

Indicators  
January 2005

The main fruits	In shares by total volume and expenditure on fruits for the month in France		
	%	Volumes	Expenditure
	Easy peelers	22	26
	Apple	22	20
Orange	22	16	

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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Jan. 2005 / Jan. 2004			
Price	↘↘	Vol.	↗

**Easy peelers** Another extremely poor performance. The large quantities of Spanish clementine remaining to be shifted prevented any rise in price and caused serious positioning problems for all the other varieties (Clemenvilla from Spain, the last Fine clementines from Corsica and Morocco, Nour from Morocco, Mineola from all origins) whose sales fell off very significantly. The production losses resulting from frost in Spain resulted in the beginnings of a change in trend at the end of the month.

Jan. 2005 / Jan. 2004			
Price	↘	Vol.	↘

**Apple** The market remained very contrasted. Domestic sales continued at a good rate but export volumes were very disappointing. Demand from German customers is usually much more dynamic in January but was practically non-existent this year. Sales at low prices were agreed for destinations such as North Africa and the Eastern European countries. The average price remained markedly lower than last year in spite of a recovery on the domestic market.

Jan. 2005 / Jan. 2004			
Price	↘	Vol.	↘↘

**Orange** The critical situation for easy peelers weighed heavily on the orange market. Sales were down by nearly 30% in comparison with average levels and prices lost about 4%. All varieties were affected from Naveline/Navel from Spain to Maltese from Tunisia, whose season started in the middle of the month. The announcement of serious losses, especially of Navelate, after the frost that hit Spain in Week 4 caused the beginnings of a reversal of the market situation.

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Information on the situation and prices of sea freight	Sea freight ..... 21

**Sea freight** Not even in the early 90s heyday for reefers did rates for January days hit the 140c/cbft that all tonnage, modern and not-so-modern, achieved this year

**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

JANUARY 2005

## Monthly comparison: Jan. 2005 / Dec. 2004

Price

↘ - 2%

Volumes

↘ - 26%

## Annual comparison: Jan. 2005 / Jan. 2004

Price

↗ + 29%

Volumes

↘ - 26%



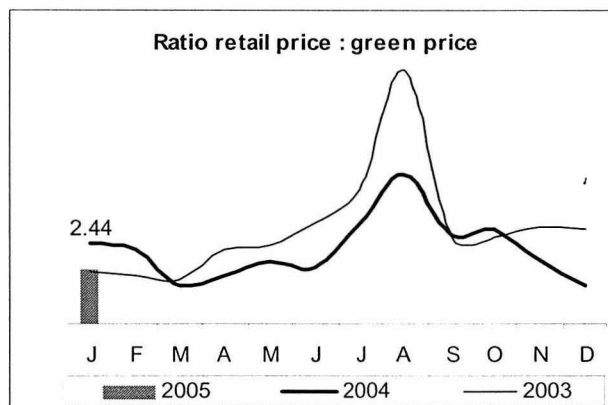
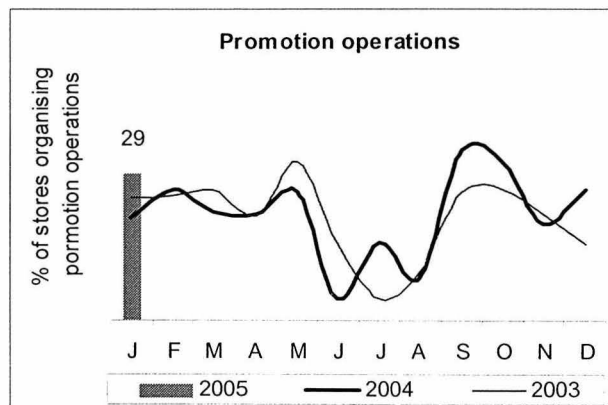
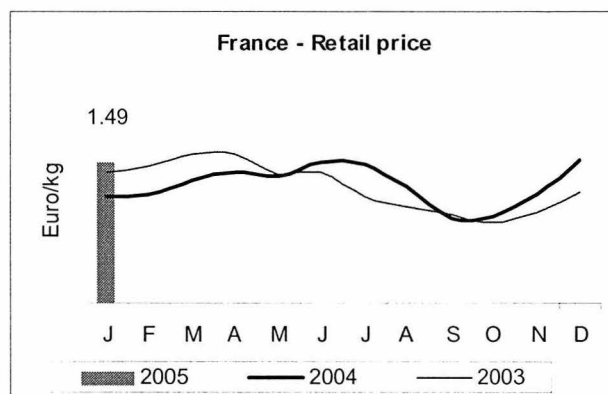
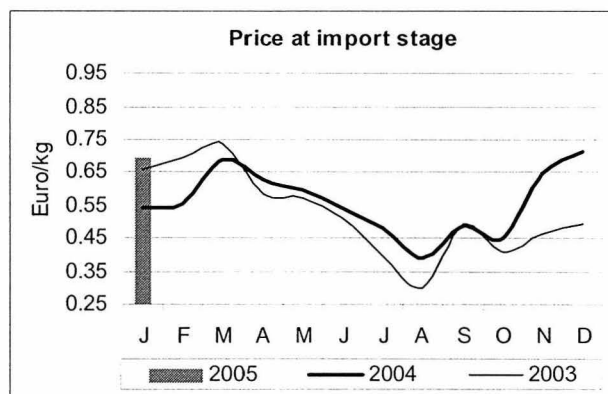
The years pass and are not at all the same! The performance of the European banana market in January 2005 was as good as it was catastrophic in 2004. Demand remained at a healthy level. However, the increase of more than 15% in quay prices in France in comparison with the three-year average should be ascribed above all to a 7% decrease in supplies to Europe, all origins being counted.

