Dear Producer

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

In this week's news:

1. Producer prices
2. Enquiries regarding the RMAA prices for A2 and A3 grades
3. Brazil: beef prices take a plunge
4. Top Ten Producers of the month: March 2009
5. 1 Day to go to the National Braai Competition in Okahandja!

1. Producer prices

The relationship between the different age groups is managed on a weekly basis by Meatco to ensure consistency.

The relationship between the age groups as reported by the Red Meat Abattoir Association (RMAA) of South Africa (SA) has changed during the past few weeks. This change resulted in the relationship between the age groups having to be adjusted.

The adjustments of the relationships between the age groups will be phased in as from Monday, 27 April 2009. This adjustment will be done over the course of three weeks.

Difference between	Current relationship	New relationship (Phased in over 3 weeks)
A - AB	N$0.80	N$1.60
AB - B	N$0.20	N$0.40
B - C	N$1.20	N$1.50

2. Enquiries regarding the RMAA prices for A2 and A3 grades

There have been numerous producer enquiries regarding the sudden drop in the South African Red Meat Abattoir Association (RMAA) A2 and A3 grade prices for week 13 to 14 and also that the prices for A2 and A3 grades dropped below those of the AB2 and AB3 grades in this period.

As the RMAA prices play an important role in the Meatco weekly price determination it is important to know how the RMAA prices are reported.

On enquiry from Meatco Mr Christo Heuer from the RMAA confirmed that there had not been an error in the reported prices but that the same price volatility was experienced last year in the Easter period and, like now, prices had subsequently recovered. He also pointed out that 23 RSA abattoirs reported their prices in this period and that these included large abattoirs and were representative of the industry.

What is evident at present is that the volatility of A grade RSA beef carcass prices as well as lamb prices have increased significantly in recent months and this volatility can be expected to continue. In the case

of beef the large feedlots obviously play a significant role in the beef A grade price movements through the impact they directly have on the market.

As Namibia uses the same grading system as South Africa and this system is largely aligned to our primary markets, Meatco uses the RSA prices as well as adjustments relating to other export market premiums and market incentives to set weekly prices for itself in Namibia. The actual pricing model Meatco uses was developed in conjunction with the producers in 2006.
Part of the Meatco pricing strategy is to try and provide a reasonable amount of price stability and if one then looks at the Meatco prices over the same period it is obvious that Meatco had kept prices stable in spite of the volatility of the RMAA A grade price at the time.

What has happened during the past 2 – 3 months though, is that the RMAA price relationship between the various grades has changed substantially and Meatco will therefore gradually adjust its own prices to align more closely with the RMAA price relationship between grades. It is foreseen that Meatco will continue to pay a premium above the RSA Parity prices, despite the strengthening of the Rand/N$ against the Euro/GBP and U$. In 2009 Meatco paid producers more than N$180 million above the equivalent RMAA prices.

With the new, more focused marketing of our products through the Natures Reserve Brands it becomes easier to relate the final product value to the original carcass quality and Meatco will relook the pricing model with the goal of linking final product market returns more closely with the carcass price. This would still be done within the current grading system and producers will be fully informed well in advance of any changes.

3. Brazil: Beef prices take a plunge

Grain and beef prices in Brazil have dropped over recent months. Demand has also plunged for Brazilian beef, coffee and soy, according to reports.

Many slaughterhouses have been affected by the *international* credit crisis in recent months and have shut down in both Mato Grosso do Sul and the neighboring agricultural state of Mato Grosso, which has caused thousands of meat cutters to be out of work.

There has been no expectation of such a sudden drop from the agribusiness boom that had Brazilian land prices skyrocketing and which brought in many American and Argentine investors looking to snap up farmland just before the economic meltdown.

Reports state that the recession is even beginning to harm the previously high popularity ratings for President Luiz Inacio Lula da Silva. Farmers are angry at his claims that the country won't be hit as hard by the meltdown as Europe and the United States.

Even though economists have said that Brazil's economy won't expand at all this year or will contract, Mr. Silva's administration in March predicted 2% growth but just reduced the forecast to 1.2% - figures that Fatima do Sul residents say is unrealistic. *meatinternational.com 20 April 2009*

4. Top Ten Producers of the month: March 2009

Nr.	Producer	Top Ten Point
1	G.W. Garbade	94.40
2	Dr. O.F.C. Herrigel	94.20
3	Nico Pretorius Trust	93.00
4	J.H. Botha	92.70
5	C.J. Smith	92.40
6	H.P. Deloch	92.40
7	ALT Seeis Farming	92.30
8	U.V. Düvel	91.40
9	A.F. Loubser	91.30
10	E. Meyer	

5. Meatco National Braai Competition this weekend in Okahandja!

Okahandja will be buzzing with activities this weekend when altogether 28 braai teams will be flocking to the town to participate in the 2009 Meatco National Braai Competition.

