

# Dairy industry review™



MILK SOUTH AFRICA / MELK SUID-AFRIKA

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## Industry Information

### Milk production

Annual milk production from 2009-2013 and monthly milk production for 2013 and 2014 are provided in Table 1. The long-term trend in milk production is clear from Figure 1, denoting annual milk production from 2004-2013 and Figure 2, denoting monthly milk production from January 2004 to February 2014. Milk production shows an increasing long-term trend.

Monthly milk production from January 2010 to February 2014 is shown in Figure 2. The application of milk from January 2006 to February 2014 in terms of concentrated and other products is shown in Figure 4.

## Bedryfsinligting

### Melkproduksie

Jaarlikse melkproduksie vanaf 2009-2013 en maandelikse melkproduksie vir 2013 en 2014 word in Tabel 1 verskaf. Die langtermyn tendens in melkproduksie blyk uit Figuur 1, wat jaarlikse melkproduksie vir 2004-2013 aandui en Figuur 2 wat maandelikse melkproduksie vanaf Januarie 2004 tot Februarie 2014 aandui. Melkproduksie vertoon 'n stygende langtermyn tendens.

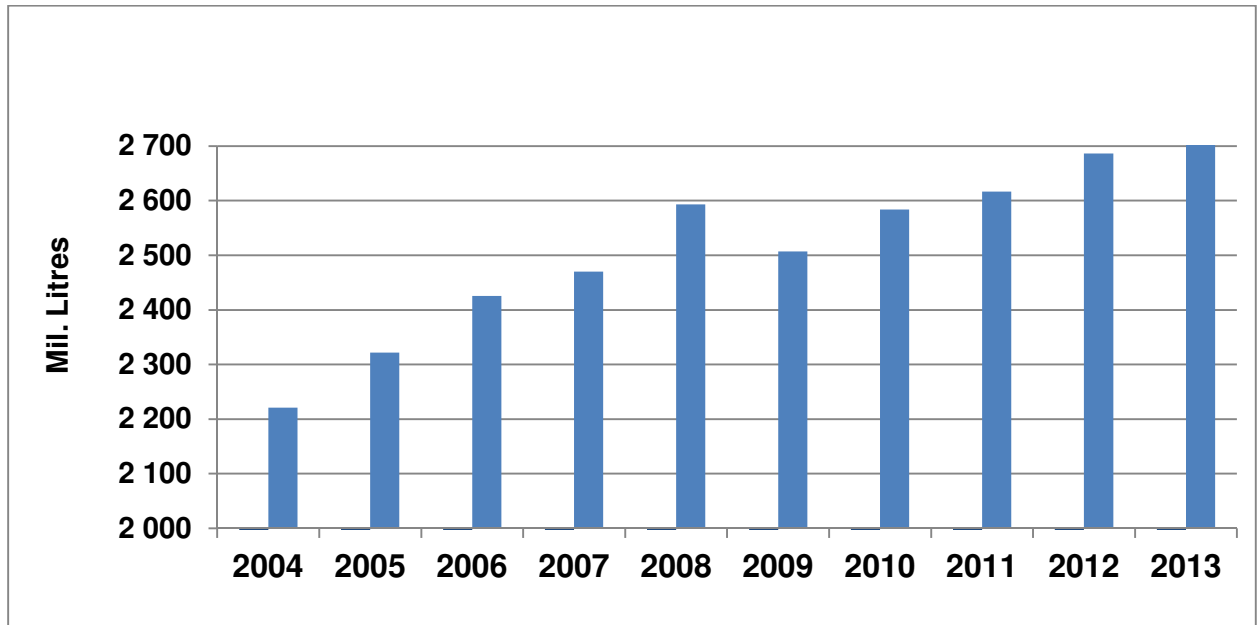
Maandelikse melkproduksie vanaf Januarie 2009 tot Februarie 2014 word in Figuur 2 aangedui. Die aanwending van melk vanaf Januarie 2006 tot Februarie 2014 ten opsigte van gekonsetreerde en ander produkte word in Figuur 4 getoon.

**Table 1 :** Commercial milk production and application, 2009-2014

**Tabel 1 :** Kommersiële melkproduksie en aanwending daarvan, 2009-2014

Date	Production 000 L	% Change Y-o-y*
2009	2 519 970	-3.3
2010	2 637 658	4.7
2011	2 616 429	-0.8
2012	2 757 226	5,4
Jan-13	235 902	1.2
Feb-13	206 994	-0.3
Mar-13	219 868	2.2
Apr-13	206 172	2.0
May-13	213 682	1.1
Jun-13	207 144	0.8
Jul-13	219 065	2.2
Aug-13	244 046	3.2
Sep-13	260 810	3.2
Oct-13	276 788	2.8
Nov-13	264 237	2.3
Dec-13	262 092	4.2
2013	<b>2 816 800</b>	<b>2.2</b>
Jan-14	236 191	0.1
Feb-14	205 761	-0.6

