



**RPO**



**SANCU AGM**

**27 SEPTEMBER 2023**

**RED MEAT PRICES**

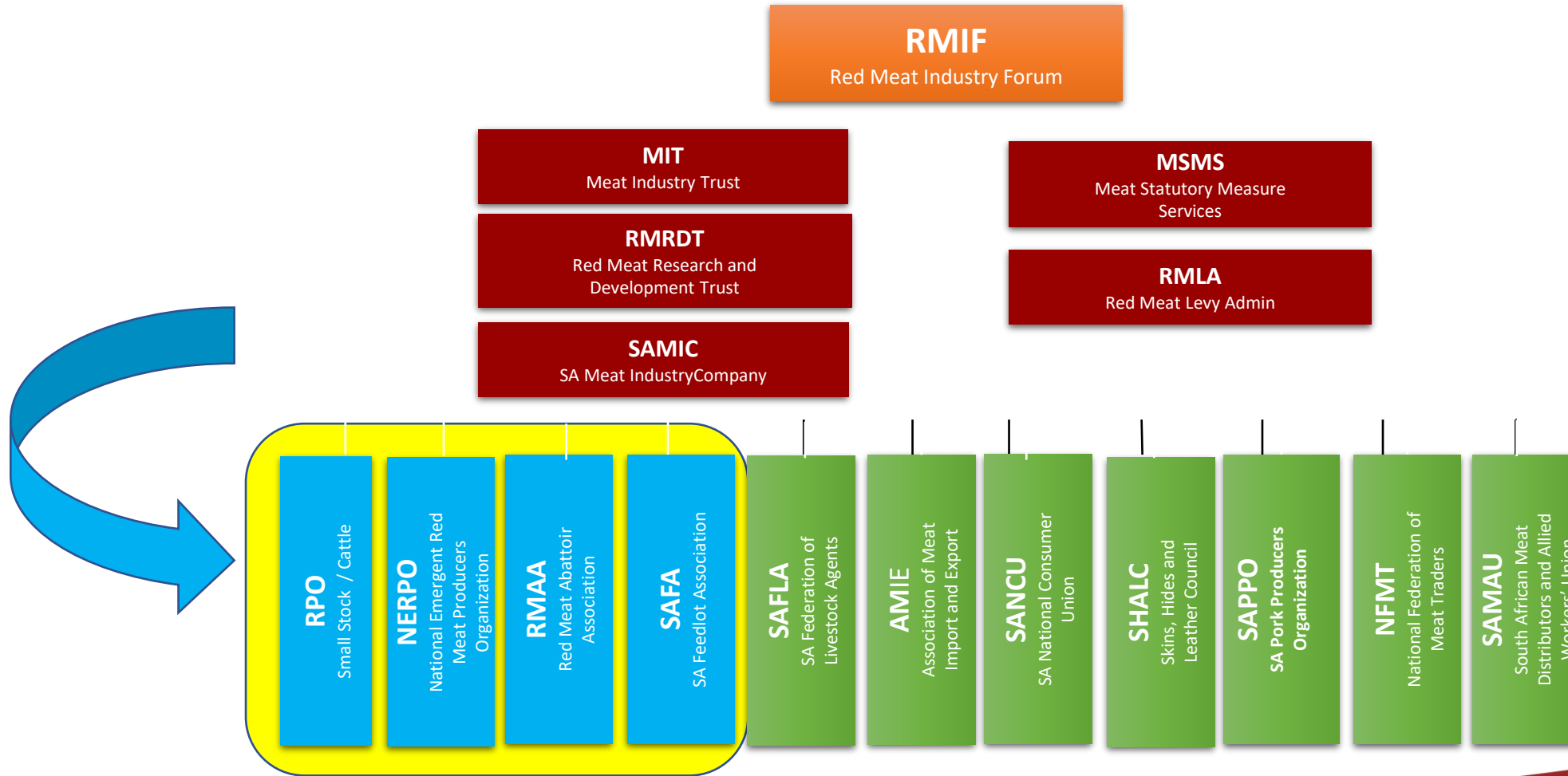
**Gerhard Schutte**

**CEO – RPO**

# FREE MARKET

- **Deregulated**
- **Free market forces dictate**
- **International player**
- **20 000 commercial producers**
- **250 000 future commercial producers**
- **40% of all livestock belongs to emerging producers**
- **1.2 million households owning livestock**
- **100 feedlots**

# RED MEAT STRUCTURE IN SOUTH AFRICA



# TRADE

- **8 000 outlets**
- **Big retail groups = 80% turnover**
- **Traditional butcheries = 20% turnover**
- **Big retail groups butchery outlets 150 – 1 000 each**
- **Beef informal – 40%**
- **Sheep meat – 50%**
- **Goats – 95%**

