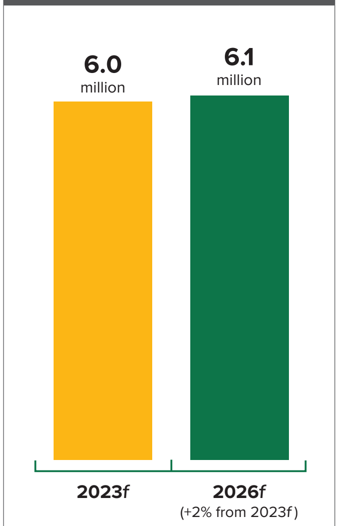
MARKET SNAPSHOT | BEEF & SHEEPMEAT

Singapore

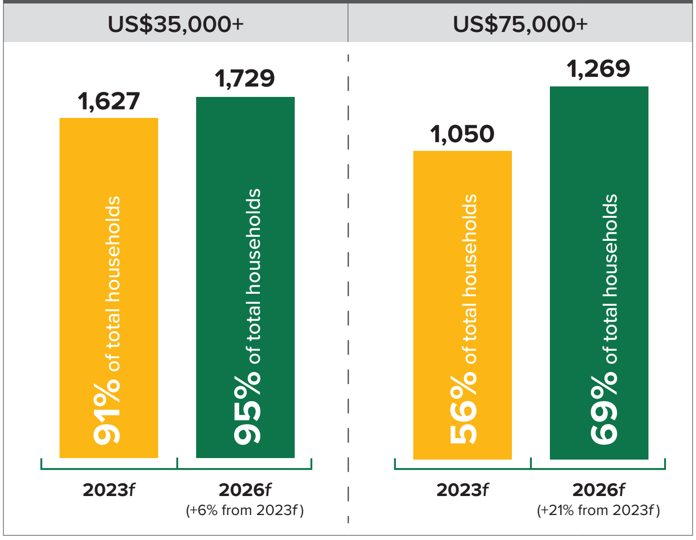
While small, Singapore is a high value, growing red meat market thanks to its strong consumer spending power and concentration of trend-setting modern retail and foodservice operators. Singaporeans are sophisticated consumers with some of the highest per capita disposable incomes in the world. The island is a significant destination for Australian red meat exports, with a combined beef, sheepmeat and offal export value for 2021–22 of over A$211 million, with chilled beef contributing the largest share of 40%. In the wake of its rapid post-pandemic recovery, the value of Singapore red meat imports is expected to continue its growth trajectory.

Population[1]

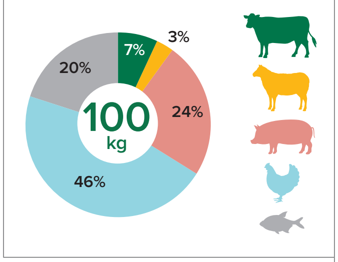


Household number by disposable income[2]

(thousands)



Meat consumption per capita[3]

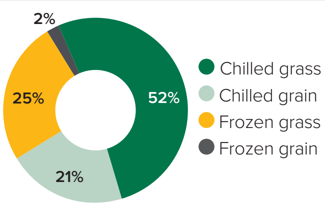


Annual grocery spend[4]

A$ 1,841 per person/year

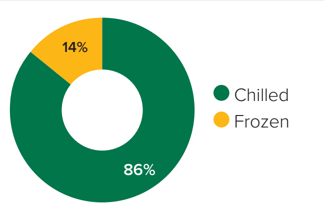
Australian beef exports

Australian beef exports – volume[5]



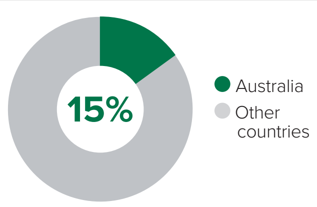
Total 5,262 tonnes swt

Australian beef exports – value[6]

