

September 2014 - No.225

# FR*ui*TROP

English edition



## Close-up Avocado

**EU apples  
& pears**

**Pips in focus  
in 2014**

**Banana  
market**

**Summer  
round-up**

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

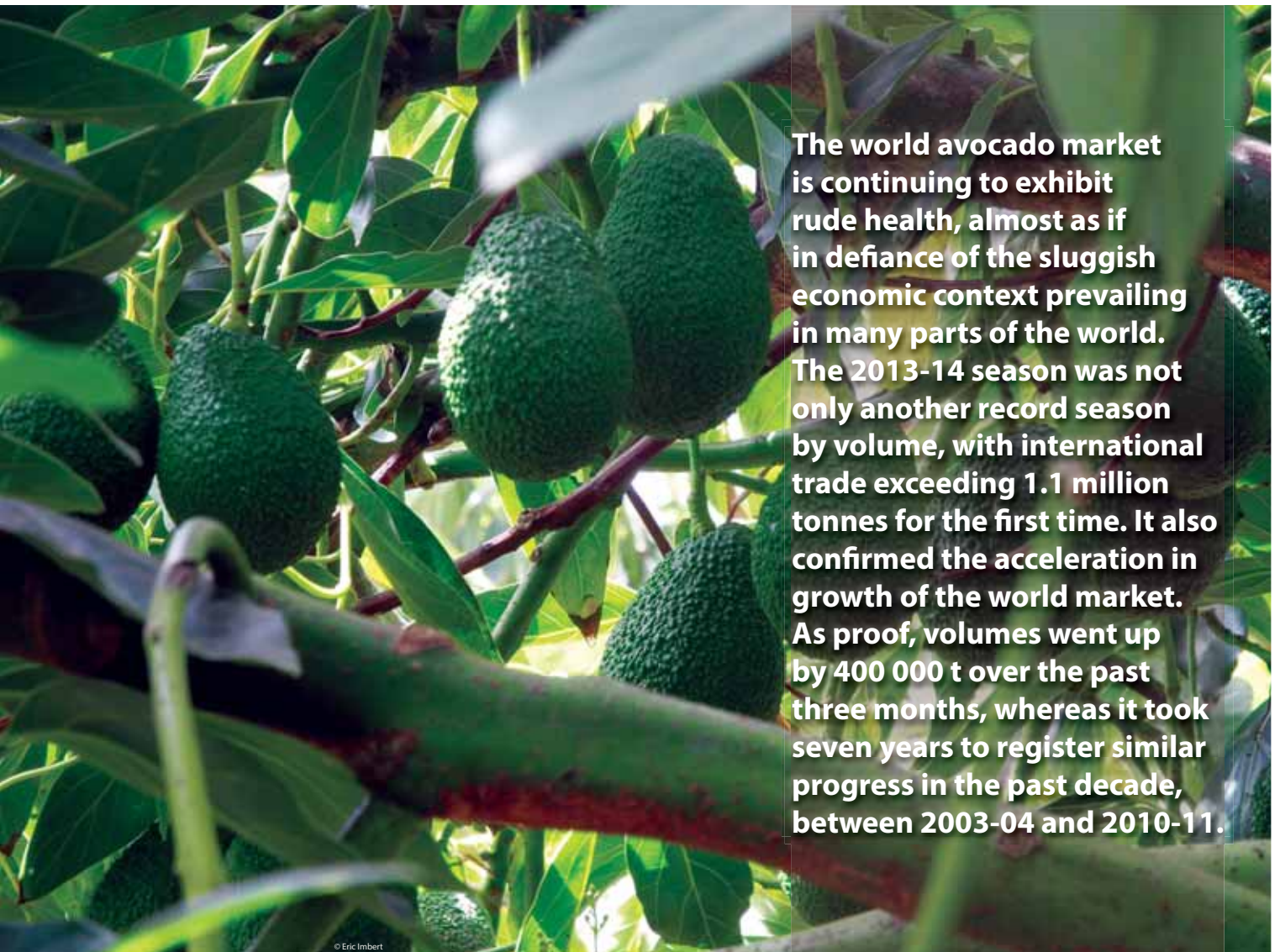
Content published by the Market News Service of CIRAD – All rights reserved





## World avocado market in 2013-14

European Union stronger  
than the United States



The world avocado market is continuing to exhibit rude health, almost as if in defiance of the sluggish economic context prevailing in many parts of the world. The 2013-14 season was not only another record season by volume, with international trade exceeding 1.1 million tonnes for the first time. It also confirmed the acceleration in growth of the world market. As proof, volumes went up by 400 000 t over the past three months, whereas it took seven years to register similar progress in the past decade, between 2003-04 and 2010-11.

