

# Indicators

## October 2004

The main fruits	In shares by total volume and expenditure on fruits for the month in France		
	%	Volumes	Expenditure
	Grapes	21	25
	Apple	24	19
Banana	10	13	

The trends for the main produce of the month significantly influence the overall situation of the fruit market. A column entitled 'Indicators' discussing these fruits precedes the pages devoted to a selection of exotic and citrus fruits.

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Oct. 2004 / Oct. 2003			
Price	↓	Vol.	=↑

**Grapes**  
Mixed performance. Releases have been regular and fairly normal for varieties like Muscat and Italia from Italy. In contrast, sales of Chasselas and, to a lesser extent, Alphonse Lavallée have been laborious. Prices have been well down on those of 2003.

Oct. 2004 / Oct. 2003			
Price	↓	Vol.	=↓

**Apple**  
The market has been more difficult than last year. Although very selective, domestic demand has been normal for the season. However, export business has been very disappointing although the flow to the UK has been normal and steady. Competition from Italy and new EU member producer countries (especially Poland) has continued to weigh on releases to northern Europe. Prices have remained distinctly lower than in 2003 but match the average.

Oct. 2004 / Oct. 2003			
Price	↑	Vol.	↓

**Banana**  
Arrivals in the EU from all sources have been small. Even so, performances varied considerably from one country to another within the community. Although the Spanish market and, to a lesser degree, the German market achieved good results, performance was much more contrasted in France where the monthly price reached only an average level.

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**Sea freight**  
While by the end of October last year not even the ENZA contract had been finalised, with the exception of one major and several minor pieces of Period business, all the other major contractual negotiations this year have been put to bed. The haste to fix was initiated by Del Monte chartering the 626'cbft blt'02 Lombok and Luzon Strait sisters and driven on by owners and operators of fuel-efficient, container-friendly tonnage finally realising their equity - demand for modern tonnage has outstripped supply.

**Notes concerning market appraisal methodology**  
The statistics on the following pages are estimates of quantities put on the market in France. They are only calculated for the main supplier countries and are drawn up using information on weekly arrivals or market release statements by representative operators. The past figures are kindly provided from the POMONA data base and processed by CIRAD. The figures in the 'Main fruits' section above are provided by the CTIFL, with SECODIP being the source. The data published in the French market pages is provided solely as a guide and CIRAD accepts no responsibility for their accuracy. The illustrations are reproduced with the kind permission of Fabrice Le Bellec (CIRAD-FLHOR).

## Banana

OCTOBER 2004

## Monthly comparison: Oct. 2004 / Sept. 2004

Price

↘ - 8%

Volumes

↗ + 5%

## Annual comparison: Oct. 04 / Oct. 03

Price

↗ + 9%

Volumes

↘ - 11%



Arrivals in the EU from all sources have been small. Even so, performances varied considerably from one country to another within the community. Although the Spanish market and, to a lesser degree, the German market achieved good results, performance was much more contrasted in France where the monthly price reached only an average level.

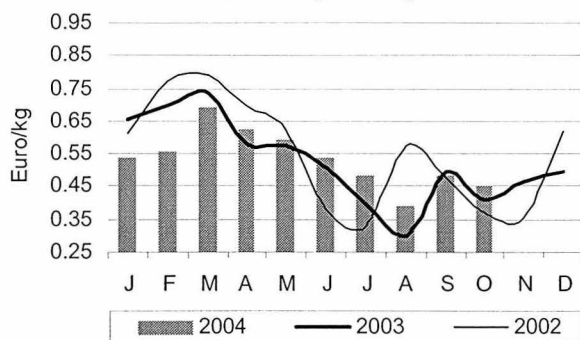
Supplies to the market were distinctly smaller than in previous years, especially during the second part of the month. Arrivals were 17% down on average from the West Indies and 6% from Africa. The quantities of dollar bananas were also down by about 10% when the increase in the quota for the enlargement is taken into

account. Deliveries of Canary Island bananas were in line with those of other origins, falling to about 20% lower than average. But performance was only average in France. Demand at the retail stage was relatively sluggish in spite of promotion operations and shop prices that were normal for the season. Active export

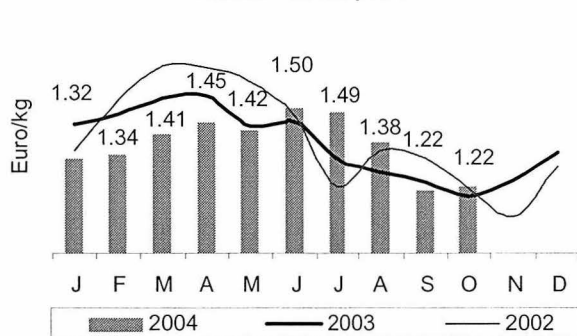
sales maintained market balance. Demand from German customers was very dynamic because of the limited supplies of dollar bananas and retail sales stimulated by very attractively priced special offers. The small quantities arriving from the Canaries also allowed the maintaining of a firm export flow to Spain.

