



**Meat Board
Of Namibia**

MARKET WATCH

BEEF & PORK MAY 2023

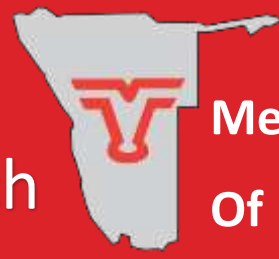
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BEEF Monthly Market Watch



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March 2023 Review

Livestock exports recorded a 5.39% growth from 12 458 heads of cattle exported in March. Export abattoirs however, recorded a decline of 2.18% during the month of April from the March level of 8 142 heads slaughtered. The all-grade carcass price increased by 3.03% to N\$54.69/kg in April, whereas the B2 Prices declined by 3.09% from the March price level of N\$62.53/kg. The weaner auction prices remain on a rapid decline from N\$38.17/kg received in January to N\$24.92/kg received in April.

WEANER AUCTION PRICE

SVCF

N\$24.92/kg

NVCF AUCTION PRICES

Tollies – N\$17.32/kg
Heifers – N\$17.87/kg
Weaners – N\$35.74/kg

B2

CARCASS PRICE

N\$60.60

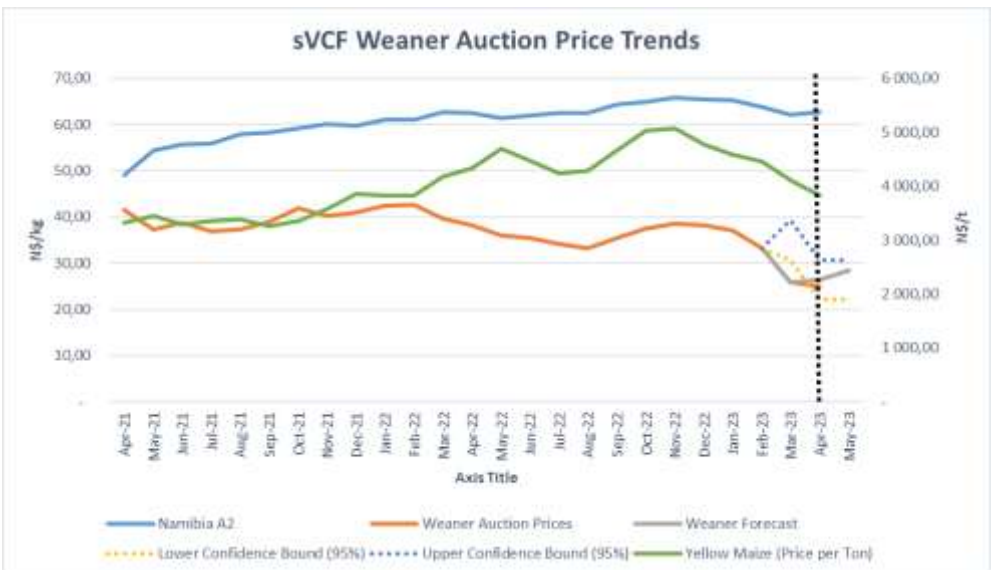
WEANER/B2 PRICE RATIO

41%

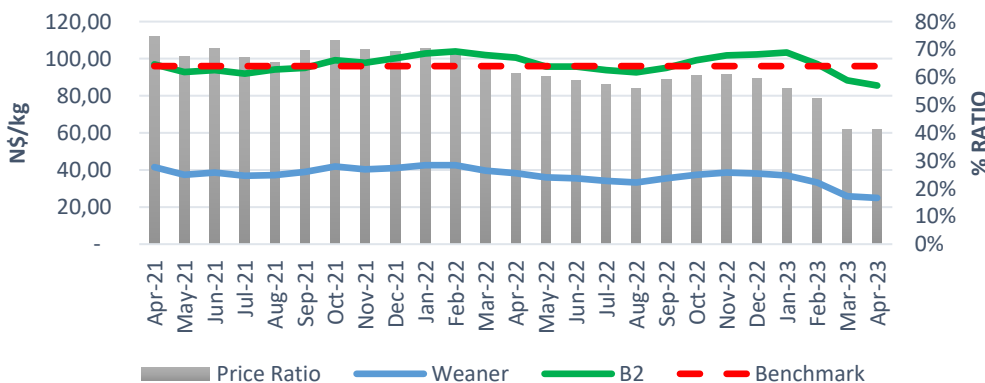
Weaner prices have drastically declined from the December price N\$37.18/kg to N\$24.92/kg in April 2023.

