



Indicators

The main fruits	In shares by total volume and expenditure on fruits for the month in France		
	%	Volumes	Expenditure
	Apple	28	24
	Orange	21	16
Banana	13	11	

	Pages
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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MARCH 2007

Apple The market still has a healthy orientation. Demand has remained typical for the season. Supplies remain measured as European stock levels are moderate and shipments from the southern hemisphere are smaller than usual as US demand is strong after the frosts that hit California. Prices at shipping stage have remained stronger than during the previous season and those of some varieties such as 'Gala' and 'Golden Delicious' continued to rise

March 2007 / March 2006			
Price	↗	Vol.	↘

Orange The market was still very difficult although sales remained some 6% greater than the three-year average. However, pressure from Spanish supplies increased further. The other varieties or origins found it difficult to gain a position in this extremely competitive situation.

March 2007 / March 2006			
Price	↘	Vol.	↗

Banana The average price on the French market was slightly below average and the fall was even more marked in northern Europe. The deficit in shipments from the West Indies and from Côte d'Ivoire was still substantial and the quantities from Cameroon decreased strongly. Domestic demand was fairly dull. Special offers were rare and retail prices were not particularly attractive. Export business was disappointing. Arrivals of dollar bananas seem to have been plentiful.

March 2007 / March 2006			
Price	↘	Vol.	↘

Sea freight March 2007 was no exception to the unprecedented chartering patterns and associated rate behaviour seen since November 2006. Owners did everything right, arriving at the Canal on time for the usual seasonal peak without excessive tonnage and yet the lack of additional activity meant that the market remained balanced at best.

March 2007 / March 2006			
large reefers	↘	small reefers	↘

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 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 are provided solely as a guide and CIRAD accepts no responsibility for their accuracy.



Banana

MARCH 2007

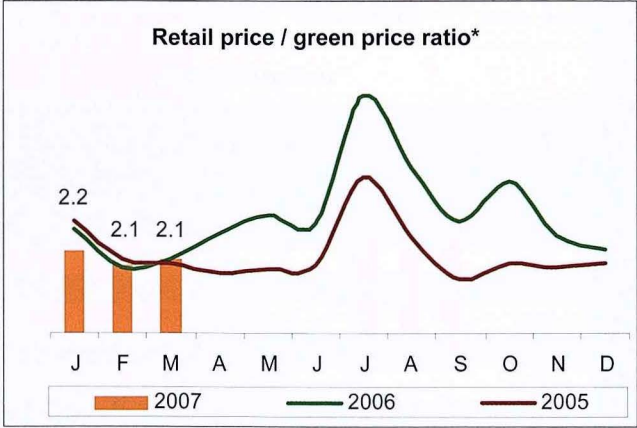
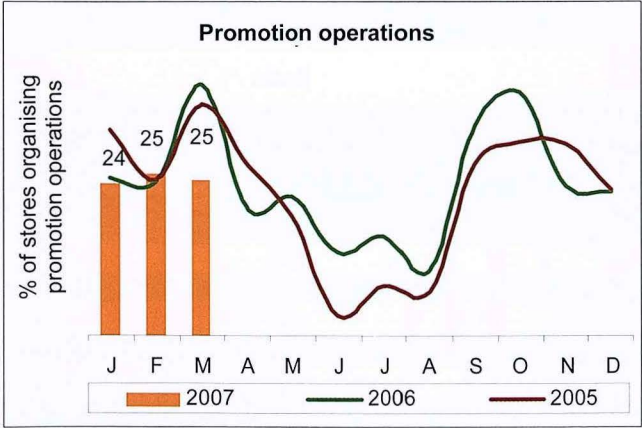
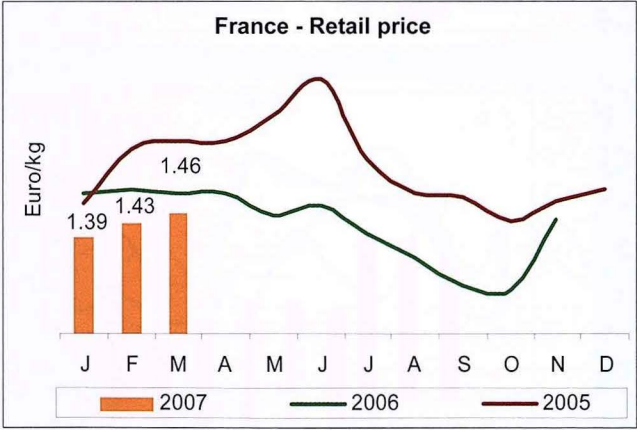
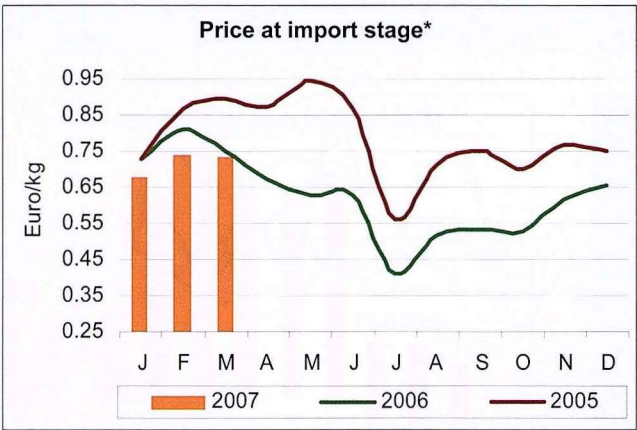
The average price on the French market was slightly lower than average. However, the deficit in shipments from the West Indies and Côte d'Ivoire remained substantial and after being at a good level in February, the volumes shipped from Cameroon decreased considerably but domestic demand was fairly mediocre. The warm weather in the first and last thirds of the month encouraged consumption. However, supermarkets were not very active in banana in spite of the limited supplies of competing fruits, in particular with only moderate arrivals of strawberries from Spain. Promotion operations were rare (20% below average) and retail prices were not very attractive, returning to an average level after climbing substantially in comparison with those observed in February.