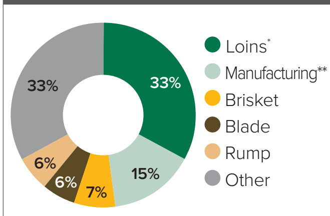


Total A$97.1 million

Australia's share of beef imports[7]

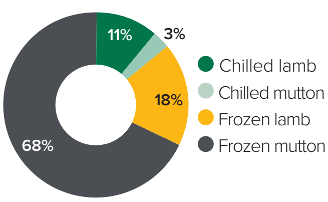


Australian beef exports by cut[8]



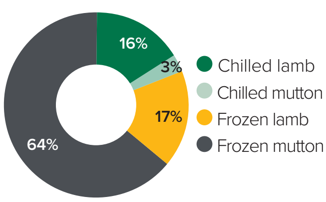
Australian sheepmeat exports

Australian sheepmeat exports – volume[5]



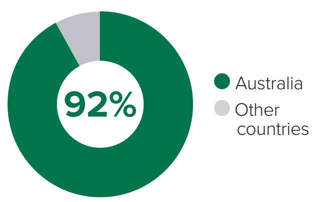
Total 10,809 tonnes swt

Australian sheepmeat exports – value[6]

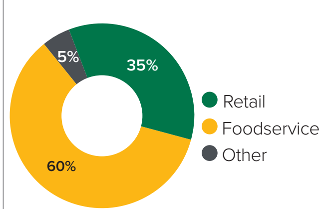


Total A$105 million

Australia's share of sheepmeat imports[7]



Key distribution channels of Australian sheepmeat[9]



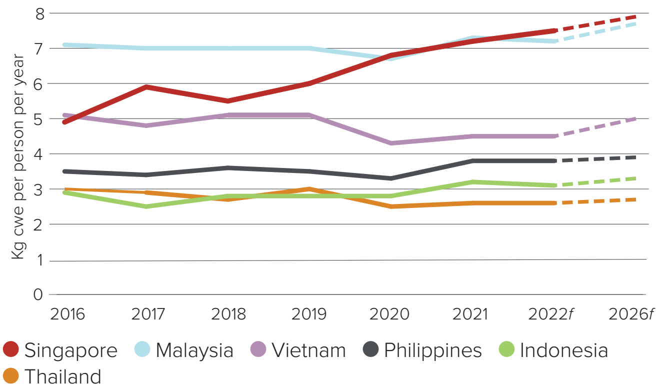
*Data source for charts: [1,2] Fitch Solutions, [3] GIRA 2023f, [4] IGD 2023f (defined as the total annual grocery retail market turnover in a given year, divided by the population for the same year), [5] DAFF (2021–22), [6] ABS/IHS Markit (2021–22), [7] IHS Markit (2021–22), [8] DAFF (2021–22) *Loins includes striploin, cube roll/rib eye roll and tenderloin **Manufacturing includes trimmings, hamburger (ground), minced/ground beef, [9] MLA market intelligence*

Beef

CONSUMERS

- Singaporeans have the highest average grocery and restaurant spending power in Southeast Asia with 91% of households classified as affluent (earning U$35,000+ p.a.) *(Source: Fitch Solutions)*. They have the highest meat consumption rates in the region, including beef at 7.5kg per capita, which is also among the fastest-growing *(Source: GIRA)*.

