



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 12/1/2005

GAIN Report Number: CH5084

China, Peoples Republic of

Citrus

Annual

2005

Approved by:

James Butterworth

U.S. Embassy Beijing, Office of Agricultural Affairs

Prepared by:

Kevin Latner/Wu Bugang

Report Highlights:

China's citrus production is forecast to drop by 4 percent from 14.9 MMT in MY 2004 to 14.5 MMT in MY 2005 due to cold temperatures and typhoons in major production areas. Acreage continues to expand and fruit quality continues to improve. Domestic consumption grows slowly and consumer preferences are shifting to higher quality and the perception of safer food. While China's citrus exports to neighboring countries are expanding, imports of oranges are declining.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Beijing [CH1]
[CH]

Table of Contents

Executive Summary	3
Production	3
Citrus production down 4 percent due to frost in Hunan and typhoons in Zhejiang	3
Acreage expands with profitability and government support.....	4
Fruit quality and agricultural practices improve.....	4
Consumption	4
Consumption grows slowly	4
Fruit quality concern push consumers to supermarkets.....	4
Trade	5
Exports are small but growing fast to Asian countries	5
Orange imports down under pressure from local fruit	5
Prices	5
Citrus prices are expected higher this year on production drop	5
Marketing	6
Farm product consolidators driving the domestic market	6
Local government are supporting marketing efforts.....	6
Processing	6
Canned citrus production likely to drop due to shortages of raw material.....	6
FCOJ consumption seen capped by rising cost of imported juice	6
Historical Production Tables by Province	7
Chinese Citrus Imports from the World by Volume and Value	8
Chinese Citrus Exports to the World by Volume and Value	9
Wholesale Market Price Data	10
Wholesale Market Monthly Prices for Oranges	10
Wholesale Market Monthly Prices for Tangerines	11
Wholesale Market Monthly Prices for Pomelos	12
Wholesale Market Monthly Prices for Lemons/Limes	13
Production, Supply, and Demand (PSD) Tables, and Trade Matrices	14
Oranges.....	14
Orange Trade Matrix Table	15
Orange Average Export Price Table.....	16
Tangerines	17
Tangerine Trade Matrix Table	18
Tangerine Average Export Price Table	19
Pomelos and Grapefruits.....	20
Pomelo/Grapefruit Trade Matrix Table	21
Pomelo/Grapefruit Average Export Price Table	22
Orange Juice	23
Orange Juice Trade Matrix Table	24
Orange Average Export Price Table.....	25

Executive Summary

China's citrus production is forecast to drop by about 4 percent from 14.9 MMT in MY 2004 to 4.5 MMT in MY 2005 due to cold temperatures and typhoons in Zhejiang and frost in Hunan. The MY 2006 production is expected to rebound to high levels as acreage continues to expand and more trees start bearing fruit. The citrus planted area is forecast at 17 million hectares in MY 2005, up 4 percent over the previous year, driven by government support and market profitability. Fruit quality continues to improve as good agricultural practices are adopted.

Market prices have been stable recently, but the prices are expected to increase given the drop in production. Citrus consumption grows slowly and some consumers are paying more attention to food quality and safety. While wholesale and wet markets still dominate the sales volume, supermarkets are attracting more urban residents.

Large trading companies are playing an increasingly important role in exports and domestic distribution, but most fruit is consolidated and marketed by small private companies and individuals. Citrus exports continue to expand, especially for mandarins, to Southeast Asia as the quality of Chinese citrus improves and is forecast to continue to expand as tariffs decline. Orange imports are likely to decrease faced with competition from domestic fruit.

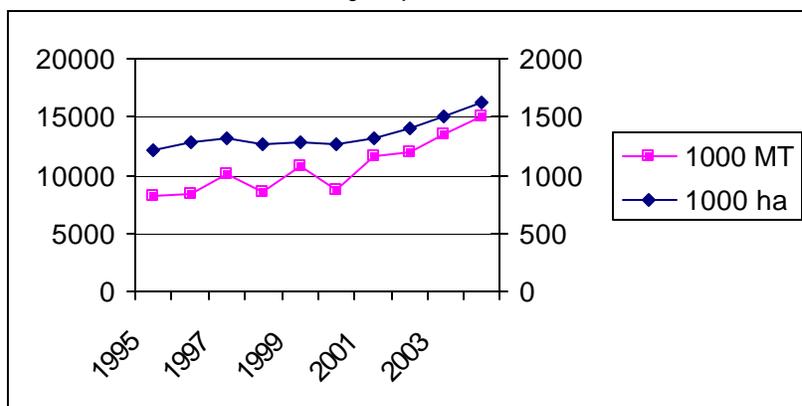
Canned citrus production is forecast down because of decreased production in Zhejiang. Frozen Concentrated Orange Juice (FCOJ) imports are probably down because of rising prices in the international market.

Production

Citrus production down 4 percent due to frost in Hunan and typhoons in Zhejiang

China's citrus production is forecast to drop by approximately 4 percent from 14.9 million metric tons (MMT) in the 2004 marketing year (Oct-Sept) to 14.5 MMT in 2005 marketing year (MY). The drop is mainly attributed to a frost reducing Hunan's production by 20 percent to 1.5 MMT in late spring and cold temperatures and several typhoons in the coastal Zhejiang province, causing production to drop by more than 30 percent in this region to 1.33 MMT. While these two provinces are the second and fourth largest citrus producers, respectively, other major producing provinces, including the largest production area, Fujian, are expected to see stable or increased output in MY 2005, thus mitigating production declines in the above two provinces.