In addition, export business was disappointing. Arrivals of dollar bananas seem to have been large. Ecuadorean exports to all destinations were only on a medium scale and the share earmarked for the Russian market was much larger than in past years (arrivals some 70% up on those of the last two years). However, shipments from Colombia seem to have been massive, running at some 30% more than the three-year average. A strong increase (+13%) in the market share of Latin American supplier countries was noted in France in comparison with the February figures. Spot operations were also much more numerous than in February, with sales first in Italy and then in northern Europe from mid-month onwards. The decrease in price was therefore more marked on northern European markets than in France.

Monthly and annual comparisons	
Volumes*	EU reference price**
March 2007 / February 2007	
↗ + 9%	↘ - 3%
March 2007 / March 2006	
↘ - 6%	↘ - 12%

* Arrivals from Africa/West Indies ** Aldi price

French banana market — Indicators



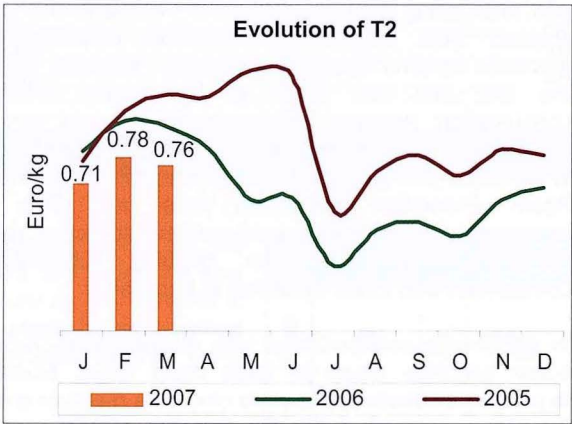
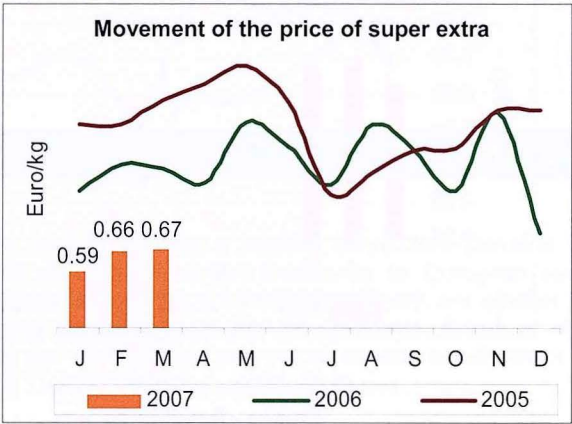
* African origin

European banana market — Indicators

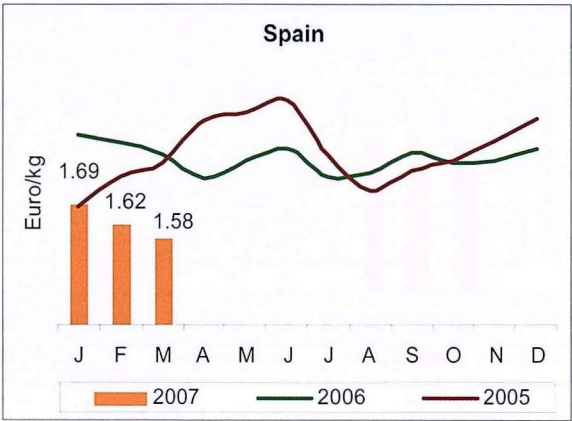
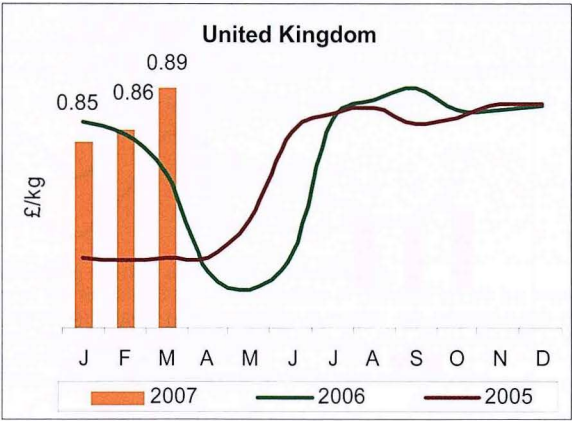
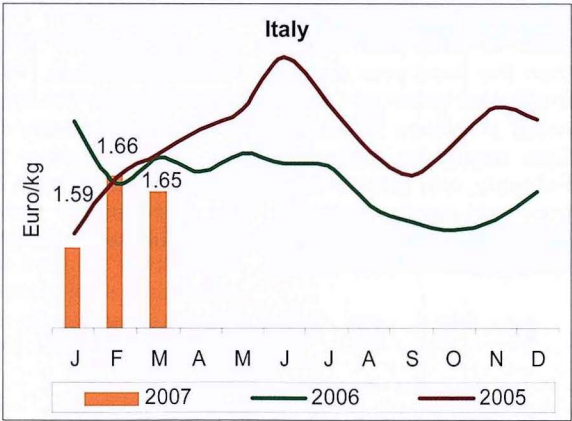
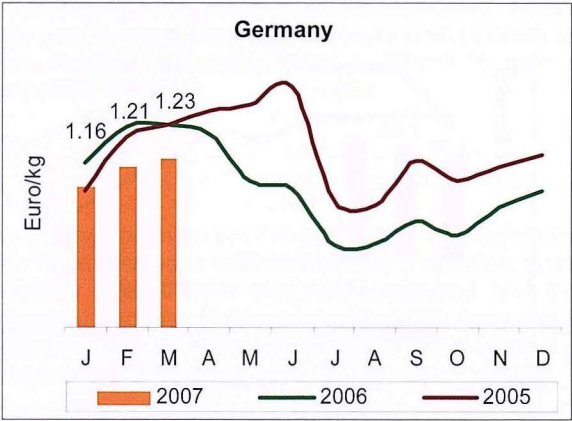
Main origins in Europe

