

Indicators

July/August 2006

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.

The main fruits	In shares by total volume and expenditure on fruits for the month in France		
	%	Volumes	Expenditure
	Peach/nectarine	33	33
	Apricot	12	13
Apple	13	11	

	Pages
Banana	14
Avocado	16
Orange	17
Grapefruit	18
Litchi	19
Mango	20
Pineapple	21

July-Aug. 06 / July-Aug. 05			
Price	= ↗	Vol.	=

Peach/nect. The situation has been satisfactory overall. The harvest was medium in size but July's heat wave had a very positive effect on demand. Sales were excellent and prices firm. The market changed completely in August as demand collapsed with weather that was cooler than the seasonal average. Stocks formed, dragging prices down to very low levels at the end of the month.

July-Aug. 06 / July-Aug. 05			
Price	=	Vol.	↗

Apricot The weather played an important role, as for peaches and nectarines, by stimulating demand in July and slowing it just as sharply in August. However, the overall result for the two months was worse than for the other stone fruits as production was much greater than average, particularly in August.

July-Aug. 06 / July-Aug. 05			
Price	= ↗	Vol.	= ↗

Apple The noticeable decrease in shipments from the southern hemisphere and especially from New Zealand allowed the last French 'Golden Delicious' to sell satisfactorily on both the domestic and export markets. The 2006/2007 season also started under favourable conditions in mid-August.

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Information on the situation and prices of sea freight	Sea freight..... 22

Sea freight Laying up 15-20 vessels in June and July paid dividends to reefer owners as vessel supply tightened throughout August and the reefer charter market reached a fluid equilibrium, and subsequently a solid base on which to build into the autumn for the all-important Period business. This was achieved despite a reduction in volumes of 'off-season' staple citrus volumes from Argentina and South Africa and heavily increased competition from the box lines at both sources.

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 are 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

JULY-AUGUST 2006

Monthly comparison: August 06 / July 06

Price	Volumes*
↗ + 24%	↗ + 8%

Annual comparison: Jul-Aug. 06 / Jul-Aug. 05

Price	Volumes*
↘ - 25%	↘ - 2%

* Arrivals from Africa/West Indies



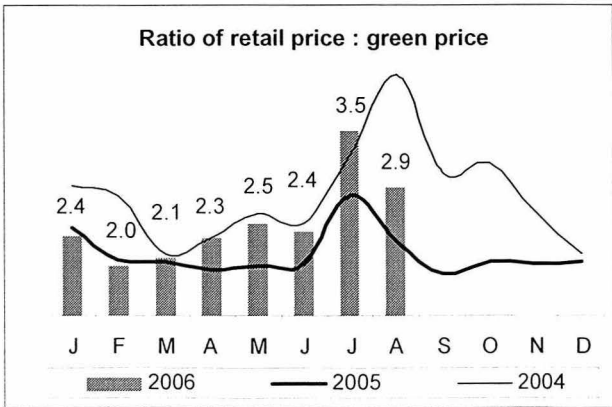
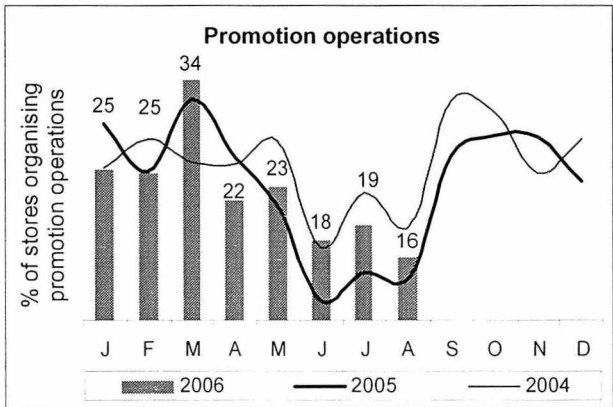
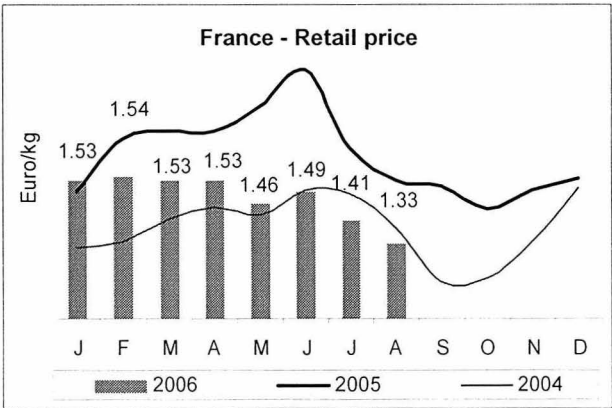
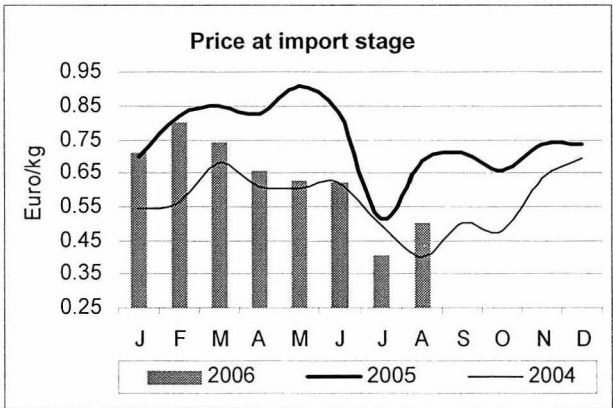
The marked contrast in July and August temperatures gave the summer banana market a fairly unusual profile. The heat wave and what were probably slightly greater than average supplies of dollar bananas first sent quay prices tumbling to a much lower level than usual. The strong decrease in arriving shipments and the much colder weather than usual allowed a distinct recovery in August.

