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## ORANGE JUICE

### USA

Typically In August, citrus analyst and private forecaster Elizabeth Steger would release an and early unofficial estimate on the forthcoming 2022/23 orange crop in Florida. However, the report is funded by the industry who decided that production in Florida is so small these days that it was not worth spending the money to produce a private estimate this year. Commodity firm, Louis Dreyfus, also used to give an estimate around the same time, but they ceased releasing forecasts in 2015.

The first official forecast on Florida's 2022/23 crop will be released as usual by the USDA in October. In the meantime, industry sources in Florida say that expectations continue to trend towards smaller crops. Current

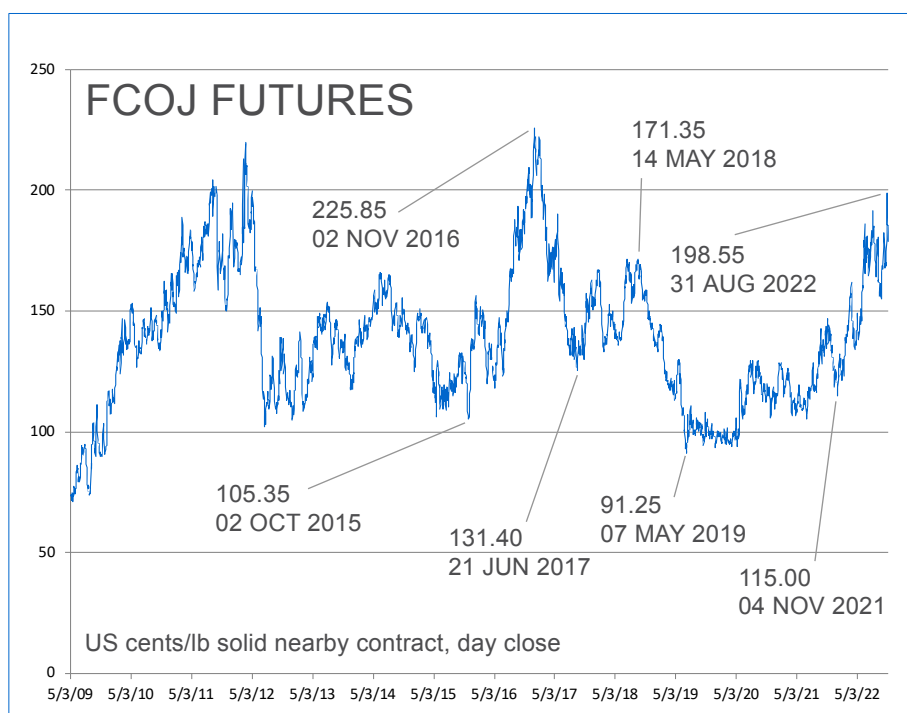
estimates on production for next season are between 35-40 million boxes, compared with 41 million boxes in 2021/22, but analysts stress that the final figure will depend on the extent of the fruit drop. Fruit droppage has accelerated over the past few years and seen million of boxes continually cut from estimates each month.

### Growing conditions

The citrus belt in Florida is still receiving plenty of hot and humid weather and there has been regular rainfall in the centre of the state.

There have been no significant storms threatening Florida so far this season and the predictions of an elevated hurricane season this year have luckily proved incorrect up to now.

While there is no further news on damage from the freeze event in January this year, The USDA has



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announced that they are offering relief to the growers in the worst hit areas.

There is hope that if there has been a reduction in production from the freeze, that the lower volume of fruit would mean less stress for the tress and result in lower droppage – essentially offsetting the freeze event.

Analysts in Florida say that the fruit set looks good, but that the fruit per tree count appears to be lower than in recent years.

## Futures

The frozen concentrated orange juice (FCOJ) futures market has generally been less volatile over the past month ranging between USD1.63-1.77/lb, but the market rallied hard at the end of August up to USD1.99/lb before falling back off again.

Traders say the market was relatively quiet until last week, but bullish news of poor inventory projections for the start of next season (June 2023) from CitrusBR created speculative buying. The 2022/23 crop in Brazil was expected to be much better than last year and there was hope that the larger production would bring relief to the concerns over low stocks levels. However, CitrusBR has predicted a flat net inventory from this year to next.

In addition, traders say they have also heard that the crop in Mexico is going to be lower, mostly from the North, so with a possibly lower supply from both Florida and Mexico, coupled with Brazil having flat inventories, the market reacted and rallied significantly last week.

## Price direction

The trade is a very willing seller when pricing climbs above USD1.85/lb and so analysts suggest the market will trade within a range of USD1.60-1.90/lb in the near term.

The main drivers for the futures market over the next couple of months include

## UPDATE ON BRAZILIAN ORANGE JUICE YIELDS, PRODUCTION AND STOCKS

### Stocks 2022

Global inventories of Brazilian orange juice (66 brix equivalent) held by CitrusBR associates on 30 June 2022 were 143 104 tonnes, a decrease of 54.8% compared with the 316,929 tonnes held on 30 June 2021.

### Juice production and yield 2022/23

The average industrial yield on fruit for the 2022/23 season is estimated at 269.3 boxes for the production of one tonne of FCOJ 66 brix equivalent.

Considering a crop estimated by Fundecitrus of 316.95 million boxes (40.8 kg) and consumption in the Brazilian domestic fresh fruit market of around 40 million boxes the estimate for the volume of oranges destined for the processing industry is 276.95 million boxes for CitrusBR's members and non-members.

