MARKET NEWSLETTER
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The main message reported back from the campaign **The Olive Oil Promise**, launched by the IOC in the United States as the first global importer of this health product *par excellence*, is that an increasing number of Americans are opting for a diet based on extra virgin olive oil. Confirmation in this regard was received from UC Davis in Sacramento, California, where an international scientific symposium was organised to promote the consumption of olive oil and make US consumers aware of the benefits of this "perfect product".

This international symposium, held on 17 January, brought together experts from around the world to present up-to-date scientific results on the health benefits of the consumption of olive oils and on the role of olive oil in the prevention of chronic diseases.

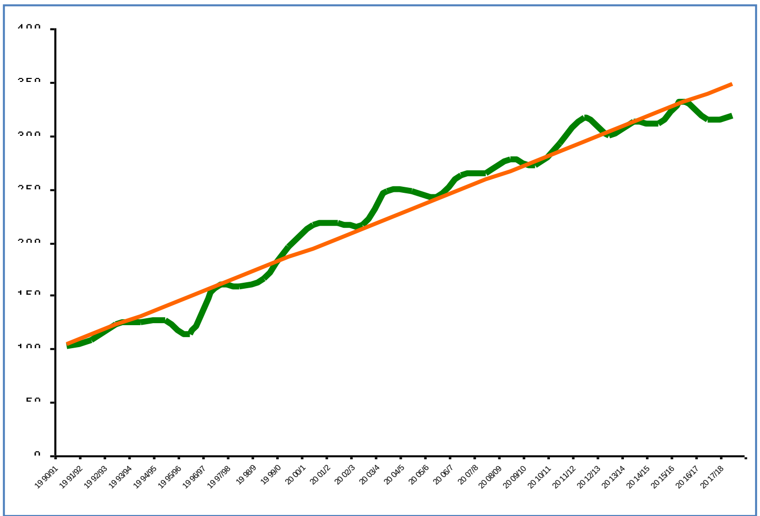
The consumption of olive oil has long been linked to improved health: **see full text**

For more information: **http://www.kcra.com/article/experts-extra-virgin-olive-oil-is-even-healthier-than-we-thought/15374107**

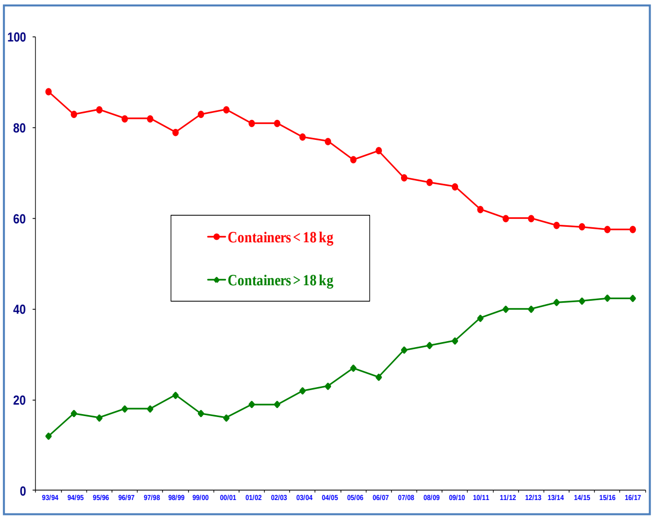
United States – Olive oil imports – Trends

The United States, which is the first global importer of olive oil, closed its olive oil imports for the 2016/17 crop year at 316 758 t, which is a 4% decrease on last year. This however follows on from a record 2015/16 crop year, registering a total of 331 368 t. Graph I shows the steady growth in US imports over the last 25 crop years.

Two decades ago, imports of olive oil in the United States accounted for approximately 30% of global imports, whereas they currently account for 38%. Over the years, structural changes have been observed in the import market, as illustrated in Graph II, which tracks imports by container type. In 1995/96 imports in containers of <18kg represented 84% of activity, while in the 2016/17 crop year they represent 58%. Over that period, bottled oil lost 26 percentage points to bulk imports, which increased from 16 to 42 %.



Graph I – USA – Trends in the imports of olive oil 1990/91-2016/17 (%)



Graph II – USA – Imports of olive oil by container type (%)

Table 1 shows the breakdown of imports by country of origin and container type over the last crop year. Over this period, bulk containers increased by 13.2% and bottled oils increased by 1.5%. The five main suppliers of olive oil in bottled containers are Italy, followed by Spain, Greece, Tunisia and Turkey, while the bulk container market is led by Spain, followed by Tunisia, Argentina, Turkey and Chile.

