July/August 2011 - No. 191

FRuiTROP

English edition

Banana market — half-year review:
All good things come to an end

Panama disease is back:
a major concern for the banana world

Crossroads for the specialised reefer

The banana charterer's story

http://passionfruit.cirad.fr

Mango

June 2011

The European mango market was very morose in June—especially in the second half of the month—while quantities remained fairly limited. This somewhat rare trend for the season resulted from several factors. First, seasonal fruits (red fruits and stone fruits) were available in large quantities at attractive prices and competed strongly with more expensive tropical produce. The E. coli crisis aggravated the situation by causing a decrease in consumption in the first half of the month. In addition, supply was very varied, with a large number of West African and Latin American sources that resulted in chaotic supply in terms of variety and above all quality. The two main supplier countries (Brazil and Côte d'Ivoire) shipped fruits of erratic quality that were increasingly difficult to sell. Complementary sources (Mali, Burkina Faso, Puerto Rico and the Dominican Republic) profited from the poor sales of fruits from Brazil and Côte d'Ivoire to raise the price of their produce that better matched demand. Ivoirian mangoes gradually came to an end and new sources appeared in the second half of the month. Thus a few containers were shipped from Senegal from Week 25 onwards and had difficulty in finding takers as the fruits were short on colour and ripeness and prices were fairly high.

June was a period of transition for mango shipped by air. Numerous batches received from Côte d'Ivoire at the end of May weighed heavily on sales. In a context of limited demand, the fruits deteriorated and were the subject of clearance sales, mainly on wholesale markets, and this put the other sources in difficulty. The market cleared in the second half of the month, with an increase in the prices of high-quality fruits. The Senegalese and Mexican seasons started in mid-month with batches of fruits of uneven colour that had a mixed reception, with prices often returning to more normal levels.

■ **Environmental labelling for consumer products in France starting on 1 July 2011.** In spite of the lowering of the targets of the 'Grenelle de l'environnement', the environmental labelling project is continuing with a test phase on a voluntary basis starting on 1 July 2011. Generalisation will be decided by the Parliament after the results of the experiment by the some 170 participating companies. The major brands in the fruit and vegetable sector and retail distribution are present, together will a collective of Colombian companies led by the consultants Bio Intelligence Service. The LCA (life cycle assessment) method was chosen for the environmental assessment. The indicators used for food products are greenhouse gas (GHG) emissions, biodiversity, water consumption, aquatic ecotoxicity and eutrophisation. Although the LCA method is covered by ISO standards (14040 and 14044), technical references are currently too rare to cover all the agricultural practices of all the products and to contextualise them according to production sites. As a result, the assessment of impacts on the environment are too general. It is easy to understand that emissions of pollutants in environments are not the same in banana growing in the humid tropics or wheat in the Beauce region in France. However, the references for calculating these emissions are the same so far. The Agri-BALYSE project steered by the Ademe with French research institutes and agricultural technical centres and with the ART institute in Switzerland should correct this. Meanwhile, business is business. The market is there to be taken and consultants of all kinds are not losing a crumb of it.

affichage-environnemental.afnor.org/

Source: CIRAD

■ **International Seminar on Social LCA: synthesis, papers and discussions in text and audio/video form on the website acv-sociale-2011.cirad.fr** This seminar held at Agropolis International (Montpellier, France) in May 2011 was attended by 120 people either in the conference room or via internet. It was the occasion to present recent developments in the social impact assessment of product life cycles.

Source: CIRAD

■ **'Osteen' mango.**

Shape: oblong with a rounded base. Rounded apex, sometimes with a small beak.

Peel: thick, not very clinging. Main colour violet/purple with some lavender lights. White lenticels.

Flesh: lemon yellow, firm and juicy. Very high quality and not fibrous.

Stone: long and flat.

Average weight: 500 to 800 g

'Osteen' is from Florida, where it was bred from sown 'Haden' in 1935. It is little grown at the world scale in spite of its good commercial features. It has become more common on the EU market since 2000 as it forms most of Spanish production.

MANGO — ARRIVALS (ESTIMATES) Tonnes

EUROPE

Weeks 2011	22	23	24	25	26
By air					
Mali	15-20	20-30	20-30	15-20	5-10
Burkina Faso	10-20	10-20	10-15	5-10	5-10
Côte d'Ivoire	50-60	5-10	-	-	-
Senegal	-	-	5-10	5-10	30-50
Mexico	-	-	-	15-25	30-50
By sea					
Brazil	880	280	810	1 078	1 780
Côte d'Ivoire	660	660	660	440	-
Senegal	-	-	110	220	220

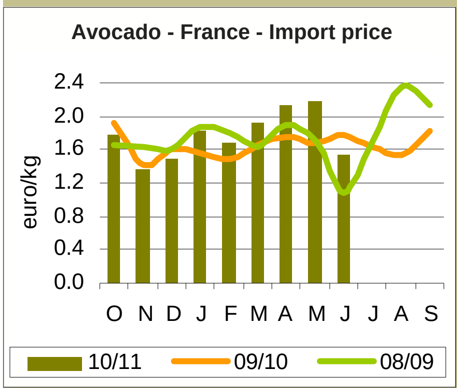
MANGO — IMPORT PRICE ON THE FRENCH MARKET — Euro

