

Indicators

September 2005

The main fruits	In shares by total volume and expenditure on fruits for the month in France		
	%	Volumes	Expenditure
	Grapes	23	24
	Apple	20	16
	Peach/Nectarine	16	17

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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Sept. 2005 / Sept. 2004			
Price	↓	Vol.	↑

Grapes

The market remained very difficult under pressure from ample supplies. The quantities of French and above all Italian grapes were very large this year. Sales were inadequate in comparison. Prices fell.

Sept. 2005 / Sept. 2004			
Price	↓↓	Vol.	↑

Apple

The market has been very sluggish. The continuation into September of the southern hemisphere season (Braeburn) and the presence of large volumes carried over from the preceding European harvest practically blocked any releases of the new crop apples available. In this stock clearance context, prices have been very low (nearly 20% lower than average).

Sept. 2005 / Sept. 2004			
Price	↓	Vol.	↑↑

Peach/ Nectarine

The end of the season was fairly complicated. Supplies (especially peach and yellow nectarine) continued to be fairly large overall but releases were comparatively satisfactory on both the domestic and export markets as the weather was still very warm. Nevertheless, the rain at the beginning of the month sometimes affected fruit quality and many stocks formed. Prices remained very low in this context.

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Sea freight

The September Spot market mini-peak mirrored developments 12 months ago – although average TC returns are 19% lower than September 2004, this is almost exclusively because of the impact of high bunkers. Hurricane Rita did its best to do damage to all the oil production missed by Katrina and the effects are still being felt today. High bunkers are not likely to be a short-term blip but rather with the industry for the duration!

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

SEPTEMBER 2005	Monthly comparison: Sept. 2005 / August 2005	
	Price	Volumes
	↗ + 5%	↗ + 14%
	Annual comparison: Sept. 05 / Sept. 04	
	Price	Volumes
	↗↗ + 53%	↘ - 13%



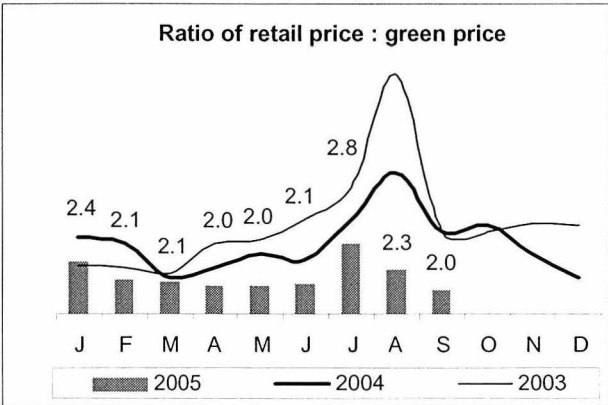
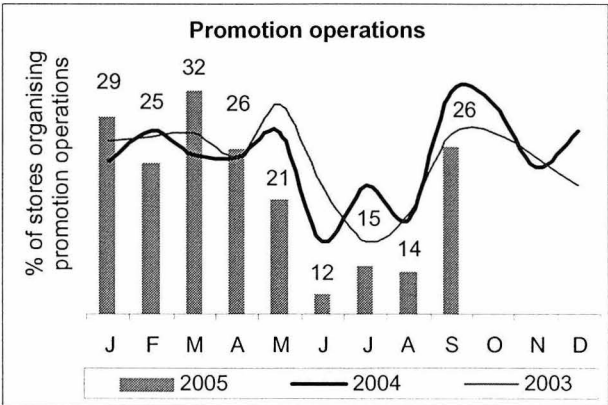
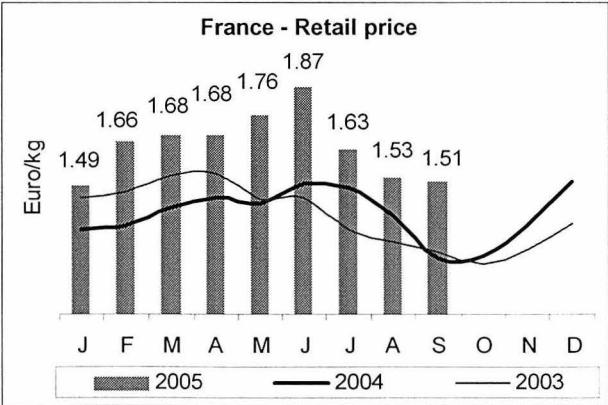
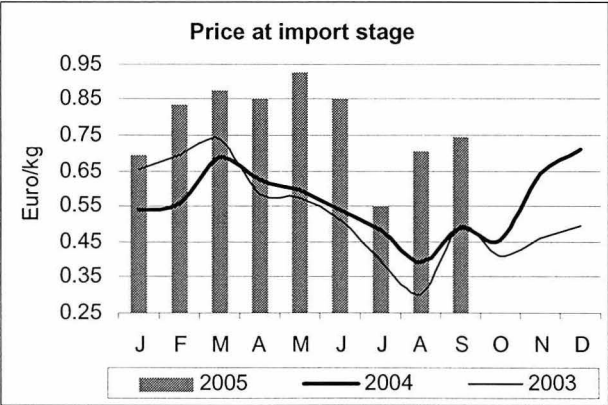
Market performance was excellent this month once again. Total arriving shipments increased to very close to the average. However, in spite of the moderate releases in France, the situation remained satisfactory thanks to active export demand from clients in Spain, Italy, the United Kingdom and Germany. Prices thus remained at levels not seen since 1997, in spite of a seasonal dip at the end of the month.

