

FR*ui*TROP

English edition

Close-up

AVOCADO

European apples and pears
Prospects for 2011: good potential in
apples, large potential in pears

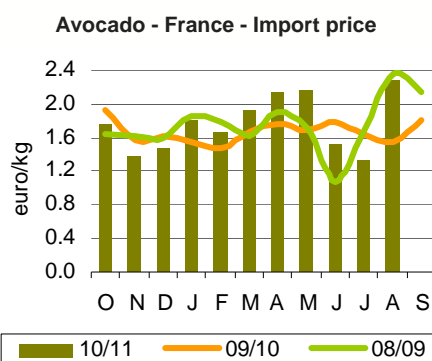
The banana world is in turmoil. The
intensity of the practically traditional
summer crisis has been rarely equalled

<http://passionfruit.cirad.fr>

Avocado

July/august 2011

The 'Hass' market remained over-supplied and extremely difficult in the first two weeks of July as a result of very substantial stock carry-over from June and continued very large arrivals from Peru. Prices hit the bottom at EUR 4 per box for large fruits. The market started to pick up again in mid-July when arrivals dipped to below average. The South African season came to an early end (small harvest), Kenyan exporters limited their shipments and, above all, the avalanche of Peruvian fruits pouring on to the EU market ceased when the US market opened to this produce. Prices began to recover and reached a satisfactory level in mid-August and were even exceptional at the end of the month. The market for green varieties was fairly lightly supplied and followed the pattern of that of 'Hass'.



| PRICE | Varieties | Average monthly price euro/box | Comparison with the last 2 years |
|-------|-----------|--------------------------------|----------------------------------|
| | | | |
| | Green | 6.00-8.00 | - 1% |
| | Hass | 5.50-9.00 | 0% |

| VOLUMES | Varieties | Comparison | |
|---------|-----------|----------------|----------------------|
| | | previous month | last 2 years average |
| | Green | ↘↘ | - 39% |
| | Hass | =↘ | + 3% |

| VOLUMES | Source | Comparison | | Observations | Cumulated total / cumulated average for last 2 years |
|---------|--------------|----------------|--------------------------|---|--|
| | | previous month | average for last 2 years | | |
| | Peru | ↗↗ | + 42% | Very large volumes of 'Hass' at the beginning of July and then a decrease until the end of August but still distinctly larger than average. | + 13% |
| | South Africa | ↘↘ | - 42% | Supply very short in both 'Hass' and green varieties from mid-July. | - 36% |
| | Kenya | =↘ | - 24% | Shipments consisted mainly of 'Hass' and were very moderate from mid-July to mid-August. | - 2% |

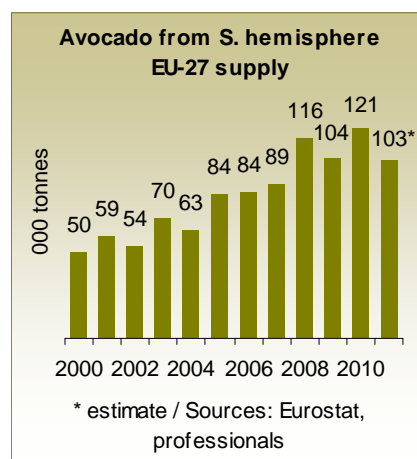


■ J.L. Obregon leaves the Hass Avocado Board. José Luis Obregon has decided to leave the management of the Hass Avocado Board to take the reins of IPR

Fresh, an Arizona-based company that belongs to his brothers. During his six years of managing the avocado promotion unit in the United States, consumption of the fruit has increased from 350 000 t to 600 000 t. A fine performance...

Source: CIRAD

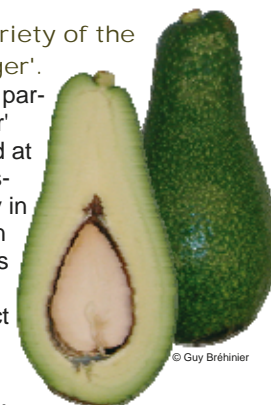
■ The first review of the performance of avocado in summer 2011: ups and downs... Our market news service figures show that the volume sold in the European Union by



southern hemisphere sources was some 100 000 t, about 20% less than in the preceding season. Nevertheless, Peruvian exports to Europe reached a record level of probably more than 60 000 t as the authorisation to export avocados without disinfestation treatment to the US market was awarded only at the end of July. But arrivals from South Africa were particularly limited because of production losses caused by hail and an attractive domestic market. Volumes from Kenya held at an average level. From the financial point of view, the average price for the season increased by 7% in comparison with the previous year, with good market performance at the beginning of the season and especially in August making up for the serious dip in June.

