

# Capsicum imports 2017

## WHY DOES AUSTRALIA IMPORT CAPSICUM?

- Queensland is the main growing region for capsicum in Australia, where summer temperatures are too high for year-round capsicum production.
- Imports provide a complementary supply when domestic production is reduced in summer.

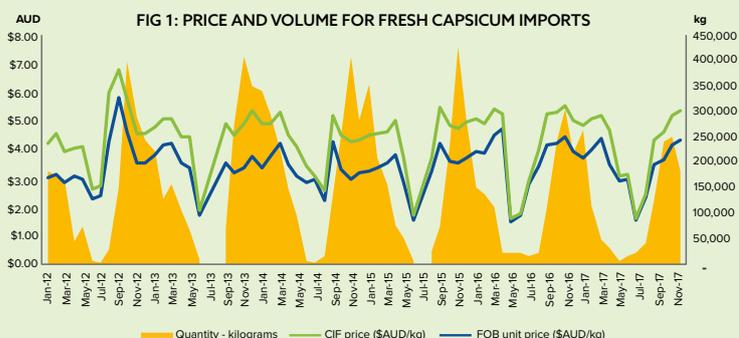
## SNAP SHOT

Import data for capsicums (fruits of the genus *Capsicum* or *Pimenta*) showed:

- 1,333 tonnes of fresh capsicum were imported in 2017<sup>1</sup>
- This remains similar to 2016 import volumes at 1,371 tonnes<sup>1</sup>
- Domestic production of fresh capsicum in financial year 2016-17 was 73,488 tonnes<sup>2</sup>
- Imports peak in summer months and drop to nearly zero in winter

## THE FACTS: DATA ON CAPSICUM IMPORTS INTO AUSTRALIA

### PRICE AND QUANTITY<sup>1</sup>



- Long-term price trend is relatively stable for all exporting countries.
- The price of New Zealand capsicums is the highest with trades typically between \$5.00 and \$6.00 per kg CIF.
- China has a price advantage (less than \$2.00/kg) over other importing countries, which has remained relatively stable since it entered the Australian market in 2014.

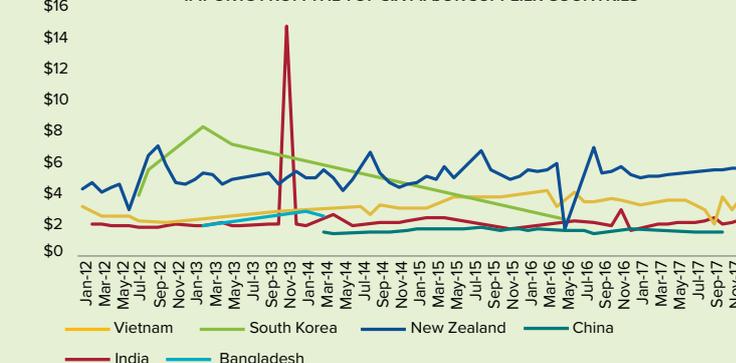
### KEY TERMS

FOB: Freight on Board (e.g. price in exporting country)

CIF: Cost, Insurance and Freight (e.g. price landed in Australia)

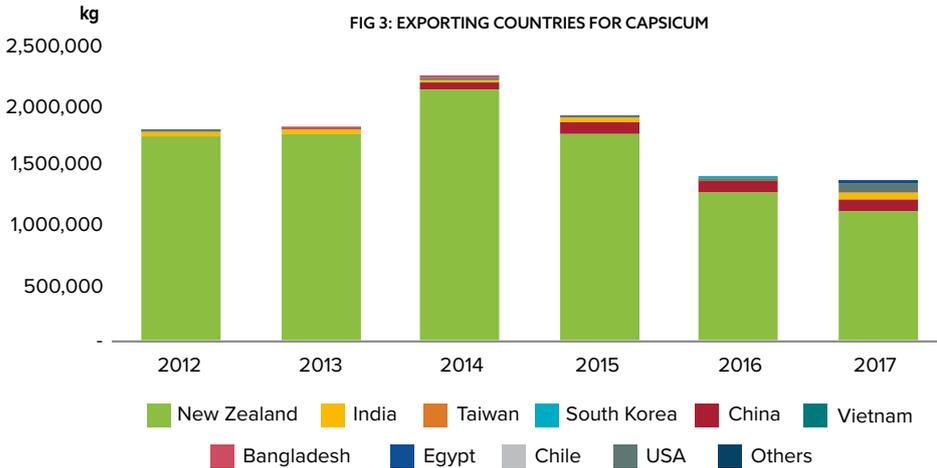
- Price is strongly associated with seasonal import volume.
- In 2017 the average import volume was 111 tonnes per month.
- The volume of peak summer supply in November 2017 was lower than previous years.
- Price reached a low of \$1.59/kg CIF in July 2017.

**FIG 2: AVERAGE PRICE (\$CIF) HISTORY OF FRESH CAPSICUM IMPORTS FROM THE TOP SIX MAJOR SUPPLIER COUNTRIES**



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## WHERE DO CAPSICUM IMPORTS COME FROM?



- In 2017, capsicums imported from New Zealand accounted for 82% of the total volume, or 91% of the market value.
- Imports from Vietnam and China have steadily increased since 2012.

### Did you know?

- Capsicums are fruits but prepared like vegetables. They belong to the same family as chillies, however, are sweeter and milder tasting. Red capsicums contain higher levels of vitamin A and C than green capsicums.<sup>3</sup>
- The average consumer purchased 700g of capsicum, paid \$4.40 and perceived capsicum as fair value for money.<sup>4</sup>
- Capsicums are expected to remain fresh for approximately eight days once purchased. Expectations are met most of the time.<sup>4</sup>



Source: 1 - Tradedata International; 2 - Hort Innovation, 2017, Australian Horticulture Statistics Handbook; 3. Sydney Market Limited Fresh for Kids Program – viewed April 2018 [http://www.freshforkids.com.au/veg\\_pages/capsicum/capsicum.html](http://www.freshforkids.com.au/veg_pages/capsicum/capsicum.html); 4. Colmar Brunton (2017-2018) Project Harvest Monthly Tracker Reports

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Strategic levy investment

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