The deficit in overall arrivals that had been very marked since the beginning of the year has almost completely disappeared. Shipments of African bananas remained considerably higher than average and made up for the recurrent weakness of shipments from the West Indies. As every year, domestic demand was slow to pick up again. On the one hand, promotion operations have been rare and retail

prices have been particularly high for the season in spite of the fairly small margins applied by distributors. On the other hand, temperatures higher than the seasonal average encouraged consumers to prefer the season's fruits such as plums, pears and grapes. The strong export demand, especially during the first half of the month, goes a long way towards explaining this good performance. Spanish clients,

with only small quantities of Canary Island bananas available, and Italian, British and German buyers were very present. In this context, in spite of a slight deterioration at the end of the period, prices continued the fine performance displayed since the beginning of the year (the average price in September 2005 was 53% higher than in 2004).

French banana market — Indicators



European banana market — Indicators

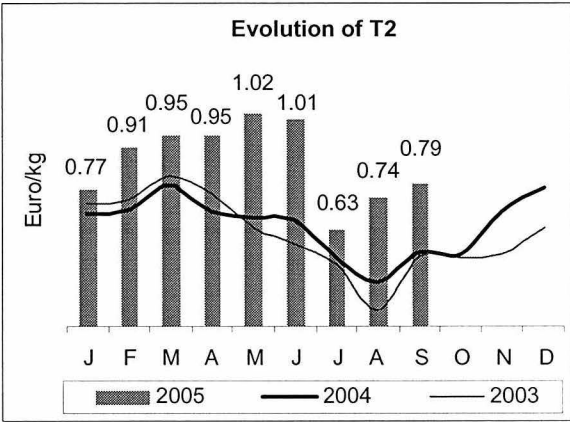
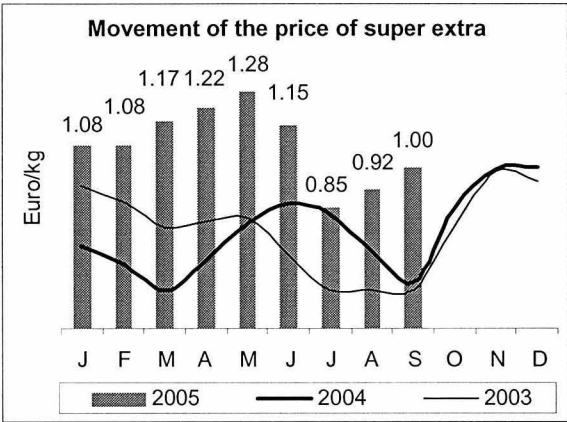
Main origins in Europe

Tonnes	September 2005	Comparisons (%)		Total season 2005	Season comparisons (%)	
		2005/2004	2005/2003		2005/2004	2005/2003
Martinique	17 451	- 26	- 7	156 784	- 17	- 20
Guadeloupe	4 143	- 20	- 43	36 297	- 35	- 45
Canaries	27 009	- 11	- 6	234 767	- 21	- 17
Côte d'Ivoire	19 189	+ 10	+ 15	148 839	- 6	- 4
Cameroon	24 752	+ 8	+ 13	184 665	- 8	- 9

