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# FRuiTROP

English version

## CLOSE-UP: GRAPEFRUIT

## Mediterranean citrus: HLB, a new threat

## Sea freight: reefer market heads for the rocks

http://passionfruit.cirad.fr

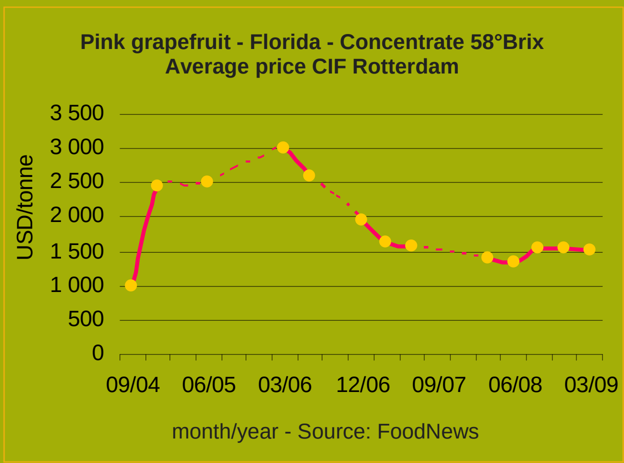
# Grapefruit juice: a sour taste

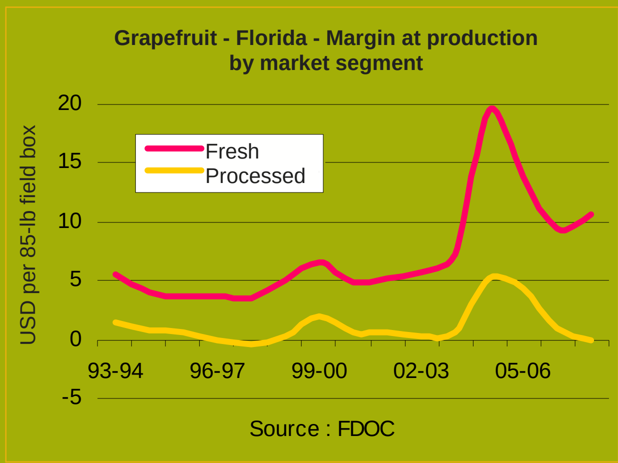
Growers do not have a true, profitable alternative to the fresh fruit market. In spite of a slight movement in early 2008, the price of Florida 587° Brix juice, the Rolls Royce of concentrated juices, reputed for its taste qualities and high soluble solids content, peaks at about USD1 500, far from the USD3 000 reached in early 2006 when the Florida deficit was at its worst. Prices are becoming dangerously close to the low USD1 000 seen before the 2004 hurricanes. Why such stagnation when Florida is still very weak, even if it is the leading stakeholder on this market?

First of all, demand has continued to decrease (see box). The demonstration of potentially harmful interactions between grapefruit and certain medical treatments spread doubt among consumers, especially older larger consumers in the USA. In addition, the price recovery observed in 2005-06 encouraged the beverage sector to replace this juice by cheaper ones in the formulation of certain blends. For example, consumption on the US market halved between the beginning of the decade and the 2007-08 season, falling from over 125 million gallons of SSE (Single Strength Equivalent) to less than 65 million. The emergence of a market in eastern Europe does not compensate the decrease in longstanding consumer countries.

On the supply side, processed volumes have increased considerably after the dizzy plunge in 2004-05 and 2005-06. They are even approaching those of the last average seasons before 2004-05. Larger volumes processed in South Africa, Argentina and Mexico partially make up for the Florida deficit.

In this context, profitability has shrunk to practically nothing and was even negative in 2007-08 in countries with high labour costs. The single juice market is the only healthy segment. European market demand is still fairly good and allows fairly decent prices: approximately USD600 shipped to Rotterdam (tax unpaid).




**Grapefruit — World — Estimate of quantities processed**

| 000 tonnes | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 |
|---|---|---|---|---|---|---|
| **Total** | **2 066** | **1 827** | **1 186** | **1 585** | **1 800** | **1 742** |
| **Total Northern Hemisphere** | **1 753** | **1 576** | **869** | **1 206** | **1 448** | **1 401** |
| United States | 1 098 | 1 144 | 392 | 629 | 859 | 809 |
| Mediterranean | 207 | 182 | 185 | 195 | 202 | 192 |
| Israel | 171 | 143 | 157 | 151 | 157 | 144 |
| Turkey | 19 | 24 | 10 | 19 | 15 | 18 |
| Cyprus | 9 | 8 | 10 | 16 | 15 | 16 |
| Spain | 3 | 2 | 2 | 3 | 7 | 6 |
| Mexico | 39 | 69 | 112 | 112 | 80 | 100 |
| Cuba* | 207 | 4 | 1 | 80 | 112 | 116 |
| **Total Southern Hemisphere** | **313** | **251** | **316** | **379** | **352** | **341** |
| Argentina | 106 | 73 | 127 | 130 | 126 | 91 |
| Brazil | 59 | 59 | 59 | 60 | 60 | 60 |
| South Africa | 148 | 119 | 130 | 189 | 166 | 190 |

* estimate: 80% of production in 2007 and 2008 / Sources: FAO, CIRAD, professionals