

LEMON FOCUS GROUP

DRAFT MINUTES OF THE LEMON FOCUS GROUP TELECONFERENCE HELD AT 15:00 ON WED 1 JULY 2015

Present:

Hannes De Waal	(Chairman - Sunday's River)
Gert Bezuidenhout	(Hoedspruit)
Guy Turner	(Nelspruit)
Peter Button	(Southern KZN)
Richard Allen	(Boland)
Graham Barry	(CGA—observer)
John Edmonds	(CGA-secretariat)

Not connected due to technical factors:

Ernest de Villiers	(East Cape Midlands)
Rikus Groenewald	(Western Cape)
Peter Pullinger	(Senwes)

Apologies:

Philip Dempsey	(Patensie)
Danie Matthewson	(Vaalharts)
Peter Nicholson	(Limpopo River)



1. Welcome

The Lemon Focus Group chairman Hannes de Waal welcomed all to the meeting

2. Apologies

(As noted above)

3. Finalization of Agenda

The chairman suggested that the topic of the future of lemons be discussed.

4. Approval of Minutes of Meeting held on 26 August 2014.

The minutes were approved by, Gert Bezuidenhout seconded by Guy Turner.

5. Matters Arising from Minutes

There were no matters arising.

6. Estimates for 2015 (see table below)

The projection was adjusted up 1% to 13.76 million cartons.

Hannes de Waal said that Sunday's River Valley indicated that pack-outs were very good, up to 90%, quality is good and sizes bigger. He raised their projection 5% up on the estimate to 6.56 million cartons.

Richard Allen (Boland) felt that they will be about 5% down with a lighter crop and smaller sizes.

Gert Bezuidenhout (Hoedspruit) noted that they were about one and a half counts smaller than last year. Next year should see significant increases in volume.

Guy Turner kept his projection unchanged and noted smaller fruit sizes.

Pete Button (KZn) remained on target with sizes 113, 138 and good quality. Peter Pullinger indicated before the teleconference that he expected Senwes to be down 9%. The August cold and the hail; resulted in a mixed bag of results over their varied area. Rikus Groenewald (post teleconference) indicated no changes for Western Cape. Philip Dempsey (Patensie) notified via sms that their projection is unchanged. Sizes are peaking on 113/138/100. Arrivals in the markets are good.

7. Markets

Hannes de Waal informed the meeting that all markets were strong. Historical prices in Middle East had been in the \$17.50 to \$19.50 range for class 1. The Far East had been about two to four dollars better than Middle East whilst Russia had seen a mixed bag from \$16 to \$19. Europe was very strong and had realized about R50 more than the Middle East.

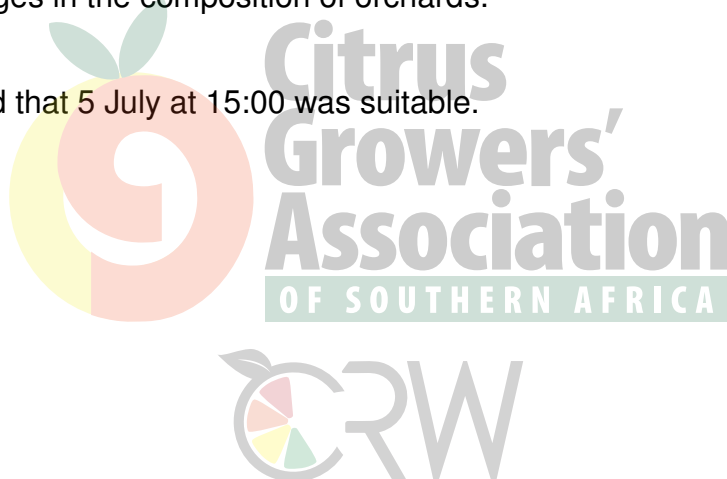
He indicated that Argentina had quality challenges this year and although the exports are up on last year, they are not as high as expected. Graham Barry noted that they had high rainfall recently which contributed to their problems. They are also sending a lot of fruit to processing to build up oil reserves.

8. General

Hannes de Waal noted that everyone was planting lemons and felt that we need to look to the future. He was concerned that whilst the data from CRI showed the trends of tree sales, the topworked trees may not be accounted for. Graham Barry noted that the tree census would capture these changes in the composition of orchards.

9. Next Meeting Date

The meeting agreed that 5 July at 15:00 was suitable.



Annex1. Lemon Focus Group 2014 Estimate and Projection

CGA Region		Estimate	Packed			2015 Week 25	Projection1: 1 July 2015	
CGA Region	Total 2014*	2015*	Early (endWK18)	Mid (19to34)	Late (Post34)	Total 2014	Proj. Total	Proj % of Est
S.R. Valley	6 101 190	6 250 000	1 052 797	2 457 185	-	3 509 982	6 562 500	105%
Senwes	2 241 047	2 450 000	442 522	1 271 282	-	1 713 804	2 225 000	91%
Boland	993 719	1 020 000	47 566	655 293	-	702 859	970 000	95%
W. Cape	708 188	713 000	158 035	214 303	-	372 338	713 000	100%
E. Cape Midlands	428 402	400 000	9 500	252 604	-	262 104	400 000	100%
Hoedspruit	655 975	660 000	677 854	87 591	-	765 445	765 500	116%
Patensie	513 287	525 000	69 666	263 260	-	332 926	525 000	100%
Nelspruit	475 431	500 000	234 096	219 469	-	453 565	500 000	100%
Limpopo River	227 062	230 000	187 024	112 501	-	299 525	300 000	130%
S-KZN	201 940	175 000	11 100	103 660	-	114 760	175 000	100%
Letsitele	218 622	220 000	193 850	28 729	-	222 579	223 000	101%
Nkwalini	203 398	205 000	95 910	77 790	-	173 700	205 000	100%
Pongola	101 450	65 000	30 329	37 140	-	67 469	70 000	108%
Oranje rivier	64 370	75 000	32 260	49 690	-	81 950	90 000	120%
VaalHarts	25 383	40 000	4 200	11 891	-	16 091	40 000	100%
Other	63 522	50 000	19 975	13 942	-	33 917		
Grand Total	13222986	13 578 000	3 266 684	5 856 330	-	9 123 014	13 764 000	101%

