Spain's Olive Oil Agency has announced that Spanish olive oil production is hitting record levels in the 2011/12 season, having clocked up 1 560 500 t by the end of February 2012, which lies well ahead of the 1 416 000 t produced in 2003/04 and 185 000 t above the level recorded in 2010/2011. According to the same Agency, Spain's table olive output lies at around 519 310 t.

FOCUS ON BRAZIL – IMPORTS OF OLIVE OIL, OLIVE POMACE OIL AND TABLE OLIVES

As the IOC will shortly be launching a campaign to promote olives and olive oil in Brazil with the backing of the IOC member countries, an overview follows of market developments in this country.

- MARKET TRENDS FOR *OLIVE OIL AND OLIVE POMACE OIL* IN BRAZIL

  - **Review of 2010/11**

In our previous Newsletter (No 58) we announced that U.S. imports had reached an all-time high in 2010/11. The same goes for Brazil, which recorded its highest ever imports of olive oil and olive pomace oil in the same season (from October 2010 to September 2011) when it imported 65 038.7 t, equating with a 21% rise on the season before. If we look at the figures by product grade, we find that 72% of imports (46 910 t) were virgin olive oil, 23% (14 752 t) were olive oil and 5% (3 376 t) were olive pomace oil. In terms of source, 88% of imports came from EU countries (55% from Portugal, 26% from Spain, 6% from Italy and 1% from Greece), 11% from Argentina and the remaining 1% from Chile and Morocco.

  - **Five-season trend**

Between 2006/07 and 2010/11 (Table I), imports went up from 36 572.9 t to 65 038.7, recording 78% growth (+28 466 t). Portugal, whose market share has increased from 50 to 55%, is Brazil's leading supplier, followed by Spain whose share has held more or less steady and Argentina whose share has narrowed.

Source	2006/07		2007/08		2008/09		2009/10		2010/11	
	t	%	t	%	t	%	t	%	t	%
France	14.0	0%	6.4	0%	27.2	0%	27.8	0%	14.0	0.0%
Germany	1.7	0%	1.7	0%	1.3	0%	4.8	0%	2.0	0.0%
Greece	204.3	1%	316.3	1%	363.9	1%	372.2	1%	672.5	1.0%
Italy	2,673.2	7%	3,383.6	8%	3,017.3	7%	3,771.5	7%	4,145.0	6.4%
Portugal	18,139.8	50%	22,019.5	50%	23,336.0	52%	29,755.0	55%	35,652.4	54.8%
Spain	9,430.5	26%	10,502.0	24%	10,470.3	24%	12,325.6	23%	17,163.0	26.4%
United Kingdom			57.6	0%						
EU/27	30,464.2	83%	36,287.1	83%	37,216.0	84%	46,256.9	86%	57,648.9	89%
Albania									18.3	0.0%
Argentina	5,944.2	16%	7,347.7	17%	7,055.1	16%	7,233.4	13%	6,869.2	10.6%
Chile	15.5	0%	68.1	0%	78.0	0%	122.1	0%	316.4	0.5%
Israel	1.2	0%	0.4	0%	0.2	0%	1.5	0%	1.0	0.0%
Lebanon	28.3	0%	14.9	0%	11.5	0%	9.4	0%	8.9	0.0%
Morocco	21.2	0%	0.1	0%					126.7	0.2%
Peru	0.8	0%			36.0	0%	60.0	0%		0.0%
Syria	21.8	0%	15.6	0%	0.5	0%	3.0	0%	13.7	0.0%
Tunisia	63.4	0%	161.7	0%	79.3	0%	16.0	0%	15.0	0.0%
Turkey	11.9	0%	60.9	0%	35.3	0%	96.8	0%	16.9	0.0%
United States	0.4	0%	2.8	0%		0%	1.4	0%	2.0	0.0%
Uruguay							3.9		1.5	0.0%
Others	0.0	0%	1.4	0%	3.7	0%		0%	18.5	0.0%
TOTAL	**36,572.9**	**100%**	**43,959.3**	**100%**	**44,511.9**	**100%**	**53,804.4**	**100%**	**65,038.5**	**100.0%**
EU	30,464.2	83%	36,287.1	83%	37,216.0	84%	46,256.9	86%	57,648.9	88.6%
Extra-EU	6,108.7	17%	7,672.2	17%	7,295.9	16%	7,547.5	14%	7,389.6	11.4%

