Markets and Economic Research Centre

SA Fruit Trade Flow

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South Africa's diverse weather and climatic conditions enable the country to cultivate and produce a variety of fruits. The country is known globally as a producer and exporter of citrus, deciduous and subtropical fruits. The report is released on a quarterly basis by the trade unit of the markets and Economic Research Centre.

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National Agricultural Marketing Council
Promoting market access for South African agriculture

SOUTH AFRICAN FRUIT TRADE FLOW

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1. Background

South Africa's different weather and climatic conditions enable the country to cultivate and produce a variety of fruits and fruit products. Globally, the country is known as an important producer and exporter of citrus, deciduous and subtropical fruits. This issue of the Fruit Trade Flow publication looks at table grapes and stone fruit (i.e. plums, nectarines, peaches and apricots), focusing on the current season's performance of these fruits, for both export and domestic markets. The current season's performance is compared with the previous season's performance. This report also assesses the global production of these fruits, giving a perspective on South Africa's production and export rankings in the world.

2. Global table grapes production slowed in 2018/2019 season

2.1 Global perspectives

At a global level, Asia remains a dominant player in table grapes, with both production and consumption led by the populous nations of China and India. Figure 1 highlights the world's leading consumers of table grapes between the 2013/14 and 2018/19 production seasons, measured in thousand tons. China was the principal consumer of table grapes in the last six production seasons under review. In the 2018/19 season, China consumed about 9.4 million tons of table grapes, followed by India (2.3 million tons), the EU (2.1 million tons), Turkey (1.6 million tons) and Uzbekistan (1.5 million tons). Global consumption of table grapes decreased from 23.1 million tons in the 2017/18 season to 21.8 million tons in the 2018/19 season largely because of lower volumes produced in China, India and other top producers such as Turkey.

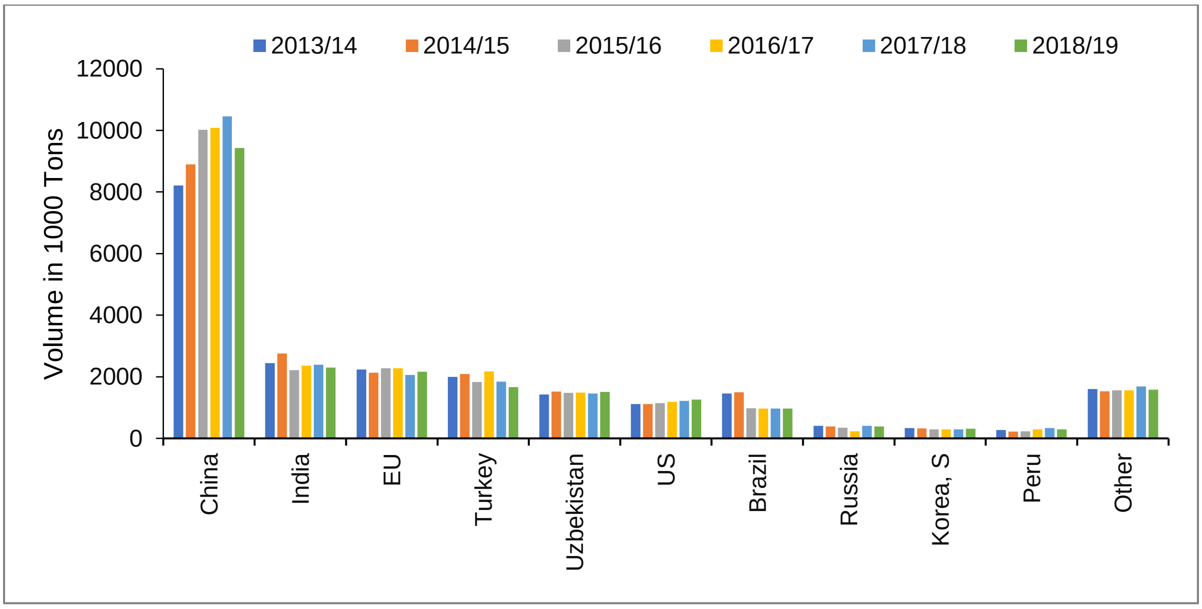

Figure 1: Leading consumers of table grapes in the world, 2013-2018
Source: USDA (2019)

Similarto the picture shown in Figure 1, the leading consumers of table grapes in the world are also the largest producers. Figure 2 shows the global producers of table grapes from the 2013/2014 to 2018/19 production seasons, measured in thousand tons. China ranked as the world's leading producer of table grapes for all seasons under review, with 9 450 thousand tons produced during the 2018/19 season, followed by India (2 700 thousand tons), Turkey (1 900 thousand tons), Uzbekistan (1 580 thousand tons) and the EU (1 557 thousand tons). South Africa ranked among the top ten largest producers of table grapes in the world, with 330 thousand tons produced during the 2018/19 season. Global production of table grapes decreased by about 1.2 million tons during the 2018/19 season, from 23.3 million tons in 2017/18 to 22.1 million tons in 2018/19, which is attributed to unfavourable weather conditions in China and Turkey (USDA, 2018).

