



Supply Update
WEEK 7 MARKET REPORT

Last time I reported activity to you, from our perspective the industry was in a mess. Fortunately as I pen this note the issue has somewhat abated and normality has almost returned to the domestic market.

As you would imagine, there has been a lot of commentary and discussion over the last three weeks. Not everybody has been happy with the concerns raised in our market updates, however the net result was a poorly managed over-supply creating false pricing which has now led to a market shortage and rapidly increasing values. Maybe I am one of the few who sees the stupidity in that from an industry viewpoint.

As we look forward to next week and beyond it is clear product supply is already short. Values have lifted significantly and already discussions are underway about how long supply can last. It is clear pricing will lift further; the key now is to manage inward supply so the lifting values are not impacted by excess volumes – in other words supply above and beyond requirement. Supply needs control especially given late season fruit drop and high maturities.

My view is that we will be looking at \$30.00+ per tray equivalent Coolstore-Door minimums next week – potentially higher but that will be confirmed on Thursday once we have reviewed stock volumes and forward pricing which we will complete mid this week.

Kind regards,
Glen.