Table I – Trend of Brazilian imports of olive oil and olive pomace oil over the last five crop years, by country of origin (t)

- MARKET TRENDS FOR ***TABLE OLIVES*** IN BRAZIL

  - **Review of 2010/11**

In **2010/2011** (from October 2010 until September 2011), **table olive imports** into Brazil (86 992.8 t) were 10% higher than the season before. Analysis of imports in volume terms shows that Argentina was the lead supplier, accounting for 75% of imports (65 218.4 t). Coming up behind were Peru with 16% (13 592.8 t) and the EU with 9% (7 819 t), split between Spain (7%) and Portugal (2%).

  - **Five-season trend**

Table II gives an idea of the trend of table olive imports into Brazil. Over the last five crop years imports have recorded 44% growth (+26 430 t), rising from 60 562.5 t in 2006/07 to 86 992.8 t in 2010/11. Analysis of the shifts in market shares reveals that Argentina continues to be the top supplier with a market share of 75% (although moving downwards), followed by Peru (up by 5 points to 16%) and the EU/27 countries (up by 7 points to 9%), of which 7% were from Spain, which has seen the most growth, and 2% from Portugal.

Source	2006/07		2007/08		2008/09		2009/10		2010/11	
	t	%	t	%	t	%	t	%	t	%
Cyprus					33.3	0%	66.5	0%		
France	0.1	0%	1.5	0%	3.1	0%	10.0	0%	11.3	0%
Greece	48.3	0%	112.2	0%	10.2	0%	53.5	0%	107.5	0%
Italy	2.3	0%	29.8	0%	16.8	0%	27.4	0%	26.2	0%
Portugal	458.1	1%	626.6	1%	516.1	1%	1,148.6	1%	1,314.6	2%
Spain	470.8	1%	2,063.2	3%	901.7	1%	4,483.9	6%	6,359.6	7%
United Kingdom	1.2	0%								
EU/27	980.8	2%	2,833.3	4%	1,481.2	2%	5,789.9	7%	7,819.2	9%
Argentina	51,857.6	86%	59,472.2	81%	55,115.6	76%	61,455.9	78%	65,218.4	75%
Chile	692.1	1%	1,878.1	3%	856.3	1%	1,530.5	2%	323.4	0%
Egypt									9.6	0%
Israel	1.2	0%	0.8	0%	0.7	0%	1.1	0%	1.4	0%
Lebanon	9.6	0%	5.3	0%	2.5	0%	9.3	0%	21.0	0%
Morocco	4.0	0%	0.4	0%			26.4	0%	0.1	0%
Peru	6,780.4	11%	9,220.0	12%	14,640.3	20%	10,279.1	13%	13,592.8	16%
Syria	10.9	0%	1.6	0%	0.7	0%	2.4	0%	6.7	0%
Turkey	225.8	0%	361.2	0%			17.0	0%		
Others	0.1	0%			0.1		0.5	0%	0.2	0%
TOTAL	**60,562.5**	**100%**	**73,772.9**	**100%**	**72,097.4**	**100%**	**79,112.1**	**100%**	**86,992.8**	**100%**
EU	979.6	2%	2,833.3	4%	1,481.2	2%	5,789.9	7%	7,819.2	9%
Extra-EU	59,582.9	98%	70,939.6	96%	70,616.2	98%	73,322.2	93%	79,173.6	91%

Table II – Trend of Brazilian table olive imports over the last five crop years, by country of origin (t)

WORLD MARKET FOR OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL: IMPORTS DOWN BY 1.7% IN THE FIRST THREE MONTHS OF 2011/12

Imports of olive oil and olive pomace oil by the eight countries listed below recorded increases in the first four months of 2011/12 (October–January in four cases: China (+20%); United States (+10%); Brazil (+8%) and Japan (+1%). Conversely, imports into Australia and Canada fell by 10% and 18% respectively. At the time of writing, the January figures for the EU and Russia were not available, but when set against the data for the first three months of 2010/11, the October–December 2011 figures show a sharp increase in imports by Russia (+35%) and decreases in both extra-EU and intra-EU imports (-18% and -3%, respectively).

