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## FRESHFEL EUROPE UNVEILS SOUTHERN HEMISPHERE CITRUS PRODUCTION FORECASTS

**According to the data released by Freshfel Europe and SHAFFE, the citrus production in the Southern Hemisphere countries included in the survey should reach for 2009 a level of 6.96 million tonnes, down by 4.7% compared to last year. Exports to all destinations are also reported to be down by 5.5% on last year's figures to reach 2.319.535 T**

These global figures are however to be analysed in more detail to take into account variation of production in the different growing areas and the particular situation by products. Indeed, Argentina and Uruguay are both expecting a 13% decrease of their citrus fruit production, while Peru is predicting a 2% decrease. Conversely, Australia, South Africa and Chile are all expecting increases in their production, by 6%, 3% and 2% respectively. On this basis oranges (-6.9%), easy peelers (-11.4%) and lemons (-1.5%) will have a lower production compared to last year. Grapefruit production will increased by almost 7%.

Regarding the Southern Hemisphere exports of citrus fruit for the coming season from SHAFFE countries, the forecast is tabling a decrease by 5.5% compared to 2008. For individual categories, the forecast is predicting a decrease for oranges (-2.9%), lemons (-18.4%) and easy peelers (-5.3%). Similar to the production trends only grapefruit exports are showing an increase (14%).

| TOTAL SH | | | | | |
|---|---|---|---|---|---|
| **Production** | **2007** | **2008** | **2009** | **Var 2009/2008** | **Var 2009/Av (03/08)** |
| Oranges | 3.554.082 | 3.315.074 | 3.087.125 | -6,9% | -4,6% |
| Mandarins | 1.333.358 | 1.158.187 | 1.025.618 | -11,4% | -14,9% |
| Lemons | 2.289.230 | 2.120.305 | 2.088.105 | -1,5% | -1,6% |
| Grapefruit | 677.574 | 714.031 | 763.407 | 6,9% | 19,6% |
| **Total** | **7.854.244** | **7.307.597** | **6.964.255** | **-4,7%** | **-3,3%** |
| **Export** | **2007** | **2008** | **2009** | **Var 2009/2008** | **Var 2009/Av (03/08)** |
| Oranges | 1.230.522 | 1.303.855 | 1.266.259 | -2,9% | 16,6% |
| Mandarins | 300.644 | 330.934 | 313.356 | -5,3% | 21,2% |
| Lemons | 517.698 | 597.946 | 488.104 | -18,4% | -3,5% |
| Grapefruit | 249.629 | 220.913 | 251.815 | 14,0% | 3,9% |
| **Total** | **2.298.493** | **2.453.648** | **2.319.535** | **-5,5%** | **10,9%** |

The details on a country basis for the Southern Hemisphere are to be found below in the annex.

In regard to the development of the Northern Hemisphere season, the Freshfel – SHAFFE working group also provided an update of the Mediterranean citrus season based on selected countries.

For all citrus categories in a survey looking at Turkey, Spain, Morocco and Israel, stocks remaining to be sold are 8% higher than last year despite the fact that so far 13% more was moved into the market. The specific situation for oranges and lemons are highlighted in dedicated charts as reproduced below.

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| TOTAL CITRUS | Export 2007/08 | Export to 1/3/08 | Balance | Export 2008/09 | Export to 1/3/09 | Balance | Variation 2008/09 | Variation March 1 | Variation Balance |
|---|---|---|---|---|---|---|---|---|---|
| *SPAIN* | 3.036.300 | 2.325.390 | 710.910 | 3.564.000 | 2.500.046 | 1.063.954 | 17% | 8% | 50% |
| *MOROCCO* | 582.300 | 420.000 | 162.300 | 652.300 | 420.000 | 232.300 | 12% | 0% | 43% |
| *TURKEY* | 724.700 | 637.100 | 87.600 | 780.000 | 863.700 | -83.700 | 8% | 36% | -196% |
| *ISRAEL* | 165.100 | 128.300 | 36.800 | 181.000 | 120.350 | 60.650 | 10% | -6% | 65% |
| **TOTAL MED** | **5.876.620** | **3.090.790** | **2.785.830** | **6.498.700** | **3.484.096** | **3.014.604** | **11%** | **13%** | **8%** |

