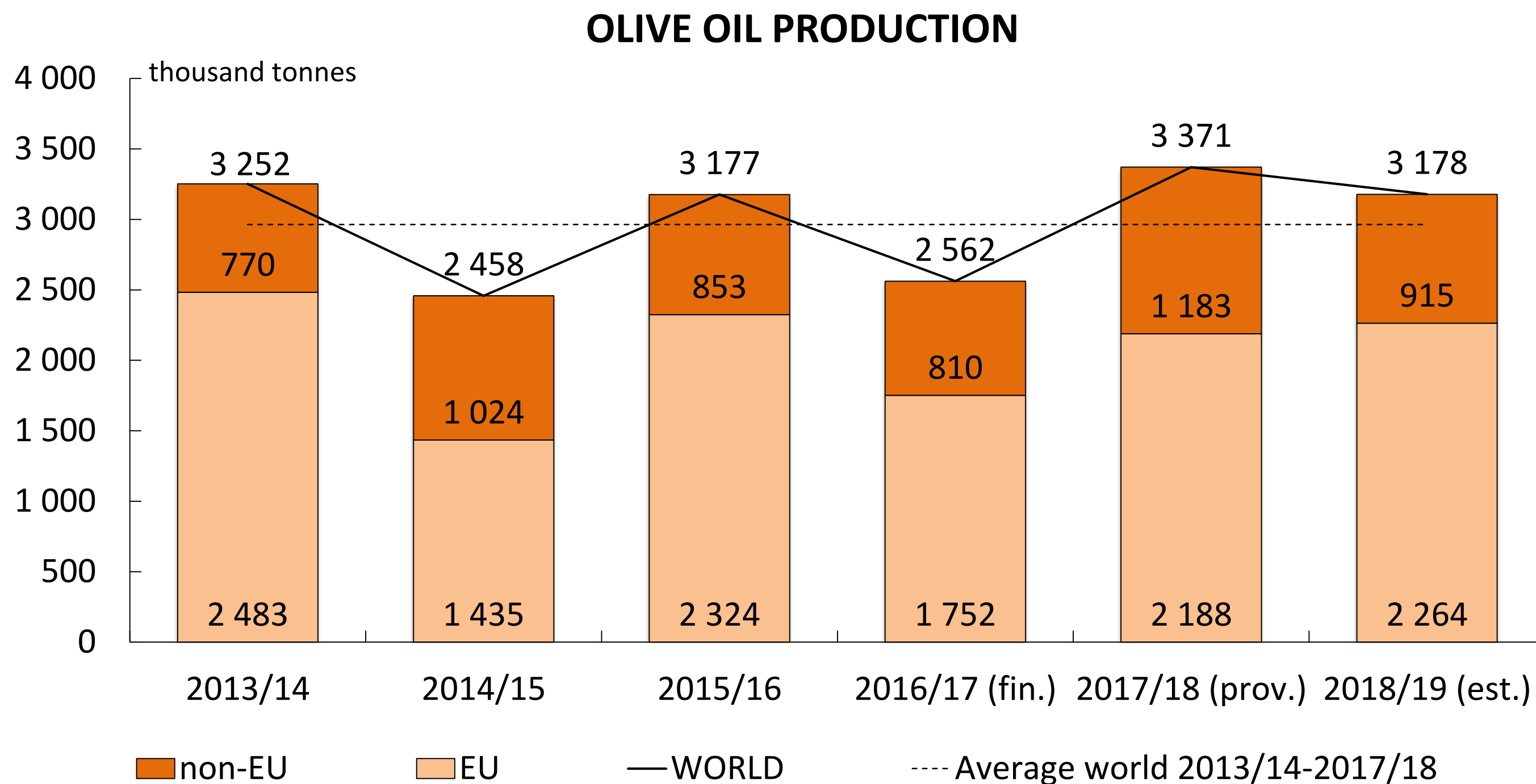


Market situation in the olive oil and table olives sectors

*Committee for the Common Organisation of the
Agricultural Markets – Arable crops and olive oil
31 October 2019*

PRODUCTION, CONSUMPTION & ENDING STOCKS

World production revised in 2017/18 and 2018/19...



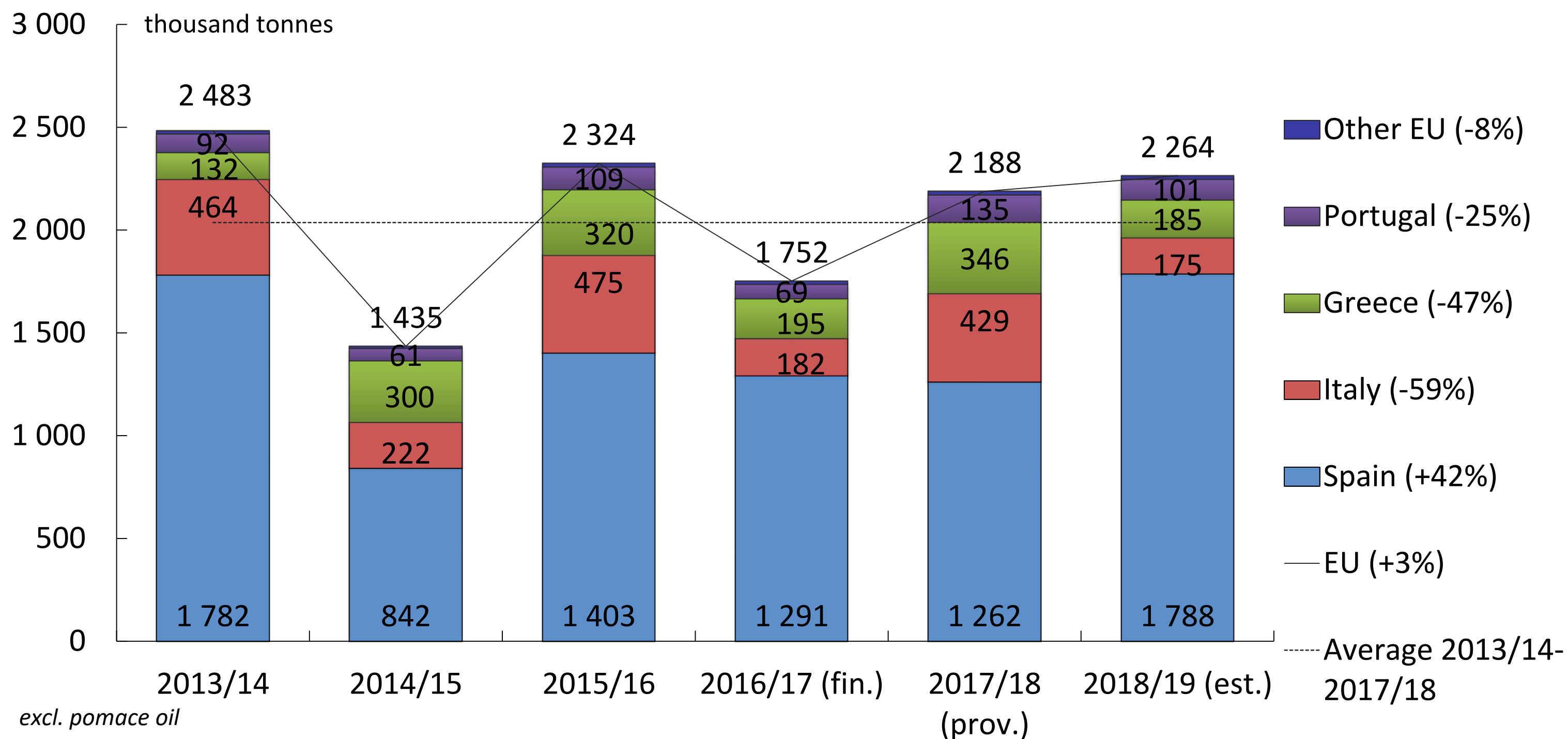
excl. pomace oil

2018/19 vs. 2017/18	
WORLD	-6%
EU	4%
non-EU	-23%

2018/19 vs. 5-y average	
WORLD	7%
EU	11%
non-EU	-1%

...stable EU estimates for 2018/19...

EU OLIVE OIL PRODUCTION



EU production in 2018/19 expected 11% above 5-year average

Source: International Olive Council; MS declarations

...first estimates for 2019/20.

España mantiene la calma ante una potencial cosecha récord en el Mediterráneo

Y consigue mantener los precios en origen

09/09/2019



Olimerca.- A pesar de los grandes volúmenes de aceite de oliva que almacenan nuestras almazaras, que podrían rondar las 720.000 toneladas a finales de septiembre, el sector productor está sabiendo actuar en estas últimas semanas.

Tras los nervios de los meses de mayo y junio la oferta en origen ha conseguido la tan ansiada estabilidad de los precios, lo que sin duda ayuda a que la comercialización se lleve a cabo con la necesitada tranquilidad en los precios, que es lo que necesita el mercado en estas fechas.

Hemos iniciado el mes de septiembre y a pesar de que las primeras estimaciones no son muy optimistas, hay otras voces que apuntan a que las lluvias que han caído en algunas zonas de Andalucía y del mediterráneo podría ayudar a que finalmente la cosecha permitiera una producción entre 1.150.000 y 1.350.000 Tm

Optimistic Forecasts for Harvest in Italy

Under the current conditions, the yield could exceed 315.000 tons -- lower than the average of the last decade, but still better than in recent years.

By YLENIA GRANITTO on September 4, 2019
Filed in Business

2.4k
VIEWS

RECENT NEWS

- Israel Requests Documents About Its Exclusion from Olive Council Meeting
- Olive Oils From Sardinia Find a Modern Audience
- Six Years With No Cure: The Continuing Consequences of Xylella
- The Give and Take of French Cultivars

According to preliminary estimates by Coldiretti, based on Ismea/Unaprol data, Italian olive oil production in the 2019/20 season is expected to increase by 80 percent, compared with last year.

The organization of Italian farmers cautioned that weather conditions will now be crucial in determining how the harvest goes. In the coming months, factors such as rains and temperatures may have a major impact on volumes.

“Forecasts are optimistic, and we are glad that the southern regions have fully recovered after last year’s drop in production.”

- David Granieri, president of Unaprol

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Olive Oil
Sommelier
Certification
January 20-24, 2020
London

However, under the current conditions, the yield could exceed 315,000 tons, which is lower than the average of the last decade, but still better than the production levels reached in recent years.

Last year was the lowest registered harvest over the past three decades, with a 175,000-ton yield. Nevertheless, the poor amount obtained by the Italian olive growers was offset by the high quality of their production, which was as high as ever.

Portugal Anticipates Record Yield

A 40-percent increase in olive oil production is expected when harvesting begins in October. Total production is expected to reach 140.000 tons, up from 100.000 tons last year.

By MATTHEW CORTINA on September 2, 2019
Filed in Business

1.6k
VIEWS

Fresh olive oil at Esporao

RECENT NEWS

- Scientists Find Earliest Evidence of Olive Oil in Central Europe
- Regular Exercise May Slow Emergence of Alzheimer’s Symptoms
- Spanish Olive Oil Exports to U.S. Surge Ahead of WTO Decision
- Spanish Black Olive Exports to U.S. Halved Since Tariffs Imposed

Despite drought conditions across the country this past summer, Portugal is expecting a near-record olive oil yield in 2019.

Mariana Matos, secretary-general of Casa do Azeite, the Portuguese Olive Oil Association said a 40-percent increase in olive oil production is expected when harvesting begins in October. Total production is expected to reach 140,000 tons, up from 100,000 tons last year.

“If we reach these production values, it will be a record production in Portugal.”

- Mariana Matos, secretary-general of Casa do Azeite

Greeks Optimistic About Upcoming Harvest

Most producers are expecting a good harvest amid more favorable growing conditions than last year.

By COSTAS VASILOPOULOS on September 9, 2019
Filed in Business

2k
VIEWS

Olive oil mill in Messinia

RECENT NEWS

- Israel Requests Documents About Its Exclusion from Olive Council Meeting
- Olive Oils From Sardinia Find a Modern Audience
- Six Years With No Cure: The Continuing Consequences of Xylella
- The Give and Take of French Cultivars

Only a few weeks remain until the olive harvest season begins in Greece, and the conditions seem favorable for a substantial crop with most olive oil producing territories rebounding from last year’s poor harvest.

Some early estimations from industry experts predict that the country’s overall olive oil yield will reach 240,000 tons, while some more optimistic projections estimate between 280,000 and 300,000 tons, a big improvement from last year’s small production of fewer than 200,000 tons.

“This season we had zero problems with the fruit fly and other pathogens, so we expect olive oils of very low acidity and of excellent quality.”

- Giorgos Korinnis, an agriculturist from Laconia

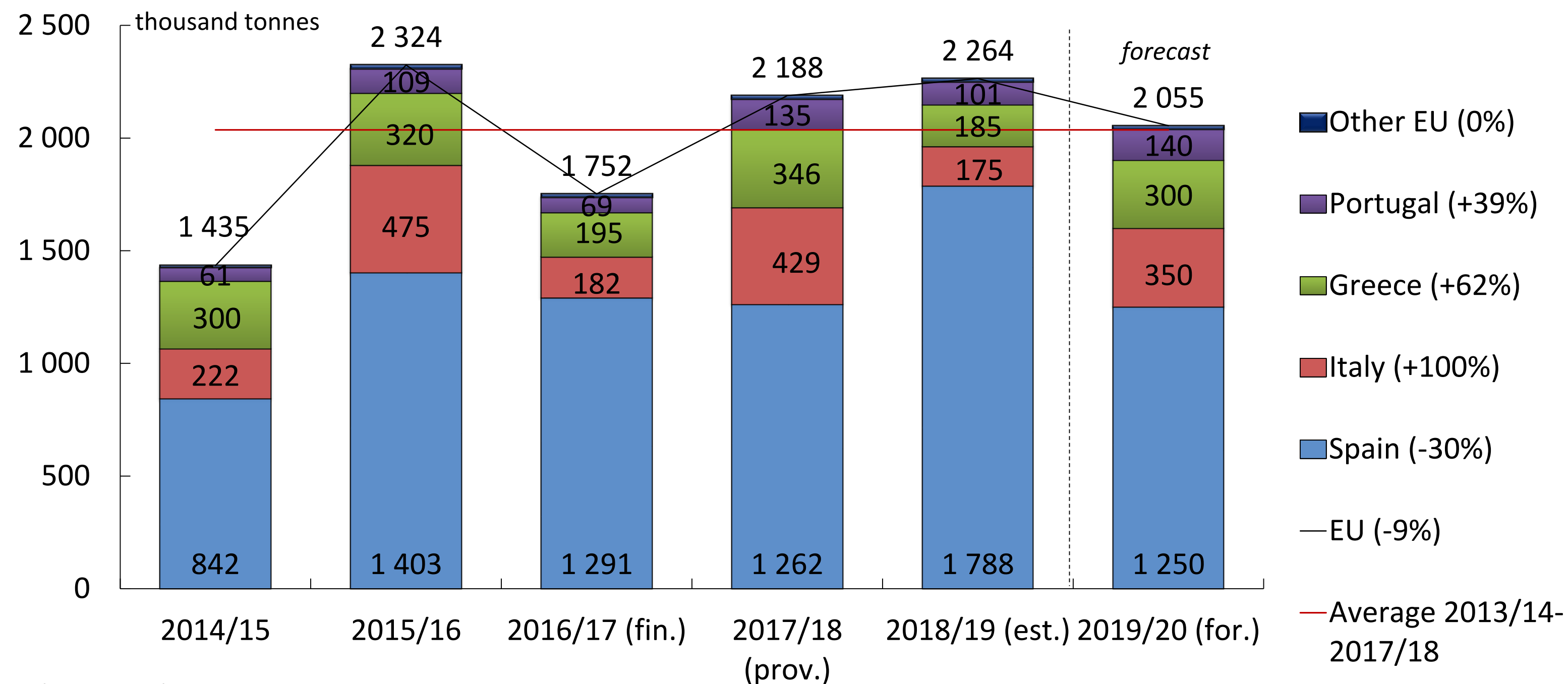


European
Commission

Agriculture and
Rural Development

...first estimates for 2019/20.