© Eric Imbert



## Growth down in the United States, but running on empty

The US market, still by far the world's number one, of course continued to drag international trade upward. Imports recorded between July 2013 and June 2014 rose by approximately 40 000 t from the previous season, culminating in a record level slightly in excess of 600 000 t, i.e. just over half of world trade. A performance to be hailed, although its level is considerably down on the previous two seasons, when growth was around 100 000 t. This slowdown must be put into context, and very fortunately, does not seem to indicate waning interest from US consumers in the avocado.

## Consumption trend still as strong as it is reassuring

It is fuel that seems to have been in short supply to feed the insatiable appetite of the US market, with Mexican production only maintaining a stable level. Figures from the consumption boards are still very reassuring. Sales climbed 13 % between 2012 and 2013. The performance followed the same trend in Q1 2014 (+ 8.5 %), according to the latest data available. While the maturity of the Californian market seems to have been confirmed (+ 2.5 % between 2012 and 2013, and down slightly in Q1 2014), the mechanisms for growth are in place. The dynamic remains highly pronounced in other Western States and in the Mid-South States (Texas, Louisiana, Oklahoma and Alabama), markets now not far removed in size from California. Furthermore, it has been confirmed that the graft is taking in the highly populated and still low-consuming areas in the east of the country: growth remains just as explosive in regions such as the rich North-East, the Great Lakes, the Centre and South-East (up 20 to 25 % between 2012 and 2013, and around 20 % in Q1 2014, except in the Great Lakes). So the future appears assured, at least in the medium term, especially since the rise in volumes came without affecting the price levels. The indicator calculated by our Market News Service has registered a distinct rise from the tough 2012-13 season, returning to a level within the average for the past 4 years.

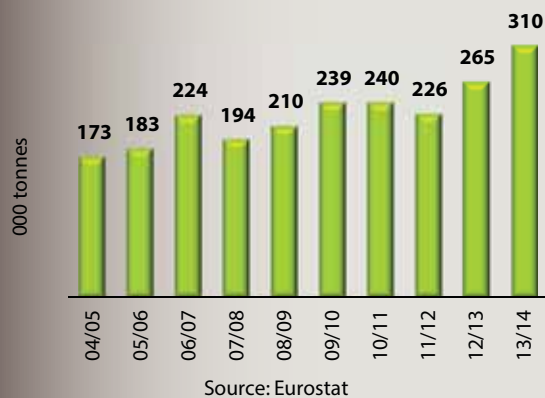


## WORLD AVOCADO MARKET

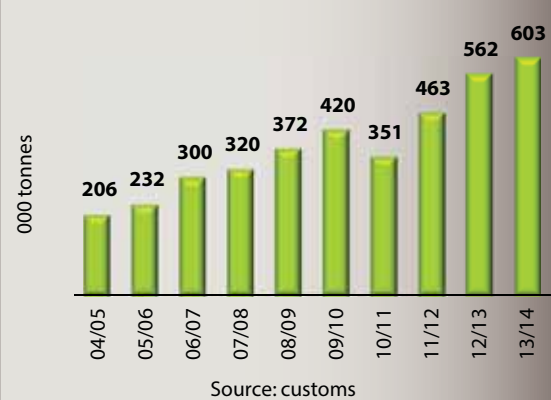
### Market still seeing steep growth in 2013-14