The cumulated shipments of West Indian and African bananas received in July were smaller than average. However, deliveries of dollar fruits were probably slightly greater (Ecuadorian exports to all destinations were up by 4% and the period of strong deficit in Colombian fruits came to an end). However, above all, the sweltering weather throughout Europe

from the beginning of July onwards seriously aggravated the seasonal slump in domestic market demand and export markets were also affected. Quay prices therefore slumped to a similar level to that of 2003. The measures taken upstream to limit exports allowed a gradual market recovery from the beginning of August (with a substantial decrease in exports

from South America and a continued deficit in African and West Indian fruits). The weather became much cooler than average in the second half of August and this also allowed a recovery of demand, especially as domestic market distributors narrowed their margins in total contrast with the situation in July.

French banana market — Indicators

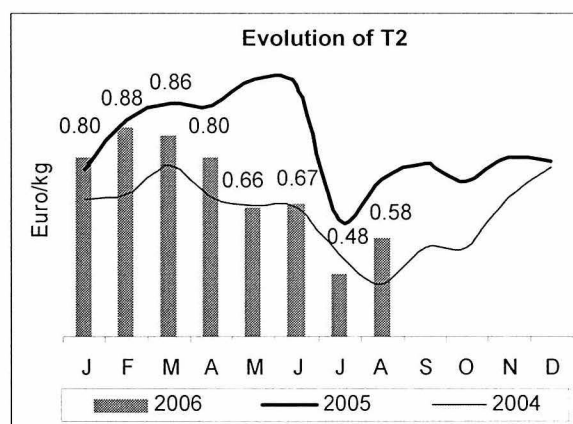
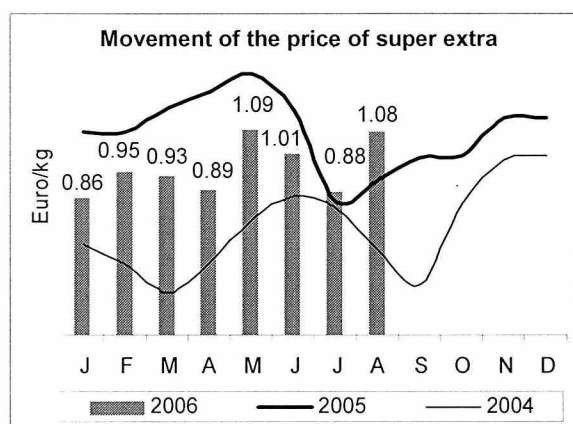


European banana market — Indicators

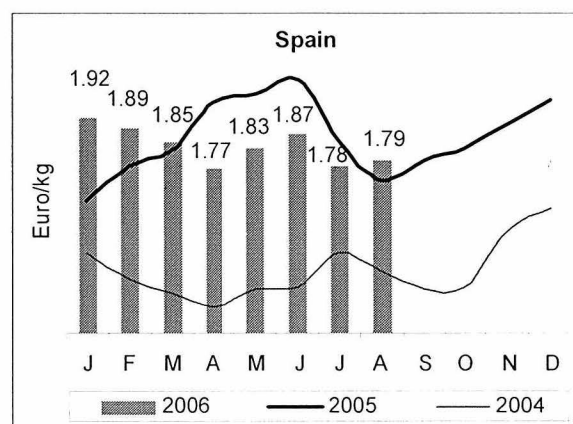
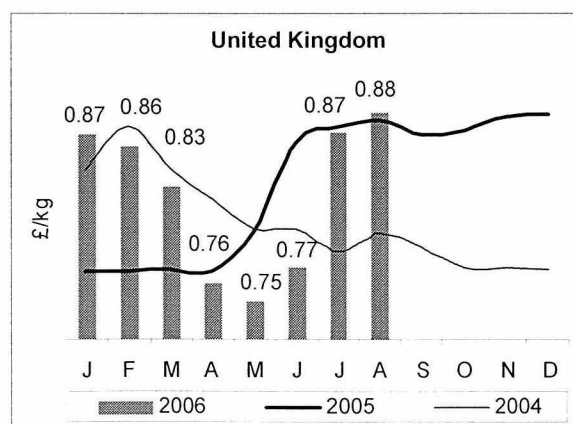
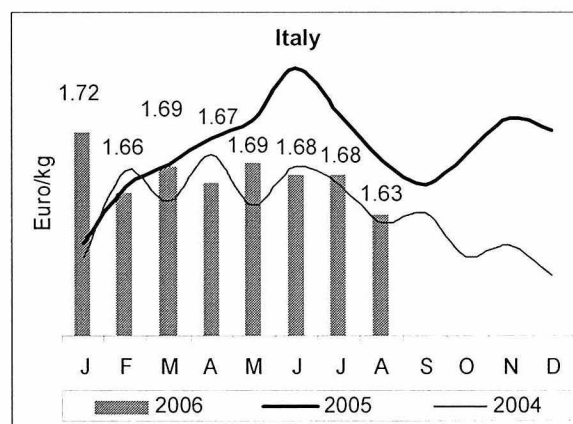
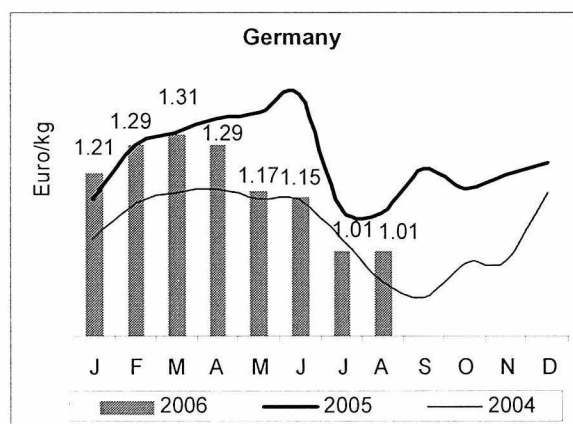
Main origins in Europe

