

## MONTHLY EGG PRICE REPORT: DECEMBER 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 22.5% of total potential egg production for the month. If you are a producer who reads and uses this report, please send your data to be included. Contact Melissa Dannhauser ([meliskruger@gmail.com](mailto:meliskruger@gmail.com)) at the auditors for the input forms.

All 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>	10 435 764	8 289 920	2 145 844
	<b>Rands</b>	R 188 325 171	R 150 156 566	R 38 168 605

Table 2: Average prices

	<b>Total R/doz</b>	<b>Graded R/doz</b>	<b>Ungraded R/doz</b>
<b>Cages</b>	<b>R18.05</b>	<b>R18.11</b>	<b>R17.79</b>
<b>Free Range/Barn</b>	<b>R23.98</b>	<b>R23.98</b>	<b>n/a</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 December 2017 price for cage eggs was R18.05 per dozen.

- Compared to November 2017 the egg price increased by 1.1%;
- Compared to December 2016 it increased by 30.7%.

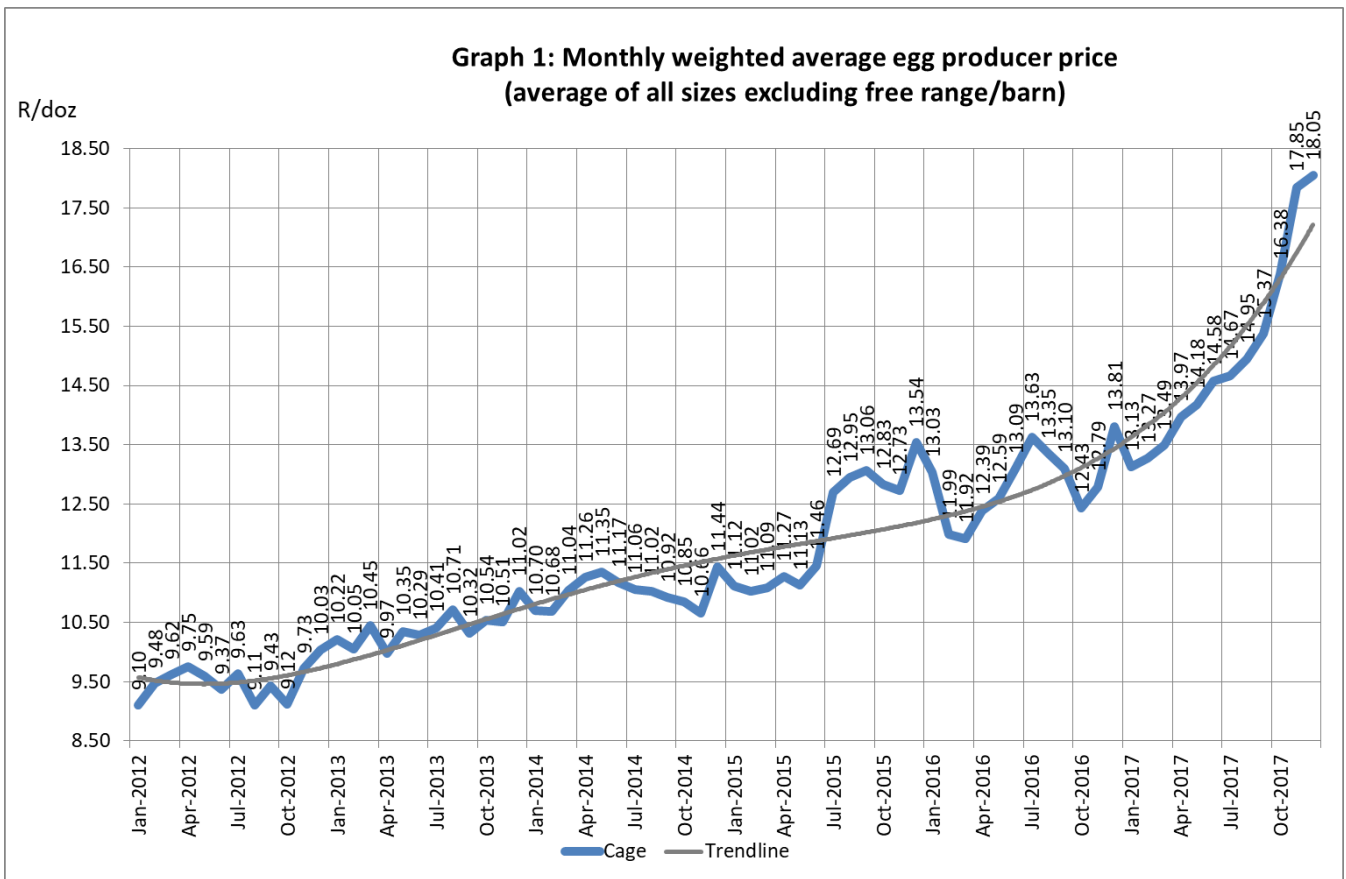


Table 3 shows the average egg prices (excluding free range/barn) since 2012 and the year-on-year percentage change.