Tonnes	March 2007	Comparisons (%)		Total season 2007	Season comparisons (%)	
		2007/2006	2007/2005		2007/2006	2007/2005
Martinique	15 829	- 3	- 20	63 901	+ 8	- 9
Guadeloupe	3 858	+ 11	- 15	15 977	+ 19	- 9
Canaries	35 787	0	+ 24	132 175	+ 10	+ 12
Côte d'Ivoire	15 847	- 28	- 25	57 979	- 21	- 17
Cameroon	20 420	+ 6	- 17	79 273	+ 6	+ 1
Ghana	1 732	-	-	9 373	-	-

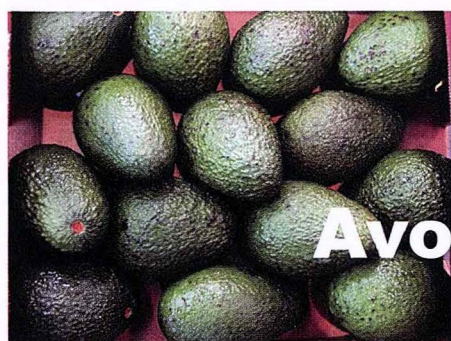
Green price in Europe



Retail price in Europe



Sources: Cirad, SNM, TW Marketing Consulting



Avocado

MARCH 2007

The situation was very difficult for the first two-thirds of the month, mainly because of serious over-supplying of the market with green varieties. Firstly, Israeli shipments of 'Fuerte' and 'Pinkerton' remained very large. Secondly, large quantities of Kenyan 'Fuerte' were available (although arrivals were moderate, stocks were carried over from February). Demand was not sufficient to handle these volumes. The situation was very difficult for Israeli operators even though numerous promotion operations were organised with supermarket chains but began to improve towards the end of the month thanks to a decrease in the quantities arriving. Nonetheless, the market remained critical for Kenyan operators faced with very sluggish demand in all market segments. Large stocks had to be destroyed.

This very difficult context weighed on the 'Hass' market although supplies were comparatively moderate in spite of the prolonging of the Chilean season. The price levels led importers handling Mexican fruits to limit their orders. Likewise, Spanish exporters—with a large proportion of the crop remaining to be sold—reduced their shipments of high quality fruits, but with occasionally large shipments from some operators at the beginning of the month after gales in the Malaga area. Israeli supplies were larger but mainly supplied British supermarket sales operations.

More information...

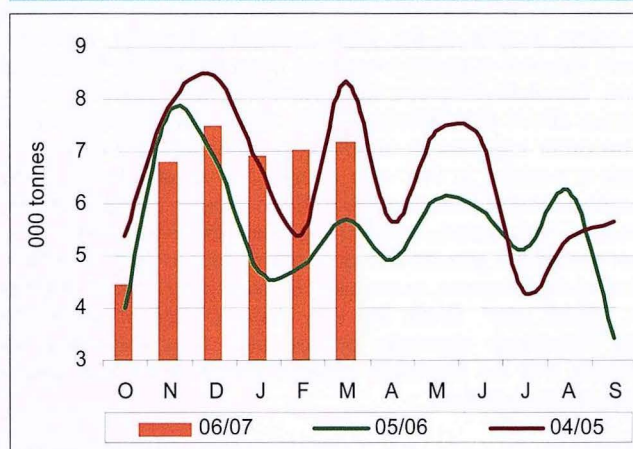
'Fuerte' from Israel was generally sold at EUR 0.50 per fruit in March, that is to say EUR 9.00 per box for category 18. This is to be compared with a price of EUR 3 to 4 at the import stage. Exports of 'Hass' avocado from Chile to the EU should exceed 10 million boxes in 2006-2007 in comparison with 4.5 in 2005-2006 and 2.2 million in 2004-2005.

Monthly and annual comparisons

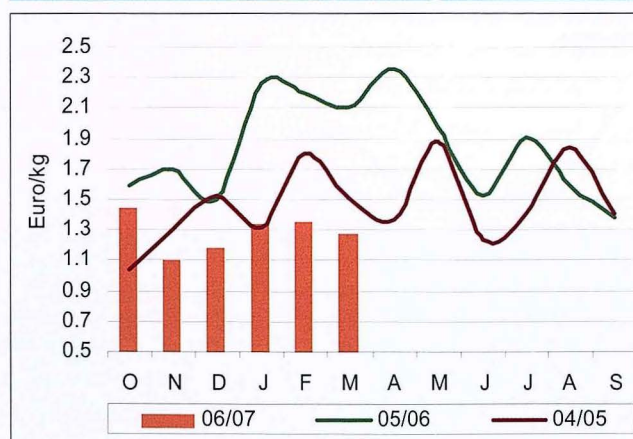
Volumes	Price
March 2007 / February 2007	
↗ + 3%	↘ - 6%
March 2007 / March 2006	
↗↗ + 27%	↘↘ - 39%

Estimated market releases in France

Volumes

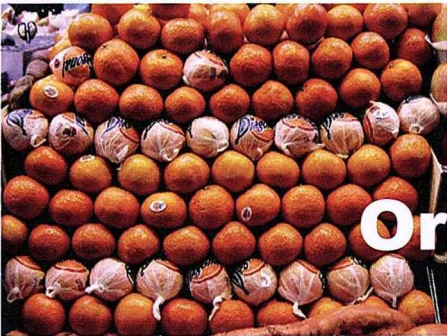


Price at import stage



Estimated market releases in France by origin

Tonnes	March 2007	Comparisons (%)		Total season 2006/2007	Season comparisons (%)	
		2007/2006	2007/2005		06-07/05-06	06-07/04-05
Chile	208	-	-	5 898	+ 116	+ 58
Mexico	1 503	- 31	- 26	7 186	- 43	- 41
Israel	2 914	+ 200	+ 2	18 135	+ 93	+ 8
Spain	2 144	+ 2	+ 8	8 716	- 12	- 28
Kenya	441	+ 2	- 71	1 127	+ 70	- 31
Total	7 210	+ 27	- 14	41 062	+ 13	- 14



Orange

MARCH 2007

The market continued to be very difficult even though sales were about 6% higher than the three-year average in spite of the warm weather. However, pressure from Spanish supplies increased even more. The 'Navelate' and 'Lanelate' seasons were reaching their peaks and the prices asked were very attractive, given the size of the crop. The other varieties or suppliers present found it difficult to gain a position in this very competitive situation. The juice orange market was thus slow. Even though the 'Salustiana' season had ended, sales of 'Valencia Late' from Spain did not get off the ground and growers sought to shift 'Navelate' first of all. Likewise, customers showed only limited interest in 'Maroc Late'. Given the very disappointing prices in the EU, Moroccan exporters concentrated their shipments on Russia and the domestic market, where promotion operations were launched.