This decline is due to low rainfalls experienced throughout the country causing higher supply at auctions and in return lower prices for farmers.

A2 prices however experienced a 1% increase from the previous month's producer price.



WEANER/B2 PRICE RATIO



The Weaner/B2 price ratio remains at 41% for April 2023. This is 23% lower than the benchmark ratio of 64%. This trend reflects weaner prices that are falling at a faster rate than the corresponding declining slaughter price level.

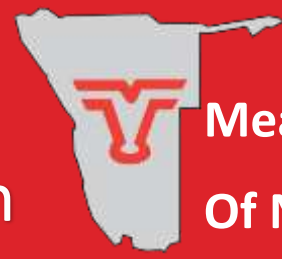
Prices are expected to remain low in the following months due drought-induced supply.

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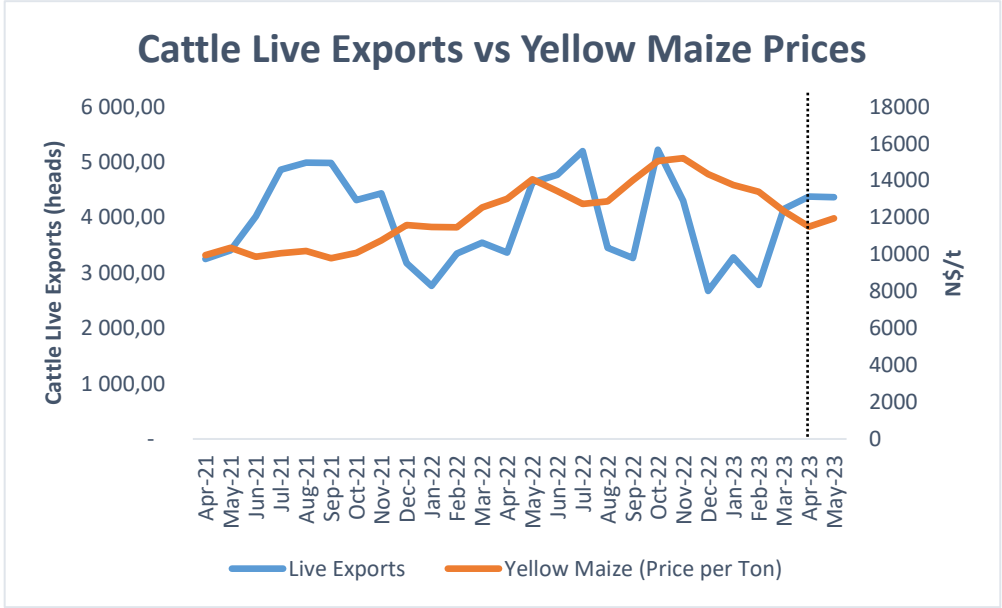
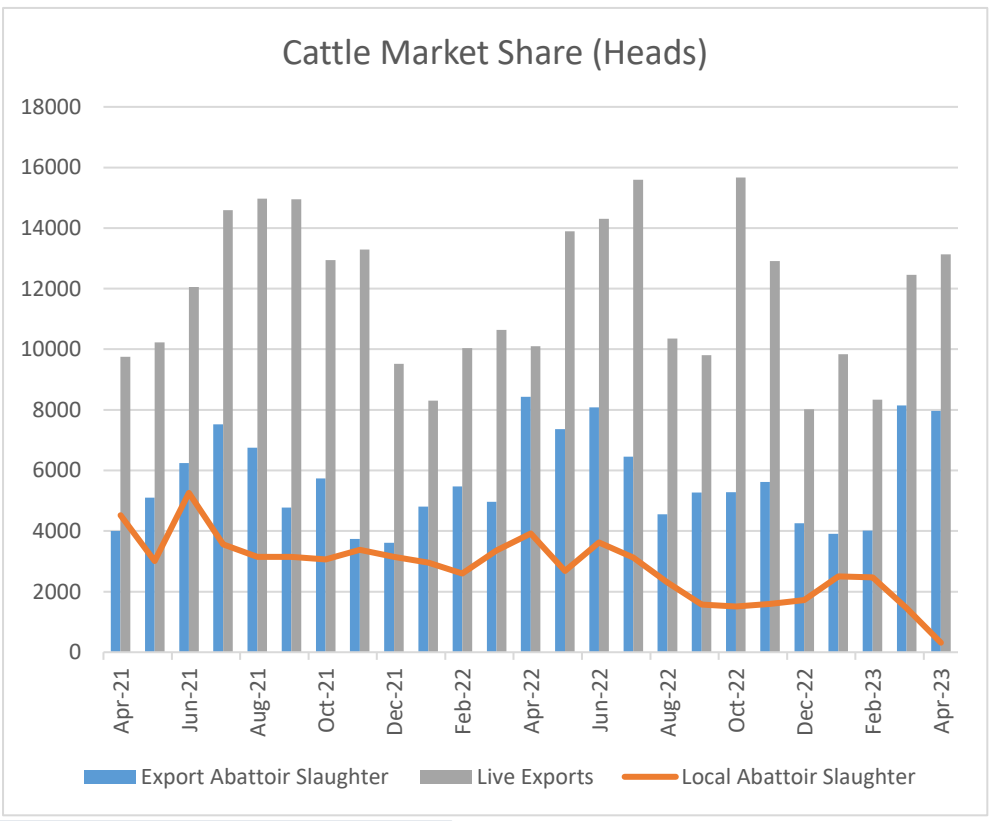
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Producer Prices (Excl. Vat) - N\$/kg							Forecast
Month	Apr-22	Jan-23	Feb-23	Mar-23	Apr-23	ΔY-O-Y %	May-23
Weaner Auction Price	38.25	37.12	33.29	25.81	24.92	-34.85	25.76
Slaughter Oxen Auction Price	30.02	33.56	33.09	27.92	27.88	-7.13	27.03
Class B2 (NAM)	62.27	66.22	63.79	62.53	60.60	-2.68	61.07
Class B2 (RMAA)	53.20	54.48	50.37	49.97	52.26	-1.76	53.31
All- Grade Carcass Price	60.44	61.14	61.94	53.08	54.69	-9.51	55.02

