WPTC CROP UPDATE AS OF 6 SEPTEMBER 2024

AMITOM COUNTRIES

BULGARIA

The harvest is progressing well with about 25% of the target processed to date by the largest company, with the season expected to end around 10 October. Quality and weather are ok and the forecast remains unchanged.

EGYPT

Last week the temperatures returned back to the normal level of 34-36 °C and harvesting of the late summer crop is in progress. Harvesting of **Nili** crop expected to start by mid of October, meanwhile transplanting of the winter crop has started since August and shall continue till November. For now, the forecast remains the same with no changes.

FRANCE

To date, 80,000 tonnes out of 185,000 have been processed, with 5.8 penalties and 5.08 brix. The rain has come at just the wrong time, as we are entering the phase where we are behind in the first crops and ahead in the full season tomatoes. The famous crossroads we've all been waiting for. Rain is expected today and this weekend, which could lead to interruptions in the campaign this weekend. The quality is good so far. The forecast remains unchanged.

GREECE

In the **south**, about 90% of the total volume has been processed and factories should close next week. Overall, abut 70% of the volumes has been processed to date, and the harvest should continue until the end of September in the **centre** and **north**. Brix is about 5 on average but reducing now. August 2024 was the hottest in 14 years. Rains are expected this week. A 10,000 to 15,000 tonnes reduction in the total volume is expected so the forecast is revised down to 485,000 tonnes, although it will depend on the weather in September.

HUNGARY

Processing is progressing well with more than 70% of the raw tomato already processed. The weather is hot and dry. Quality is good, with an average Brix is above 5.1. The total forecast is unchanged at 115.000 tonnes. The end of processing is expected between 15 and 20 September, depending on the weather.

IRAN

The harvest is finishing in the **south** and started in September in the **north**. One major issue is the frequent electricity power cuts to the factories to favour the high demand for air conditioning by households due to the very hot temperatures as the producing capacity cannot fulfil total demand. Moreover, harvest is delayed, and factories do not always accept the high prices requested by farmers. The harvest should end in October. There is no change to the forecast which remains 1.5 to 1.6 million tonnes, but it will depend on the weather is September, which is good so far despite some small rains.

ITALY

In the **North**, as of 25 August, only 1.38 million tonnes had been processed as the crop is delayed by about a week (300,000 tonnes more had been processed at the same date last year). Average brix was 5,12 with 4.82% penalties. Less than 50% of the total surfaces remain to be harvested and it will be a challenge to get to the target of 2.8 million tonnes. Quality remains good with no over ripening in the fields. The weather forecast is not good with rains expected over the next few days which should lead to slowdowns or stops in tomato deliveries. The forecast remains unchanged for now, but good weather will be needed for all of September and the first week of October to reach it.

In the **South**, as of 25 August, 1.89 million tonnes had been processed. Some factories are closing this week as they have reached their target. There is some concern that the yield in September will be lower, but the rains which are expected may be helpful, to counterbalance the lack of irrigation water with the closure of the Occhito dam. Brix is lower than usual with below 4.8 instead of the usual 5.0-5.1.

A probable increase in production should balance the reduction in the north so the overall forecast for Italy is maintained.

PORTUGAL

The crop is late and to date about 45% of the contract volume has been processed. At this rate the harvest should continue until the first week of October. Quality is good and brix a bit higher than in 2023. The weather forecast is goof for the next two weeks and the forecast remains unchanged.

SPAIN

As of 31 August, 59% of the forecast had been processed, which is less than the 66% average of the last few years. In the last two weeks the volume processed in **Extremadura** was a record which meant a high pressure on the factories. In the **Vegas Altas**, yields are good, while in the **Vegas Bajas** volumes are lower than usual due to lower yields than expected. In **Andalusia**, yields are also lower than expected and the harvest should end on 15 September. Quality is generally good but while brix is good in the **Vegas Altas**, it is lower than usual in the **Vegas Bajas** and **Andalusia**. The weather is now good, with temperatures still high this week but which should drop in the next two weeks but with no rains expected.

The forecast remains unchanged but final volume will depend on the weather in September.