Singapore has the highest per capita beef consumption in Southeast Asia



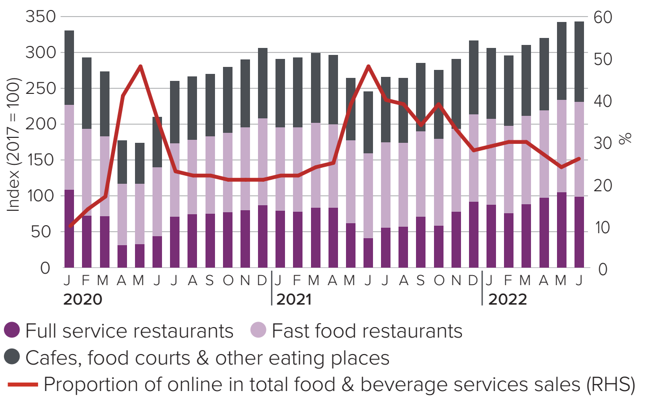
Source: GIRA

- Beef is particularly popular with younger consumers, with the highest weekly frequency of beef meals seen in households with children *(Source: MLA Global Tracker, 2022)*, pointing to future consumption demand.
- Singapore consumers consider beef the most superior and delicious meat, making it worth paying more for than other animal proteins. However, beef is also seen as less versatile and less easy to purchase and prepare compared to chicken and pork *(Source: MLA Global Consumer Tracker Singapore, 2022)*.
- Australian beef occupies the strongest position in consumers' minds, with the highest level of awareness of all beef suppliers available in the market. Singaporean consumers see Australian beef as the most suitable for everyday consumption because it is easy and convenient to purchase, offers a versatile range of cuts and has a positive perception of being safe, fresh and high quality. Meanwhile, Japanese beef is considered the most superior beef for its high marbling, tenderness and superior quality which makes it suitable for special occasions *(Source: MLA Global Consumer Tracker Singapore, 2022)*.
- Rising living costs are influencing Singaporeans' purchases, making them more cautious about discretionary spending and seeking out stronger value-for-money propositions in food items and meals. Demand for Australian beef remains strong due to it being perceived as high quality and accessible.
- Intensified by the pandemic, personal and family health has become a higher priority for Singaporeans, particularly in relation to food choices. 'Trustworthy' and 'risk-free' are among the most sought-after food product attributes. Australian beef is well-positioned to address Singaporean concerns as one of the most trusted country of origin for beef *(Source: MLA Global Consumer Tracker Singapore, 2022)*.

FOODSERVICE

- Singapore has a lucrative, highly-developed and competitive foodservice sector, supported by the high disposable incomes of local consumers and large numbers of international tourist visitors. The sector recovered rapidly after pandemic restrictions eased and, since mid-2022, foodservice sales exceeded pre-pandemic levels.

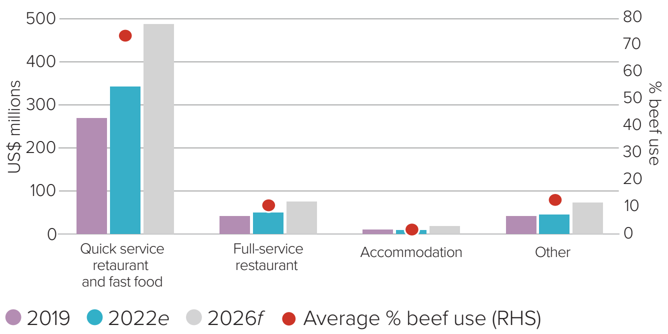
Singapore foodservice sales



Source: Singapore Department of Statistics

- The fast-food segment remained the most resilient segment during the period of pandemic disruption, with demand for Australian ground beef peaking in 2021. Full-service restaurants were the most impacted channel, averaging 30% lower sales during lockdown. However, by mid-2022 all segments had overtaken pre-COVID sales.
- In Singapore, as elsewhere, the pandemic accelerated the uptake of online meal ordering, facilitated by the island's high level of connectivity. Even after restrictions eased, online ordering continues to remain above pre-pandemic levels, indicating a long-term shift in consumer preferences, presenting new growth opportunities for red meat meals.

Foodservice sales and beef usage estimates by channel



Source: GlobalData, Sales based on profit operator

- Singapore is a popular global tourist destination, receiving just over 19 million arrivals in 2019, more than triple the local population and hence a major contributor to restaurant sales. Despite some ongoing challenges such as travel restrictions in China (Singapore's top source of tourists), inbound tourism is forecast to return to pre-pandemic levels by around 2024 *(Source: Fitch Solution)*.