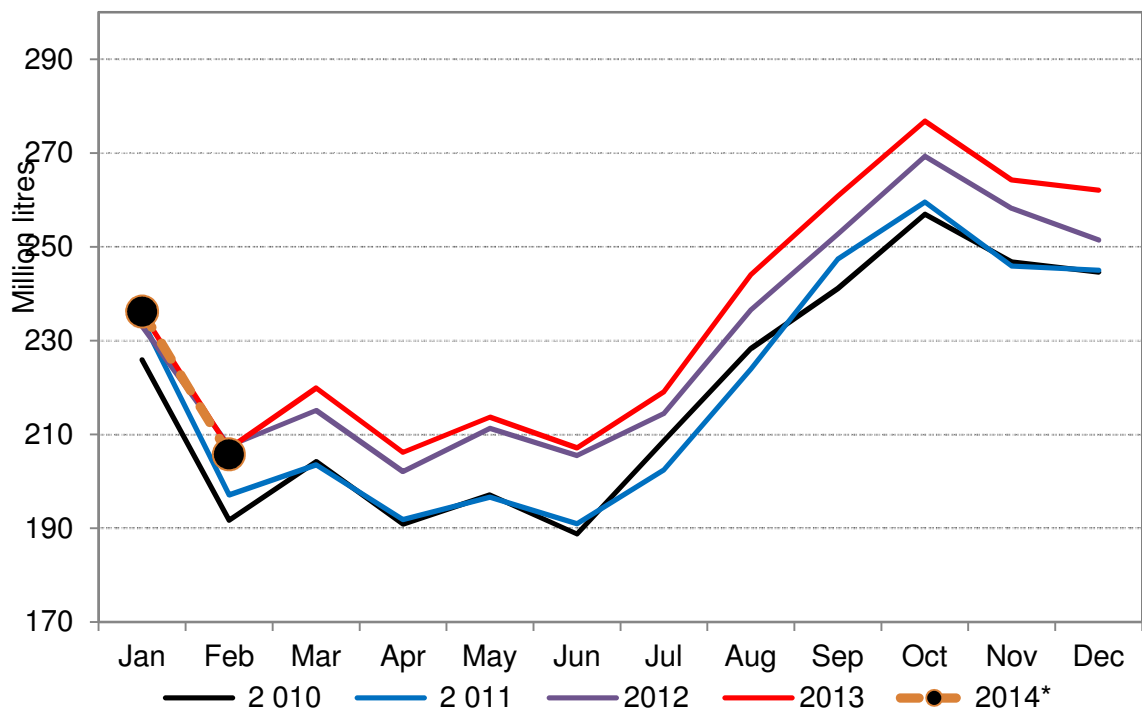
\* Year on year/ Jaar op jaar. Jan 13 – Dec 13 Milk SA statutory information. Jan 14 – Feb 14 Milk SA estimate based on a sample of milk buyers/ Jan 13 – Dec 13 Melk SA statutere inligting. Jan 14 – Feb 14 Melk SA beraming gebaseer op 'n monster van melkkopers



**Figure 1 :** Annual milk production, 2004-2013

**Figuur 1 :** Jaarlikse melkproduksie, 2004-2013

Source / Bron : 2004-2005 MPO, SAMO, Milk Board / Melkraad, Abstract / Kortbegrip; 2006-2013 Milk SA / Melk SA



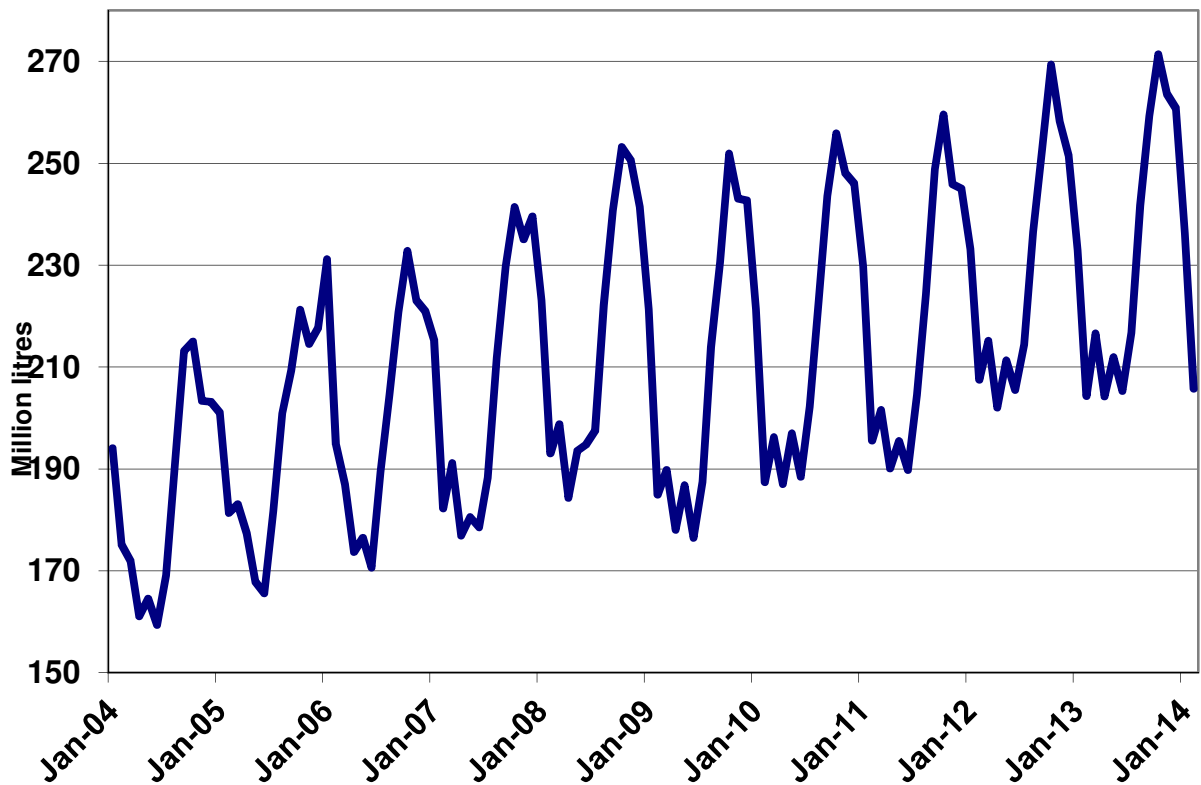
**Figure 2 :** Monthly milk production, 2010 - 2014

