Market Dynamics

Ornamental Plants Europe – August 2015

02 September, 2015

The Netherlands

Netherlands Auctions

The June 2015 auction plant figures were published: Plants' auction turnover increased with 9.3% compare to June 2014, realised with supply increase of 7.4%, resulting in an average price for all plant types together of € 1.63 per plant (last year € 1.60).
Better prices than last year were achieved for: pot roses, hydrangea, bromeliads, zantedeschia on pot, and mixed arrangements.
Lower prices for: phalaenopsis orchids, kalanchoe and pot chrysanthemum.

The July 2015 plat figures were also published already: plant turnover increased with 2.1% vs, the same month of last year, realised with a supply increase of 0.8%, resulting in an average price for all plant types of € 1.51 per plant (last year € 1.49).
Better prices for: pot roses, pot chrysanthemum, anthurium, bromeliads, ficus, dracaenas and hydrangea.
Lower prices for: phalaenopsis orchids and kalanchoe.

The June garden plant turnover increased by 20.9%, realised with supply increase of 6.7%, resulting in an average price for all plant types of € 1.13 (last year € 1.00).
The July 2015 turnover increased with 0.9%, realised with supply decrease of 5.2%, resulting in an average price for all plant types of € 1.17 per plant (last year € 1.10).

The first half yearly figures ended up negatively with -3% when compared to the first half year of 2014. During most of the months the results ended up negatively. Only one of the six month ended up positively.
During the months of July and August the plant prices and results were a bit better. Amongst the better products this year so far are: hortensias, anthurium and zantedeshia (calla lilies) on pot, pot roses and the green plants ficus and dracaena.
Disappointing prices for kalanchoe, saint paulia and geranium.

Netherlands Importers

The June 2015 Export figures from the Netherlands of all products together - cut flowers, houseplants, and garden plants – were published by VGB/ Floridata (Exporters Union): June exports increased by 14.6% compared to the same month last year. Double digit percentage increases to: United Kingdom, France, Italy, Belgium, Poland (with the top score of +45%), Sweden and Other Countries.

The smallest increase of 4% to Germany, in absolute money value still by far the number one destination.
Big decreases to only two countries, namely to Russia with -26% and Austria with -47%.

The July 2015 export increase was 5% to a total value of 347 million €. The cut flower increased by 6.8% and a decrease of 3% was noticed for house and garden plants export. Only two of the seven months in 2015 showed positive results, while in 5 months the final score was negative.
A minor decrease was realised to the so called Euro counties (83% of all Dutch exports) and a 7% increase was noticed to countries with another exchange rate.
The July turnover of all product together – cut flowers, houseplants, and garden plants - increased by 5.4%.
The top score of 28% was realised to Poland. Other big increases of more than 15% realised to United Kingdom, Sweden and Other Countries. Big decreases to: Russia with -14.5% and Austria with -20 %.

This year so far the fully grown plants market has not been very special at all. From the first eight months of the year only two months showed positive results when compared to last year. The two positive months were July and August, very special, because that are normally the weaker months.
The garden and bedding plans season was not very special. The major given reason was the cold and dark weather during April and May.
The second important reason of lower consumers' interest, lower prices and lower exports was the decreased import into Russia, mainly due to the exchange rate of the Russian Rouble, which lost about 40% to the Euro.
During the last few weeks Russia put measures of very strict rules for importing fresh goods, form Europe and in particular plants and flowers from the Netherlands.

In the tropical ornamental young plant sector things did not change very much. Enough import material was available in the production countries and nearly everything was immediately sold to Dutch and other European countries quite smoothly.
The general quality level could be called good and satisfactory. Except for phoenix roebelinii [pictured], originating from Italy and Spain. A disease was discovered in the olive trees, infecting also the phoenix roebelinii. It resulted import ban for this products to all European counties. Most of the imported phoenix roebeliniis are originating from Central American countries, but still the European share is considerable and influencing the market and the prices.