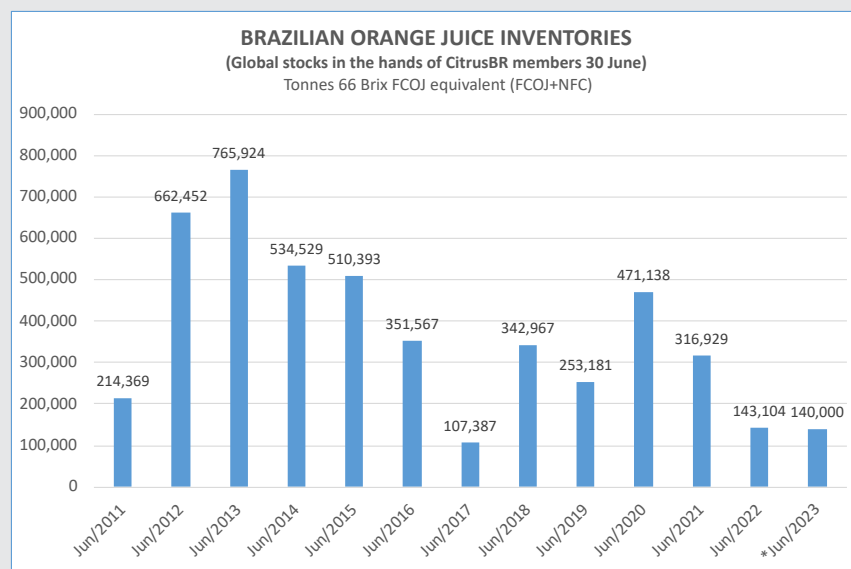
With the above figures, it is possible to estimate that total orange juice production in the citrus belt of São Paulo and Triângulo Mineiro would be approximately 1.028 million tonnes of FCOJ 66 brix equivalent.

### Stocks 2023

With carry-over stocks of 143 104 tonnes and an expected production of 1.028 million tonnes, the total juice availability will be approximately 1.171 million tonnes tons. In line with the average of exports in recent years disclosed by Secex Brasil, demand is estimated at least at 1.03 million tonnes.

Also, considering a possible increase in shipments to the US - given the decline in the crop and inventories in Florida - CitrusBR estimates that ending stocks on 30 June 2023, should remain relatively stable at around 140 000 tonnes of FCOJ equivalent.

In February 2023, CitrusBR will further update stock projections for 30 June 2023 based on the developments of the current crop.



Source: CitrusBR

an update on the current Brazilian crop from Fundecitrus (released 12 September), then the October estimate from the USDA on Florida's forthcoming crop. The industry is also keeping a close eye on weather patterns in the tropics for any signs of threatening storms to both Florida and Mexico.

In terms of the US fundamentals, movement for FCOJ up 16% compared with last year. FCOJ inventory down 27%, but this still equates to 38 weeks of movement

## Mexico

The Valencia season in Mexico wound up in April/May 2022 with lower-than-expected volumes. The fruit quality was below average due to a multiple bloom season, which led to lower overall juice yields.

Most of the Mexican producers do not build stocks of FCOJ to feed demand later in the year and local industry sources say that all supplies are now committed. Demand is reportedly strong for FCOJ, particularly from the US.

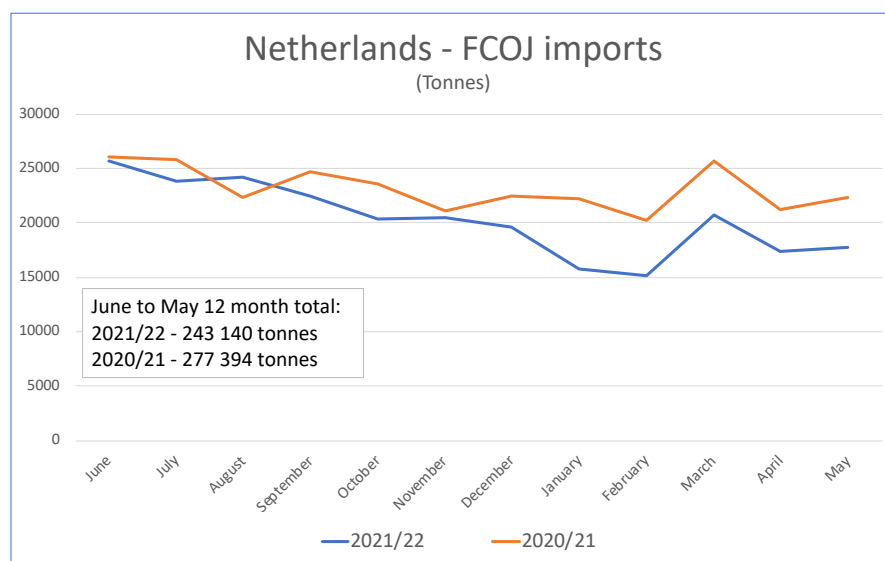
In terms of NFC juice, not all processors have NFC capacity and even less have storage capabilities. Usually just 15-20% of the fruit is crushed to NFC juice. Nevertheless, there are limited volumes of NFC available in Mexico, say producers.

The industry there will begin processing the early and mid-season fruit from the 2022/23 crop later this month or early October.

With the possible cut to the Brazilian crop, all eyes will be on Mexican production over the next few months, say analysts.

