

February 2014 - No. 219

# FRUITROP

English edition

## Close-up Southern Hemisphere Apples and pears

**Counter-season  
melon**

**Rekindling  
the fire!**

**Monthly  
reviews**

**Citrus  
and exotics**



[www.fruitrop.com](http://www.fruitrop.com)

## Banana

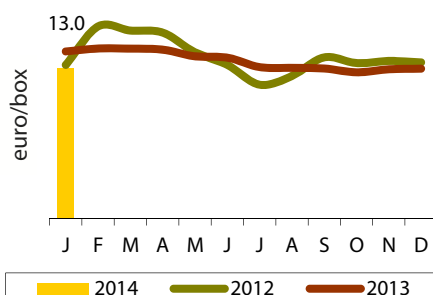
### January 2014

The banana had a disappointing start to the year. Poor conditions at sea caused successive shipping delays, affecting the regularity of the supply. Imports from Africa and the French West Indies remained stable from December, and still 10 % above average. On the other hand, the dollar banana supply continued its rise which had started at the end of 2013: Colombian volumes were slightly short, but Ecuadorian volumes rose to very high levels compared to the shortfalls of the past few years. Costa Rican imports were also up. These quantities were supplemented by stocks built up during the holidays. Sales in Northern Europe were highly dynamic, better than in previous years; while sales to Eastern Europe exhibited a good level thanks to mild temperatures for the season. However, Southern Europe restarted more slowly due to the holidays until week 2 in both Spain and Italy. In addition, there was very high pressure from competing fruits (citruses and apples in high quantities and at low prices). Highly competitive promotions at the yellow and retail stages revitalised sales on the French market, which recovered a better balance toward week 3. In this context, there was no improvement on the early season rates, since the pressure by promotions on green banana prices was high. Rates remained stable from December, and below average. In Germany, contracts with the supermarket sector for Q1 2014 remained unchanged from the end of 2013. In Russia, the market was more difficult due to large incoming shipments from Ecuador, and the Orthodox New Year festivities extending until mid-January.

#### NORTHERN EUROPE — IMPORT PRICE

January 2014 euro/box	Comparison	
	previous month	average for last 2 years
13.00	0 %	- 6 %

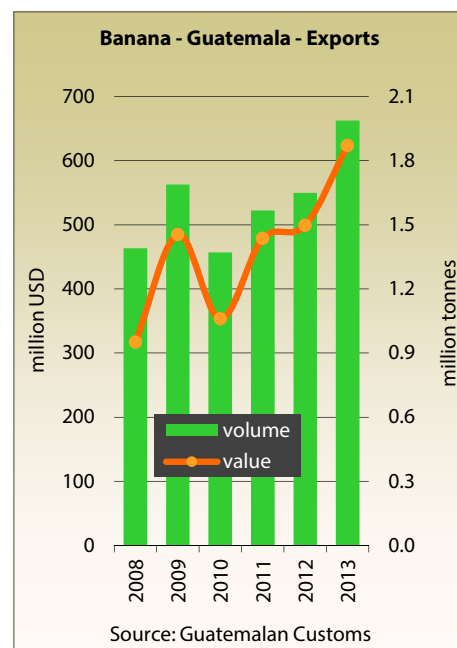
#### Germany - Green price (2<sup>nd</sup>/3<sup>rd</sup> brands)



#### ■ Guatemala rocks the ranking of the world's main banana exporters.

In 2013, Guatemalan banana exports exceeded the 2 million-tonne mark! Up more than 20 % from 2012, this figure should put Guatemala in the world number 3 exporter position, behind Ecuador and the Philippines. Guatemala sends nearly all of its volumes to the US market, providing approximately one-third of its supply, making it the leading supplier.

Source: Reefer Trends

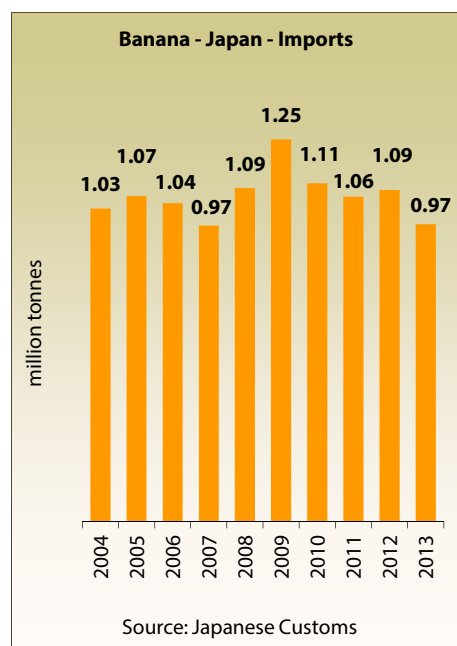


Source: Guatemalan Customs

#### ■ Japan: not a happy banana market.

The economic crisis, which certain analysts are not hesitating to dub a "coma", so prolonged and severe has it proven, is not without consequences on fruit imports. Hence the collapse of the yen in 2013, which lost more than 25 % of its value against the dollar between January and December, did not fix things. The banana, the country's number one import fruit in terms of volumes, has borne the cost. With barely more than 974 000 t, shipments are down and are even for the first time shifting from the practically constant level of 1.1 to 1.2 million tonnes, in place since 2008. Besides the fall in volume, this market is also tending to lose its image of qualitative excellence. The grapefruit is a good example of this: cosmetic standards have been revised downward, and very big fruits, which made up most of the supply, are increasingly tending to be replaced by medium sizes.

