

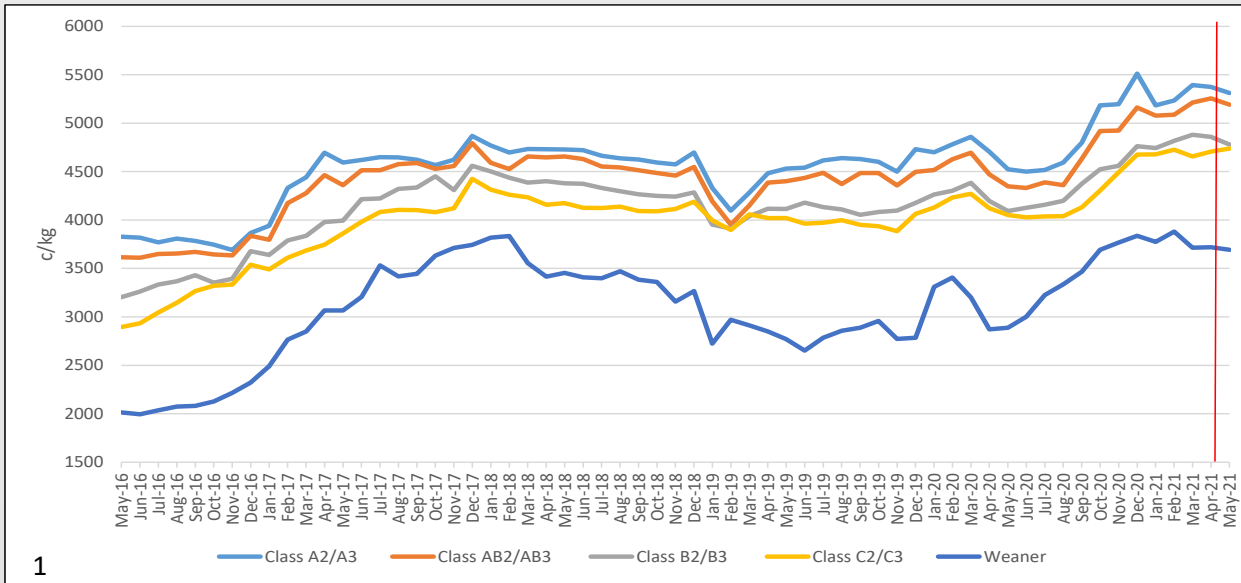
Monthly Report



Beef and Mutton

April 2021

Domestic: Weaner and carcass prices (1)



1

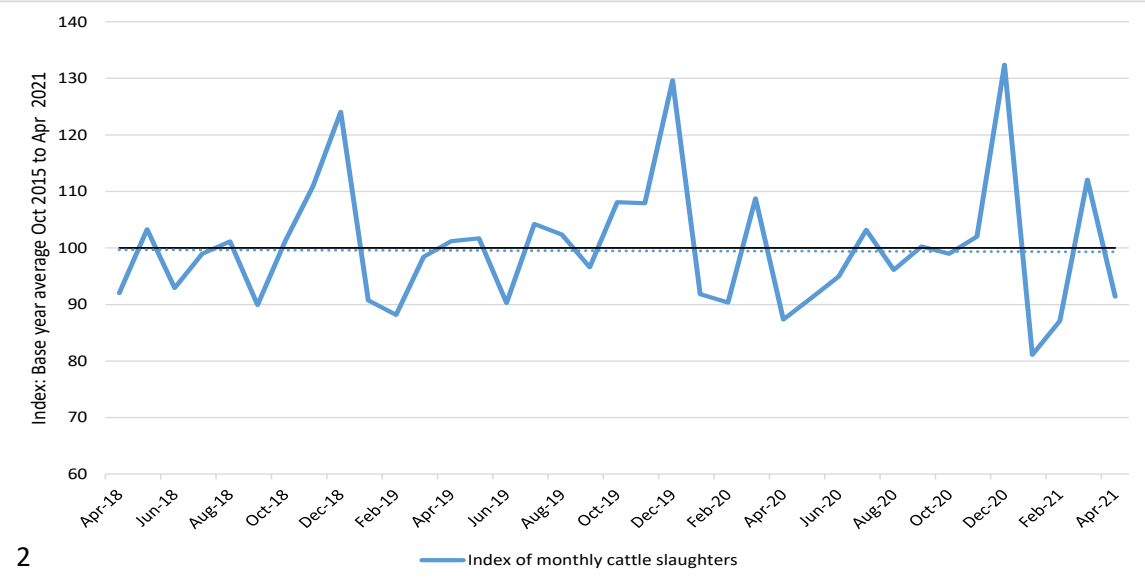
Class	Apr-20	Mar-21	Apr-21	Apr 20 to Apr 21	Mar 21 to Apr 21
Class A2/A3	4703	5393	5375	14.3%	-0.3%
Class AB2/AB3	4471	5212	5255	17.5%	0.8%
Class B2/B3	4197	4880	4858	15.7%	-0.4%
Class C2/C3	4121	4656	4707	14.2%	1.1%
Weaner	2870	3714	3720	29.6%	0.2%
Average				18.3%	0.3%
YM	2785	3331	3321	19.2%	-0.3%

*Weaner prices used in calculations excludes sales commission

- Weaner prices increased slightly from March to April (0.2%) the price is expected continue on this trend towards the end of May as demand declines due seasonal changes.
- On average carcass prices are 15.5% higher year-on-year while weaner prices are 29.6% higher compared to the same time last year.
- Carcass prices (A2/A3) are slightly lower (0.3%) since March and it is expected to decline towards the end of May following the trend in weaner prices.