## Brazil

The 2022/23 crop in Brazil is in full swing, but there are concerns about the lack of rainfall in the main growing



regions. The dry season usually runs from May to August, but August was particularly dry and forecasts are not showing any relief from the dry weather in the near-term.

Industry sources say there has already been some fruit droppage due to the dry weather and that the fruit is coming up smaller than anticipated. So there is expected to be more fruit per box, but less overall boxes. As a result, analysts now suggest production from the current crop could be nearer 300 million boxes, compared with Fundecitrus's current estimate (from May) of 317 million boxes.

Last month the industry said that growing conditions were good enough for production to be higher than 317 million boxes, but the sustained dry weather over the past month has significantly changed perspectives. As mentioned, Fundecitrus will release a new estimate on the crop on 12 September.

In addition to concerns over this season's production, the industry is also worried about the flowering for next season, which is due anytime from now until December. The trees require a certain level of stress to encourage the next bloom, but rainfall is certainly needed for the flowering to hold.

## Juice ratios

There are still problems with a lack of high ratio supplies due to the shorter carry in this season. With the dry weather, the acid in the fruit is not converting to sugar as well as it should. For example, brix:acid ratios for the Pera fruit are only reaching 7-9, when they should be between 12-13 at this time and ratios for Valencias are even lower. It must be pointed out that this season is around six weeks behind a normal season due to the late blooming last year. Nevertheless, the fact remains that there are only limited volumes of high ratio juice available to blend with new season supplies and this issue is expected to continue until at least December.

There are reports that the larger producers in Brazil have ceased buying fruit from the spot market for the moment. This could be attributed to the lack of high ratio supplies and/or due to a lack of labour resources to pick and crush the fruit. The larger producers are reportedly buying finished concentrate from the smaller producers instead.

With the later crop this season, there is still time for the situation to be rectified. Analysts say that if there are rains over the next couple of weeks then the

situation should be okay, but if the dry weather persists until October then fruit dropage will increase, fruit sizing will decrease and it is likely some fruit will begin to crack, say analysts.

### Pricing

Fruit pricing is relatively unchanged at BRL32/box, compared with BRL32-36/box last month.

Offers for concentrate are on par with last month at USD2200-2300/tonne 66 brix FCA Europe duty unpaid. Offers for high ratio supplies are significantly higher – as much as USD2600/tonne on the same delivery basis, say some traders.

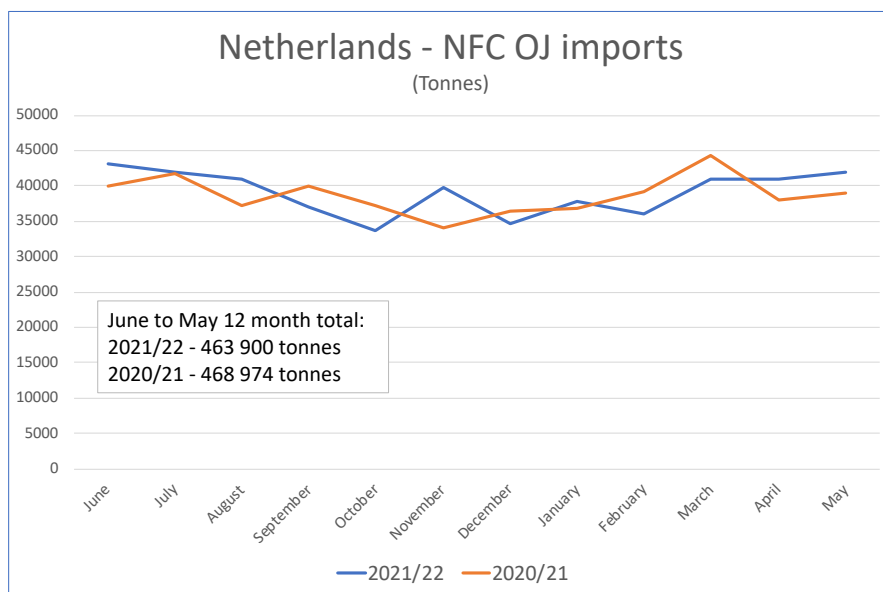
Demand for concentrate is relatively buoyant and NFC uptake is reportedly good too. However, the European supermarkets are being cautious with purchasing and traders/importer/bottlers are being equally careful not be left with supplies of juice they can not place.

Europe is Brazil's key market for juice and high inflation and energy costs is expected to hit consumption there.

Analysts suggest there could be further market activity in October after both the Fundecitrus report on Brazil and the USDA report on Florida have been released.

Stocks remain short in Brazil and there are still a back-log of orders that the Brazilian producers are trying to clear from August.

With the potential for a smaller-than-expected crop this year from Brazil, analysts suggest the season could be more or less finished by the end of the year. If 20 million boxes or more are lost from the current crop in Brazil then there will be some nervousness about the carry over supplies for the next crop in June 2023. The current season was meant to be a bumper crop and so expectations, from a biennial point of view, are less than optimistic for production from the 2023/24 crop.



As mentioned, CitrusBR have released a report stating that the carry in supply of FCOJ going into the next crop in June 2023 is expected to be around 140 000 tonnes – so similar to the 'critically low' stocks of 143 000 tonnes going into the current crop in June this year (see page 2)

### Spain

Traders in Europe say that Spanish producers will be less competitive this season due to high energy costs coupled with dry weather. Production from Spain usually supplements the supply of NFC juice to the European market. The crop in Spain will begin in November.