Demand regained its bounce in Week 1 and remained at a satisfactory level for the whole of the month. Nevertheless, retail prices increased by 9% in comparison with the average both in France and Germany. The comparatively small margins applied by retail chains did not compensate the strong quay prices. Supplies were markedly short. Shipments from the

West Indies were 30% down on the average (low productivity in plantations and a decreased in packing yield following a serious rainy period). Likewise, arrivals from Africa were 20% down (because of low productivity resulting from the Harmattan and changes in logistics). Finally, volumes of dollar bananas were also smaller (2% down on the average, partly as a

result of production losses caused by heavy rainfall in Costa Rica). Prices therefore increased steadily, reaching as strong a level as in 2002 at the end of the month. A some 15% shortfall in shipments from the Canary Islands allowed the Spanish market to benefit from as buoyant a trend as in the rest of the EU.

## French banana market — Indicators



European banana market — Indicators

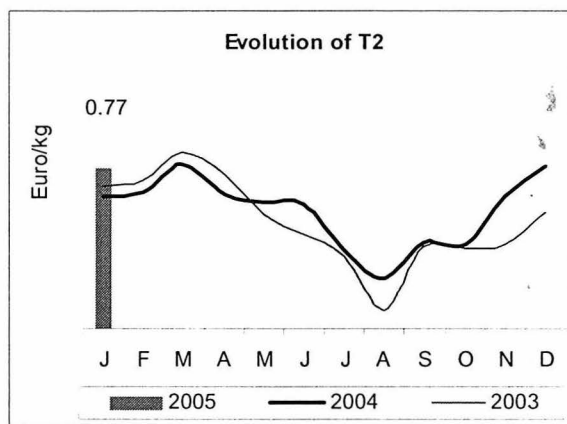
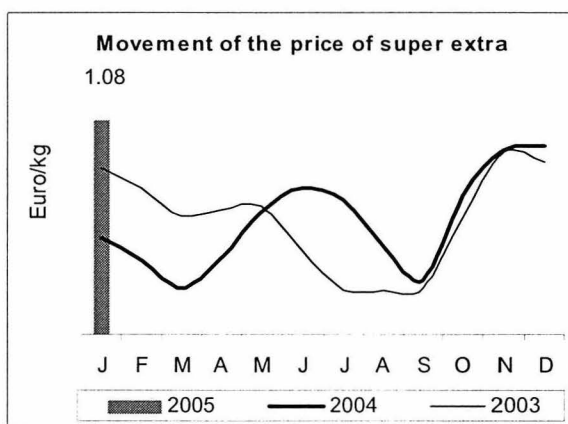
Main origins in Europe

Tonnes	January 2005	Comparisons (%)		Total season 2005	Season comparisons (%)	
		2005/2004	2005/2003		2005/2004	2005/2003
Martinique	14 043	- 29	- 28	14 043	- 29	- 28
Guadeloupe	4 251	- 35	- 41	4 251	- 35	- 41
Canaries	25 994	- 12	- 15	25 994	- 12	- 15
Côte d'Ivoire	13 691	- 19	- 25	13 691	- 19	- 25
Cameroon	16 642	- 30	- 32	16 642	- 30	- 91