Sources: Reefer Trends, Japanese Customs



Source: Japanese Customs

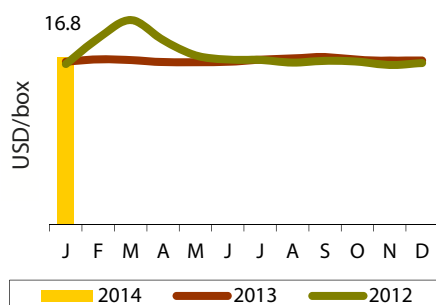
#### EUROPE — RETAIL PRICE

Country	January 2014		Comparison	
	type	euro/kg	December 2013	average for last 3 years
France	normal	1.54	+ 2 %	+ 4 %
	special offer	1.37	+ 1 %	+ 9 %
Germany	normal	1.29	- 2 %	+ 7 %
	discount	1.18	0 %	+ 11 %
UK (£/kg)	packed	1.16	+ 1 %	- 5 %
	loose	0.76	+ 10 %	- 3 %
Spain	plátano	2.05	- 3 %	+ 14 %
	banano	1.36	- 3 %	+ 4 %

## Banana

UNITED STATES

USA - Green price (spot)

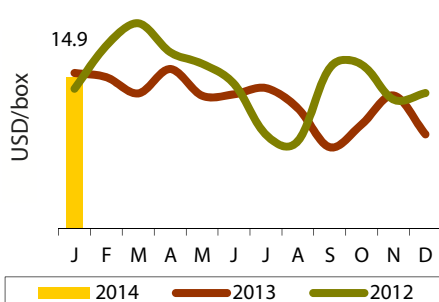


USA — IMPORT PRICE

January 2014	Comparison	
	previous month	average for last 2 years
USD/box		
16.30	+ 2 %	+ 4 %

RUSSIA

Russia - Green price

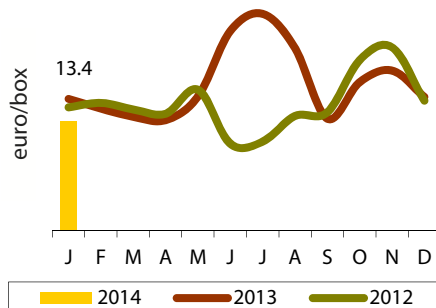


RUSSIA — IMPORT PRICE

January 2014	Comparison	
	previous month	average for last 2 years
USD/box		
14.90	+ 14 %	+ 3 %

CANARIES

Spain - Platano green price\*



CANARIES — IMPORT PRICE\*

January 2014	Comparison	
	previous month	average for last 2 years
euro/box		
13.40	- 18 %	- 14 %

\* 18.5-kg box equivalent

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■ **Bingo! As predicted, the world banana market grew in 2013.** But, as we observed in our January edition, relatively little in terms of unit value. Conversely in terms of volumes sold and trade values, 2013 will go down in the records. If we take as our reference the volumes consumed in the equivalent of half of the world market, i.e. the European Union (27) and US markets, the conclusion is undeniable. These two big destinations consumed 412 000 tonnes of bananas more than in 2012, i.e. volumes of 5 345 000 t and 4 012 000 t respectively. The increase is 5 % for the EU and 4 % for the United States. Of course, the enthusiasm may appear disproportionate in view of the growth rates achieved. But we should remember that the banana market in Europe achieved maturity years ago, and that a 5 % rise is a big event. It is true that we are used to such performances for the United States, though it has still achieved a new record. Never previously had the 4 million-tonne consumption mark been achieved. For the EU, the current level is 100 000 tonnes below

the mark hit in 2008.

In the April edition of FruiTrop we will look into the structuring of these markets in detail. For Europe, we can already say that it is imports which have taken advantage of the bounce-back, with a market share in excess of 89 %. Meanwhile, both the dollar sources (+ 6 %) and ACP sources (+ 8 %) have gained ground. European production (- 7 %) has lost ground, especially with its two heavyweights, Canaries and Martinique, both going backwards, though for different reasons.

In the United States, all the traditional sources have gained ground, except for Costa Rica, which has declined by around the same amount as it has surged in the EU. We should note that Guatemala, in a boom phase, is the leading supplier, leaving Costa Rica far behind.

Watch this space in April 2014 for a comprehensive review of the state of the 2013 banana market.

Source: CIRAD



Banana - January to December 2013 (provisional)

tonnes	2011	2012	2013	Difference 2013/2012
<b>EU-27 — Supply</b>	<b>5 181 314</b>	<b>5 097 942</b>	<b>5 345 167</b>	<b>+ 5 %</b>
<b>Total import, of which</b>	4 606 650	3 766 133	3 994 327	+ 6 %
MFN	3 629 757	3 508 959	3 719 883	+ 6 %
ACP Africa	505 106	489 187	546 126	+ 12 %
ACP others	471 786	491 444	514 120	+ 5 %
<b>Total EU, of which</b>	574 664	608 351	565 038	- 7 %
Martinique	178 522	187 029	155 575	- 17 %
Guadeloupe	59 130	63 253	70 446	+ 11 %
Canaries	315 967	337 023	324 997	- 4 %
<b>USA — Import</b>	<b>4 122 682</b>	<b>4 349 715</b>	<b>4 544 602</b>	<b>+ 4 %</b>
Re-exports	516 376	502 545	532 501	+ 6 %
Net supply	3 606 306	3 847 171	4 012 101	+ 4 %

