

Indicators

January 2004

The main fruits	In shares by total volume and expenditure on fruits for the month in France		
	%	Volume	Expenditure
	Easy peelers	22	26
	Apple	22	20
	Orange	22	16

The trends for the main produce of the month significantly influence the overall situation of the fruit market. A column entitled 'Indicators' discussing these fruits precedes the pages devoted to a selection of exotic and citrus fruits.

	Pages
Banana	15
Avocado	17
Orange	18
Grapefruit	19
Easy peelers.....	20
Litchi	21

Jan. 2004 / Jan. 2003			
Price	= ↘	Vol.	↘

Easy peelers

Although performance did not match the exceptional 2002/2003 season, the level was nonetheless good. A decrease in supplies resulting from an overall shortage of late varieties was more than compensated by a marked increase in the average price. Only Spain displayed a poorer performance with difficulties in selling certain clementine and Clemenvilla brands because of uneven quality and recurrent difficulty for Hernandina in gaining a foothold on the market.

Jan. 2004 / Jan. 2003			
Price	↗	Vol.	↗

Apple

The apple market was satisfactory after the Christmas holidays. Business was driven mainly by local demand, although export outlets were also active in January. Stocks on 1 February 2003 were therefore smaller than in 2002 and prices were distinctly higher. The situation was nevertheless mixed for Golden Delicious because of the large volumes of small grade fruits that did not always match market demand.

Jan. 2004 / Jan. 2003			
Price	↗	Vol.	↗

Orange

Performance was extremely satisfactory in comparison with both the average and the situation last year, especially as the market context was extremely difficult. Sales of Navel and Naveline from Spain were steady at a good level. The situation was more difficult for the variety Maltese, especially for small fruits, but the prices increased.

Notes concerning market appraisal methodology

The statistics on the following pages are estimates of quantities put on the market in France. They are only calculated for the main supplier countries and are drawn up using information on weekly arrivals or market release statements by representative operators. The past figures are kindly provided from the POMONA data base and processed by CIRAD. The figures in the 'Main fruits' section above are provided by the CTIFL, with SECODIP being the source. The data published in the French market pages is provided solely as a guide and CIRAD accepts no responsibility for their accuracy. The illustrations are reproduced with the kind permission of Fabrice Le Bellec (CIRAD-FLHOR).

Banana

JANUARY 2004

Monthly comparison: Jan. 2004 / Dec. 2003

Price

↗ + 11 %

Volumes

↘ - 20 %

Annual comparison: Jan. 2004 / Jan. 2003

Price

↘ - 16 %

Volumes

↘ - 6 %



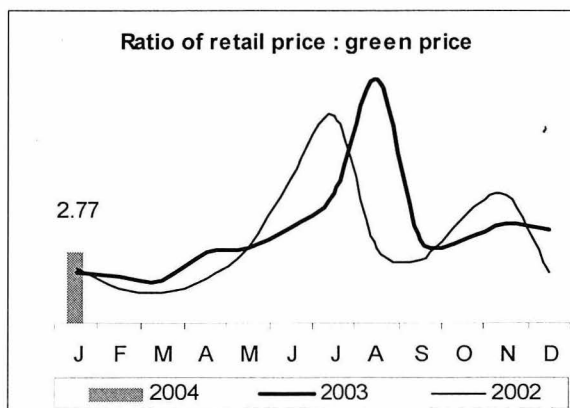
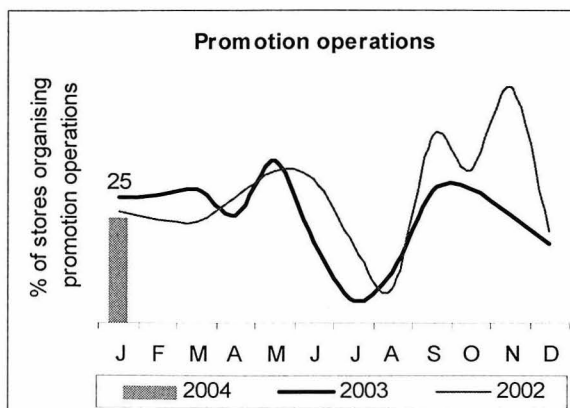
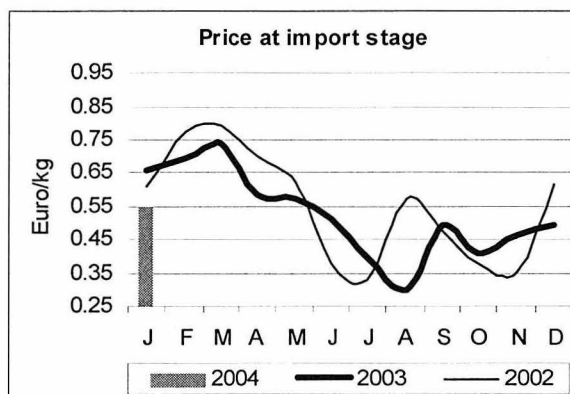
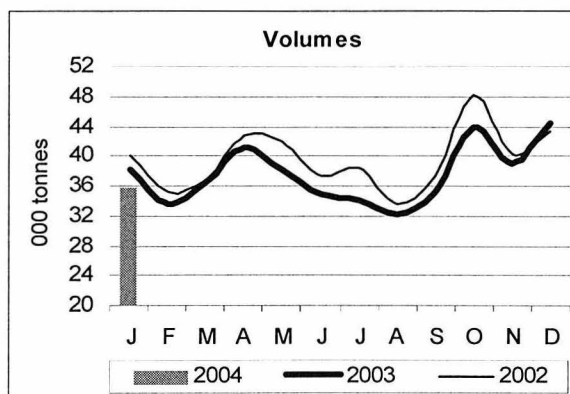
The year began badly. The volumes sold and the average price were 10% down on the average for recent years. This performance was made worse by the fact that January accounts for a large share of annual sales. The cause seems to have been extremely sluggish demand, especially in northern Europe, because of the cold weather in the second half of the month.