## French banana market — Indicators

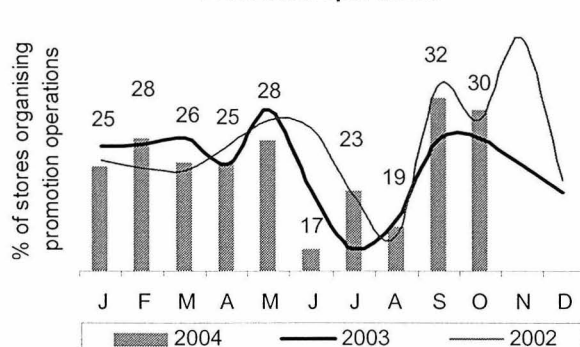
Price at import stage



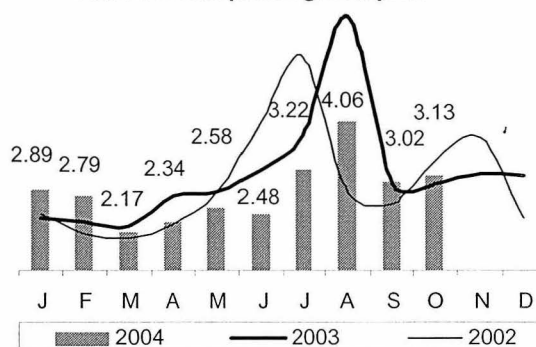
France - Retail price



Promotion operations



Ratio of retail price : green price



European banana market — Indicators

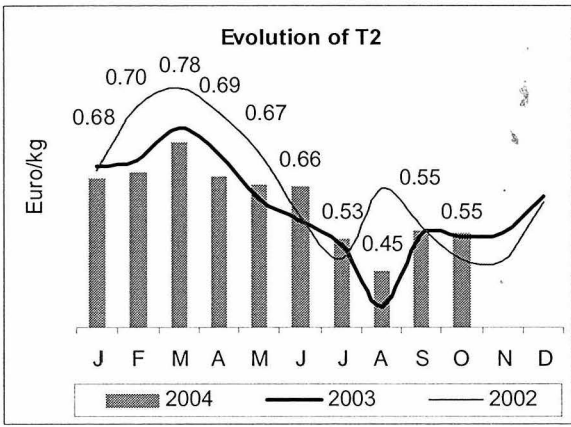
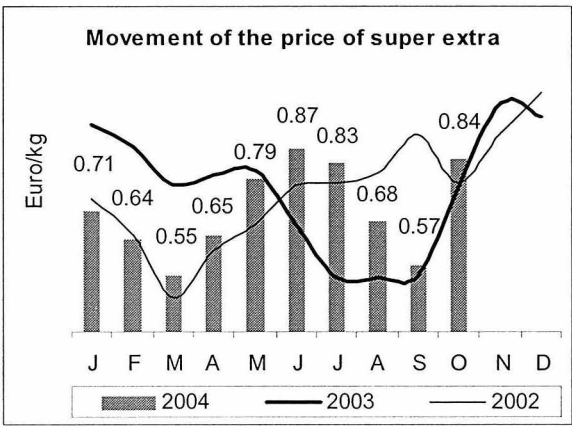
Main origins in Europe

Tonnes	October 2004	Comparisons (%)		Total season 2004	Season comparisons (%)	
		2004/2003	2004/2002		2004/2003	2004/2002
Martinique	23 460	- 11	- 17	212 478	+ 5	- 3
Guadeloupe	5 709	- 32	- 38	61 534	- 17	- 22
Canaries	25 240	- 18	- 20	319 404	+ 2	- 2
Côte d'Ivoire	17 656	- 1	- 18	175 648	+ 2	0
Cameroon	25 822	- 3	+ 5	225 816	- 1	+ 9