Summer season 2013, and winter season 2013-14

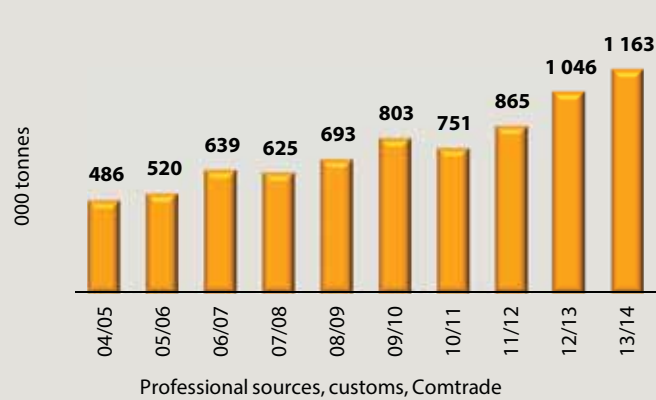
Avocado - EU-27 - Imports



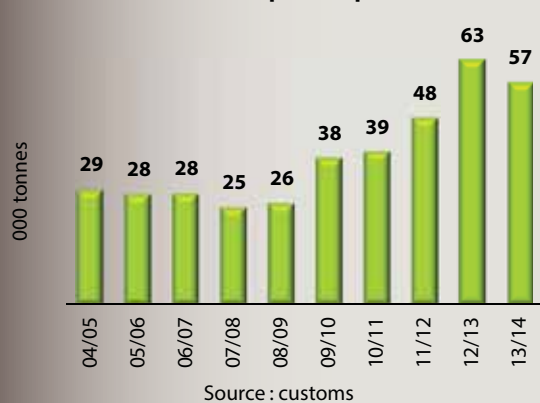
Avocado - United States - Imports



Avocado - Evolution of world trade



Avocado - Japan - Imports

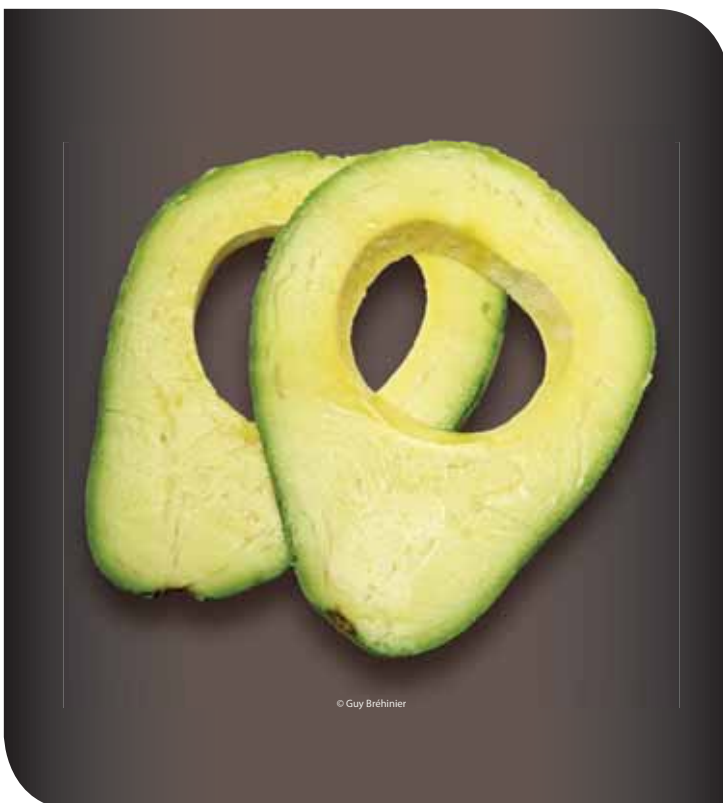
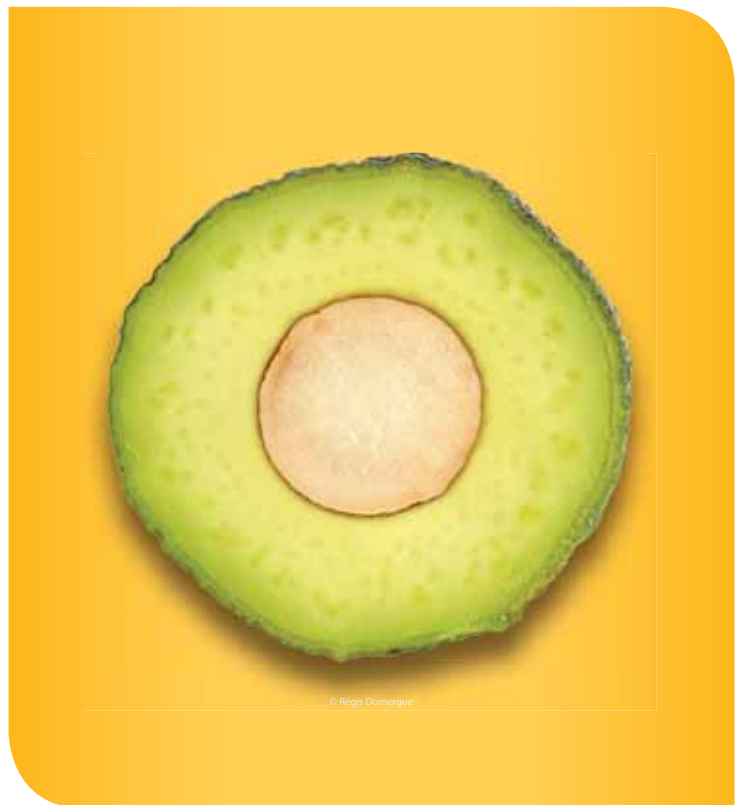