Demand was active from the beginning of the month onward and prices recovered rapidly after a serious dip at the end of December. The somewhat short supplies during this period also contributed to the recovery. But the market changed entirely in appearance in the middle of the month. Shipments

from all the leading origins remained distinctly smaller than average. In contrast, demand was blocked, probably because of the cold weather. The situation was particularly difficult in France even though retail sales stimulation indicators shifted from poor in December to acceptable in January.

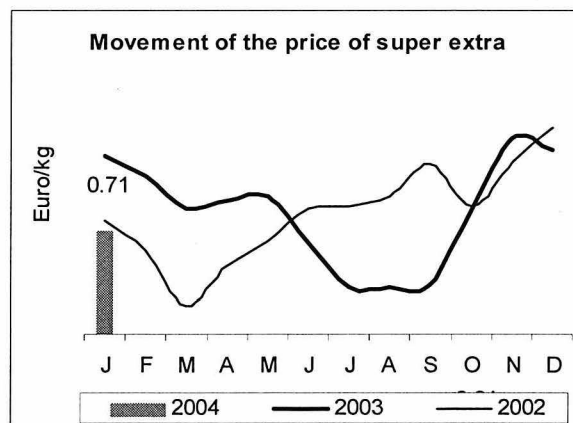
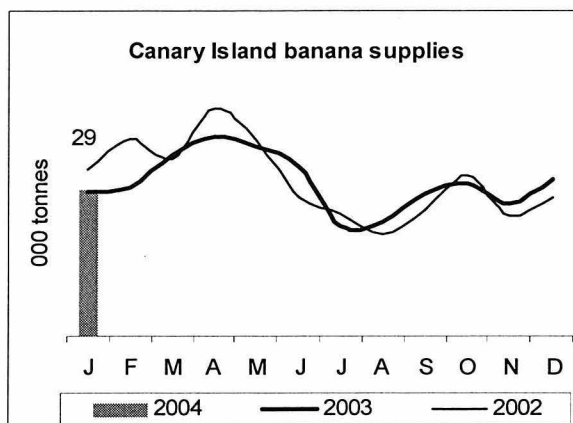
A proportion of the goods from the West Indies experienced serious positioning problems because of uneven quality. Competition was particularly aggressive on northern markets as a favourable dollar:euro exchange rate afforded room for manoeuvre.

