2004/2005 citrus season forecasts
Details by product

Easy peelers

The situation is completely different to that of last year and the season promises to be more difficult. Supplies will be generous during the first part of the season. The clementine harvest will be good for both Nules/Fine and Clemenvilla, which displayed a deficit in 2003/2004. Nevertheless, the range of varieties will continue to shift towards fruits that are more attractive for consumers (strong development of high-quality clementine varieties). Furthermore, there could be a certain transfer of demand from orange to easy peelers as there will be a distinct shortfall of Naveline/Navel. The markets in Eastern Europe and North America are currently subjects for concern (shipments to Russia and Poland decreased in 2003/2004, the euro:dollar exchange rate is unfavourable and the USA may increase customs dues) and will play an important role in overall balance. The price range should be very broad between large and small fruits, which form a large proportion of the harvest this season. Market balance should be easier to achieve during the second part of the season if fruit quality is satisfactory. The recurrent deficit in the Fortuna harvest and an average potential for Ortanique should make it possible to even out the marked development of the new late hybrids. Here as well, the renewal of the range of varieties shipped should have a very positive effect on demand.

Orange

Overall supplies will be comparatively large but the spread of quantities in time means that the season can be started relatively confidently. The market context will be somewhat difficult in the first part of the season as supplies of easy peelers and other competing fruits will be large, but orange supplies will be modest (with a shortage of Navel/ Naveline from Spain). Furthermore, the good ending of the southern hemisphere season means that the season can start with firm prices. Supplies will be larger than average during the second part of the season, but Navelate has demonstrated the interest that it can generate when there are no competing products, as will be the case again this season. The unknown factor is obviously the reaction of the Eastern European markets, which form about a quarter of outlets and were very disappointing in 2003/2004.

Lemon

Fairly large quantities should be available because the potential in Turkey will be large after two poor seasons. As the community market has reached maturity, there should be a tough face-off between Spain and Turkey in Eastern Europe (especially in Russia).

Grapefruit

The situation is a new one as there has never been such a large production deficit in Florida. Nevertheless, if the plausible hypothesis of arbitration between markets coming out in favour of Japan and the domestic market turns out to be well-founded, shipments to the EU would be down by at least half in comparison with normal years. The degree of compensation resulting from Turkey switching fruits from the East to the EU market and from Israel limiting the amounts sold for processing is difficult to evaluate. But here again it can reasonably be considered that the market will suffer from a distinct shortage, especially from February/ March onwards. One concern will be that of finding a balance between the very high prices asked at the production stage and retail prices that are sufficiently attractive not to freeze demand. The season will not be a calm one.

Market context and availability of competing produce

The small apple harvest leads to relative optimism in spite of the strong increase in the quantities of pear and kiwi. Competition from apples and pears should be fairly limited during the period when the quantities of late oranges increase strongly. In spite of an increase of about 4% in comparison with 2003, the **apple** harvest in EU-15 is fairly small and well down in comparison with the average (- 7% in comparison with the 2000-2003 average). French production will even be smaller than in 2003 (- 1%). Like last year, end-of-season stocks should be fairly small, especially as problems of bitter pit seem numerous on Golden Delicious this season and could lead to an increase in sorting rejects and a lower estimate of the quantity available. In contrast, the **kiwi** market should be very competitive. After a succession of three light seasons, the 2004 European harvest should approach 550 000 t (an increase of more than 30% in comparison with 2003 and the average for 2001-2003). Although French production will be very similar to last year's and only slightly above average, the Italian and Greek harvests promise to be large. Likewise, pear production is distinctly up and, at 250 000 t, will be the best harvest since 2000. The crops in Belgium and Holland are mainly responsible for this increase as the French harvest is only average, even if it is larger than that of 2003. Market supplies of autumn pears will be large and those of winter pears will be more moderate.

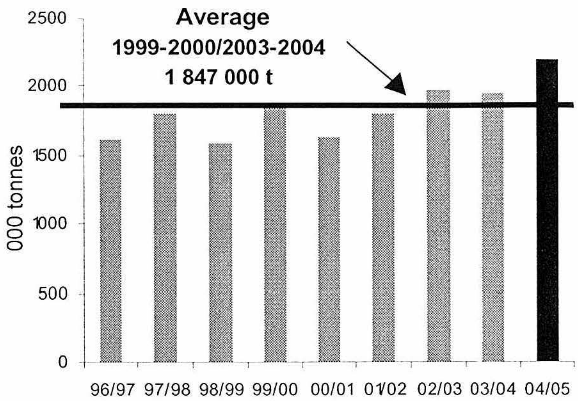
Citrus — 2004/2005 Export forecasts — Mediterranean Basin

