

November 2014 - No. 227

FR*ui*TROP

English edition

Close-up Citrus

www.fruitrop.com

**Peruvian
grape**

**Showing
potential**

Banana

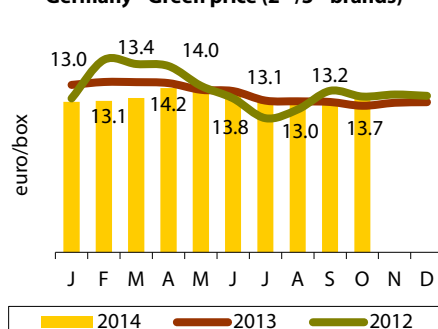
October 2014

Balanced at the beginning of October, the European markets weakened throughout the month, because of a rising supply and more sluggish demand. On the dollar banana side, the Colombian shortfall reached its widest point (- 30 %). However, this was largely offset by incoming Ecuadorian shipments which were slightly up (overall volumes still above average), and above all by the Costa Rican production peak which came at the beginning of the month. In parallel, the French West Indies reached their production peak with above-average quantities (+ 14 %). African volumes were average for the season, with high levels from Cameroon (+ 10 %) offsetting the shortfall from Côte d'Ivoire (- 10 %). In Northern Europe, sales maintained good vitality in spite of the start of the school holidays. In Southern Europe, they were mainly stimulated by promotions. In Eastern Europe, the fall in rates helped restore more dynamic sales. However, the end of the promotions, temperatures remaining mild for the season and the run-up to the All Saints' holiday at the end of the month bit by bit reined back sales. Hence green banana prices dropped gradually throughout the month, though they remained above average for previous years on all the European markets. In Spain, the fall in Canaries platano shipments caused by winds contributed to prices rising throughout the month. In Russia, demand started to exhibit signs of weakness because of economic problems (inflation, rouble/dollar exchange rate in freefall). CIF prices returned to an average level.

NORTHERN EUROPE — IMPORT PRICE

October 2014 euro/box	Comparison	
	previous month	average for last 2 years
13.75	+ 4 %	+ 5 %

Germany - Green price (2nd/3rd brands)



Banana: purée price in Europe for September 2014.

Type	Price (USD/t)	Source	Comments
ss aseptic, 22°Brix	700-750 cfr Holland df	Ecuador	Scarce supply due to difficult climate conditions in Costa Rica. Prices on the up for all sources.

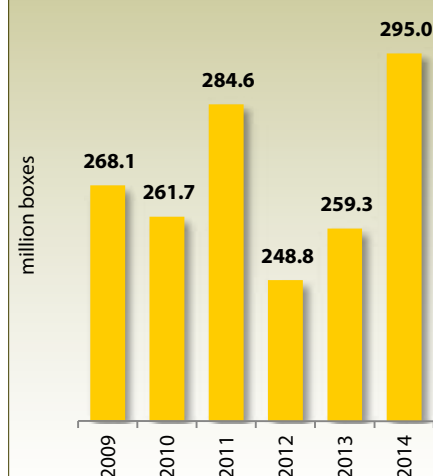
Note: cfr: cost and freight / df: duty free / Source: MNS-ITC Geneva

■ **2014, a record year for Ecuador, before 2015...** 295 million boxes, i.e. more than 5.3 million tonnes! That is the level that Ecuadorian banana exports are expected to reach in 2014, beating the previous record set in 2011 by 3 %. This excellent performance can be explained first of all by a distinct rise in production, thanks especially to the planting investments made with State support (subsidised input purchases, etc.). Secondly, Ecuadorian exporters have been able to take advantage of favourable cyclical conditions on the international market (fall in Costa Rican and Colombian production, lack of local production on the Chinese market because of typhoons). The scenario could be completely different in 2015. The revitalisation policy of the Ecuadorian banana cultivation area should continue to bear its fruits, while world market supply levels could reach maximum level for the first time in years, with practically none of the main suppliers to world trade experiencing any severe climate events. On the other hand, the collapse of the rouble is making for uncertain prospects on the Russian market, a major outlet for Ecuador.