Tonnes	January 2004	Comparisons (%)		Season total 2004	Season comparisons (%)	
		2004/2003	2004/2002		2004/2003	2004/2002
Côte d'Ivoire	7 165	- 14	- 18	7 165	- 14	- 18
Cameroon	9 630	- 10	- 14	9 630	- 10	- 14
Martinique	13 784	+ 5	- 1	13 784	+ 5	- 1
Guadeloupe	5 231	- 11	- 14	5 231	- 11	- 14
Total	35 810	- 6	- 10	35 810	- 6	- 10

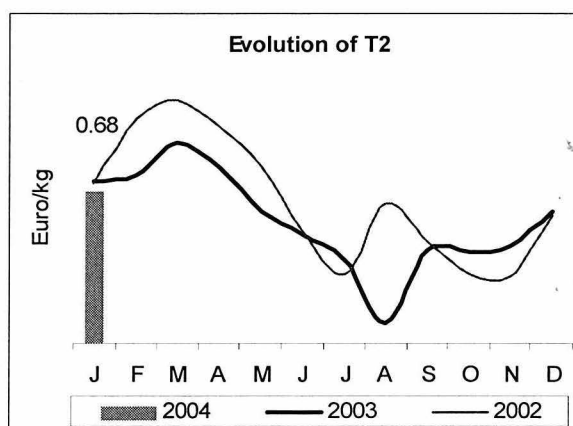
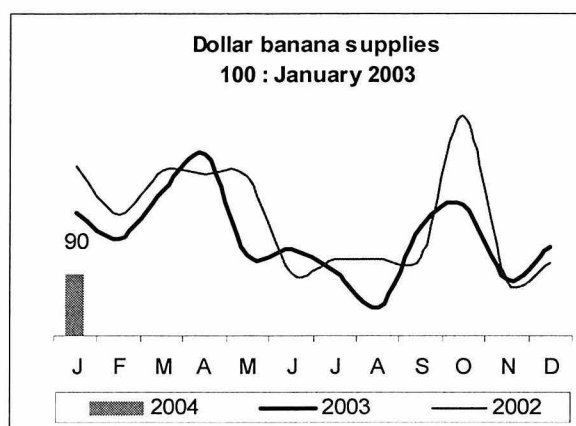


Banana — Indicators for French export markets

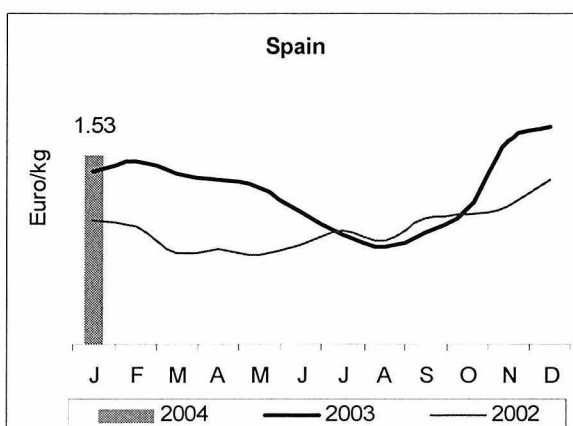
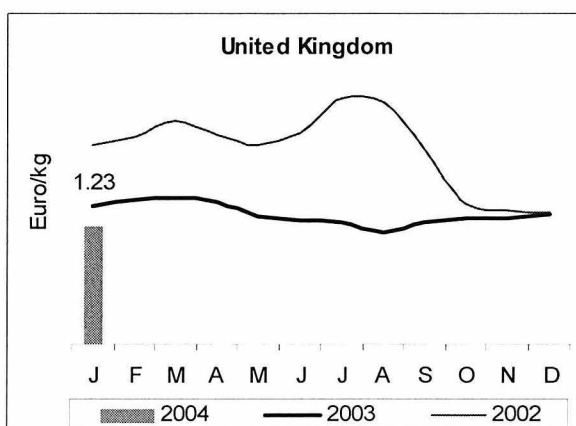
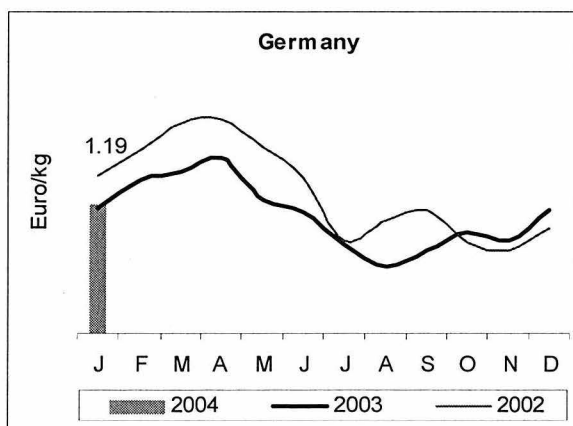
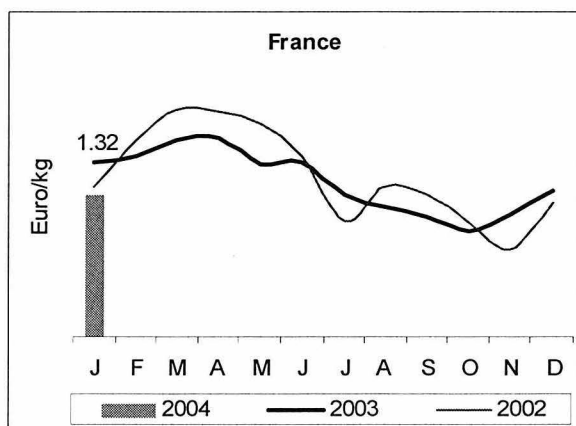
Spain



