

CLOSE-UP:
MANGO



Counter-season melon:
a few more adjustments!

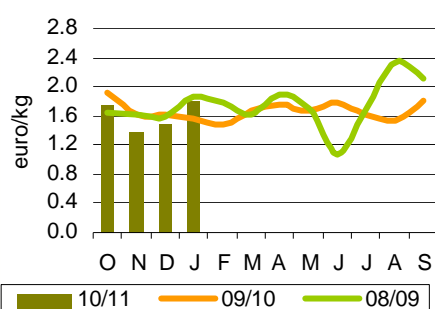
Fruit juice and pulp
prices in Europe

Avocado

January 2011

Mixed market performance. Demand was very dull, especially in France where there were distinctly fewer promotion operations than in previous years. However, prices of 'Hass' remained high as supply was still moderate, especially of South American fruits. The Chilean season slowed early while Mexican exporters reserved practically all their goods for the USA. The shortage was not compensated by shipments from Israel, even though these were larger than average. Spanish exporters remained fairly discreet as the domestic market is good. Supply was completed by a few batches from the Dominican Republic. This favourable context did not benefit green varieties; the market was fairly amply supplied and remained sluggish. Prices remained lower than average.

Avocado - France - Import price



■ **Avocado from Chile:**
drought to follow frost?
Drought in Region 5 caused by the climatic phenomenon La Niña may result in a smaller 2011 harvest than expected. Faced with a shortage of water, some farmers have apparently decided to prune their trees hard to avoid having small fruits, even if this limits production. Region 5 accounts for more than 60% of the country's orchards (Cabildo, Quillota, la Cruz and La Ligua).

Source: El Mercurio

■ **US market more open to Peruvian avocado in 2011?**
According to the news agency ANDINA, the director of SENASA (Peruvian national phytosanitary and quality agency) hopes that the

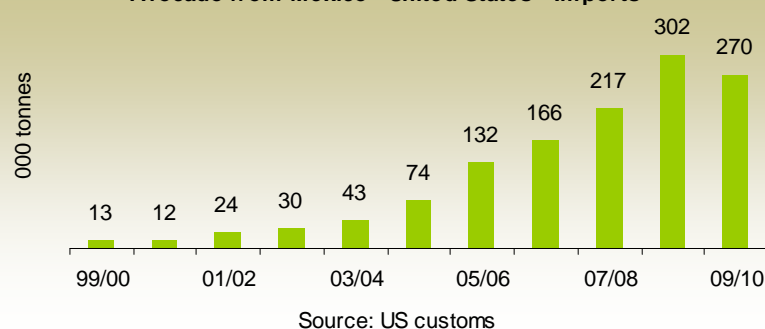
cold treatment quarantine requirement for entry to the US market will be lifted in 2011. A study run jointly by SENASA, APHIS (its counterpart in the United States) and PRO-HASS, the producers' association, is said to show that Peruvian 'Hass' avocado is not a fruit fly host and so no disinsectisation treatment is necessary. Although permitted since the beginning of 2010, exports of Peruvian 'Hass' avocados to the USA have been very limited so far because of producers' caution with regard to the sanitary procedure currently required.

Source: Andina

■ **United States: a marvellous market for Mexican avocado.**
According to INECOL (Mexican ecology institute), the opening of the US frontiers to Michoacán avocado has generated economic rewards evaluated at two thousand million USD. The market has also allowed the creation of 25 000 jobs in agriculture and associated areas. Sales in the last two seasons were USD485 and 590 million with volumes of 270 000 and 305 000 t according to the US customs.

Source: InfoHass

Avocado from Mexico - United States - Imports



Source: US customs

PRICE	Varieties	Average monthly price euro/box	Comparison with the last 2 years
	Green	5.40-5.60	- 10%
	Hass	7.50-8.00	+ 6%

VOLUMES	Varieties	Comparison	
		previous month	last 2 years average
	Green	↗	+ 26%
	Hass	↘	- 12%

VOLUMES	Source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Chile	↘	- 22%	Moderate volumes of 'Hass'. Slowing at the end of the month promising an early end to the season.	- 16%
	Israel	=↘	+ 10%	Moderate supply of green varieties and markedly above average supply of 'Hass'.	+ 19%
	Spain	=↘	- 5%	Large shipments of green varieties and a slight shortage of 'Hass'.	- 5%
	Mexico	↘↘	na	Supply sank from very moderate in December to zero in January (unprecedented absence of fruits from this source at this time of the year).	- 50%

Mango

January 2011

Market conditions for mango were difficult at the beginning of the year. A dip in demand after the Christmas period was felt on all the European markets while supply was growing. Brazil reached the end of the winter season with shipments down to their annual low. This was amply compensated by the increase in arrivals from Peru, the leading supplier of the European market in the coming months. The large quantities landed in December accumulated, especially because of poor sales during the Christmas period, and this weighed heavily on transactions. In addition, quality was fairly mediocre overall with end-of-season fruits from Brazil and fairly small, often immature fruits from Peru. Peruvian supply did not match the demand of retail distributors, resulting in a strong decrease in prices. Whereas the prices mentioned above were for good quality medium-sized fruits, those for small fruits (9 to 12) were much lower, starting at EUR 2.00 per box. The first half of January featured the clearing of the market, with numerous clearance sales. This meant that in mid-month the prices of quality fruits rose a little. In parallel, 'Tommy Atkins' from Brazil benefited from better market conditions (between EUR 4.00 and 5.00 per box) in the northern European countries because of the shrinking of supply. Prices continued to rise slowly in the second half of January and this was accompanied by a better balance of sizes and an improvement of quality of Peruvian fruits.

