

## ***Important! Important! Important!***

Dear Producer

*(For your convenience, the Afrikaans version follows the English news.)*

Kindly please take note of the following important news bits:

1. Introduction of the 2009 Off Season Premiums;
2. Reminder: the price of zero fat grades during the off season;
3. Fluctuation of Meatco's base price;
4. The introduction of the QQT contract and
5. The launch of Meatco's new Delivery Agreement.

### **1. Introduction of the 2009 Off Season Premiums**

As per Meatco's earlier communication, we would like to remind producers that the 2009 Off Season Premium will be phased in as from this week, 28 September.

The 2009 Off Season Premiums are as follows:

<b>Month</b>	<b>Off Season premiums 2009</b>	<b>Free range premiums 2009</b>
September	Peak Season	N\$0.10/kg
28 September – 9 October 2009	N\$0.30/kg	N\$0.20/kg
12 – 16 October 2009	N\$0.60/kg	N\$0.20/kg
19 – 30 October 2009	N\$0.95/kg	N\$0.20/kg
November	N\$1.30/kg	N\$0.20/kg
December	N\$1.30/kg	N\$0.40/kg
January	N\$1.60/kg	N\$0.40/kg
February	N\$0.60/kg	N\$0.20/kg

### **2. Reminder: the price of zero fat grades during the off season**

Producers are kindly reminded that the price of zero fat grades during the 2009 off season will be adjusted as follows:

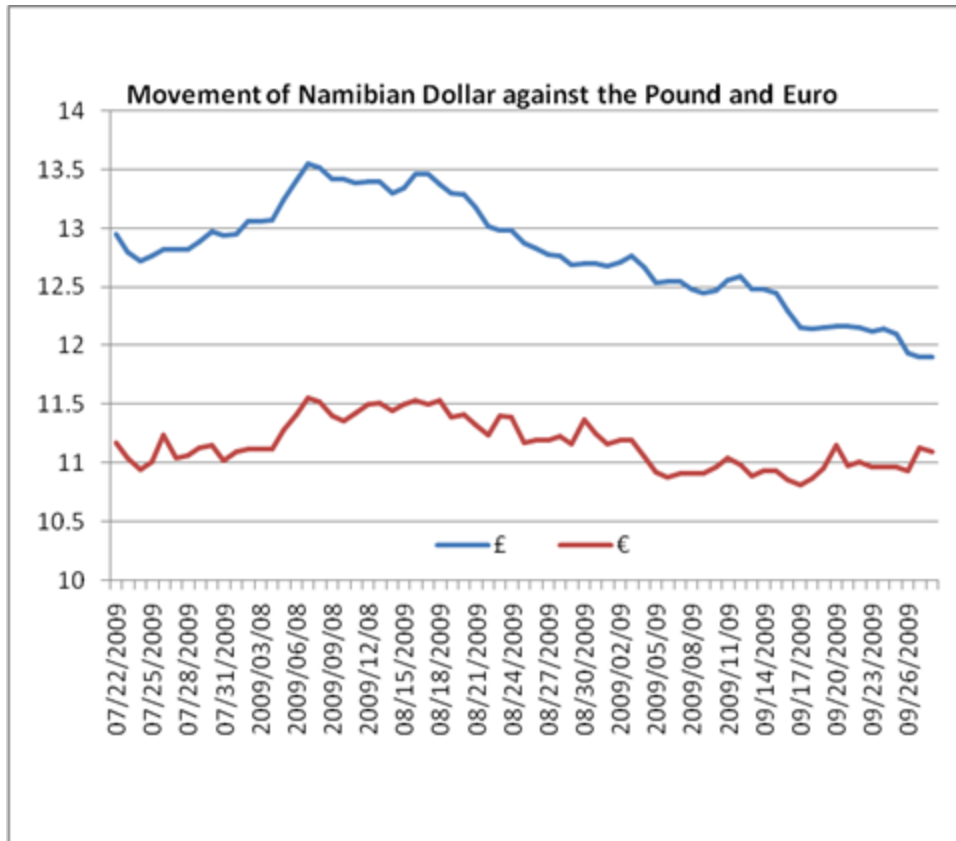
1. All fat grades (1 – 6) will qualify for the off season premium;
2. All fat grades (5 + 6) will be made equal to the medium grades and receive the same price;
3. Only the following zero fat grades will be made equal to the medium grades (and receive the same price) and will receive the off season premium:
  - a. A0 grades above 210 kg with a 3+ conformation;
  - b. AB0 grades above 220 kg with a 3+ conformation;
  - c. B0 & C0 grades above 230 kg with 3+ conformation.