With Zhejiang being the leading mandarin producer in China, the country's total mandarin production is projected to decline to 8.05 MMT, down nearly 6 percent from 8.55 MMT in the previous year. Orange production, however, is expected to increase by nearly 5 percent over the previous season to 4.45 MMT, because major producers like Guangxi, Sichuan and Chongqing have expanded planting areas and expect good harvests in MY 2005. The MY 2004 citrus production figures have been adjusted in line with official statistics.



Production costs are up again this year, with fertilizer up 20 percent in MY 2004. In Chongqing, for example, orange production cost is estimated at US\$2,960 per hectare. In

spite of rising costs of inputs, citrus production continues to be profitable and production is expected to rebound to a high level in MY 2006 as acreage continues to expand and more trees start bearing fruit.

Acreage expands with profitability and government support

Official statistics show the citrus planted area has been increasing over the past few years. The acreage reached 16.3 million hectares in MY 2004, up 8 percent from the previous year. The upward trend is likely to continue and the citrus area is projected at 17 million hectares in MY 2005. The provincial governments in Guangxi, Sichuan and Jiangxi are encouraging farmers to plant citrus in hilly areas where cash crops can generate more income than traditional crops like grains. Local governments are also supporting processed fruit manufacturers to contract with displaced farmers in the Three Gorges areas in Chongqing and Hubei to plant citrus orchards for juicing and canning. Aid includes free or subsidized seedlings. Additionally, continued profitability and stable prices continue to motivate farmers to plant more citrus. According to the national citrus production plan, citrus plantations are gradually shifting to three regions (see CH3132).

Fruit quality and agricultural practices improve

In 2002, the Ministry of Agriculture published a five year "Wholesome Food Action Plan" as a framework for implementing good agricultural practices. In addition, the government is providing certification for "higher" production standards, including green food and organic. Based on this plan, local governments have formulated standardized farm practices including, for citrus, tree density, application of fertilizers and pesticides, and orchard management. Implementation is incomplete. In Sichuan, for example, compliance is increasing, but only 35 to 40 percent orchards have met the "wholesome food standard". A small number of growers have had their orchards certified as "green food" or "organic" which provides a 10-30 percent premium for their products. As a result, the overall fruit quality has begun to improve. In addition, as farmers plant new orchards or replant where trees were removed from old age or disease, varieties are planted that compete more directly with quality U.S. products. Some traders predict Chinese citrus will become competitive in the world market in about five years.

Consumption

Consumption grows slowly

The overall consumption of fresh fruit is increasing as people's income rises, but citrus consumption is unlikely to see marked growth. This is reflected by the citrus prices at wholesale markets and wet markets where most citrus products are traded. Chinese per capita consumption of citrus is reported at 12 kilograms, approaching the world average of 17 kilograms. Unlike deciduous fruit such as apples, citrus can not be stored for a long time without modern storage facilities and post-harvest treatment, so most locally produced citrus is consumed between October and February.

Fruit quality concern push consumers to supermarkets

On the other hand, with the increasing number of supermarkets in urban areas, more people are buying produce, including citrus, there because of concerns over food safety. In fact, the best Chinese citrus are sold in supermarkets in big cities like Beijing and Shanghai, not shipped overseas. Good quality fruits are priced much higher than ordinary ones, but the percentage of quality fruit is relatively low and still in short supply.

Trade

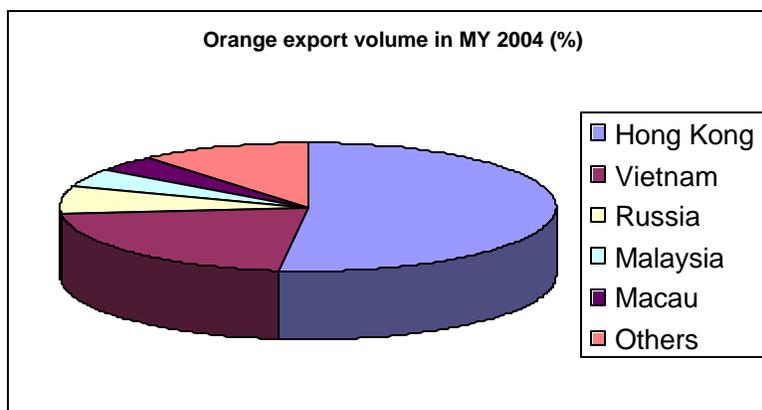
Exports are small but growing fast to Asian countries

China exported 351,484 MT of fresh mandarins and 46,660 MT of oranges in MY 2004, up nearly 18 percent and 62 percent, respectively, over the previous season, primarily to Southeast Asian countries and Russia. Fresh orange exports are expected to continue in MY 2005, especially as fruit

quality increases and tariffs come down between China and ASEAN countries.

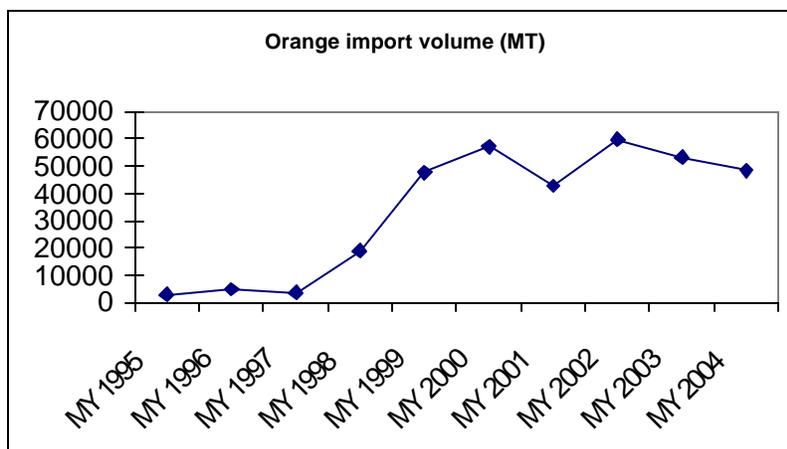
Beginning on January 1, 2006, China will enjoy a zero tariff on fresh produce with more ASEAN countries under an "early harvest program" included in the China-ASEAN free trade agreement.