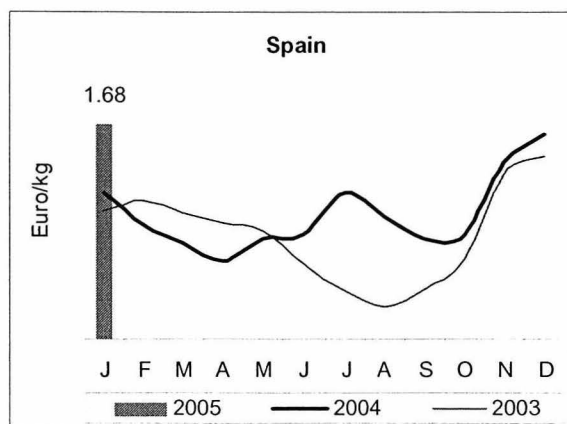
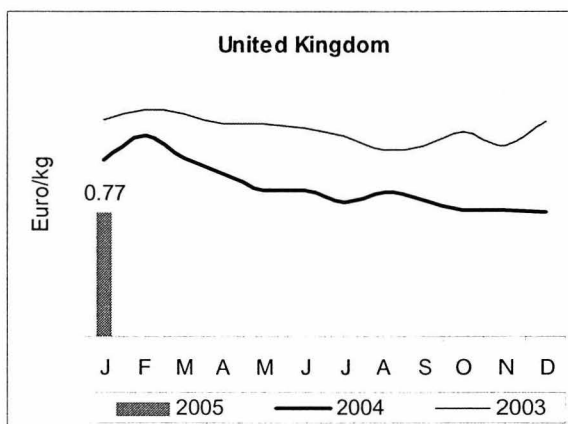
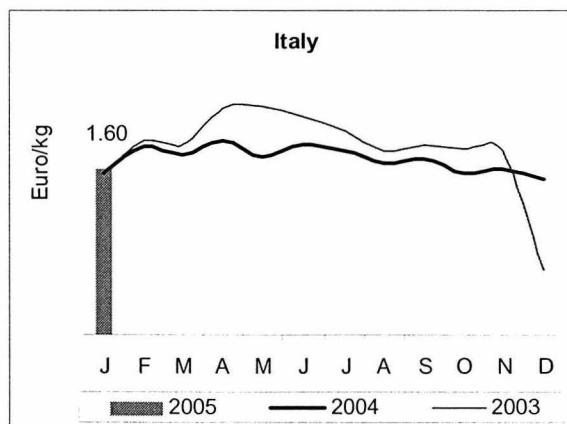
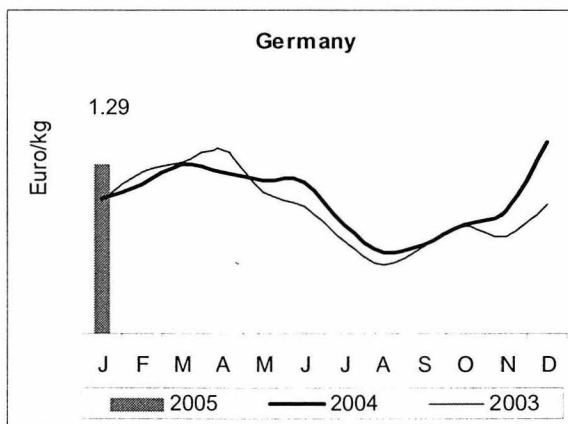
Index (base 100 in January 2004)

Dollar	119	+ 19	+ 12	ND	+ 19	+ 10
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Green price in Europe



Retail price in Europe



Sources: CIRAD, SNM, TW Marketing Consulting

# Avocado

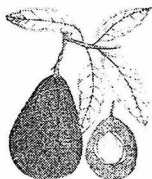
JANUARY 2005

## Monthly comparison: Jan. 2005 / Dec. 2004

Price	Volumes
↘ - 14%	↘ - 22%

## Annual comparison: Jan. 2005 / Jan. 2004

Price	Volumes
↘ - 8%	↗ + 10%



The balance was comparatively satisfactory. The market for Hass was not supplied generously (shortfalls in arrivals from Mexico and Spain and Israeli supplies concentrated on the UK market) and rapidly emerged from the crisis of the end of December. The return to a balanced situation was much more laborious for the green varieties and was only achieved at the cost of a voluntary reduction of exports from Israel.