**Figuur 2 :** Maandelikse melkproduksie, 2010 - 2014

Source / Bron : Milk SA/ Melk SA

\* Estimate based on Milk SA sample

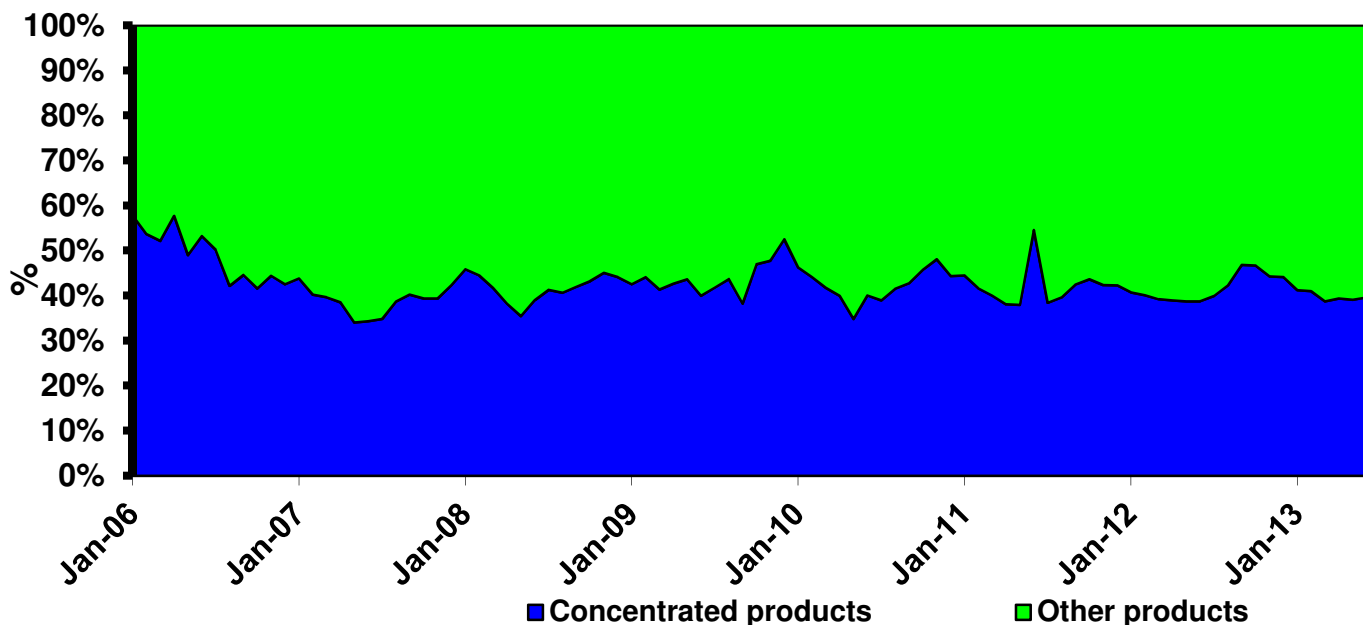
\*Beraming gebaseer op Melk SA steekproef



**Figure 3 :** Long-term trend in milk production, Jan 2004- Feb 2014

**Figuur 3 :** Langtermyn tendens in melkproduksie, Jan 2004- Feb 2014

Source / Bron : See Figure 1 / Sien Figuur 1



**Figure 4 :** Application of locally produced milk in concentrated and other dairy products, 2006-2013

**Figuur 4 :** Aanwending van plaaslik geproduseerde melk in gekonsentreerde en ander suiwelprodukte, 2006-2013

Source / Bron : Milk SA / Melk SA

## Import statistics

Import statistics for the years from 2008-2013 are summarized in Table 2.

Annual imports from 1995-2013 are shown in Figure 5 and monthly imports, on a milk equivalent base from January 1995 to December 2013 in Figure 6.

Figure 7 shows the composition of imports for 2010-2013.

## Invoerstatistiek

Invoerstatistiek vir die jare van 2008-2013 word in Tabel 2 weergegee.

Jaarlikse invoere vanaf 1995-2013 word in Figuur 5 en maandelikse invoere op 'n melkekwalivalent basis vanaf Januarie 1995 tot Desember 2013 in Figuur 6 aangedui.

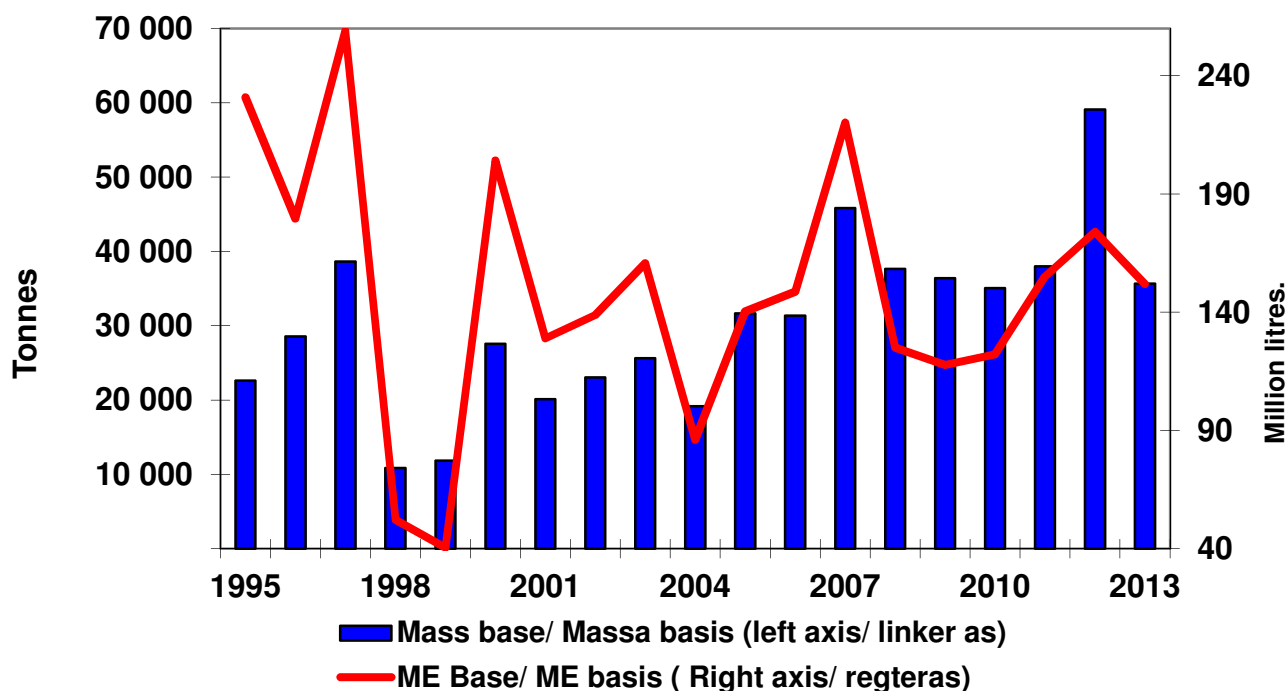
Die samestelling van invoere vir 2010-2013 word in Figuur 7 aangedui.

