

# Atlântica Foods

## Market News

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Bimonthly Newsletter



### Orange: new crop, new era!

The new Brazilian orange crop is starting on the last days of May-beginning of June 2010 and, as usual, product produced initially has low ratios like 11-12, increasing gradually with the months, scheduled to reach ratios 15 in the end of August and expected 17 not before September/ October, obviously talking about juice 100% 2010 crop.

To the buyers, keep in mind that this crop will be shorter, scheduled to finished no later than December since only one blossom will happen, differently from 2009, when two or three blossoms happened stretching the crop until March/2010.

Considering fresh fruit price that market rumors says that were paid in São Paulo at USD 2000/mton FOB only as fresh fruit, to add: production costs, packaging, storage, administrative, national logistic,... it is clear what Food News anticipated on its edition of April, 30 2010: prices are going up and no reduction is expected.

According to it, market backs to high prices, but now with a significant demand increase and reduction of world stocks, it will make negotiations even more valuable and even better planed.

We are at your disposal; come and let us work on your needs!

### Favorable scenario for imports

According to information recently released by the Brazilian Government, in the first three months of 2010 economic growth reached 2.1% that represents an annualized rate of at least 8,4% per year – like Chinese growth numbers.

Although the Brazilian government, that has in memory the terrible years of runaway inflation, has started to implement schemes aimed at a slowdown in coming months, the scenario is of strong demand and valued currency (Real) which is helping imports.

Please let us know your needs for imported raw materials.

### Sugar: Uncertain about how high prices can go

Sugar demand is quite above supply and balance can stop exiting if weather conditions run not accordingly here. It means, if we have a wet winter, with rains late May/June, like we had in the past - and like we hadn't seen the last 67 years - situation can become worse since loses here in Brazil could be similar to the ones in the crops of South Africa, Indonesia and Australia! And so prices will come even more tight.



Refineries are starting up worldwide and mills have not sufficient production for the raw sugar; pay attention also on consumption.

Please let us know your demand to quote – remember we have advantage on freight rate since, unless limited weight on destination, 27 mtons of bagged sugar can be loaded in a 20ft FCL.

### 2010 Tomato Crop: Attention!



The 2010 processing tomato harvest is forecast to be 10% lower in the world, according to the Tomatoland, March, 2010. In China, the second largest producer of the world, the harsh winter has delayed planting in about three weeks and in Europe the heavy rains have affected areas already planted, like Spain, Italy and Portugal.

More details are expected during the Tomatoland Congress that will take place in Lisbon, Portugal, June 2010; Atlântica Foods team will be present and, so, we will return soon with news.



### Events

Atlântica Foods participates in another edition of **FISPAL TECHNOLOGY** fair, between June 08 - 11. We invite everyone to visit our booth on the **aisle E, booth 197** at Anhembi pavillion, in São Paulo. It will be a pleasure to receive you!



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