

FROM THE DESK OF THE CEO (43/14)

Justin Chadwick (7 November 2014)

QUOTE OF THE WEEK “When fate hands you lemons, make money” adapted quote from Dale Carnegie

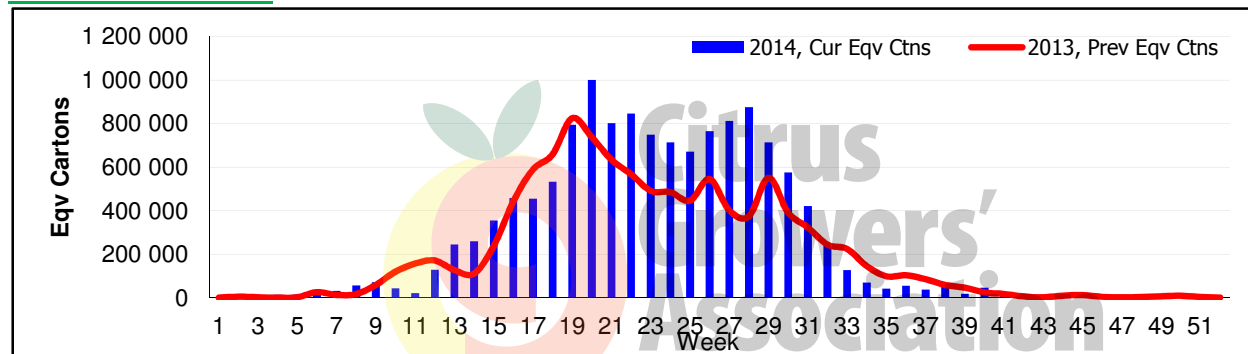
2014 SEASON RECAP:

LEMON ESTIMATE 2014

In March 2014 the lemon focus group (LFG) estimated that the 2014 packed and passed for export figure would be 24% higher than 2013. There are two regions that account for 68% of South African lemon volumes – Sundays River Valley being 49% and Senwes 19%. Sundays River estimate won the CMF Award for Closest Estimate with the actual volume packed being just 0.8% higher than estimate. Senwes estimate was also very close – just 1.1% less than estimate. The final packed figure is 8.4% higher than estimate – but a significant 24% higher than 2013. The excellent market conditions for lemons meant that other regions underestimated in total by 26%; showing a significant 24% increase in lemons packed for export. The LFG achieved the goal of estimating within the 10% margin.

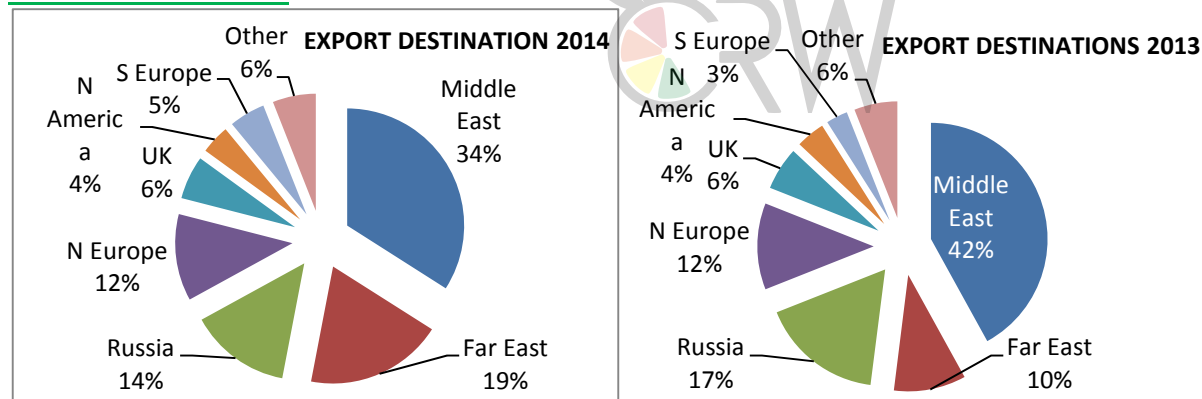
	Total 2013	Est 2014	Actual 2014	% change on Est.	% change on 2013.
S.R. Valley	4 918 428	6 000 000	6 047 247	0.80%	23%
Senwes	1 811 755	2 264 694	2 238 733	-1.10%	24%
Other	3 896 751	3 869 998	4 864 120	25.69%	24%
Grand Total	10 626 934	12 134 692	13 150 100	8.40%	24%

PACKED FOR EXPORT



The graphic of packed lemons tells a tale – the initial phase of the season (up to week 18/19) was slow – but weeks 20 to 31 saw weekly packing levels well above the previous year.

MARKET DISTRIBUTION



Lemon exports to the Middle East decreased in both percentage and absolute terms (4.6 million cartons down to 4.4 million). Russian exports dropped in percentage terms – but increased slightly in absolute terms (2 to 2.1 million cartons). Far East exports more than doubled (from 1 million cartons up to 2.3 million cartons); propelling the Far East to second largest global receiver. The other markets remained stable in percentage terms, with growth in actual cartons received.

PACKED AND SHIPPED

To Week 44 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction (Packed)	Final Packed
SOURCE: PPECB	2012	2013	2014	2013	2014	2014	2014	2013
Grapefruit	13 m	18 m	15.6 m	17.8 m	14.9 m	16.5 m	15.6 m	17.9 m
Soft Citrus	7.6 m	8.4 m	9.9 m	8.4 m	9.6 m	9.2 m	9.9 m	8.4 m
Lemons	10.5 m	10.6 m	13.2 m	10.6 m	12.9 m	12.1 m	13.2 m	10.6 m
Navels	24.6 m	25.4 m	26 m	25.4 m	26 m	25.8 m	26 m	25.4 m
Valencia	47 m	51 m	50.4 m	49 m	47.9 m	49.5 m	50.4 m	51.4 m
Total	102.7 m	113.4 m	115.1 m	111.2 m	111.3 m	113.1 m	115.1 m	113.7 m

GROWERS' ENSURE A COMPETITIVE AND SUSTAINABLE SOUTHERN AFRICAN CITRUS INDUSTRY BY FUNDING AND GUIDING THE CGA GROUP (CRI; CITRUS ACADEMY; CGACC; RB AND XSIT)