RETAIL

- With the world's second highest population density and its 100% urban status, Singapore has a well-established and highly consolidated grocery retail market. Modern retail accounts for approximately 80% of the sector and is dominated by three players: NTUC FairPrice, DFI and Sheng Siong. However, smaller companies such as Red Mart, Lazada, Don Don Donki and Hao Mart are forecast to see quicker expansion out to 2026 *(Source: IGD)*.
- Supermarkets dominate the modern retail space accounting for more than half of total retail sales *(Source: IGD)*. This is reflected in beef purchasing, with 71% of Singaporeans buying beef at least once a month from supermarkets, followed by 40% at hypermarkets *(Source: Global Consumer Tracker, Singapore 2022)*.

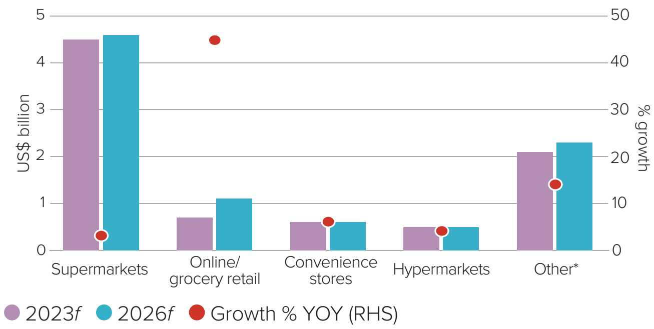
What Singapore consumers look at when identifying high quality and purchasing beef

Top elements Singapore consumers look for when shopping for beef	Cues Singapore consumers use to identify high quality beef at retail
Colour of the meat	The beef is an appealing color
Date packed	The fat is marbled throughout the meat
Freshness	The beef is from a particular country
Country of origin	The beef is lean
100% all natural	It's a particular breed of cow

Source: MLA Global Consumer Tracker, Singapore 2022

- With growing consumer interest in healthy eating and increased association of food with general wellbeing, many retailers are expanding health-related offerings such as organic and natural items, presenting opportunities to communicate the health benefits of beef.
- The pandemic has accelerated growth in the online grocery channel which is forecast to continue. Significant investment by Alibaba Group (Lazada and Red Market) and digitalization of physical stores have driven the rapid growth of e-commerce, becoming the second largest modern grocery retail channel since 2021 *(Source: IGD)*. Although the adoption of online for fresh grocery and meat purchasing lags other categories, in 2022 40% of shoppers had bought beef online *(Source: MLA Global Consumer Tracker, Singapore 2022)*.
- Helping Singaporeans cook beef more easily is important since many feel it is less versatile and harder to prepare and cook than other proteins. There has been good uptake of beef 'convenience' offerings at retail and specialty butcher shops such as cut-ready packs and cook-ready meal sets supported by easy and inspiring beef recipe ideas.

