Intesco Research Group

RUSSIAN MEAT MARKET

MOSCOW 2011

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METHODS OF RESEARCH

Subject of the research:

RUSSIAN MEAT MARKET.

Goal of research:

EVALUATION OF THE MARKET AND FORECAST OF ITS DEVELOPMENT FOR 2011-2013.

Region of research:

RUSSIA AND REGIONS OF RF

Main blocks of research:

LIVESTOCK IN RUSSIA
VOLUME OF THE RUSSIAN MEAT MARKET
ANALYSIS OF RETAIL SALE OF MEAT
MEAT PRODUCTION (CARCASS WEIGHT BASIS) IN RUSSIA
MEAT PRODUCTION (SLAUGHTER WEIGHT) IN RUSSIA
LARGEST MEAT PRODUCERS OF RUSSIA
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PRODUCER PRICES FOR MEAT IN RUSSIA
RETAIL PRICES FOR MEAT IN RUSSIA
STRUCTURE OF MEAT RETAIL PRICE
RUSSIAN MEAT MARKET TRENDS
STATE REGULATION OF MEAT MARKET
CONSUMER PREFERENCES ON THE RUSSIAN MEAT MARKET
RUSSIAN MEAT MARKET DEVELOPMENT FORECAST FOR 2011-2013.

Largest Russian companies with profiles:

NOVIY OSKOL BRANCH OF "PRIOSKOLYE" JSC
"PETELINSKY PZ" LLC
“SVINOKOMPLEKS KOROCHA” JSC
"MYASOKOMBINAT BOBROVSKY" LLC
"MYASOKOMBINAT KLINSKY" JSC

“MPK “PENZENSKY” JSC
“MOS-ET” LLC
"PUSHKINSKY MYASNOY DVOR" LLC

For the main companies the production volumes, financials of activity, balance sheets, profit and loss statements, cash-flow statements, subsidiaries and other information is presented.

Information sources used:

Federal State Statistics Service
Economic Development Ministry
Federal Customs Service
Federal Tax Service
Field expert evaluations
Retail sale reports
Materials of the field’s main players
Field print and electronic publications

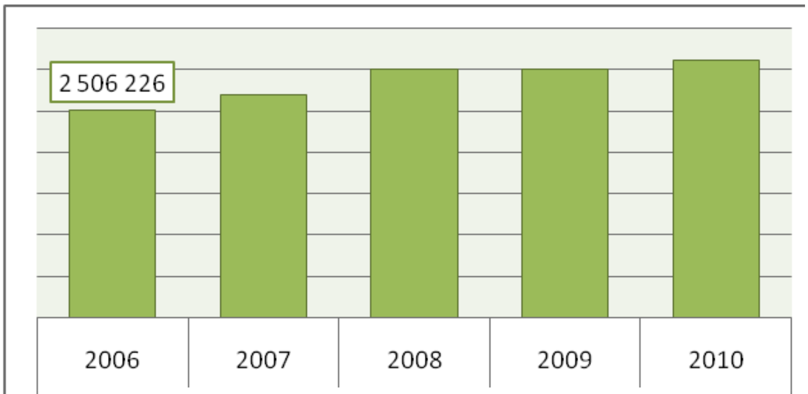
The research presents 124 schedules, 96 diagrams and 112 tables.

EXTRACTS FROM RESEARCH

CHAPTER 4

VOLUME OF RUSSIAN MEAT MARKET

The Russian market of poultry has been dynamically developing during the last 3 years. Major trend for today is ***. Domestic poultry farming is developing rapidly: poultry population and poultry production increase. Rejection of the product in the year 2010 in comparison with 2009, when it held ***% of the total Russian poultry import, did not have a bad influence on the product offer on the Russian domestic market: domestic production in 2010 satisfies more than ***% of the Russian demand. Besides Russia has taken serious steps to the *** development.

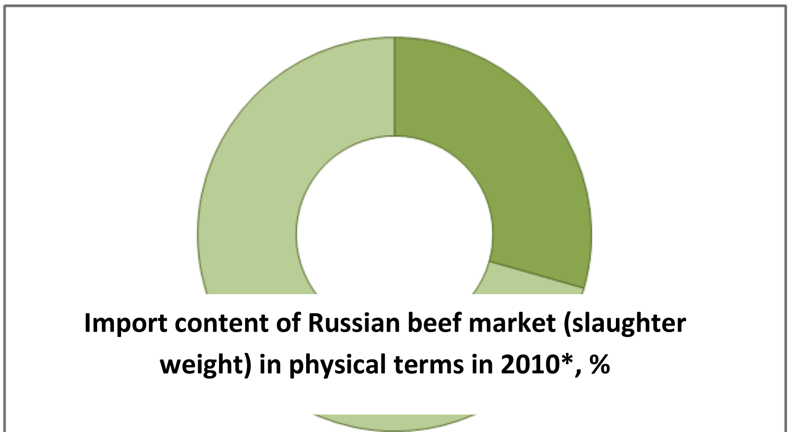


Dynamics of Russian pork market volume (slaughter weight) in 2006-2010, tons

(в убойном весе) в 2006-2010* гг., тонн

Import content on the Russian mutton market in slaughter weight made up ***%. Home-made mutton holds ***% of the Russian market.

