

FROM THE DESK OF THE CEO

(41/16)

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“A good decision is based on knowledge and not on numbers” Plato

CITRUS MARKETING FORUM

The last CMF for 2016 was held at Canal Walk Auditorium, Cape Town on Wednesday. It was a good turnout with many remarking on a most unusual season. This was evident as the delegates considered the estimate versus actual packed figures for 2016. CGA has a goal to be within 10% of the original estimate – 0-5% is considered good and 6-10% acceptable; a spread of greater than 10% is considered unacceptable. Over the years the CGA and the Variety Focus Groups (VFG's) have improved their estimating capabilities – this is evident in the table below where good is green, acceptable is amber and unacceptable red. In the initial years there was a fair amount of red; in the middle years there was more orange and green; while in recent years it is mostly green. Unfortunately in 2016 two focus groups were in the red (Valencia and grapefruit); while the other three were orange. What is really interesting is that the overall estimate is just 2% less than the original estimate.

	2005	2006	2007		2008	2009	2010	2011	2012	2013	2014	2015	2016
Grapefruit	-19%	30%	-20%		2%	8%	1%	-9%	-15%	-14%	-7%	6%	12%
Soft Citrus	-25%	7%	-18%		1%	9%	Spot on	14%	Spot on	3%	10%	-1%	9%
Lemons	13%	Spot on	4%		-16%	8%	-6%	-9%	-6%	-5%	8%	10%	-7%
Oranges	Spot on	18%	-18%	Navel	-8%	11%	-6%	-8%	7%	2%	1%	-3%	6%
				Valencia	-3%	12%	-11%	-3%	-1%	6%	Spot on	5%	-11%
TOTAL	-5%	17%	-17%		-5%	10%	-7%	-5%	-1%	5%	1%	4%	-2%

	VAL	NAV	GF	LEM	SC
Sundays River	14%	-3%		-19%	1%
Senwes	17%	26%		17%	
Letsitele	-12%		-9%		
Hoedspruit			-9%		
Western Cape		-9%			-2%
Patensie		11%			31%
Limpopo River	-8%				
Onderberg			10%		
Boland					28%
Nelspruit					7%

Looking at the regions, and specifically those with more than 10% of the category share, it can be seen that different regions faced different challenges. This illustrates the advantage of packing over such a wide geographic spread. Taking lemons as an example; although Sundays River were well below estimate, importers could still be serviced through a higher than expected volume out of Senwes. Letsitele underestimated the effect of the drought on both Valencia and grapefruit. Hoedspruit also underestimated the effect of the hail on grapefruit. The growth in soft citrus caught most by surprise.

PACKED AND SHIPPED

This will be the last time that the packed and shipped table will appear in the newsletter. From next week the newsletter will recap the past season per citrus category.

To end Week 14/10/16 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AGRIHUB	2014	2015	2016	2015	2016	2016	2016	2015
Grapefruit	15.6 m	16.1 m	13.8 m	14.7 m	13.2 m	12.4 m	13.8 m	16.1 m
Soft Citrus	10 m	10 m	12.2 m	9.2 m	11.3 m	11.2 m	12.2 m	10 m
Lemons	13.2 m	15 m	15 m	14.6 m	14.6 m	16.1 m	15.1 m	15.1 m
Navels	26 m	24.5 m	26.2 m	23.2 m	25.5 m	25.1 m	26.2 m	24.5 m
Valencia	50.6 m	52.5 m	41.6 m	46.6 m	40 m	46.4 m	41.7 m	52.7 m
Total	115.4 m	118.1 m	108.8 m	108.3 m	104.6 m	111.2 m	109 m	118.4 m

SOUTHERN AFRICAN CITRUS GROWERS FUND THEIR FUTURE THROUGH THE CGA GROUP (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY AND CITRUS ACADEMY)