Northern Europe



Retail price in Europe



Sources: CIRAD-FLHOR, SNM, TW Marketing Consulting

Avocado

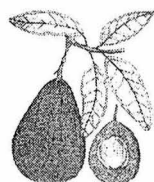
JANUARY 2004

Monthly comparison: Jan. 2004 / Dec. 2003

Price 0 %
Volumes ↘ - 22 %

Annual comparison: Jan. 2004 / Jan. 2003

Price ↘ - 31 %
Volumes ↗ + 30 %



Market performance was poor again. Supplies of Hass were ample because of the quantities remaining unsold after December operations and distinctly outweighed the still disappointing demand. The market for green varieties continued to suffer from lack of interest by distributors.

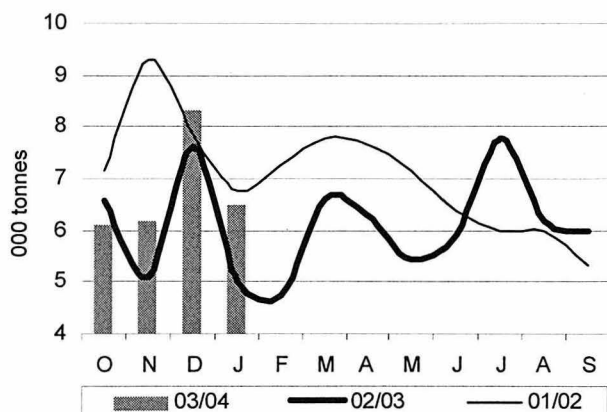
Supplies—especially of Hass—were comparatively large. Shipments substantially larger than average were added to the large stocks remaining after poor Christmas sales. Although demand remained focused on this variety, it was still mediocre and not enough to handle the volumes

available. High retail prices and the uneven quality of a significant proportion of supplies as a result of over-long storage account for this lack of dynamism. On-quay prices dipped to hitherto unseen levels and small fruits were in a particularly critical situation. These problems in Hass

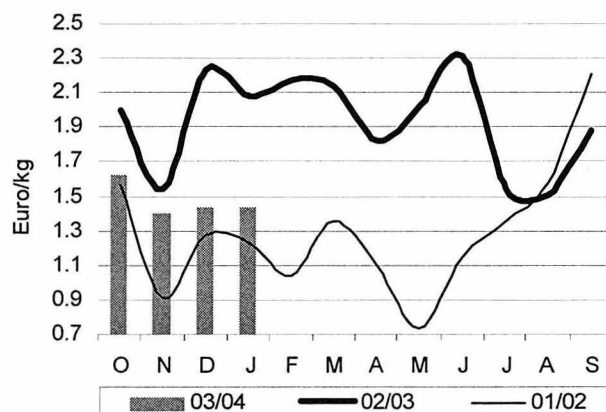
sales aggravated the difficulties experienced by the market for green varieties since the beginning of the season. Demand was extremely slow, especially from supermarket chains. Prices remained at a rock-bottom level throughout the month.