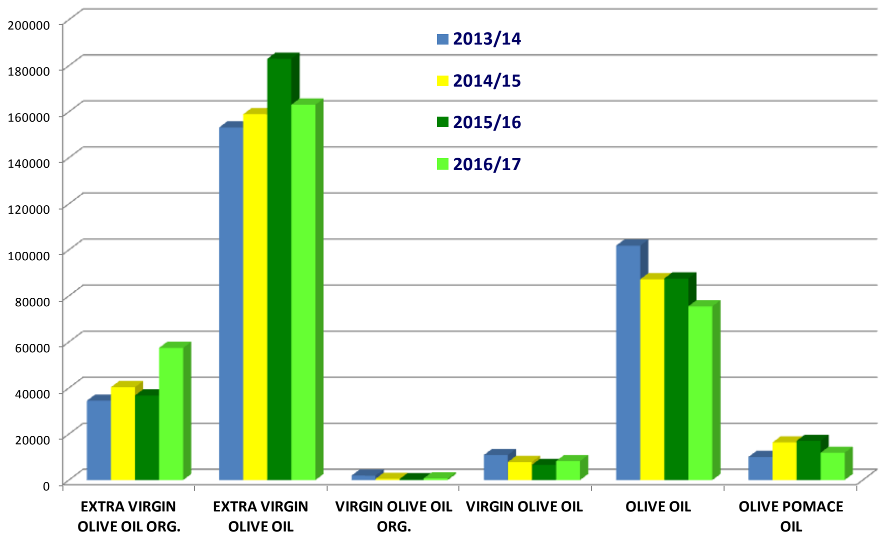
Spain currently dominates the bulk market and is gaining volume in the bottled container sector. For the second year in a row, Spain is the first supplier to the US in terms of volume. Note should also be taken of the bulk volumes sold by Tunisia, Argentina and Turkey, and the strong increase in the sale of containers >18 kg by Argentina, Turkey and Chile.

USA - IMPORTS by CONTAINER & by COUNTRY	<18KG				
	2012/13	2013/14	2014/15	2015/16	2016/17
ITALY	138060.3	130654.3	122383.7	123718.4	111500.3
SPAIN	25305.7	36356.4	42259.9	47212.3	55322.0
GREECE	4239.4	4313.7	6089.4	6706.6	6253.6
TUNISIA	4325.7	4066.1	5197.7	6350.3	2524.1
TURKEY	2966.4	2804.4	1603.0	1713.3	2317.1
LEBANON	970.3	968.4	1028.6	1236.9	1223.1
PORTUGAL	1058.3	1121.9	991.1	1053.0	1019.7
CHILE	1074.1	764.7	631.5	674.2	507.1
ISRAEL	313.5	192.4	258.3	484.3	400.9
MOROCCO	80.3	303.6	146.2	368.2	265.7
ARGENTINA	584.7	594.8	109.2	434.3	270.6
AUSTRALIA	41.6	22.4	74.5	116.9	43.0
MEXICO	70.8	12.7	6.0	27.1	19.2
others	621.0	783.3	610.6	612.3	776.6
TOTAL	179,712.1	182,959.1	181,389.7	190,708.1	182,443.0

USA - IMPORTS by CONTAINER & by COUNTRY	>18KG				
	2012/13	2013/14	2014/15	2015/16	2016/17
SPAIN	33644.0	88107.5	58583.5	87230.7	**74443.8**
TUNISIA	31193.7	11179.2	39489.6	19564.5	**12591.5**
ARGENTINA	4928.0	8020.9	6368.3	6627.4	**12584.0**
TURKEY	25762.6	3896.7	1941.2	2300.3	12363.7
CHILE	3018.2	3742.6	4512.1	4727.1	6478.5
ITALY	7304.3	7072.4	4834.1	5657.6	5889.2
MOROCCO	6890.5	3953.0	9313.2	10152.6	3416.3
GREECE	3252.3	1205.6	2256.7	2384.4	3147.4
others	877.7	1195.8	650.7	1366.8	2416.2
AUSTRALIA	175.9	918.1	877.9	191.5	466.2
PORTUGAL	204.9	130.6	114.7	176.7	195.5
MEXICO	482.7	402.5	37.3	40.0	185.0
ISRAEL	36.7	12.4	40.0	64.4	77.0
LEBANON	863.5	262.4	42.7	177.4	61.7
TOTAL	118,635.0	130,099.7	129,062.0	140,661.4	134,316.0

Table 1 – USA – Imports of olive oil by container type – last five campaigns

Graph III shows the trends in imports per quality type. In the 2016/2017 crop year, 52% of total imports were of the extra virgin olive oil category, decreasing by 11% compared to the previous year. This was followed by imports of olive oil, which accounted for 24% of the total and posted a 28% decrease. Olive-pomace oil at 4% decreased by 30%, followed by the categories of virgin olive oil and organic virgin olive oil with smaller volumes.



