

FROM THE DESK OF THE CEO (46/13)

Justin Chadwick (15 November 2013)

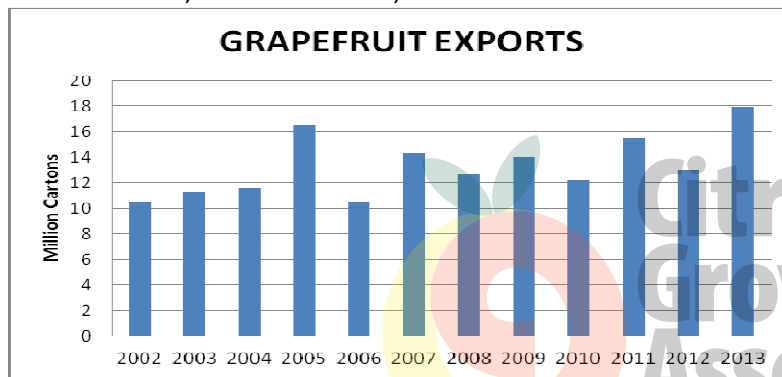
QUOTE OF THE WEEK *"Patience is also a form of action"* Auguste Rodin (Sculptor)

2013 REVIEW: GRAPEFRUIT

In 2012 the Onderberg region packed the most grapefruit in southern Africa – in 2013 excellent growing conditions in Limpopo province meant that both Hoedspruit and Letsitele production leapfrogged them into first and second place respectively. Growers did not anticipate the extent to which the crop had improved – with Letsitele a spectacular 48% higher packed than estimated (Onderberg and Hoedspruit both estimated 13% less than the final packed figure).

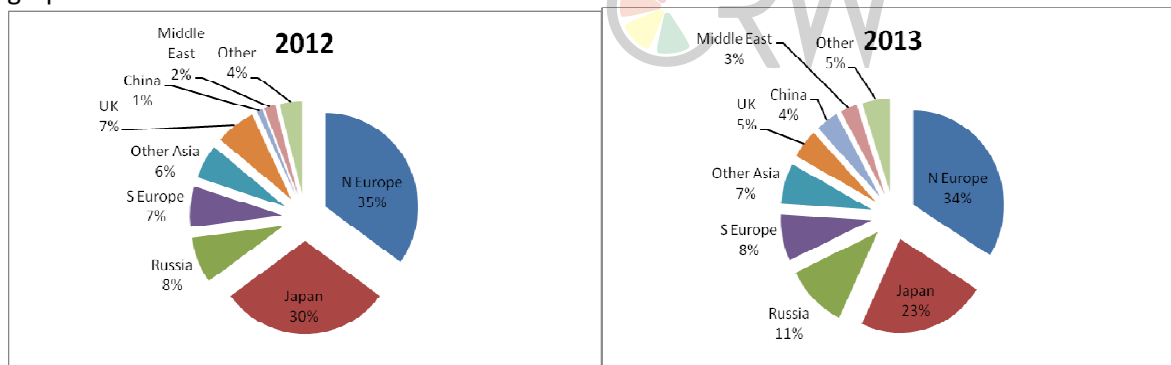
Number four on the list (Limpopo River) showed that the excellent growing conditions extended to the far north of the province, recording 50% more than originally estimated. Regions packing later (in KZN) all packed less than their original estimates – probably as a result of poor marketing conditions.

Variety Focus Groups endeavour to get their estimates within 10% of the final actual volumes. It is testimony to the difficult trading conditions in the grapefruit sector that the grapefruit focus group has missed this target in 5 of the 9 years that this form of estimating has been in practice. And in many cases very far out – in 2005 they were 19% under; 2006 30% over; 2007 20% under; 2012 15% under and 2013 20% under.



Grapefruit exporters will remember 2013 as their record export crop – and for difficulties experienced in most markets. This is the highest volume since the disastrous 2005 campaign. Since 2005 export volumes have varied in a band between 12 and 14 million cartons (15 Kg equivalents). This year is a sizeable jump from those levels.

So did we learn anything from 2005? Well actually yes we did. Firstly, 2005 was characterised by high volumes being sent to Japan – 44% of grapefruit exports in 2005 went to Japan (over 6 million cartons). In 2013 only 23% went to Japan – 3.3 million cartons, which was similar to 2012's 3.1 million. In 2005 30% of grapefruit exported was white grapefruit – in 2013 only 10% was white grapefruit; growers had reacted to the stated preference for pigmented grapefruit.



Other changes in the export distribution was a growth in two of the BRICS partners – with exports to Russia doubling (from 0.9 million to 1.8 million cartons) and China five times higher (although from a low base – increasing from 0.1 m to 0.5 m). In volume terms northern Europe was a big mover – from 3.6 m to 4.7 m cartons.

SOME DATES FOR 2014

With 2014 just two months away many are starting to fill in next year's diaries. Please could you pencil in the following dates – more detailed information will be made available as soon as arrangements are finalised. **Packhouse**

Workshops; Limpopo 28-29 January; Mpumalanga 30-31 January; KZN/Swaziland 11-12 February; E Cape 13-14 February; W Cape 18-19 February. **CGA Grower Road shows** 17-21 February both Senwes- Limpopo River- Zimbabwe- Letsitele- Hoedspruit and Sundays River- Patensie- E Cape Midlands; 24-28 February both Boland – W Cape – Oranje Rivier and Nkwalini- Pongola- Swaziland- Nelspruit- Onderberg.

PACKED AND SHIPPED

In the past week an additional 100 000 cartons of Valencia were packed, and 200 000 cartons shipped. This increases the packed to 113.4 million and shipped to 110.8 million cartons in total [Valencia packed 51.1 m and shipped 48.4m].