Live Cattle Exports (mainly weaners) increased from the 12 458 heads exported in March to 13 129 heads exported in April 2023. This trend is expected to remain relatively stable in May and then pick up between June and August due to seasonal influences.

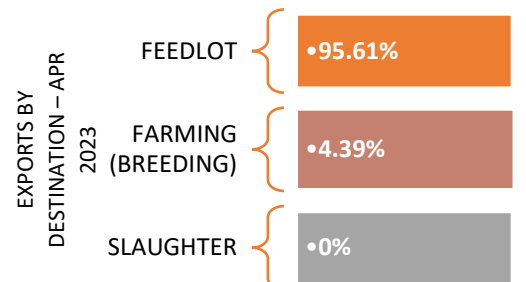
The number of cattle slaughtered at export abattoirs declined by 2.19% from 8 142 heads slaughtered in March to 7 964 April. This decline is due to less slaughter days at Beefcor due to public holidays and maintenance in April. Slaughter at export abattoirs are expected to increase between May and July and normalize in August 2023.

The number of cattle auctioned sVCF in April is 26.95% lower than the 21 010 recorded in March and is 2.79% lower than a year ago. Anticipations are that May will trend sideways and will pick up throughout the year.



SAFEX Feed prices have consistently remained below N\$5 000/ton for yellow maize since November 2022 and is expected to follow on this trend throughout 2023. This is due to higher than normal expected local and international supply levels.

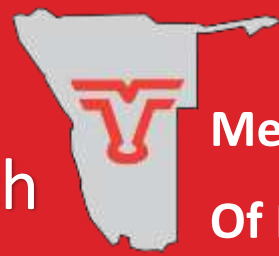
This decline encourages an increase in weaner exports to South African feedlots.



