

CLOSE-UP

Litchi

Kiwi from the southern hemisphere:
finding a second wind

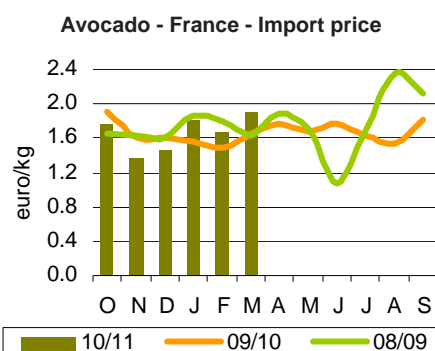
Citrus and exotics:
monthly review

<http://passionfruit.cirad.fr>

Avocado

March 2011

The market improvement that started in February continued throughout the month. Demand remained comparatively slow, even after the school holidays. Supply of 'Hass' was light. Indeed, the Israeli season started to slow right at the beginning of the month, arrivals from Spain were only average and—unlike last year—there were no shipments from Mexico and Chile. In addition, the supply of green varieties was only moderate. The Israeli season for varieties with large potential such as 'Pinkerton' finished during the first half of the month and southern hemisphere supply started late, at the end of the month, with a normal calendar for Kenya but with Peru running late. Prices firmed, especially during the second half of the month, and a level distinctly higher than average was achieved.



■ The Moroccan avocado export sector is becoming stronger and more structured. It gave itself a representative structure on 5 April 2011. In addition to classic representation missions to local authorities and international organisations, the Association Marocaine des Producteurs d'Avocat has also set itself the objective of developing export production whose quality matches the best international standards. The aim is to enlarge the area under 'Hass', currently estimated to be nearly 750 hectares, by about 500 ha per year during the coming decade. The country's main production-export body (EXOS) will form the driving force and its managing director, Aziz Abdou Simo, is president of the association. A nursery producing high-quality planting material and a packing station with capacity for 4 000 tonnes per month are to be developed at the end of 2011/ beginning of 2012. Farmers who wish to invest will be supported by aid measures for competitive export farming set up by the government within the framework of the 'Green Morocco' plan. Morocco has been present regularly on the EU market

since 2007-08, with volumes varying between 1 000 and 2 000 t.

Source: CIRAD

■ Conjunctural conditions good for prices and also for Peru on the United States market. Avocados will remain expensive in the United States this year according to the forecasts made by several professionals involved in this market. Weekly supply usually totals 10 000 to 11 000 t but displayed a deficit of about 20% at the beginning of April, and prices were USD 40 to 50 per 11-kg box. The reason is the particularly small harvest in California this season (115 000 t in comparison with more than double last year, according to the CAC) and supplies from Mexico that are also moderate. These favourable conditions are well-timed for Peru, which is currently negotiating with the US sanitary authorities for permission to export to the US with no disinsection procedure required. It will probably be necessary to wait for July and the first Mexican local fruits and then the start of the Chilean season before supplies increase.

Sources: The Produce, CIRAD

PRICE	Varieties	Average monthly price euro/box	Comparison with the last 2 years
	Green	6.00-6.50	+ 15%
	Hass	8.00-8.20	+ 7%

VOLUMES	Varieties	Comparison	
		previous month	last 2 years average
	Green	↗	+ 5%
	Hass	=↗	- 19%

VOLUMES	Source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Israel	↘	+ 12%	'Hass' and green varieties slowed at the beginning of the month but volumes remained larger than average.	+ 17%
	Peru	↗	na	Late start to the season.	na
	Spain	=↗	- 5%	Deliveries of 'Hass' increased but remained slightly smaller than average. Limited average volume of green varieties.	- 2%
	Mexico	=	- 93%	Another month of almost total absence from the EU market: production shortage, United States market increasingly attractive.	- 65%
	Kenya	↗	0%	Volume of 'Fuerte' average overall but increasingly strongly in mid-month. A few batches of 'Hass'.	- 9%



Inaugural meeting of the Association Marocaine des Producteurs d'Avocat

Mango

March 2011

Large and sustained arrivals from Peru kept the market chronically over-supplied for the first three weeks of March. The only moderate arrivals from Brazil just increased pressure on sales. The price of Peruvian mangoes remained at a low EUR 2.00 to 3.00 per box and this generally weighed on the prices of Brazilian fruits. Varietal distinction between 'Kent' from Peru and 'Tommy Atkins' from Brazil had no real effect on prices as quantities were large and demand less than euphoric. The low prices resulted in the setting up of numerous promotion operations to attempt to speed up sales but without success. Over-supply was soon accompanied by the worsening of the quality of the goods available, making the situation even worse. The market cleared slowly in mid-month with the gradual decrease in arrivals from Peru and intensive promotion operations in several European countries. Prices perked up a little in the second half of the month, especially for the small fruits that formed a small proportion of the shipments from Peru. The prices of good quality fruits from storage or that had just arrived recovered to EUR 4.00 to 4.50 per box while those of poor quality continued to change hands at low prices. The change in production zone in Peru slowed shipments at the end of the month but quality remained very uneven.