Grocery retail sales by channel forecast

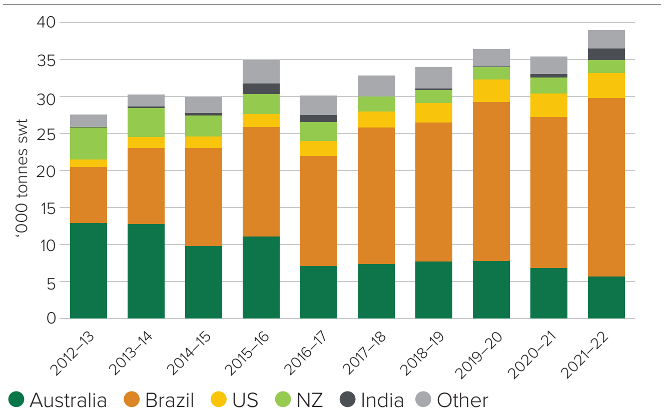


*Source: IGD, *Other includes traditional channel*

COMPETITIVE LANDSCAPE

- As Singapore has virtually no domestic beef production, it does not apply tariffs or quotas on beef imports. Australia, Brazil, the US, India and New Zealand are the largest suppliers.
- Singapore is a sizable beef import market which has grown steadily in recent years, underpinned by an expanding retail and foodservice sector and the increased popularity of beef. After pandemic disruptions weighed on import volumes in 2020–21, 2021–22 saw an all-time record-high import volume of 38,968 tonnes swt valued at over A$416 million.
- Brazilian beef dominates the market with its boneless frozen product, mostly utilised in the lower to mid-tier foodservice sector, with an import volume share of 62% in 2021–22.

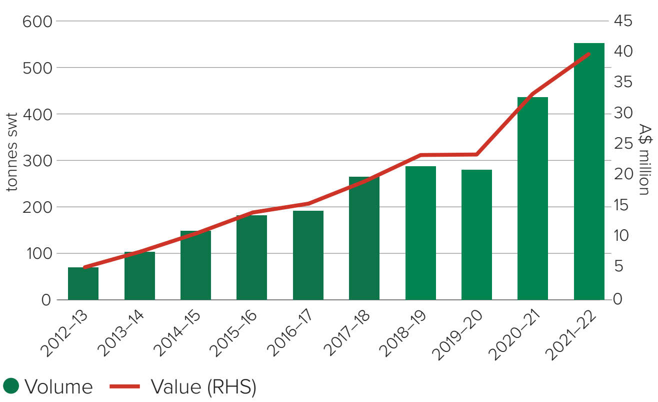
Singapore beef imports by major supplier



Source: : IHS Markit, Australian Fiscal Year

- In 2021–22, Australia is the second largest beef supplier accounting for 15% of total import volume and 25% of import value. Australia is the leading supplier of chilled beef products, with a volume share of 61% of that segment. Demand for chilled beef peaked in 2020–21 when Singaporeans did more home cooking during lockdowns. As restrictions eased, demand for chilled beef softened as Singaporeans returned to eating out, increasing demand for frozen product.
- Singapore has also seen rapid growth in demand for Japanese beef. In 2021–22, Singapore imported a record volume of 552 tonnes of Japanese product, up 27% year-on-year, valued at almost A$40 million.

Singapore's beef imports from Japan



Source: : IHS Markit, Australian Fiscal Year

Market access overview – beef

Trade agreements	Import tariffs	Competitors	Volume restrictions	Technical access
ASEAN-Australia New Zealand Free Trade Agreement **(AANZFTA)** Comprehensive and Progressive Agreement for Trans-Pacific Partnership **(CPTPP)** Singapore-Australia Free Trade Agreement **(SAFTA)**	**Under AANZFTA:** 0% for all product lines	**New Zealand:** Same conditions as Australia **US, Argentina, Brazil and Japan:** Tariff 0%	Zero	No major hurdles

Best access … Major challenges

Source: Trade agreements, DFAT

Australian beef exports to Singapore – summary table

Volume – in tonnes swt

		2021–22	% out of total	2020–21	% out of total	five-year average (2016–17 to 2020–21)	% out of total	change 2021–22 vs five-year average %	change 2021–22 vs five-year average in tonnes swt
Total		**5,298**		**6,638**		**6,821**		**-22%**	**-1,523**
Storage	Chilled	3,898	74%	4,424	67%	4,119	60%	-5%	-221
	Frozen	1,400	26%	2,215	33%	2,702	40%	-48%	-1,302
Meat type	Grassfed	4,074	77%	5,395	81%	5,296	78%	-23%	-1,222
	Grainfed	1,224	23%	1,243	19%	1,525	22%	-20%	-301
Storage/meat type	Chilled grassfed	2,784	53%	3,279	49%	2,686	39%	4%	98
	Chilled grainfed	1,114	21%	1,144	17%	1,433	21%	-22%	-319
	Frozen grassfed	1,290	24%	2,116	32%	2,610	38%	-51%	-1,320
	Frozen grainfed	110	2%	99	1%	92	1%	19%	18

