SOUTH AFRICAN POULTRY ASSOCIATION
Founded 1904

POULTRY INDUSTRY STATS SUMMARY FOR 2022

1. LOCAL INDUSTRY OVERVIEW

1.1. Gross value of animal products

Table 1 shows the gross value of primary agricultural production for 2021 and 2022 (source: DALRRD). The combined farm income for poultry meat and eggs for 2022 was R71.62 billion compared to R61.21 billion in 2021; a 17.0% increase. In the field crops sector, the gross value of sunflower seeds, soya beans and maize expanded by 44.3%, 38.5% and 34.6% respectively.

TABLE 1: Gross value of agriculture (R billion) (source: DALRRD)

SECTOR	2021	2022	Annual % change	% of animal products (2022)	% of grand total (2022)
Total field crops	102.17	130.56	27.8		31.1
Total horticulture	105.14	111.70	6.2		26.6
Wool	4.44	5.53	24.6	3.1	1.3
Mohair	1.68	1.46	-12.9	0.8	0.3
Karakul pelts	0.00	0.00	0.0	0.0	0.0
Ostrich feathers and products	0.62	0.75	21.7	0.4	0.2
Poultry meat	50.59	59.02	16.6	33.2	14.1
Eggs	10.62	12.60	18.7	7.1	3.0
Cattle and calves slaughtered	43.23	49.32	14.1	27.8	11.8
Sheep and goats slaughtered	9.82	9.90	0.8	5.6	2.4
Pigs slaughtered	8.88	9.94	11.9	5.6	2.4
Milk	21.17	23.84	12.6	13.4	5.7
Other livestock products	5.41	5.14	-5.0	2.9	1.2
Total animal products	156.47	177.51	13.4	100.0	42.3
Grand total	**363.77**	**419.77**	**15.4**		**100.0**

In rand value, the poultry industry remains the largest sector of South African agriculture at 17.1% of all agricultural production (up from 16.8% in 2021), and 40.3% of all animal products (up from 39.1%). The beef industry, its nearest rival, contributed 11.8% to turnover of all agricultural production and 27.8% of all animal products (Figure 1). Total animal products contributed 42.3% to the gross value of total agricultural products in 2022 (down from 43.0%).

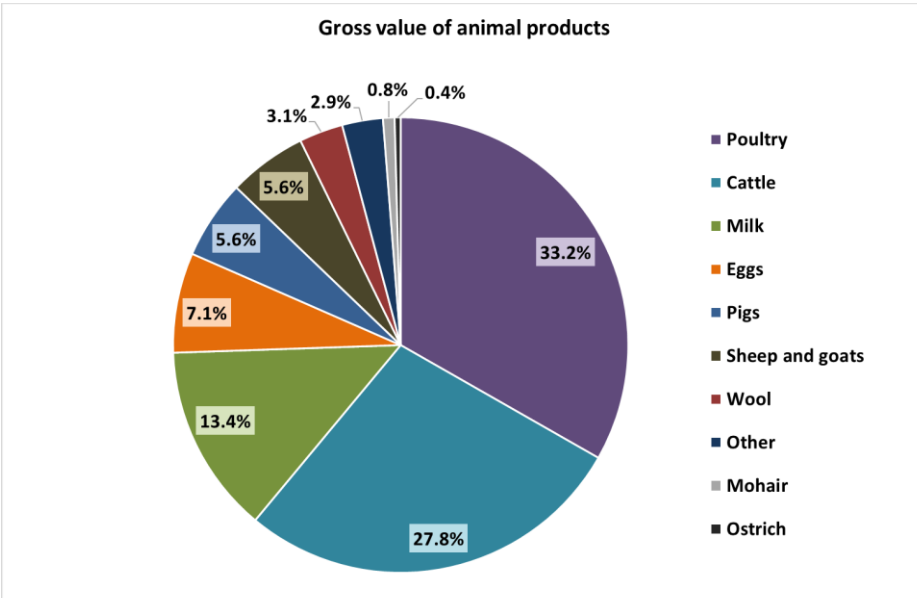

Figure 1: Gross value of animal products (source: DALRRD)

1.2. Production growth of industries

Approximately 76% of the birds in the South African poultry industry are used for meat production, while the remaining 24% are used for table egg production.