Sources EU: CIRAD, EUROSTAT (excl. EU domestic production) / Source USA: US Customs

EUROPE — IMPORTED VOLUMES — JANUARY 2014

Source	Comparison		
	December 2013	January 2013	2014 cumulative total compared to 2013
French West Indies	=	+ 3 %	+ 3 %
Cameroon/Ghana/Côte d'Ivoire	=↘	- 7 %	- 7 %
Surinam	↘	- 5 %	- 5 %
Canaries	↗	+ 1 %	+ 1 %
Dollar:			
Ecuador	↗	+ 48 %	+ 48 %
Colombia*	↗	- 8 %	- 8 %
Costa Rica	↗	+ 27 %	+ 27 %

Estimated thanks to professional sources / \* total all destinations

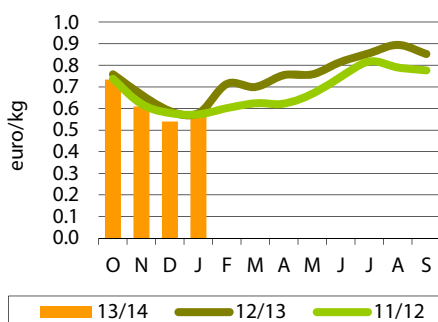


# Orange

## January 2014

The market remained very difficult, despite a slight improvement. Sales maintained a slightly below-average level, but did see some rise from December. Furthermore, the Naveline season gradually waned, with Navel and above all Navelate taking over at the end of the month. The bottom of the price range rose slightly for Naveline, with the average rate maintaining a very disappointing level at the import stage, and catastrophic at the production stage. In this highly competitive context, sales of other varieties registered a downturn. Salustiana prices managed to be revised upward at the end of the month. Maltaise prices rapidly waned to reach a below-average level, despite the weakness of the supply.

Orange - France - Import price



## ■ Uruguayan citrus: export season on a new footing in 2014.

Things are set for a complete change of direction from 2013! First of all, the harvest should rise by 15 to 20 % and return to an average level, after a light 2013 season due to the frosts. Yet it is probably on the export side that the changes could be greatest. On the one hand, the United States market, where Uruguayan citrus has been authorised since 2013, will for the first time be open from the beginning of the season. On the other hand, the customs regime will be less favourable than previously for exporting to the EU, the number one market for Uruguayan citrus. The exemption from customs duties ended as of 1 January 2014 for this country, as well as Argentina. By way of example, small citrus will be taxed at 16 %.

Source: Freshfruitportal

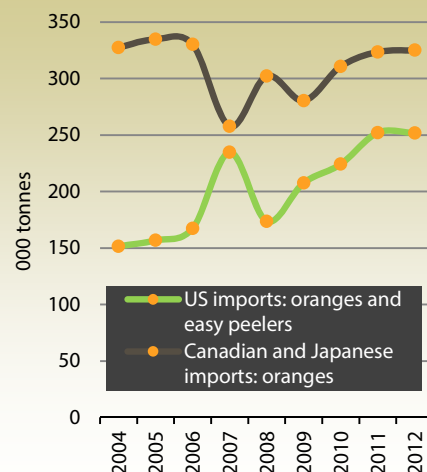
## ■ December frost in California: major citrus losses confirmed in the Central Valley.

The 50 million dollars spent by producers to protect the orchards did not manage to alleviate the effects of the cold spell that struck at the beginning of December. According to the California Citrus Mutual, there are major production

losses, evaluated at slightly over 430 million USD. Not surprisingly, it is small citrus which have paid the heaviest toll: the harvest, which had been at a level of around 440 000 t in recent seasons, was ravaged by temperatures which fell to - 5°/- 6°C, causing 40 % losses. Orange production, which on average weighs in at just over two million tonnes, reportedly suffered a 30 % loss. The losses reported for the lemon, whose cultivation area lies rather on the coastal zone, were just 20 %. The California Citrus Mutual is predicting a curtailed orange season, finishing in mid-May instead of July. The experience of 2007, when the last major frost hit California, provides some lessons about the consequences of this sort of occurrence on international trade. Orange and small citrus imports in the United States rose by approximately 70 000 t (+ 40 %), whereas orange volumes imported by the main markets supplied by California (Japan and Canada) fell by nearly 70 000 t (- 20 %).

Source: California Citrus Mutual

Citrus - California - Impact of 2007 frost on different markets



Sources: US & Japanese Customs, Comtrade

PRICE	Type	Average monthly price euro/15-kg box	Comparison with average for last 2 years
	Dessert oranges	8.55	- 1 %
	Juice oranges	8.70	0 %

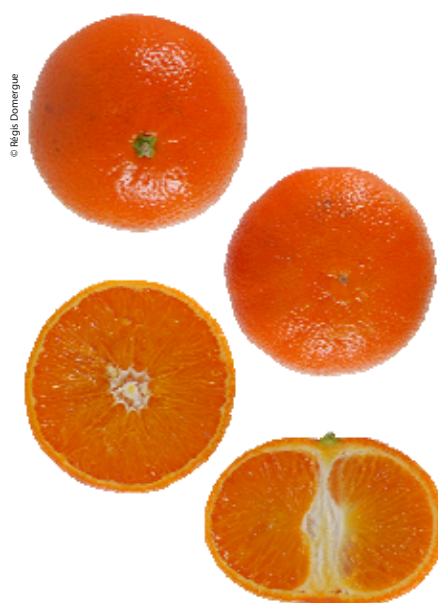
VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Dessert oranges	↗	- 9 %
	Juice oranges	↗	- 17 %

