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ORANGE JUICE

USA

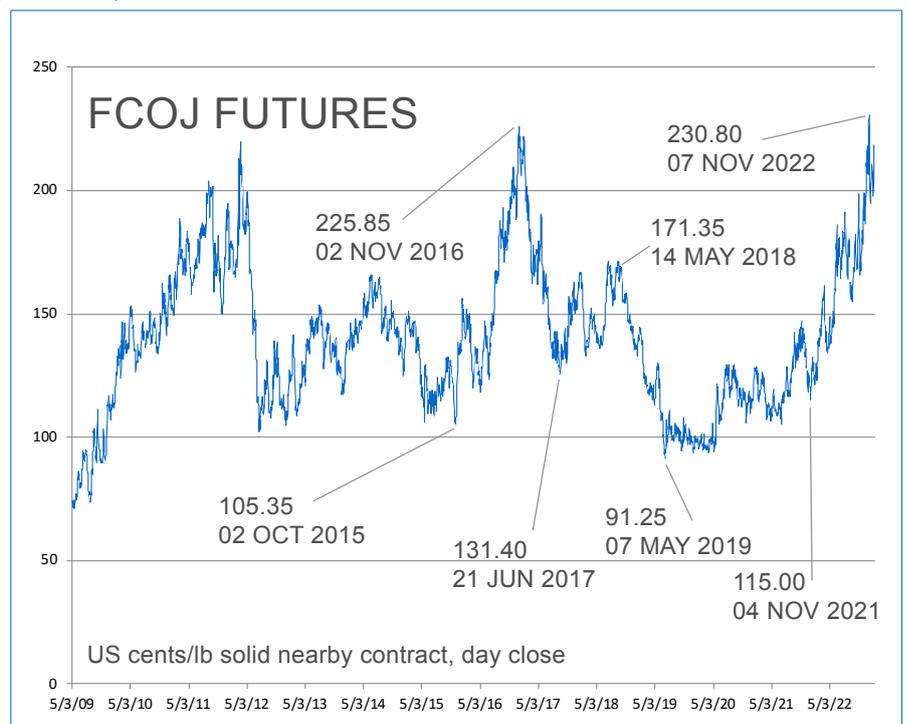
The USDA's forecast on production from Florida's 2022/23 orange crop remains unchanged on the initial report in October of 28.0 million boxes - down 32% from last season's final production.

The total includes 11.0 million boxes of non-Valencia oranges (early, midseason and Navel varieties) and 17.0 million boxes of Valencia oranges. The Navel orange forecast, at 300 000 boxes, accounts for 3% of the non-Valencia total. The estimated number of bearing trees for all oranges is 44.0 million.

The initial report in October and the current November report above do not include damage brought about by hurricane Ian, which hit the citrus belt in late September.

The USDA notes that the hurricane made its first US landfall along the southwestern coast of Florida as a Category 4 storm on 28 September. The storm travelled directly over four of the five largest citrus producing counties (Desoto, Highlands, Hardee and Polk), at hurricane strength. The entire citrus area was inundated with heavy winds and excessive rainfall as it made its north-eastward movement over the state. Normal grove operations were temporarily halted in all areas. Typical farm work was set back for two to three weeks in some locations, while in less affected areas after two to three days, the usual agricultural processes resumed, to include spraying, mowing, and general grove maintenance.

"The Florida industry is badly damaged and we are not seeing new investments," said one industry source in Florida.



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Industry opinion

The impact of the hurricane on citrus production in Florida is expected to be addressed in the USDA's December forecast. And even then, the full damage still may not be accounted for until later reports.

Industry sources suggest the best estimates on output from the crop would be between 16-21 million boxes. Before the hurricane, the industry was expecting the USDA to release a figure of around 40 million boxes, therefore the market is now effectively 20 million boxes shorter than anticipated.

The groves are recovering, and the weather has been warm and humid recently, the growers are now waiting for the weather to cool off. It is a La Nina winter so warm and dry conditions are expected for a little while longer.

The fruit drop from the hurricane is reportedly significant and the damaged fruit continued to fall off for weeks. There is hope that the fruit that is left will hold on until harvest, but HLB (greening disease) will likely continue to wreak havoc and exacerbate the fruit fall, say sources in the US.

Processing has not yet got going in earnest and the season is expected to be cut short due to the lower supply.