Tonnes	July 2006	August 2006	Comparisons (%)				Total season 2006	Season comparisons	
			2006/2005		2006/2004			2006/2005	2006/2004
			July	August	July	August			
Martinique	14 227	16 401	- 16	+ 8	- 31	- 26	119 054	- 15	- 28
Guadeloupe	3 461	4 333	- 3	+ 14	- 45	- 30	27 164	- 16	- 46
Canaries	17 360	18 340	- 1	+ 5	- 32	- 29	211 960	+ 2	- 20
Côte d'Ivoire	12 271	14 984	- 1	- 7	- 15	+ 6	135 619	+ 5	- 3
Cameroon	18 961	17 574	+ 2	- 17	+ 12	- 15	161 169	+ 1	- 9
Ghana	1 822	1 656	-	-	-	-	9 069	-	-

Green price in Europe



Retail price in Europe



Sources : Cirad, SNM, TW Marketing Consulting

Avocado

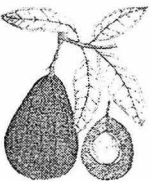
JULY-AUGUST 2006

Monthly comparison: August 06 / July 06

Price	Volumes
↘ - 11%	↗ + 16%

Annual comparison: Jul-Aug. 06 / Jul-Aug. 05

Price	Volumes
↗ + 9%	↗ + 16%



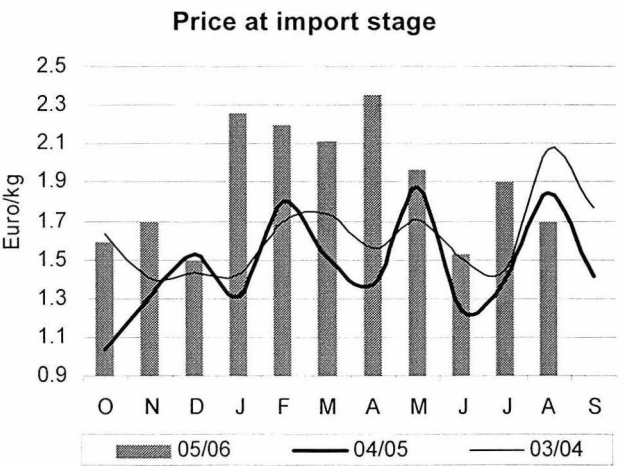
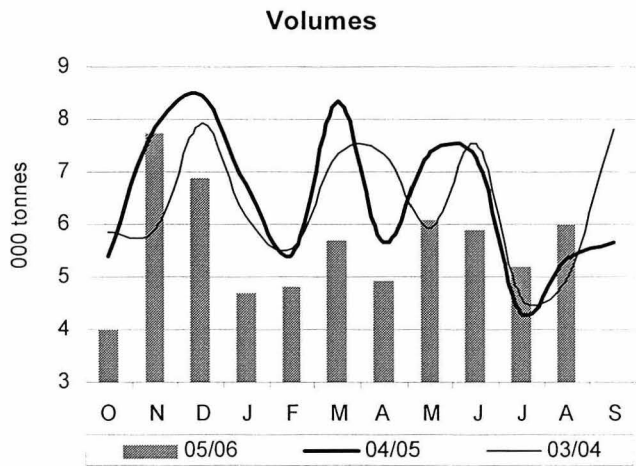
The balance for the summer is fairly contrasted. The very good behaviour of the market in July—in spite of very large shipments of 'Hass'—should be mentioned. The efforts made in product promotion and the better distribution of shipments among the various markets gave good results. In contrast, the performance in August was distinctly worse. Large shipments from Peru (and to a lesser extent from South Africa), the early start to the Chilean season and the return to average of shipments of green varieties caused significant over-supply.

The 'Hass' market was excellent until the end of July. Nevertheless, supplies were very large with Peruvian shipments on a scale hitherto unknown at this time of year and volumes from South Africa that were smaller than in 2005 but nonetheless at an average level. However, the volumes were well distributed among the various markets in the community, where the efforts made in promotion since 2005 would seem to have had a major impact on

consumption. Furthermore, the marked shortfall in green varieties until mid-month resulting from the limited 'Fuerte' harvest in South Africa also contributed to overall market balance. Performance was remarkable as the average price in July was more than 30% above the average. The situation deteriorated noticeably in August and especially in the second half of the month. Demand slowed and, in addition, supplies of green varieties

returned to normal with the switch to the late varieties from South Africa. Simultaneously, shipments of 'Hass' increased further in spite of the almost complete absence of Mexico from the market. Arrivals from South Africa and Peru gained momentum and the Chilean season started early. The average price in August dipped to only 6% below the average even though the situation was very difficult at the end of the month.

