

July 20, 2009

August is here and packouts are expected to stabilize for peaches as temperatures have subsided somewhat from the incredibly hot days of a week ago. Now that the August varieties of nectarines are coming online, we also expect an increase in total nectarine packouts. Plums are still coming up a bit short but that was expected after having two years of a bumper crop. Although packouts have fluctuated through this season, quality has been consistent overall. Feedback from the trade around the world seems to be largely in agreement that California peaches, plums, and nectarines (PPN) continue to have fabulous flavor and exceptional quality.

Thank you for your interest in California peaches, plums, and nectarines and their journey around the world. If you have any suggestions to improve this report or questions about California PPN exports, please do not hesitate to contact Denise Junqueiro at djunqueiro@caltreefruit.com.

Current News

New Research: Organic does not Imply 'Healthier'

The Food Standards Agency (FSA) in the United Kingdom has come out with new research on whether organic food is healthier for consumers versus conventionally grown food. FSA focuses on food safety and health benefits of food products for consumers. In various resources the FSA asserts, that their current findings don't show that organic food is safer or more nutritious than conventionally grown food. The French Food Safety Agency and Swedish National Food Administration are in agreement with FSA's findings. For more information on the findings of the FSA study visit www.food.gov.uk.

Universal Model for Measuring Carbon Footprint

With carbon footprint being such a topic of conversation over the past, couple of years it is no wonder that New Zealand apple growers are seizing the opportunity of taking it to the next level. New Zealand apple growers are proposing the development of a universal model to measure carbon emissions. It is not a completely new idea or trend. Wal-Mart has also pondered with the idea and has a plan of implementation over the course of 5 years to create indexing measures that they hope other entities will embrace. As for the New Zealand growers studies show that exports to Asia and to the west coast of the United States generates 200g of carbon dioxide and 900g on exports to Europe. When the research included the carbon footprint of farming machinery and consumer transportation levels raised to 920g and 1.2kg.

The findings of the New Zealand study included the facts that 57% of the carbon footprint in regards to exports to Europe came from shipping, about 15% from cultural practices and production and retail efforts generating 21%. Both New Zealand growers and Wal-Mart are engaging in these studies to help increase sales by having a marketing edge over competitors. Both entities are aware of this trend in reduction of carbon footprint and sustainability for our environment as having a powerful effect on consumer spending habits.

Sources: New York Times, New Zealand Herald, and World News

Market Reports

Mexico

Volumes of California PPN continue to be relatively low in the wholesale market however; movement of California peaches is quite good with excellent quality. Summerwhite® nectarines are moving well and are available at both the wholesale and supermarket levels. California nectarines have no direct competition at the moment, with 60% Summerwhite® and 40% yellow-flesh. As for plums, California has 90% of the market share where the other 10% is local product. Other fruits found in the market are Washington and local apples, USA pears, Chilean kiwifruit, local strawberries, peaches and plums.

Hong Kong

California peaches, donut peaches, and plums are all available in the Hong Kong market. Movement of California Tao Lee is only average, although quality is perceived to be excellent. Volumes of Chinese stone fruit have decreased because fewer varieties are available. The presence of Japanese peaches has also declined. California Tao Lee is doing better than Chinese stone fruit because of taste and quality. The flavor of Chinese Tao Lee has started to decline providing better opportunities for California PPN.

Taiwan

Ocean shipments have been slow coming which has decreased volumes of California Tao Lee available in the market. Due to high temperatures and the lack of any measurable rain from typhoons, local production of lemons, guavas, pears, and pineapples have increased. Direct competition in the market is pear mountain peaches, which have great appearance and are viewed to be reasonable in price. Other imported fruits are New Zealand kiwifruits, US citrus, US cherries and Southern hemisphere apples.

China

California plums are currently not available in the markets. The Shanghai, Dalian, Beijing, Guangzhou, and Shenzhen markets continue to be dominated by local fruits. There is currently no competition in the market for the Chinese stone fruit. Imports of California plums are predicted to arrive in the next few weeks.