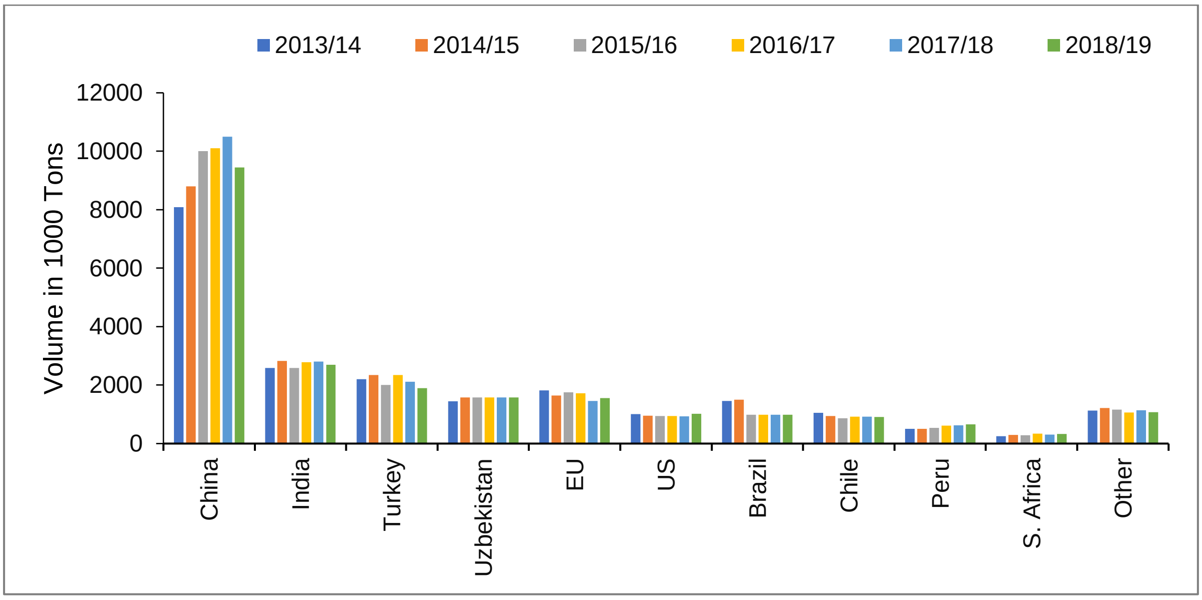

Figure 2: Leading producers of table grapes in the world, 2013-2018
Source: USDA (2019)

Figure 3 shows the leading global importers of table grapes between 2013/14 and 2018/19, measured in thousand tons. According to USDA (2019), the lower demand in the United States (US) and Russia contributed to slightly reduced imports. Global imports of table grapes amounted to about 2.9 million tons during the 2018/19 season, indicating a decline of about 166 000 tons as compared to the 2017/18 season. The EU was the largest importer of table grapes during all the production seasons under review, followed by the US. During the 2018/19 season, the EU imported about 688 000 tons of table grapes, while the US, Russia, Hong Kong and China imported 580 000 tons, 352 000 tons, 225 000 tons and 200 000 tons respectively.

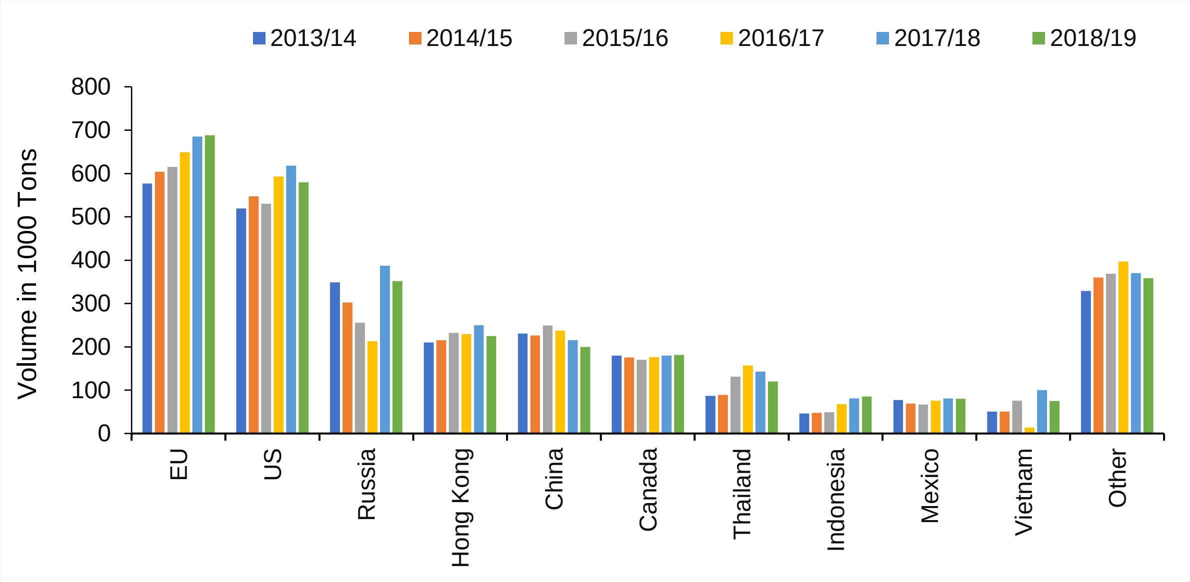

Figure 3: Leading importers of table grapes in the world, 2013-2018
Source: USDA (2019)

Figure 4 illustrates the leading exporters of table grapes between the 2013/14 and 2018/19 production seasons, measured in thousand tons. About 2.9 million tons of table grapes were exported during the 2018/19 season, a volume that is 103 000 tons less than what was exported during the 2017/18 season. Chile ranked as the largest exporter of table grapes with a share of 24.0%, followed by Peru (12%), the US (11.3%) and South Africa (10%). The production of some of the top performing countries increased in the current season, such as the US (80 000 tons), Peru (35 000 tons) and South Africa (22 000 tons), which enabled their exports to also increase from the previous year.