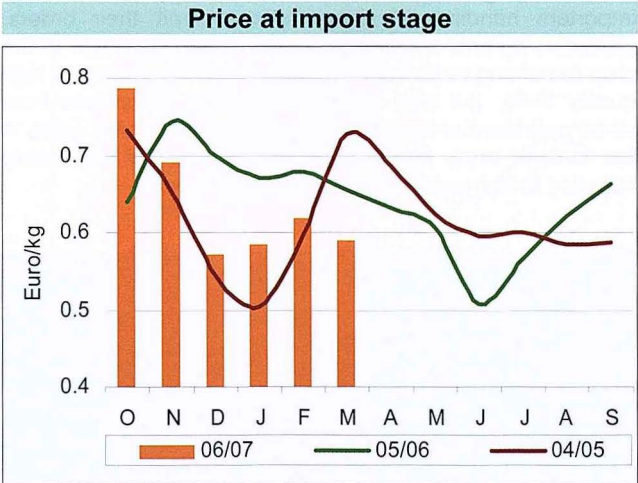
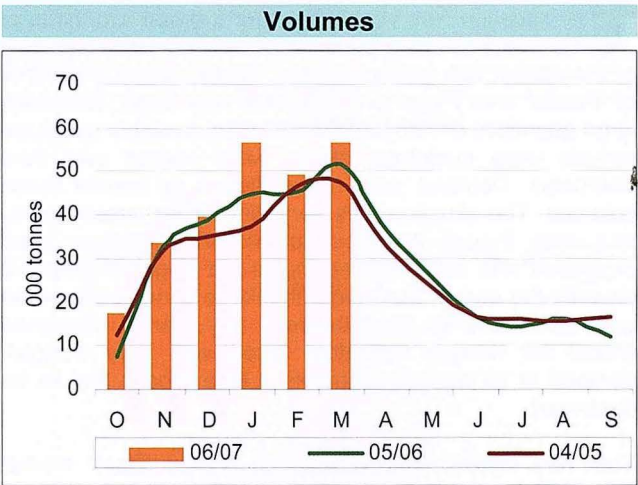
The 'Maltese' orange market was difficult in the first half of the month and then high quality produce became scarce in mid-month. However, in spite of the moderate shipments, the average monthly price remained slightly lower than the average.

More information...

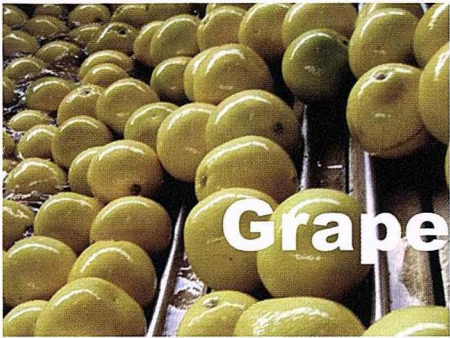
This year, Spanish 'Lanelate/Navelate' production exceeded 760 000 tonnes for the first time. Production was about 360 000 tonnes five years ago. The variety is grown mainly in the Community of Valencia, and especially in the Province of Valencia, and now forms 25% of the 3 million tonnes of oranges grown in Spain each year.

Monthly and annual comparisons	
Volumes	Price
March 2007 / February 2007	
↗ + 16%	↘ - 5%
March 2007 / March 2006	
↗ + 10%	↘ - 10%

Estimated market releases in France



Estimated market releases in France by origin						
Tonnes	March 2007	Comparisons (%)		Total season 2006/2007	Season comparisons (%)	
		2007/2006	2007/2005		06-07/05-06	06-07/04-05
Spain	51 768	+ 22	+ 38	226 668	+ 19	+ 25
Tunisia	4 146	- 30	- 39	14 396	- 15	- 7
Morocco	903	- 71	- 70	2 573	- 61	- 49
Total	56 817	+ 10	+ 20	243 637	+ 14	+ 20



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Grapefruit

MARCH 2007

Demand recovered distinctly after a slump in February resulting from the school holidays. However, the market was still in two parts. Sales of fruits from Florida returned to a very good level, thanks in particular to numerous supermarket promotion operations. Prices—especially of size 48—rose in the first half of the month before stabilising when supplies were much larger than forecast. After an early decrease at the end of February, shipments to Europe recovered in mid-March and exceeded the figures for the two preceding years at the end of the month.