Source: CIRAD

■ Avocado variety of the month: 'Ettinger'. With 'Fuerte' as parent, the 'Ettinger' variety was bred at Kefar Malal in Israel, the country in which it is grown most. The tree is fertile, vigorous and has an erect habit. The fruits are similar to those of 'Fuerte'. The skin is subject to corky patches and tends to adhere to the pulp. The latter is soft, melting and fibre-free, with good organoleptic qualities.



Source: CIRAD

| Avocado — European market supply by southern hemisphere main origins | | | | | |
|--|---------------|----------------|----------------|----------------|----------------|
| tonnes | 2007 | 2008 | 2009 | 2010 | 2011* |
| Austral Africa* | 38 445 | 51 109 | 38 821 | 47 800 | 28 000 |
| Peru | 35 857 | 49 829 | 45 661 | 56 345 | 60 000 |
| Kenya | 11 999 | 11 841 | 15 038 | 14 123 | 12 000 |
| Total | 89 457 | 115 539 | 104 301 | 120 933 | 102 600 |

* estimate / Sources: customs, professionals

Pineapple

July/August 2011

In July, the strong decrease in the supply of 'Sweet' from Costa Rica set up a dual system on the pineapple market. Indeed, as supply decreased, prices recovered distinctly. However, the poor quality of certain batches and the more difficult shifting of fruits stored at the end of June also resulted in sales at prices well short of those mentioned below. The strong rise in prices resulted above all from market under-supply rather than from dynamic demand.

The price trend remained good in August in spite of the holidays as the supply of 'Sweet' was much smaller than demand. Prices soon reached very high levels, causing a decrease in demand and the slowing of sales. Although the prices of large fruits (few available) remained firm, those of small fruits started to lose ground. Operators considered that such prices had not been seen since 2003! Prices often exceeded EUR 13 per box and even EUR 16 per box for a major brand.

Arrivals of 'Smooth Cayenne' practically stopped in July and August. The batches of fairly mediocre quality fruits received only made their appearance at the end of August when prices were falling.

The situation was fairly good for air pineapple. Operators reduced their supplies considerably as demand was more focused on the season's fruits. This made it possible to keep prices stable and sales fairly fluid throughout the period. Sales were more difficult for little sought-after 'Sugarloaf' pineapples. In spite of very small supply, their prices fell steadily before stabilising at between EUR 1.80 and EUR 1.90 from mid-July to the end of August.

As every year, the situation was tense for 'Victoria'. The availability of inexpensive seasonal fruits is never beneficial for trade in small exotics. Operators strongly reduced their supplies to adapt to the weak demand. However, in spite of small sales and demand, prices remained fairly stable throughout the summer.

Litchi

July/August 2011

European litchi supply was modest overall during the summer. In July, small quantities of fruits from Thailand, Vietnam and Mexico sold with difficulty as the prices were high and demand was limited to a fringe of retailers specialised in high-quality exotics. Thailand shipped mainly large fruits like 'Emperor' and 'Chakrapad' by air, in contrast with previous years when shipments had been by sea. Vietnam started its shipments with a smaller, round variety. Mexico finished its season with litchis shipped by sea, mainly to the Belgian market.

A few batches of litchi from Morocco were seen on the French market at the end of July. These first shipments mark the entry of Morocco into the summer litchi supply group. Quantities are still small but could increase in the coming years. Moroccan fruits are round and untreated, and sold destemmed in 500-g film-covered punnets. The wholesale asking price was around EUR 5.00 per

kg. Sales were difficult for lack of demand but also because the fruits did not keep for long.