Source: DAFF, figures are rounded

Value – in A$ 000

		2021–22	% out of total	2020–21	% out of total	five-year average	% out of total	%	in A$ 000
Total		**97,107**		**96,471**		**93,730**		**4%**	**3,377**
Storage	Chilled	83,788	86%	80,349	83%	67,897	72%	23%	15,890
	Frozen	13,319	14%	16,121	17%	25,833	28%	-48%	-12,514

Source: ABS/IHS Markit, figures are rounded

Volume – by major cut (in tonnes swt)

	2021–22	% out of total	2020–21	% out of total	five-year average	% out of total	%	in tonnes swt
Striploin	976	18%	1,129	17%	1,228	18%	-20%	-251
Mince/ground	696	13%	1,144	17%	678	10%	3%	17
Cube roll/rib eye roll	581	11%	673	10%	668	10%	-13%	-88
Brisket	383	7%	523	8%	579	8%	-34%	-196
Blade	340	6%	378	6%	419	6%	-19%	-79
Rump	321	6%	405	6%	544	8%	-41%	-224
Thick flank/knuckle	293	6%	291	4%	428	6%	-32%	-135
Chuck roll	241	5%	267	4%	257	4%	-6%	-16
Silverside/outside	230	4%	227	3%	177	3%	30%	53
Other	1,238	23%	1,601	24%	1,842	27%	-33%	-604
Total	**5,298**		6,638		**6,821**		**-22%**	**-1,523**

Source: DAFF

Sheepmeat

CONSUMERS

- Sheepmeat is a comparatively less-consumed protein in the daily diets of most Singaporeans. That said, Singapore's multiracial population of Chinese, Malays, Indians and other minorities who enjoy sheepmeat more regularly, as well as expats and tourists, are notable consumer groups on the island.
- Similar to beef, lamb is seen as a niche, superior protein which consumers feel is worth paying more for *(Source: MLA Global Consumer Tracker Singapore, 2022)*.
- Providing recipe ideas and preparation tips will help consumers overcome some of the barriers to buying lamb, with many unfamiliar with how to cook it *(Source: MLA Global Consumer Tracker Singapore, 2022)*.
- Affluent younger consumers (aged 18–34 in particular) tend to enjoy lamb more often, both at home and when dining out, compared to older groups.

Reasons Singaporeans have not purchased lamb

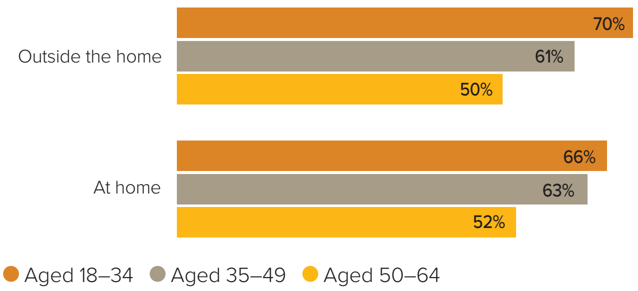
Source: MLA Global Consumer Tracker Singapore, 2022

Top 5 associations to grow volume and value

	Top 5 associations to grow volume		Top 5 associations to grow value
1	Consistent quality standards	1	Consistent quality standards
2	The meat is usually tender	2	Is the most superior lamb
3	Is the most superior lamb	3	The meat is usually tender
4	Is my family's favourite	4	Guaranteed safe to eat
5	Offers a variety of cuts	5	Is my family's favourite