Estimated market releases in France



Estimated market releases in France by origin									
Tonnes	July 2006	August 2006	Comparisons (%)				Total season 05-06	Season comparisons	
			2006/2005		2006/2004			05-06/04-05	05-06/03-04
			July	August	July	August			
Mexico	-	50	-	- 83	-	- 93	50	- 84	- 94
Peru	2 443	2 786	+ 108	+ 105	+ 101	+ 134	9 899	+ 77	+ 116
Kenya	1 098	1 204	+ 65	+ 1	+ 350	+ 39	6 192	- 5	- 9
South Africa	1 586	1 902	- 15	- 22	+ 1	+ 20	6 732	- 23	0
Chile	0	271	-	+ 341	-	-	271	+ 341	-
Total	5 127	6 213	+ 19	+ 16	+ 11	+ 25	23 144	+ 9	+ 14

Orange

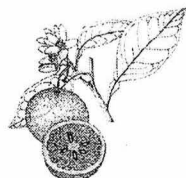
JULY-AUGUST 2006

Monthly comparison: August 06 / July 06

Price	Volumes
↗ + 11%	↗ + 20%

Annual comparison: Jul-Aug. 06 / Jul-Aug. 05

Price	Volumes
0%	↘ - 7%



The market remained under pressure from the markedly larger than average supplies from Spain. In this context, deliveries of 'Navel' and then 'Valencia' from the southern hemisphere were well below average in quantity, especially in July. The average monthly price was disappointing, especially in July, because of the very competitive prices asked by Spanish operators who wished to clear their stocks.

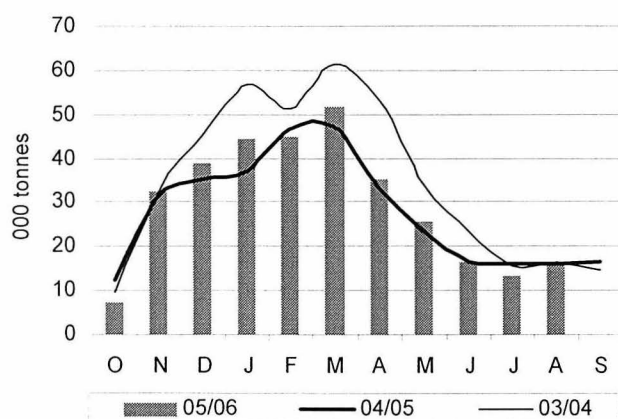
At the beginning of July, the volumes of Spanish 'Valencia' remaining to be sold were distinctly larger than average because production was large and marketing was late in the spring. As a result of these features and thanks to very competitive prices, Spanish fruits remained on supermarket shelves throughout July and for a large part of August. In this

context, Argentinian exporters targeted the East European markets (quantities unloaded nearly 200% up on the three-year average and a 13% decrease in shipments to the EU). Likewise, arrivals from South Africa decreased considerably. Importers were very cautious in the light of the prices asked by Spanish operators and because of the generalisation of the 'firm' contract

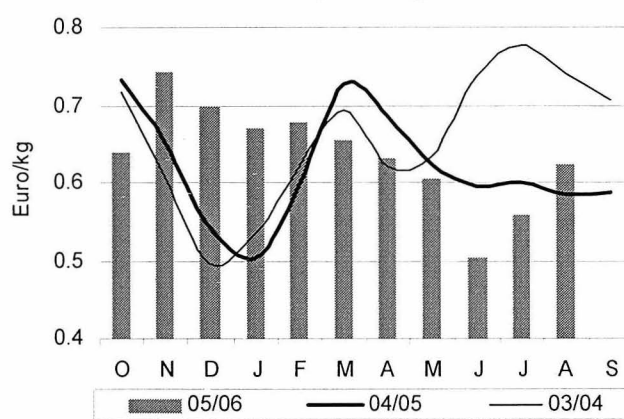
system with South African exporters. Prices of 'Navel' from South Africa were very disappointing, with quality problems as well as sales problems. Southern hemisphere 'Valencia' performed better but the average monthly price was extremely poor in July and lower than normal in August because of the rock-bottom prices asked for 'Valencia' from Spain.

Estimated market releases in France

Volumes



Price at import stage

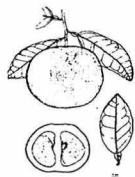


Estimated market releases in France by origin

Tonnes	July 2006	August 2006	Comparisons (%)				Total season 05-06	Season comparisons	
			2006/2005		2006/2004			05-06/04-05	05-06/03-04
			July	August	July	August			
Spain	8 273	4 607	+ 43	+ 74	+ 24	+ 95	272 514	+ 9	- 17
South Africa	4 541	10 995	- 56	- 17	- 49	- 21	17 302	- 40	- 35
Total	12 814	15 602	0	0	- 7	+ 6	289 816	+ 11	- 18

Grapefruit

JULY-AUGUST 2006	Monthly comparison: August 06 / July 06	
	Price	Volumes
	↗ + 15%	↘ - 43%
	Annual comparison: Jul-Aug. 06 / Jul-Aug. 05	
	Price	Volumes
	↗ + 16%	↘ - 38%