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	January 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2003/2002	2003/2001		03-04/02-03	03-04/01-02
Spain	2 862	+ 49	- 4	10 278	+ 40	- 28
Mexico	1 190	- 4	+ 570	10 375	+ 33	+ 39
Israel	2 452	+ 31	- 31	7 823	- 18	- 38
Total	6 504	+ 30	- 4	28 476	+ 15	- 17

Orange

JANUARY 2004

Monthly comparison: Jan. 2004 / Dec. 2003

Price	Volumes
↗ + 18 %	↗ + 24 %

Annual comparison: Jan. 2004 / Jan. 2003

Price	Volumes
↗ + 10 %	↗ + 5 %



Performance was extremely satisfactory in comparison with both the average and the situation last year, especially as the market context was extremely difficult. Sales of Navel and Naveline from Spain were steady at a good level. The situation was more difficult for the variety Maltese, especially for small fruits, but the prices increased.

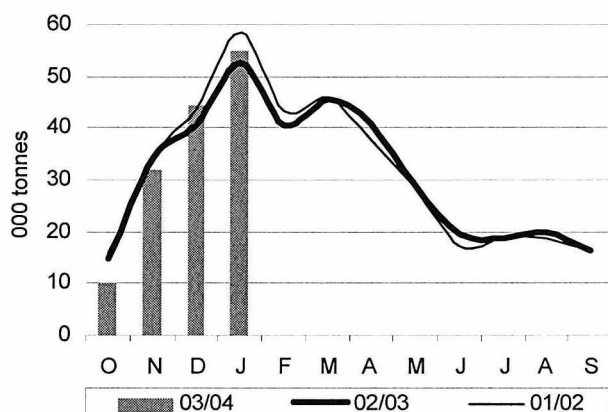
Releases of Spanish oranges were comparatively satisfactory in spite of a difficult market context. Short supplies of easy peelers and sometimes mixed quality seem to have resulted in a certain degree of transfer of demand to

orange. Most supplies from Spain consisted of Naveline and Navel. The quantities of Salustiana only became truly significant at the end of the month. After an excellent start, sales of Maltese variety oranges became

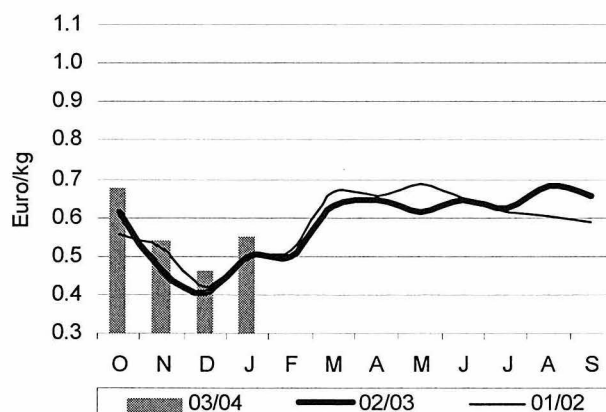
noticeably more difficult, especially for small fruits. But the stopping of exports for a week at the end of the month resulted in a return to a more satisfactory situation.

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	January 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2003/2002	2003/2001		03-04/02-03	03-04/01-02
Spain	49 679	+ 10	+ 3	132 012	+ 2	- 2
Tunisia	4 585	- 13	+ 23	4 585	- 13	+ 23
Morocco	654	+ 80	- 70	654	+ 80	- 70
Total	54 918	+ 5	- 6	137 251	0	- 6

Grapefruit

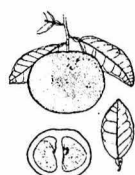
JANUARY 2004

Monthly comparison: Jan. 2004 / Dec. 2003

Price	Volumes
= - 1 %	↗ + 9 %

Annual comparison: Jan. 2004 / Jan. 2003

Price	Volumes
↘ - 15 %	= + 1 %



Performance was very poor for the second month running. Difficulties in selling Florida fruits strongly affected the market situation. On the one hand, the sales recovery only lasted for the period of promotion operations in the first half of the month. On the other hand, the large stocks of fruits available at the beginning of the month meant that supplies were comparatively ample in spite of slightly under-average arrivals. In this context, fruits of other origins found it difficult to establish a position.