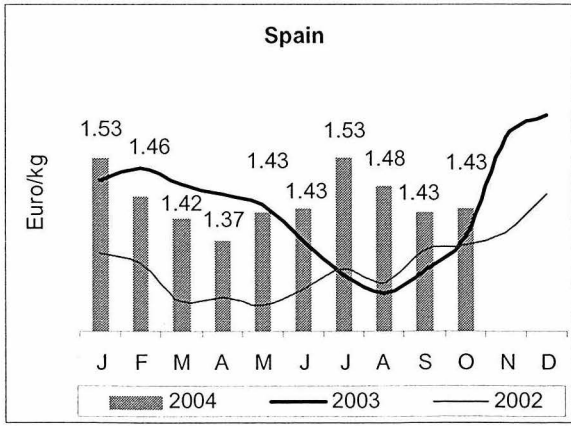
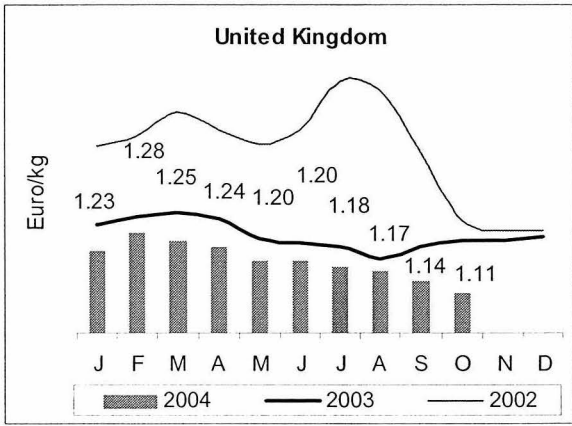
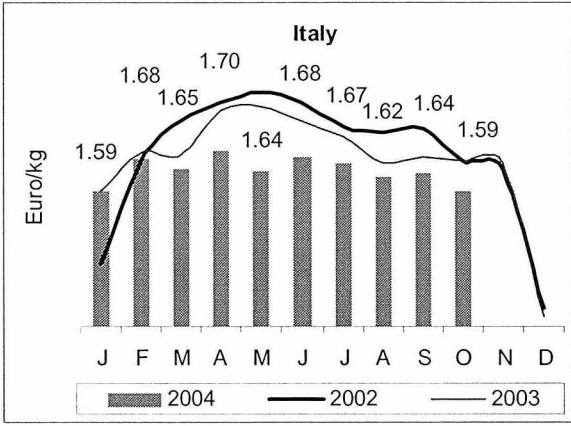
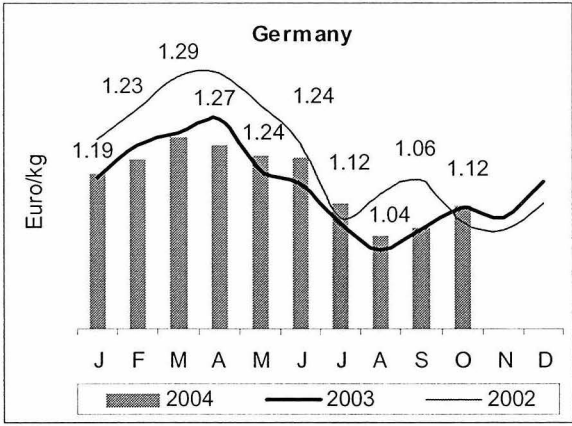
Index (base 100 in October 2003)

Dollar	113	+ 13	+ 6	ND	+ 11	+ 11
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Green price in Europe



Retail price in Europe



Sources: CIRAD-FLHOR, SNM, TW Marketing Consulting

# Avocado

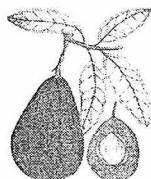
OCTOBER 2004

## Monthly comparison: Oct. 2004 / Sept. 2004

Price	Volumes
↘ - 39%	↘ - 20%

## Annual comparison: Oct. 04 / Oct. 03

Price	Volumes
↘ - 32%	↗ + 6%



October 2004 will remain in operators' memories as one of the worst months ever. An average price of some 4.50 euros per box gives an idea of the extent of the catastrophe. Arrivals, especially from Chile, remained much too large during the whole of the first fortnight, making the price of Hass plummet to depths that have rarely been seen. The distinct slowing of arriving supplies in the middle of the month made it possible to change the trend. However, prices did not recover significantly because large stocks were still available.

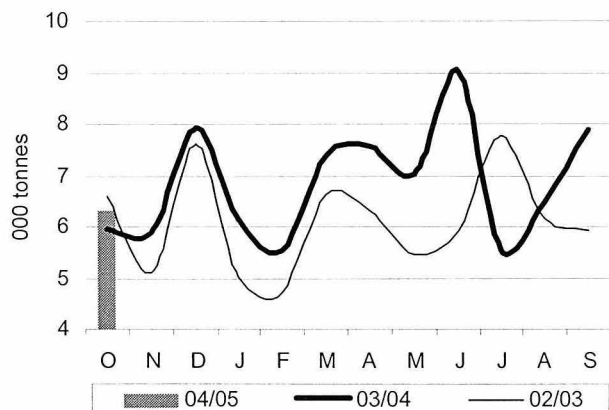
The market was still awash with extremely large arrivals of Hass avocados from Chile throughout the first half of the month. So in spite of markedly smaller arrivals from Mexico—less than the average for recent years—and the end of the season in Peru, the market remained

desperately over-supplied. Already very poor prices continued to tumble, going below 4 euros per box in the middle of the month. The strong decrease in supplies from Week 43 onwards did not result in the immediate recovery of the market as enormous stocks were available. The