Shipments from the Asian countries and Central America ceased in the second half of July when the Israeli export season began. This source took over until the end of August with the variety 'Mauritius' sold at decreasing prices. As demand for litchi is marginal at this time of year, European consignees had difficulty in shifting the quantities available. In parallel with 'Mauritius', Israel also shipped small quantities of the variety 'No Maï Chi' which has hardly any stone. The small quantities of the latter fetched higher prices (about EUR 2.00 per kg more).



© Guy Bréhier

LICHI — IMPORT PRICE IN EUROPE — euro/kg

| Weeks 2011 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 |
|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Belgium | | | | | | | | | |
| Mexico | 4.00-4.50 | 4.00-4.50 | 4.00 | - | - | - | - | - | - |
| Israel | - | - | 3.50-3.75 | 4.50-5.00 | 4.50-5.00 | 4.50-5.00 | 3.25-3.50 | 3.25-3.50 | 3.50-4.00 |
| Netherlands | | | | | | | | | |
| Thailand | - | - | 6.50 | - | - | - | - | - | - |
| Vietnam | 8.00 | 8.00 | 6.50 | - | - | - | - | - | - |
| Israel | - | 5.50-6.00 | 5.00 | 4.50 | 3.50-5.00 | 4.00-5.00 | 3.25-3.50 | 3.10-3.75 | 3.00-3.50 |
| France | | | | | | | | | |
| Thailand | 7.50-8.00 | 7.50-8.00 | 7.50-8.00 | - | - | - | - | - | - |
| Israel | - | - | - | - | 3.00 | 3.25 | 3.50-3.70 | 3.50-3.70 | - |

PINEAPPLE — IMPORT PRICE IN FRANCE — MAIN ORIGINS

| Weeks 2011 | | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 |
|-------------------|---------------|-----------|------------|-------------|------------|-------------|-------------|------------|------------|------------|
| By air (euro/kg) | | | | | | | | | | |
| Smooth Cayenne | Benin | 1.80-1.90 | 1.85-1.90 | 1.80-1.85 | 1.80-1.85 | 1.80-1.90 | 1.85-1.90 | 1.85-1.90 | 1.85-1.90 | 1.85-1.90 |
| | Cameroon | 1.80-1.90 | 1.85-1.90 | 1.80-1.90 | 1.80-1.90 | 1.80-1.90 | 1.85-1.90 | 1.85-1.90 | 1.85-1.90 | 1.85-1.90 |
| | Ghana | 1.75-1.85 | 1.85 | 1.80 | 1.80 | 1.80-1.85 | 1.80-1.90 | 1.80-1.90 | 1.80-1.90 | 1.80-1.90 |
| Victoria | Réunion | 3.30-3.50 | 3.00-3.50 | - | 3.80-4.00 | 3.30-3.60 | 3.00-3.60 | 3.00-3.60 | 3.00-3.60 | 3.00-3.50 |
| | Mauritius | 3.00-3.30 | 2.90-3.30 | 2.90-3.30 | 2.90-3.30 | 2.90-3.00 | 2.90-3.00 | 2.90-3.30 | 3.00-3.30 | 3.00-3.30 |
| By sea (euro/box) | | | | | | | | | | |
| Smooth Cayenne | Côte d'Ivoire | 4.00-5.50 | - | - | - | - | - | - | - | 6.00-8.50 |
| Sweet | Côte d'Ivoire | 4.50-7.00 | 8.00-8.50 | 9.00-12.00 | 7.50-13.00 | 8.00-14.00 | 8.00-14.00 | 7.00-14.00 | 7.00-12.50 | 7.00-11.00 |
| | Cameroon | 4.50-7.00 | 8.00-8.50 | 9.00-12.00 | 7.50-13.00 | 8.00-14.00 | 8.00-14.00 | 7.00-14.00 | 7.00-12.50 | 7.00-11.00 |
| | Ghana | 4.50-7.00 | 8.00-8.50 | 9.00-12.00 | 7.50-13.00 | 8.00-14.00 | 8.00-14.00 | 7.00-14.00 | 7.00-12.50 | 7.00-11.00 |
| | Costa Rica | 5.00-5.50 | 8.00-10.00 | 10.00-11.00 | 9.00-13.00 | 10.00-14.00 | 10.00-14.00 | 9.00-13.00 | 7.50-11.00 | 7.00-10.00 |
| | | | | | | | | | | |

