

## MONTHLY EGG PRICE REPORT: MARCH 2017

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### Representation:

The statistics are compiled from data provided by egg producers. The information is collected by Kobus Odendaal auditors and handled confidentially; SAPA only receives the aggregated data. This report represents 18.9% of total potential egg production for the month. The report normally includes a split between cage and free range/barn eggs, but this was excluded this month due to insufficient respondents. If you are a producer who reads and uses this report, please consider sending your data to be included, contact Melissa Dannhauser ([meliskruger@gmail.com](mailto:meliskruger@gmail.com)) at the auditors for the input forms. Cull hen prices and pullet prices exclude VAT.

### **1. SUMMARY OF KEY INDICATORS**

Table 1: Sample sales volumes and values

		<b>Total</b>	<b>Graded</b>	<b>Ungraded</b>
<b>Cages</b>	<b>Dozens</b>	9 759 989	7 099 167	2 660 823
	<b>Rands</b>	R 131 629 162	R 99 784 997	R 31 844 165

Table 2: Average prices

	<b>Total R/doz</b>	<b>Graded R/doz</b>	<b>Ungraded R/doz</b>
<b>Cages</b>	<b>R13.49</b>	<b>R14.06</b>	<b>R11.97</b>

### **2. EGG PRICE ACROSS ALL SIZES**

The monthly movement in the average egg price (all sizes, excluding free range/barn) is shown in Graph 1.

The March 2017 price for cage eggs was R13.49 per dozen.

- Compared to February 2017 the egg price increased by 1.7%;
- Compared to March 2016 it increased by 13.2%.