United Kingdom

The UK has had excellent growing conditions and growers are expecting a strong domestic cherry, apricot, and plum crop. For perspective, the national plum crop in 2008 was only 25% of an average year. The local berry market has experienced an increase in volumes which has created difficult trading conditions of low prices. In terms of stone fruits, currently in the market are peaches and nectarines from Spain and Italy. Plums in the market are from Portugal and Israel. However all EU producing countries are supplying fruit to UK retailers and wholesalers, and price promotions continue across all retailers.

Singapore

Volumes of California PPN have increased due to escalated ocean shipments. Consumption of fresh fruits has increased because of warm weather conditions and consumers looking for something refreshing to eat. Limited volumes of Chinese peaches are present in the market but have not affected sales of California PPN. Other fruits in the market are durians, New Zealand kiwifruits, persimmons from South Africa, Chinese lychees, Thai logans, mangoes, and US fruits such as cherries, strawberries, apples, and grapes.

Malaysia

Despite a slow start during the beginning of the season, ocean shipments of California PPN have begun to arrive more regularly, which has improved availability and distribution. California stone fruit is now available in all market sectors, movement is average, and shelf space has increased due to higher volumes. Durian season is winding down which creates additional space for all imported fruits. The market also has dragon fruits from Japan and locally grown rambutans, duku langsats, mangoes, papayas, and watermelons.

New Zealand

Summerwhite® nectarines along with yellow flesh nectarines are available with good volumes. Peaches and plums have low volumes but movement is expected to improve in coming weeks due to increased shipments. There is no direct competition in the market but in terms of indirect competition Chilean and Australian grapes, Australian melons and pineapples from the Philippines are all available. Local fruits in the market are apples, pears, kiwifruit, oranges, and mandarins.

Central America Region

Volumes of California PPN are good in all sectors of Guatemala. In El Salvador, movement is slow with only average volumes. The Honduras market has light volumes but movement of Summerwhite® peaches and nectarines is quite strong. Availability in Costa Rica is good at both the retail and wholesale markets. Currently Guatemalan peaches, along with plums from Costa Rica and Guatemala are the only direct competition for California PPN. Local tree fruit is on the decline but still present in the market. Indirect competition in the market is grapes from Mexico, US citrus, US apples, and Chilean plums.

South America

California PPN is available in all market sectors for Colombia, Ecuador, and Panama. Volumes have decreased at the wholesale level in Colombia and direct competition is the local peaches. Supermarkets in Ecuador have increased volumes of California PPN and quality is perceived as excellent. Currently in the Ecuadorian market, direct competition is Peruvian peaches with low volumes. Chilean pears, apples, and table grapes, along with California citrus are imported fruits spotted in the market. Local fruits also available are oranges, melons, mangoes, pineapples, papayas, watermelons, mandarins, strawberries, and babacos. In Panama, good volumes of California PPN were found with excellent quality. Feedback from the trade has been positive and many are expecting increased shipments. The Venezuelan market is still not importing due to suspension of import permits.

India

The India market is currently dominated by local plums in small volumes at both the retail and wholesale market level. There is currently no imported stone fruit in the market. Shipments are expected to arrive by the middle of August. California PPN representatives have been gearing up the trade to start importing California PPN. Consumer promotions will be initiated with the trade when California PPN arrives on the market.

Promotional Highlights

General

This section of the report highlights various promotional programs and/or events that are traditionally important for our fruits. Listed below are a few brief descriptions of in-country activities. Promotional programs have started and will continue over the duration of the season.

*Be sure to visit the International section on the PPN Network Download Center at www.eatcaliforniafruit.com. On the download center you will find downloadable POS material from many different countries. Additional file formats may also be available upon request. Contact Denise Junqueiro for assistance DJunqueiro@caltreefruit.com or (559) 638-8260

Taiwan

California Tao Lee was featured on Sanli News during July 11-12 and will be featured again during the month of August. California Tao Lee was also featured in Taiwan's largest nutrition site "Lohas Nutritionist" www.foodcare.com.tw, this promotion will end on August 14. 20,000 fans at the 2009 World Games in Kaohsiung were exposed to the nutritional benefits of California Tao Lee. The fan promotion ran from July 15-26.