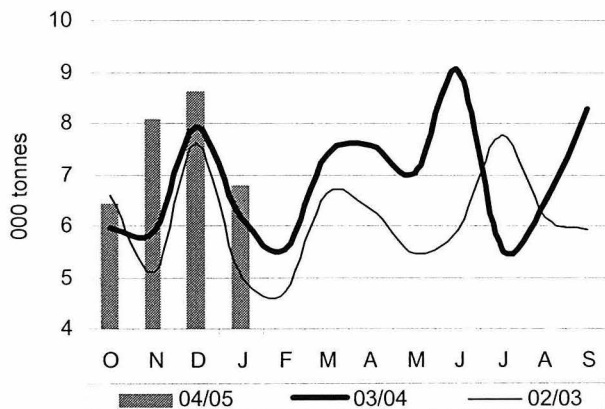
The market was comparatively difficult at the beginning of January after the disappointing results of the Christmas/New Year period and then recovered slowly even though demand was comparatively low for the season throughout the month. However, supplies of Hass were fairly small, mainly because shipments from Mexico were about 10% down on

those of the two previous years. Furthermore, Spanish shipments were also down markedly (the production losses caused by gales in Week 53 encouraged producers to speculate) and most of the fruits exported by Israel were shipped to the United Kingdom. Prices of grades 14/16/18 recovered rapidly while those of small fruits increased much more gradually.

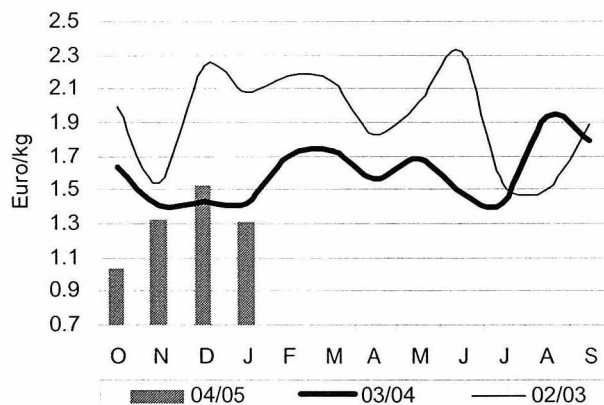
The pattern was similar for green varieties. The market achieved balance in the middle of the month thanks to a marked decrease in Israeli shipments (voluntary reduction of exports in Weeks 1 and 2 and then rain in Week 3). However, the prices only rose properly right at the end of the month.

## Estimated market releases in France

### Volumes



### Price at import stage



## Estimated market releases in France by origin

Tonnes	January 2005	Comparisons (%)		Total season 2004/2005	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	2 215	- 12	+ 16	9 132	+ 1	+ 24
Mexico	1 041	- 12	+ 12	9 814	- 5	+ 25
Israel	3 514	+ 43	+ 88	11 602	+ 48	+ 22
<b>Total</b>	<b>6 770</b>	<b>+ 10</b>	<b>+ 35</b>	<b>30 548</b>	<b>+ 12</b>	<b>+ 24</b>



# Orange

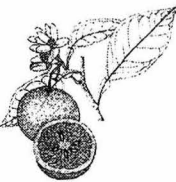
JANUARY 2005

Monthly comparison: Jan. 2005 / Dec. 2004

Price	Volumes
↘ - 4%	↗ + 4%

Annual comparison: Jan. 2005 / Jan. 2004

Price	Volumes
↘ - 15%	↘ - 31%



The critical situation for easy peelers weighed heavily on the orange market. Sales were down by nearly 30% in comparison with average levels and prices lost about 4%. All varieties were affected from Naveline/Navel from Spain to Maltese from Tunisia, whose season started in the middle of the month. The announcement of serious losses, especially of Navelate, after the frost that hit Spain in Week 4 caused the beginnings of a reversal of the market situation.

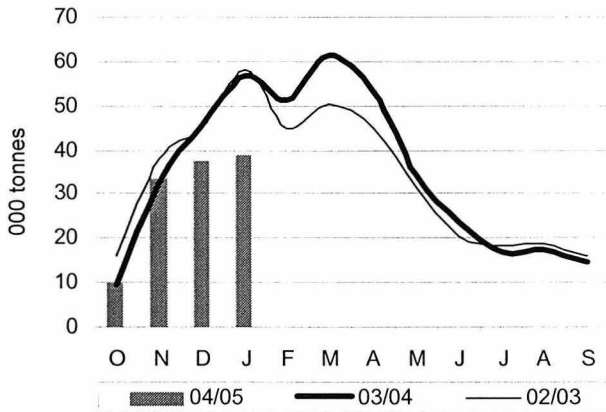
Demand was very disappointing. The very competitive prices of easy peelers limited shoppers' interest in oranges. The whole of the range and all origins were affected. Sales of Naveline/Navel from Spain thus fell by more than 30% in comparison with the average. In this context, the Tunisian Maltese season got off to a fairly difficult start. Although

the large fruits available in fairly small quantities were sold fairly well, the situation soon became difficult for large grades (100/108). Morocco, which generally ships a few batches of semi-late varieties (Washington blood oranges, Navel, etc.), was practically absent from the market. A reversal in trend started at the end of the month