## APPLE JUICE

Conditions for growing and harvesting are optimal in Poland's main apple growing regions. There has been regular rainfall and temperatures have not been too high. Analysts say it is slightly too dry in a few regions and some orchards have received hail damage, but that there is no real concern given the projection on the size of the crop this year.

Last month, the World Apple and Pear Association (WAPA) forecast apple production in Poland for the 2022/23 crop at 4.5 million tonnes, against 4.3 million tonnes last year. Industry sources say output could exceed this given the continued favourable growing conditions.

Processing started in late July with pick out fruit and old season stock apples. The industry is currently running the early high acid fruit (3.0-4.0% acid) and the main production period will begin in two weeks time, so factories are not yet running to capacity.

The industry entered the 2022/23 crop with limited carry over supplies and are currently producing for orders that were placed before the season began.

### Pricing

Raw material prices for pick out fruit started above PLN0.50/kg in July and then fell to PLN0.42-0.45/kg in early August. Prices levels now range between PLN0.42-0.50/kg. The higher end of this range represents a premium for NFC quality fruit and/or delivery to factories further away from the main growing regions. Last

month, old season cold store apples were fetching EUR0.53-0.60/kg.

Asking prices for new season apple concentrate from Poland are between EUR1350-1450/tonne 70 brix 2.5-3.0% acid ex factory Poland, against EUR1400-1500/tonne for old season supplies last month.

Demand has been good at the start of the season, say analysts. European and US buyers are actively looking for product and there are still some major buyers with large open positions to cover.

The price direction for the rest of the season is difficult to determine. On the one hand the larger crop and subsequent lower fruit pricing would indicate a bearish market. However, limiting the downside and possibly creating a bullish sentiment for apple concentrate pricing is rising cost of production which is reportedly up by 100% this season.

The supply of gas and electricity for the industry is at risk and fertilizer prices are incredibly high.

### Other sources

The situation in Turkey has not improved in terms of high inflation and an unstable currency. There has also been a significant jump in electricity and gas pricing recently. While still historically expensive, asking prices out of Turkey have eased to EUR1400-1450/tonne 70 brix low acid ex factory Turkey, against EUR1500-1600/tonne last month.

The crop in Ukraine is reportedly a similar size to last year, but the logistics of processing and delivering supplies are extremely challenging due to the conflict. It is difficult to find pickers to harvest and truck drivers to deliver to the factories.

Offers out of the Ukraine are at EUR1150-1200/tonne 70 brix 2.0-3.0% acid ex factory Ukraine. While

this is cheaper than most producing regions, exporting supplies is naturally problematic at the moment.

### China

The 2022/23 apple crop in China has also begun, but there are reports that production will be 22% lower than last season. This would equate to around 35 million tonnes, from 45 million tonnes last season.

Fruit is currently changing hands for USD160-170/tonne, against USD80-90/tonne last season. Processors there are keen to take delivery of new season fruit and the competition has reportedly driven prices up. Offers for concentrate have followed suit with price levels now at USD1550-1600/tonne 70 brix low acid FOB China, against USD1250-1300/tonne last month. Nevertheless, in spite of the reduction, 35 million tonnes of apples will be certainly be enough to supply the industry. Processors usually self-limit their production in line with demand. Last season the industry produced around 500 000 tonnes of apple concentrate. So there will be enough supply, but the supply looks like it could be expensive which could encourage processors to further

reduce their juice production.

The higher pricing in China could see increased demand for European produce from China's main markets, such as the US.

### Chile

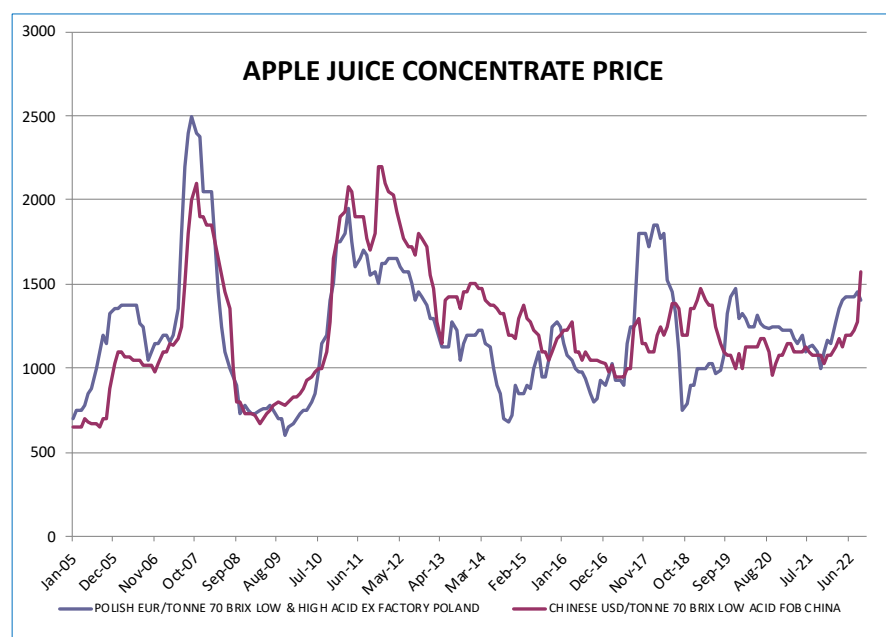
The 2022 crop in Chile has now finished. Local industry sources suggest that the output of apple juice concentrate will be lower than last year, mainly due to the decrease in the number of processors this season. Juice yields have been good, comparable to previous years, but acidity has been a bit lower, averaging around 1.7%.