Sources: Reefer Trends, CIRAD



Banana - Ecuador Exports



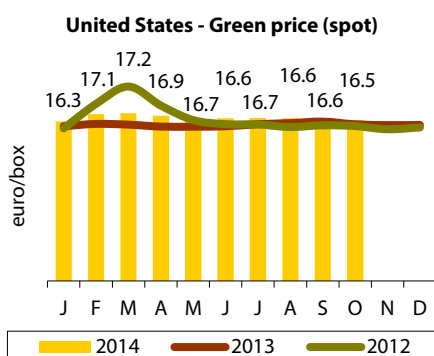
Source: AEBE

EUROPE - RETAIL PRICE

Country	October 2014		Comparison	
	type	euro/kg	Sept. 2014	average for last 3 years
France	normal	1.52	+ 2 %	+ 5 %
	special offer	1.25	0 %	+ 2 %
Germany	normal	1.27	0 %	+ 6 %
	discount	1.13	- 1 %	+ 4 %
UK (£/kg)	packed	1.14	0 %	- 4 %
	loose	0.73	- 4 %	+ 8 %
Spain	platano	2.13	+ 4 %	+ 12 %
	banano	1.28	+ 1 %	- 3 %

Banana

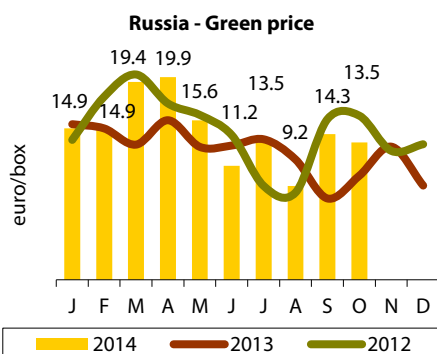
UNITED STATES



UNITED STATES - IMPORT PRICE

October 2014 USD/box	Comparison	
	previous month	average for last 2 years
16.50	+ 3 %	- 1 %

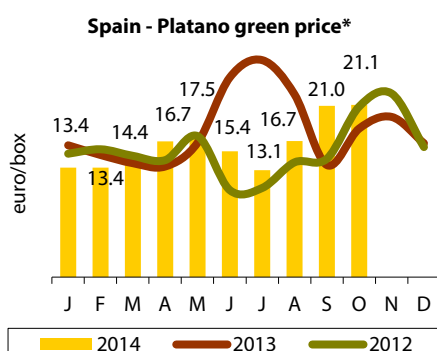
RUSSIA



RUSSIA - IMPORT PRICE

October 2014 USD/box	Comparison	
	previous month	average for last 2 years
13.50	- 6 %	+ 3 %

CANARIES



CANARIES - IMPORT PRICE*

October 2014 euro/box	Comparison	
	previous month	average for last 2 years
21.10	0 %	+ 8 %

* 18.5-kg box equivalent

■ **World banana market: still set fair.** Supply levels to the EU and United States rose again in September (from September 2013 and 2012) and not just slightly! For the EU-28, volumes on the market increased by 6 %, reaching 454 000 tonnes. European production climbed steeply (+ 23 %), through the effect of Martinique literally exploding in September (+ 90 % from 2013), Guadeloupe confirming its good shape and the Canaries maintaining their very good trend. Latin American (dollar) sources were up by 4 %. All the sources climbed steeply except for Colombia, which nosedived as expected (climate vagaries at the beginning of summer). The ACPs were lagging, with the African group still weighed down by the repercussions of the Ivorian floods. The other ACPs were stable, with the Dominican Republic only increasing slightly, and Surinam and Saint Lucia coming undone.

Finally, the supply level over the first nine months of the year was 5 % up on 2013. Over the last

twelve months, the European market saw great expansion, in excess of 5.5 million tonnes, i.e. nearly 300 000 tonnes more than the previous year.

The United States also confirmed the very positive trend of its market, with a 2 % gain over the first nine months. Honduras and Colombia sank, while all the other sources were beating records.

Source: CIRAD



Banana - January to September 2014 (provisional)

000 tonnes	2012	2013	2014	2014/2013 difference
EU-27 — Supply	3 847	4 006	4 216	+ 5 %
Total import, of which	3 384	3 575	3 754	+ 5 %
MFN	2 664	2 806	2 635	- 6 %
ACP Africa	345	391	412	+ 5 %
ACP others	375	378	388	+ 3 %
Total EU, of which	463	431	462	+ 7 %
Martinique	137	128	124	- 3 %
Guadeloupe	47	47	54	+ 15 %
Canaries	262	245	253	+ 3 %
USA — Import	3 274	3 425	3 495	+ 2 %
Re-exports	380	402	414	+ 3 %
Net supply	2 894	3 023	2 723	- 10 %

EU sources: CIRAD, EUROSTAT (excl. EU domestic production) / USA source: US Customs