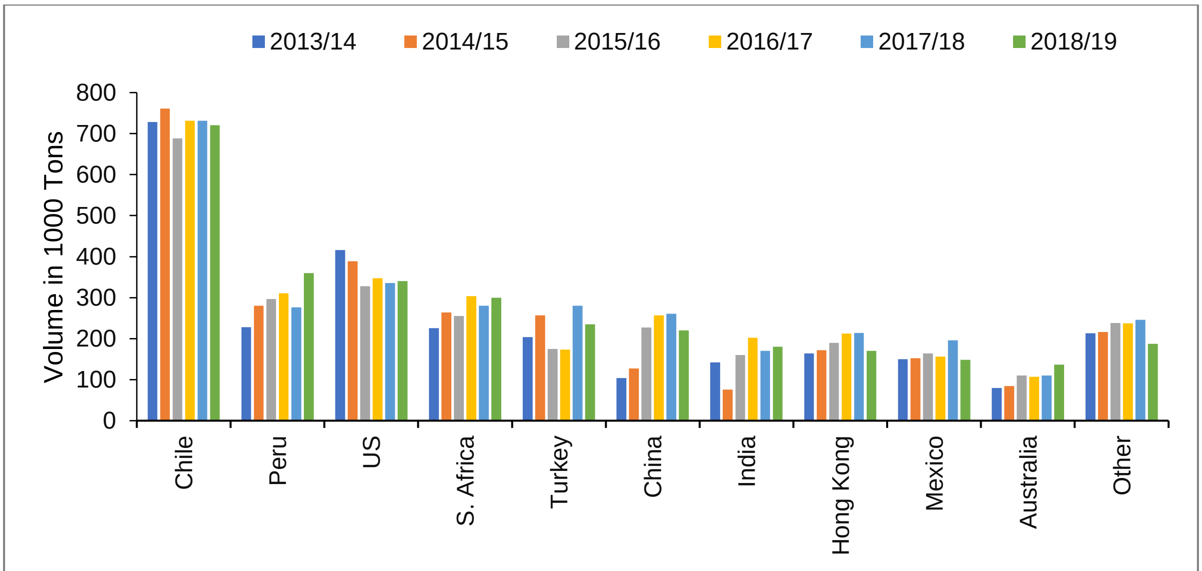

Figure 4: Leading exporters of table grapes in the world, 2013-2018
Source: USDA (2019)

2.2. The South African perspectives on table grapes

More than two-thirds of the table grapes produced in South Africa are exported (DAFF, 2015). Table 1 highlights table grape production between 2015/16 and 2016/18, measured in thousand cartons. It should be noted that production values for the 2018/19 season are estimates. From the table, it can be noted that the volume of table grapes produced were estimated to range between 63.2 million cartons and 70.1 million cartons, where one carton is equivalent to 4.5kg. The Orange River and Hex River are expected to have the largest number of cartons of table grapes produced. The Berg River region is expected to return to average production figures in line with the industry growth trend of between 20.9 million cartons and 23 million cartons.

Table 1: Table grapes inspections in 4.5 kg cartons equivalent (thousands)

Region	**Actual packed volume "000"**			**2018/2019 Est.**	
	2015/2016	**2016/2017**	**2017/2018**	**Low**	**High**
Northern Province	4731	5538	6829	6700	7500
Orange River	18643	20533	19016	18500	20500
Olifants River	3157	3968	2802	3500	4100
Berg River	12600	15426	13053	13600	15000
Hex River	18849	22111	20365	20900	23000
Total	**57980**	**67575**	**62064**	**63200**	**70100**

Source: SATGA (2019)

The South African table grapes industry is export-oriented and the main destination markets are displayed in Figure 5. The EU remains the largest destination for South Africa's table grapes, making up 57 % of the exports, translating into an 8 % increase in market share of the exports as compared to the previous season. The United Kingdom (UK) remained in second place with a market share of 22%, followed by Canada (7%), the Middle East (5%) and South East Asia (4%). Overall, South Africa's exports increased by about 0.98 % as compared to the previous season.

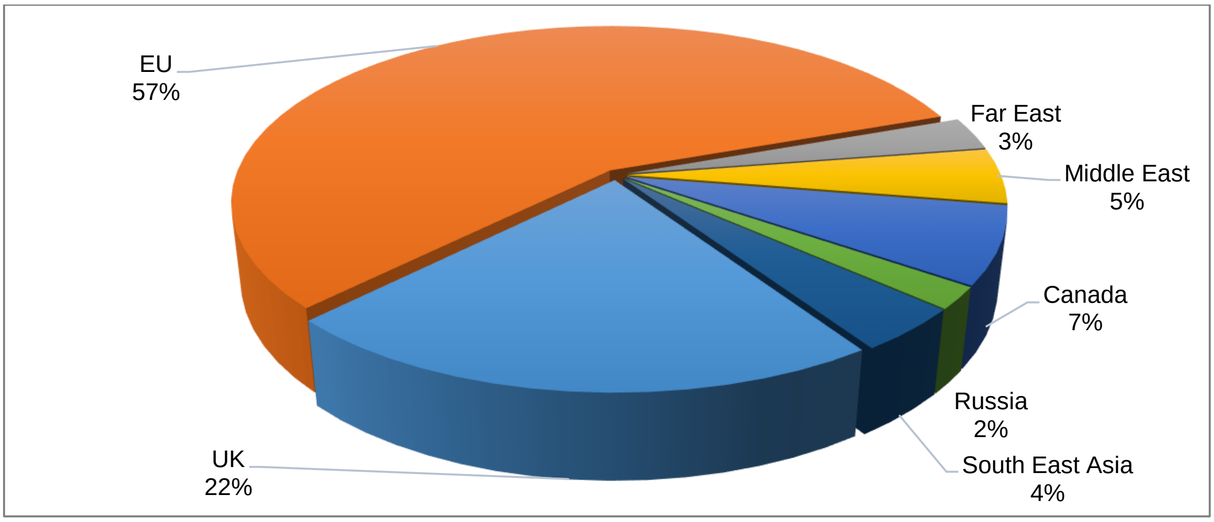

Figure 5: Main export destinations for South Africa's table grapes
Source: SATGA (2019)