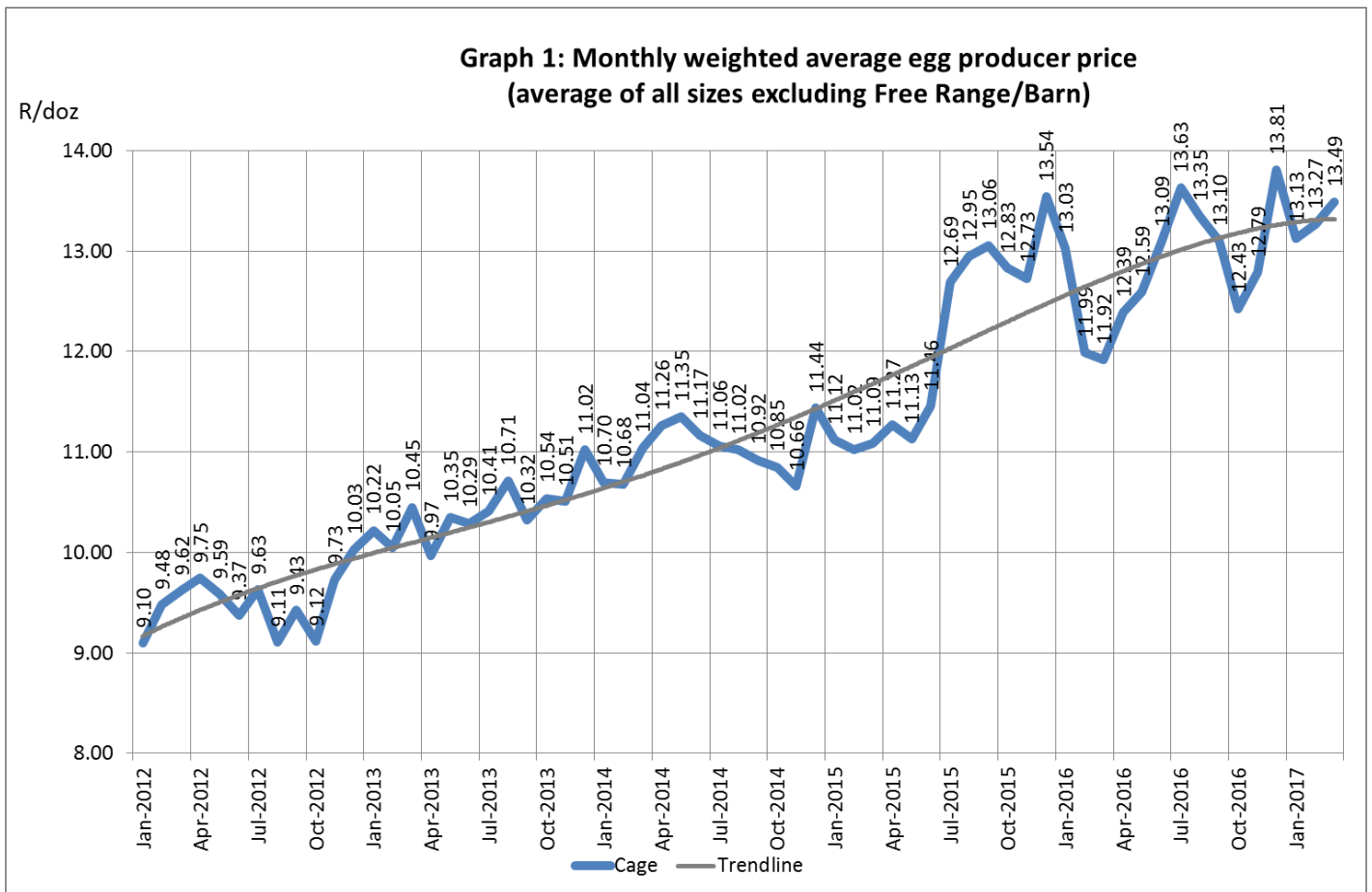


Table 3 shows the average egg prices (excluding Free Range/barn) since 2012 and the year-on-year percentage change.

Table 3: Egg prices (weighted averages, excluding Free Range/barn)

Year	2012	2013	2014	2015	2016	2017
R/doz	9.50	10.40	11.01	12.07	12.84	13.30
% change	1.8	9.5	5.9	9.6	10.2	3.5