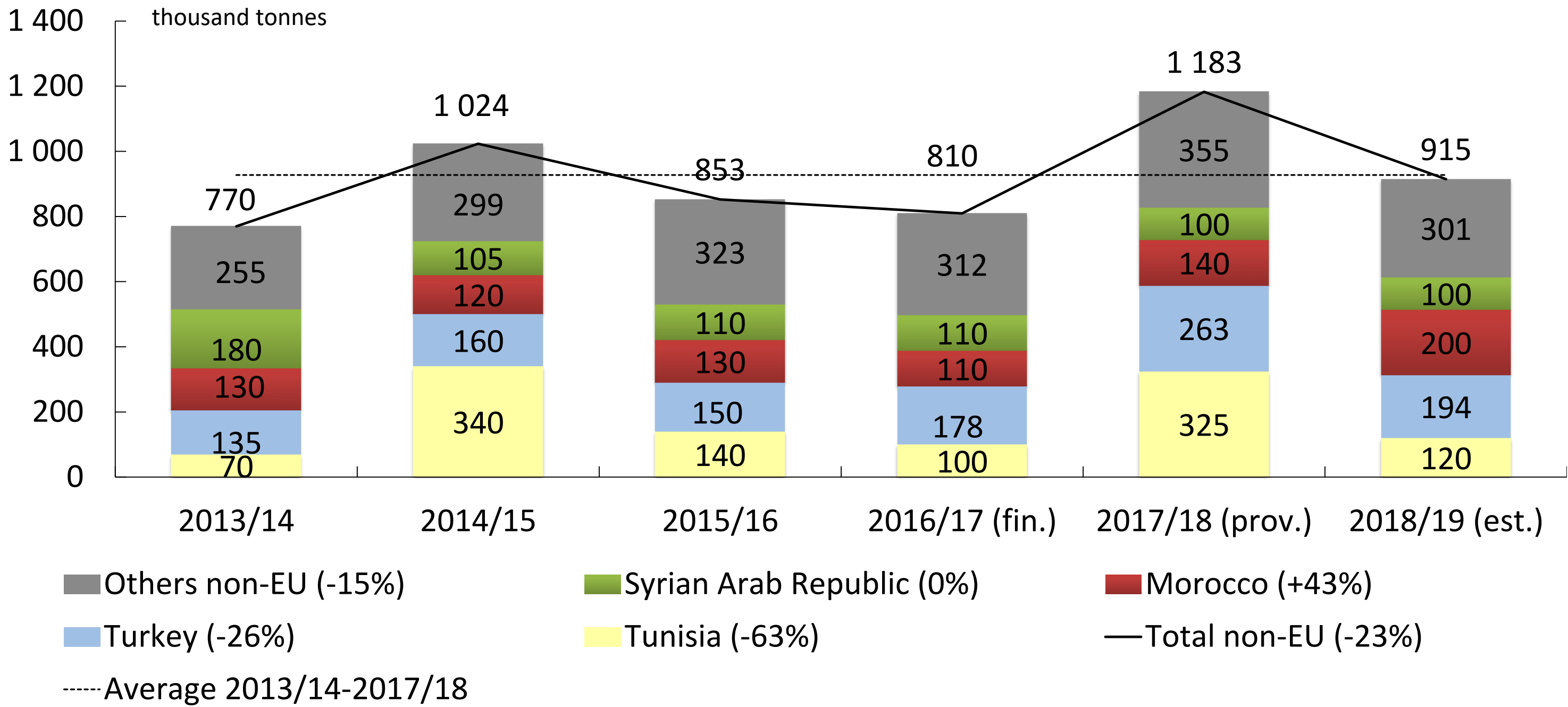
EU OLIVE OIL PRODUCTION (variation 2019/20 vs 2018/19)



excl. pomace oil

Non-EU production decreases to 5-year average level

Non-EU OLIVE OIL PRODUCTION

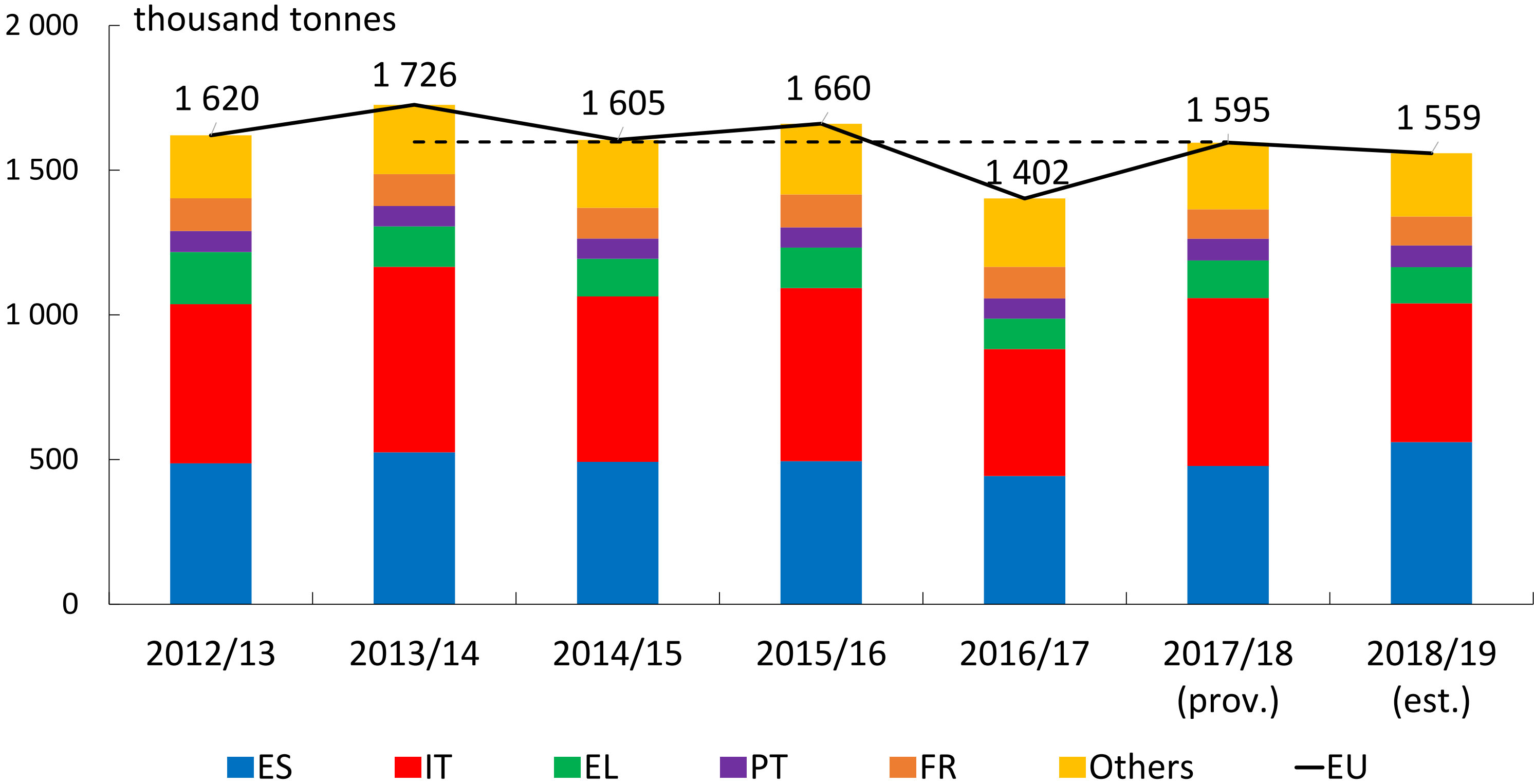


Source: International Olive Council. excl. pomace oil

Non-EU production in 2018/19 expected 1% below 5-year average

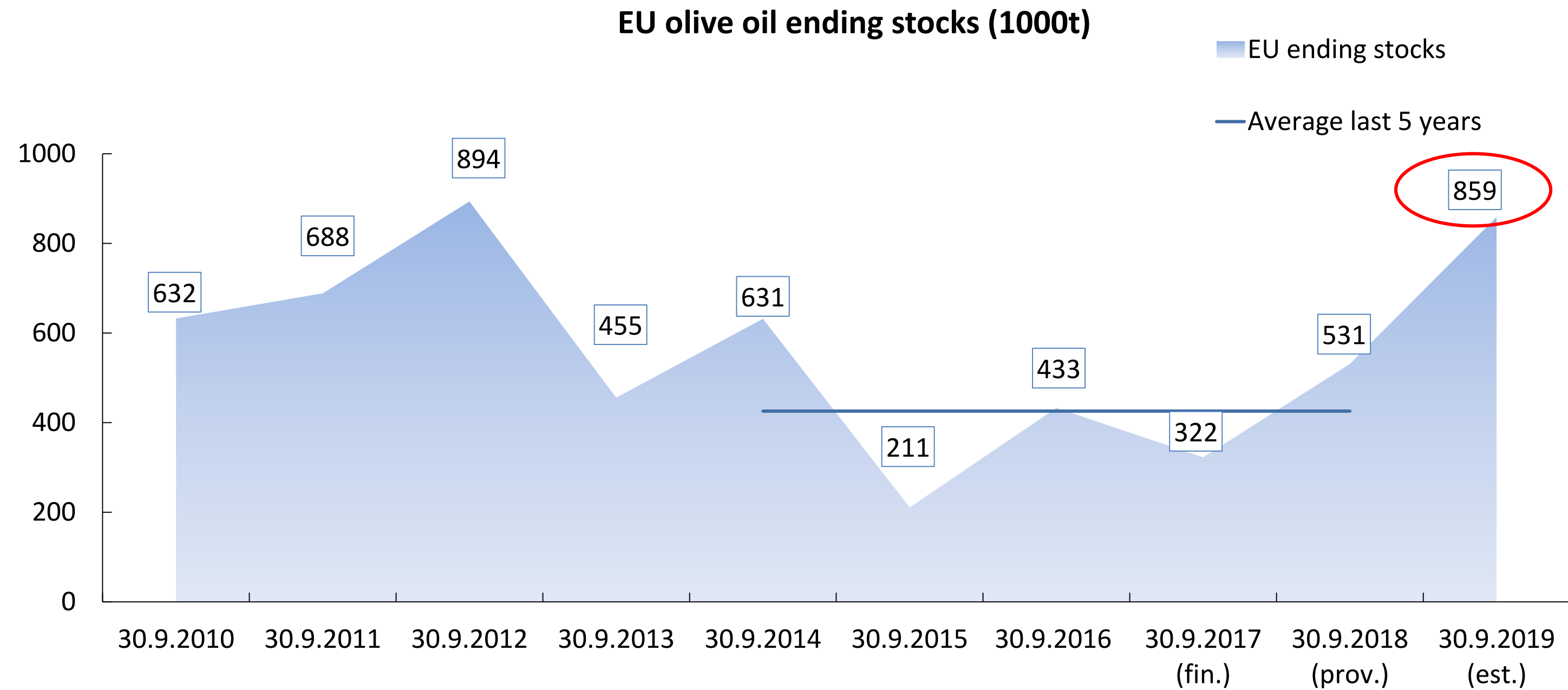
EU consumption broadly stable in 2018/19

EU OLIVE OIL CONSUMPTION



Source: International Olive Council; MS declarations

Ending stocks for 2018/19 above 5-year average



Source: MS declarations, IOC, Eurostat

EU EXTRA-TRADE

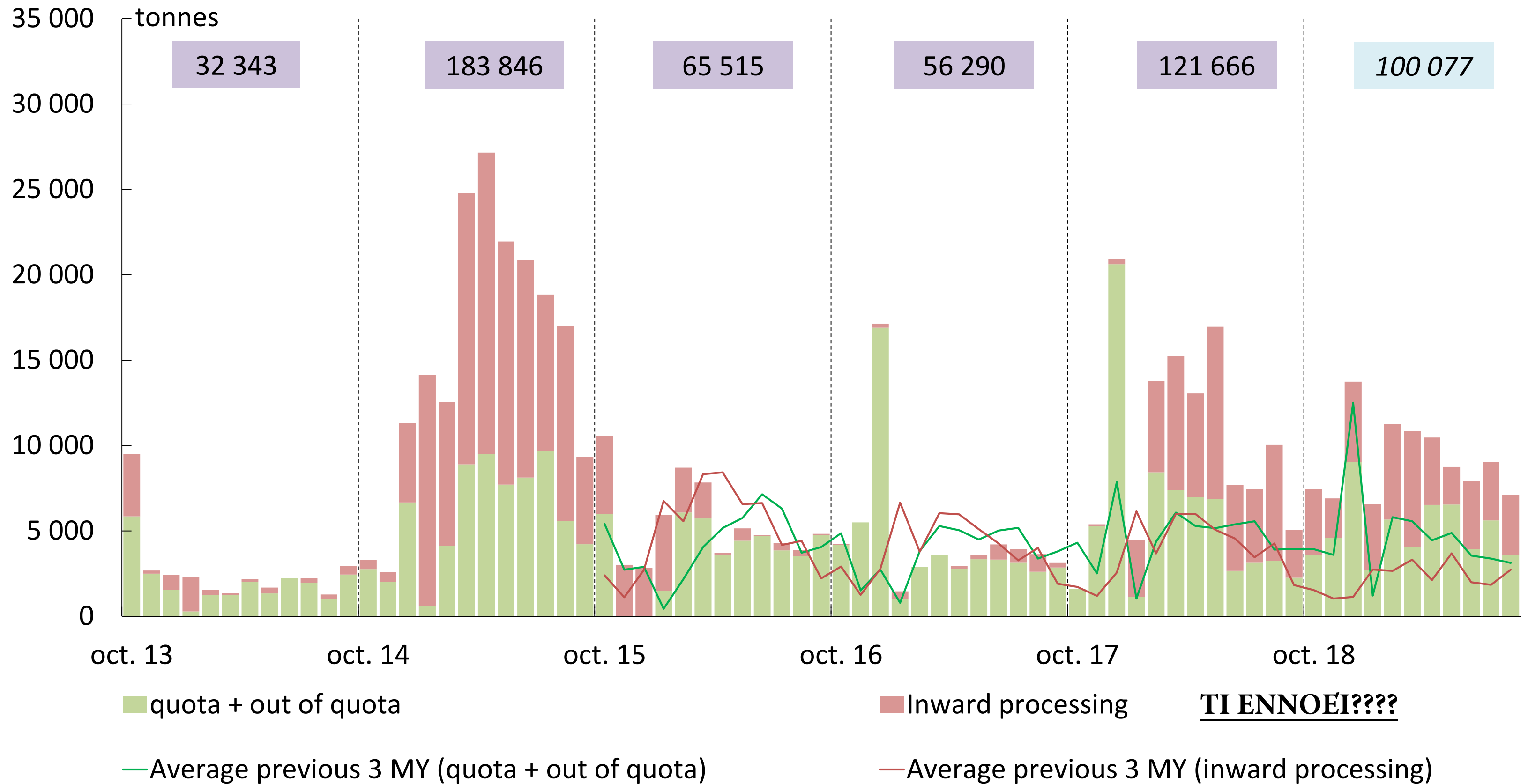
Stable import share from TN, increasing for MA

Imports of olive oil from third countries (October - August)									
Trade partner	2013/18 (5-year average)		2016/17		2017/18		2018/19		
	volume (t)	share (%)	volume (t)	share (%)	volume (t)	share (%)	volume (t)	share (%)	vs. 2017/18 (%)
Tunisia	90 374	75	54 237	66	117 677	68	100 582	73	-14.5
Morocco	7 120	6	5 203	6	5 586	3	16 332	12	192.4
Syria	7 414	6	11 226	14	20 144	12	7 704	6	-61.8
Turkey	5 547	5	4 616	6	14 898	9	5 324	4	-64.3
Argentina	4 906	4	2 441	3	9 883	6	4 166	3	-57.8
Australia	1 507	1	1 357	2	681	0	1	0	-99.8
Chile	1 184	1	565	1	903	1	174	0	-80.7
Others	2 989	2	2 965	4	2 989	2	2 624	2	-12.2
Extra EU	121 041		82 611		172 761		136 908		-20.8

Source: COMEXT. Period: October - August. CN codes: 1509 (all stat. regimes).