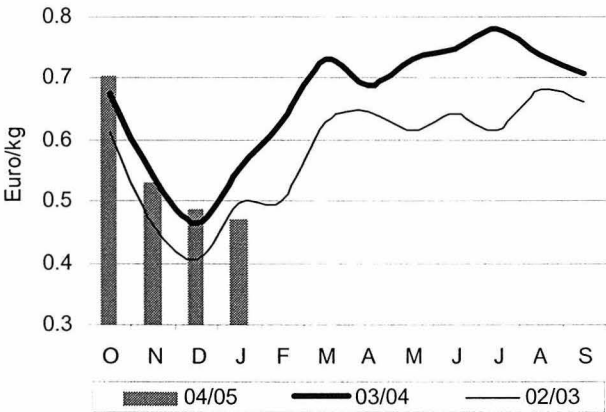
after the announcement of serious production losses as a result of frost in Spain. However, the balance for the month remained extremely poor especially as prices also decreased by 4% in comparison with the average in spite of the small quantities sold.

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	January 2005	Comparisons (%)		Total season 2004/2005	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	35 645	- 29	- 29	111 761	- 17	- 23
Tunisia	3 379	- 27	- 31	3 379	- 27	- 31
Total	39 024	- 31	- 33	115 140	- 17	- 23

# Grapefruit

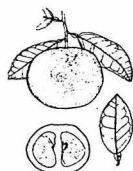
JANUARY 2005

## Monthly comparison: Jan. 2005 / Dec. 2004

Price	Volumes
↘ - 2%	↗ + 9%

## Annual comparison: Jan. 2005 / Jan. 2004

Price	Volumes
↗ + 56%	↘ - 52%



The very high prices did not prevent demand from waking up at the beginning of the month—as every year. In addition, the very marked supply shortfall since the beginning of the winter season has worsened even though fairly large volumes were shipped from Israel. Florida exporters have favoured the Japanese market at the expense of the EU. In this context, the price of Florida fruits was raised. In contrast, those of fruits from other origins remained stable.

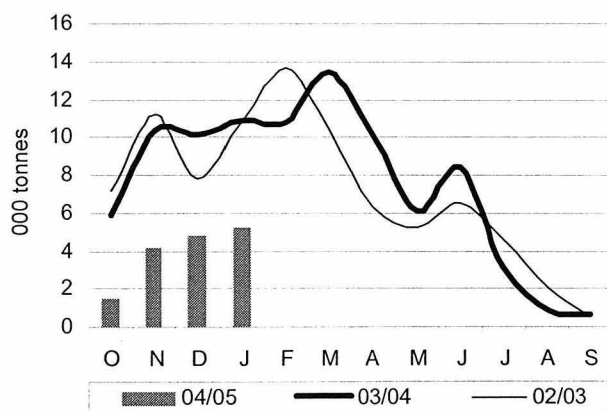
The supply shortfall became more marked with total shipments about half of the quantity available in a normal year. Nevertheless, Israeli operators started to increase the rate of shipments and larger volumes arrived in the EU than in preceding years (shipments of white grapefruit and Sweetie to Japan also increased markedly). The Florida shortfall

worsened. harvest forecasts remained unchanged (60% down in comparison with 2003-2004) but exporters favoured the Japanese market, which is even more profitable than the EU. Arrivals from Turkey were greater than in 2003-2004 but smaller than average. Fruits from Spain, Cyprus and the last produce from Central and South America (Chile, Mexico and

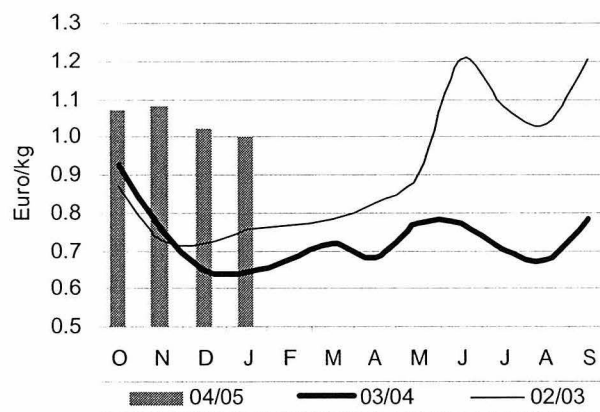
Cuba) continued to complete supplies. Demand gathered momentum at the beginning of the month, as every year. It was active for Florida and prices were raised (the 20 euros per box level was exceeded for certain grades). Prices remained stable for fruits from the other suppliers as demand was more hesitant, especially at the end of the month.