Easy peelers

Easy peelers — 2004/2005 Export forecasts Mediterranean Basin

000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2004/05
	2004/05	2003/04			
Satsuma	**295.0**	288.1	+ 2 %	240.0	+ 23 %
Clementine	**1 330.0**	1 199.8	+ 11 %	1 140.0	+ 17 %
Mand./Wilking	**167.0**	189.5	- 12 %	183.0	- 9 %
Ortanique	**44.0**	36.3	+ 21 %	43.0	+ 1 %
Nova	**172.0**	125.2	+ 37 %	113.0	+ 52 %
Others	**185.0**	143.5	+ 29 %	128.0	+ 44 %
Total	2 193.0	1 982.4	+ 11 %	1 847.0	+ 19 %

Source: CLAM

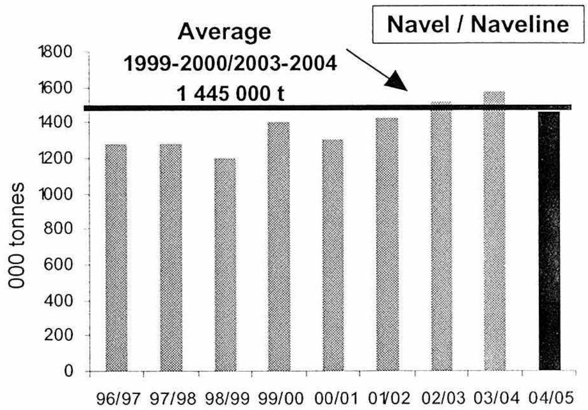


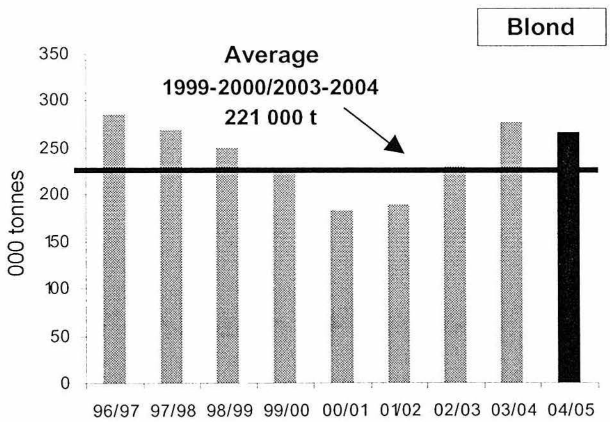
Orange

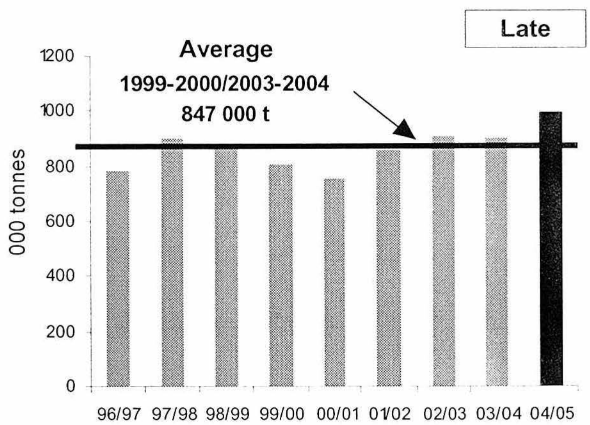
Orange — 2004/2005 Export forecasts Mediterranean Basin

000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2004/05
	2004/05	2003/04			
Navel/naveline	**1 464.0**	1 572.6	- 7 %	1 446.0	+ 1 %
Blond	**268.0**	278.5	+ 16 %	221.0	+ 21 %
Blood	**116.0**	95.2	0 %	135.0	- 14 %
Late	**994.0**	901.6	+ 9 %	847.0	+ 17 %
Total	2 842.0	2 847.7	+ 2 %	2 649.0	+ 7 %

Source: CLAM





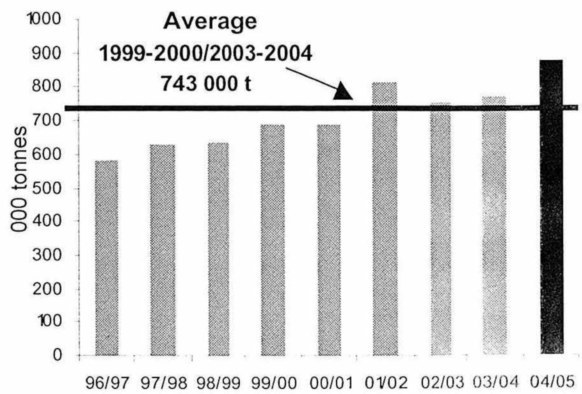


Lemon

Lemon — 2004/2005 Export forecasts Mediterranean Basin

000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2004/05
	2004/05	2003/04			
Spain	**550.0**	549.0	0 %	498.0	+ 10 %
Cyprus	**12.0**	13.0	- 11 %	14.0	- 13 %
Turkey	**300.0**	160.0	+ 87 %	193.0	+ 56 %
Greece	**17.0**	15.0	+ 9 %	20.0	- 19 %
Total	879.0	737.0	+ 19 %	725.0	+ 21 %

Source: CLAM



Source: CIRAD-FLHOR Market News Service, Pomona