Imports of both frozen concentrated orange juice (FCOJ) and not-from-concentrate orange juice (NFC OJ) into the US have increased significantly versus last year in the first five weeks of the season to 5 November. FCOJ imports for the current season are registering at 23.77 million lbs solid, compared with 1.76 million lbs solid during the same period last year. And NFC imports are at 28.15 million lbs solid, against 4.22 million lbs solid in 2021. A large proportion of these extra shipments would be from Brazil.

Futures

The FCOJ futures market seems to have stabilised over the past month

BRAZIL ORANGE HARVEST UPDATE

The harvesting of late orange varieties began at a slow pace in mid-October. Although maturation was not ideal then, oranges were within the minimum standards required by the market.

The supply is expected to increase in December and activities are forecast to end in mid-February.

At juice processors, although quality standards (ratio and brix) are not within requirements, The industry is reported to be receiving late varieties – the processors blend these varieties with the juice from pear oranges without any quality loss. However, the supply of these varieties is still limited due to difficulties in finding labour for the harvesting.

Source: USDA (16 November 2022)

- albeit above the USD2.00/lb-mark. The front-month is currently trading at USD2.18/lb solid. Traders say that with almost no fruit in Florida and a smaller crop in Mexico, the US market is dependent on imports from Brazil to have any chance to rebuild the extremely low inventories. Until that happens the market is expected to remain firm.

Imports are predominantly hand to mouth at the moment, but processors in the US expect shipments to increase. FCOJ shipments to the US from Mexico are expected to become more active in January.

Price direction

The main drivers for the futures market over the next couple of months would start with the reports on both the Florida crop from the USDA and the Brazil crop from Fundecitrus on 9 December. Following this, the freeze period would begin for north America.

Analysts say the industry has a very small long positions and so there is buying when the market dips. The delivery month inversions could see the market make a new high as the shorts look to roll January into March.

It is reportedly very difficult to put a range on the market at the moment, with traders saying price levels could

dip into the USD1.80s/lb solid or rally up to multi-year highs of USD2.30/lb solid.

Retail movement in the US is continuing to show a decline. Higher Prices are being passed on and this is expected to impact both movement and eventually inventory levels.

In terms of global consumption, there are expectations for a higher rate of decline than normal due to the likelihood of a strong recession in Europe and with Russia under sanctions.

Analysts say that a decline in uptake of around 4.3-4.4% y-o-y is fairly normal, so the market could expect a slightly deeper decline next year.

Mexico

Mexico had a very short early mid-season harvest due to weather conditions delaying fruit maturity. The Valencia season is also delayed for the same reason and local sources say the industry will most likely start processing Valencia's in January. Ratios currently around 8 and brix levels are reportedly low.

Fruit prices are extremely high there and analysts in the US say it will be interesting to see how much fruit the processors are able to secure this season.

Estimates on orange production out of Mexico (based on a presentation delivered at the International Citrus & Beverage Conference) suggest that the 2023 orange crop will be approximately 46% lower compared with the previous crop.

Brazil

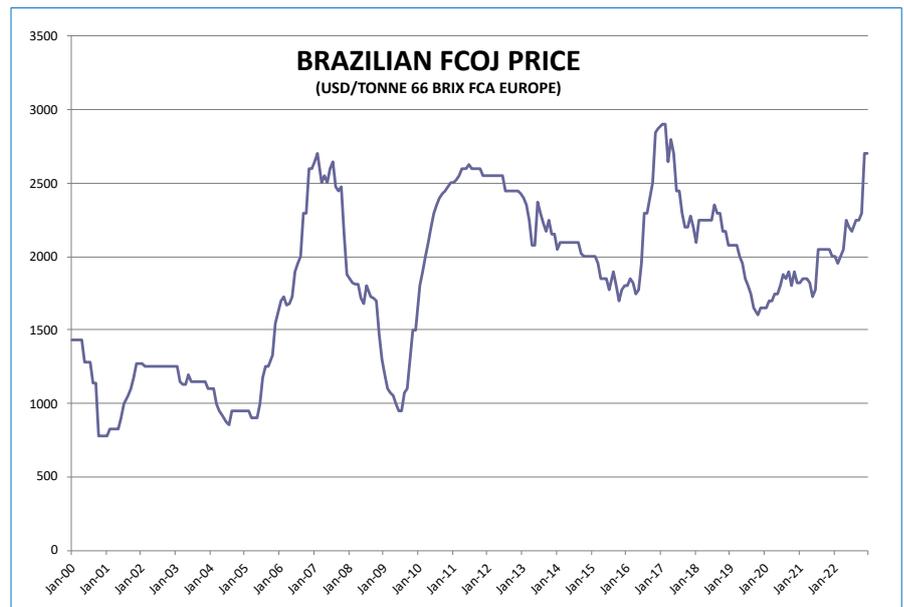
Growing and harvesting conditions continue to be favourable in Brazil, which is advantageous for the bloom for next season. However, the fruit drop rates for the current 2022/23 season are higher than expected, which analysts attribute to a combination of unstable weather conditions earlier in the season (drought) and an lack of labour to pick the fruit in time. The latter is reportedly due to the aftermath of the Covid pandemic. Many regional pickers are still receiving Government grants in order to slow the movement people. These grants are expected to finish soon, but not soon enough to boost the work force in the groves.