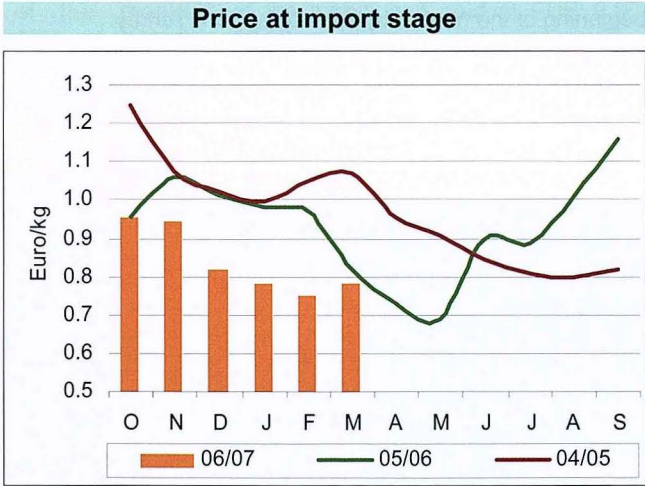
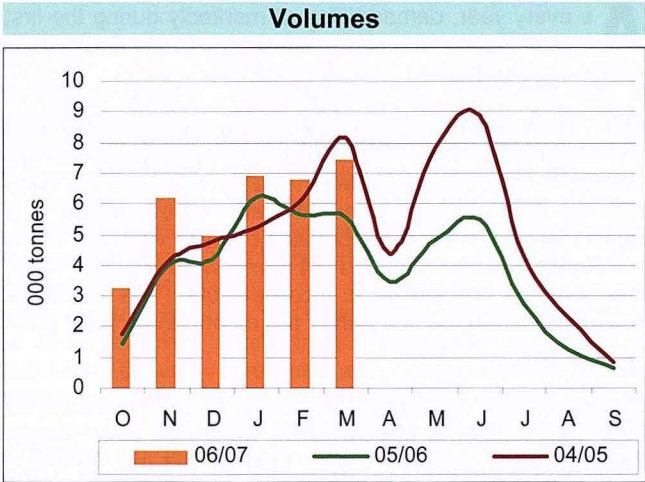
Business was thus not as busy as Israeli operators had hoped even though competition from Turkey faded at the beginning of the month. In fact, the volumes exported from Turkey were still large but the poor keeping qualities of most of the product led exporters to concentrating on the Romanian and Ukrainian markets. However, sales continued to be very laborious and the prices fetched were disappointing. Fruits from Spain and Cyprus continued to complete supplies.

More information...

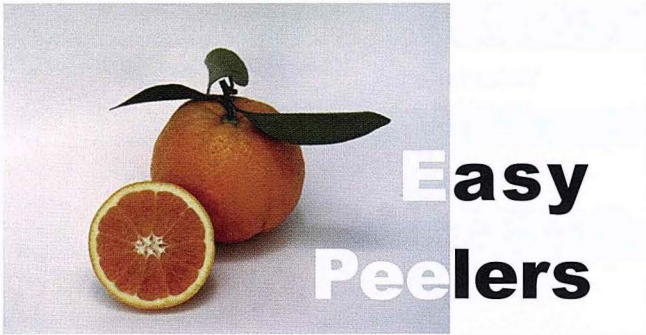
Exports from Florida to the EU should exceed 4 million boxes. This is distinctly less than the 6 to 6.5 million boxes exported before the 2004 hurricanes but markedly better than the 2.6 and 2.1 million boxes shipped in 2004-2005 and 2005-2006 respectively. Chinese grapefruit confirmed its entry to the European market. Imports increased from 3 060 t in 2004-2005 to 7 300 t in 2005-2006 and should exceed 21 000 t in 2006-2007 according to Eurostat.

Monthly and annual comparisons	
Volumes	Price
March 2007 / February 2007	
↗ + 10%	↘ - 3%
March 2007 / March 2006	
↗ + 33%	↘ - 11%

Estimated market releases in France



Estimated market releases in France by origin						
Tonnes	March 2007	Comparisons (%)		Total season 2006/2007	Season comparisons (%)	
		2007/2006	2007/2005		06-07/05-06	06-07/04-05
Turkey	553	- 74	- 25	5 767	- 35	+ 17
Florida	5 275	+ 97	- 11	24 209	+ 72	+ 27
Israel	1 594	+ 119	+ 6	5 244	+ 31	- 15
Total	7 422	+ 33	- 9	35 220	+ 31	+ 17



MARCH 2007

As every year, demand slowed markedly during the first half of the month with the halting of part of the lines sold in supermarkets.

Spain was even more dominant than in previous years and Moroccan fruits were almost totally absent from the EU market. It was difficult to sell the last 'Fortuna'—and even more so the last 'Hernandina'—because of the fragility of a significant proportion of the batches of these varieties. Sales of Ortanique were more fluid but prices were distinctly lower than average and similar to those of 2006. The 'Nadorcot' season ended in the first half of the month under fairly good conditions.

'Or' from Israel confirmed its position as the reference for high quality fruits in March. Sales were fluid even though volumes were distinctly larger than in the two previous seasons and prices were strong. Supplies were completed by a few batches of 'Mandora' from Cyprus and, at the beginning of the month, by 'Minneola' from Turkey.

More information...

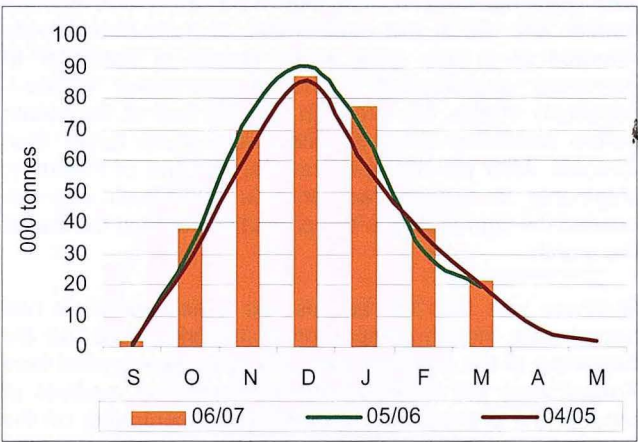
Exports to all destinations of 'Or' from Israel exceeded one million 15-kg boxes for the first time. The total was 550 000 to 650 000 boxes in the two preceding seasons. The United States is an increasingly important market from Spanish easy peeler exporters. Cumulated exports should be some 75 000 to 80 000 t this season. It was 64 000 t in 2005-2006 and formed 4.5% of the total exported.

