

## FROM THE DESK OF THE CEO (16/17)

(Follow me on Twitter justchad\_cga)

Justin Chadwick 5 May 2017



***"It is the mark of a truly intelligent person to be moved by statistics" George Bernard Shaw***

### **SHAFFE SOUTHERN HEMISPHERE PREDICTION**

The Southern Hemisphere Association of Fresh Fruit Exporters (SHAFFE) recently released its members predicted production and export volumes for 2017. Overall citrus **export volumes** from the southern hemisphere are expected to be 6% higher than 2016, and 11% higher than the last five year average.

**Oranges** (1.5 million tons) make up the bulk of the exports, and increase by 7.5% over the previous year (although the SHAFFE secretariat cautions that this may reduce due to the navel fruit drop in South Africa).

**Lemon** exports of nearly 620 000 tons are 2% up on 2016; while **mandarins** at 546 000 tons are 4% higher.

**Grapefruit** (240 000 tons) is almost completely supplied by South Africa, showing an almost 14% increase over the drought affected 2016 volumes (similar to 2015 levels).

Exports from **Peru** at 136 500 tons are predicted to be 7% more than 2016 – the bulk being mandarins at 120 000 tons (7% higher than 2016).

**Uruguay** expects an annual growth of 4% in exports to 111 100 tons. Orange exports increase by almost 8% to 60 000 tons; while lemon (15 000), mandarin (36 000) and grapefruit (100) exports mirror 2016 volumes.

**Argentina** (338 000 tons) is predicting a drop in exports across the board – Lemons (260 000 tons) represent the biggest category, a fall of 7% compared to 2016. Oranges (45 000 tons) drop by 31%, while mandarins (33 000 tons) drop by 33%. Overall Argentinean citrus exports are predicted to drop by 14%.

**Australia** (219 500 tons) has indicated that their crop is late and hence figures are still provisional – these provisional figures show a similar volume to 2016.

**Chilean** (257 600 tons) exports increase by 3.5% led by a 13% increase in mandarin exports to 109 000 tons. Lemon exports (72 000) are expected to decrease by 5%, while orange exports (75 000) remain unchanged.

**South Africa** (1.842 million tons) accounts for 63% of southern hemisphere citrus exports and therefore has a big influence on the estimated volumes. The influence of South Africa is greatest in the grapefruit sector (98% of exports), but is also significant in oranges (76% market share). As mentioned above the fruit drop phenomenon in navels will impact on the export prediction (the navel focus group has dropped their prediction by 35 000 tons – see below). The original estimate showed a 12% increase in oranges – this will now be reduced to an 8.5% increase. South Africa accounts for 42% of southern hemisphere lemons – the 263 000 tons represent an increase of 16% over 2016. Mandarins are the most competitive citrus sector; South Africa's almost 200 000 tons represent 36% of the southern hemisphere offer – increasing by 8.5% over 2016 export volumes.

### **PACKED AND SHIPPED**

The navel focus group have adjusted their estimate down by 2.4 million cartons due to the fruit drop being experienced – particularly in the Eastern Cape. At both recent Soft Citrus Focus Group and Grapefruit Focus Group meetings all growers were urged to comply strictly with the CRI guidelines for shipping to Europe.

To End Week 17 Million 15 Kg Cartons	Packed	Packed	<b>Packed</b>	Shipped	<b>Shipped</b>	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/Agrihub	2015	2016	<b>2017</b>	2016	<b>2017</b>	2017	2017	2016
Grapefruit	2.5 m	1.7 m	<b>2.6 m</b>	0.5 m	<b>0.9 m</b>	15.6 m	15.6 m	13.2 m
Soft Citrus	1.8 m	2.4 m	<b>1.8 m</b>	1.8 m	<b>1.4 m</b>	13.2 m	13.2 m	12.2 m
Lemons	2.6 m	3.8 m	<b>3.8 m</b>	2.5 m	<b>2.9 m</b>	17.5 m	17.5 m	15 m
Navels	0.2 m	0.8 m	<b>0.4 m</b>	0.8 m	-	26.3 m	23.9 m	26.2 m
Valencia	-	-	-	-	-	50.1 m	50.1 m	41.8 m
Total	7.1 m	8.7 m	<b>8.6 m</b>	5.6 m	<b>5.2 m</b>	122.7 m	120.3 m	108.8 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**