Asking prices out of Chile are between USD1900-2000/tonne 70 brix low acid FOB Chile.

The fruit that has not already been taken up by the fresh market or juice industry is now in cold storage. Juice processors say they are mainly producing to order.

## GRAPEFRUIT JUICE

There are no current forecasts, official or otherwise, on the forthcoming



2022/23 grapefruit crop in Florida. The industry is waiting for the USDA estimate in October.

The USDA's final forecast on Florida's 2021/22 grapefruit crop was 3.33 million boxes (500 000 boxes of white and 2.83 million boxes of red).

Local sources in Florida suggest the production this year is likely to be lower, mainly due to the freeze earlier in the year and the impact this had on the bloom.

Growing conditions have been relatively favourable so far in Florida. The climate has been warm, but the western and southern counties have received much more rainfall than the counties in and around Lake Okeechobee and northern areas which are fairly dry. The whole Indian River area could do with more rain. Nevertheless, there have been not been any tropical storms and none are on the horizon.

The fruit set is normal for the time of year and local growers say that "the colour is starting to break".

Movement of frozen concentrated grapefruit juice (FCGJ) in the US is up 100 000 lbs solid over last year and inventories continue to drop.

## Texas

So far growing conditions have not been very good in Texas due to a severe drought and the fruit is still small. Rains are expected over the next few weeks which should help fruit growth and quality, but local producers say the dry weather will probably result in a delay to the 2022/23 harvest.

Initial industry estimates for the next crop are in the area of 2.6 million (80 lb) boxes, which is about 40% higher than last season. Production last season was impacted by a hard freeze, so the projection for the 2022/23 crop is still around 40% below the output of an average season.

Concentrate inventories are very low in Texas and there is practically nothing to offer until the supply from the next crop comes on stream. NFC inventory is just enough to cover current contracts until new season production begins which is expected at the end of November.

## Mexico pink/red grapefruit juice

Recent estimates by the local industry in Mexico suggest that production of pink/red grapefruit from the forthcoming 2022/23 crop will still not reach the normal output achieved from the 2020/21 crop. Last season (2021/22) there was a reduction of approximately 35-40% due to the impact of hurricanes and the estimate for the 2022/23 crop remains similar to this.

The main factor is again weather with drought conditions prevailing throughout the year. In addition, many grapefruit plantations are not being properly maintained and some growing areas are being replaced by other citrus crops.

There is a strong demand from the fresh market and from the industry that produces fruit segments (slices), this continuous consumption is keeping upward pressure on fruit pricing, say local industry sources. For this reason, growers have a high price expectation for fruit from the forthcoming season.

There will be high demand for fruit from the juice processing sector in Mexico too, but there is the strong possibility that the supply of juice will be insufficient to meet all of the demand from Mexico's traditional export markets – particularly given the waning supply in the US.

Buyers are starting to ask for volumes and prices for next season, but producers say it is too early to give any price indications.

## Mexico white grapefruit juice

The volume of white grapefruit is expected to be on par with the previous two years.

The reason for this variety not showing a volume reduction is because there has been an increase in groves planted during recent years.

In contrast to the red/pink grapefruit, the main demand for the white grapefruit comes from the juice processing industry with only a small volume allocated for fresh market. However, this year, due to the low availability of red/pink supplies, the fresh market could be demanding a higher volume of white fruit.

The cost of white fruit is expected to be stable and, for first time in many years, could be lower than the cost of the red/pink fruit.

Demand for Mexican grapefruit juice is expected to be high this season, with exports mainly going to Asia, Europe, the US and Latin America.

There are no stocks available going into the 2022/23 season.

## GRAPE JUICE

The main grape producing regions in Argentina are just coming out of Winter now. There was good snow fall which should be beneficial for irrigation for the 2023 crop, but local sources say they need to wait until November until the freeze risk is over before they can properly gauge growing conditions.

Price levels for grape juice concentrate from Argentina are unchanged on last month at USD2100-2150/tonne 68 brix FOB Buenos Aires.

Demand is slow, which is evident in the export data. Argentina shipped 46 550 tonnes between January and July this year, compared with 56 000 tonnes during the same period the

year before.

Argentina's main market is the US and exports to this market are currently closed due to a pending anti-dumping case, the first outcome of this is expected next month. Shipments are limited to other markets such as Japan, Canada and South Africa. The higher price levels for apple juice concentrate from China should help demand for grape juice concentrate. The two products have similar profiles and can be substituted in many recipes, particularly as a natural sweetener.

The industry there has 90 000 tonnes available for export from the 2022 crop and so expect supplies to be more than sufficient to meet demand until the 2023 crop in February/March next year. As well as the anti-dumping case, the economics in Argentina are not helping uptake - inflation is running at 90% this year and the devaluation of the Argentinean Peso is expected to be around 40%.

## Spain & Italy

The 2022 grape crop in Spain is expected to be around 10% shorter than last year due to dry weather, but the quality of the fruit is fine.

The harvest of the chardonnay and other wine varieties has already started and the varieties for juice production will start this week. The first offers for new season white grape juice concentrate are expected shortly afterwards.

