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REDSUN RAISIN REPORT #7 -2022 June
SOUTH AFRICAN RAISIN CROP

HIGHLIGHTS OF THIS REPORT

- Size of 2022 South African raisin crop
- Goldens – crop of 2022
- Chemical residue on Raisins
- Logistics from Cape Town
- Triple Technology Food Safety treatment
- Winter in South Africa
- Sales of the 2022 crop

Size of 2022 South African raisin crop

The South African raisin crop of 2022 has now reached 77,188mt as at 3 June 2022. This is according to the statistics issued by Raisins SA based on deliveries made to the 7 processing factories in South Africa.

This is 16% ahead of the adjusted estimate made on 15th February 2022 of 72,672mt after the rain started interfering with the crop. It must be remembered that the original estimate for this crop was 86,012mt.

So, the crop was surprisingly big, despite the rain. In the opinion of Redsun, if the rain had not interfered, the crop could have exceeded 90,000mt. We witnessed vast quantities of grapes destroyed on the vines and the drying facilities. We also turned away many tons of raisins because they were below commercial quality levels. That is damaged, undeveloped or clumping.

The make up of the crop is as follows (*according to statistics of Raisins SA)

Variety	SA Total Actual 2022 crop* at end May as %	SA Total Actual 2021 crop* as a %	Redsun Actual for 2022 crop as %
Thompson medium	62%	50%	52%
Golden medium	14%	21%	16%
SA Sultanas	7%	9%	5%
OR Sultanas	1%	1%	0%
Flame mediums	6%	7%	5%
Currants	4%	5%	8%
Others *	6%	7%	15%
TOTALS	77,188 mt	72,732mt	11,958mt

Notes;

1. During rain weather, farmers are nervous to make goldens due to the varying sugar content of the grapes which will cause problems in the colour of the goldens after sulphuring. Therefore, more farmers used their grapes to make Thompsons in the place of goldens in 2022.
2. Some processors (excluding Redsun) advised farmers against making goldens during the lead up of the 2022 crop (before the rain). They said the market for goldens was shrinking. Redsun does not agree. This contributed to the smaller golden crop.
3. "Others" includes Thompson, black, sultana and golden jumbos/ bolds.
4. The rain that damaged the 2022 crop, fell mainly along the Orange River. That is where 82% of the SA crop is made. Olifants River (16% of SA crop) and Namibia (2% of raisins included in the SA crop figures) had no rain.

Goldens – crop of 2022

Redsun is having some challenges with the goldens. We went out with an aggressive buying campaign to buy as many goldens as we could.

When a grape is sulphured, it tends to absorb water from humid environment. Farmers were therefore battling to dry their goldens to the required levels to deliver to processors. In some cases, they waited up to 8 weeks. And even then, it was not dry enough.

There were long delays in delivering goldens. The whole market was very short of goldens. Our competitors started offering to our farmers to take the "wet goldens", because they also needed them. The farmers were happy to sell to anyone who would take the goldens in this wet condition. Redsun had no option but to buy these wet goldens.

Wet goldens cannot be processed and packed. They must be dried first.

Redsun is now drying the goldens in special fruit drying tunnels to get the goldens dry as soon as possible. The drying rate is very slow at 4mt per 12 hours per drying tunnel. SA now has winter, so the sun is no longer strong enough to dry it. It is slow going.

Therefore, although we have product, we must process the product further to ensure we can deliver to existing orders we have. We are working at 24 hours per day to dry the product.

Realistically, it is unlikely that Redsun will have additional goldens from the 2022 crop to sell

Chemical residue on Raisins

In a rainy season, there is always mildew forming on the leaves and the fruit. The farmers manage this by spraying various products on the leaves and fruit. There are a few very effective and organic products in the market. They are expensive.

The South African raisin industry has kept farmers informed of market requirements. We go to specific detail.

Due to the sensitivity in the market, Redsun has already carried out three times the normal random testing volume on the incoming farming stock of 2022 for residue levels. We are very satisfied with the results. They do not show any deviations from the normal dry conditions.

Logistics from Cape Town

Redsun is experiencing difficulties with logistics again. This time it is securing bookings on vessels. European destinations seem to be proceeding reasonably well with a delay of approximately 10 days in Cape Town. USA is slower with a delay of roughly 17 days from packing to sailing. The vessels heading east are very slow. In some cases, Redsun has a delay of almost 30 days from packing to sailing from the transshipment port of Coega.

Triple Technology Food Safety treatment

Redsun is using three different technologies to ensure food safety. Namely

Lazer sorting

Chemical Imaging

X-ray

The raisins pass through all three technologies, immediately before packing on the washing line. We are very satisfied with the results of these three pieces of equipment. We continue to make use of metal detection which is our “critical control point” (CCP).

Please note that the new, updated product flow diagram is available for any customer that may be interested, or may require same for their own food safety system.

Winter in South Africa

While the northern hemisphere moves into Summer, South Africa is experiencing a cold winter. In the raisin producing region, early morning frost is an everyday occurrence. That is excellent news for the vines. It puts them into a state of deep rest. Ready for a new 2023 season.



Sales of the 2022 crop

69% of the Redsun 2022 crop has now been sold. This is in line with the normal rate. Production is behind on delivery of goldens. However, the problem is the moisture of the farmer's stock, and we are working hard to get through the solution.

Other varieties are being packed according to contractual timing. The next frustration is dealing with the logistics of the shipping companies.

We hope the shipping register despatched to customers by Redsun is able to provide some assistance regarding the movement of the product bought.

As at May 31st 2022, South Africa had despatched 25,473 mt of the crop, based on actual departures from the factories. These figures are 8% behind the 2021 despatches at the same time.

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