Lower imports under normal regime

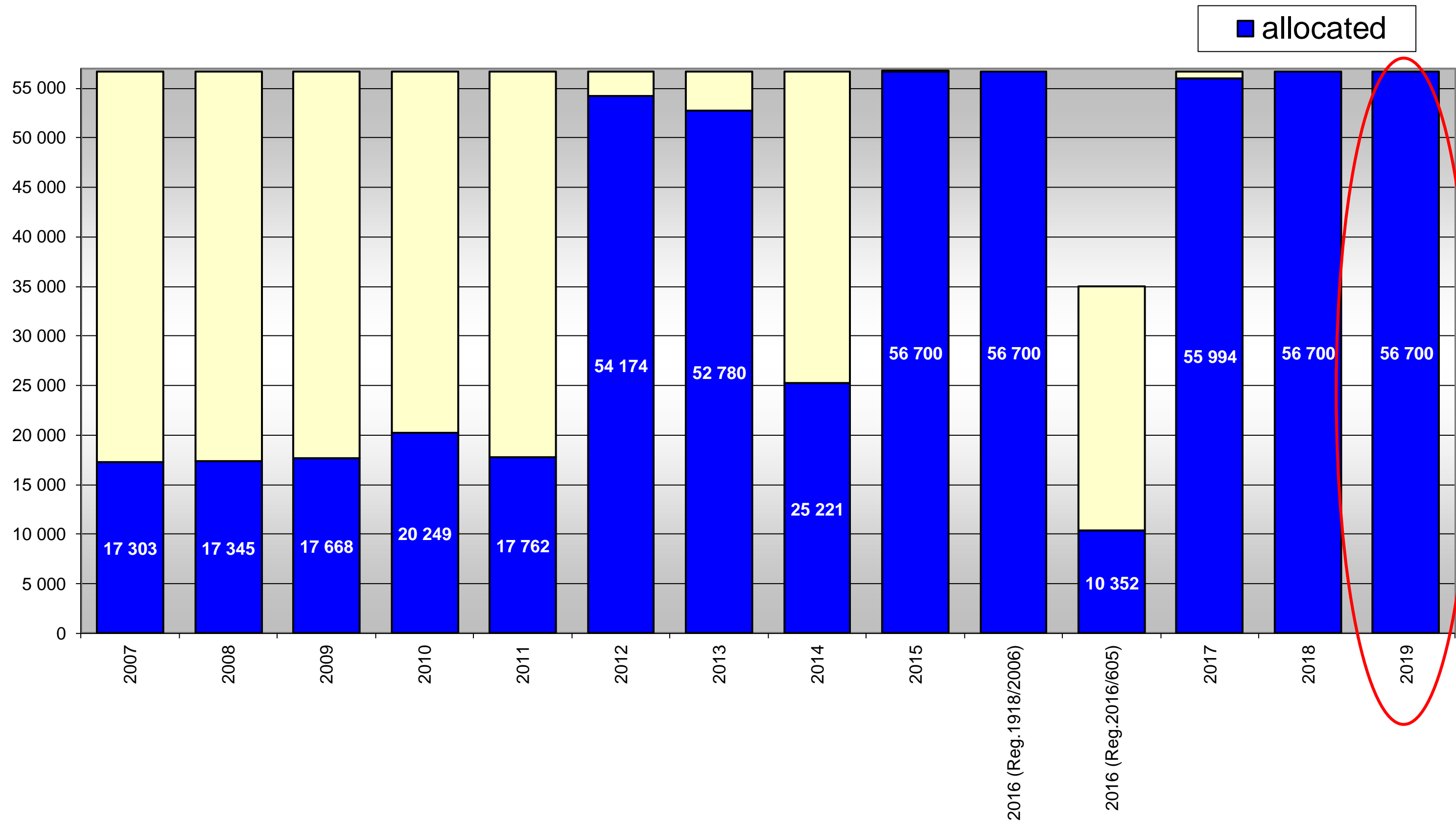
IMPORTS OF VIRGIN OLIVE OIL FROM TUNISIA



Source: Eurostat/Comext© CN code: 150910.

Inward processing (IP) – a relief from customs duty and import VAT on goods that are imported from outside the EU to be processed, and then exported outside the EU or released for free circulation in the EU. Excise duty is also suspended when goods are entered into IP.

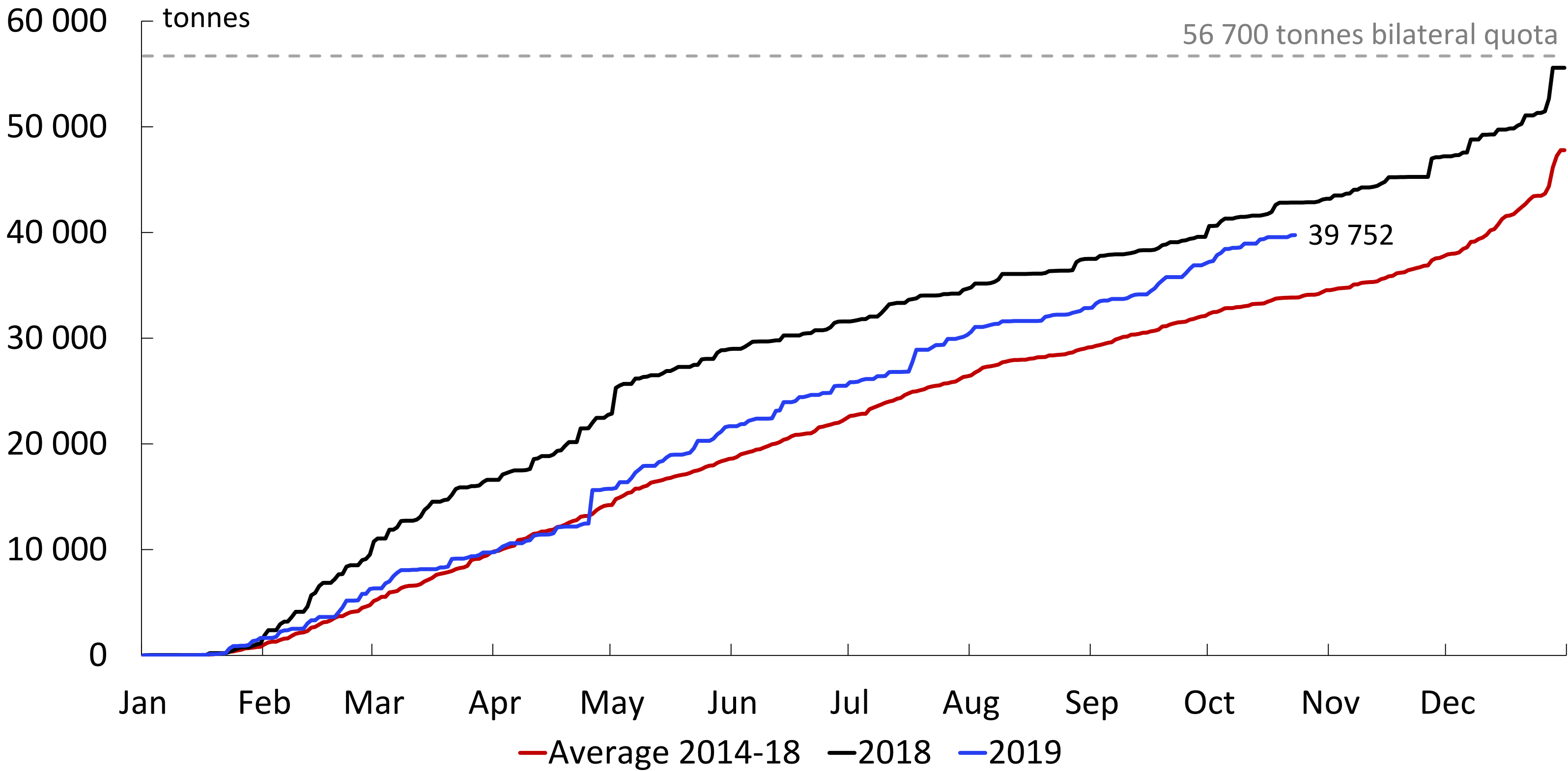
TUNISIA - OLIVE OIL ZERO DUTY IMPORT QUOTA
 Quota use: allocated part* of total available quantities (t)



* re-allocated quantities (following re-distribution of unused quantities) are not taken into account to avoid double counting
 Source: DG AGRI/G.1; January 2019

Imports from TU at stable pace

Olive oil imports from Tunisia under zero duty quota



Source: DG Taxud Surveillance, data until 23/10/2019.

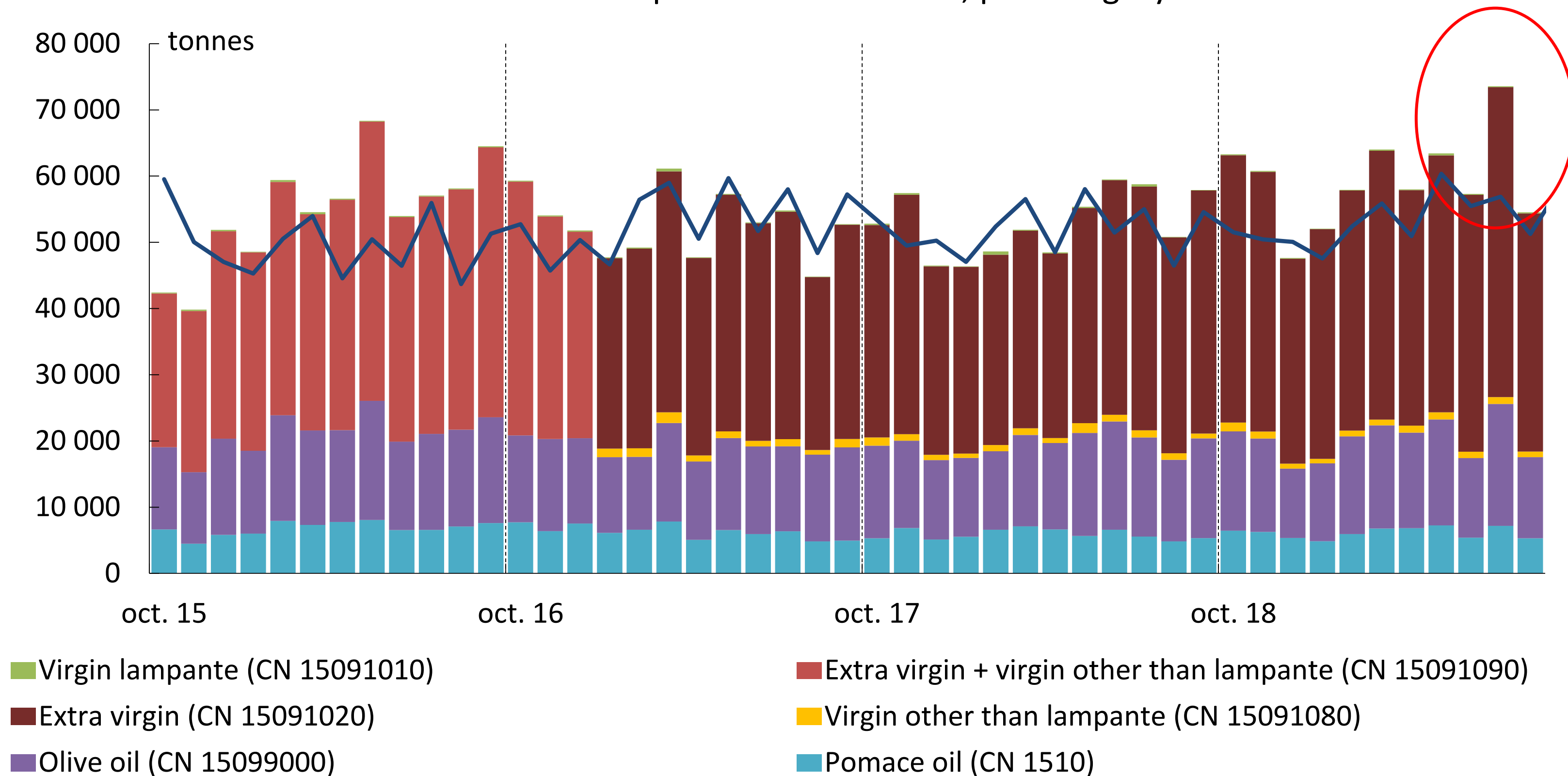
Increasing exports of EU olive oil..

EU exports of olive oil to third countries (October - August)									
Trade partner	2013/18 (5-year average)		2016/17		2017/18		2018/19		vs. 2017/18 (%)
	volume (t)	share (%)	volume (t)	share (%)	volume (t)	share (%)	volume (t)	share (%)	
United States	193 718	38	203 177	40	174 714	34	216 323	37	23.8
Brazil	48 942	10	40 496	8	60 869	12	64 113	11	5.3
Japan	45 791	9	46 536	9	44 627	9	60 406	10	35.4
China	31 230	6	32 805	6	32 240	6	40 542	7	25.8
Canada	25 027	5	23 361	5	26 883	5	25 479	4	-5.2
Australia	22 830	4	24 118	5	26 395	5	23 908	4	-9.4
Switzerland	12 829	3	12 848	3	13 068	3	13 425	2	2.7
Others	129 890	25	126 722	25	132 003	26	140 783	24	6.7
Extra EU	510 258		510 063		510 798		584 978		14.5

Source: COMEXT. Period: October - August. CN codes: 1509 (all stat. regimes).

...particularly over the last month...