Demand is mostly driven by the wine market and uptake is stable/relaxed. There are no significant stocks of grape concentrate from last season to carry over.

Meanwhile, the 2022 grape harvest in Italy is also underway. Production in northern Italy is predicted to be 20-30% lower than last season due to a drought. Nevertheless, the main

origin for raw materials destined for juice production is the Puglia region in the south. This region suffered less from sustained heat than the north and normal production is expected.

There are no reliable quotes on new season supplies yet, but the latest spot deals for white grape concentrate are between EUR1400-1500/tonne 68 brix ex factory Italy.

Demand is quiet, mainly because buyers are waiting on more news from the new crop.

Again, there are no significant stocks to carry into the new season.

The 2022 grape crop in both Spain and Italy will wind up mid- to late-October.

## LEMON JUICE

Growing and harvesting conditions are favourable for the current 2022 lemon crop in Argentina. Production from the crop has been very good so far and processors have met their target volumes - the season is now winding down.

The quality in terms of juice yields and ratios has been good, but there

are reports of smaller new producers entering the market this season and the quality of the juice is reportedly not as good as the supply from the main producers.

The crop is expected to be 5% larger than last year at 1.80 million tonnes with 1.30-1.35 million tonnes going for processing.

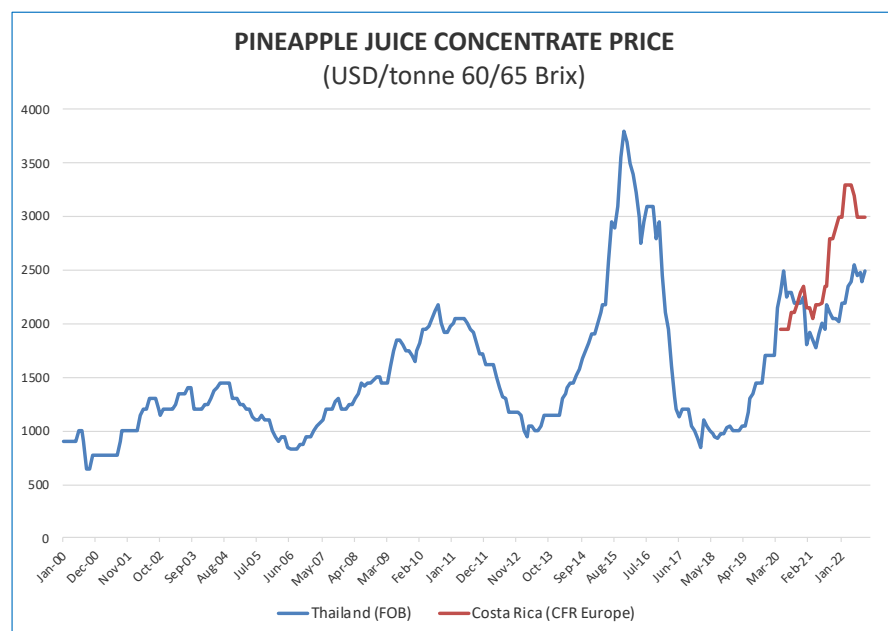
The volume of concentrate will be slightly lower than last year at 80 000-85 000 tonnes, compared with 90 000 tonnes last year.

However, the industry there entered the crop with fairly weighty carry over supplies and there is now an oversupply situation.

Demand has not kept pace with the output over the past 5 years and processors in Argentina as well as other countries such as Mexico, Brazil, Peru, Bolivia and South Africa are all finding it difficult to utilise the available supplies.

Producers in Argentina say that there will definitely be fruit left on the trees this season - possibly up to 200 000 tonnes, according to ACNOA (Asociación Citrícola del Noroeste Argentino), the regional citrus association.

The poor returns for fruit are



encouraging many growers to convert their groves to other crops such as sugar cane and soya. The oversupply scenario is unlikely to change dramatically next year, say producers, and this applies not only to Argentina, but also the other main lemon producing countries such as Spain, Turkey and South Africa.

## Pricing

Offers for lemon juice concentrate from Argentina are now at USD1400/tonne 400gpl FOB Buenos Aires, compared with USD1400-1500/tonne last month. The smaller producers are reportedly offering as low as USD1100/tonne on the same delivery basis. "At this price," say local industry sources, "nobody can make a profit and so the small new processors will go out of business for sure."

As mentioned, demand was slow in August, which is normal for the time of year, but buyers are aware there are plenty of stocks available and so are in no hurry to fix contracts.

Nevertheless, there has been a reduction in processing this season and so the carry over into next year is expected to be lower than this year. However, pricing is predicted to be depressed for the medium term due to the current glut of volumes.

Meanwhile, there are reportedly no offers out of Spain or Italy, but there should be some volumes available from the new crops there in November/December. Spain is reportedly reducing processing volumes by almost 30% compared with last year due to the global surplus of concentrate.

## PINEAPPLE JUICE

The southern growing areas in Thailand have begun to harvest the first fruits from the 2022 Thai Winter crop and western regions will follow in

two weeks time.

The first shipments of supplies from the new Winter crop are expected sometime in October and the crop will run until December/January.

Fruit pricing is currently around THB7.5-8.0/kg. Analysts say this level could get lower as the crop progresses, but it is too early to tell at this stage.

Offers for concentrate are between USD2400-2600/tonne 60/65 brix FOB Bangkok, against USD2300-2500/tonne last month.

