

MARKET NEWS FROM CTFA REPRESENTATIVES AROUND THE WORLD

## September 18, 2008

The California stone fruit season is in the home-stretch, but with plenty of late-season varieties still to be harvested, the opportunities remain through the end of October. Packout activity for nectarines will begin to slow down considerably, as they are approximately 98 percent through their pre-season estimate. Plums are on track to reach their pre-season estimate with volumes already greater than 2007. Packout for Summerwhite® white-flesh varieties is nearly complete; with 100,000 boxes left to be packed they are expected to be finished by the end of next week. Key varieties to be packed over the next two weeks include September Sun and Autumn Flame® peaches, September Red and September Free nectarines and Angeleno plums.

### Current News

#### **Taiwan: Typhoon Sinlaku**

Typhoon Sinlaku landed on the northeastern coast of Taiwan on Sunday causing over NT\$114.34 million (\$3.5 million U.S.) in agriculture damages, according to the Taiwan Council of Agriculture. A large quantity of fruit trees, including guava, banana, persimmon, tangerine and citrus fruit trees were damaged by the storm. Sinlaku is the third typhoon to hit Taiwan this year.

#### **New Zealand Food Prices Reach 19 Year High**

According to Statistics New Zealand, food prices rose 2.7 percent in August making it the largest monthly increase in 19 years. Economic conditions coupled with the extremely wet weather that impacted the growing conditions for fresh vegetables are attributed to the increase. Food prices this year are up 13.1 percent, and within the subgroups fruits and vegetables are up 19.1 percent from last year.

### Market Reports

#### Mexico

The market share for California peaches increased as the local peach season comes to a close. The demand for California white-flesh nectarines and peaches has increased, although yellow-flesh varieties still make up the vast majority of available supplies arriving each week. Sales movement and volumes are good for California plums, while nectarine sales are strong particularly in the Guadalajara area. Quality reports are good for all three fruits and competition includes Washington apples, California and Northwest pears, California grapes and kiwi fruit (Chile, New Zealand).

## Hong Kong

California peaches and nectarines continue to be in good supply in Hong Kong supermarkets, with multiple varieties of plums. All three fruits continue to be available at most wholesale and gourmet fruits stores, whereas wet markets are primarily offering plums with some white-flesh peaches and nectarines. Quality reports are good, but some shelf life issues were noted on prunes. Chinese prunes continue to be available in supermarkets and competitively priced, but with below average eating quality. Crystal pears from China are adding to the competition as fall approaches, along with New Zealand kiwi fruit, Chinese apples, longans, California grapes and Taiwan watermelon.

## Taiwan

The demand for peaches increased over the past two weeks in preparation of Moon Festival. Good volumes of California peaches and nectarines were in supply for the festival, along with plums and prunes. Overall quality reports were good. Some Washington peaches and nectarines were found in the market starting early September, along with Japanese peaches. Other popular gift-giving fruits for the festival included Taiwan pomelos and Korean pears.

## China

California plums continue to be available in key markets in China. Additional supplies of California plums and prunes arrived over the past two weeks to meet the anticipated demand for Moon Festival. Overall the trade is pleased with the quality and availability of California plums this summer. Good supplies of Chinese black plums, prunes, peaches and nectarines continue to be in the market, with overall improved quality.

## Singapore

Shipments by air and sea arrived during the past two weeks to meet the increased demand for Moon Festival. Fresh prunes, plums, white and yellow peaches and nectarines are currently all available in Singapore with quality ranging from excellent to above average. The supply of Chinese white-flesh and donut peaches also increased prior to the Moon Festival presenting competition at retail; however their distribution at the wet markets was surprisingly low. Some Washington yellow and donut peaches were also found in the market. Other competition includes Thai longans, New Zealand kiwi and some Malaysian durian.

## Malaysia

California plums were widely available in supermarkets, fruit shops and wet markets in Malaysia, with improved demand over the past two weeks. California peaches and nectarines are also available in supermarkets. Feedback from the trade continues to be positive and arrivals are expected to continue through the seasons end. Direct competition continues from Chinese stone fruit as white-flesh peaches, nectarines and plums were found in the market. Other competition includes New Zealand kiwi, South African apples, Australian oranges and grapes from California and China.

## Thailand

California peaches, plums, prunes and nectarines continue to be available in all supermarkets, hypermarkets and hi-end supermarkets in Thailand. Black and Red plums were the major variety available, but green plums were also available at specialty fruit shops with many retailers pleased with their sweet taste and growing popularity. Prior to Moon festival, many supermarkets and hypermarkets conducted promotion campaigns to boost sales of California stone fruit. Quality continues to be average to good. Chinese peaches were found in the market representing 10 percent of the market share. Other competition included some Japanese peaches, Thai longan, Chinese and California grapes, along with other local fruits.