The air export market was supplied regularly in January with the gradual ending of the flow of Brazilian fruits. Produce from Peru with no direct competition gained a little in price in the second half of the month. Small complementary batches of 'Early Gold' from Réunion held a narrow market segment with high prices of around EUR 6.00 per kg, falling because the fruits were often very ripe.

MANGO — ARRIVALS (ESTIMATES) Tonnes

Weeks 2011	1	2	3	4
By air				
Brazil	60	40	5	5
Peru	50	60	60	60
By sea				
Brazil	1 300	350	530	730
Ecuador	200	110	70	70
Peru	2 380	2 970	2 050	3 100

Litchi

January 2011

January featured a considerable decrease in litchi consumption. As a result, the European market was clogged to the point of bringing prices down substantially. As in previous seasons, consumption fell greatly after the Christmas period. The phenomenon was amplified this year by the accumulation of stocks from the cargo of the second conventional ship that docked in Vlissingen (Netherlands) on 22 December and that could only be sold after Christmas when the market is less favourable for litchi. The tonnage was carried over into January when the first fruits exported in maritime containers reached Europe. Abundant supply and smaller demand caused a decrease in prices that was more or less marked from one European market to another. The situation hardly improved during the following weeks as the markets closed gradually and supply was concentrated on the French market that was incapable of handling such quantities. The prices mentioned below are indications as some transactions may have been concluded at higher levels or, above all, at lower levels. The market slump continued until the end of the month. It is true that preparations for the Chinese New Year enabled the sale of large quantities in the second half of the month but unfortunately these did

not come up to the scale of the stocks available. This celebration was more of a benefit to the distinctly larger South African fruits. These sold steadily at higher prices although the latter did weaken at the end of the period when arrivals decreased.

The Réunion export season was extended until the end of the month, an exceptional phenomenon for this source whose shipments generally stop in mid-month. The lengthening of the season and the increase in the volumes delivered had repercussions on selling prices. These took a downward turn with a board range for the various types of presentation. Destemmed fruits fetched the lowest price and bunches fetched the highest, with fruits on the branch being in an intermediate position.

LITCHI — ARRIVAL ESTIMATES Tonnes

Weeks 2011	1	2	3	4
By air				
Réunion	30	30	30	10
By sea				
Madagascar	600	2 680	1 380	-

LITCHI — IMPORT PRICE ON THE FRENCH MARKET — euro/kg

Weeks 2011	1	2	3	4	January 2011 average	January 2010 average
By air						
Réunion br	4.00-5.50	3.50-5.50	3.50-6.00	4.00-8.00	3.75-6.25	10-12
By sea						
Madagascar	0.50-1.10	0.40-1.10	0.50-1.00	0.50-1.00	0.50-1.05	0.70-1.05
South Africa	2.00-3.00	2.00-3.00	2.00-3.00	2.00-2.80	2.00-2.95	1.60-2.05

br: on the branch / s: sulphur treated

MANGO — IMPORT PRICE ON THE FRENCH MARKET — Euro

Weeks 2011	1	2	3	4	January 2011 average	January 2010 average
By air (kg)						
Brazil Kent	3.00-3.50	3.00-3.50	-	-	3.00-3.50	2.25-2.75
Peru Kent	3.00-4.00	3.00-4.00	3.50-4.30	3.50-4.50	3.25-4.20	3.40-3.70
By sea (box)						
Brazil Kent	3.00-4.00	3.00-4.00	-	-	3.00-4.00	2.00-2.80
Peru Kent	3.00-4.50	3.00-4.50	3.00-5.00	3.00-5.00	3.00-4.75	2.10-3.25

Pineapple

January 2011

The first fortnight in January was marked by a sharp decrease in demand and concerns about the sale of certain fruits. Indeed, numerous stored batches from ships that had been delayed in the last week of December and had missed the New Year period hampered the release of arriving fruits and weighed heavily on a very dull market. Batches of 'Sweet' were thus sold for as little as EUR 2.00 per box! However, the situation improved rapidly since the supply of 'Sweet', especially from Costa Rica, decreased strongly while several small promotion operations planned well before were about to start. The decrease in the volumes of 'Sweet', the clearing of stored fruits and more lively demand cleared the market and pushed prices up during the second fortnight of the month.

Sales of 'Smooth Cayenne' were very difficult. In spite of a marked decrease in the volumes received, operators specialised in this variety had great difficulty in selling this fruit as export markets had lost all interest in it. The presence of 'Sweet' at low prices also complicated sales of 'Smooth Cayenne'. However, thanks to a few promotion operations, sales recovered although they were sometimes complicated by poor fruit colour.