There are still issues with a lack of low ratio supplies and while ratios are increasing, analysts suggest average ratios for the whole season will be lower than expected due to “aggressive” harvesting. The processors are keen to take on fruit at the moment and the farmers are fulfilling these requests.

Juice yields in Brazil are still around 270 boxes per tonne of concentrate, which is attributed to the recent rainfall.

Production from the current crop is forecast by Fundecitrus at 314 million boxes. The industry generally agrees with this figure, although there are some reports the output could be lower due to the fruit drop. The next report from Fundecitrus is due on 9 December.

As mentioned, shipments from Brazil to the US have significantly increased over the past two months, which will tighten the availability for other importing markets. With the shortage of high ratio supplies on the market,



increased exports of high ratio NFC juice to the US are of particular concern to European buyers.

In addition, the lack of supply this season from Mexico – which usually augments US stocks - will put further pressure on Brazilian producers.

Pricing

Raw material trading on the spot market has been fairly limited recently, but price levels are expensive at BRL36-38/box, against BRL34-37/box last month. The firm pricing is due to competition for fruit from the processors who have been looking to run as much as possible.

Offers for Brazilian FCOJ are on par with last month at USD2700/tonne 66 Brix FCA Europe, although there are reports of pricing lower at USD2500-2600/tonne. These offers are valid for delivery until the start of the next crop, but no further. Most buyers are covered until at least March 2023, say analysts.

While there are producers willing to fix contracts, two of the larger processors have reportedly now sold out for this season and can only deliver on the contracts that have already been fixed. With many producers reluctant

to sell and buyers baulking at the firm pricing, trading activity has been limited over the past month.

The global supply situation looks very tight until the next crop begins in Brazil and there are real concerns about the carry-in stocks for the 2023/24 season in June next year.

Therefore, any downward price movement would depend on demand in the first quarter of 2023. If inflation and high energy prices push retail prices for orange juice too high for consumers, then inventory levels would begin to build and prices could ease. However, for the near-term prices are more likely to go higher, than lower, say analysts.

Next crop

So far, it looks like the fruit for next season will come from one strong single bloom and the fruit is reportedly setting well. The flowering was later than hoped once again this year, therefore while the quality of the juice in terms of ratios and yields should be better than the current season, the crop will be delayed again. This could encourage growers to harvest early and bring down the juice quality as has happened in some cases this season.

APPLE JUICE

The 2022 apple harvest in Poland is now winding down and supplies for processing are mostly derived from cold stores. Industry sources say there was a lack of labour during the crop, particularly in the central growing regions closest to the Ukraine. Harvesting was also sporadic, with some apples picked too early, but mainly picked too late. As a result, some of the cold store apples are softer than they should be, with lower-than-expected juice yields. In addition, there are still apples underneath the trees – which some industry sources suggest could amount to 500 000 tonnes.

Official forecasts on production are good though with the World Apple and Pear Association (WAPA) predicting output at 4.5 million tonnes. The industry suggests that production could reach 4.7-5.0 million tonnes. The Polish State Office is more conservative at 4.2 million tonnes.

In terms of juice quality, acidity is around 2.3-2.4% and juice yields are lower than in previous years as mentioned.

Pricing

Processors are currently paying PLN0.40-0.48/kg for raw materials, against PLN0.40-0.43/kg last month.

Offers for Polish apple juice concentrate EUR1500-1600/tonne 2.5-3.0% acid 70 brix ex factory Poland – on par with last month. Spot prices are seen at EUR1450-1500/tonne on the same delivery basis.

The share of production for the fresh market and processing is close to 50/50 already, which is driven by much higher energy prices, say analysts.