Denmark

The fully-grown houseplants market and the garden and bedding plants market during the months April until July has been very much influenced by the cold, rainy and moderate weather. The spring months of April and May, normally the beginning of the garden and bedding plants season was cold and wet, and therefore people could not work in the gardens and they did not therefore plant anything. Products however were ready; but due to the late and lower demand many plants lost quality or even could not be used anymore.

During the months of June and July the weather was also far from being nice, which normally always is the case in the Scandinavian countries. This weather had also a negative impact on the demand and on the prices of the products. With such weather people normally stay indoors their house, and therefore they did consume more cut flowers and houseplants, which was positive for this sectors.

As from the beginning of August the garden plants season was nearly over and the first erica's, callunas and pot chrysanthemums arrived in the market, with good quantities.

In the houseplants sector the market remained reasonably satisfactory. Only in the indoor landscaping sector the market was slow, not so abnormal during the summer holiday time. Medium, small and bigger green plants had good demand and good sales for satisfactory prices. In the flowering houseplants market the situation was better than expected, and also better than in the same period of previous years.

In the tropical ornamental young plants sector everything was normal. Enough new young plants were available from overseas countries, and the general quality level of the products could be called very well, without any quality problems or what so ever.

One big problem did occur in the product phoenix roebelini, originating from the southern European production countries Spain, Italy and the Canary islands. The reason was and still is a severe disease problem in the olive trees. This disease infected also ph. Roebelini and therefore they were not allowed to be traded in other European countries.

Germany

During the summer months June and July the fully-grown plants market was very good and considerably better than many previous years. Good for all the different sectors; for the houseplants, for both, the green as well as the flowering plants, and also for the garden and bedding plants.

In the garden and bedding plant sector nearly everything was sold out, except of pelargonium and campanula, of which the production was by far exceeding the demand. Therefore prices for these products were very low, even lower than the cost price.

Surprising were the good demand and the good sales of the green plants, especially of dracaena and ficus. The reason was the sharp decease of production and offerings of these products, compared to many previous years, when these plants were oversupplied for a long time.

Continuously moderate prices for the phalaenopsis orchids, of which the production has again increased drastically. This happened before, while during the past years the market and the prices were steadier. Many producers were moving into this product again, while they left the other orchids out. Now there is again a heavy competition situation forcing down the prices.

Other flowering plants that fetched reasonable prices and was really expensive is the pot helianthus (sun flowers).

As from the beginning of August the houseplant market remained to be satisfactory. The first wave of autumn seasonal, such as ericas, callunas and pot chrysanthemums arrived in the market with big quantities. As from the beginning of the season there is already heavy price pressure on these products, while on the other hand most of the production stilt have to arrive in the market during the coming weeks and months.

In the tropical ornamental young plant sector enough new young plant material was available all the time, except of phoenix roebelinii, originating from the southern European production countries; all due to a severe disease in the production regions. These plants are not allowed to be exported and imported in the other European countries.

Some prices for the respective products: draceana tufts of 90 – 60 - 30 cm canes in a pot size 21 for € 3.50 – 5.00; areca palms of 1.50 m' high in a pot size 24 for € 10.00 – 12.00; mixed green plants of 50/60 cm in a pot size 17 for € 2.40 – 2.50, chamaedoreas in huge quantities available for 45 Eurocents (should be 60 – 70 cents); helianthus on pot of 50 – 65 cm for 80 € cents (Normally 30 – 40 cents). Callunas in any type for some 35 € cents (normally in this period of the year 60 cents).

Sweden

The cold and rainy weather during last spring - April/May - and the moderate weather throughout the summer – June/July - was not very much in favour of good demand and sales for garden and bedding plants. The last garden plants season can be characterised as having been moderate. Only during the month of August the weather was really summerlike, but as normally, then the season is already over.

With the poor weather however the market was considerably better for cut flowers and houseplants, because people had to stay inside their houses and then they could enjoy some nice products at home.
From mid-August the summer holidays were over and immediately florists and wholesalers started to build up their stock and consumers started to purchase more floricultural products, such as still some garden plants, but more cut flowers and houseplants, both green and flowering plants.

It is expected that the market will further improve during the month of September.