

Larger US lemon crop this season

Detail Introduction :

Demand for lemons continues to pick up, with many food service operations returning.

"Overall demand for lemons seems solid, and out of some of the ups and downs we saw over the past few years. It has been encouraging," says John Carter of Limoneira. "Typically, foodservice is the strongest demand on lemons, and foodservice demand has picked up. It is more steady than it has been compared during the lockdowns time frame."

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Currently, supplies of lemons are coming from California as well as Argentina. "Chilean lemons have been arriving in light volumes for the past few weeks, and Mexico has been crossing a little bit. The U.S. crop is a little bigger here this summer than it was last summer. To date, Argentina has shipped less into the U.S. than last year--approximately 70 percent of what they shipped a year. Chile and Mexico are just beginning," he says. Those supplies will change somewhat as the summer moves, with Chile and Mexico taking a larger portion of supplies by the end of August. In Canada, lemons have also begun to arrive from South Africa.

Ocean transportation continues under the watch.

Like the growers and shippers of many agricultural commodities, transportation costs have increased for the ocean shipping of lemons, as well as farm and packing costs. "On the shipping side of things, you feel like those costs may have reached the high point. Where it goes from here is undetermined, but we're cautiously optimistic on that front," Carter says. He does add that there are still some issues with ocean transportation, but they are not as prominent as last year. "But you can still have delays that make it a little more unpredictable on the shipping origin and destination points."

Limoneira is running a new promotional Catch the Citrus Wave packaging for lemons, navels, and mandarins. Each bag highlights the variety with its corresponding citrus characters. The packaging also includes a QR code taking shoppers directly to promotion's landing page for recipes, games, coloring activities, and information about sustainable farming initiatives.

As for lemon pricing, Carter notes those increased costs factor in, but he doesn't see an increase in prices now that truly reflects the cost increases. Given there's not much more movement on the pricing side, exporters are more cautious about the volume they're sending to the U.S. and other markets. "For now, pricing is mixed on lemons, with the outlook depending on the good supply available in the market relative to the costs to get that supply to the market. As always, opportunities emerge relative to specific grades and sizes depending on how Mother Nature behaves," adds Carter.