## Indonesia

Increased volumes from shipments by ocean, particularly plums, arrived in Indonesia over the past couple over weeks. Quality to date has been above average, with only minor reports of some soft plums. Chinese nectarines were found in the market, along with California grapes and Thai longans.

## United Kingdom

As the European stone fruit season winds down the trade is positive toward California stone fruit and are interested in sourcing supplies throughout September and October. To stimulate demand in the slow economy retailers continue to aggressively promote. Most are conducting price promotions but some are getting creative and offering “aesthetically challenged” products (formerly rejected produce) at a lower price. Also adding to their incentive is the National Consumer Council (NCC) which is accusing retailers of featuring too many fatty or sugar foods. The NCC investigated eight retail chains and found that over half of these promotions were for “unhealthy” foods. Retailers are now being encouraged to make fresh fruits and vegetables a part of their promotions at least 33 percent of the time versus the 12 percent currently.

## New Zealand

California nectarine sales continue to be strong in New Zealand and plum sales have improved as more plum promotions are underway. Overall availability of California stone fruit decreased at the beginning of September due to shipment delays but has improved over the last week with their arrival. The New Zealand dollar continues to fall reaching a 22 month low last week, and with the terrible weather this past winter local produce is in short supply with higher prices. Even New Zealand apples are in short supply. Competition includes California grapes, New Zealand kiwi fruit, mandarins and Australian pears.

## Central America Region

Good volumes of California peaches, plums and nectarines are available throughout the region and in all market segments. White-flesh peaches and nectarines are gaining popularity among consumers and more retailers have begun displaying them. Some local peaches continue to be available though quality, volume and price fluctuate significantly between markets. The trade is pleased with the quality and supply of California stone fruit and expects to import supplies through October.

## South America

In Colombia, large volumes of California peaches, plums and nectarines are available, with large displays at retail. Wholesalers and retailers are both pleased with the quality and sales movement of California peaches and nectarines this season. Additional supplies are expected this week. In Venezuela there are good volumes of California nectarines and plums, and importers have been granted permits to bring in limited amounts of California peaches. In Ecuador and Panama, quality of California stone fruits is good and sales movement is strong. Competition in the region includes Peruvian and Ecuadorian peaches, Venezuelan peaches and plums.

## Canada

In Canada, support for California peaches, plums and nectarines continues to be strong with only one retailer not carrying California stone fruit. With the local peaches still available in eastern Canada many retailers are mixing origins within the category. For example one retailer is offering Ontario peaches with California nectarines. In western Canada, the local stone fruit season is now underway, and Washington stone fruit is now available in stores. Similar to eastern Canada many retailers continue to offer California stone fruit in addition to the other origins.

# Promotional Highlights

## General

This section of the report highlights various promotional programs and/or events that are traditionally important for our fruits. Listed below are several brief descriptions of in-country activities.

For International materials visit the International section of the PPN Network Download Center at [www.eatcaliforniafruit.com](http://www.eatcaliforniafruit.com).

## Mexico

In addition to earned media in magazines like *Irresistibles Jugos* and *Delicias para Diabeticos*, in-store promotions were conducted in 99 stores across 14 cities for a total of 228 in-store demonstration days over the past two weeks, plus sampling promotions were conducted in 102 public markets throughout Guadalajara and Mexico City.

## Taiwan

In addition to in-store promotions, the third wave of consumer television advertising began on September 8 and ran through September 13 to boost California PPN sales for Moon Festival. The fourth wave of television advertising is scheduled for September 22 through 28.

## China

Additional in-store promotions have been finalized through the end of September, totaling more than 80 stores throughout key markets in China.

## South America

In-store promotions were conducted in over 100 stores throughout key markets in South America throughout August and early September. Recipes, fruit samples and information on California peaches, plums and nectarines were provided.

If you have any suggestions or comments, please contact Gordon Smith at [gsmith@caltreefruit.com](mailto:gsmith@caltreefruit.com) or Sarah Alvernaz at [salvernaz@caltreefruit.com](mailto:salvernaz@caltreefruit.com).