Supplies have been limited since the Summer crop wound up and availability is expected to be tight for the rest of the year. Traders in Europe say they have pending deliveries with Thai producers and that shipments are delayed due the lack of supplies.

Demand remains strong, but analysts suggest that many buyers will probably wait until the SIAL food fair (15-19 October) to fix contracts when the Winter crop should be in full swing.

Growing and harvesting conditions are ideal in Thailand and production for the calendar year 2022 (Summer and Winter crop) is expected to reach 1.30 million tonnes. While this is an improvement on the 1.10 million tonnes estimated for last year, it is still a far cry from the 2.0-2.2 million

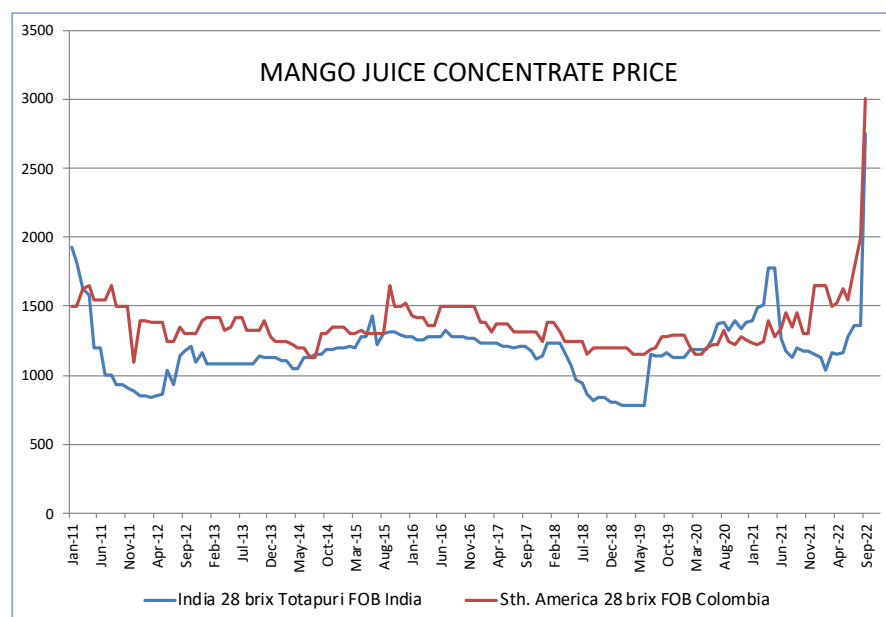
tonnes that the country produced a decade ago. Analysts suggest that if production next year is at the same level as this year, then prices levels are unlikely to ease, but if the outlook for production improves in 2023 then the market could see offers nearer to USD2000/tonne. However, the downside is limited due to the rising costs of overheads – particularly energy. The cost of steel drums and aseptic bags is also increasing. In addition, labour costs are expected to rise by 15% in October.

The upside price risk is also limited. Historically, end-users reduce the content of pineapple they use in recipes, or eliminate it altogether, when prices get too high. And with the rising cost of living in many parts of the world consumers are unlikely to prioritise pineapple juice on their shopping lists, say analysts.

## MANGO JUICE

### Alphonso & Kesar

The 2022 Alphonso season in India wound up in mid-June and output of puree is expected to reach 50 000 tonnes. However, as mentioned last month, around 30 000 tonnes are possibly altered with added sugar and



Sindura mango.

Local sources in India say this problem is mainly associated with supplies from the south and also from Hubli-Dharwad.

Offers for 100% Alphonso mango puree from western regions is now at USD1950-2150/tonne 15-17 brix FOB India, against USD1925-2050/tonne last month.

Asking prices for pure Alphonso supplies from the south range between USD1850-1900/tonne on the same delivery basis, against USD1675-1725/tonne at the start of August. Traders in Europe say they are receiving offers for authentic Alphonso puree from southern India between USD1800-2000/tonne FOB India and that asking prices for western supplies are at USD2200/tonne FOB India.

Blended Alphonso supplies are offered at lower price levels.

Demand has reportedly been good over the past month, particularly from Europe and around 80% of the supply is now allocated, say Indian producers. Nevertheless, stock levels are expected to be adequate to meet demand until the 2023 crop.

Growing conditions for next season are favourable and the flowering is expected in December/January.

Offers for Kesar mango puree are between USD2200-2250/tonne FOB India, against USD2100-2200/tonne last month. Uptake of Kesar puree is reportedly slow.

### Totapuri

Local producers maintain that puree output from the 2022 Totapuri crop in India reached 300 000 tonnes, of which 50% is likely to be manipulated (brix corrected with sugar added).

Concentrate production will be limited to just 10 000 tonnes.

Supplies are extremely limited and price levels have climbed significantly as a result.

Offers for puree are now at USD1400-1450/tonne single strength FOB India, against USD950-975/tonne last month. Asking prices for concentrate have risen to USD2700-2800/tonne 28 brix FOB India, from USD1350-1375/tonne last month.

Demand has been strong, particularly from Europe, but processors say that producers are reluctant to offer. Most stocks are now reserved for the domestic market in India and there are reportedly no free stocks for export.

Growing conditions for next season are good and the flowering should occur in January/February 2023.

### Indian business

Shipping freight rates have peaked and are on a gradual decline from India. However, the lack of working capital is still a major problem there. Local sources also say that there needs to be a change in the mango fruit supply chain in India and that there is need for intervention to regulate supplies to processing plants, particularly when the crop is poor as it was this year.