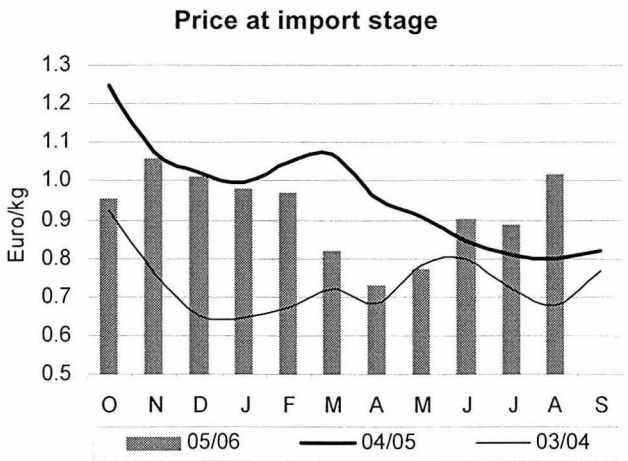
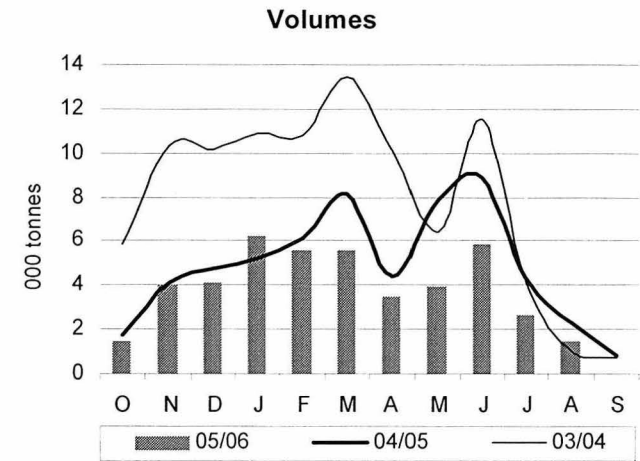
The major supply deficit continued in July and August. South African deliveries were 40% down in comparison with 2005 and those from Argentina were down by 30%. This situation, together with the demand level for the season sent prices up steadily, reaching the excellent 2003 level at the end of August.

Arrivals decreased further, after already being very moderate in June. The deficit in South African shipments remained similar to that of June, that is to say some 40% down on 2005 as a result of the very limited harvest this season. Similarly, deliveries from

Argentina remained some 30% smaller than last year, with the last significant volumes arriving at the beginning of August. Finally, the Honduran season started somewhat late in the second half of August. The pattern of demand was as usual, weakening distinctly as

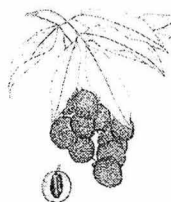
the holiday season got under way. In this clear market context, prices rose throughout the period from the average level observed in 2005 at the beginning of July to the excellent 2003 level at the end of August.

Estimated market releases in France



Estimated market releases in France by origin									
Tonnes	July 2006	August 2006	Comparisons (%)				Total season 05-06	Season comparisons	
			2006/2005		2006/2004			05-06/04-05	05-06/03-04
			July	August	July	August		(%)	
Argentina	1 125	194	- 21	+ 145	+ 13	- 18	4 265	- 46	- 39
South Africa	1 497	1 306	- 49	- 40	- 53	+ 69	7 166	- 48	- 47
Total	2 622	1 500	- 43	- 26	- 54	+ 25	11 431	- 47	- 44

Litchi



Supplies of litchi were fairly regular but limited in July and August. The two most important origins succeeded each other without any difficult overlapping. Shipments from Thailand came to an end in the second half of July and were followed by the arrival of the first shipments from Israel. Prices remained fairly stable throughout the period. A few shipments from other origins completed supplies with more or less success. Consumption was not favoured by the combination of very contrasted weather this summer and holidays and sales were not very dynamic.

The summer months are traditionally not very favourable for litchi consumption. Strong competition from the season's fruits and their more ready accessibility give litchi a secondary role in the tropical fruit range. The mass consumption observed in the winter is replaced by more discreet availability in the summer, with litchi reserved from specialised fruiterers or restaurants and suppliers of luxury products. This was the context of supplies from Thailand until the third week of July. As supplies from this origin were smaller than during the same period in 2005, prices held at a distinctly higher level. Israel then shipped the bulk of supplies until the end of August, first by air to start the season and then soon by sea with lower prices, although these were firm and steady. The quality of these fruits was considered to be satisfactory overall, especially as regards flavour. However, the colouring was not always attractive as the shades were often very pale. Some batches were much more intensely coloured, especially at the end of August. The alternate bearing phenomenon seems to have considerably reduced the volumes shipped to the European market this year. The political events in the Near East were also involved in the decrease in supplies although it is

difficult to specify the impact (production zones in northern Israel were probably directly affected by the fighting). The greater part of the supplies shipped from Israel consisted of 'Mauritius' sold at the prices mentioned below. Some smaller batches of seedless varieties were also sold from time to time at higher prices. Litchi from China was also sold in July in addition to fruits from Thailand and Israel. They were shipped by sea and sold at falling prices because of their deterioration in quality. China seems to have stepped up its presence on the European market in the last two years, shipping produce that is not always suited to European distribution channels. The perseverance of this new origin could in time disturb imports from more traditional origins, especially as the summer is not the best period for massive deliveries of litchi.

The Spanish shipping season began in the first third of August with fruits that were well-coloured but with very mediocre flavour. The quality of the fruits and competition from Israel resulted in a lowering of asking prices but these were still very high.

In the Netherlands, the Thai export season finished towards Weeks 29 and 30. Prices had fallen and were lower than on the other European markets because of the concentration of

deliveries and poor sales. Prices were around EUR 2.00-2.50 per kg and slid to EUR 2.00 per kg at the end of the period with some sales at around EUR 1.50 per kg for poorer quality fruits. Israeli supplies doubtless suffered from this situation as prices were at EUR 3.00-3.25 per kg at the beginning of the season before falling to around EUR 2.50 at the end of July. The ceasing of shipments from Thailand and moderate volumes from Israel allowed a gradual firming of prices to around EUR 2.75-3.00 in early August and then 3.00-3.50 in the middle of the month. Supplies became rare in the second half of the month and prices increased once again to EUR 3.50-4.00 per kg, also benefiting from a slight recovery in consumption. Complementary batches from Taiwan were available at the end of the month; these were of poor quality and sold at EUR 2.75 per kg.