Table 3: Egg prices

Year	2012	2013	2014	2015	2016	2017
R/doz	9.50	10.40	11.01	12.07	12.84	14.99
% change	1.8	9.5	5.9	9.6	6.4	16.7

### **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.

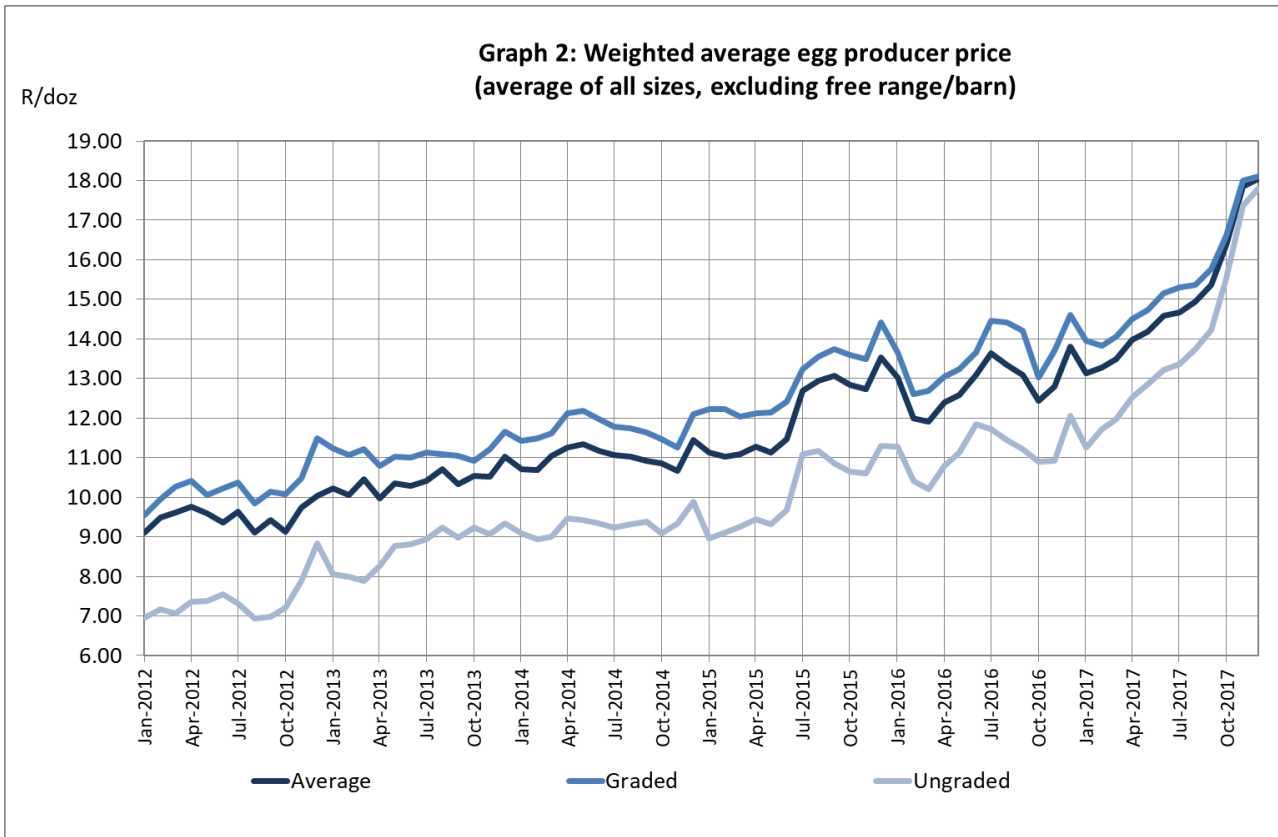
During December 2017, the average egg price for graded eggs was R18.11 per dozen.

- This is an increase of 0.7% in comparison with November 2017;
- This is an increase of 24.0% in comparison with December 2016.

In the same month, the average egg price for ungraded eggs was R17.79 per dozen.

- This is an increase of 2.5% in comparison with November 2017;
- This is an increase of 47.6% in comparison with December 2016.

In the sample surveyed, of the total dozens sold for December 2017, 80% were graded and 20% were ungraded.