EUROPE - IMPORTED VOLUMES — OCTOBER 2014

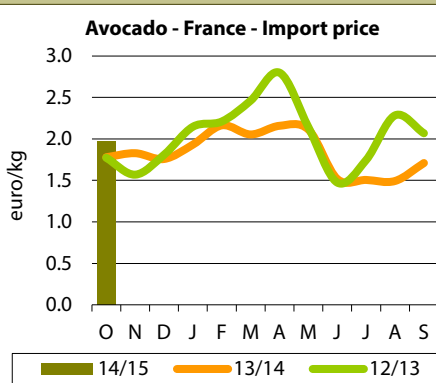
Source	Comparison		
	September 2014	October 2013	2014 cumulative total compared to 2013
French West Indies	↗	+ 46 %	+ 11 %
Cameroon/Ghana/Côte d'Ivoire	↗	- 10 %	+ 2 %
Surinam	↗	- 15 %	- 8 %
Canaries	↗	0 %	+ 3 %
Dollar:			
Ecuador	↗	+ 8 %	+ 35 %
Colombia*	↗	- 27 %	- 18 %
Costa Rica	↗	+ 62 %	+ 76 %

Estimated thanks to professional sources / * total all destinations

Avocado

October 2014

What a fine start to the season! Hass prices rose steadily, peaking in late October. The supply level, though close to average for the past two years, proved insufficient in view of the new consumption standards in force in Europe. The last shipments from the "summer suppliers" were comparable in volume to last season. In parallel, Chilean imports were considerably less than in 2013, at only average levels. Mexico provided a bigger top-up supply than the previous season, though still moderate. This promising context was to the advantage of the green varieties. Prices also soared, especially with the supply level proving well in shortfall (Spanish season back to average, though modest Israeli imports).



■ **The Chilean Hass avocado on the tiny Chinese market.** The Chinese sanitary authorities have authorised, for a two-year period, the import of Chilean avocados. The fruits must come from orchards located in zones free from the fruit fly, and which have followed the sanitary protocol stipulated in the agreement. The Peruvian Hass should also shortly obtain the green light. The negotiations, at a very advanced stage, could be finalised in December. China is currently a minor market, with less than 1 000 tonnes imported in 2013, mainly from Mexico.

Sources: Comité de Palma, El Comercio, Trade Map

■ **Californian avocado: another small harvest on the horizon!** The initial estimates from professional sources are reckoning on a harvest of between 135 000 and 145 000 tonnes, similar to or very slightly greater than the small 2014 harvest. This is surprising, given

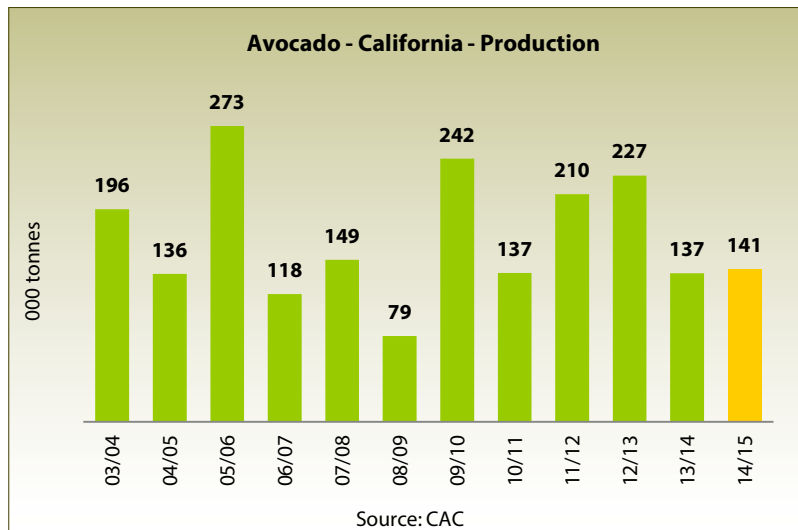
the increase expected from the production swing phenomenon. It can be explained to a great extent by the historic drought, ongoing in certain zones (San Joaquin valley, central coastal zone). Furthermore, precipitation levels will need to return to a more normal level for this forecast to be realised. This second year of lean harvest is good news for the summer 2015 season in Europe. The US market should be very open, and able to absorb good volumes of Peruvian Hass, production of which should continue to rapidly come into its prime (1 500 to 2 000 ha planted per year since 2009). The only blot on the horizon is that the Californian production calendar, just like last year, should be rather focused on the core season (especially April to June). Given the transport time to the Old Continent, the scenario of a wave of Peruvian fruits surging into Europe from mid-June to mid-July should not be ruled out.

