

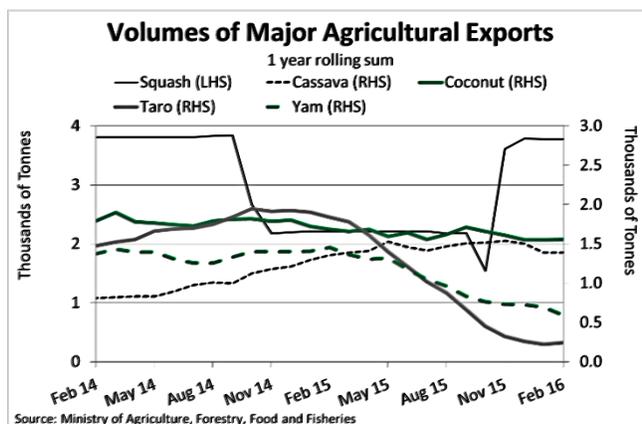
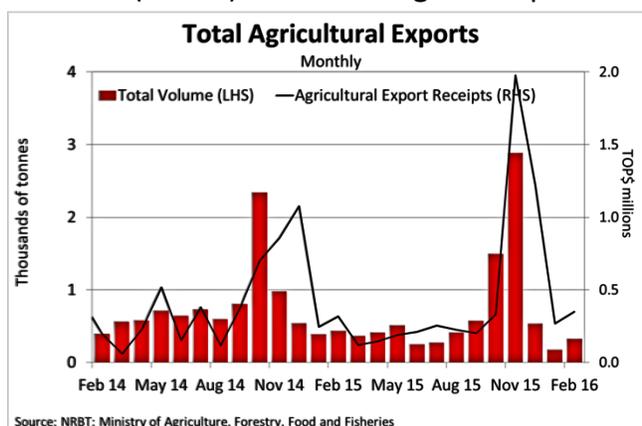
Agricultural Exports Volume February 2016

Release date: 29 April 2016

	Feb 16	Jan 16	Dec 15	Nov 15
Total volume (tonnes)	325.0	171.7	533.0	2,885.8

High Temperature Forced Air (HTFA) machine resumes operation helps export

A rebound in the exports of root vegetable products drives a rise in total agricultural exports volume over the month by 153.3 tonnes (89.3%). All root vegetable products increased with exports of cassava increasing the fastest with 78.7 tonnes higher than that of the previous month. Additionally, exports of fruit products rose by 23.2 tonnes in February driven by a significant increase in exports of breadfruit. This reflects the harvesting season of breadfruit and also the re-opening of the HTFA machine at the airport. The exports of coconut also increased by 22.6 tonnes, kava powder exports rose by 2.6 tonnes and papaya exports increased by 0.1 tonnes. However, exports of other vegetables products declined by 2.9 tonnes over the month, particularly cured beans and pele leaves exports. The agricultural export receipts rose by 29.7% to \$0.35 million in February, driven by a significant increase in proceeds denominated in US dollar, reflecting a lag effect on proceeds of squash and also higher exports of crops received during the month.



Over the year, total agricultural exports volume continued to decline by 1,099.8 tonnes mainly driven by a decrease in exports of

root vegetable products by 2,414.6 tonnes, which included items such as taro (Japanese, swamp, taro, giant) and yam (sweet and other). The exports of other vegetable products also fell with 35.9 tonnes due to a decrease in the exports of pele and taro tarua leaves. The adverse weather conditions throughout the year had also affected the agricultural output. Exports of fruit products rose by 1,280.2 tonnes, mainly squash with 1,568.7 tonnes, and kava powder exports increased by 76.6 tonnes but were insufficient to offset the decline in exports of root crops and vegetable products. The annual agricultural export receipts however rose by 9.3% to \$5.49 million. The strengthening of the U.S. dollar, Japanese Yen, and Australian Dollar against the Tongan Pa'anga supported the higher export receipts.

The 2015/16 year has seen better weather conditions than that of the previous year, the NRBT maintains its forecast of a rebound in the agricultural sector for 2015/16. The higher squash exports during the 2015 squash season supports this projection. Additionally, the re-opening of the HTFA facility at the Fua'amotu airport helps the exportation of breadfruit, papaya, tomatoes and the new products to introduce such as chillies and eggplant. The possibility of a new market for Tonga squash exports to China may boost total agricultural exports volumes. The initiatives from the Agricultural Annual Conference held in January 2016 to improve the existing infrastructures for farmers should also support the forecast of higher agricultural output. However, the latest revised media release by the Meteorology Division advised that El Niño conditions (drier than normal) is now at moderate levels and likely to end in the second quarter of 2016. The outlook indicated that neutral conditions are slightly favoured ahead of La Niña for the second half of 2016 and rainfall for the next 3 months will remain below normal. This poses a risk for the outlook of the agricultural sector.

Total Agricultural Export Volumes by Major Categories

	Tonnes						<i>Memo: Share</i>
	Month-ended*			Year-ended			
	Feb 16	Jan 16	Dec 15	Feb 15	Feb 16	Feb 15	
Total	325.0	171.7	533.0	433.7	8,203.9	9,303.7	100
Fruit products	118.5	95.3	391.5	151.9	5,596.6	4,316.4	68.2
Root vegetable products	197.4	66.9	106.8	247.8	2,299.7	4,714.3	28.0
Other vegetable products	0.6	3.6	1.2	1.0	22.3	58.2	0.3
Sandalwood	0.0	0.0	0.0	0.0	1.3	8.5	0.0
Vanilla	0.0	2.5	0.0	0.0	6.6	2.9	0.1
Other**	8.5	6.0	33.5	33.0	283.9	206.3	3.5

* Series is volatile due to seasonality of crops

** Includes kava products and coffee beans.

Source: Ministry of Agriculture, Forestry, Food, and Fisheries