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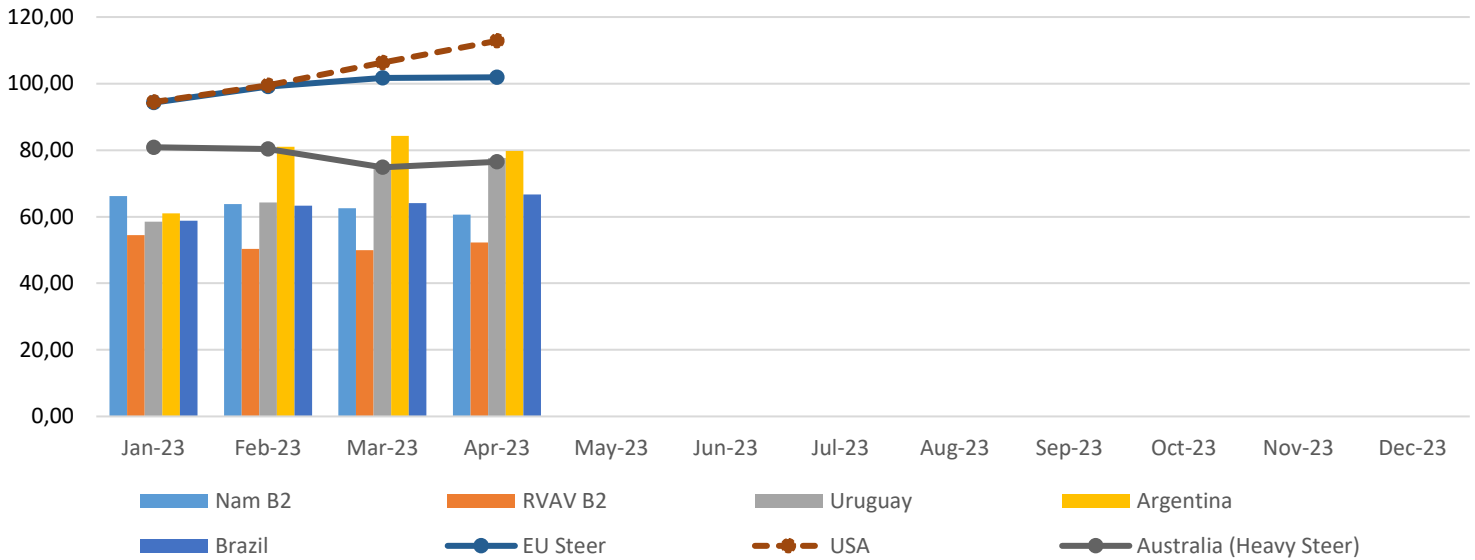


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International Price Comparisons: N\$/kg



USA producer prices has been on an increase due to drought conditions that have led to a decline in market ready cattle during the first quarter of 2023. Prices have increased by 8.07% from the N\$94.28/kg recorded in January 2023. Prices are expected to escalate during the second quarter due to tighter supply reserves. Inventory for boneless beef cuts were also recorded to be 10.5% lower than a year ago, and have shifted to bone-in cuts due to escalating producer prices. It is expected that sales of bone-in products are expected to increase during May.

On the other hand, EU Producer prices slightly increased due to a slow down experienced in slaughter markets. April prices remain N\$41.29/kg higher than the Namibian producer price (subsidy included in EU Price) and is expected to trend upwards due to seasonal influences.

Australian producer prices improved by N\$1.65/kg during April due to growing demands from Asia and North America. This increase in process however, are lower compared to previous price levels. Markets are hopeful that these demands will increase production however expected El Nino weather conditions may influence future slaughter.

Beef Producer Prices: Beef Market – Namibia (N\$/kg)

	Apr-2023	% Δm/m	% Δ y/y	Mar-2023	Feb-2023	Jan-2023
Class A	56.17	-10.72	-10.11	62.92	64.03	64.04
Class AB	56.26	-10.18	-10.26	62.64	63.45	64.68
Class B	61.09	15.94	-2.11	52.69	64.12	63.71
Class C	60.36	9.40	-1.56	55.17	65.00	62.74

Seasonal Indicators	May-23	Jun-23	Jul-23	Aug-23
Livestock Exports	Yellow	Green	Green	Green
Local Abattoir Slaughter	Yellow	Green	Red	Red
Export Abattoir Slaughter	Yellow	Green	Green	Yellow
NAM B2 Carcass Price	Yellow	Yellow	Yellow	Yellow
Weaner Price	Yellow	Red	Red	Yellow
Decline	Growth	Steady		

APRIL AVERAGE RETAIL CARCASS PRICE

(KHOMAS)

96.30/kg (excl. VAT)

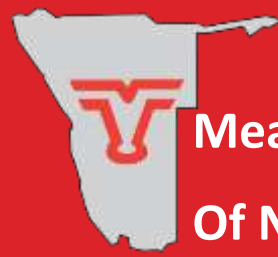
Avg. all-grade carcass mass – 258.97 kgs