Sources: CIRAD, professionals

PRICE	Varieties	Average monthly price euro/box	Comparison with the last 2 years
	Green	7.20	+ 31 %
	Hass	10.60	+ 35 %

VOLUMES	Varieties	Comparison	
		previous month	average for last 2 years
	Green	↗	- 7 %
	Hass	↘↘	+ 5 %

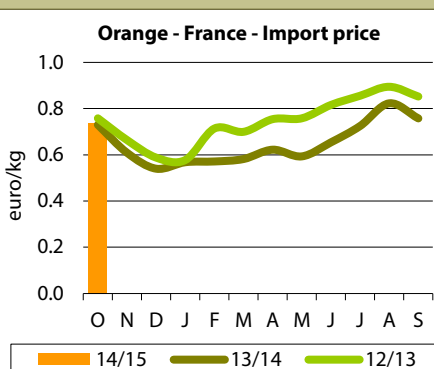
VOLUMES	Source	Comparison		Observations	Cumulative total / cumulative average for last 2 years
		previous month	average for last 2 years		
	Israel	↗	+ 13 %	Ettinger season off to a gradual and late start. Volumes below average.	- 13 %
	Mexico	=↗	+ 14 %	Hass imports moderate, though rising and above average.	+ 21 %
	Chile	=	+ 3 %	Hass imports highly irregular (marked peak at the end of the month), though with an average level overall, and well below the 2013-14 season level.	- 8 %
	Spain	↗↗	+ 40 %	Spanish Bacon and Fuerte season off to an early start, rapidly progressing. Volumes well above average.	+ 40 %



Orange

October 2014

The summer season has ended on a calamitous note. Imports remained high for both Argentina and South Africa, despite the run-up to the end of the season. Furthermore, demand was slow, with the Indian summer impeding consumption. The downward trend in Southern Valencia prices, starting from late September, continued and intensified, with the level reached at the end of the month among the lowest seen. In this context the start to the Spanish season proved to be a struggle, especially with the coloration of the first Navelines leaving something to be desired. Sales were slow until the end of the month, when referencing changes in the supermarket sector enabled a clear improvement.



PRICE	Type	Average monthly price euro/15-kg box	Comparison with average for last 2 years
	Dessert orange	12.75	+ 10 %
	Juice orange	9.60	- 12 %

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Dessert orange	↗	+ 10 %
	Juice orange	↗	- 7 %

VOLUMES	Varieties by source	Comparison	
		previous month	average for last 2 years
	Spanish Navel	↗↗	+ 10 %
	South African Valencia	↘	0 %
	Argentinian Valencia	↘	+ 112 %

■ Orange: juice prices in Europe in September 2014.

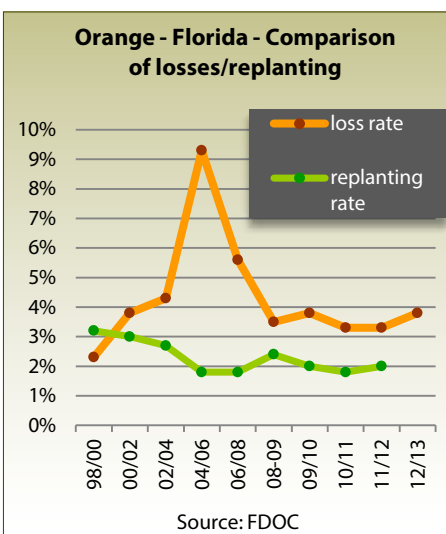
Type	Price (USD/t)	Source	Comments
FCOJ, Pera, 66°Brix, bulk, ratio 14-16	2 100-2 200 fca Holland	Brazil	The drought in Brazil and the low availability of high-ratio juice are raising fears of an under-supply for this category. The harvest should be scarce in Florida, and more particularly in Brazil, where drought is affecting production. Demand is flat, particularly in the USA, where it is even on the wane.
FCOJ, low pulp, 66°Brix, ratio 22<	2 350-2 450 fca Benelux		
FCOJ, Valencia, 66°Brix, ratio 22<	2 350-2 450 fca Benelux	Mexico	
FCOJ, blood, 55°Brix	2 700-2 900 EUR/t exw Italy	Italy	

Note: fca: free carrier / exw: ex-works / Source: MNS-ITC Geneva

■ **Florida: launch of two new citrus replanting aid programmes.** Replacing trees which died due to greening is a necessity for the survival of Floridian citrus growing, with its cultivation stock having melted away like snow in the sun since the invasion of the bacterial infection in 2005 (20 million trees lost, i.e. 25 % of the stock). Two new initiatives have been launched. The USDA funded TAP (Tree Assistance Program) will provide access to aid covering 50 % of land preparation costs (uprooting diseased trees, soil preparation) and 65 % of planting costs (plants and replanting work). Only producers affected by the disease and with a turnover less than 900 000 USD will be eligible, with the aid ceiling set at 125 000 USD per grant. Furthermore, the Citrus World cooperative (1 000 producers from central and southern Florida) has voted for a 10 million USD allowance to help its members expand their cultivation area. This is the second replanting

programme supported by private funds, after that announced by Coca Cola in 2013, which is beginning to be implemented (just over 1 000 ha planted by Duda since 2013). Its target is 10 000 ha.