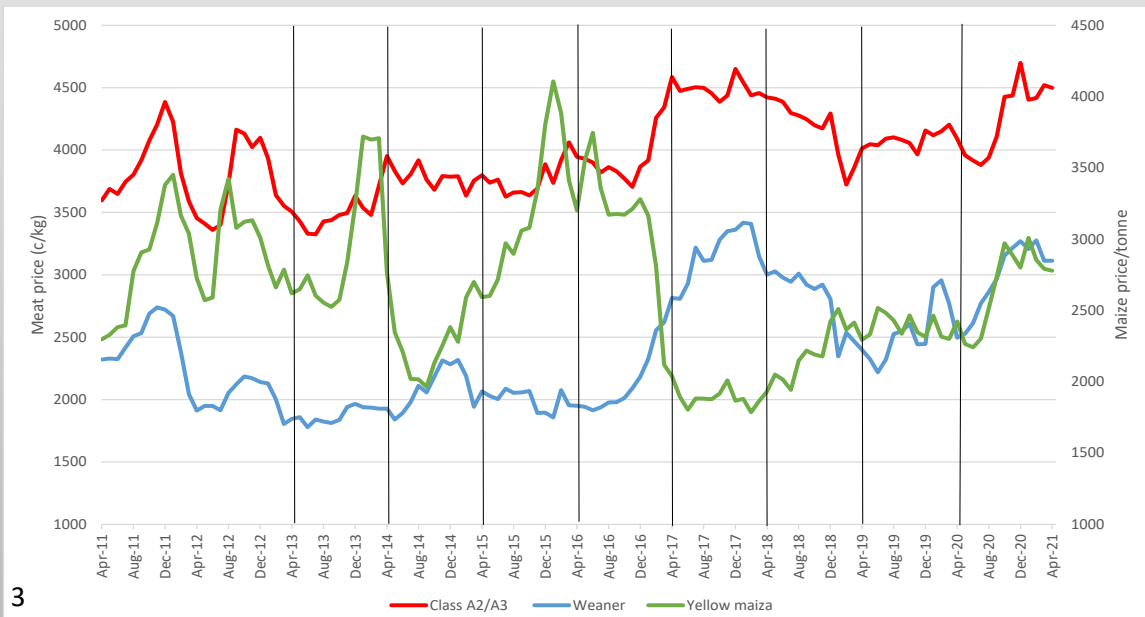
- The yellow maize price traded 0.3% lower during April and averaged R3321/tonne during this time.
- Maize prices are expected to increase during the short term as dry conditions in certain regions might have a negative influence on expected volumes.
- Remaining dry conditions in the USA can cause lower supply internationally that will increase international as well as domestic grain prices.

Domestic: Slaughter index (2) and real prices (3)



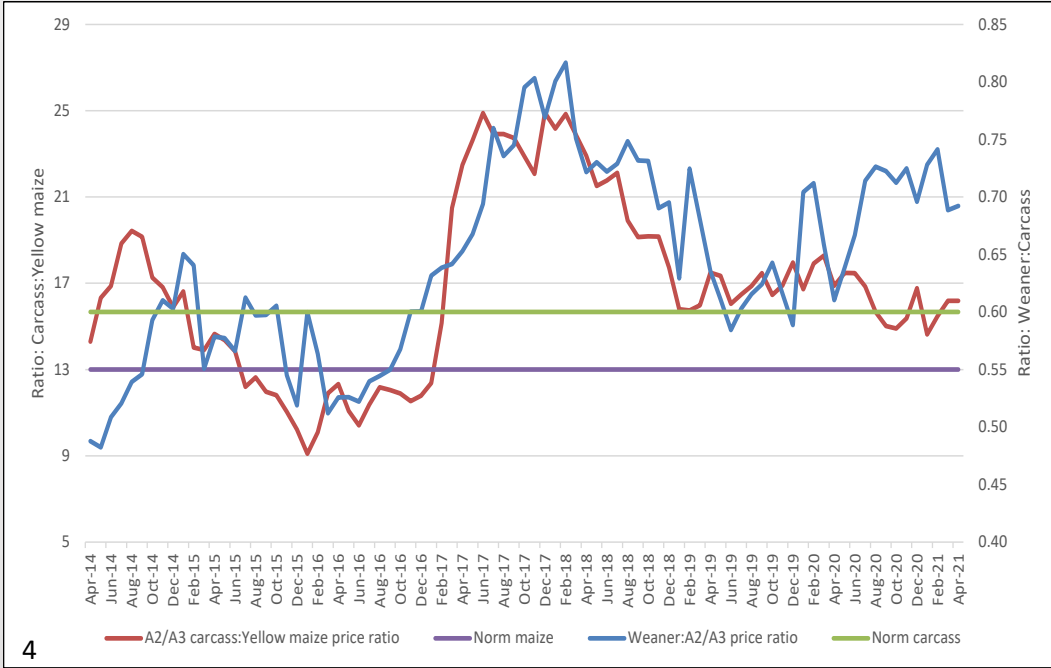
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- Aggregate commercial slaughter numbers decreased by 20.7 index points form March to April.
- Slaughter numbers are expected to increase towards the end of May.