Exporters are also exploring Middle East markets where they see great potential for Chinese citrus products.



Orange imports down under pressure from local fruit

Despite new import protocols with Australia, fresh orange imports are forecast to continue declining to about 45,000 MT in MY 2005 from 48,498 MT in MY 2004. The flavor and appearance of Chinese oranges have improved significantly in recent years, putting them in direct competition with imports. As domestic quality improves, the price of imported oranges is still at least three times that of locally produced ones, partly due to a 25-30 percent effective tariff rate (tariff + VAT). No tariff cut is scheduled after 2004 under WTO accession.



(See CH4062). Despite domestic competition, imported oranges are the only products available in the off-season and products sold under foreign labels, like Sunkist, have a cachet still preferred by some high-end consumers. Reportedly, in November China will sign an import agreement for Spanish citrus (see also CH4062 for an imported citrus variety and country/region eligibility list).

Prices

Citrus prices are expected higher this year on production drop

According to the China Fruit Marketing Association, the citrus market prices increased by 6.7 percent, 3.7 percent and 6.2 percent in the first, second and third quarters, respectively. Despite the production increase of oranges in MY 2005, farm gate prices are forecast to remain stable or increase slightly over the previous season, likely because export growth and poor harvest of mandarins. Mandarin prices are expected to increase, especially in damage-hit areas like Zhejiang. The overall market prices of citrus in MY 2005 are forecast to edge up by about 5 percent.

Marketing

Farm product consolidators driving the domestic market

In the export arena, large companies play an increasingly important role, normally contracting production, sorting, waxing (if needed), labeling, and selling the fruit on the international markets or to large supermarkets. Farm product consolidators, smaller private companies, individuals and agents collect citrus at the orchard and ship it to the wholesale markets providing the dominant marketing channels for domestic sales. Although wet markets will continue to exist for a long time, especially in small towns and rural areas, supermarkets are an increasingly important food market outlet.

Local government are supporting marketing efforts

In addition to building the transportation infrastructure, the governments in many provinces waive the highway charge for trucks transporting fresh farm produce. Local governments in citrus producing areas also sponsor trade shows to attract buyers from home and abroad. Local governments are setting up web sites that provide not only price information but also advertisements for farmers and companies. Local governments are also supporting the establishment of agricultural cooperatives, but thus far these industry groups are more responsible for skills/information sharing than marketing.

Processing

Canned citrus production likely to drop due to shortages of raw material

Canned citrus production is projected at 320,000 MT in MY 2005, down nearly 6 percent from 340,000 MT in MY 2004, principally from the loss of the mandarin crop in Zhejiang, the top canned citrus producer in China. Production is expected to rebound in MY 2006 as newly built canning facilities in Hubei and Hunan come on line. Despite expanded capacity, the increased price of mandarins, sugar and tin will probably force the canneries to raise export prices by 15-20 percent. Nearly 90 percent of the canned citrus produced in China is exported and the domestic consumption for this product is stable at approximately 50,000 MT.

FCOJ consumption seen capped by rising cost of imported juice

China's FCOJ imports are forecast at 41,200 MT in MY 2005, down more than 10 percent from 45,883 in MY 2004. Brazil is the primary supplier of FCOJ to China. Currently, Brazilian juice is up 50 percent over the previous year at approximately US\$1,500 per ton. Traders expect prices to stay at high levels as Florida recovers from the hurricane, further depressing imports. The FCOJ imports also declined in MY 2004 following a temporary reclassification of FCOJ by the Customs Office in 2004 that resulted in importers having to pay a 30 percent tariff, instead of a 7.5 percent, for five months.

The increased cost of FCOJ may make it economically feasible for juicing companies to source domestic oranges for juicing. Currently, the cost of producing FCOJ in China is \$US 1,110 to 1,480. Large-scale orange juice production is unlikely in the near term as most oranges produced in China are varieties best for fresh consumption. While large juicing orange orchards are being planted in the Three Gorges area in Chongqing, production will not be available for 4-5 years. Local governments in Guangxi, Jiangxi, and Hunan also encourage farmers to grow orange varieties that are good for both fresh consumption and processing, but these will not be available in the near-term. Currently, Chinese juicing industry consumes about 28,000 MT of oranges, producing about 2,000 MT of FCOJ each year.

