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REDSUN RAISIN REPORT #1 -2022 January SOUTH AFRICAN RAISIN CROP

HIGHLIGHTS OF THIS REPORT
The 2022 SA Raisin crop has started
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The 2022 SA Raisin crop has started

The 2022 South African raisin crop is looking excellent. 88,000 mt of raisins remains highly possible.

The first grapes have been harvested and are now good quality raisins. The first deliveries will come from Namibia. Golden jumbos will arrive at the Redsun factory next week. Thompson mediums will arrive the following day. The season has started!



The first load of golden jumbo on its way to Redsun from Namibia.

The Rain in SA and the effect on the crop

There has been plenty of rain falling in the catchment area of the Orange River. Fortunately, not in the raisin producing region. The River has filled all of the massive water reservoirs on the River and is now on its way to the Atlantic Ocean. This is good news for all South Africans for at least the next year. No water shortage.

In South Africa, the raisin crop is 10 days to 14 days later than usual. The reason is the cooler weather over November and December. During January, the temperatures are between 40°C and 42°C. This is perfect for the build up of the natural sugars. Namibia did not have cooler weather. Therefore, the crop is earlier than South Africa.

The first South African grapes are ready and will be harvested from Monday 10th January.

The River is flowing at high levels, without causing problems of flooding the vineyards. The rain continues to fall in the catchment area, so the River will remain full. The full river combined with the heat causes humid conditions in the vineyards and the raisin drying facilities.

The effect is

- 1. Watch for mould developing on the grapes, therefore, Redsun will be more alert to any residues on the grapes and raisins
- 2. The drying of the grapes will take longer due to humidity,
- 3. The berries will be softer due to humidity, and farmers must exercise greater care in handling of the tender berries to avoid damage and "clumping".
- 4. SA Sultanas might become more popular, since the lye process (stripping the natural wax off the grape to make a sultana) allows faster drying of the grapes. Redsun will certainly like to accommodate farmers in this regard.



The Orange River close to Redsun Factory

Pricing of the raisins and availability

As of 7 January, Redsun has contracted for 9,843mt of raisins to be delivered from farmers from the 2022 crop Our target is 15,000 mt. We have work to do. Of this quantity, 4,500mt are Thompson mediums, 2,200 golden mediums, and 1,075 are flame medium. Only these three varieties cover 79% of the volume contracted so far.

Pricing has not moved. At this time, all the SA raisin factories are visiting the farmers asking for supply contracts, but the prices are quoted as being "market related". Factories are keeping very quiet about prices. Usually there are adverts placed in the local press and emails quoting prices. Now – silence.

In conversation with farmers, factories seem to be delivering different messages regarding prices of Thompson medium and Golden medium. For example, some factories are saying USD 2200 for Thompson medium choice, while another factory is quoting USD 2600 per mt to the farmers.

All factories seem to be more confident about the future of the golden medium now. Prices are quoted between USD 2600 and USD2800 per mt. During our last report, we mentioned that there was some carryover goldens available, which made some factories nervous, and advised farmers not to make goldens, but to make Thompsons instead. That has now changed and all stock of goldens seem to have been sold.

There is rain forecast for the next three weeks along the Orange River. The volume forecast is about 50mm. The effect could be serious on the grapes that have now built sugar reserves. If there is rain, supply of raisins will be less. Western Cape has had good rain, but now things are more stable, without rain.

Redsun will have our prices finalised by end January 2022.

Updated Food Safety Documents

The updated 2022 version of BRCGS, Organic, Kosher and Halaal certificates are now available from Redsun. We will be very happy to assist in supplying same. Please contact Zanel at zanel@redsun.co.za

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