VOLUMES	Varieties by source	Comparison		Observations	Cumulative total / cumulative average for last 2 years
		previous month	average for last 2 years		
	Spanish Naveline	=↗	- 13 %	Sales up from December, but still at a below-average level. Quality often fragile, and average size range still on the small side.	- 8 %
	Spanish Salustiana	↗	- 17 %	Shipment levels below average.	- 9 %
	Tunisian Maltaise	↗↗	- 47 %	Late start to the season, and import tempo slower than in previous years.	- 47 %

## Easy peelers

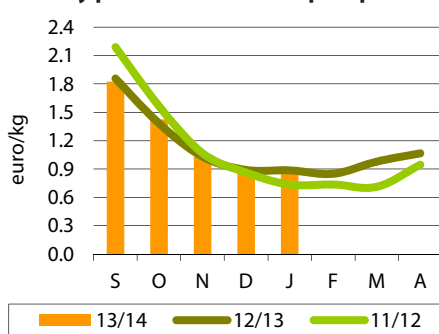
January 2014

The market proved fairly satisfactory. Demand maintained a good tempo, focused on a Spanish clementine supply considerably bigger than in previous years (high production, delay to market at the beginning of the season). Prices maintained a good level for the right sizes and the right brands, but remained under pressure for small sizes and standard brands, often of irregular quality. In this context demand for other varieties picked up only at the end of the month, when clementine volumes waned significantly. Prices for Moroccan Nour and Spanish Clemenvilla, Hernandine and Ortanique registered an average level, while Israeli Or traded at below-normal basic prices because of the irregular quality of certain batches. Nadorcott volumes were only significant at the end of the month.



© Régis Domergue

Easy peelers - France - Import price



■ **Easy peeler variety of the month: Ortanique.** This tangerine x orange hybrid, was established in Jamaica. Its external and internal qualities are highly variable according to climate conditions. As a rule, the fruit is of average size to large, with the lower part slightly flattened and often bearing a small embryo. Pulp characteristics—tender and very juicy—are excellent. However, although peel colour is attractive under Mediterranean cultivation conditions, its weak point is that it is very thin and the fruit is difficult to peel.

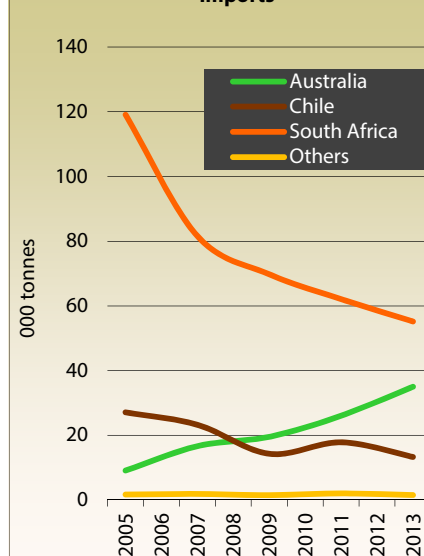
Source: CIRAD

■ **Argentinean citrus exports to Japan: a virtual opening?** Finally some good news for the Argentinean citrus industry, although its actual extent should probably be put into perspective. While the 40 to 50 % loss of lemon production

seems to have been confirmed according to the latest information from the *Asociación Tucumana del Citrus*, Argentinean exporters now have access to a big new market. In early February, the Japanese sanitary authorities authorised imports of sweet oranges and certain varieties of small citrus (clementine, Ellendale, Murcott and Nova) from Argentina. However, the sanitary protocol raises questions as to the actual export opportunities. Fruits must undergo a 23-day cold sterilisation treatment at 2.1°C for small citrus, and a 21-day treatment at the same temperature for oranges. Under such heavy constraints Argentinean grapefruit and lemon exports to Japan are still marginal, though the market has been open for a decade.

Source: Reefer Trends

Counter-season citrus - Japan Imports



Source: Japanese Customs

PRICE	Varieties	Average monthly price euro/kg	Comparison with average for last 2 years
	Clementine	0.84	- 1 %
	Hybrids	0.97	+ 29 %

VOLUMES	Varieties	Comparison	
		previous month	average for last 2 years
	Clementine	↘↘	+ 11 %
	Hybrids	↘	- 5 %

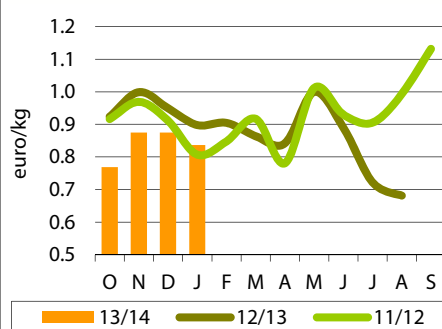
VOLUMES	Varieties by source	Comparison		Observations	Cumulative total / cumulative average for last 2 years
		previous month	average for last 2 years		
	Spanish Clementine	↘	+ 25 %	Volumes down from December, but maintaining a high level, well above average. Quality sometimes irregular.	+ 10 %
	Corsican Clementine	↘↘	+ 12 %	Significant volumes in the first half-month, followed by rapid wane: modest production level and strike by the main shipping line.	- 15 %
	Moroccan Nour	↗	- 7 %	Late growth in volumes from the middle of the month. Overall imports considerably greater than in 2013, but below average.	- 7 %
	Spanish Clemenvilla	=	- 6 %	Season in full swing. Volumes slightly below average.	+ 2 %

# Grapefruit

## January 2014

The New Year did not bring any respite for the grapefruit. The market barely maintained its balance for Florida. Demand was sustained by the usual January promotions. The supply remained fairly moderate, with the scarcity of stocks counterbalancing the above-average imports for the first time this season. Prices remained average for the optimum brands, though the mid-range suffered a dip because of sometimes irregular quality. The market went from bad to worse for Mediterranean fruits. Demand picked up slightly, but the overall supply expanded in the second half-month. Turkish volumes, previously moderate in the EU, grew strongly due to a much less open Russian market. Prices dropped further, reaching a historic low point.