Most of processors are mainly offering on the spot market at the moment

EU - APPLES FOR PROCESSING

In 2022/23 (July 2022-June 2023), apple processing in the EU is expected to increase by 12.5% compared with 2021/22, amounting to roughly 4.4 million tonnes. The increase is a result of the high energy prices driving up storage costs and prompting farmers and farm cooperatives to only put the best qualities into storage and divert the lower qualities to processing. However, this masks opposite developments in some member states. Volumes going to the processing sector are expected to increase in Poland, Germany, Austria, France, Italy, Slovenia, Spain, and Slovakia, and to decrease in Hungary, Romania, Lithuania, and Portugal. The share of apples used for processing varies significantly by member state, ranging from none in the Scandinavian countries to over 60% in Poland. The processing share also varies from year to year. The EU-27 average share of apples going into processing is forecast at 39% of the total supply in 2022/23 compared with 31% in the previous year. Major member states with apple processing include Poland, Germany, Italy, Romania, Hungary, France, Austria, Spain and the Czech Republic (in order of descending volume in 2022/23).

Source: USDA

due to the unpredictability of future energy prices – contracts for long term delivery are difficult to manage and therefore more expensive.

Those buyers in both Europe and the US that are not covered are reportedly holding out for offers nearer EUR1400/tonne ex factory Poland. Demand is strong and there is a lot of open interest, say traders.

Price levels could increase again in Spring, but it will depend on consumption over the next few months and the resulting volume of unsold stocks left in both Europe and China. In the near term, there is not much downside price risk, say analysts.

Other sources

Price levels in Moldova and the Ukraine are around EUR1250-1300/tonne 2.0-2.3% acid 70 brix ex factory, compared with EUR1300-1350/tonne last month.

Moldova had raw material problems and the conflict in the Ukraine has meant that at least 15% of the crop is lost there. The mainstay of Ukrainian

juice is currently exported through Poland, but transporting the juice is difficult due to a lack of trucks and long queues of up to a week at the Polish border.

Meanwhile Turkey, is still struggling with high fruit prices of EUR0.20/kg, which has led to inflated prices for concentrate of EUR1800-1900/tonne low acid 70 brix ex factory Turkey in drums. Last month offers were at EUR1700-1800/tonne.

Asking prices in Italy have also firmed to EUR1650-1700/tonne 2.0% acid 70 brix ex factory Italy, compared with EUR1600-1650/tonne last month.

Chile

Producers in Chile are seen as sold out. If buyers were able to source supplies they could expect to pay around USD2000-2100/tonne 1.6-1.8% acid 70 brix FOB Chile, against USD1900-2000/tonne last month. Demand has been stable, with uptake mainly from the US this season as usual. The Spring in Chile was a bit cooler than in recent years, but overall growing conditions for next season are favourable.

China

Over in China, the Covid-19 zero policy has impacted apple harvesting and production significantly. The lower production and high price for fruit (USD190-200/tonne) has meant that processing finished earlier this season. Total apple juice concentrate output will be below last years confirmed output of 320 000 tonnes and could be as low as 250 000 tonnes.

Offers for Chinese apple juice concentrate are in the range of USD1800-2000/tonne low acid 70 brix FOB China – similar to last month.

The poor availability and high pricing in China has meant that buyers of sweet concentrate in many of Chinas key markets such as Europe, Russia, the US, South Africa and Japan are all looking to Poland to augment the shortfall.

Poland is expected to produce 350 000 tonnes this season, but supplies will be above 2.0% acid.

GRAPEFRUIT JUICE

The USDA forecast for grapefruit production in Florida for the 2022/23 season is carried forward from the previous report at 2.00 million boxes, 40% lower than last season's utilization of 3.33 million boxes. The total is comprised of 1.80 million boxes of red grapefruit and 200 000 boxes of white grapefruit.

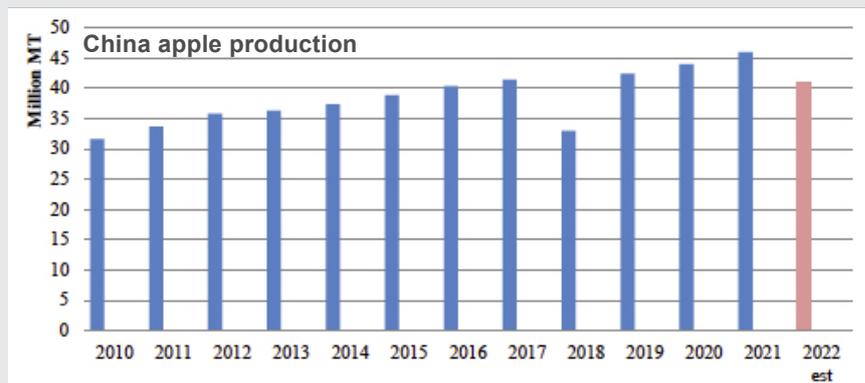
Similar to the forecast on orange, the calculation for both this report and the initial October report from the USDA was made prior to hurricane Ian hitting the state's citrus belt at the end of September.