## Estimated market releases in France

### Volumes



### Price at import stage



## Estimated market releases in France by origin

Tonnes	January 2005	Comparisons (%)		Total season	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Florida	3 138	- 67	- 66	8 729	- 72	- 71
Israel	1 172	+ 70	+ 153	3 651	+ 11	+ 55
Turkey	889	+ 32	- 19	3 306	+ 22	- 24
<b>Total</b>	<b>5 199</b>	<b>- 52</b>	<b>- 52</b>	<b>15 686</b>	<b>- 58</b>	<b>- 58</b>

# Easy peelers

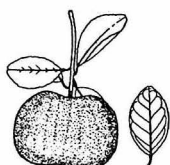
JANUARY 2005

## Monthly comparison: Jan. 2005 / Dec. 2004

Price	Volumes
↘ - 9%	↘ - 31%

## Annual comparison: Jan. 2005 / Jan. 2004

Price	Volumes
↘ - 33%	↗ + 2%



Another extremely poor performance. The large quantities of Spanish clementine remaining to be shifted prevented any rise in price and caused serious positioning problems for all the other varieties (Clemenvilla from Spain, the last Fine clementines from Corsica and Morocco, Nour from Morocco, Mineola from all origins) whose sales fell off very significantly. The production losses resulting from frost in Spain resulted in the beginnings of a change in trend at the end of the month.

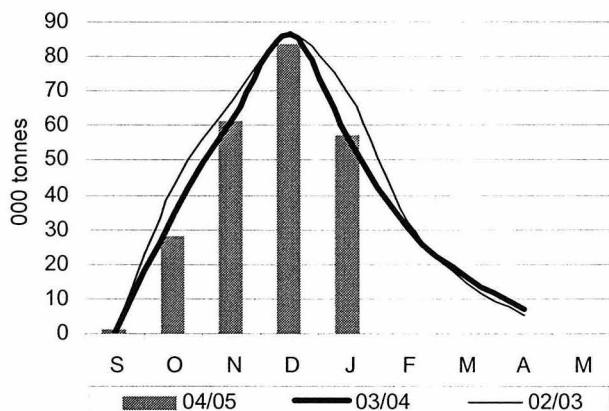
The market was very difficult at the beginning of the month and was unable to recover as large volumes of Nules clementines from Spain remained to be sold (large production and late sales). Demand was fairly good and remained focused on this variety, whose quality was satisfactory (especially as far as taste qualities were concerned) and available at very

attractive prices. In this context, it was difficult for the other produce to gain a position on the market even though prices were well down in comparison with previous seasons. The season for Fine from Corsica and Morocco finished with great difficulty. Sales of Clemenvilla from Spain were nearly 40% down in comparison with previous years in spite of larger production.

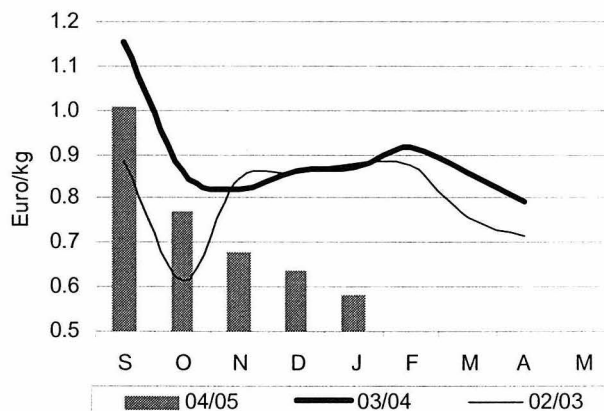
Nour from Morocco established a position with difficulty, as did Mineola from Cyprus, Israel and Turkey. Israeli growers had to sell a large proportion of Suntina production for processing, as Spanish operators had already done with clementine. The announcing of serious production losses in Spain after the frosts of Week 4 caused the beginnings of a change in trend.

## Estimated market releases in France

### Volumes



### Price at import stage



## Estimated market releases in France by origin

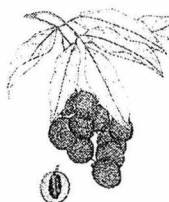
Tonnes	January 2005	Comparisons (%)		Total season 2004/2005	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	48 236	0	- 13	194 166	0	- 14
Morocco	3 519	- 48	- 56	15 363	- 42	- 8
Israel	224	- 62	- 74	224	- 63	- 78
Corsica	5 313	+ 653	+ 12	22 010	+ 26	- 4
<b>Total</b>	<b>57 292</b>	<b>+ 2</b>	<b>- 17</b>	<b>231 763</b>	<b>- 3</b>	<b>- 13</b>

# Litchi

JANUARY 2005

## Litchi — Arrival estimates

Weeks	1	2	3	4
By air — Arrivals in France — tonnes				
Réunion	5	3	1	-
By sea — Arrivals in Europe — on pallets				
South Africa	360	300	300	200



Although demand for litchi had not been very strong in December, it gradually weakened in January. Supplies were strongly dominated by Madagascar during the period, with the only competitor being South Africa whose export volumes were finally well down on those of previous seasons. Prices were fairly stable throughout the month but at a fairly low level that seems to be gradually becoming the average for reference for Madagascan fruits.