Historical Production Tables by Province

Orchard Area and Production by Province								
	2001		2002		2003		2004	
	1000 Ha	1000 MT						
Fujian	164.2	1,810	163.8	1,932	164.0	1,944	165.6	2,068
Zhejiang	123.9	1,638	124.0	1,643	125.0	1,767	124.1	2,010
Sichuan	163.8	1,498	180.7	1,662	191.7	1,862	201.5	1,988
Hunan	253.5	1,588	261.8	1,489	259.9	1,728	276.4	1,879
Guangxi	115.7	1,321	118.0	1,373	122.0	1,521	134.3	1,719
Guangdong	94.3	1,135	105.9	1,234	149.9	1,351	175.7	1,591
Hubei	98.5	1,072	100.3	939	109.6	1,241	124.7	1,308
Jiangxi	154.5	434	166.4	490	186.0	620	217.3	844
Chongqing	68.8	599	92.6	657	96.3	752	98.1	799
Shanghai	4.4	137	6.0	159	9.5	174	11.4	185
Yunnan	21.6	102	23.2	118	25.1	133	25.9	166
Guizhou	33.4	128	34.9	135	33.9	150	35.5	158
Shaanxi	13.5	42	14.6	59	16.6	99	18.1	117
Jiangsu	3.5	55	3.3	49	3.2	54	3.6	48
Henan	4.7	22	4.0	22	8.1	30	9.5	35
Hainan	2.6	15	2.6	18	2.5	15	3.1	23
Anhui	2.6	9	2.3	8	2.2	11	2.3	13
Gansu	0.2	3	0.2	3	0.2	3	0.2	3
Total	1,323.7	11,608	1,404.6	11,990	1,505.7	13,454	1,627.3	14,958
Source: Ministry of Agriculture Abstracts								

Chinese Citrus Imports from the World by Volume and Value

Fresh and Processed Citrus Imports							
HS Code	Description	Volume (MT)			Value (US \$ Million)		
		10/02-9/03	10/03-9/04	10/04-9/05	10/02-9/03	10/03-9/04	10/04-9/05
080510	Oranges	59,749	53,059	48,498	36.917	37.729	34.307
080520	Mandarins	8,412	6,332	3,940	4.048	3.896	2.779
080540	Grapefruit	3,597	2,195	2,322	1.550	1.467	1.956
080550	<i>Lemons/Limes</i>	5,303	5,921	5,465	3.666	5.148	5.050
080590	<i>Other Citrus</i>	15	28	173	0.057	0.02	0.110
200791	Citrus Jams/Jellies	45	152	45	0.071	0.23	0.205
200830	Citrus Prep.	1,163	2,365	1,163	0.922	1.66	11.745
200911	Frozen OJ	42,112	47,675	42,112	53.284	52.615	44.906
200912	<i>OJ <20 Brix</i>	862	1,299	862	0.507	0.962	1.299
200919	<i>OJ <20 Brix</i>	1,611	4,206	1,611	2.085	4.513	3.856
200921	<i>Grapefruit Juice <20 Brix</i>	331	460	331	0.345	0.367	0.320
200929	<i>Grapefruit Juice <20 Brix</i>	295	329	295	0.477	0.576	2.176
200931	<i>Citrus Fruit Juice <20 Brix</i>	219	350	219	0.144	0.215	0.201
200939	<i>Citrus Fruit Juice >20 Brix</i>	157	58	157	0.272	0.121	0.303

Source of Data: China Customs

Chinese Citrus Exports to the World by Volume and Value

Fresh and Processed Citrus Exports

HS Code	Description	Volume (MT)			Value (US \$ Million)		
		10/02-9/03	10/03-9/04	10/04-9/05	10/02-9/03	10/03-9/04	10/04-9/05
080510	Oranges	14108	28,792	46,660	4.926	9.09	17.447
080520	Mandarins	219660	298,684	351,484	55.062	93.111	103.386
080540	Grapefruit	12522	15,207	10,870	2.017	2.642	3.689
080550	Lemons/Limes	39	253	75	0.011	0.093	0.088
080590	Other Citrus	9761	11,048	18,184	2.860	3.48	5.841
200791	Citrus Jams/Jellies	1573	1,794	2,230	2.070	2.081	2.549
200830	Citrus Prep.	240863	274,860	293,351	153.930	164.728	190.807
200911	Frozen OJ	2961	2,540	2,650	2.665	2.568	2.760
200912	OJ <20 Brix	117	49	82	0.056	0.024	0.035
200919	OJ <20 Brix	446	529	772	0.414	0.461	0.770
200921	Grapefruit Juice <20 Brix	198	187	182	0.217	0.207	0.211
200929	Grapefruit Juice <20 Brix	1	1	1	0.001	0.002	0.001
200931	Citrus Fruit Juice <20 Brix	285	47	0	0.147	0.028	0.000
200939	Citrus Fruit Juice >20 Brix]	42	15	93	0.064	0.026	0.124

