

Monthly wholesale market price report

Capsicum

February, 2019

This report profiles the following wholesale price metrics:

- *Capsicum national average wholesale price per kg*
- *Capsicum average wholesale price per kg by state market*
- *Red capsicum national 10kg carton wholesale price.*
- *Red capsicum market average \$/kg originating from South Australia*
- *Red capsicum average wholesale price per kg by state market by origin*

Unless otherwise specified, this report averages capsicum prices across the following metrics:

Colour: green, red, gold

Size: small, medium

Production method: field, glasshouse, hydroponic

Grade: Grade 1, Grade 2

State of Production

Pack size: 5kg carton, 5kg bag, 10kg carton, 27 litre carton



How to use

Overview

This report profiles wholesale market price data and insight for key vegetables categories. The reports draw on monthly market price data collected by Ausmarket Consultants. The data has been analysed by Freshlogic to enable price reporting across key metrics, including national and state markets, product line(s), and origin.

Price per kg

Calculated to enable consistent and comparable price movements over time.

The method combines the prices for the common high-volume lines in each state market. The national average price has been calculated by weighting the state prices by the population distribution.

Price patterns over time

The monthly price reports demonstrate the long term seasonal price movements over the previous two years. Price movements between product lines and markets are reported on. In addition to the average prices, the high and low prices are presented to understand price variability.

Three-month price forecasts

A forecast for the wholesale prices for the next three months has been developed and included. This time period is relevant because it is the production time for most vegetables, similar to the recovery time after climate event disruptions, and also the timeframe for seasonal demand. The forecast is indicated on the charts with a dotted line. The forecasts draws on the monthly prices in the previous ten years, their movements and seasonal patterns, with additional weighted consideration given to the previous three months to capture current market conditions. The forecasts are based on the best available information. They assume supply is not disrupted and demand reflects the immediate historical patterns.

How to use these reports

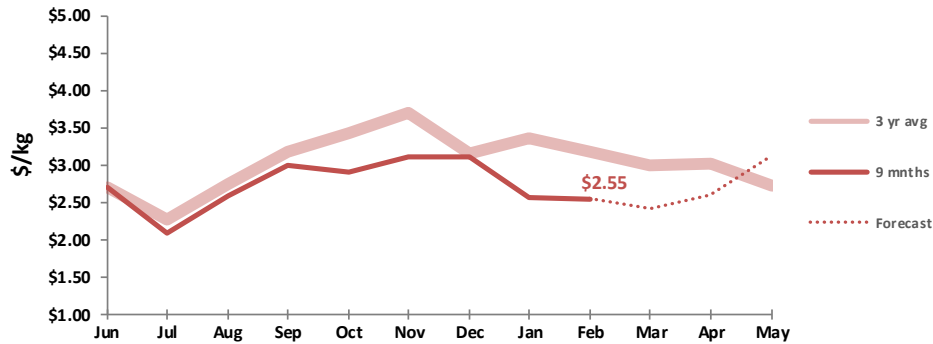
These price reports are designed to provide vegetable levy payers with a value-added resource to understand short and long-term wholesale market price patterns between markets and product lines. These reports utilise Freshlogic analysis of market prices recorded by Ausmarket Consultants. The market prices are determined based on independent daily market interviews of wholesalers and buyers in each wholesale market. The reports focus on market price reporting for general informational purposes. They are not intended to provide information on the actual price received by your wholesaler for your product; this is a business-to-business engagement and should be managed accordingly.

Monthly wholesale market price reports (VG16084)

This project has been funded by Hort Innovation, using the vegetable research and development levy and contributions from the Australian Government. Hort Innovation is the grower-owned, not-for-profit research and development corporation for Australian horticulture.

