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BANANA

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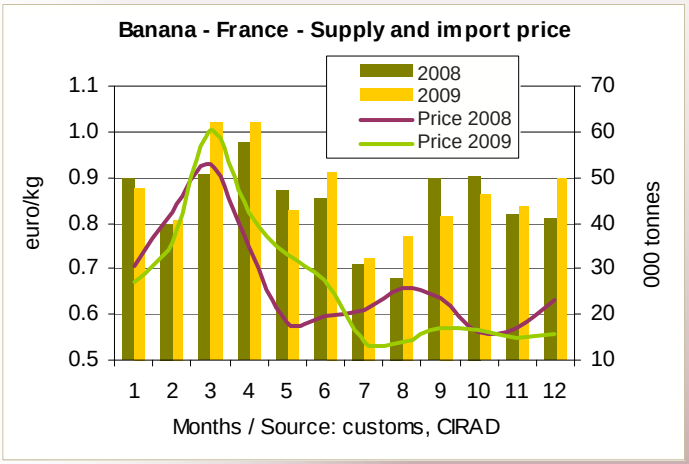
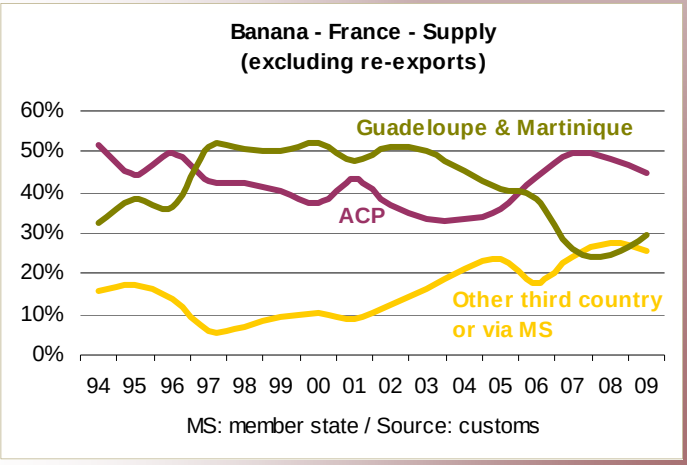
The French banana market

More, more and more





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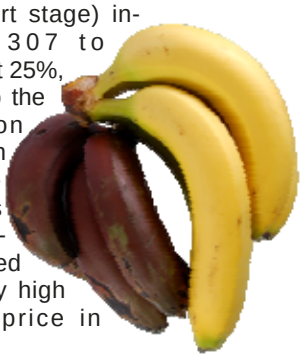
Even the most sceptical observers will have to agree. The volumes of the French market have been increasing since 2007. Three years of continuous growth is obviously not a major trend but it is no coincidence either, especially in 2009. The good orientation of the French market runs counter to that of the world market. While net supply of EU-27 is down by 6% and that of the United States by 12%, France took an extra 24 000 tonnes in 2009, that is to say 5% growth. Consumption is thus 8.9 kg per person and approaching the 9.0 kg reached in 2002, the highest level ever. It is true that the 2009 figure can give satisfaction when compared to the 7.9 kg of 2006. But the performance should be viewed in relative terms as the EU average was 10.2 kg (provisional figure) in 2009 and had even reached 10.9 kg in 2008.

Smile if you dare!

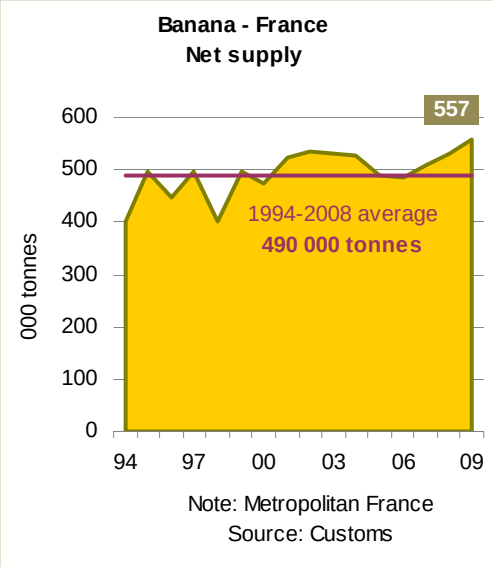
So no regrets and let's be happy about the resurrection of the banana market while the world market is shrinking. For observation of turnover rather than volumes shows that the French market has made progress here too. The increase in volume has created value rather than destroyed it. Sector sales from 2006 to 2009 (evaluated from average monthly prices at the import stage) increased from 307 to 383 million euros. At 25%, this is very close to the record 394 million euros attained in 2005, a very unusual year in terms of quay prices. Indeed, it was marked by an exceptionally high annual average price in

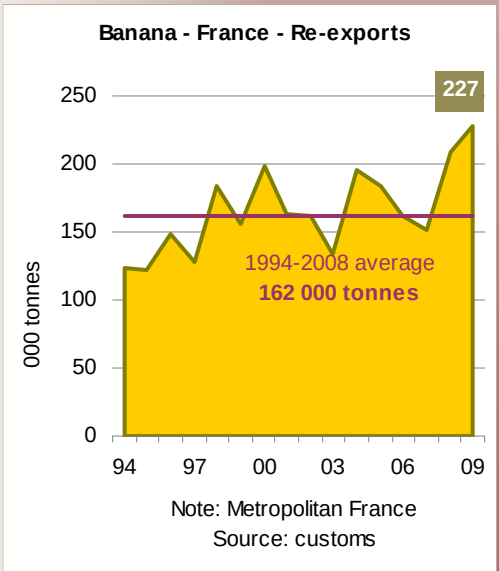


Fruidor, la culture de la différence

1er réseau de mûrisserie de France avec **9 sites** répartis sur tout le territoire (tous certifiés ISO 9001:2008 et/ou IFS), Fruidor est le **leader sur le marché français** de la banane avec près de **160 000 tonnes mûries en 2009** (origine Guadeloupe & Martinique, Afrique, Amérique latine, caraïbes, République Dominicaine).