The large quantities that arrived by air in the first half of March weighed heavily on prices, especially as a proportion of the fruits from Peru were very ripe and had to be sold quickly. Smaller shipments caused prices to recover in the second half of the month. From the third week onwards, the first mangoes exported from West Africa by air reached the French market. The price of 'Amélie' from Mali and Burkina Faso fell after two weeks of sales at good prices. 'Valencia' sold fairly steadily while it was difficult to find takers for 'Irwin', 'Smith', 'Haden', 'Eldon', etc. from Mali. Their prices, matching those of 'Valencia', worsened gradually. Limited and occasional batches of 'Cavallini' and also fine quality 'Irwin' and 'Mora' from Costa Rica formed the top of the range.

MANGO — ARRIVALS (ESTIMATES) Tonnes

Weeks 2011	9	10	11	12	13
By air					
Peru	90	90	100	60	60
Mali	-	4	10	20	15
Burkina Faso	-	-	20	20	15
Costa Rica	-	-	15	10	15
By sea					
Brazil	990	810	420	680	1 140
Peru	6 530	5 540	4 270	4 380	2 900

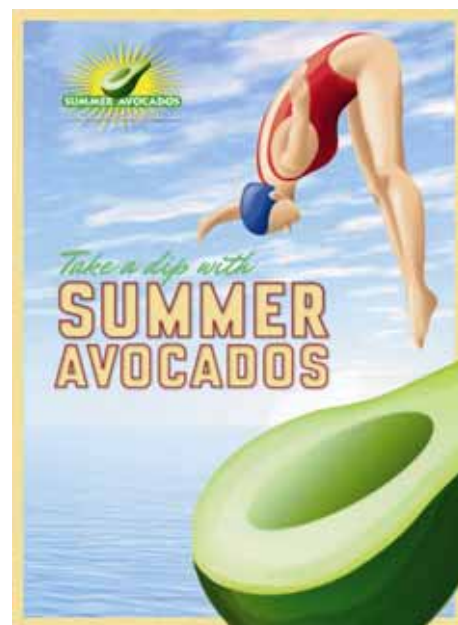
Litchi

March 2011

The European market was distinctly quiet after the end of the Indian Ocean litchi sales season in February. A few batches from Madagascar were still available in the first two weeks, especially on the Dutch market. They had been in storage for a long time and quality was very uneven and all the fruits had to be resorted before sale. However, they occasionally sold at up to EUR 4.00 per kg as there was no longer any competition. Returns were seriously affected by the large proportion of sorting rejects. In the second week of the month, the few batches still available sold at open prices to bring the Malagasy season to an end. During the same period, batches shipped from Australia by air were still available at EUR 10.00 per kg on the French market. They were difficult to sell because of the high prices asked and lack of consumer interest after the omnipresence of Indian Ocean litchis on markets in recent months. Australian deliveries remained very marginal at just a few tonnes per week. The Thai export season began in Week 11, with fruits shipped mainly to the Dutch and Belgian markets. These litchis shipped by air sold steadily until the end of the month at between EUR 11.00 and 11.50 per kg in the Netherlands and around EUR 12.50 per kg in Belgium. Very limited quantities were released on the market during this period and served mainly to supply retailers specialised in luxury exotic fruits.

■ Invitation to the American way of life in the UK this summer. This is what the South African Avocado Growers Association (SAAGA) is proposing to British consumers as part of its new promotion campaign. Avocado is highlighted for consumption on convivial occasions such as barbecues and picnics, in the form of guacamole for example. The concept seems to be a good one in the light of the results in the United States during the Superbowl and in the UK in 2010 during the Football World Cup. However, isn't betting on a sunny summer in Britain a bit of a risk?