Sales on the air market were very fluid in the first half of the month as supply was particularly slow and did not cover demand. Prices were therefore very firm. However, a decrease in demand was felt at the beginning of the second fortnight of the month while supply increased. Operators therefore tried to reduce their imports to prevent the formation of stocks. Sales of 'Sugarloaf' pineapple from Benin were comparatively stable throughout the month with prices oscillating between EUR 1.85 and EUR 2.00 per kg.

Demand for and supply of 'Victoria' pineapple decreased strongly after the Christmas period. As supply matched demand prices remained stable.

PINEAPPLE — IMPORT PRICE

Weeks 1 to 4	Min	Max
By air (euro/kg)		
Smooth Cayenne	1.70	1.90
Victoria	2.40	3.50
By sea (euro/box)		
Smooth Cayenne	5.00	8.50
Sweet	5.00	9.00

■ Pineapple: juice prices in Europe in December 2010.

Type of juice	Price (USD/t)	Origin	Observations
Frozen concentrate, 60° Brix, 'Smooth Cayenne'	2 250 fca Netherlands df	Thailand	Pineapple juice is becoming scarce. Rumours call into question the quality of recent production and the allocation for fresh sales, juice and canning is not known. The current harvest in Thailand is smaller than normal.
Aseptic concentrate, 60° Brix, 'Smooth Cayenne'	2 200 fca Netherlands df		
Single juice, 12° Brix, bulk, 'MD-2'	815 fca Netherlands	Costa Rica	
Frozen concentrate, 60° Brix, 'Perola'	2 100 fob Santos	Brazil	

Note: fca: free carrier / df: duty free / fob: free on board / Source: MNS-ITC Geneva

■ Fruits: juice and pulp prices in Europe in December 2010.

Type of juice		Price (USD/t)	Origin	Observations
Acerola	Frozen single juice, 6-8° Brix	1 350 fob Santos	Brazil	The coming harvest may be small for reasons of bad weather. Demand is strong and juice may be scarce for the next twelve months. Prices have increased strongly.
	Frozen concentrate, 65° Brix, clear	14 300 fob Santos		
Passion fruit	Frozen concentrate, 50° Brix	4 250-4 500 fca Netherlands	Peru	In Ecuador, bad weather has affected the quality of fruits for processing. However, fruit quality has improved in recent weeks. Peruvian exports increased by more than 69% in the first half of 2010 in comparison with the same period in 2009. Prices remain high in Brazil for large stocks sold mainly on the domestic market.
	Frozen concentrate, 50° Brix	4 500-5 000 cfr Rotterdam	Ecuador	
	NFC, 11° Brix	1 300-1 350 fob Ecuador		
	Frozen concentrate, 50° Brix	5 000-6 500 fob Santos	Brazil	
	NFC, 12-14° Brix	2 200 fob Santos		
Guava	Aseptic single pulp, pink	795 fca Netherlands	South Africa	Prices are for the new harvest. They have remained stable.
	Aseptic single pulp, 9-12° Brix, pink	650-700 fob Brazil	Brazil	
	Aseptic concentrated pulp, 14-16° Brix, pink	950 fob Brazil		
	Aseptic concentrated pulp, 18-20° Brix, pink	1 050-1 100 fob Brazil		
Pome-granate	Clarified aseptic concentrated juice, 66° Brix	6 euro/kg cfr Rotterdam	Turkey	Demand small but growing strongly.
Papaya	Aseptic concentrate, 25° Brix, red	1 100-1 150 fob Brazil	Brazil	Supply is more than sufficient. Prices have fallen in the last three months.

Note: fob: free on board / fca: free carrier / cfr: cost and freight / Source: MNS-ITC Geneva

PINEAPPLE — IMPORT PRICE IN FRANCE — MAIN ORIGINS

Weeks 2011		1	2	3	4
By air (euro/kg)					
Smooth Cayenne	Benin	1.85-1.90	1.80-1.90	1.80-1.90	1.80-1.90
	Cameroon	1.80-1.90	1.70-1.90	1.70-1.90	1.70-1.90
	Ghana	1.75-1.85	1.75-1.85	1.75-1.85	1.75-1.80
	Côte d'Ivoire	-	1.75-1.80	1.75-1.85	1.75-1.85
Victoria	Réunion	3.30-3.50	3.30-3.50	3.30-3.50	3.30-3.50
	Mauritius	3.00-3.30	3.00-3.30	3.00-3.30	3.00-3.30
	South Africa	2.40-2.90	2.40-2.90	-	-
By sea (euro/box)					
Smooth Cayenne	Côte d'Ivoire	5.00-7.00	6.00-7.00	5.00-8.50	6.00-8.50
Sweet	Côte d'Ivoire	6.50-8.00	6.50-8.00	7.50-9.00	7.00-9.00
	Cameroon	6.50-8.00	6.50-8.00	7.50-9.00	7.00-9.00
	Ghana	6.50-8.00	6.50-8.00	7.50-9.00	7.00-9.00
	Costa Rica	5.00-7.00	6.50-7.50	7.00-8.00	7.50-9.00

Banana

January 2011

Operators will remember January 2011 as having been an exceptional month. However, demand was fairly slow, especially in Germany and France where promotion operations were few and far between. Supply was very small with almost all supplier countries displaying an export deficit. Firstly, supply of dollar bananas was even smaller than in 2010. However, even though they fell, the volumes from Colombia remained fairly substantial. But poor weather continued to affect production in Ecuador and Costa Rica, and shipments were distinctly smaller than average. Furthermore, production loss following hurricane Tomas continued to weigh on exports from the French West Indies, with volumes running at 25% less than those of 2010. Finally, the deficit in African bananas increased, with shrinking volumes from Côte d'Ivoire and Ghana and shipments from Cameroon still very small. In this context, prices increased rapidly on all the world markets, reaching record levels at the end of the month in the EU, the USA and Russia.