Industry opinion

The grapefruit groves were less impacted by the hurricane than

CHINA - APPLE PRODUCTION 2022/23

China's apple production is estimated at 41 million tonnes in 2022/23 (July-June), a decrease of 11 % from the 46 million tonnes produced in 2021/22. Weather abnormalities reduced apple production, according to industry sources. For example, in the two largest apple producing provinces of Shaanxi and Shandong, high temperatures during the bloom period reduced fruit setting. Additionally, many apple farmers in western production areas, including Shaanxi and Gansu provinces, are reportedly cutting down apple trees because of poor market returns and apple acreage is reduced accordingly.



Source: USDA and National Bureau of Statistics (NBS), FAS Beijing

orange, because the path of Ian crossed the state in a more heavily orange producing area. Grapefruit was more to the southeast of the storm and was not impacted as much. Nevertheless, there was certainly some fruit loss, which could see the USDA reducing the number in the December report.

A subsequent storm Nicole made landfall in the state's main grapefruit-growing region on 10 November, but reports indicate damage is minimal because the storm was not nearly as powerful as hurricane Ian.

Florida crop

Growing and harvesting conditions have been relatively favourable since the hurricanes with a good amount of rainfall in November and warm temperatures. The dry season is now about to begin.

The processing plants have begun crushing packing house eliminations

and also some field run fruit. However, the amount of field run grapefruit heading to the processing sector this season will be extremely limited, say analysts.

Offers for both red and white grapefruit juice concentrate in Florida are at USD4.70/lb solid, compared with USD4.70-5.00/lb last month.

Texas

The USDA has left its initial forecast for grapefruit production for the 2022/23 season in Texas unchanged at 2.0 million boxes.

Juice production for the 2022/23 season has now begun in Texas, but deliveries to the plants are slower than expected due to higher utilization from fresh packing houses and the fact that the fruit is smaller than projected. Processing is mainly dedicated to NFC juice due to the fruit availability and there is unlikely to be any concentrate produced until

January, say local sources.

The quality is very good in terms of flavour, brix and ratios. Brix levels are already above 10 and ratios are above 9.5 ratio already, and these levels are expected to continue to improve this month.

Prices for juice are still not confirmed, but indications for NFC supplies are around USD2.85/gallon in bulk FOB Texas.

Mexico

The 2022/23 grapefruit harvest began last month in Mexico. The red and pink supply is expected to be 30-40% down on an average crop due to drought. Production of white is predicted to be 5% down on a regular crop.

The processing of red and pink grapefruit wound up this week due to the poor availability of fruit. The plants are now running white grapefruit and will continue for approximately two more weeks.

There is production of conventional concentrated juices - standard and low pulp - as well as NFC juice.

Both ratios and juice yields have been lower than in previous crops, which is attributed to climatical conditions which delayed fruit size and maturation.

Asking prices for pink/red grapefruit concentrate are between USD17.00-17.50/gallon FOB Mexico – on par with last month.

Offers for white grapefruit concentrate are also unchanged on last month at USD14.00-15.00/gallon FOB Mexico.

Local processors in Mexico say that demand for red and pink grapefruit concentrate has been lower from Europe and Japan due to inflation and the higher prices of grapefruit juice this season.

For white grapefruit concentrate, demand is reportedly more stable from both international and domestic markets.

SOUTH AFRICA – GRAPEFRUIT PROCESSING

The volume of grapefruit delivered for processing in South Africa is forecast to decline by 4% to 132 000 tonnes in 2022/23 (Jan 2023-Dec 2023), due to marginal growth in South Africa's grapefruit exports. In 2021/22, the volume of grapefruit for processing surged by more than 150% to reach 137 000 tonnes due to a decline in exports. Grapefruit is processed to juice and concentrate, the majority of which is exported to Europe.

Source: USDA

Stocks are slowly building as the processing season progresses, but most of the production is committed, say processors.

GRAPE JUICE

The vineyards in Argentina experienced a frost event in early November which is likely to cut back the 2023 crop. The damage from the freeze is still being assessed but local sources say output will probably be 10-30% lower than average. Producers say they will have a clearer picture by the end of December.

Offers for white concentrate are at USD1700-1800/tonne 58 brix FCA Europe.