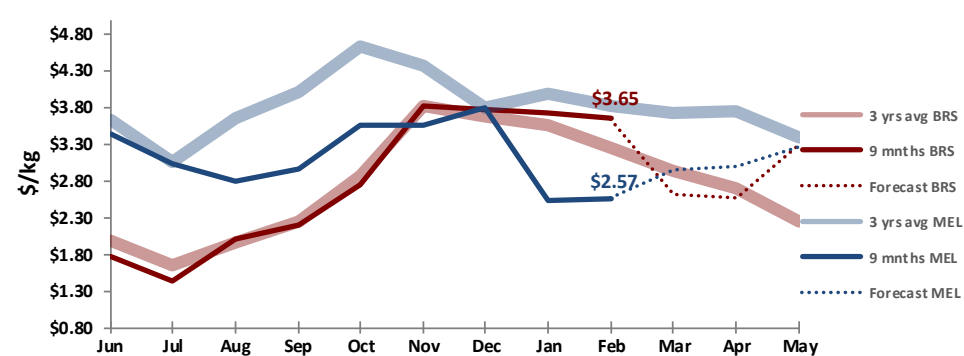
Capsicum national average \$/kg

Monthly prices: last 3-year average, current 9-months & 3-month forecast



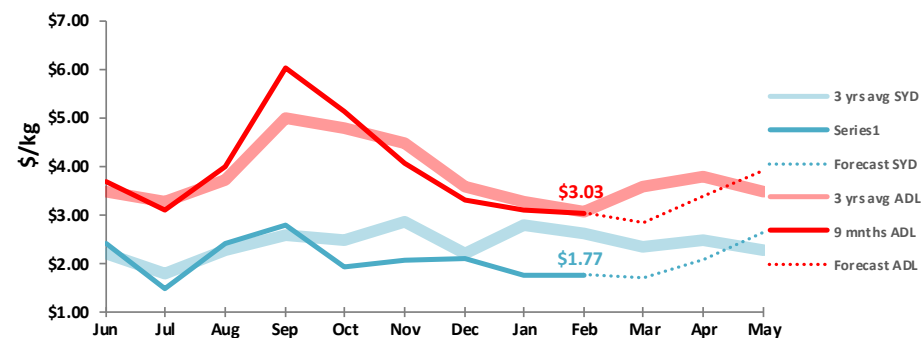
Capsicum BRS & MEL market average \$/kg

Monthly prices: last 3-year average, current 9-months & 3-month forecast



Capsicum SYD & ADL market average \$/kg

Monthly prices: last 3-year average, current 9-months & 3-month forecast



	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
3-Year	\$2.71	\$2.27	\$2.76	\$3.17	\$3.43	\$3.69	\$3.15	\$3.37	\$3.17	\$3.01	\$3.03	\$2.73
YE. MAY '19	\$2.70	\$2.08	\$2.59	\$3.01	\$2.90	\$3.10	\$3.10	\$2.56	\$2.55	\$2.41	\$2.61	\$3.12

- The average price for Capsicum in February 2019 was **\$2.55/kg**, a tiny -0.17% decrease on January 2019's **\$2.56/kg**.
- The February price continues to remain below the 3-year average.
- Based on historical price movements, supply dynamics and trends, the March price for Capsicum is forecast to be lower than February's price, at **\$2.41/kg**.

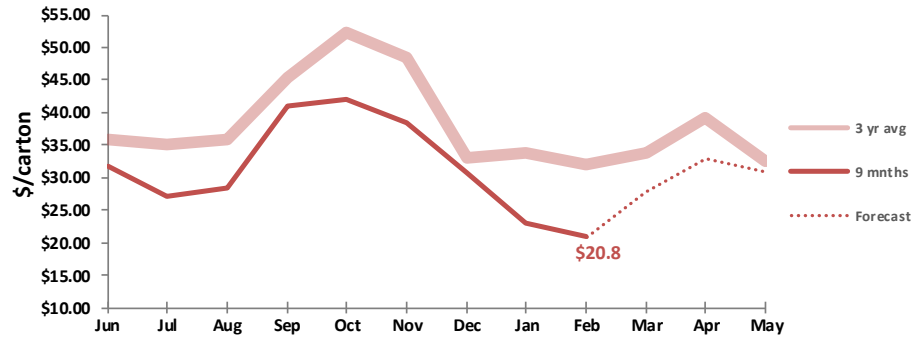
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
3-year average	BRS	\$1.98	\$1.64	\$1.96	\$2.26	\$2.86	\$3.83	\$3.67	\$3.55	\$3.24	\$2.94	\$2.70	\$2.25
	MEL	\$3.63	\$3.05	\$3.65	\$4.01	\$4.63	\$4.37	\$3.80	\$4.00	\$3.83	\$3.72	\$3.74	\$3.40
YE. MAY '19	BRS	\$1.77	\$1.43	\$2.01	\$2.21	\$2.74	\$3.83	\$3.77	\$3.72	\$3.65	\$2.62	\$2.57	\$3.29
	MEL	\$3.44	\$3.03	\$2.80	\$2.96	\$3.56	\$3.57	\$3.79	\$2.53	\$2.57	\$2.94	\$3.00	\$3.27

- MEL prices increased slightly between January and February. The price of capsicums rose by 1.37% to average **\$2.57/kg** for the month and continue to sit below the 3-year average for February by -32.96%.
- BRS prices decreased slightly over the same period, averaging **\$3.65/kg** for the month of February, a -1.93% decrease over the previous month. The BRS price is above the 3-year average for February by 12.43%.