- **Broiler industry**

The number of day-old female parents placed during 2022 increased by 4.2% compared to 2021, while the average number of broiler breeders expanded by 3.3%. The broiler breeder flock is expected to increase by 4.7% to 7.40 million hens by April 2023.

There was a 2.2% annual increase in day-old chick production in 2022, with a total hatch of 1 177 million chicks. The number of broilers slaughtered for the year was 1 113 million; a 2.1% increase compared to 2021.

- **Egg industry**

In 2022 day-old pullet production and layer replacement numbers decreased by 6.5% and 3.0% respectively.

The national layer flock increased by 2.1% in 2022. Hen numbers are expected to decrease by 2.0% in the first four months of 2023 compared to the same period in 2022. Similarly the average number of cases of eggs per week for the first four months of 2023 is expected to be 2.0% lower.

1.3. Consumption of animal protein sources

Consumption of poultry products continues to exceed the consumption of all the other animal protein sources, although milk follows closely behind poultry meat. In 2022 consumption of poultry products amounted to 2.835 million tonnes. In comparison, 1.525 million tonnes of beef, pork, mutton and goat were consumed (Table 2) (source: DALRRD).

TABLE 2: Production and consumption of animal proteins (source: DALRRD)

Protein source	Production (1 000 tonnes)			Consumption (1 000 tonnes)			Per capita (kg)		
	2021	2022	% change	2021	2022	% change	2021	2022	% change
Poultry	1 910	1 951	2.2	2 304	2 282	-0.9	38.0	37.3	-1.7
Milk	3 825	3 771	-1.4	3 755	3 687	-1.8	37.0	36.0	-2.8
Beef	1 053	1 008	-4.3	1 029	987	-4.1	16.9	16.1	-4.8
Eggs	549	562	2.3	542	553	2.0	8.6	8.7	1.2
Pork	321	352	9.5	338	365	8.1	5.6	6.0	7.3
Mutton, goat	168	161	-4.3	177	173	-2.3	2.9	2.8	-3.1
Total	**7 827**	**7 805**	**-0.3**	**8 146**	**8 048**	**-1.2**	**109.0**	**106.9**	**-1.9**

The combined per capita consumption of poultry meat and eggs in 2022 was 46.0 kg, compared to 46.6 the previous year (Figure 2).

The poultry sector provided 65.0% of animal protein (excluding milk) consumed in the country; up from 64.8% in 2021. If milk is included, then poultry meat and eggs contributed 35.2% to animal protein consumed; up from 34.9% in 2021 (source: DALRRD).

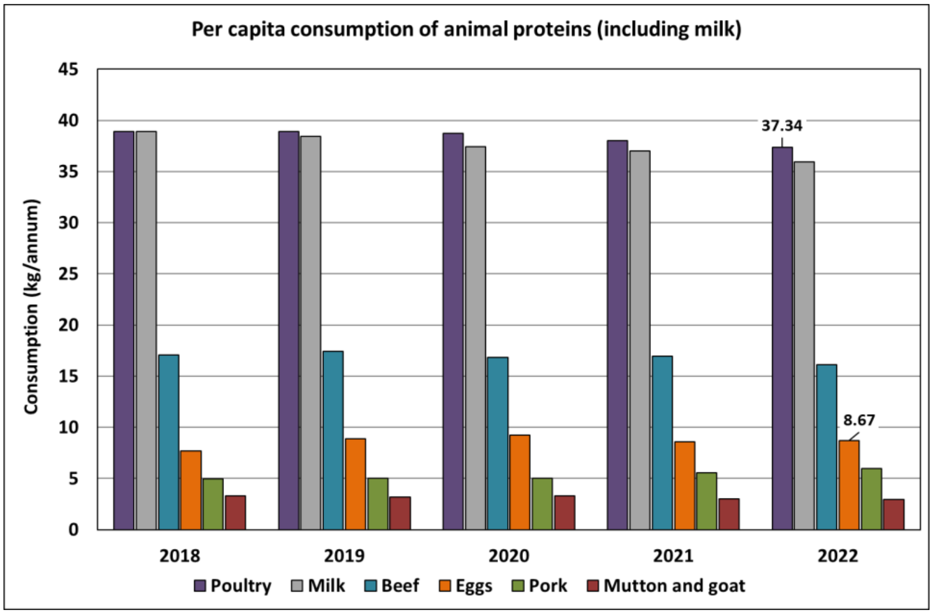

Figure 2: Per capita consumption of protein sources (source: DALRRD)

Price comparison of animal protein sources

On a rand-per-kg basis, eggs were the most affordable animal protein source at R24.16/kg, followed by pork (R28.42/kg) and chicken (R29.36/kg) (Figure 3). Pork prices recovered in the last quarter of 2022, realising an average abattoir price of R34.33/kg.