**Table 2 :** Annual imports 2008-2013 (Tonnes)

**Tabel 2 :** Jaarlikse invoere 2008-2013 (Ton)

Tariff Heading Tariefpos	Description Beskrywing	2008	2009	2010	2011	2012	2013
04.01	Milk and Cream / <i>Melk en room</i>	12 799	10 902	11 119	8 324	15 240	4 267
04.02	Milk, concentrated / <i>Melk, gekonsentreer</i>	5 852	5 385	6 771	7 895	13 257	7 115
04.03	Buttermilk & yogurt / <i>Karringmelk &amp; joghurt</i>	669	1 381	1 379	2 131	2 146	1 591
04.04	Whey & modified whey / <i>Wei &amp; gemodifiseerde wei</i>	7 539	6 260	7 268	9 445	9 266	11 165
04.05	Butter & other milk fats / <i>Botter en ander melkvette</i>	2 812	3 201	2 192	3 153	6 107	3 132
04.06	Cheese and curd / <i>Kaas en wrongel</i>	4 337	5 245	6 331	6 765	13 084	8 403
	<b>Grand Total / Groototaal</b>	<b>34 009</b>	<b>32 373</b>	<b>35 061</b>	<b>37 714</b>	<b>59 103</b>	<b>35 674</b>

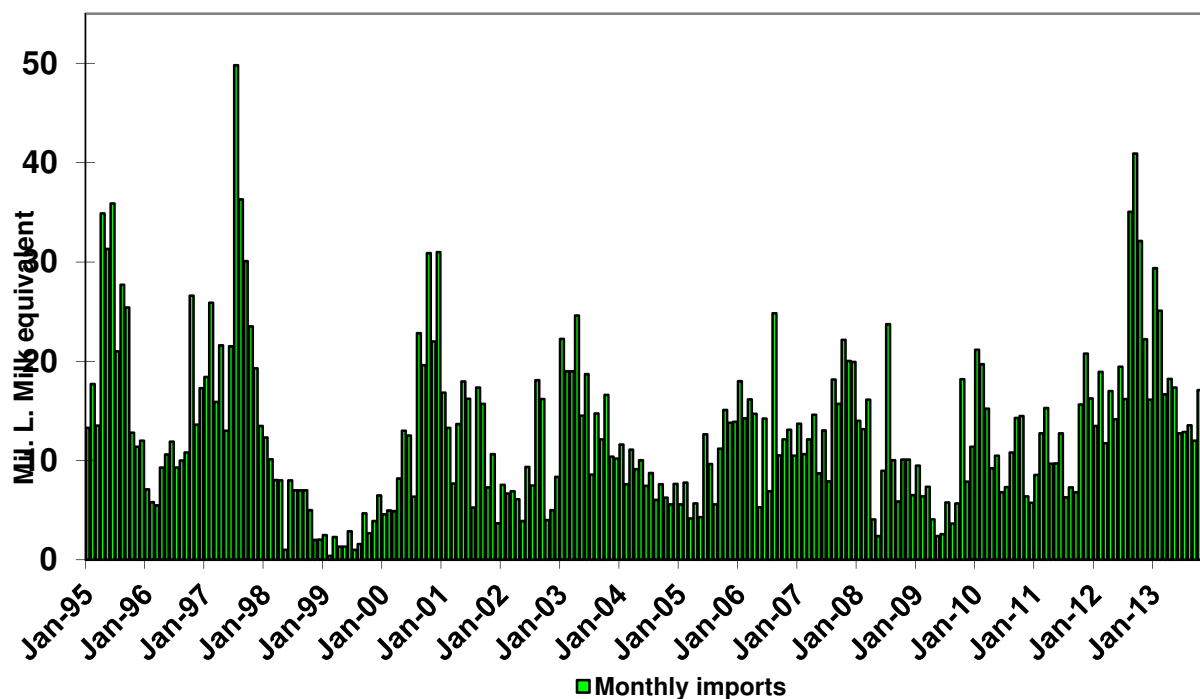
Source / Bron : Customs & Excise import statistics supplied by SAMPRO / Doeane en aksyns invoerstatistiek voorsien deur SAMPRO



**Figure 5 :** Annual imports of dairy products, 1995 – 2013

**Figuur 5 :** Jaarlikse invoere van suiwelprodukte, 1995 – 2013

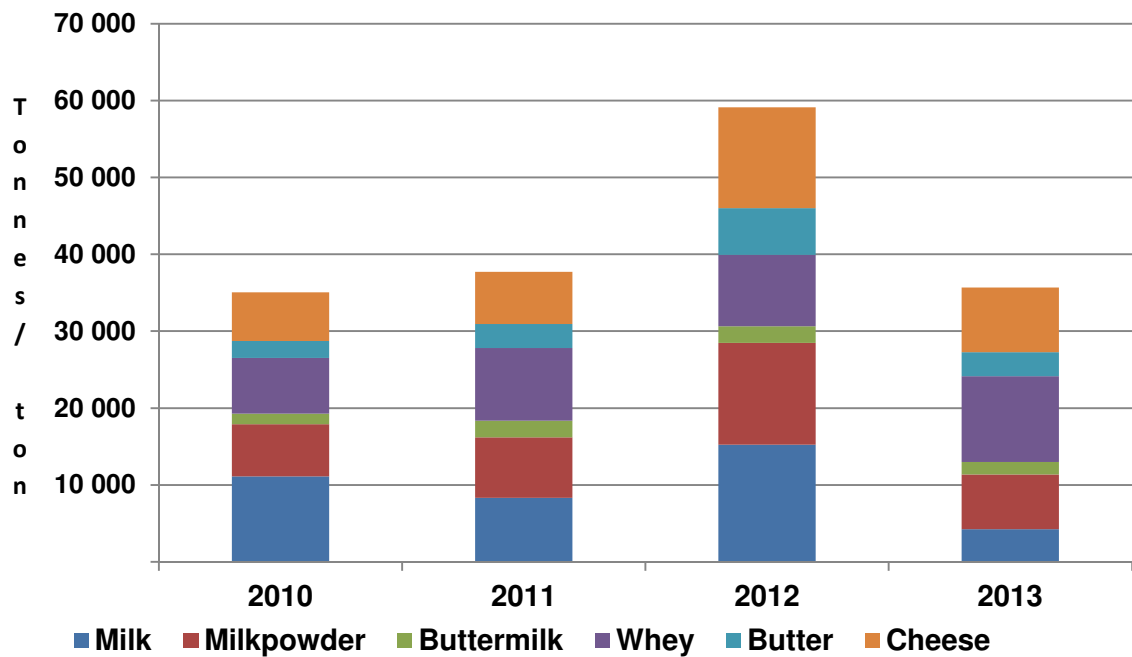
Source / Bron : Customs & Excise import statistics supplied by SAMPRO / Doeane en akyns invoerstatistiek voorsien deur SAMPRO



**Figure 6 :** Monthly imports, milk equivalent base, January 1995 to December 2013

**Figuur 6 :** Maandelikse invoer, melkekwivalent basis, Januarie 1995 tot Augustus 2013

Source / Bron : Customs & Excise import statistics supplied by SAMPRO / Doeane en akyns invoerstatistiek voorsien deur SAMPRO



SAMPRO

**Figure 7 :** Composition of imports, 2010-2013

**Figuur 7 :** Samestelling van invoere, 2010-2013

Source / Bron : Customs & Excise import statistics supplied by SAMPRO / Doeane en akyns invoerstatistiek voorsien deur SAMPRO

### Export statistics

Export statistics for 2008-2013 are shown in Table 3. The composition of annual exports is shown in Figure 8.

