



OLIVE PRODUCTS MARKET REPORT SUMMARY No. 27 – June 2008

MARKET COMMENTARY

Production

All the estimates reported in the May 08 market commentary for production for the period 2008–2009 continue to be valid and a good harvest is still expected due to the favourable weather conditions to date. Even so, there are still 5–8 months to go until the bulk of the harvest is over and anything might happen in between.

Consumption

All the information available to date indicates that so far consumption of olive products has been keeping to normal, pre-established patterns.

World trade

In general, the export trade in olive oil and table olives is doing well and keeping to the trend of past months.

In Spain, olive oil exports till the end of May 2008 came to 357 900 t, i.e. 5.4% higher than the previous year and 12.8% above the average for the last four seasons.

During the same period Spain exported 184,330 t of table olives. Given that domestic consumption amounted to 151,700 t, the Spanish table olive industry is also clearly export-oriented.

Price movements

The weekly changes in producer prices for extra virgin olive oils and refined olive oils in the main EU producing countries are charted in Graphs 1 and 2 and the monthly movements for the same two grades of oils plus refined olive-pomace oil are presented in Graphs 3, 4 and 5 respectively. Some of the conclusions that can be drawn are now outlined:

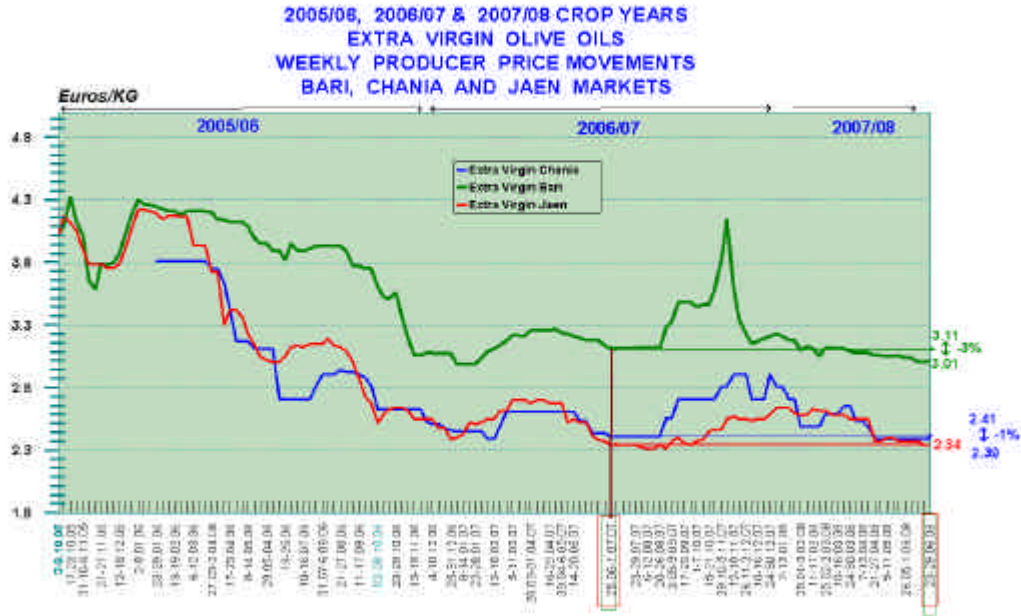
- In June 2008, virgin olive oil prices either continued to fall or levelled off. As we have already said in earlier commentaries, past experience is that prices tended to rise in April, May and June, but this has not been the case.
- Compared with a year ago, the prices fetched for extra virgin olive oils were lower by 1% in Greece and 3% in Italy while holding steady in Spain (Graph 1).
- Prices for refined olive oil were lower than a year ago, down by 2% in Spain and 4% in Italy. In Greece, they remained at the same level (Graph 2).

The price of Tunisian extra virgin olive oil during the same period was around €2.46–€2.48/litre.

