

Analysing the Growing Importance of „Two-way Businesses“ and Intra-Asian Trade

- Introduction of Carrière
- Examining Asia's key juice export products and the international markets they appeal to
- Identifying and analysing Asia's import regions for juice
- Examining the range of products Asia imports from international regions: FCOJ and others
- Conclusions

Introduction of Carrière

- Based in Hamburg / Germany
- Trading mainly with citrus, tropical and exotic products
- F o c u s s e d o n 4 g r o w t h p i l l a r s :
Conventional , Organic, Fairtrade, Derivates [water phases, natural aromas, oils, etc.]
- Specialised in product sourcing; global supplier network
- Strong customer base in Europe
- World Juice 2006 Innovation Award - Hero's Fruit 2Day®, developed in conjunction with Carrière
- For more information: www.carriere.de

Examining Asia's key juice export products and the international markets

- Key export products: Apple JC (AJC), Pineapple JC (PJC), Mango Puree and Concentrate (MGP)

Focus: (1) Chinese Apple Juice Concentrate (AJC)

(2) Thai, Philippine and Indonesian Pineapple Juice Concentrate (PJC)

(3) Indian Mango Pulp and Concentrate (MGP)

- International Markets: Europe, US/Canada, Australia, Africa and **Asia → Intra-Asian business**

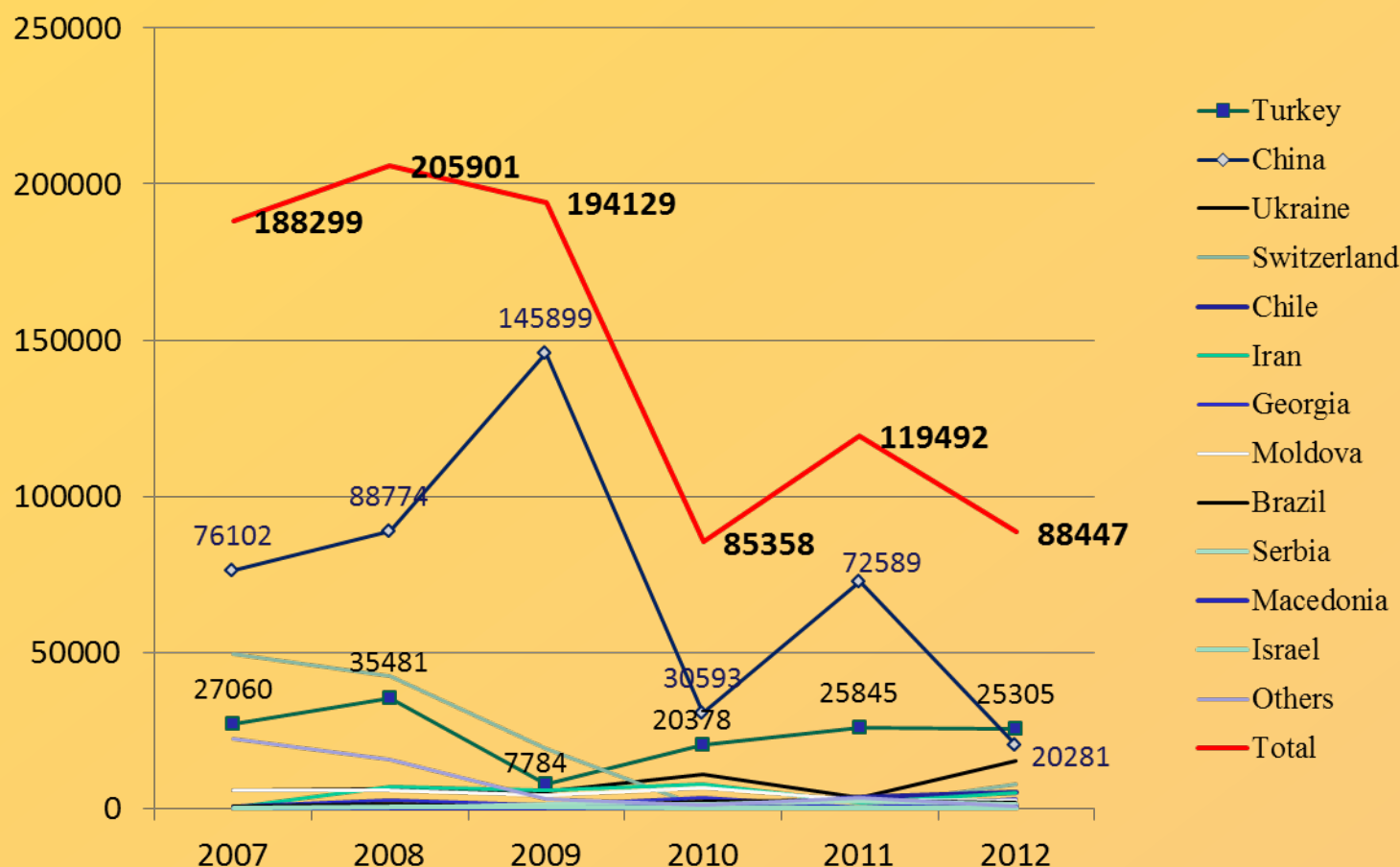
Examining Asia's Key Juice Export Products

➤ Focus (1): Chinese Apple Juice Concentrate (AJC)

Current key market features:

- Decreasing demand, especially in EU-27
- Large carry-overs, est. 300.000 MT [Foodnews, 9.4.13]
- Prices have been gradually falling since Nov 2011
 - Competition arising from other countries, which also process low acid AJC (Turkey, Ukraine, Moldova) with lower duty tariffs
- High import duty in EU (25.5%)

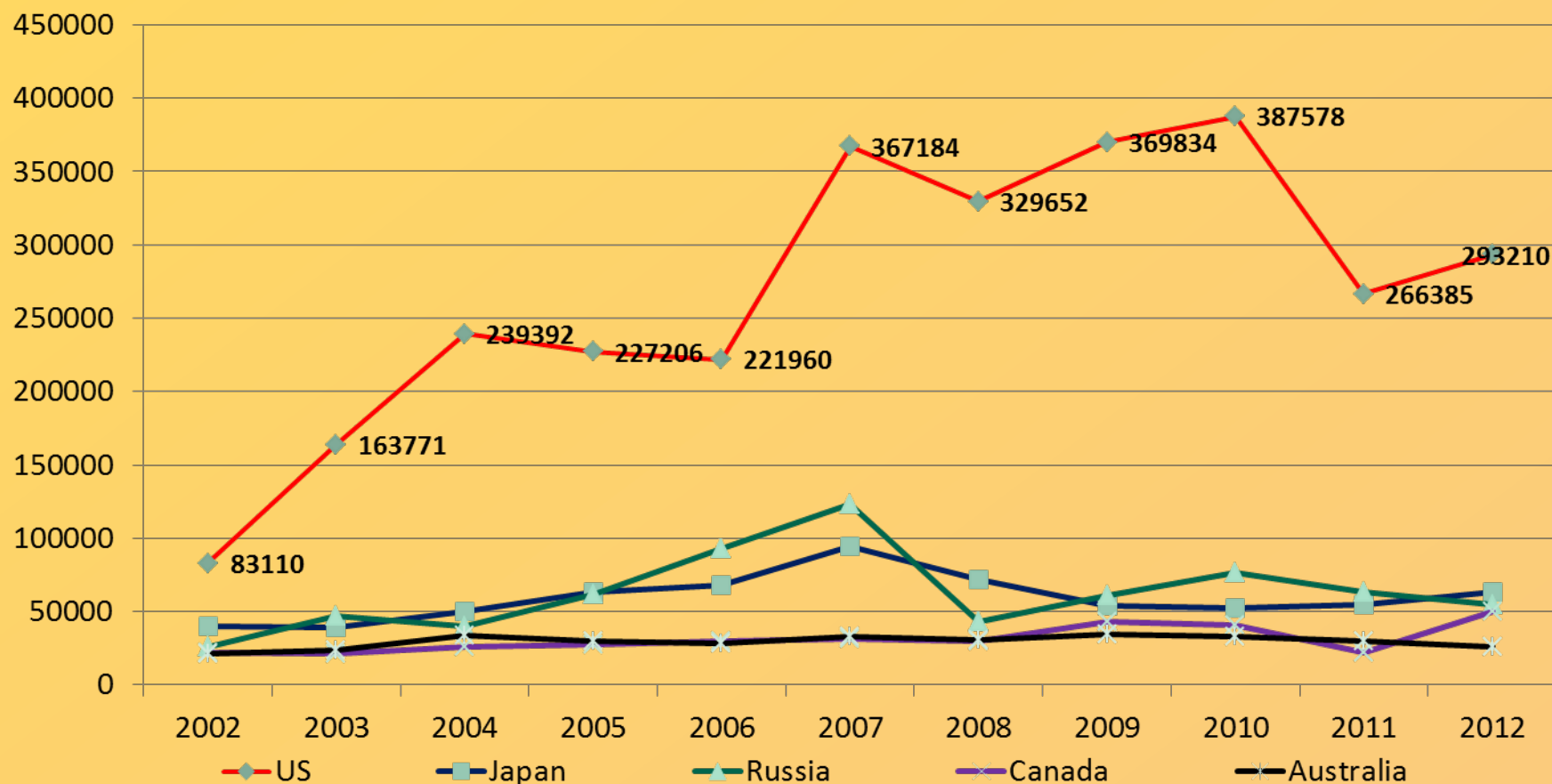
EU-27 Imports of AJC in MT (Jan-Jun)