In Belgium, small deliveries of litchi from China sold at around EUR 3.00 per kg in early July and fell to EUR 2.00-2.50 in the following weeks. Israel then shipped fruits sold with difficulty at EUR 2.25-3.00 per kg until the second half of August because demand was strongly affected by bad weather. Prices did not display a positive trend until the end of the month with the last batches of the season fetching EUR 3.50-3.75 per kg.

JULY-AUGUST 2006

Litchi from Thailand — Import price

Euros	Min	Max
By air (kg)		
Israel	3.50	4.50
By sea (kg)		
Thailand	4.00	4.50
China	2.75	4.00
Israel	3.00	4.00
By road (kg)		
Spain	5.50	7.50

Litchi — Import prices on the French market — Euros/kg

Weeks 2006	27	28	29	30	31	32	33	34	35
By air									
Israel		3.50-4.00	3.50-4.00						4.00-4.50
By sea									
Thailand	4.00-4.50	4.00	4.00						
China	4.00	3.00-3.50	2.75-3.00						
Israel			3.00-3.50	3.00-4.00	3.00-3.50	3.00-3.50	3.00-3.30	3.00-3.50	
By road									
Spain						6.00-6.50	5.50	5.50-6.50	7.00-7.50

Mango



The market was fairly fluid overall in July and August with some variations in the details of supply. July started with a period of shortage corresponding to the end of the Côte d'Ivoire export season and the beginning of shipments from Senegal. The latter gained momentum from the end of July until the end of August, making up for Israel's particularly marked deficit in mango shipped by sea. The Mexican season was modest and finished during the first fortnight of August.

The first three weeks of July marked the transition between the last containers from Côte d'Ivoire and the slow starting of the Senegalese mango season. The last deliveries from Côte d'Ivoire benefited from more favourable market conditions and sold at more normal prices than those observed in June. However, the distinct firming of prices concerned only limited volumes of fruits of satisfactory quality. Much produce from Côte d'Ivoire sold at still low prices because of poor keeping quality and the development of fungal diseases. In contrast, the first arrivals from Senegal benefited from the limited market supply situation to sell at satisfactory prices. They formed the core of supplies until the end of August, suffering only a small fall in prices as competition from Israel was not fierce and demand displayed the traditional weakening at this time of year. The quality of Senegalese mangoes was identical to that of preceding years with the fairly rapid appearance of dark, spreading spots on the skin. However, in contrast with

the preceding seasons, the phenomenon was less noticeable because the market was fluid. The small storage times limited the development and spread of quality defects in goods of this origin. It is noted that the Malian season continued with shipments mainly to the Netherlands with a few returns to the French market with the batches sold at the same price as the last fruits from Côte d'Ivoire. The alternate bearing phenomenon and the fighting in the Middle East seem to have strongly disturbed deliveries to Europe. In addition, better selling conditions for Israeli fruits in the United Kingdom appeared to attract a large proportion of the limited quantity of fruits of this origin. The dominance of small fruits also played a negative role in transactions concerning fruits of all origins. Mexico made only a small contribution to the European market and most of tonnage shipped was sold in northern Europe.

The shortage of mango shipped by air from July onwards encouraged

Senegalese importers to favour this method of transport. However, their exports by air decreased markedly from early August onwards because of the worsening of fruit quality (spotting and infestation by fruitfly) and reorientation towards sea transport. The Mexican season continued until mid-August with satisfactory fruit quality and a steady delivery rate. The Israeli season, with irregular shipments, lasted from the beginning of July to the end of August with the 'Maya' variety; the price of the latter fell in August because of an increase in the quantities shipped and poor matching to demand. Uneven ripeness and the dominance of small fruits sent prices downwards although the level was satisfactory. Small quantities of 'Haden' and 'Kent' from the Dominican Republic completed supplies from time to time. These fruits were of irregular quality and sold at around EUR 3.00 per kg. A few batches of 'Mabrouka' and then 'Kent' from Egypt sold better at between EUR 3.00 and 3.50 per kg.

Mango — Weekly arrivals — Estimates in tonnes										
Tonnes	27	28	29	30	31	32	33	34	35	
By air										
Mali	8	5	6							
Mexico	50	55	50	48						
Senegal	35	53	53	53	2	10	3-5	3-5	5	
By sea										
Brazil	520	390	500	500	370	370	460	500	630	
C. d'Ivoire	275	110	20							
Senegal	100	275	700	600	600	385	385	275	85	
Mali	120	120	120	120						
Israel					185	185	275	275	220	

JULY-AUGUST 2006

Mango — Import prices on the French market — Euros

Weeks 2006		27	28	29	30	31	32	33	34	35
By air (kg)										
Mali	Kent	2.80-3.20	2.80-3.00	2.80-3.00						
Mexico	Kent	4.30-4.70	4.30-4.70	4.00-4.50	4.00-4.50					
Senegal	Kent	3.00-4.00	2.50-4.00	2.50-3.50	2.50-3.00	2.50-3.00	2.50-3.00	2.60-3.20	2.60-3.00	2.60-3.00
Israel	Maya		4.50	4.50	3.60-4.00	3.00-5.00	2.00-3.50	2.00-3.00	2.00-3.00	2.00-3.50
By sea (box)										
Côte d'Ivoire	Kent	4.00-4.50	4.00-5.00	5.00-6.00						
Mexico	Kent			6.00	6.00					
Senegal		5.00-6.00	5.00-6.50	5.00-6.00	5.00-5.50	5.00-5.50	4.00-5.00	4.00-5.00	4.50-5.00	4.50-5.50
Israel	Tommy Atkins					5.00-5.80	4.00-4.50	4.00-4.50	3.50-4.50	4.50-5.00
Israel	Kent							4.50	4.00-5.00	5.00-5.50

