Market Dynamics

Ornamental Plants Europe – May 2015

03 June, 2015

The Netherlands

Netherlands Auctions

The Flora Holland potted plant figures of April 2015 have been published. The April 2015 houseplants turnover decreased by 9.4% when compared to the same month of last year, realised with a supply decrease of 10.3%, resulting in a total average price for all plant products together of € 1.78 (last year € 1.76) per plant.
Better than last year prices for: kalanchoe and anthurium. Lower prices for: phalaenopsis orchids, pot roses, hydrangea, campanula, zantedeschia and dracaena.

The garden-plant turnover decreased by 5.6%, realised with a supply decrease of 15.2% resulting in a total average price for all garden plants of € 1.08 (last year € 1.01) per piece.

The houseplants market throughout the months of April and May was regular from point of view of production, supply, demand, and sales. Prices were not higher, which turned into turnover that was also hot higher.
Prices have been slightly lower, especially of the phalaenopsis orchids, by far the biggest product of all houseplants. There seems to be stagnation, the same as some years ago, when the market was really oversupplied. The present production is again much higher and overproduced; and oversupply is threatening again.

Supplied quantities of kalanchoe decreased by some 20%, mainly as a reaction to the oversupply and lower prices last year. This year, so far, prices slightly increased again. Hydrangea, another big product nowadays, used as house and as garden plant as well fetched considerably lower prices also due to a certain over production.

Most of the houseplants fetched lower prices, except for pot roses, campanula on pot, dracaena and spathiphylum. As during March also in April - garden and bedding plant supplies were considerably lower; mainly due to weather conditions, influencing the production as well as the planting in the gardens.
Only in April there was a supply decrease of 15% compared to the same month of last year. Prices however have been much higher.

Throughout the month of May the weather condition did remain too cold for the time of the year. Still it became the most important month for this product group. The regular supply of this year was positive for prices and results, so the total 2015 garden and bedding plants season could be called very good and positive.

Netherlands Importers

The April 2015 export figures from the Netherlands were published as following: The April 2015 export turnover (cut flowers and plants together) increase by 2.9% when compared to the same month of last year. Double digit percentage increases to: United Kingdom, France, Italy and Other Countries. Good results also to Switzerland, Poland and Sweden; and a minor increase of 1.7% to Germany.
Decreased export volume to Russia, Belgium and Austria.

April was one of the sunniest months since many years. However, temperatures were not very high and most of the time only between 10–15° Celsius, while it was between 18° and 23° last year, and this was exceptional.
With these low temperatures this year local production arrived to the market later and slower and in smaller quantities than usual, and forced the price up.

During May it was a more or less identical situation with the same number of sunshine hours and the same temperatures. Also in May the market situation for houseplants was not bad at all. The same could be said for the garden and bedding plants, which all arrived to the market more regularly and also for this product group prices were satisfactory.

In the tropical ornamental young plants sector the market was rather good and positive. Plenty of new young plant material arrived to the market, and nearly everything could be sold to local producers; but also to be used for re-export. However, the biggest present problem is the payment moral of the importers in many countries, especially in southern and eastern Europe.

Denmark

The fully-grown plant market during the months of April and May was reasonably satisfactory. However, a lot depended the individual grower. Many growers had positive results and many others did not; all depends on the products, on quality, and on timing. Houseplant prices and results were much depended on the product as well.

Big supplied quantities of saint paulia and kalanchoe with lower prices for both. This was not an incident, the market and the results for both products were lower already during the whole last half year. Kalancoe prices were some 45 Eurocents per plant while normally it was about 75 cents, which is about the cost price. Quite some competition was felt of the Dutch saint paulias and kalanchoes in the European markets.
Only the mini kalanchoes in 6 cm pots fetched nice prices all the time.

The market of green plants was nothing really special, except for the bigger indoor landscaping plants, of which the market was reasonable.

During the month of May the plants market was dominated and focussed on the garden and bedding plants. However, the weather was rather cold all the time and therefore production came in later and very slowly. This had a positive effect on the prices. However one can expect a bigger boom of garden and bedding plants later on in the season.

In the tropical ornamental young plant sector enough new young-plant material was available all the time. No real oversupply due to the rainy period and the relatively cold weather in the production region of Costa Rica. Surprisingly the general quality level of the imported plants was good and positive.

Germany

Throughout the whole spring time, especially during the months of April and May the fully-grown plant market has been rather good and much better than in previous years, in particular when compared to last year.
Last year the garden and bedding plant season was very early due to the weather conditions, which were very summerlike with temperatures between 20–25°C during more than 20 days. This year is a total different case. It was a more or less normal spring with only two summer days, one in April and one in May. Temperatures were most of the time between 10–15°, while the night temperatures were around 3–8°C all the time.

Even during the third week of May night temperatures of 3–4° occurred. This all had a tremendous impact on the garden and bedding plant demand and sales, as well as on the prices, which were satisfactory.

Still, towards the end of May the season was nearly over, and everybody was settled with enough plants. In the houseplant market the market situation also benefitted from the good market atmosphere. Supplied quantities of green and flowering plants were not excessive, except for certain types of plants. Flowering plants were more demand and sold, which was called normal given the period of the year.

In the tropical ornamental young plant sector things moved accordingly, however not for phoenix roebelinii, most of them originating from south Italy. Diseases in the olive trees/plants infected also phoenix roebelinii plants. Therefore there was hardly export from Italy and imports in other northern and central European countries. Due to phytosanitary controls those plants were not allowed to be imported. Some more prices for the respective products such as: geraniums in pot 12 of around one € (a good price), agapanthus in a pot size 23 with 5 blooms for € 6.50, smaller agapanthus in a pot size 19 with 2-3 blooms for € 1.80, kentia palms of 2– 2.50 meters high in a pot size 27 for € 20–24 (should be between 50 and 60 €).

Sweden

The weather this year has been rather cold until the end of May; by far colder than last year, when it was summerlike already in April. Also the average temperatures were much lower and so were the number of sunshine hours. This had all a great impact especially on the garden and bedding plants and on the season as a whole.

Plants came into the market regularly and in smaller quantities per time. That meant also that the season was longer and still it is not finished. It will continue throughout the whole month of June is the expectation.

From demand and sales point of view the market situation was not bad at all. Lower quantities sold for higher prices turned finally in to better and higher turnovers, with better final results.
Only throughout the second half of April, when the weather was cold there was a temporary stagnation of demand and sales.

As from the beginning of May the plants market improved again considerably especially throughout the month towards Mother's Day which took place on Sunday the 31st of May. Houseplants were used more moderately, especially the green plants. Flowering plants were sold, but the biggest product phalaenopsis orchids fetched lower prices all the time. There was a certain oversupply during the last half year and still there is.

Traders were reporting that they never saw a spring season which was so regular from point of view of production, supply, demand and sales. Therefore, prices were considerably higher and final results have been very satisfactory.