Source: Eurostat

Juice Asia 2013 - Bangkok

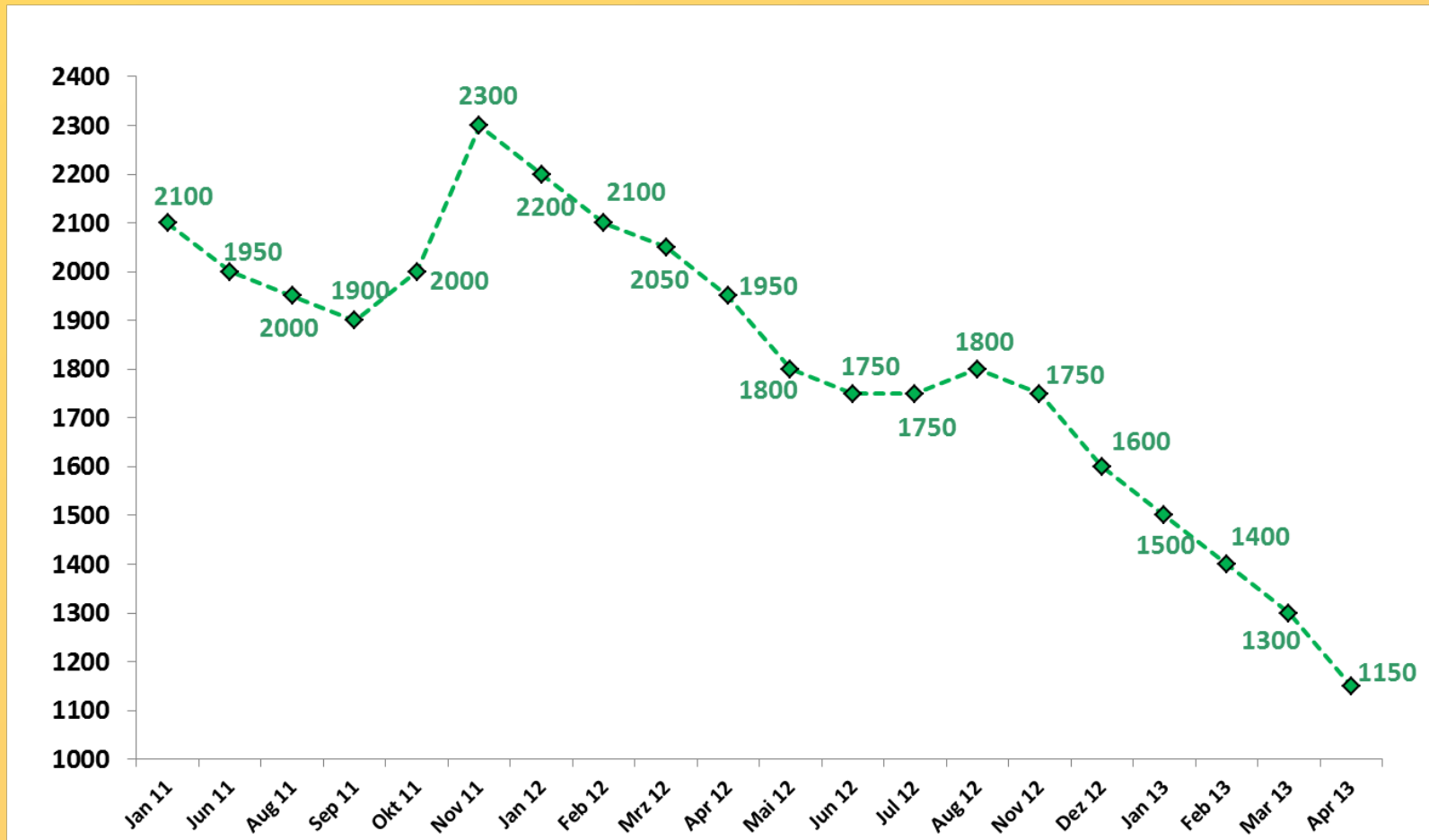
Leading Chinese AJC Export Markets [in MT]



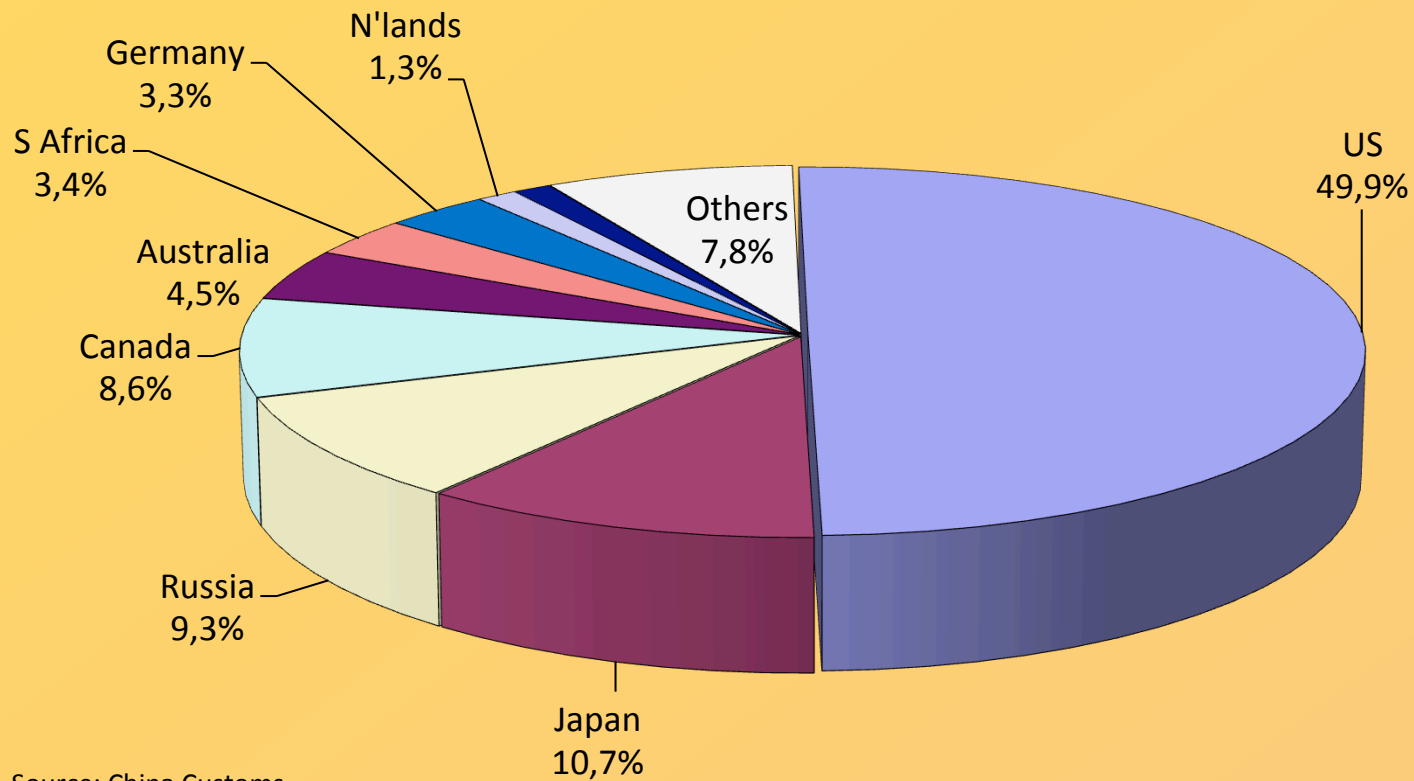
Source: China Customs

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Evolution of Chinese AJC prices [in USD/MT FOB]