Graph III – USA- Trend in olive oil imports per product category (t)

I. WORLD TRADE IN OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL - OPENING OF THE 2017/18 CROP YEAR

Imports of olive oil and olive pomace oil in the eight markets that appear in the table below began the first two months of the 2017/18 crop year (October – November 2017), with decreases in most markets: -48% in China; -16% in Australia; - 11% in Canada; -4% in Japan; -7% in the USA and -3% in Russia. Imports however increased in Brazil by 5%.

One month before opening the crop year, EU[1] imports posted a 16% decrease in extra-EU imports and a 7% decrease in intra-EU acquisitions compared to the same period the previous crop year.

1

Olive oil imports (including olive-pomace oils) (t)

No	Importing country	October 16	October 17	November 16	November 17
1	Australia	2295.4	2843.6	3529.7	2039.0
2	Brazil	5232.9	5443.7	6844.5	7285.3
3	Canada	3580.2	4313.7	4873.0	3218.8
4	China	4188.8	2722.0	8375.6	3833.4
5	Japan	3718.0	4871.0	5987.0	4432.0
6	Russia	2141.1	2254.7	2273.4	2036.0
7	USA	22315.9	27198.7	29150.7	20715.0
8	Extra-EU/27	7774.5	6495.9	8827.0	nd
	Intra-EU/27	81875.5	76468.0	93162.0	nd
	Total	**133122.3**	**132611.3**	**163022.9**	

2. TABLE OLIVES - OPENING OF THE 2017/18

Imports of table olives in the first months of the 2017/18 crop year (September – November 2017) [2] indicate decreases of 14% in Australia, 11% in the USA, 2% in Brazil and 1% in Canada compared to the previous crop year.

EU data for the first two months of the 2017/18 crop year indicated a year-on-year rise of 7% in intra-EU acquisitions and 1% in extra-EU imports.

Table Olive Imports (t)

No	Importing country	September16	September17	October 16	October 17	November 16	November 17
1	Australia	1705.0	1491.0	1192.0	1285.0	1943.0	1406.0
2	Brazil	10420.7	7949.2	7994.2	9492.3	10718.4	11115.3
3	Canada	2237.0	2077.0	2225.0	2843.0	3039.0	2539.0
4	USA	13398.0	10237.0	11758.0	11055.0	12898.0	12596.0
5	Extra-EU/27	6570.8	6243.2	6858.6	7304.8	7302.6	nd
	Intra-EU/27	24999.2	27039.9	29334.5	31116.8	30830.4	nd
	Total	**59330.7**	**55037.3**	**59362.3**	**63096.9**	**66731.4**	

II. PRODUCER PRICES - OLIVE OIL

Graph 1 tracks the weekly movements in prices paid to producers for extra virgin olive oil in the top three European producing countries and Tunisia, while Graph 3 shows the weekly changes in producer prices for refined olive oil in the main three EU producers. The monthly price movements for these grades of oil are tracked in Graphs 2 and 4.

Extra virgin olive oil – Producer prices in **Spain** have increased slightly over the last weeks, coming in at **3.63€/kg** at the end of January 2018, which is a 0.3% decrease compared to the previous year (Graph 1).