TUNISIA

Only 5 processing units are still in operation and 930,000 tonnes have already been processed broken down by region as follows:

- 41% in **Cap Bon**
- 14% in **Greater Tunis**
- 32% **Béja** and **Kef** (north-west)
- 13% **Kairouan** (South)

TURKEY

The harvest is now over in the **south** with about 80% in the **centre-south** and 60% in the **Bursa** area, while in **Konya** the season has just started. Overall, about 60to 65% of the total volume has now been processed. Then weather remains good despite some localised showers which do not cause stoppages, and the outlook is currently good. The total forecast remains unchanged, but brix is lower than usual at about 4.6-4.7. Quality is ok.

OTHER COUNTRIES

BRAZIL
There is no change to the forecast.

CALIFORNIA
The estimate is to process 1,003,887 short tons (909,906 metric tonnes) this week. At the end of this week (week ending September 7) we will have processed 7,690,029 short tons (6,976,251 metric tonnes) Nothing new to report since our last update. The crop continues to perform close to contracted levels at this time and by the end of the week we will be close to 70% completion of the harvest. Weather permitting unlike prior years we will have relatively small volumes in October. The NASS report was released last week with an estimated 11.3 million short tons (10.245 million metric tonnes). Based on reports from the field most believe this will be close to the final number.

CANADA
The weather lately has been more favourable, with no increase in disease pressure. Overall, the crop looks OK, with solids that are slightly lower than normal and good colour. Harvest is approximately 20% complete.

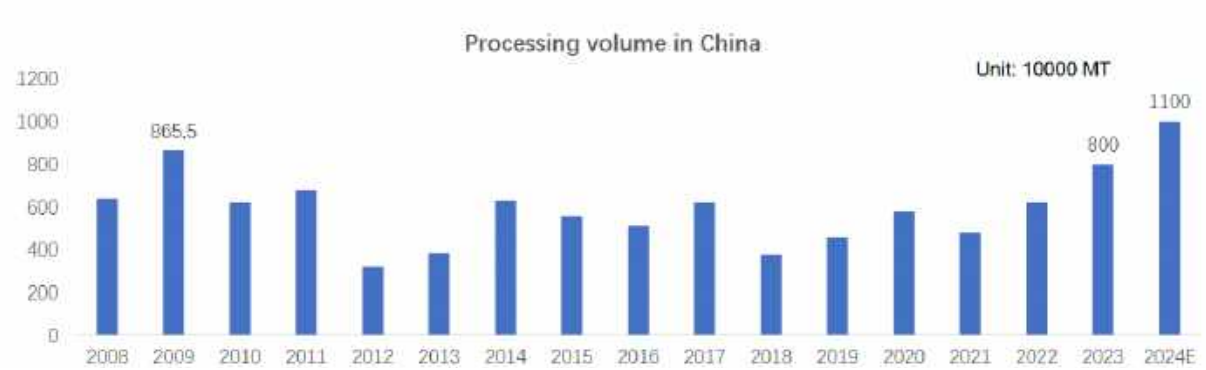
CHINA
A total reduction of at least 5% is expected at the time of writing, which would bring the size of the crop to a maximum of 10.45 million tonnes (see full report attached).

JAPAN
Typhoon No. 10, which struck Japan from late August to early September, caused record-breaking rainfall and tornadoes and other strong winds across the country, causing widespread damage. The extent of damage to tomato fields for processing is still unknown, but the harvest in the **Tohoku** region may be reduced. At present the total volume of tomatoes to be processed remains 29,000 tonnes.

SOUTH AFRICA
South Africa planned for 160 000 tonnes for the 2024 season. The summer crop in the **Western Cape** gave good yields of 90 t/ha average and with good brix levels above 5.5 brix. The winter crop in the **Northern Limpopo** areas struggle to get over 70 t/ha average, due to some abnormal winter conditions this season. The yield losses occurred was mainly due to 6 days of persisting "black frost" conditions. The current projection is 140,000 tonnes for South Africa and the season should end by the end of September.