### **3. EGG PRICE FOR GRADED AND UNGRADED EGGS**

The movement in the producer price since January 2012, for both graded and ungraded eggs (excluding Free Range/barn eggs), is depicted in Graph 2.

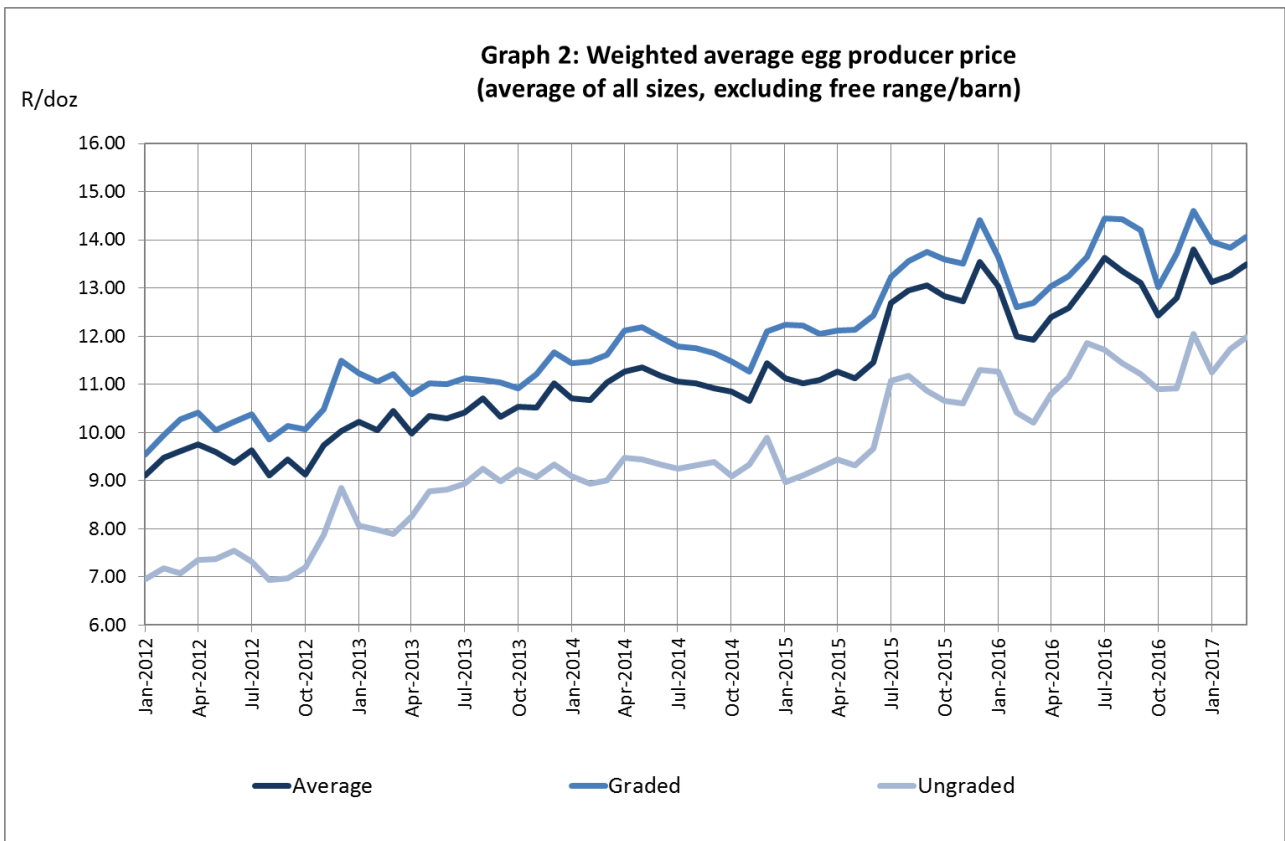
During March 2017 the average egg price for graded eggs (excluding Free Range/Barn eggs) was R14.06 per dozen.