Avocado - Canada - Imports



## Explosive growth in the EU, confirming the market's surge

The surge of the EU-28, perceptible in 2012-13, was confirmed in the finest style. The rise in import volumes, of approximately 45 000 t, was greater than the 40 000 t registered in 2012-13 and, for the first time, exceeded the level of the US market. A symbolic success, it is true, which should soothe the spirits of the operators who have invested heavily and worked tirelessly to this end over the past few years. The rise in the summer market, which should be around 30 000 t from 2013, comes as no surprise. The growth in Peruvian imports, regular for the past ten years, and still very pronounced during the 2013 season, enabled the summer market to climb by 80 000 t between 2004 and 2014. The main factor to underline is the fine performance of the winter market. The rise in volumes in 2012-13, after a long period of quasi-stagnation, found clear confirmation. Imports went up by 30 000 t, peaking at a record level slightly above 160 000 t.



## Prices at a good level, particularly thanks to the astounding first half-year!

Just as in the United States, the fine price performance during the 2013-14 winter season is demonstrating that a fundamental growth trend in consumption has set in on the Old Continent (see next article). The indicator calculated by our Market News Service for the 2013-14 season based on the size 18 was down on the past two seasons, but remains at an excellent level, 4 % above average. The first half was purely and simply astounding! Our indicator climbed from early January to be on familiar terms with the 10-euro mark in late February, despite a record supply for this period, 15 % above the supply from the previous season and approximately 1.4 million boxes per week. As the cherry on the cake, it held up at between 8.50 and 9.50 euros/box from mid-February to mid-May, despite average imports of 1.7 million boxes per week, i.e. 26 % more than during the previous season.

## No fuel to feed growth of outsiders

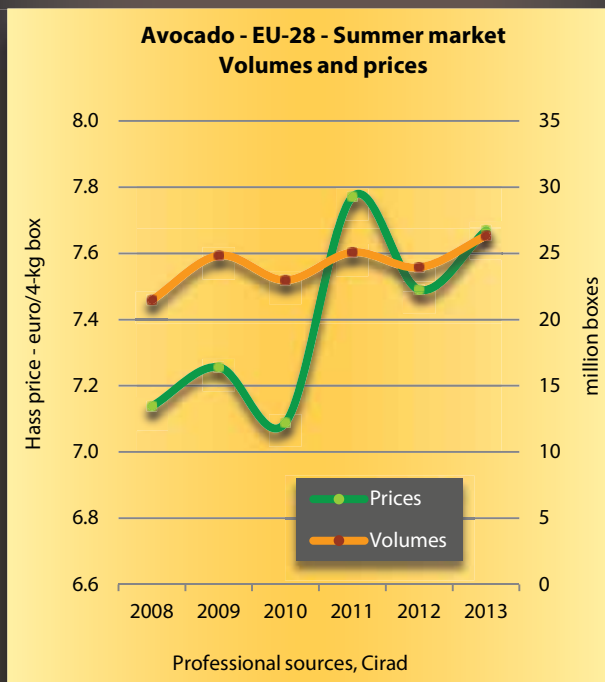
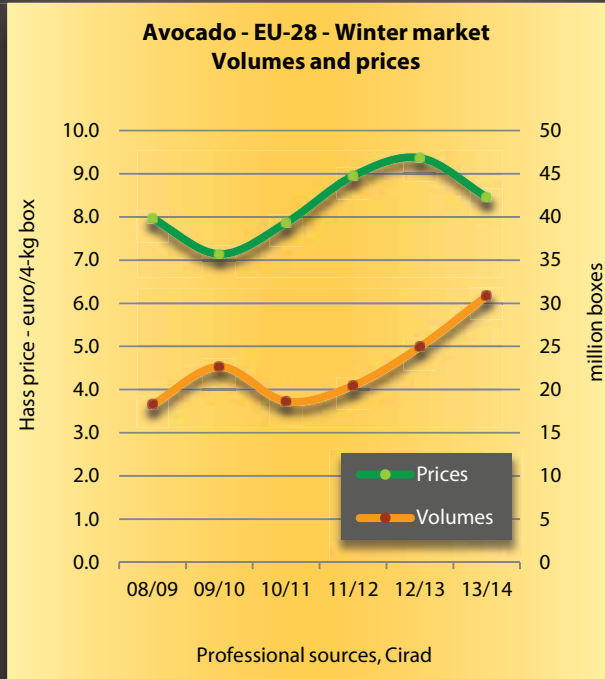
The dynamic of the two world leaders has literally dried up the world market, and consequently, starved the other markets. Hence the slight downturn in the Japanese and Canadian markets, respectively no.3 and 4 in the world, should be interpreted as a hiatus in growth, rather than an abrupt turnaround in consumer interest in the avocado. In both cases, imports are down approximately 5 000 t because of the tension on Mexican fruits, an essential source in feeding these two markets. Imports registered 57 000 t to Japan and 44 000 t to Canada, i.e. respectively 4 and 5 % of the world market. The sole exception among the outsiders is the really fine dynamic holding up in Russia. The growth rate has been 2 000 t per year since 2010, thanks in particular to the volumes of green varieties released by the Western European markets, less and less interested in these cultivars. The volumes base nonetheless remains relatively modest, at slightly under 15 000 t.

