FROM THE DESK OF THE CEO (26/11)

Justin Chadwick (8 July 2011)

QUOTE OF THE WEEK *"The inherent vice of capitalism is the unequal sharing of the blessings. The inherent blessing of socialism is the equal sharing of misery." Winston Churchill*

GRAPEFRUIT CHALLENGE

A few weeks back I wrote about the great experiences that UK consumers had when eating grapefruit during the "grapefruit challenge". The grapefruit challenge website is now live - www.sagrapefruitchallenge.com

ORCHARD IDENTIFICATION

Growers are being advised to get their orchard identification in a manner that is acceptable to DAFF before registration for 2012 begin. Orchard identification in the future will only be accepted in the alpha numeric format; no longer can descriptive names or other formats be used. This will be discussed at the citrus coordinating meeting later this year (**diarise 8 September 2011**) – but it is worth starting to plan already.

ASIAFRUIT LOGISTICA

DTI has confirmed that they will sponsor a CGA meeting room at AsiaFruit Logistica in Hong Kong from 7 to 9 September 2011. As with Fruit Logistica in Berlin CGA will take 1 hour bookings for the room for the duration of the show. If you are interested please contact gloria@cga.co.za or 031 765 2514. For Fruit Logistica we had little interest leading up to the show, and then so much demand at the event that it was difficult to accommodate all. If you are interested please get in early.

PACKED AND SHIPPED 2011

The lemon focus group met last week and reduced their prediction to 9.3 million cartons, with the soft citrus doing likewise with the projection now 7.3 million cartons. The Valencia and grapefruit are staying with their original estimate, while navels remain at the lower predicted level. The overall prediction is now below 93 million cartons.

It seems the political crisis in the Middle East earlier in the year has had a knock on effect in certain markets, as citrus could not be shipped out of that area during the turmoil. In both Russia and the Middle East there are reports of very late Egyptian shipments that coincided with the early South African **orange** shipments. Year to date Middle East shipments from South Africa increased from 25% (3.6 million cartons 2010) to 28% (4 m in 2011). In Russia this was exacerbated by later Moroccan fruit. The Russian Focus Group has been getting some idea of this impending difficult market conditions from the weekly reports issued by the CGA representative in Moscow (2010 13% (1.8 m) and 2011 15% (2.2m)). In terms of oranges, other markets are being supplied similar to 2010 (N Europe 26%; UK 7%; USA and Far East 6%).

The **Russian** market has also received increased volumes of lemons (2010 0.8 m; 2011 1.2 m), grapefruit (2010 0.7 m; 2011 1.1 m) and Soft Citrus (2010 0.6 m; 2011 0.8 m).

It is worth repeating the caution expressed at the CMF two weeks ago; South Africa has a lower citrus crop than last year – it would make more sense to slow down shipments into already well stocked markets so that markets do not end up being short of citrus towards the end of the season.

To Week 26 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
SOURCE: PPECB	2009	2010	2011	2010	2011	2011	2011	2010	2010
Grapefruit	11.3 m	10.4 m	12.2 m	10 m	12 m	14.7m	14.7m	12.5m	12.2m
Soft Citrus	5.2 m	5.9 m	5.3 m	5.1 m	5 m	7.9m	7.3 m	7.5m	7.1m
Lemons	5 m	6.7 m	6.3 m	5.4 m	5.3 m	9.8m	9.3 m	9.6m	9.4m
Navels *	13.4 m	16.2 m	14.4 m	OR	ANGES	19.4m	18.6 m	22.9m	22.6m
Valencia*	4 m	4.4 m	4.5 m	14.2 m	14.6 m	42.9m	42.9 m	46.5m	45.9m
	38.9 m	43.6 m	42.7 m	34.7 m	36.9 m	94.7m	92.8m	99m	97.2m

*** Please note 2011 shipped figures for oranges are for ALL oranges – PPECB still unable to supply reliable shipped figures.**

GROWERS LEVIES ARE USED TO FUND CGA, CRI AND CITRUS ACADEMY ACTIVITIES.
ENSURING A GLOBALLY COMPETITIVE SOUTHERN AFRICAN CITRUS INDUSTRY