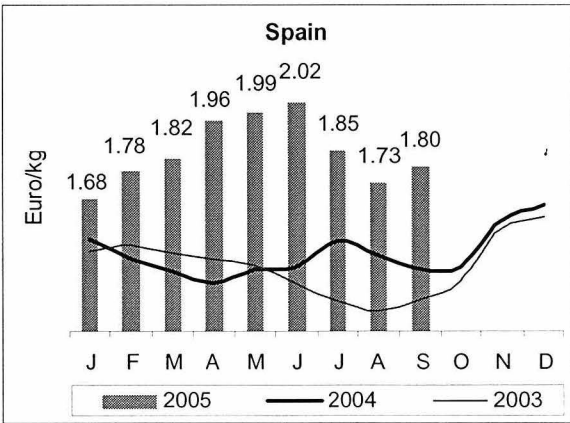
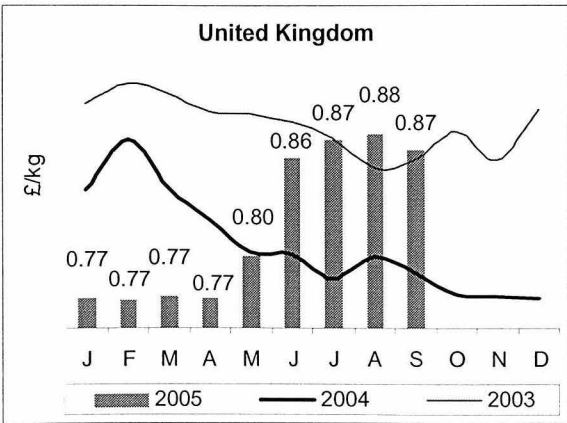
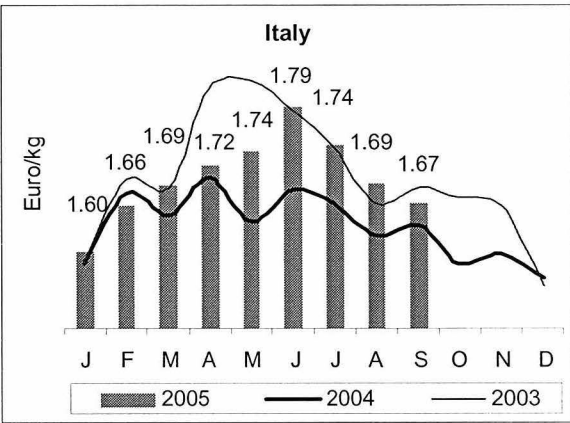
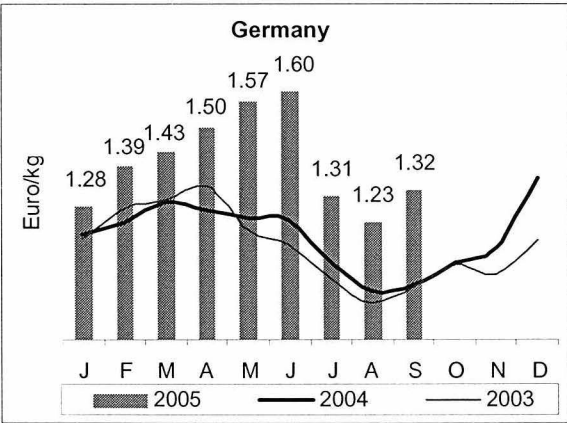
Index (base 100 in September 2004)

Dollar	NA	NA	NA	NA	NA	NA
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Green price in Europe



Retail price in Europe



Sources: CIRAD, SNM, TW Marketing Consulting

Avocado

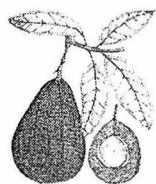
SEPTEMBER 2005

Monthly comparison: Sept. 2005 / August 2005

Price	Volumes
↘ - 23%	↗ + 6%

Annual comparison: Sept. 05 / Sept. 04

Price	Volumes
↘ - 20%	0%



As we had expected since the second half of August, the market deteriorated strongly. Arrivals have been massive. Mexican exporters concentrated on the US market but those in Chile showed their determination to gain an increasingly larger position in Europe at this time of year. Prices were about 30% down on the three-year average as consumption is usually small at this time of year just before the end of the school holidays.

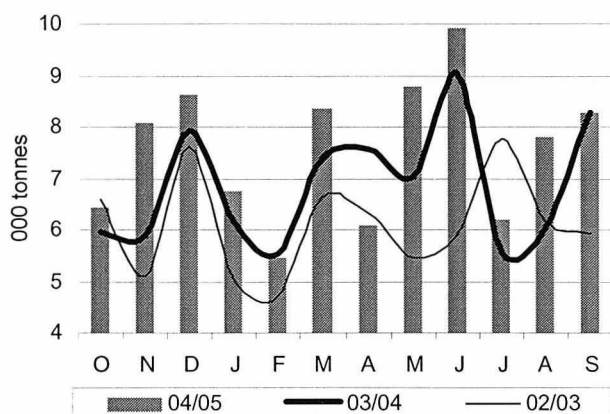
Supplies have been ample with arrivals as large as in 2004 and about 30% above the average of the last three years, while stocks that had formed at the end of August were still available. However, the Spanish season started late and shipments from Mexico were particularly moderate at 50% less than the three-year average. Mexican operators—usually in the leading position in the EU at this time of year—favoured the

US market. Furthermore, although the Peruvian export season was substantial, with some 4.4 million boxes exported against about 3.6 million in 2004, it finished earlier than last year. But the South African season was prolonged because of the large volumes to be sold this season (no less than 11.6 million boxes in comparison with an average of 9 million). In addition, Chilean operators confirmed their