- This is an increase of 1.7% in comparison with February 2017;
- This is an increase of 10.8% in comparison with March 2016.

In the same month the average egg price for ungraded eggs (excluding Free Range/Barn eggs) was R11.97 per dozen.

- This is an increase of 2.0% in comparison with February 2017;
- This is an increase of 17.4% in comparison with March 2016.

In the sample surveyed, of the total dozens sold for March 2017, 73% were graded and 27% were ungraded.



#### 4. FEED PRICE

The weighted average feed price includes distribution but excludes medication, additives and VAT.

The monthly average feed price for March 2017 was R3871.00/ton. It decreased by 3.2% on a monthly basis and decreased by 2.9% on a yearly basis (Graph 3).

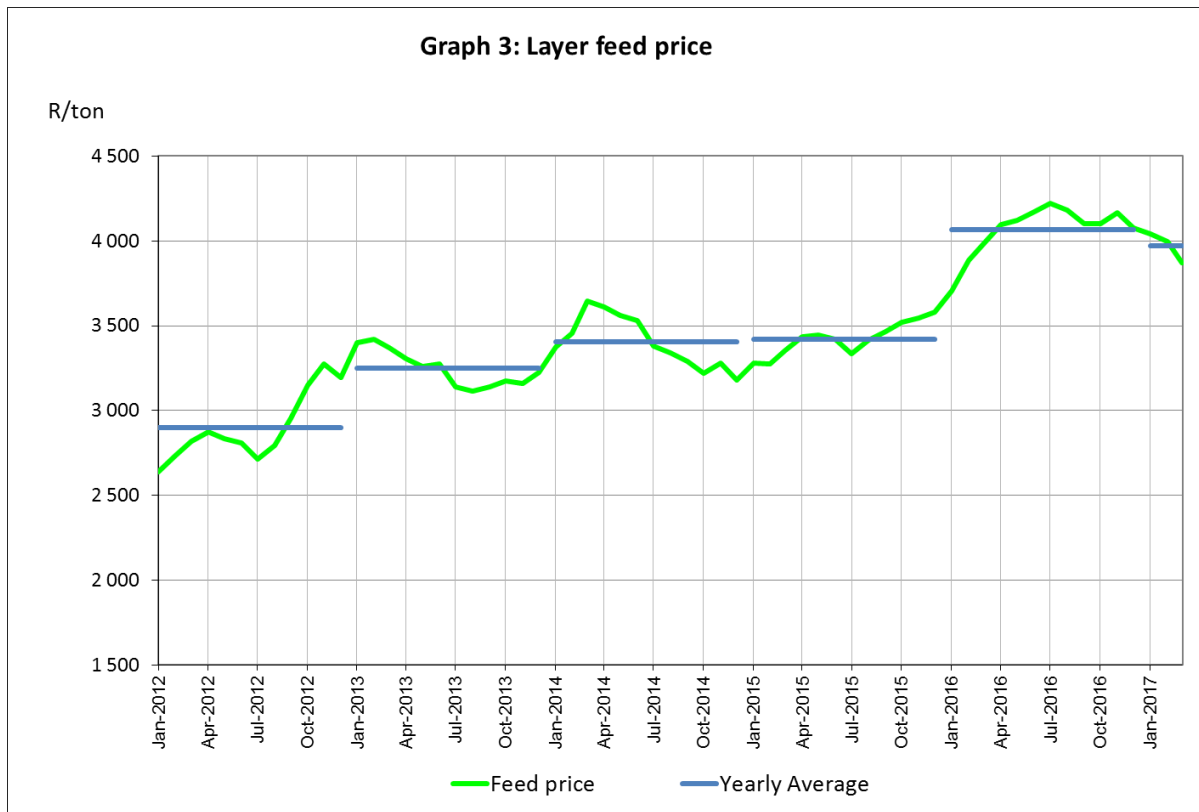


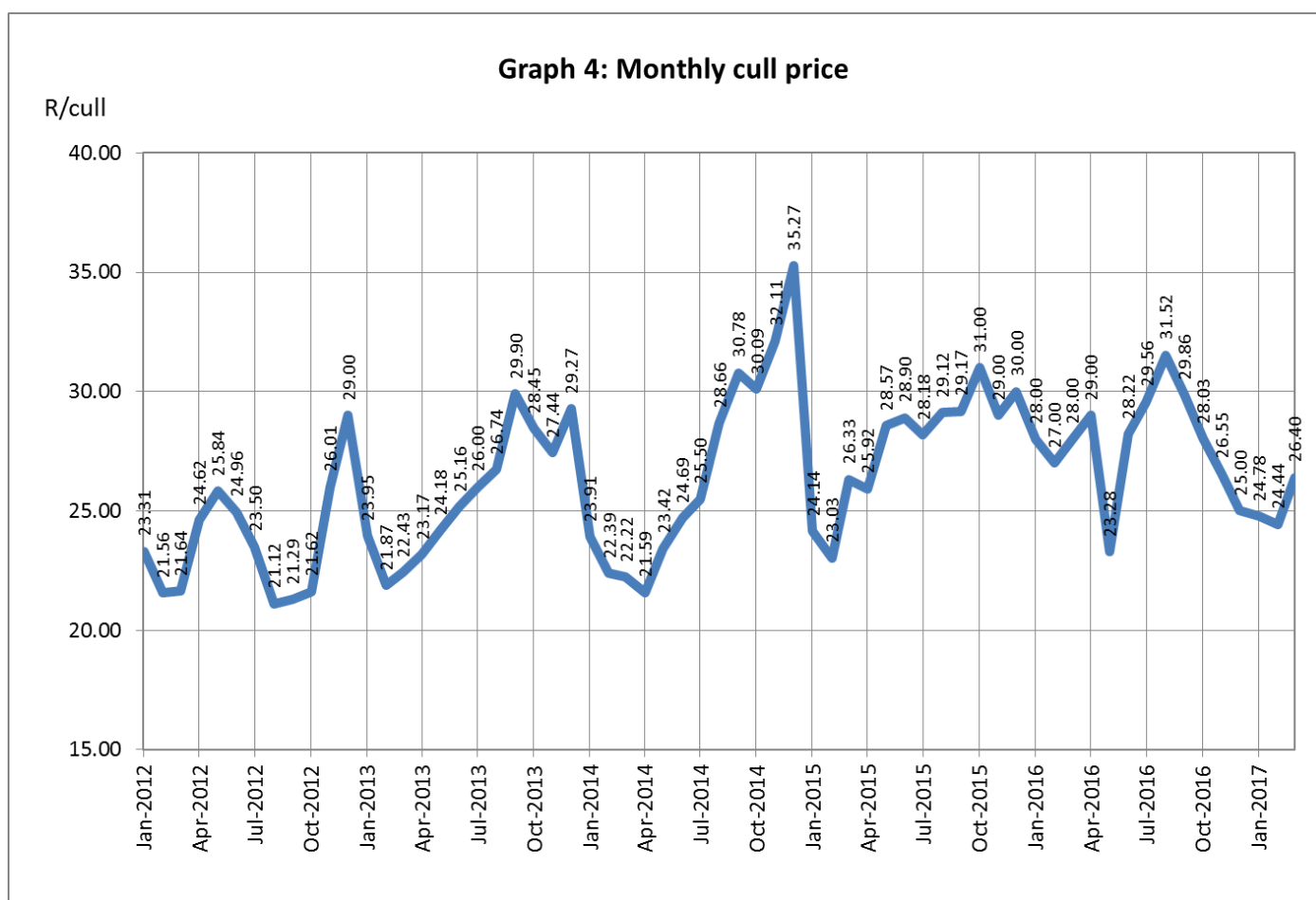
Table 4 shows the average feed prices since 2012 and the year-on-year percentage change.