Monthly and annual comparisons

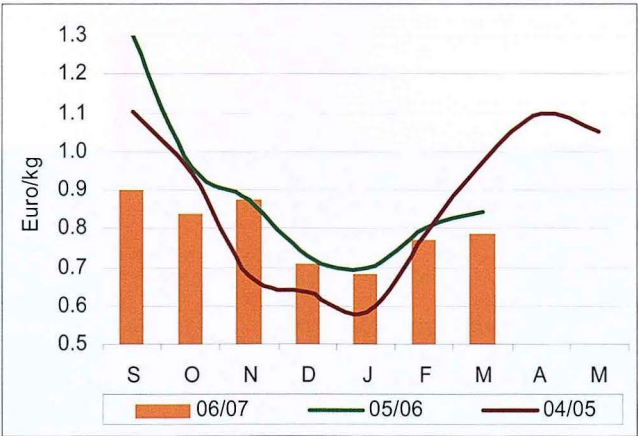
Volumes	Price
March 2007 / February 2007	
↘ - 45%	=↗ + 2%
March 2007 / March 2006	
↗ + 8%	↘ - 6%

Estimated market releases in France

Volumes

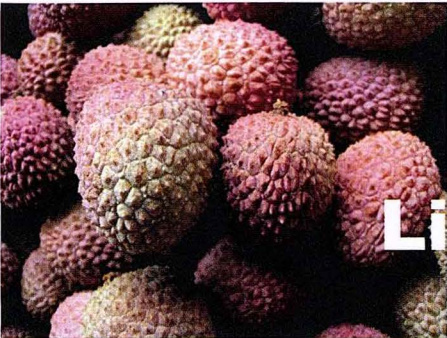


Price at import stage



Estimated market releases in France by origin

Tonnes	March 2007	Comparisons (%)		Total season 2006/2007	Season comparisons (%)	
		2007/2006	2007/2005		06-07/05-06	06-07/04-05
Spain	19 582	+ 12	+ 6	288 068	+ 6	+ 14
Israel	1 524	+ 142	+ 37	3 949	+ 77	+ 89
Total	21 106	+ 8	+ 6	292 017	+ 7	+ 15



Litchi

MARCH 2007	Litchi - Import prices in Europe		
	Euros/kg	Min	Max
	By air		
	Thailand	9.00	10.00
	By sea		
	Madagascar	1.00	3.50

March is when sales of Indian Ocean and Australian litchis come to an end. The European market was therefore very meagrely supplied for most of the month. Litchi quickly became an exotic fruit with a niche market after the plentiful season that started in November. Small amounts arriving from Thailand at the end of the month ensured continued sales of the fruit.

Several batches of litchi from Madagascar were sold on the wholesale market during the first fortnight of March. The fruits were of uneven quality and operators sorted them strictly, keeping only those of good quality for sale. Prices were fairly high for these small quantities at EUR 2.50 to 3.50 at the wholesale stage. Allowance should be made for the sorting rejects. Meanwhile, the sales season of the variety 'Wai Chee' shipped from Australia by air finished at the beginning of the month with a slight price recovery (EUR 9.00 per kg) in comparison with the last weeks of February. It is noted that the Australian season seems to have been shorter and with a smaller export volume than last year. Indeed, fruits of this origin

were of mediocre quality (rapid oxidation) and in competition with the last batches from Madagascar that sold at a lower price. They also came up against lack of interest from consumers who had been purchasing Madagascan litchi for more than three months. Supply of the French market then ceased, leaving only replacement fruits like longan and rambutan from Thailand selling at EUR1.80-2.00 and 6.00-6.50 per kg respectively

The litchi 'gap' was shorter on the Belgian market as sales of the last batches from Madagascar continued until the middle of the month. Importers' prices settled at around EUR 1.00 to 1.25 per kg. The first litchi shipped from Thailand by air appeared

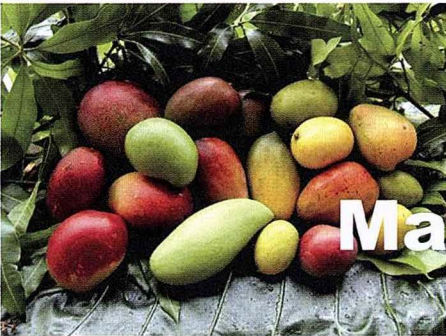
at the end of the month and sold at EUR 9.00 per kg. These fruits were fairly disappointing as regards quality as they had little taste and above all were very small. The small batches arriving easily met demand from exotic fruit specialists.

In the Netherlands, the last batches of litchi from Madagascar were sold in the first and second weeks of the month at around EUR 1.50-2.00 per kg for sorted fruits. The last sales were more difficult as quality was increasingly uneven. The first litchis from Thailand arrived in the last week of the month and sold at EUR 9.00-10.00 per kg.

A late season for the Indian Ocean

The harvest started late in most Indian Ocean supplier countries this season, resulting in an increase in the volumes of fruits shipped by air. Although the season for Madagascan litchi carried by conventional ships was somewhat reduced in comparison with last year, it was partially compensated by an increase in shipments in marine containers from the end of the year onwards. Tonnages remained large overall and sales were difficult once again, especially during the last phase of the season.

Litchi — Volumes from the Indian Ocean sold in Europe during the 2006-2007 season — Estimates in tonnes				
	Air	Conventional ships	Containers	Total
Mauritius	250			250
South Africa	1 500		1 000 - 1 500	2 500 - 3 000
Réunion	200 - 250			200 - 250
Madagascar	400 - 450	12 000	8 700	21 100 - 21 150



Mango

Mango — Weekly arrivals — Estimates in tonnes				
weeks 2007	10	11	12	13
MARCH 2007	By air			
	Peru	10	10-15	20-30
	Brazil	5-10	5-10	10
	Mali		3-5	15-20
	Burkina Faso			5
				5-10
	By sea			
	Brazil	300	1 000	880
	Peru	1 600	1 000	600

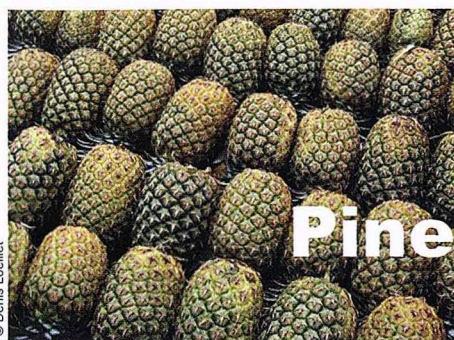
Strong, unexpected recovery was observed in March. Indeed, the large deliveries from Peru soon waned, encouraging a marked and lasting price recovery, contrasting with the precious year when Peruvian fruits choked the European market. This movement was accentuated by reduced imports from Brazil and the late export seasons in West African supplier countries. The increasingly marked shortage of goods as the month went by and the increased demand in the approach to Easter resulted in a true shortage on the European markets, with a rise in prices to levels rarely seen in the past.