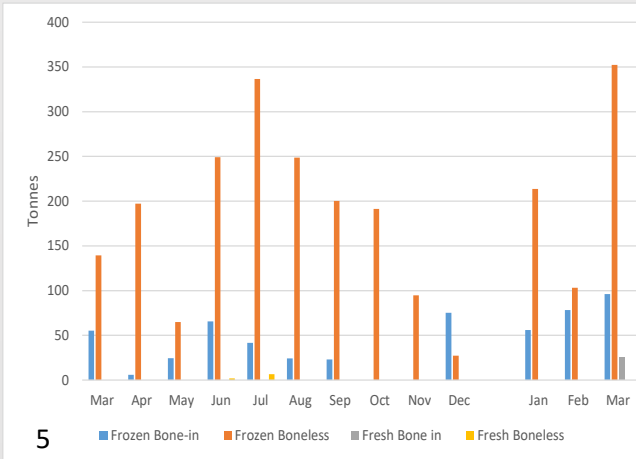
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Domestic: Carcass: Yellow maize and Weaner: Carcass price ratio's and carcass price ratio's (4)

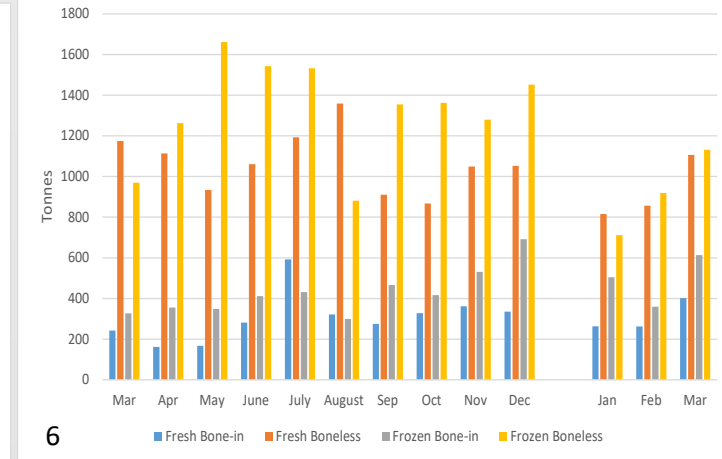


- Weaner prices increased slightly towards the end of April (0.2%) while the A2/A3 carcass price declined (0.3%) during the same time.
- Weaner prices are expected to decline during the short term as demand is starting to decline slightly due to seasonal changes.
- The increase in the weaner price during March combined with a small decrease in the A2/A3 carcass price resulted in a weaner:carcass price ratio of 0.69; which is higher than the long term average ratio of 0.60.
- The lower yellow maize price in combination with little movement in the A2/A3 carcass price resulted in the same maize to carcass price ratio of 16.2.
- The ratio is expected to remain on these levels during the short run as carcass prices as well as weaner prices are expected to decline slightly towards the end of May.

Trade: Fresh and Frozen beef imports (5), fresh and frozen beef exports (6), live cattle imports and exports (7) and international steer prices (8).

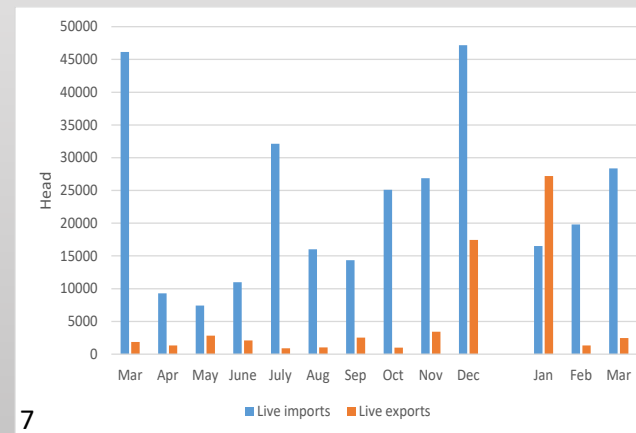


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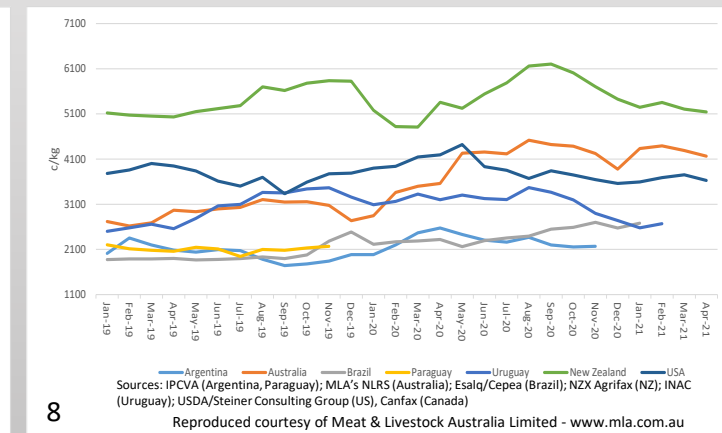


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- Frozen boneless imports increased (241%) from a low base of 103 tonnes during February to 352 tonnes imported during March.
- Total fresh exports increased (34.7%) to a total of 1508 tonnes of fresh meat exported during March.
- Frozen exports (international markets) increased by 36% from February with a total of 1744 tonnes exported during March.
- The current export ban due to FMD still negatively affect exports.