Weeks 2011		22	23	24	25	26	June 2011 average	June 2010 average
By air (kg)								
Mali	Kent	1.80-2.50	1.80-2.80	2.50-3.00	3.00-3.50	3.50-4.00	2.50-3-15	3.30-3.90
Burkina Faso	Kent	1.80-2.20	1.80-2.50	2.00-2.50	2.00-2.50	3.00-3.20	2.10-2.60	3.15-3.65
Côte d'Ivoire	Kent	2.00-3.50	2.00-3.50	2.00-3.50	-	-	2.00-3.50	3.30-4.00
Senegal	Kent	-	-	-	4.00-4.50	3.80-4.00	3.90-4.25	3.65-4.75
Mexico	Kent	-	-	-	5.00	4.50-5.00	4.50-5.00	3.80-5.30
By sea (box)								
Côte d'Ivoire	Kent	4.00-5.00	3.50-4.50	3.00-4.00	2.00-4.00	2.00-4.00	2.90-4.30	5.10-6.00
Mali	Kent/Keitt	-	-	-	5.00-5.50	4.00-5.50	4.50-5.50	5.20-6.00
Senegal	Kent	-	-	-	4.80-5.50	4.00-5.00	4.40-5.25	5.00-6.00
Dom. Rep.	Keitt	5.00	4.00-5.00	4.00-5.00	3.50-5.00	3.50-5.00	4.00-5.00	-
Puerto Rico	Keitt	4.00	4.00	4.00	4.00	4.00-5.00	4.00-5.00	-

Avocado

June 2011

There's nothing like the avocado market for going from one extreme to the other. Serious under-supply in May was succeeded by major over-supply of 'Hass' fruits. Although shipments from Kenya displayed a deficit, those from South Africa were slightly larger than average in spite of the strong decrease in production. But, above all shipments from Peru swelled enormously in the second fortnight as exporters switched to the volumes reserved for the USA to the EU following the postponing of the date of the abolition of the sanitary protocol required for access to the USA. Demand was very slow and prices sank to levels well below the average at the end of the month. This made the market difficult for the green varieties, especially as supply was fairly ample. Prices remained distinctly lower than average, especially in France.

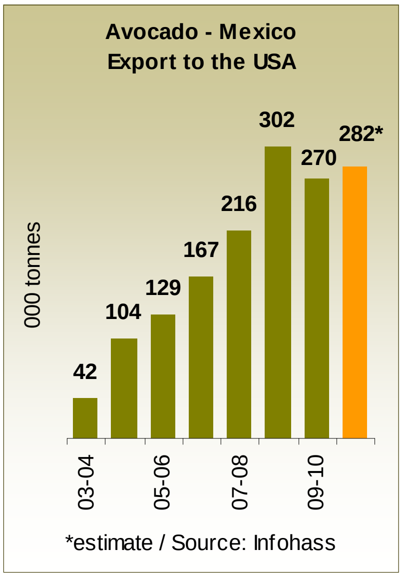


PRICE — Varieties	Average monthly price euro/box	Comparison with the last 2 years
Green	4.00-4.50	- 15%
Hass	6.00-6.50	+ 4%

VOLUMES — Varieties	Comparison: previous month	Comparison: last 2 years average
Green	↘	+ 17%
Hass	↗↗	+ 21%

■ **First results by destination of the 2010-11 Mexican avocado export season.** In spite of a serious production deficit in the second part of the season, Mexican exports to the USA were some 10 000 tonnes greater than those of the 2009-10 season. The 280 000 t shipped to this destination were even close to the high point of more than 300 000 t in 2008-09. Shipments to Japan also increased slightly, setting a new record for the supply of this market in the winter. However, these two increases were at the expense of other export destinations. Shipments to Canada, Central America and especially Asia decreased markedly. But it was the EU that became the poor relation. Professional sources indicate that volumes totalled less than 3 000 t against more than 7 000 t in 2009-10 and between 10 000 and 15 000 t during the rest of the 2000s.

Sources: Diario de Michoacán, CIRAD



■ **More than 400 companies have Mexico Calidad Suprema certification in Mexico.** The Mexican national quality assurance system based on the respect of good production practices and food safety guarantees is applied by nearly 21 000 producers. Developed jointly by the Secretariat of State for Agriculture, the Secretariat of State for the Economy and Bancomext, it covers 42 items including avocado, grapefruit, lime, mango, banana, pineapple and papaya. The system functions with four approaches: training (more than 80 courses or workshops have been held in Mexico this year), consultancy, certification and national and international promotion. A system for the verification of the certification of companies will be available online from August this year.