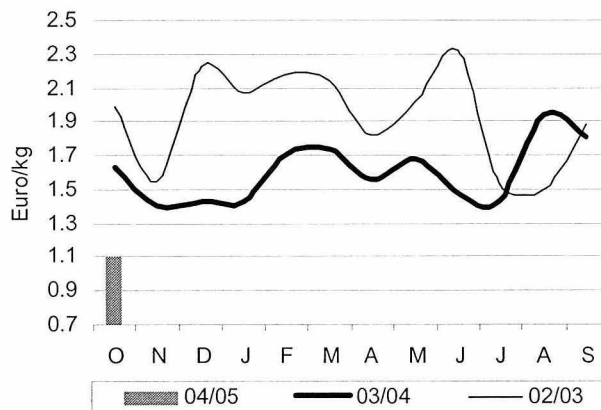
situation affected the market for green varieties. The start of the season was very laborious for Ettinger from Israel and for Bacon/Fuerte from Spain, even though most of the quantities were sent outside the French market, where the Hass crisis was the most serious.

## Estimated market releases in France

### Volumes



### Price at import stage



## Estimated market releases in France by origin

Tonnes	October 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	1 053	+ 6	+ 14	1 179	+ 228	+ 79
Mexico	1 609	+ 28	+ 78	5 451	- 1	+ 44
Israel	669	- 6	- 57	669	- 6	- 57
South Africa	437	- 16	- 57	13 221	- 13	- 28
Chile	1 972	+ 151	+ 247	3 012	+ 141	+ 333
Peru	287	-	-	6 600	+ 33	+ 238
Kenya	277	- 34	- 28	7 880	- 22	+ 28
<b>Total</b>	<b>6 304</b>	<b>+ 6</b>	<b>- 4</b>	<b>38 012</b>	<b>0</b>	<b>+ 12</b>



# Orange

OCTOBER 2004

## Monthly comparison: Oct. 2004 / Sept. 2004

Price

= 0%

Volumes

↘ - 34%

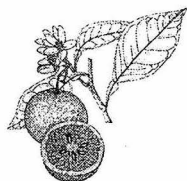
## Annual comparison: Oct. 04 / Oct. 03

Price

↗ + 5%

Volumes

= + 1%



The summer season finished as well as it had started. The average monthly price was more than 15% up on the average for the past five years. As markedly late ripening affected the production of Spanish Naveline, overall supply was distinctly short in spite of the fairly ample deliveries from the southern hemisphere. Furthermore, demand was good throughout the month.

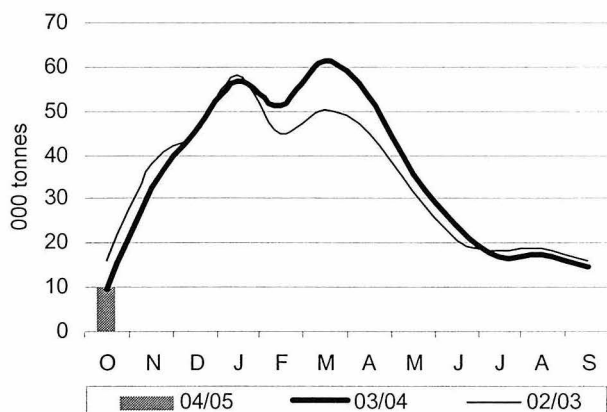
Supplies from the southern hemisphere have been quite large. Fruits from Argentina continued to arrive and totalled more than in the two previous seasons (approximately 70% up for October). Furthermore, the quantities of Valencia, Delta and Midnight from South Africa were also larger than in 2003. Nevertheless,

overall supplies were markedly smaller than normal as arrivals of Naveline from Spain were markedly down. Distinctly late ripening at the beginning of the season accentuated the effects of a considerable production shortfall caused by spring frost in the Valencia region (-15% on 2003 and -7 % on the average for the last five years).