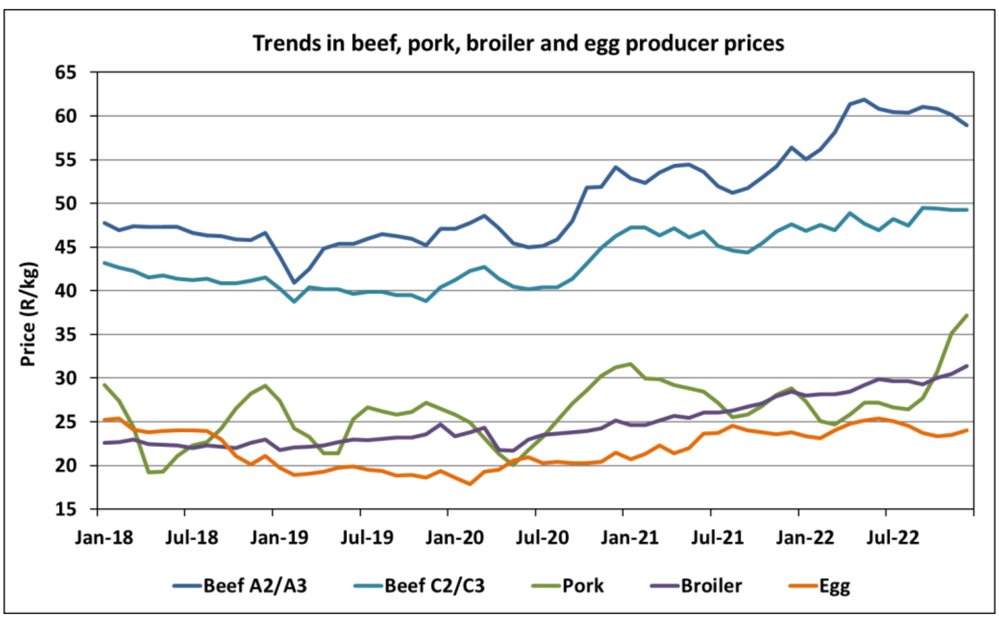

Figure 3: Monthly beef, pork, broiler and egg producer prices (source: AMT, SAPA)

1.4. Production and consumption of maize

Maize production in South Africa is concentrated in Free State (41.1%), Mpumalanga (23.4%) and North West (17.2%). In total, 81.7% of the recent maize crop was grown in these three provinces (Figure 4).

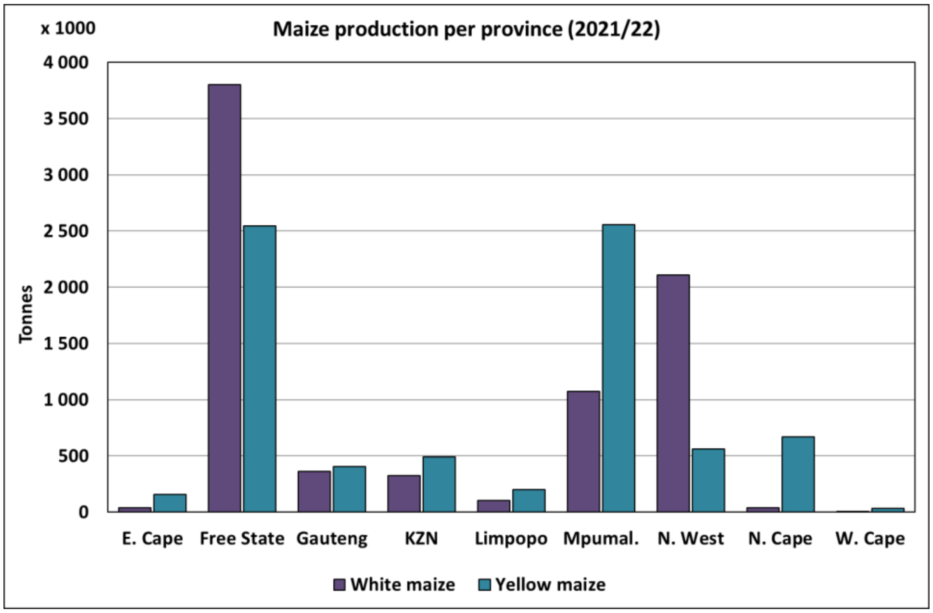

Figure 4: Maize production per province (source: CEC)