Source: Mexico Calidad Suprema

■ **The leading destination for Chilean avocado in 2010-11 was Chile!** The domestic market took more than 70 000 t in 2010-11, that is to say 45% of total production. The figure reveals the primordial position gained by the domestic market in recent years, even if the weakness of export volumes as a result of alternate bearing and frosts have made a contribution. Annual per capita consumption is more than 4 kg, double that of the mid-1990s, especially as a result of the promotion operations run by the *Comité de Palta*.

Source: Comité de Palta

VOLUMES — Source	Comparison: previous month	Comparison: average for last 2 years	Observations	Cumulated total / cumulated average for last 2 years
Peru	↗↗	+ 43%	Volumes returned to a substantial level in the first fortnight and then increased tremendously after the postponing of the date of the opening of the US market without a disinsectisation protocol.	+ 7%
South Africa	↗	- 7%	Shipments of 'Hass' slightly larger than average (large production deficit but an earlier peak than in 2010) and very small shipments of green varieties.	- 30%
Kenya	=↘	- 1%	Volumes of 'Hass' limited but strong supplies of green varieties.	+ 3%

Pineapple

June 2011

The situation worsened continuously in June. Lacklustre demand was insufficient to handle the increasing volumes received. The poor sales feature that characterised the market was of course reflected in prices that operators had never seen so low, especially towards the end of the month.

Poor sales were aggravated by the *E. coli* bacterium crisis. The Russian market, a large consumer of 'Sweet', was closed. Several sales were cancelled, especially in Week 23 when arrivals were expected to peak in Week 24! The markets were very soon overloaded with fruits and demand was nonexistent. These difficulties also effected the major brands, offered at exceptionally low prices, which further complicated the sale of minor brands. Given these conditions, sales were often concluded at prices lower the quotes given. A general sauve qui peut began in Week 24, with several arriving batches sold on a price after sale basis.

Supply of 'Smooth Cayenne' was very limited indeed and sales were poor as fruit quality was often very uneven.

Sales of pineapple shipped by air were slow and difficult, especially during the first fortnight. Indeed, demand was focused mainly on seasonal fruits and it was difficult to find takers for the few fruits released. Operators reduced their imports considerably because of poor sales and sluggish demand and this allowed the market to recover gradually. The situation was much the same for 'Sugarloaf' pineapple from Benin, with prices remaining stable overall at between EUR 1.90 and 2.00 per kg but with fairly limited sales.

The situation continued to worsen on the 'Victoria' market. In spite of a distinct reduction of imports, sales were very difficult because the fruit attracted little interest.

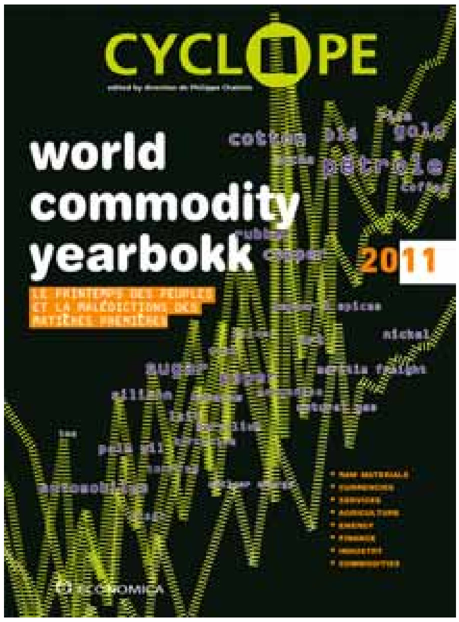
EUROPE

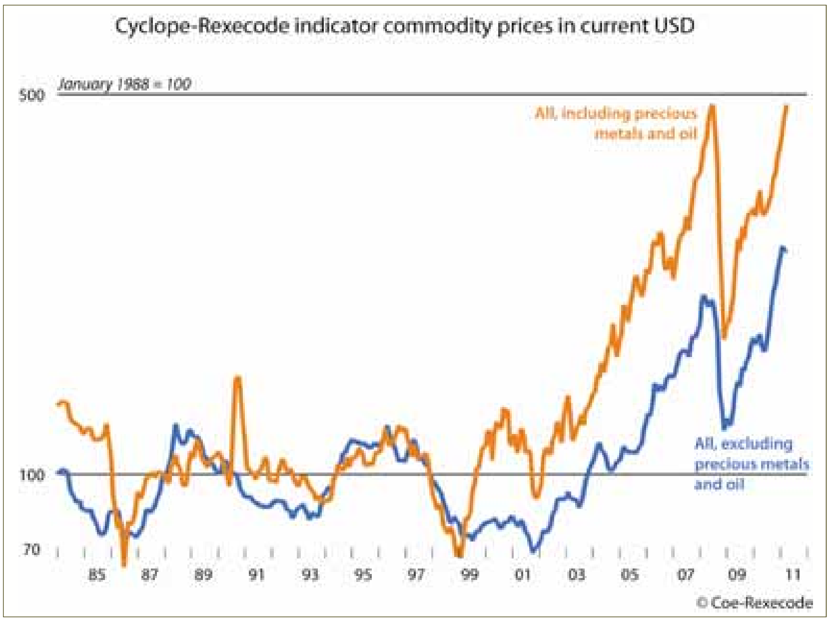
PINEAPPLE — IMPORT PRICE

Weeks 22 to 26	Min	Max
By air (euro/kg)		
Smooth Cayenne	1.50	1.90
Victoria	3.00	4.00
By sea (euro/box)		
Smooth Cayenne	4.00	7.00
Sweet	3.00	7.00