### Net Exports

Net exports, on a milk equivalent basis, are shown in Figure 9.

### Uitvoerstatistiek

Uitvoerstatistiek vanaf 2008-2013 word in Tabel 3 aangedui. Die samestelling van jaarlikse uitvoere word in Figuur 8 aangedui.

### Netto Uitvoere

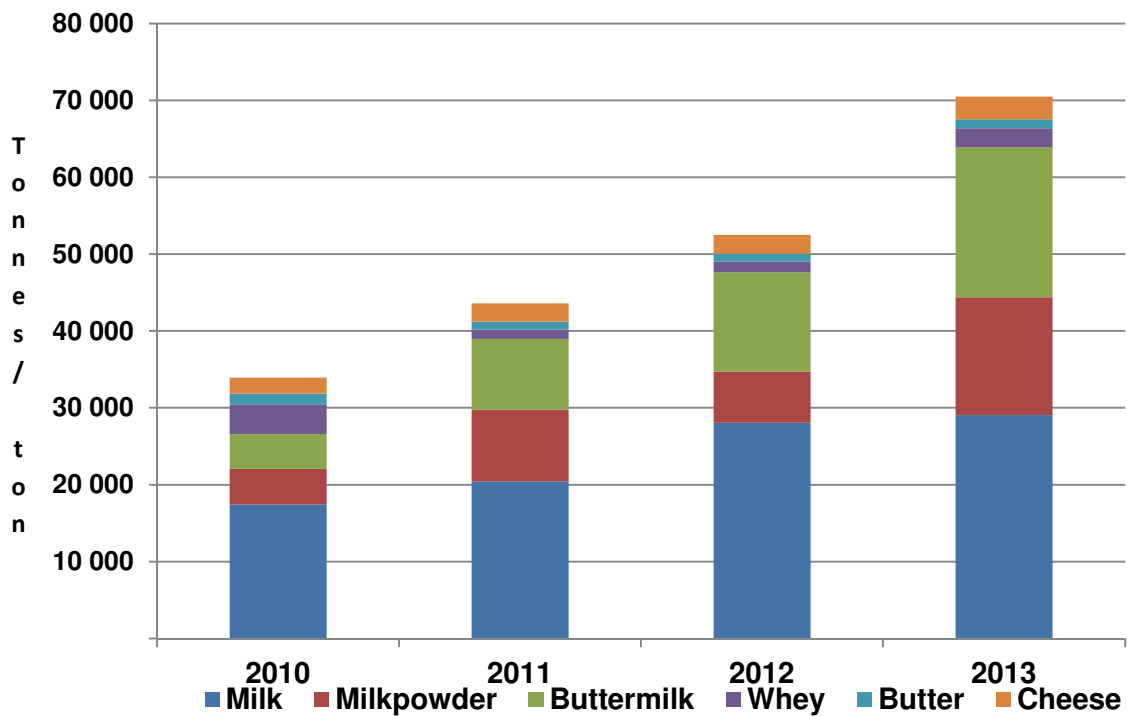
Jaarlikse netto uitvoere op 'n melkekivalent basis word in Figuur 9 aangedui.

**Table 3 :** Annual exports (tonnes), 2008-2013**Tabel 3 :** Jaarlikse uitvoere (ton) 2008-2013

Tariff Heading Tariefpos	Description Beskrywing	2008	2009	2010	2011	2012	2013
04.01	Milk and Cream / <i>Melk en room</i>	19 294	21 293	17 451	20 802	28 077	29 074
04.02	Milk, concentrated / <i>Melk, gekonsentreer</i>	11 446	7 864	4 612	7 245	6 653	15 316
04.03	Buttermilk & Yogurt / <i>Karringmelk &amp; Joghurt</i>	5 743	5 709	4 527	9 215	12 914	19 518
04.04	Whey & modified whey / <i>Wei &amp; gemodifiseerde wei</i>	3 928	3 853	3 805	1 256	1 384	2 466
04.05	Butter & other milk fats / <i>Botter en ander melkvette</i>	1 565	1 309	1 471	992	1 033	1 175
04.06	Cheese and curd / <i>Kaas en wrongel</i>	1 434	1 741	2 083	2 307	2 438	2 932
	<b>Grand Total / Groototaal</b>	<b>42 781</b>	<b>41 771</b>	<b>33 950</b>	<b>41 817</b>	<b>52 500</b>	<b>70 482</b>

Source / Bron : Customs & Excise export statistics supplied by SAMPRO / *Doeane en aksyns uitvoerstatistiek voorsien deur SAMPRO*