Grapefruit - France - Import price



PRICE	Type	Average monthly price euro/box 17-kg box eq.	Comparison with average for last 2 years
	Tropical (Florida)	16.85	0 %
	Mediterranean	9.70	- 5 %

VOLUMES	Type	Comparison	
		previous month	average for last 2 years
	Tropical (Florida)	↗	+ 21 %
	Mediterranean	↗	+ 25 %

VOLUMES	Sources	Comparison		Observations	Cumulative total / cumulative average for last 2 years
		previous month	average for last 2 years		
	Turkey	↗↗	+ 58 %	Second half-month seeing a shift to a very high import tempo, because of the Russian market abruptly flattening.	+ 14 %
	Florida	↗	+ 21 %	Back to an above-average import level for the first time this season. Volumes moderate nonetheless: sorting rejects still high at the production stage because of small size range and cosmetic problems.	- 17 %
	Israel	=↗	+ 1 %	Combined imports average, but irregular and high from the middle of the month.	- 6 %

## ■ Brazilian orange cultivation area: the nosedive continues...

The Brazilian orange plantation area shrank by one quarter, i.e. 150 000 ha, between 2011 and 2013, according to CDA. Nearly one quarter of the country's producers have apparently thrown in the towel in recent years. Greening, which takes an increasingly heavy toll on production, and the lack of profitability are reportedly the main factors behind this decline. According to MB agro-consultancy, more than 40 % of production, even in 2012-13, was based on low-tech small producers, whose average yields were less than 600 field crates per hectare. This same source reckons that the profitability threshold is at least 1 000 crates per hectare, in the current context of rising production costs.

Sources: CDA, CEPEA

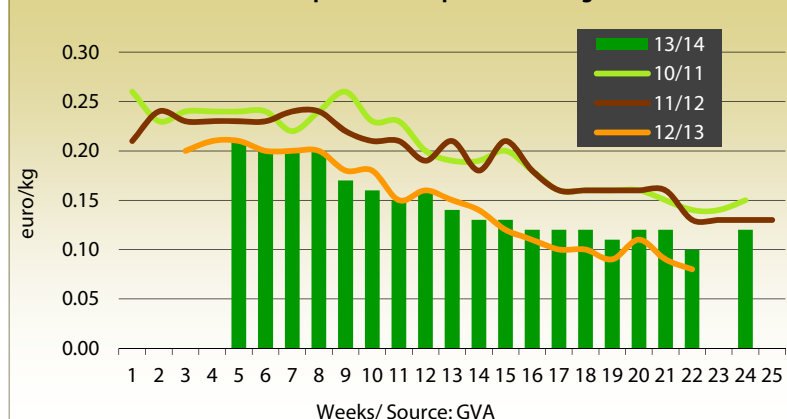
■ **Spanish Naveline season: a very poor result.** Spanish producers of this orange variety probably went through one of their worst seasons in 2013-14. The magnitude of the harvest, among the biggest ever recorded, and a context of deflated consumption (high tempera-

tures in the first part of the season, strong competition from small citrusers) plunged prices at the production stage to particularly low levels. Furthermore, the extent of the sorting rejects further aggravated the economic balance. The reject rate climbed to 50 % for some producers, faced with a small size range and a high number of stained fruits. Only good sized fruits were able to be sold for satisfactory basic prices.

Source: Valencia Fruit



Naveline - Spain- Price at production stage



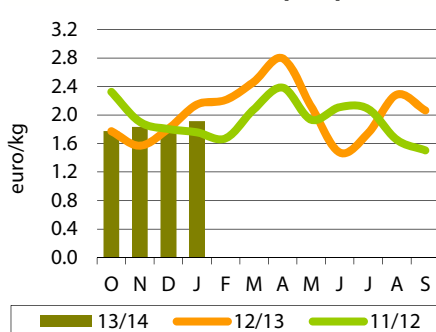


# Avocado

## January 2014

The market, still slow and swollen at the very beginning of the month, rapidly recovered. Hass imports, still very big in week 1, temporarily dipped in week 2 (poor weather in the Atlantic, and delayed Chilean shipments), before stabilising at a below-average level in the second half-month (impact of dockers' strike in Chile and a spell of rains in Spain). This tension enabled rates to strengthen, though they only maintained a near-average level. Only the small fruits market (22/24) remained more congested. The slight under-supply of Hass benefitted the green varieties. The market, struggling during the first half-month, proved considerably more buoyant thereafter, enabling good volumes of Israeli Fuerte, Arad and Pinkerton to be sold, in the context of the small Spanish presence.

