

Changes In China's Garlic Supply And Demand

There is a shortage of garlic from China. "The supply of fresh peeled garlic is abundant, but the supply of peeled garlic has been declining," said Juan Pablo Lozano of Garland (Miami, Florida).

There are several reasons behind the shortage. Traditionally in China, around the Chinese New Year (this year is January 25), the factory closed for weeks before and after the holidays, but this year is different. "The gap is even bigger this year because they didn't start work normally after the holidays. Due to special circumstances, these factories were closed for another three weeks." Lozano said. Although the fresh supply of garlic is affected, the shutdown has a greater impact on peeled garlic.

Supply chain issues, Lozano added, are also affecting the situation. "There are other problems, such as when the jars were shipped to the factory, they didn't fill up the garlic. The problems were tied together and affected each other."

Despite the recent resumption of supply from China, other suppliers have also become increasingly popular choices for garlic, and Lozano estimates that about 80% of garlic worldwide comes from China. "California has insufficient garlic production. And we now have channels to import garlic from Argentina." Lozano said. He added that Spain and Peru are also currently supplying garlic. "And more and more people are looking for non-Chinese garlic every day. There are still many looking for [Chinese garlic](#), but the market today is more fragmented than ever."

As demand for garlic remains strong, it is not surprising that prices have soared. "There are more container shipments before the Spring Festival and the prices are lower," Lozano said. "But now that almost all of the inventory is used up, everyone is trying to protect their goods."

In addition, although the price of Spanish garlic is slightly lower, the price of Argentine garlic is about the same as that of [China Garlic Price](#). Argentina currently has the freshest garlic in the world.

Looking ahead, Lozano expects high prices to continue until at least early May, when both Spain and China will start planting new crops in 2020. "But personally, I don't think they may have excess garlic in the market at that time," Lozano said. "They will control the transaction volume and the price will not fall from \$ 60 to \$ 20."