



**Meat Board  
Of Namibia**

# **MARKET WATCH**

## **Beef & Pork August 2023**

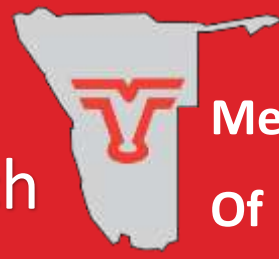
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# BEEF Monthly Market Watch



**Meat Board  
Of Namibia**

## July 2023 Review

Livestock exports grew by 24.79% from 12 482 heads of cattle exported in June. Export abattoirs on the other hand experienced a 30.26 decline from the 15 345 heads slaughtered in June to 10 701 heads slaughtered in July. Producer prices increased in all AB, B and C class categories along with the sVCF weaner auction prices increasing by 12.52% increase in July. Improvements have also been seen in the NVCF auction prices with Tollies increasing by 47.59% from the June price level of N\$15.15/kg and Heifer prices increasing by 16.77% from the June prices level of N\$22.36/kg.

### WEANER AUCTION PRICE

SVCF

N\$26.42/kg

### NVCF AUCTION PRICES

Tollies - N\$22.36/kg

Heifers -N\$26.11/kg

B2

CARCASS PRICE

N\$60.93/kg

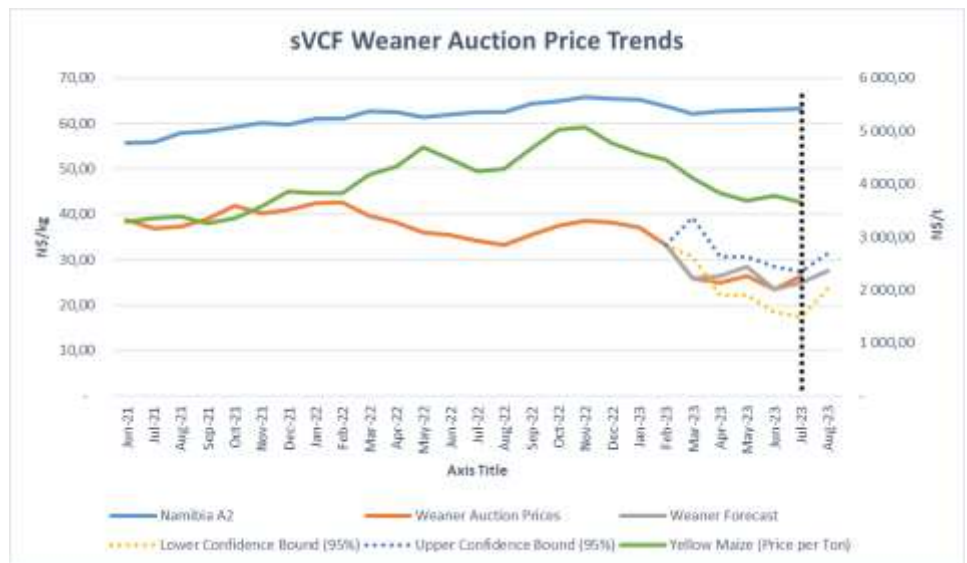
### WEANER/B2 PRICE RATIO

RATIO

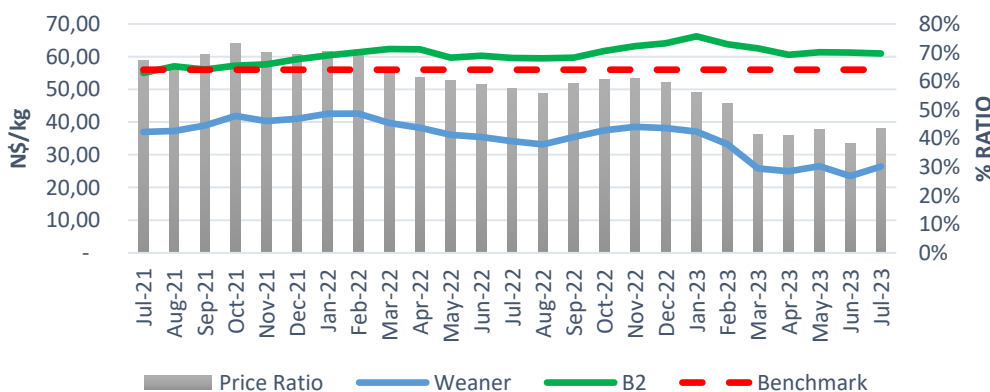
43%

Weaner prices have picked up during the month, and is expected to remain steady around N\$26/kg for the month of August. This increase is mainly attributed to a decline in the number of weaners auctioned during the month of July, dropping by 85.63%.

South African weaner prices however, saw a 1.78% increase during the month of July. This is due to an improvement in demand from feedlots, due to lower levels of load shedding.



## WEANER/B2 PRICE RATIO



The Weaner/B2 price ratio increased to 43% during July 2023. This is 21 percentage points lower than the benchmark ratio of 64%. This has relatively increased compared to the previous month's ratio of 38%. This increase is due to the improvement in weaner auction prices.

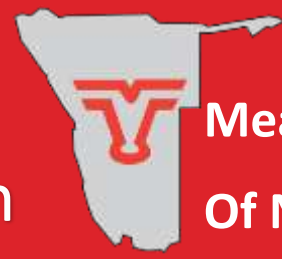
Weaner prices are expected to remain steady between August and October.