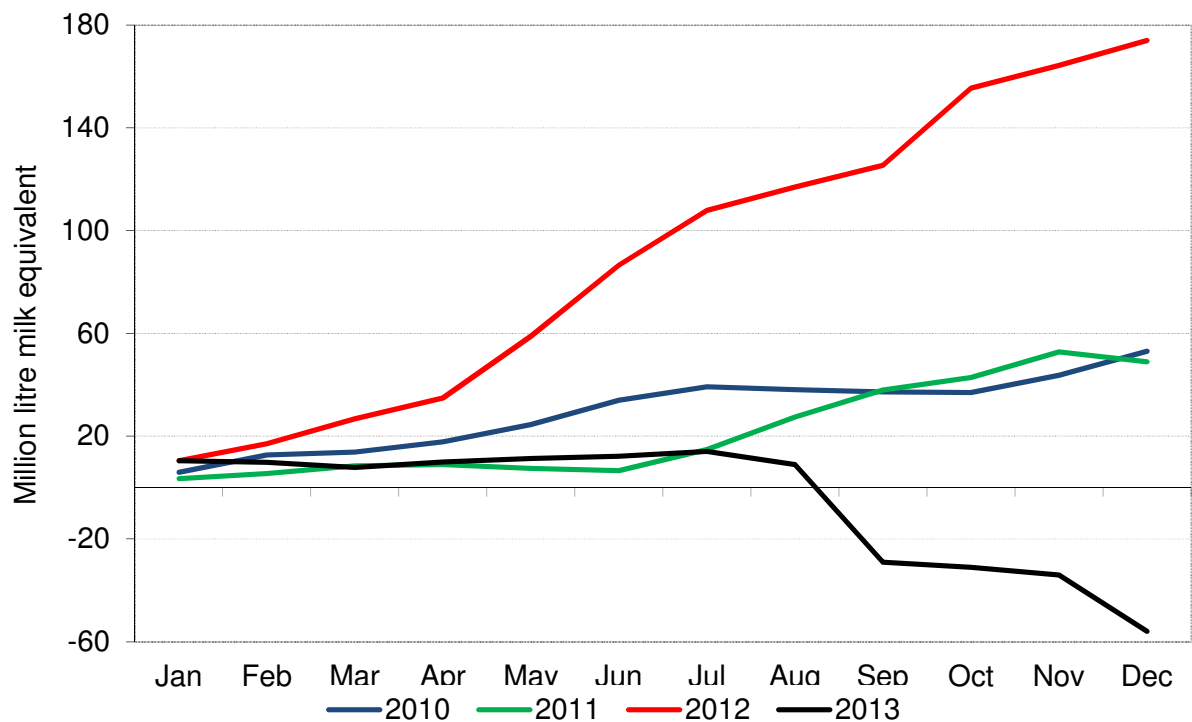




**Figure 8 :** Composition of annual exports, 2010-2013

**Figuur 8 :** Samestelling van jaarlikse uitvoere, 2010-2013

Source / Bron : Customs & Excise export statistics supplied by SAMPRO / Doeane en aksyns uitvoerstatistiek voorsien deur SAMPRO



**Figure 9 :** Cumulative net imports, milk equivalent basis, January 2010 – December 2013

**Figuur 9 :** Kumulatiewe netto invoere, melkekwivalent basis, Januarie 2010 - Desember 2013

Source / Bron : MPO Calculations from import and export data supplied by SAMPRO / MPO berekening vanaf invoer- en uitvoerdata verskaf deur SAMPRO

## Prices

Price indices for raw milk on farm level, processed dairy products on factory level and milk, cheese and eggs on retail level are shown in Table 4 and Figure 10.

**Table 4 :** Price indices of raw milk on farm, processed dairy products on factory and milk, cheese and eggs on retail level

**Tabel 4 :** Prysindexse van roumelk op plaas-, geprosesseerde suiwelprodukte op fabrieks- en melk, kaas en eiers op kleinhandelsvlak

## Pryse

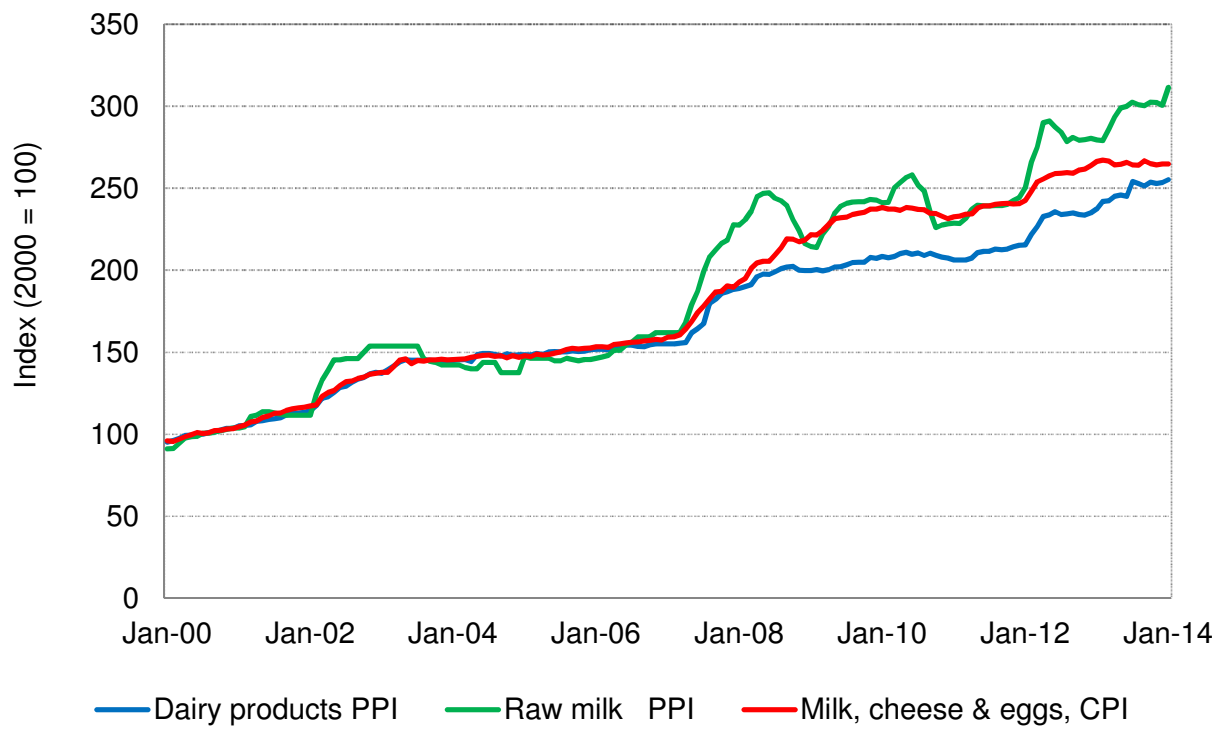
Prysindexse van roumelk op plaasvlak, verwerkte suiwelprodukte op fabrieksvlak en van melk, kaas en eiers op kleinhandelsvlak word in Tabel 4 en Figuur 10 aangedui.