#### 4. FEED PRICE

The weighted average feed price includes distribution but excludes medication, additives and VAT. The monthly average feed price for December 2017 was R3112.00/tonne. It increased by 0.7% on a monthly basis and decreased by 23.7% on a yearly basis (Graph 3).

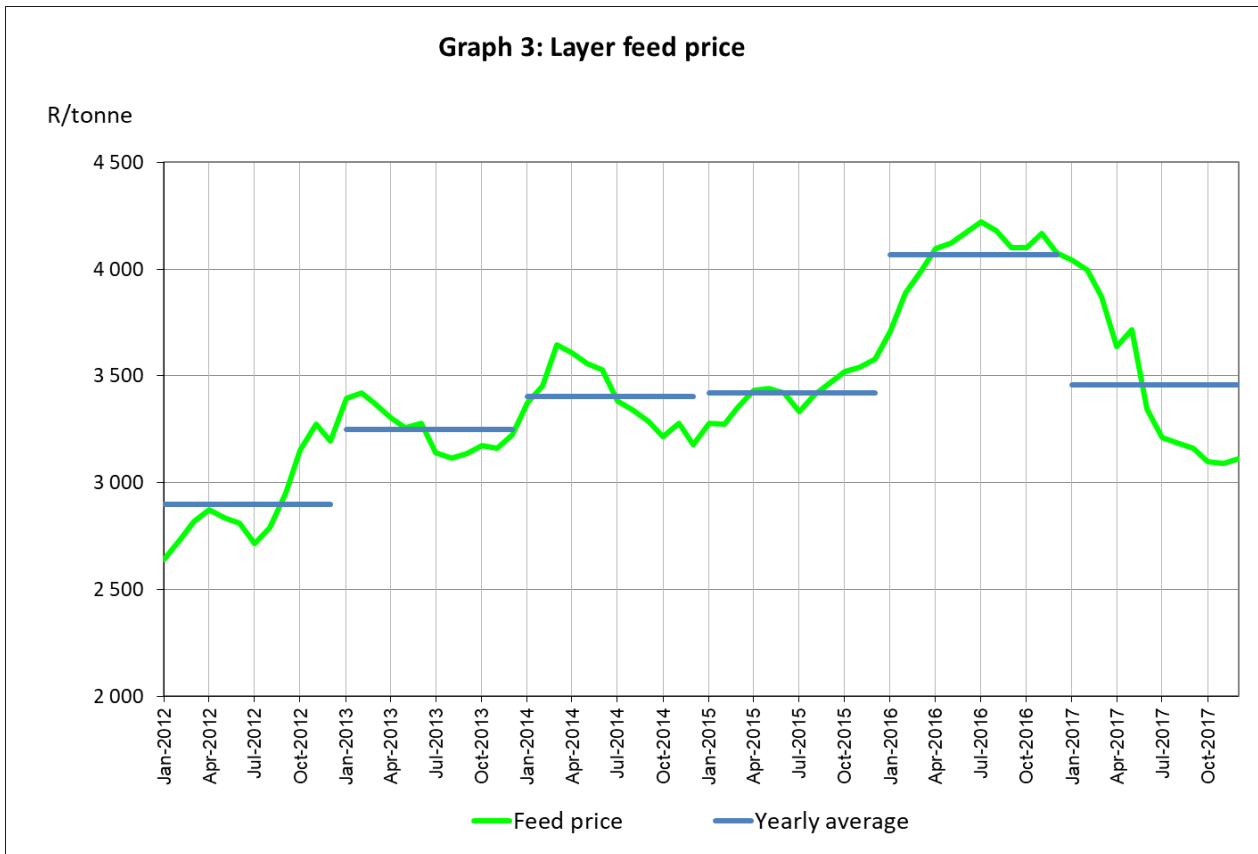


Table 4 shows the average feed prices since 2012 and the year-on-year percentage change.

**Table 4: Feed prices**

Year	2012	2013	2014	2015	2016	2017
R/tonne	2 900	3 248	3 405	3 422	4 069	3 457
% change	+23.7	+12.0	+4.8	+0.49	+18.9	-15.0

## 5. CULL PRICE AND AGE

The average price per cull hen for the month of December 2017 was R34.92, a decrease of 1.8% on a monthly basis and an increase of 37.3% on a yearly basis (Graph 4). The average cull age at depletion during December 2017 was 72.0 weeks.