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# BEEF

## Monthly Market Watch



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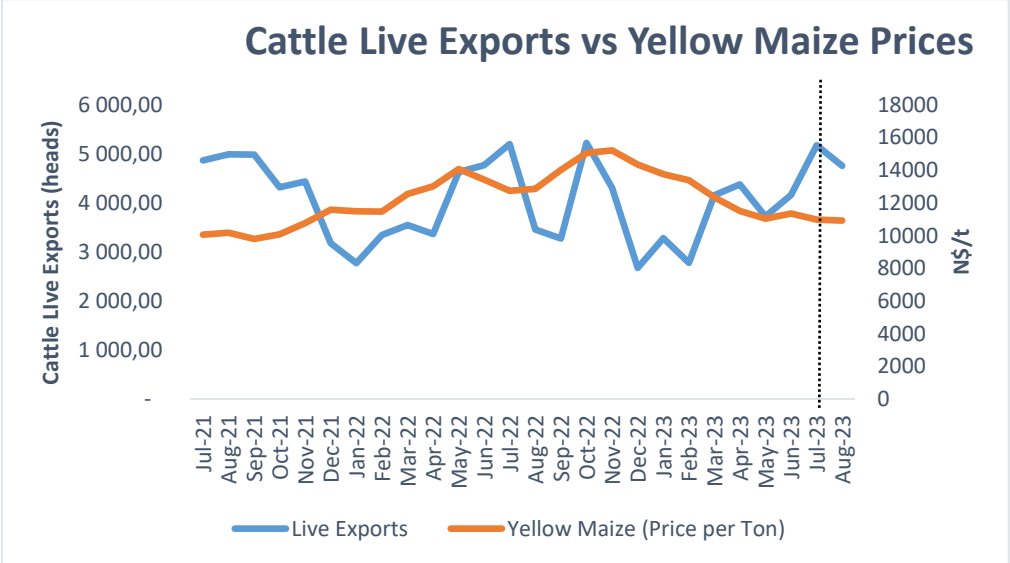
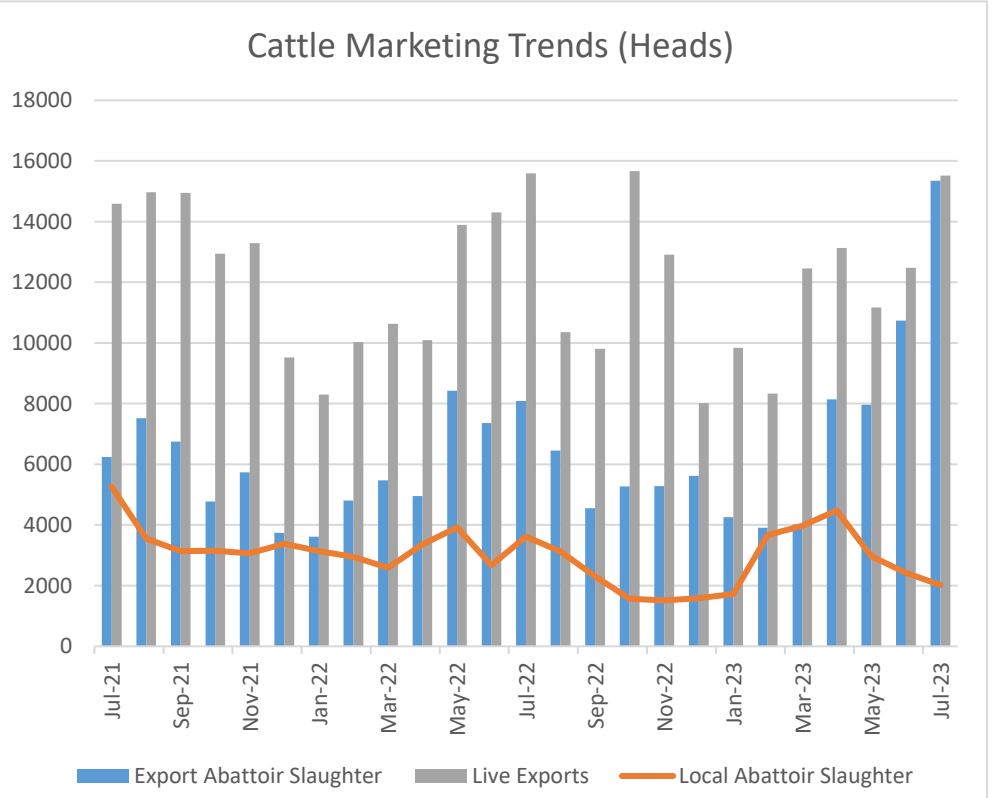
Producer Prices (Excl. Vat) - N\$/kg							Forecast
Month	Jul-22	Apr-23	May-23	Jun-23	Jul-23	Δ y/y %	Aug-23
Weaner Auction Price	34.18	24.92	26.51	23.48	26.42	-22.70	26.60
Slaughter Oxen Auction Price	28.71	27.88	27.56	27.55	26.68	-7.07	29.55
Class B2 (NAM)	59.60	60.60	61.33	61.26	60.93	2.23	61.02
Class B2 (RMAA)	55.55	52.26	47.89	46.62	48.23	-13.17	50.56
All-Grade Carcass Price	60.19	54.69	60.81	59.61	60.26	0.11	60.78

**Live Cattle Exports (mainly weaners) grew from the 12 482 heads exported in June to 15 577 heads exported in July 2023. This is 0.10% more than the number of cattle exported in June 2022.**

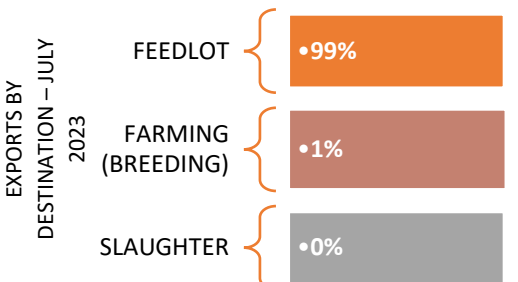
**This increase could be a result of improved demand for weaners from RSA Feedlots. 99% percent of live exports were exported to feedlots in South Africa and 1% went for farming and breeding purpose.**

**The number of cattle slaughtered at export abattoirs declined from the 15 345 slaughtered to 10 701 in July. This is 65.8% more than what was slaughtered at export abattoirs in 2022.**