Figure 6 shows the volume and market price of table grapes sold through the local National Fresh Produce Markets (NFPMs), from January to December 2017, 2018 and 2019. The total volumes of grapes sold were 19 990 tons in 2017 and 19 788 tons 2018, and this decline was attributed to low volumes due to drought in major table grape producing areas in the Western and Northern Cape provinces. The volume sold in February 2019 were recorded at 4393 tons, which is the highest monthly volumes over the past three years. Looking at the data presented in Figure 6, it is evident that the local price always reaches the peak just before the start of the new season, hence prices in October are always the highest. The highest local market price was R28 835 per ton in October of 2017 and R28 425 per ton in October 2018 and a similar price level is anticipated for October of 2019.

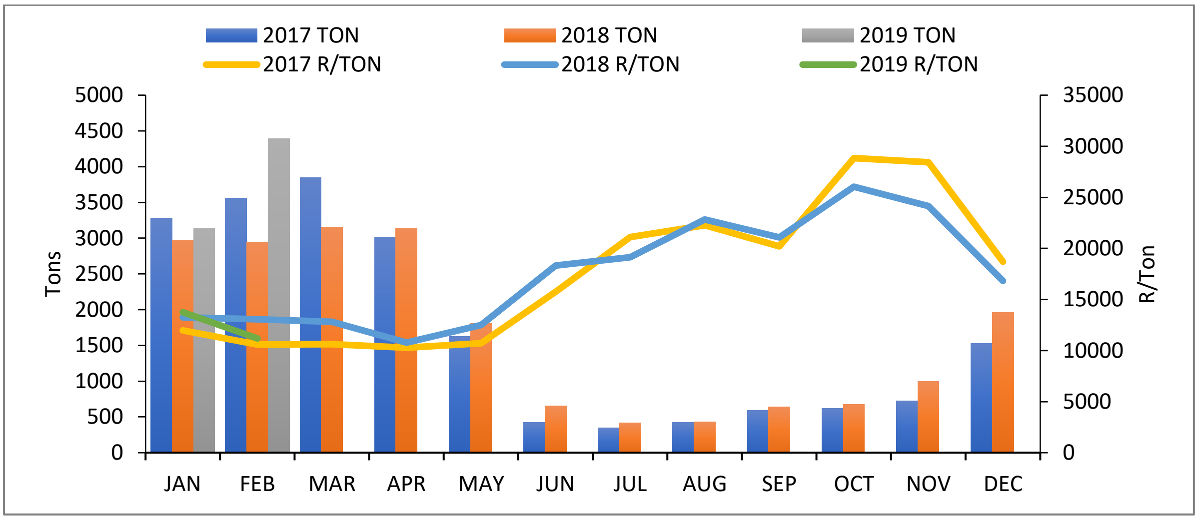

Figure 6: Price and quantity of table grapes sold through NFPMs (2017 – 2019)
Source: DAFF (2019)

3 Drier conditions continue to supress stone fruit volumes in the 2018/19 production season

Like other deciduous fruits, stone fruit are predominately produced in the Western Cape province, which is currently challenged by the drought. 2018 was arguably the worst drought experience by the province in a century which affected the physiological functioning of stone fruit trees. This section covers the most recent production season of South Africa's stone fruit products, namely plums, nectarines, peaches and apricots.

Table 2 illustrates the volume of selected stone fruits passed for export per cultivar, measured in cartons equivalent. The equivalent cartons' sizes vary per fruit types. Plums equivalent carton is 5.25 kg, nectarines is 2.5 kg, peaches is 2.5 kg and apricots is 4.75 kg. Most of these fruits indicated a decline in the volume of cultivars passed for export. It is noteworthy that Angeleno (21 %), September Bright (70 %), Fairtime (71

%) and Faralia (78 %) were the only cultivars which presented a positive growth in volumes passed for export between 2017/18 and 2018/19.

Table 2: Stone fruit cultivars passed for export (cartons)

Stone fruit cultivars passed for export (week 9)				
Stone fruits	**Cultivars passed for export**	**2017/2018 Eqv.**	**2018/2019 Eqv.**	**% Diff vs 2017/2018**
Plums (1 carton = 5.25 kg)	African Delight	1 084 940	906 088	-16%
	Angeleno/Suplumsix	303 673	366 806	21%
	Ruby Star	472 694	260 186	-45%
Nectarines (1 carton = 2.5 kg)	August Red	592 262	507 768	-14%
	September Bright	48 649	82 528	70%
	Late Fair	2 974	1 141	-62%
Peaches (1 carton = 2.5 kg)	Fairtime	18 145	31 101	71%
	Julienice	18 837	17 468	-7%
	PEO 04/26	5 137	2 940	-43%
Apricots (1 carton = 4.75 kg)	Faralia	5 294	9 402	78%
	Farely	1 885	3 808	102%

Source: Hortgro (2019)

Approximately 74 % of plums were exported, while 23 % were consumed on the local market and the remaining share was for processing purposes. Figure 7 presents the market destinations of plums exported by South Africa for the 2018/19 season. In total, South Africa exported about 5 928 thousand cartons of plums and biggest share (48 %) was destined for the European market. The UK was the second largest market for South Africa's plums with a share of 24 %, followed by the Middle East (16 %), the Far East and Asia (5 %) and the Russian Federation (4 %), while the rest of the markets constituted 1 % each (see Figure 7).