Source of Data: China Customs

Wholesale Market Price Data**Wholesale Market Monthly Prices for Oranges**

Region	North	Northeast	Central	South	Southwest	West	China
Time	(Monthly average prices in USD per kilogram, RMB 8.10 = US \$1)						
Jan. 2004	0.56	0.83	0.27	0.65	0.12	0.18	0.49
Feb. 2004	0.54	0.81	0.27	0.36	N/A	0.13	0.46
March 2004	0.48	0.78	0.22	0.34	0.21	0.20	0.41
Avg Q1 2004	0.53	0.81	0.25	0.45	0.18	0.17	0.45
April 2004	0.50	0.82	0.24	0.37	0.16	0.24	0.41
May 2004	0.73	1.21	0.27	0.34	0.11	0.23	0.50
June 2004	0.92	1.21	0.22	0.48	0.11	0.25	0.66
Avg Q2 2004	0.68	0.98	0.24	0.40	0.14	0.24	0.51
July 2004	0.81	N/A	N/A	0.35	0.11	N/A	0.61
Aug. 2004	1.12	1.51	N/A	0.48	0.11	N/A	0.99
Sep. 2004	1.26	1.57	N/A	0.91	0.11	N/A	1.11
Avg Q3 2004	1.09	1.54	N/A	0.63	0.11	N/A	0.93
Oct. 2004	0.87	1.03	N/A	1.22	N/A	N/A	1.03
Nov. 2004	0.89	1.11	0.27	0.68	0.19	0.42	0.66
Dec. 2004	0.71	0.30	0.26	0.52	0.40	0.42	0.48
Avg Q4 2004	0.83	0.86	0.27	0.79	0.30	0.42	0.71
Avg 2004	0.80	1.00	0.25	0.58	0.18	0.24	0.66
Jan. 2005	0.46	0.42	0.23	0.30	N/A	0.23	0.34
Feb. 2005	0.42	0.71	0.25	0.35	0.11	0.26	0.38
March 2005	0.43	0.87	0.25	0.41	0.25	0.24	0.42
Avg Q1 2005	0.44	0.67	0.24	0.35	0.18	0.24	0.38
April 2005	0.41	0.39	0.24	0.35	0.22	0.36	0.36
May 2005	0.56	0.36	0.24	0.34	N/A	0.43	0.42
June 2005	0.74	0.24	0.23	0.52	N/A	0.29	0.58
Avg Q2 2005	0.57	0.35	0.24	0.40	0.22	0.38	0.45
July 2005	0.94	N/A	0.22	0.53	N/A	N/A	0.80
Aug. 2005	0.93	0.36	1.45	0.54	N/A	N/A	0.88
Sep. 2005	1.00	0.24	1.45	0.73	N/A	N/A	0.94
Avg Q3 2005	0.96	0.30	1.21	0.60	N/A	N/A	0.88
Oct. 2005	0.82	1.24	0.91	0.83	N/A	N/A	0.90
Nov. 2005	0.65	0.82	0.46	0.71	N/A	0.34	0.61
Avg Q4 2005	0.83	1.10	0.76	0.79	N/A	0.34	0.80
Avg 2005	0.68	0.62	0.56	0.50	0.20	0.30	0.60

Wholesale Market Monthly Prices for Tangerines

Region	North	Northeast	Central	South	Southwest	West	China
Time	(Monthly average prices in USD per kilogram, RMB 8.10 = US \$1)						
Jan. 2004	0.23	0.26	0.22	0.29	0.29	0.22	0.23
Feb. 2004	0.25	0.24	0.22	0.28	0.22	0.23	0.24
March 2004	0.22	0.22	0.20	0.28	0.21	0.25	0.22
Avg Q1 2004	0.23	0.24	0.21	0.28	0.24	0.23	0.23
April 2004	0.20	0.20	0.21	0.28	0.32	0.25	0.23
May 2004	0.23	0.21	0.21	0.30	0.29	0.27	0.24
June 2004	0.25	0.20	0.15	0.26	0.29	0.27	0.24
Avg Q2 2004	0.22	0.20	0.20	0.27	0.31	0.26	0.23
July 2004	0.27	N/A	0.17	0.25	0.29	N/A	0.25
Aug. 2004	0.32	0.41	0.20	0.33	0.19	N/A	0.28
Sep. 2004	0.25	0.30	0.18	0.29	0.27	N/A	0.24
Avg Q3 2004	0.27	0.33	0.19	0.29	0.25	N/A	0.26
Oct. 2004	0.22	0.19	0.18	0.26	0.17	0.32	0.22
Nov. 2004	0.24	0.21	0.17	0.25	0.21	0.24	0.22
Dec. 2004	0.22	0.23	0.21	0.29	0.24	0.21	0.23
Avg Q4 2004	0.23	0.21	0.18	0.26	0.21	0.25	0.22
Avg 2004	0.24	0.24	0.19	0.28	0.25	0.25	0.24
Jan. 2005	0.22	0.25	0.22	0.32	N/A	0.19	0.25
Feb. 2005	0.32	0.30	0.19	0.34	0.29	0.28	0.28
March 2005	0.25	0.26	0.19	0.36	0.28	0.29	0.27
Avg Q1 2005	0.27	0.27	0.20	0.34	0.28	0.25	0.26
April 2005	0.27	0.18	0.19	0.24	0.25	0.28	0.24
May 2005	0.48	N/A	0.20	0.26	N/A	0.28	0.31
June 2005	0.82	0.27	0.16	0.24	N/A	N/A	0.51
Avg Q2 2005	0.52	0.21	0.18	0.25	0.25	0.28	0.35
July 2005	0.47	N/A	0.19	0.24	N/A	N/A	0.37
Aug. 2005	0.28	N/A	0.27	0.27	N/A	N/A	0.28
Sep. 2005	0.23	0.22	0.23	0.24	N/A	0.22	0.23
Avg Q3 2005	0.23	0.22	0.23	0.25	N/A	0.22	0.29
Oct. 2005	0.23	0.21	0.18	0.25	0.17	0.25	0.22
Nov. 2005	0.23	0.27	0.20	0.29	N/A	0.27	0.23
Avg Q4 2005	0.23	0.23	0.19	0.27	0.17	0.26	0.22
Avg 2005	0.35	0.24	0.20	0.28	0.23	0.26	0.29