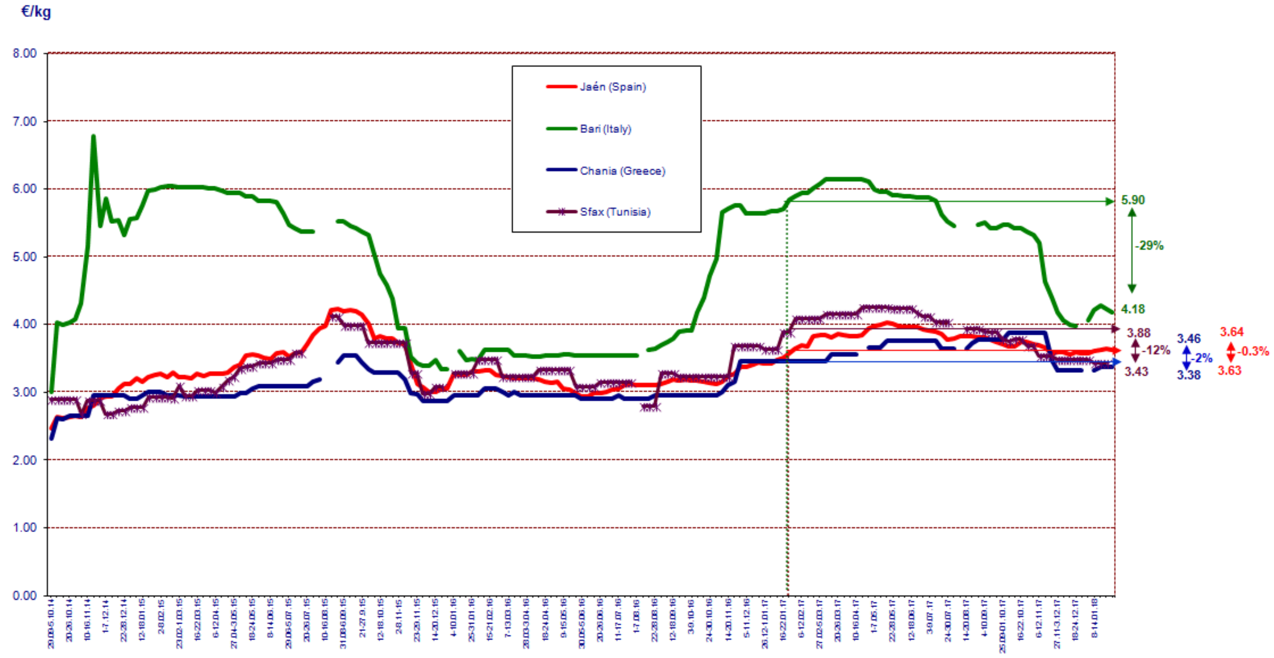
Italy – Prices in Italy fell sharply to less than 4€ in mid-December, but started to rise again reaching **€4.18/kg** at the end of January 2018, for a 29% year-on-year decrease. Graph 2 shows the monthly price movements of the extra virgin olive oil category in recent crop years.

Greece– Prices in Greece have risen slightly over the last few weeks, coming in at **€3.38/kg** at the end of January 2018, down by 2 % compared to the previous year.

[2] According to the new provisions of the International Agreement on Olive Oil and Table Olives, 2015, which came into force on 1 January 2017, "table olive crop year" means the period of twelve months from 1 September of one year to 31 August of the next. Under the 2005 Agreement, the crop year for table olives was the same as that for olive oil (October to September).

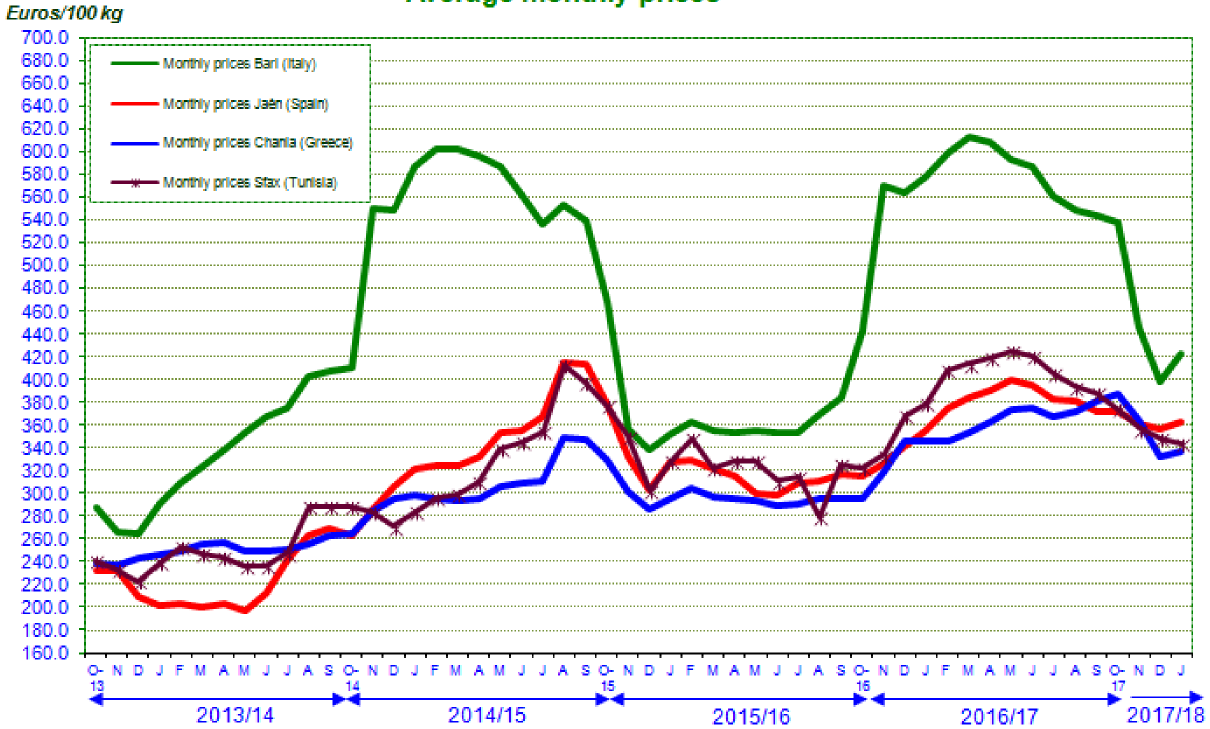
Tunisia – Prices in Tunisia fell slightly over the last few weeks reaching **€3.43/kg**, for a 12% year-on-year decrease.