■ Cyclope, a reference work on commodities/raw materials, celebrates its 25th edition. This jointly-authored work (60 contributors) edited by Philippe Chalmin sheds light on the details of the functioning of world markets. One of the noteworthy features this year is the record prices reached by commodities. The present shock is comparable to that of the 1970s. The collapse in the second half of 2008 during the financial crisis was soon forgotten. Cyclope 2011 also illustrates a major problem in international current affairs: the Arab spring, so close to the 1848 Springtime of the Peoples, one of whose roots is the problem of commodities. Cyclope is now available in French, English and Chinese. 750 pages, 125 euros, Editions Economica.

Source: CIRAD





PINEAPPLE — IMPORT PRICE IN FRANCE — MAIN ORIGINS

Weeks 2011		22	23	24	25	26
By air (euro/kg)						
Smooth Cayenne	Benin	1.70-1.85	1.70-1.80	1.80-1.90	1.80-1.90	1.80-1.90
	Cameroon	1.70-1.85	1.70-1.80	1.80-1.90	1.80-1.90	1.80-1.90
	Ghana	1.70-1.85	1.50-1.75	1.75-1.85	1.75-1.85	1.75-1.85
Victoria	Réunion	3.80-4.00	3.30-3.50	3.30-3.80	3.50-3.70	3.30-3.50
	Mauritius	3.30-3.50	3.00	3.00-3.30	3.00-3.30	3.00-3.30
By sea (euro/box)						
Smooth Cayenne	Côte d'Ivoire	5.50-7.00	5.00-6.00	4.00-5.00	4.00-5.00	6.00-7.00
	Ghana	-	-	-	-	5.50-6.50
Sweet	Côte d'Ivoire	5.00-7.00	4.50-7.00	4.50-7.00	4.50-7.00	4.50-7.00
	Cameroon	5.00-7.00	4.50-7.00	4.50-7.00	4.50-7.00	4.50-7.00
	Ghana	5.00-7.00	4.50-7.00	4.50-7.00	4.50-7.00	4.50-7.00
	Costa Rica	5.50-6.50	5.00-6.00	4.00-5.00	3.00-4.00	3.00-4.00

Banana

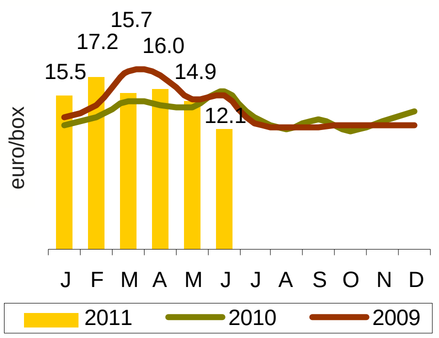
June 2011

The market evolved from difficult at the beginning of the month to catastrophic at the end. Supply was large in the first part of the month, especially in dollar fruits. However, Costa Rican presence was restrained in the EU as shipments went preferentially to the USA. Volumes from Colombia were no more than average. But shipments from Ecuador were very large during the first part of the month as the unusual peak in production continued and the main targets for exporters were still the EU, Russia and the Mediterranean. EU arrivals from most other sources were also large. Deliveries from Surinam remained stable and large and the peak production period started in the French West Indies. The only exception was Africa, with cumulated volumes from Côte d'Ivoire, Cameroon and Ghana close to average. The seasonal decrease in demand was more marked than in other years. Competition from summer fruits was very strong and early in France and in southern Europe in general, especially as frequent warm weather encouraged consumption of this produce. In Northern Europe, the *E. coli* crisis had a very negative impact on sales of all fresh fruit and vegetables. As a result, prices soon slumped to below EUR 10 per kg at the end of the month in Northern Europe. The Russian market was also over-supplied and worsened similarly. Prices only remained stable and very strong in Spain as supplies of Canary Island bananas remained limited.

EUROPE — ALDI IMPORT PRICE		
June 2011 euro/box	Comparison	
	previous month	average for last 2 years
12.10	- 19%	- 23%

EUROPE

Europe - Aldi import price (GlobalGap)



■ Producers and scientists mobilised for the sustainable production of bananas in the French West Indies. The 'Sustainable Banana Programme' launched officially by the Ministry of Agriculture in 2008 at the initiative of growers in the French West Indies is aimed at reducing the use of chemical pesticides by a further 50% between 2006 and 2013 and to favour cultural practices that respect the environment and also improve competitiveness and the social conditions of persons working in the sector. Participating alongside the *Union des groupements de producteurs de bananes* (UGPBAN) and banana groups, the Institut Technique Tropical (IT²), Cemagref and CIRAD are working on banana disease control methods and developing tools for sustainable banana production in the French West Indies.