Pineapple



July and August are always fairly difficult months for operators in the pineapple sector as demand is small because of the attraction of the season's fruits and the absence of numerous operators, causing a slowing in business. The situation was different this year and pineapple sales displayed two distinct rates. However, there were no surprises in the air pineapple market. Business was slow even though good prices were obtained sometimes. It should be noted nevertheless that the 'Victoria' pineapple market was already a cause for concern before July and August and hardly made any progress as demand was exceedingly slow.

The trend observed at the end of June was confirmed in July. Quantities were increasingly limited and smaller than operators' expectations. With very small volumes arriving, 'Smooth Cayenne' was relegated to minor market status. The quantities of 'Sweet' were also down to a third to a half of normal amounts. In parallel, demand increased for pineapple in general and 'Sweet' in particular, becoming increasingly firm as the weeks passed, especially in Italy and Spain. Sales on domestic markets were satisfactory and at good prices. However, demand on export markets was considerably greater than the supply available. Prices therefore increased throughout the month, peaking at EUR 16 per box of 'Sweet' (ex-quay) at the end of July. Brands such as Del Monte quoted even higher prices on the southern markets. The prices of 'Smooth Cayenne' also increased but were limited by short supplies and the difficulty for buyers to go beyond the psychological level of EUR 10.00. After rising for four weeks, prices stabilised before falling. Demand and transactions were slow in August as operators were on holiday but supplies nonetheless increased although the volumes were not very large. Prices fell in the first two weeks as demand faded,

especially on the southern markets. To this should be added the increasing lack of interest from hypermarkets and supermarkets in Germany and the Netherlands. These considered that the prices were too high and began to withdraw pineapple from their special offers. The difficulties began on 15 August. Demand was weak and stocks accumulated gradually and there was no price as this had tumbled in recent weeks. The end of the month was marked by numerous clearance sales (at prices as low as EUR 3 per box), especially as the 'Sweet' and 'Smooth Cayenne' received did not store well. Numerous operators doubted whether there would be an improvement during the following month if demand remained at such a sluggish level. Indeed, the announcement of arrivals from Latin America just increased these fears. There were no substantial changes in the air pineapple market during the summer. Supplies had been very limited in July. Although sales were fluid they involved only small volumes. Prices remained at a good level as demand was just sufficient to handle the volumes available. An improvement in the quality of shipments from Benin was observed while the standard of those from Ghana and

Cameroon was more uneven. Batches from Côte d'Ivoire were even more limited in volume but displayed the steadiest quality.

July was also a difficult month for 'Victoria' which was out of favour among consumers of small exotic fruits. Batches from Réunion, still the reference with regard to quality, sold with considerable difficulty and the few transactions completed concerned only small quantities. The arrival of large batches from Côte d'Ivoire in mid-month resulted in a collapse of the price of 'Victoria' from Réunion. Although there was a slight impression of recovery at the beginning of the month, August hardly differed from July in terms of sales. Volumes remained fairly small even though supplies from Ghana and Benin increased a little at the beginning of the month. The market seemed sluggish and overloaded at the end of August in spite of a decrease in shipments from these latter origins. Côte d'Ivoire found it difficult to position itself at the same level as the other producer countries because of the large supplies shipped and the uneven quality that affected prices. However, the month finished on a positive note with a recovery in the consumption of small exotics, leading to hopes for increased sales.

JULY-AUGUST 2006

Pineapple — Import price

Euros	Min	Max
By air (kg)		
Smooth Cayenne	1.40	1.90
Victoria	1.50	3.60
By sea (box)		
Smooth Cayenne	4.00	12.00
Sweet	5.00	16.00