Source: RTcom



MANGO — IMPORT PRICE ON THE FRENCH MARKET — Euro

Weeks 2011		9	10	11	12	13	March 2011 average	March 2010 average
By air (kg)								
Peru	Kent	2.50-3.50	3.50-4.50	4.50-4.80	4.00-4.80	4.20-4.50	3.75-4.40	3.55-4.35
Mali	Amélie	-	-	3.50	3.00-3.50	3.00	3.15-3.35	2.65-2.85
Mali	Valencia	-	-	4.50	4.00-4.50	4.00-4.20	4.15-4.40	3.25-3.65
Burkina Faso	Amélie	-	-	3.20	3.00	2.50-3.00	2.90-3.05	2.35-2.40
Costa Rica	Cavallini	-	-	4.50	4.50	4.30-4.50	4.40-4.50	nd
By sea (box)								
Peru	Kent	2.00-3.00	2.00-3.00	2.00-3.00	2.50-4.00	3.00-4.50	2.30-3.50	5.10-6.10

Pineapple

March 2011

Overall supply of 'Sweet' was small in March. Demand was strong at the beginning of the month, especially for small and medium-sized fruits that were in short supply whereas several promotion operations were focused on them. Prices remained stable overall even though sales tended to be fluid. The situation started to become more tense from Week 11 onwards. The supply of 'Sweet' was increasingly unbalanced, with a large proportion of large fruits for which there was little demand. Prices thus began to fall, especially for the large fruits that were under pressure. Demand was not very dynamic at the end of the month and operators frequently feared a more rapid worsening of market conditions, especially as an increase in supplies of 'Sweet' from Latin America was announced.

The political crisis in Côte d'Ivoire strongly affected supplies of 'Smooth Cayenne'. The few batches received were of uneven quality but sold quite well at fairly stable prices. However, the market was not short of fruits, in spite of a certain decrease in the supply of 'Smooth Cayenne'. The small volumes released were thus more than enough to cover demand.

The air pineapple market was under-supplied throughout the month and so sales remained fluid. The quality of fruits from Benin was more irregular but prices were not affected. Fruits from Cameroon were particularly appreciated for their steady quality and sometimes sold at higher prices. The situation was the same on the Benin 'Sugarloaf' pineapple market where supply was very small but of better quality than that of 'Smooth Cayenne', with fruits selling at EUR 1.95 to 2.10 per kg throughout the month.

Supply of 'Victoria' was smaller than demand throughout the month. Operators were thus able to keep prices higher even when the quality of the produce was sometimes uneven.

PINEAPPLE — IMPORT PRICE

EUROPE

Weeks 9 to 13	Min	Max
By air (euro/kg)		
Smooth Cayenne	1.80	2.00
Victoria	3.40	4.50
By sea (euro/box)		
Smooth Cayenne	6.50	8.00
Sweet	6.50	9.50

■ The environmental labelling of mass market products is now on the rails in France.

The aim to generalise this on 1 January 2011 was abandoned to the benefit of a national test. This is to start for one year on 1 July 2011 on a voluntary basis and open to companies of all sizes and sectors, to syndicates, federations and other kinds of group (producers and distributors) as soon as the products concerned by the operation are sold in France. Unlike other European initiatives such as the 'carbon footprint' in the UK, the approach is a multi-criterion one and not limited to greenhouse gases (GHG) alone. France wishes to go further than GHG emissions and analyse impacts on biodiversity, water and eutrophication. The ambitions are strong but often precede assessment methods. However, the protocol wisely plans that the specific impacts taken into ac-



count will be 'the most significant of each product category'. The approach used will be life cycle analysis (LCA): from cradle (extraction of raw materials, manufacture, transport, etc.) to grave (consumption, waste recycling and management, etc.). Currently, 168 companies or groups have been chosen. The list covers the whole range of both food and non-food consumption. It will be noticed that the list contains a group of 14 Colombian companies—that export tropical fruits in particular—that will start the experiment. It is not expected that the labelling will be applied everywhere until 2012, when this test phase has been analysed. And when will economic and social impacts be taken into account and not just environmental features? This will be the only way to talk of sustainability at last.

Source: CIRAD

■ European imports of banana in January 2011.

Banana - EU-27 - January 2011 imports (provisional)

tonnes	2008	2009	2010	2011	2008-2010 average	Variation 2011/2010
Extra-EU	415 273	383 314	370 095	363 189	389 561	- 2%
MFN	329 203	312 565	287 845	289 746	309 871	+ 1%
ACP, of which	86 071	70 749	82 250	73 442	79 690	- 11%
ACP Africa	62 199	41 371	47 158	44 322	50 243	- 6%
ACP others	23 871	29 379	35 092	29 121	29 447	- 17%

Note: 2011 figures provisional, data lacking for certain member states and certain months.
Source: EUROSTAT customs code 8 030 019