Banana

July/August 2011

The summer was still very difficult for banana after a catastrophic June. On the one hand, demand remained particularly small throughout Europe as seasonal fruits were very present (earliness, the telescoping of crops in several production regions, large harvests) and poor weather in July. On the other, arrivals of dollar bananas were larger than normal for the season in spite of a distinct decrease in July and then in August. Costa Rica kept shipments at a moderate level (allocation favourable to the US market) and arrivals from Colombia were close to average in spite of a seasonal increase in production. However, the quantities arriving from Ecuador remained larger than normal (allocation favourable to the EU, Russian and Mediterranean markets). In addition, the production peak in the French West Indies continued until August. Only supply from Africa was short, especially in July. Thus the strong degradation of the market after the avalanche of shipments in June continued and the EUR 10 per box level was not exceeded throughout this period in France, Italy and Northern Europe. The market in Spain held because of the limited supply of Canary Island bananas but in July succumbed to the inflow of bananas shipped from other European countries. The collapse of the Russian market became worse in July and extreme in August with a record price of USD 6 per box (32% down on the 3-year average).



■ The banana world is in turmoil. The intensity of the practically traditional summer crisis has been rarely equalled. The reference price in Germany calculated by CIRAD (second and third brands) was some 3 euros per box lower than in 2009 and 2010 in June, July and August and even fell below 10 euros per box for two weeks, a unique event. There was unofficial talk of transactions at less than 7 euros. All operators hope that the bad period that started in Week 20 will come to an end so that they can recover!

This year there have been few good fairies but many bad witches in the world banana trade. The upsets and wars in some Arab Mediterranean countries made banana deliveries uncertain there and so large volumes were re-routed to the European markets. The *E. coli* period and the incredible but dramatic business of cucumbers and then germinated seeds disturbed consumers, who no longer went near fruit and vegetable departments in shops. The summer fruit harvest started extremely early and production started again in all sources during periods in which banana is far from being the fruit most sought-after by consumers. In short if operators feared a 2006 style summer, nothing happened to change their forecasts. Sales figures for the summer will not be released until the end of October and only the first half-year figures are available today. However, they clearly reveal a very satisfactory first quarter in terms of tonnages sold and a second quarter with a substantial surplus, especially in dollar bananas and spot dollar bananas that were shipped mainly

from Ecuador. With no established traders to release them, these fruits disturbed a very fragile market. And Ecuador turned to Europe because it had to avoid the USA. In mid-year, it had reduced US operations by 4% (- 24 000 tonnes) and shifted the surplus to Europe: + 8%, that is to say 58 000 tonnes more. In this very degraded context, the United States seemed like island of peace and quiet. At the end of August the spot prices there were nearly 9% higher than in 2010. When the exchange rate is allowed for, this means that the US price had even risen by EUR 0.5 per box.

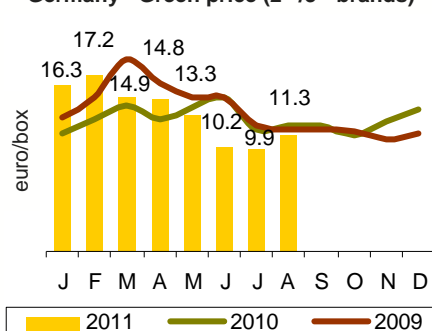
With the exception of the United States, the world market is in a state of crisis and producers are now asking their traders for explanations. The Ecuadorean authorities have declared a state of emergency for bananas, Colombia is calling agreements with workers into question and European producers are shell-shocked. Even the protective effects of the very favourable EUR:USD exchange rate are not enough to ensure decent returns for dollar banana producers. One cannot but link this crisis to the promises of a better banana world made by the fervent supporters of the deregulation of the European market. They are now the first to face their producers. They are now inventing, as in Ecuador, purchasing/withdrawal systems and export subsidies for shipments to neighbouring countries like Cuba and Venezuela. But in fact they seem to be reinventing the market management instruments condemned by the WTO in the sacred name of competition. Dispatched summarily a few years ago, the CAP and the CMO of bananas must be turning in their graves!

