



# Litchi Letter

2009-2010 Campaign

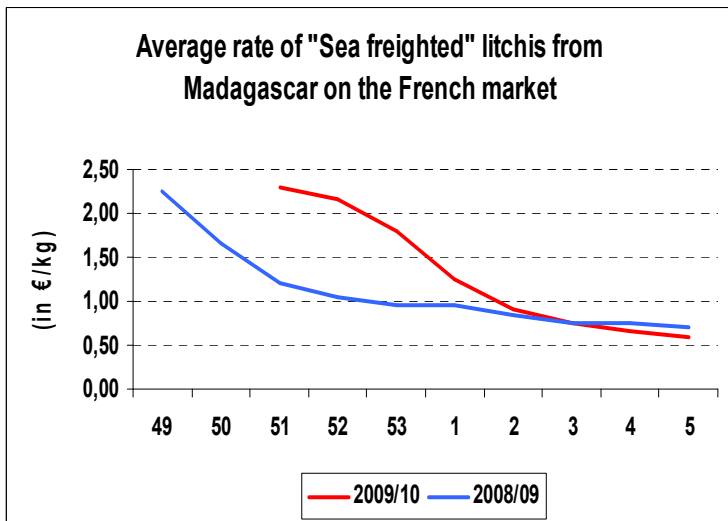
Week 05– 1st to 5th February 2010

Sulphured fruits by air	
week 51-09	week 52-09
➔	

On stem fruits by air	
week 01-10	week 02-10
➔	➔

Sea freight Madagascar	
week 04-10	week 05-10
⬇	⬇

Sea freight South Africa	
week 04-10	week 05-10
➔	➔



Litchi - Estimates of incoming volumes by Air - In Tons					
Weeks	51	52	53	01	02
Mauritius	10/15	5/10	-	-	-
South Africa	3/5	-	-	-	-
Madagascar	3/5	5/6	-	-	-
Reunion	50/70	40/50	15/20	5	2
<b>Total</b>	<b>66/95</b>	<b>50/66</b>	<b>15/20</b>	<b>5</b>	<b>2</b>

**T**he marketing of litchis from the Indian Ocean area is entering its final phase. This last period appears to be extremely difficult considering the very low demand and interest for litchis from Madagascar. Several supermarket chains have withdrawn litchis from their line of fruits ceasing all sales.

At present there really is no « market price » for litchis and sales are done as things come depending on the quality of fruits.

Resorting operations continue for fruits that are in stock, and volumes of fruits that are withdrawn from the market continue to increase day after day.

Drop in supplies for litchis from South Africa with the transition from the Mauritius to the Red Mc Lean variety. The “new” variety litchis are expected on several European markets next week.

Some containers, that were loaded with some delays in Madagascar should also arrive in Europe next week. These fruits will reach the market at a time when the situation is at its worse and thus will be very hard to sell. A sudden burst of the demand for the Chinese New Year could however help improve sales of these fruits that are fresher than the lots presently available on the markets.

Incoming Volumes in Tons							
Incoming tonnages				Forecasted tonnages			
Departure source	Vessels	Dates / Ports	Tonnage	Departure source	Vessels	Dates / Ports	Tonnage
Tamatave	Dal Madagascar	Rot 04/01		Tamatave		Rot Sem 6	130
Afr. du Sud	Saf. Mafadi	14/01	1 240	Afr.du Sud		Sem 6	100
Tamatave	Dal Christobal	Rot 11/01					
Afr. du Sud	Mol Caledon	19/01	160				
Afr. du Sud	Mol Caledon	Sem 5	160				

The above mentioned indications are subject to confirmation. Rot: Rotterdam, Z: Zeebrugge, \* Container ships

## Litchi - Import Price - In euros / kg

Weeks	GERMANY		BELGIUM		SPAIN		FRANCE		HOLLAND		UNITED KINGDOM	
	04	05	04	05	04	05	04	05	04	05	04	05
<b>Air</b>												
<b>Mauritius (b)</b>												
<b>Mauritius (s)</b>												
<b>Madagascar (s)</b>												
<b>Madagascar (b)</b>												
<b>Reunion (b)</b>												
<b>South Africa (s)</b>												
<b>Sea</b>												
<b>Madagascar</b>	0.80-1.20	0.70-1.00	1.00-1.25	0.80-1.00	0.70-0.80	0.50-0.80	0.50-0.80	0.40-0.80	1.00-1.25	0.80-1.00	0.50-0.60	0.50-0.80
<b>South Africa</b>	1.20-1.50	1.20-1.50	1.50-2.00	1.50-2.00	1.60-1.75	1.60-1.75	1.50-1.80	1.50-2.00	1.25-2.25	1.25-2.25	1.70-1.95	1.15-1.95

(b) : On stem /fresh ; (s) : sulphured / note :Indicative and average price given by operators most representative of the industry for fruits of satisfactory quality )

## Litchi - Trends on different markets

**Germany** : Progressive end of the marketing campaign. The main retailers have stopped buying litchis because of the lack of reliability of fruits from Madagascar. The last sales are done at “open prices”. Small lots of litchis from South Africa manage to sell at stable prices.

**Belgium** : Down trend market for litchis from Madagascar for which quality is more and more unpredictable.

**Spain** : Little change compared to last week with sales that are still very slow. The last lots of fruits from Madagascar are sold according to the quality of fruits available.

**France** : The marketing of litchis from Madagascar is more and more difficult. Between a growing loss of interest in the fruit and increasing quality issues, sales for the last lots of fruits available are most of the time done at open prices. The attempts to launch promotion operations in regard of supplies still available are hopeless. A growing number of pallets that are still in stocks must be withdrawn from the market because of their poor quality. Wholesale markets are saturated leading to several clearance sales at prices much lower than those indicated above. Sales are no longer done according to prices. Operators are doing their best to sell the fruits that are still in their possession in order to reduce their losses. The arrival of some containers from Madagascar, takes place in critical circumstances. The good freshness of fruits could maybe help in punctually improving the demand for the Chinese New Year. Small sales for litchis from South Africa this week, with limited supplies and a transition in terms of varieties (moving from the Mauritius to the Red Mc Lean variety). Some lots of litchis

from this origin were also sold at cheap prices or were set aside because of quality issues. Small lots of air freighted litchis from Australia sold with difficulty at 10.00€/kg considering the present circumstances.

**Italy** : No information on the market this week.

**Netherlands** : Litchis from Madagascar are sold at “open prices” because of the uneven quality of fruits and the lack of demand. Better prices are done for South African fruits of satisfactory quality. Some lots of South African litchis that are of poor quality are sold at cheap prices.

**United Kingdom** : Slight improvement of sales on the wholesale markets this week due to the fact that there are almost no more poor quality fruits on the market. The prices have slightly increased with a demand that is a little more active in view of the Chinese New year. In some cases, prices done for litchis from Madagascar are better than those done for South African fruits. The operators are hoping that prices will continue to improve next week with the arrival of “new fruits” mainly from South Africa.

## change rates - February 2010

1 euro =

United Kingdom	0.8616 GBP
Madagascar	2 920.63 MGA (Ariary)

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# LITCHIS FROM MADAGASCAR



**Litchis of good colour and aspect but presenting signs of old fruits (shell indurations soft fruits etc)**



**Old fruits (dried shells dull in aspect, squashed fruits, and development of mould)**



# LITCHIS FROM SOUTH AFRICA



**Fruits mixed in colour. Dried shells and development of mould**



**Stand of Madagascar at the Fruit Logistica fair in Berlin**

