
MSC
MAERSK LINE

Durban Port Friday Report

An assessment of the northern regions citrus production volume, Durban export volume & synopsis of Durban port operations

Week 35

Data Supplied by PPECB

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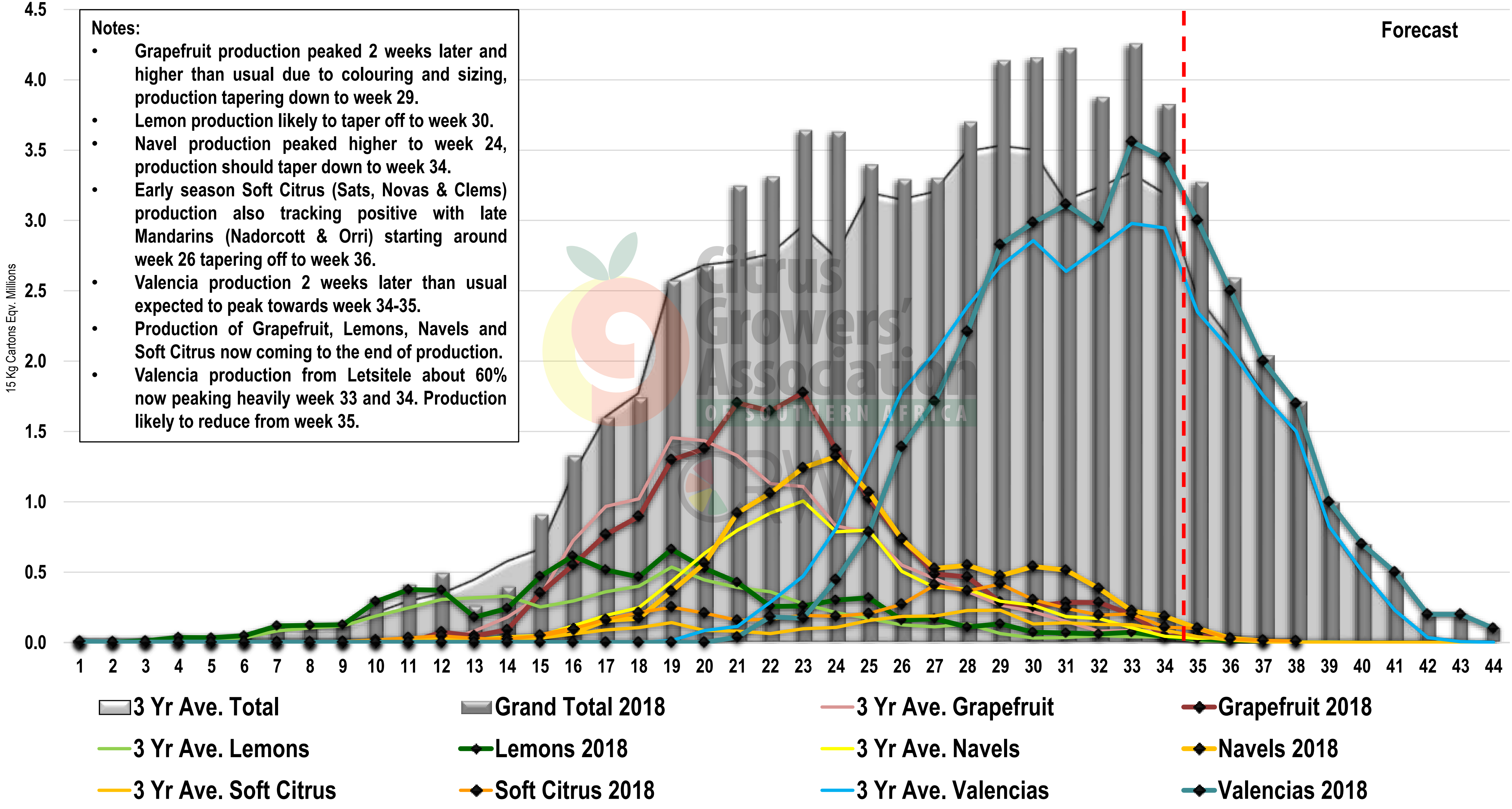
Northern Regions Weekly Citrus Export Production YTD 2018 vs. 3 Yr Ave. Production Volume

