

# Market Dynamics

## Ornamental Plants Europe – June 2016

4 July 2016



### The Netherlands

#### Netherlands Auctions

The April 2016 turnover of houseplants increased by 6.7% compared to the same month of last year, realised with a supply decrease of 1.2%, resulting in a total average price of € 1.91 (last year € 1.77) per plant.

Better prices for products such as phalaenopsis orchids, pot roses, kalanchoe, hydrangea, anthurium, bromeliads, zantedeschia (calla lilies), campanula on pot, and ficus.

Lower prices for mixed arrangements.

The turnover of garden-plants decreased by 2.1% realised with a supply decrease of 12% resulting in a total average prices for all plant types together of € 1.21 (last year Euro 1.09) per plant.

The May 2016 turnover of houseplants increased by 5.9% when compared to the same month of last year, realised with a supply increase of 3.6%, resulting in an average price of € 1.97 (last year € 1.93) per plant.

Better prices for products such as pot roses, kalanchoe, hydrangea, zantedeschia, bromeliads, anthurium and mixed arrangements.

Lower prices for phalaenopsis orchids, campanula on pot, and for Other Houseplants.

The turnover of garden plants increased by 27%, realised with a supply increase of 17% resulting in a total average price for all types of € 1.20 (last year € 1.10) per plant.



The house, garden, and bedding plant market throughout the months of May and June have turned out to be very good and satisfactory. May results were excellent and June results were good.

Supplied quantities were considerably low all the time, and lower than the same months of previous years.

Prices of nearly all products were higher, but steady, with a peak moment during the Mother's Day on the second Sunday in May, and for the French and Swedish Mother's Day on the last Sunday of the month.

Remarkable were the positive and better prices for the whole range of green plants. However, also flowering houseplants achieved good prices.

In June, the market remained steady and good; better when compare to the month June during many previous years. The weather played a very important role. It was almost all the time cloudy, sometimes a bit rainy, and temperatures were relatively low, between 15 and 20 degrees Celsius only. Under certain weather conditions consumers stay indoor their houses, and therefor they are more easily purchasing flowers and plants for decoration. When people

can live outside, if the weather is nice and warm, people tend to live also outside their houses and in such cases they are not buying many floriculture products.

## Netherlands Importers

The April 2016 export turnover of all floriculture products increased by 3.9% when compared to the same month of last year. Better and positive results were obtained to countries like Germany with +13%, Italy with +15%, Sweden +12% and Austria +32%. Further smaller positive results to countries such as Belgium, Switzerland, Poland and Other Countries. Negative results to: United Kingdom with -10%, France with -3% and Russia with -41%.

The May 2016 export turnover of cut flowers, houseplants and garden plants together, increased by 7.4% when compared to the same month last year. Most positive and double-digit growing figures are noticed for France with +15%, Belgium +21%, Sweden +13% and Other Countries with +13%. Also very good growth figures for Germany, United Kingdom, Italy and Poland. Negative results for Austria with -17% and Russia with -35%.

The May and June were very good months for house, garden, and bedding plant business. The production/supply has not exceeded the demand, mainly because of the moderate weather during these two months.

On the other hand, due to the dark weather with moderate summer temperatures of around 16 – 20 degrees Celsius, consumers had to stay indoors. There were hardly any days that one could be or sit outside in the nice and warm weather condition. Therefore, they consumed more plants, for making nicer atmosphere inside their homes.

The garden and bedding plants season started very late, due to a relatively cold spring. However, as from the beginning of May consumers started to purchase these plants for planting them in their gardens, on their patios and on their balconies.

At the end of June, one may conclude that the garden plants' season 2016 was very good and satisfactory. During the months to come this market would take place on a low pace.

The sector of the green plants performed successfully too. Slightly smaller quantities were supplied, while prices were good, and much better than in same period in previous years.

In the tropical ornamental young plants sector all was marching on normally. Importers were still importing enough big quantities, and local growers were ordering and buying without hesitation. Imported young plants purchased in May and June are planted to be ready for harvest in October and November.