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

Nº	Importing country	October 10	October 11	November 10	November 11	December 10	December 11	January 11	January 12
1	Australia	2492.8	2571.2	3522.0	3027.0	3505.0	1580.0	1887.0	3060.0
2	Brazil	6852.5	5247.0	6461.1	8866.7	6002.8	6004.8	5280.8	6414.7
3	Canada	3511.0	2903.0	3520.0	4080.0	3704.0	2980.0	4402.0	2471.0
4	China	1073.1	2364.0	2657.5	2901.2	4439.8	5638.7	4125.6	3897.1
5	Japan	2911.0	3085.0	2651.0	3064.0	3181.0	3392.0	3254.0	2597.0
6	Russia	2354.0	2477.2	2151.0	3435.1	2749.0	3878.9	1703.0	nd
7	USA	25040.5	20939.5	20490.0	29832.0	27938.0	23574.0	19730.0	27739.0
	Extra-EU/27	4869.0	6122.0	6586.0	4982.0	9821.0	6250.0	6519.3	nd
8	Intra-EU/27	82141.7	86248.0	91566.6	87821.0	107612.0	98964.2	90902.3	nd
	Total	**131245.6**	**131956.9**	**139605.2**	**148009.0**	**168952.6**	**152262.6**	**137804.0**	

2. TABLE OLIVES: IMPORTS DOWN BY 2.5% IN THE FIRST THREE MONTHS OF 2011/12

Of the six countries reported in the table below, two recorded higher table olive imports in the first four months of the 2011/12 crop year (October–January), namely Brazil (+22%) and Canada (+4%). Imports decreased, however, into the United States (down by 11%, starting in November) and Australia (down by 4%, due to the sharp drop recorded in December). At the time of publication, the January data were not available for the EU or Russia. Even so, when set against the data for the first three months of 2010/11, the October–December 2011 point to a drop of 8% in Russian imports because the December figures amply cancelled out the increases recorded in earlier months, in addition to decreases in extra-EU and intra-EU imports (down by a respective 9% and 4%).

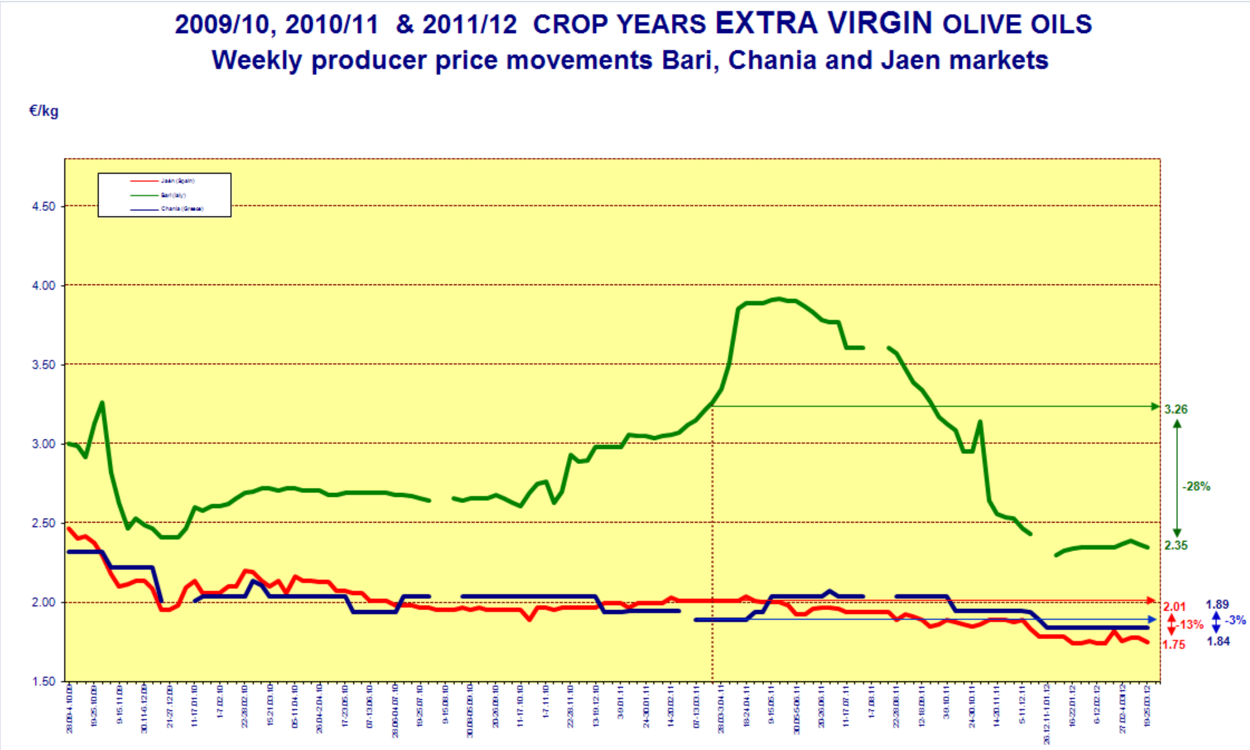
Table Olive Imports (t)

