

Frozen Chinese chestnuts enter the market just as conditions improve

Detail Introduction :

Chinese chestnuts are a popular snack but not an essential commodity, implying elastic market demand. The chestnut market has suffered quite a bit due to the health crisis. But with the economy recovering, demand, which has been weak for three months, is picking up again.

"The Chinese chestnut is a seasonal product. The harvest in Hebei province takes place at the end of October and lasts around 30 days, but that is enough for a year-long retail season. The chestnuts are sold mainly as sweet chestnuts and steamed chestnuts between September and April, and frozen chestnuts between May and September," says manager Yue.

"In summer, the most popular product is frozen chestnut. It is an item that has aroused the interest of Chinese consumers in recent years."

"The market demand is growing yearly, but in 2020, several factors destabilized the chestnut market. It is difficult to predict how the campaign will develop."

"First of all, the weather conditions were not well last year, and the production volume in Hebei decreased by almost two-thirds compared to the previous year. The price of fresh chestnuts increased and reached 4,000 yuan (\$563) per ton. The price of processed chestnuts, following the fluctuations in the prices of the fresh product, rose 12% compared to the same period of the previous year. The current price for frozen chestnuts is 12-15 yuan (\$1.69-2.11) per 0.5kg, depending on their production area."

"Secondly, in recent months, our supply volume decreased by almost 30% compared to the same period last year due to logistical difficulties due to the COVID-19 outbreak. Conditions are improving, but we still have a long way to go before we get back to the same level as last year. It is difficult to predict when consumer demand will be fully restored," says the manager.

"We started producing frozen chestnuts and exporting them to Japan in 2002 in cooperation with Japanese importers. After a while, we turned our attention back to the domestic market, where we started selling frozen chestnuts in 2015," says Yue.

"The technology we use to process the frozen chestnuts were imported from Japan. The chestnuts are steamed and roasted before being frozen. As soon as they are thawed, the chestnuts are ready to eat and can be eaten as a snack or cooked. Chestnuts are soft, glutinous, and sweet. They are very popular with Chinese consumers in summer."