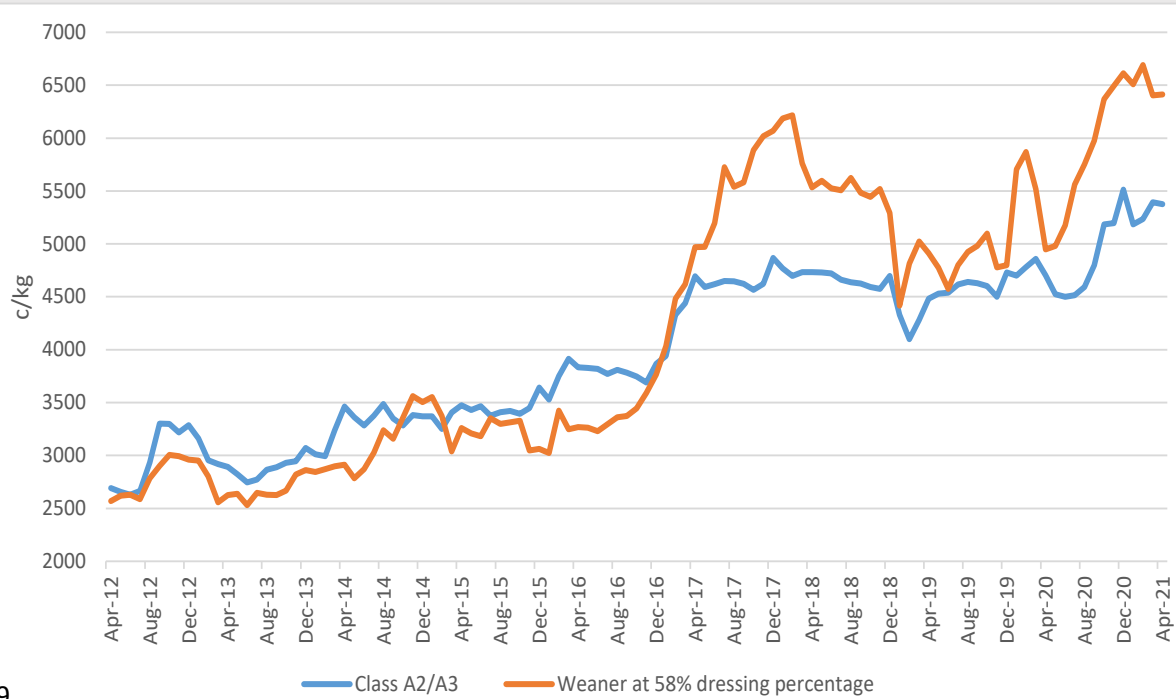
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- South Africa mainly imports live cattle from Namibia, and to a lesser extent Botswana and Lesotho.
- Live (mostly weaner) imports increased from February (43%), with 28 365 animals imported during March.
- Live exports totalled 2467 animals during March.
- All international prices showed decreasing trends during March.