2014/15, 2015/16, 2016/17 & 2017/18 CROP YEARS EXTRA VIRGIN OLIVE OILS
Weekly producer price movements Bari, Chania, Jaen and Sfax markets



Graph 1

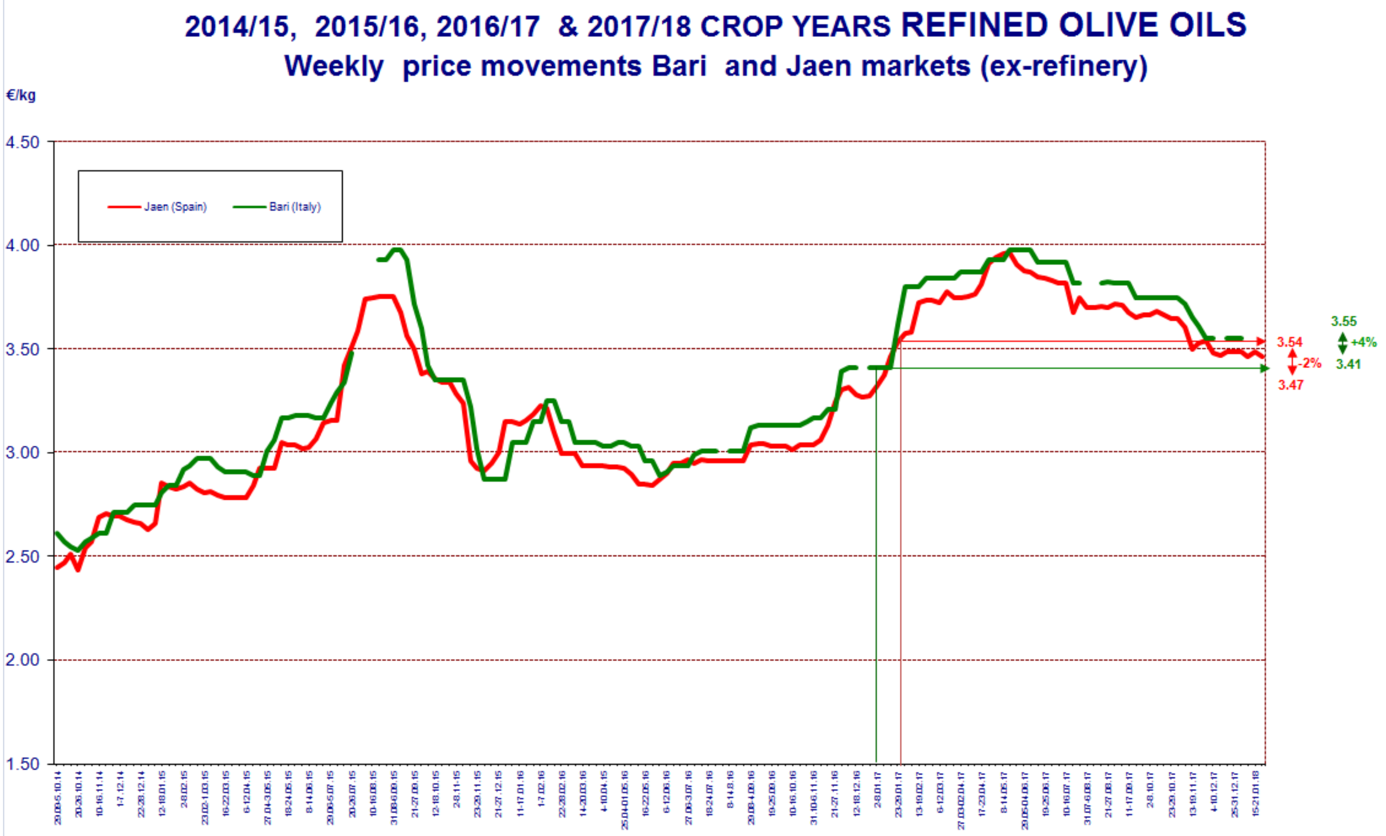
MOVEMENTS IN PRODUCER PRICES
EXTRA VIRGIN OLIVE OIL
Average monthly prices