Table 4: Feed prices

Year	2012	2013	2014	2015	2016	2017
R/ton	2 900	3 248	3 405	3 422	4 069	3971
% change	+23.7	+12.0	+4.8	+0.49	+18.9	-2.4

## 5. CULL PRICE AND AGE

The average price per cull hen for the month of March 2017 was R26.40, an increase of 8.0% on a monthly basis and a decrease of 5.7% on a yearly basis (Graph 4).



The average cull age at depletion during March 2017 was 71.0 weeks.

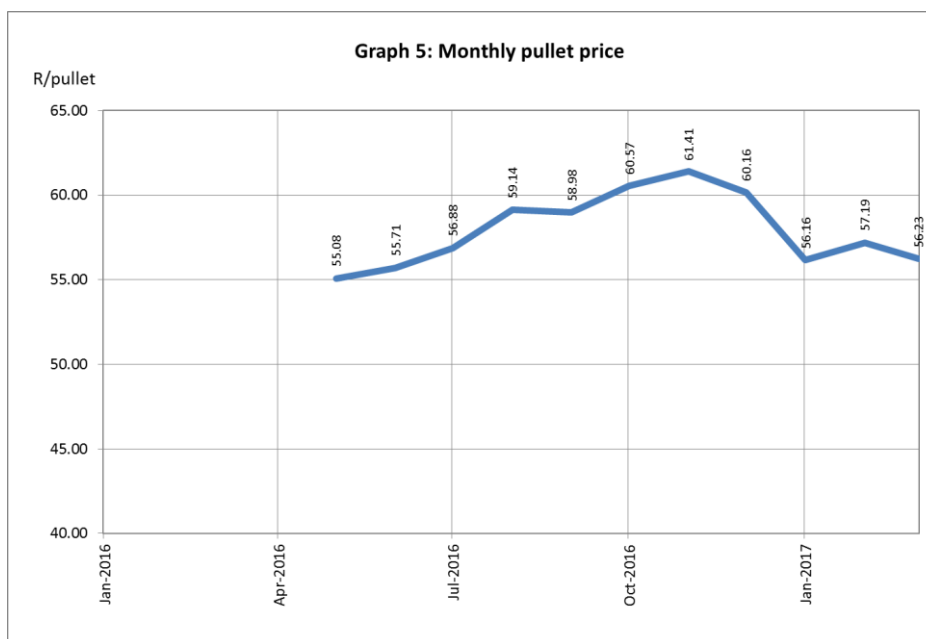
Table 5 shows the average cull prices since 2012 and the year-on-year percentage change, as well as the average cull age.