# SLAUGHTER / ABATTOIRS

- **430 Abattoirs**

PROVINCE	Total			
	Cattle	Sheep	Goats	Pigs
EASTERN CAPE	204,434	310,869	4	278,501
FREESTATE	448,625	701,281	-	401,247
GAUTENG	419,867	567,100	8	1,584,832
KWAZULU NATAL	245,320	95,197	1	505,700
LIMPOPO	136,794	23,610	171	117,684
MPUMALANGA	555,191	81,220	8	90,117
NORTHERN CAPE	173,846	1,223,868	158	119,167
NORTH WEST	255,359	35,591	124	71,293
WESTERN CAPE	125,259	1,221,567	474	701,323
TOTAL	2,564,695	4,260,303	948	3,869,864

# SUPPLY AND DEMAND

- **95% of cattle slaughtered consumed locally**
- **99% of sheep meat produced consumed locally**
- **10% imported**
- **Vision 2030**
  - **Export 20% beef**
  - **6% sheep and sheep meat**
- **30 – 50 % below world norm**
- **Paris : Beef R2 000 - Lamb R1 000/kg**
- **Export to 26 countries**
- **China and Saudi Arabia**
- **46 trade brands audited**
- **Classification system – SAMIC**



# RETAIL PRICES AUGUST 2023

- **Trend – 5 retail chain stores**
- **30% variation**

Product	Cheapest	Most Expensive
AUGUST 2023 RETAIL PRICES		
BEEF	R	
Beef Bulk Boerewors Per Kg	R88.49	R 102.99
Beef Bulk Braaiwors Per Kg	R79.99	R 89.99
Beef Bulk Lean Mince Per Kg	R89.99	R 113.24
Beef Bulk Rump Steak Per Kg	R134.99	R 177.49
Beef Bulk Stewing Per Kg	R88.24	R 98.74
Beef Fillet Steak Per Kg	R239.99	R 324.99
Beef Mince Extra Lean p/kg	R106.66	R 126.66
Beef Mince p/kg	R89.99	R 108.99
Beef Roast Per Kg	R107.49	R 130.49
Beef Rump Steak Per Kg	R134.99	R 174.99
Beef T-Bone Price per kg	R116.49	R 139.99
Beef Topside Roast Per Kg	R94.99	R 114.99
Cheapest Beef Chuck A Grade P/kg	R95.66	R 112.49
DOB Silverside Roast per kg	R107.49	R 139.99
LAMB		
DOB Lamb Knuckles per kg	R129.99	R166.66
Lamb Bulk Chops Per Kg	R149.99	R169.99
Lamb Bulk Pack Per Kg	R137.49	R154.99
Lamb Half Per Kg	R109.49	R129.99
Lamb Pack Per Kg	R128.99	R149.99
Lamb Rib Chops Price per kg	R169.99	R199.99
Lamb Shoulder/Braai Chops Per Kg	R147.49	R176.79
Leg of Lamb Per Kg	R149.99	R179.99

# RETAIL YEAR-ON-YEAR

	2023 AUGUST	2022 AUGUST
BEEF		
Boerewors	R95-50	R96-50
Mince	R99-50	R101-50
Chuck	R104-50	R110-50
LAMB		
Chops	R159-50	R168
Lamb (half)	R119-00	R141

- **Change Beef year-on-year**  **-3%**
- **Change Lamb year-on-year**  **- 11%**



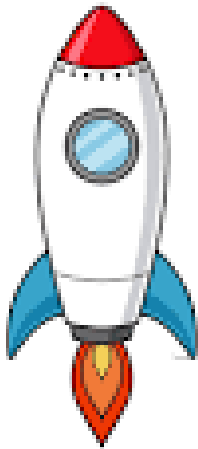
# PRODUCER PRICES YEAR-ON-YEAR

	2022	2023	Variation
Beef A2/3	R62-75	R52-30	-19%
Lamb A2/3	R100-00	R87-60	-14%

- **Retail Beef – 3%**
- **Retail Lamb – 11%**

# CONCLUSIONS

- **Essential food price monitoring - Report September 2023**
- **Rocket and Feather effect**



- **Prices are quick to rise in response to cost increases but are slow to fall when cost decreases**
- **Load shedding and other cost in the value chain has an effect**

# TAKE HOME MESSAGE

- **Rocket and feather effect**
- **30% price variation between retail stores**
- **Tips**
  - **compare prices**
  - **buy in bulk**
  - **conventional butcheries and retail stores**
- **World class product at a very fair price**

**ENJOY / LEKKER BRAAI !**

The top portion of the slide features a dark background with a red silhouette of a person's head and shoulders on the left. Below this silhouette, the letters "RPO" are written in a bold, blue, sans-serif font. To the right of the silhouette, there is a close-up photograph of a chef's hands using a metal carving knife to slice through a large, roasted piece of meat, likely a ham or brisket, which is tied with red string. A thick, curved red and blue decorative band separates this top section from the white background below.

**RPO**

**THANK YOU**

**QUESTIONS ?**