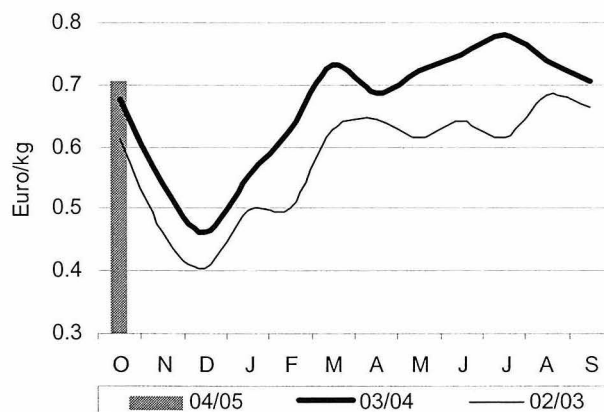
Furthermore, available stocks of late fruits from the southern hemisphere were fairly small at the beginning of October. Demand remained at a good level. Prices were stable throughout the month at a distinctly higher level than those of the three preceding seasons.

## Estimated market releases in France

### Volumes



### Price at import stage



## Estimated market releases in France by origin

Tonnes	October 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	5 186	- 16	- 53	6 177	- 16	- 53
South Africa	4 663	+ 32	- 3	45 962	+ 2	- 7
<b>Total</b>	<b>9 849</b>	<b>+ 1</b>	<b>- 38</b>	<b>52 139</b>	<b>- 7</b>	<b>- 13</b>

# Grapefruit

OCTOBER 2004

## Monthly comparison: Oct. 2004 / Sept. 2004

Price

Volumes

NA

NA

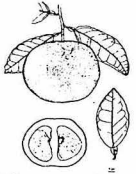
## Annual comparison: Oct. 04 / Oct. 03

Price

Volumes

↗ + 19%

↘ - 72%



The scenario was unusual for a month that marks the transition between summer and winter seasons. The market was normally supplied at the beginning of October by the off-season origins (Cuba and Honduras) but gradually became short of supplies because of the almost total absence of Florida, seriously hit by hurricanes this year.

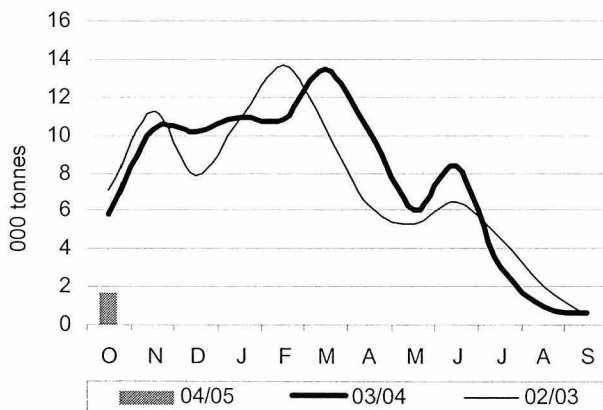
The market was supplied normally at the beginning of the month. Although shipments started somewhat late, cumulated volumes from Cuba received in October were similar to those of previous years. Likewise, Honduras was firmly present during the first half of the month. In contrast,

a serious supply shortage started to take shape in the middle of the month. Supplies from Florida were practically nonexistent whereas they usually form the major part of supplies at this time in a 'normal' season. Two successive hurricanes in September wiped out 60% of production. Quantities from

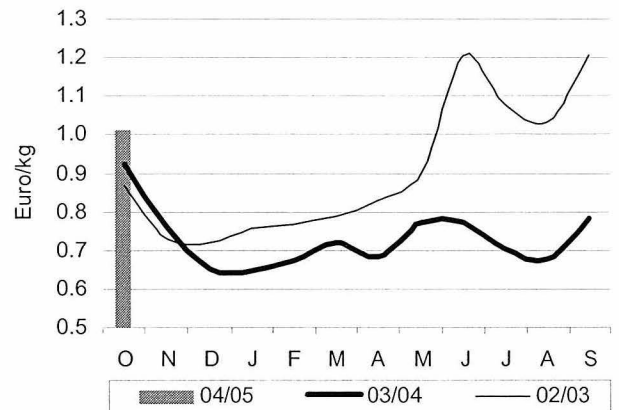
Mediterranean origins were also short. Demand did not display any particular enthusiasm and displayed its usual end-of-year slowdown in the last part of the month. However, the shortage meant that prices moved differently and held their ground instead of falling with the increase in arrivals.

## Estimated market releases in France

Volumes



Price at import stage



## Estimated market releases in France by origin

Tonnes	October 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Florida	166	- 95	- 97	166	- 95	- 97
Israel	699	- 43	+ 2	699	- 43	+ 2
Turkey	798	- 35	- 34	798	- 35	- 34
<b>Total</b>	<b>1 663</b>	<b>- 72</b>	<b>- 77</b>	<b>1 663</b>	<b>- 72</b>	<b>- 77</b>