■ Banana: purée prices in Europe in December 2010.

Type of juice	Price (USD/t)	Origin	Observations
Aseptic purée, 22° Brix	650-660 fca Netherlands customs zero-rated	Ecuador	Demand for fresh fruits still weighs on supply. Good demand from producers of smoothies and baby foods.
	660-680 fca Netherlands	Costa Rica	

Note: fca: free carrier / Source: MNS-ITC Geneva

■ The Ecuadorean government steps in to help small growers. 'The new banana law is with you'. This is the almost mystical slogan aired by the Ecuadorean Ministry of Agriculture to correct the balance between producers and exporters. The law ensures the respect of a minimum price at the upstream end of the sector (USD5.50 per 41.5 lb box until the end of 2011) with the obligatory use of a sales contract. Growers must first register with the Ministry of Agriculture. Ecuador has 240 000 hectares of banana plantations and 12 000 producers according to official statistics.

Source: Reefer Trends

■ The Russian JFC Group wishes to invest in Venezuela. JFC Group has recently signed a letter of intent concerning the joint operation with the Corporación Venezolana de Alimentos of 20 000 hectares of banana plantations south of lake Maracaibo. A leading stakeholder in Russia with an estimated 40% market share, JFC Groups already operates nearly 3 000 ha in Ecuador and 350 ha in Costa Rica.

Sources: Reefer Trends, Notas Agropecuarias Venezuela

■ 2010: a black year for the Canary Island banana sector. Production reached a historic high at 431 000 tonnes in 2010 after 364 000 tonnes in 2009 and the 365 000 t shipped to mainland Spain was 38 000 t more than the volume sold in 2009. However, returns fell from EUR 275 million to 245 million, that is to say a decrease of 18 centimes per kg! This poor performance resulted from the loss of 40 000 t for reasons of weather conditions and above all from particularly difficult market conditions leading to the withdrawal of 35 000 t of fruits. ASPROCAN blames the effects of the dismantling of common market organisation of bananas and the decrease in consumption resulting from the economic downturn. In consequence, the association would like to diversify markets with shipments to other EU countries (Germany, Portugal and Belgium) and to Algeria.

Sources: Reefer Trends, Canarias7

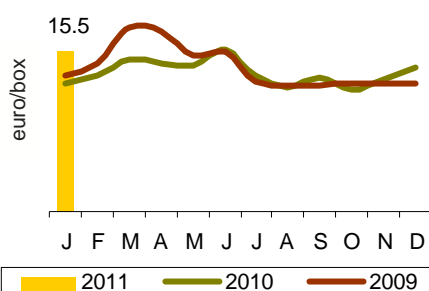


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EUROPE — ALDI IMPORT PRICE

January 2011 euro/box	Comparison	
	previous month	average for last 2 years
15.50	+ 11%	+ 21%

Europe - Aldi import price (GlobalGap)



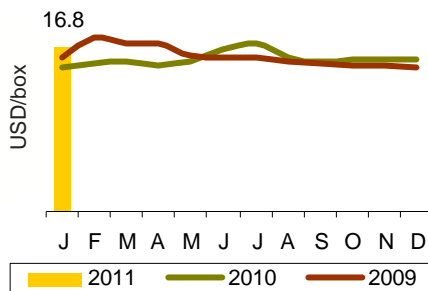
EUROPE — RETAIL PRICE

Country	January 2011		Comparison	
	type	euro/kg	December 2010	average for last 3 years
France	normal	1.50	+ 3%	+ 12%
	special offer	1.25	+ 6%	+ 6%
Germany	normal	1.21	+ 1%	+ 6%
	discount	1.02	+ 1%	+ 8%
UK (£/kg)	packed	1.20	+ 2%	+ 5%
	loose	0.85	+ 6%	- 3%
Spain	plátano	1.76	+ 3%	- 7%
	banano	1.34	+ 1%	- 6%

Banana

UNITED STATES

USA - Green price (spot)

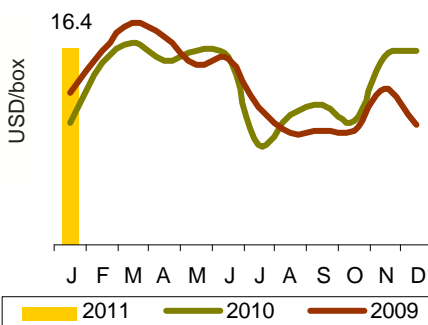


USA — IMPORT PRICE

January 2011 USD/box	Comparison	
	previous month	average for last 2 years
16.80	+8%	+ 10%

