

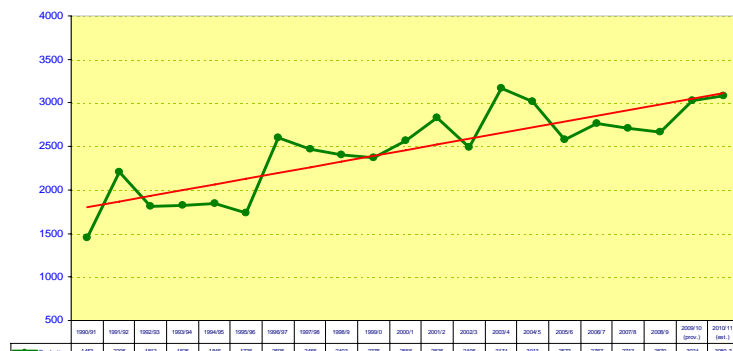


Provisional figures for 2010/11: crop year performance

a) Olive oil production

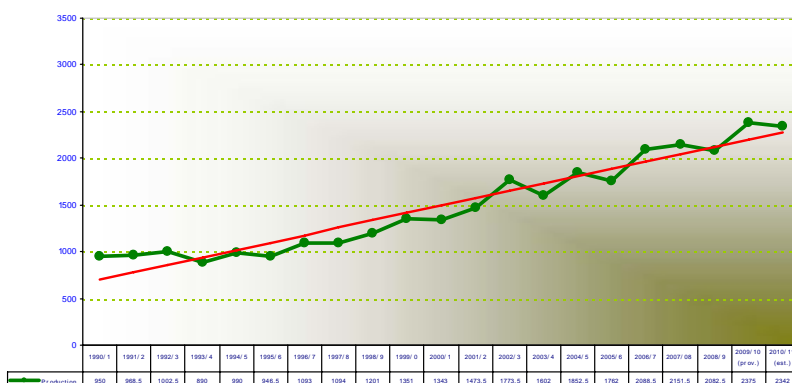
All the forecasts appear to indicate that 2010/11 will be the second-best season ever (3 080 500 t), following in the footsteps of the record of 2003/04 (3 174 000 t). Ninety-eight per cent of world production is concentrated in the hands of the IOC member countries taken as a whole. The EU/27 accounts for 73% of this tonnage and the rest of the IOC member countries for 25%. The chief source of this rise is higher production in Algeria (50 000 t); Morocco, where production is expected to double to 150 000 t since 2009/10; Syria, which will record an all-time high of 180 000 t; and Turkey (160 000 t). Among the producing countries of the 27-member European Union, Spain holds a 45% share of world production (1 375 000 t) while the provisional production figures for the other producers are 5 600 t (France), 300 000 t (Greece), 480 000 t (Italy) and 71 800 t (Portugal).

Over the last 20 years (see graph below) world production has climbed from 1 453 000 t (1990/91) to 3 080 500 t (2010/11), representing a rise of +1 627 500 t or +112%. The 1995/96 crop year marked a small dip in this trend, but production moved up a gear the following season (1996/97) and for the first time ever topped 2.5 million tonnes. Production continued upwards to go beyond 3 million tonnes in 2003/04 and 2004/05, and again in 2009/10 and 2010/11 after some fluctuations.



b) Table olives

The provisional data for world table olive production in 2010/11 point to a tonnage of 2 342 000 t, of which 88% is concentrated in IOC member countries. Production is assessed at 28 000 t in Algeria; 203 500 t in Argentina; 200 000 t in Egypt; 120 000 t in Morocco; 142 000 t in Syria and 330 000 t in Turkey. Together, this group produces 50% of the world's table olives. In the EU producers table olive production is expected to reach 808 900 t, with the following breakdown: Spain: 597 500 t (best season yet); Greece 135 000 t and Italy 60 200 t. After two very poor years, production in the United States looks poised to reach 154 000 t. The figures for the same season for Peru and Chile are 41 000 t and 34 000 t respectively.





Between 1990/91 and 2010/11 world production of table olives has soared from 850 000 t to 2 342 000 t, reflecting growth of +1 392 000 t or +147%. In the last decade it has experienced growth of 77% compared with the preceding ten-year period.

1. INTERNATIONAL TRADE: 2010/11 OPENS WITH +17% IN FIRST THREE MONTHS OF SEASON

In the first three months of 2010/11 aggregate imports by the six countries listed in the next table climbed by (60 045.6), up 17% compared with the same period the season before.