**This could be influenced by drought induced supply, influenced by low rainfall experienced during the 22/23 rain reason.**



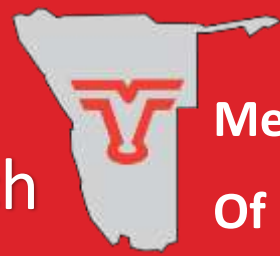
**SAFEX Feed prices have consistently remained below N\$5 000/ton for yellow maize since November 2022 and are expected to follow on this trend throughout 2023. This is due to higher than normal expected local and international supply levels. The decline is also attributed to increased export to China, which relieved some pressure on the Rand.**



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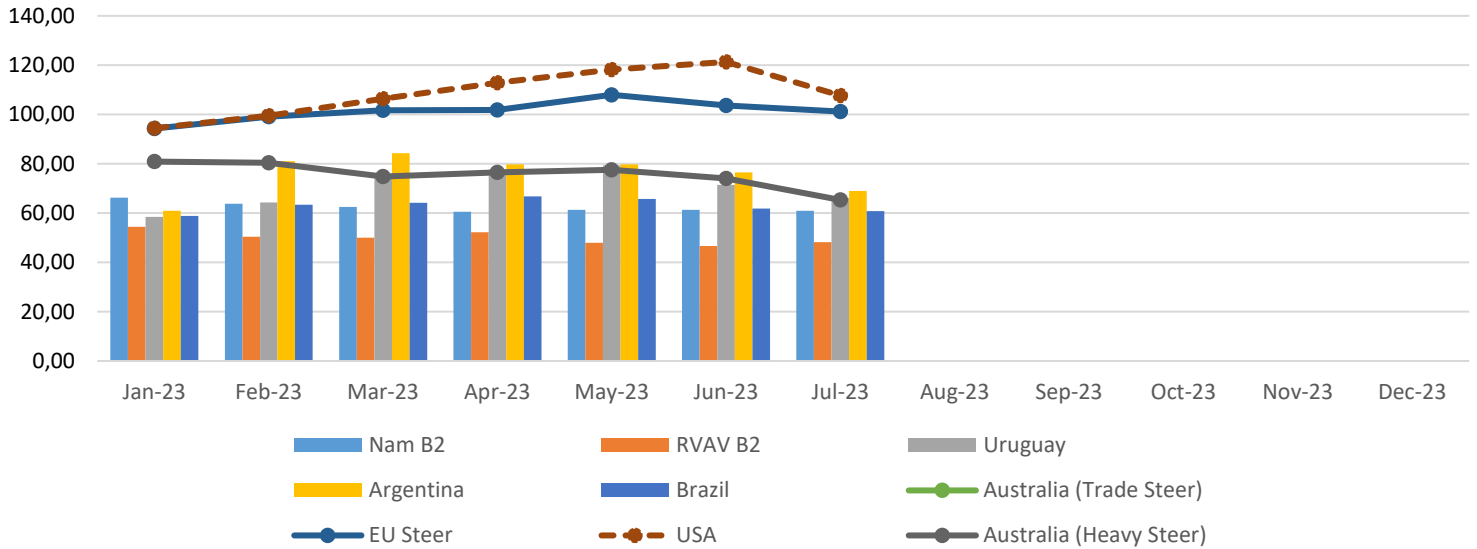


# BEEF Monthly Market Watch



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International Price Comparisons: N\$/kg



The US witnessed a decline in prices from N\$121.30/kg recorded in June to N\$107.70/kg in July. The decline in prices is attributed to the oversupply of cattle within the local market due to ongoing drought experienced throughout the US. According to a USDA Biennial report, US beef cow inventories are down 2.6% compared to a year ago. The number of calves produced are expected to decline further until early next year. It is expected that cattle slaughter will sharply decline in 2024 due to calf retention for herd rebuilding.