Producers' undertaking

The banana industry in the French West Indies has been resolutely involved for several years in this plan for the sustainable development of banana production aiming at control of banana leaf spot diseases, reducing chemical pesticide spraying and favouring cultural practices that respect humans and the environment. This essential concern has already led producers to limit pesticide sprays considerably. The result is very clear, with sprays reduced by nearly 70% in 10 years. Growers will continue their efforts in this respect. Control of Sigatoka diseases is an important preoccupation for the banana industry and the population of Guadeloupe and Martinique, especially

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since the arrival of Black Sigatoka that endangers the economic aspect of the sector.

The banana sector has joined forces with research centres working on the environment and agriculture (Cemagref, CIRAD and INRA) to provide concrete solutions to these questions. The different partners met on 21 June in Neufchâteau, Capesterre in Guadeloupe to present the latest innovations for sustainable agriculture in these islands. The scientists presented their latest results and their work on the control of these diseases.

OptiBan, to improve aerial spraying and develop ground-based alternatives

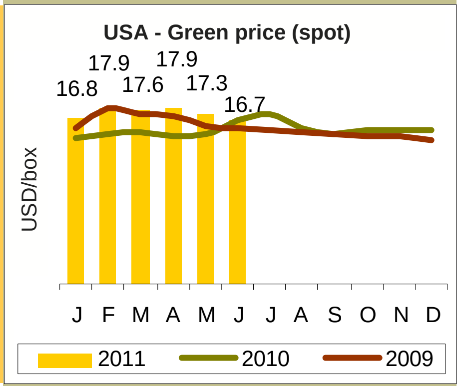
At the request of the Ministry of Agriculture food agency and UGPBAN, Cemagref launched a study called OptiBan in March 2008. It is aimed at the optimisation of aerial spraying and the search for ground-based alternatives that respect the environment and growers' safety.

The scientists plotted a detailed map of the plantation zones and protected zones (buildings and

EUROPE — RETAIL PRICE				
Country	June 2011		Comparison	
	type	euro/kg	May 2011	average for last 2 years
France	normal	1.53	- 1%	- 1%
	special offer	1.31	+ 1%	- 5%
Germany	normal	1.17	- 9%	- 7%
	discount	1.02	- 10%	- 4%
UK (£/kg)	packed	1.21	+ 2%	+ 2%
	loose	0.76	+ 4%	- 13%
Spain	plátano	2.22	+ 4%	+ 25%
	banano	1.35	- 3%	- 8%

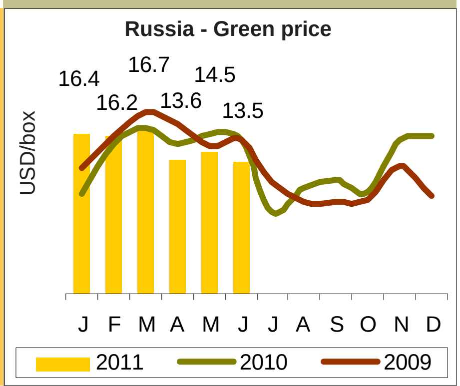
Banana

UNITED STATES



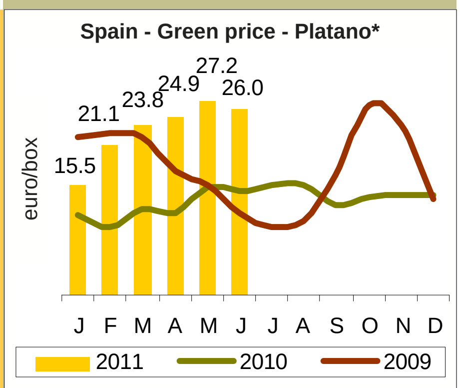
USA — IMPORT PRICE		
June 2011 USD/box	Comparison	
	previous month	average for last 2 years
16.70	- 3%	+ 3%

RUSSIA



RUSSIA — IMPORT PRICE		
June 2011 USD/box	Comparison	
	previous month	average for last 2 years
13.50	- 7%	- 14%

CANARIES



CANARIES — IMPORT PRICE*		
June 2011 euro/box	Comparison	
	previous month	average for last 2 years
26.00	- 4%	+ 101%

* 18.5 kg box equivalent

watercourses). Combined with a GPS and a servo system to halt spraying automatically in case of entry into a forbidden zone,it makes it possible to apply aerial spraying in authorised zones only. 'Banatrace', an information system to manage the traceability of spraying operations is used to steer Sigatoka control at the scale of the administrative department and to facilitate obligatory declarations. The scientists then studied the different ground-based spraying techniques, evaluated their impacts and designed an innovative prototype ground spraying machine. Currently at the test stage, this prototype is a system of mini spray cannons patented by Cemagref and UGPBAN and mounted on an adjustable mast. The system has been installed experimentally on a small carrier that can move between the rows of bananas and theoretically climb slopes of up to 45%. Impressed by the preliminary results, growers decided to develop, with the aid of Cemagref, a new carrier that is perfectly suited to the conditions of the West Indies: steep slopes, heavy soil, substantial precipitations, etc.