Wholesale Market Monthly Prices for Pomelos

Region	North	Northeast	Central	South	Southwest	West	China
Time	(Monthly average prices in USD per kilogram, RMB 8.10 = US \$1)						
Jan. 2004	0.42	0.48	0.24	0.23	0.20	0.36	0.33
Feb. 2004	0.32	0.56	0.23	0.27	0.24	0.24	0.28
March 2004	0.35	0.48	0.24	0.27	0.24	N/A	0.29
Avg Q1 2004	0.36	0.51	0.24	0.26	0.23	0.30	0.30
April 2004	0.31	0.51	0.24	0.26	0.34	0.30	0.29
May 2004	0.28	N/A	0.19	0.26	0.34	N/A	0.25
June 2004	0.32	N/A	0.22	0.31	0.34	N/A	0.31
Avg Q2 2004	0.31	0.51	0.23	0.28	0.34	0.30	0.29
July 2004	0.35	N/A	N/A	0.22	0.25	N/A	0.28
Aug. 2004	0.36	0.44	0.33	0.26	0.34	N/A	0.33
Sep. 2004	0.31	0.36	0.31	0.24	0.31	0.48	0.29
Avg Q3 2004	0.34	0.38	0.32	0.24	0.30	0.48	0.30
Oct. 2004	0.32	0.36	0.25	0.19	0.24	0.36	0.25
Nov. 2004	0.29	0.43	0.25	0.21	0.26	0.31	0.26
Dec. 2004	0.24	N/A	0.23	0.24	0.24	0.36	0.24
Avg Q4 2004	0.28	0.41	0.24	0.21	0.25	0.34	0.25
Avg 2004	0.32	0.44	0.25	0.25	0.28	0.34	0.28
Jan. 2005	0.25	0.34	0.20	0.23	N/A	0.33	0.24
Feb. 2005	0.26	0.42	0.21	0.28	0.34	0.38	0.28
March 2005	0.26	0.39	0.23	0.25	0.25	0.51	0.27
Avg Q1 2005	0.26	0.39	0.21	0.25	0.30	0.41	0.26
April 2005	0.26	N/A	0.17	0.25	0.20	0.42	0.24
May 2005	0.26	N/A	0.12	0.32	0.20	0.45	0.27
June 2005	0.29	N/A	0.19	0.24	N/A	N/A	0.27
Avg Q2 2005	0.27	N/A	0.16	0.27	0.20	0.44	0.26
July 2005	0.47	N/a	0.19	0.24	N/a	N/a	0.37
Aug. 2005	0.28	N/A	0.29	0.37	N/A	N/A	0.34
Sep. 2005	0.30	N/A	0.28	0.25	N/A	0.36	0.28
Avg Q3 2005	0.30	N/A	0.28	0.56	N/A	0.36	0.38
Oct. 2005	0.30	N/A	0.30	0.23	0.25	N/A	0.27
Nov. 2005	0.29	0.34	0.28	0.23	N/A	N/A	0.28
Avg Q4 2005	0.29	0.34	0.29	0.23	0.25	ON/A	0.27
Avg 2005	0.28	0.38	0.23	0.33	0.24	0.41	0.30

Wholesale Market Monthly Prices for Lemons/Limes

Region	North	Northeast	Central	South	Southwest	West	China
Time	(Monthly average prices in USD per kilogram, RMB 8.10 = US \$1)						
Jan. 2004	0.97	1.57	1.21	N/A	N/A	N/A	1.14
Feb. 2004	1.00	0.73	1.21	N/A	N/A	N/A	1.02
March 2004	1.39	1.33	1.21	N/A	N/A	N/A	1.37
Avg Q1 2004	1.12	1.31	1.21	N/A	N/A	N/A	1.18
April 2004	0.65	1.37	1.21	0.40	0.48	N/A	0.80
May 2004	0.85	1.94	1.21	1.45	N/A	N/A	1.26
June 2004	0.76	1.39	0.95	1.33	N/A	N/A	0.89
Avg Q2 2004	0.72	1.47	1.11	1.06	0.48	N/A	0.91
July 2004	0.86	1.94	0.70	1.36	N/A	N/A	0.98
Aug. 2004	0.95	1.69	0.70	1.39	N/A	N/A	1.06
Sep. 2004	1.22	1.75	0.70	1.07	N/A	N/A	1.07
Avg Q3 2004	1.04	1.77	0.70	1.25	N/A	N/A	1.04
Oct. 2004	0.67	1.51	1.21	1.10	N/A	N/A	1.25
Nov. 2004	0.99	0.79	1.21	0.50	N/A	1.81	0.96
Dec. 2004	1.09	N/A	0.79	0.96	N/A	1.81	1.08
Avg Q4 2004	0.97	1.08	1.07	0.80	N/A	1.81	1.08
Avg 2004	0.97	1.41	1.00	1.03	0.48	1.81	1.05
Jan. 2005	1.03	0.96	0.97	0.87	N/A	1.81	1.07
Feb. 2005	0.85	1.45	N/A	0.78	N/A	1.81	1.08
March 2005	1.06	1.21	0.24	0.82	N/A	2.00	1.04
Avg Q1 2005	0.98	1.21	0.60	0.82	N/A	1.88	1.06
April 2005	1.15	N/A	N/A	0.87	N/A	2.18	1.14
May 2005	0.82	N/A	1.09	0.84	N/A	1.81	1.02
June 2005	1.20	1.21	1.09	0.74	N/A	1.88	1.09
Avg Q2 2005	1.06	1.21	1.09	0.81	N/A	1.91	1.08
July 2005	1.13	0.40	1.03	0.72	N/A	1.33	0.87
Aug. 2005	0.94	0.39	0.60	0.75	N/A	1.75	0.82
Sep. 2005	0.70	N/A	0.60	0.74	N/A	1.75	0.76
Avg Q3 2005	0.92	0.39	0.75	0.74	N/A	1.65	0.82
Oct. 2005	1.27	0.73	0.60	1.11	N/A	1.45	1.02
Nov. 2005	0.70	0.73	0.60	0.33	N/A	1.45	0.73
Avg Q4 2005	1.08	0.73	0.60	0.85	N/A	1.45	0.92
Avg 2005	1.00	0.87	0.77	0.80	N/A	1.78	0.98