Brazil prices moved sideways between June and July, from \$3.30/kg to \$3.35/kg. The drop in exchange rate however, records it as a loss in Namibian dollar. However, the past months have seen an increased interest from Chinese buyers due to supply disruptions in Argentina and Uruguay. Argentinian producer prices have been on a decline since March 2023, due to drought conditions.

EU prices experienced a muted decline of N\$2.44/kg from the June price level of N\$103.63/kg to N\$101.19/kg in July. This is due to the market finally stabilizing following high demands for Irish Cattle, which pushed up prices during the first half of the year. Australian prices on the other hand have been on a decline since May 2023 dropping by N\$12.20 between May and July 2023. This is due to an increased slaughter.

Slaughter in Australia is anticipated to increase for the remainder of the year and early next year should El Nino conditions persist.

South African prices have increased by a modest margin during the month of July, but was recorded N\$12.41/kg lower than the Namibian B2 Price.

The increase could be attributed to the decline in load shedding intensity, livestock processors and operators may increase the demand for beef and beef cattle.

Seasonal Indicators	Aug-23	Sep-23	Oct-23	Nov-23
Livestock Exports	Green	Yellow	Green	Green
Local Abattoir Slaughter	Red	Yellow	Yellow	Green
Export Abattoir Slaughter	Yellow	Yellow	Red	Yellow
NAM B2 Carcass Price	Yellow	Yellow	Yellow	Red
Weaner Price	Yellow	Yellow	Yellow	Yellow
<b>Decline</b>	<b>Growth</b>	<b>Steady</b>		

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

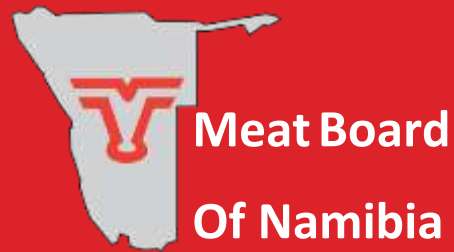
	Jul-23	% Δ m/m	% Δ y/y	Jun-2023	May-2023	Apr-2023
Class A	64.20	1.63	3.73	63.17	62.75	56.17
Class AB	63.21	0.20	2.66	63.08	63.56	56.26
Class B	62.09	1.60	1.77	61.11	62.55	61.09
Class C	58.26	1.71	-3.23	57.28	60.66	60.36

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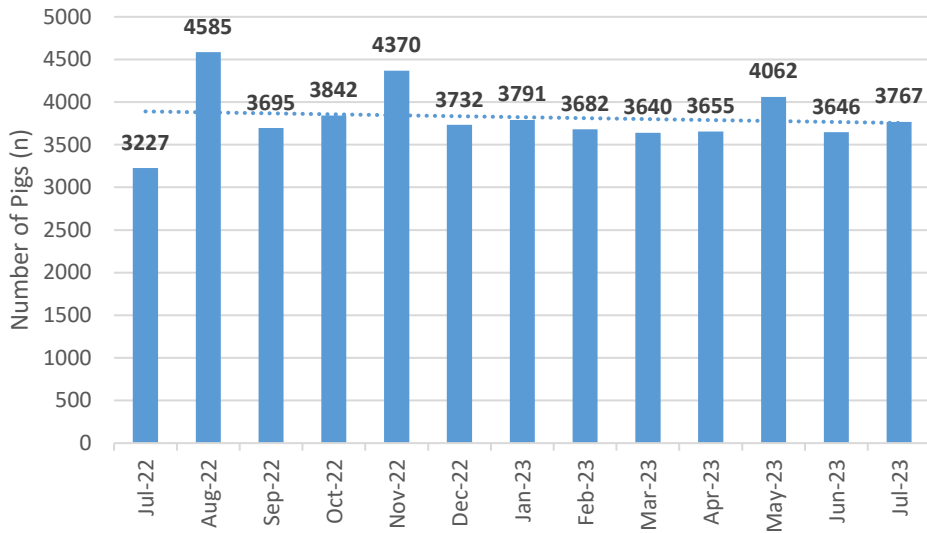
# Pork

## Monthly Market Watch



Local pork slaughter recorded a 8.75% decline in the number of pigs slaughtered at B & C- class abattoirs from the June level of 3 646 to 3 767 in July. The Namibian pork ceiling price remains fixed at N\$51.03/kg whereas the South African prices currently stands at N\$30.23/kg.