CHINA 2024 TOMATO CROP & INDUSTRY SITUATION

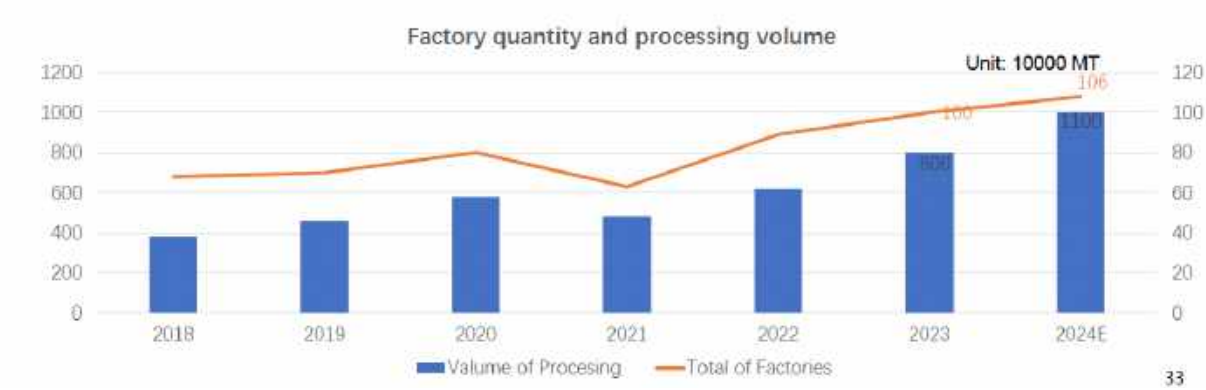
For the 2024 processing season, the total surface planted in China is about 1.5 million Mu (100.000 hectares) for an initial expected production of 11 million metric tonnes. This represents a 37% increase on the final final volume processed in 2023 of 8 million tonnes.



The breakdown of the volume expected was distributed as follows:

- 6.6 million tonnes in northern Xinjiang
- 2.42 million tonnes in southern Xinjiang
- 1.91 million tonnes in Inner Mongolia
- 0.07 million tonnes in Gansu and Ningxia

A total of 106 factories are running this year, an increase of 6 compared to the 2023 crop, reaching a historic high. The daily processing capacity of the running factories is 280,000 tonnes of fresh tomatoes, an increase of 17% compared to 2023.



Driven by the factor of increasing area of processing tomatoes, the price of tomato raw materials is reduced by 20% compared to the 2023 crop. The average purchase price of raw materials in Chinese production areas is estimated at 76 USD/t this year, down from about 95 USD/t in 2023, which is still very much competitive compared to that of California and Europe, currently estimated at an average of respectively 124 and 141 (down from 152 and 159 in 2023).

Crop update as of 30 August

Searing heat waves and intermittent rainfalls both in Xinjiang and Inner Mongolia have accelerated the ripening of the tomatoes, leading to a concentration of the crop, and caused some rotting of tomatoes. Losses could amount to 30% in some parts of South Xinjiang, while in Inner Mongolia a high incidence of late blight was observed in some fields, with some total losses in some, especially in land managed by growers who do not have strong technical assistance from processors like COFCO for instance. Therefore, the average yield per mu of early crops has decreased and the total volume will probably be less than the average 125 t/h expected, especially as more intermittent rain was expected for the first two weeks of September in both of the main producing regions.

Tomato field in inner Mongolia

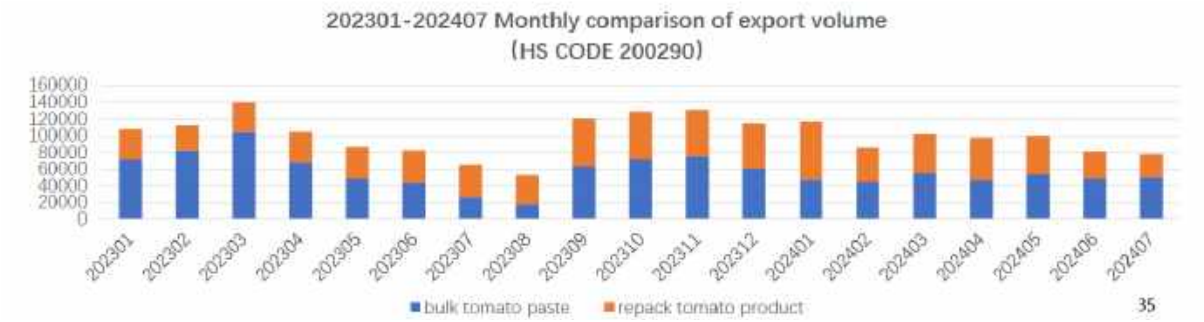
Field affected by late blight in inner Mongolia

A total reduction of at least 5% is expected at the time of writing, which would bring the size of the crop to a maximum of 10.45 million tonnes.

Export situation

The total export of bulk and repack tomato products (HS CODE 200290) was 1.24 million tonnes in 2023, an increase of 30% compared to 2022 (0.95 million tonnes).
From January to July 2024, the cumulative export of bulk and repack tomato products (HS CODE 200290) was 0.66 million tonnes, dropped by 6% comparing with the same period of 2023.