The crop season runs from May to April and the Crop Estimates Committee (CEC) reported that the total maize crop for 2021/22 was 15.47 million tonnes; a 5.2% annual decrease (Table 3). The estimated crop for the 2022/23 season is 15.62 million tonnes (+0.9%).

TABLE 3: Production of summer crops (1 000 tonnes) (source: CEC)

Crop	2020/21	2021/22	% of total	% change	2022/23*	% change
White maize	8 600.0	7 850.0	50.7	-8.7	8 187.2	4.3
Yellow maize	7 715.0	7 620.0	49.3	-1.2	7 427.9	-2.5
Total maize	16 315.0	15 470.0	100.0	-5.2	15 615.1	0.9
Sunflower seeds	678.0	845.6		24.7	775.3	-8.3
Soya beans	1 897.0	2 230.0		17.6	2 651.7	18.9

* CEC forecast: 28 February 2023

In 2022 maize production contributed R63.8 billion to the gross value of agricultural products compared to R47.4 billion the previous year (source: DALRRD).

The total South African consumption of maize for 2021/22 was 11.09 million tonnes, of which 5.90 million tonnes was used for animal feed (Table 4) (source: South African Grain Information Service (SAGIS)).

TABLE 4: Maize consumption (1 000 tonnes) (source: SAGIS)

Crop	2020/21	2021/22	% change	Animal feed	%
White maize	6 410.8	7 116.8	11.0	2 407.0	33.8
Yellow maize	4 790.4	3 970.4	-17.1	3 490.8	87.9
Total	**11 201.2**	**11 087.1**	**-1.0**	**5 897.9**	**53.2**

1.5. Feed sales and usage

The poultry industry is the largest customer of the Animal Feed Manufacturers Association (AFMA). A total of 6.939 million tonnes (+2.2%) of animal feed was sold in the period from April 2021 to March 2022. Poultry (including ostriches) consumed 4.422 million tonnes with the bulk thereof going to the broiler industry (Table 5). In total, 63.7% of AFMA's animal feed sales (down from 64.6%) went to the poultry industry (Figure 5).

TABLE 5: Annual poultry feed sales (source: AFMA)

Feed type	April 2020 - March 2021		April 2021 - March 2022		% Change
	Tonnes	%	Tonnes	%	
Broiler	2 834 628	64.8	2 903 007	65.7	2.4
Layer	990 932	22.7	981 023	22.2	-1.0
Breeder	534 970	12.2	528 289	11.9	-1.2
Ostrich	13 739	0.3	9 228	0.2	-32.8
Poultry	**4 374 269**	**100.0**	**4 421 547**	**100.0**	**1.1**

National feed production during 2021/22 was estimated to be 12.147 million tonnes; a 1.3% annual increase. AFMA sales (7.107 million tonnes, including feed derived from concentrates) therefore represented 58.5% of the national feed produced (source: AFMA).