## A reassuring and above all highly promising balance

The balance for the 2013-14 season is a positive one in more than one sense. On the one hand, it unsurprisingly confirms the overall dynamic of the world market, with growth once again registering a two-digit figure.

On the other hand, with another year of strong growth in EU imports, it demonstrates that a new driving force on the world market has started up, and that it is no less powerful than the US market, if it is given fuel (see next article). Finally, the high price levels registered on the two big world markets mentioned above reassure us of the solidity of demand in the medium term, while the intermediate markets are no longer managing to find the volumes necessary to take off. Yet we shouldn't jump the gun: the summer season, which is ending on the Community market, has demonstrated that the risks of oversupply are still there (see summer review inset) ■

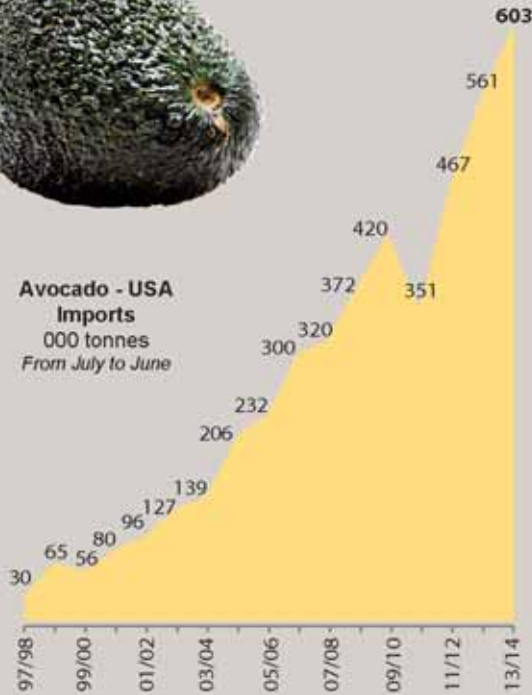
**Eric Imbert**, CIRAD  
eric.imbert@cirad.fr