Source: CIRAD

ALLEMAGNE — GREEN PRICE

| July/August 2011 euro/box | Comparison | |
|------------------------------|----------------|--------------------------|
| | previous month | average for last 2 years |
| 11.00 | + 12% | - 9% |

Germany - Green price (2nd/3rd brands)

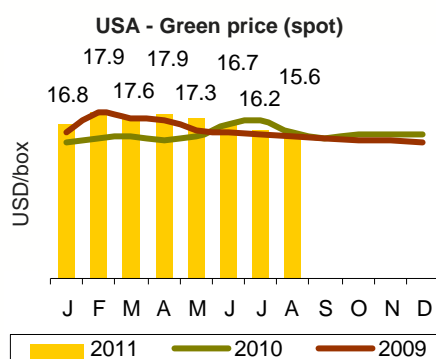


EUROPE — RETAIL PRICE

| Country | type | August 2011 | | Comparison | |
|-----------|---------------|-------------|-----------|------------|--------------------------|
| | | euro/kg | July 2011 | July 2011 | average for last 3 years |
| France | normal | 1.46 | 0% | - 1% | - 1% |
| | special offer | 1.03 | - 21% | - 23% | - 23% |
| Germany | normal | 1.08 | 0% | - 3% | - 3% |
| | discount | 0.96 | + 2% | + 3% | + 3% |
| UK (£/kg) | packed | 1.25 | + 2% | + 7% | + 7% |
| | loose | 0.70 | - 2% | - 17% | - 17% |
| Spain | plátano | 1.88 | - 10% | + 10% | + 10% |
| | banano | 1.28 | - 2% | - 12% | - 12% |

Banana

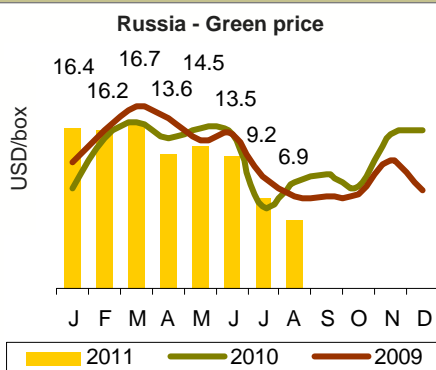
UNITED STATES



USA — IMPORT PRICE

| July/August 2011 USD/box | Comparison | |
|-----------------------------|----------------|--------------------------|
| | previous month | average for last 2 years |
| 15.60 | - 3% | 0% |

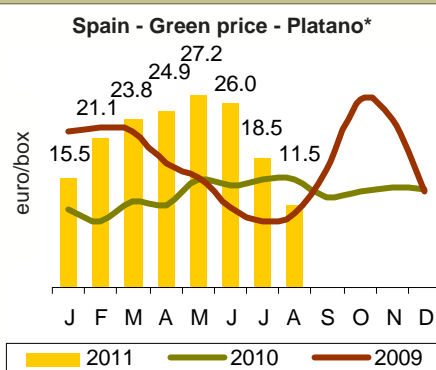
RUSSIA



RUSSIA — IMPORT PRICE

| July/August 2011 USD/box | Comparison | |
|-----------------------------|----------------|--------------------------|
| | previous month | average for last 2 years |
| 6.90 | - 25% | - 32% |

CANARIES



CANARIES — IMPORT PRICE*

| July/August 2011 euro/box | Comparison | |
|------------------------------|----------------|--------------------------|
| | previous month | average for last 2 years |
| 11.50 | - 38% | - 11% |

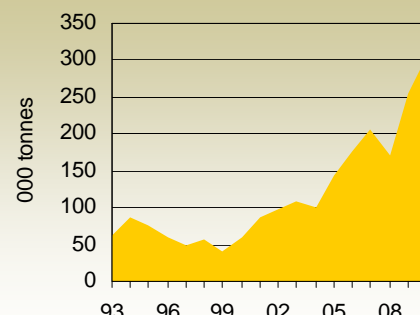
* 18.5 kg box equivalent

■ Black Sigatoka is reducing banana export potential in the Dominican Republic. What excellent news for the world banana market! However shocking this may seem, in the light of the summer banana situation it is one of the rare pieces of good news that might indicate that European market supply might decrease a little. Hurricane Irene is not involved as, before terrorising New Yorkers, its path was well away from the Dominican production region in the north-west of the country. It is worse than that: Black Sigatoka or Black Leaf Streak, a fungal disease of banana. Even if the missing volumes will be no more than symbolic—not for the Dominican Republic but for the world banana market—news of any occurrence that might reduce supply is good news. There is nothing original in this. During the rainy season last year part of production was left on the plants because of high levels of contamination by the fungus, because of plants defoliated too much (after destruction by the disease and also because of cleaning techniques) and the resulting



