



Litchi Letter

2008-2009 Campaign

Week 45 - 3rd to 7th November 2008

Sulphured fruits by air	
Sem 44-08	Sem 45-08
	↓

On stem fruits by air	
Sem 44-08	Sem 45-08
	↓

Sea freight Madagascar	
Sem	Sem

Sea freight South Africa	
Sem	Sem

The marketing campaign of litchis from the Indian Ocean area started during week 44 with the arrival of the first fruits from Mauritius (on stem and sulphured). Like during the previous campaigns, these fruits are sold at high prices mainly because they are « early » season fruits. There is a certain earliness in the beginning of the exports from this origin due mainly to good weather conditions as well as good vegetative conditions (rains and heat). The campaign is forecasted to be more important than the previous in terms of volumes exceeding the 200 tons of fruits exported last year. The earliness of the campaign also seems to be having an effect on the other origins of the Indian Ocean. Thus the first fruits from Madagascar were available on the European market this week with more than one week advance compared to the previous campaign. The first sea freighted fruits are expected (this is of course subject to confirmation) on the European markets during week 49 or 50. The marketing campaign for air freighted litchis should then last approximately five weeks which is one week more than last year's air freighted campaign.

The marketing of « air freighted » litchis will certainly be difficult considering the weakness of the demand on the different European markets. Considering the actual general crisis, tropical fruits come in the middle distance in terms of fruits consumption. The « festive » effect of the fruit will certainly only begin just before Christmas. The earliness of the campaign is not necessarily a good thing considering the overall gloomy demand for tropical fruits on the different European markets.

Litchi - Estimates of incoming volumes by Air - In Tons					
Weeks	44	45	46	47	48
Mauritius	3/5	5/10			
South Africa					
Madagascar		15/20			
Reunion					
Total	3/5	20/30			

Incoming tonnages							
Incoming tonnages				Forecasted tonnages			
Departure source	Vessels	Dates / Ports	Tonnage	Departure source	Vessels	Dates / Ports	Tonnage

The above mentioned indications are subject to confirmation.

Litchi - Import Price - In euros / kg

Weeks	GERMANY		BELGIUM		SPAIN		FRANCE		HOLLAND		UNITED KINGDOM	
	44	45	44	45	44	45	44	45	44	45	44	45
Air												
Mauritius (b)							11-12	10-11				
Mauritius (s)		7.50-8.00		7.00			9.00	6.00-8.00	9.00-10	7.00-9.00		
Madagascar (s)				6.50-6.75				5.50-8.50	10	7.00		
Madagascar (b)												
Reunion (b)												
South Africa (s)												
Sea												
Madagascar												
South Africa												

(b) : branchés/frais ; (s) : souffrés / note : prix indicatifs et moyens pour des fruits de qualité satisfaisante, recueillis auprès des opérateurs représenta-

Litchi - Tendances par marché européen

Germany : Very little fruits available now. The first lots of fruits from Mauritius were sold through retail stores.

Belgium : Fruits from Mauritius and Madagascar arrived almost at the same time on the markets. Volumes are limited and prices are high.

Spain : No fruits available this week. First fruits are expected next week. .

France : Small lots of sulphured and on stem fruits from Mauritius started arriving on the market last week. Considering the low volumes, sales were done quite easily. However, the high level of price had an effect on the demand that was rather low. Not wanting to buy large volumes, the wholesale markets only took small volumes per company. Fruits from Mauritius are of average size but mixed in terms of colour. The first fruits have a rather acid taste. Considering the volumes that should be available, logistics issues (freight capacity) could well be a « regulating » tool of exports from this origin and thus reduce or limit exports. During week 45, supplies increased affecting prices. The arrival of the first lots of fruits from Madagascar in the middle of the week emphasised the down trend of prices. If the first lots were sold between 7.50€ and 8.50€/kg rapidly under the effect of incoming volumes and a weak demand, prices dropped to 5.50€-6.50€/kg. The increase of supplies expected next week as well as the forecasted volumes from South Africa should put some more stress on the market.

Italy : No information this week. .

Netherlands : After the arrival of the first fruits from Mauritius, and Madagascar received last week, prices have started to drop under the pressure of increasing supplies and the weakness of the demand. Prices that

are already on a down trend should stay low considering expected increasing supplies.

United Kingdom: The first lots of litchis are expected in the coming weeks.

Exchange rates - November 08

1 euro =

United Kingdom

0.7907GBP

Madagascar

2 332.16 MGA (Ariary)

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