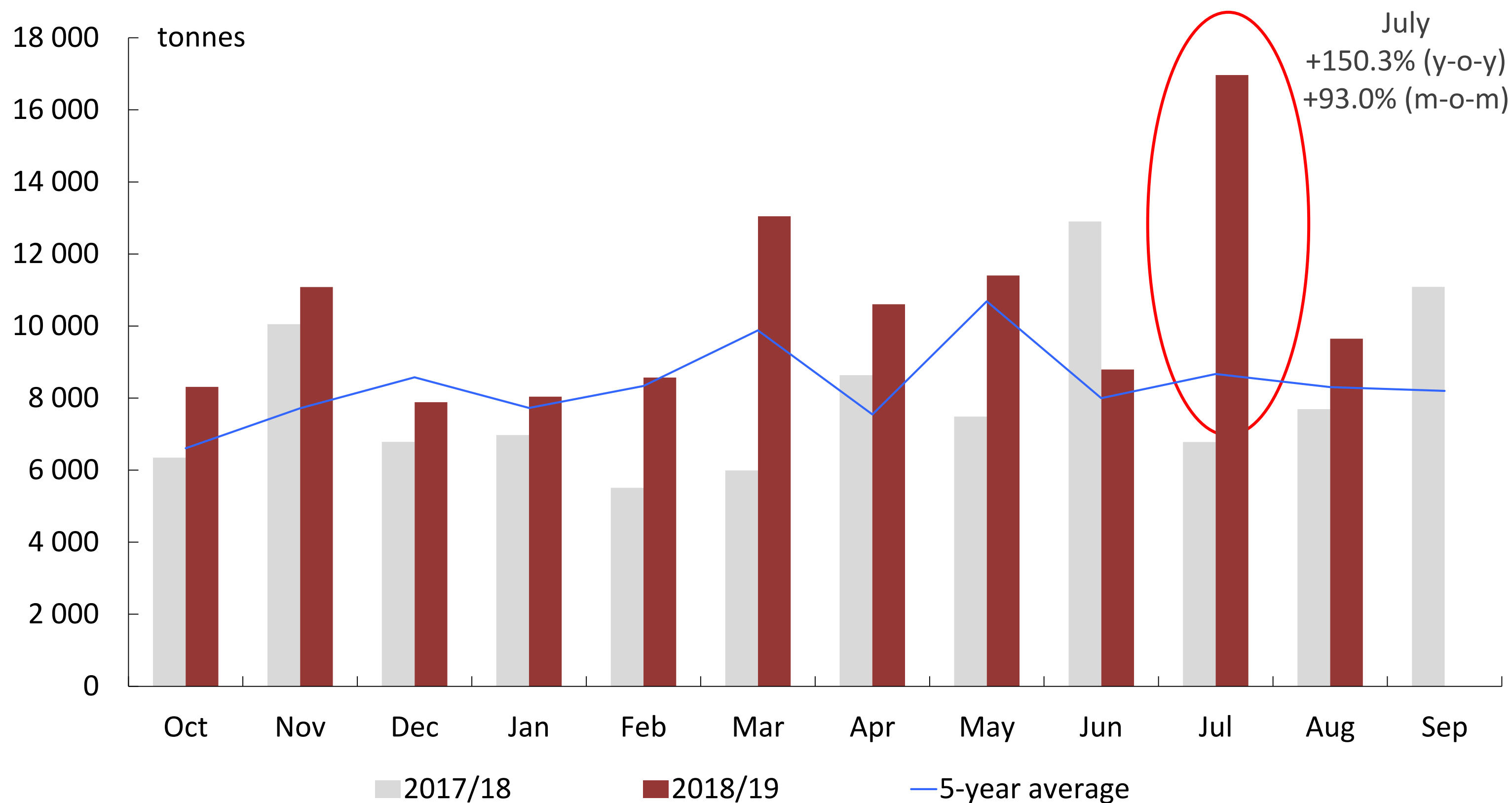
Olive oil exports outside the EU, per category



Source: Eurostat/Comext©

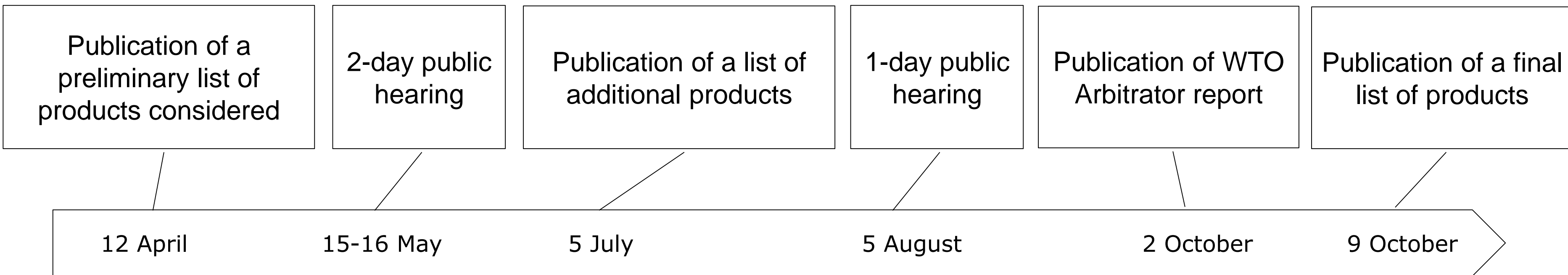
...U.S. importers anticipating retaliation measures?

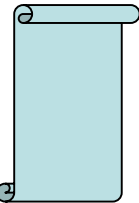
Spanish exports to the U.S., by month



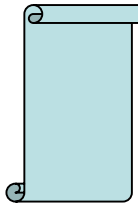
Source: Eurostat/Comext©

Additional 25% import duties on ES bottled olive oil



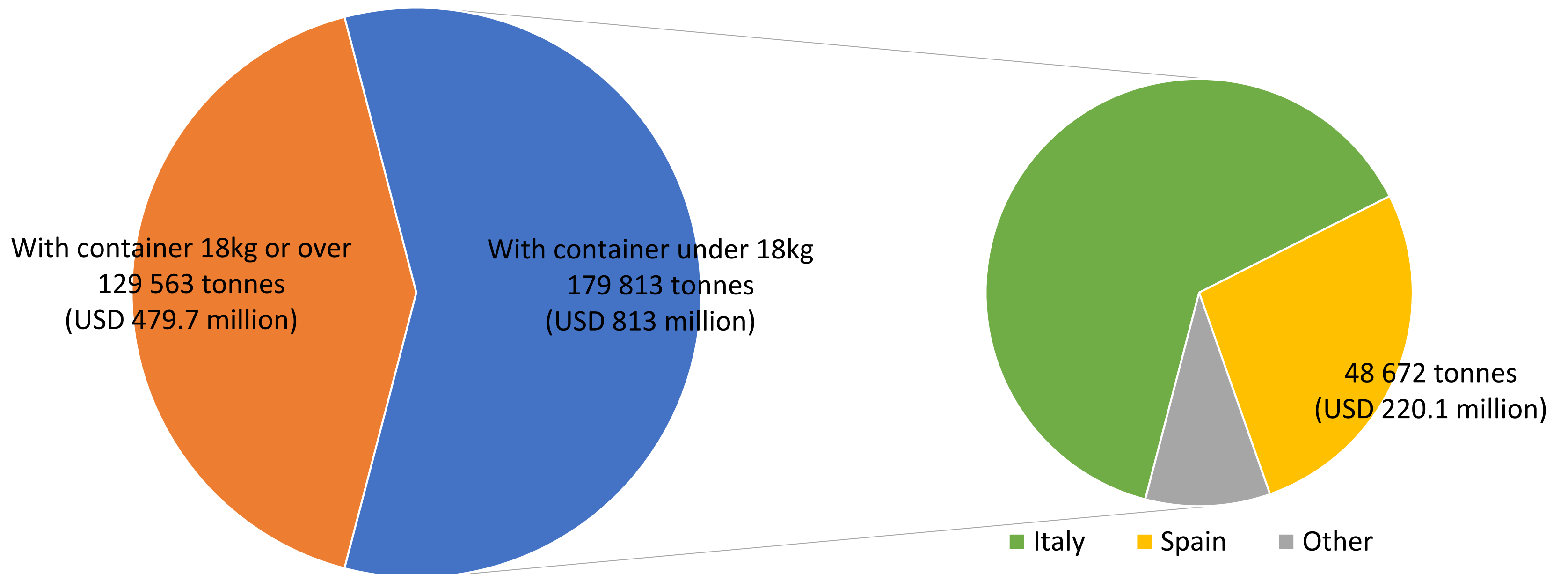

additional *ad valorem* duty on products:
1509.10.20
1509.10.40
1509.90.20
1509.90.40

level of countermeasures is USD 7.5 billion annually


additional *ad valorem* duty of 25% on DE, ES, UK products:
1509.10.20
1509.90.20

Additional 25% import duties on ES bottled olive oil

U.S. imports of olive oil, segment hit by retaliation measures
(based on 5-year average data)



Source: United States Department of Agriculture (Foreign Agricultural Service).

EU INTRA-TRADE

Increasing intra-EU exports in 2018/19

Intra EU exports of olive oil (CN 1509) (October 2018 - July 2019)													
Trade partner	Origin (declared exports)											TOTAL volume	
	Spain		Italy		Greece		Portugal		France		Others		
	volume	share (%)	volume	share (%)	volume	share (%)	volume	share (%)	volume	share (%)	volume	share (%)	
Spain			4.6	4.9	2.3	2.7	50.5	59.8	0.4	7.3	0.3	1.6	58.1
Italy	297.3	52.1			59.5	70.9	27.4	32.4	0.3	6.1	0.5	3.1	385.0
Greece	1.3	0.2	0.6	0.6			0.0	0.0	0.0	0.0	0.1	0.6	2.0
Portugal	85.2	14.9	0.0	0.0	0.0	0.0			0.0	0.3	0.0	0.1	85.3
France	93.8	16.4	21.8	23.2	1.4	1.7	2.9	3.4			1.9	12.4	121.8
UK	33.8	5.9	11.2	11.9	1.7	2.1	0.2	0.2	0.1	2.0	1.0	6.4	48.0
Germany	14.4	2.5	32.1	34.2	8.4	10.0	0.3	0.3	2.2	39.3	1.9	11.8	59.3
Netherlands	12.7	2.2	3.3	3.5	0.6	0.7	0.4	0.4	0.1	1.2	2.1	13.3	19.1
Others	32.2	5.6	20.3	21.6	10.1	12.0	2.9	3.4	2.5	43.7	8.0	50.7	75.9
Total	570.8	100	93.9	100	84.0	100	84.5	100	5.7	100	15.7	100	854.6
Total same period previous campaign	477.8		89.4		122.8		87.8		5.0		13.3		796.0
<i>Difference (y-o-y%)</i>	<i>19.5</i>		<i>5.1</i>		<i>-31.6</i>		<i>-3.8</i>		<i>15.0</i>		<i>18.3</i>		<i>7.4</i>

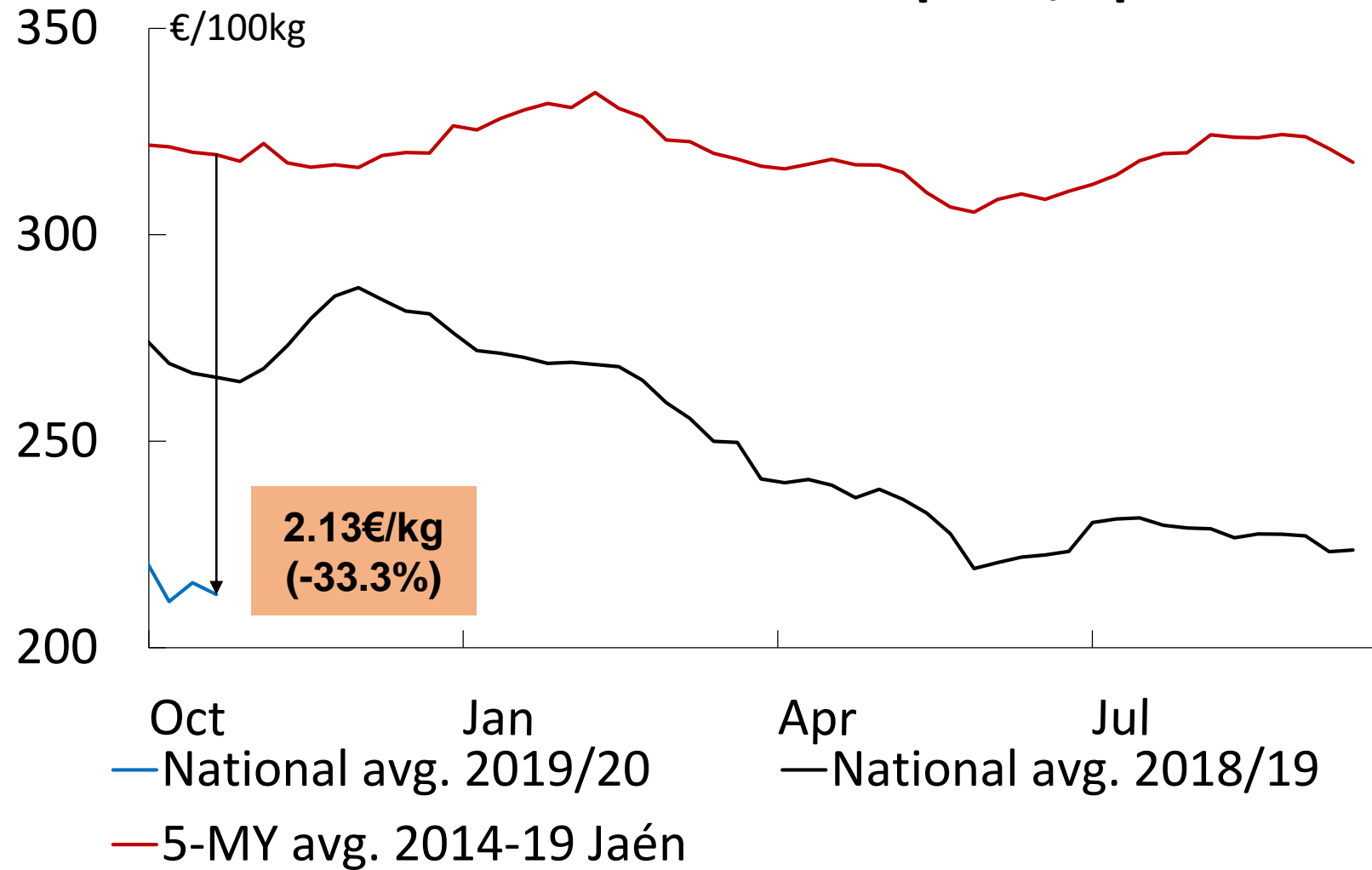
Period: 01/10/2018 - 31/07/2019. Olive oil excl. pomace oil. Source: COMEXT. All stat. regimes.

EU PRICES

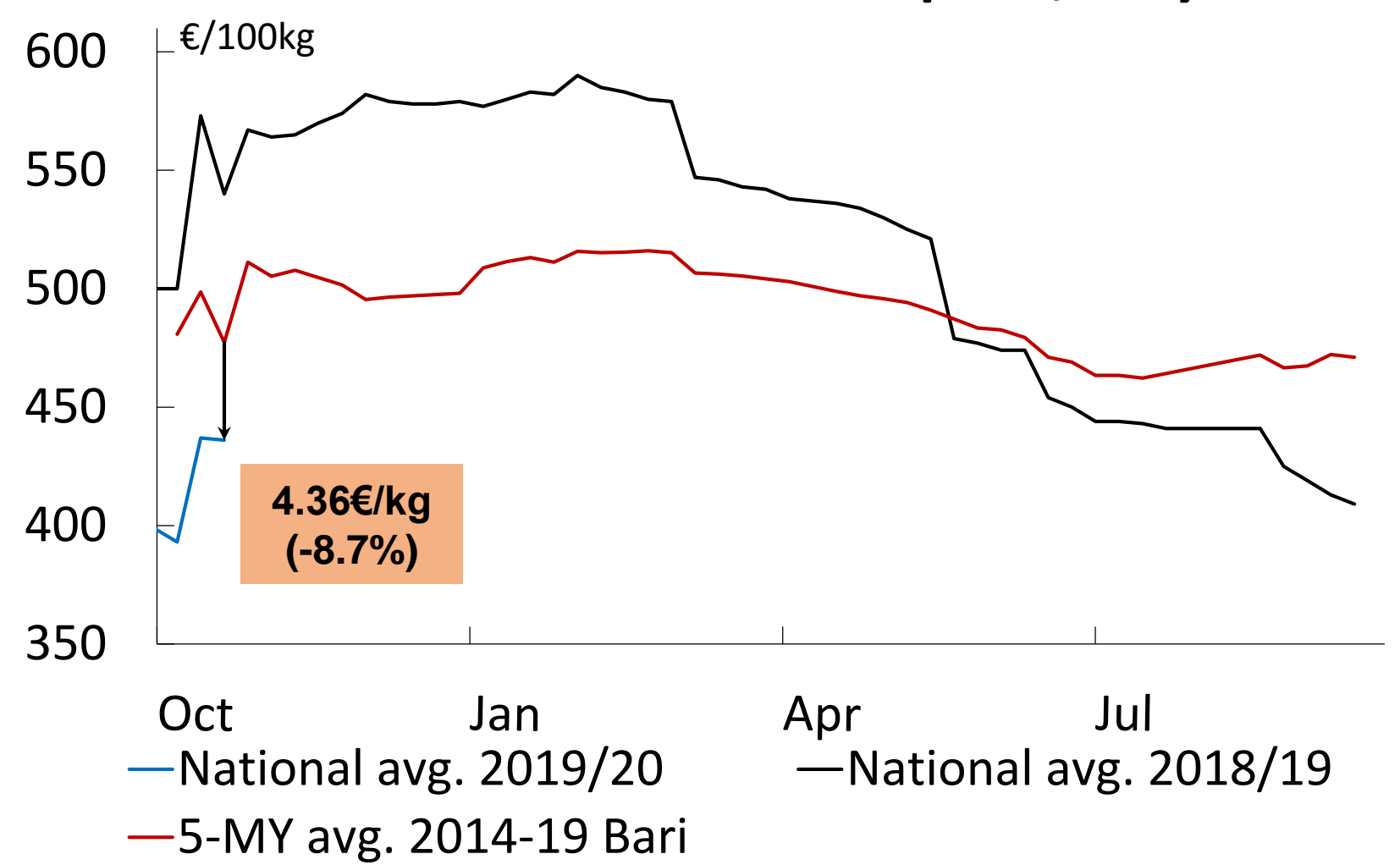
(until 25.10.2019)

Stable prices in ES and EL for EVOO...

