

### Expectations of the 2008 harvest of orange

Brazilian orange crop is starting and, specially referring to South production area that this season will reach about 25.000 tons of frozen orange concentrated, processing started two weeks ago with ratios around 12 and the expectation is that higher Ratios (14) will be available within the next 20 days.



As for São Paulo's citrus belt, according to Resource Center of applied economy of São Paulo's University, "Luiz de Queiroz" School, dated June, 20/2008, farmers are delivering fresh fruit at industry's door in high prices parameters reaching R\$ 9,41 per box of 40.8Kg for spot basis, this is the highest price for this period since 1994. Brazilian crop is expected by the big processors to be approximately 295 million boxes; that means 20% lower than last season. In Florida, the crop of which forecast is to result in a production of 168.5 million boxes and if compared with the 242 million boxes of 2003/2004, prior to the hurricanes season, decreased 30%. Furthermore, according to ultimatecitrus/Citrus News of June 30 and July 1, diseases in its citrus belt and neighboring areas and yet the concerns with Florida orchards be hit by hurricanes, what made, on July 1, 2008, contracts maturing in September to rise 7.88%, traded at 122.60 US cents per pound (weight) on the New York Board of Trade (NYBOT), is turning on the yellow light about the product availability.

We are open to hear from our reliable clients about their needs on orange juice subject and will be glad to offer accordingly.

### Rhythm in the growing market for machines

According to Agência Estado, in Brazil, imports of machinery grew 47.6% in the first five months of this year in the same period in 2007. The percentage explains a trend to increase the growth of purchases abroad, since last year the increase was 32.7% (according to Secex - Secretary of Foreign Trade).

In the same pace, Goglio, through Atlântica, its exclusive agent in Brazil, achieved the sale of 05 (five) machines for the coffee industry (02 in Brasília, 02 in Minas Gerais and 01 in São Paulo), thus confirming its aim of 50% increase in its sales in Brazil during 2008.

### Prospects Sugar

The 2008/2009 Brazilian crop was harmed in the beginning by climatic factors that damaged the maturation and harvesting of sugar cane, as well as its yield in relation to the amount of product extracted per tone processed.



The crop is predominantly to Ethanol production, 61% of the cane is processed for the production of alcohol and 39% dedicated to sugar, which, added to the low yield of raw material, has resulted lower volume of sugar produced compared with the same period in the previous harvest.

The market saw a rise in sugar prices exceeding US\$400 in London, but, with funds entering to liquidate position, it saw a large scale fall that brought prices to the levels charged in May and June, but the expectation is that this movement induce buyers to come in the market and that the increase in demand shall result in new high in the prices.

### Brazilian Tomato crop starts with little availability



Between the end of June and the beginning of July 2008, tomato harvest started in Goiás, the main Brazilian state processor of tomatoes destined to the industry. Sources of the sector indicate fall in the crop that goes until this October due to incidence of white fly in some farmings and reduction of the fields.

Furthermore as much in the Brazilian market as in Argentina, a strong increase on fresh fruit demand is making some producers destine their fruits to this market instead of to the industry.

According to it, offers of pulp HB 30/32, main product processed in Brazil, will be small, since the majority of the industries have already closed their delivery schedules with their customers and this little availability of product in spot will follow with firm and increasing prices.

### Olives: high demand



The Argentinean green olives crop, variety Arauco, which happens between March and April, has presented big and good quality, since there has been little hail at the producing areas such as San Juan.

According to the main Argentinean processors, the year began without stocks from the last crop and the Brazilian demand for this year has increased, but up to now the supply has been sufficient for the clients. Anyway, it's recommended to make a plan until the end of the year, for that's when the off-season starts out and there is lack of product.



### Events



As always, it was a success !  
Thank you very much for your visit at our booth!