© Claire Guillemet

Banana - Dominican Republic EU imports



Source: Eurostat

physiological disorders such as ripe on arrival. It is difficult to give figures but there has been talk of 30% of the area under banana partially or totally at a standstill until December.

In fact, the new and very worrying feature this year is the demonstration of the resistance of the fungus to the systemic fungicides used in plantations, whereas the climatic conditions (dry zone with irrigation) are ideal for rational control that make it possible to ensure optimum effectiveness of the fungicides available and to reduce the number of aerial spraying operations, currently running at 10 to 15 per year.

These incidents should not affect the 'success story' of this source of supply, at least in the short term. The Dominican Republic has doubled its banana exports to the EU in five years, reaching 304 000 tonnes in 2010, making it the EU's leading ACP supplier ahead of Côte d'Ivoire (244 000 t) and Cameroon (243 000 t).

Source: CIRAD

EUROPE — IMPORTED VOLUMES — AUGUST 2011

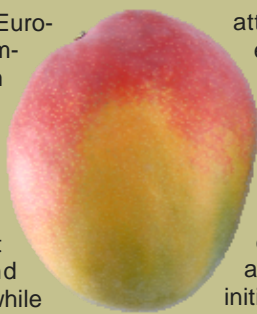
| Origin | Comparison | | |
|--------------------|------------|-------------|---------------------------------------|
| | July 2011 | August 2010 | cumulated total 2011 compared to 2010 |
| French West Indies | =↗ | + 47% | + 5% |
| Cameroon/Ghana | ↗ | - 13% | - 15% |
| Surinam | ↘ | - 20% | + 15% |
| Canaries | =↗ | - 17% | - 13% |
| Dollar: | | | |
| Ecuador | =↗ | + 14% | + 19% |
| Colombia* | ↗ | - 4% | - 3% |
| Costa Rica | ↘ | - 9% | + 1% |

Estimated thanks to professional sources / * total all destinations

Mango

July/August 2011

Mango shipments to the European market were fairly limited in July. Fruits from Brazil and Puerto Rico formed the core of supply. The season came to an end in the Dominican Republic in the first half of the month and the last shipments from Mali and Burkina Faso were sold while volumes from Senegal and Mexico increased gradually. The two latter countries offered an alternative to the other sources by shipping Kent. The generally limited quantities matched sluggish demand resulting from the holiday period and weather conditions that did not encourage the consumption of tropical fruits. In addition, abundant seasonal fruits often available at more



attractive prices did nothing to encourage mango sales.

Shipments by air from Mali and Burkina Faso ended in the first half of July. Prices remained firm as batches were small. Meanwhile, the export seasons in Senegal and Mexico started at initially higher prices that weakened in the second half of the month as arrivals became more substantial, fruit quality was uneven (colour and ripeness) and demand decreased.

European market supply in August consisted mainly of 'Tommy Atkins' and 'Keitt' from Bra-

zil and Puerto Rico on the one hand and 'Kent' from Senegal and Mexico on the other. Deliveries from the two latter sources gradually dwindled, causing an increase in prices in the second half of the month when demand picked up. The prices mentioned do not allow for fruits rejected for reasons of quality (serious spread on fungal diseases on 'Kent'). The Israeli season was very late and this also helped to keep prices firm as the volumes released were markedly limited. The Spanish export season started in mid-month with the variety 'Osteen'. Prices were high for the first sales and then gradually lost ground until the end of the month. Prices varied considerably, in particular for reasons of uneven fruit ripeness.