Table 5: Cull hen prices

Year	2012	2013	2014	2015	2016	2017
R/hen	23.71	25.71	26.72	27.78	27.84	25.21
% change	+5.8	+8.5	+3.9	+3.97	+0.20	-9.4
Age (weeks)	72.5	73.4	75.2	74.8	71.8	71

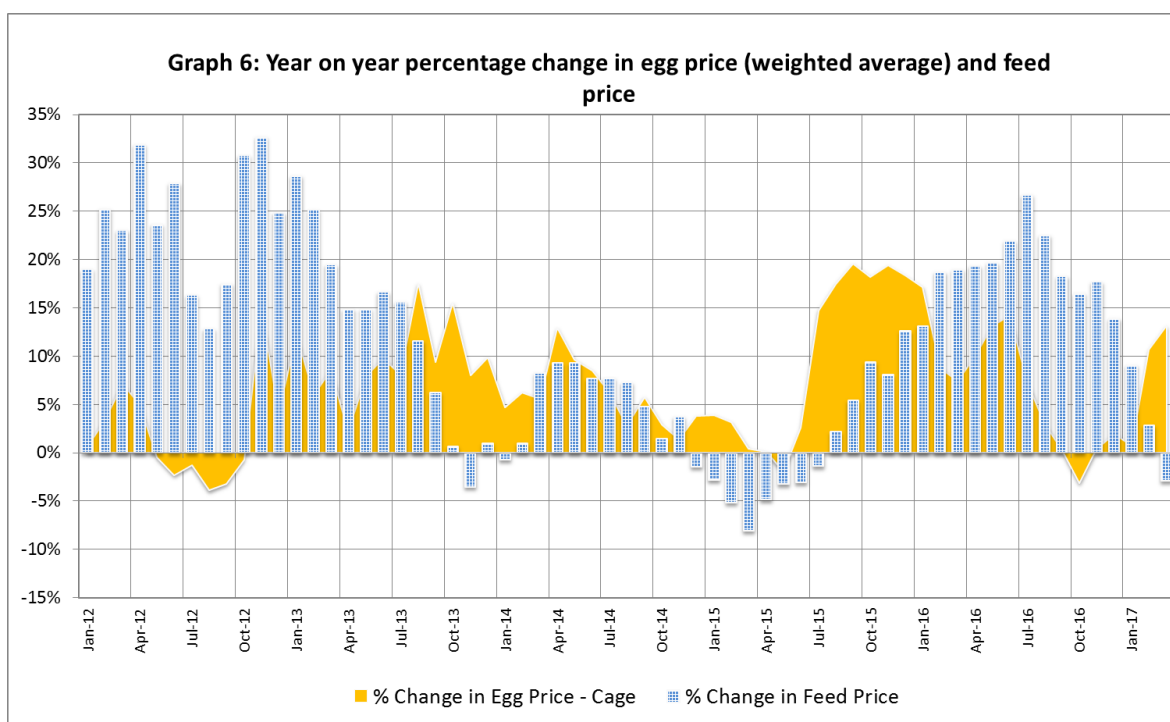
## 6. PULLET PRICES

The average price per pullet for the month of March 2017 was R56.23, a decrease of 1.7% on a monthly basis.



## 7. CHANGE IN EGG AND FEED PRICES

Year-on-year % changes in egg price and feed price are shown in Graph 6, which provides a visual account of the information contained in Tables 3 and 4. It clearly indicates why egg producers suffered financially during most of 2011 and 2012, when feed prices escalated way above the inflation rate and egg prices deflated. The situation improved dramatically in the latter part of 2013 and 2014, and the improvement continued in 2015, although the positive gap narrowed as the feed price increased. February to September 2016 shows an increase in the egg price and higher increases in the feed price. Unfortunately, the October 2016 and November 2016 situation was a positive feed price increase and a negative egg price increase. December 2016 was a small positive egg price increase and a larger feed price increase. The situation looks slightly more positive in the first three months of 2017.



Definition of egg price:

Egg producer price, excluding rejects and pulp, after rebates, ad spend, “price offs” and settlement discounts; including packaging.

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