Production, Supply, and Demand (PSD) Tables, and Trade Matrices
Oranges

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oranges, Fresh				(HECTARES)(1000 TREES)(1000 MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		10/2003		10/2004		10/2005
Area Planted	581400	581400	59012	590120	0	598000
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
TOTAL No. Of Trees	0	0	0	0	0	0
Production	4036	4036	4200	4250	0	4450
Imports	55	53	58	48	0	45
TOTAL SUPPLY	4091	4089	4258	4298	0	4495
Exports	29	29	35	47	0	66
Fresh Dom. Consumption	4037	4035	4195	4223	0	4387
Processing	25	25	28	28	0	42
TOTAL DISTRIBUTION	4091	4089	4258	4298	0	4495

Orange Trade Matrix Table

Import Trade Matrix

Country	China, Peoples Republic of		
Commodity	Oranges, Fresh		
Time Period	Oct-Sep	Units:	MT
Imports for:	2003		2004
U.S.	32267	U.S.	26655
Others		Others	
New Zealand	16923	New Zealand	10782
South Africa	3477	South Africa	10485
Uruguay	284	Uruguay	229
Chile	101	Argentina	125
Brazil	5	Thailand	102
Taiwan	1	Taiwan	84
Thailand	1	Chile	34
		Brazil	2
Total for Others	20792		21843
Others not Listed	0		0
Grand Total	53059		48498

Export Trade Matrix

Country	China, Peoples Republic of		
Commodity	Oranges, Fresh		
Time Period	Oct-Sep	Units:	MT
Exports for:	2003		2004
U.S.	0	U.S.	25
Others		Others	
Hong Kong	17461	Hong Kong	24474
Vietnam	4931	Vietnam	9831
Singapore	1778	Russia	3231
Russia	1410	Malaysia	2393
Thailand	882	Macau	1961
Macau	877	Indonesia	1341
Malaysia	822	Philippines	1202
Kasakhstan	225	Singapore	607
Indonesia	212	Thailand	602
Philippines	100	UAE	439
Total for Others	28698		46081
Others not Listed	94		554
Grand Total	28792		46660

Orange Average Export Price Table

Prices Table

Country	China, Peoples Republic of		
Commodity	Oranges, Fresh		
Prices in	US\$FOB	per uom	MT
	China		
Year	2004	2005	% Change
Jan	330	410	24%
Feb	210	360	71%
Mar	150	270	80%
Apr	180	200	11%
May	210	200	-5%
Jun	190	180	-5%
Jul	180	230	28%
Aug	340	N/A	
Sep	310	250	41%
Oct	320	450	-100%
Nov	560		-100%
Dec	530		-100%
Date of Quote	11/29/2005	MM/DD/YYYY	

Tangerines

PSD Table						
Country	China, Peoples Republic of					
Commodity	Tangerines, Fresh				(HECTARES)(1000 TREES)(1000 MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		10/2003		10/2004		10/2005
Area Planted	695000	695000	688000	729000	0	768000
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
TOTAL No. Of Trees	0	0	0	0	0	0
Production	6870	6870	6950	8550	0	8050
Imports	5	6	4	4	0	3
TOTAL SUPPLY	6875	6876	6954	8554	0	8053
Exports	295	299	368	351	0	405
Fresh Dom. Consumption	6100	6097	6061	7693	0	7168
Processing	480	480	525	510	0	480
TOTAL DISTRIBUTION	6875	6876	6954	8554	0	8053

Note: Processing citrus covers mainly canned citrus and producing one MT of canned citrus needs about 1.5 MT of fresh mandarins.

Tangerine Trade Matrix Table

Import Trade Matrix

Country	China, Peoples Republic of		
Commodity	Tangerines, Fresh		
Time Period	Oct-Sep	Units:	MT
Imports for:	2003		2004
U.S.	755	U.S.	235
Others		Others	
New Zealand	3759	New Zealand	1840
Australia	1312	Thailand	937
South Korea	216	Australia	620
North Korea	216	Argentina	155
Japan	43	Taiwan	49
Uruguay	24	Chile	45
Taiwan	7	Japan	33
		Uruguay	26
Total for Others	5577		3705
Others not Listed	0		0
Grand Total	6332		3940

Export Trade Matrix

Country	China, Peoples Republic of		
Commodity	Tangerines, Fresh		
Time Period	Oct-Sep	Units:	MT
Exports for:	2003		2004
U.S.	23	U.S.	0
Others		Others	
Vietnam	99158	Vietnam	110364
Malaysia	59152	Malaysia	62355
Indonesia	34864	Indonesia	40295
Russia	30932	Russia	40245
Philippines	24956	Philippines	37679
Hong Kong	18420	Hong Kong	24775
Singapore	12595	Canada	18067
Canada	11062	Singapore	8057
North Korea	1929	Kyrgyzstan	2918
Kyrgyzstan	1880	North Korea	1808
Total for Others	294948		346563
Others not Listed	3713		4921
Grand Total	298684		351484