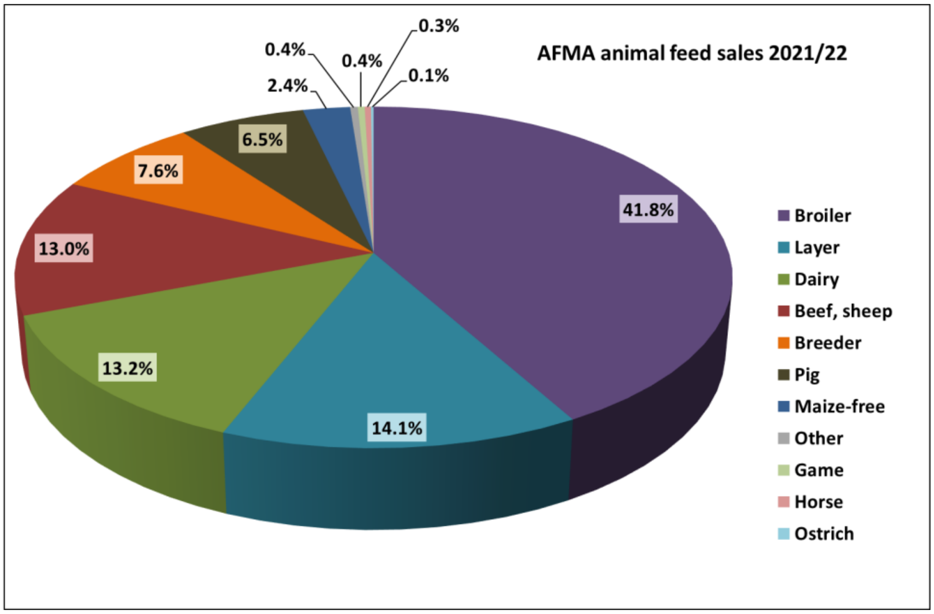

Figure 5: Animal feed sales from April 2021 to March 2022 (source: AFMA)

1.6. Feed prices

The annual average raw material costs for the different poultry feeds are shown in Table 6. These costings are based on feed ingredient prices and a standardised formulation and exclude delivery, additives and mixing costs (source: H. Koster). The substantial annual percentage increases in 2022 follow on from increases of 15.6% for broiler diets and 18.0% for pullet and layer diets in 2021.

TABLE 6: Raw material costs of poultry feeds

Year	Broiler starter	Broiler grower	Broiler finisher	Pullet	Layer
2021	5 466	5 250	5 286	4 508	4 177
2022	6 676	6 416	6 510	5 546	5 169
% change	22.1	22.2	23.2	23.0	23.7

Figure 6 shows the trends in poultry feed costs for the past five years, with forecasts to July 2023 (source: H. Koster).

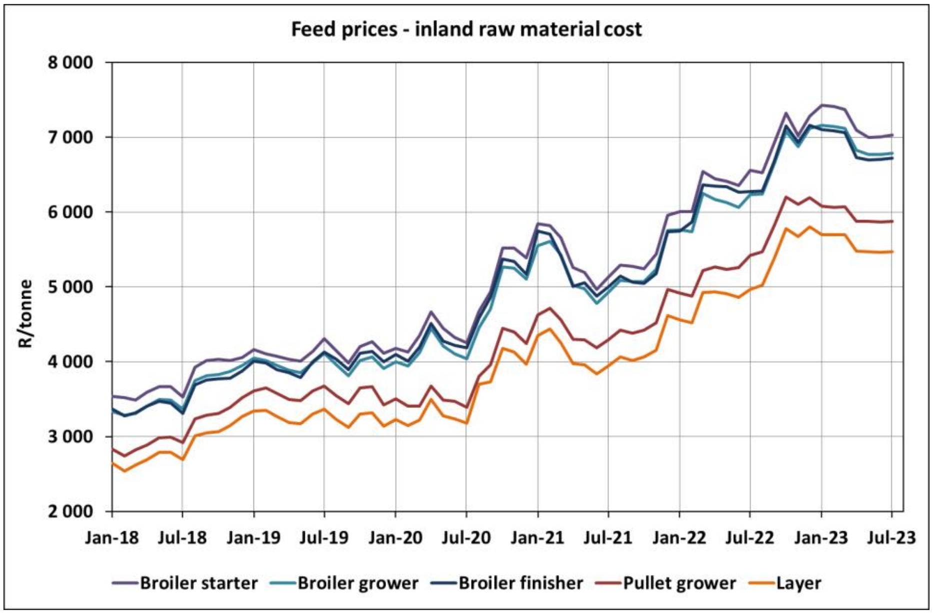

Figure 6: Monthly trends in poultry feed prices (source: H. Koster)

2. TRADE

2.1. Imports

Chicken and egg imports for 2022 decreased by 11.4% and 39.2% respectively (Figure 7). The total free on board (FOB) value of the imports was R4.296 billion (-11.0%), with chicken contributing R4.184 billion (97.4% of the total) and eggs R0.112 billion.