B & C Class Abattoir Slaughter Trends - Namibia (n)



The number of pigs slaughtered at local abattoirs for July 2023 stood at 3 767 heads at the time of this publication. This is 16.73% higher than a year ago where 3 227 pigs were slaughtered during the same month.

Despite the current shortage of pork in the country due to the import ban from South Africa, the number of formal pork producers remain low causing retailers and processors to source from overseas markets.

Local Slaughter of Pigs – (n)

Jul-22	Jul-23	% Δm/m	% Δy/y
3 227	3 767	8.75	16.73

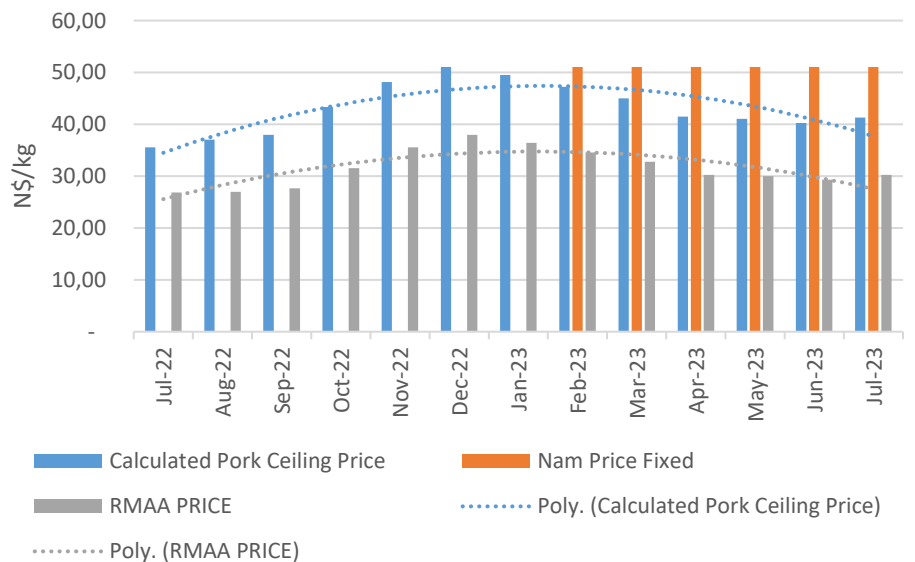
The Pork Ceiling Price has been fixed to N\$51.03/kg as a mitigation strategy to counter the negative effects of the dwindling RMAA pork price, the current benchmark price for Namibia's pork ceiling price calculation.

The RMAA price currently stands at N\$30.23/kg, increasing by 3.03% from the June price level of N\$29.34/kg.

The increase in the pork producer prices in RSA is linked to a light ease in costs due to a reduction in the intensity of load shedding and feed (yellow maize particularly) prices, leading to a slight ease on costs throughout the chain.

It is expected that pork prices will increase slightly in the coming months paired with the increase in red meat prices.

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



SAFEX Feed Prices: N\$/tonne

	Jul-23	% Δ m/m	% Δ y/y	Jun-2023	May-2023	Apr-2023
Sunflower	9 124.14	8.82	-11.35	8 384.59	8 342.22	8 693.53
Soya Beans	8 624.38	10.23	4.52	7 824.14	7 659.52	7 875.68