| ORANGES | Export 2007/08 | Export to 1/3/08 | Balance | Export 2008/09 | Export to 1/3/09 | Balance | Variation 2008/09 | Variation March 1 | Variation Balance |
|---|---|---|---|---|---|---|---|---|---|
| *SPAIN* | 1.275.600 | 763.116 | 512.484 | 1.555.000 | 848.212 | 706.788 | 22% | 11% | 38% |
| *MOROCCO* | 295.700 | 150.000 | 145.700 | 305.000 | 120.000 | 185.000 | 3% | -20% | 27% |
| *TURKEY* | 147.900 | 128.400 | 19.500 | 150.000 | 184.400 | -34.400 | 1% | 44% | -276% |
| *ISRAEL* | 30.000 | 16.100 | 13.900 | 42.000 | 13.700 | 28.300 | 40% | -15% | 104% |
| **TOTAL MED** | **2.883.300** | **907.616** | **1.975.684** | **3.146.400** | **1.046.312** | **2.100.088** | **9%** | **15%** | **6%** |

| LEMONS | Export 2007/08 | Export to 1/3/08 | Balance | Export 2008/09 | Export to 1/3/09 | Balance | Variation 2008/09 | Variation March 1 | Variation Balance |
|---|---|---|---|---|---|---|---|---|---|
| *SPAIN* | 305.400 | 181.596 | 123.804 | 440.000 | 217.513 | 222.487 | 44% | 20% | 80% |
| *TURKEY* | 223.900 | 197.500 | 26.400 | 230.000 | 226.700 | 3.300 | 3% | 15% | -88% |
| *ISRAEL* | 4.100 | 3.760 | 340 | 0 | 710 | -710 | -100,00% | -81% | -309% |
| **TOTAL MED** | **627.530** | **382.856** | **244.674** | **775.300** | **444.923** | **330.377** | **24%** | **16%** | **35%** |

For the coming months a number of points of concern were raised by the global citrus experts from the Freshfel – SHAFFE working group, specifically:

- Consequences of the economic crisis in the main consuming markets including Japan ,EU and USA
- Consequences of the financial crisis for the trade with Russia as well as concerns about market access
- Complexity of market situation for some products categories, particularly lemons
- Consequences of the quality of oranges towards the end of the season as well as smaller sizes given poor climatic conditions in growing regions
- Decline of foodservices given economic crisis and impact for citrus market
- Higher demand for the processing of citrus (lemons) in Argentina and consequences for the export markets (later start and lower volume for exports)
- Opening of the USA markets for citrus varieties from Chile

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*Freshfel Europe is the European Fresh Produce Association, representing the interests of operators across the supply chain of fresh fruits and vegetables in Europe and beyond. Freshfel Europe currently has over 200 members, including both companies and associations. Freshfel's work is organised on the basis of its four divisions: Import, Export, Wholesale and Distribution, and Supply Chain & Retail. In addition, Freshfel Europe has set up various Working Groups on specific food safety topics incorporating the views of European experts. For more information contact the association at info@freshfel.org.*

*SHAFFE is the Southern hemisphere Association of fresh Fruit Exporters (www.shaffe.net) and incorporates the export organisations from Argentina, Australia, Brazil, Chile, New Zealand, Peru, South Africa, and Uruguay. For more information contact the association at shaffe@shaffe.net.*