While deliveries of Peruvian mango remained fairly substantial until mid-February, keeping prices at a medium level, they decreased in the second half of the month, enabling a firming of prices. The change in production zone led to expecting an increase in shipments, as in the 2006 season. In fact, shipments did not stop dwindling, enhancing firstly the clearing of stocks that had accumulated since the beginning of the year and secondly an increase in prices in spite of the dominance of large fruits that are more difficult to sell. This pattern gained momentum, resulting in a true shortage in the second half of the month. The shortage was all the more marked as the other producer countries such as Brazil shipped only limited quantities while demand increased in the run-up to Easter and the West African export seasons were late starting. In the second half of the month, the size and quality problems experienced in the preceding weeks

soon disappeared as the shortage of produce was felt. Importers' main concern was not so much to sell but to ensure their supplies. Price rises were impressive in the second half of the month, setting a record in the annals of mango sales. 'Tommy Atkins' from Brazil was sold at the same price level on the French market as 'Kent' from Peru whereas the former variety is less liked. It is noted however that fruits stored for varying lengths of time were sold at lower prices than those of newly arrived goods. A few batches of 'Kent' and 'Keitt' from South Africa completed supplies but without making up the deficit generated by natural demand on the European market. The air market displayed the same pattern as the sea market but was earlier for reasons of shorter transport times. Prices of Peruvian fruits delivered in small quantities started to increase from the beginning of the month. Even though arrivals increased, supplies remained smaller

than demand. Indeed, Peruvian operators had difficult in shipping fruits by air as there was a shortage of coloured fruits at a sufficient stage of ripeness. This is why numerous batches shipped in March did not really match the desires of buyers—who had to make do with fruits of mediocre quality. To make up for the shortage of goods, European operators also sold Brazilian 'Palmer' and 'Haden', varieties that are generally little seen on the French market. The West African season started in mid-month, in particular with exports from Mali, with 'Amélie' fruits benefiting from good market conditions and selling at prices rarely attained for this variety in spite of lack of colour and sometimes ripeness. At the end of the month, a few batches of 'Smith', 'Palmer', Haden' and 'Valencia' from the same origin completed supplies but only small quantities were involved.

Mango — Import prices on the French market — Euros						
Weeks 2007		10	11	12	13	March 2007 average
By air (kg)						
Peru	Kent	4.50-5.50	5.00-6.00	5.50-6.00	5.50-8.00	5.10-6.35
Brazil	Palmer/Haden	4.50	5.00-5.50	-	4.50-6.00	4.65-5.30
Mali	Amélie	-	-	3.50-4.00	3.50-4.00	3.50-4.00
By sea (box)						
Brazil	Tommy Atkins	-	5.00-6.00	-	6.50-9.00	5.75-7.50
South Africa	Kent/Keitt	-	5.00-6.00	6.00	7.00-9.00	6.00-7.00
Peru	Kent	3.50-5.50	5.00-6.00	7.00	8.00-12.00	5.85-7.60



Pineapple

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MARCH 2007	Pineapple — Import price		
	Euros	Min	Max
	By air (kg)		
	Smooth Cayenne	1.60	1.95
	Victoria	3.00	4.00
	By sea (box)		
	Smooth Cayenne	5.00	9.00
	Sweet	7.50	9.50

Although supplies were fairly small and irregular, the pineapple market was busy as a whole throughout the month. This was particularly the case for the air pineapple market that was under-supplied while demand remained at a good level.

With Easter approaching, operators were particularly attentive to the evolution of the pineapple market in March. The first three weeks were marked by an increase in the volumes shipped from Latin America while demand decreased. This contributed to giving the impression of a market with a plethora of pineapple. In the first week, demand from usually eager export markets was small. However, the balance between supply and demand held—above all thanks to a livelier domestic market, with action on the wholesale markets. Demand on export markets improved in the second and third weeks. The market then had to face an increase in volumes arriving from Latin America and more particularly Del Monte brand fruits. Operators feared a worsening of the situation when batches of Del Monte produce sold on the same price basis as the other Latin American suppliers, whereas they usually fetched EUR 1.50 or even 2.00 more per box. However, the worst was avoided and in spite of lagging demand, sales remained fluid without the need for

clearance prices to straighten out the market before Easter.

The situation for 'Smooth Cayenne' was more difficult during the first three weeks. The fruits were too green throughout the month. It would seem that quality controls (detection of residues of Ethrel) decided by OCAB and performed by Bureau Veritas were the cause of this lack of colour. 'Smooth Cayenne' supplies were also fairly unbalanced, with a high proportion of so-called 'extreme' sizes (A6 and C12). Although the situation improved considerably for C12 fruits, A6 fruits were difficult to sell. The announcement in the third week of much smaller volumes in the last week of the month strengthened demand and the price of 'Sweet'. In contrast, sales of Smooth Cayenne were perfectly normal and prices were stationary; this meant above all that the fruits available could be cleared.

The air market was very good, mainly because it was under-supplied. The volumes available were not sufficient to meet demand which was brisk in contrast with the preceding month.

However, prices did not run out of control. Sales were regular and prices firmer throughout the month. With regard to quality, it is noted that the batches proposed were often irregular and lacking in colour. However, in a context of shortage these fruits sold well. The small scale of supplies enabled sales of 'Sugarloaf' pineapples from Benin—always esteemed by a certain clientele—to continue to be sold at between EUR 2.00 and 2.10 per kg.