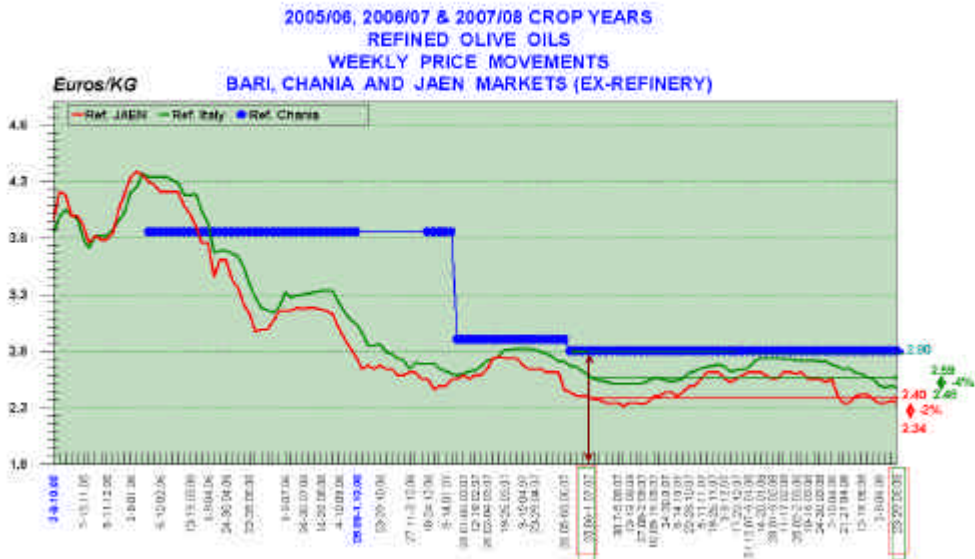


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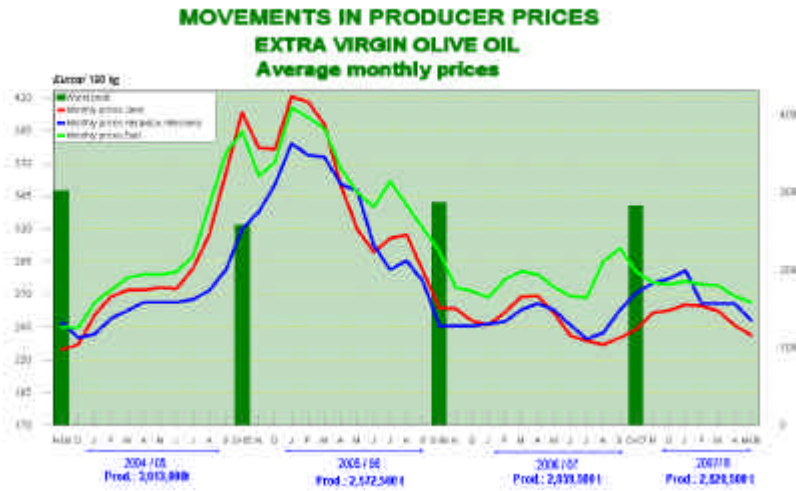
Graph 1



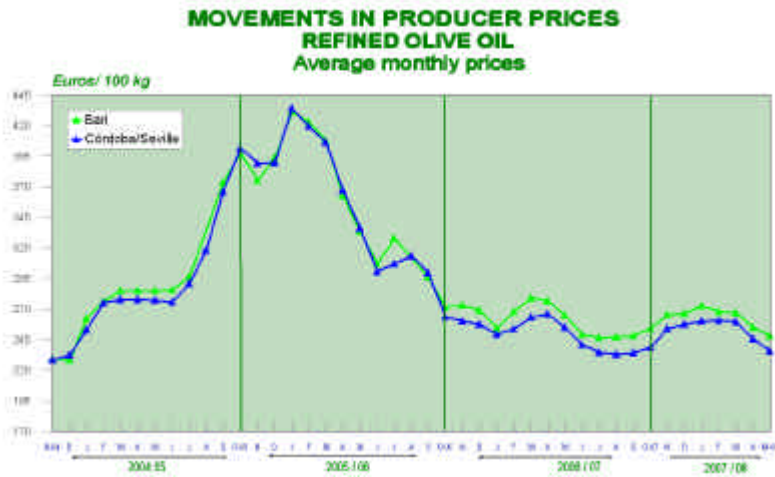
Graph 2



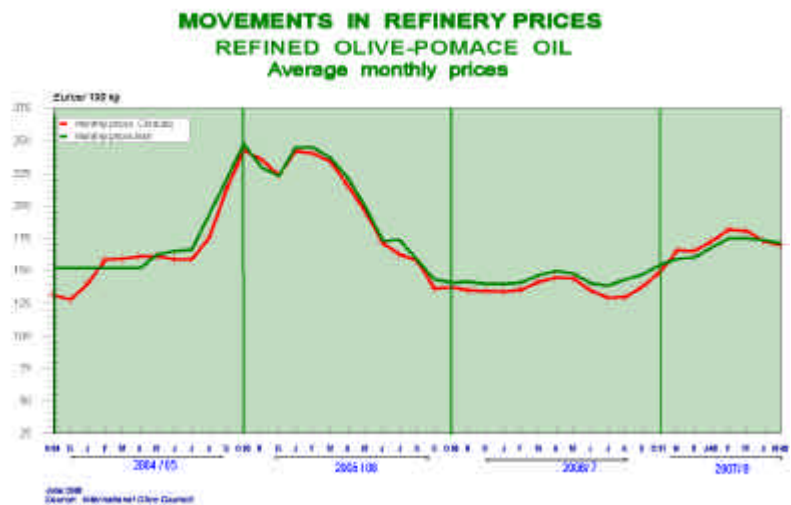
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Graph 3



Graph 4



Graph 5