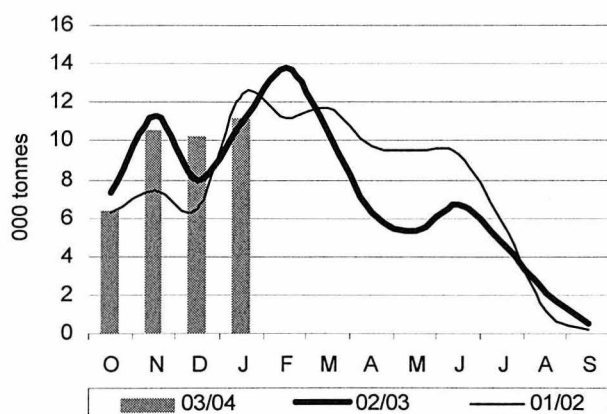
The usual sales recovery of the first half of January enabled Florida operators to shift the stocks accumulated in December. However, this was not a true market recovery as demand fell to very disappointing levels in the second half of the month. Florida operators therefore soon had

to face difficulties once more. The gain in the euro:dollar exchange rate allowed substantial price decreases to attempt to revive business, but without any real success. At the end of the month, prices were therefore at their lowest since the 1998/1999 season. Interest in goods from other origins

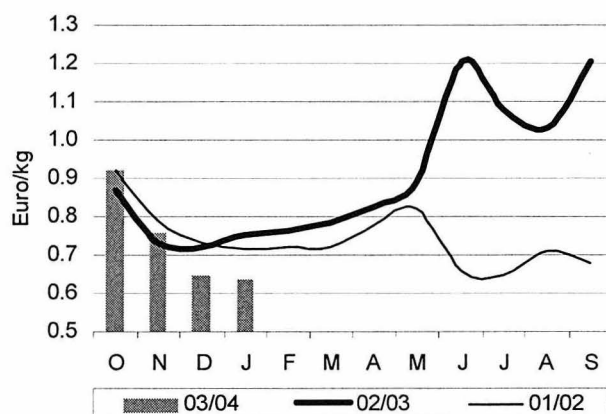
was therefore extremely small in this strongly competitive context. However, supply pressure was very limited for Turkish operators. Likewise, the volumes of fruits from Israel were larger than in the preceding season but remained contained.

Estimated market releases in France

Volumes



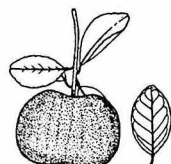
Price at import stage



Estimated market releases in France by origin

Tonnes	January 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2003/2002	2003/2001		03-04/02-03	03-04/01-02
Florida	9 542	+ 3	- 6	31 275	+ 3	+ 22
Turkey	922	- 26	- 47	3 718	- 25	- 19
Israel	689	+ 49	+ 32	3 288	+ 39	+ 49
Total	11 153	+ 1	- 10	38 281	+ 2	+ 18

Easy peelers



Although performance did not match the exceptional 2002/2003 season, the level was nonetheless good. A decrease in supplies resulting from an overall shortage of late varieties was more than compensated by a marked increase in the average price. Only Spain displayed a poorer performance with difficulties in selling certain clementine and Clemenvilla brands because of uneven quality and recurrent difficulty for Hernandina in gaining a foothold on the market.

Supplies were similar to the average for recent seasons, but distinctly less abundant than those of the exceptional 2002/2003 season. Indeed, all origins displayed a net shortage of clementines and late hybrids in comparison with the preceding season (Nour from Morocco, Hernandina from Spain and Mineola from Israel).

Furthermore, the Corsican clementine season ended very early, again because of limited production. However, overall performance remained good in spite of very selective demand. Indeed, the decrease in quantities was more than compensated by a distinct increase in the average price of fruits of most

origins. Only Spain experienced a net decrease in business. It was difficult to shift certain brands among the last clementines and Clemenvilla for reasons of irregular quality. In addition, although their taste qualities were good, their colour made it difficult for Hernandina to gain a position on the market.

JANUARY 2004

Monthly comparison: Jan. 2004 / Dec. 2003

Price
= + 1 %

Volumes
↘ - 35 %

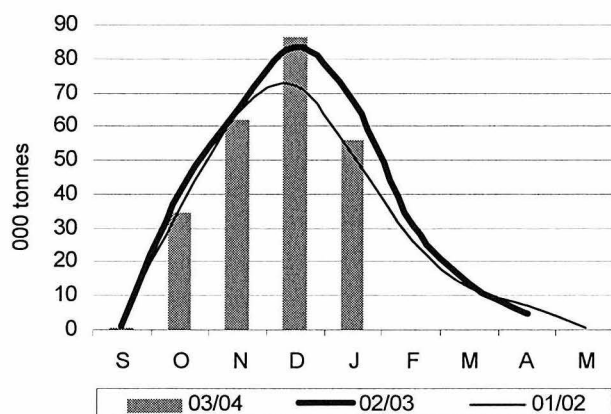
Annual comparison: Jan. 2004 / Jan. 2003