Two innovation platforms to develop sustainable cultivation methods

Two collaborative platforms have been set up by the banana industry, IT^2 (Institut Technique Tropical) and the CIRAD..

- The first, based in Guadeloupe, is devoted to the breeding and selection of new varieties resistant to Sigatoka diseases. The latest varieties bred to be tested soon by several growers were reviewed at the meeting on 21June. New hybrid banana varieties (not GMOs) resistant to Black Sigatoka and developed by the CIRAD breeding programme are currently being evaluated and should in the medium to long term make it possible to do without any leaf spraying, and especially aerial spraying.
- The second platform in Martinique is focused on understanding ecological processes and taking them into account in crop management procedures to limit the use of chemical pesticides: planting healthy *in vitro* plantlets, crop rotations, trapping banana borer weevils, rational control methods, using cover crops, etc. These technical innovations and new cultural practices have made it possible to reduce pesticide spraying by nearly 50% since 2006 and hence already attain the objective of the 'Sustainable Banana Programme'. Among methods being evaluated and transferred to growers, those concerning the development of multi-species systems based on cover crops were presented.

Sources: UGPBAN, CIRAD, CEMAGREF

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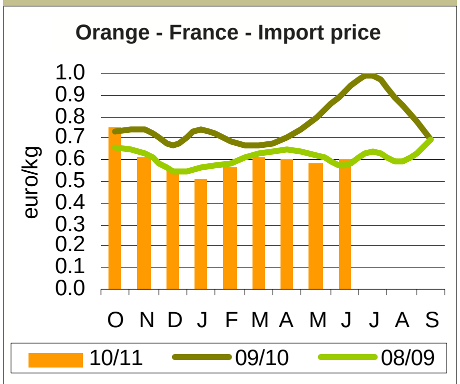
EUROPE — IMPORTED VOLUMES — JUNE 2011			
Origin	Comparison		
	May 2011	June 2010	cumulated total 2011 compared to 2010
French West Indies	↗	+ 16%	- 7%
Cameroon/Ghana	=↘	+ 6%	- 15%
Surinam	=	+ 29%	+ 3%
Canaries	↘	- 26%	- 13%
Dollar:			
Ecuador	↘	+ 7%	+ 20%
Colombia*	=↗	+ 13%	- 3%
Costa Rica	=↗	- 6%	- 4%

* total all destinations

Orange

June 2011

The market remained fairly difficult. Already sluggish, demand slowed further after the *E. coli* affair that hit consumption of fresh fruit and vegetables from Spain very hard. Thus the 'Navelate' season was prolonged, with volumes of often uneven quality available until mid-month. Sales of 'Valencia Late' continued to be very slow. Prices of 'Valencia' remained rock bottom at the import stage and even more so at production as large volumes were still available. Given these conditions, supply of 'Maroc Late' remained very small, especially as the approach of Ramadan tended to encourage the holding back of volumes for the domestic market. The first significant volumes of 'Navel' from South Africa were delivered at the end of the month.



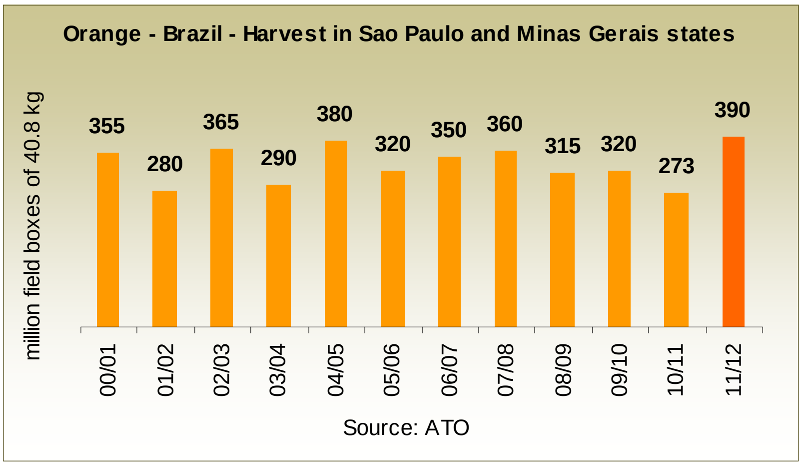
P R I C E	Type	Average monthly price euro/box 15 kg	Comparison with average for last 2 years
	Dessert oranges	9.00	- 23%
	Juice oranges	9.00	- 16%