New Zealand

The Active Schools Promotion was launched during the previous two weeks. The promotion kicked off with POS materials and posters promoting California PPN. The promotion promotes active and nutritious life styles for kids. An insert mailer was also distributed in the programs efforts. The mailer went out to 340,000 homes to encourage consumers to buy California PPN.

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
Mexico	Peaches	CA	40 to 72 VF	19.03	1.59
	SW Peaches	CA	50-60 VF	22.66	-
	Nectarines	CA	56-70	18.04	1.54
	SW Nectarines	CA	60-70	21.04	3.07
	Plums - Red	CA	46-50-55-65,64	19.91	1.32
	Plums - Black	CA	55 - 65	19.91	1.32
	Peaches	MX	33lb	12.64	0.99
	Plums - Red	CUG	80	15.02	1.53
	Apple	WA	88 to 135	25.04	1.89
	Apricots	CA	88	21.04	1.33
	Kiwifruit	CH	22lb	19.83	1.56
	Mangoes	MX	25kg	12.02	0.50
	Pears	Arg, WA	70 - 120	28.74 - 29.11	0.79 - 1.10
	Plums	MX	18kg VF	8.64	0.61
	Strawberries	CA, MX	12 - 19.2 lb	7.16 - 12.64	0.61 - 1.10
Grapes	MX	21lb	11.14	0.98	
Hong Kong	Peach	CA			1.55-3.6/2pcs
	SW Peach	CA	14	32.50	0.97-5.2/2pcs
	Nectarine	CA			3.9/2pc; 2.54/4pc
	SW Nectraine	CA			3.9/2pcs
	Plum	CA	28lb	45.50 - 53.20	
	Plum	CA			0.84/100g
	Peach	China	24	16.88	1.16/pk; 1.9/2pc
	Peach White	JP; Italy	13	62.30	3.6/2pcs
	Plum Red	JP			11.4/pack
	Prunes	CA			0.9/100g
	Apricot	CA, Italy, JP			5.6-7.14/4pc; 0.9-1.3/100g
Taiwan	SW Peach	CA	#15-18; #40-48	21.37 - 42.75	0.64 - 3.82/pc
	SW Nectarine	CA	#50-56	21.37 - 30.53	0.30-0.64/pc
	Plum	CA	#40-45	24.42 - 29.00	0.30-0.46/pc
	Prune	CA	#50-80	36.64 - 41.22	1.70-1.91/lb
	Peach	JP	#15-16 / 5Kg	64.12-73.28	6.10 - 9.10/pc
	Peach	TW	#16-36 / 5.4-6Kg	19.75-30.38	0.91 - 4.05 /pc
China-Shanghai	Peach	China	Big/10KG	4.42/BOX	0.35/500G
	Peach Donut	China	Medium/5KG	3.68/BOX	0.59/500G
	Black Plum	China	Medium/5KG	4.42/BOX	0.71/500G
	Red Plum	China	Medium/5KG	5.89/BOX	0.94/500G
China-Guangzhou	Nectarine	China	Medium/13KG	11.75?16.18/10KG	0.96-1.77
	Peach	China	Medium	0.37-0.66/500g	0.58?1.76
	Chinese Variety of Plum	China	Medium	0.26-0.29/500g	0.41-0.44
	Prune	China	Medium	10.29/10KG	1.15-1.44
	Black Plum	China	Medium	.44-0.59/500g,17.67/10K	0.88-1.39
	Red Plum	China	70/75(10KG)	17.67	1.18-1.9
	Green Plum	China	Medium	0.79-0.22/500G	0.29-0.52
Singapore	SW Peach	CA	18; 44	33.57; 51.97	2.58; 1.79
	Peach	CA	64 2Lyr	49.68	1.29
	Peach - Donut	CA	48 2Lyr	42.75	1.38
	Plums	CA	55	32.15	0.22
	SW Nectarine	CA	72 / 56Vf	31.23	0.57
	Prunes	CA	60	60.00	6.43 kg
	IS Plums	CA	32	46.53	2.14 pc
	Appricot	US	10 kg	59.31	5.17 500g
	Cherry	CA	10 1/2 roll	59.03	11.03 kg
	Strawberry	US	454g x8	26.21	4.76
	Grapes	US, AUS	8.6 -10 kg	29.96 - 51.97	4.37 - 7.07
	White Peach	China	60	35.72	0.68
	Kiwi (green)	NZ	10 kg	33.10	2.07 (4pcs)
	Apple	NZ	80	33.79	0.62
	Persimmon	NZ	16	16.24	1.72

