

# Monthly wholesale market price report

## Capsicum

April, 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

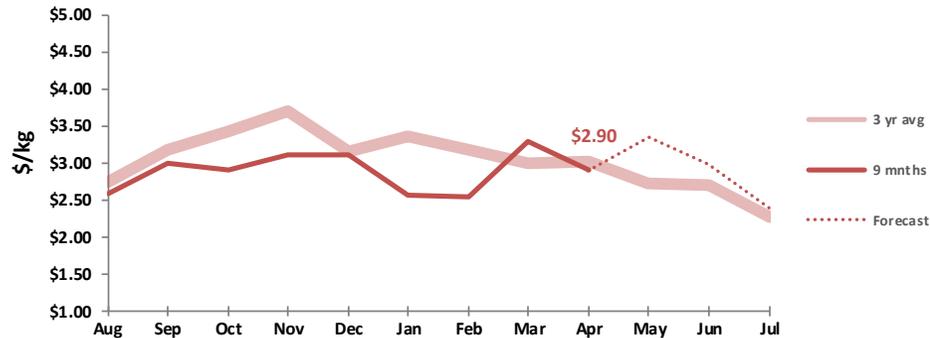
These price reports are designed to provide vegetable levy payers with a value-added resource to understand short and long-term wholesale market price patterns between markets and product lines. These reports utilise Freshlogic analysis of market prices recorded by Ausmarket Consultants. The market prices 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

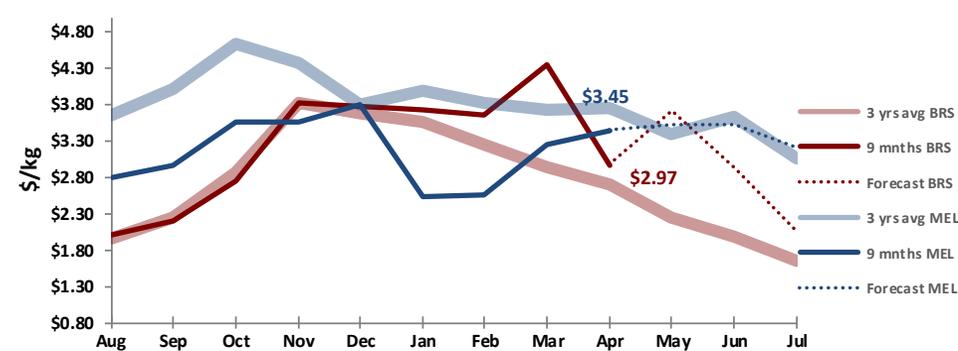


	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
3-Year	\$2.76	\$3.17	\$3.43	\$3.69	\$3.15	\$3.37	\$3.17	\$3.01	\$3.03	\$2.73	\$2.71	\$2.27
YE. JUL '19	\$2.59	\$3.01	\$2.90	\$3.10	\$3.10	\$2.56	\$2.55	\$3.28	\$2.90	\$3.34	\$3.00	\$2.39

- The average price for Capsicum in April 2019 was **\$2.90/kg**, a -11.59% decrease on March 2019's **\$3.28/kg**.
- The April price is below the 3-year average, returning to trend.
- Based on historical price movements, supply dynamics and trends, the May price for Capsicum is forecast to be higher than April's price, at **\$3.34/kg**.

### Capsicum BRS & MEL market average \$/kg

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

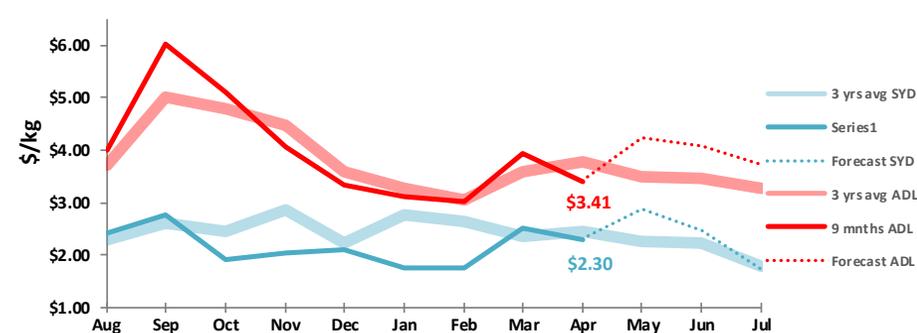


	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
3-year average	BRS \$1.96	\$2.26	\$2.86	\$3.83	\$3.67	\$3.55	\$3.24	\$2.94	\$2.70	\$2.25	\$1.98	\$1.64
	MEL \$3.65	\$4.01	\$4.63	\$4.37	\$3.80	\$4.00	\$3.83	\$3.72	\$3.74	\$3.40	\$3.63	\$3.05
YE. JUL '19	BRS \$2.01	\$2.21	\$2.74	\$3.83	\$3.77	\$3.72	\$3.65	\$4.34	\$2.97	\$3.72	\$2.93	\$2.07
	MEL \$2.80	\$2.96	\$3.56	\$3.57	\$3.79	\$2.53	\$2.57	\$3.25	\$3.45	\$3.53	\$3.53	\$3.21