V O L U M E S	Type	Comparison	
		previous month	average for last 2 years
	Dessert oranges	↘↘	+ 56%
	Juice oranges	↗	- 25%

■ Quiet return to a large orange harvest in Brazil. The prospect of a large 2011-12 harvest is becoming confirmed in Brazil. The forecast published by the Sao Paulo Agricultural Trade Office, like previous ones from FoodNews and Citrus BR, is for 390 million field boxes. This is more than 20% higher than the average of the last four years. The market reaction to this strong increase resulting from very favourable weather conditions during the key physiological stages has been calm. Prices of concentrated orange juice were very strong and firm at the beginning of July on both the spot market (about USD 2 650 per tonne CIF Rotterdam) and the futures market (nearly 200 cents per pound at the NYBOT). Why such calm when demand on the major world markets is somewhat stagnant and when we know that futures markets can overreact to the slightest announcement? First, stocks are extremely small, ranging from practically nothing in Brazil (4 000 t in comparison with 128 000 t at the end of the 2009-10 season) to about - 20% in Florida (supply for slightly more than 25 weeks in comparison with nearly

40). In addition, operators seem to have integrated the structurally downward trend in Floridian production and the reality of production costs, which have increased strongly especially because of greening. Finally, a Brazilian government announcement of regulation measures have perhaps also played a role. The state has undertaken to help processors to stock part of their production through the awarding of loans in order to smooth the volumes released on the market. In return, processors must undertake to pay producers a minimum price of USD 6.25 USD (BRL 10) per 40.8 kg box of oranges for which the finished product will benefit from these storage aid measures.

Sources: FoodNews, USDA

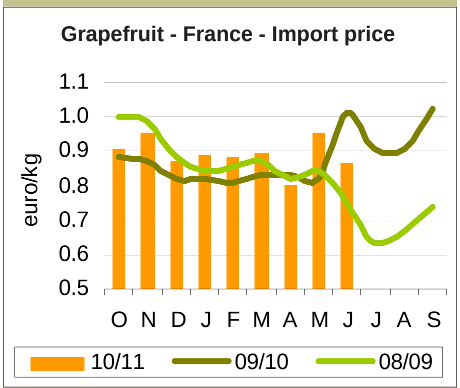


V O L U M E S	Varieties by source	Comparison		Observations	Cumulated total / cumulated average for last 2 years
		previous month	average for last 2 years		
	Valencia Late from Morocco	↘↘	- 30%	Even more marked concentration on the domestic market in the run-up to Ramadan. Very limited volumes for the EU for reasons of price.	- 25%
	Navelate from Spain	↘↘	+ 56%	Season prolonged and limited supply maintained during the first half of the month. Mainly large fruits of often uneven quality.	- 2%
	Navel from S. Africa	↗↗	- 12%	Somewhat slow and gradual start to the season. First significant quantities at the end of the month.	- 12%
	Valencia from Spain	↗	- 25%	Peak season but sales still very slow.	- 31%

Grapefruit

June 2011

The market worsened but remained fairly satisfactory. First, demand was slower than in preceding years both in Southern Europe (early peak in summer fruits) and Northern Europe (negative effect of the E. coli crisis on the consumption of all fresh produce). Supply also broadened. Argentina was still little present, with shipments concentrated mainly on the Eastern European market but EU arrivals from South Africa increased mainly because the Japanese market was very disappointing. Supply was completed at the beginning of the month by a few batches from Corsica and Spain. This context resulted in prices decreasing to average levels with the forming of stocks of sizes 50/55, very common in South African supply.



PRICE

Type	Average monthly price euro/box 17 kg box eq.	Comparison with average for last 2 years
Tropical	14.50-15.00	- 2%
Mediterranean	11.00-17.00	na

VOLUMES

Type	Comparison: previous month	Comparison: average for last 2 years
Tropical	↗	+ 16%
Mediterranean	↘↘	na

■ Australian exporters in Riverland victims of scale. It is a difficult season for orange growers in Riverland, a region where almost a quarter of the Australian crop is grown. An invasion of scales is causing the rejection of nearly 80% of the batches destined for India and especially for Japan, where Australian exports total 15 000 to 25 000 t per year. And as it never rains but it pours, prices are just as disastrous on the domestic market with the concentration of supply for lack of export outlets.

