

Garlic prices will stabilize and rebound in June with new production and storage development

Detail Introduction :

The China Federation of Logistics and Purchasing recently released data showing that the boom in China's garlic industry fell to a low point in May. It is expected that market demand will pick up in June, and the market supply will continue to increase. The garlic storage activities will also start, and prices will stabilize and recover.

In May, the pandemic was still the main factor hindering the recovery of the consumer market. On the one hand, it directly led to a serious shortage of catering demand and even stagnated in some areas. Although the needs of families support the industry, it isn't easy to increase. On the other hand, the pandemic also led to poor logistics. The shipment of garlic slowed down, and logistics costs rose. The demand at the terminal was also suppressed. Overall, domestic demand was weak, and the support for the price was significantly reduced. The new garlic harvest in various places has entered the end now, and a large amount of new garlic is entering the market. Judging from the survey of the main production areas, the price of new garlic in many areas has dropped to a historical low, which is significantly lower than that of last year.

In June, garlic market demand may decrease, and the demand from the catering business contributed to an increase in the garlic market. The exports will continue to rise as well. Multiple factors provide stable support for garlic prices. Garlic supply continues to increase, and storage garlic expands its supply on the market. The price of new garlic on the market is expected to rise compared with May. Under the game of month-on-month, at both ends of garlic supply and demand, the market price may stabilize in early June.

It is worth noting that the garlic industry will eventually enter the storage stage as the garlic dryness increases. It is expected that storing garlic will start in June, which will pull the market price at the end of the month. On the whole, the market price of garlic will stabilize and rebound in June.