## AVOCADO IN THE USA

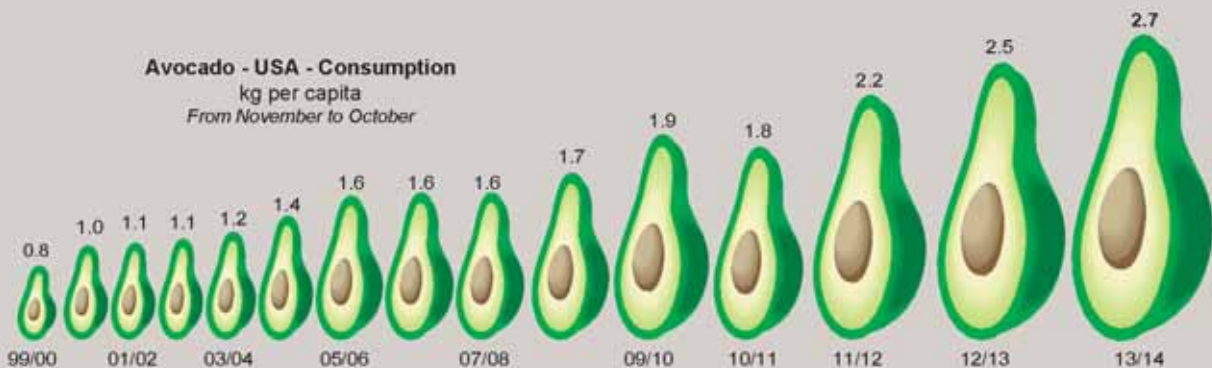
**Avocado - USA Imports**  
000 tonnes  
From July to June



**Avocado - California - Production**  
000 tonnes



**Avocado - USA - Consumption**  
kg per capita  
From November to October



**Avocado - USA - Consumption**  
kg per capita  
100: National average



**Avocado - USA Consumption**  
In %



**Avocado Hass - Average price - USA**  
Average September to august  
All origins - Grade 40  
USD/lug 11.1 kg net



Source: Usda, Amric, Nass, HAB, The Packer / Note : 13/14 provisional

Graphics: Cirad-Fruitrop

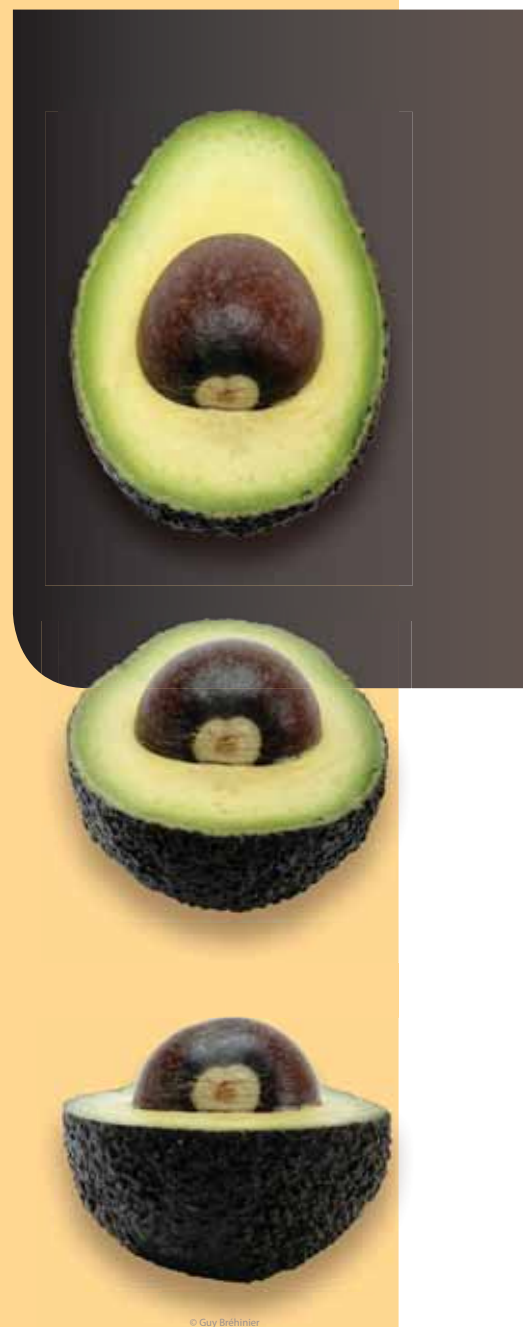


## Initial review of the 2014 summer season: 6 weeks of very costly oversupply

A record winter season, followed by a record summer season. And the word is far from getting around, in view of the volumes received in the EU-28. According to an initial estimate drawn up from professional figures, the overall supply registered a rise of approximately 20 000 t, approaching 170 000 t. Practically all the supplier countries to the European market shipped out record volumes. This was clearly the case with Peru, whose shipments to the Old Continent probably grazed the symbolic 100 000-t mark. Overall, this source will have exported nearly 170 000 t of avocado this season, if we take into account the 65 000 t aimed at the US market. This makes a rise of more than 60 000 t from the 2013 season, which says a lot about the current growth dynamic.