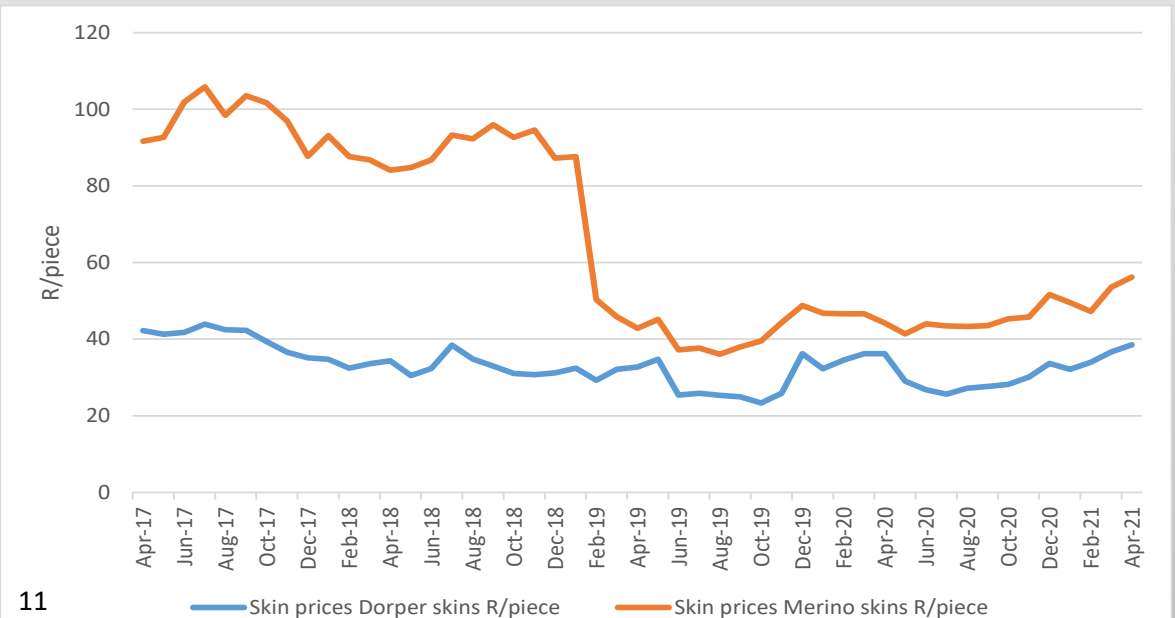
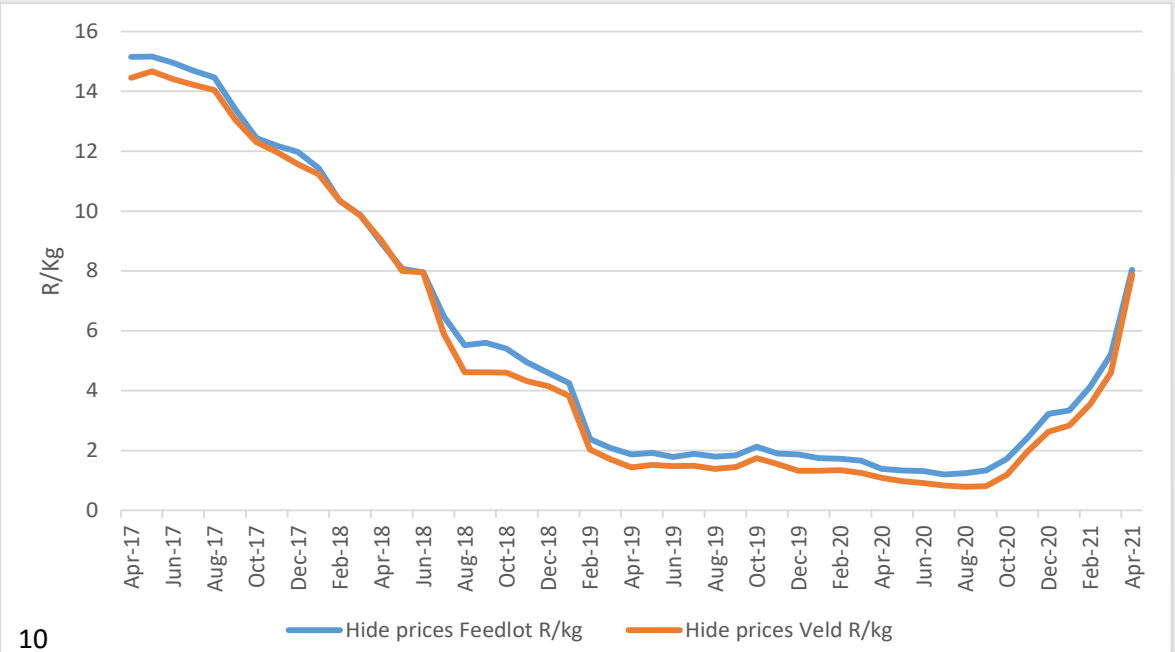
Weaner (as expressed as carcass price) and A2/A3 carcass price trends. (9)



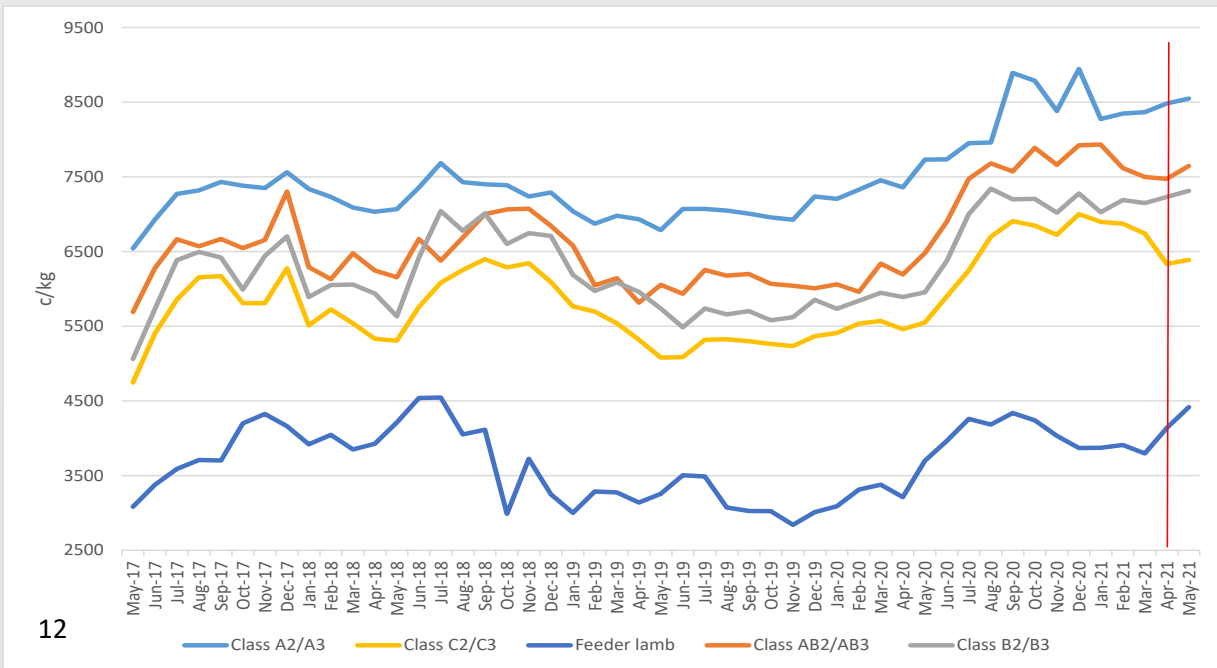
- Figure 9 shows the weaner price expressed in carcass (A2/A3) equivalent given a 58% dressing percentage.
- Weaner prices increased slightly during April while carcass prices declined during the same time.
- Expected decreases in A2/A3 carcass prices combined with decreases in the weaner price during the short term will decrease the margin between the respective prices.
- Weaner prices (relative to carcass prices) are trading higher than the A2/A3 carcass price, this trend is expected to remain the same during the short term as weaner prices will decrease at a faster rate than carcass prices.