PINEAPPLE — IMPORT PRICE IN FRANCE — MAIN ORIGINS

Weeks 2011		9	10	11	12	13
By air (euro/kg)						
Smooth Cayenne	Benin	1.85-1.90	1.85-1.90	1.85-1.90	1.80-1.90	1.80-1.90
	Cameroon	1.85-1.90	1.85-1.90	1.85-1.90	1.85-2.00	1.85-1.90
	Ghana	1.85-1.90	1.85-1.90	1.85-1.90	1.85-1.90	1.80-1.90
	Côte d'Ivoire	-	-	-	-	1.80-1.85
Victoria	Réunion	4.00	4.00-4.50	4.00-4.50	4.00-4.50	3.50-4.50
	Mauritius	4.00	4.00	4.00	3.50-4.00	3.50-4.00
	South Africa	3.40-3.90	3.40-3.70	3.40-3.70	3.40-3.70	3.40-3.70
By sea (euro/box)						
Smooth Cayenne	Côte d'Ivoire	6.50-8.00	7.00-8.00	7.00-8.00	7.00-8.00	7.00-8.00
Sweet	Côte d'Ivoire	7.00-9.50	7.00-9.50	7.00-9.00	6.50-9.00	6.50-9.00
	Cameroon	7.00-9.50	7.00-9.50	7.00-9.00	6.50-9.00	6.50-9.00
	Ghana	7.00-9.50	7.00-9.50	7.00-9.00	6.50-9.00	6.50-9.00
	Costa Rica	7.50-9.00	7.00-8.50	6.50-8.00	6.50-8.00	6.50-8.00

Banana

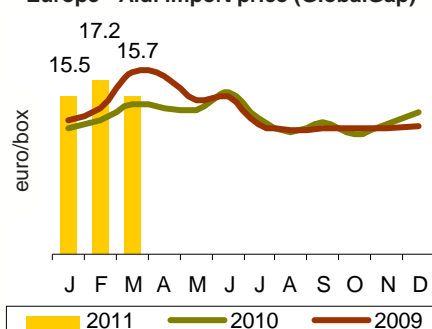
March 2011

The market was difficult and displayed a downward trend until the end of the month. However, supply of fruits from the French West Indies and Africa remained noticeably short. But arrivals of dollar bananas were distinctly larger than in February. Volumes from Costa Rica remained smaller than average, as did shipments from Colombia in the second half of the month. In contrast, Ecuadorian presence was very strong in the EU as production had recovered to a better level and shipping decisions were favourable for the community market. In addition, spot offers played a destabilising role in both Eastern and Northern Europe (with the return of volumes that could not be unloaded at St Petersburg because the port was ice-bound) and in the South, with political troubles in certain Mediterranean countries such as Libya. Finally, demand was very slow during the first part of the month on most community markets because retail prices were still high. In this context, prices continued the downward movement that had started in mid-February and fell to below average two-thirds of the way through the month. The trend reversed at the end of the month and the market recovered its balance. The fall in retail prices re-stimulated demand. In addition, deliveries from Ecuador were much smaller and spot offers disappeared because of new, stricter regulations for exports and the increase in freight costs. The Spanish market remained extremely atypical with Canary Island bananas holding at a very high price throughout the month.

EUROPE — ALDI IMPORT PRICE

March 2011 euro/box	Comparison	
	previous month	average for last 2 years
15.70	- 9%	- 45%

Europe - Aldi import price (GlobalGap)



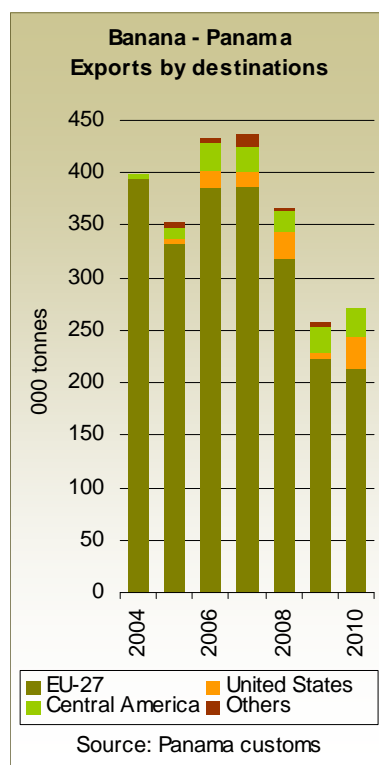
■ No fresh chance for Coosemupar. It is the end of fifty years of banana history on the Pacific coast of Panama. The government has decided to throw in the sponge and finally halt export banana production by the Cooperativa de Servicios Múltiples de Puerto Armuelles (Coosemupar), which it has kept afloat at vast expense since 2003. According to the government, the fault lies with the increasing difficulty of controlling Black Sigatoka diseases and above all the strong trade union movement. No potential new owner has appeared and the cooperative's 3 000 ha of plantations (nearly 30% of her land in Panama under banana according to a 2007 census) will probably be switched



© Denis Loeillet

to plantain and sugar cane. The country's Cavendish banana exports have little chance of recovering to the level of some 430 000 t reached in 2006 and 2007 before Coosemupar's export operations were stopped. Mainly from plantations on the Atlantic coast, they peaked at 260 000-270 000 t in the past two years and were shipped to the European Union (Sweden), the United States and Costa Rica.