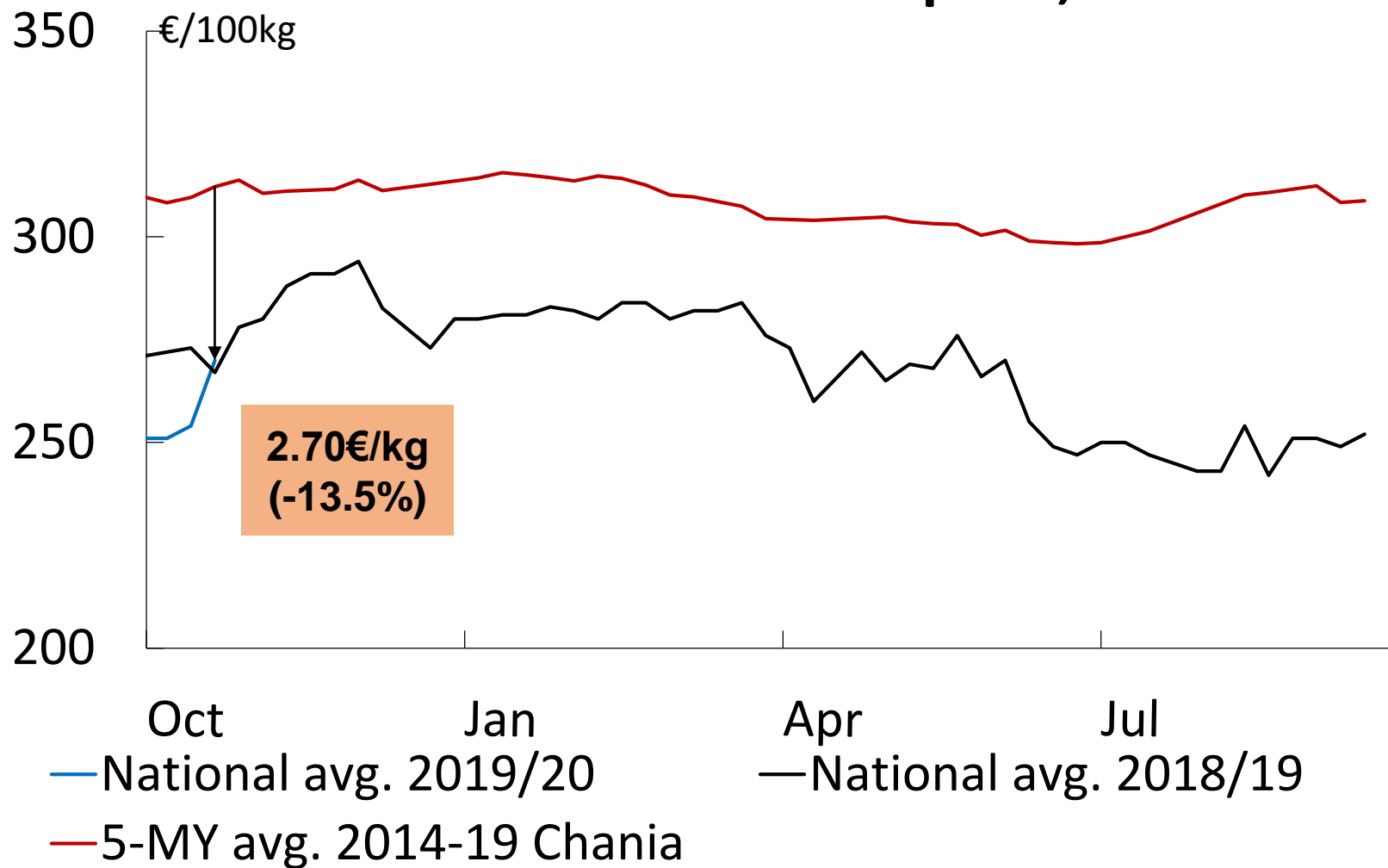
EXTRA VIRGIN olive oil price, Spain



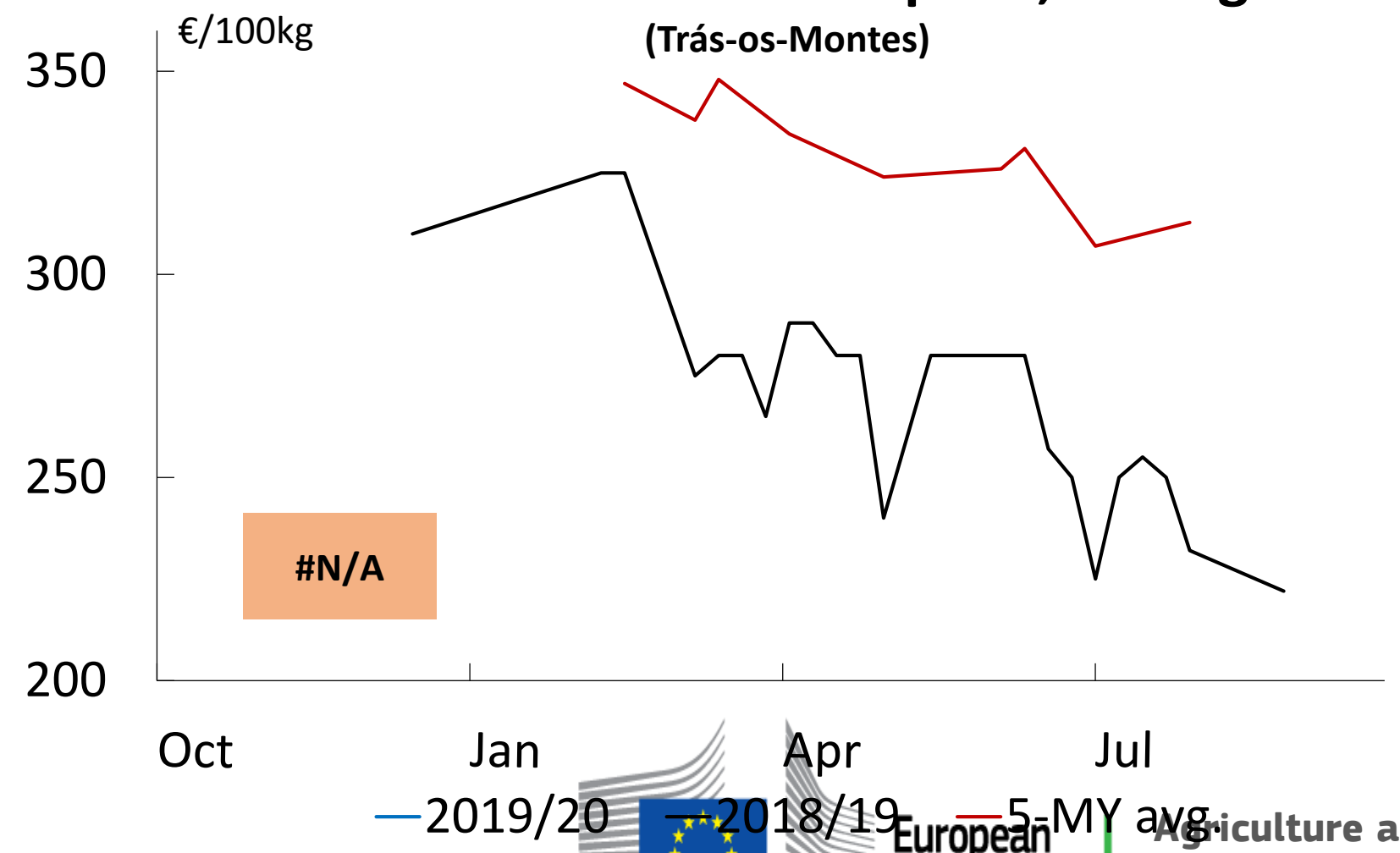
EXTRA VIRGIN olive oil price, Italy



EXTRA VIRGIN olive oil price, Greece

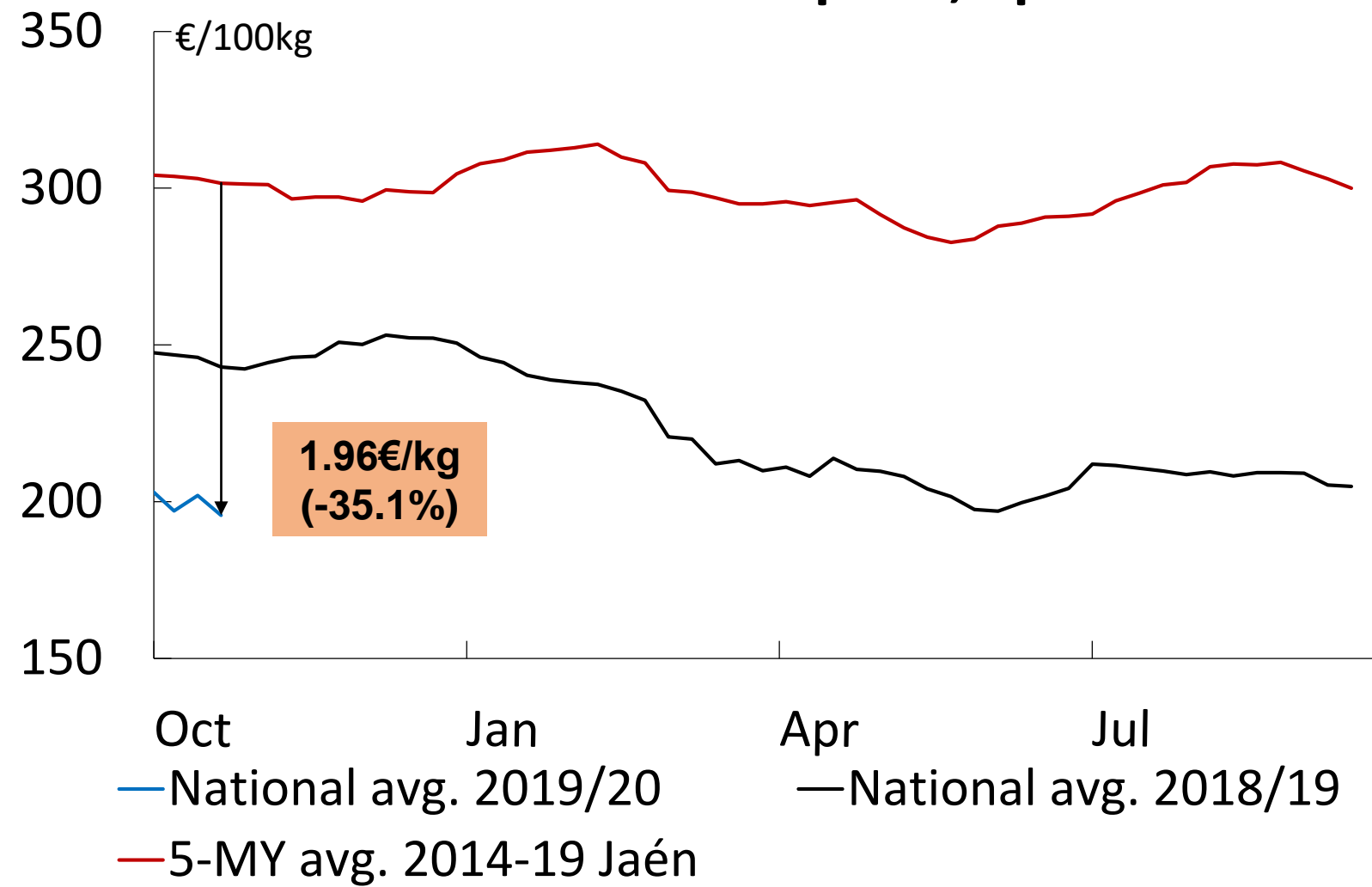


EXTRA VIRGIN olive oil price, Portugal

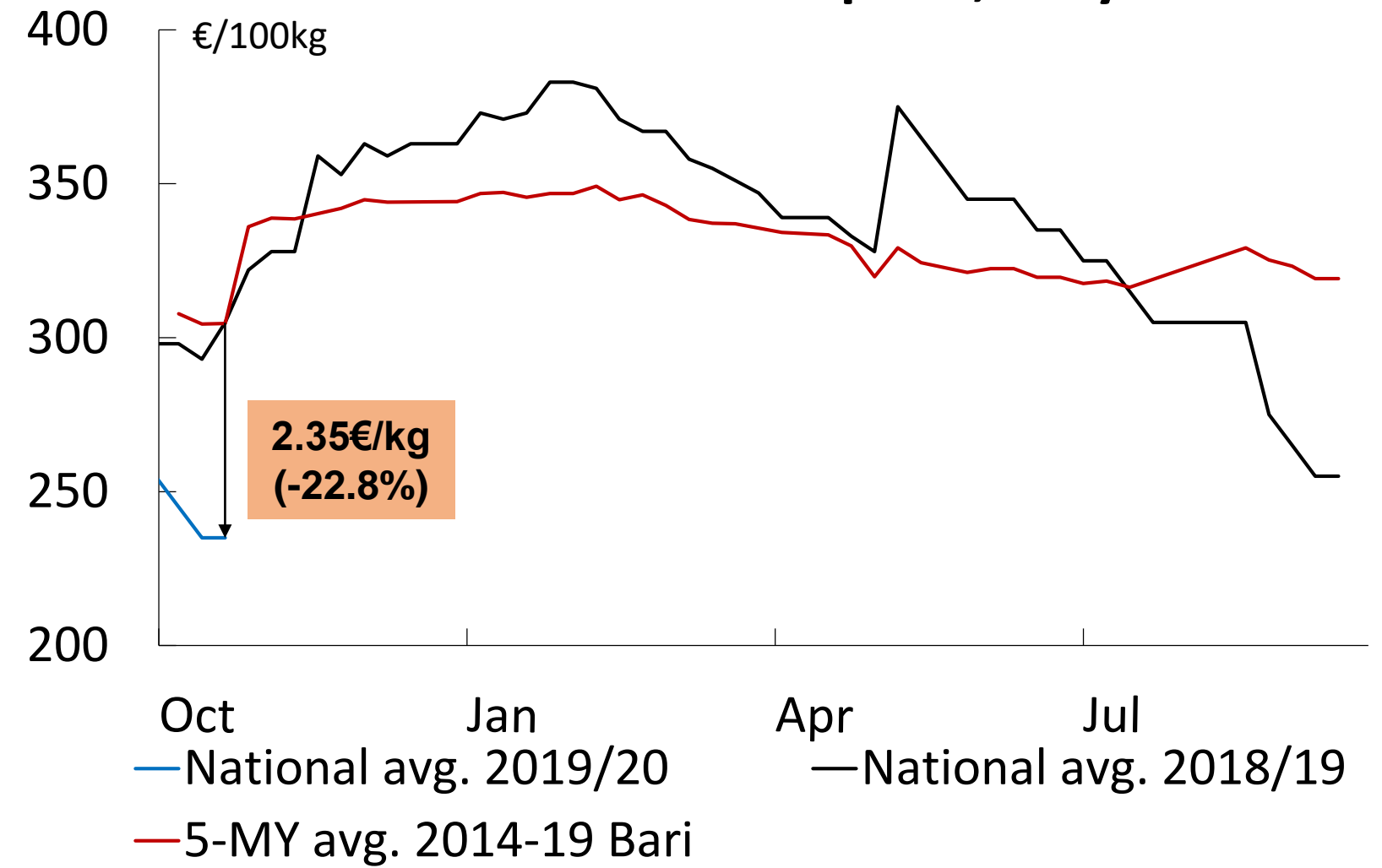


...and virgin olive oil...