13 Farmers' Associations (FAs) and 15 social teams have entered this year's competition, which will be hosted under the theme Hollywood.

The conquering FA walks away with N$70 000 as well as a weekend for six people at any of the Namibia Country Lodges' six lodges. The winning social team will receive N$10 000 and a weekend for six persons at ***Erindi Wildlife Resort***.

Participants will receive their braai ingredients Saturday morning at 07:00, with which they will have to prepare a three course meal on the open fire for the judges.

The gates also open at 07:00 Saturday morning for the public and entrance fees are N$40 per person for adults and N$10 for primary school children. Some of the highlights of the day to look forward to include Namibian comedian Neville Basson, 'n lucky draw for a big screen TV, dance music by 4 Seasons and the evening's performance by the ever popular South African boyband, Eden. The kids can look forward to water slides, jumping castles, slippery slides as well as horse cart rides and archery.

Herewith a more detailed program for the day:

Saturday:
07:00 Gates open (Entry N$40 p/p for adults and N$10 for primary school children)
Braai teams receive their ingredients
Exhibition stalls & children entertainment opens
08:00 Judging starts
15:00 Entertainment in the tent with Neville Basson and 4 Seasons
18:00 Big screen TV lucky draw (sponsored by Hollard)

Prize giving
19:00 Meatco steakbraai at N$50 per person
20:30 EDEN

Your next e-newsletter will be sent on Wednesday, 13 May 2009.

Geagte Produsent

In hierdie week se nuus:

1. Produsentepryse
2. Navrae oor die RVAV-pryse vir A2 en A3-grade
3. Brasilië: beesvleispryse val
4. Top Tien produsente vir Maart 2009
5. 1 Dag om te gaan voor die Nasionale Braaikompetisie op Okahandja!

1. Produsentepryse

Die verhoudings tussen die verskillende ouderdomsklasse word op 'n weeklikse basis deur Meatco bestuur ten einde konstantheid te verseker.

Die verhoudings tussen die ouderdomsklasse wat weekliks deur die Rooivleis Abattoirvereniging (RVAV) van Suid-Afrika (SA) gerapporteer word, het oor die laaste paar weke verander. Hierdie veranderings het meegebring dat die verhouding tussen die ouderdomsklasse aangepas moet word.

Die veranderings van die verhoudings tussen die ouderdomsklasse sal vanaf 27 April 2009 oor drie weke ingefasseer.

Verskil tussen:	Huidige verhoudings	Nuwe verhoudings (word infasseer oor 3 weke)
A - AB	N$0.80	N$1.60
AB - B	N$0.20	N$0.40
B - C	N$1.20	N$1.50

2. Navrae oor die RVAV-pryse vir A2- en A3-grade

Meatco het verskeie navrae ontvang oor die skielike daling in die Rooivleis Abattoirvereniging (RMAA) van Suid-Afrika (SA) se pryse vir A2- en A3-graad diere gedurende week 13 tot 14. Produsente het ook navrae gedoen oor die A2- en A3-pryse wat gedurende hierdie tyd tot laer as dié van AB2- en AB3-grade gedaal het.

Siende dat die RVAV-pryse 'n kern rol speel in die berekening van Meatco se weeklikse produsentepryse, is dit belangrik om te verstaan hoe die RVAV pryse rapporteer word.

Mnr. Christo Heuer van die RVAV, het by navrae gesê die bogenoemde pryse was nie verkeerd rapporteer nie, maar dat dieselfde onbestendigheid in pryse verlede jaar oor die Paastyd ervaar is en dat dit daarna weer, soos nou, na normaal teruggekeer het. Hy het ook genoem dat 23 SA abattoirs, wat grootskaalse slagpale insluit, hul pryse gedurende hierdie tydperk deurgegee het en dat dit dus 'n goeie verteenwoordiging van die bedryf was.

Dit is tans duidelik dat die onbestendigheid van SA A-graad karkaspryse die afgelope paar maande toegeneem het en die verwagting is dat dié tendens vir eers sal voortduur. Hierdie blyk ook dieselfde situasie vir skaappryse te wees. In die geval van beesvleis is dit voor die hand liggend dat groot voerkrale 'n noemenswaardige rol in die prysbepaling van A-grade speel as gevolg van die direkte impak wat hierdie voerkrale op die mark het.

Namibië gebruik dieselfde graderingstelsel as SA en omrede hierdie stelsel tot 'n groot mate in lyn met Namibië se primêre markte is, gebruik Meatco die SA-pryse as basis om sy weeklikse produsentepryse te bepaal. Let wel dat aanpassings wat verband hou met uitvoerpremies en mark-prestasielone in ag geneem word wanneer Meatco sy pryse bereken. Die werklike prysmodel wat Meatco gebruik is in 2006 in samewerking met produsente ontwikkel.

