

Update

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Beacon Commodities



Beacon Commodities have just returned from a trip to inspect the citrus harvest in Murcia, Spain. The harvest was in full flow and with the huge amount of press reports about the unusually cold weather that Southern Europe has experienced over the past months, it was important to see the harvest.



Newly planted lemon trees



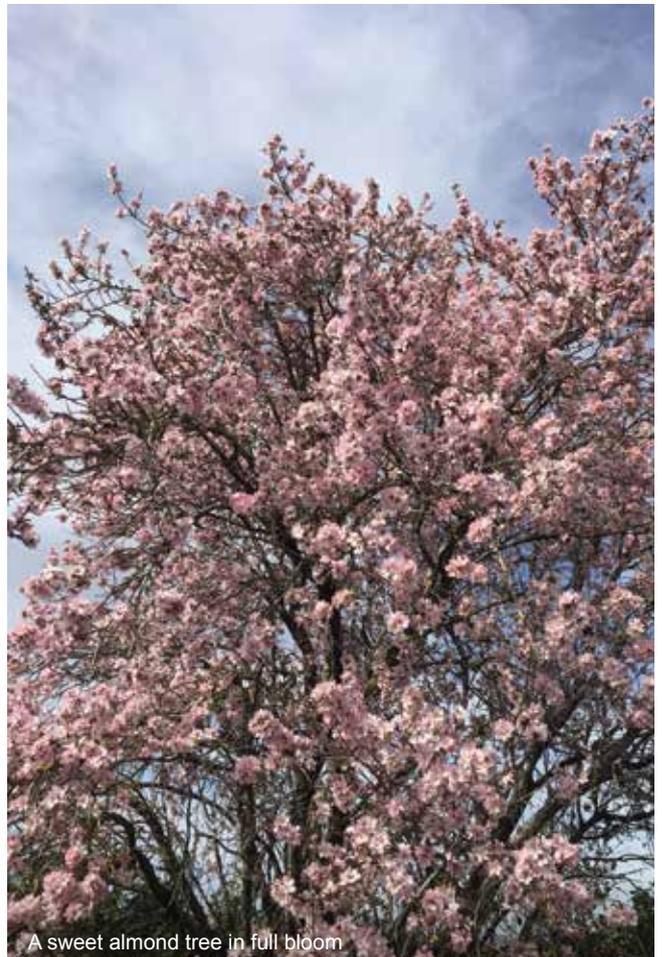
Sweet oranges

The weather

It is true that the weather has been far colder than usual in Southern Europe with Murcia seeing its first fall of snow for 30 years. However, despite the hype the UK press made about 'courgette-gate', the snow only lasted for a day and therefore did not affect the citrus trees. The cold weather, which did include numerous days of frosts, did however affect the ground growing crops (which are mainly vegetables such as courgettes, lettuces and artichokes) and the lack of supply into the UK is not surprising. Luckily, citrus grows on trees and was therefore largely unaffected.

The current situation

The Murcia region grows vast quantities of fruit and vegetables for Northern Europe around this time of year and the prices being achieved for crops has increased significantly over the past few years. This has encouraged farmers to plant up new areas of land with fruit and vegetables. Before the financial crash however, farmers were tending to sit on their land with the hope that one day they would be able to build properties.



A sweet almond tree in full bloom



Plenty of lemons!

These new plantings include vast areas of sweet almonds, pomegranates and of course lemon trees.

There is a feeling amongst Spanish farmers that there is a need to concentrate on one or two crops instead of diversifying into many that was always the norm in years gone by. Around 10-15 years ago, it was common for Spanish farmers to have acreages for citrus trees, vegetables, olives and a number of livestock but these days are fast evaporating.

The harvest

The harvest of sweet orange was in full flow during our visit and was producing good yields with no sign of any quality issues. The lemon will follow later but as reported in previous Newsletters, new plantings do take some time to reach full productivity so prices will remain high with limited availability.

If you have any questions about any of these issues then please feel free to contact either Tommy or Michael.



A newly planted sweet almond site



A view over agricultural land in Murcia