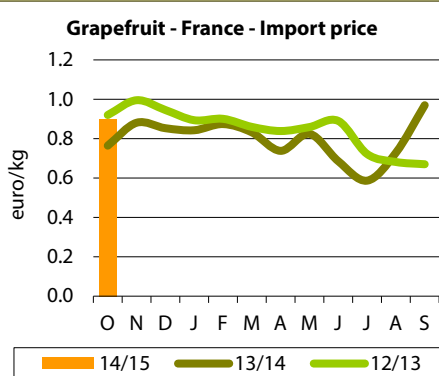
Source: USDA



Grapefruit

October 2014

The tropical grapefruit market proved satisfactory through most of the month, despite demand slowed by the high temperatures in the main consumption areas. Incoming Mexican shipments remained smaller than in 2013, and the Floridian season started late at the end of the month. Sales were mainly fluid at good rates, though they hit something of a flat note for sizes 50 and 55 during the second part of the month. The first half-month was also rather favourable for Israel, the only source in place on the Mediterranean grapefruit market segment. The situation deteriorated during the second half-month, with the start of the Spanish season and the growth of the Turkish supply to an above-average level.



PRICE	Type	Average monthly price euro/ 17-kg box equivalent	Comparison with average for last 2 years
	Tropical	15.50	+ 26 %
	Mediterranean	13.00	+ 4 %

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Tropical	na	na
	Mediterranean	↗↗	+ 13 %

VOLUMES	Source	Comparison		Observations	Cumulative total / cumulative average for last 2 years
		previous month	average for last 2 years		
	Florida	↗	- 39 %	Imports limited (rains at beginning of season, limited size range) and late (first volumes at the very end of the month).	- 39 %
	Mexico	⇒↘	na	Incoming shipments remaining in shortfall (approx. - 10 %). Last shipment at the end of the month.	na
	Turkey	↗↗	+ 57 %	High imports into the EU, due in part to a largely closed Russian market.	+ 57 %
	Israel	↗↗	+ 9 %	Volumes high in the last twenty days, though lower than in 2012-13.	+ 9 %

■ Grapefruit and lemon: juice prices in Europe in September 2014.

	Type	Price (USD/t)	Source	Comments
Grapefruit	Frozen concentrate, 58°Brix, red, ratio 9.5<	1 800-1 900 cfr Holland	Florida	No change in the situation. Supply level still limited for white grapefruit juice because of a reduction in surface areas planted. Demand for red and pink juices decreasing faster than quantities available, which could lead to price falls.
	Frozen concentrate, 58°Brix, pink, ratio 9.5<	1 950-2 050 cfr Rotterdam		
	Frozen concentrate, 58°Brix, white, ratio 9.5<	3 000-3 200 cfr Rotterdam		
Lemon	Frozen concentrate, cloudy, 400 gpl	4 000-4 500 cfr main European ports	Argentina	Supply level very limited, due to the big decrease in the harvest (60 %). Prices quoted are from the spot market. Rates have rarely been as high.
	Frozen concentrate, cloudy, 500 gpl	6 500-7 000 cfr Rotterdam		
	Frozen concentrate, clear, 500 gpl	6 700-7 500 cfr Rotterdam		
	Frozen concentrate, clear, 400 gpl	4 500-5 000 cfr main European ports		

Note: cfr: cost and freight / Source: MNS-ITC Geneva

■ Iran: citrus as well as oil.

Iran wants to get into citrus exports, according to an official from the Ministry of Agriculture. The stated objective is to achieve a figure of 800 000 t. Iran is one of the world's top ten citrus producers with a production of approximately 3 million tonnes, but at present is practically absent from the world market (fewer than 10 000 t exported over the past two years, according to Trade Map). The cultivation stock comprises mainly oranges (Navel Thomson and Washington, Valencia, etc.) and easy peelers (Kinnow, Page, Tangelo Orlando). There are three distinct main production zones: the coastal strip around the Caspian Sea (particularly in Mazandaran province, north of Tehran), the

coastal strip along the Persian Gulf (Hormozgan province) and inland in the foothills of the Zagros mountains (Fars province).

