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The banana market in the United States

Good from all points of view

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There are zeros that, paradoxically, make trade operators jealous. Indeed, the US market is very stable as regards volumes shifted. Net supply was 3.6 million tonnes, within 5 000 t of the 2010 figure. US consumption decreased slightly-—allowing for the increase in the population—from 11.7 to 11.5 kg per person per year. In comparison, this is a kilo more than the European average. Prices were the nice surprise as with zero volume increase the import price increased by 5% to a hitherto unknown USD 16.40 per box! Some kind of heaven for the operators supplying the world market.

The fundamentals of the US market change little from one year to the next. Guatemala is still the leading supplier with a third of the market, even strengthening its position by gaining 16% in volume in 2011—an all-time record. Shipments from Ecuador were obliged to decrease to favour the little or not contractualised markets such as the EU, Eastern Europe, Russia, etc. Costa Rica and Honduras recovered after a series of weather problems. Colombia slipped significantly to fifth position, losing 16% of its exports to the United States—a high cost to pay for the damage caused by heavy rains at the end of 2010 and in early 2011. Mexican exports increased quietly, as every year, and reached 150 000 tonnes. Peruvian shipments to the US display remarkable medium-term stability (20 000 to 23 000 t) while they are breaking record after record in the EU.

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Re-exports were also stable at some 516 000 t, consisting mainly of produce shipped to Canada.

Finally, the monthly supply figures can be used to show the steadiness of the US market. It displays significant differences to the European market. Net supply was a little smoother in time in the US, except for the sharp fall in December 2011. The shock of the strongly increasing volumes in the EU in the spring that caused a break in the trend was not seen in the US. And the very strong summer decrease in market releases in Europe was also much less marked. The strength of the market and its resilience in case of drift was obviously increased. This was doubtless Adam Smith's 'invisible hand' that tends to make the market improve for the mutual benefit of all stakeholders. Invisible or not? That is the question! ■

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