Market Share of Chinese AJC Exports [January-December 2012]

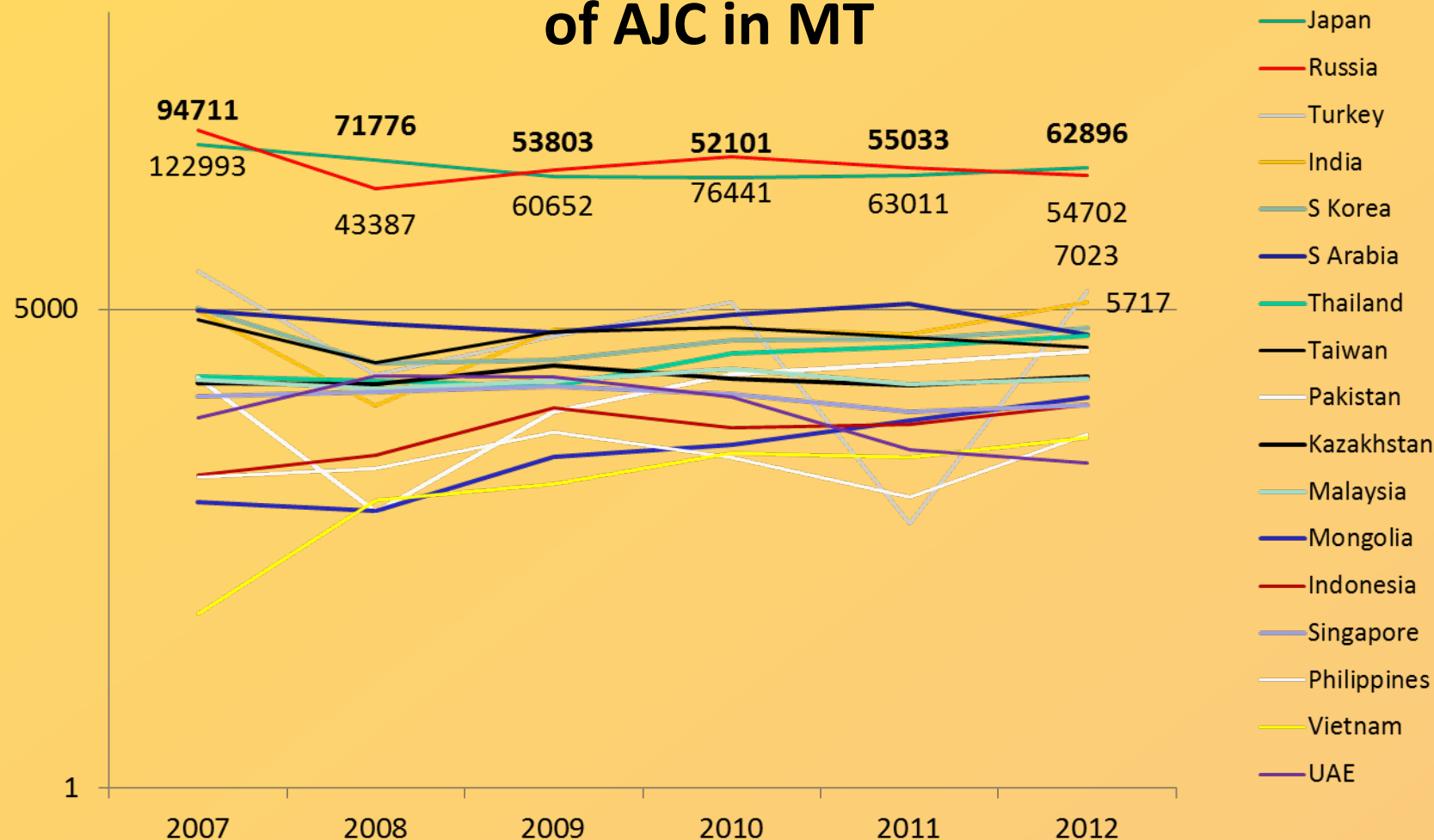


Source: China Customs

Analysis - Market Share of Chinese AJC Exports

- US and Canada account for more than 50% of Chinese total AJC exports => risk!?
- Japan and Russia are the major Intra-Asian destinations
- South Africa and Australia are important, too
- Germany is an AJC im-/exporter; low acid Chinese AJC used for blending with high acid product from Poland
- The category “Others” consists partially of Asian countries, like India, South Korea, Saudi Arabia, Thailand and Taiwan => **Intra-Asian trade**

Chinese Intra-Asian Exports of AJC in MT



Source: China Customs

Identifying Asia's Main Import Regions for Juice - AJC

➤ AJC imports and Intra-Asian trade figures suggest that in 2012, Asia's main import regions for AJC were:

Japan: share of global Chinese AJC exports: 10.7%

Russia : share of global Chinese AJC exports: 9.3%

Turkey: share of global Chinese AJC exports: 1.2%

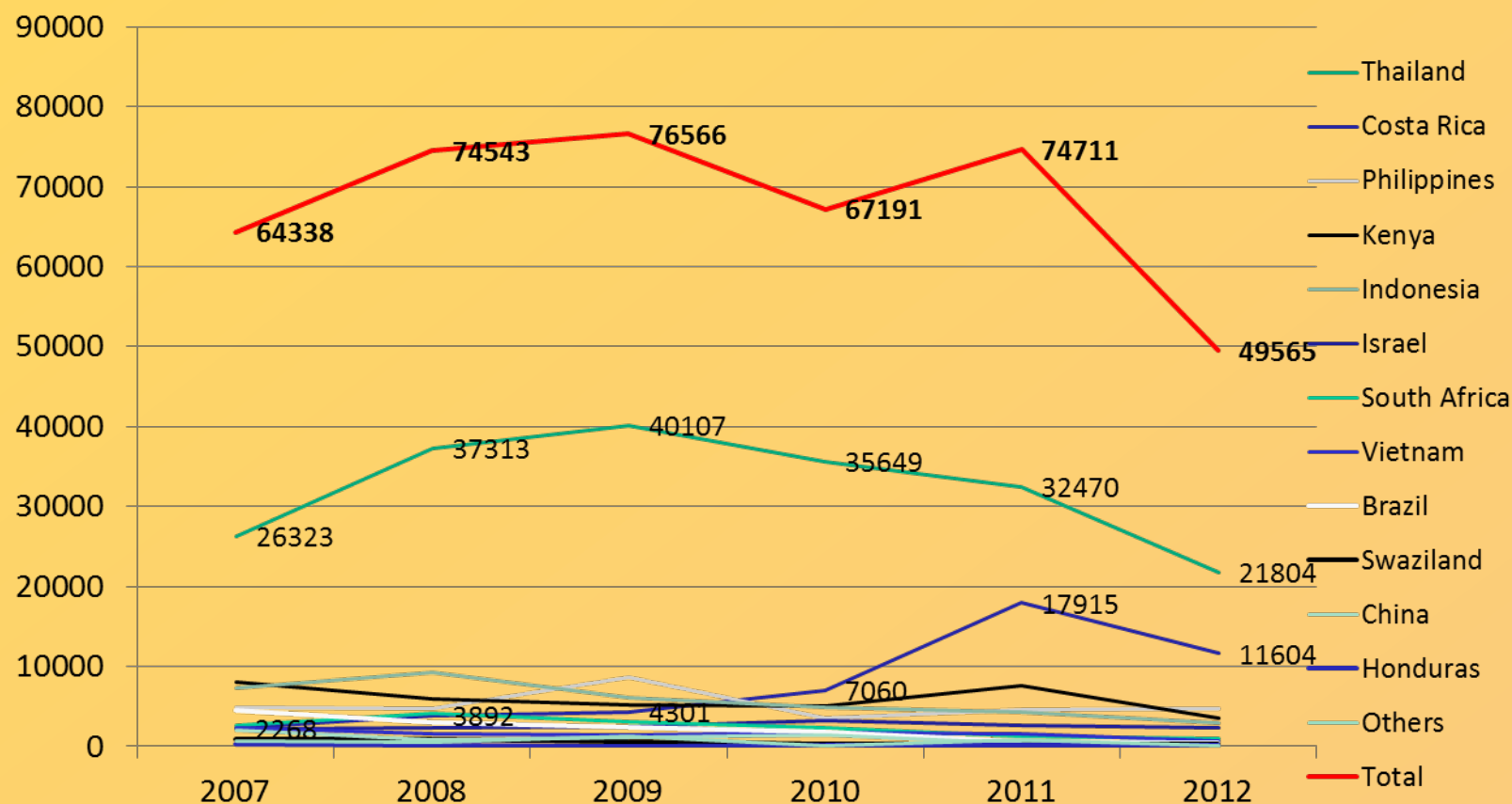
Examining Asia's Key Juice Export Products

