



# Litchi Letter

2009-2010 Campaign

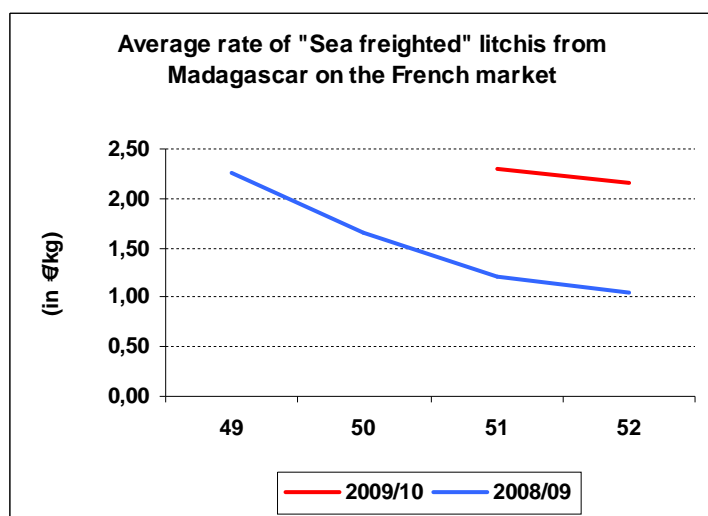
Week 52- 21st to 24th December 2009

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

On stem fruits by air	
week 51-09	week 52-09
➔	➔

Sea freight Madagascar	
week 51-09	week 52-09
➔	➔

Sea freight South Africa	
week 52-09	week



Litchi - Estimates of incoming volumes by Air - In Tons					
Weeks	48	49	50	51	52
Mauritius	20/30	15/20	15/20	10/15	5/10
South Africa	70/90	80/100	90/120	3/5	
Madagascar	100/120	50/60	80/100	3/5	5/6
Reunion	1	30/40	30/50	50/70	40/50
Total	191/241	175/220	215/290	66/95	50/66

This week was marked by the arrival of the second important ship from Madagascar, allowing the marketing campaign to continue on the different European markets. The time passed between the marketing of the first ship that arrived at Fos-Marseilles on the 14th December, that was sold rapidly thanks to the programmes that were organised with supermarket chains, and the arrival of the second vessel at Genoa on December 18th created a drop in supplies. This slack in supplies helped in maintaining prices at a sustained level not achieved since several campaigns. The « Hans Bremen » docked at Genoa on Friday 18th. Unloading operations were done under bad weather conditions. The strong snow falls in the North of Italy delayed unloading operations while the market was eager for litchis and that the marketing period before Christmas was very short. It was only until Saturday 19th in the morning that the first litchis from the « Hansa Bremen » were unloaded once the snow had been cleared from the dock. The low rhythm of unloading procedures created a delay in deliveries. The first trucks of litchis only left the port in the night of December 19th. Logistic problems considerably delayed the deliveries expected helping in maintaining the good level of prices. The litchi cargo of the « Hansa Bremen » was deemed satisfactory. Fruits are small in size but are of good taste.

The marketing of the rest of the fruits from the « Hansa Bremen » might well be done in much worse conditions. Already at the end of the week prices for litchis from Madagascar were on a down trend.

In addition the first containers from South Africa were received in Rotterdam at the beginning of the week. The small supplies and the better size of fruits from that origin allow their selling price to be higher than those done for litchis from Madagascar.