RUSSIA

Russia - Green price

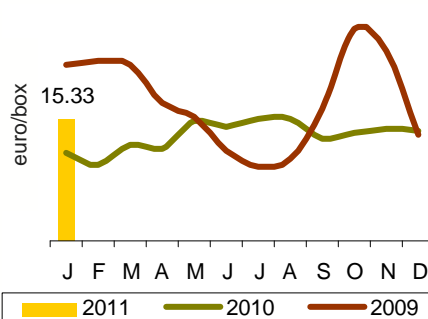


RUSSIA — IMPORT PRICE

January 2011 USD/box	Comparison	
	previous month	average for last 2 years
16.40	+ 1%	+ 42%

CANARIES

Spain - Green price - Platano*



CANARIES — IMPORT PRICE*

January 2011 euro/box	Comparison	
	previous month	average for last 2 years
15.30	+ 10%	- 8%

* 18.5 kg box equivalent

■ A new irrigated perimeter open to investors in Peru. The growth of Peruvian export agriculture seems to be continuing. A vast irrigated perimeter totalling 38 000 ha of virgin land has been created in the north of the country in the Lambayeque region (near the town of Olmos) by the Brazilian group Odebrecht. The perimeter consists of 250-ha to 1 000-ha units and is supplied with water from the river Huacabamba conveyed by a 20-km tunnel from the western to the eastern slopes of the Andes. It is about

200 km from the port of Paita. Auctioning will be started very soon. Exports of Peruvian agricultural produce have tripled in recent years and were worth 3 billion dollars in 2010. This success is based to a great extent on climatic advantages (a hot, dry climate), the presence of good quality water from the Andes and cheap labour. These features mean that Peru is very competitive on the counter-season markets in the northern hemisphere.

Source: www.H2Olmos.com

European imports of banana in 2010.

Banana - EU-27 Imports from January to December 2010 (provisional)						
Tonnes	2007	2008	2009	2010	Average 2007-2009	Variation 2010/2009
Extra-EU	4 691 225	4 883 757	4 544 920	4 491 494	4 706 634	- 1%
MFN	3 848 046	3 962 760	3 564 681	3 455 317	3 791 829	- 3%
ACP, of which	843 179	920 997	980 238	1 036 177	914 805	+ 6%
ACP Africa	441 864	535 103	512 154	510 633	496 374	0%
ACP others	401 315	385 893	468 085	525 544	418 431	+ 12%

Note: 2010 figures provisional, data lacking for certain member states and certain months.

Source: EUROSTAT customs code 8 030 019

EUROPE — IMPORTED VOLUMES — JANUARY 2011

Origin	Comparison		
	December 2010	January 2010	cumulated total 2011 compared to 2010
French West Indies	↘	- 25%	- 25%
Cameroon/Ghana	↘	- 14%	- 14%
Surinam	↘↘	- 41%	- 41%
Canaries	=↗	+ 7%	+ 7%
Dollar:			
Ecuador	=↘	- 1%	- 1%
Colombia*	↘	+ 12%	+ 12%
Costa Rica	↘	- 10%	- 10%

* total all destinations

OPPORTUNITY TO ACQUIRE FARMLAND WITH WATER RIGHTS IN PERU

38,000 hectares of premium undeveloped fertile agricultural land will be sold in lots of 250, 500 and 1,000 hectares with water rights at a public auction. Successful bidders will acquire the land with irrigation infrastructure that allows pressurized water. Lots will have access to public road networks, ports and to the national electricity grid.

OLMOS IRRIGATION PROJECT



COUNTER-SEASON
CROPS
TO DIVERSIFY OFFER IN
US, EUROPE
AND ASIA



EXTENSIVE
SEAMLESS LOTS
OF UNDEVELOPED
LAND



ATTRACTIVE
CLIMATE
AND FARMLAND
FOR A GREAT
VARIETY OF CROPS



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WITH A SOLID LEGAL
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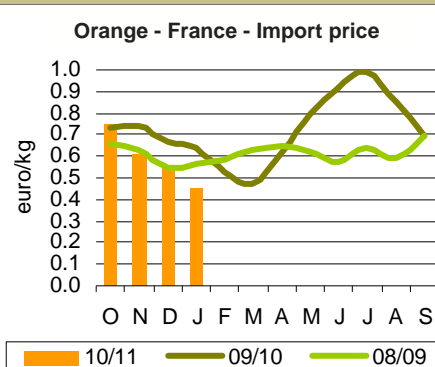
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H₂Olmos
ODEBRECHT

Orange

January 2011

The market continued to be difficult. Substantial volumes of Spanish 'Naveline' remained to be sold at the production stage because of the large harvests. In addition, the frost that hit the Community of Valencia in December encouraged producers to sell their 'Salustiana' rapidly. With only average demand in the EU, import prices remained very low for both of these varieties. Under these difficult conditions, 'Washington' blood oranges and 'Salustiana' from Morocco were rare on the community market, especially as serious floods caused production losses. Supply of 'Maltese' from Tunisia remained very limited with the season starting late as a result of political problems and yet another dock strike in Marseilles.