# Easy peelers

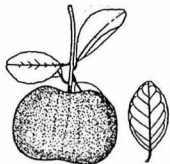
OCTOBER 2004

Monthly comparison: Oct. 2004 / Sept. 2004

Price	Volumes
↘ - 23%	↗ + 2 021%

Annual comparison: Oct. 04 / Oct. 03

Price	Volumes
↘ - 16%	↗ + 24%

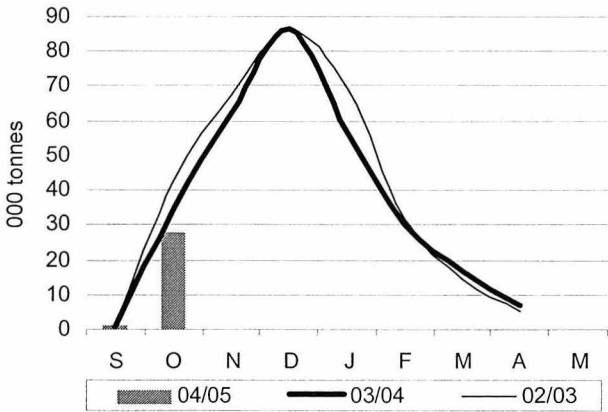


Operators expected a difficult start to the season given the large early clementine harvest in Spain. The market was even worse than had been imagined. Temperatures distinctly higher than the seasonal average had a doubly negative effect by slowing demand on the main consumer markets and slowing fruit ripening in the production zones (persistence of acidity). Prices were markedly down on the last season.

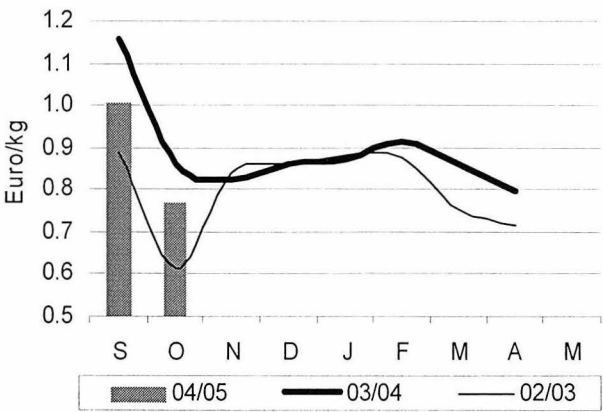
Sales were distinctly smaller than those of previous seasons. However, very large quantities of fruits were available at production in October in spite of late ripening. Indeed, the Spanish early clementine harvest was nearly 30% up on last year (the quantities of Marisol were stable in spite of reconversion and the strongly increasing production of new early season varieties like Clemenpons and Oronules). A few Fine clementines from Morocco (Berkane) completed supplies at the end of the month. In parallel, temperatures distinctly higher than normal for the season had a doubly negative effect on sales. Demand remained focused on autumn produce especially as the taste characteristics of a significant proportion of clementine supplies were imperfect because of late ripening (a lower sugar:acidity ratio than last year); this was also the result of the temperature. Prices fell rapidly and at the end of the month were lower than those of preceding seasons.

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	October 2004	Comparisons (%)		Season total	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	27 810	- 18	- 34	29 128	- 16	- 33
Morocco	143	- 77	-	143	- 77	-
<b>Total</b>	<b>27 953</b>	<b>- 19</b>	<b>- 34</b>	<b>29 271</b>	<b>- 17</b>	<b>- 33</b>

# Litchi

OCTOBER 2004

## Litchi Price at import stage — in euros per kg

Weeks	41	42	43	44
<b>Holland</b>				
Israel	3.00-3.50	-	-	-
<b>France</b>				
Spain	9.50-11.00	9.00-10.00	7.00-8.00	8.00-10.00



There are traditionally no litchis on the European markets in October. It is the month of the switch from northern hemisphere production (Israel and Spain) to that of the Indian Ocean, that generally starts at the end of the month with Mauritius. But there has been practically no interruption this year, although the quantities concerned were small. The last batches from Spain were sold in Week 42 while the first fruits from Mauritius reached the French market in Week 44. They were sold at an equivalent, high price (10 euros per kg). The price of Mauritian fruits then decreased rapidly as supplies increased.

### Synthesis of the 2003/2004 season

The succession of early seasons meant that the supply of litchis to the European markets was practically continuous. In spite of the hurried end of the South African export season in March, the market was soon supplied by Thailand, which started shipping at the end of that month—more than three weeks earlier than in the preceding season. In 2003, the sale of fruits from Thailand continued until the end of August, competing head-on with those from Israel. This year, Thai operators preferred to halt their shipments at the end of June as demand was small, causing prices to follow a lasting downward trend.

Fruits from Israel took over from the beginning of July (a month earlier than

in 2003) until mid-September when Spanish fruits supplied the market until October. The Thai harvest seems to have been fairly large but more concentrated in time. Production in Israel was well up on the two previous seasons, with 673 and 1 081 tonnes of fruits exported in 2003 and 2004.