Avocado - France - Import price



■ **Peruvian avocado: expansion of Chavimochic.** The third stage in the development of this irrigated area, situated in Libertad province north of Lima, should start in Q3 2014. The five-year objective is to expand the surface areas by 63 000 ha and improve the irrigation on the already existing 48 000 ha. The project, with an estimated cost of 715 million USD, will be co-funded by the Peruvian State and a private Brazilian-Peruvian consortium. Although this land is mainly to be

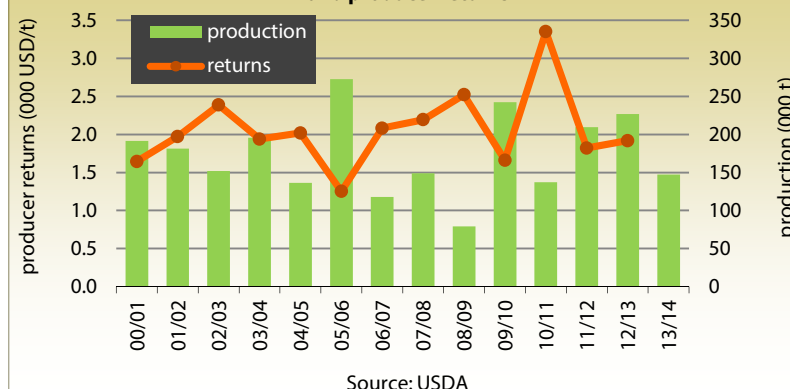
dedicated to annual crops such as maize or sugar cane, developments should also be expected in the fruit growing industry.

Source: rpp.com.pe

■ **US market wide open to avocado imports.** Californian production will be low in 2013-14, as was augured by the very large volumes harvested the previous two seasons. The Golden State's orchards should provide just under 150 000 t, volumes more than down 30 % on the average harvest of the past two seasons. This level is only slightly higher than in 2010-11, when producer returns were through the ceiling. This slump augurs well for Mexico and Peru, the sources supplementing the supply to the US market in spring and summer during the Californian Hass production peak. According to the initial data gathered, Peruvian exporters should nonetheless be able to maintain an export flow to Europe at a level similar to last season, thanks to the rise of the young orchards.

Source: USDA

Avocado - California - Evolution of production and producer returns



Source: USDA

PRICE	Varieties	Average monthly price euro/box	Comparison with the last 2 years
	Green	5.30-5.60	- 1 %
	Hass	8.00-9.00	0 %

VOLUMES	Varieties	Comparison	
		previous month	average for last 2 years
	Green	↗	+ 14 %
	Hass	⇒↗	+ 22 %

VOLUMES	Sources	Comparison		Observations	Cumulative total / cumulative average for last 2 years
		previous month	average for last 2 years		
	Chile	↘	+ 41 %	Hass imports down from December, but still well above average, except at the end of the month (impact of the Chilean dockers' strike).	+ 42 %
	Mexico	↘	+ 12 %	Volumes very moderate because of a buoyant market in the USA in the run-up to the Super Bowl, but above average.	+ 29 %
	Israel	↗	+ 16 %	Volumes back to a level considerably above average, particularly for green varieties during the second half-month.	+ 2 %
	Spain	↗	+ 5 %	Imports very slightly above-average, with the considerable rise in Hass compensating for the definite decline in green varieties.	- 17 %

# Mango

## January 2014

The still substantial volumes shipped by Brazil, and the rise of Peru from mid-December, led to congestion of the European mango market, especially since demand remained moderate. The phenomenon intensified in January, in spite of the fall in shipments from Brazil and the rapid rise in Peruvian imports, in a context of slack demand. Due to this over-supply, rates took a downturn, with low price levels. In the second half-month, Brazilian fruits were selling at open prices due to their qualitative deterioration. Meanwhile, the Peruvian supply, mainly comprising small sizes, was struggling to find takers. At the end of the month, large-size Peruvian mangoes saw their rates recover slightly, but small-size mangoes remained just as difficult to sell off, and added to the stocks already available.

Tommy Atkins, distributed primarily on the North European markets, withstood the difficult market conditions better, with sales averaging 3.50 euros/box due to the greater scarcity.

The Brazilian air-freight mango season ended in the second half of January, with fruits of fragile quality suffering stiff competition from Peruvian products. The uninterrupted and substantial flow from Peru dragged the market into a downward spiral in the second half-month. The varying durability of the incoming volumes contributed to this market deterioration, with clearance sales from 2.00-2.50 euros/kg.

### ■ Mango: set for a hot spring.

The West African mango export season is set to be big. The sound flowering period, followed by fruit setting apparently little disrupted by the traditional January Harmattan, should give rise to abundant production, especially in Côte d'Ivoire and Mali. The calendar could be slightly earlier than last year, which was particularly late. If this development is confirmed, the month of April really could be complicated for the European market in terms of supply. The announcement of a rapid cut in Peruvian shipments in March would leave the European market in a context of a wide deficit. This scenario would doubtless lead to the reappearance of multiple sources, varieties and qualities always detrimental to fruit sales. The likely West African surge, in late April-early May, is no more reassuring for sustaining sale prices.

Source: Pierre Gerbaud

### ■ Distortion by the EU's phytosanitary inspection services? We

might criticise the Community institutions for their complex and cumbersome workings, and some indeed are not exactly lightweight. But it is undeniable that the quest for transparency in the European Union's inspection actions cannot be doubted: and here is the proof. Audits were requested by the EU (DG Sanco) in 2011 and 2012 of the Dutch and Belgian phytosanitary inspection services. In particular they were aimed at assessing the appropriateness and efficiency of the phytosanitary inspections conducted at the import stage in order to verify that the Union's requirements are being complied with. The first observation was the disproportion,

in both these countries, of the number of product interceptions on the grounds of the presence of harmful organisms (e.g. non-European fruit fly), in relation to the trade volume and the average number of interceptions in the EU.

