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| CGA_Eng_Fax_logo_72 ***FROM THE DESK OF THE CEO (26/17)***(Follow me on Twitter justchad\_cga)*Justin Chadwick 14 July 2017* |
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***“Real knowledge is to know the extent of one’s ignorance”Confucius***

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**SOUTHERN AFRICAN CITRUS LEMONS**This graph shows lemon plantings in hectares and export lemon prices adjusted for inflation. What is clear is that the inflation adjusted price was fairly stable between R1 000 and R1 500 per ton from 1992 to 2009; at that point lemon prices more than doubled through to 2016. Ignoring inflation, the price went from R1 000 per ton in 1992 to R16 500 per ton in 2016.Media reports indicate that lemon prices in 2017 are coming under some pressure. The increased plantings are not restricted to South Africa – the good returns of the past few years have attracted growers to this sector from across the globe. Lemon plantings really took off after 2010 – from levels of 200 to 300Ha per annum prior to 2010 up to 700 to 1 000 Ha after 2010. This means a predominance of young orchards.As supply increases it is anticipated that these prices will come under further pressure. The bright light in this scenario is the increased demand for lemon and lemon products. Around the globe consumers are recognising lemons for their health attributes – with new consumers and new uses for lemons every year. The question everybody is asking is whether the increased demand will soak up all the increased supply.**PACKED AND SHIPPED**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| To End Week 27Million 15 Kg Cartons | Packed  | Packed | **Packed** | Shipped | **Shipped** | Original Estimate | LatestPrediction | Final Packed |
| **SOURCE: PPECB/AGRIHUB** | 2015 | 2016 | **2017** | 2016 | **2017** | 2017 | 2017 | 2016 |
| Grapefruit | 13.9 m | 11.9 m | **14.4 m** | 10.4 m | **10.8 m** | 15.6 m | 14.8 m | 13.2 m |
| Soft Citrus | 6.5 m | 8.1 m | **8.3 m** | 7.1 m | **7.5 m** | 13.2 m | 13.5 m | 12.2 m |
| Lemons | 10.8 m | 11.5 m | **14.8 m** | 10.4 m | **13 m** | 17.5 m | 17.5 m | 15 m |
| Navels | 16.6 m | 19.2 m | **15.6 m** | 15.9 m | **13.2 m** | 26.3 m | 21.8 m | 26.2 m |
| Valencia | 6.1 m | 7.8 m | **8.4 m** | 4.6 m | **4.9 m** | 50.1 m | 47.9 m | 41.8 m |
| Total | 53.9 m | 58.5 m | **61.5 m** | 48.4 m | **49.4 m** | 122.7 m | 115.5 m | 108.4 m |

**THE CGA GROUP OF COMPANIES (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE FUNDED BY SOUTHERN AFRICAN CITRUS GROWERS** |
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