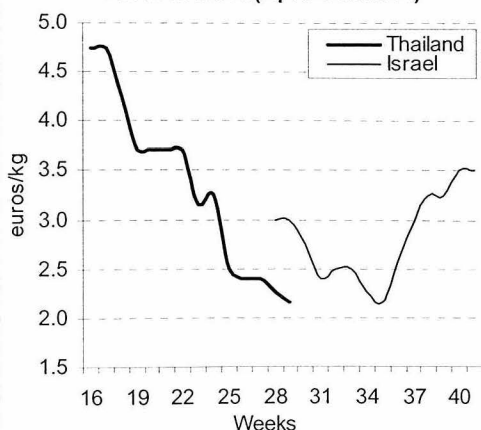
The continuity of the litchi market throughout the year is now a reality. However, the quantities imported by the European Union vary considerably according to the time of year. The largest supplies arrive from November to March, with fruits from the Indian Ocean zone (South Africa, Mauritius, Madagascar and Reunion shipped 20 000 to 25 000 tonnes in 2003/2004). Then regularly distributed supplies of 2 000 to 2 500 tonnes arrive from April to August from Thailand, then Israel and finally Spain

(with a few hundred tonnes to bridge the gap with the southern hemisphere fruits).

Other supplier countries sending shipments mainly from May to July should also be mentioned, such as Mexico, China, Vietnam, India and Pakistan. These countries organise trial shipments each year with more or less positive results. They are determined to continue their attempts to supply distant markets with their multiple constraints. Their perseverance may result in the future in better matching of the technical export possibilities and the profitability of shipments.

Given the progress and evolution of the last two seasons, the best period for selling litchi on the European markets is between September/October and May/June, that is to say during the off-season for European fruit production. In this context, the increase in shipments from Israel has been remarkable and has contributed to making the fruit more widely known. Fruits from this origin are still marginal with regard to volume at the scale of the European Union. The quantity threshold allowing the fruit to be available at an attractive, more regular price has not yet been reached but things are going in the right direction.

Litchi by sea - Average price on the Dutch market (April-Oct. 2004)



The graph shows the continuity of litchi supplies to Europe and the complementary of the origins concerned. The curve also clearly shows the summer holiday period from mid-June to the end of August (Weeks 25 to 35) during which there is little demand for litchi and prices fall noticeably. The change of origin in no way upsets the general market trend and the movement of prices.

The Madagascan litchi season was monitored by Pierre Gerbaud for CHT thanks to European Union funding (STABEX resources).





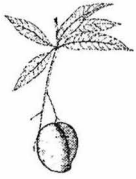
# Mango

## West African Season

OCTOBER 2004

### Mango — Volumes imported in Europe Estimates in tonnes

Weeks	41	42	43
By sea			
Israel	230	180	45



The mango market maintained the trend already observed in the second half of September and continued to progress in October. The increase in prices generated by the moderate supplies received throughout the month was followed by a stable period that should continue in November.

The last batches from Israel were sold during the first half of October in smaller and smaller quantities—generally from storage. The fruits were shipped by sea and were generally of medium quality, above all lacking colour; this slowed sales while the market was fluid. Small quantities of mangoes were also shipped by air from Israel as this trade niche was little covered. Indeed, Senegal had planned to resume shipments in October but finally did not. European mango supplies were dominated by Brazil and Spain. Brazil shipped limited quantities in sea containers. It will be remembered that the excessively large quantities shipped this time last year sent the market into a serious, lasting slump. The effect of floods in spring in

the production zones and also a decrease in the number of operators following the poor business results in the last season doubtless account for the greater prudence in shipments. The variety Tommy Atkins has generally been sold at 3.00 to 4.00 euros per box, with the lowest prices paid for small fruits.

A few batches of Haden and Palmer mangoes were sold at 3.00-3.50 euros per kg in the first half of October. Kent shipped by air only appeared on the market in the second half of the month. These fruits were of good quality overall, delivered in small quantities and sold at high prices. Spain began its mango shipments in mid-September. The first arrivals of Osteen

sold at 7 to 8 euros per box. Deliveries gained momentum in October and prices decreased to around 6 to 7 euros per box. In the second part of the month, a few deliveries of Kent completed supplies from Spain and sold at slightly higher prices in spite of frequent lack of colour. Spanish supplies seem to be more plentiful this year and the commercial policy is fiercer. Spanish operators are lucky to benefit from the small quantities arriving from Brazil. It will be seen in September/October 2005 whether Spain will keep the market share gained this year or whether it just responded to a conjunctural opportunity.