Sources: Reefer Trends, MIDA



Source: Panama customs

■ Mozambique bananas soon on European retailers' shelves? The Chiquita group and its local partner Matanaska have invested nearly 50 million dollars since 2008 to develop a 1 200 ha plantation in Nampula province. The fruits are currently shipped to Middle Eastern markets and should head for the EU market as soon as quality certification has been awarded. Total banana exports from Mozambique peaked at between 5 000 and 10 000 t until 2009 and exceeded 30 000 t in 2010.

Sources: Reefer Trends, COMTRADE

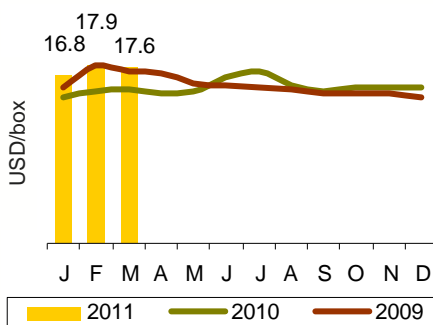
EUROPE — RETAIL PRICE

Country	March 2011		Comparison	
	type	euro/kg	February 2011	average for last 2 years
France	normal	1.70	+ 5%	+ 10%
	special offer	1.47	+ 6%	+ 6%
Germany	normal	1.34	- 3%	+ 1%
	discount	1.20	- 1%	+ 4%
UK (£/kg)	packed	1.18	- 1%	+ 2%
	loose	0.79	- 3%	- 10%
Spain	plátano	1.94	+ 7%	+ 5%
	banano	1.42	+ 1%	- 2%

Banana

UNITED STATES

USA - Green price (spot)

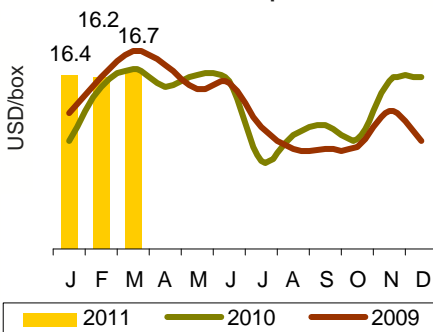


USA — IMPORT PRICE

March 2011 USD/box	Comparison	
	previous month	average for last 2 years
17.60	- 2%	+ 7%

RUSSIA

Russia - Green price

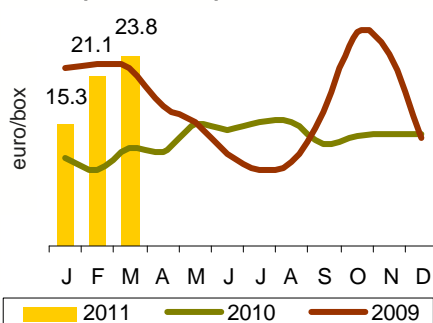


RUSSIA — IMPORT PRICE

March 2011 USD/box	Comparison	
	previous month	average for last 2 years
16.70	+ 3%	- 6%

CANARIES

Spain - Green price - Platano*



CANARIES — IMPORT PRICE*

March 2011 euro/box	Comparison	
	previous month	average for last 2 years
23.80	+ 12%	+ 39%

* 18.5 kg box equivalent

■ A banana in your tank... or bats in the belfry? Much publicity is run on the theme of how easy it is to eat a banana. Other advertisements even go as far as saying that they are boneless. But until now nobody had promoted banana for its merits in automobile manufacture. This is the step taken by Dr Alcide Leao, a Brazilian scientist, who has created a range of plastics using banana leaves and stems. Four times stronger and 30% lighter than hydrocarbon plastics, this revolutionary material could be used in three or four years time for body and motor parts. A serious project or just a vague idea? The only thing that has been scientifically demonstrated as regards banana by-products is that



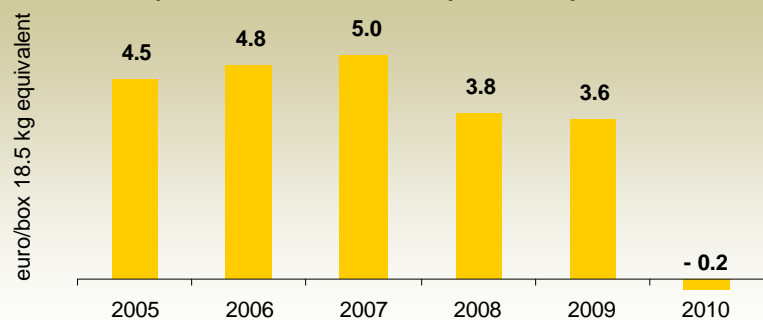
the peel considerably increases the risk of falling flat on one's face...