The air mango market deteriorated distinctly at the beginning of August. The lack of reliability of the quality of fruits from Senegal and Mexico (fungal diseases and overripeness) resulted in purchasers switching to more affordable seasonal fruits. In the second half of the month, the increase in shipments from Israel took over from the last batches from Senegal and Mexico. Prices rose a little again.

MANGO — ARRIVALS (ESTIMATES) — Tonnes

| Weeks 2011 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 |
|------------|-----|-----|-----|-----|-----|-----|-----|-----|------|
| By air | | | | | | | | | |
| Mali | 10 | 10 | - | - | - | - | - | - | - |
| Senegal | 20 | 15 | 15 | 10 | 10 | 10 | - | - | - |
| Mexico | 40 | 40 | 50 | 30 | 10 | 10 | - | - | - |
| Israel | - | - | - | - | 20 | 15 | 10 | 15 | 20 |
| By sea | | | | | | | | | |
| Brazil | 900 | 730 | 700 | 900 | 750 | 920 | 680 | 950 | 1080 |
| Senegal | 220 | 220 | 220 | 220 | 220 | 110 | - | - | - |

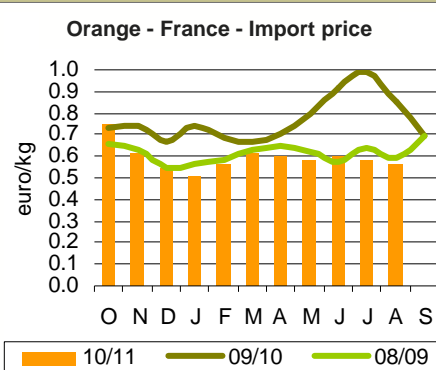
MANGO — IMPORT PRICE ON THE FRENCH MARKET — Euro

| Weeks 2011 | | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 |
|---------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|------------|-----------|
| By air (kg) | | | | | | | | | | |
| Mali | Kent | 3.50-4.00 | 3.20-3.30 | - | - | - | - | - | - | - |
| Burkina Faso | Kent | 3.00-3.50 | 3.50-3.80 | - | - | - | - | - | - | - |
| Mexico | Kent | 4.00-4.50 | 4.00-4.50 | 3.50-4.30 | 3.50-4.00 | 3.00-3.50 | 3.00-3.50 | - | - | - |
| Senegal | Kent | 3.80-4.00 | 3.80-4.00 | 3.50-4.00 | 3.00-3.50 | 2.50-3.00 | 2.50-3.00 | - | - | - |
| Israel | Kent | - | - | - | - | - | - | - | 3.50-4.00 | 3.50-3.80 |
| Israel | Maya | - | - | - | - | - | - | 3.00-4.00 | 3.20-4.00 | 3.50-3.80 |
| Israel | Shelly | - | - | - | - | 2.50-3.50 | 2.50-3.50 | - | - | - |
| Israel | Kasturi | - | - | - | - | - | - | 3.30-4.00 | - | 3.00-3.50 |
| By sea (box) | | | | | | | | | | |
| Brazil | T. Atkins | - | 4.00-4.50 | 4.00-4.50 | 3.50-5.00 | 3.75-4.25 | 3.50-4.00 | 3.75-4.50 | 5.00 | 5.00-5.50 |
| Côte d'Ivoire | Kent/Keitt | 1.50-4.00 | - | - | - | - | - | - | - | - |
| Mali | Kent/Keitt | 4.50-5.00 | 4.50-5.00 | 4.50-5.00 | 4.00 | - | - | - | - | - |
| Mexico | Kent | - | - | 4.50-5.50 | 4.50-5.50 | 4.50-5.00 | 5.00-5.50 | 4.50-6.00 | 5.00-5.50 | 5.00 |
| Senegal | Kent | 4.50-5.00 | 4.50-5.00 | 4.50 | 4.00-5.00 | 4.40-4.80 | 4.50-5.50 | 4.50-5.50 | 5.00-5.50 | 5.00-5.50 |
| Dom. Rep. | Keitt | 3.50-5.00 | 5.00 | 4.50-5.00 | 5.00 | 4.50-5.00 | - | - | - | - |
| Puerto Rico | Keitt | 4.00-5.00 | 4.00-4.50 | 4.00-5.00 | 4.50-5.00 | 4.50 | 4.00-4.50 | 4.50-5.25 | 5.00-5.50 | 5.00-5.50 |
| By road (box) | | | | | | | | | | |
| Spain | Osteen | - | - | - | - | - | - | 10.00-13.00 | 9.00-10.00 | 7.00-9.00 |