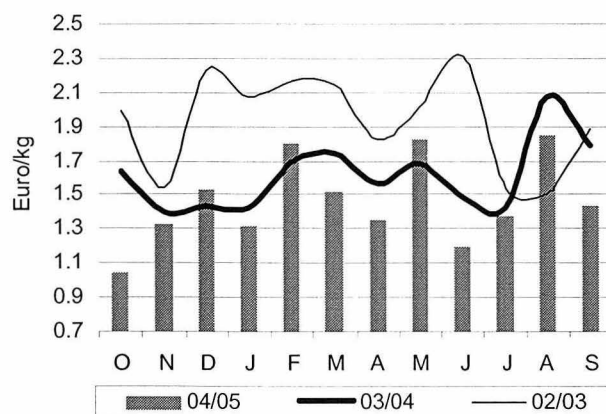
determination to become major players on the EU market. Arrivals were larger than those of 2004 in spite of a production deficit. The market soon deteriorated under the weight of this flow of goods. 'Hass' prices fell steadily to less than cost. The situation was also difficult for the green varieties in this context. The deterioration of the market was halted by a drastic reduction in imports at the end of the month.

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	September 2005	Comparisons (%)		Total season	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	80	- 85	- 78	80	- 85	- 78
Mexico	1 243	- 51	- 37	1 554	- 55	- 48
Chile	1 496	+ 5	+ 223	1 584	+ 11	+ 242
Kenya	1 134	+ 36	+ 89	7 668	+ 1	- 21
Peru	889	- 35	+ 153	8 408	+ 36	+ 73
South Africa	3 438	+ 122	+ 58	19 071	+ 49	+ 31
Total	8 280	0	+ 40	38 365	+ 20	+ 17

Orange

SEPTEMBER 2005

Monthly comparison: Sept. 2005 / August 2005

Price

0%

Volumes

↘ - 3%

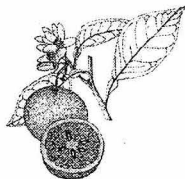
Annual comparison: Sept. 05 / Sept. 04

Price

↘ - 17%

Volumes

↗ + 9%



No improvement was seen in September. On the one hand, the Indian summer weighed on citrus consumption in general and on the other the quantities available from both South Africa and Argentina were larger than last year. The average monthly price returned to 2002 and 2003 levels after the fine performance in 2004.

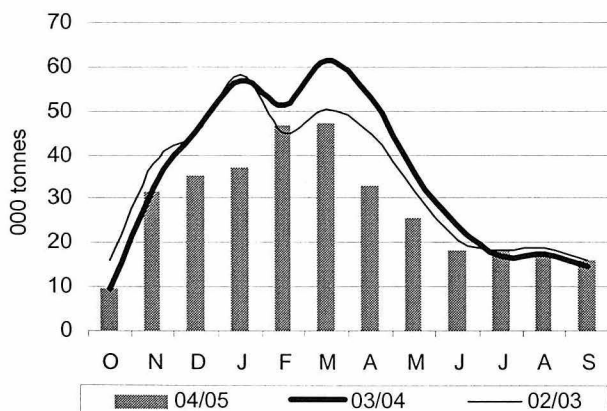
September was a repeat of August. Releases were moderate and only started to accelerate right at the end of the period (in Week 39, whereas sales generally gather momentum from Week 36 onwards). The beginning of the school year did not have the effect that had been hoped for. In addition, temperatures were well above the

seasonal average for 21 days according to Météo France and this was probably the major factor explaining the lack of enthusiasm for citrus in general (except for lemon) to the advantage of the season's fruits. Supplies were also comparatively large as shipments from South Africa and Argentina were up by 8% overall

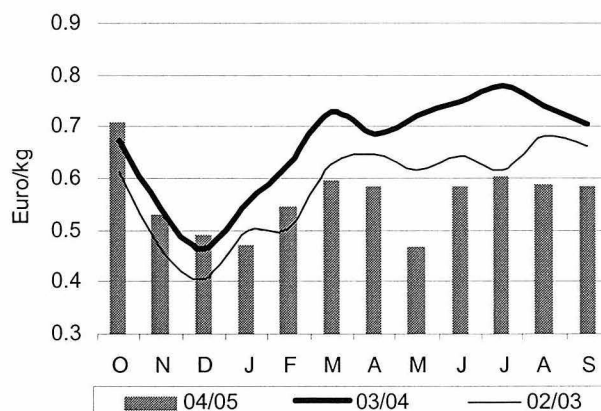
and stocks of 'Navel' from South Africa remained. A few batches of uneven quality 'Valencia' from Spain completed the range available. In this context, prices did not lift from August levels and were very similar to those of 2002 and 2003. The fall was particularly marked for large fruits (sizes 48/56/64).

