



Standing Data Pineapple 2023

#21

Our objective with this report is to provide some insights of the current situation, at least in Costa Rica, with the pineapple farming, exports and our vision for 2024.

The past years have not been easy for anyone, many events have transformed our societies and we continue to experience very surprising news, especially in Europe with the current war. During the “COVID years” 2020, 2021 we experienced a much stronger demand on our products, an increase in the demand of all categories on pineapple: from juices, to IQF and fresh fruit. Strong demand and better prices occurred during 2020, which under our opinion was only positive news, remembering that we were coming from a very difficult year during 2019, when prices collapsed due to low demand and abundance of fruit. So even with COVID, in terms of business, we consider this year as positive.

However, during the end of 2020 and all thru 2021, the trend never stopped, turning the situation into a very different scenario. The stability and fair prices reached during 2020 were not sustained, not enough fruit was the rule, the demand continued to be very high for the fresh market, IQF and the juice business.

Farmers were satisfied on the volumes, however; there were unexpected events here and there, that put a lot of pressure on the market and many other challenges came along, affecting the flow of business. Lack of reefer containers, high ocean rates, closure of some markets, especially in Russia and port congestions, made all a perfect storm. Prices continued to escalate.

During 2022, we started with good demand and accelerated sales, but high prices were a constant. As the year reached the mid-term, we noticed a slow down in consumption, inflation rates hit the stronger economies in the world and consumers were challenged, with less capacity on the power of purchase, decisions on what to purchase at supermarket level, started to become a priority.

With less demand we started 2023, the fluctuation moved to another direction, a new cycle started with more fruit availability and prices dropping again on the cost side of the fruit; this has been the trend during the first half of the year.

Under this scenario, Costa Rica offers a higher production on PJC than in the past years, the availability for fruit was there and the opportunity to sell has been achieved by selling PJC. We have seen also very aggressive pricing as well. NFC pineapple juice sales continues to be steady, but now growing as in the years before.

At Florida Products we strongly believe in 3 basic pillars on our business:

- 36 years of experience dealing with pineapple growers and making stronger relationships with growers.
- Our knowledge in manufacturing the best NFC Golden pineapple
- Our strong belief in social and environmental practices that makes Costa Rica a unique destination.

We also believe in all efforts that can be done to prevent the high price fluctuations year after year, very low prices is a bad sign, as well as very high prices! We should work to reach some type of reasonable price flow that will make the operation much easier, we will see if in the coming years, we will be able to work on a more balanced, fair and transparent way of trade.



What is our current situation?

The natural peak is now over and the pineapple farms are facing incremental costs on their production, even when the logistics crisis is over and we have achieved stable rates for ocean rates, the fact is that there has been a shift on the supply chain of many materials needed for the pineapple farming. With the war in Europe, the conflict has impacted negatively all our western economies, so we wonder -who is paying the long-term bill and deep consequences on this conflict at the end?

The farms are reducing now the number of hectares to compensate and balance the investment needed per hectare, which they claim to be much higher. With less availability of fruit, prices are starting to climb up again. We are now ready to quote for volumes still for the end of this year and 2024; but expect a different price scheme from our quotes of end last year and beginning this year, due to the situation explained. It is now a good time to try and work on this balanced price scheme that we can share with our farmers and lock for the next season.

We continue to work at our facility with 3 aseptic lines and 2 filling lines and we continue to work with 3 different product categories:

- Pineapple (conventional and organic)
- Banana
- Vegetables

We would like to continue our mutual business; we appreciate your support and only hope we can strongly promote consumption of our unique NFC GOLDEN PINEAPPLE JUICE from Costa Rica. Cheers!

Total volume NFC exports Costa Rica tons 2023	65,429.00
Total volume PJC exports Costa Rica tons 2023 tons	18,935.00

Our certifications:



Barreal de Heredia, Costa Rica
Tel:+ (506) 2508-8500 , +(506) 2508-8588
Email: sales@floridaproducts.cr
<https://www.floridaproducts.cr/>