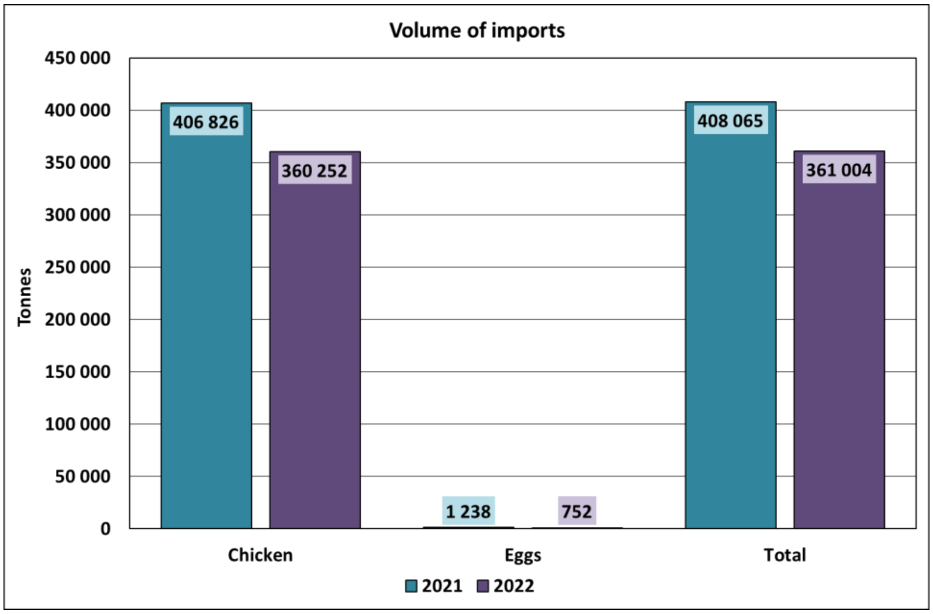

Figure 7: Import volumes of chicken meat and eggs

2.2. Exports

In 2022 the volume of chicken and egg exports grew by 2.2% and 11.7% respectively (Figure 8). The total FOB value of the exports was R1.739 billion (+25.3%), with chicken contributing R1.373 billion (79.0% of the total) and eggs R0.366 billion.

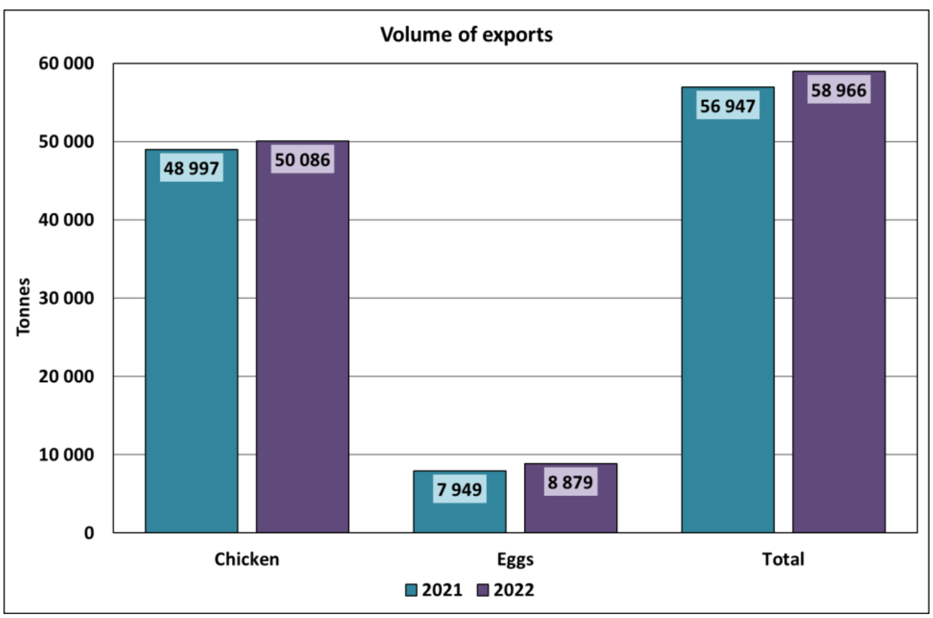

Figure 8: Export volumes of chicken meat and eggs