### **3. Fluctuation of Meatco's base price**

At the end of 2008 Meatco experienced a challenge with the reduction of the Meatco base price. The price weakened due to factors beyond Meatco's control. As a result, the value of the Off Season Premium was greatly eroded. **The same situation is manifesting itself at the moment.**

As can be seen from the graph **underneath**, the Rand (and thus the Namibian Dollar) strengthened with 12% against the Sterling Pound since August this year when Meatco re-announced its Off Season Premiums.

It was also communicated at that time that the final producer price will be dependent on the factors that influence the base price. This includes the exchange rate and the real prices obtained in the European Union (EU) and the South African (SA) markets. The unfortunate reality is that this combination of the fluctuation in the exchange rate along with the lower real prices obtained in markets, has manifested itself at the time of the introduction of the Off Season Premium.



Kindly watch this space for regular updated information.

#### 4. Introduction of the QQT contract

Due to popular demand from producers, Meatco is preparing to issue its Quality, Quantity and Timing (QQT) delivery contract for January 2010 to February 2010. Details of the contract will be made available during the coming week.

Watch this space for more information. If you have any questions in the meantime, kindly please contact any of the following Livestock Procurement personnel:

Vehaka Tjimune, Senior Manager: Livestock Procurement at 061- 321 6415;  
 Koos Claassens, Regional Livestock Procurement Manager: South at 061 – 321 6033 or  
 Gerhard Mouton, Regional Livestock Procurement Manager: North at 062 – 505 700.

## 5. Launch of the new Meatco Delivery Agreement

The launch of the revised Meatco Delivery Agreement will coincide with the Livestock Exhibitors Evening at the 2009 Windhoek Agricultural and Industrial Show. This takes place tonight, 28 September 2009, at 19h00 at the Old Horse Arena.

Members of the Producer Forum, who are able to attend the Livestock Exhibitors function, are invited to share this occasion with us.

Geagte Produsent

Neem asseblief kennis van die volgende belangrike Meatco nuus:

1. Infasering van die 2009 Meatco Afseisoenpremie;
2. Herinnering: die prys van nulgrade gedurende die afseisoen;
3. Wisseling van Meatco basisprys;
4. Inwerkingtreeding van die QQT-leweringskontrak en
5. Die terwaterlating van die nuwe Meatco Leweringsooreenkoms.

### 1. Infasering van die 2009 Meatco Afseisoenpremie

Met verwysing na vorige kommunikasie vanaf Meatco, word produsente hiermee herinner dat die 2009 Afseisoenpremie vanaf die week 28 September 2009 sal infaseer.

Die Afseisoenpremies vir 2009 is as volg:

<b>Maand</b>	<b>Afseisoenpremies 2009</b>	<b>Vryweipremie 2009</b>
September	Drukseisoen	N\$0.10/kg
28 September – 9 Oktober 2009	N\$0.30/kg	N\$0.20/kg
12 – 16 Oktober 2009	N\$0.60/kg	N\$0.20/kg
19 – 30 Oktober 2009	N\$0.95/kg	N\$0.20/kg
November	N\$1.30/kg	N\$0.20/kg
Desember	N\$1.30/kg	N\$0.40/kg
Januarie	N\$1.60/kg	N\$0.40/kg
Februarie	N\$0.60/kg	N\$0.20/kg

## 2. Herinnering: die prys vir nulgrade word gedurende die afseisoen

Produsente word vriendelik herinner dat die pryse van nulgrade gedurende die afseisoen as volg aangepas sal word:

1. Alle vetgrade (1 – 6) sal vir die afseisoenpremie in aanmerking kom;
2. Alle vetgrade (5 + 6) sal gelyk gemaak word aan mediumgrade en dus dieselfde prys ontvang;
3. Net die volgende nulgrade sal gelyk gemaak word aan die mediumgrade (en dieselfde prys ontvang) en vir die afseisoenpremie kwalifiseer:
  - a. A0-grade swaarder 210 kg met 'n 3+ bouvorm;
  - b. A0-grade swaarder as 220 kg met 'n 3+ bouvorm en
  - c. B0- en C0-grade swaarder as 230 kg met 'n 3+ bouvorm.