It is very difficult to evaluate the weekly tonnages of litchi from Madagascar arriving on the European market in January. Indeed, a series of container ships arrived from mid-December until the last week of January. In contrast with conventional vessels, whose cargo is unloaded in the first European port of call, containers can be unloaded in a succession of ports. Thus the last container on a vessel may be unloaded two weeks after the first. It is estimated that approximately 1 500 to 2 000 pallets of litchi arrived from Madagascar in January. These should be added to those that arrived in December and were in cold storage. The fruits transported in sea containers caused no changes in sales and retailing, unlike the case in preceding years. The very early arrival of fruits in containers (mid-December) smoothed supplies from Madagascar completely without the traditional break in price in January between the end of the litchis shipped in conventional

vessels and the litchis that arrive in containers and sell at a higher price. Demand weakened until the middle of the month, especially on reshipment markets. These closed gradually in mid-January, leaving the greater part of the fruits available on the national market. Demand decreased further in the second half of the month, making sales slower and more difficult. As most of the fruits had been stored, quality worsened little by little, weighing somewhat on the market in spite of several attempts by operators to raise prices. Fruits from Madagascar were of increasingly uneven quality, with some keeping well and others drying or attacked by moulds. The changing quality of the fruits obliged operators to monitor batches continuously and to sort them frequently. Poor quality fruits were gradually discarded. Medium quality litchis were often sold on the wholesale market at clearance prices (ranging from 1.00 euro per kg at the

beginning of the month to 0.70 euro per kg at the end of the period).

In this context, and with small deliveries, it was not possible to sell fruits from South Africa at much higher prices. Graded South African fruits attracted the attention of top-of-the-range retailers who wanted fruits that contrasted with Madagascan litchi. The increase in the tonnages in the first half of the month, poor demand and the occasional deterioration of fruit quality caused some sharp variations in selling prices. A slide in fruit grades was also observed, with an increasing proportion of fruits whose calibre was smaller than that indicated on the packaging.

After weeks of difficult sales in December, shipments of fresh litchis on the branch from Réunion decreased considerably, resulting in a clear price recovery.

## Litchi — Price in euros/kilo — Import stage in France

Semaines 2005	1	2	3	4
By air				
Réunion fresh on the branch	7.00-8.00	7.00-8.00	8.00	-
By sea				
Madagascar	1.20-1.40	1.10-1.50	1.20-1.40	1.10-1.30
South Africa	2.25-2.75	2.30-3.00	2.20-2.75	2.20-3.00



# Mango

JANUARY 2005

## Kent mango — Price at import stage

	Min	Max
<b>By air (kg)</b>		
Brazil	3.50	4.00
Peru	3.00	4.00
<b>By sea (box)</b>		
Brazil	2.00	3.00
Peru	2.00	3.50

As in December, the January mango market was chaotic and lacking in structure. The small demand from supermarket chains in Europe and the large stocks that had formed were the two major reasons for the strong, lasting market disturbance.



The accumulation of deliveries from Brazil and then Peru and Ecuador resulted in the accumulation of large stocks from December onwards. Arrivals from Brazil decreased substantially in January, limiting the losses for this origin. In contrast, the harvest was in full swing in Peru and Ecuador and shipments continued, resulting in an increase in stocks in Europe or at least the stabilisation of stocks at a level unrelated with the slow sales achieved in January. As traditionally occurs once or twice a year, a vicious circle became established, consisting of large shipments followed by storage, market saturation, falling prices, deterioration of quality and continued low prices until the produce has been cleared.

Fruits shipped from Brazil probably suffered less from the disastrous

market conditions in the end because the export season stopped gradually and Brazilian fruits were only affected for a comparatively short period of time. In contrast, Peru was hit face-on by these poor market conditions for the second year running. Ecuador is also developing shipments to France and finding the beginning difficult. Poor fruit sales have resulted in long storage periods of a fortnight to a month. As shipping fruits from these origins takes two to three weeks, the deterioration that can occur during the selling period can be understood. A very slight improvement was noted at the end of the month, especially for large fruits—available in smaller quantities and the subject of slightly more marked demand. Prices of some 3.00 to 3.50 euro per box were attained at the end of January for Kent, grade 6 to 8. Market improvement and another

phase of stability are forecast for February unless shipments from Brazil choke the European market once again.