Price
= - 1 %

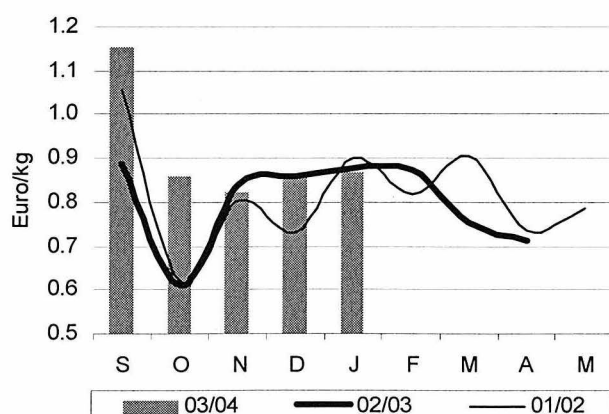
Volumes
↘ - 16 %

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	January 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2003/2002	2003/2001		03-04/02-03	03-04/01-02
Spain	48 178	- 10	+ 15	195 088	- 10	+ 5
Morocco	6 813	- 15	+ 8	26 696	+ 60	+ 32
Corsica	706	- 85	- 21	17 475	- 24	+ 2
Israel	593	- 32	- 68	602	- 41	- 71
Total	56 290	- 16	+ 10	239 861	- 7	+ 6

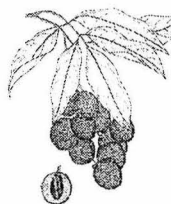
Litchi

JANUARY 2004

Volumes imported in France (estimates in tonnes)

Weeks 2004	1	2	3
Réunion (air)	15	10-15	8
Madagascar (sea)	4 442		
South Africa (sea)	1 400*		

* The quantity imported to Europe. Deliveries direct to France = 80 t, but substantial quantities have arrived via the Netherlands.



The same situation as in December prevailed for litchi shipped by sea, with the market becoming increasingly difficult because of the large quantities released, uneven quality in the fruits received and dwindling demand. The small trade window for air-shipped litchis from Réunion soon closed because of the fall in quality of the goods.

January can be seen as a period of crisis management for sales of litchis from **Madagascar** after the massive arrivals in December and the problem of the *Cape Town*. The sale of the sound goods carried by the latter ship weighed heavily on the market, wiping out all prospect of true recovery. Conditions were particularly difficult as a result of the slow movement of fruits, not only from the *Cape Town* but also from the last two conventional vessels. The arrival of fruits in containers at the beginning of January aggravated the trend, especially as the quality of some batches was mediocre. In contrast, the quality of other arrivals in containers was satisfactory. In this context, operators were tempted to concentrate on the better quality fruits and this resulted in a split market with different prices for litchis of satisfactory quality and for poor fruits. This lasted for two weeks at most before being overcome

by the downward movement of the market resulting from gradual loss of interest among distribution channels and consumers. The phenomenon accelerated as the fruits aged and quality worsened.

Competition from **South Africa** was a further handicap for the sale of fruits from Madagascar. Larger, fresher and with more even quality, South African fruits stood out from Madagascan goods during the first half of January. They were soon sought after by a fair number of specialised retailers who preferred to pay more for better quality produce. Shipments from South Africa increased in the second half of the month and fruit quality deteriorated. The approaching Chinese New Year momentarily stimulated demand for South African fruits of satisfactory quality. Quality became much more uneven at the end of the month and

prices dipped distinctly, given the leaden market, but remained higher than those of litchi from Madagascar.

The end of the 2003/2004 season promises to be very difficult and economic results will certainly not match initial forecasts.

The **Réunion** season came to an end rather suddenly in mid-January as a result of a marked decrease in demand for produce whose quality no longer justified the high prices charged.

The Madagascan litchi season was monitored by Pierre Gerbaud for CHT thanks to European Union funding (STABEX resources).



Litchi — Price in euros by kg — Import stage in France

Weeks 2004	1	2	3	4	5
Air					
Réunion (on the branch)	5.00-5.50	5.00-5.50	5.00		
Sea					
Madagascar	0.50-1.20	0.80-1.30	0.90-1.20	0.60-1.20	0.50-1.10
South Africa	3.00-3.50	2.50-3.00	2.00-3.00	2.00-3.00	1.50-2.00