Annex – Production in the Southern Hemisphere by variety

| Total Citrus: | 2008 Prod | 2009 Prod | % var | 2008 Exports | 2009 Exports | % var |
|---|---|---|---|---|---|---|
| Argentina | 3.040.800 | 2.645.000 | -13% | 690.000 | 506.000 | -27% |
| Australia | 574.000 | 606.000 | 6% | 138.909 | 164.320 | 18% |
| Chile | 357.000 | 364.000 | 2% | 92.149 | 107.500 | 17% |
| Peru | 823.856 | 810.300 | -2% | 64.172 | 51.000 | -21% |
| South Africa | 2.252.941 | 2.312.955 | 3% | 1.346.241 | 1.376.415 | 2% |
| Uruguay | 259.000 | 226.000 | -13% | 122.177 | 114.300 | -6% |
| Total | 7.307.597 | 6.964.255 | -4,7% | 2.453.648 | 2.319.535 | -5,5% |

| Oranges: | 2008 Prod | 2009 Prod | % Var | 2008 Exports | 2009 Exports | % Var |
|---|---|---|---|---|---|---|
| Argentina | 942.000 | 660.000 | -30% | 155.000 | 108.000 | -30% |
| Australia | 419.000 | 450.000 | 7% | 107.040 | 130.000 | 21% |
| Chile | 150.000 | 152.000 | 1% | 28.349 | 34.000 | 20% |
| Peru | 372.601 | 389.600 | 5% | 14.415 | 3.100 | -78% |
| South Africa | 1.326.473 | 1.322.525 | 0% | 929.927 | 927.159 | 0% |
| Uruguay | 105.000 | 113.000 | 8% | 69.124 | 64.000 | -7% |
| Total | 3.315.074 | 3.087.125 | -6,9% | 1.303.855 | 1.266.259 | -2,9% |

| Lemons: | 2008 Prod | 2009 Prod | % Var | 2008 Exports | 2009 Exports | % Var |
|---|---|---|---|---|---|---|
| Argentina | 1.361.800 | 1.400.000 | 3% | 406.000 | 300.000 | -26% |
| Australia | 31.000 | 30.000 | -3% | 917 | 920 | 0% |
| Chile | 170.000 | 172.000 | 1% | 43.595 | 45.000 | 3% |
| Peru | 241.590 | 232.300 | -4% | 1.201 | 1.500 | 25% |
| South Africa | 185.915 | 178.805 | -4% | 131.722 | 126.684 | -4% |
| Uruguay | 20.000 | 34.000 | 70% | 14.511 | 14.000 | -4% |
| Total | 2.010.305 | 2.047.105 | 1,8% | 597.946 | 488.104 | -18,4% |

| Easy Peelers: | 2008 Prod | 2009 Prod | % Var | 2008 Exports | 2009 Exports | % Var |
|---|---|---|---|---|---|---|
| Argentina | 410.000 | 285.000 | -30% | 96.000 | 75.000 | -22% |
| Australia | 115.000 | 117.000 | 2% | 30.704 | 33.000 | 7% |
| Chile | 28.000 | 30.000 | 7% | 19.205 | 26.000 | 35% |
| Peru | 205.187 | 184.400 | -10% | 48.556 | 46400 | -4% |
| South Africa | 380.000 | 375.218 | -1% | 98.192 | 96.956 | -1% |
| Uruguay | 130.000 | 75.000 | -42% | 38.277 | 36.000 | -6% |
| Total | 1.268.187 | 1.066.618 | -15,9% | 330.934 | 313.356 | -5,3% |

| Grapefruits: | 2008 Prod | 2009 Prod | % Var | 2008 Exports | 2009 Exports | % Var |
|---|---|---|---|---|---|---|
| Argentina | 327.000 | 300.000 | -8% | 33.000 | 23.000 | -30% |
| Australia | 9.000 | 9.000 | 0% | 248 | 400 | 61% |
| Chile | 9.000 | 10.000 | 11% | 1.000 | 2.500 | 150% |
| Peru | 4.478 | 4.000 | -11% | 0 | 0 | |
| South Africa | 360.553 | 436.407 | 21% | 186.400 | 225.615 | 21% |
| Uruguay | 4.000 | 4.000 | 0% | 265 | 300 | 13% |
| Total | 714.031 | 763.407 | 6,9% | 220.913 | 251.815 | 14,0% |