The market for mango shipped by air was more balanced in January and matched demand with some 10 to 25 tonnes per week for the French market. Fruits from Peru gradually replaced supplies from the dominant supplier Brazil from the second third of the month onwards. The quality of these fruits was regular throughout the month and prices were stable. A few problems on the wholesale market were noted in the middle of the month, when the frequently advanced stage of ripeness of the produce hindered sales and made sorting necessary and even the discarding of some overripe batches.

## Mango — Price in euros — Import stage

Weeks 2005

1

2

3

4

### By air (kg)

Brazil	Kent	3.50-4.00	3.50-4.00	-	-
Peru	Kent	3.50-4.00	3.50-4.00	3.00-4.00	3.00-4.00

### By sea (box)

Brazil	Tommy Atkins	1.50-2.00	1.50-2.50	1.50-2.00	2.00
Brazil	Kent	2.00-3.00	2.00-3.00	2.00-3.00	2.50-3.00
Peru	Kent	2.00-2.50	2.00-3.00	2.50-3.50	2.50-3.50

# Sea freight



Not even in the early 90s heyday for reefers did rates for January days hit the 140c/cbft that all tonnage, modern and not-so-modern, achieved this year

Monthly spot averages		
US\$cents/cubic foot x 30 days	Large reefers	Small reefers
January 2005	94	93
January 2004	41	55
January 2003	38	60

The market was driven by an excess supply of bananas, with Ecuadorian players unable to sell locally forced into the charter market. There was no build up of tonnage at the Canal that typifies early January trading so with increased demand and shortened supply, owners and operators were able to force the market upwards. Those Argentinean charterers who fixed early for consecutives got themselves a bargain; those who turned down the opportunity have been kicking themselves ever since. There is already talk of 100c/cbft for 12-month renewals although how realistic these ideas remains to be seen. It seems that the owners have

recognised the value and importance of Spot trading not only in influencing the Period market but also for the long term sustainability of the industry – it is clear that owners have the upper hand and they are using a more concentrated and transparent market to their advantage. Charterers meanwhile have complained that owners are adding insult to injury, twisting the knife by tightening terms on charterparty contracts.

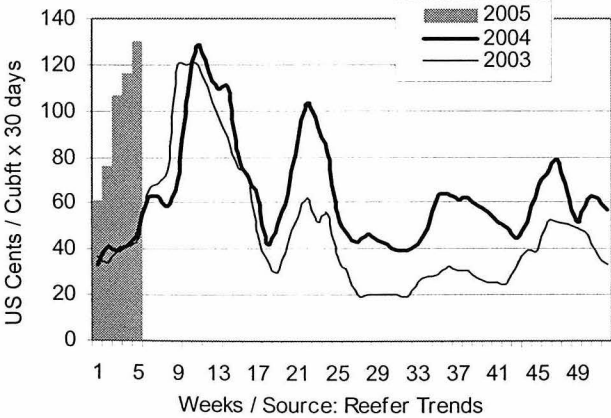
How steep the peak season gradient for the larger reefers becomes depends largely on the number of additional vessels chartered by Chile and Argentina, both of whom have

larger export crops this season than last year's record volumes.

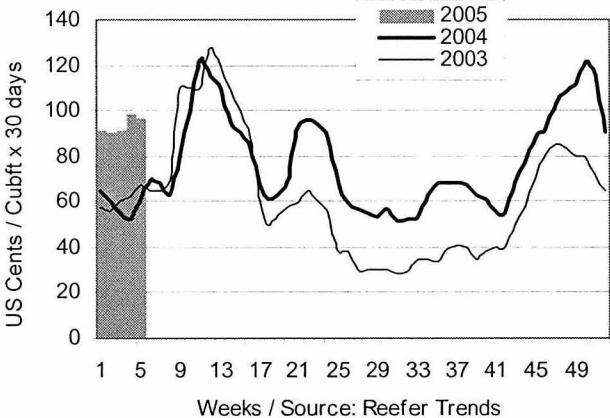
There was less excitement in the smaller vessel segment although the squid catch in the Falklands is reportedly down on expectations, there are between 50-80K MT fewer Israeli potatoes for export this season and Morocco may lose up to 40K MT of citrus because of the freeze that has affected Mediterranean citrus, vegetable and stonefruit crops. New Zealand may also be shipping fewer onions because of an international onion glut that has impacted on its main market Europe and its secondary Asian markets.

## Weekly market movement

Large reefers (450 000 cuft)



Small reefers (330 000 cuft)



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