The import ban of phoenix roebelinii is still going on, for almost a year now. There are no signs of lifting the ban shortly.

It can be expected that this business is going to be slightly slowing down during the coming summer holidays.



## Denmark

May 2016 was a real super month for house, garden, and bedding plants trade, business and results. Not only for the Mother's Day (on the second Sunday of May), which was, of course, very good, as usual, but also during the rest of the month.

Naturally, the major demand and sales were made with the garden and bedding plants. They are used to plant them in the gardens, on the patios and on the balconies.

The weather was very much in favour of the good final sales and therefore results and margins made were positive.

As said, also in the period right after the Mother's Day, until the end of the month, all was very satisfactory.

All remained to be good and positive also during the month of June. Of course, it was difficult to beat the May results, but still it went smoothly, and prices of nearly all products were rather good.

In the houseplant market, the major focus was on the flowering plants; but even for the green plants, the market situation was rather strong. Good for the the small and the medium size types of plant, but also for the big indoor landscaping types of plants. In the flowering plant sector, best results were obtained with products such as kalanchoe and pot chrysanthemum. Good, but slightly less, for saint paulia, which had a minor period for quite some time already.



It is expected that the plants market is going to slow down during the coming two months, the summer vacation period.

In the tropical ornamental young plant sector, all went on quite normally. Enough new young plants import material arrived in the market all the time, except of specific types and of phoenix roebelinii, which are still banned from the European market since almost a year already.

Also in this branch, the market is expected to slightly slow down during the coming months of July and August.

## Germany

The months of May and June have turned out to be very good months for demand, sales of house, garden, and bedding plants. Supplied quantities were not very high, except for phalaenopsis orchids, various orchids and spathyfillium, of which some oversupply was noticed.

Prices for most products, except of latter mentioned ones, were higher all the time. Therefore, turnovers were also higher as were the margins. It was a very long time ago that the market situation of the plants was so good; which was, of course, very helpful, especially for growers, of which many of them did not make much money in the last couple of years, if they at all.

Remarkably good was the situation of the green plants, in particular dracaena and ficus. Supplied quantities were some 10 percent lower, while prices were some 10–15% higher than last year; a more healthy market situation.

The garden and bedding plant season, so far, was very good. With the nice weather at the beginning of May, everybody started to purchase these plants and consumers could start planting them in the gardens, on the balconies and on patios.

Geranium was one of the better products this year, after many years of hardly any profits on this product.

Throughout the first two weeks of June, the plants market remained good as well. Not super as in May, but still satisfactory. Only as from the third and the fourth weeks of the month, the market started to slow down considerably.

Towards the end of June huge rainfalls all the time created lots of damage to all the outdoor cultivated plants and plant material. Also lots of damage to greenhouses mainly because of huge hailstorms.

## Sweden

The months of May and June this year were excellent months for fully-grown plants sales, for both houseplants, but even more for garden and bedding plants.

The season of garden and bedding plants was the best ever, traders reported. The weather was very good, nice and sunny most of the time, so that people were interested to purchase and to plant these plants in their gardens. As a trader reported, it was very easy to sell anything. Every week the wholesalers and florists were sold out. Wholesalers said that on every third day of the week during those two months they were sold out.

Growers did not even have enough mature plants to deliver, but non-mature could be used instead, without any restriction or complaint. A kind of a luxury situation, which many growers and traders never had during the last 10-15 years.

It is good for everybody and every branch that situations like this happen from time to time. Something extra, which can be used later on when things will be less good.



Normally all garden and bedding plants (mostly planted in 12 centimetre pots) are used from local production only; but this year quite some quantities were imported additionally, mainly plants in 10 cm. pots.

Very popular were the so-called 10-packs, 10 small bedding plant in a tray.

Good demand and sales were also noticed of houseplants and then in particular of the flowering plants; and slightly less of small and medium green plants as well.