- Focus (2): Thai, Philippine and Indonesian Pineapple Juice Concentrate (PJC)

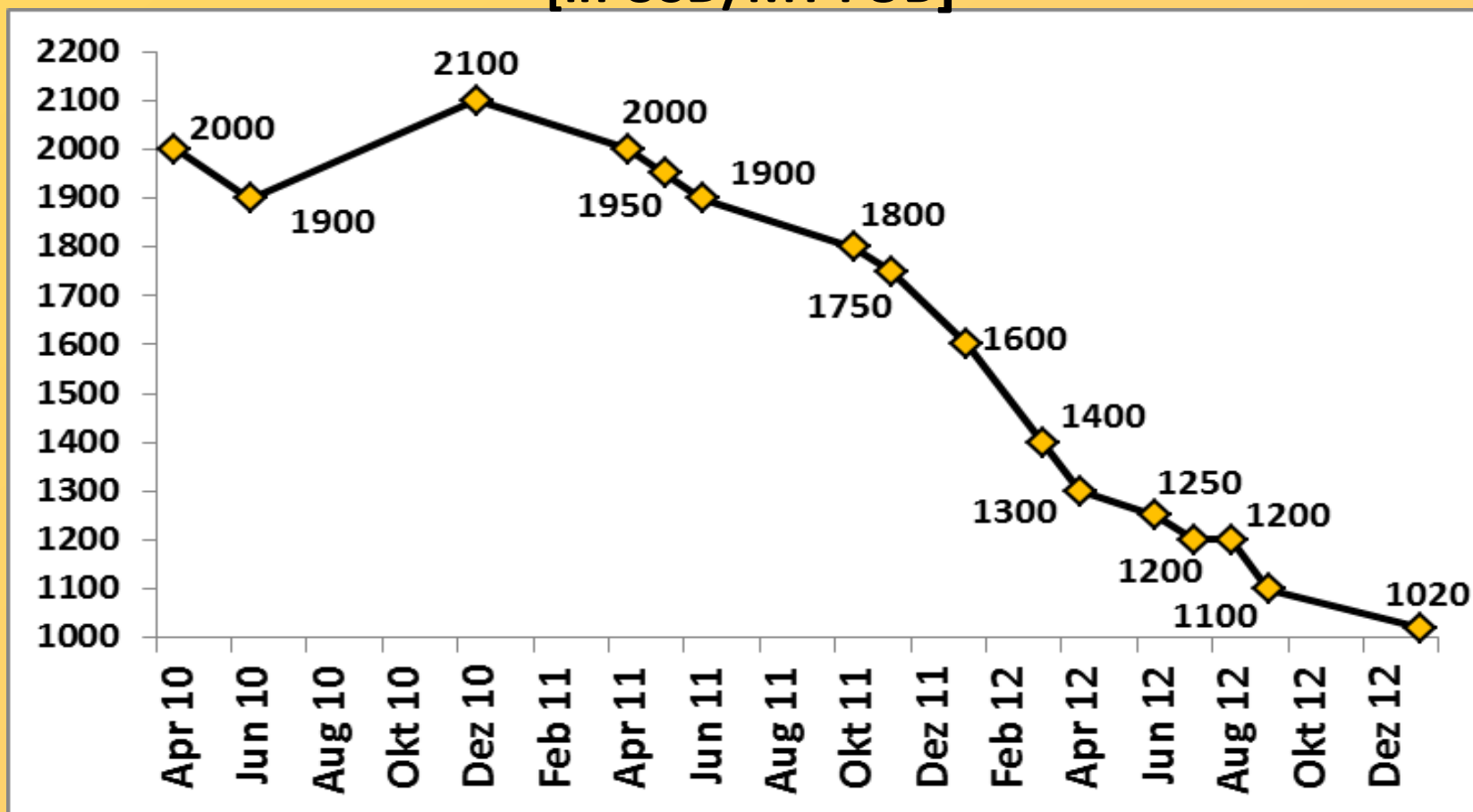
Current key features:

- Decreasing demand, especially in EU-27
- Prices have been gradually falling since Dec 2010, are considered to be too low, compared with AJC and FCOJ
- Oversupply in standard PJC – aseptic 60° Brix, stocks in Europe

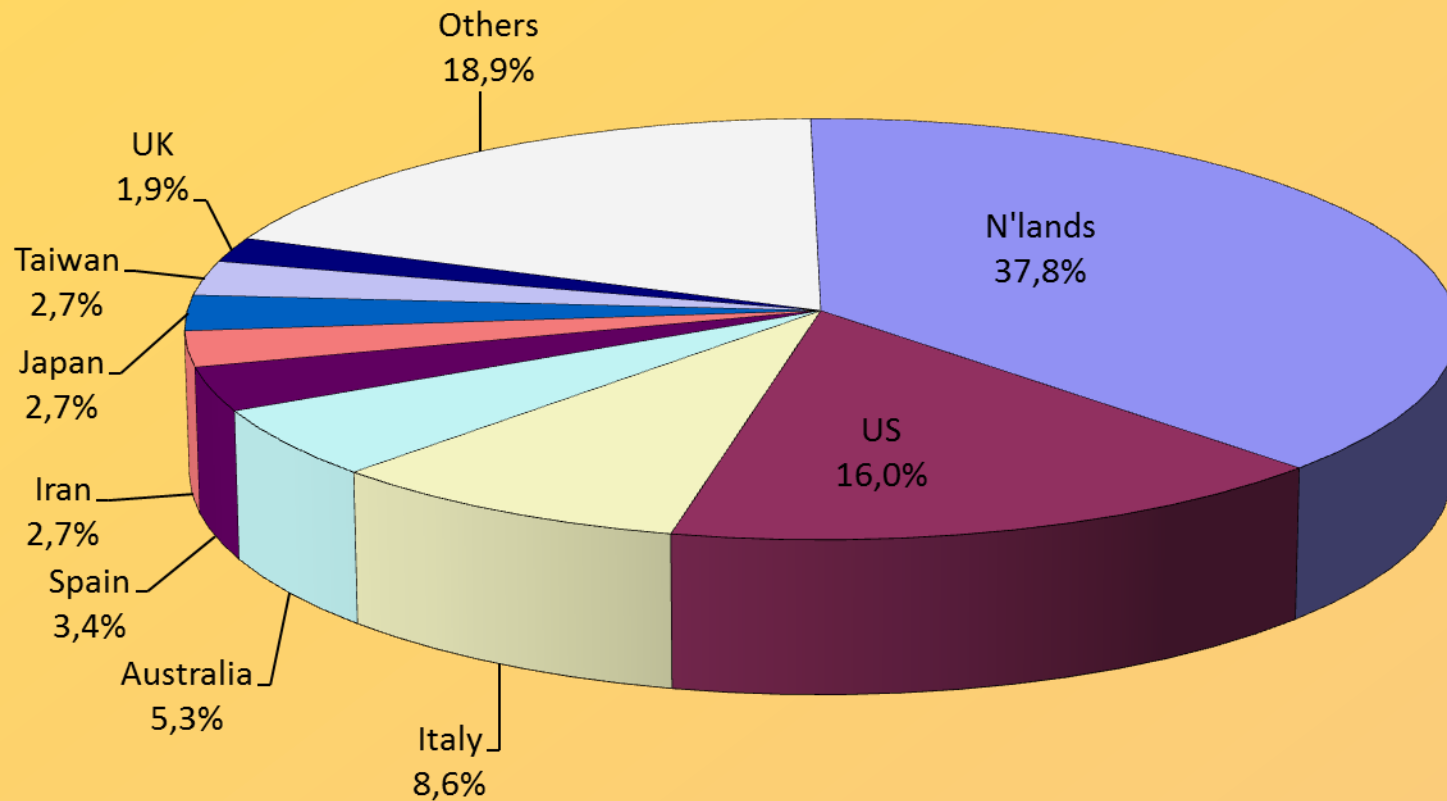
EU-27 Imports of PJC [Jan-Jun] in MT



Evolution of Thai PJC prices [in USD/MT FOB]