Estimated market releases in France

Volumes



Price at import stage



Estimated market releases in France by origin

Tonnes	September 2005	Comparisons (%)		Total season 2004/2005	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
Spain	2 958	+ 24	- 38	253 658	- 23	- 21
South Africa	13 218	+ 6	+ 19	46 484	+ 13	+ 12
Total	16 176	+ 9	+ 2	300 142	- 19	- 17

Grapefruit

SEPTEMBER 2005

Monthly comparison: Sept. 2005 / August 2005

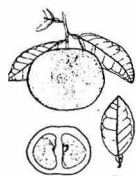
Price
↗ + 5%

Volumes
↘ - 77%

Annual comparison: Sept. 05 / Sept. 04

Price
↗ + 7%

Volumes
↘ - 29%



The situation was disappointing, especially for Honduras, the main origin supplying the market in September. Firstly, competition from the other origins was fiercer than in the preceding seasons, especially with regard to small fruits, in spite of the absence of Cuba. Secondly, demand was sluggish (the warm weather did not encourage consumption and the overall quality of supplies was only average). Although lower than last year, prices were comparatively strong.

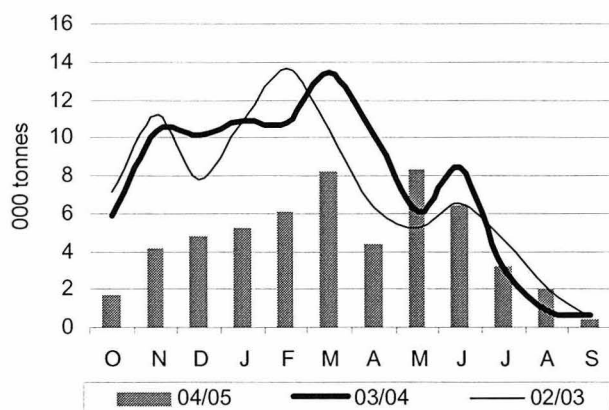
The situation was somewhat disappointing. The renewed interest expected in September from the catering industry, with the reopening of school canteens, did not happen. The warm weather for the season and the rather disappointing quality of supplies as a whole adversely affected

demand. The market was distinctly more difficult than last year for Honduras, the leading September origin, which had to face both dull demand and livelier competition from other suppliers than in past years. The availability of small fruits (50/55 and 45 to a lesser degree) from Argentina

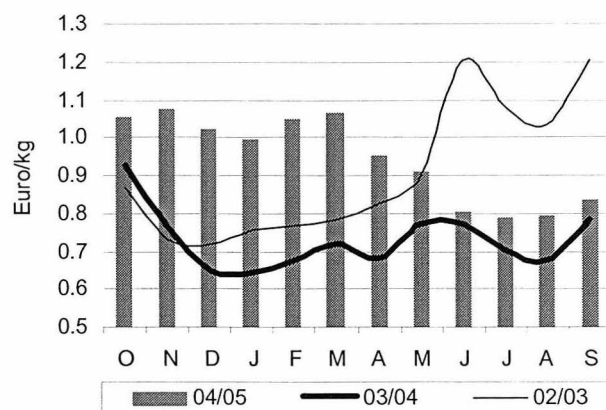
(stocks) and South Africa (stocks and continued shipments) weighed on the sale of Honduran fruits even though Cuba was absent from the market because the main plantation had suffered serious hurricane damage.

Estimated market releases in France

Volumes



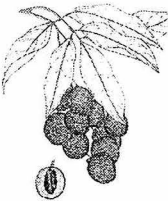
Price at import stage



Estimated market releases in France by origin

Tonnes	September 2005	Comparisons (%)		Total season	Season comparisons (%)	
		2005/2004	2005/2003		04-05/03-04	04-05/02-03
South Africa	467	- 19	- 7	10 838	+ 17	+ 3
Argentina	-	-	-	7 845	+ 10	+ 12
Total	467	- 24	- 12	18 683	+ 14	+ 6

Litchi



Demand remained subdued for the whole of September. It is true that supplies were not very large. Most of the fruits were from Israel and, to a lesser degree, from Spain. The price variations observed throughout the month doubtless resulted more from the uneven quality of the Israeli fruits than from irregular deliveries. The European market will doubtless be under-supplied in October when the Israeli and Spanish seasons are over and before the first litchi arrives from the Indian Ocean (Mauritius, Madagascar, South Africa and Réunion).