Pineapple — Import prices on the French market — Main origins — Euros

Weeks 2006		27	28	29	30	31	32	33	34	35
		By air (kg)								
Cayenne	Benin	1.75-1.85	1.75-1.85	1.85-1.90	1.85-1.90	1.80-1.90	1.80-1.85	1.80-1.85	1.75-1.80	1.80
	Cameroon	1.75-1.80	1.75-1.80	1.80-1.90	1.80-1.90	1.85-1.90	1.80-1.90	1.80-1.85	1.75-1.80	1.80-1.85
	Côte d'Ivoire	1.75-1.80	1.75-1.80	1.85	1.85	1.80-1.90	1.85	1.80-1.85	1.75-1.80	1.80-1.85
	Ghana	1.70-1.80	1.70-1.80	1.65-1.75	1.65-1.75	1.75-1.85	1.60-1.75	1.70-1.75	1.40-1.65	1.50-1.75
Victoria	Côte d'Ivoire	2.80	2.80	1.50	2.20-2.50	2.00	2.00-2.30	2.00-2.30	1.80-2.30	1.80-2.00
	Ghana	3.00	3.00	2.20-2.50	2.20-2.50	3.00	2.50	2.50	2.50-2.80	2.00-2.50
	Réunion	3.20-3.50	3.20-3.50	3.20-3.30	3.20-3.30	3.50	3.20-3.50	3.20-3.60	3.40-3.60	3.30-3.50
	Mauritius						3.30-3.60	3.30-3.50		
	South Africa	2.80	2.80	2.50-2.80	2.50-2.80	3.00	3.00	3.00		
		By sea (box)								
Cayenne	Côte d'Ivoire	5.00-7.00	5.50-7.50	6.50-8.50	8.00-10.50	8.00-10.50	8.00-10.00	6.00-9.00	5.00-7.00	4.00-6.00
	Ghana		7.50-8.50	8.00-10.00	9.00-12.00	10.00	8.00-9.00			
Sweet	Côte d'Ivoire	7.00-9.00	8.50-11.50	10.00-12.50	9.00-14.00	11.00-14.00	10.00-12.00	7.50-9.50	5.00-9.00	5.00-7.00
	Cameroon	7.00-9.00	8.50-11.50	10.00-12.50	9.00-14.00	11.00-14.00	10.00-12.00	7.50-9.50	5.00-9.00	5.00-7.00
	Ghana	7.00-9.00	8.50-11.50	10.00-12.50	9.00-14.00	11.00-14.00	10.00-12.00	7.50-9.50	5.00-9.00	5.00-7.00
	Costa Rica	7.50-9.00	8.50-11.50	12.00-16.00	11.00-16.00	11.00-15.00	11.00-12.00	9.00-11.00	7.00-10.00	

Sea freight



Laying up 15-20 vessels in June and July paid dividends to reefer owners as vessel supply tightened throughout August and the reefer charter market reached a fluid equilibrium, and subsequently a solid base on which to build into the autumn for the all-important Period business. This was achieved despite a reduction in volumes of 'off-season' staple citrus volumes from Argentina and South Africa and heavily increased competition from the box lines at both sources.

Spot chartering activity was led by the banana majors most notably GWF, which at one stage was obliged to fix an additional two vessels per week on to its programme out of Costa Rica and Panama. In light of its preference to utilise fuel-efficient, container-friendly, modern tonnage and the relative shortage of vessels with these specifications owners of the more modern units were able to secure a premium rate umbrella under which all other Spot business could take place. There was very little activity from the traders, the consequence of 'disastrous' banana markets in the EU and Med. The fall in demand from the

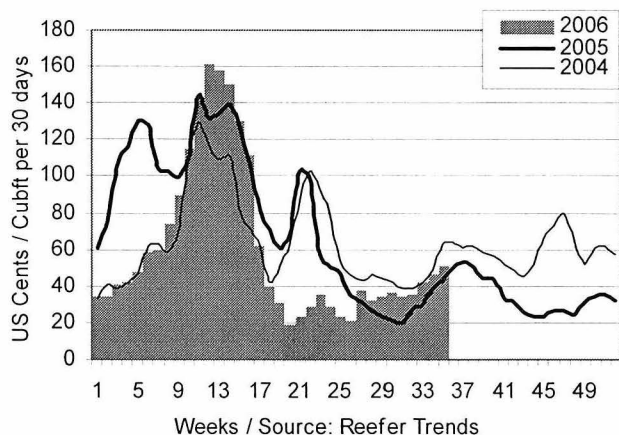
main Spot markets led to a dramatic drop in the Ecuadorian exit price but even at US\$0.80c-US\$1.20 per box the fire could not be stoked. This was partly due to the heat influencing market demand for bananas and partly due to bunker costs, which necessitated a rate of US\$3.80 per box plus from Ecuador just for the operators of the 'old ladies' to break even. Having made the decision not to lay up the owners of the older units were not prepared to compromise any further. There was a mixed picture for owners in the two early-season Canary Island tomato and mainland citrus contracts. Owners were certainly

influenced by the performance of the Spot market over the start of the off-season as charterers claimed a victory of sorts in a 10% rate reduction for the Canary Island contract. However the 60-70K pallet clementine 'back-haul' trade to the US was reported fixed at similar levels to last year. In contrast to the June and July markets, it will be interesting to see how a strengthening market from July into August and September influences the more important and significant 12-month banana Period negotiations scheduled to take place in October and November.

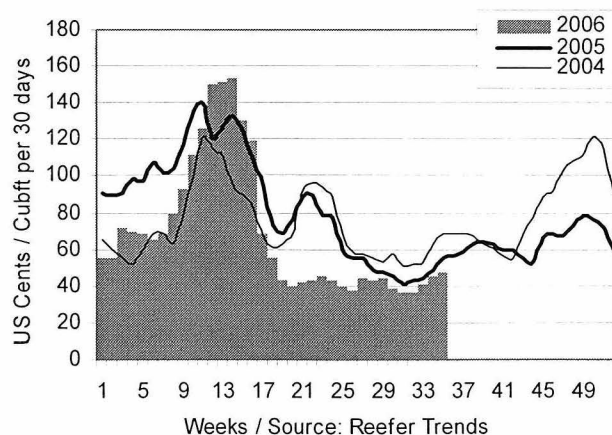
JULY-AUGUST 2006	Monthly spot averages	
	US\$/cents/cubic foot x 30 d.	
	Large reefers	Small reefers
July 2006	35	43
July 2005	23	43
July 2004	39	51
August 2006	43	42
August 2005	28	44
August 2004	47	56

Weekly market movement

Large reefers (450 000 cuft)



Small reefers (330 000 cuft)



Web: www.reeferevents.com
 Tel: +44 (0) 1494 875550
 Email: info@reeferevents.com

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