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
Malaysia	Peaches	CA	56-57 2lyrs	48.0-58.0/carton	0.80-1.20/pc
	Nectarines	CA	56-64 vf	48.0-50.0/carton	0.80-1.00/pc
	SW Peach	CA	56-64 vf	45.0-480.0/carton	0.80-1.00/pc
	SW Nectarine	CA	56-64 vf	45.0-480.0/carton	0.80-1.00/pc
	Plums	CA	30-55	22.0-34.0	1.90-3.40/kg
	Peaches	CHN	900g	16.0-20.0/carton	2.30-2.60/900g
	Strawberries	CA	4.5kg	40.0-50.0	5.00-6.00/pkt
	Cherries	US	8.2kg	78-80/lug	2.00/100g
	Grapes	Aus, Chile, SA	4.5 - 10kg	8.10 - 28.50	2.20 - 3.50/kg
	Pear	SA	38-56	11.32-12.50	0.23-0.39/pc
	Apples	NZ, SA, WA, CN	60 - 180	10.00 - 22.00	0.15 - 0.45/pc
United Kingdom	Plum	SP, Isreal, Portugal, UK	6-7 pack (40-55mm)	1.48 - 2.63/kg	1.64 - 4.91
	Peaches	SP, Italy	4 - 5 pack (61-73mm)	1.44 /kg	1.64 - 2.78
	Peaches White	France	4 pack (61-67mm)	N/A	3.27
	Peaches Donut	SP	5 pack (67-73mm)	N/A	1.64
	Nectarine	SP/Italy	4-6 pack (61-73mm)	1.44 - 1.74/kg	1.63 - 2.45
	Nectarine (white)	SP	4 pack (61-67mm)	N/A	3.27
	Blueberries	UK	200g	N/A	3.76
	Cherries	UK	225g	N/A	3.27
	Kiwis	Chile (Hayward)	6 pack	N/A	1.64
	Raspberries	UK	225g	N/A	3.27
	Strawberries	UK	454g	N/A	3.27
New Zealand	Nectarine	CA	64	0.98	1.4
	SW Nectarine	CA	64	1.4	2.52
	Peach	CA	56	1.5	1.96
	SW Peach	CA	Tray pack	1.5	2.52
	Plums	CA	64	0.98	1.96
	Apples		med/large		\$0.54 - \$1.77
	Grapes	US, MX	med/large	1.12 - 4.30	2.47
	Kiwifruit		med		1.12
	Mandarins	tag 1	med	on promotion	1.22
	Pears		med		0.97 - 1.12
	Orange	NZ / Navel	large		0.7
	Central America	Peaches	CWM	42-74	29.59
SW Peaches		CWM	56-72	25.22	1.28
Nectarines		CWM	70-72	31.09	2.09
SW Nectarines		CWM	56-72	25.22	1.28
Peaches - Donut		CWM	12 lbs	41.02	2.26
Plums - Black		CWM	64-70	27.51	1.51
Plums - Red		CWM	50-70	27.47	1.51
Peaches		GT	small	27.47	1.18
Plums		GT, CR	small		1.20
Apples		CH,USA, CR	80-198	29.89	0.96 - 1.26
Grapes		CH, Mx, CA	18 lbs	25.02	1.97
Pears		CH,USA, Arg	64-135	28.05	1.52
Kiwifruit		CH	13, 21 lbs	21.67	1.93
Oranges		Peru, USA	44-72	29.52	1.04
Strawberry		CR, HO, GT			1.28
Mandarine		Chile, Peru	22 lbs	26.56	1.73
Apricots		US-1	22 lbs	30.70	2.41
Cherries		Premium	15 lbs	61.50	7.10
Grapefruit		USA	Class 1		0.85
India	Plum	India	70-80	5.11/6 Kg box	0.83/lb - 1.02/lb