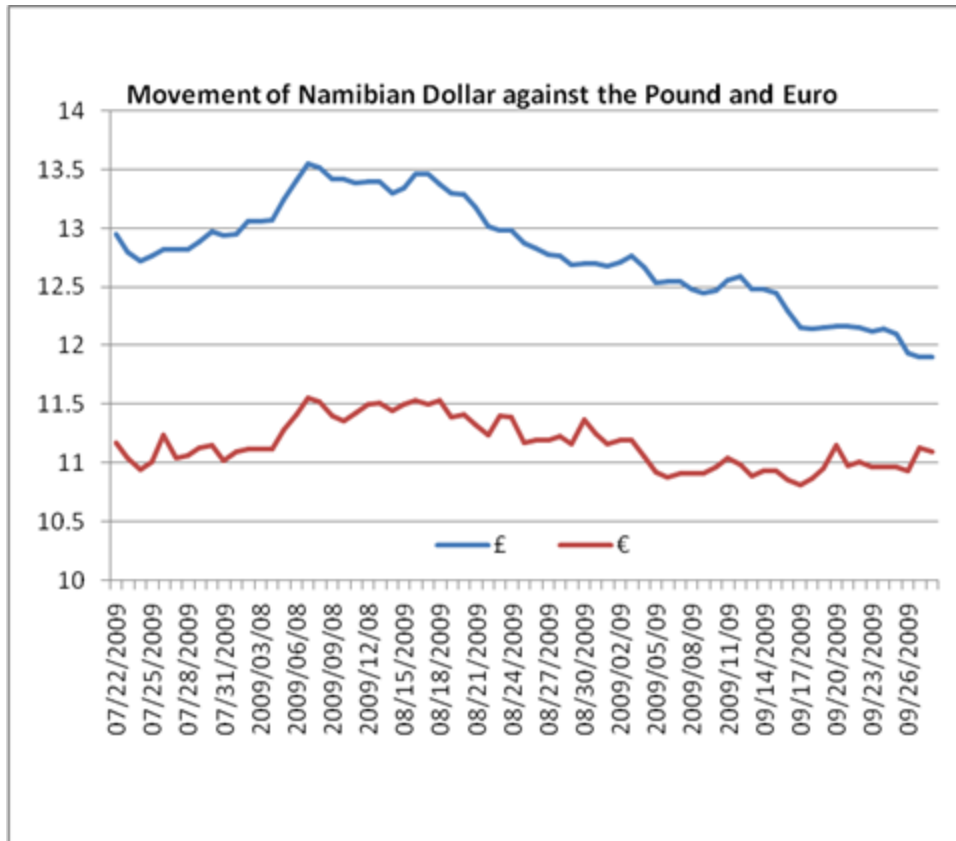
## 3. Wisseling van die Meatco-basisprys

Aan die einde van 2008 het Meatco uitdagings ondervind met die verlaging van die Meatco-basisprys. Die verswakking van die basisprys was as gevolg van faktore buite Meatco se beheer en gevolglik was die waarde van die Afseisoenpremie verweer. **Dieselfde situasie is besig om tans te manifesteer.**

Soos van die graffiek **hieronder** afgelei kan word, het die Rand (en dus die Namibiese Dollar) met 12% teenoor die Britse Pond sedert Augustus vanjaar versterk, toe Meatco sy Afseisoenpremie weer bekendgemaak het.

In dieselfde kommunikasie is beklemtoon dat die finale produsenteprys afhanklik is van die faktore wat die basisprys beïnvloed. Dit sluit in die wisselkoers en die ware pryse wat in die Europese en Suid-Afrikaanse markte behaal word.

Die ongelukkige realiteit is dat die kombinasie van die wisselkoers tesame met die laer werklike pryse behaal in markte nou manifesteer met die infasering van die Afseisoenpremie.



Hou hierdie spasie dop vir die nuutste inligting.

#### 4. Inwerkingtreëding van die QQT-leweringkontrak

Ná gelang van die gewildheid van die *Quality, Quantity and Timing* –leweringkontrak (QQT) is voorbereidings aan die gang om die kontrak vir Januarie en Februarie 2010 uit te reik. Besonderhede van die kontrak sal in die komende week bekend gemaak word.

Hou gerus die spasie dop vir meer inligting. Vir enige navrae, kontak asseblief enige van die volgende Lewendehawe Voorsieningspersoneel:

Vehaka Tjimune, Senior Bestuurder: Lewendehawe Voorsiening by 061- 321 6415;  
 Koos Claassens, Streek Lewendehawe Voorsieningsbestuurder: Suid by 061 – 321 6033 of  
 Gerhard Mouton, Streek Lewendehawe Voorsieningbestuurder: Noord by 062 – 505 700.

## **5. Terwaterlating van die nuwe Meatco Leweringssooreenkoms**

Die terwaterlating van Meatco se hersiende Leweringssooreenkoms vind vanaand om 19h00 plaas by die Windhoek Skou se Lewendehawe Uitstallerssaand by die ou perde-arena. Lede van die produsenteforum wie die Lewende Uitstallerssaand kan bywoon, word hartlik uitgenooi om hierdie geleentheid met ons te deel.