■ **Brazilian orange juice:** agreements and disagreements. Might the merger announced in 2010 of two sector giants, Citrusuco and Citrovita be compromised? After the CADE (the Brazilian antitrust agency) in October, the EU announced in January an investigation into the consequences of such a merger. Whereas the Brazilian authorities fear the harmful effects on small growers, whose numbers have fallen drastically in recent years, Brussels is more concerned about the retail price of the fruit juice most sold in Europe. Furthermore, the setting up of Consecitrus, a body representing citrus producers (Associtrus) and the juice industry (CitrusBR) seems to be increasingly difficult. The two parties have still not succeeded in agreeing on a joint road map and above all on a mechanism for setting the prices paid to growers. Flavio Vega, the CEO of Cutrale, nonetheless pointed out that the sector did not lack common enemies: unfavourable exchange rates, increasing competition from apple juice, increasing production costs and European customs tariffs.

Source: FoodNews

■ A 2011 season full of challenges for the South African citrus sector. This is the view of South African professionals after a very positive 2010 season. The first estimates seem to show that the harvest should be similar to last year's, with good 'Valencia' and grapefruit crops making up for a probable deficit in 'Navel'. However, the context should be much more competitive. Firstly, the European market should be markedly less open and Mediterranean production is distinctly larger than in 2010, especially for lemon and late oranges. Secondly, the Argentinian lemon harvest should return to a solid level after a strong shortfall in 2010. In a report published at the end of December, USDA forecasted an increase of some 25%. Finally, production costs are rising, in particular because of higher energy prices (oil and electricity) while the rand is still strong against the currencies of the main export markets.

Sources: Reefer Trends, CGA, USDA

■ **Orange variety of the month: 'Maltese'.** This high-quality well-coloured orange is grown almost only in the Cape Bon region of Tunisia, where conditions bring out its full potential. It is medium-sized and slightly oval. The soft peel is slightly grainy and easy to remove. The tender, juicy flesh is little coloured for a blood orange. The flavour is particularly pleasant with sweetness balanced by a good level of acidity.

Source: CIRAD-Fruitrop



PRICE	Type	Average monthly price euro/box 15 kg	Comparison with average for last 2 years
	Dessert oranges	8.00-8.50	- 12%
	Juice oranges	8.00-8.50	na

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Dessert oranges	↗	+ 4%
	Juice oranges	↗	na

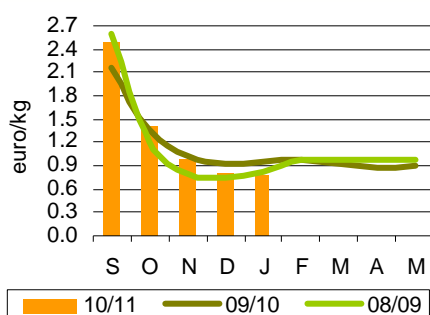
VOLUMES	Varieties by source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Naveline from Spain	↗	- 3%	Large volumes to be sold at the production stage. Substantial shipments in the second half of the month.	+ 3%
	Salustiana from Spain	↗↗	na	Peak season. Volumes moderate but above average as the fruits had to be sold rapidly after the December frosts.	na
	Maltese from Tunisia	↗	- 56%	Very late start to the season because of political events and a strike at the port of Marseilles.	- 56%

Easy peelers

January 2011

The market was difficult. The already strong pressure of Spanish supply increased because of the large volumes of 'Nules' and 'Clemenvilla' still available at the production stage and the need to sell these varieties rapidly as the fruits were fragile after the December frosts. Prices remained rock bottom for both of these varieties and the 'Clemenvilla' season ended early as the fruits had become too fragile. This difficult context penalised other sources of supply. Shipments of 'Nour' from Morocco were limited because of the low prices offered by buyers and production losses resulting from floods. The 'Minneola' season in Israel was also short. Only the last limited volumes of Corsican clementines and the high-quality varieties such as 'Or' from Israel and 'Nadorcott' from Spain shipped from mid-January onwards sold well as the fruits were of good quality.

Easy peelers - France - Import price



© Eric Imbert



touched with hardly 1 to 2.5% of the fruits displaying slight damage.

Source: USDA

■ Easy peeler variety of the month: 'Nadorcott'. This natural hybrid of 'Murcott' originated in Morocco. The fruits are medium-sized to small and

easy to peel, like clementines. The shape is irregular and slightly flat, like 'Murcott'. They ripen late and are seedless. The pulp is soft and melting with a large proportion of juice and acids, giving it a clearly characteristic taste.



