

Market Dynamics

Ornamental Plants Europe – October 2013

4 November, 2013



The Netherlands

Netherlands Auctions

The September 2013 plants auction figures were published as follows. The September fully grown house-plants turnover has increased by 8.8% when compared to the same month of last year, realised with a supply increase of 4.3%, resulting in a total average price for all plants of €1.71 per plant (last year €1.64). The garden-plants turnover has increased by 4%, realised with a supply increase of 4.2%, resulting in a total average price for all plants of 35 Eurocents per plant (last year 35 cents).

Quite a change in the supplied assortment could be noticed in the house- and garden- plants sector. Many so-called seasonal autumn plants arrived at the market in big quantities: chrysanthemums on pot, ericas, callunas, azaleas, cyclamen and the first poinsettias already. Many of those products were to be used for the approaching All Saints and All Souls Days celebrations. However, they did take quite some share from the traditional assortment. The general price level of the plants was steady for a number of weeks; still, most of the products were slightly cheaper when compared to the same period of the past two years. Even though the share of the pot-orchids, and particularly of the phalaenopsis orchids, was bigger than ever before, prices of the orchids were slightly higher this year during September and October.

Considerably lower prices, however, were for pot roses and pot chrysanthemums. Quite a strong decrease of the supply of guzmanias was noticed due to production decrease of some 15%. Garden plants were supplied in much smaller quantities this autumn, so far, but it did not create any positive impact on the prices. On the contrary, they were lower than last year in the same period.

Throughout the second half of October the market remained steady. No real special demand for All Saint and All Souls Days, which is a typical cut-flowers consumption and special cut-flowers arrangements event. However, there was some extra demand for pot chrysanthemums, ericas and callunas.

Netherlands Importers

The September 2013 export figures from the Netherlands were published by HBAG (Exporter's Union) as follows. The September 2013 export turnover has increased by 6% when compared to the same month of last year. Per country quite some differences could be noticed. The best and positive results were obtained from countries like France, United Kingdom, Belgium, Sweden and Poland; negative results from Germany, Switzerland and Russia.

Throughout the whole month of September the fully grown house- and garden- plants market was quite steady, but a bit slower, which can be called normal for this period of the year. It is mainly due to the supply, demand and sales of the seasonal autumn plants campaign. Plants such as pot-chrysanthemums, erica and calluna have been the major products, and would be used for the All Saints and All Souls Days' celebrations.

Those plants normally can be used as indoor and as outdoor plants, and they are mostly used to decorate graveyards, during the mentioned event, taking place at the very beginning of November. In the green houseplants market the situation was calm, which is considered normal during October, and

has been normal during all the previous Octobers. Flowering plants are slightly more demanded and used, especially the phalaenopsis orchids in-pot, but also several other types. The first Christmas plants also arrived in the market, namely poinsettias, cyclamen, azalea, amaryllis in-pot and the small pine plant, called elwoodii. It is expected that the market for green plants will be relatively slower during the months to come.

In the tropical ornamental plants sector enough new young plant material arrived at the market. Of course, it is also a bit quieter during the months of October and November, mainly due to the use of greenhouse space for the Christmas products. It can be expected that this market will gradually increase right after Christmas.

Denmark

During the entire month of September the traditional houseplants market was moderate, in some cases even poor, especially for the group of green-plants. Flowering plants were still moving positively and satisfactory, especially phalaenopsis orchids and kalanchoes.

The October plants market was very much dominated by the seasonal autumn plants such as chrysanthemums, ericas, and callunas. Those plants are very much used outdoors as well as indoors. After the very nice summer weather until the end of September, the market for the mentioned products was slow. However, from the beginning of October the weather changed drastically, and immediately demand and sales for the autumn products considerably improved.

The first Christmas products, such as poinsettias, azaleas, cyclamen, hellebores and small pines on pot also arrived in the market in reasonable quantities already. However, demand was still not very good, but is expected to change soon.

In the tropical ornamental young-plants sector things have gradually changed to a slightly lower demand and sales. Many local growers have been very busy with the preparation and planting of the Christmas products. Temporarily, the trade and demand of import green plants material will be slower during the coming months.

Germany

Compared to the last two months, the fully grown plants market gradually, slightly improved from mid-October, when the real All Saints and All Souls Days' demand and sales started to take off; mainly for the special seasonal autumn plants such as chrysanthemum, erica, calluna and other autumn plants. Until the end of the third week of October around 80% of all ericas and callunas were sold and delivered, generally for slightly lower prices than normally. It is expected that the other 20% will be sold as well, hopefully for slightly better prices.

Demand and sales for the flowering houseplants was relatively positive, but for the whole range of green plants demand was marginal, while prices were low; much lower than normally, and also much lower than the needed cost price. But then again - what is the alternative? say growers and traders. Finally, one has to move and sell the plant-material, instead of leaving it in the greenhouses, and having the products lose their quality.

As traditionally, the market towards 1 & 2 November (All Saints and All Souls Days) was dominated by the demand and use of the special arrangements and bouquets, so much used in the graveyards - arrangement of potted plants and of mixed cut-flower bouquets.

In the tropical ornamental young-plants sector the market situation was not positive, which was called normal given the period of the year. Early winter is a time when local growers are a bit anxious to buy and plant new young plant material. Nowadays, many of them prefer to leave the greenhouse unheated in the winter, due to the raising costs. When revenues are not expected to be high, it is better not to make very high production costs.

Some prices for the respective products: conifers of 1 m' in a pot for € 1.80; cyclamen in pot 12 for € 1.00, for the smaller types €0.60; dracaena marginata 4" rooted canes for €0.20; sanseveria, in

several types of 30 cm rooted in a net pot for €0.40; dr. anita of 1m' in a pot size 24, which normally costs €14.50, were available for €3.90; the same plant of 1.50 m' in a pot size 27, normally for €22.50, now for €4.80.

Sweden

The fully grown plants market during the whole month of September and also during the biggest part of October was slow and quiet, much calmer than usually during these months of the past years. One of the major reasons was the warmer weather during the late summer and the autumn, so far. In certain weather conditions people do not tend to change the still-flowering summer plants, and to replace them with the seasonal autumn plants.

So far, until the end of October, there was quite some delay in the whole autumn plants campaign of products such as chrysanthemum, erica and calluna. However, calluna was the only one product which was positively sold, and of which prices remained steady and positive; mainly due to the fact that those plants are stronger and keep their colour better than for instance the ericas and other plant types. Flowering houseplants also had a very limited demand, even though prices for most of the products were relatively low. There was hardly any demand for the normally popular plants like: chrysanthemum, begonia, kalanchoe, calandiva and others.

The market, demand and consumption for green plants were totally dead and it is not expected to improve until the end of the year.