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Pork

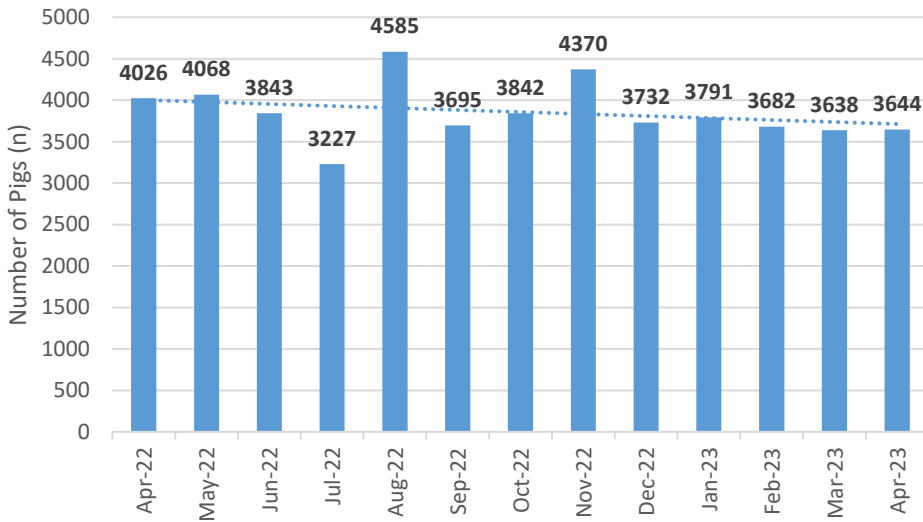
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Local pork slaughter trended sideways recording only a 0.16% improvement in the number of head slaughtered at local abattoirs. The Namibian pork ceiling price remains fixed at N\$51.03/kg whereas the South African prices currently stand at N\$30.27/kg.

Butchers Slaughter Trends - Namibia (n)



The number of pigs slaughtered at local abattoirs currently stands at 3 644 heads at the time of this publication. This is 9.49% lower than a year ago where over 4 000 pigs were slaughtered. Notably, the number of local abattoirs that slaughter pork have also declined by 57.14% despite the current short of pork in the country due to the import ban.

Local Slaughter of Pigs – (n)

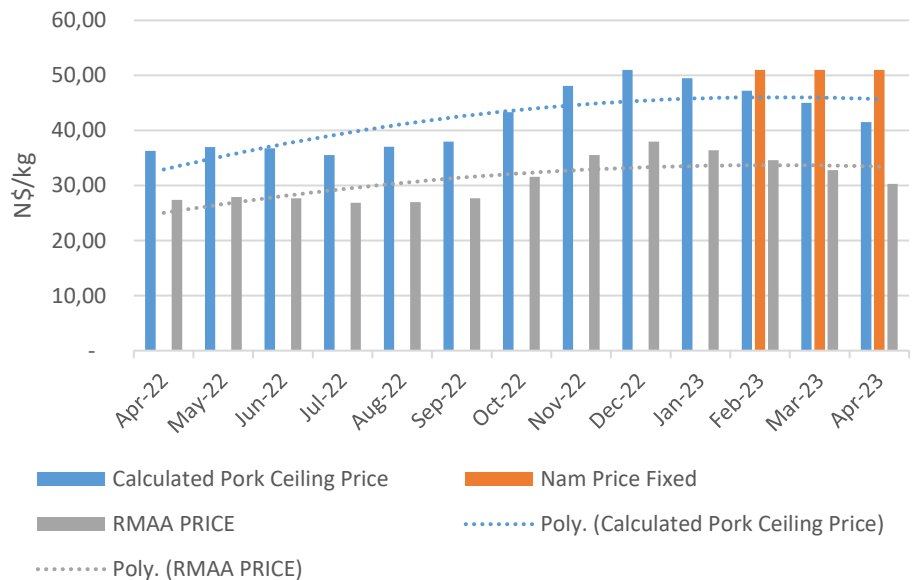
Apr-22	Apr-23	% Δm/m	% Δy/y
4 026	3 644	0.16	-9.49

The Pork Ceiling Price has been fixed to N\$51.03/kg as a mitigation strategy to counter the negative effects of the dwindling RMAA pork price, the current benchmark price for Namibia's pork ceiling price calculation.

The trend shows that RMAA prices have continued on their downward trend since the start of the year.

South African prices although having been on a downward trend since December 2022 have stabilised around N\$30.00/kg and are expected to trend sideways in May.