Source: Reefer Trends

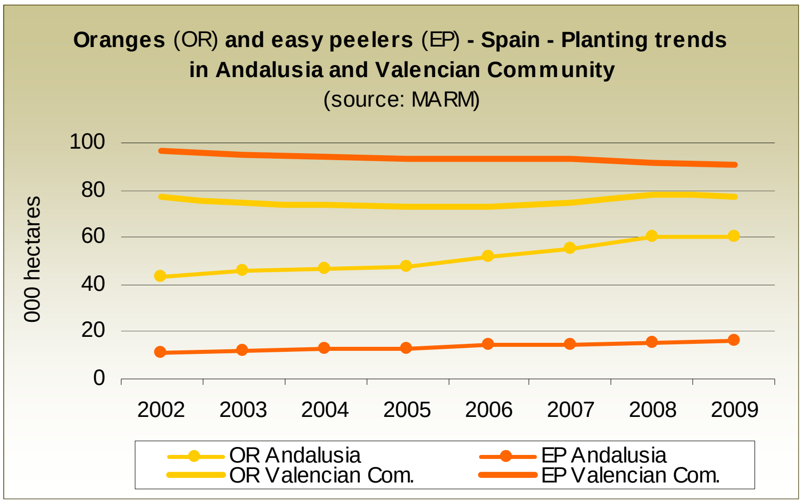
■ Andalusian citrus takes to the sea! The Dutch line MEL Shipping set up a regular service between Huelva and Rotterdam in early May, intended in particular for the transport of fresh produce. Shipping time is currently three and a half days but should soon be reduced to three when a second vessel is put into service. The starting of this line illustrates Andalusia's increasing horticultural export potential. The area under easy

peelers and oranges alone increased by nearly 20 000 ha from 2003 to 2009 whereas the trend in the Community of Valencia is more for grubbing up.

Sources: Reefer Trends, CIRAD

■ Renaissance of the garden of the Hesperides. Burriana, a town in the province of Castellon in Spain, is to increase its efforts to improve public awareness of citrus growing. The town already has an orange route and a museum (*Museu de la Taronja*) and is soon to establish a collection of more than 80 citrus varieties. This will be open to the public. Forgotten orange varieties will have a good place there.

Source: ATC



VOLUMES

Source	Comparison: previous month	Comparison: average for last 2 years	Observations	Cumulated total / cumulated average for last 2 years
Argentina	↗	- 13%	Peak in supply but at a level distinctly lower than average.	- 40%
South Africa	↗	+ 19%	Average overall exports but focused on the EU and Russia at the expense of Japan where demand was very slow.	+ 4%

Sea freight

June 2011

The lack of tonnage for Spot fixtures at the start of the month indicated that enough had been done to mitigate the impact of the onset of the ‘off-season’, when demand for capacity dips. Operators were confident that sufficient vessels had been repositioned for the southern hemisphere citrus trades, New Zealand kiwifruit business or into demolition or lay-up.

By mid-month this optimism had faded, largely because Med banana traders had throttled back on procurement in Ecuador as prices in banana markets from Algeria to Odessa via Mersin crashed, halving in value in less than a week. With little support from poultry charterers the charter market eased and then fell back to historical norms by the end of the month.

With the fuel price remaining at close to a 40% premium over last year operators of vintage units could not afford to keep their vessels trading at rates charterers can confidently demand, given the disequilibrium in supply over demand. With the container lines muscling into the Med banana business and the price of oil likely to stay high, it is hard to forecast anything other than a reduction in chartering activity and therefore a gradual squeezing of owners of older tonnage.

By the end of June operators were braced for a difficult summer. The hostile trading environment should encourage significantly more demolition this year: by early July 20 reefers had been confirmed scrapped with a further 13-15 earmarked for the beaches of the Indian subcontinent. Whether this will be enough to underpin a rates revival and greater confidence in the sector next year remains to be seen.

REEFER

MONTHLY SPOT AVERAGE

US$cents/cubic foot x 30 days	Large reefers	Small reefers
June 2011	35	43
June 2010	38	47
June 2009	27	47

The European litchi market in June. This market remained fairly small in June with strong pressure from seasonal fruits that considerably reduced the scope for litchi sales. Regular shipments from Thailand by air continued but only small quantities were involved. The price of Thai litchis was fairly stable throughout the month at around EUR 7.50-7.75 per kg in the Netherlands, the main reception country for fruits from this source. A few batches of Thai litchis (fresh on the branch or loose) were sold on the French market at the end of the month at EUR 7.50 per kg. Occasional sales of high-quality fruits were concluded at up to EUR 10.00 per kg. Meanwhile, shipments from Mexico, that had started at the end of May, gained momentum. The price of these fruits varied according to the destination market and the week, with greater fluctuation in the quality of these frequently small fruits with variable taste qualities. Prices recorded on the Belgian market were from EUR 3.50 to 5.00 per kg. The first batches sold on the Dutch market fetched about EUR 6.25 per kg in the third week in June, falling to EUR 5.50-5.75 per kg in subsequent weeks. The price of Mexican litchis settled at around EUR 4.00 per kg on the French market at the end of the month.

Source: Pierre Gerbaud

Prognosfruit 2011 in Ljubljana (Slovenia) from 4 to 6 August. The WAPA (World Apple and Pear Association) conference is an opportunity to review forecasts for the coming pip fruit season. Various lectures are scheduled: the apple juice market, energy optimisation during fruit storage, the Slovenian and Balkan fruit industry, guidelines of the Polish presidency of the EU.

Website: www.prognosfruit.eu

Source: WAPA

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