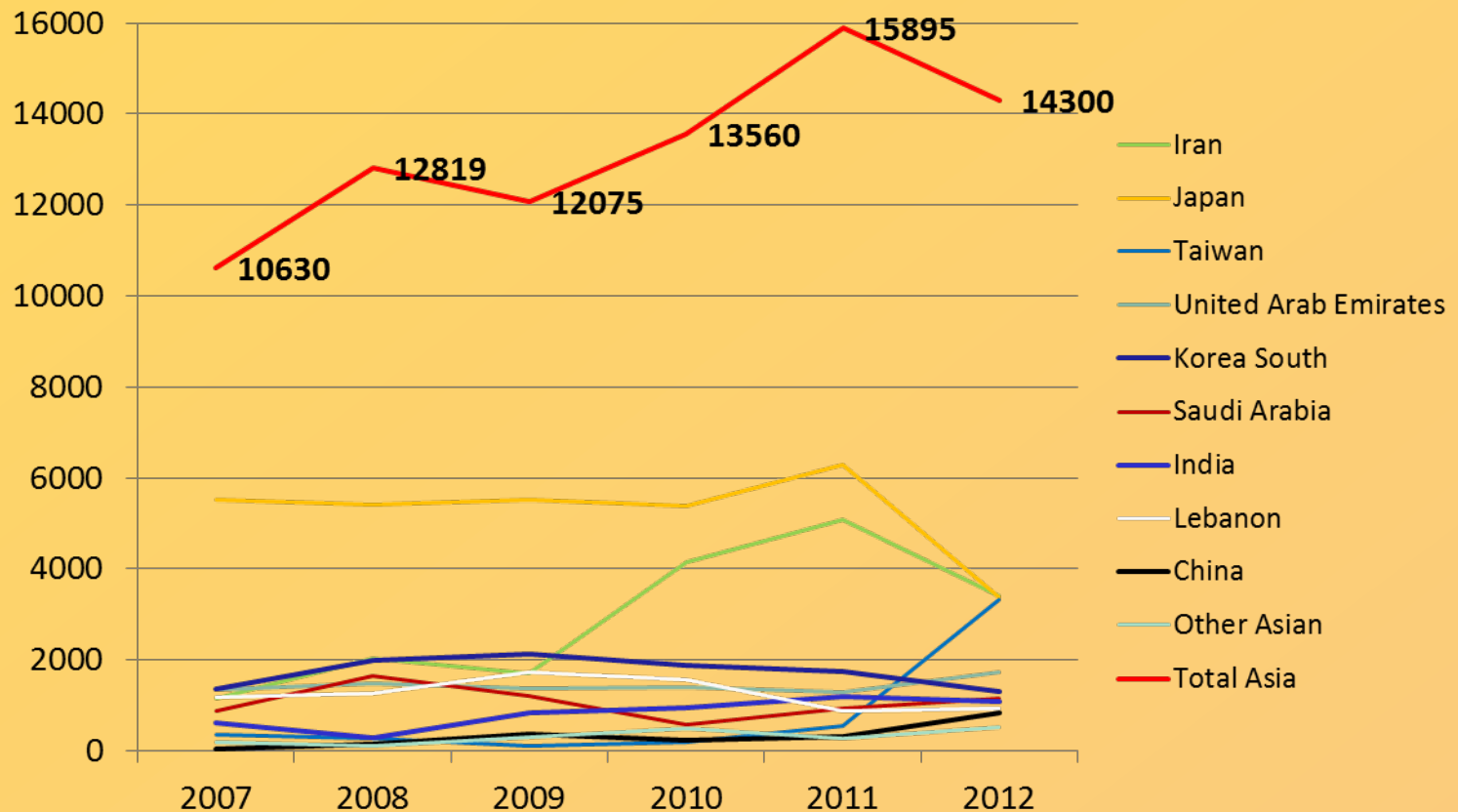


Market Share of Thai PJC Exports 2012 [January – November 2012]



SOURCE: Thai Customs Department

Intra-Asian exports of Thai PJC (2007-2012) in MT

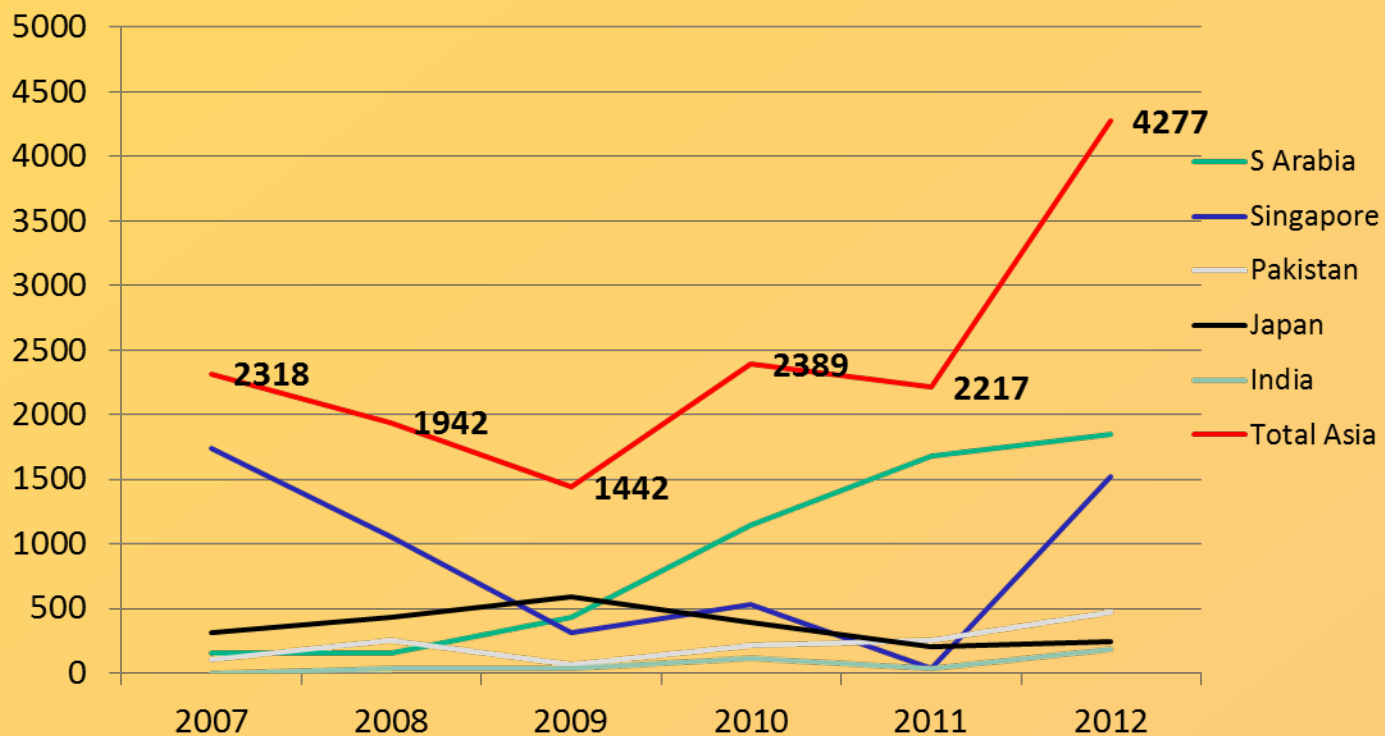


Source: Informa UK, Jan-Jun

Intra-Asian exports of Thai Pineapple JC (2007-2012)

- According to *Informa UK*, the Intra-Asian exports of Thai PJC was 14.300 MT [without considering countries with imports below 200 MT] representing 11,5% of total Thai PJC exports in 2012
- Intra-Asian exports grew from 10.630 MT in 2007 to 14.300 MT in 2012, an average growth of approx. 6 % p.a.
- Within this period, the share of Intra-Asian exports grew moderately from approx. 9% in 2007 and 11,5 % in 2012
- Main destinations: Iran, Japan and Taiwan

Intra-Asian exports of Indonesian PJC in MT (2007-2012)