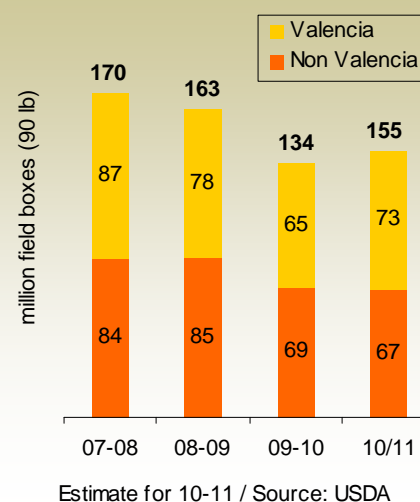
Source: CIRAD

■ Moroccans living abroad form the new driving force behind the country's foreign trade. Abdellatif Maazouz, Morocco's Minister of Foreign Trade, considers that Moroccan traders living abroad should favour and promote national products and produce. For this, the government will help to identify operations (wholesalers, supermarkets, self-service stores) run by Moroccans who might participate in the initiative and put them in contact with potential suppliers. It will contribute the fitting out of Moroccan sections in their outlets and in communication concerning products. The French market is one of the main targets of the project.

Sources: MAP, Morocco

■ Early and mid-season oranges hit by frost in Florida. According to the USDA report published on 18 January, 10 to 15% of early and midseason oranges displayed damage ranging from minor to serious at the centre of the fruit. However, damage was noted on less than 3% of the late fruits that form more than 50% of production. Similarly, grapefruit was practically un-

Orange - Florida - Production by varietal group



Estimate for 10-11 / Source: USDA

PRICE	Varieties	Average monthly price euro/kg	Comparison with average for last 2 years
	Clementine	0.79	- 10%
	Hybrids	0.75	- 15%

VOLUMES	Varieties	Comparison	
		previous month	average for last 2 years
	Clementine	↘	+ 22%
	Hybrids	↗	- 28%

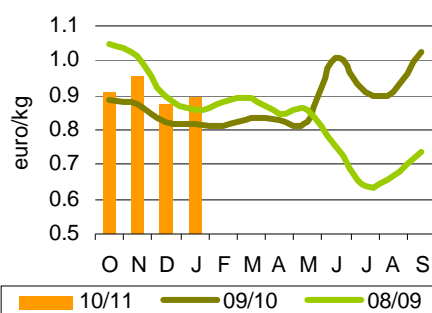
VOLUMES	Varieties by source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Clementine from Spain	↘	+ 47%	Very large volumes because of the quantities of 'Nules' to be sold rapidly for reasons of frost.	+ 9%
	Clementine from Morocco	↗	- 23%	Volumes of 'Nour' clementine very limited in the EU (difficult market, production losses caused by floods).	- 28%
	Clementine from Corsica	↘↘	- 38%	Early decrease in volumes and end of the season in the first half of the month because production was small.	- 18%
	Clemenvilla from Spain	↗	- 9%	Volumes only average. Harvest smaller than that of the preceding season and smaller than average.	- 5%

Grapefruit

January 2011

The maintaining of moderate supply allowed the market to remain balanced. The revival of demand after the strong seasonal dip in sales during the Christmas period was not as strong as in other years. However, supplies remained short. Only small volumes were shipped from Florida because of importers' caution in the face of high prices (insufficient good-sized fruits). Likewise, Israeli exporters limited their shipments in the light of the stocks available while their Turkish counterparts favoured the Eastern European markets more than ever. Prices this remained fairly high and stocks were cleared to a considerable extent.

Grapefruit - France - Import price



PRICE	Type	Average monthly price euro/box 17 kg box eq.	Comparison with average for last 2 years
	Tropical	16.00-16.50	+ 5%
	Mediterranean	11.50-12.00	+ 10%

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Tropical	=	- 11%
	Mediterranean	=	- 9%

VOLUMES	Source	Comparison	
		previous month	average for last 2 years
	Florida	=	- 11%
	Israel	=↗	- 30%
	Turkey	=↗	- 9%

■ Citrus: juice prices in Europe in December 2010.

Type of juice		Price (USD/t)	Origin	Observations
Orange	FCOJ, 66° Brix, bulk	2 300-2 350 fob Santos	Brazil	Poor weather has affected fruit quality and yields in Brazil. Producer prices are high. NFC is rare but the price has not increased as much as that of FCOJ. Consumption is still falling in the USA.
	FCOJ, 66° Brix,	2 500-2 600 fca Netherlands dup		
	NFC	600-759 fob Santos		
	NFC	400 euro/t	Spain	
	NFC	480-500 euro/t cfr Northern Europe	Greece	
Grapefruit	Frozen concentrate, 58° Brix, red	2 100 cfr Netherlands dup	Florida	The harvest forecast for white grapefruit in Florida has been revised downwards and size will be smaller. Stability for coloured varieties but size will also be smaller. Prices are recovering. Demand is increasing only because of the growing use of grapefruit juice in blends.
	Frozen concentrate, 58° Brix, pink	2 100 fca Rotterdam		
	Frozen concentrate, 58° Brix, white	2 000 fca Rotterdam		
	Frozen concentrate, 58° Brix, red	1 900-1 950 fob Cuba	Cuba	
	Frozen concentrate, 58° Brix, white	2 000 fob Cuba		
	Frozen concentrate, 58° Brix, coloured	2 150-2 200 fca Netherlands	Mexico	
Lemon	Frozen concentrate, cloudy, 400 gpl	4 500-4 550 fca Rotterdam	Argentina	Supply of lemon juice is limited. The South American harvest was small and earmarked for the fresh market. A better harvest than the last one is expected in Spain but demand for fresh fruit is still strong.
	Frozen concentrate, cloudy, 500 gpl	5 300-5 350 fob Buenos Aires		
	Frozen concentrate, cloudy, 400 gpl	3 300-3 400 euro/t ddp Northern Europe	Spain	
Lime	Frozen concentrate, cloudy, 400 gpl, 8% pulp	2 300 fob Santos	Brazil	Prices are for the previous harvest. The next harvest will start at the beginning of 2011 and peak in March. Prices should increase because of the rise in fruit prices and to compensate the effects of the weak dollar.
	Frozen concentrate, clear, 400 gpl, 8% pulp	3 300 fob Santos		