Source: mirror.co.uk



■ Asprocan moving towards a single brand. Desperate times call for desperate measures. After a black 2010 and an increase in competition from 'banano' on the Spanish market, Francisco Rodriguez, the president of Asprocan, is pleading for a sacred union. He proposes that all Canary Island bananas should be marketed under a single umbrella brand, 'Platano de Canarias'.

Source: Reefer Trends

Evolution of the difference:
platano from the Canaries price / Aldi price

Source: CIRAD estimates

EUROPE — IMPORTED VOLUMES — MARCH 2011

Origin	Comparison		
	February 2011	March 2010	cumulated total 2011 compared to 2010
French West Indies	↗	- 12%	- 25%
Cameroon/Ghana	↗	- 15%	- 17%
Surinam	↗↗	+ 2%	- 27%
Canaries	↗	- 10%	- 3%
Dollar:			
Ecuador	↗	+ 28%	+ 19%
Colombia*	⇒↘	- 11%	- 1%
Costa Rica	↗	- 11%	- 13%

* total all destinations

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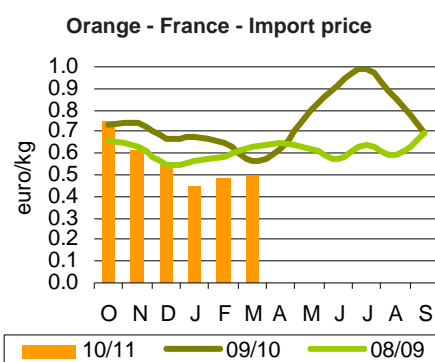
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Orange

March 2011

The market remained somewhat difficult as demand was slow and the quality of part of Spanish supply was often uneven. As regards juice oranges, the Spanish 'Salustiana' season was extended and quality was often delicate. Prices remained unchanged. In this context, the first batches of 'Valencia' from Spain were only delivered at the very end of the month. Exports of 'Maroc Late' were soon redirected to the domestic market, which was promising with Ramadan in June, and to Russia. The situation for dessert oranges was similar. Supply of 'Navelate' was fairly moderate but some batches affected by frost lacked keeping quality. The price range remained broad according to brands. The situation for 'Maltese' improved as deliveries were more moderate.



PRICE	Type	Average monthly price euro/box 15 kg	Comparison with average for last 2 years
	Dessert oranges	9.75-10.00	- 3%
	Juice oranges	9.00-9.50	na

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Dessert oranges	↗	- 20%
	Juice oranges	⇒↘	na

VOLUMES	Varieties by source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Valencia late from Morocco	↗	+ 88%	Early, explosive start at the beginning of the month and then arrivals were very limited.	+ 88%
	Navelate from Spain	↗	- 20%	Peak season. Volumes smaller than average and quality uneven because of frost.	- 32%
	Salustiana from Spain	⇒↘	na	Extension of the season. Volumes larger than average and quality often uneven, especially at the end of the month.	na
	Maltese from Tunisia	=	- 18%	Steady, moderate arrivals throughout the month.	- 24%

■ Few summer oranges on the EU market in 2011. South Africa, practically the only supplier of 'Navel' group oranges to the EU market, has announced export potential of about 19.4 million 15-kg boxes. This is 15% down on the last season and 10% down on the 2009-10 average. The decrease will probably be particularly marked for 'Navel', with 'Navelate' and 'Cara Cara' less affected. The Chilean supply complement might be larger as the export potential is up by about 15%. The deficit should remain for 'Valencia' and other late juice oranges. With a shipping programme of about 42.9 million boxes to all destinations, South African exports should hold at an average level in spite of a decrease of some 8% in comparison with 2010. In contrast, Argentina and Uruguay announce a substantial 15 to 30% decrease and the dominance of small fruits for reasons of drought. The size of the Californian harvest should encourage exporters to use caution in their programmes for shipping to the USA. However, the weakness of the euro and Spanish presence that will be at least as strong as in 2010 should also have a damping effect on shipments to the EU. The Asian and Middle Eastern markets, where Ramadan in June should stimulate consumption, seem fairly open.

