



## GLOBAL CITRUS SCAN (27/2009)

John Edmonds (24 July 2009)

Exchange Rate at 13:09 R/\$ 7.72 R/€ 10.99 R/£ 12.72

Citrus Growers Association (CGA)

### Cuba : No citrus

Cuba is going through a severe crisis of fruit production.

Since 2004, citrus crops have decreased by 51 %, bananas by 38 % and other fruit types by 29 %.

Cuba imports more than 80% of the food consumed by its 11.2 million people.

[atcitrus; 6 July 2009]

### Production of oranges in Greece in season 2008/2009

Official sources report that grower prices in Greece have dropped over the past six months by an average of 4.5 to 5.5 percent. Currently, offered grower prices for quality late oranges are frozen at low levels - around 0.30 Euros/Kg – which discourages harvesting. The retail price for fresh oranges is between 0.80 - 1.00 Euro/Kg, depending on variety. Wholesalers and retailers benefit from these prices at the expense of citrus farmers – a further disincentive to citrus production.

[Fructidor; 29 June 2009]

### UK economy sees 2.4% contraction

The UK economy contracted 2.4% in the first quarter of 2009, its biggest decline in 51 years, according to the latest official data. The decline was more severe than the earlier estimate of a 1.9% fall, and worse than analyst expectations. The Office for National Statistics had already warned that a sharp fall in construction activity was a key factor in lowering its previous estimate. The Treasury predicts the UK economy will contract by 3.5% for the year. January to March's 2.4% decline was the sharpest contraction since the second quarter of 1958. Analysts had only expected a 2.1% fall.

[BBC news; 30 June 2009]

### Vietnam: Japan gives \$3.9m to aid citrus growers

The Japan International Co-operation Agency (JICA) is funding a US\$3.9 million project to help poor citrus fruit farmers boost production in the Cuu Long (Mekong) Delta. The project also aims to establish support networks for farmers. The area has about 73,000ha of citrus trees such orange, lemon and grapefruit that account for 27.4 per cent of the total 282,000ha of fruit trees grown in the region.

[vietnamnews.vnagency.com.vn; 23 July 2009]

### US: Citrus update

Navel oranges from South Africa are dominating the US east coast and Australian navels are dominating the west coast. Chilean navel oranges have made a first tentative appearance on both coasts, but far larger Chilean volumes are set to load. The South African fruit is generally sizing large. The Australian fruit is sizing smaller. The Chilean fruit size is broadly distributed but all seem to agree that this is a large fruit year for Chilean navel oranges.

Through Week 29, two bulk-loaded vessels have arrived on the east coast from South Africa. South African navel oranges off the east coast are selling at US\$ 28 – 30 for 40's and 48's, US\$ 28 for 56's, US\$ 26 for 64's, US\$ 24 for 72's and US\$22 – 24 for 88's. Chilean navel oranges stand to fundamentally alter the economics of the summer navel orange business in the US. Before Chile gained access to the market, North America received 3 million cases of summer oranges from South Africa and Australia, combined. Increasing that volume by 25 – 35% (most of which additional volume will arrive in a tighter selling window) while at the same time dramatically increasing the number of sellers offering navel oranges in the market, is of necessity going to push prices downward

[FreshPlaza; 20 July 2009]

### Citrus prices on FreshPlaza.com and AGF.nl

Please click on the link below to display these prices which are average Free on Truck prices in Euros recorded in the Dutch fresh produce market and can be taken as an indication for the European situation.

[http://www.freshplaza.com/price-watch/archief/2009/citrus\\_week30-09.pdf](http://www.freshplaza.com/price-watch/archief/2009/citrus_week30-09.pdf)

If you need more information on any of these issues, or if there is anything else that CGA can assist with, please contact us at 031 7652514, or [johne@cga.co.za](mailto:johne@cga.co.za)

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