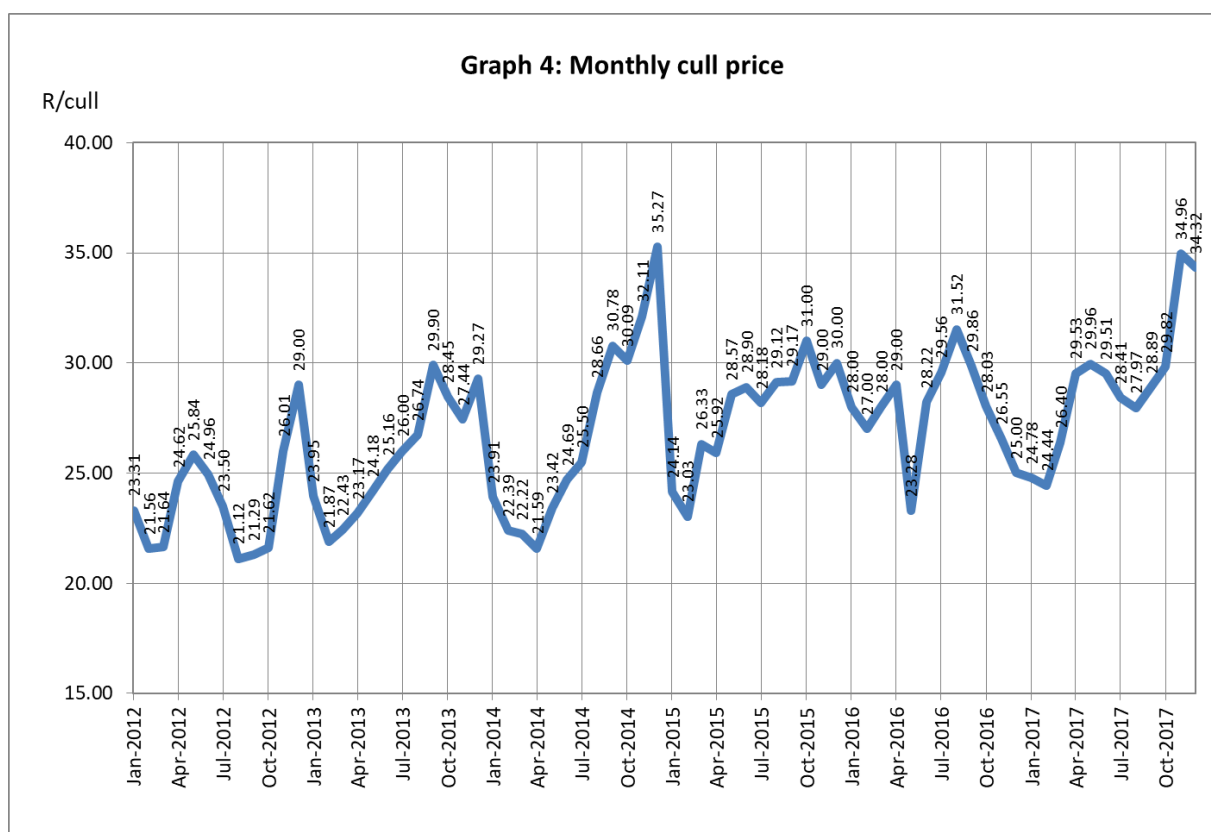


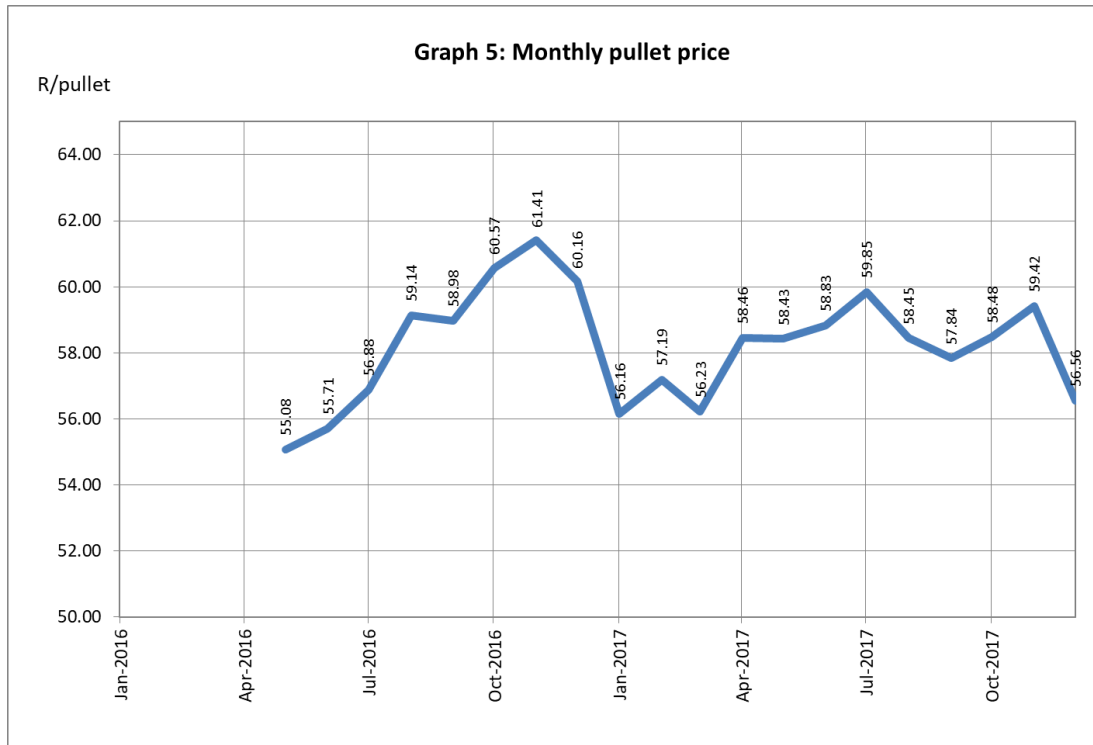
Table 5 shows the average cull prices since 2012 and the year-on-year percentage change, as well as the average cull age.