		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
3-year average	SYD	\$2.22	\$1.78	\$2.29	\$2.60	\$2.46	\$2.87	\$2.22	\$2.78	\$2.63	\$2.34	\$2.47	\$2.27
	ADL	\$3.48	\$3.26	\$3.72	\$5.01	\$4.79	\$4.48	\$3.59	\$3.26	\$3.06	\$3.58	\$3.78	\$3.50
YE. MAY '19	SYD	\$2.41	\$1.47	\$2.42	\$2.78	\$1.92	\$2.06	\$2.10	\$1.75	\$1.77	\$1.70	\$2.07	\$2.64
	ADL	\$3.70	\$3.10	\$4.01	\$6.04	\$5.12	\$4.07	\$3.32	\$3.10	\$3.03	\$2.86	\$3.41	\$3.92

- SYD prices slightly increased between January and February, rising by 1.21% to sit at **\$1.77/kg**, and was -32.86% below the February 3-year average price.
- The ADL market capsicum prices fell by -2.33%, to average **\$3.03/kg** for February. Resulting in the price to sit -0.90% below the 3-year average price for February.

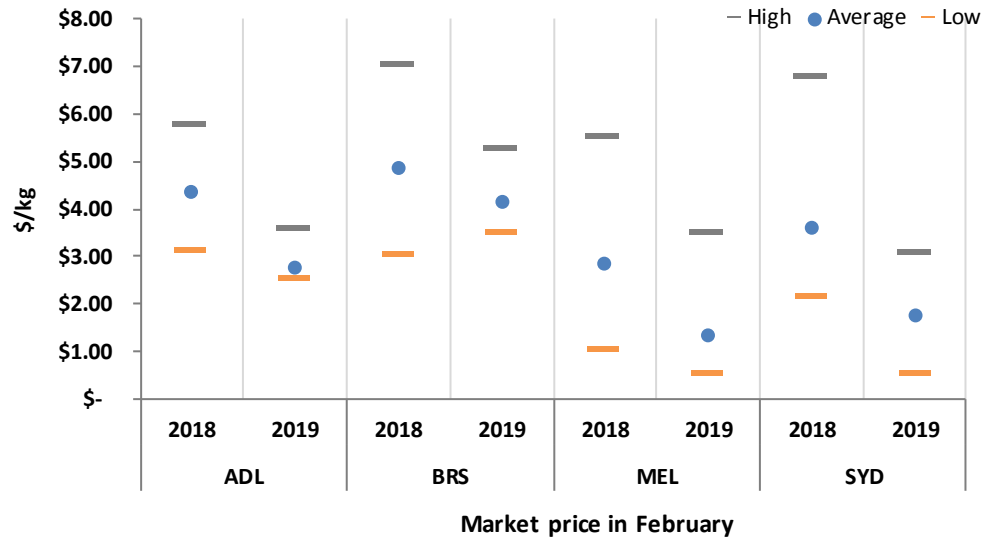
Red capsicum national 10kg carton market average price
 Monthly prices: last 3-year average, current 9-months & 3-month forecast



	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
3-Year avg	\$35.78	\$35.21	\$35.90	\$45.44	\$52.20	\$48.45	\$33.10	\$33.94	\$32.11	\$33.72	\$39.18	\$32.56
YE. MAY '19	\$31.64	\$27.25	\$28.46	\$40.97	\$41.94	\$38.43	\$30.69	\$23.09	\$20.85	\$27.73	\$32.83	\$30.99

- The average national price of a Red capsicum 10kg carton fell by -9.69% between January and February, resulting in a price of **\$20.85** per carton. This is -35.06% below the 3-year average price.
- Based on historical price movements, supply dynamics and trends, the price for March is expected to be higher than February's price at **\$27.73** per carton.

Red capsicum market \$/kg originating from South Australia
 February prices, 2018 & 2019



Red capsicum market average \$/kg by state origin
 February price

Red Capsicum average \$/kg		Origin					
		VIC	NSW	QLD	SA	WA	TAS
Market	ADL				\$ 2.76		
	BRS			\$ 2.40	\$ 4.17		
	MEL	\$ 3.42		\$ 1.80	\$ 1.34		
	SYD	\$ 1.67	\$ 2.34	\$ 1.69	\$ 1.77		

- South Australia was the only state to have supplied Red capsicums to all main markets, with QLD supplying to three markets.
- The average price for South Australian red capsicums in BRS was substantially higher than the average price obtained in other markets.
- Red capsicums of South Australian origin had a lower average price in February 2019 in comparison to the previous year across all main markets where supply was present.
- The price range for Red capsicums of South Australian Origin was more narrow in comparison to the previous year.

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