Sources: Freshfel, CGA, CIRAD

■ The first step towards an epidemiological surveillance network for greening in the Mediterranean area. With Australia, the Mediterranean is one of only two zones in the world that have been spared by greening. However, trade flows, tourists and pilgrimages are serious risks with regard to the introduction of the disease. The

threat comes from islands in the Atlantic (Madeira and the Canary Islands), where *Trioza*



Trioza erytreae

erytreae was identified ten years ago. It also comes from countries where the disease and/or vectors are present, both in the east like Iran, the Yemen and Saudi Arabia, and in the south as in Ethiopia, the Sudan and Somalia. A training workshop organised jointly by CIRAD (France), EMBRAPA (Brazil) and the University of Yaoundé (Cameroon) and funded by Agropolis Fondation (France) and the Capes (Brazil) was held in Montpellier from 5 to 8 April on the symptoms of greening, identification of vectors and molecular diagnosis. It was attended by researchers in plant pathology and citrus sector professionals from Morocco, Tunisia, Egypt and Turkey. An embryonic epidemiological surveillance network was formed to cover the south of the Mediterranean basin in order to define and set up a training and prevention strategy. The network must now be extended to the rest of the Mediterranean Basin so that national plant protection services can be ready to eradicate any introduction of the disease or its vector as fast as possible so as to limit the consequences. The recognition of *T. erytreae*, *Diaphorina citri* and *Candidatus liberibacter* as quarantine organisms by the sanitary services in all the Mediterranean countries was defined as the first priority action.



Diaphorina citri

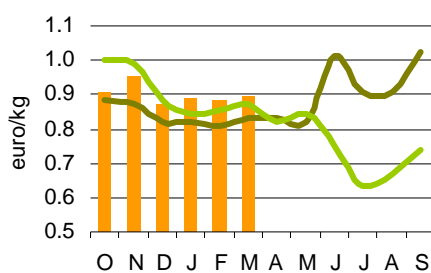
Sources: CIRAD, EMBRAPA

Grapefruit

March 2011

The market displayed an upward trend for most of the month as supply was distinctly short. Arrivals of tropical grapefruit from Florida were very small, especially during the first half of the month as shipments went mainly to Japan for Golden Week. Supply of Mediterranean grapefruit was also moderate. Turkish exports started to decrease, as shipments went more to the Eastern European markets than in previous months. Shipments from Israel were limited until the very end of the month when greater volumes of large fruits were received. Thus in spite of morose demand, the prices of both tropical and Mediterranean grapefruit firmed and were higher than average at the end of the month. The first batches from Corsica arrived in Week 12.

Grapefruit - France - Import price



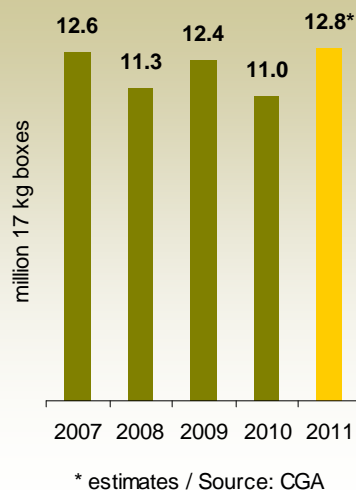
■ A more amply supplied summer grapefruit season than in 2010 in the EU, but with a more open market. After a light 2010 season, grapefruit supplies should gain muscle in the EU in summer 2011. South African export potential should be some 12.8 million 17-kg boxes, 16% up on 2010 and 8% up on the average for the last two years. Fruit size is back to average after 2010 when large fruits were abundant and this should encourage exporters to target the EU more, at the expense of Russia. Argentina has also announced an increase in export potential in comparison with 2010. However, shipments should hardly exceed 10 000 t and be much smaller than the 20 000 to 30 000 t recorded until 2009, as many plantations have been abandoned for reasons of lack of profitability. However, in contrast with oranges, the EU market seems fairly open at the beginning of the



season because of the fairly early decrease in shipments from winter sources. In addition, the setting up for the second year running of a South African promotion operation in the United Kingdom should accelerate sales. One major unknown feature remains: the impact of the current crisis on the behaviour of the Japanese market, the main destination for South African grapefruit.

Sources: CGA, Freshfel, CIRAD

Grapefruit - South Africa Exports



■ Zero for the US Trade Department. 'Zeroing', an infernal mechanism for over-taxing imported goods suspected of being involved in dumping has just blown up in the face of the American administration that set it up. The World Trade Organisation recently stated that it is illegal in the case of orange juice after years of procedure between the United States and Brazil. This is bad news for Florida producers protected in their duel with their Brazilian competitors by import duties swollen by 2 billion dollars a year. But it is also bad news for all trade sectors where zeroing is used to protect US industry against cheap imports.