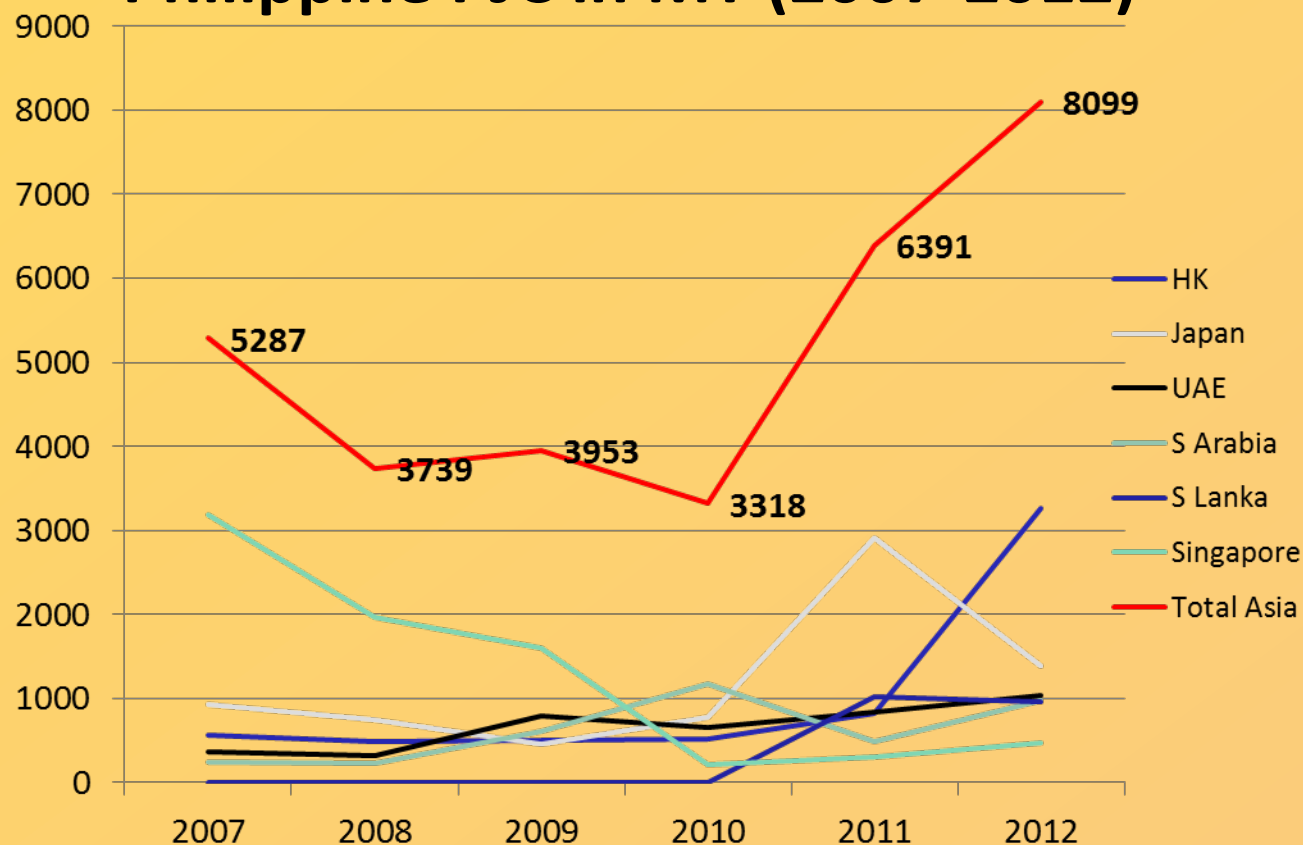


Source: Statistics Indonesia, Jan-Oct

Intra-Asian exports of Indonesian PJC (2007-2012)

- According to *Statistics Indonesia*, the Intra-Asian exports of Indonesian PJC was 4.277 MT [without considering countries with imports below 150 MT] representing approx. 23% of total Indonesian PJC exports in 2012
- Intra-Asian exports grew from 2.318 MT in 2007 to 4.277 MT in 2012, an average growth of approx. 14% p.a.
- Within this period, the share of Intra-Asian exports rose from a mere 12,5% in 2007 to 23% in 2012
- Main destinations: Saudi Arabia, Singapore and Pakistan

Intra-Asian Exports of Philippine PJC in MT (2007-2012)

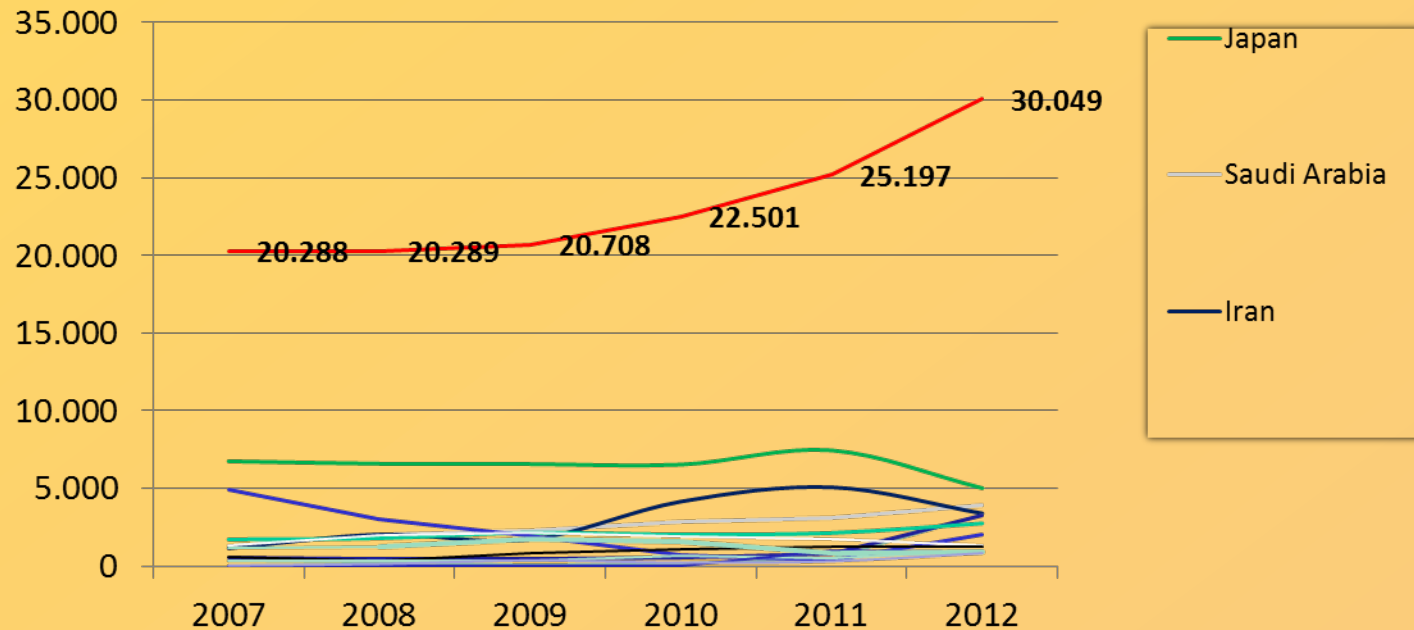


Source: Philippine National Statistics Office, Jan-Oct

Intra-Asian exports of Philippine PJC (2007-2012)

- According to *Philippine National Statistics Office*, the Intra-Asian exports of Philippine PJC was 8.099 MT [without considering countries with imports below 450 MT] representing approx. 7% of total Philippine PJC exports in 2012
- Intra-Asian exports grew from 5.287 MT in 2007 to 8.099 MT in 2012, an average of growth of approx. 9 % p.a.
- Within this period, the share of Intra-Asian exports remained rather stable, approx. 5% in 2007 and 7% in 2012
- Main destinations: Hongkong, Japan and UAE

Intra-Asian exports of Thai, Indonesian and Philippine PJC in MT



Identifying Asia's Main Import Regions for Juice - PJC

➤ PJC imports and Intra-Asian trade figures for 2012 indicated that Asia's main import regions for PJC were :