In 2010, each beef consuming Russian used in average ***% of this meat. Since 2006, the consumption rose by *** kg.



Import content of Russian beef market (slaughter weight) in physical terms in 2010*, %

Доля импорта на российском рынке говядины (в убойном весе) в натуральном выражении в 2010* году, %

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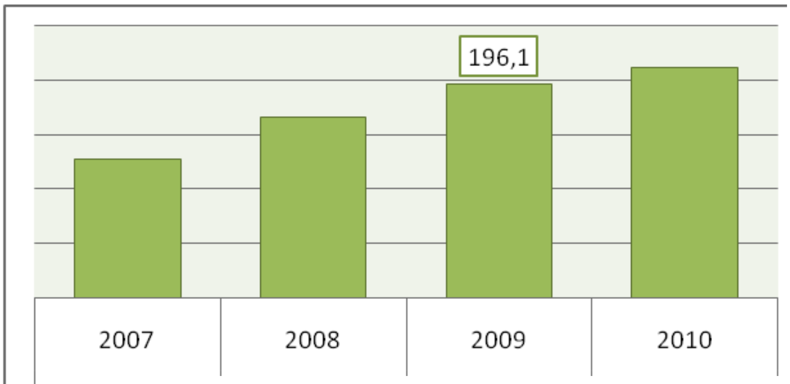
MEAT RETAIL SALES ANALYSES

Poultry meat retail sales dynamics in 2009 and 2010 is characterized by the same tendency taken quarterly. The highest income from retail sales of poultry meat each year falls on *** quarter. Decay is peculiar for the *** quarter, in the second quarter the retail turnover ***, by the *** quarter it decreases again (by 4% in 2010) and sharply increases in the *** (by 25% in 2010).



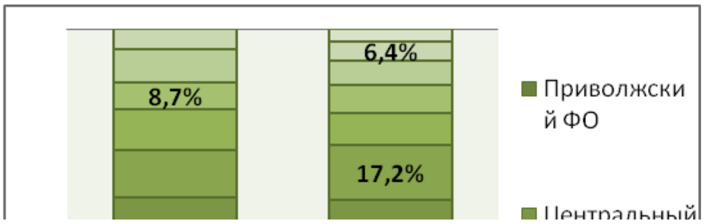
Dynamics of poultry meat retail sales in Russia in 2007-2010, mln.rub.

России в 2007-2010 гг., млн. руб.

In 2010 *** of income from total poultry sales fall on Volga Federal District (*** %). ***% of retail turnover of total sales in monetary equivalent accounts for Central Federal District. *** Federal District share in the Russian poultry meat in money terms makes up 17%.

Volga Federal District

Central Federal District



Change of poultry meat retail sales structure by federal districts of RF in money terms in 2009-2010, %

2009 2010

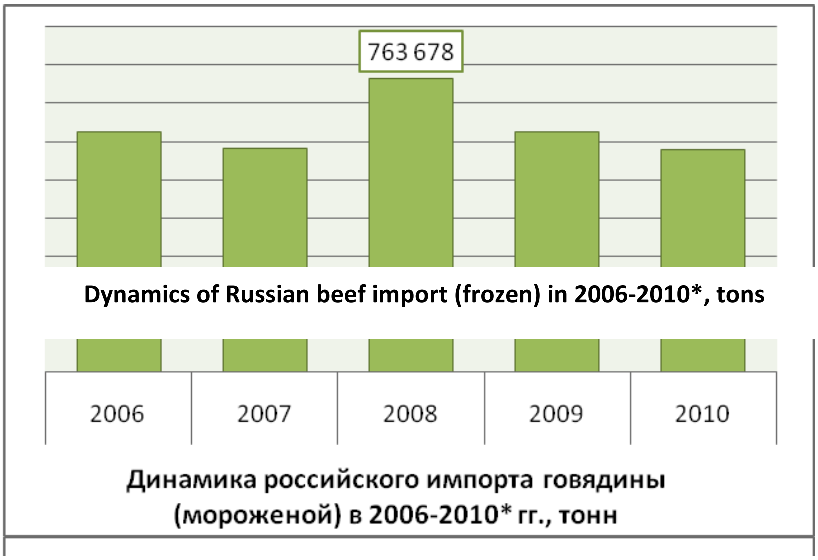
Изменение структуры розничных продаж мяса птицы по федеральным округам РФ в стоимостном выражении в 2009-2010 гг., %

The highest proceeds from sales of poultry meat in Russia accounts for *** district (21 bln. rub.). Second place is after the Republic of Bashkortostan (*** bln. rub.).