The growth in South African surface areas is also showing through in the volumes shipped to the EU this season. Just as for Peru, an incoming shipments record was beaten, with probably more than 55 000 t. The Brazilian challenger also saw a considerable rise, reaching a high point with approximately 5 000 t. The only under-performance to report is from Kenya, with incoming shipments to Europe down by approximately 4 000 t. But can we really talk about under-performance? Since while incoming shipments of green varieties, which for a long time formed most of the Kenyan supply, have rapidly faded (barely more than 1 000 t this season), Hass shipments have held up very well, rising from 2013 to near the 2011 record.

How did prices react to this rise in volumes? With a level of nearly 7.00 euros/box, our indicator based on the size 18 registered a downturn of just less than 10 % from previous seasons. The level of rates was particularly poor, at between 5.25 and 6.25 euros/box for three long months from early June to early September. This crisis was due primarily to a one-and-a-half month period of clear oversupply. From early June to mid-July, volumes reached an irrational level of between 1.8 and 2.0 million boxes per week, up 25 % from 2013, and more than 60 % from 2012. Which is a shame, since the market had demonstrated a very fine durability at the beginning of the summer season, with our price barometer continuing to fluctuate above the 9.00-euro mark, despite a very high weekly supply rate of approximately 1.7 million boxes. The additional one million boxes sold from early June to mid-July therefore cost all the links in the industry very dear, since it led to a price fall of more than 3 euros per box for three months!



© Guy Brehinier

**Avocado — EU-28 — Imports during summer season**

tonnes	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014*
<b>S. Hemis. total</b>	<b>68 477</b>	<b>62 333</b>	<b>82 391</b>	<b>82 180</b>	<b>87 748</b>	<b>114 569</b>	<b>102 317</b>	<b>120 933</b>	<b>111 564</b>	<b>132 738</b>	<b>148 666</b>	<b>171 500</b>
Peru	11 266	14 590	18 096	30 508	35 857	49 829	45 661	56 345	66 155	62 618	86 260	100 000
Southern Africa**	36 404	30 528	47 906	36 589	38 445	51 109	38 821	47 800	27 375	49 083	45 165	57 000
Kenya	19 828	16 236	15 458	13 641	11 999	11 841	15 038	14 123	15 028	17 078	13 313	9 500
Brazil	979	979	931	1 442	1 447	1 790	2 797	2 665	3 006	3 959	3 928	5 000

\*Estimate / \*\*South Africa + Zimbabwe + Swaziland / Source: Eurostat

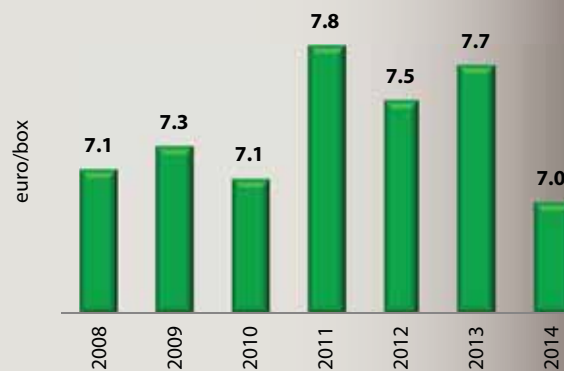


**Avocado - EU-28**  
**Imports during summer season**



Source: Eurostat

**Hass avocado - EU-28**  
**Average price during summer season**



Source: Cirad

## UNIVEG, YOUR DIRECT CONNECTION TO THE FIELD



UNIVEG Katopé France is an important player in the production, packaging, export, storage, ripening and distribution of fresh fruit and vegetables. All these services are carried out to ensure the quality and natural flavour of the fresh produce.

Its ripening service allows UNIVEG Katopé France to offer to its clients ripe and ready-to-eat avocados all year round, either through the company's or distributor's brand.



**UNIVEG Katopé France S.A.**

15, boulevard du Delta | Zone Euro Delta | DE1 - 94658 | RUNGIS CEDEX | France  
T +33 1 49 78 20 00 | F +33 1 46 87 16 45 | katopeintl@univeg.fr | www.univeg.fr



UNIVEG KATOPÉ FRANCE IS A MEMBER OF THE UNIVEG GROUP | [www.univeg.com](http://www.univeg.com)