Japan: share of total Intra-Asian imports (IAI): 16.7%

Saudi Arabia: share of total IAI: 13.2%

Iran: share of total IAI: 11.3%

Taiwan: share of total IAI: 11.1%

Hongkong: share of total IAI: 10.9%

Singapore: share of total IAI: 9.2%

Estimated figure for 2012, based on Foodnews and national export statistics

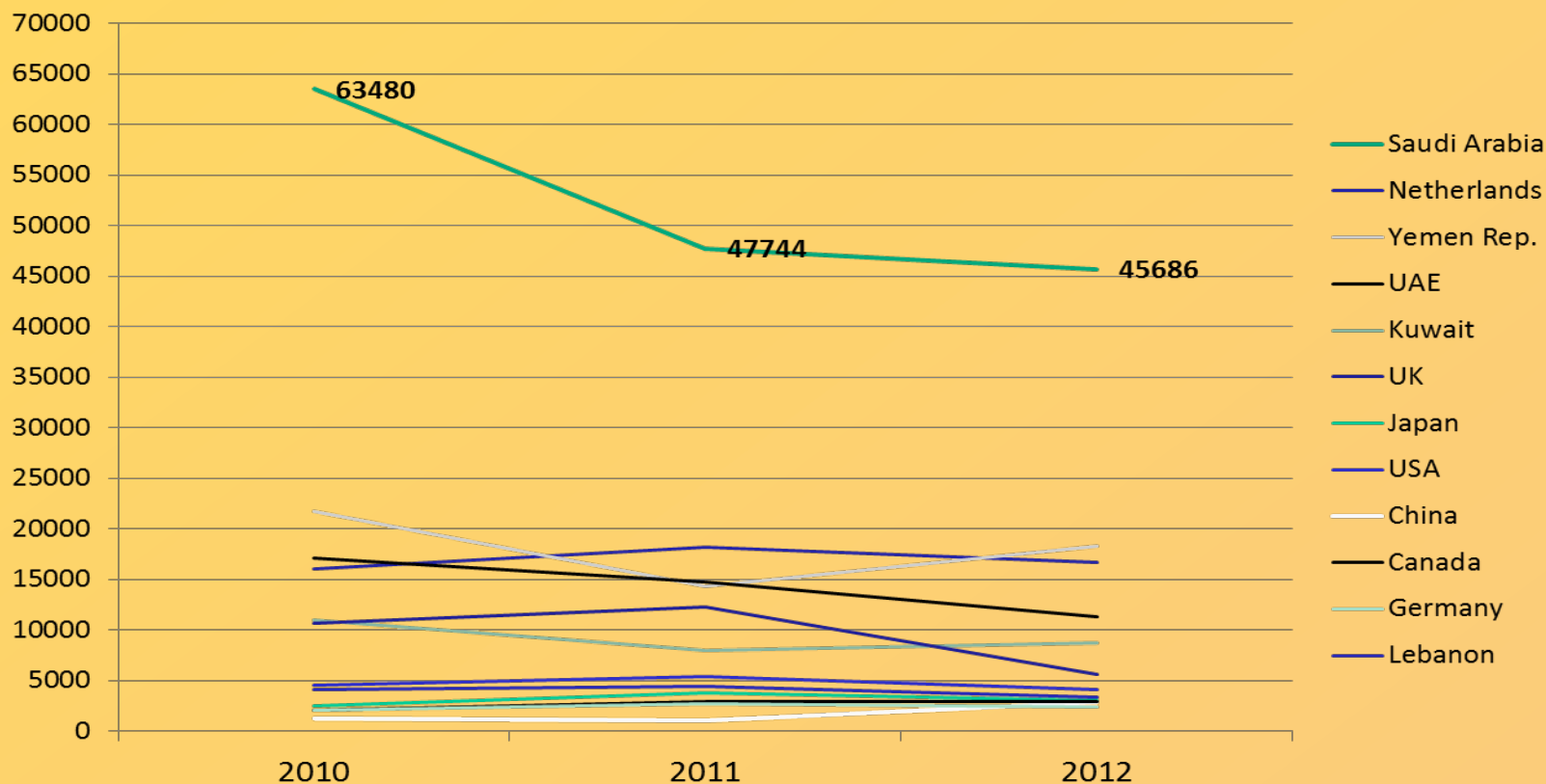
Examining Asia's Key Juice Export Products

➤ Focus (3): Indian Mango Pulp and Concentrate (MGP)

Current key features:

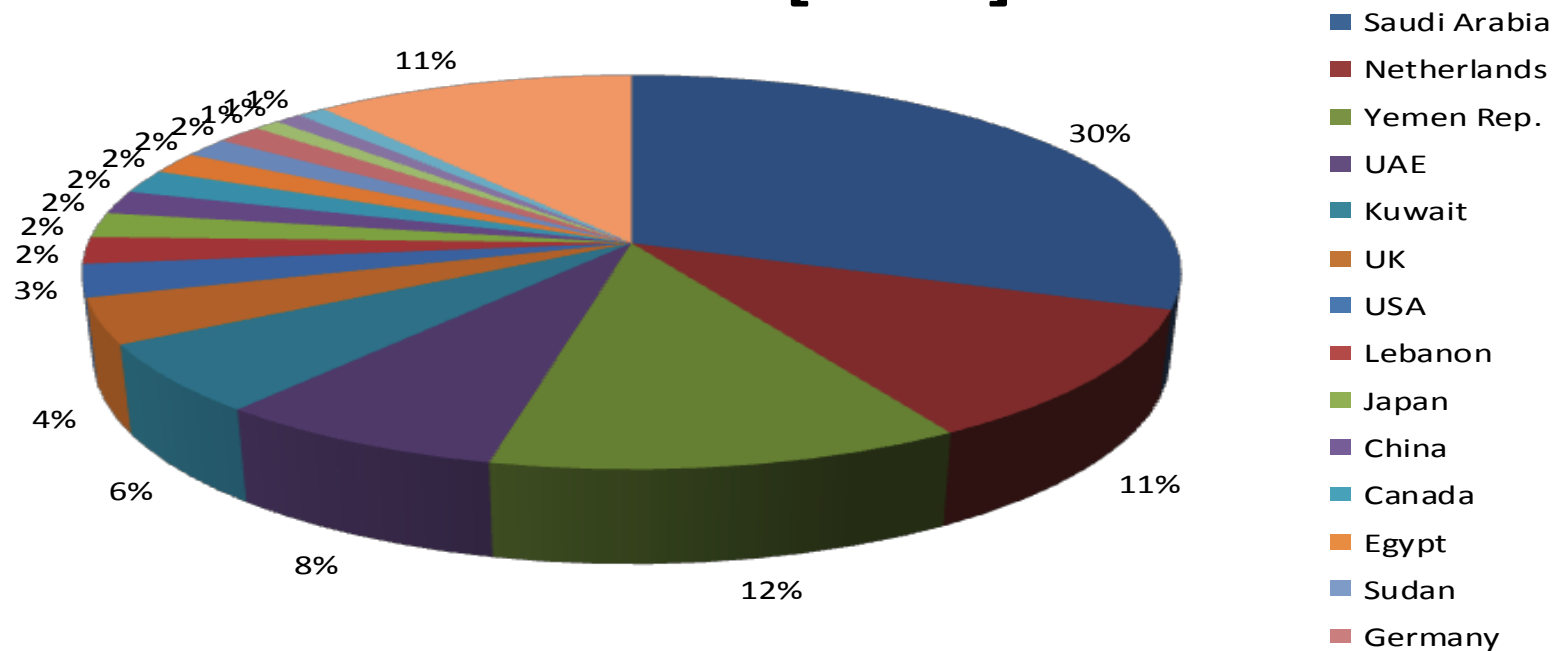
- In 2012, Intra-Asian trades accounted for more than 60% of Indian global MGP exports, compared with 56% in 2011 and 65% in 2010 => stable
- Main varieties Alphonso, Totapuri and Kesar
 - Different applications: Alphonso and Kesar for premium mango nectars, ice cream, catering; Totapuri mainly for multi-vitamin juices/nectars

Indian Mango Exports of MGP [in MT]



Source: DGCIS Annual Export, APEDA

Indian Exports of Mango Pulp Share in % [2012]