Notre savoir faire dans l'approvisionnement en bananes vertes et notre expertise dans le mûrissage et le conditionnement nous permettent de vous proposer une large gamme de bananes (Banane de Guadeloupe & Martinique, banane bio, banane rose, petite banane, banane plantain, Freyssinette, Banane Planteur et Montagne de G&M) ainsi qu'un accompagnement marketing ciblé tout au long de l'année (jeux concours, opérations promotionnelles, animations magasins).





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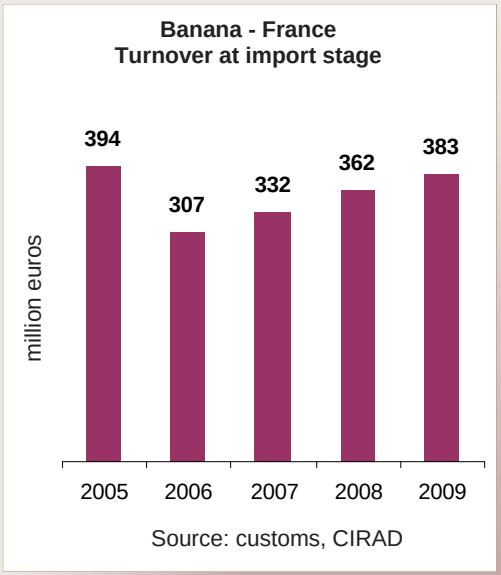
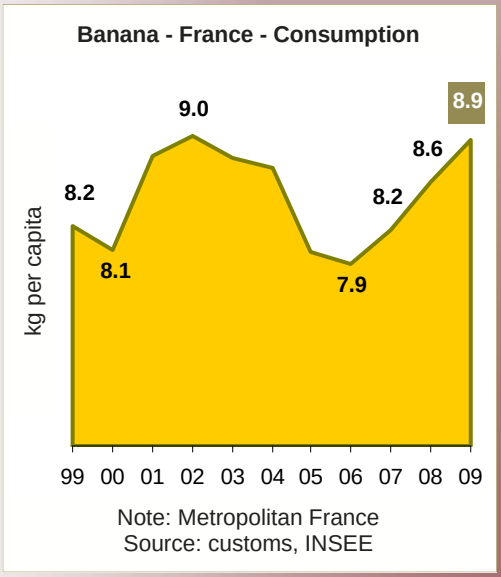
France of EUR 0.78 per kg, more than 17% better than the average for four preceding years.

There are many reasons for the present success. No single parameter can fully account for the trend. However, what seems to have been the determinant feature in 2009 is related to the structure of the French market. It is a redistribution market (227 000 tonnes re-shipped in 2009) but also strongly structured by traditional supply. Bananas are grown in the French overseas departments in the West Indies (Martinique and Guadeloupe) and has always had very strong links with exporting countries in Africa, especially Cameroon and Côte d'Ivoire. In a way, this gives it an assurance with regard to supply. During periods of strong decrease of world supply, estimated at a million tonnes in 2009, France benefits from stable supplies, completed by new sources such as Ghana and Surinam whose flows are mastered by French operators. The other side of the coin is its extreme fragility when world supply returns to the highest levels because it receives dollar bananas from third countries in addition to the traditional volumes. Proof of this was seen in 2008 when Martinique could not handle its market share because of the hurricane in 2007. Dollar sources then grabbed a 28% market share directly or via another EU member. This was an all-time record.

Banana has escaped the downturn

The practically record rate or intensity of promotion operations in 2009 is another positive factor. It reached 31%, the best level since 2000 (32%). The promotion of bananas, by far the most competitive fruit in fruits and vegetable and even all fresh food departments of shops, was a deliberate act by supermarket chains that wished to show that during a crisis period they could offer low prices every day. French retail prices fell by 4% whereas every where else in Europe they held at close or identical to those of 2008 (**FruiTrop 174**, January 2010).





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Similarly, it can be considered that the communication policy of French growers made a contribution to the increase in volumes. The restructuring of the market also doubtless played a role. Since the end of 2008, most of supply has been centred on several large ripening networks that are in turn closely linked to both African and West Indian production.

Waiting for the sacred union

What lies ahead for the French market? Either it is experiencing structural growth and there is nothing to prevent action to enhance this by working on both added-value and volumes or it will be hit head-on by the dark prospects of 2010, with world supply returning to its highest level. The first quarter of 2010 confirms this strong degradation in both value and volume. The average first quarter import price in France was disastrous and, at EUR 0.64 per kg, close to the lowest historical level of 2004 (EUR 0.63 per kg). Net supply for the first two months of the year is 4% down—a return to levels not seen since 2007. Even if at least where prices are concerned these levels differ very little from the European trend, French operators should react. The merits of an interprofessional organisation able to work on demand to develop the market and improve added-value for the benefit of all stakeholders has often been discussed in **FruiTrop**. The initiative seems to be stuck for the moment even though the cause is just and urgent. It is a pity that this pooling of energy and ideas for improving the value of the sector has not started during a good period for the market. But sacred unions can rarely be ordered during a period of optimism. 2010 might turn out to be a wonderful year for agreement ■

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