- Hide prices remains on the current low trend due to the ongoing export ban.
- Feedlot and veld hide prices has been recovering since August (550% and 900% respectively) and are
- currently trading at R8.04/kg and R7.86/kg respectively.
- Dorper and Merino skins are currently trading at by R38.56 and R56.22 a piece respectively.

Hide (10) and Skin (11) prices



Domestic: Mutton and lamb carcass prices (12)

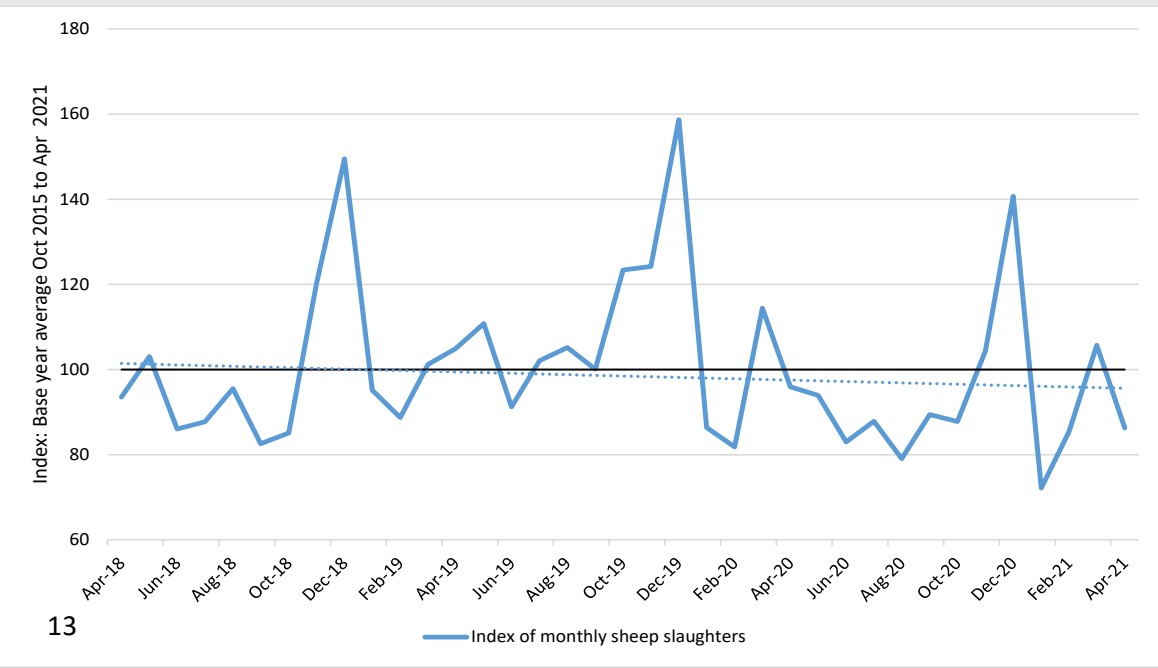


	Apr-20	Mar-21	Apr-21	Apr 20 to Apr 21	Mar 21 to Apr 21
Class A2/A3	7359	8367	8483	15.3%	1.4%
Class AB2/AB3	6193	7499	7473	20.7%	-0.3%
Class B2/B3	5890	7150	7230	22.7%	1.1%
Class C2/C3	5461	6742	6336	16.0%	-6.0%
Feeder lamb	3211	3796	4137	28.8%	9.0%
Average				20.7%	1.0%