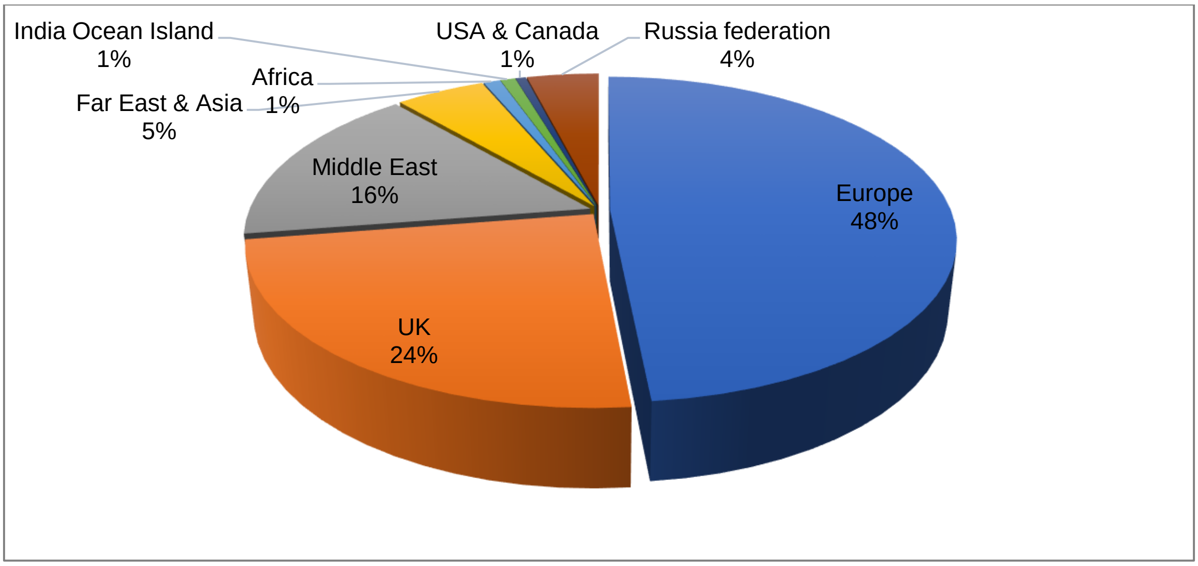

Figure 7: Main export destinations for South Africa's plums
Source: Hortgro (2019)

More than 50 % of the nectarines produced in South Africa were consumed in the local market. During summer, nectarines are very popular among all market segments. Three (3) nectarine cultivars were passed for export, namely *August Red*, *September Bright* and *Late Fair*. Figure 8 illustrates the main market destinations for nectarines exported from South Africa. The UK was the principal importer of nectarines from South Africa with a share of 52 %, followed by Europe (28 %), the Middle East (15 %) and the Indian Ocean Islands (2 %), while the remaining market destinations constituted a 3 % share.

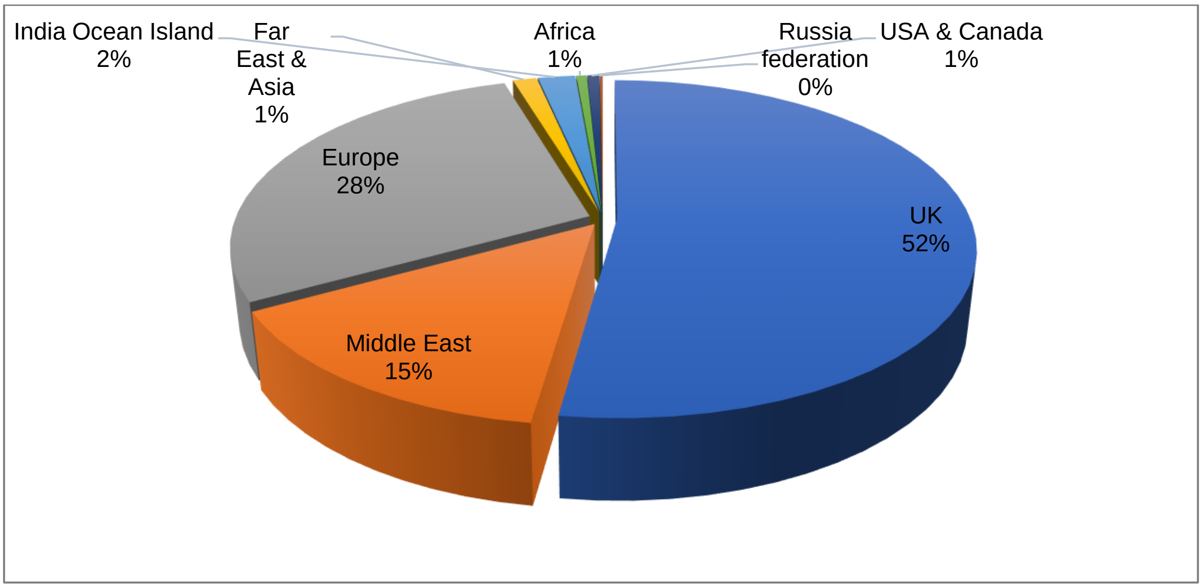

Figure 8: Main export destinations for South Africa's nectarines
Source: Hortgro (2019)

Peaches make an important contribution to the creation of jobs in South Africa. The industry creates job opportunities in both the production and processing phases. In South Africa, about 64 % of the total peach crop is consumed for processing, followed by local market sales (16 %), the dried market (5 %) and export market (7 %) respectively. Figure 9 presents the leading market destinations for peaches exported by South Africa. The UK absorbed about 43 % of peaches from South Africa, followed by the Middle East (36 %), Europe (13 %), Indian Ocean Islands (4 %), and the Far East and Asia (2 %).

