



Litchi Letter

2009-2010 Campaign

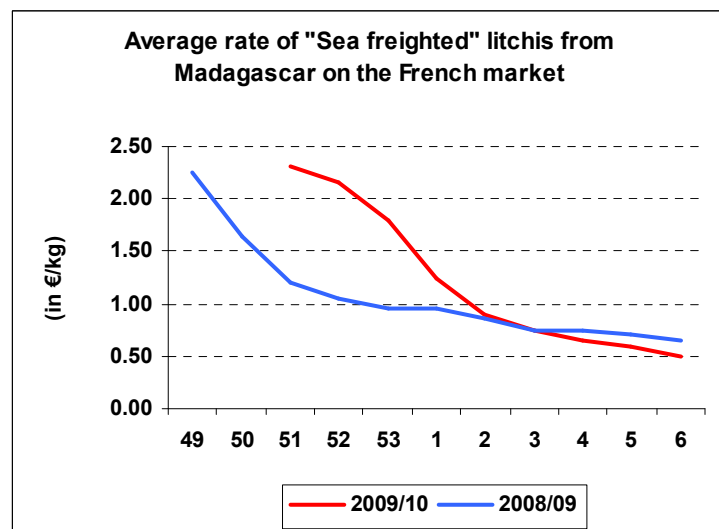
Week 06– 8th to 12th February 2010

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 05-10	week 06-10
↓	→

Sea freight South Africa	
week 05-10	week 06-10
→	↗



On the whole, the situation on the litchi market remains very difficult. The progressive drop of quality for fruits from Madagascar complicates even more sales. The demand, although a little more active in view of the Chinese New Year, is still very low and unable to absorb the volumes of fruits available. Supermarkets have lost interest in litchis because fruit quality is too irregular. Operators are trying to sell remaining fruits to the best. Selling prices are determined according to the quality of fruits with sales done as they come. Remaining lots of Mauritius variety fruits from South Africa are sold at better prices, this also goes for the new supplies of Red Mc Lean. Considering the stocks of litchis from Madagascar still available, as well as the incoming supplies of Red Mc lean from South Africa, the litchi marketing campaign should go on for another three weeks. Taking into account the drop of the demand for litchis and the remaining fruits from Madagascar, sales are now more a question of salvaging stocks than really marketing litchis.

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
Total	66/95	50/66	15/20	5	2

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	
	05	06	05	06	05	06	05	06	05	06	05	06
Air												
Mauritius (b)												
Mauritius (s)												
Madagascar (s)												
Madagascar (b)												
Reunion (b)												
South Africa (s)												
Sea												
Madagascar	0.70-1.00	ouvert	0.80-1.00	0.70-1.50	0.50-0.80		0.40-0.80	0.40-0.60	0.80-1.00	1.50-2.00	0.50-0.80	
South Africa	1.20-1.50		1.50-2.00	1.00-1.50	1.60-1.75		1.50-2.00	1.50-2.10	1.25-2.25	2.00-2.25	1.15-1.95	2.00-2.30

(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 : The demand for litchis is non existent. Fruits from Madagascar or South Africa that are still available are sold at “open” prices with sales done as they come.

Belgium : Price trends given above, apply to lots of satisfactory quality. At the same time, a great number of lots from South Africa as well as from Madagascar presenting quality defects are sold at open prices. The proportion of these poor quality fruits continues to increase weighing on sales.

Spain : No information on the market this week.

France : Growing loss of interest in litchis with fruits that are more and more difficult to sell. There really is no more “market price” considering the big quality differences for fruits that are in stocks. Operators are doing what they can to sell to the best the remaining fruits as they systematically have to sort out fruits before selling them. Prices given above still apply for good quality lots. On the wholesale markets, the situation is a little more complicated with sales rarely done above 0.50-0.60€/kg. Words exchanged between a retailer and a wholesaler convey very well the present atmosphere on the market. “I bought 6 boxes of litchis this week and only managed to sell 2. It’s not even a question of price, clients just don’t want to buy the fruit anymore” (sic).

Prices for South African fruits that are of better quality remain at the same level as last week. The remaining lots of Mauritius variety fruits are sold on the basis of 1.80€-2.10€/kg according to the size of fruits. The first lots of the Red Mc Lean variety were sold at slightly lower prices (1.50-1.80€/kg). Considering the present economic stagnation, the preparations for the Chinese New Year helped in improving sales even if the demand remains much too low in comparison to the supplies available.

Small and non significant lots of air freighted fruits of the Wai Chee variety from Australia are sold around

10€-12€/kg in top range retail stores.

Italy : Bad market conditions for litchis from Madagascar as well as from South Africa. The demand is non existent while supplies remain important. Quality problems that continue to increase affect sales' results because of the costs linked to the resorting out operations. Litchis are sold at open prices. South African fruits that are sometimes of better quality, manage to sell at prices higher than those done for litchis from Madagascar.

Netherlands : Slight upturn in consumer demand for litchis with prices that were more firm this week for fruits of satisfactory quality. Lots of lesser quality reduced however sales' results.

United Kingdom : Slow sales on the litchi market this week. On the wholesale markets, supplies from Madagascar are the most important. Operators are not mentioning important quality issues although the quality of fruits available is mixed. Fruit of good quality are sold on the basis of 1.70€-2.30€/kg depending on their quality. Supplies from South Africa are limited and there seems to be a demand for these fresh new fruits. The latter sell rather well without distinction of variety. The export campaign for Red Mc Lean fruit from South Africa should go on for another two or three weeks.

change rates - February 2010

1 euro =

United Kingdom

0.8616 GBP

Madagascar

2 920.63 MGA (Ariary)

Contact :

CTHT – BP 11 Tamatave – Madagascar

email: ctht@moov.mg

Tél: (261) 20 53 331 37 – Fax: (261) 20 53 322 04

Site Web: www.ctht.org

LITCHIS FROM MADAGASCAR



Litchis of standard quality presenting rather good colour



Old litchis, presenting more and more defects (shell indurations, loss of colour, smashed fruits, etc.)



Important traces of mould

LITCHIS FROM SOUTH AFRICA



Standard quality litchis of the Mauritius variety



Litchis of the Red Mc Lean variety, mixed in colour but fresh fruits