

The export season of garlic starts, and there is little room for price drop

Detail Introduction :

The new season of Chinese garlic has already started to be exported. However, affected by factors such as rising transportation costs, inflation, exchange rate changes, and rising shipping prices, the price and market trend of garlic this season is unclear. In an interview with FRESHPLAZA manager Wayne analyzed the current situation and export market of the new season of garlic. China's garlic production is high, and the price is lower than in the same period of previous years. The new season of Chinese garlic has already started to be exported. This season's garlic has grown well and harvested a lot. The overall quality of garlic is higher than last season. "Due to the low price of garlic in 2021 and the increase in garlic production in 2022, the price is lower than in previous years." "China's strict handling and prevention of the Covid-19 epidemic has always brought some challenges to China's garlic industry, including labor shortages and obstacles to land transportation. For example, Shanghai, as one of the important ports in China, has also faced huge challenges since the outbreak of the epidemic. During the epidemic period, many foreign trade companies canceled the export of goods from Shanghai Port because the relevant departments implemented strict control policies on freight vehicles entering and leaving Shanghai.

"Currently, the rise in international crude oil futures prices has led to higher transportation costs, and inflation is expected to push up labor costs, which has led to higher purchase costs for importers." "And because of the rise in US dollar interest rates, the cost of converting the US dollar to renminbi for other countries has risen. To solve this problem, our company allows transactions in renminbi and Yuan," Wayne said.

In terms of shipping, "Since the beginning of April, the price of sea containers has risen, and there is little room for the price of reefer containers to fall. The current freight rate is close to the level of the same period last year. As of June, the freight prices of various routes have increased to different degrees. Wayne said, "It is certain that China's vegetable and fruit exports began to rise in June, and the demand for refrigerated containers will also rise. At the same time, we should pay attention to the delivery of refrigerated containers from shipping companies."

"Looking at the current epidemic situation, the international situation, the situation of garlic production and the situation of sea transportation, it may be difficult for importers to grasp the period of low prices and shipping costs. However, according to the current export market situation, the price of garlic fluctuates within a small range, and the price of sea freight is on the rise. We now need to do more work in product quality and transportation and communicate market conditions to importers."