Demand has reportedly been mixed over the past month. On the one hand, uptake has improved due the shorter supply of apple juice from China this season (grape and apple concentrate have similar profiles and can be substituted in many recipes). On the other hand, the results of the recent anti-dumping case with the US has hampered exports. There is now an extra duty from 12-30% (depending on the packer) imposed on Argentinean grape juice entering the US, Argentina's main market.

Argentina exported 67 700 tonnes of grape juice concentrate to the global market between January and October this year, compared with 84 700 tonnes during the same period in 2021.

Producers still have stocks on hand which will be more than sufficient to meet demand until the next crop in March 2023. There are still plenty of unknowns ahead of the crop though, such as gauging the impact from the frost, how much wine will be produced, where juice pricing will head as well as the performance of the local currency. The devaluation of the Argentinean peso still runs behind the inflation rates which makes exports expensive.

Europe

Output in Italy is expected to be 20-30% down on last season due to drought. Offers are reportedly unchanged on last month at EUR1400-1500/ tonne 65 brix white grape juice concentrate ex factory in bulk. And asking prices for Italian red grape juice concentrate are at EUR1550- 1650/tonne 65 brix standard colour ex factory in bulk.

Demand has been good over the past two months and analysts say it will be difficult to source large volumes because suppliers do not want to enter the second quarter of the year with zero supplies, given that the output in Spring from Argentina could be lower.

Spanish producers have reportedly had reduced sales in the European market due to competition from Italy, but they are expecting demand for buyers outside the EU soon.

Producers in Spain have discounted offers to EUR1400-1500/tonne 65 brix white concentrate ex factory in bulk in order to compete with their

Italian counterparts. Asking prices out of Spain last month were EUR1500-1550/tonne.

LEMON JUICE

The 2022 lemon processing campaign in Argentina wound up in September and production is estimated to be 5+% larger than last year at 1.80 million tonnes with 1.35 million tonnes destined for processing.

Around 85 000 tonnes of lemon juice concentrate are expected to be produced, compared with 90 000 tonnes last year.

The industry entered the crop with fairly large carry in supplies and the healthy crop has unfortunately meant that there will be at least 200 000 tonnes of fruit left on the trees due to the oversupply.

Offers for lemon concentrate are marginally lower than last month at USD1300-1400/tonne 400gpl cloudy FOB Buenos Aires, compared with USD1400/tonne at the start of November.

Historically this a very low price for lemon concentrate and local producers in Argentina say that it is unprofitable and unsustainable. They add that the larger producers will be able to endure the period of lower returns much better than the smaller operators.

Buyers are reportedly covering for deliveries up to June/July 2023, but demand has been slow recently, because buyers know there is plenty of inventory. The lower pricing in Argentina will make it difficult for European producers to compete this season, particularly with the softening freight rates over the past few months.

The next lemon season in Argentina will begin in February/March 2023. The main growing areas are currently under drought conditions, but it is still too early to gauge whether this will have any impact on the next crop.

PINEAPPLE JUICE

Thailand is more than half-way through the 2022 pineapple Winter crop, but industry sources say that output has not been as good as expected. Current forecasts on full year production (Summer and Winter crops combined) is now pegged at 1.25 million tonnes, against expectations last month of 1.30 million tonnes. Production is expected to increase next year to around 1.5 million tonnes.

Most factories in Thailand are only producing to order and there is nothing going to storage, say industry sources.

The slightly tighter supply has caused some tension for raw material pricing which has not gone below THB6.50/kg so far - the peak production period was not strong enough to allow prices to ease. Fruit is currently changing hands for around THB7.50/kg.

The supply to processors is much lower than expected at this time, but there are enough deliveries to factories to keep running the lines.