Source: MLA Global Consumer Tracker, Singapore 2022

Lamb consumption by location and age

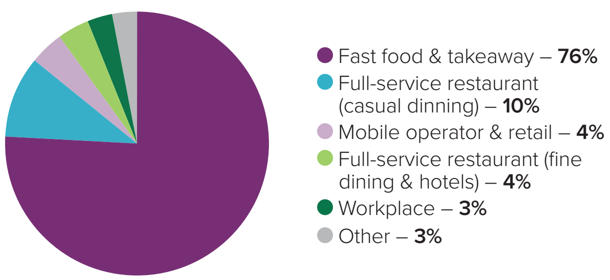


Source: MLA Global Consumer Tracker Singapore, 2022
Consumers typically spend on lamb meals

FOODSERVICE

- The majority of Australian sheepmeat exports to Singapore are sold in foodservice. With around a quarter of diners reporting an average weekly spend of over A$30 on lamb meals eaten out, there may be further opportunities to develop lamb items on menu *(Source: MLA Global Tracker Singapore, 2022)*.
- Australian lamb features on menus across a range of restaurant types in Singapore, from street stall satays and kebabs, hotpots and grills to casual outlet Indian curries and to fine dining roasts.

Lamb sales in Singapore foodservice by channel



Source: : GlobalData, 2023f

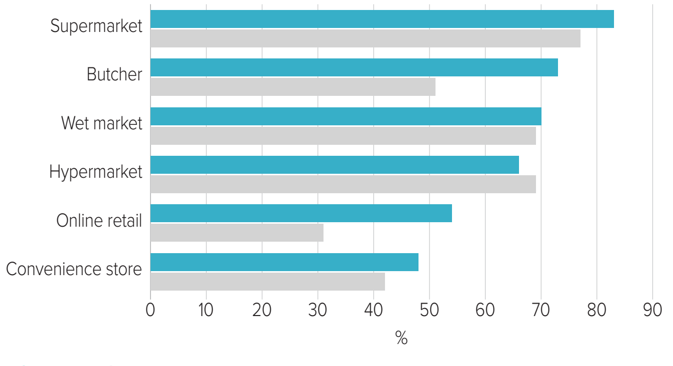
- Singapore has a notable fine dining segment, with 52 Michelin star restaurants in 2022 and a large number of five-star hotels, presenting opportunities for premium Australian lamb to feature on menus.
- Total sales of full-service restaurants offering Middle-Eastern and Indian cuisines and steakhouses & grills combined represent around 7% of the sector and are a natural home for Australian lamb products *(Source: GlobalData)*. Further, the popular Chinese and Japanese cuisines have been including more lamb in their menus.
- The growth in demand for takeaway meals during lockdowns also increased utilisation of online platforms, which remains at around 25% of foodservice sales in 2022, significantly higher than 10% pre-pandemic *(Source: Singapore Department of Statistics)*.

Lamb Biryani prepared in basmati rice

RETAIL

- Singaporean consumers purchase sheepmeat from multiple avenues, from modern retail stores to wet markets. Compared to beef, wet markets are a more common channel for buying Australian sheepmeat, however, supermarkets are the main purchase channel. Butcher shops are the second largest channel for lamb for consumers seeking special products and cuts.

Channels for lamb purchasing



Source: MLA Global Consumer Tracker Singapore, 2022
Base = lamb buyers who purchase at least monthly from these channels

