



RedSun Dried Fruit & Nuts (Pty) Ltd.
Keimoes-Upington N14, 2km, Keimoes, Northern Cape, South Africa
PO Box 767, Keimoes, 8860, South Africa
Tel: +27 (0)54 337 8660
Email: info@redsun.co.za www.redsun.co.za

REDSUN PECAN POST-2024 NEWSLETTER 3 NOVEMBER

HIGHLIGHTS OF THIS REPORT

South African 2024 pecan crop

Sale of the pecan crop from South Africa

Shipping out of Cape Town

Forecast for the 2025 crop

South African 2024 pecan crop

2024 was a record pecan crop for South Africa at 37,012 mt nut in shell (“NIS”). Figure supplied by SAPPA, “South African Pecan Producers Assoc”. The SA crop is collected from July to September each year. Pecan production does tend to fluctuate between “on years” and “off years”. This “on-off” phenomenon occurs on all pecans around the world. It is not unique to South Africa.

The trend of the SA pecan crop is increased volume, coming from plantings made by farmers 8 years previously. A pecan tree takes 8-9 years from the time of planting to bearing fruit.

If we look at the statistics of SAPPA for the young trees sold by nurseries to farmers in past years, we can understand where the growth is coming from.

Production year	New volume of NIS from viable trees planted 8 years previously, mt	Total production, including new growth mt	% Growth
2024	3,528mt	37,000mt	
2025	4,176 mt	41,176 mt	12%
2026	3,996 mt	45,172 mt	10%
2027	3,852 mt	49,024 mt	9%
2028	3,600 mt	52,624 mt	8%
2029	3,168 mt	55,792 mt	6,5%
2030	2,160 mt	57,952 mt	4%

This is a Redsun calculation. It is based on the following data

1. Time from planting the pecan tree to production 8 years
2. Production per tree is 12 kg NIS
3. Only 60% of trees sold to farmers actually develop into viable production trees,
4. This ignores trees grown by farmers in their own farm nurseries, and then planted,

This also ignores the reality that Nature will always prevail with rain, hail, heat, disease etc. that will have a role to play in production. There has been a reduction of pecan trees sold in later years to SA farmers. This could be caused by lower prices achieved by farmers, or a need for the trees to mature and the farmers to start recouping an income from their investment in pecan trees. That means, there will be a gradual slow down in crop size growth per year as a % of total crop size.

The Redsun conclusion from this information is, the facts applied are conservative in nature. Therefore, the growth of the SA Pecan crop is assured to achieve a target of at least 50,000mt by the year 2030. Redsun is happy to invest in processing capacity based on this data.

Sale of the pecan crop from South Africa

According to the statistics supplied by SAPPA, the sizes of the pecans produced in the SA crop this year were as following chart. It is clear that the majority of the pecans were larger in size. These sizes were always the pecans preferred by the Chinese buyers. The market has changed now where it seems the Chinese buyers are willing to buy all sizes of pecans produced in South Africa. The effect is that 95% of the crop has been sold to Chinese buyers.

Size NIS	Mt from 2024 crop	% of the whole crop	Number of NIS per kg
Jumbo	1607 mt	4%	100 or less
Oversize	8928 mt	24%	101 - 120
Extra Large	11,339 mt	31%	121 - 140
Large	7,789 mt	21%	141 – 170
Medium	2,516 mt	7%	171 – 210
Small	348 mt	1 %	211 - 264

The remaining volumes has been bought by Redsun and other crackers in SA. These are mainly the Large, Medium and small sizes. These are ideal for cracking to produce the mammoth whole halves, and junior mammoth whole halves.

Sales have been good, however, our factory has experienced challenges in the whole half % generated in the cracking process. We have not been able to go over the 50% of kernel to whole halves. This problem is being addressed with advice and assistance from the suppliers of the crackers out of USA.

However, the result is there are more pieces produced. Redsun is producing higher volumes of medium, large, extra large and mammoth pieces.

Redsun sales have been to Europe and Far East. We will continue to process the 1700 mt of nut in shell we have bought through to the new year.

Shipping out of Cape Town

The delays experienced by Redsun in shipping our containers has been caused by three main reasons;

1. General inefficiency in operating the ports in SA. Starting at Durban, the start of all trips to Europe and SA's biggest port. This means there is a delay of ships calling at Cape town due to serious delays in Durban. Some ships fail to call at Cape Town in order to

keep their schedule in Europe. There were delays of 17 days for ships to enter Durban harbour.

2. Once in the harbour at Cape Town, bad weather, and poor operating conditions delayed the working of the vessels. Vessels were taking 10 days to unload and load again.
3. availability of food grade containers was very limited due to the limited number of incoming vessels. Arriving cargo is the most important source of food grade containers to be used for export.

How do we see the shipping situation going forward? As the warmer weather approaches, severe weather disruptions and storms at sea becomes less frequent. Therefore, this will help until June 2025. Then weather will once again interfere.

Various food exporting industry groups have held discussions with the SA Government port operators. Assistance is being given to ensure improvements,

1. to the loading crane movement frequency, to improve from 3 movements per hour to the international average of 21 movements per hour. They are now at 15 movements per hour.
2. the infrastructure to move unloaded containers away from the vessel and bring in containers from the loading stacks, by acquiring 32 specialized vehicles, with drivers, spare parts and maintenance work shop, and
3. motivational structures to encourage operators to improve the speed of container vessel turnaround.

Forecast for the 2025 crop

The new crop is already starting, and we can see the fruit set on the trees. The farmers are very optimistic of a good quality, new record crop.

There remains a long time that we must go through before harvest. However, the fruit set is an important stage. Water in South Africa is more or less assured because 74% of the pecan trees are irrigated with good sources of water from the two major rivers in South Africa, the Vaal River and the Orange River.

The estimates we are hearing is a crop of 40,000 for 2025. We hope these estimates turn to reality.

Peter Kuilman

Mobile +27 (0)82 283 6744

peter@redsun.co.za

website : www.redsun.co.za