SA BULL *Price Indicator* FOLLOW-UP ANALYSIS

>> TIMON DEDEKIND, EDWARD MOKOENA, CARLI JACOBS & DR W.A. LOMBARD,
Department Agricultural Economics, University of the Free State, DedekindTC@ufs.ac.za

The Department of Agricultural Economics, University of the Free State started collecting data on stud-bull prices within South Africa. The goal of this project is to establish a database of stud bulls sold in South Africa that contains the numbers of bulls sold, the average prices obtained per year, etc. Bulls from all breeds are welcome to participate if they qualify as being stud animals. The breeds who already agreed to participate in the project and who have sent their sale statistics are: Angus Cattle Breeders' Society of South Africa, Bonsmara Cattle Breeders' Society South Africa, Boran Cattle Breeders' Society of South Africa, Brahman Cattle Breeders' Society of South Africa, Hereford Cattle Society, Santa Gertrudis Cattle Breeders' Society of South Africa, Beef Shorthorn Cattle Breeders' Society of South Africa and Simmentaler Cattle Breeders' Society of South Africa.

The sales price data for 2019 was used to establish a base price for the study. Sale statistics are presented in Table 1 where the number of bulls sold by the participating breeds along with the average prices obtained per year and the percentage change seen in the 6 years are included.

Overall, the data indicates that the stud-bull market in South Africa showed strong growth and resilience from 2019 to 2022, with prices consistently outpacing inflation and highlighting

***Table 1-** Averages of stud-bulls in South Africa irrespective of breed*

Year	Total Bulls Sold	Annual change	Average Price	Index from base	Y/Y changes in price	Change since 2019
2019	3418		R49 692	100		
2020	4314	896	R56 959	114.6	14.6%	14.60%
2021	5040	726	R69 319	139.5	21.7%	39.50%
2022	4886	-154	R76 122	153.2	9.8%	53.20%
2023	5007	121	R77 306	155.6	1.6%	55.60%
2024	4385	-622	R80 222	161.4	3.7%	61.40%

Over this six-year period (Table 1), a total of 27 050 stud-bulls were sold between these breeds, notice how the numbers steadily increased between 2019 from 3418 to 5040 in 2021. Thereafter the numbers remained in the high four thousands for 2022 and just exceeded five thousand in 2023. In 2024 the numbers however declined to 4385. In 2019, the market saw the sale of 3 418 bulls at an average price of R49 692. In 2020, the number of bulls sold increased to 4314 (26.2% increase), and the average price rose to R56 959, a year-on -year (Y/Y) price change of R7 267/bul or 14.6%. This price increase outpaced inflation, indicating a strong demand and possibly favourable economic conditions for cattle farming.

The following year, 2021, experienced the highest number of bulls sold, reaching 5040, and the average price increased to R69 319. This represents a Y/Y price increase of R12 360 or 21.7%.

In 2022, the market experienced slight moderation. The number of bulls sold decreased to 4 886 (decrease of 3.05%), yet the average price increased to R76 122, with a Y/Y price change of R6 803 or 9.8%. In 2023 the number of bulls sold increased to 5 007 (an increase of 2.5% Y/Y), and the average price slightly increased to R77 306, resulting in a Y/Y price change of R1 184 or 1.6%.

2024 showed a significant decline in the number of bulls sold (622 bulls less). The price however increased by 3.7% from 2023 and reached R80 222/bul.

the value and demand of stud-bulls in South Africa. The accumulated inflation of 61.4% over six years translates to an approximate increase of R30 530 in the average price of stud-bulls.

Monthly trends

The bar chart, Figure 1, provide insight into the share of stud bulls sold each month. The annual trends show that February shows a increase in sales as we see a spike in sales, this could indicate a high demand for bulls to be used in the autumn breeding period or purchases made for tax purposes. During July and August the numbers increase and reach a peak in September. September accounts for 21% of the annual bull sales. This could possibly indicate the start of the purchasing period for the spring and summer breeding season.

Bull sales decrease during October and November and during December sales decreases to a minimum for the year.

Overall, Figure 1 highlights the seasonal nature of bull sales, with bull sales peaking during the third quarter and showing lower saled volume at the beginning and end of the year. This pattern underscores the importance of strategic planning and inventory management to navigate the fluctuations effectively and align with market dynamics. Understanding these trends can help in planning sales strategies and ensuring better alignment with market demands and seasonal fluctuations.

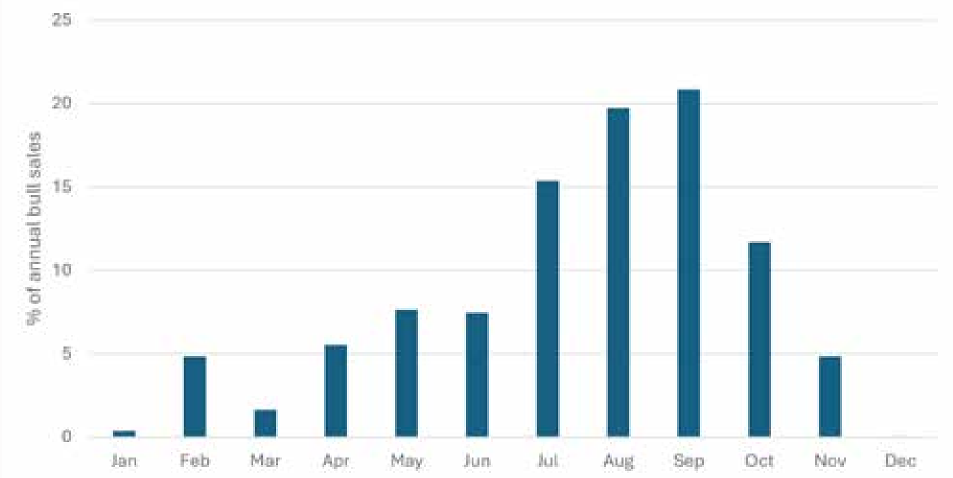

Figure 1 *Share of Bulls Sold Per Month*

Future plans

This article presents results up to the end of the 2024 year for the national bull price indicator for South Africa. This data will help to gain valuable insight into the stud-bull market within South Africa. In future this data can be used to assist in determining the driving factors of the stud-bull market in South Africa. Lastly, a word of thanks to the cattle breeds who are already part of the project and who provided access to all the auction data needed. If there are any other cattle breeds who are interested in joining the project please inform us.