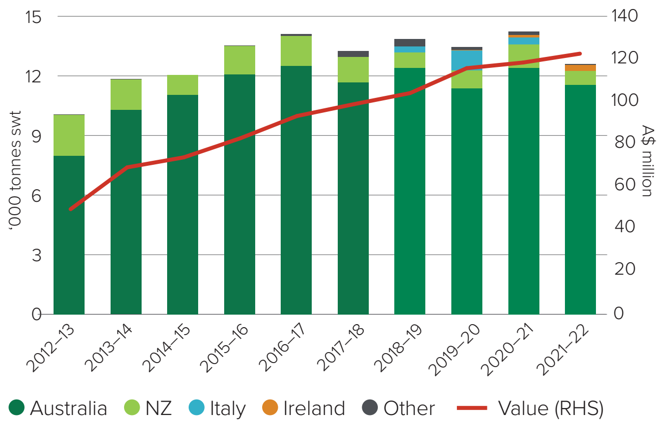
- As elsewhere, online shopping surged during the pandemic lockdowns, increasing online purchasing of lamb from 46% in 2017 to 71% in 2022 among lamb buyers, overtaking convenience stores *(Source: MLA Global Consumer Tracker Singapore, 2022)*.
- During the pandemic, increased home-cooking frequency and consumer desire to make their mealtimes more enjoyable and exciting increased interest in experimenting with new and novel ingredients when cooking at home, resulting in increased familiarity with lamb.

Air fryer lamb cutlets

COMPETITIVE LANDSCAPE

- Singapore sheepmeat import volumes dropped 12% in 2021–22 year-on-year to reach 12,600 tonnes swt valued at A$123 million as high global sheepmeat prices have weighed on demand. Of total imports, 14% are chilled which is the largest chilled volume shipped to Asia, after Korea and Japan *(Source: IHS Markit)*.
- Australia is the chief supplier of sheepmeat to Singapore, with a market share of 92% in 2021–22, with New Zealand in distant second place with a 5% share. Both Italy and Ireland have supplied smaller volumes of lower priced product in recent years.

Sheepmeat imports into Singapore by major supplier



Source: IHS Markit, Australian Fiscal Year

Market access overview – sheepmeat

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Best access — Major challenges

Source: Trade agreements, DFAT

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	Total	**10,810**		**11,450**		**11,546**		**-6%**	**-736**
Storage	Chilled	1,498	14%	1,609	14%	1,356	12%	10%	142
	Frozen	9,312	86%	9,840	86%	10,191	88%	-9%	-878
Meat type	Lamb	3,097	29%	2,926	26%	2,644	23%	17%	453
	Mutton	7,713	71%	8,524	74%	8,902	77%	-13%	-1,189
Storage/ meat type	Chilled lamb	1,183	10.9%	1,219	11%	997	9%	19%	186
	Chilled mutton	314	3%	391	3%	358	3%	-12%	-44
	Frozen lamb	1,914	18%	1,707	15%	1,647	14%	16%	267
	Frozen mutton	7,398	68%	8,133	71%	8,544	74%	-13%	-1,145

Source: DAFF, figures are rounded

Value – in A$ 000

		2021–22	% out of total	2020–21	% out of total	five-year average	% out of total	%	in A$ 000
	Total	**105,059**		**94,855**		**92,800**		**13%**	**12,259**
Meat type	Lamb	34,794	33%	29,022	31%	27,276	29%	28%	7,518
	Mutton	70,265	67%	65,833	69%	65,524	71%	7%	4,742

Source: ABS/IHS Markit, figures are rounded

Volume - by major cut (in tonnes swt)

		2021–22	% out of total	2020–21	% out of total	five-year average	% out of total	%	in tonnes swt
Lamb	Leg	732	24%	810	28%	891	34%	-18%	-159
	Carcase	569	18%	486	17%	465	18%	22%	104
	Shoulder	350	11%	429	15%	351	13%	0%	-1
	Other	1,446	47%	1,200	41%	938	35%	54%	509
	Total	**3,097**		**2,926**		**2,644**		**17%**	**453**
Mutton	Carcase	4,592	60%	5,190	61%	4,691	53%	-2%	-99
	Leg	1,840	24%	1,812	21%	2,645	30%	-30%	-805
	Manufacturing	650	8%	641	8%	946	11%	-31%	-296
	Other	632	8%	881	10%	621	7%	2%	11
	Total	**7,713**		**8,524**		**8,902**		**-13%**	**-1,189**

Source: DAFF