Sources: Trade Map, Y. Ebrahimi, FAO



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Pineapple

October 2014

The Sweet supply from Latin America was unbalanced in October. Mainly comprising big sizes, it rapidly weighed down on the market. The launch of promotions at the beginning of the month, as well as the agreed rate reductions, helped maintain some fluidity on the market. During the second half-month, demand was affected by the All Saints' holiday and came to a standstill. Nonetheless, the market remained relatively stable, since the supply, although unbalanced, was limited, enabling the rates for the less available small sizes to strengthen. Finally, we should note the high prices charged by the established brands throughout the month. Some took advantage of their low supply levels to apply considerable price rises.

The restricted Cayenne supply sold more or less well depending on the fruit quality.

At the beginning of the month, the air-freight market, still with a low supply level, remained fairly stable. The rates range for sources such as Cameroon and Benin widened because of quality concerns on their products. The increase in the supply over the month coincided with the start of the All Saints' holidays. At that point demand subsided, and sales were a bit more listless. The lack of sales was accentuated by ongoing quality problems on the sources mentioned above. Some operators had to lower their prices to get stocks moving, and some sales were made at relatively low rates (1.50 euro/kg).

The Sugarloaf supply sold best at the beginning of the month, when it was smaller. The rates range fluctuated between 1.75 and 2.00 euros/kg throughout October.

From the beginning of the month, the Victoria supply from Reunion was unbalanced by the presence of many small fruits that struggled to sell. Specifically, this resulted in the source's rates range widening, depending on the sizes on the market.

PINEAPPLE — IMPORT PRICE

Weeks 40 to 44	Min	Max
Air-freight (euro/kg)		
Smooth Cayenne	1.70	2.10
Victoria	3.00	3.70
Sea-freight (euro/box)		
Sweet	6.00	9.00

Mango: juice and purée prices in Europe in September 2014.

Type	Price (USD/t)	Source	Comments
Aseptic purée, 17°Brix, Alphonso	1 550-1 650 cfr Rotterdam	India	In India, the Alphonso from the west of the country has been sold in full, though with discounts granted for other varieties. The Totapuri harvest is complete, and less concentrate has been produced. In Mexico, the harvest, smaller than predicted, has sold off in full. Prices are strengthening.
Aseptic concentrate, 28°Brix, Totapuri	1 200-1 400 cfr Rotterdam		
Aseptic purée, 14-16°Brix, Totapuri	825-870 ddp London		
Aseptic concentrate, 28°Brix, Tommy Atkins	1 300-1 400 fca Holland	Mexico	

Note: cfr: cost and freight / ddp: delivered duty paid / fca: free carrier / Source: MNS-ITC Geneva

Pineapple: juice prices in Europe in September 2014.

Type	Price (USD/t)	Source	Commentaires
Frozen concentrate, 60°Brix, Smooth Cayenne	1 650-1 750 fca Holland	Thailand	Prices on the increase due to the announced production falls in the Philippines and Thailand, causing volumes to be diverted to processing. Demand still flat on the East European markets.
Aseptic concentrate, 60°Brix, Smooth Cayenne	1 650-1 750 cfr Rotterdam		
NFC, ss aseptic, 12°Brix, MD-2	700-850 ddp London	Costa Rica	

Note: fca: free carrier / cfr: cost and freight / ddp: delivered duty paid / Source: MNS-ITC Geneva

Lime: another surge on the lime market.

2014 should be a year of tension on the lime market right to the end. Prices, already peaking between spring and the beginning of summer, saw a new surge in November. The Brazilian supply, usually already limited during this inter-season period, is particularly low because of the severe drought ravaging the São Paulo region, where just 20 % of the orchards are irrigated: a situation which could persist in December, although a small rise in volumes is expected.



Sources: FoodNews, CIRAD

PINEAPPLE - IMPORT PRICE IN FRANCE - MAIN SOURCES

Weeks 2014		40	41	42	43	44
Air-freight (euro/kg)						
Smooth Cayenne	Benin	1.80-1.90	1.75-2.00	1.80-2.00	1.70-1.90	1.70-2.00
	Cameroon	1.80-1.90	1.75-2.00	1.80-2.00	1.70-1.90	1.70-1.90
	Ghana	1.80-2.00	1.80-2.00	1.80-2.00	1.80-2.00	1.80-2.00
Victoria	Réunion	2.50-3.50	2.50-3.50	2.50-3.50	2.50-3.50	2.50-3.80
	Mauritius	2.50-3.40	2.50-3.40	3.00-3.40	3.00-3.30	3.00-3.40
Sea-freight (euro/box)						
Smooth Cayenne	Côte d'Ivoire		6.00-7.50	6.00-7.50		
Sweet	Côte d'Ivoire	7.00-9.00	7.00-9.00	7.00-8.50	7.00-8.50	7.00-9.00
	Ghana	7.00-9.00	7.00-9.00	7.00-8.50	7.00-8.50	7.00-9.00
	Costa Rica	6.50-8.00	6.50-7.50	6.50-7.50	6.50-7.50	6.50-7.50

