

Raspberry harvest will be bigger

BY TANZEEL AKHTAR

THE Chilean frozen raspberry harvest for 2008/09 is about to begin and processors are apprehensive because of unstable markets. Processing will begin in a couple of weeks and the crop is estimated to be 42 000 tonnes, slightly more than last season's 39 000 tonnes.

This is good news, following the disastrous start of the harvest last season (*FOODNEWS* 25 January).

So far, the weather has been good in Chile. One source in the country informed *FOODNEWS* that there have been negotiations to pay around US\$2.00-2.05/kg for raw material.

"In Chile we have a good 'market rule' for fixing the price of raw material," he said. "There are many suppliers and many processors. So the price is fixed nearly every day, depending on how much processors are willing to pay, creating fair competition between players."

IQF and crumble raspberries, grown on 12 700ha and with a yield of 5.5 tonnes/ha, are the chief export earner for Chile. This year, the US remained a valuable customer but imported 1% fewer raspberries than the previous year.

Germany made up for this by increasing demand and importing around 5 000 tonnes, 60% more than in 2007. The Netherlands imported 1 000 tonnes more than last year, up by 36% and the UK imported 2 500 tonnes, up 30% from last year.

Serbia has so far exported 10 200 tonnes to Germany this season. Back in 2006, Serbia was the leading producer but now Chile is the strongest contender in exporting frozen raspberries.

A Serbian food processor told *FOODNEWS* that carry-over is less than last year and "trade has been better than expected and prices for IQF and crumble raspberries have remained stable at €2.95-3.05/kg."

New season lemon juice will be less costly than last year

BY SILVIA ANTONIOLI

PRICES for new season lemon juice from Europe are expected to open high, albeit slightly lower than the record levels hit in 2008. The Spanish industry and growers have not yet reached agreement on fruit prices.

Growers are demanding €0.12/kg in addition to the harvesting costs, while the industry is not willing to pay more than €0.09/kg. "The price growers require is just too high for processors, considering the current market situation. I guess the solution

Weak Australian dollar will help to curb FCOJ imports next year

AUSTRALIA's orange juice industry may be starting to recover from the country's long-running drought. Orange production for 2009/10 is forecast at 480 000 tonnes, 40 000 tonnes more than in the previous season, according to the latest USDA report, and orange juice output for the same period is put at 12 700 tonnes (65 brix equivalent).

Neil Murray writes: drought conditions continue to persist throughout much of Australia's citrus producing regions and their adjacent rain catchment areas. This has greatly constrained expectations for 2009/10, but average rainfall for the remainder of 2008/09 and all of 2009/10 would produce the above figures. Australia's next production season starts in June 2009. At present, the 2009/10 crop is at the flowering stage with the most advanced crops finishing flowering.

In addition, the Australian dollar has fallen sharply against the US dollar, which will help to reduce FCOJ imports, which mostly come from Brazil and are, of course, priced in US dollars. Imports in 2009/10 should be around 29 500 tonnes.

The traditional representative body of the Australian citrus indus-

try will be found in January, once the growers have finished selling to the fresh market, otherwise they will just lose their crop," a Spanish trader told *FOODNEWS*. New season prices will therefore be more defined in January, but the Spanish source expected them to open higher than usual, but a bit lower than last season's peak.

Spanish 400gpl cloudy lemon juice could open at €3.00/kg while last season it was traded at prices ranging between €3.00-6.00/kg. In Italy, raw material is now at €0.25/kg including harvesting costs

try, Australian Citrus Growers Incorporated, has now been abolished. As of 1 November, a new organisation, Citrus Australia Ltd, has been created to carry on the functions performed by the previous organisation.

Long term, Valencia production (which typically drives juice production) has been falling, due to poor orange juice prices and drought conditions. The USDA expects this trend to continue and says that the 2008/09 increase in Valencia production is driven by comparatively better production conditions in key Valencia producing regions of Australia.

The USDA has also revised its juice production forecast for 2008/09 sharply upwards to 11 540 tonnes as the severe drought conditions, which were expected to affect citrus production uniformly, did not affect key Valencia producing regions as badly as others. As a result, Valencia production far exceeded expectations in 2008/09 and improved markedly on the 35-year low experienced in 2007/08.

Exports of orange juice are expected to increase slightly to 1 800 tonnes in 2009/10, driven by the increased production.

of about €0.09/kg, transport excluded. Processors hope prices will weaken in the next few months, but they reckon they will not go below €0.15/kg at any point of the season. This will keep prices for juice high, probably higher than the €3.00/kg suggested by the Spanish source, said an Italian processor.

Growers are hoping once again for good profits from the fresh market but high demand from the fresh market would reduce the supply for the industry. Sicilians agree on the fact that the new season's contracts will be signed at the beginning of the New Year.

"The trade will start in January but we will not sign long-term contracts any more as prices for raw material could change every week this season. We no longer sign contracts with growers in autumn, meaning our costs will be fluctuating too," a processor told *FOODNEWS*. Lemon juice prices on the spot market seem to remain high at €4.20-4.30/kg at the moment, according to the Italian source.

Blood oranges

The Sicilians will also start processing blood orange in January. They mainly sell the product inside the EU, but some volumes also go to the US, Japan, Canada, Australia and other extra-EU countries. The crop seems to be seriously short this year, up to 40-50% less than usual, due to frost in March. Also, orange producers are, like other growers, receiving a lower subsidy due to the CAP reform. This, coupled with the short crop expected, will make prices for raw material high.

Processors were paying about €0.07-0.08/kg last season, but fruit prices now seem destined to rise to €0.15/kg and over. This will be reflected in the product price: NFC blood orange juice was about €0.60-0.65/kg ex-factory last year and is estimated to rise to €0.75-0.85/kg for the coming season.

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