SOUTH AFRICAN POULTRY ASSOCIATION
SUID-AFRIKAANSE PLUIMVEEVERENIGING

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COUNTRY: **SWAZILAND**

BROILER INDUSTRY:

YEAR: 2015

Quarter	AVERAGE NETT DAY OLD BROILER CHICK PLACEMENTS PER WEEK (add imports and subtract exports)	AVERAGE WEEKLY BROILER PRODUCTION (slaughtering)	AVERAGE WEEKLY BROILER PRODUCTION (live sales)	AVERAGE PRODUCER PRICE NET REALISATION (PER KG)
JAN – MAR	330,000	220,000	110,000	(13.82 – 15.51)
APR – JUN				
JUL – SEP				
OCT – DEC				
YEAR				

DEFINITION:
Net Sales Value (NSV):
- Invoiced price
- Less Volume discount.
- Less Settlement discount.
- Less Rebates (incl. advertising spent).
- Less any other discounts i.e. direct distribution etc.
- Less Secondary distribution
- Excl vat.

The NSV amount must be net, net income to the business

CURRENCY USED: **LILANGENI (SZL)**

COUNTRY REPORT:

RECENT DEVELOPMENTS:

The first quarter in 2015 saw higher than expected growth, in the broiler market. The Live market was oversupplied late in the quarter.

Government continues to be the largest employer and their erratic staff payments have a direct effect on when the markets rise and fall. Month to Month inflation ranged between 4.7 – 5.6 % which had an indirect positive impact on chicken sales.

The agriculture marketing and controlling board of Swaziland (NAMBOARD) continued to support the industry, and is considering a levy on imported Day Old Chicks to protect and stabilize the local market.

Swaziland is still not able to export DOC into South Africa and are still a net importer of fertilized hatching eggs from South Africa.

CONSUMER CONSUMPTION TRENDS:

The live market to slaughter market split increased from 60% to about 66% slaughtered 33% live market.

Chicken consumption continued to increase year on year. We anticipate a flat or reduced tonnage growth at a higher price point for 2015/2016.

CURRENT ISSUES AND CHALLENGES:

Feed pricing continues to be a challenge in Swaziland with the three main Feed mills very slow to pass on any decreases but quick to pass on increases. Increase trends will generally follow South Africa.

INPUT COSTS:

Most of Swaziland's raw materials are sourced from South Africa so we are currently experiencing similar pressures on Margins to that of South Africa. Competition does however remain fierce between feed mills, chick suppliers and abattoirs so ultimately the consumer is benefiting.

DISEASE ANIMAL HEALTH:

Despite most farms, hatcheries and abattoirs have strict bio security policies in place, there were isolated unconfirmed reports of Newcastle and viral inclusion body hepatitis (**IBH**) disease outbreaks in late 2014. The first quarter has however been relatively quiet.

TRADE DEVELOPMENTS:

Africa Chicks Swaziland is now up and running. Both hatcheries are now looking to expand their breeder operations.