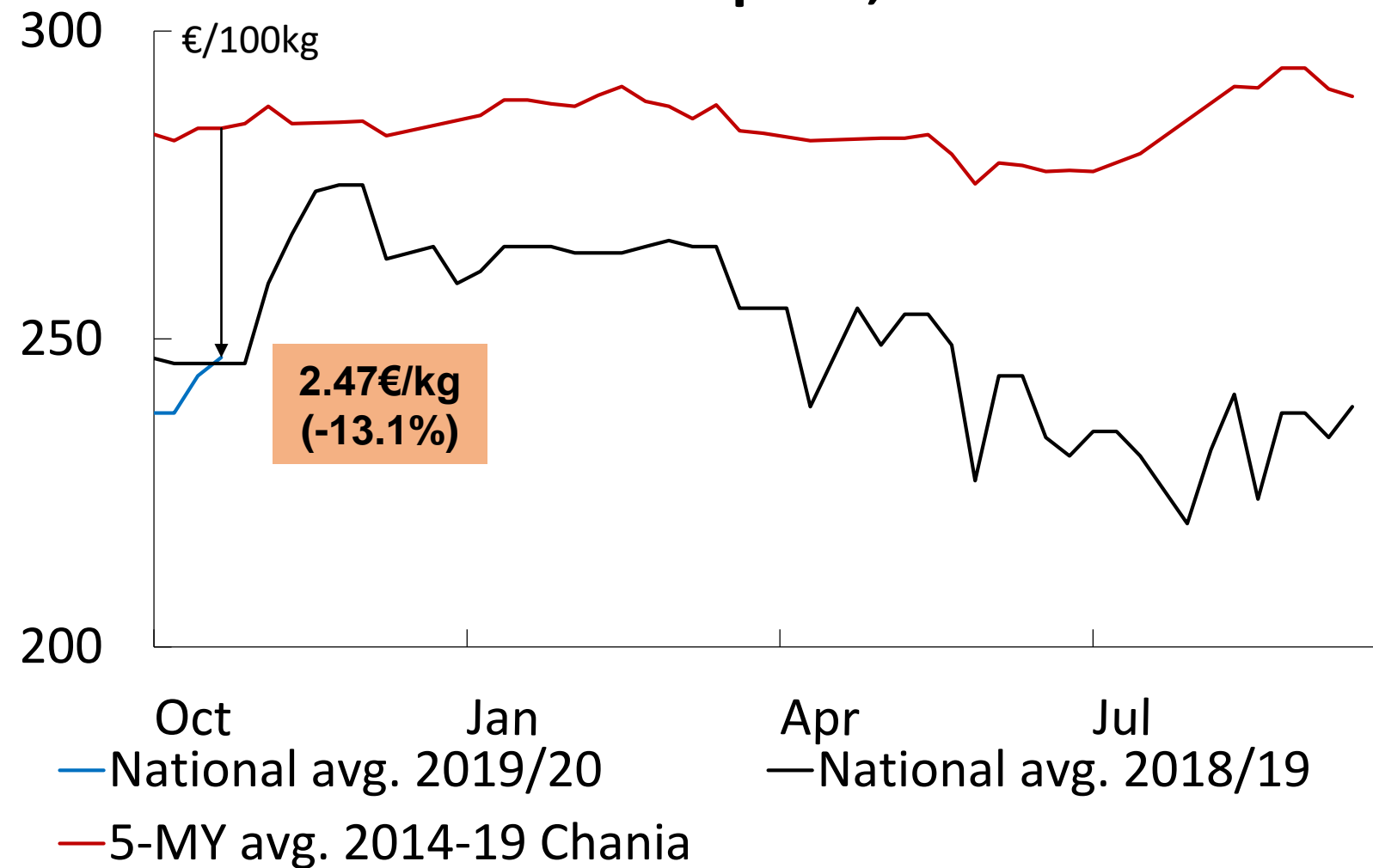
VIRGIN olive oil price, Spain



VIRGIN olive oil price, Italy



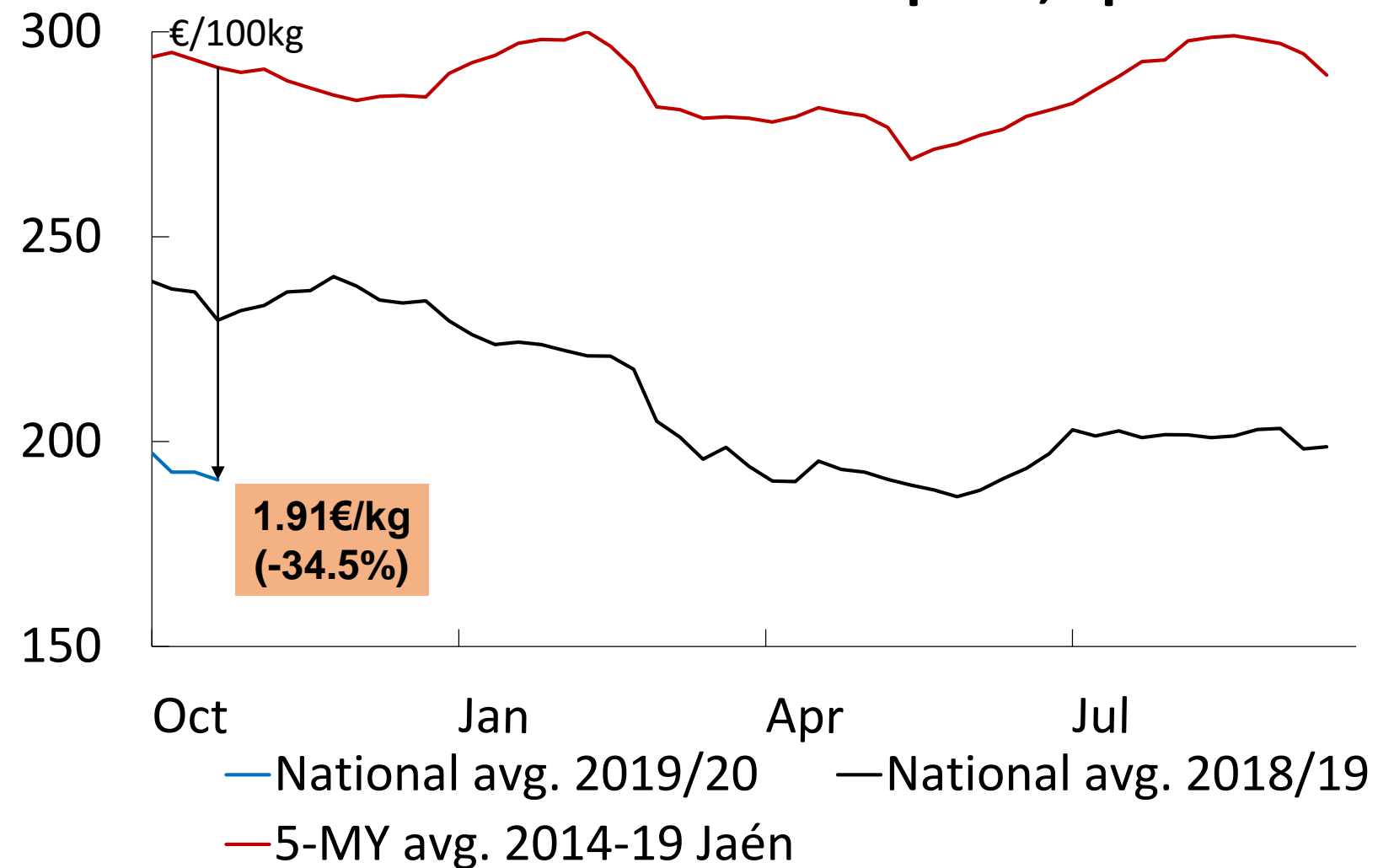
VIRGIN olive oil price, Greece



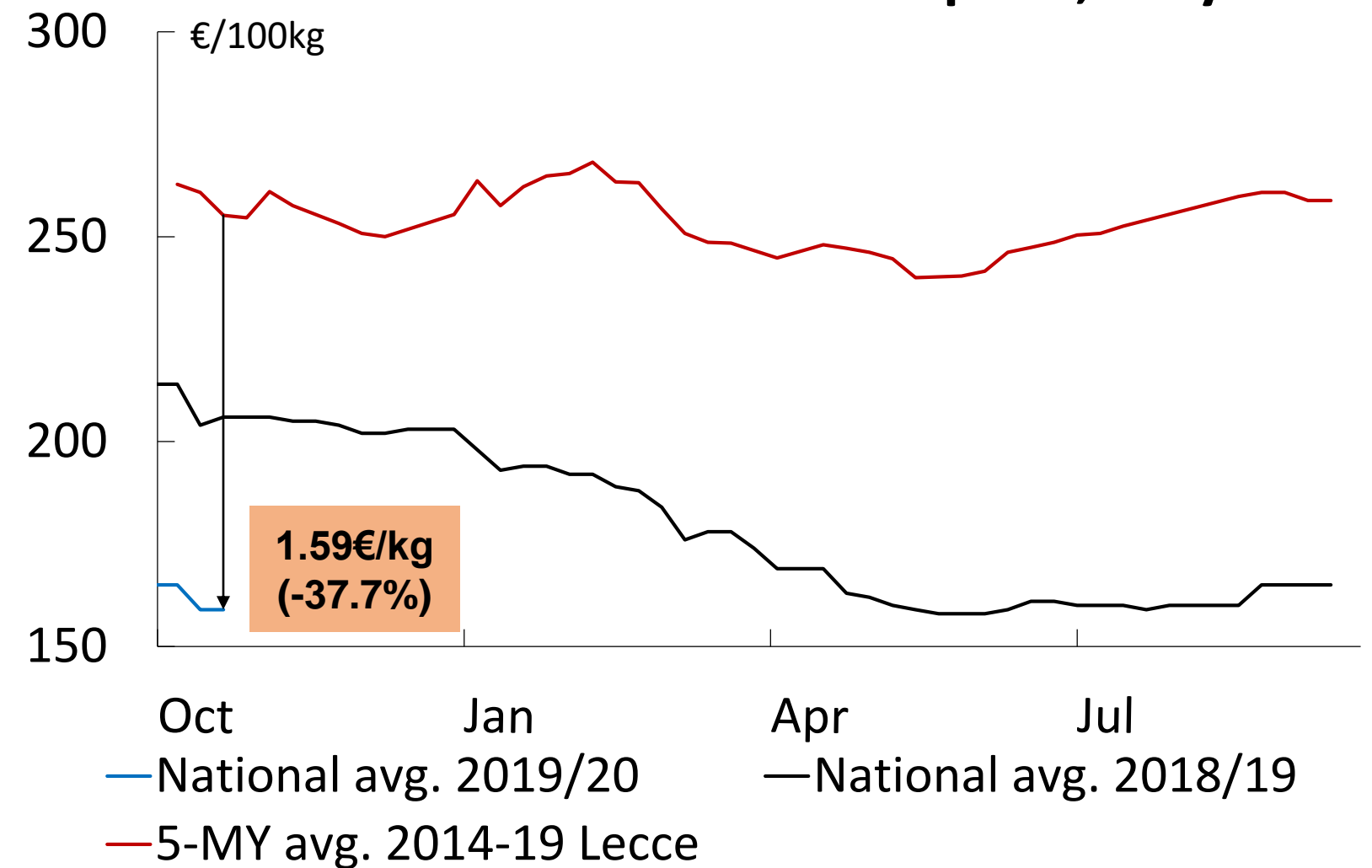
Source: MS declarations (R1185/2017)

...and lampante olive oil for several weeks.