Tangerine Average Export Price Table

Prices Table			
Country	China, Peoples Republic of		
Commodity	Tangerines, Fresh		
Prices in	US\$FOB	per uom	MT
	China		
Year	2004	2005	% Change
Jan	260	300	15%
Feb	230	250	9%
Mar	250	240	-4%
Apr	250	240	-4%
May	330	210	-36%
Jun	230	140	-39%
Jul	280	210	-25%
Aug	280	610	118%
Sep	610	540	-11%
Oct	530	440	-17%
Nov	350		-100%
Dec	290		-100%
Date of Quote	11/29/2005	MM/DD/YYYY	

Pomelos and Grapefruits

PSD Table						
Country	China, Peoples Republic of					
Commodity	Grapefruit, Fresh				(HECTARES)(1000 TREES)(1000 MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		10/2003		10/2004		10/2005
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
TOTAL No. Of Trees	0	0	0	0	0	0
Production	1642	1642	1724	1800	0	1850
Imports	2	2	4	2	0	2
TOTAL SUPPLY	1644	1644	1728	1802	0	1852
Exports	15	15	18	11	0	15
Fresh Dom. Consumption	1629	1629	1710	1791	0	1837
Processing	0	0	0	0	0	0
TOTAL DISTRIBUTION	1644	1644	1728	1802	0	1852

Pomelo/Grapefruit Trade Matrix Table

Import Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Grapefruit, Fresh		
Time Period	Oct-Sep	Units:	MT
Imports for:	2003		2004
U.S.	789	U.S.	556
Others		Others	
Taiwan	899	Taiwan	910
Thailand	503	Thailand	666
South Africa	3	South Africa	102
		Myanmar	50
		Argentina	22
		Chile	15
Total for Others	1405		1765
Others not Listed	1		1
Grand Total	2195		2322

Export Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Grapefruit, Fresh		
Time Period	Oct-Sep	Units:	MT
Exports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Hong Kong	10873	Hong Kong	3290
Philippines	1359	Canada	2321
Canada	1253	Russia	1355
Macau	674	France	1208
Netherlands	319	Netherlands	814
France	131	Macau	222
Belgium	112	Singapore	216
Singapore	99	Malaysia	110
Russia	75	Saudi Arabia	53
Thailand	52	Pilippines	38
Total for Others	14947		9627
Others not Listed	260		1243
Grand Total	15207		10870

Pomelo/Grapefruit Average Export Price Table

Prices Table			
Country	China, Peoples Republic of		
Commodity	Grapefruit, Fresh		
Prices in	US\$FOB	per uom	MT
	China		
Year	2004	2005	% Change
Jan	180	330	83%
Feb	140	310	121%
Mar	140	320	129%
Apr	140	210	50%
May	140	140	0%
Jun	170	130	-24%
Jul	630	220	-65%
Aug	310	410	32%
Sep	250	410	64%
Oct	300	410	37%
Nov	340		-100%
Dec	410		-100%
Date of Quote	11/29/2005	MM/DD/YYYY	

Orange Juice

PSD Table						
Country	China, Peoples Republic of				Degrees Brix	
Commodity	Orange Juice				(MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		10/2003		10/2004		10/2005
Deliv. To Processors	25000	25000	28000	28000	0	0
Beginning Stocks	0	0	0	0	0	0
Production	1800	1800	2000	2000	0	3000
Imports	48592	48592	53450	45883	0	41200
TOTAL SUPPLY	50392	50392	55450	47883	0	44200
Exports	2636	2636	1850	2793	0	1500
Domestic Consumption	47756	47756	53600	45090	0	42700
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	50392	50392	55450	47883	0	44200

Note: Numbers have been converted into concentrated orange juice using a ratio of 6:1 between single strength and concentrate. Products under HS codes 20091200 and 20091900 are both treated as single strength juice.

Orange Juice Trade Matrix Table

Import Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Orange Juice		
Time Period	Oct-Sep	Units:	MT
Imports for:	2003		2004
U.S.	245	U.S.	330
Others		Others	
Brazil	39094	Brazil	38591
Israel	8300	Israel	4932
Netherlands	354	Netherlands	1094
Italy	239	Italy	242
Australia	148	Australis	140
Spain	89	Spain	96
South Africa	43	Denmark	44
Hong Kong	23	Hong Kong	37
South Korea	15	France	11
Taiwan	8	Taiwan	7
Total for Others	48313		45194
Others not Listed	34		359
Grand Total	48592		45883

Export Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Orange Juice		
Time Period	Oct-Sep	Units:	MT
Exports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Hong Kong	2368	Hong Kong	2139
Australia	132	Thailand	315
Japan	72	Belgium	131
Taiwan	57	Japan	69
North Korea	3	Taiwan	46
Singapore	2	Singapore	44
		Malaysia	19
		Vietnam	14
		Russia	6
		North Korea	4
Total for Others	2634		2787
Others not Listed	2		6
Grand Total	2636		2793

Orange Average Export Price Table

Prices Table			
Country	China, Peoples Republic of		
Commodity	Orange Juice		
Prices in	US\$FOB	per uom	MT
	China		
Year	2004	2005	% Change
Jan	1010	1040	3%
Feb	1000	1010	1%
Mar	1030	1100	7%
Apr	1020	1020	0%
May	1050	1040	-1%
Jun	980	1040	6%
Jul	1010	1080	7%
Aug	1020	1030	1%
Sep	1180	1010	-14%
Oct	1050	1050	0%
Nov	1010		-100%
Dec	1020		-100%
Date of Quote	11/29/2005	MM/DD/YYYY	