**Table 5: Cull hen prices**

Year	2012	2013	2014	2015	2016	2017
R/hen	23.71	25.71	26.72	27.78	27.84	29.08
% change	+5.8	+8.5	+3.9	+3.97	+0.20	+4.48
Age (weeks)	72.5	73.4	75.2	74.8	71.8	72.8

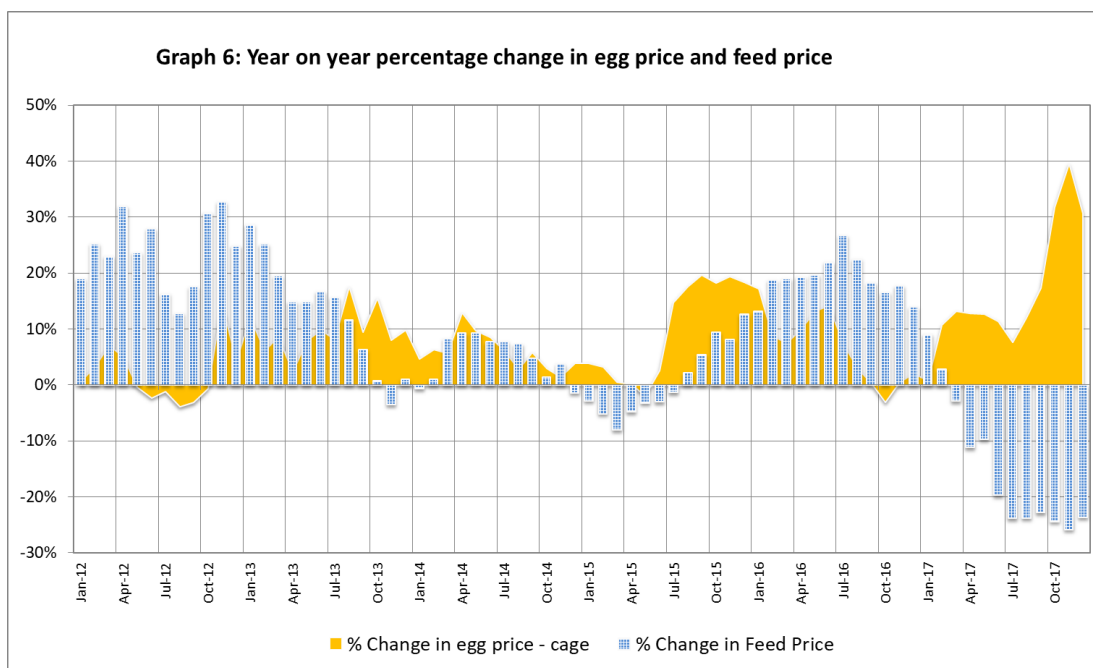
## 6. POINT-OF-LAY PULLET PRICES

The average price per point-of-lay pullet for the month of December 2017 was R56.56, a decrease of 4.8% on a monthly basis and a decrease of 6.0% on an annual basis.



## 7. CHANGE IN EGG AND FEED PRICES

Year-on-year % changes in egg price and feed price are shown in Graph 6. The year 2016 was a difficult one for egg producers when feed prices escalated at a higher rate than egg prices, putting margins under severe pressure. The situation was more positive in 2017, with the effect of the AI outbreak apparent in the second half of the year.



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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