

# season update

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## MARKETS – JULY 2006 REPORT

The full impact of the June frosts are now being felt. There is a shortage of navel oranges available for harvest and packouts are low for premium grade fruits.

Programs and future orders for all markets are now being reviewed to ensure customers are fully aware of the Australian predicament and the impact it will have on business.

While some countries are extremely nervous about receiving frost affected fruits, others are comfortable with the procedures that have been put in place through the various industry meetings. It is therefore critical that the industry adhere to these procedures and provide customers with confidence.

Other southern hemisphere suppliers are also feeling the impact of poor growing conditions. This means there will be a good opportunity to increase prices for the remaining crop. Unfortunately this will not recover all the losses, but will be able to reduce them somewhat.

### LEMONS

#### *Domestic*

All fruit is moving well into all markets, mainly because supply is minimal. This trend is expected to continue through July.

#### *Export*

Steady demand exists for lemons and expect demand to exceed supply here as well.

### IMPERIALS

#### *Domestic*

Demand is strong for large size Imperials (count 138 and larger) with demand exceeding supply.

#### *Export*

Shipments to Indonesia have been strong by air and sea; fruit is being well received. Prices are above those received last season and this is expected to continue as fruit is eating very well.

### NAVEL

#### *Domestic*

Sales into wholesale and retail are continuing steadily, in all styles of packaging. With four consecutive days of rain in the Riverland (14-17 July) on top of the frost, supply has eased considerably, shortening the market. Normal shipments are expected to resume from week 30, with prices rising.

#### *Export*

Early in the month supply exceeded orders for small fruit, but since week 29 the fruit supply has dried up. With the winter navel crop almost finished, available bin numbers are being reviewed for summer navels so the pricing and harvest program can be set. It will be important to maximise the grower returns and also maintain some regular supply to the markets

The first shipments have arrived in the US with good out-turns and strong customer demand. The whole program is being reviewed as a result of the frost and options such as smaller vessels and cancelling vessels are being considered.

## **MINNEOLA TANGELO**

### *Domestic*

Due to strong export demand for grade 1 fruit, grade 2 is being offered on domestic markets. Volume is limited but returns into the chains are good.

### *Export*

While most fruit is being packed for the US market, some sales are being made into Japan, which is complementing the US program. Opportunities for other markets will be limited with some losses in supply due to the frost.

*Source: Australian Horticultural Exports Association (AHEA)*