The conclusions for Belgium highlight in particular:

- the lack of in-depth skills of the personnel in performing efficient phytosanitary inspections;
- the absence or obsolescence of the instructions under a risk-based approach;
- the lack of meticulousness in inspections, which are not always based on representative sampling;
- facilities not enabling phytosanitary inspections to be performed under good conditions.

From there to believing that "dodgy" merchandise flows are deliberately targeted at these countries, it is no big leap!

Source: Pierre Gerbaud



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## MANGO — INCOMING SHIPMENTS (estimates in tonnes)

Weeks 2014	1	2	3	4	5
<b>Air-freight</b>					
Brazil	30	30			
Peru	50	80	80	120	120
<b>Sea-freight</b>					
Brazil	1 840	1 380	810	480	590
Peru	2 700	2 600	4 580	3 430	4 400

## MANGO — IMPORT PRICE ON THE FRENCH MARKET — Euro

Weeks 2014	1	2	3	4	5	Average Jan. 2014	Average Jan. 2013
<b>Air-freight (kg)</b>							
Brazil Kent	3.00-4.00	3.50-4.30				3.25-4.15	3.30-3.90
Peru Kent	4.00-4.20	4.00-4.50	3.80-4.50	3.50-4.00	3.00-3.50	3.65-4.15	3.30-3.95
<b>Sea-freight (box)</b>							
Brazil Keitt	3.00-4.00					3.00-4.00	
Brazil Kent	3.00-4.00	2.00-4.00	2.00-3.50			2.30-3.80	2.50-3.65
Peru Kent	3.00-4.00	2.00-4.00	2.00-4.00	2.00-4.00	2.50-5.00	2.30-4.20	3.10-5.00



## Pineapple

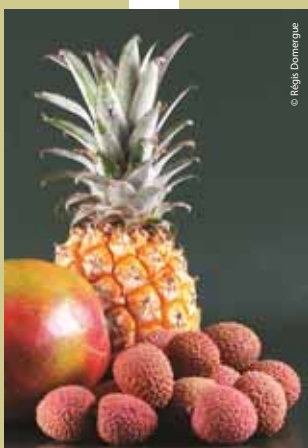
January 2014

As is often the case in January, demand came to a standstill. Nonetheless, there was no steep fall in rates, since the overall size of the Sweet supply was not large. Indeed volumes from Latin America were down, and a number of shipping delays, week on week, led to deferrals and then clashes of incoming shipments. Furthermore, the supply imbalance intensified, and the pressure on sales of the more available sizes 9 and 10 remained high throughout the month.

The promotions organised at the end of the month for the Chinese New Year, however, contributed to considerably reducing the pressure on sales of small sizes. Throughout the month, the Cayenne supply, although restricted, sold rather well, depending on the quality of the batches on offer.

The air-freight pineapple market went through two phases in January. During the first half of the month, the supply, slightly less than demand, had no trouble finding takers. Cameroonian fruits, which formed the majority of this supply, sold well. During the second half-month, a distinct slowdown in demand was observed. The Cameroonian supply remained high, but suffered greatly from irregular quality. During this period, we saw an increase in commercial disputes, arising from the irregular quality of Cameroonian batches initially, and then of some Beninese batches at the end of the month. Over the whole month, the Sugarloaf supply, which remained relatively low, had no trouble selling at between 1.80 and 2.00 euros/kg.

Cyclone Bejisa's path across the Indian Ocean led to a reduced Victoria supply throughout the month. Prices increasingly strengthened as the supply dwindled.



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## Litchi

January 2014

In early January, the litchi cargo remaining from the second conventional ship out of Madagascar was selling at a regular tempo, with rates dipping but still above 2.00 euros/kg. Interest from the distribution sectors gradually waned, and the space reserved for the product on supermarket shelves was cut. In the second half-month, the last sea container shipment from Madagascar was received in Rotterdam. The

merchandise, of satisfactory quality, nonetheless proved more fragile than previous merchandise, slightly accelerating the fall in rates. The early celebration of the Chinese New Year in late January gave rise to promotions in stores, which helped sell off the last batches. The more random quality of the fruits entailed more frequent sorting, leading to sales at lower prices, especially on the wholesale markets. Meanwhile, the export markets to neighbouring European countries closed to the product bit by bit. Sales increasingly focused on the French market. South African litchis, shipped regularly in limited quantities, were sold

primarily on the North European markets at the beginning of the month. In the second half of January, these products could be found on the French market in the run-up to the Chinese New Year celebrations. The dwindling supply from this source led to price rises. Size XXL fruits achieved the highest prices, and size L the lowest.

At the beginning of the period, Cyclone Bejisa brought the Reunion air-freight litchi export season to an early end. The last batches, shipped at the beginning of week 1, were sold for prices clearly on the rise: 8.50 euros/kg for fruits on the branch, and up to 11.50 euros/kg for trussed litchis. From week 4, some Australian batches of the Wai Chee variety were sold on the French market for around 12.00 euros/kg.