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
Mexico	Peaches	CA	64-72 vf	15.53	1.05
	SW Peaches	CA	SW/25 lb.	23.30	1.15
	Nectarines	CA	50, 56, 64	17.48	2.51
	SW Nectarines	CA	25 lb.	27.18	1.23
	Plums	CA	64-65-80	19.42	1.32
	Peaches	MX	14 kg.	17.48	1.14
	Plums	MX	18Kg		0.88
	Apple	WA	88-100-125-135	41.75	1.23
	Table-grapes	CA, MX	19-21 lb	7.77-13.59	0.97-1.01
	Kiwifruit	CH	22 lb	19.42	1.54
	Mangoes	MX	25 kg	7.77	0.30
	Pears	CA, Arg-WA	36-44 lb	14.56-39.81	0.57-1.05
	Strawberries	MX, CA	7 kg/12 lb	9.71/13.59	1.76/2.71
	Hong Kong	Peach	CA	40 - 64	30.76 - 41.15
SW Peach		CA	40 - 64	25.64 - 46.15	1.28 - 2.95/pc
Nectarines		CA	40 - 64	16.67 - 29.48	1.15 - 1.56/pc
SW Nectarines		CA	44 - 64	15.38 - 29.48	1.03 - 1.92/pc
Plum		CA	20 - 90	15.58 - 38.46	0.19 - 1.92/pc
Peach		China	70 - 88	11.54 - 14.10	0.26 - 0.52/pc
Plum		China	75-140	7.69 - 12.18	0.64 - 1.28/lb
Apples		WA, China	40 - 100	11.53 - 32.05	0.21 - 0.64/pc
Grape		USA	28 lbs	28.21 -39.74	1.28 - 1.79/lb
Orange		USA	56 - 88	18.58 - 30.78	0.25 - 0.77/pc
Watermelon		Taiwan	2	5.37 - 7.89	0.19 - 0.34/lb
Taiwan		SW Peach	CA	#14-18	15.82-41.14
	SW Nectarine	CA	#40-64	22.15-26.90	0.48-0.8/pc
	Plum	CA	#25-140	19-31.64	0.28-1.60/pc
	Peach	JP	#12-14	72.78-75.94	7.0 - 8.2/pc
	Peach	WA	#17-21	25.32-34.8	0.84-3/pc
China-Shanghai	Plum	CA	Medium/12.7KG	26.47/BOX	1.44-1.59/500G
	Peach	China	Medium/7KG-15KG	4.41-8.09/BOX	0.34-1.46/500G
	Red Plum	China	Small/5-10KG	2.94-8.53/BOX	0.56-1.12/500G
	Black Plum	China	Medium/5KG	3.68-3.82/BOX	0.44-0.47/500G
	Green Plum	China	Small/10KG	5.88-6.18/BOX	0.63-0.67/500G
	Prune	China	Small/15KG	13.2-13.5/BOX	0.88-0.96/500G
China-Guangzhou	Peach Donut	CA	BIG/36		0.41-0.51/500G
	Nectarines	CA	SMALL/56	29.41/25LB	N/A
	Red Plum	CA	Med-Lg 30-35	22.06-27.94/28LB	1.75-3.38/500G
	Black Plum	CA	SMALL/45	27.94/28LB	2.91/500G
	Peach	China	Medium/Bulk	0.51-0.63/500g	0.66-1.25/500G
	Nectarines	China	LARGE,70/75	11.76/BOX	1.03 1.41/500G
	Plum	China	Small/Bulk	0.28/500G	0.41-0.51/500G
	Red Plum	China	Big / Bulk pack	8.09/BOX	0.96 1.69/500G
	Black Plum	China	Small/Bulk	0.28-0.43/500G	0.72-0.87/500G
	Prune	China	MEDIUM,BULK	0.29 0.52/500G	0.44-0.96/500G