According to the export data of 2023, it is estimated that the export of bulk and repack tomato products (HS CODE 200290) will reach 1.2 million tonnes in 2024 and will be basically the same as 2023.



Consumption of Processing tomato product in China

From 2008 to 2014, tomato products were mainly used in Western style restaurants, and the annual consumption equivalent to bulk paste in China increased from 67,000 tonnes to 107,000 tonnes, with an average annual growth rate of 6%.

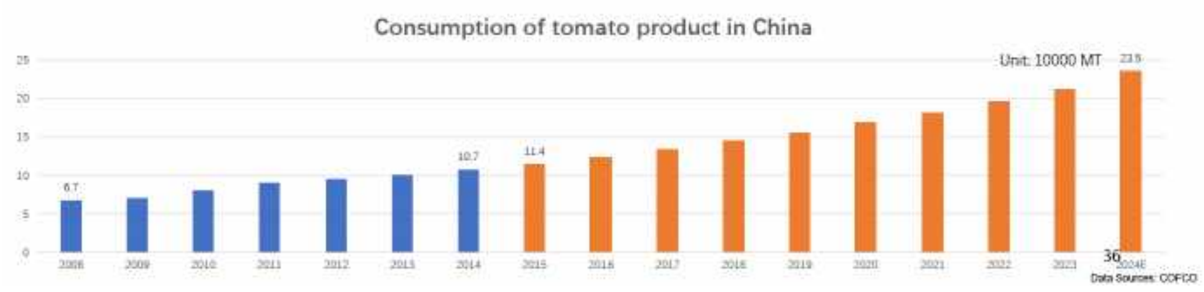
Since 2015, more and more factors have driven the rapid growth of the tomato product consumption market:

- First, a taste bud revolution of the hot-pot industry has driven the rapidly growth of tomato flavours in 2015.
- Second, instant noodle companies have turned to tomato flavours product of better nutritious and healthy in 2022.
- Third, the rapid development of ready-to-eat and snack food market has accelerated the growth of tomato processing industry in 2023.

Tomato products are rapidly expanding their application scenarios in fields such as hot-pot, fast food, ready-to-eat meals, Western cuisine, bakery, beverages, and others, driving rapid growth in local consumption. China's increased production will prioritize meeting local consumption needs.

It is expected that the domestic consumption in 2024 will be about 235,000 tonnes equivalent to bulk paste, with an average annual growth rate of over 10%.

It is estimated than in China about 50 kg of fresh tomatoes and 700 g of processed tomatoes are consumed per capita and per year.



COFCO for instance, which represents 26% of the total volume processed in China with 8 factories in Xinjiang and 4 in inner Mongolia producing 330,000 tonnes of paste annually, is currently selling 40% of its production domestically and targets to reach 50% in 2025. One of the growth areas is the hotpot market which went from nil six years ago to 60,000 tonnes of paste this year, with specialised chains like Haidilao (https://www.haidilao.com) opening branches in China and abroad. Diced tomatoes also represented about 30 to 40,000 tonnes annually for the company with a rapid growth. The next market targeted for development by the company is sour tomato soup.


Tomato flavour hot pot for home consumption and in specialised restaurants (here in a Haidilao branch)