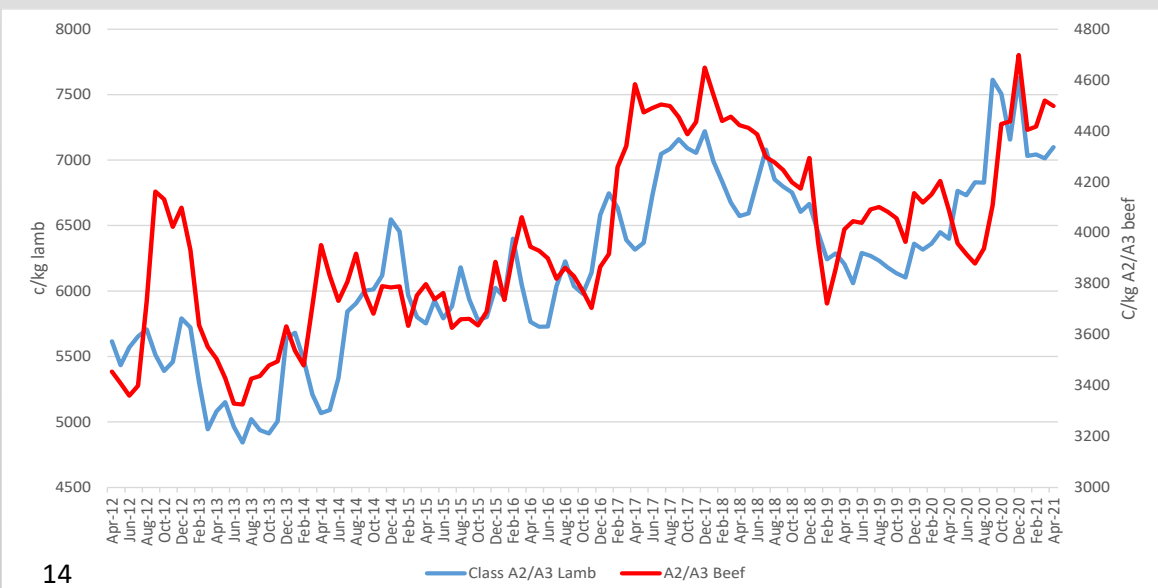
- Feeder lamb prices increased (9.0%) month-on-month, year-on-year feeder lamb prices are trading 28.8% higher; feeder lamb prices are expected to remain on this increasing trend towards the end of May.
- Carcass (A2/A3) prices increased by 1.4% from the previous month; supply are still low with steady demand, carcass (A2/A3) prices are expected to follow an increasing trend towards the end of May.

- The real (deflated with the CPI; 2016 = 100) price trend for lamb increased while A2/A3 beef Declined towards the end of May.

