

Healthy season, apart from some concern regarding oversupply on the Russian market

South African grapefruit volume estimates down

South Africa, basically alone in the grapefruit market at the moment, has adjusted the initial red grapefruit, primarily Star Ruby, estimates for the season from a total of 12.4 million 17 kg cartons to 11.7 million cartons.

This reflects a reduction in the Letsitele region of 200 000 17 kg cartons, from an initial 3.9 million to 3.7 million cartons, as well as a reduction from the original 3.27 million cartons for the Hoedspruit area to a current 2.8 million. Nkwaleni in KwaZulu-Natal will probably also be down by 80 000 cartons while the Orange River region, by contrast, will yield 74 000 more cartons of grapefruit.



White grapefruit represents a fraction of the industry; its estimate of 1.4 million 17 kg cartons remains unchanged.

"We had a quicker start to the season with substantial volumes shipped from weeks 15 to 18 driven by strong early demand, given the early end to the Florida season. Additionally, grapefruit reached optimal ripeness levels earlier this year and we're about a million to 1.2 million cartons ahead of where we were last year," says Jan-Louis Pretorius, chair of the Citrus Growers' Association Grapefruit Variety Focus Group.

"There's an interesting dynamic in the grapefruit market as we have no competition for 15 or 16 weeks and this is part of the reason why we were able to steer ourselves out of a dilemma after 2014 when our grapefruit was obtaining sub-optimal, unsustainable prices."

"I expect that the volumes remaining for the rest of the season will be on par with the volumes of last season, which was a very successful year. I see no reason for our markets to be concerned with weekly shipments making a downward step change from the beginning of July and then remaining reasonably stable until the first half of September."



What is different from last year, he notes, is that volumes to Russia are up by 30% (up to the end of week 24) compared to 2016, which does worry some exporters.

As a result of the drought which continued up until the end of last year, there are fewer fruit per tree with a concomitant size increase of 3 to 5% in counts 28 and 32 grapefruit, making up about 13% of the total grapefruit volumes at this stage. (There was a similar increase in size last year.) Exporters don't have many options for marketing these counts, but for Russia, which is why some exporters worry that there might be an accumulation of grapefruit there.

Sizes 50 to 55 which in the past made up around 30% of the total harvest, now represent less than 20%.

"If we can release grapefruit stock at a sustainable tempo until the end of the season, there's no reason for panic," Pretorius says.

On the bright side, mid-size counts 35 to 45 have increased considerably among South African grapefruits and fortuitously these are the counts desired by the growing markets of China (making up 13% of South African shipments to mainland China and Hong Kong until the end of last week) and South Korea (5% of the same).

The EU remains the largest recipient of South African grapefruit, taking 48% of the shipments up until last week.



"Thus far, it's a very good grapefruit season. The prices are very good. We're past the peak of our season, we hold some fruit back on the trees but there is the risk of them becoming puffy and we need to clear volumes in the pack house in order to start packing Valencias," says Erwee Topham of Alliance Fruit, grower, packer and exporter in the Letsitele/Hoedspruit region.

The introspection of the grapefruit industry and the changes implemented over the past few years to minimise the element of unpredictability have borne fruit, Pretorius says. "Exporters can now arrange supermarket programmes with more assurance, importers have greater confidence in how we market our harvest and there is greater stability in the supply chain."

In the northern grapefruit production areas of Letsitele and Hoedspruit the harvest is for all practical purposes finished, while the Onderberg will go on until week 30, the Orange River region until mid-August and KwaZulu-Natal is just starting. The Eastern Cape will come on stream last with their grapefruit in August or September.

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