SEPTEMBER 2005	Litchi by sea from Israel Price at import stage		
	Euros/kg	Min	Max
	France	3.00	3.50
	Belgium	2.50	5.00
	Netherlands	2.75	3.75

The market in **France** was supplied regularly with litchis from Israel arriving by sea and selling at fairly stable prices throughout the month. The quantities sold seem to have remained modest in particular as a result of the small demand. These fruits were sold mainly via traditional distribution channels specialised in rare or high-quality produce. Overall demand in September was not favourable for massive sales of this type of fruit. The deliveries from Israel were considered to be satisfactory overall. A proportion of the supplies for the French market came from the Netherlands. Several air shipments were received, consisting of large fruits or of other varieties enabling a different commercial approach and different prices (around EUR 8.00 per kg). These deliveries consisted of very small batches. The market was also supplied by Spain, shipping limited but regular quantities. As for mangoes of the latter origin, the larger number of operators resulted in the somewhat confused marketing of Spanish fruits. Litchi with good colour was sold at

high prices but the fragility of the fruits forced import buyers to make concessions in order to complete the sales of certain batches. Buyers often hesitated to place orders at the price asked, given the small demand. The quantity of Spanish litchi was substantial in the second half of August and then dwindled considerably in September, with an estimated two or three palettes per week.

The market in **the Netherlands** was supplied solely with Israeli litchis in September. Prices swung between EUR 2.75 and 3.50 per kg at the beginning of the month as batches of poor quality fruits were received. Mould spots meant that the boxes had to be inspected before sale. The decrease in arrivals in the subsequent weeks led to firmer prices at EUR 3.00-3.50 per kg. The produce still available in the last week of the month sold at EUR 3.00 to 3.75 per kg when the Israeli export season was coming to an end. These prices do not take into account the fruits rejected by

professionals during increasingly frequent sorting operations necessitated by the decrease in fruit quality.

In **Belgium**, the market remained quiet, with sluggish demand. Most of the supplies were from Israel, often arriving via the Netherlands. Prices fluctuated according to the quality of the batches received and the size of the fruits. Prices were around EUR 4.00 to 5.00 per kg at the beginning of the month and decreased to EUR 3.00 to 4.00 per kg the following week. They then rose to EUR 4.00 to 4.25 and finished the month at EUR 2.50 to 3.00 per kg. A few sporadic batches of litchis from Spain completed the supplies for the Belgian market at about EUR 8.00 per kg. The price asked by shippers for these fruits was too high for an increase in quantities to be envisaged. The small quantities of Spanish litchi available for the French market soon closed access to the northern European market.

Litchi — Prices in France at import stage — Euros/kg						
Weeks 2005	36	37	38	39	Average sept. 2005	Average sept. 2004
By sea						
Israel	3.00-3.25	3.00-3.50	3.00	3.00-3.50	3.00-3.30	2.00-2.95
By truck						
Spain	5.50-6.00	8.00-8.50	9.00-10.00	5.00	6.90-7.40	7.20-9.00

Mango



September was a true transition period for market supply and conditions. The sources were Israel and Brazil, with the first coming to an end and the second increasing shipments. The switch from one origin to the other took place more or less rapidly on the various European markets. The sudden, rapid increase in shipments from Brazil at the end of the month sent the market into a new period of tension.

Most of the supplies in France were from Israel for the entire month. Brazil shipped only complementary quantities of 'Tommy Atkins', a variety playing only a minor role on this market. Practically all the produce marketed was from Israel, with a gradual change from 'Kent', that had formed most of the supplies, to 'Keitt'. This change took place with an overall trend for the decrease in the quantities marketed, encouraging the firming of prices until the middle of the month. Prices lost ground in the second half of the month under pressure from increasingly large arrivals of fruits from Brazil on the northern European markets. Israeli mangoes were sold in a context of small demand throughout the month. The warm September weather in many European countries also enhanced the continued production of local fruits. Deliveries from Senegal remained stable for the whole month, with the reception of a few containers per week of 'Kent' and also of 'Keitt', but in smaller quantities. The decrease in arrivals from this origin is explained by the seizing of several shipments

because of the presence of fruit fly larvae and because of quality problems affecting the appearance of the fruits. The season therefore finished early, with selling prices falling as fruit condition worsened. Deliveries from Spain started on a small scale at the beginning of the month and then increased gradually in response to demand. These fruits were an interesting alternative to the very green mangoes from Israel and those from Senegal of variable quality. Spanish exporters successfully grabbed this sales opportunity even though the first arrivals consisted of fruits whose ripeness was somewhat questionable. However, marketing soon became confused. Indeed, the simultaneous marketing of Spanish produce via different distribution channels and at the same price could only hamper certain operators. Increased supplies and distribution problems soon disturbed selling prices somewhat. The situation seemed to be stabilising in the second half of the month, at lower prices. Several well-coloured batches of 'Irwin' and 'Kent' were also shipped

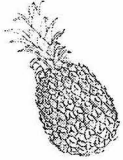
from Spain in the second part of the month; these commonly sold at between EUR12.00 and 13.00 per carton.