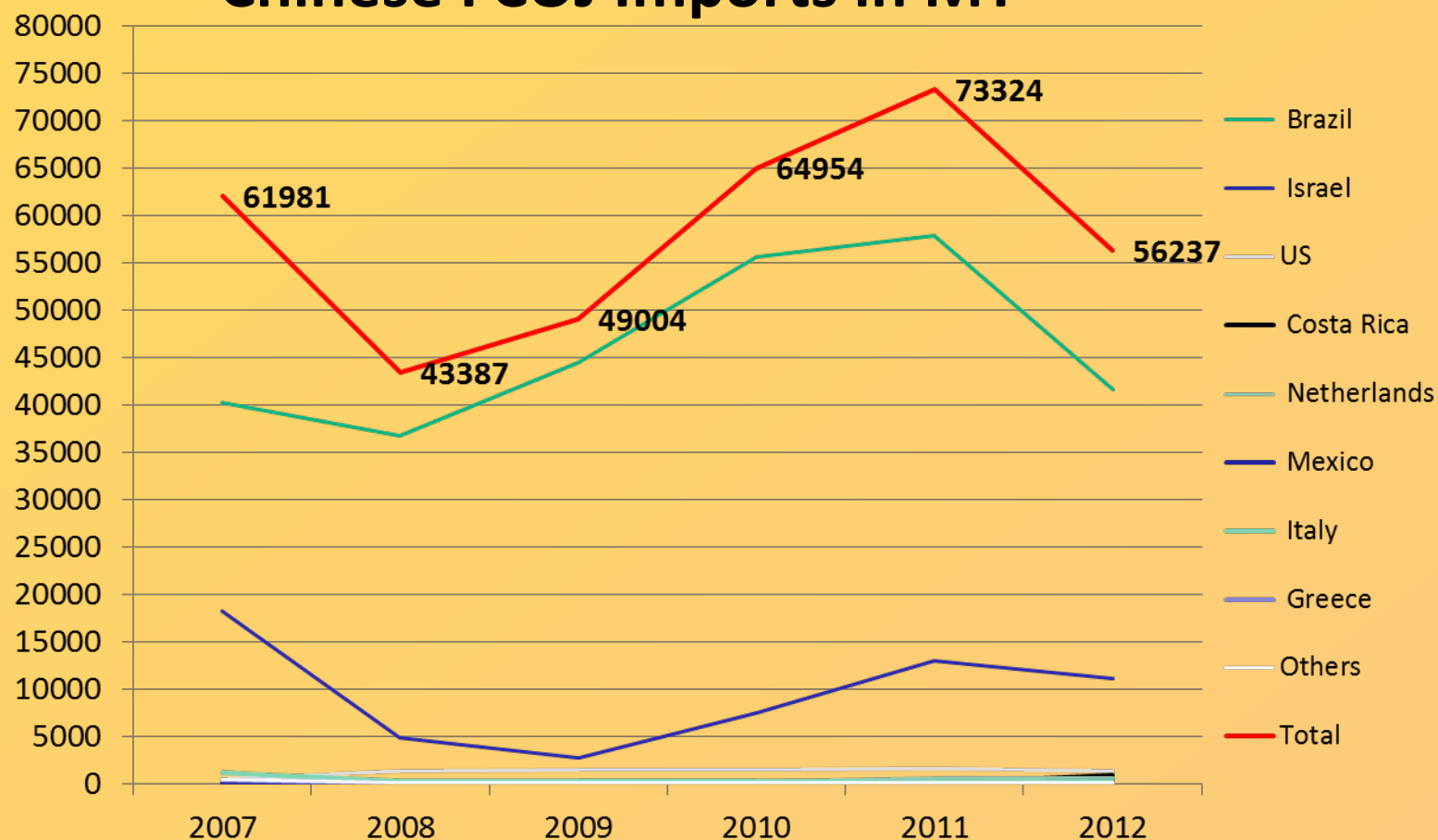
Identifying Asia's Main Import Regions for Juice - MGP

➤ Intra-Asian trade figures suggest that Asia's main import regions for MGP are according to APEDA:

Saudi Arabia: share of global Indian MGP exports: 30 %
Yemen: share of global Indian MGP exports: 12 %
UAE: share of global Indian MGP exports: approx. 8%
Kuwait: share of global Indian MGP exports: 6%
→ Arab countries > 50%

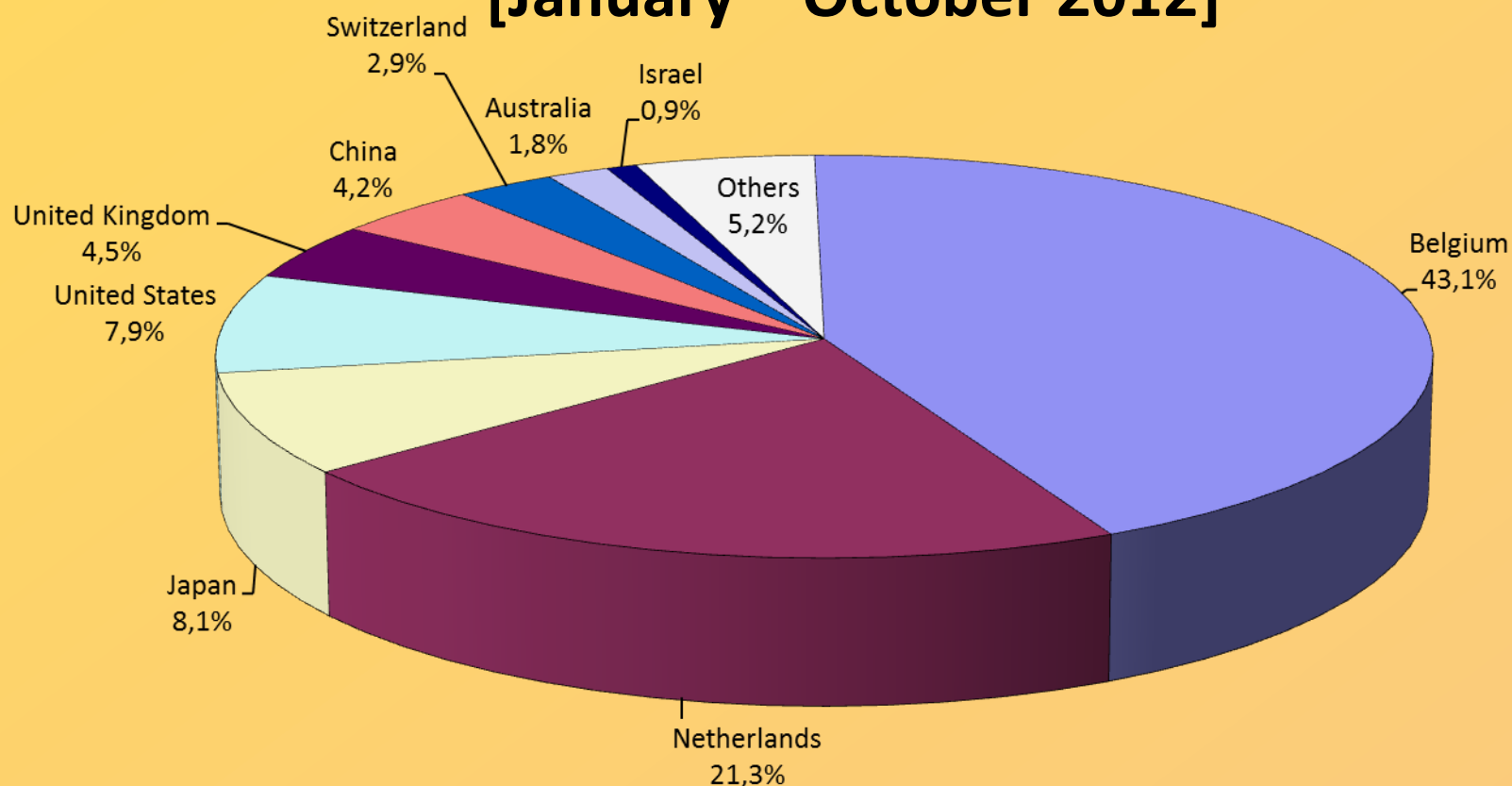
source: APEDA, 2012

Chinese FCOJ Imports in MT



Chinese Customs, Foodnews

Market Share of Brazilian FCOJ Exports [January – October 2012]



Source: SECEX

Juice Asia 2013 - Bangkok

Conclusions

- In the selected areas analysed, the Intra-Asian business is growing. Asian juice exporters are confronted with stagnant markets in Europe and US.
- However, size and structure of individual markets differ significantly one from each other.

AJC: export ex China – main imports in Asia: Japan and Russia with 62896 and 54702 MT [Jan-Jun 2012]

PJC: exports ex Thailand/Philippine/Indonesia – main imports in Asia Japan, Saudi Arabia and Iran with 5022, 3973 and 3397 MT respectively [2012]

MGP: exports ex India – main imports in Asia: Saudi Arabia, Yemen and UAE with 45686, 18290 and 11297 MT respectively [2012]

Conclusions

- Import of FCOJ has been highlighted as one of the major products. Japan and China are the most important Asian importers.
- “Real” two-way businesses between countries are still at early stages. Examples:
 - China imports FCOJ from US and exports AJC to this destination (=> larger volumes of AJC)
 - India imports AJC from China and exports MGP to this country (=> on a relatively small scale)

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Thank



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