### Mango — Prices in euros — Import stage

Weeks 2004		41	42	43	44
By air (kg)					
Israel	Keitt	2.50	2.50	-	-
Israel	Palmer	2.50-3.00	2.50-3.00	-	-
Brazil	Kent	-	-	4.00-4.50	4.50
By sea (box)					
Israel	Keitt	4.00-4.50	4.00-4.50	-	-
Brazil	Tommy Atkins	3.00-4.00	3.00-4.00	3.50-4.00	3.50-4.00
By truck (box)					
Spain	Osteen	6.50-7.50	6.00-7.00	6.00-7.00	6.50-7.50

Weekly monitoring of the European mango market is available during the West African season.

Import prices, estimation of releases, trends, etc.



Pierre Gerbaud

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# Sea freight



While by the end of October last year not even the ENZA contract had been finalised, with the exception of one major and several minor pieces of Period business, all the other major contractual negotiations this year have been put to bed. The haste to fix was initiated by Del Monte chartering the 626'cbft blt'02 Lombok and Luzon Strait sisters and driven on by owners and operators of fuel-efficient, container-friendly tonnage finally realising their equity - demand for modern tonnage has outstripped supply.

Other monthly headlines included Star Reefers' securing of the 4 vessel East Coast Central America to Hamburg service from NYK Reefers while CSAV fixed a 10-vessel programme with United Reefers, understandably up on last year's total given the 10% increase in exports forecast by Chilean exporter and producer associations ASOEX and Fedefruta. Modern tonnage generally fixed anywhere in the high 70's to low 80's/cbft for 12 month charters or extensions, up as much as 40% on last year's fixtures. Slightly older tonnage fixed low to mid 70's/cbft. The Spot market eased gradually through the month but then

picked up on the strength of heavy banana export volumes in week 43 as charterers loaded for the end of Ramadan and then in week 44 as Russian charterers fixed forward poultry and bananas for their Christmas and New Year programmes. Despite the large percentage increases in the Period market, prospects for reefer newbuildings look as far away as ever with Kristian Siem of Siem Industries (74% owner of Star Reefers) putting the dampener on speculation that Star was about to commission the next generation of vessels. Star was widely touted as the most likely candidate for the ships

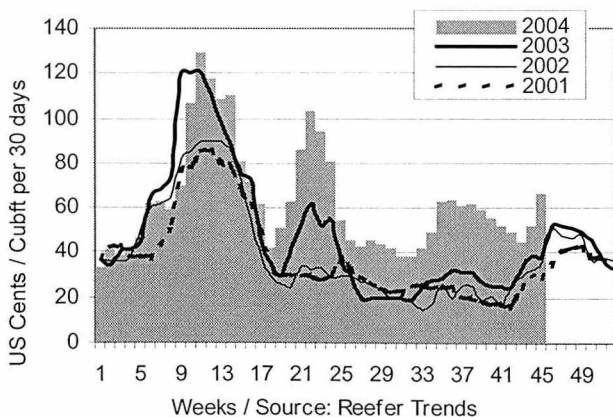
slated for delivery at the Shikoku yard. The lack of movement on the Sales and Purchase market either for units changing hands or for demolition is symptomatic of the reefer industry's underlying strength. At the top end of the market there appears to be market equilibrium, with perhaps a current requirement for no more than a handful of top specification vessels to supply the current and short-term future requirements of the most demanding charterers. This may change however once the EC rules on a new banana import system.

## Monthly spot averages

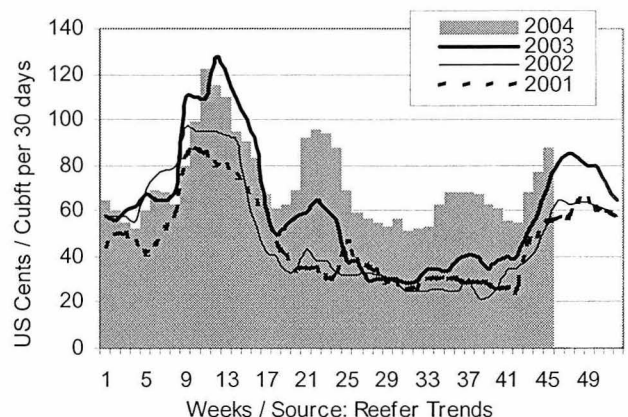
US\$/cents/cubic foot x 30 days	Large reefers	Small reefers
October 2004	49	64
October 2003	30	46
October 2002	22	33

## Market movement per week

Large reefers (450 000 cuft)



Small reefers (330 000 cuft)



Web: [www.reefertrends.com](http://www.reefertrends.com)  
 Tel: +44 (0) 1494 875550  
 Email: [info@reefertrends.com](mailto:info@reefertrends.com)

# reefer trends

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