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
Singapore	Peach	CA	56 2lyr	50.76	1.34 pc
	SW Peach	CA	15/ 44 2lyr	49.38-51.03	1.69-3.08 pc
	SW Nectarine	CA	56/64 v/f	29.63	0.76 / *54
	Organic Nectarine	CA	56 v/f	42.31	1.54 pc
	Plums	CA	30-60	29.63-39.50	2.27-3.77 pc
	Peach Donut	China	4pcs x 16	26.92	2.27 (4 pcs
	Peach	China	900g x16	26.15	2.27 900g punnet
	Cherry	CA	10	66.67	8.07 -454g
	Grapes	CA	8.2 kg	30-32.30	4.23-4.53 kg
	Kiwi gold	NZ	41 pcs /6kg	37.78	1.11 pc
	Prune	CA	90	60.00	6.92 kg
	Persimmon	Israel	8 - 9 pcs	2.39 box	3.00 box
	Strawberry	Australia	454g x8	28.15	5.59 punnet
	Durian	Mal			2.69 pc
Malaysia	Peaches sw	CA	40-44 vf	55.0-62.0	1.40 - 1.60
	Peach	CA	56	52.0-55.0	1.40 - 1.60
	Donut Peach	CA	56	46.9-50.0	1.15 - 1.30
	Nectarine	CA	56	50.0-52.0	1.40 - 1.60
	Nectarine sw	CA	56-64 vf	33.0-35.0	1.30-1.80
	Plums	CA	55-60vf	30.0-55.0	3.80-6.00/kg.
	Prune	CA	90	85	7.80/kg
	White Peaches	CHN	900g x 12	26.0-28.0	2.30-2.60/900g
	White Nectarine	CHN	900g x 12	26.0-28.0	2.30-2.60/900g
	Plum	CHN	28lb.	1.00-1.20/lb.	0.80-1.0/lb.
	Table Grape	Ca,CH	9.5-10kg	19.30-74.00	2.25-8.50/kg
	Kiwi	NZ	10kg		0.56/pc
	Apricot	CA	10kg	32.92-60.00	2.32-4.54/g
	Orange	AUS	163	23.2	0.18/pc
	Pear	CN	36-72	6.00-7.28	0.10-0.23/pc
	Apples	SA	72-180	21.0-31.0	0.15-0.50/pc
Thailand	SW Nectarine	CA	40-56	47.03-105.84	6.03-13..57/kg
	SW Peach	CA	32-48	70.66-106.31	9.06-13.63/kg
	Red Plum	CA	35-55	39.99-77.94	6.06-11.81/kg
	Black Plum	CA	25-40	39.79-77.94	6.03-11.81/kg
	Green Plum	CA	40-50	49.96-59.79	7.57-9.06/kg
	Prune	CA	80-100	39.79-67.78	6.03-10.27/kg
	Peach	CHA	42-50	26.10-31.80	0.87-1.06/pc
	Peach	JP	32	232.70-261.69	12.12-13.63/pc
	Grapes	CA	9-10/kg	36.36 - 63.63	3.63-10.60/kg
	Grapes	CHA	9 /kg	15.27 - 21.21	2.27 - 2.69/kg
	Kiwi	NZ	25/2lyr	18.0-27.0	0.60-0.90/pc
	Longan	Thai	10/kg	12.67-17.99	1.81-2.57/kg
	Indonesia	Peach	CA	40	34.4
Nectarine		CA	35	34.4	10.7
Red Plum		CA	50-80	32.2-33.3	4.3-9.2
Black Plum		CA	30-55	32.2-33.3	3.6-9.4
Green Plum		CA	24	35.4	12.3
Nectarine		CHINA	70	24.7	2.6

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
United Kingdom	SW Peach	CA	4 pack (67/73mm)	N/A	5.26
	Peach Donut	CA	4 pack (67-73mm)	N/A	5.26
	Nectarine	CA	4 pack (61/67mm)	N/A	3.52
	Peach	Italy, France, Sp	4-5pk/loose	7.04-8.80 per kg	1.72-1.76pk/1.04 ea
	Peach Organic	Italy	6 pack (61/67mm)	N/A	3.50 on offer
	Nectarine	Italy, Fr, Sp, Turk	4 pack/Loose	9.68 per 4kg	1.75-5.23pk/0.77 ea
	Nectarine Organic	Italy, Sp	5-6 pack	9.85-10.21 per 4kg	1.76-4.38
	Plums	SP	8 pack (50/55mm)	11.00 per 5kg	3.42
	Plums Organic	Sp, Italy, Isreal, Fr, Portugal, UK	6 pack - 500g	1.21-3.87 kg	0.97-8.76
	Blackberries	UK	250g	N/A	2 for 5.28
	Raspberries	UK	250g	N/A	4.38
	Blueberries	Polish	225g	N/A	2 for 6.16
	New Zealand	Peaches	CA	8.2kg Tray-11.3kg	0.81VF - 1.15 Tray
SW Peaches		CA	11.3kg VF	0.8	1.84
Nectarine		CA	11.3kg VF	0.88	1.53
SW Nectarine		CA	54/56 11.3kg VF	0.81	1.53
Plums		CA	12.7kg large	0.8	1.53
Apples		NZ	pink lady	na	0.92
Grapes		US	Flames	1.54	1.69
Kiwifruit		NZ	small/medium	na	0.33/0.55
Mango		MX	medium	na	0.55
Mandarins		NZ/Aus		na	1.53
Navel Oranges		NZ	large	na	0.56
Packum Pears		Aus	medium	na	1.1
Central America		Peaches	CA	55-80	34.35
	Peaches Donut	CA	48	23.7	1.96
	Nectarines	CA	56-72	29.85	1.38
	Plums - Red	CA	50-72	27.59	1.59
	Plums - Black	CA	50-64	27.84	1.57
	Pluot	CA	55-64	25.7	1.61
	Peaches	GT	60-90		1.72
	Plums	GT, CR	small		0.72
	Apples	CH,USA	64-198	30.01	1.55
	Grapes	CA, Ch, MX	18, 21 lbs	26.39	2.13
	Pears	CA, Ch, Arg	44-135	27.67-35.23	0.59-2.44
	Kiwifruit	CH	28-36	24.89	2.48
	Oranges	CH	44-56	31.62	0.87
	Strawberries	GT, CR			1.51
	Colombia	Peaches	CA	11k Box Size 64	US 20.70
Nectarines		CA	11 kl Box Size 64	US 20.70	US2.32 LB
Plums		CA	11kl Box Size 64	US 18.11	US 2.07 LB
Banana		CO	25 kl Box	US 10.36	US 0.70 LB
Granadilla		CO	15kl Box	US 18.11	US 1.30 LB
Mango Tommy		CO	25 kl Box	US 25.03	US 1.87 LB
Ecuador		Peaches	CA	65-70	\$24.00-26.00
	Nectarines	CA	65-70	\$24.00-26.00	\$2.93-3.26
	Plums	CA	90-100	\$24.00-26.00	\$3.10-3.39
	Pineapple	EC		\$12.00-15.00	\$0.60-0.69 p/unit
	Orange	EC		100 u/\$5.00	\$0.08-0.10 per/unit
	Papaya	EC		\$13.00-15.00	\$2.00-2.31
	Melon	EC		\$15.00-18.00	\$1.50-1.60
	Orange	USA		\$18.00-20.00	\$2.31-2.80
	Mango	EC		\$18.00-20.00	\$2.10-2.31
	Grapefruit	EC			\$0.35-0.43