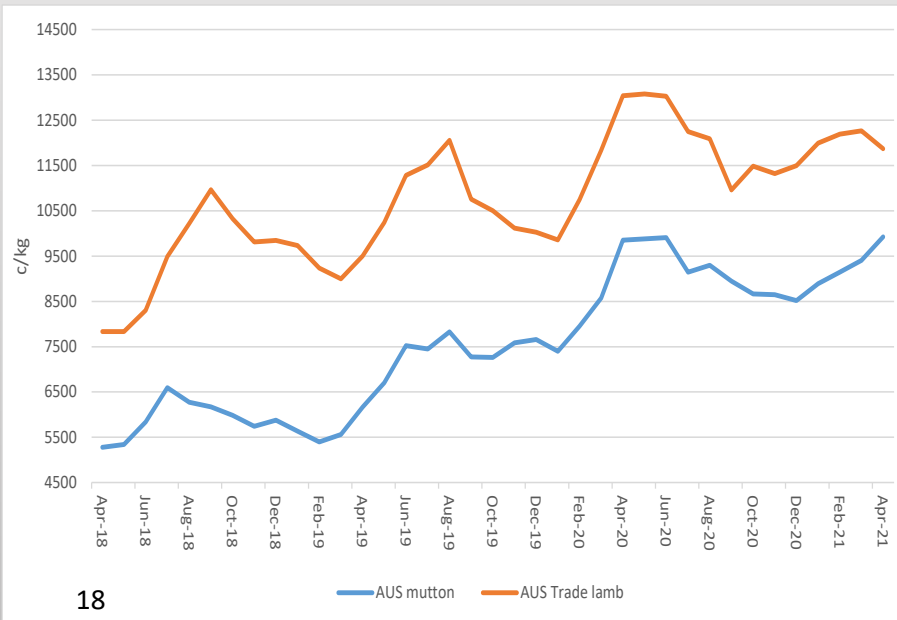
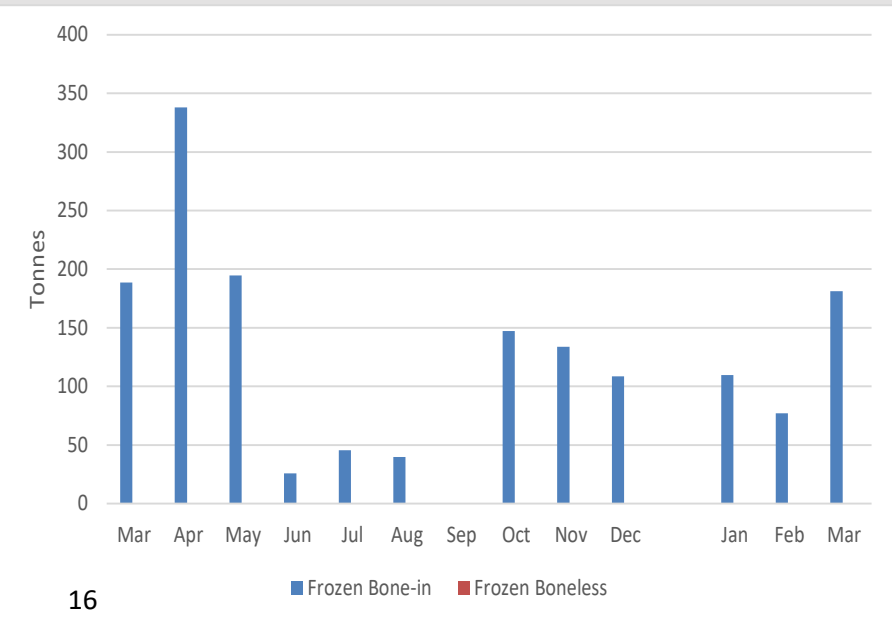
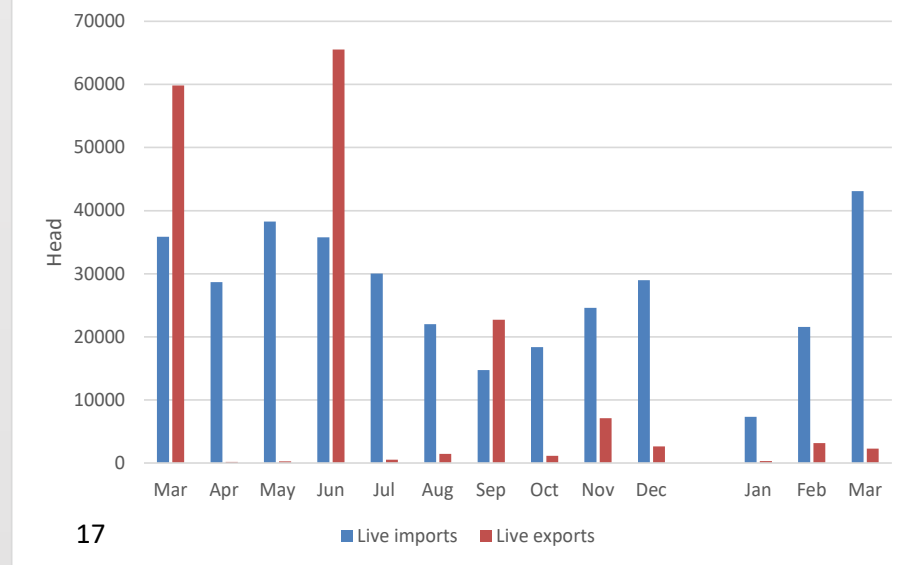
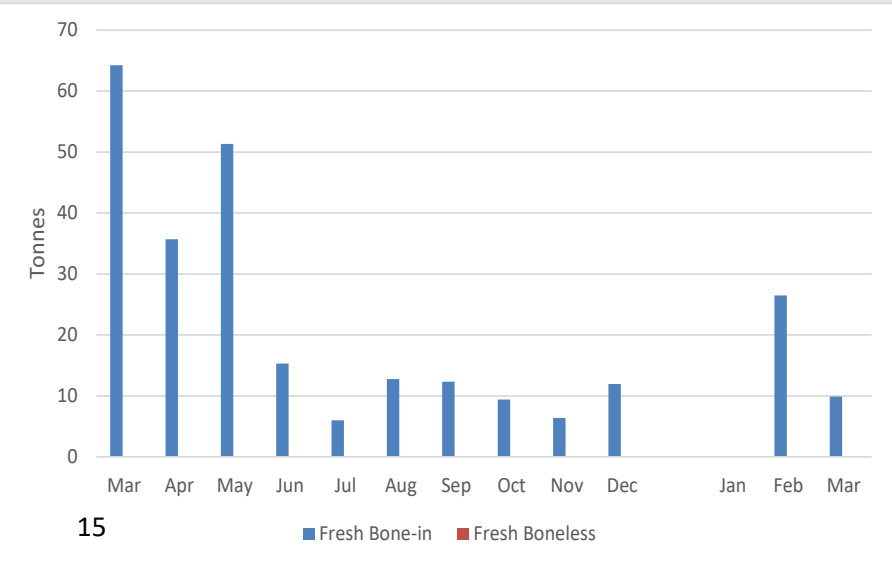
Domestic: Slaughter index (13) and real prices (14)



- Aggregate commercial slaughter numbers are down 19.5 index point from March to April.



Trade: Fresh (15) and Frozen (16) lamb imports; live sheep and goat trade (17) and Australian mutton and trade lamb prices (18)



- South African sheep and lamb trade is limited to imports (exports are very small volumes).
- The majority of the imports consists of mainly fresh carcasses and half carcasses and bone-in cuts.
- Fresh Bone-in imports totalled 10 tonnes during March.
- Frozen bone-in imports totalled 181 tonnes during March compared to 77 tonnes during February.
- Live imports (mainly from Namibia) increased by 100% from February (21 thousand animals) to March (43 thousand animals).
- Live exports totalled 2278 animals during March.
- International prices - Australian mutton prices increased during March (5.5%) while trade lamb prices decreased (3.2%) during the same period.

Sources:
 Trade data: SARS/Quantec
 Red meat related: RMAA
 Grain prices: GrainSA

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