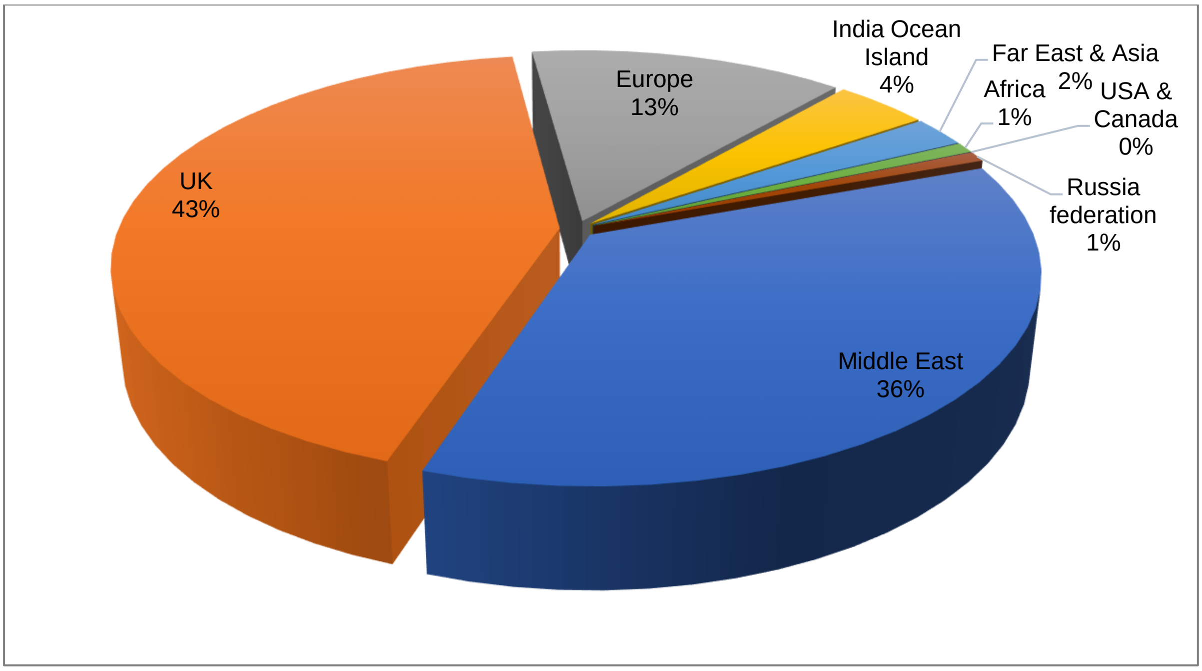

Figure 9: Main export destinations for South Africa's peaches
Source: Hortgro (2019)

In South Africa, the apricot industry is mainly oriented towards processing, with approximately 63 % of apricots destined for processing and 21 % for drying. Only 5 % of apricots are sold in the local markets while the exported volume constitutes a share of about 11 %. Figure 10 shows the main markets that imported apricots exported by South Africa to the global markets. The Middle East ranked as the principal importer of South Africa's apricots with a share of 48 %, followed by Europe (26 %) and the UK (24 %), while the Indian Ocean Islands and Africa constituted (1 %) each.

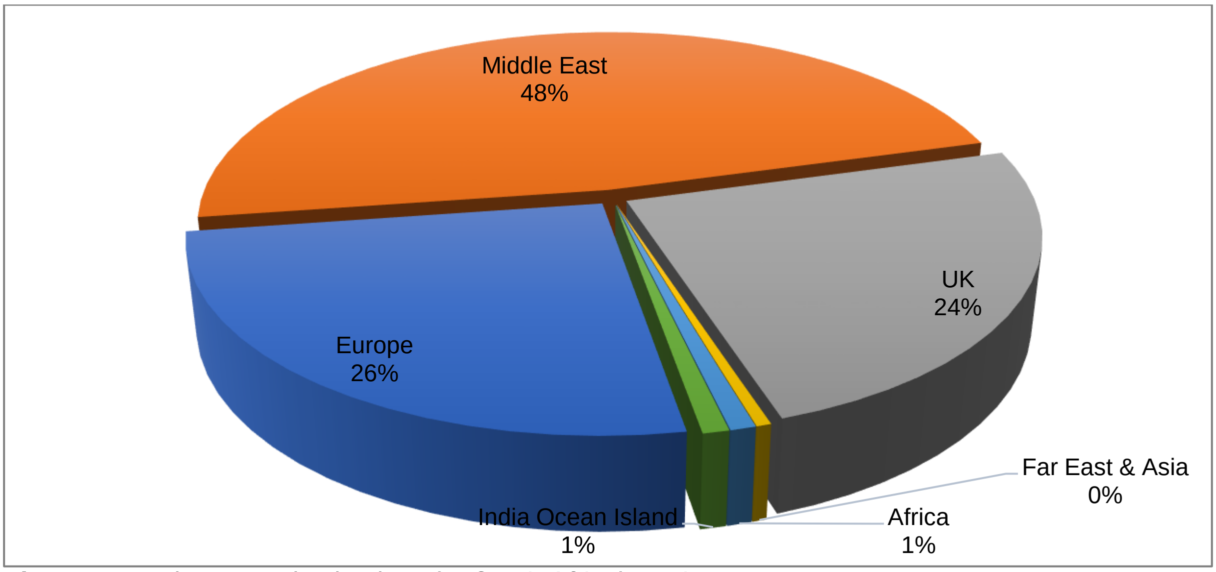

Figure 10: Main export destinations for South Africa's apricots
Source: Hortgro (2019)

Figure 11 illustrates the volume of plums sold in the local NFPMs, as well as their market price trends, from January December for the past three years. In 2017, about 15 918.7 tons of plums were sold in the NFPMs at an average price of R175 977 per ton, while 16 826.1 tons were sold in 2018 at an average price of R191 525 per ton. The 2019 trends only covered the January to February period which registered 5 519.8 tons of sales at an average price of R16 907.4 per ton. During 2017 and 2018, the highest sales of plums were recorded in the month of March with volumes of 4 362.8 tons (R6 817.6/ton) and 4 439.5 tons (R6 678.7/ton) respectively.