The market for mango shipped by air was supplied solely by Israel as Senegal had ceased shipments at the end of August because of quality problems. The marketing of the 'Maya' variety finished in mid-month with prices falling because of uneven fruit quality. The export season for this variety will have been more difficult this year. Although well-coloured, 'Shelly' and 'Kasturi' mangoes were less appreciated than 'Kent', which fetched better prices. However, average sales of 'Kent' fell during the second half of the month because the batches offered were very ripe. This decrease was not very visible as the simultaneous reduction in quantities tended to encourage higher prices. A few batches of good quality 'Kent' from Egypt found takers at EUR 3.00-3.50 per kg. Although the fruits were of good quality, the packaging was basic and not very attractive.

SEPTEMBER 2005	Mango — Estimated arrivals from Senegal In tonnes by week			
	36	37	38	39
	By air			
	5	-	-	-
	By sea			
	-	120	25	-

Mango — Prices in euros — Import stage							
Weeks 2005		36	37	38	39	Average sept. 2005	Average sept. 2004
By air (kg)							
Israel	Maya	2.00-3.00	2.00-2.50	-	-	2.00-275	2.50-3.00
Israel	Shelly/Kasturi	2.00-3.00	2.00-2.50	3.00-3.50		2.30-3.00	2.50-3.00
Israel	Kent	3.00-3.50	3.00-3.50	3.00-3.50	3.00-3.50	3.00-3.50	2.80-3.40
By sea (box)							
Senegal	Kent	4.00-4.50	4.00-4.50	3.50-5.00	-	3.80-4.65	4.30-5.10
Israel	Keitt	3.00-4.50	4.00-5.00	4.50	4.00	3.90-4.50	3.80-4.40
Israel	Kent	4.00-5.00	4.50-5.00	4.50-5.00	4.00-4.50	4.25-4.90	na
Brazil	Tommy Atkins	3.00-4.00	3.50-4.00	3.00-4.00	3.00-4.50	3.10-4.10	3.20-3.70
By truck (box)							
Spain	Osteen	9.00-10.50	6.80-9.20	7.00-8.50	7.00-8.50	7.45-9.20	na

Pineapple



The decrease in demand that had begun in July on the avocado market continued throughout August. Business recovered noticeably at the beginning of September with varied supplies and demand that without being euphoric was firmer. It targeted mainly 'Sweet' (MD-2) fruits. A slight decrease in the volumes shipped by air enabled the origins present to maintain a certain price level.

Two distinct movements were observed on the sea pineapple market in September. Re-exports and 'Sweet' boomed in the first half of the month as the northern markets are very keen on the variety. Supplies were limited (especially in Costa Rica) and operators with fruits to sell were able to keep prices at a good level. In parallel, supplies of 'Smooth Cayenne' also benefited from the situation and prices increased slightly. Indeed, buyers turned to 'Smooth Cayenne' when they were unable to obtain 'Sweet'. The domestic market was slower during the first half of the month and the weak demand was just enough to shift the quantities available. At the beginning of the second half of the month, demand from the northern markets was weaker and the volumes available were limited as a result of a dip in production in Costa Rica and a substantial decrease in shipments from Côte d'Ivoire in comparison with the usual quantities at this time of year. Supermarket chains chose this moment to launch 'Smooth Cayenne' promotion operations. At the end of the month, the northern markets were

unable to obtain sufficient 'Sweet' and sought 'Smooth Cayenne'. They were not all supplied as all the volumes available were devoted to the promotion operations. This situation resulted in a lively market at the end of the month, especially for 'Smooth Cayenne'. A slight firming of 'Sweet' prices was also observed as the variety was often called upon to make up for the shortage of 'Smooth Cayenne' resulting from supermarket demand.

The month was marked by a considerable decrease in the volumes of pineapple shipped by air from Cameroon, where there had been heavy rainfall. This coincided with the announcement made by the French civil aviation board on 16 September forbidding Cameroon Airlines from landing in France. However, the small volumes available at departure in Cameroon were shipped to France as the Cameroonian company was permitted to charter other flights. Most of the fruits came from Ghana, Côte d'Ivoire and Benin. The colouring of fruits of the first two origins was weak

while that of fruits from Benin was more even.

The 'Victoria' market remained at a healthy level. Supplies were very varied, with shipments from Réunion, Mauritius, South Africa, Ghana and Côte d'Ivoire. Although Réunion is the major origin with regard to quality, fruits from Ghana and Côte d'Ivoire were the most plentiful in September. Less appreciated, at least at the beginning of the month, they weighed heavily on supplies. Demand was not very lively either, resulting in the forming of batches of stocks of fruits from Ghana and Côte d'Ivoire. The latter were handled by clearance sales (at the end of the first half of the month) that restored order on the market.

Finally, an important piece of news for producers of organic pineapple can be noted. Indeed, after forbidding the use of ethylene for floral induction in organic pineapple production, the EU has authorised the practice again (regulation EC 1318/2005).