Country	Fruit	Grade/ Origin	Size/Count	Wholesale Price US\$	Retail Price US\$
Colombia	Peaches	USA/CA	Box 11k	US 40,55	US 1,84 LB
	Nectarines	USA/CA	Box 11 kl	US 42,85	US 1,94
	Plums	Chile	Box 9kl Granel 64	US 23,25	US 1,29 LB
	Nectarines	Columbia	Box 22 kl	US 16,27	US 0.36 LB
	Melon	Columbia	Box 10kl	US 3,72	US 0.186 LB
	Mango	Columbia	Box 23 kl	US 12,50	US 0.27 LB
Panama	Peaches	USA/CA			0.45-0.51/ea; 1.25-
	Nectarines	USA/CA			0.45/ea; 0.89-2.38/lb
	Plums	USA/CA	48U		0.35/ea; 1.25-2.25/lb
	Pluots	USA/CA	48U		0.25 per unit
Venezuela	Peaches	VZ			4.65-6.97
	Melons	VZ			4.65-9.30
	Plums	VZ			4.18-4.65
	Mango	VZ			1.83-2.30
	Watermelon	VZ			1.13-1.37
	Pineapple	VZ			3.20-3.72
	Strawberry	VZ			2.86-3.55
	Papaya	VZ			11.62-14.88
Canada	Peach	CA	per pound	0.90	0.87 - 1.81
	SW Peach	CA	per pound		0.90 - 1.81
	SW Nectarine	CA	per pound		0.90 - 1.81
	Nectarine	CA	per pound	0.90	0.87 - 2.27
	Plums	CA	per pound	0.90	1.17 - 1.36
	Plums - Golden	Canada	1.5L punnet		2.72 - 3.63
	Apples	WA	per pound	0.90	
	Apricots	WA	per pound		0.90 - 2.27
	Avocadoes	MX	each		1.36
	Blueberries	Canada	pint; quart	1.14 - 1.21; 3.63	2.27
	Cantaloupe	U.S.	each; per pound	0.90 - 1.36	1.81ea; 0.62/lb
	Cherries	WA, Canada	per pound		1.61 - 3.63
	Clementines	CH	3# bag		3.18 - 3.63
	Grapes	CA, Mexico	per pound	0.90	0.90 - 1.81
	Kiwifruit	CH/NZ	1# & 2# bag, each	0.90	2.72 - 3.15; 0.62 ea
	Oranges	Imported	per pound		1.17
	Pears, Bartlett	CA	per pound	0.90	1.17 - 1.63
	Pineapple	CR	each		3.15
	Pluots/Plumcots	CA	per pound		1.81
	Raspberries	BC	1# clam		4.54
	Strawberries	CA	1# & 2# clam	2.28	2.27 - 2.72
	Watermelon	US	per pound, each	2.52 - 3.63	0.45/lb; 2.72 - 4.53
Legend	Arq	Argentina		Mal	Malaysia
	Aus	Australia		MX	Mexico
	CH	Chile		NZ	New Zealand
	CN	China		NZ	New Zealand
	CO	Colombia		SA	South Africa
	CR	Costa Rica		Sp	Spain
	CA	California		SW	Summerwhite®
	CUG	California Utility Grade		Thai	Thailand
	CWM	Ca Well Mature®		TW	Taiwan
	EC	Ecuador		USM	US Mature
	GT	Guatemala		Vf	Volume fill
	JP	Japan		VZ	Venezuela
	Lyr	Layer		WA	Washington