(2000 = 100)

Month	Dairy products PPI	Raw milk PPI*	Milk, cheese & eggs, CPI
Jun-12	235.8	287.4	259.1
Jul-12	234.1	284.3	259.3
Aug-12	234.5	278.6	259.7
Sep-12	235.0	281.1	259.3
Oct-12	234.1	279.3	261.2
Nov-12	233.7	279.7	261.8
Dec-12	235.0	280.5	263.9
Jan-13	237.6	279.6	266.5
Feb-13	242.0	279.1	267.3
Mar-13	242.4	286.1	266.7
Apr-13	245.2	293.4	264.4
May-13	245.9	299.1	264.6
Jun-13	245.2	300.1	265.9
Jul-13	254.2	302.6	264.4
Aug-13	252.8	301.0	264.1
Sep-13	251.4	300.4	266.9
Oct-13	253.7	302.6	265.1
Nov-13	253.0	302.3	264.4
Dec-13	253.5	300.6	264.8
Jan-14	255.4	311.5	264.8

\* Adjusted to same base period/ Aangepas na ooreenstemmende basisperiode

Source / Bron : Statistics SA, PPI and CPI data / Statistiek SA, PPI en VPI data



**Figure 10 :** Price indices of raw milk on farm, processed dairy products on factory and milk, cheese and eggs on retail level, Jan 2000- March 2014

**Figuur 10 :** Prysindexe van roumelk op plaas-, geprosesseerde suiwelprodukte op fabrieks- en melk, kaas en eiers op kleinhandelvlak, Jan 2000 – Maart 2014

Source / Bron : Statistics SA ,PPI and CPI data / Statistics SA ,PPI en VPI data

**International situation****Internasionale omgewing**

World dairy product prices are shown in Table 5 and in Figure 11.

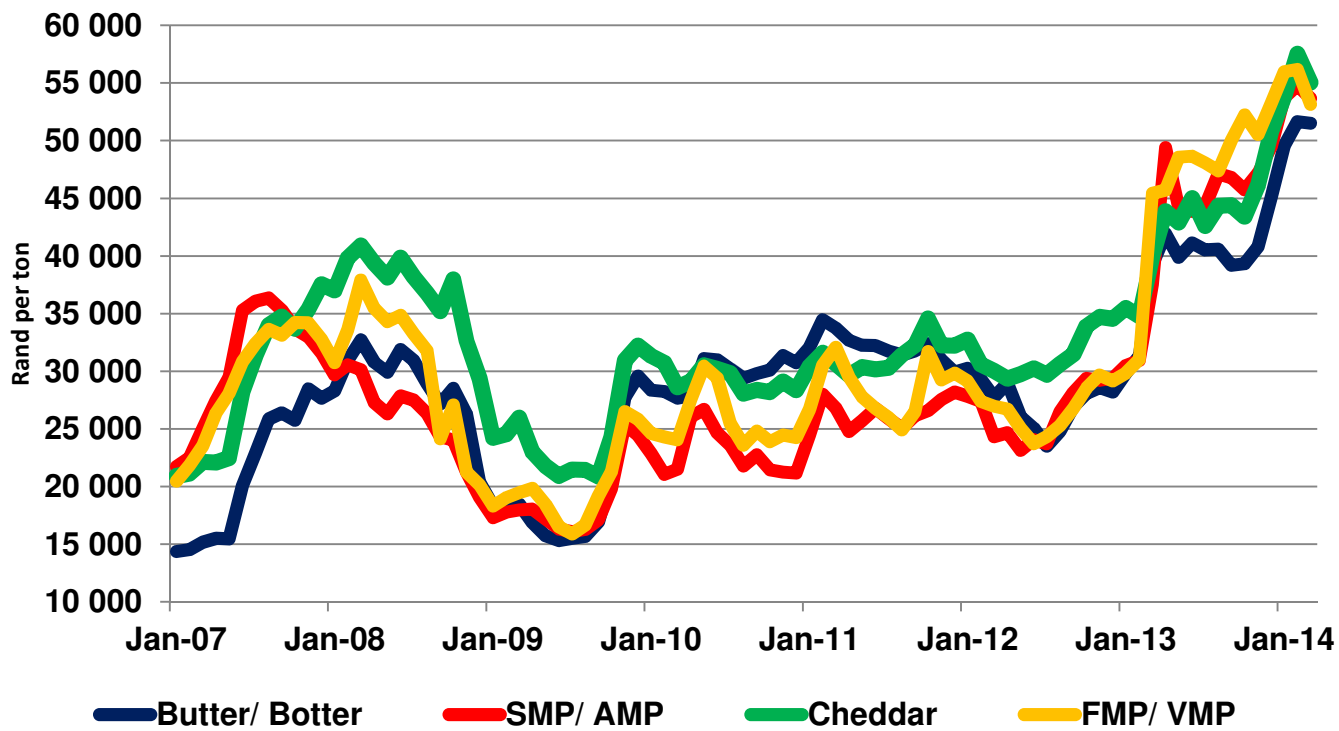
Wêreld suiwelprodukpryse word in Tabel 5 en Figuur 11 aangedui.

**Table 5 :** Monthly international FOB prices for New Zealand dairy products, July 2010 to March 2014

**Tabel 5 :** Maandelikse internasionale VAB pryse vir Nieu Seelandse suiwelprodukte, Julie 2010 tot Maart 2014

Month / Maand	Price US\$ / ton Prys VSA\$ per ton			SA cent / US\$ SA sent / VSA\$	Price Rand / ton Prys Rand per ton		
	Butter	SMP	Cheddar		Butter	SMP	Cheddar
Jan-12	3 775	3 475	4 088	<b>763</b>	29 185	27 289	30 470
Feb-12	3 825	3 577	3 994	<b>765</b>	27 923	24 480	30 218
Mar-12	3 650	3 200	3 950	<b>790</b>	29 230	24 885	29 625
Apr-12	3 700	3 150	3 750	<b>783</b>	28 971	24 665	29 363
May-12	3 200	2 838	3 650	<b>815</b>	26 080	23 130	29 748
Jun-12	2 987	2 863	3 600	<b>840</b>	25 091	24 045	30 240
Jul-12	2 850	2 875	3 600	<b>825</b>	23 513	23 719	29 700
Aug-12	2 996	3 200	3 700	<b>827</b>	24 777	26 464	30 599
Sep-12	3 250	3 400	3 800	<b>827</b>	26 878	28 118	31 426
Oct-12	3 250	3 400	3 925	<b>867</b>	28 178	29 478	34 030
Nov-12	3 250	3 400	3 925	<b>880</b>	28 600	29 260	34 760
Dec-12	3 250	3 325	3 950	<b>880</b>	28 706	29 920	35 200
Jan-13	3 262	3 400	4 000	<b>890</b>	29 921	30 589	35 600
Feb-13	3 625	3 582	4 025	<b>864</b>	31 320	30 948	34 776
Mar-13	4 275	4 087	4350	<b>918</b>	39 245	37 519	39 933
Apr-13	4 588	5 406	4 800	<b>914</b>	41 930	49 413	43 872
May-13	4 275	4 737	4 600	<b>933</b>	39 886	44 196	42 918
Jun-13	4 100	4 375	4 487	<b>991</b>	40 631	43 356	44 466
Jul-13	4 088	4 475	4 300	<b>991</b>	40 507	44 347	42 613
Aug-13	4 025	4 675	4 400	<b>1 007</b>	40 532	47 077	44 308
Sep-13	3 925	4 688	4 450	<b>1 005</b>	39 446	47 109	44 723
Oct-13	3 965	4 610	4 375	<b>1 000</b>	39 650	46 100	43 750
Nov-13	4 000	4 625	4 525	<b>1 020</b>	40 800	47 175	46 155
Dec-13	4 350	4 775	4 900	<b>1 036</b>	45 066	49 469	50 764
Jan-14	4 560	4 943	4 950	<b>1 087</b>	49 567	53 730	53 807
Feb-14	4 713	5 000	5 250	<b>1 096</b>	51 654	54 800	57 540
Mar-14	4 775	4 975	5 100	<b>1 079</b>	51 522	53 680	55 029