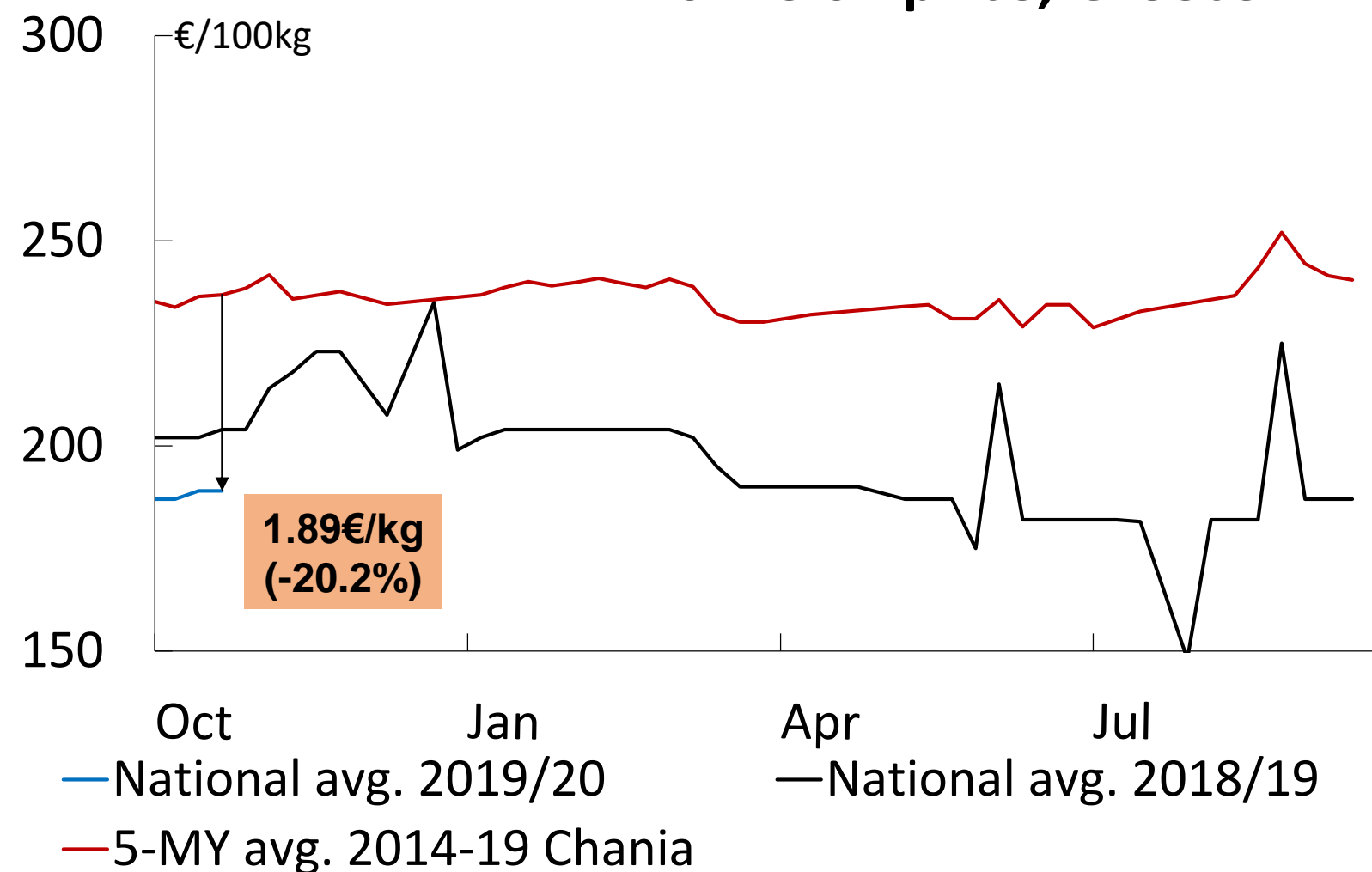
LAMPANTE olive oil price, Spain



LAMPANTE olive oil price, Italy



LAMPANTE olive oil price, Greece

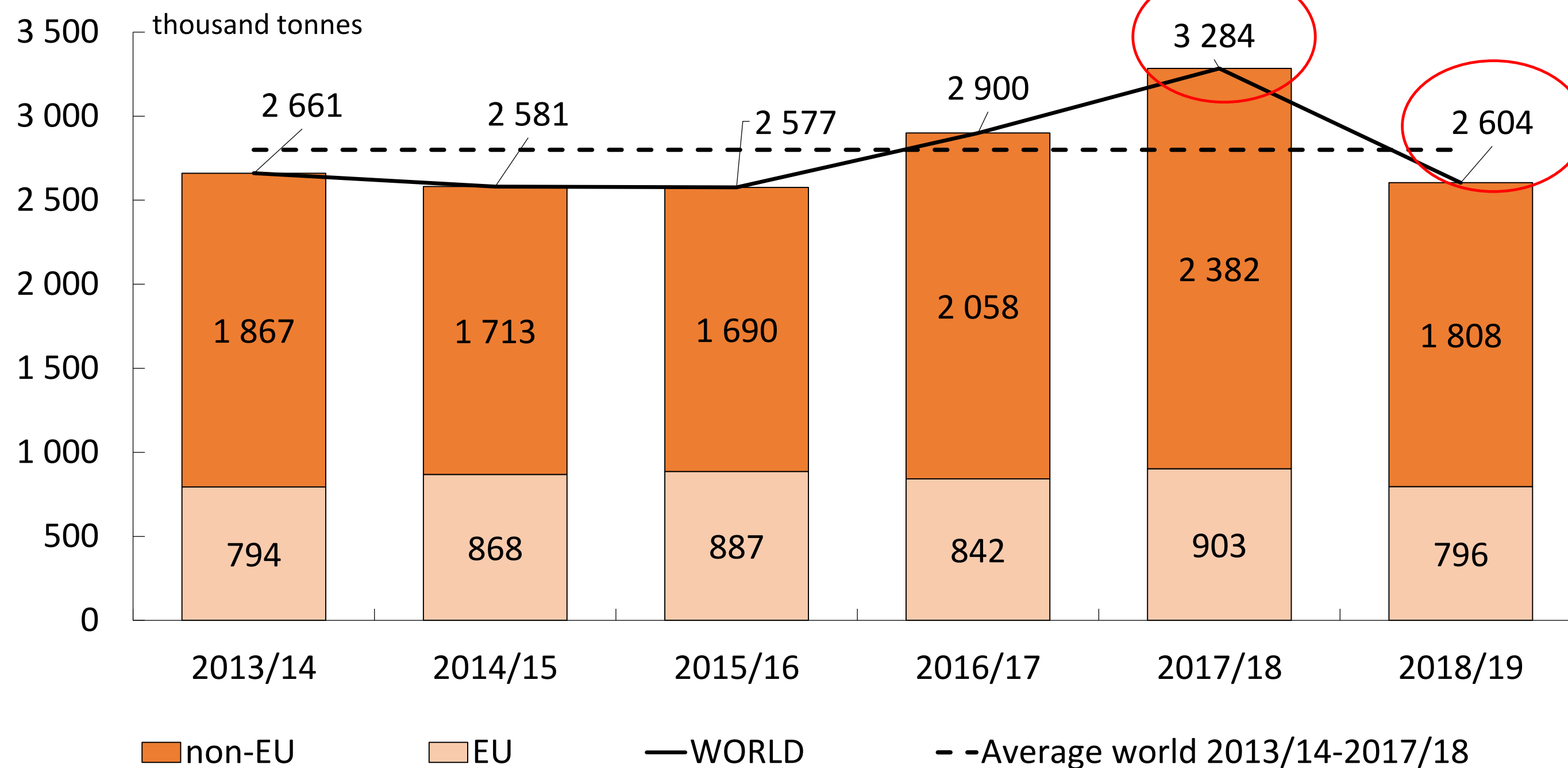


Source: MS declarations (R1185/2017)

TABLE OLIVES

2017/18 revised up, 2018/19 revised down

TABLE OLIVE PRODUCTION



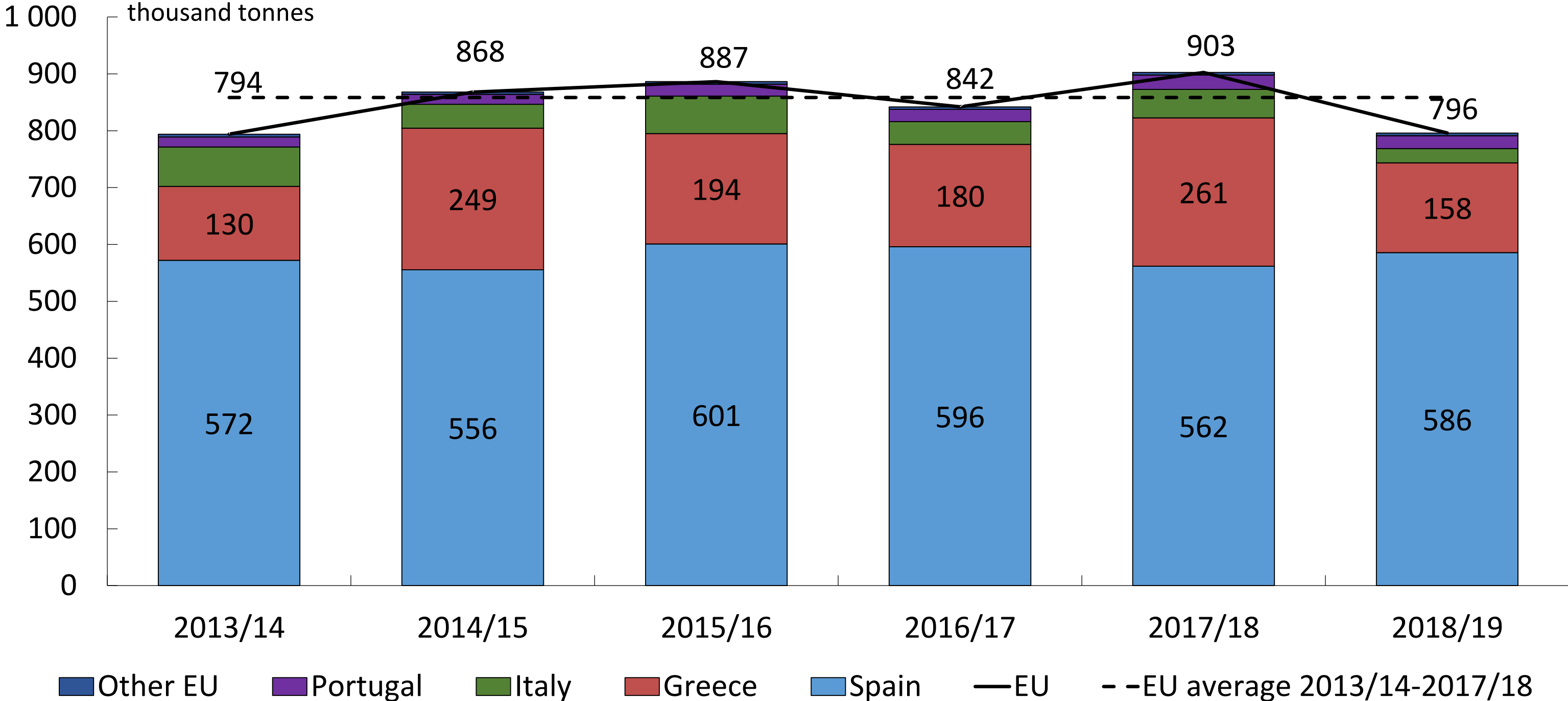
Source: International Olive Council.

2018/19 vs 2017/18

- WORLD -21%
- EU -12%
- non-EU -24%

ES and EL revised down in 2018/19

EU TABLE OLIVE PRODUCTION



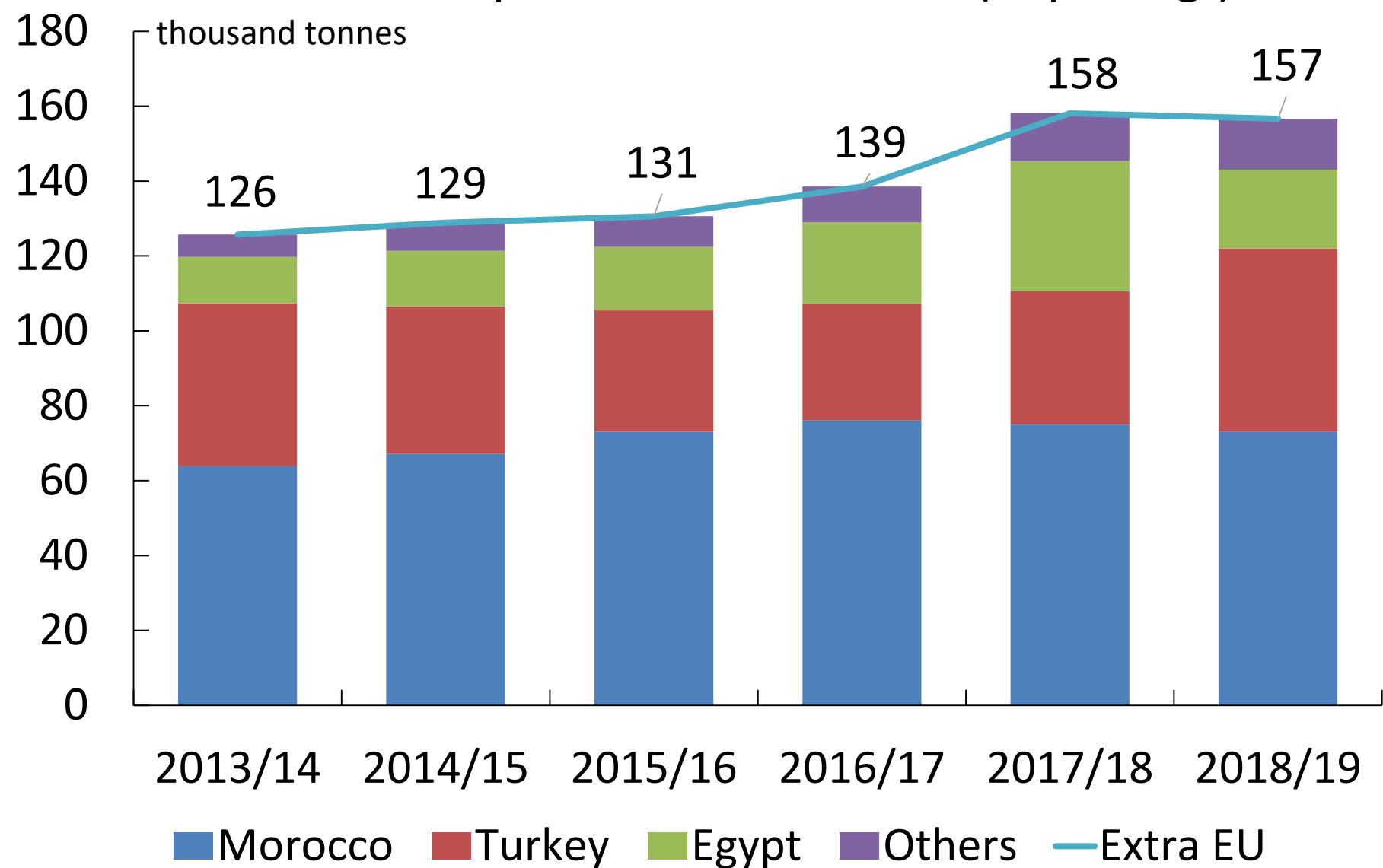
Source: International Olive Council.

2018/19 vs 2017/18

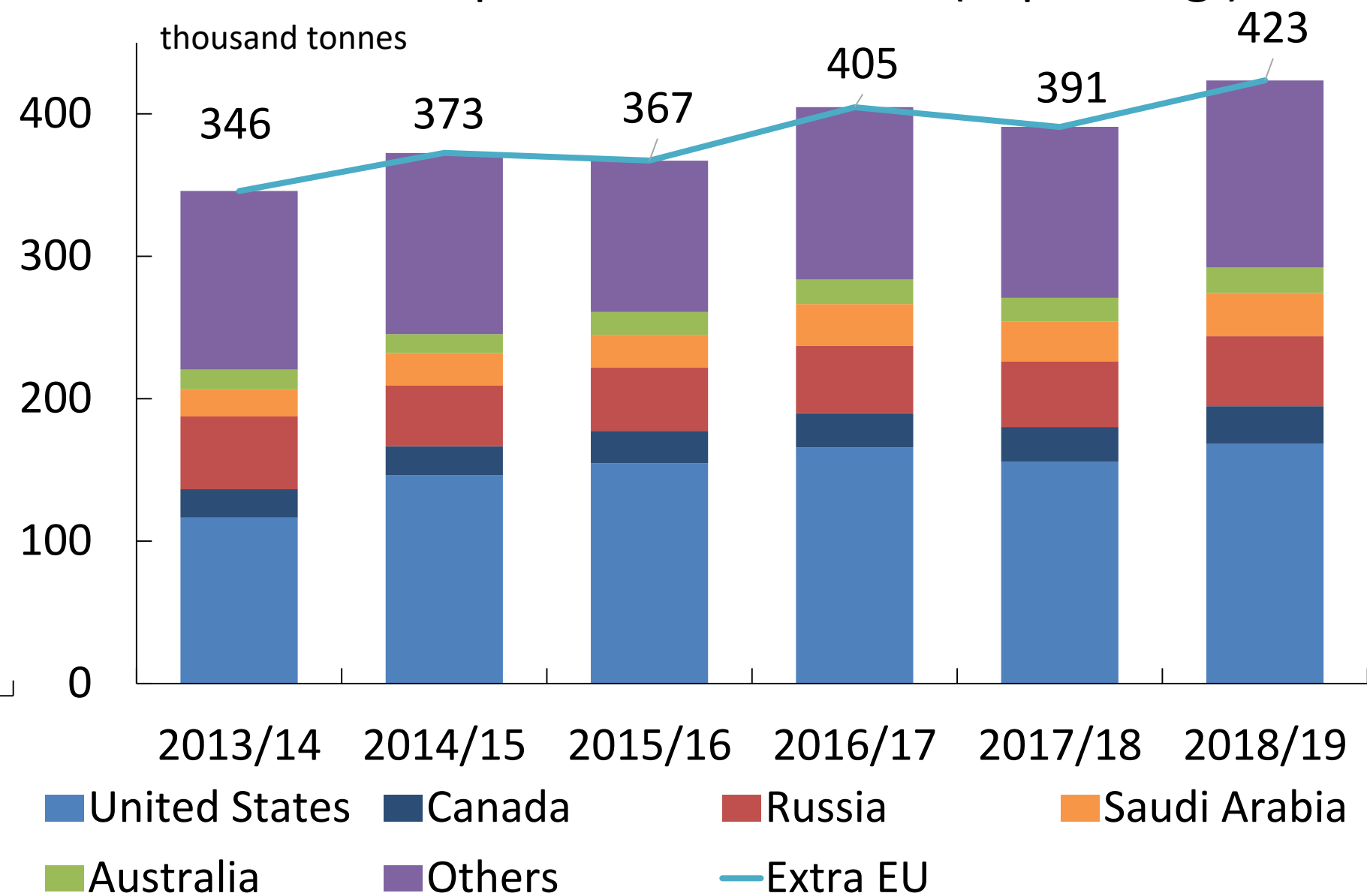
- Spain: +4%
- Greece: -39%
- Italy: -50%
- Portugal: -11%

Improved trade balance in 2018/19

Extra-EU imports of table olives (Sep.-Aug.)