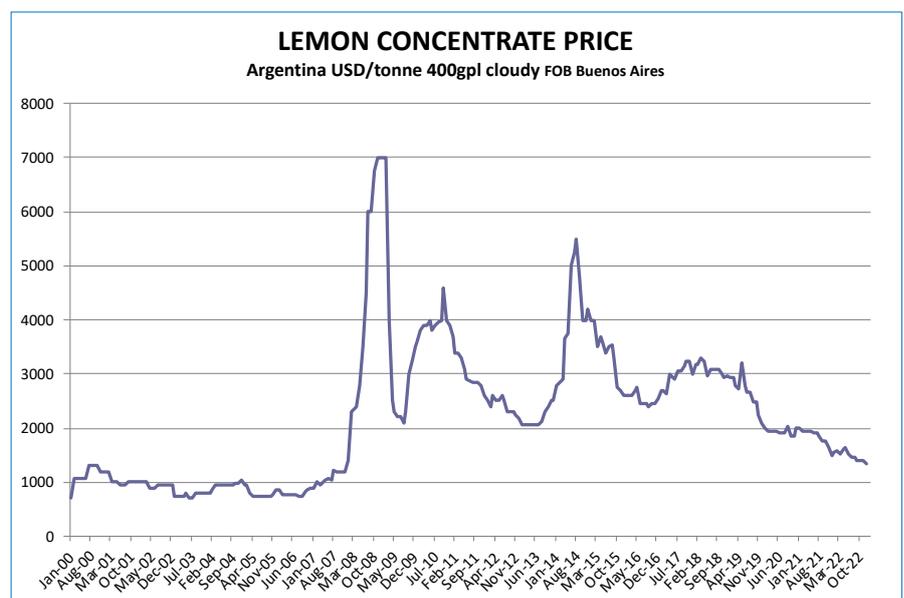
In addition, it is getting cold in the plantations now and the farmers have stepped up harvesting, which has reportedly led to lower ratios of just 17.

Pricing

Offers for concentrate are hard to pin down but are between USD2250-2500/tonne 60 brix FOB Bangkok, on par with last month. The market expected prices to be lower at this time and this has caused demand to stall. Buyers are also concerned about consumer uptake next year with the likely recessions, high inflation and energy costs and so are not keen on accumulating speculative stocks. Nevertheless, most buyers are reportedly covered until at least the first quarter of 2023. The pineapple juice market is now seen as more balanced due to the new supply from Thailand and lower uptake.

In related news, freight rates from Thailand to Europe have eased recently with a 40ft reefer now costing USD1500-2500. This should mean that buyers will be able to receive quotes on an FCA basis where needed.

Demand for higher ratio supplies is still buoyant and Brazil are offering 20+ ratio concentrate at USD2300/tonne 60 brix frozen FOB Brazil. However, the freight rates from Brazil to Europe remain high at USD4800 (40ft reefer) frozen, which is dampening uptake.



MANGO JUICE

Alphonso & Kesar

The supply of authentic 100% Alphonso puree in India is limited and is expected to be depleted by March 2023.

While asking prices have eased slightly again this month to USD1700-2000/tonne single strength puree FOB India, these offers are significantly higher than at the same time last year. Offers last month were at USD1800-2100/tonne.

Demand has reportedly been good over the past month, particularly from Europe, North America and Iran and around 90% of the supply from the 2022 season has now been allocated, say local sources.

Growing conditions for next season are generally good in India, but there have been some unseasonal rains in western regions.

Meanwhile, offers for Kesar mango puree are between USD1900-2000/tonne FOB India, compared with USD1800-1900/tonne last month. Demand for Kesar puree remains weak, say exporters in India.

Totapuri

The supply of authentic Totapuri puree was also lower than expected during the 2022 season with around 50% of the 300 000 tonne output estimated to have been blended with sugar and/or cheaper mango varieties.

Offers for authentic Totapuri puree have appreciated to USD1400-1500/tonne single strength FOB India, against USD1300-1400/tonne last month.

In contrast, asking prices for authentic Totapuri concentrate have eased slightly to USD2500-2700/tonne 28 brix FOB India, from USD2700-2800/tonne last month.

Demand has been good, but there are still small volumes of both puree and

concentrate available from packers, say local processors in India.

Weather conditions for next season are favourable in all Totapuri growing areas.

Indian business

Industry sources in India say that in spite of the fact that working capital availability has not improved, there are eight new processing plants being set up – two in western India and six in southern India. Packers are reportedly borrowing from Nonbank Financial Institutions (NBFCs) at usurious interest rates.

Americas

The Winter crop in Colombia is now underway. Heavy rainfall has caused slight problems in some of growing regions, but overall the crop seems to be evolving at a normal rate, say local sources.

This interim crop is much smaller than the main Summer crop and processors say they do not process much concentrate unless it is needed. Offers from the main producers, where available, remain expensive at USD2995-3100/tonne 28 brix FOB Colombia – on par with the previous

two months.

Some traders in Europe say they are receiving lower pricing from some of the smaller packers in Colombia.