Nº	Importing country	October 10	October 11	November 10	November 11	December 10	December 11	January 11	January 12
1	Australia	934.0	1072.0	1649.0	1734.0	2222.0	1613.0	1347.0	1510.0
2	Brazil	9168.4	9746.1	8854.5	12350.8	8209.1	10340.0	6227.5	7069.0
3	Canada	2346.0	2953.7	2401.4	2577.0	2023.9	2024.3	2165.0	1742.2
4	Russia	6955.0	7318.0	9345.0	9527.0	9763.0	7243.0	4533.5	nd
5	USA	10327.0	10492.0	12400.0	10928.0	13064.0	9927.0	10736.0	10015.0
	Extra-EU/27	9375.1	9143.8	10030.9	8542.8	8674.8	8239.6	7411.3	nd
7	Intra-EU/27	27096.4	25305.2	27003.6	27040.0	24003.5	22666.9	21199.9	nd
	Total	**66201.9**	**66030.8**	**71684.4**	**72699.6**	**67960.3**	**62053.8**	**53620.2**	

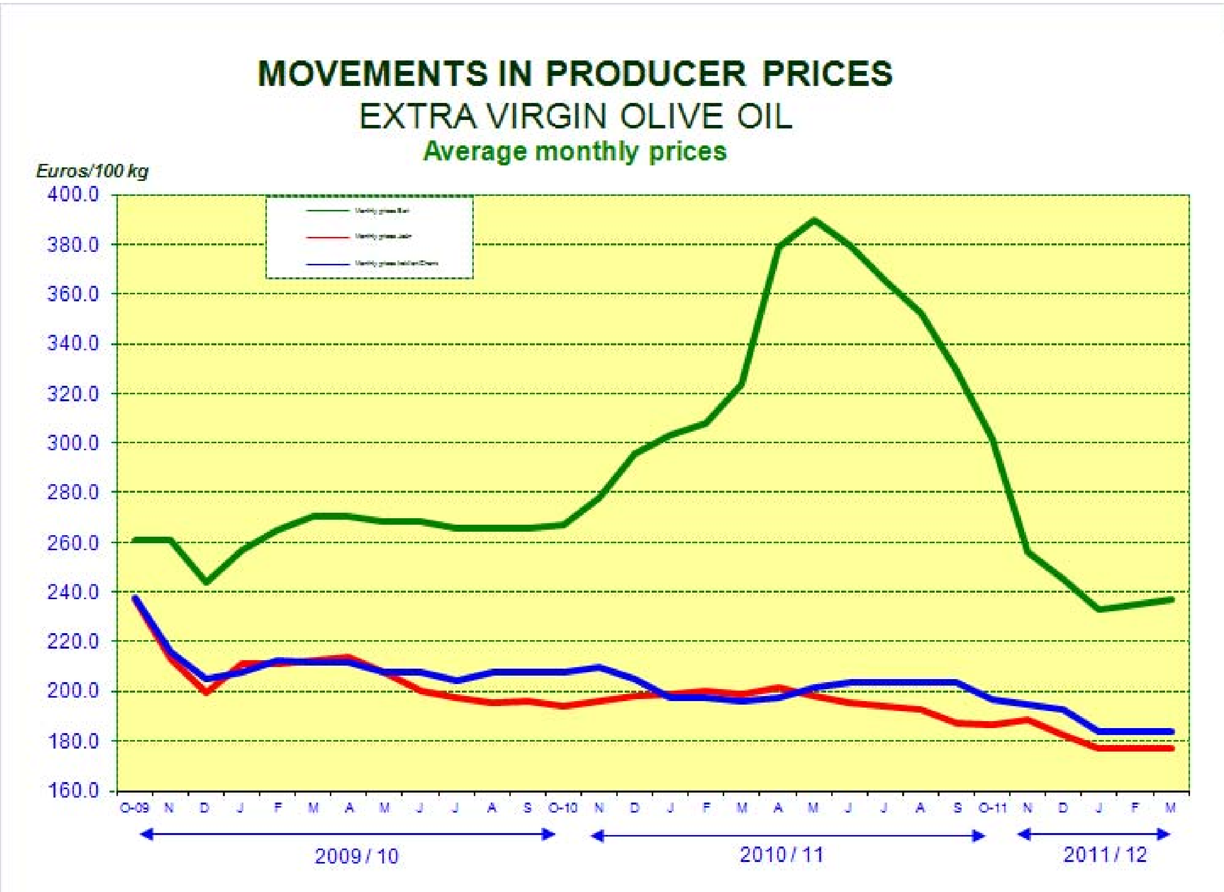
CHANGES IN PRODUCER PRICES

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 EU producing countries. The monthly price movements for the same two grades of oil plus refined olive pomace oils are shown in Graphs 2, 4 and 5, respectively.

- Extra virgin olive oil: Comparison with the same period the year before (Graph 1) shows that prices have dropped by 13% in Spain (€1.75/kg), 3% in Greece (€1.84/kg) and 28% in Italy (€2.35/kg). Prices in Greece have not varied in recent months. However, after a slight upturn, they have fallen again in Spain and Italy.