Graphs: COFCO
Photos: COFCO, Sophie Colvine

World production estimate of tomatoes for processing

World Processing Tomato Council

Date of last update: 06/09/2024

Hemisphere	Group	Country	2022 FINAL		2023 FINAL		2024 FORECAST		AVERAGE 2021-2023	VARIATION 2024 vs 2023
NORTHERN HEMISPHERE	MEMBERS IN MEDITERRANEAN AREA (AMITOM)	Bulgaria	40	Est.	37	Mem.	60	Mem.	39	62%
		Egypt	456	Mem.	600	Mem.	663	Mem.	499	11%
		France	142	Mem.	160	Mem.	185	Mem.	155	16%
		Greece	340	Mem.	390	Mem.	485	Mem.	383	24%
		Hungary**	80	Mem.	110	Mem.	115	Mem.	102	5%
		Iran**	1 800	Mem.	2 000	Mem.	1 550	Mem.	1 700	-23%
		Israel	149	Mem.	197	Mem.	200	Mem.	182	2%
		Italy	5 476	Mem.	5 400	Mem.	5 500	Mem.	5 645	2%
		Malta**	5	Mem.	8	Mem.	8	Est.	7	0%
		Portugal***	1 414	Mem.	1 500	Mem.	1 500	Mem.	1 503	0%
		Spain***	2 125	Mem.	2 600	Mem.	2 800	Mem.	2 637	8%
		Syria**	40	Est.	40	Est.	40	Est.	40	0%
		Tunisia	649	Mem.	795	Mem.	950	Mem.	795	19%
		Turkey	2 350	Mem.	2 700	Mem.	2 700	Mem.	2 417	0%
		Ukraine**	120	Mem.	500	Mem.	600	Mem.	473	20%
		Subtotal AMITOM	**15 186**		**17 037**		**17 356**		**16 576**	**2%**
		of which members in EU	**9 622**		**10 205**		**10 653**		**10 471**	**4%**
	OTHER MEMBERS	Brazil	1 632	Mem.	1 650	Mem.	1 671	Mem.	1 602	1%
		Canada	548	Mem.	520	Mem.	509	Mem.	489	-2%
		California	9 514	Mem.	11 556	Mem.	10 242	Mem.	10 277	-11%
		China	6 200	Mem.	8 000	Mem.	10 450	Mem.	6 333	31%
		Japan	27	Mem.	26	Mem.	29	Mem.	27	12%
		Subtotal Other Members	**17 921**		**21 752**		**22 901**		**18 729**	**5%**
	NON MEMBERS	Algeria*	1 200	Misc.	1 350	Misc	1 350	Est.	1 183	0%
		Czech Republic	25	Est.	25	Est.	25	Est.	25	0%
		Morocco*	100	Est.	100	Est.	100	Est.	100	0%
		Poland	175	Est.	250	Misc	250	Est.	200	0%
		Russia*	638	Mem.	660	Misc	650	Misc.	607	-2%
		Slovakia	20	Est.	20	Est.	20	Est.	20	0%
		USA excluding California	450	Misc.	475	Misc	475	Misc	462	0%
		Subtotal Non Members	**2 608**		**2 880**		**2 870**		**2 598**	**0%**
		Total Northen Hemisphere	**35 715**		**41 669**		**43 127**		**37 903**	**3%**
SOUTHERN HEMISPHERE	MEMBERS	Argentina	626	Mem.	586	Mem.	631	Mem.	603	8%
		Australia	227	Mem.	110	Mem.	213	Mem.	190	94%
		Chile	971	Mem.	1 150	Mem.	1 300	Mem.	1 098	13%
		Peru	125	Mem.	150	Mem.	150	Mem.	132	0%
		South Africa	120	Mem.	160	Mem.	140	Mem.	135	-13%
		Subtotal members	**2 069**		**2 156**		**2 434**		**2 158**	**13%**
	NON MEMBERS	Dominican Republic	227	Est.	227	Est.	227	Est.	227	0%
		India	162	Est.	162	Est.	162	Est.	162	0%
		Mexico	40	Est.	40	Est.	40	Est.	40	0%
		New Zealand	52	Misc.	25	Misc	39	Misc.	42	56%
		Senegal	73	Est.	73	Est.	73	Est.	73	0%
		Thailand	40	Est.	40	Est.	40	Est.	40	0%
		Venezuela	20	Est.	24	Misc.	14	Misc.	21	-42%
		Subtotal non members	**614**		**591**		**595**		**606**	**1%**
		Total Southen Hemisphere	**2 683**		**2 747**		**3 029**		**2 763**	**10%**
		GENERAL TOTAL	**38 398**		**44 416**		**46 156**		**40 666**	**4%**
		of which members of the WPTC	35 176		40 945		42 691		37 463	4%
		WPTC as percentage of total production	92%		92%		92%		92%	0%

Sources:
Mem.= WPTC members, Off.= Official data, Misc.= Other sources (industry contacts, press, ...), Est.= WPTC estimate, in the absence of reliable data

Notes:
Hemispheres are not defined in the strict geographic sense but as Northern Hemisphere: crop period mainly July to December & Southern Hemisphere: crop period mainly January to June

* Previously an AMITOM member ** AMITOM associate members *** Tomatoes produced in Portugal but processed in Spain are reported in Spain

DISCLAIMER:

WPTC does not guarantee or assume any liability for the accuracy of the contents of this report and shall not be responsible for any losses sustained as a result of relying on the contained information.

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