Mango

October 2014

Against all expectations, the mango supply level in October proved to be in shortfall, given the more dynamic demand. The end of the Israeli season and the decrease in Spanish shipments coincided with a marked delay to the start of the Brazilian season. Exports from this source were focused on North America, where the market conditions were particularly favourable. Furthermore, the distinct delay in Kent production, traditionally shipped to Europe, only accentuated this market imbalance. This was manifested by an explosion in rates, bearing no real relation to the product value and quality of the incoming fruits. The Brazilian Tommy Atkins and Keitt reached prices rarely recorded, sometimes in excess of 10.00 euros/box. The last batches of Spanish Osteen and then Keitt took advantage of these unusual conditions. Kents and Irwins from the same source sold at high rates for limited quantities, of gradually deteriorating quality. Some batches of Moroccan Osteen supplemented the supply in the first half-month, though they traded at lower basic prices.

At the beginning of the month the Israeli season finished, with Keitt batches proving unpopular compared to the Spanish competition. Brazilian Kent shipments started in early October with marginal quantities, enabling high prices to be maintained. These prices remained stable, with volumes available remaining small until the end of the month.

MANGO - INCOMING SHIPMENTS (estimates in tonnes)

Weeks 2014	40	41	42	43	44
Air-freight					
Brazil	10	10	15	25	35
Sea-freight					
Brazil	620	950	1 780	2 220	3 260

■ Other fruits: juice and pulp prices in Europe in September 2014.

	Type	Price (USD/t)	Source	Comments
Acerola	frozen ss, 6-8°Brix	1 150-1 200 cfr Rotterdam	Brazil	Market abundantly supplied, with prices falling.
	Frozen concentrate, 20-22°Brix, clear	3 000-3 100 fob Santos		
Passion fruit	Frozen concentrate, 52°Brix	8 500-9 500 cfr Holland	Ecuador	Supply level still very limited, whether from Ecuador or Peru. However, the latest harvest is better than predicted. Prices falling, despite uncertainty over the possible impact of El Niño on the December harvest.
	NFC, 11°Brix	3 500-3 750 cfr exw Ecuador		
	Frozen concentrate, 50°Brix	10 500-11 000 fca Holland	Peru	
Guava	Frozen concentrate pulp, 20°Brix, white	1 200-1 300 cfr Rotterdam	Brazil	Market steady for white, although the September peak in Brazil seems to have been smaller than usual. The scarce pink harvests in Brazil and South Africa seem to be pushing prices upward.
	Frozen concentrate pulp, 19°Brix, pink	1 100-1 250 cfr Rotterdam		
Pomegranate	Aseptic clarified concentrate, 65°Brix	2 700-2 900 fca Rotterdam	Turkey Iran	The abundance of volumes continues to drive prices downward. The harvest, which started in October in Iran and Turkey, should be normal.

Note: cfr: cost and freight / fob: free on board / exw: ex-works / fca: free carrier / Source: MNS-ITC Geneva



MANGO - IMPORT PRICE ON THE FRENCH MARKET

Weeks 2014		40	41	42	43	44	Average Oct. 2014	Average Oct. 2013
Air-freight (euro/kg)								
Brazil	Kent	4.50-4.80	5.00	4.50-5.00	5.00	4.50-5.00	4.70-4.95	4.60-5.00
Israel	Keitt	3.00-3.50	3.20-3.30	-	-	-	3.10-3.40	-
Israel	Kent	3.00-3.30	-	-	-	-	3.00-3.30	-
Egypt	Kent	4.00	-	-	-	-	4.00	-
Sea-freight (euro/box)								
Brazil	Keitt	5.00-6.50	8.00-9.00	9.00-10.00	9.00-10.00	9.00-10.00	8.00-9.10	6.40-7.50
Brazil	T. Atkins	-	-	9.00	9.00	9.00	9.00	4.10-5.20
Israel	Keitt	5.00-6.00	-	-	-	-	5.00-6.00	6.50-7.50
Road-freight (euro/box)								
Spain	Osteen	6.00-7.00	6.50-8.00	7.00-9.00	9.00-10.00	-	7.10-8.50	6.90-10.10
Spain	Irwin	18.00	18.00-20.00	14.00-20.00	-	-	16.65-19.30	-
Spain	Kent	14.00-18.00	14.00-20.00	12.00-14.00	-	-	13.30-17.30	11.30-18.00
Spain	Keitt	-	-	-	10.00-13.00	11.00-12.00	10.50-12.50	9.00-10.00
Morocco	Osteen	6.00-7.00	6.00-7.00	6.00	-	-	6.00-6.65	-

Sea freight

October 2014

Although the beginning of the month started as September had ended, by mid-October the charter market showed signs of life with surplus bananas appearing in Guatemala, Mexico and Colombia encouraging traders back into the market. Philippine banana production also appears to have recovered after Typhoon Pablo at the end of 2012, with both Del Monte and Sumifru fixing Spot cargoes for the first time in almost two years.

