



It all makes cents!

We live in a global world and honey is no exception. The two major honey markets are the EU and the USA!

The EU currently bans Indian –Malaysian-Indonesian honey and can import from any other country. Apparently China is and will remain a MAJOR supplier. The amount of Chinese honey (+140M/lbs.-est.) bought by the EU is twice what is bought from Argentina, Brazil and all other countries, separately! The price difference between Chinese honey and other sources is dramatic. I only make this point to show everyone that China does have a market for its honey. Right, wrong or indifferent, apparently not all honey from China is transshipped into the USA. I do my best to make friends in the honey industry, but alas someone needs to state the facts.

The USA currently imports +60% of its needs from foreign sources. Anti-dumping actions against China have virtually shut them out of the USA market. USA beekeepers claim that India-Vietnam and other Asian countries vs. USA-Canada-Argentina and Brazil have caused a two tier market pricing system within our country. If we compare total imported supply 2011 to 2010 we are almost +10% ahead of last year at this time! Yet, imported honey prices are up +20% from Dec. 2010 and if you exclude the Indian-Vietnam and other Asian honeys we are talking +30%!

So what the heck is happening?




Dig deep into the numbers and you can see exactly what is happening!

In 2010 India-Vietnam and other Asian countries accounted for 57% of ALL the imported honeys!

In 2011 these same countries account for 33%!

In fact if we even go deeper, other Asian countries accounted for 23% of all 2010 Imports and in 2011.....4%!

Can India and Vietnam be looking at tighter controls from Homeland Security?

If this was an Ultimate Fighting Event I would be looking for a 

Hang on tight as honey prices rise, the number of importers and packers either willing or able to finance their operations will be taking a good look at how they manage their cash flow.

- Does this mean smaller raw supply contracts to limit risk or cash flow?
- Does this mean more transshipping will occur because there is such a huge financial upside?
- Will consumers pay more for honey in these uncertain times?

My answer is “YES” on all accounts!

So one may ask the “*wise one*” what this all means?

1. Smaller contracts could mean packers will need to sell only from inventory.
2. If more transshipping attempts to occur, Homeland security may put India and Vietnam on the short list which will further disrupt the market.
3. Honey is such a small part of the consumer spend it doesn’t even register!
4. Just use common cents!



“You are entitled to you own opinion, but not to your own facts”
Say a prayer for the troops that make our way of life possible!



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