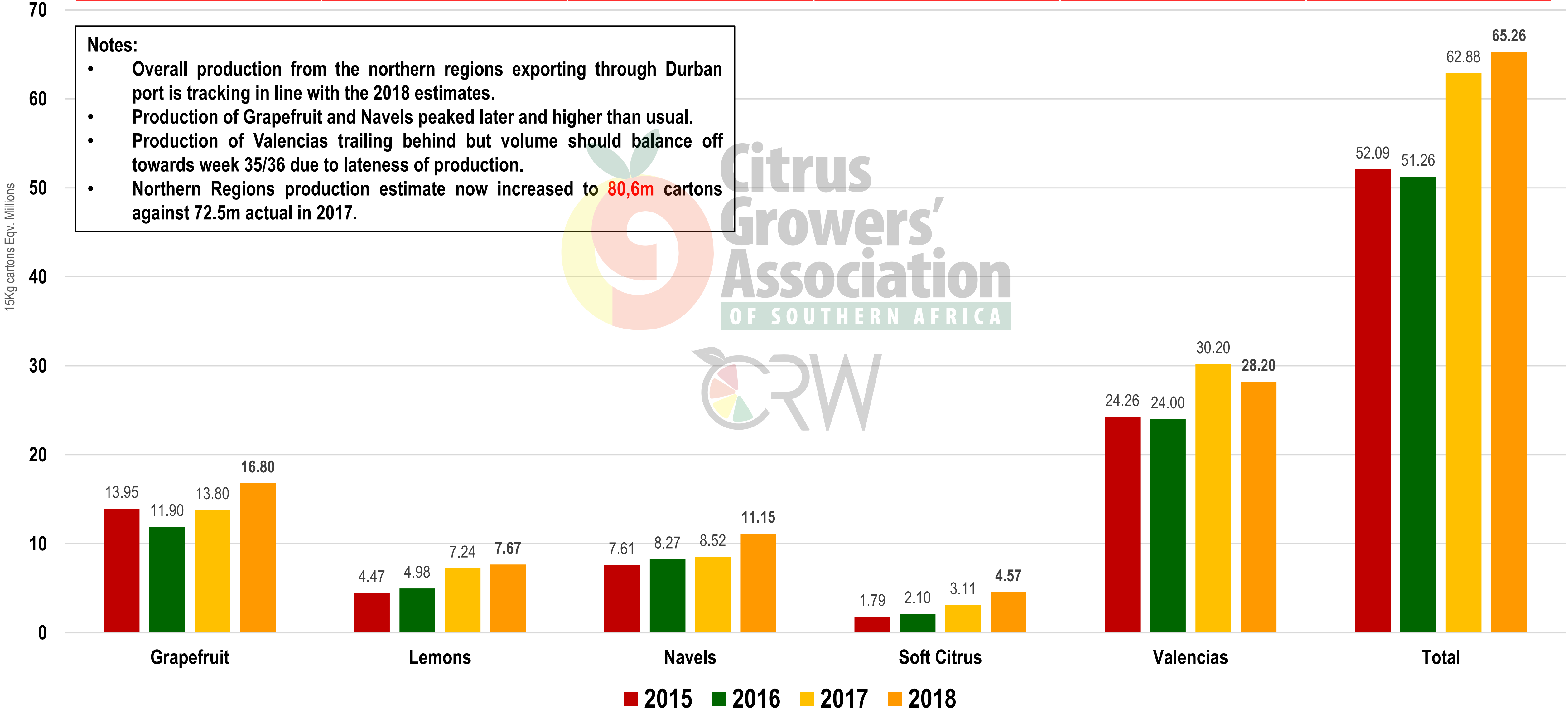


Northern Regions Citrus Export Production Volume 2015 -2018 YTD

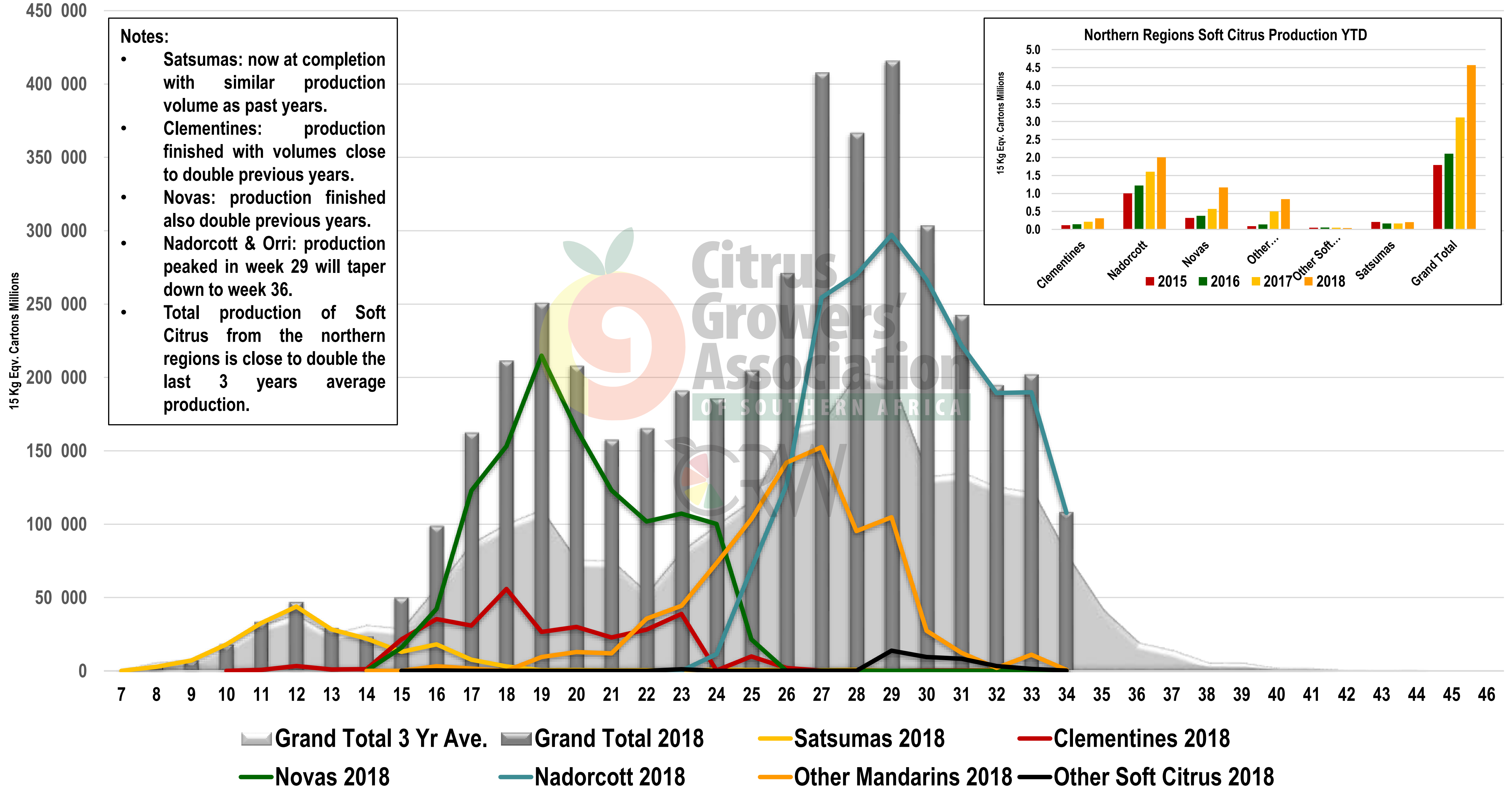
Grapefruit	Lemons	Navels	Soft Citrus	Valencias	Total Estimate 2018
17m	8,5m	10,6m	5,4m	39,2m	80,6m