Nam Pork Ceiling Price v RMAA Price (N\$/kg)



SAFEX Feed Prices: N\$/tonne

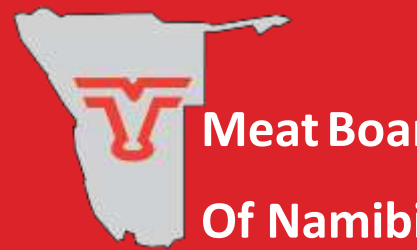
	Apr-2023	% Δ m/m	% Δ y/y	Mar-2023	Feb-2023	Jan-2023
Sunflower	8 693.53	-10.96	1.78	9 764.13	11 057.20	11 783.77
Soya Beans	7 875.68	-13.32	9.65	9 086.26	9 814.60	10 121.14

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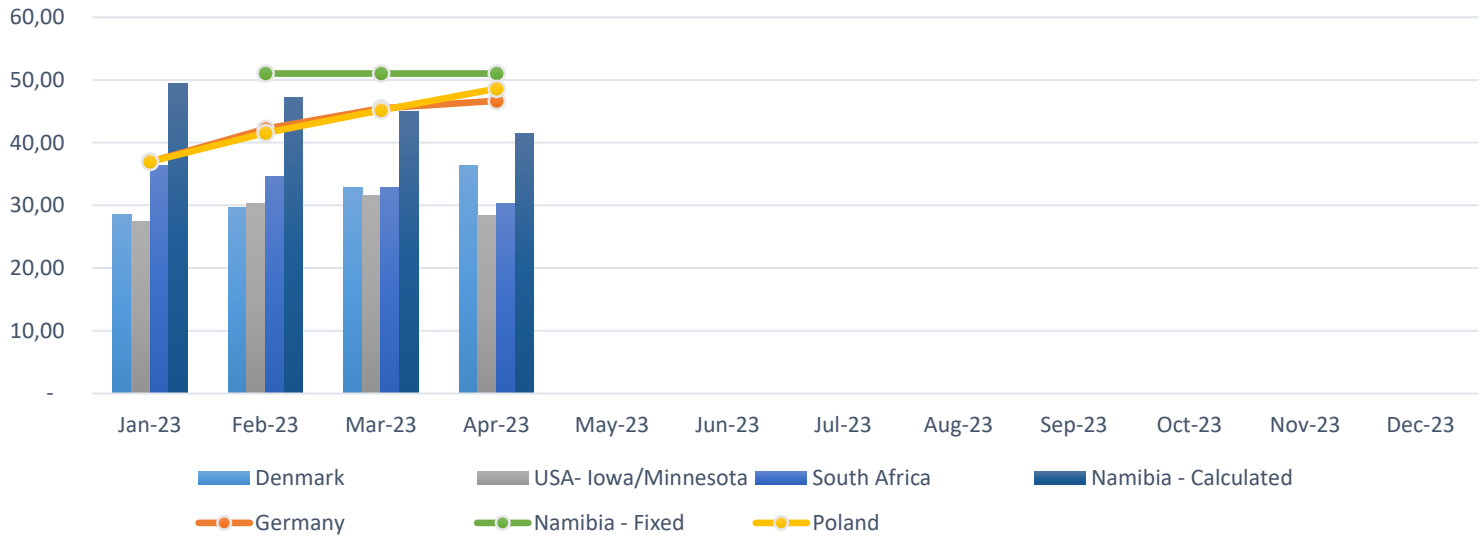


Pork

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Average Int. Producer Carcass Price Comparison - N\$/kg



Denmark, an export oriented pig producing country, experienced an N\$3.61/kg increase in producer prices during the month of April from the March price of N\$32.78/kg. Similar trends can be seen in Germany, where prices have trended sideways growing by 2.61% to N\$46.68/kg in April. The EU prices are influenced by reduced supply due to ongoing issues from African swine fever.

Additionally, prices in Poland have also been on an increase due to a decline in pig production. Other factors that have played a role in the increase of Polish prices is the increase in procurement prices since February. It is important to note that pig producers in the European region are heavily legislated for environmental and animal welfare reasons and this may increase production costs to uphold standards. It is known that an increase in production costs can reduce production, which may be a reason for the decline in supply and an increase in price.

USA prices however have experienced a slight decline in their producer price dropping by N\$3.13/kg during the month of April. These prices however have remained steady fluctuating around N\$31.28/kg. An increase in pig inventory as well as local slaughter experienced between December and February have contributed to a downward pressure on prices.

NAMIBIA PORK TRADE SNAPSHOT

APRIL 2023

639 410

Import Volume (kg)

9

Import Countries

1321

Export Volume (kg)

1

Export Countries

PORK TAILS

85 380

Top Product Imported (kgs)

Processed Pork

1 231

Top Product Exported (kgs)

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