

Market Dynamics

Ornamental Plants Europe – February 2016

1 March 2016



The Netherlands

Netherlands Auctions

The December turnover of houseplants increase by 5.3%, compared to the same month of the previous year, realised with a supply increase of 6%, resulting in an average price of € 1.58 (last year € 1.59) per plant.

Better than last year prices achieved for products such as: arrangements, hippeastrum, bromeliads and pot roses.

Lower prices for: phalaenopsis orchids, poinsettias, hyacinths on pot, anthurium and cyclamen.

The garden-plants turnover increased by 12%, realised with a supply increase of 5.8%, resulting in an average prices of € 1.28 per plant (last year € 1.21).

The January 2016 houseplants turnover decreased by 5.2% compared to the same month of 2015, realised with a supply decrease of 5.6%, resulting in an average price for all plant types of € 1.57 (last year € 1.57) per plant.

Better prices than in 2015 for products such as: hyacinths on pot, bromeliads, anthurium, dracaena, ficus, and other/various plants.

Lower prices for phalaenopsis orchids and narcissus on pot.

The garden-plants turnover decreased by 7.8%, while supply increased by 9.5%, resulting in an average prices for all plant types of € 0.95 per plant (last year € 1.12).

The product with the most decreased price was prim roses with 33 cents this year vs 50 cents last year. The supply increased with 50%.

As mentioned in the auction figures January was not a very special house and garden plants month, which was more or less normal. Due to the mild winter weather during almost the entire month, products could be mover and transported easily. Also street sales could be done all the time.

As from the beginning of February, the real Valentine' period no special demand for house-plants, except for pot roses and other plants in red colours. Only throughout the second half of the month more demand was noticed for flowering plants, such as the bulb flower products on pot and for other typical so called spring products.

Some extra demand for more plant material needed for the British Mother's Day and for the approaching Easter, which is taking place on the 28th of March, the most early situation of this special consumption event, for which most yellow types of flowering plants are normally used.



Netherlands Importers

The December 2015 turnover of all floriculture products (cut flowers house and gardenplants together) increased by 5.4% when compared to the same month of the previous year.

The accumulated change of the year 2015 was +3.4% vs the year 2014.

Countries with the most increases were: United Kingdom with +14%, Poland with +13%, France with +10%, Italy with +7%, and with minor percentages also to Belgium, Switzerland and Sweden.

Negative results to: Germany with minus 3.8%, Russia with -25% and Austria -13 %.

Worrying, according to the Exporter's Union VGB is the decrease to the biggest export country Germany. This is in absolute value to biggest decrease.

The January 2016 export turnover of floriculture products (cut flowers, house, and garden plants) decreased by 6% when compared to the same month of the previous year.

Only two positive changes of exports could be noticed, namely to Belgium with 9% and to Poland with 1%.

The biggest and double digit decreased percentage were noticed for Russia with minus 39% and to Austria with -24%.

As from the beginning of 2016 the houseplant market has improved gradually. Especially during the first two weeks of January. Later-on all did slightly slow down again, until the beginning of February, when all waked-up again.

Very much in favour was the weather condition. Hardly any winter and no snow on the roads, so that products could be moved easily without special protection measures. Also the street sales could be maintained all the time, because temperatures were not under zero during day time.

Certain flowering plants came into flowering much earlier than normally also because of the mild winter weather.

Products such as primroses were even oversupplied. The same could be said for gerbera plants on pot.

Green-plants were also moved easily and products could be purchased for easier prices. However it has to be mentioned that more small sized plants were requested. Florists could sell them easier and consumers did prefer to buy smaller sized instead of bigger and more expensive sizes.

Phoenix roebelinni plants were supplied in much smaller quantities, all due to the severe import rules into the EU.

In the tropical ornamental young plants sector the market improved also. After some quiet weeks or even months, all came back to the normal level. As mentioned before still severe problems with the import of phoenix roebelinni. It is forbidden for the time being to import these plants into the EU, especially those imported from Southern Europe and Central America.



Denmark

During the very end of last year and the very beginning of this year the fully grown houseplants market was improving considerably. However, as mentioned before, this period of improvement has become shorter every year. Lasted the improvement some ten years ago two months, now it is maximal about three till four weeks.

Also remarkable is the fact that more and more relatively smaller sized plants are demanded

and traded in all the different sectors, from growers, to wholesalers, florists and consumers. Final consumers are not prepared anymore to pay so much for relatively bigger sized plants, they take it for granted to use the smaller size pots, which would be further growing at home.

As said, from mid-January the plants market gradually slightly slowed down again, which was normal for the period of the year.

Valentine's Day was also this year not a special event for houseplants, except for some flowering plant types, such as pot roses and gerbera plants and then mainly the red colours only.

Some over-supply of primroses could be noticed, since due to the mild winter weather they came to maturity earlier than normally. This happened also to several other flowering plant types, especially to the group of so-called bulb products on pot, with the absolute topper narcissus.

In the tropical ornamental young plant sector there was also a temporary increase at the very end of 2015. During the month of January, however all slowed down again, probably only temporary. When spring will arrive all would improve again.



Quality problems did not really occur, except for phoenix roebelinii, which is forbidden to be imported for some time already. Until when is not known. These plants with the import ban were normally originating from southern European countries and most of the Central American production countries.

Germany

As from the beginning of the new year, the fully-grown houseplants market could be called satisfactory, and better than the same month of previous years. The mild winter weather was partly credited for that situation. There were no disturbances of anything. The road transport was not harmed by ice and snow, and the street market was open all the time, because there were hardly days with frost, especially during daytime. On the other hand the nature/flora was also not harmed and therefore many, especially flowering plants came into production much earlier than normally.

Most important examples were the earlier maturity of plants such as: prim roses, gerbera on pot, and of the many typical bulb flowers on pot, which were supplied in very big quantities. Especially prim roses, which have to be sold when they are mature. Of course this over-supply situation had quite some impact on the prices. They were some 50% lower when compared to a normal supply situation.

The market for green plants was relatively better. First of all the share of green plants has diminished from some 50% to some 35% of the plants supply. Secondly, for the lower supplied quantities better prices were paid. It could be noticed that relatively smaller sized plants were and are traded and demanded. They are, of course, cheaper compared to when they would be grown bigger. But florists and consumers prefer to use the smaller sized ones, which are cheaper. It seems to have become a new trend.

In the tropical ornamental young plants sector the market was slower for some time, which was normal given the period of the year. There was always a lower supply of new young plant material during the month of January. And there was also less demand from the final domestic growers, who did prefer not to plant in the real winter months just to save on energy costs. It is expected that this market will gradually improve during the weeks and month to come.

Sweden

At the very end of last year and the very beginning of this year the fully-grown houseplants market was a bit better. However, after this short period of time the market during the months January and February was absolutely slowest, which was normal given the period of the year.

Also Valentine's Day was not a special plants event. It was all focuses on the cut flowers and then mainly on roses. Garden plants were not traded at all, which is logical in the Scandinavian winter season, when it is not possible to have plants outdoors and on patios. In the biggest parts of the Nordic countries winter was normal, long, dark and cold, except in the very southern parts of Sweden, Norway and Denmark.

On the 16th of January national tulip day was celebrated, mainly focussed on the cut flowers, and very little on tulips on pot.

As from the very end of February the houseplant market was gradually slightly improving, mainly with flowering plants only, and then in particular with the whole range of so called bulb flowers on pot and with prim roses, which were both plentifully available for very reasonable prices.

It is expected that the house-plant market will gradually further improve during the weeks to come. For the garden plants the market would improve as from the end next month, depending on the development of the weather.

