

For fresh fruit and vegetable marketing and distribution in Asia



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Asia Briefing kicks off with cherry boom

ASIA
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CHERRIES

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The first in a series of weekly online briefings ahead of Asia Fruit Logistica ON looked at Asia's booming demand for cherries

Asia Briefing, a brand-new series of weekly market updates hosted by Fruitnet ahead of Asia Fruit Logistica ON, kicked off today with the first episode turning the spotlight on the fast-expanding market for cherries in Asia.

Demand for cherries in Asia is booming, and Chinese consumers simply can't get enough, as highlighted by Wayne Prowse of Fresh Intelligence Consulting in his introductory snapshot of the trade.

"Cherries have seen spectacular growth in Asian markets, particularly around Chinese New Year. China imported 230,000 tonnes of cherries in 2019, up 30 per cent year on year," he noted.

"All eyes are on Chile. Last year they exported 250,000 tonnes of cherries across the Pacific into Asian markets, mostly into China. This year they're expecting another 12 per cent increase in supply."

Matt Hancock, managing director of leading UK-based grower, importer and distributor Norton Folgate, highlighted

the focus for global cherry producers is on growing large-sized, high-quality cherries, the kind consumers are willing to pay a premium for.

He said the surge in demand has been fortuitous for a number of global producers, particularly Chile and other Southern Hemisphere nations.

"Nobody knows the limits of this market yet," said Hancock. "We keep testing it, and it keeps responding. It defies a traditional commercial market – we produce more, and the prices continue to go up.

"It's amazing because there are so many more markets to target within China, too. The main focus of business has been on the East coast, in Shanghai and Guangzhou, but there's so much to the West that's there too," he added.

"I can't think of another category that has been so successful. Fundamentally the future is very solid, but it remains to be seen where the saturation point is. I think when it is exposed, the game will shift to who can supplying a consistent, high-quality product."

Argentina, which signed export protocol agreements with China in November 2018, is now looking to carve its niche in the market alongside Chile.

Speaking with Fruitnet's Latin America editor, Maura Maxwell, Adolfo Storni of Argentinian supplier Extraberries is expecting production to increase by approximately 25 per cent this year, albeit from a low base.

"If everything goes okay, we are expecting 8,000 tonnes, which is up on last year's 6,000 tonnes," said Storni.

"Our first official export to China was last year, and it quickly became one of the two main destinations for our fruit, along with the US.

"Last year was very positive for us. Consumers and customers were satisfied with the quality. The last 50 containers suffered due to Covid-19 complications; however, all the fruit was sold without a problem, and it received a premium price. The Argentine origin was welcomed," he added.

<http://www.fruitnet.com/americafruit/article/1474/parts-of-san-diego-quarantined-as-psyllid-count-mounts>

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On a global scale, Storni is not afraid to admit Argentina remains a small player.

But he is quick to note the product is niche, and the returns from one season into China were promising enough to commit increased supply this year.

“We expect 50 per cent of our production this year will go to China,” said Storni. “We are not abandoning other markets, as we’ve got a good reputation in the US and other countries. However, we are keen to go in the same direction as Chile. Without access to important markets like Korea, Japan and Taiwan, 99 per cent of the fruit will be destined for China.”

As for how the Chinese market will rebound from Covid-19, Riverking International’s Owen Ou pointed toward a different fruit category altogether for insight.

“The durian market is during the first half of the year. Durian and cherries have been almost in sync. Both had explosive growth in China over the past ten years, and so, durian trends can tell us something about cherries,” noted Ou.

“In the first half of the year, even during the Covid-19 outbreak, we saw durian prices remain strong.

“This proves that great products will always be welcomed by China. Then

there is also the economy recovery over the last few months, which allows us to be cautiously optimistic about the cherry season this year.

“The cherry market is still growing. Let’s say it will be 55m cartons, as estimated, and taking into consideration the impact of Covid-19, then we can expect the price to be lower than last year, but it should be within a healthy range,” concluded Ou.

The Asia Briefing also looked at investments in China’s own cherry production, with Fruitnet’s China editor Yuxin Yang speaking to Dalian Xingyeyuan’s Martin Salge.

Another game changer for the global cherry industry has been the development of optical sorting and grading technologies, and Produce Plus editor Matt Jones spoke to Stuart Payne of GP Graders about some of the key advances so far, and the future innovations set to disrupt the industry.

Stay tuned for more

Fruitnet is set to host five more weekly episodes of Asia Briefing each Wednesday at 2:30pm Singapore/China. Next week’s episode (14 October) looks at the growth of European apples in Asia.

Later in the series, Asia Briefing focuses on marketing to China post-pandemic (28 October) and the future of Asia’s burgeoning avocado market (11 November).

Two of the Asia Briefing episodes also focus on tech and logistics respectively, as Fruitnet talks to the hosts of the Asia Fruit Logistica Hall Forums – Harrij Schmeitz of Smart Horticulture Asia (21 October) and Alex von Stempel of Cool Logistics Asia (4 November) – to preview the content for their programmes at Asia Fruit Logistica ON.

Asia Briefing is broadcast live from Fruitnet’s studio and is free to join.

[Follow this link to watch the full Asia Briefing: Cherries.](#)

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