Notes:

- Overall production from the northern regions exporting through Durban port is tracking in line with the 2018 estimates.
- Production of Grapefruit and Navels peaked later and higher than usual.
- Production of Valencias trailing behind but volume should balance off towards week 35/36 due to lateness of production.
- Northern Regions production estimate now increased to 80,6m cartons against 72.5m actual in 2017.



Northern Regions Soft Citrus Production 2018 YTD vs. 3 Yr Average Production



SUMMARY:

- Farm truck intakes (Fri) – truck arrivals noticeably decreasing in line with production. Truck staging evident at FPT, MFT and GoChill, no truck staging can be see at other cold storage facilities. No major delays should be experienced.
- Cold storage capacity – stock holding in Durban roughly 70% capacity. Stock holding noticeably lower.
- Railed containers from inland to DCT – Tzaneen and Bela-Bela trains continue as normal. Reported that railing of reefers is peaking from Tzaneen and Bela Bela at present in line with the peaking of Valencia production. A trial of citrus transported ambient from City Deep to DCT has taken place. Please contact PPECB to understand the requirements of packing containers at packhouses to be transported to City Deep and railed ambient to Durban. Please contact me should you require a list of eligible rail operators.
- Durban Container Terminal – truck TTT at DCT Pier 2 last week ave. = 197 min with average 138 moves per hour. No vessels at anchorage >48 hours all schedules are on track.
- Japan SEP – last few containers planned for Japan at the moment. 30 Containers stock and 199 Containers shipped YTD.
- Korea SEP – Rej. 3% GF Mealie bug/Marking requirements / OR 1% Mealie bug/Marking requirements week 34. 547 containers exported YTD. Stock levels for South Korea at 65 containers worth. Consignments for DAFF inspection on track and no delay at present.
- High volume of DAFF inspections and shipments to China continues. Expect last major shipment from Durban to China next week with shipments tapering down to week 40.
- Continued reports that there is a shortage of COT reefer container equipment at this time. This is causing a backlog of shipments to South Korea, Japan and China.
- In general production from the northern region is now tapering down to week 40. At this it is expected that a further 10,000 FEU containers will be shipped from Durban, about 200,000 pallets and about 15million cartons.
- The growth in citrus production from the northern regions is quite astounding and to consider the forecast projection is for 92million cartons over the coming years. The CGA has identified 5 key priorities which will be outlined in the CEO’s report this week.

Always exiting to catch the reefer trains on route, in this case the replenishment of MSC reefer containers to Bela-Bela siding operations caught on route to the CRI Symposium at Cato Ridge alongside the N3. 380 FEU's a week and at least 10,000 FEU containers are needed to be transported from the north by 2022 to offset the estimated demand for road trucks. On the Soft Citrus side, due to substantial growth projected, the demand for Refrigerated trucks to transport Soft Citrus from the north will grow form roughly 200 truck trips per week in 2018 to 500 truck trips per week during 2022 peak citrus season. At present there are 4 reefer sets in operation transporting roughly 1,500 FEU per season. There is a requirement for 15 reefer train sets to reach the required 10,000 FEU's required to be transported by rail by 2022. A strategic session is planned between Transnet and CGA on 28 September to put into motion the rail strategy [amongst others] – a huge growth opportunity for Transnet.