SEPTEMBER 2005

Pineapple — Price at import stage

Euros/kg	Min	Max
By air (kg)		
Cayenne	1.50	2.20
Victoria	3.00	3.50
By sea (box)		
Cayenne	5.50	9.00
MD-2	8.00	13.00

Pineapple — Prices in euros at import stage — Main origins

Weeks 2005		36	37	38	39
By air (kg)					
Cayenne lisse	Benin	1.90-2.00	2.00-2.20	1.80-1.90	1.80-1.90
	Cameroon	1.80	1.80-1.85	1.80-1.85	1.80
	Côte d'Ivoire	1.65-1.75	1.65-1.80	1.70-1.80	1.70-1.80
	Ghana	1.65-1.70	1.50-1.70	1.70-1.80	1.70-1.80
Victoria	Réunion	3.40-3.50	3.30-3.50	3.30-3.50	3.30-3.50
	Mauritius	3.30-3.50	3.30-3.50	3.30-3.50	3.30-3.50
	South Africa		3.00	3.00	3.00
By sea (box)					
Cayenne lisse	Côte d'Ivoire		6.00-8.00	5.50-8.50	7.00-9.00
	Ghana			7.00-8.00	7.50-8.00
MD-2	Côte d'Ivoire		10.00-11.00	10.00-11.50	8.50-13.00
	Ghana			8.00-12.00	8.00-9.50
	Costa Rica			9.00-11.00	9.00-10.00

Sea freight



The September Spot market mini-peak mirrored developments 12 months ago – although average TC returns are 19% lower than September 2004, this is almost exclusively because of the impact of high bunkers. Hurricane Rita did its best to do damage to all the oil production missed by Katrina and the effects are still being felt today. High bunkers are not likely to be a short-term blip but rather with the industry for the duration!

Reduced volumes of bananas and poultry were shipped partly as a result of cooler temperatures in South America and partly because of the knock-on effects of the hurricanes on US Gulf ports. The banana markets in the Med and Russia remained weak although towards the end of the month demand in Russia improved sharply. Throughout the month details

continued to emerge about just how difficult a year it has been for the Southern Hemisphere fruit producers and exporters. For New Zealand's Braeburn producers the season has been catastrophic while Argentina's lemon industry has reportedly had to 'waste' 300K MT of fruit. Chilean exporter association ASOEX has estimated that 70% of returns were

'average, bad or negative', the result principally of the strong Peso and higher logistics costs. While on the one hand greater volumes of fruit shipped means stronger demand for reefer capacity (whether box or specialised), on the other it means greater losses for the producers on whom the shipping companies depend!

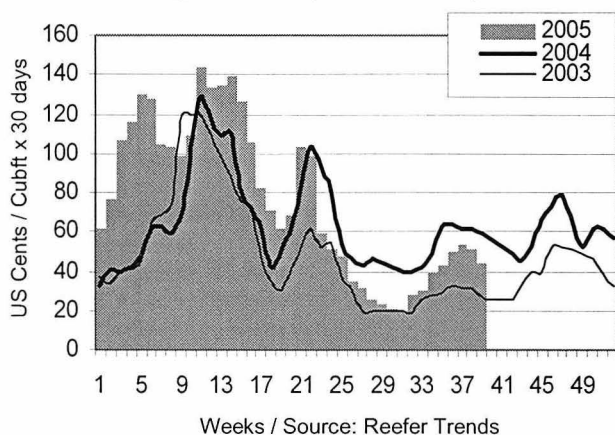
SEPTEMBER 2005

Monthly spot averages

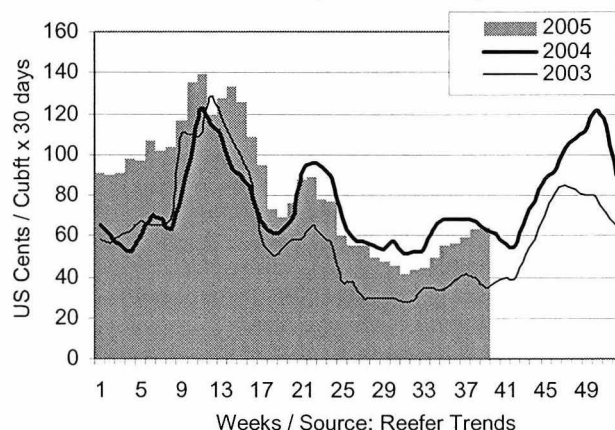
US\$cents cubic foot x 30 days	Large reefers	Small reefers
September 2005	47	55
September 2004	58	59
September 2003	28	39

Weekly market movement

Large reefers (450 000 cuft)



Small reefers (330 000 cuft)



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The independent news and information service for the reefer and reefer logistics businesses