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
Panama	Peaches	CA	45U		.35-.45u/1.73-1.87LB
	Nectarines	CA	48U		0.35u/1.73-1.87 LB
	Plums	CA	80U		.16-.25u/1.50-1.55LB
Venezuela	Peaches	CA	N/A	69.76	11.62-13.02
	Nectarines	CA	50-112	46.51-69.76	15.20-10.97
	Plums	CA	35-70	46.51-69.76	7.86-9.25
	Peaches	VZ	N/A	N/A	3.72-7.90
	Plums	VZ	N/A	N/A	3.25-5.58
	Mango	VZ	N/A	N/A	1.16-2.79
	Watermelon	VZ	N/A	N/A	0.93-1.86
	Melon	VZ	N/A	N/A	1.62-2.79
	Pineapple	VZ	N/A	N/A	1.86-3.25
	Strawberry	VZ	N/A	N/A	5.58-6.97
	Papaya	VZ	N/A	N/A	1.67-2.79
Canada	Peach	CA, WA	per pound	0.77	1.99
	Nectarine	CA, WA	per pound	0.77	1.99
	Peach	ON, BC	3L basket		2.99
	Nectarine	ON	3L basket	3.79	3.99
	Plum	CA	per pound	0.77 - 1.49	1.99/lb
	Apple	WA, BC	per pound	0.69	0.98 - 1.68
	Cantaloupe	CA, ON	each	1.68	0.99 - 2.00
	Grapefruit	CA	as indicated	1.99/4# bag	
	Grapes	CA	per pound	0.96 - 1.00	0.99 - 1.48
	Kiwifruit	NZ	2# punnet	2.99	3.79
	Oranges	S. Afr	as indicated	1.99/4# bag, 0.69/lb	3.99/4\$ bag, 0.98/lb
	Pear	CA, ON	per pound	0.69 - 1.00	0.98 - 0.99
	Raspberries	U.S.	1/2 pint	2.49	1.67
	S'less W'melon	ON, U.S.	each	2.88	3.99
Strawberry	CA, QC, ON	1# cont	1.50-1.99	2.98-2.99	
Legend	Arq	Argentina		Mal	Malaysia
	Aus	Australia		MX	Mexico
	CH	Chile		NZ	New Zealand
	CN	China		NZ	New Zealand
	CO	Colombia		SA	South Africa
	CR	Costa Rica		Sp	Spain
	CA	California		SW	Summerwhite®
	CUG	California Utility Grade		Thai	Thailand
	CWM	Ca Well Mature®		TW	Taiwan
	EC	Ecuador		USM	US Mature
	GT	Guatemala		Vf	Volume fill
	JP	Japan		VZ	Venezuela
	Lyr	Layer		WA	Washington