- MEL prices increased between March and April, and was the only market to do so. The price of capsicums rose by 6.16% to average **\$3.45/kg** for the month and continue to sit below the 3-year average for April by -7.75%.
- BRS price fell sharply over the same period, averaging **\$2.97/kg** for the month of April, a -31.67% decrease over the previous month. The BRS price is above the 3-year average for April by 9.86%.

### Capsicum SYD & ADL market average \$/kg

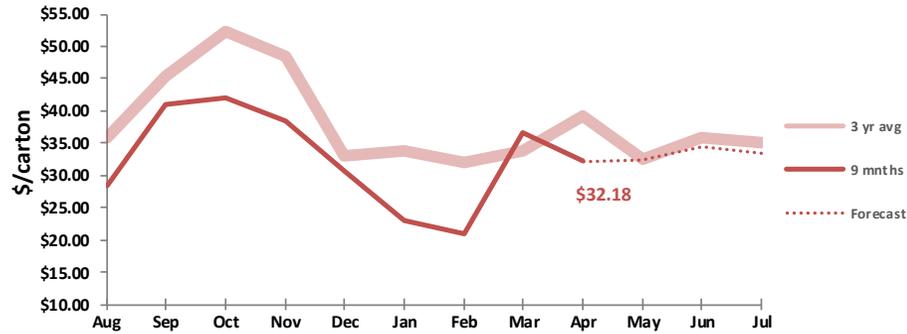
Monthly prices: last 3-year average, current 9-months & 3-month forecast



	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
3-year average	SYD \$2.29	\$2.60	\$2.46	\$2.87	\$2.22	\$2.78	\$2.63	\$2.34	\$2.47	\$2.27	\$2.22	\$1.78
	ADL \$3.72	\$5.01	\$4.79	\$4.48	\$3.59	\$3.26	\$3.06	\$3.58	\$3.78	\$3.50	\$3.48	\$3.26
YE. JUL '19	SYD \$2.42	\$2.78	\$1.92	\$2.06	\$2.10	\$1.75	\$1.77	\$2.52	\$2.30	\$2.89	\$2.48	\$1.75
	ADL \$4.01	\$6.04	\$5.12	\$4.07	\$3.32	\$3.10	\$3.03	\$3.93	\$3.41	\$4.25	\$4.09	\$3.72

- SYD prices decreased between March and April, falling by -8.69% to sit at **\$2.30/kg**, and was -6.64% below the April 3-year average price.
- The ADL market capsicum prices fell by -13.14%, to average **\$3.41/kg** for April. Resulting in the price sitting -9.76% below the 3-year average price for April.

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



	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
3-Year avg	\$35.90	\$45.44	\$52.20	\$48.45	\$33.10	\$33.94	\$32.11	\$33.72	\$39.18	\$32.56	\$35.78	\$35.21
YE. JUL '19	\$28.46	\$40.97	\$41.94	\$38.43	\$30.69	\$23.09	\$20.85	\$36.59	\$32.18	\$32.49	\$34.37	\$33.47

- The average national price of a Red capsicum 10kg carton fell by -12.04% between March and April, resulting in a price of **\$32.18** per carton. This is -17.85% below the 3-year average price.
- Based on historical price movements, supply dynamics and trends, the price for May is expected to be slightly higher than April's price at **\$32.49** per carton.

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



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

Red Capsicum average \$/kg		Origin					
		VIC	NSW	QLD	SA	WA	TAS
Market	ADL				\$ 3.38		
	BRS			\$ 2.44	\$ 4.22		
	MEL	\$ 3.93		\$ 3.10	\$ 2.08		
	SYD	\$ 2.77	\$ 2.12	\$ 2.02	\$ 2.77		

- 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 were overall less expensive at all price points (High, Average & Low) in all markets bar Brisbane, where the low and average prices were higher compared to April 2018.

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