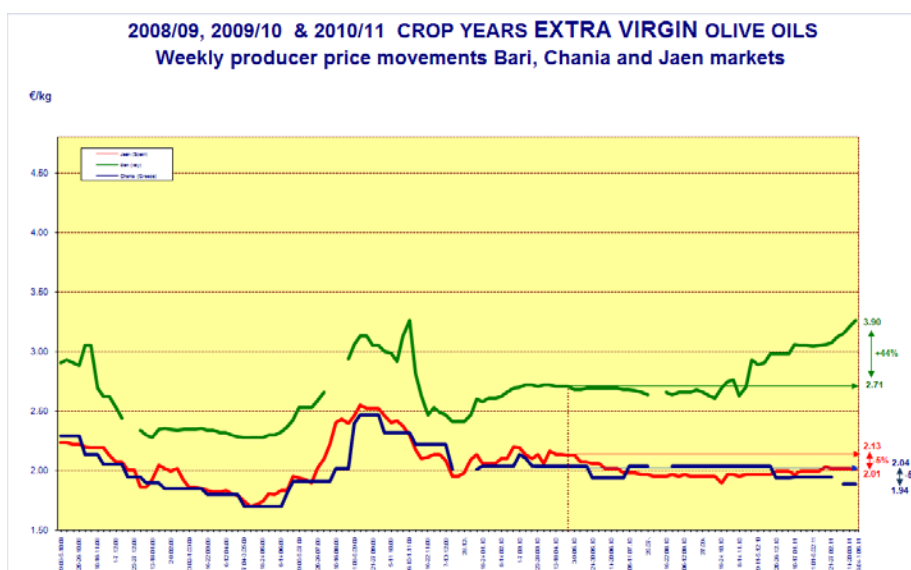
Over the first five cumulative months of the season (October–February), imports increased into Australia (+2%), Brazil (+21%) Canada (+16%) and the USA (+9%) while they decreased by -6% into Japan from November onwards. EU data were not available for January and February at the time of publishing this newsletter, but the figures for the first three months of the crop year show a big increase (22%) compared with the season before.

Olive oil imports (including olive-pomace oils) (t)											
No	Importing country	October 09	October 10	November 09	November 10	December 09	December 10	January 10	January 11	February 10	February 11
1	Australia	2309.0	2492.8	3016.0	3519.0	2580.0	3505.0	3342.0	1887.0	1618.0	1723.0
2	Brazil	5499.0	6852.5	6154.4	5906.6	5557.8	6002.8	3434.5	5280.8	4394.0	6344.0
3	Canada	3043.0	2488.0	4109.0	3520.0	2846.0	3703.0	2411.0	4400.0	2459.0	3209.0
4	Japan	2729.0	2911.0	2936.0	2651.0	3774.0	3181.0	3338.0	3254.0	2971.0	2785.0
5	USA	23098.0	25040.5	22746.0	20490.0	22136.0	27937.0	25628.0	19729.9	15738.0	26376.0
6	EU/27 (Intra+Extra EU)	82986.8	85910.7	72338.9	95790.4	82266.6	108269.8	66104.1	n.d.	76339.3	nd
	Total	119664.8	125695.5	111300.3	131877.0	119160.4	152598.6	104257.6		103519.3	

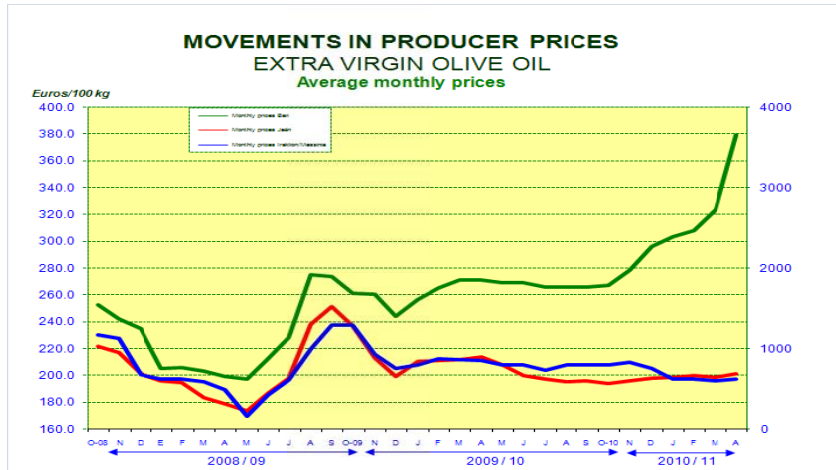
MOVEMENTS IN PRODUCER PRICES

Graphs 1 and 3 track the weekly movements in the producer prices paid for extra virgin olive oil and refined olive oil in the top EU producing countries. The monthly price movements for the same two grades of oil and refined olive-pomace oils are shown in Graphs 2, 4 and 5 respectively.

Extra virgin olive oil: Comparison with the same period of the year before reveals that current prices have dropped by 5% in Spain (€2.01/kg) and 5% in Greece (€1.94/kg) while in Italy they moved in the opposite direction, going up by 44% to €3.90/kg – Graph 1. Recent weeks have seen a steep rise in prices in Italy, contrasting with a small drop in Greece and stability in Spain. This tends to confirm the growing distance between the prices paid to producers in Italy and those paid in Spain and Greece. Although data are not available on the volumes of product sold at these prices in Italy, what these prices do show is that buyers looking to buy in Italy have to pay more for the product than in Spain or Greece.