The decision to delay the start of the Moroccan citrus season by a month in order for fruit to 'colour up', meant there was no repeat to the supply/demand scenario witnessed in October 2013, which saw chartering activity generate the highest average TCE return since October 2006.

After a quiet start to the month, which saw demand for tonnage decrease as trawlers caught diminishing volumes of fish off Mauritania, the small segment recovered to equilibrium, led by a strong start to the N Cont potato season. After the first 10 months of 2014, the TCE average for Spot cargoes is on course to match, if not better, the record mid 80sc/cbft achieved last year.

Other than the step increase in demand, the other factor that has benefited both owners of larger and smaller units is the fall in the price of oil, which has resulted in a drop in bunker prices. At the end of the month the cost of 380 cSt was almost 20% lower than it had been 12 months previously. The fall in fuel price would also have benefited the banana majors and any other charterer who fixed on TC.

■ New management, new partner and new facilities at Galilee.

At the beginning of September, Dror Eigerman was appointed head of the Israeli cooperative, after the tragic disappearance of its previous Managing Director Oded Jacobson in spring. Mr. Eigerman was previously in charge of the fruits section at Mehadrin, the other big Israeli leader in citrus and avocado exports. He is taking over the management of a structure reinforced upstream and downstream. The recent partnership signed with Zemach should be able to boost the avocado export potential (23 000 t instead of 17 000 t) and mango export potential (3 000 t instead of 1 600 t), while the investment in two ripening chambers at Cavaillon (capacity at least 40 t/week) is an additional step in the group's strategy to develop in the "ready-to-eat" segment.

Source: Galilee



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■ **Fear for the mango?** While Côte d'Ivoire has just beaten its mango export record in the 2014 season, with more than 20 000 tonnes, the phytosanitary vice is tightening on this West African source. The big rise in interceptions of mango batches in recent years (62 in 2014), due to fruit fly infestation of non-European fruit, could compromise this considerable quantitative surge. The European Commission's inspection services have alerted their Ivorian counterparts to this problem, expressly requesting them to implement an appropriate management programme as matter of urgency. This warning shot could potentially undermine the positive trend in Ivorian exports for the 2015 season (April/June), if no appropriate measures are taken. The absence of an effective response could lead even to a European Union embargo on Côte d'Ivoire mangoes. This already applies to India until the end of 2015, and could also be the case for Pakistan, currently under close monitoring.

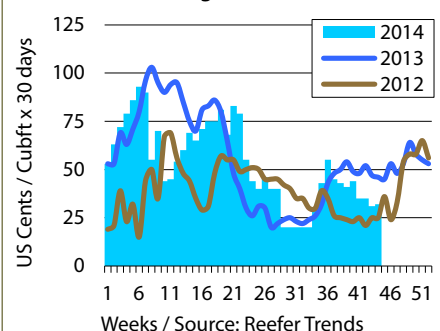
Source: Pierre Gerbaud

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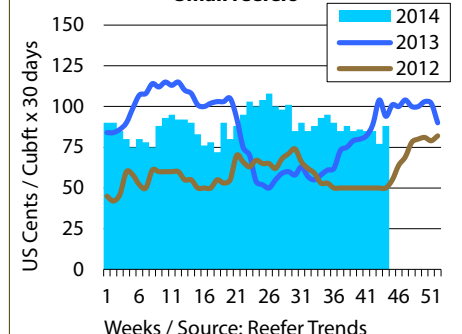
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Large reefers



Small reefers



MONTHLY SPOT AVERAGE

USD cents/cubic foot x 30 days	Large reefers	Small reefers
October 2014	31	86
October 2013	46	88
October 2012	24	51



Impact of the Russian embargo on Community citruses

Beware the indirect effects!



© Denis Loeillet

The announcement at the beginning of August of a one-year Russian embargo on imports of a number of agricultural products from the EU-28 had an explosive effect. The impact on agricultural industries such as dairy products, meat and certain fruits such as the apple, made the headlines in the press. Yet what about Community citruses?