Source: Associated Press

PRICE	Type	Average monthly price euro/box 17 kg box eq.	Comparison with average for last 2 years
	Tropical	16.25-16.75	+ 3 %
	Mediterranean	12.50-13.00	+ 18 %

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Tropical	↘	- 11 %
	Mediterranean	↗	+ 2 %

VOLUMES	Source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Florida	↘	- 11 %	Very marked deficit in the first half of the month as shipments were focused on Japan; more moderate shortage in the second part of the month.	- 16 %
	Israel	↗	+ 2 %	Volumes moderate and short until the end of the month. Peak from Week 12.	+ 10 %
	Turkey	↘	- 29 %	Total exports decreasing but still very large. Volumes for the EU distinctly short, to the benefit of the Eastern European markets.	- 17 %

Sea freight

March 2011

After two years of pain this year's reefer peak season brought some much-needed cheer to reefer owners. Expectations of a strong February-to-April eight week period were largely met: the combination of an increase in Ecuadorian bananas and South Atlantic squid drove demand for capacity. This coincided with a contraction in supply, with many units and reefer containers caught in the ice outside St Petersburg in the coldest winter in the Baltic for almost two generations. The net result was that the benchmark TCE measure for the first three months of 2011 averaged almost 50% more than for the corresponding period in 2010.

The small segment benefitted from strong demand from fish charterers, Egyptian citrus exporters, shortsea demand from the Netherlands into Russia and the squid in the South Atlantic to record an increase in the TCE average of almost 100% over the same period.

The cold in the Baltic and civil unrest in North Africa had two important side-effects on the variables that influence the charter market: bananas originally destined for Russia and Libya had to be diverted into other markets, putting pressure on prices in all markets and causing some traders to suffer heavy losses. This led to reduced chartering activity, which in turn caused the domestic Ecuadorian spot banana price to crash.

Ordinarily the opportunity to purchase bananas at a price well below the official reference value would prompt a flurry of chartering activity from the traders: however with Med markets under pressure, tonnage supply tight and the Ecuadorian Government threatening heavy sanctions on those exporters found not respecting the official US\$5.50 per box value, charterers preferred discretion over valour. A lot of fruit was left behind.

The challenge to the Gaddafi regime in March meanwhile led to a spike in the price of oil, forcing bunker costs to their highest levels since 2008 and denting the

TCE average on Spot charters. With the peak season ending in April operators have to decide whether to keep their units trading, whether to send them into lay-up or sell them for scrap. Realistically the escalating cost of bunkers leaves even the most optimistic owners of fuel-inefficient tonnage with little choice.

Disappointingly for operators there was no last-minute surge in Spot chartering from Chile or Argentina – however preliminary indications are of more liner business, particularly into the Russian market.

■ Dunkirk: the leading French rail port in more than one respect. The 10 000 t of goods handled in 2010 (including 3 500 t in shipping continuity) places Dunkirk in the leading position as regards volume. And there is still much potential for growth as the Grande Synthe marshalling yard has capacity for about 21 000 t. Dunkirk is also the first French port to be the sole manager of its 200 km of railway tracks and related infrastructure.

Source: Port de Dunkerque

■ 2010, a good vintage for Maersk. The Danish shipping country achieved a 5% increase in its traffic, with about 7.3 million 40' containers shipped. This performance, combined with an increase in rates, meant that profits were shown again with 5 billion dollars, including 2.6 billion from the container transport division, after losses of 1 billion in

2009. Even though it plans to increase the volumes carried in containers by 8% in 2011, the company considers that it will be very difficult to equal the 2010 performance. In February 2011, Maersk commissioned 10 large vessels with capacity for 18 000 containers.

Sources: Reefer Trends, Bloomberg

■ Théo de Kool is the new CEO of Univeg. He succeeds Rudi De Becker, who has retired. Mr De Kool joined the Univeg group in March 2010, after spending a large part of his career with the company Sara Lee in Benelux and then in the United States.

Source: Univeg

■ The Compagnie Fruitière Group is setting up via its subsidiaries Dole France and Exofarm a French supermarket promotion operation called 'Fruits d'Afrique'. From 2 May to 11 June, within the framework of this national promotion operation that highlights the quality of the company's African produce, consumers can enter a competition on the internet (www.fruitsdafrique.fr) to win various prizes. Compagnie Fruitière is innovating on this occasion as for the first time the competition can be accessed in the shop department by means of a flash code on product packaging and point of sale promotion material.

Source: Compagnie Fruitière

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The independent news and information service for the reefer and reefer logistics businesses

MONTHLY SPOT AVERAGE

US\$/cubic foot x 30 days	Large reefers	Small reefers
March 2011	110	131
March 2010	81	69
March 2009	95	94