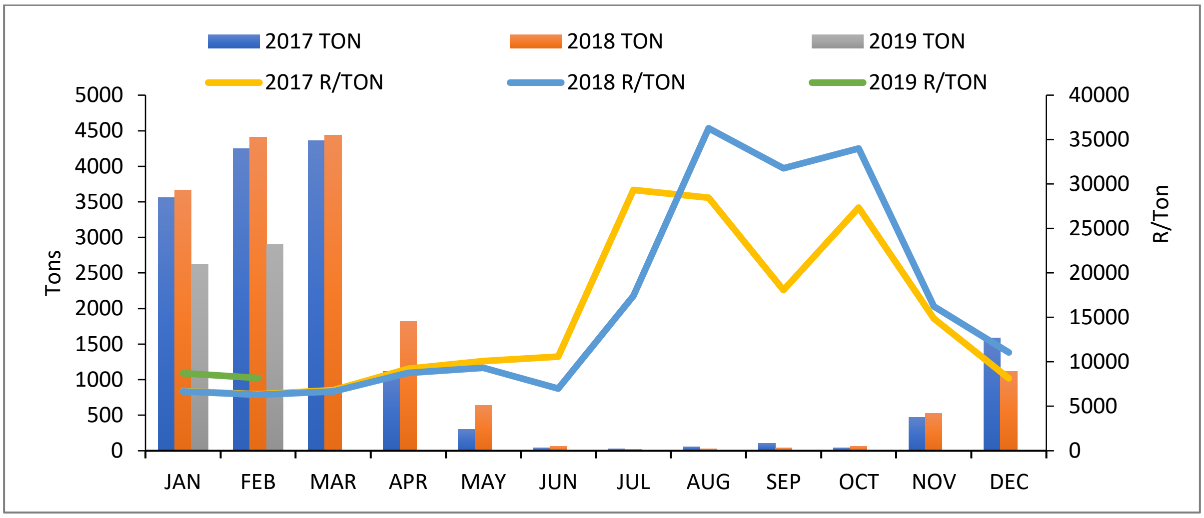

Figure 11: Price and quantity of plums sold through NFPMs (2017 - 2019)
Source: DAFF (2019)

Figure 12 highlights the sales and average price trends of nectarines from January to December for the past three years. High sales of nectarines occur towards the beginning and the end of the year. In 2018, a total of 9 388.3 tons were sold at an average price of R253 550.3/ton which was slightly higher than volumes sold in NFPMs in 2017. In 2019 (between January and February), a total of 3 042.2 tons were sold at an average price of R36 003.7/ton. In 2017, high sales by volume (1 946.3 tons) were recorded in December at an average price of R12 544.8/ton while during 2018 the highest sales (1 923.6 tons) were reached in March.

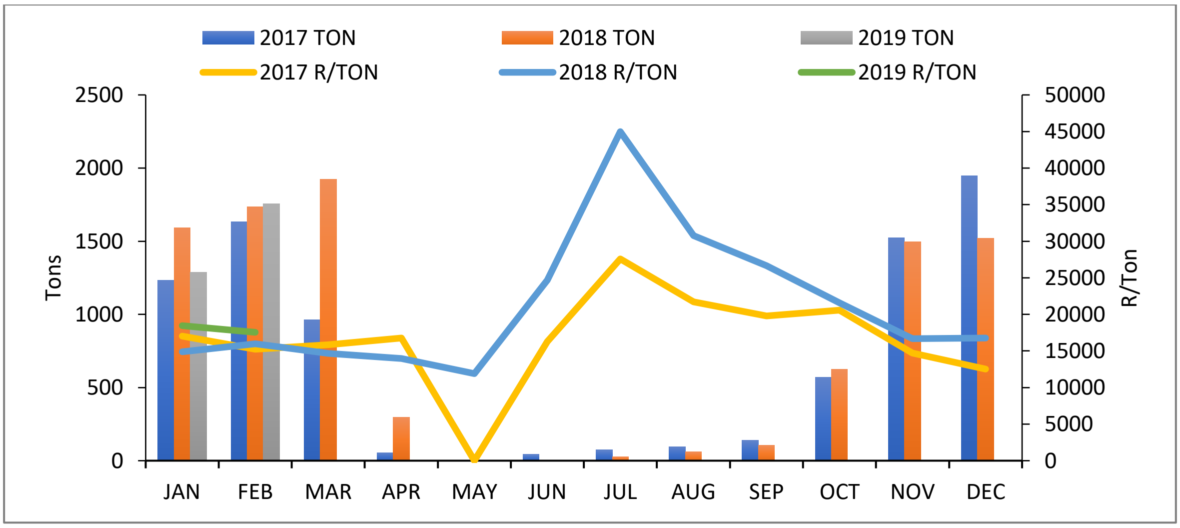

Figure 12: Price and quantity of nectarines sold through NFPMs (2017 - 2019)
Source: DAFF (2019)

Figure 13 illustrates the trends for peaches sold through the NFPMs in terms of quantity and average price for 2017, 2018 and 2019 (January to December). In 2018, South Africa sold 10 tons less than what was sold during 2017. During 2018, prices were higher than prices received during the previous year, probably due to the lower supply of peaches in the NFPMs. The highest sales were registered in January during the period under review.

