

FROM THE DESK OF THE CEO (25/13)

Justin Chadwick (21 June 2013)

QUOTE OF THE WEEK "It's extremely difficult to convince someone to understand something if his salary depends on his not understanding it" Dr Upton Sinclair

CITRUS MARKETING FORUM (CMF)

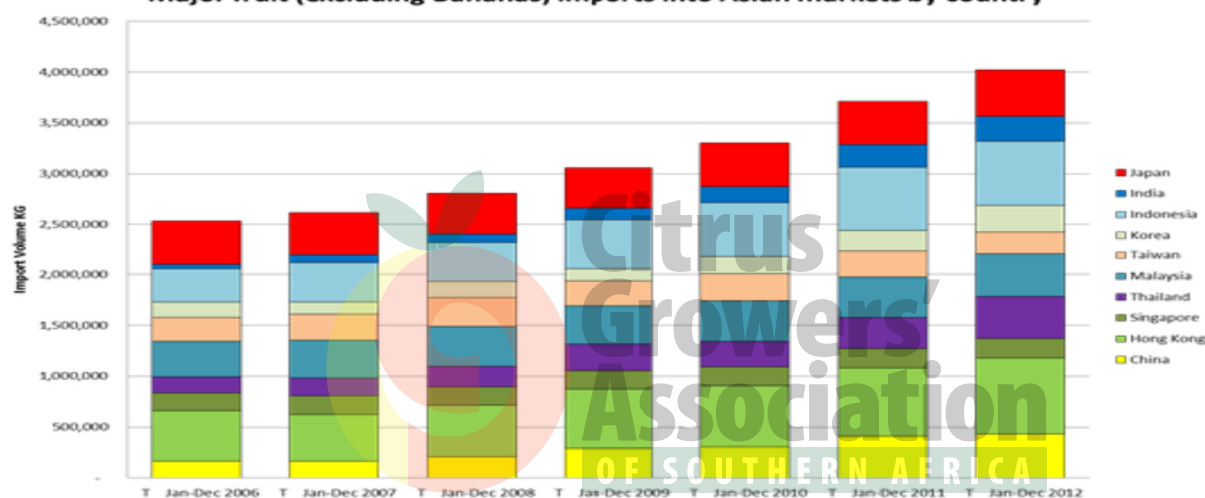
Both the Variety Focus Groups and the Fresh Produce Exporters Forum have decided that it is not necessary to hold a CMF in June. This means that the next CMF will be held in October.

CITRUS BLACK SPOT (CBS) – COMMITMENT TO COMPLIANCE

The fourth CBS Bulletin was distributed this week – covering inspections. Inspections are carried out in orchards, in the packhouse and at ports of discharge and entry. It is noted in the Bulletin that 182 (0.78%) of the 23 062 EU registered orchards have been deregistered due to CBS finds, while 13 (0.8%) of the 1 602 production units registered for the EU have been deregistered. **To date there have still been no official notifications of consignments from South Africa intercepted for CBS in the EU.**

EASTERN MARKETS

Major fruit (excluding Bananas) imports into Asian markets by country



Source : ITC Comtrade based on multiple country imports statistics

Recent figures distributed by SHAFPE show the importance of Eastern markets with sustained growth in imports since 2006. Imports have grown from around 2.5 million tons in 2006 to 5 million tons in 2012 – a 37.5% growth over 7 years. Looking at individual country performance it would seem that imports into Japan, Singapore, Taiwan and Malaysia have remained constant; while the growth has been fuelled by China, Hong Kong, India, Indonesia, Korea and Thailand.

PORTS REGULATOR

Transnet National Ports Authority (TNPA) has made some fairly significant proposals to its pricing strategy after 2014/15. Recently the Ports Regulator called for comments on this new strategy. It is interesting to note that only 27 comments were received – one of these was prepared and lodged by Mitchell Brooke of CGA. Mitchell has put together an excellent document requesting that due recognition be taken of ALL factors when determining the pricing strategy. Follow this link to view the document <http://www.portsregulator.org/economic/tariffs/2013-14-comments>

SPANISH GRAPEFRUIT

A recent report from Spain; "The grapefruit season which just ended this year, has left a positive balance, with a return of prices and market stability. Spain produces around 50.000 tonnes. Still waiting to close export data, the director of the Lemon and Grapefruit Interprofessional Association (Ailimpo), Jose Antonio Garcia, considered "positive" the balance of the campaign, which ended about two weeks earlier than usual and where the average price at source stood at around 0,20 euro per kilo, 10% more than in recent years."

PACKED AND SHIPPED

To Week 25 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2011	2012	2013	2012	2013	2013	2013	2012
Grapefruit	10.8 m	9.5 m	12.9 m	8.6 m	9.8 m	15 m	15.9 m	13 m
Soft Citrus	4.9 m	4.9 m	4.8 m	4.4 m	4.3 m	8.2 m	8.2 m	7.6 m
Lemons	5.2 m	4.8 m	6.3 m	4.4 m	5.6 m	11.1 m	10.3 m	10.5 m
Navels	10.9 m	11.7 m	10.4 m	8 m	6.2 m	24.9 m	23.9 m	24.6 m
Valencia	1.8 m	2.2 m	1.6 m	0.8 m	0.5 m	47.7 m	47.7 m	47.2 m
Total	33.6 m	33.1 m	36 m	26.2 m	26.4 m	106.8 m	106 m	103 m

**SOUTHERN AFRICAN CITRUS GROWERS' FUND THEIR FUTURE THROUGH THE LEVY
ADMINISTERED BY THE CGA**