching €2.16/kg in Spain and €2.36/kg in Italy at the end of the month, equating with a respective decrease of 16 pc and 7 pc (Graph 3). No data are available for Greece. The difference between the price of refined olive oil and extra virgin olive oil currently lies at around €0.20/kg in Spain and €0.68/kg in Italy.



Graph 3



Graph 4

Notice

The IOC is still offering a 50 pc discount on online sales of the *World Olive Encyclopaedia* (available in Arabic, English, French, Greek, Italian, Portuguese, Spanish and Turkish) and the *World Catalogue of Olive Varieties* (available in Arabic, English, French, Italian, and Spanish).

http://www.internationaloliveoil.org/store/index/664-world-olive-encyclopaedia-publications