Note: fob: free on board / fca: free carrier / cfr: cost and freight / dup: duty unpaid / ddp: delivered duty paid / Source: MNS-ITC Geneva

Freight

January 2011

Although the TCE average for the month of January 2011 was only 10c/cbft higher than January 2010 the 55c/cbft recorded masks a more successful month for operators than the year-ago corresponding figure. At the end of January 2010 there were almost 20 vessels Spot at Cristobal with several units already having accumulated significant lay time. This year there was no accumulation: vessels were fixed away quickly, the result principally of the combination of a 'reasonable' Ecuadorian exit price and historically strong transatlantic banana markets. The other critical factor in the equation is the reduction in supply of tonnage: this has partly been caused by an attractive demolition market, which claimed 46 units in 2011 (17.7m cbft), and partly by some owners and operators choosing not to reactivate units in cold lay-up. The US, EU, Med and Russian banana markets all enjoyed a strong start to the year, buoyed by good demand and a shortage of fruit from Colombia, Costa Rica and Martinique. In Europe the benchmark Aldi price finished January on a historical high while in the US Dole declared force majeure and a US\$1.46 per box surcharge. The other majors followed suit. The temporary rise in export volumes from Ecuador combined with a fair reefer market meant that Med banana charterers should have recouped some of the losses made over the past two years. The markets are forecast to remain short of bananas until mid March at the earliest: if the forecast is accurate there is every reason to believe that banana pricing will continue to drive towards ever higher levels as historically market values tend to peak at about the same time. How much higher and how quickly the market responds will be, in part, a reflection of how well eastern European markets are recovering from the global economic crisis. In 2010 Ukrainian banana import volumes for example were down 30% from the record volume established in 2007 – in absolute terms down 5.4m boxes year-on-year! Increasing competition from containerisation aside, the other major threat to the viability of the reefer sector is the escalat-

ing cost of oil. Rising bunker prices are wiping out the incremental weekly box rate rises achieved by operators. And while the high price will be a significant factor in the number of older, fuel-inefficient vessels being demolished this year, there has been an interesting side-effect: unless there is a compelling reason for one of the reefer fleet's smaller units to cross the Atlantic it is highly likely that it will not. With such high fuel costs it makes no commercial sense to ballast to Cristobal for a banana cargo on speculation as current box rate fixtures would yield disproportionately lower TCE returns because of the vessel size/fuel consumption/fruit stowage ratio. Fortunately there has

been enough fish and citrus activity in the Med and eastern Atlantic seaboard for this not to be a problem for the major operator of this segment, Hamburg Reefer Chartering. The higher the oil price rises the greater the likelihood that this polarisation will become entrenched. This will inevitably have implications for all the stakeholders in the reefer business – most immediately it makes the smaller segment more vulnerable: the smaller vessels will not only have a smaller pond from which to fish but they also have to battle with operators of larger tonnage for what may be a smaller overall catch, especially if the lines continue to build capacity and steal market share.

■ Mango: juice and purée prices in Europe in December 2010.

Type of juice	Price (USD/t)	Origin	Observations
Aseptic concentrate, 28° Brix, 'Totapuri '	1 750-1 850 cfr Rotterdam	India	Overall demand is increasing. Indian production prices are still very high. Strong demand on the domestic market and in the Middle East encourage producers to maintain these prices and not match the lower prices of fruits from South American sources which do not have an alternative to the 'Alphonso' variety. The Brazilian 'Tommy Atkins' harvest was close to normal but nonetheless down by 20%. The 'Palmer' harvest should be better.
Aseptic purée, 14° Brix, 'Totapuri'	1 100-1 150 cfr Rotterdam		
Aseptic purée, 17° Brix, 'Alphonso'	1 550-1 600 cfr Rotterdam		
Aseptic concentrate, 28-30° Brix, 'Palmer'	1 380-1 400 fob Santos	Brazil	
Aseptic concentrate, 28-30° Brix, 'Tommy Atkins'	1 400 fob Santos		
Aseptic, ss, 14-16° Brix, 'Tommy Atkins'	925-950 fob Santos		
Aseptic concentrate, 28° Brix, 'Tommy Atkins'	1 425-1 450 fca Netherlands	Mexico	

Note: cfr: cost and freight / fob: free on board / fca: free carrier / Source: MNS-ITC Geneva

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MONTHLY SPOT AVERAGE

US\$/cubic foot x 30 days	Large reefers	Small reefers
January 2011	55	81
January 2010	45	63
January 2009	52	73

