



Litchi Letter

2009-2010 Campaign

Week 51- 14th to 19th December 2009

Sulphured fruits by air	
week 50-09	week 51-09
↗	→

On stem fruits by air	
week 50-09	week 51-09
↓	→

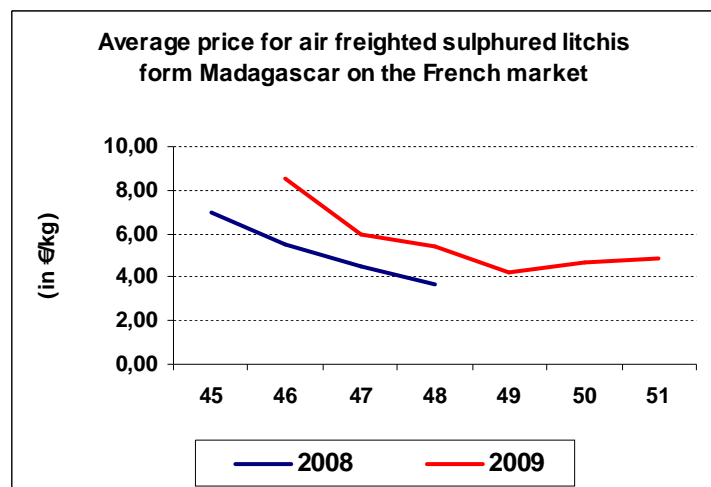
Sea freight Madagascar	
week 51	week 52
→	

Sea freight South Africa	
week	week

With the arrival of the container ship « Ipanema » at Fos-Marseilles at the beginning of the week, the marketing of litchis from Madagascar is entering a new phase, one of the most important of the season. Knowing that the first « sea freighted » litchi would soon be available, operators interrupted their supplies of « air freighted » starting from the middle of week 50, to avoid an overlapping of « sea freighted » and air freighted » litchis. The halt of « air freighted » supplies created a growing shortage while the demand for litchis was increasing. Prices were more firm and sometimes increased at the end of week 50. Starting from that week, « air freighted » supplies were only made of on stem fruits from The Reunion, Mauritius and Madagascar.

The first ship coming from Madagascar docked at Fos-Marseilles on Monday the 14th and was unloaded quickly. Fruits were available starting from the end of the day, allowing the first « sea freighted » litchis to be on the market on the morning of Tuesday 15th. Excepting a few containers showing some defects in their cold systems, fruits received were of satisfactory quality. The fact that several supermarkets had organised promotion operations allowed the cargo of the « Ipanema » to be sold quickly at firm prices. At the end of week 51, the market was again undersupplied in litchis.

The second ship of litchis coming from Madagascar, the « Hansa Bremen » will finally dock in Genoa, on Friday 18th. Considering the delays related to the unloading and the delivery operations, these fruits will not be on the market before the beginning of week 52. The arrangements in road transport that have been taken should allow progressive supplies thus helping in maintaining a sustained level of prices.



Litchi - Estimates of incoming volumes by Air - In Tons					
Weeks	47	48	49	50	51
Mauritius	15/20	20/30	15/20	15/20	10/15
South Africa	5/10	70/90	80/100	90/120	
Madagascar	100	100/120	50/60	80/100	
Reunion	1	1	30/40	30/50	40/60
Total	120/130	191/241	175/220	215/290	50/75

Incoming Volumes in Tons							
Incoming tonnages				Forecasted tonnages			
Departure source	Vessels	Dates / Ports	Tonnage	Departure source	Vessels	Dates / Ports	Tonnage
Tamatave 19/11	Seal Rickmers*	14-15/12 Zee	140	Tamatave 26/11	Ludwig Schulte*	22/12 Zee	1 200
Tamatave 30/11	Ipanema*	Fos 14/12	4 300	Tamatave 2/12	Hansa Bremen	Gênes 18/12	6 500
				Tamatave	Varso*	Zee 28-29/12	