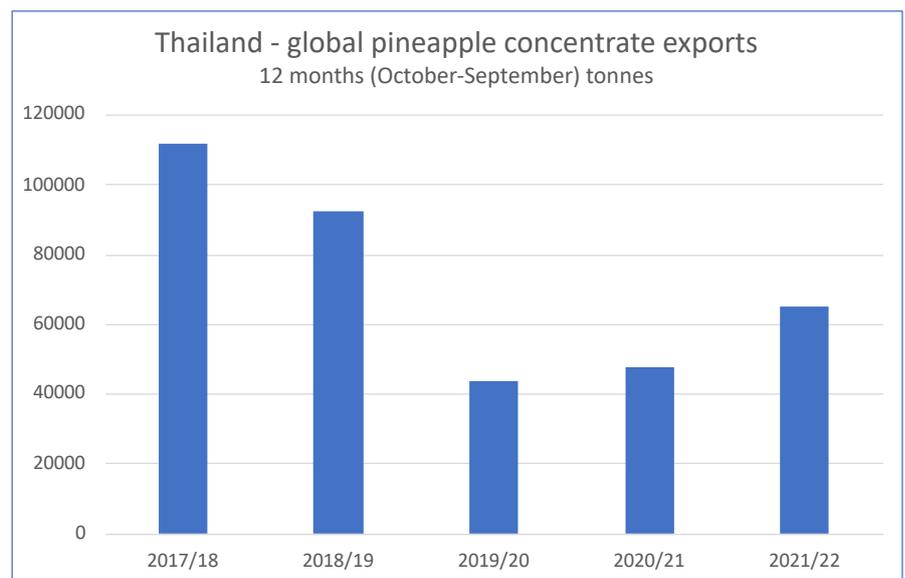
There are over 30 companies producing mango juice in Colombia and most are small operations. These producers are able to produce smaller volumes when needed and are able to usually offer at lower price levels.

Demand is still relatively high and all production is shipped immediately, so there is no build-up of stocks.

Buyers are reportedly asking for quotes for supplies from the main 2023 crop already, but producers say it is too early to offers supplies forward and that they will begin quoting for the 2023 Summer crop in February.

Peru has just begun the main crop and production looks fine, albeit with smaller fruit. Offers for new season single strength supplies are at USD1250-1300/tonne FOB Peru.

Meanwhile, Mexico is reportedly sold out. Demand remains high, but producers have nothing to offer. If buyers were able to source supplies they could expect to pay USD1500/tonne for single strength puree and USD2000/tonne for 28 brix concentrate - both on an FOB Mexico basis.



Source: Juice Market from customs data

PASSION FRUIT JUICE

Ecuador

Production of passion fruit in Ecuador recovered marginally last month, but the output was not as high as expected. Local industry sources add that the usual peak production period in December will be delayed and may not happen at all.

Lower temperatures and lack of rain are attributed as the cause of the sustained poor output.

Fruit pricing is now getting close to USD0.65/kg, from USD0.60+/kg last month.

There are virtually no supplies to offer in Ecuador at the moment. The factories are producing for contracts made earlier at lower prices and processors say it is impossible to build up any stocks at the moment.

Therefore producers say current pricing is hypothetical. Offers for concentrate are at USD12300/tonne 50 brix FCA Europe, against USD12000/tonne FOB Ecuador last month.

Asking prices for NFC passion fruit juice are at USD3600/tonne single strength FCA Europe, compared with USD3300-3400/tonne last month.

Demand remains strong and buyers from all of the main markets are reportedly looking for supplies. Prices are unlikely to move until some of this demand is satisfied, say producers.

Nevertheless, replanting has been going well due to the elevated pricing and the industry expects to see production ramp up from August 2023, or maybe earlier.

Industry sources say that prices will most probably come down, but not as low as in previous years due to the continued growth in demand.

Peru

Peru finished its previous season in August and the next peak production period will begin in mid-January. For now there are only small volumes of fruit available at prices close to USD0.70/kg

Offers for NFC passion fruit juice from Peru, where available, are

at USD3700/tonne FCA Europe. There are reportedly no volumes of concentrate offered in Peru at the moment due to the lack of fruit.

Traders in Europe say that producers in Peru may need to cover their losses from the previous crop and suspect that prices may not come down that much during the next crop as a result. So price levels could remain firm until at least the first quarter of 2023.

Vietnam

Production has improved in Vietnam over the past month and juice yields are reportedly good. However, strong competition between factories and small pulp shops have kept fruit prices elevated at USD0.55-0.70/kg.

Industry sources say that price levels in Vietnam are now between USD9000-12000/tonne 50 brix FOB Vietnam, compared with USD10400-12000/tonne last month.

Production will continue for the next month and then will stop for up to a month due to the Vietnamese Tét New Year on 22 January.

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