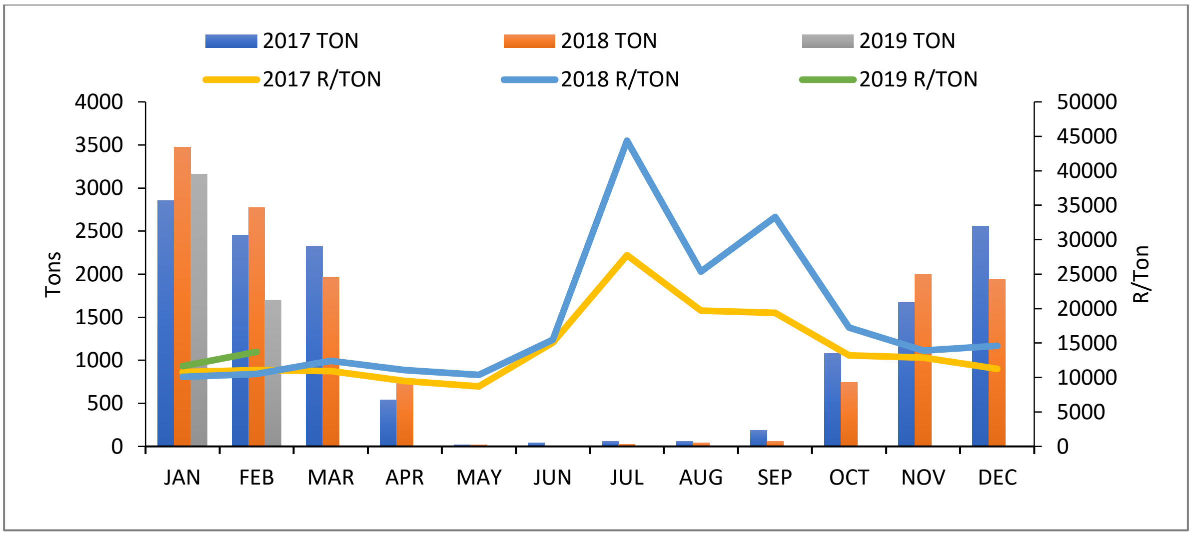

Figure 13: Price and quantity of peaches sold through NFPMs (2017 - 2019)
Source: DAFF (2019)

Figure 14 indicates the volume of apricots sold through the NFPMs and the corresponding price trends for 2017, 2018 and 2019 (January to December). During 2017, approximately 849 tons were sold in total, reaching a high record in December with 472 tons. On the other hand, the 2018 season reached total sales of 941 tons with high sales of 421 tons in December. The 2019 season has so far recorded a volume of 173.4 tons, with a sale price of R24 215/ton between January and February.

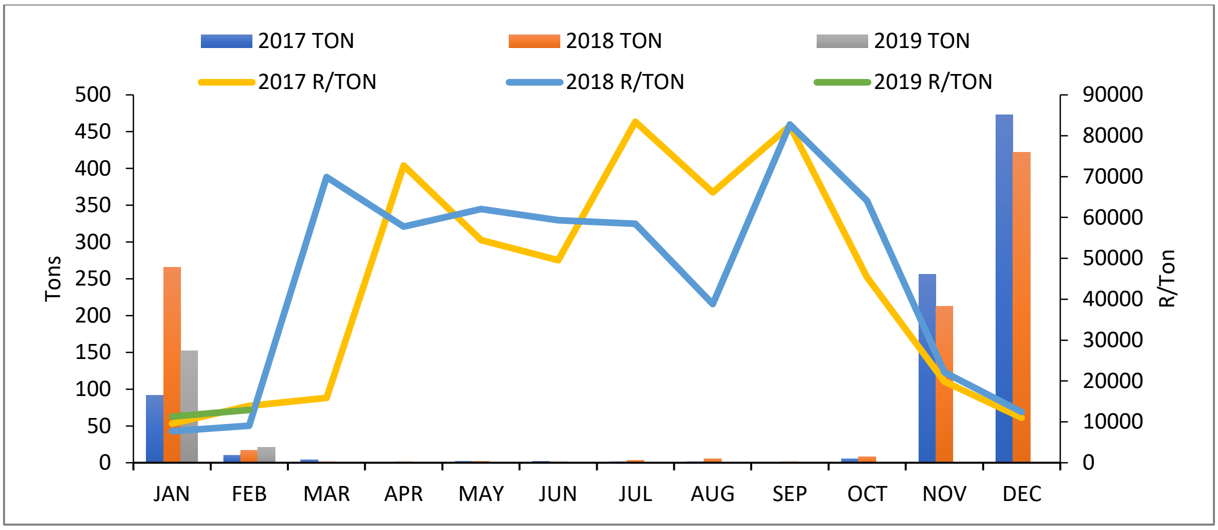

Figure 14: Price and quantity of apricots sold through NFPMs (2017 - 2019)
Source: DAFF (2019)

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USEFUL LINKS

Citrus Growers' Association (CGA)	www.cga.co.za
Department of Agriculture, Forestry and Fisheries (DAFF)	www.daff.gov.za
Food and Agriculture Organisation (FAO)	www.fao.org/docrep/
Fresh Produce Exporters' Forum (FPEF)	www.fpef.co.za
Hortgro Services	www.hortgro.co.za
National Agricultural Marketing Council (NAMC)	www.namc.co.za
Perishable Products Export Control Board (PPECB)	www.ppecb.com
South African Subtropical Growers' Association (Subtrops)	www.subtrop.co.za
South African Table Grape Industry (SATGI)	www.satgi.co.za

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