Orange

July/August 2011

The market remained difficult for most of the period. The Spanish 'Valencia' season was prolonged, narrowing the sales window for southern hemisphere fruits. Even though volumes were limited, the South African 'Navel' season was very difficult, especially on the Southern European markets. The atmosphere remained very competitive when the southern hemisphere 'Valencia' season started. Prices hit the bottom right at the start of the season even though volumes were moderate from both South Africa and Argentina. A market upswing started in mid-August with the end of the last large volumes from Spain and slight recovery of demand. Prices recovered, returning to an average level at the end of August.



■ Production of easy peelers and oranges in Spain back to below average. Production of these two leading categories of fruit is forecast to dip below average in 2011-12 after the substantial 2010-2011 season. Preliminary estimates that remain to be confirmed indicate an overall decrease of about 10% in easy peelers and oranges. The decrease should be distinctly greater in hybrids than in clementines and greater in 'Naveline'/'Navel' than in 'Valencia'.

Source: CIRAD

■ Larger orange harvest in Florida but all is quiet on the concentrated juice market... After Brazil in June (Fruitrop 191), it is Florida's turn to forecast a larger orange crop than last season. Estimates by Louis Dreyfus Citrus and the Elisabeth Steger bureau indicate production of 142 to 146 million boxes against 139 million in 2010-11 (2 to 5% up on last season but still 3 to 6% lower than the average for the last four years). Thus the cumulated performance of the two players that control most of the world market—the Sao Paulo region and Florida—should return to close to the 530 million boxes of 2007-08 after three seasons of 410 to 480 million boxes. However, the price of concentrate

which was still high at some USD 2 650 to 2 750 per tonne in mid-September should not fall much. Brazilian stocks are at their lowest in 20 years (214 000 t at the end of June 2011 against 249 000 t in 2010 and 440 000 to 460 000 t in 2008 and 2009). Ratios are also low at the moment in Brazil. Finally, Brazilian producer prices should not change much, remaining high because of the minimum price of USD 6.20 for a proportion of the fruits delivered for processing and a brisk domestic market.

Sources: FoodNews, USDA, CIRAD

■ ...and small harvests expected in California and Texas. In contrast with Florida, production is to decrease in the other US producer states. In California, the harvest of 'Navel' orange, a variety sold mainly fresh on the domestic or export markets, should be about 44 million boxes, down from 48 million in 2010-11 (- 8% and - 3% respectively in comparison with the 4-year average). Drought and above all frost in February should result in a drop in production of the same scale as that in Texas, a source that plays an important role in supplying the domestic market with fresh grapefruit.

Sources: USDA, Texas AM

| PRICE | Type | Average monthly price euro/box 15 kg | Comparison with average for last 2 years |
|-------|-----------------|---|--|
| | | | |
| | Dessert oranges | 10.00-11.25 | - 14% |
| | Juice oranges | 10.50-11.70 | - 7% |

| VOLUMES | Type | Comparison | |
|---------|-----------------|----------------|--------------------------|
| | | previous month | average for last 2 years |
| | Dessert oranges | ↗ | - 12% |
| | Juice oranges | ↗ | - 16% |

| VOLUMES | Varieties by source | Comparison | | Observations | Cumulated total / cumulated average for last 2 years |
|---------|-------------------------|----------------|--------------------------|--|--|
| | | previous month | average for last 2 years | | |
| | Valencia from Argentina | ↗↗↗ | - 7% | Volumes distinctly smaller than average because of the market conditions at the beginning of the period . | - 5% |
| | Valencia from S. Africa | ↗↗↗ | - 20% | Full season but limited volumes because of production losses and a saturated European market at the beginning of the season. | - 28% |
| | Navel from S. Africa | ↗ | - 12% | Continued moderate arrivals, especially in August. | - 13% |
| | Valencia from Spain | ↘ | + 74% | Seasonal decline but supply was distinctly greater than average. | - 19% |