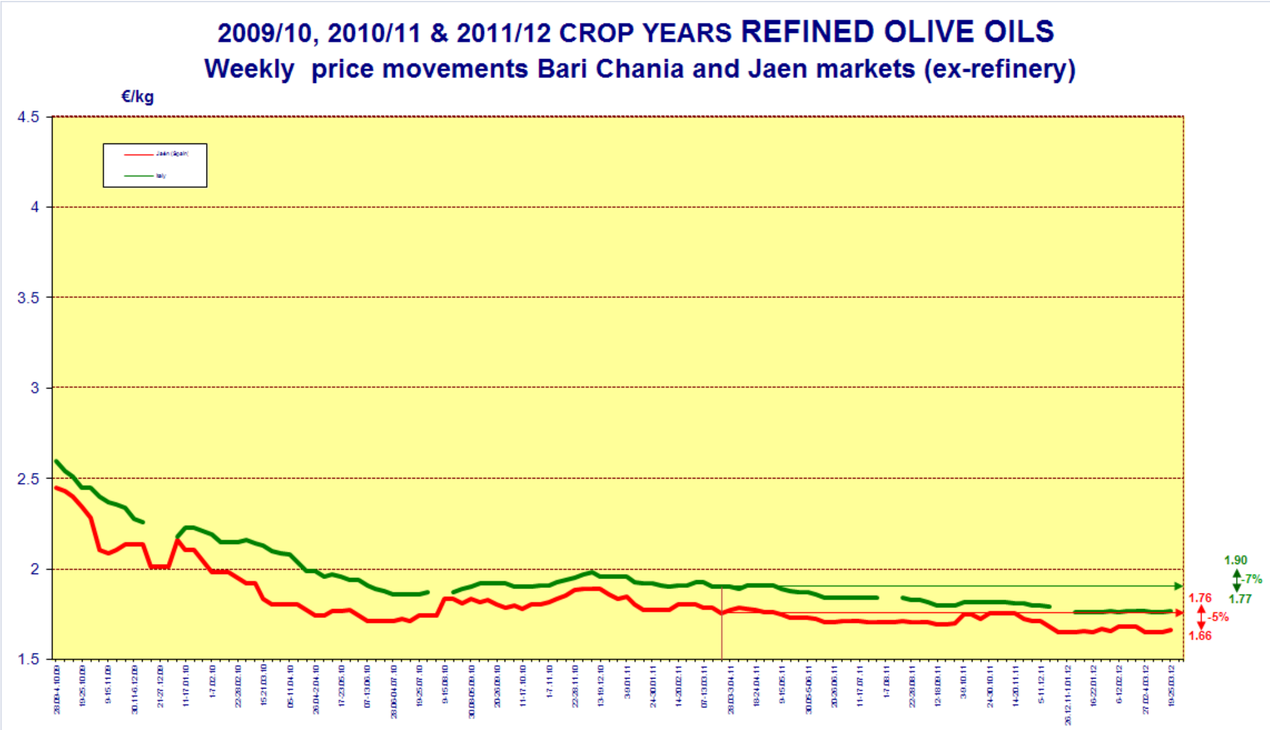


Graph 1

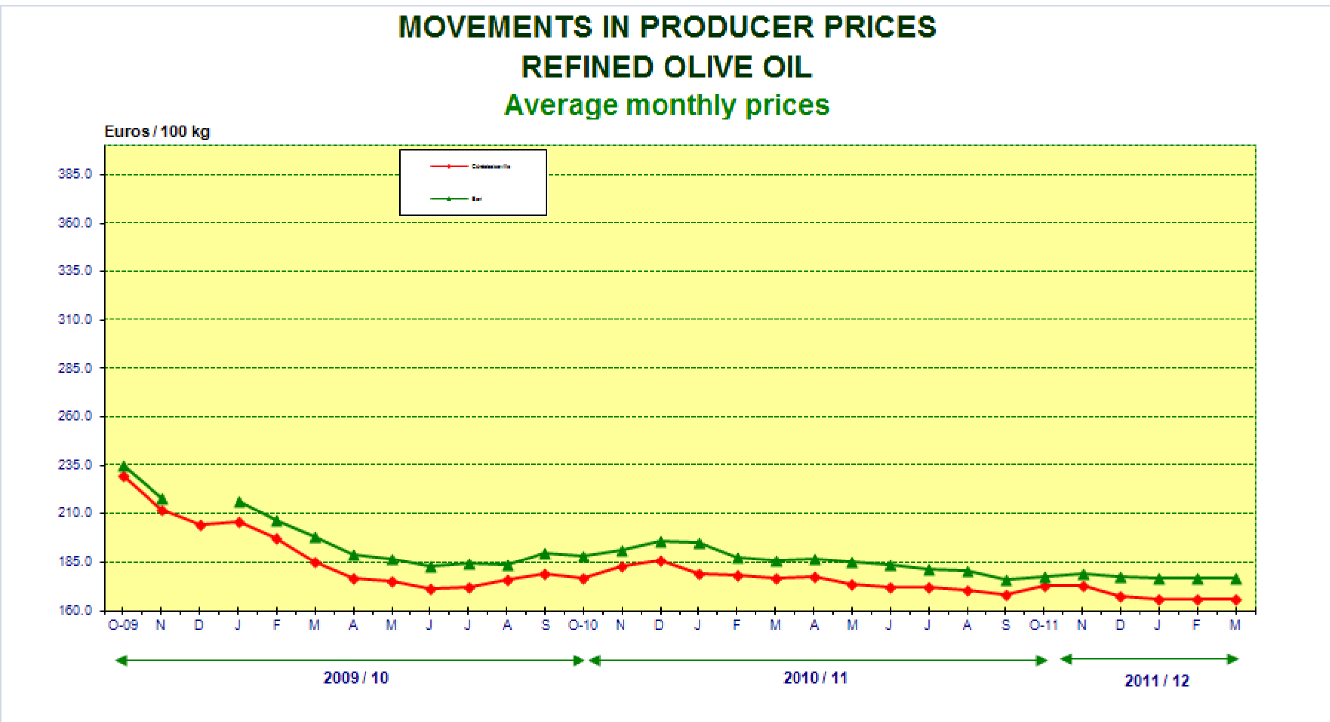


Graph 2

- Refined olive oil: Over the last 12 months, the prices of refined olive oil have fallen by 5% in Spain (€1.66/kg) and by 7% in Italy (€1.77/kg) (Graph 3). These prices are at the lowest levels since the last three crop years. No price data are available for Greece. The gap between the price of refined olive oil and extra virgin olive oil is currently around €0.08/kg in Spain and €0.58/kg in Italy.



Graph 3



Graph 4