### Americas

The main Summer crop in Colombia finished in the first week of August as

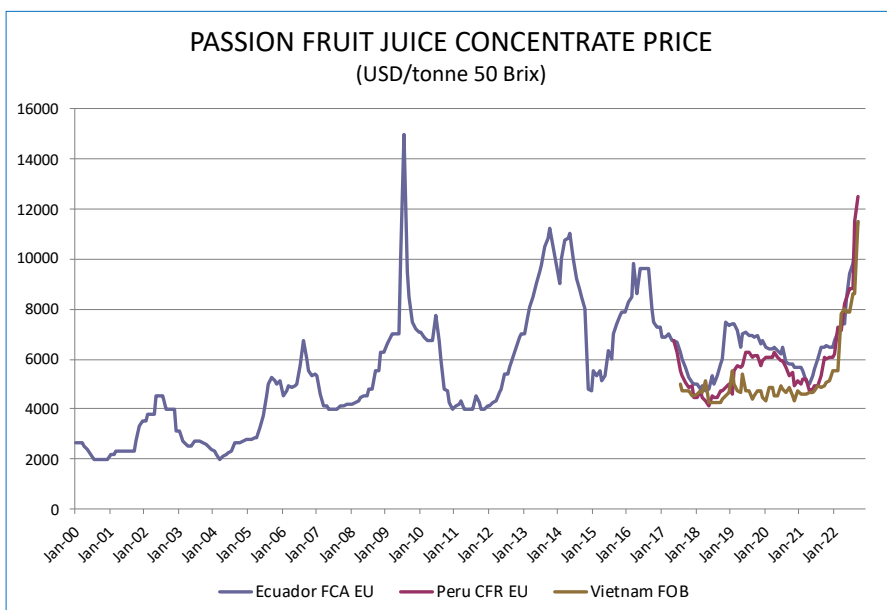
expected.

The crop produced 130 000 tonnes of fruit (similar to last year) equating to around 55 000 tonnes of concentrate equivalent. Producers say the crop was normal and that they received the volumes they were expecting.

Most of the volumes from the crop were sold forward in February/March when price levels were close to USD1400-1500/tonne 28 brix FOB Colombia. However, demand has been extremely strong since then and supplies on the global market have declined significantly. As a result, prices for Colombia mango concentrate on the spot market are now close to USD3000/tonne 28 brix concentrate FOB Colombia, against USD2000/tonne last month. Traders in Europe concur that they are receiving prices of USD3000/tonne, but hope that price levels will come down.

Producers say they are receiving enquiries every day, but that there are only very limited free stocks left to offer. So the current supply in Colombia will not be sufficient to meet demand until the Winter crop begins in November/December.

With the new price levels for concentrate the smaller manufacturers in Colombia are now actively looking to



source fruit to produce juice supplies. This is expected to continue for the Winter crop and the competition for fruit is likely to lead to higher prices, say local processors.

Meanwhile, the crop in Mexico is over and production was reportedly down. The crop in Peru will start in December.

## PASSION FRUIT JUICE

### Ecuador

Producers in Ecuador say that the supply of passion fruit in July and August was certainly better than in May and June. However, output is expected to decrease again this month. There are still problems with juice yields and brix levels which is due to unfavourable climatic conditions coupled with a high percentage of ageing plantations, some of which are in their last year of commercial production.

Fruit pricing is now getting close to USD0.55/kg and offers for concentrate have appreciated once again to USD11000/tonne 50 brix FOB Ecuador, against USD10500/tonne last month.

Asking prices for NFC passion fruit juice from Ecuador are at USD3000/tonne single strength FOB Ecuador, compared with USD2900/tonne at the

start of August.

Local producers say demand remains very strong and that prices could increase further if pressure from demand continues.

Producers in Ecuador are currently only producing for contracts that have already been fixed and have no free stocks to offer for prompt delivery.

Current price levels are valid for delivery into the second quarter of 2023 and there is no appetite on either the sellers or buyers side to book supplies any further forward.

The higher pricing for both fruit and juice over the past two years has encourage replanting in Ecuador and the result of this should be evident from the second half of next year.

Indeed, production from all the main exporting countries is expected to increase from mid-year 2023 and so there is speculation that global price levels will ease.

The next peak production period in Ecuador will begin in December.

### Peru

The main annual season in Peru has now ended and production was reportedly disappointing. There is practically no material available from processors there.

The industry is now entering a low

production period which will last until December, when the next peak crop is expected to begin. Pricing for concentrate is difficult to pin down and producers are reluctant to offer due to the extremely tight supply. If buyers were able to source volumes they could expect to pay between USD11000-14000/tonne. The upper end of this scale reportedly represents spot purchasing for prompt delivery.

### Vietnam

August was a low production month in Vietnam and the supplies are near to zero. There have been virtually no shipments and there are delays to deliveries, say European importers. The industry there is waiting for the end of the rainy season and production is expected to improve from this month onwards. The next peak production period should occur from October and shipments will follow soon after.

Prices from Vietnam (where available) are around USD3600/tonne single strength NFC FOB Vietnam and concentrate is offered around USD11500/tonne 50 brix FOB Vietnam.

Analysts point out that price levels from all three of the key producing countries (Ecuador, Peru and Vietnam) are almost the same for both fruit, concentrate and NFC juice.

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