### LITCHI — ARRIVALS (estimates) Tonnes

Weeks 2014	1	2	3	4	5
<b>Air-freight</b>					
Reunion	40	100	80	70	
<b>Sea-freight</b>					
Madagascar		2 550			
S. Africa	160	160	160	160	80

EUROPE

### LITCHI — IMPORT PRICE ON THE FRENCH MARKET — Euro/kg

Weeks 2014	1	2	3	4	5	January 2014 average	January 2013 average
<b>Air-freight</b>							
Reunion v	8.00-11.50					8.00-11.50	9.00-11.40
<b>Sea-freight</b>							
Madagascar	2.00-2.20	2.10-2.20	2.00-2.10	1.80-2.00	1.70-1.80	1.90-2.05	1.90-2.20
South Africa	2.50-2.80	2.25-3.10	2.50-3.25	2.75-3.50	2.75-3.50	2.55-3.20	2.85-3.40

v: fresh on the vine

### PINEAPPLE — IMPORT PRICE

Weeks 1 to 5	Min	Max
<b>Air-freight (euro/kg)</b>		
Smooth Cayenne	1.70	2.00
Victoria	3.00	3.60
<b>Sea-freight (euro/box)</b>		
Smooth Cayenne	5.00	7.50
Sweet	6.00	9.00

### PINEAPPLE — IMPORT PRICE IN FRANCE — MAIN SOURCES

Weeks 2014	1	2	3	4	5
<b>Air-freight (euro/kg)</b>					
Smooth Cayenne	Benin	1.85-1.95	1.85-1.95	1.85-1.95	1.85-1.95
	Cameroon	1.75-1.90	1.75-1.90	1.70-1.90	1.70-1.90
	Ghana	1.85-2.00	1.85-2.00	1.85-2.00	1.85-2.00
Victoria	Reunion	3.00-3.60	3.50-3.60	3.50-3.60	3.50-3.60
	Mauritius	3.00-3.30	3.00-3.30	3.00-3.30	3.00-3.30
<b>Sea-freight (euro/box)</b>					
Smooth Cayenne Sweet	Côte d'Ivoire	5.00-7.50	6.00-7.50	6.00-7.50	6.00-7.50
	Côte d'Ivoire	8.00-9.00	8.00-9.00	8.00-9.00	7.00-8.50
	Ghana	8.00-9.00	8.00-9.00	8.00-9.00	7.00-8.50
	Costa Rica	6.00-9.00	6.00-9.00	6.00-8.50	7.00-8.50

## Sea freight

### January 2014

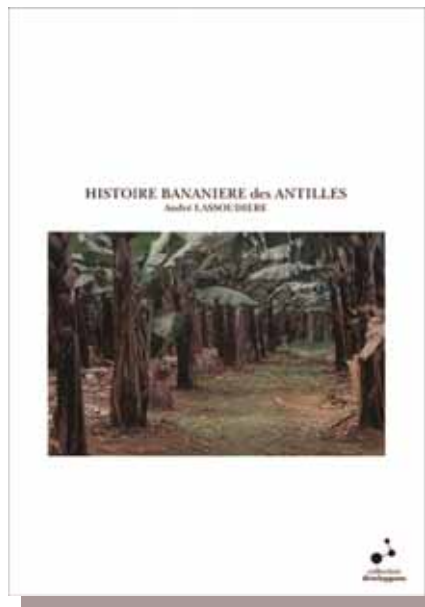
The year began with an imbalance in capacity favouring operators, but the month of January ended with demand for tonnage evaporating and the number of units idling at Cristobal starting to build. The stalling of the charter market took some of the gloss away from the strong start to the year for the seasonal business out of Chile and South Africa, and the liner services for bananas.

Demand for Ecuadorian bananas saw the exit price rise steeply, from below official levels to between USD 12-14 per box FOB in a matter of two weeks. With banana market pricing in the Eastern Med struggling to match the rise in CIF cost, and the container lines offering low prices and more flexibility on intake and discharge than ever before it is not a surprise that cargo defected from the specialized mode. Will this strategy be profitable for the lines in the longer term? Who knows!

After a record year and many months of near-100% utilization, even the smaller segment had started to feel the impact of a dip in demand by early February – with the N Cont to N Africa potato season coming to an end, Morocco ‘in between’ varieties and Nigerian coldstores full of fish, units that came open were not immediately fixed. This may partly have been the result of the release of several vessels in quick succession after the congestion at Mostaganem. However it is also the case that Egyptian citrus into the Black Sea has been slow to start as a result of the instability caused by political problems in Ukraine.

■ “History of the West Indian banana”, by André Lassoudière. To gain a better understanding of the West Indian banana industry, it is useful to put it in a worldwide context. How did the international trade begin? What were the main stages? And then, to present the history of the banana tree itself, and its social role in the West Indies. The history of its cultivation is presented in several periods: genesis (pre-1914), boom (1918-1928), economic crisis (1928-1931), growth (1932-1944), competition (1945-1958), organisation (1958-1978), transition period (1979-1992) and Single European Market (since 1993).

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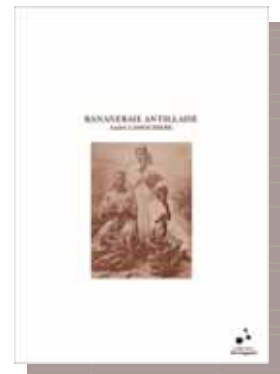
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■ “The West Indian banana stock”, by André Lassoudière. This work makes a very useful complement to the book “History of the West Indian banana”. It comprises photos, diagrams, tables and graphs, with short texts.

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### MONTHLY SPOT AVERAGE

USD cents/cubic foot x 30 days	Large reefers	Small reefers
January 2014	77	82
January 2013	60	86
January 2012	23	48