Source / Bron : USDA, SA Reserve Bank / USDA, SA Reserwebank



**Figure 11 :** World dairy product prices (Rand per ton), January 2007 to March 2014

**Figuur 11 :** Wêreld suiwelprodukpryse (Rand per ton), Januarie 2007 tot Maart 2014

Source / Bron: USDA; SA Reserve Bank / USDA. SA Reserwebank

**Price indices of farm requisites**

Price indexes of farm requisites are shown in Table 6.

**Prysindekse van boerderybenodigdhede**

Prysindekse van boerderybenodigdhede word in Tabel 6 aangedui.

**Table 6 :** Price indices of farm requisites, 2009-2013**Tabel 6 :** Prysindexse van boerderybenodigdhede 2009-2013

<b>Period Periode</b>	<b>Machinery &amp; implements <i>Masjinerie en implemente</i></b>	<b>Material for fixed improvements <i>Materiaal vir vaste verbeteringe</i></b>	<b>Intermediate goods and services <i>Intermediêre goedere en dienste</i></b>	<b>All farming requisites <i>Alle boederybenodigd- hede</i></b>
2010	154.9	145.1	193.4	186.6
2011	174.6	153.6	217.8	209.7
2012	187.7	167.5	250.7	239.4
2013	201.9	177.7	268.4	256.3
<b>CAGR 2010 - 2012*</b>	<b>6.9%</b>	<b>5.2 %</b>	<b>8.5 %</b>	<b>8.3 %</b>
Jan-10	146.2	142.7	185.0	178.5
Apr-10	152.9	145.5	191.3	184.6
Jul-10	157.9	145.4	196.6	189.4
Oct-10	162.4	146.8	201.0	194.0
Jan-11	169.4	150.3	208.3	201.0
Apr-11	171.2	152.5	215.8	207.5
Jul-11	175.8	154.2	220.5	212.1
Oct-11	182.6	157.4	226.8	218.3
Jan-12	190.8	160.3	241.7	232.1
Apr-12	196.0	159.1	249.5	239.0
Jul-12	194,2	169,4	258,1	246,4
Oct-12	190.2	169.9	253.4	242.0
Jan-13	196.2	176.6	263.1	251.2
Apr-13	200.9	179.8	269.1	256.8
Jul-13	208.7	173.0	275.6	262.9
Oct-13	203.4	181.4	265.7	254.4
<b>CAGR Oct-09 - Jul-13*</b>	<b>9.0%</b>	<b>6.4%</b>	<b>9.9%</b>	<b>9.6%</b>

\*CAGR = Computed annual growth rate / *Berekende jaarlikse groeikoers*Source / *Bron* : DAFF, Crops and Markets

**Import and export prices**
**In- en uitvoerpryse**

Free on board prices for imported and exported dairy products are shown in Table 7.

Vry aan boord in- en uitvoerpryse van suiwelprodukte word in Tabel 7 aangedui.

**Table 7 :** FOB Import and export prices per tariff heading, 2011-2013

**Tabel 7 :** VAB In- en uitvoerpryse per tariefpos, 2011-2013

Tariff heading / Tariefpos	Description / Beskrywing	Import price / Invoerprys (R/kg)			Export price / Uitvoerprys (R/kg)		
		2011	2012	2013	2011	2012	2013
<b>04.01</b>	<b>Milk &amp; cream / Melk &amp; room</b>	5.65	5.55	5.96	7.61	8.39	8.55
<b>04.02</b>	<b>Concentrated milk / Gekonsentreerde melk</b>	26.17	26.85	37.95	23.56	24.37	19.49
0402.10	Skimmed milk powder / Afgeroomde melkpoeier	24.23	23.96	36.07	18.80	22.11	14.89
0402.21	Full cream milk powder / Volroom melkpoeier	30.87	32.15	40.16	37.24	34.91	37.01
0402.99	Condensed milk, sweetened /Gekondenseerde melk, versoet	31.23	30.10	52.31	18.86	15.26	17.35
<b>04.03</b>	<b>Buttermilk &amp; yoghurt / Karringmelk &amp; joghurt</b>	22.78	23.03	35.55	14.07	16.97	17.76
0403.10	Yoghurt / Joghurt	16.46	23.98	33.10	14.43	16.99	17.45
0403.90	Buttermilk / Karringmelk	22.95	22.94	36.30	11.24	16.38	22.07
<b>04.04</b>	<b>Whey / Wei</b>	29.46	22.33	28.62	9.85	9.43	15.55
<b>04.05</b>	<b>Butter / Botter</b>	32.50	29.99	35.05	31.11	37.06	36.75
<b>04.06</b>	<b>Cheese / Kaas</b>	43.41	40.02	51.90	35.43	40.44	42.47
0406.30	Processed cheese / Proseskaas	41.82	40.27	43.70	34.16	36.32	38.80
0406.40	Blue veined cheese / Blou geaarde kaas	63.12	63.83	82.82	50.08	38.18	59.33
0406.90	Hard cheese / harde kaas	43.75	39.10	56.87	37.99	44.84	44.69

Source / Bron : Customs & Excise statistics supplied by SAMPRO / Doeane en aksyns statistiek voorsien deur SAMPRO