The situation on the 'Victoria' market was very similar. At the beginning of the month, supplies were still limited after the passage of hurricane Gamède and the few fruits available from Réunion and Mauritius thus sold well. Supplies remained limited for the last three weeks of the month for other reasons. This led to a firming of prices for all origins even though the quality of the fruits available was not perfect (many fruits were lack-lustre and not well coloured). Demand decreased slightly in the last week while supplies were still limited. Sales were therefore less fluid.

Pineapple — Import prices on the French market — Main origins — Euros

Weeks 2007		10	11	12	13
By air (kg)					
Smooth Cayenne	Benin	1.80-1.85	1.80-1.85	1.80-1.85	1.80-1.90
	Cameroon	1.80-1.90	1.80-1.90	1.80-1.90	1.80-1.95
	Côte d'Ivoire	1.70-1.80	1.70-1.80	1.80-1.90	1.85-1.95
	Ghana	1.70-1.80	1.70-1.85	1.60-1.80	1.70-1.85
Victoria	Côte d'Ivoire	3.50	3.50	3.00-3.50	3.00-3.50
	Ghana	3.50	3.50	3.00-3.50	3.00-3.50
	Réunion	4.00	4.00	3.60-4.00	3.60-4.00
	Mauritius	3.50-3.80	3.50-3.80	3.50-3.80	3.50-3.80
	South Africa	3.50	3.50	3.00-3.50	3.00-3.50
By sea (box)					
Smooth Cayenne	Côte d'Ivoire	5.00-9.00	5.00-9.00	5.00-8.00	6.00-8.00
	Ghana			7.00-7.50	7.50-8.00
Sweet	Côte d'Ivoire	8.00-9.50	7.50-8.50	7.50-8.50	8.00-9.50
	Cameroon	8.00-9.50	7.50-8.50	7.50-8.50	8.00-9.50
	Ghana	8.00-9.50	7.50-8.50	7.50-8.50	8.00-9.50
	Costa Rica	8.50-9.00	8.00-9.50	7.50-9.00	8.50-9.50



Sea freight

MARCH 2007

March 2007 was no exception to the unprecedented chartering patterns and associated rate behaviour seen since November 2006. Owners did everything right, arriving at the Canal on time for the usual seasonal peak without excessive tonnage and yet the lack of additional activity meant that the market remained balanced at best.

No pressure could be applied by owners because a vessel could be found for every requirement and the market eased, corrected and then slipped back. Although the market remained fluid several vessels incurred significant lay-by and as Easter approached the situation appeared to slow further. Despite this the Q1 2007 average was appreciably (31%) higher than the 2006 figure, although compatible with that of 2005. Given all the factors and variables affecting the global specialised reefer business there is no simple explanation: the charter market is influenced by both supply and demand and a combination of subtle changes in both resulted in an unusually weak March and may influence the rest of the year. On the supply side, the loss of the Noboa banana/Sunkist citrus Pacific service to reefer containers meant that NYKLC could return to its Chilean business. A combination of the loss of the Guatemalan banana service and the acquisition of tonnage late last year left Green Reefers a) slightly exposed and b) the principal market maker. On the demand side, there was no surge in banana production -

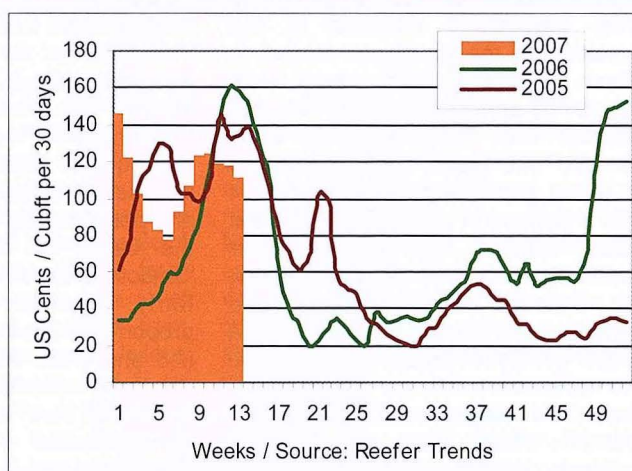
the exit price stayed high as historically-average Ecuadorian banana weekly volumes were absorbed either by the Russian multi-nationals (year-to-date imports 50% up) or the new EU-bound liner trade established by Seatrade at the end of 2006. With Maersk changing its pricing strategy and then recovering from the loss of share in January, it was handling 180-250 K boxes of fruit per week by mid-month. Finally, despite a heavier and earlier Chilean fruit crop CSAV was less active than in recent years as it was able to take advantage of the relatively weak container market and did not need to top up the tonnage it has on charter. However on the positive side for owners the South Atlantic squid season may be the busiest on record - taking vessels from the Spot market for several months, possibly until the start of August. Should there be an increased demand for tonnage caused by a surge in banana production combined with the early and heavy S Hemisphere citrus season then the market may witness its first ever post Easter peak. After what happened in December 2006, nothing is impossible.

Monthly spot average

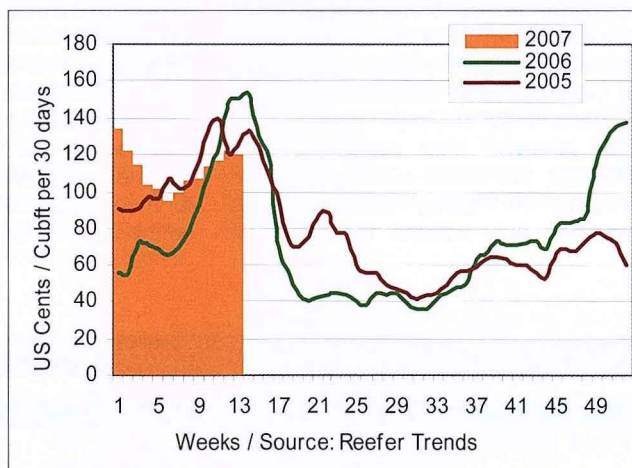
US\$/cents/cubic foot x 30 days	Large reefers	Small reefers
March 2007	118	119
March 2006	135	127
March 2005	122	123

Weekly market movement

Large reefers (450 000 cuft)



Small reefers (330 000 cuft)



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