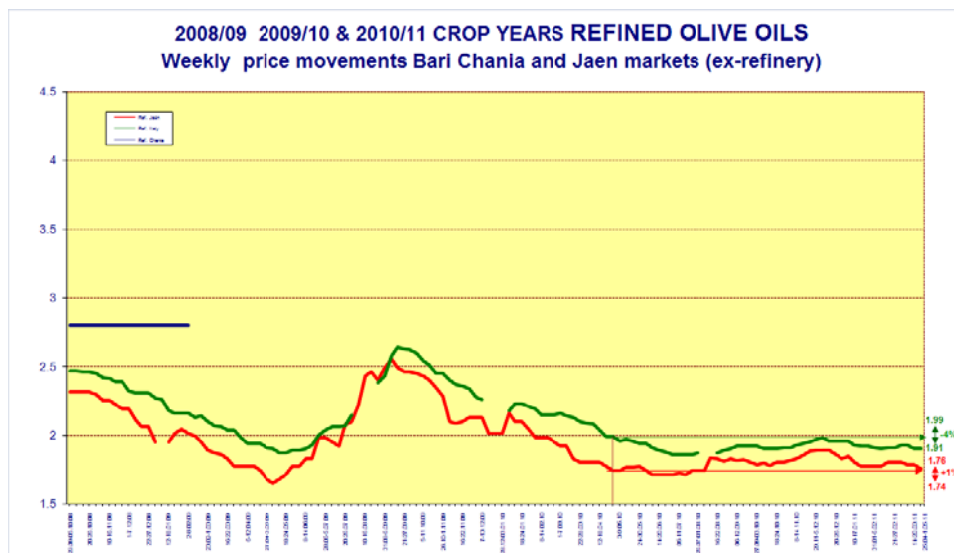


Graph 1



Graph 2

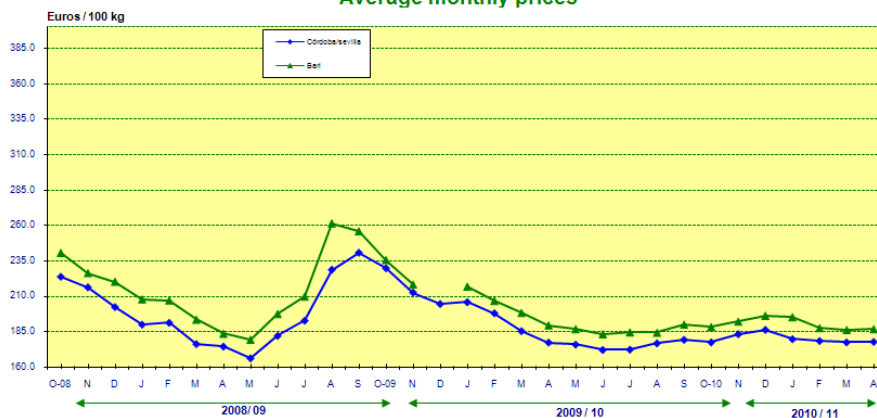
- **Refined olive oil:** The same comparison for refined olive oil shows that prices have increased by 1% (to €1.76/kg) in Spain and have dropped by -1% (€1.91/kg) in Italy (Graph 3) from season-before levels. No data are available for Greece. The very mild price recovery that began in August 2010 continued through to mid-December, since when the trend seems to have reversed. The bulk of this recovery appears to have been lost although there have continued to be minor price fluctuations since the summer. Compared with extra virgin olive oil, the gap in prices between Italy and Spain is quite small (€0.15/kg), showing that the product is positioned at quite a similar level in both markets.



Graph 3

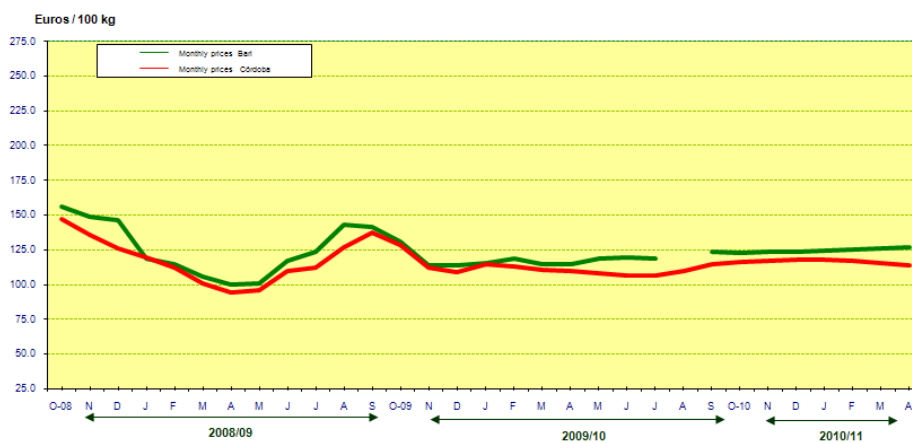


MOVEMENTS IN PRODUCER PRICES
REFINED OLIVE OIL
Average monthly prices



Graph 4

MOVEMENTS IN REFINERY PRICES
REFINED OLIVE-POMACE OIL
Average monthly prices



Graph 5