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	Varso*	Zee 28-29/12	
Tamatave 30/11	Ipanema*	Fos 14/12	4 300	Afrique du Sud	Dal Kalahari	Rot sem 53	360
Tamatave 26/11	Ludwig Schulte*	22/12 Zee	1 200				
Tamatave 2/12	Hansa Bremen	Gênes 18/12	6 500				
Afr. du Sud	Mol Cullinan	Rot 22/12	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	
	51	52	51	52	51	52	51	52	51	52	51	52
<b>Air</b>												
<b>Mauritius (b)</b>							5.50-6.50	7.00-8.00				
<b>Mauritius (s)</b>							-					
<b>Madagascar (s)</b>			4.50-4.75				4.80-5.00					
<b>Madagascar (b)</b>							5.50					
<b>Reunion (b)</b>							7.00-7.50	7.00-8.00				
<b>South Africa (s)</b>	4.00			3.25			-					
<b>Sea</b>												
<b>Madagascar</b>	2.50-2.70	2.10-2.40	2.50-2.75	2.20-2.50	2.30-2.40		2.20-2.40	2.00-2.30	2.50-2.75	2.40-2.60	2.50-2.80	2.20-2.40
<b>South Africa</b>		2.10-2.50		3.00				2.50-3.50				

(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 important delays in deliveries due to the late arrival at Genoa as well as logistic problems related to trucks have hindered the marketing of fruits from Madagascar. The limited volumes of fruits available helped in stabilising prices all along the week.

**Belgium** : Fruits from Madagascar were sold on a regular base accordingly to supplies arriving from Genoa. At the same time, some container fruits from South Africa were also put on the market. Prices for these latter were better mainly because of the size of the fruits that were more regular. At the beginning of the week, small lots of “air freighted” fruits from South Africa managed to sell well taking advantage of the weakness of supplies created by the delay of fruits from Madagascar.

**Spain** : No Information on the market this week.

**France** : Prices for litchis from Madagascar remained stable this week mainly due to limited supplies of fruits from the conventional vessel that docked in Genoa. The bad weather conditions in Italy and in France (important snow falls) considerably affected unloading operations as well as truck deliveries in different European markets. Thus litchis sales were good because of the limited supplies. However marketing of fruits became more complicated at the end of the week. In addition, limited promotion operations with certain supermarket chains created a certain tension, marketing wise, with prices that were on a down trend (selling prices at retail level between 1.75€ and 1.99€/kg). The wholesale markets also reacted because they were insufficiently supplied the days before Christmas. Considering the possible drop of the demand, prices should continue to be on a down trend next week. Several operators think that for the coming week, prices should drop below the 2.00€/kg mark.

The low supplies of « air freighted » on stem litchis

following troubles in air transport as well as a reduction of supplies in producing countries had a stabilising effect on prices that were more firm. The limited volumes of « sea freighted » fruits available on the wholesale markets also favoured this trend.

**Italy** : At the beginning of the week, the demand that was rather active dropped at the end of the week. Prices for litchis from Madagascar are around 2.30€/kg for sales done in supermarkets and at a higher level (2.70€-2.75€/kg) for sales done on the wholesale market.

**Netherlands** : Rather regular sales for litchis from Madagascar available in volumes less important than forecasted.

**United Kingdom** : Rather quiet market. Supplies of litchis are increasing with the arrival of “sea freighted” supplies from Madagascar. Fruits received are deemed of satisfactory quality which helps in improving sales. The delay in the deliveries of litchis from South Africa contributes to stabilising prices of fruits from Madagascar. These fruits are sold on the wholesale market on the basis of 2.20€-2.50€/kg. The residual lots of “air freighted” fruits from South Africa are difficult to sell considering the competition from less expensive “sea freighted” fruits.

**change rates - December 09**

1 euro =

United Kingdom 0.9091GBP

Madagascar 2 907.57 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



**Unloading of « Hansa Bremen » at Genoa**



**Unloading of the vessel.**



**Litchis unloaded from the Hansa Bremen. Satisfactory quality of the fruits, with differences in size and sometimes with high coloured fruits.**



**Differences in size and in colour.**



**Twin fruits with long peduncles.**



**Burns due to sulphur.**



**Fruits of standard quality.**



**Fruits dull in aspect**



**« Sae freighted » litchis from South Africa of size XL. Not of very attractive colour.**