CHAPTER 9

ANALYSIS OF RUSSIAN MEAT IMPORT

The majority of pork, coming from abroad, is frozen. The major categories in import structure by types in 2010 were other frozen pork (*** , other frozen by-products (*** and frozen pork gammons, shoulders and cuts of them (8,1 . Frozen liver and frozen carcasses and half-carcasses account for ***% and 4,3% accordingly.



Dynamics of Russian beef import (frozen) in 2006-2010*, tons

In 2009 monthly volumes of Russian pork import tended to grow, in January they reached the maximum rate for 2009-2010 – *** tons. At the beginning of 2010 the foreign supplies were decreased to *** tons. In the first six months *** was observed, that was changed by unsteady dynamics in the second half of 2010.

Volumes of Russian mutton import by supplying in 2006-2010, tons

Объемы российского импорта баранины по странам-поставщикам в 2006-2010 гг., тонн

	2006	2007	2008	2009	2010
All countries of the world	***	***	***	***	***
Australia	11 279	***	***	***	***
New Zealand	***	2 427	***	***	***
Moldova	***	***	243	***	***
Uruguay	262	***	***	***	***
Iceland	***	***	7	***	***
Bulgaria	***	***	***	***	***

Three main countries that import mutton and goat meat into Russia have the following shares in Russian structure: ***–***%, New Zealand – ***% …

CHAPTER 16

ANALYSIS OF RUSSIAN MEAT EXPORT

In 2009 there was a big increase of pork export by***%. As per data of 2010 Russia exported to foreign market *** tons of products. In comparison to previous year *** of volume by almost *** is observed.

Half of Russian production cattle meat offered on the foreign market is presented by *** beef. About ***% of the total domestic export makes cattle frozen liver. 3% in the structure of the total supply of Russian beef to other countries makes *** beef. Other by-products account for almost *** Russian beef export.

In value terms mutton export volumes in 2010 were equal to *** ths. USD, that is almost *** times ***, than was exported in 2009.

Destination countries of Russian export are ***, Azerbaijan, until 2009 – Denmark.

LIST OF SCHEDULES, DIAGRAMS AND TABLES, SCHEMES

INFORMATION ABOUT INTESCO RESEARCH GROUP COMPANY

INTESCO RESEARCH GROUP – is the analytical group, having its principal directions of activity in development of high-quality business plans, feasibility studies and marketing researches of both Russia's and regional markets of RF. We provide our clients with up-to-date and accurate information, professional recommendations for conducting business.

All works of **INTESCO RESEARCH GROUP** are based on the proven research and development methods. When conducting marketing researches and developing the business plans the group applies the worldwide accepted methods of investments efficiency evaluation and they are based on the Russian and international quality standards.

Analysts of **INTESCO RESEARCH GROUP** are the graduates of the leading Moscow institutions of higher education (Moscow State University, Moscow Institute of Physics and Technology, Russian academy of economics named after Plekhanov, Higher School of Economics, State University of Economics and Finance) and have deep knowledge in marketing, methods of marketing research arrangement, investment projects efficiency evaluation, preparing the analytical reports and business-forecasting.

Professional approach and service, high-quality specialists, deep knowledge of various markets, broad design experience and constant improvement allow the **INTESCO RESEARCH GROUP** to provide the high-quality service to all the clients.

Information from our reports is published in the largest Russian newspapers and magazines: “Vedomosti”, “Kommersant-Dengi”, “Rossiyskaya gazeta”, “Forbes”, “Russian Food Market”, “FoodService”, “MAXIM”, “Partner: myasopererabotka”, “Moe delo. Magazin”, “Odnako”, “Khlebopekarnoe proizvodstvo”, “Producty i Pribyl”, “Konditerskaya sfera/khlebopechenie”, “Tsenovik”, “RBK daily”, “Unipack.Ru”, etc.

The following companies already became the clients of **INTESCO RESEARCH GROUP**:

PURPOSE OF OUR COMPANY IS TO ENSURE THE SUCCESSFUL IMPLEMENTATION OF BUSINESS PROJECTS OF OUR CLIENTS