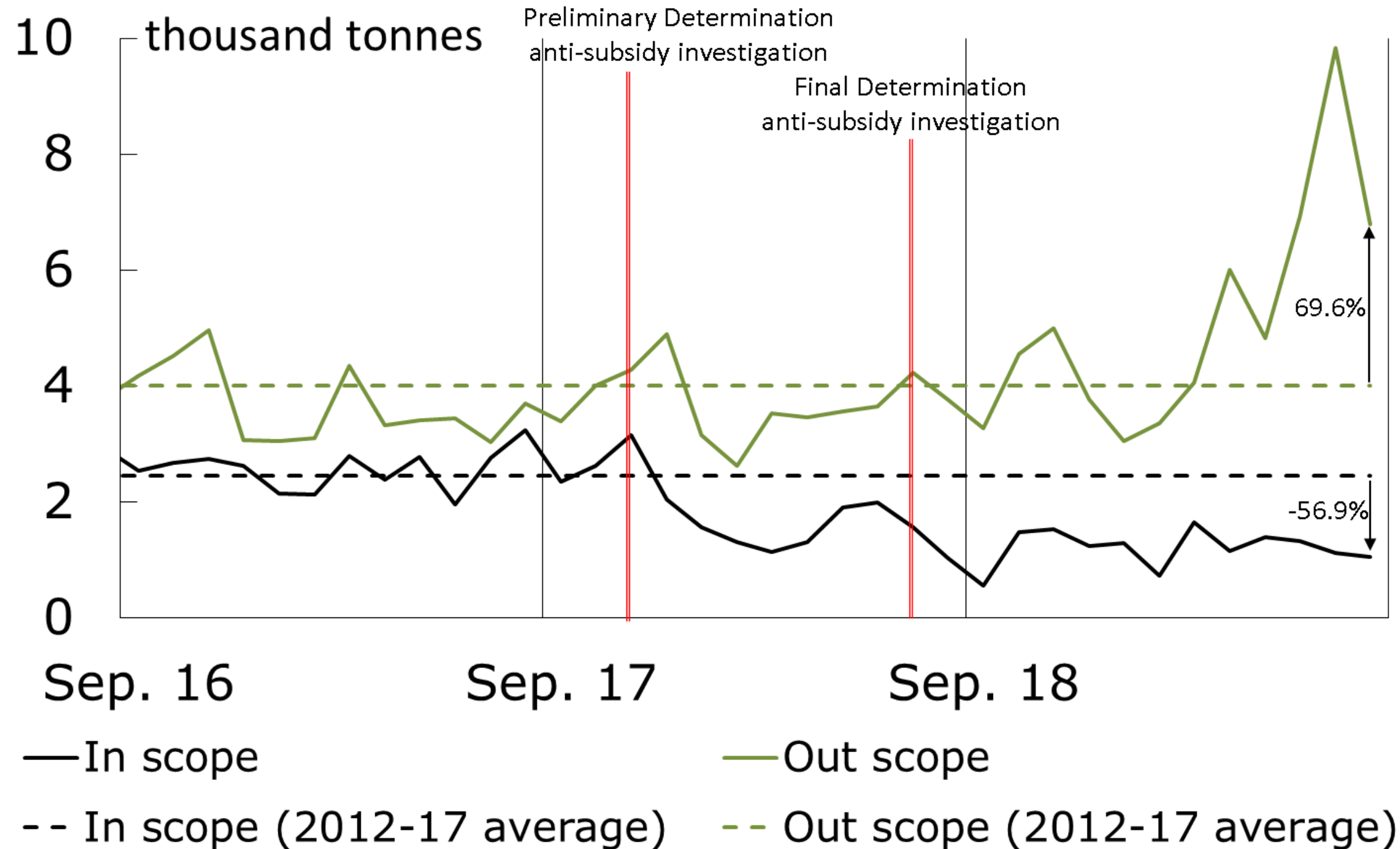
Extra-EU exports of table olives (Sep. – Aug.)



Source: Eurostat/COMEXT. CN codes: 07099210, 07108010, 07112010, 20019065, 200570.

U.S. imports of Spanish table olives remain resilient

US IMPORTS OF TABLE OLIVES FROM SPAIN, BY CATEGORY

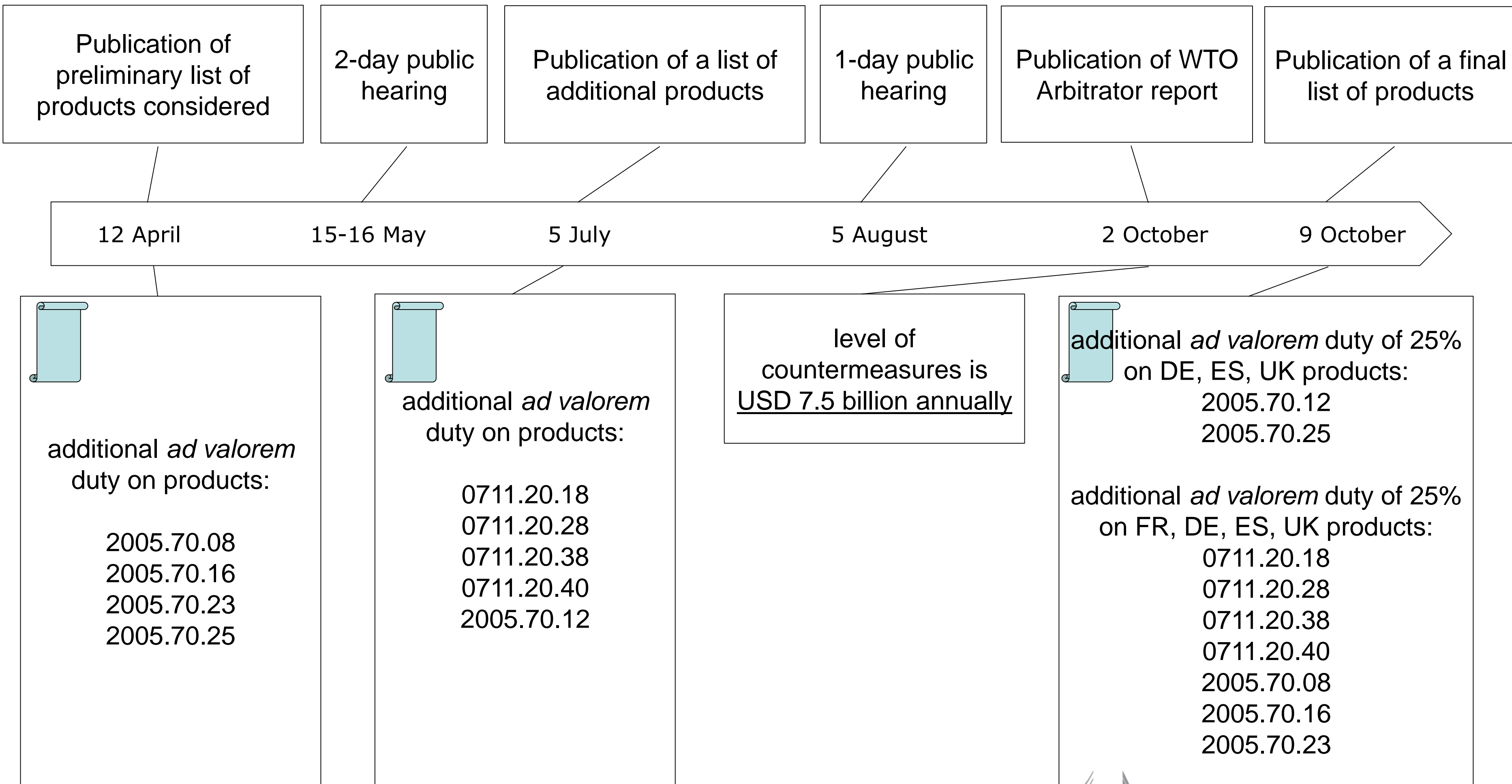


Source: United States Department of Agriculture (Foreign Agricultural Service).

In scope: 2005700230, 2005700260, 2005700430, 2005700460, 2005702300, 2005705030, 2005705060, 2005706020, 2005706030, 2005706050, 2005706060, 2005706070, 2005707000, 2005707500, 2005707510, 2005707515, 2005707520, 2005707525.

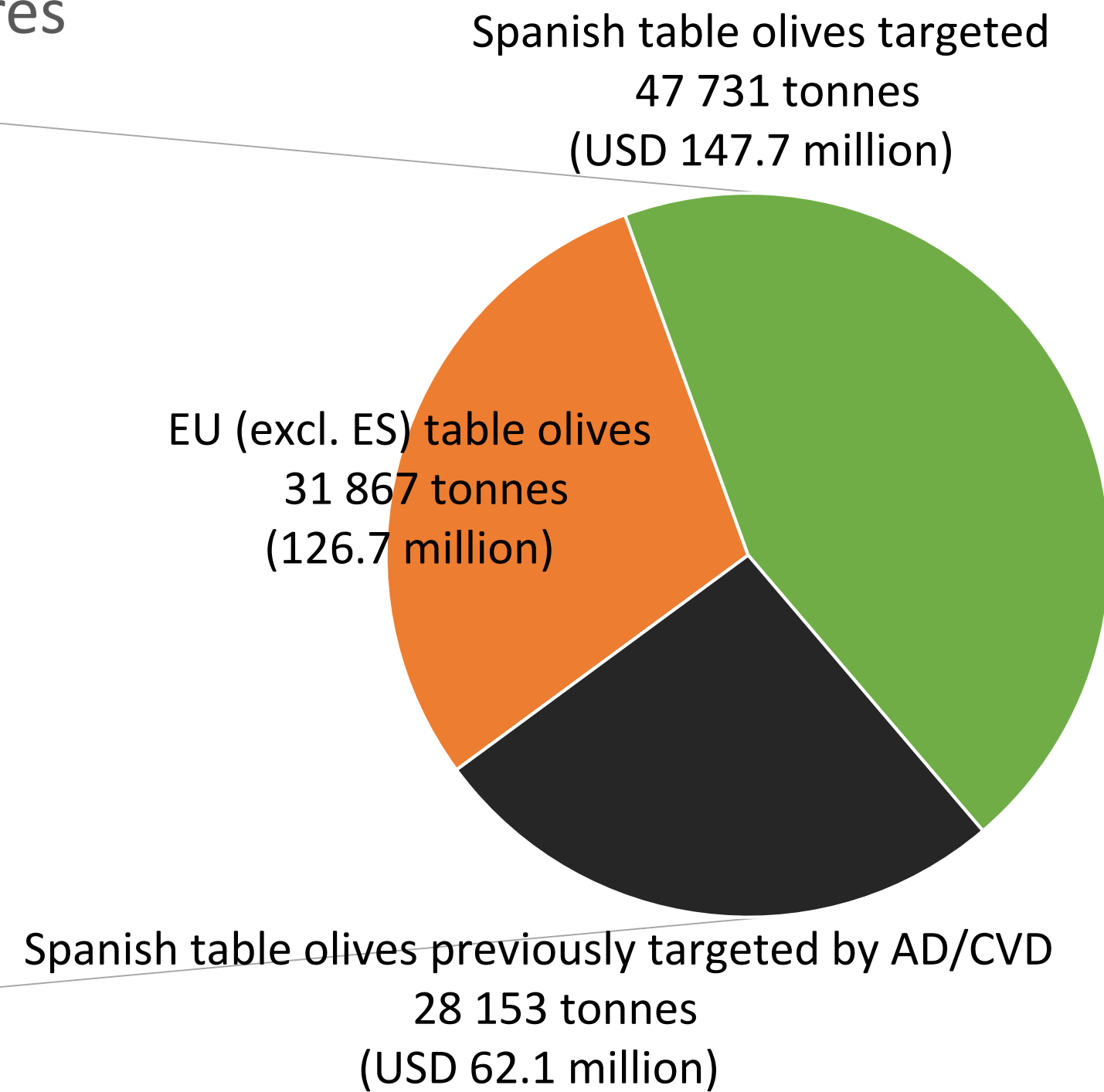
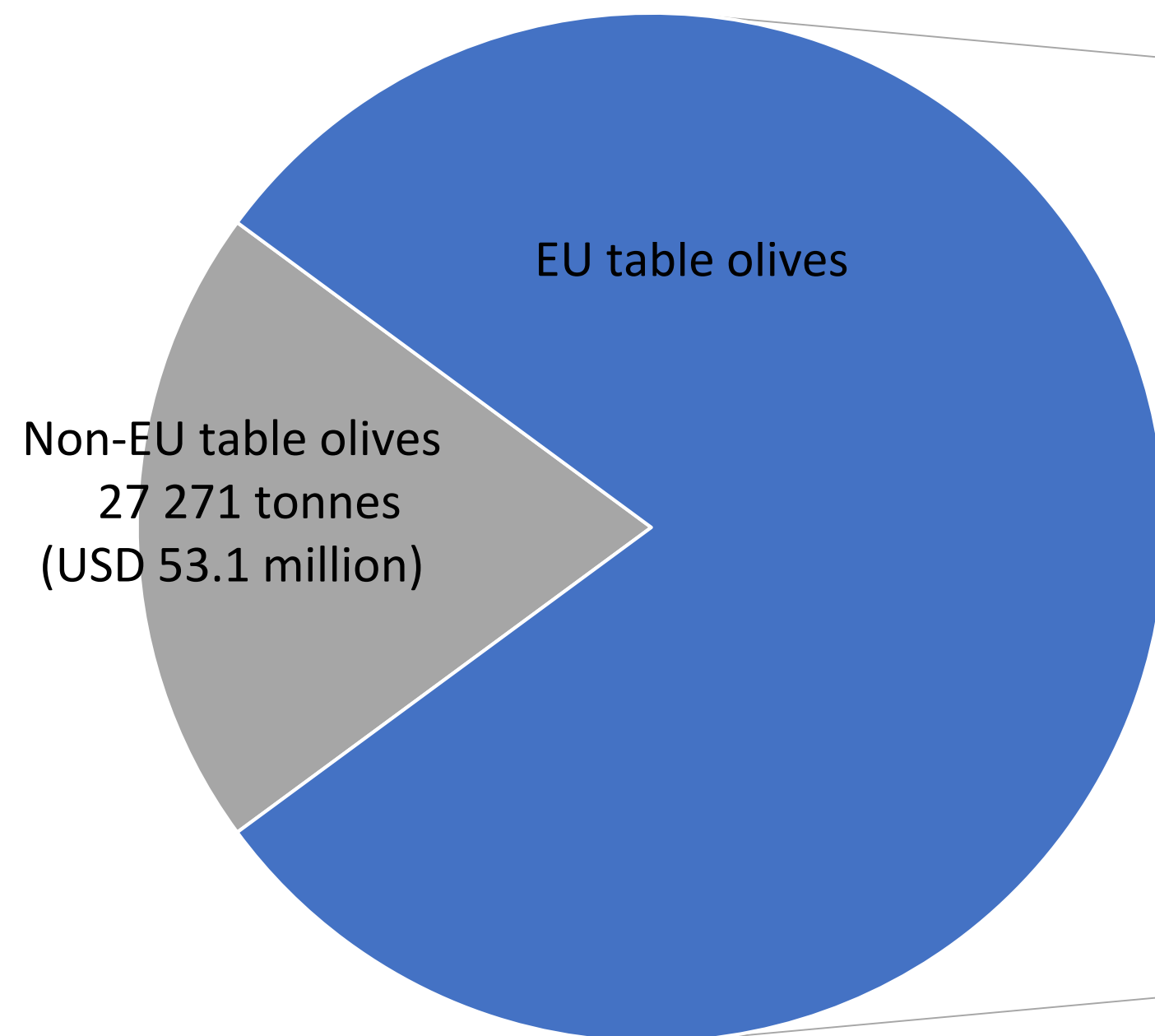
Out scope: 0711201800, 0711202800, 0711203800, 0711204000, 0712902000, 2005700600, 2005700800, 2005701200, 2005701600, 2005701800, 2005702510, 2005702520, 2005702530, 2005702540, 2005702550, 2005702560, 2005709100, 2005709300.

Additional 25% import duties on ES green table olives



Additional 25% import duties on ES green table olives

U.S. imports of table olives, Spanish products hit by retaliation measures



Thank you

Market information

<https://ec.europa.eu/info/food-farming-fisheries/plants-and-plant-products/plant-products/olive-oil>

Extra-EU trade dynamic workbook

https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/plants_and_plant_products/documents/olive-oil-monthly-trade-eurostat_en.xlsx

Market prices dynamic workbook

https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/plants_and_plant_products/documents/olive-oil-market-prices_en.xlsx