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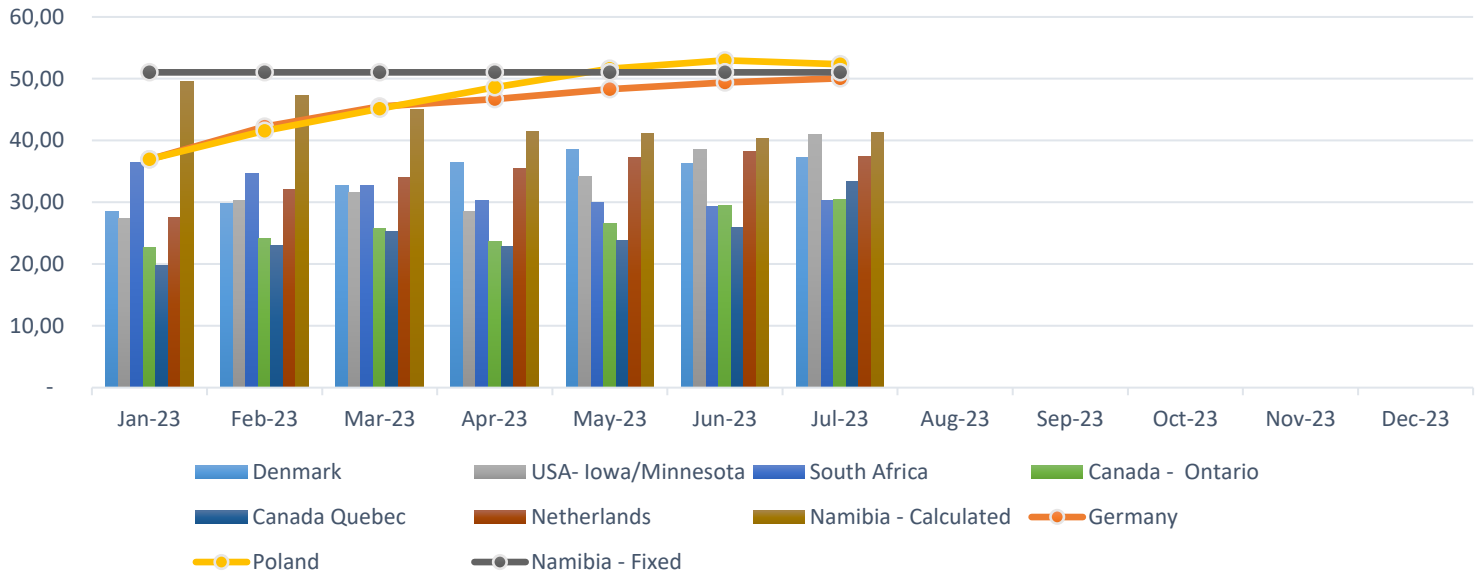
# Pork

## Monthly Market Watch



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



European producer prices remain at record high levels with Poland receiving the highest price during July 2023. Although a slight decline was witnessed in the Polish producer prices, the EU still faces continued declines in pig. Not only have the population of pigs been declining all over Europe, but Poland experienced two new outbreaks of African Swine Fever during July 2023.

Denmark saw producer prices increase from N\$36.29/kg to N\$37.26/kg during the month of July. Additionally, Germany also witnessed an increase their producer prices, this driven by the decrease in pork supply. The decline in supply is due to the lack in profitability which farmers are facing increasing feed and fuel costs and the regulatory pressures from government to maintain better husbandry conditions.

USA prices have increased from the June price level of N\$38.60/kg to the July price level of N\$41.01/kg due to changes in marketing strategies, where producers are limiting supply by marketing pigs at lighter-than-usual weights in an effort to reduce financial losses. This however is expected to change later in the year with production increases anticipated, which may drive prices lower.

Furthermore, Canada experienced improved prices for producers, however are still experiencing high costs which hinder production. One of the largest processors, Olymel has announced plant and internal production closures, which will shrink the pig herd.

## NAMIBIA PORK TRADE SNAPSHOT

JULY 2023

**337 853**

Import Volume (kg)

**5**

Import Countries

**4 990**

Export Volume (kg)

**2**

Export Countries

### Pork Tail Bones

**75 010**

Top Product Imported (kgs)

### Frozen Processed Pork (cooked)

**4 990**

Top Product Exported (kgs)

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