Graph 2

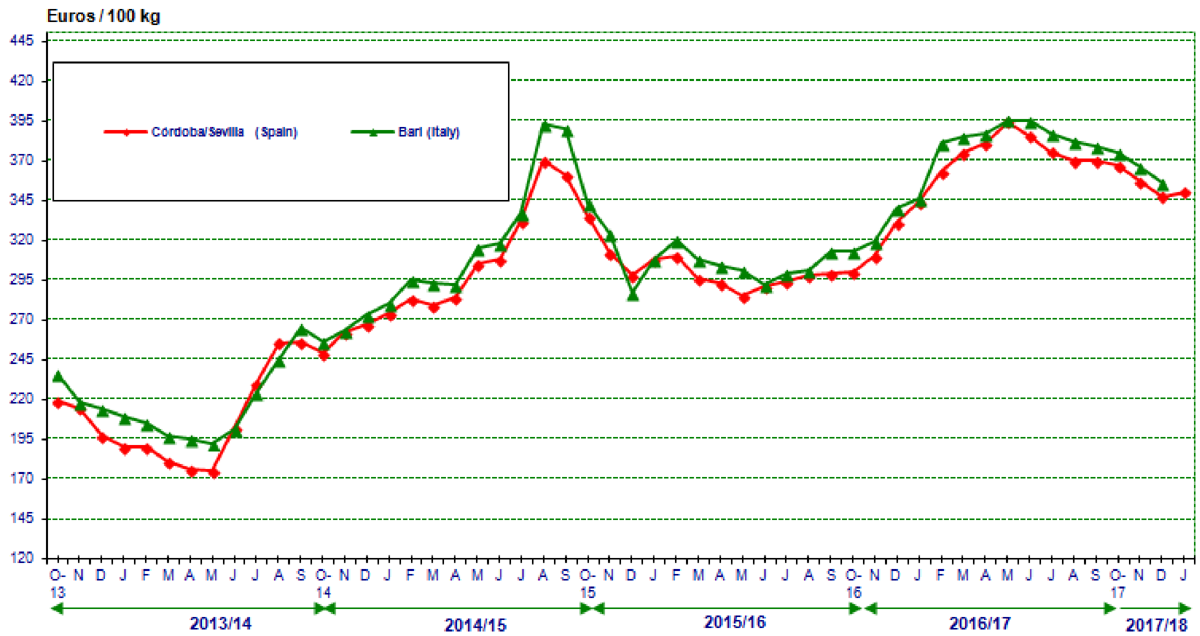
- **Refined olive oil**: Producer prices for refined olive oil in Spain and Italy generally follow the same trend as the prices for extra virgin olive oil. The price in Spain at the end of January 2018 stood at **€3.47/kg**, down by **2%** compared to the previous year. Prices in **Italy**, at the beginning of January, reached **€3.55/kg**, which was a **4%** year-on-year increase. No price data are available for this product category in Greece.

At the end of January 2018, the price difference in Spain between refined oil (€3.47/kg) and extra virgin olive oil (€3.63/kg) was of €0.16/kg. In Italy, the price difference between the two categories was greater than in Spain at €0.63/kg (Graph 3).



Graph 3

MOVEMENTS IN PRODUCER PRICES
REFINED OLIVE OIL
Average monthly prices



Graph 4

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