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

Weeks	GERMANY		BELGIUM		SPAIN		FRANCE		HOLLAND		UNITED KINGDOM	
	50	51	50	51	50	51	50	51	50	51	50	51
Air												
Mauritius (b)							5.00-6.50	5.50-6.50				
Mauritius (s)							4.30-5.00	-	4.00-4.75			
Madagascar (s)			4.50-4.75	4.50-4.75	5.00-6.00		4.30-5.00	4.80-5.00	4.00-4.75			
Madagascar (b)							5.00-6.00	5.50				
Reunion (b)							7.00-7.50					
South Africa (s)	4.00	4.00	4.50-4.75				4.20-5.00	-	4.00-4.75		4.00-4.75	
Sea												
Madagascar		2.50-2.70		2.50-2.75		2.30-2.40		2.20-2.40		2.50-2.75		2.50-2.80
South Africa												

(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 : Limited supplies of “sea freighted” litchis from Madagascar. The fruits from the first vessel were sold quickly. Litchis from the second vessel should be available starting from the beginning of next week at the same time as the first supplies of “sea freighted” fruits from South Africa.

Belgium : The last lots of litchis from Madagascar and South Africa were sold at the end of week 50 and the beginning of week 51 at rather stable prices considering the weakness of supplies and the low demand for the fruits. The first lots of “sea freighted” litchis, available on the market starting from Tuesday 15th, were sold rather easily. The limited supplies helped in maintaining the same level of price all along the week.

Spain : The demand is still moderate despite the fact that “sea freighted” litchis are sold at prices much cheaper than those done for “air freighted” fruits last week. Litchis do not seem to particularly interest consumers. The quality of fruits from Madagascar is deemed satisfactory.

France : Some residual lots of “air freighted” litchis from Madagascar were sold at high prices at the beginning of the week because of the limited shortage observed. Starting from the beginning of the week, the first fruits from the “Ipanema” were sold on rather firm price basis considering the limited supplies available on the European markets and the growing demand for the fruits, mainly from supermarkets. Most of the cargo from this vessel was sold to supermarkets in order to respect pre-established programmes. Volumes of fruit available for wholesale markets were then rather low, allowing prices to achieve good selling prices. All things considered, the demand coming from supermarkets is stronger than the one from the wholesale markets. The quality of fruits on the whole is deemed satisfactory with fruits presenting an attractive colour. On the other hand, the size of fruit is mixed depending on the lots. With the arrival of the first « sea freighted » litchis, the marketing campaign of « air freighted » sulphured litchis comes to an end.

This campaign ended in good conditions allowing the link-up with the second part of the marketing campaign of litchis from Madagascar. « Air freighted » litchis still available continued to sell on a stable basis. The rather moderate supplies available allow operators to be rather serene regarding the follow up of the marketing campaign. .

The drop in supplies created by the arrival of the second vessel from Madagascar allows prices to maintain a certain level that should last until the end of next week. Indeed the delivery of litchis expected next week should be done in a progressive manner, this will help in stabilising the market that should not be over flooded with fruits.

Italy : Sales were more active with the marketing of the first “sea freighted” litchis. The demand for the time being is higher than supplies allowing prices to be between 2.50€ and 3.00€/kg.

Netherlands : Good sales for “sea freighted” litchis. The control of supplies helps in maintaining stable price levels.

United Kingdom : Good quality of the limited supplies of “sea freighted” litchis from Madagascar available on the market. The first “sea freighted” litchis from South Africa are expected next week. On the wholesale market, “air freighted” litchis still dominate supplies with mixed coloured fruits. Fruits of good size and colour are sold between 4.50€ and 5.00/kg. Fruits of lesser quality are sold around 3.30e and 3.40€/kg.

change rates - December 09

1 euro =

United Kingdom

0.9091GBP

Madagascar

2 907.57 MGA (Ariary)

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On stem litchis from Madagascar packed in non adapted plastic bags. Oxidation of fruits occur rather rapidly.



« Sea freighted » litchis of Madagascar of standard quality.



Litchis from Madagascar. Mixed size.



Sea freighted litchis from Madagascar of mixed quality (size, colour, dull aspect)



Litchis from Madagascar presented in 500g net bags to be sold in supermarkets



On stem litchis from the Reunion presented in bunch.



On stem litchis from Mauritius. Some fruits with stains.