Deel van Meatco se prysstrategie is om pryse so stabiel moontlik te probeer hou en as Meatco se pryse vir dieselfde tyd in ag neem word, is dit duidelk dat die instansie se pryse bestendig gebly het ten spyte van wat met die RVAV-prys gebeur het.

Wat wel gebeur het is dat die RVAV se prysverhouding tussen die verskeie grade oor die laaste twee tot drie maande aansienlik verander het. Meatco sal gevolglik sy produsentepryse geleidelik aanpas om dit in lyn met die RVAV se prysverhouding te bring. Die vooruitsig is dat Meatco sal aanhou om 'n premie bo die SA-pariteitspryse te betaal, ongeag van die versterking van die Rand/N$ teenoor die Euro/GBP en US$. Meatco het in 2008/9 meer as N$180 miljoen bo die Suid-Afrikaanse RVAV-pryse aan sy produsente betaal.

Met die nuwe, meer gefokusde bemarking van Meatco se produkte via die Natures Reserve-handelsmerk, word dit makliker om die finale waarde van die produk met die oorspronklike karkasgehalte te vergelyk. Meatco sal dus sy prysmodel hersien met die doel om die markopbrengs vir die finale produk nouer met die produsenteprys vir die karkas te verbind.

Hierdie hersieningproses sal steeds binne die raamwerk van die huidige graderingstelsel geskied en produsente sal vooraf ingelig word van enige veranderinge.

3. Brasilië: Beesvleispryse val

Graan en beesvleispryse in Brasilië het die afgelope paar maande aansienlik geval. Volgens beriggewing het die vraag na Brasiliaanse beesvleis, koffie en soja ook drasties afgeneem.

Verskeie slagpale in beide Mato Grosso do Sul en hul buurstaat is deur die *internasionale* kredietkrisis geraak en het hul deure gesluit. Duisende mense is gevolglik werkloos gelaat. Niemand het voorsien dat die florerende landboubedryf in Brasilië wat grondpryse die hoogte in laat skiet het en Amerikaanse en Argentynse beleggers na die land laat stroom het, so skielik sou afneem nie.

Volgens beriggewing het die resessie selfs ‘n negatiewe effek op die gewildheid van President Luiz Inacio Lula da Silva. Boere is ongelukkig oor sy aansprake dat die land nie so hard deur die ekonomiese krisis getref sou word soos Europa en die Verenigde State van Amerika nie.

Selfs nadat ekonome gesê het dat Brasilië se ekonomie nie vanjaar sou groei nie of selfs sou inkrimp, het mnr. Silva se bewind in Maart ‘n 2% groei voorspel. Hierdie vooruitsig is onlangs verminder na 1.2%, maar Fatima du Sul-inwoners is dit eens hierdie syfer is onrealisties. *meatinternational.com 20 April 2009*

4. Top Tien produsente vir Maart 2009

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5. Meatco Nasionale Braaikompetisie die naweek!

Okahandja gaan die naweek ‘n miernes van bedrywighede wees wanneer altesaam 28 braaispanne op die dorp byeen kom vir die 2009 Meatco Nasionale Braaikompetisie.

13 Boereverenigings (BVs) en 15 sosiale spanne het ingeskryf vir vanjaar se kompetisie, wat onder die tema Hollywood aangebied word.

Die oorwinnende BV wen ‘n reuse N$70 000 en ‘n wegbreeknaweek vir 6 persone na enige van ***Namibia Country Lodges*** se ses lodges. Die wenners van die sosiale kategorie stap met niks minder nie as N$10 000 en ‘n naweek vir ses persone by ***Erindi Wildreservaat*** weg.

Die deelnemers ontvang 07:00 Saterdagoggend hul verassingspakkies waarmee hul ‘n driegangmaaltyd vir die beoordelaars op die oop vuur moet voorberei.

Die hekke open ook 07:00 Saterdagoggend vir die publiek en toegangsfooie beloop N$40 per persoon en N$10 vir laerskoolkinders en die ingangsgelde sluit die hele dag se pret in. Van die hoogtepunte om na uit te sien is ‘n die Namibiese komediant, Neville Basson, ‘n geluktrekking vir ‘n grootskerm-televisie, dansmusiek deur 4 Seasons en die aand se optrede deur die alombekende jong manne van Suid-Afrika,

Eden. Vir die jongspan is daar onder meer waterglybane, springkastele en slippery slides, asook perdekarritte en pyl- en boogskiet.
Hiermee ‘n meer detailed program vir die dag:
Saterdag:

07:00 Hekke open (Ingang N$40 p/p vir volwassenes en N$10 vir laërskoolkinders)
Braaispanne ontvang produkte
Stalletjies & kindervermaak open
08:00 Beoordeling begin
15:00 Vermaak in tent met Neville Basson en 4 Seasons
18:00 Geluktrekking vir grootskerm-televisie (geborg deur Hollard)
Prysuitdeling
19:00 Meatco steakbraai teen N$50 per persoon
20:30 EDEN

Sien julle daar!