

“ This month’s Market Bulletin takes a look at the beef sector and the number of factors influencing the market at the moment, particularly as the cull cow market suffers lower averages. ”

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Prime cattle deadweight prices in England & Wales have stabilised somewhat and eased into November following lower prices experienced during August. Current averages are strong when compared to year-earlier levels, with prime categories sitting some 32-36p higher than the corresponding week in 2022.

The cull cow deadweight market however looks very different. The average in England & Wales has been trending below year-earlier

levels for around 19 weeks, with the average falling below the £3/kilo mark during recent weeks. For the most recent week, data suggests the average sits some 42p below year-earlier levels. Industry reports suggest the Irish market is continuing to influence the domestic market as Irish cattle prices are notably lower. Adult cattle slaughter figures were also incredibly high during October – which would also be putting downward pressure on the average price. The price difference between prime steers and cull cows as widened to £1.92/kg during the most recent week.

## SUPPLY

Defra throughput data is currently available up until October 2023. Looking at the year to date; total cattle throughput at UK abattoirs is **similar** to year-earlier levels at 2.3 million head. The throughput of prime cattle is up 0.3% on the year, whilst adult cattle are down 0.3% - however there are variations between categories. Heifer throughput continues to be elevated and

accounts for 39% of total prime throughput so far at 672,700 head (up 2% on the year), whilst steers are down 1%. As would be expected with cattle being housed as we enter the winter months; October did record the highest number of cull cattle coming forward so far this year, whilst there was also a strong number of prime cattle processed too.

Overall carcass weights have been lighter year-on-year during recent months, and this has been weighing on production volumes. Beef production in the UK during October totalled 82,100 tonnes – which is the highest volume recorded so far in 2023, but down 3% on last year. Production volumes for the year to date stand **1% lower** than year-earlier levels at 751,800 tonnes.

## TRADE

Trade data from HMRC is currently available up until September. Fresh/frozen beef exported from the UK during September totalled 8,300 tonnes – **down 12%** on the year, whilst beef production on the domestic market was one of the lowest monthly levels seen so far in 2023. Looking at the year to date, monthly volumes have stayed constant around

the 8,000-8,500-tonne mark. As a result, a total of 74,700 tonnes of beef has been exported in 2023 so far, which is some 20% lower than last year. Both France and the Netherlands have received fewer shipments. A tighter production on the domestic market has likely played a part here, as total production between Jan-Sept is down 1% on the year.

Despite domestic production levels being lower on the year, import volumes of fresh/frozen beef continue to trend below historic levels. For September, import volumes of beef were **down 1%** on the year at 18,350 tonnes, bringing the total to 164,700 tonnes for the year to date - some 4% lower than the same period last year. Imports of Irish beef remain broadly stable for the year, whilst fewer shipments from Germany are driving this decline.

## DEMAND

Grocery Price Inflation is falling, but is still historically high. As a result, consumers continue to experience higher prices at retail and therefore continue to look for ways to manage their budgets. For beef; the average price at retail in GB has been following an overall upward trajectory for some time now. The most recent data released by Kantar for the week ending 29th October indicates that the average price stood at £9.67/kg for the 12-week period at GB retail – which is over **11% higher** than year-earlier levels.

Total volume sold during this period was **down 4%** on the year, whilst total spend was almost 7% higher due to rising prices. The proportion of this volume sold as mince through retailers has been elevated during the latest 2-year period, with the proportion during the 12-week period up as high as 58% - a significant uplift compared to the 53% during the same period in 2021. This will undoubtedly be putting pressure on the market as an increased proportion of the carcass is sold as mince.

### What does this mean for industry?

Processors have been experiencing lighter carcass weights which is weighing on overall production volumes. With elevated cull cow numbers coming forward as we enter the winter months, this will likely put continued pressure on the deadweight average. Despite Kantar data revealing that household beef sales remain subdued, there is optimism that demand will be robust over the festive period.

# Monthly Market Round-Up

## CATTLE

### Prices – week ending 18<sup>th</sup> November

The prime cattle average price at auction markets in England and Wales stood at **260.0p/kg**. This was:

- + 1.8p on the previous week,
- + 15.5p compared with year-earlier levels,
- 50.0p higher than the 5-year average (2018-22 average: 210.0p/kg).

The average deadweight prices in England and Wales for steers stood at **476.9p/kg**. This was:

- - 0.1p on the previous week,
- 36.9p above year-earlier levels.

The deadweight prices for heifers stood at 468.9p/kg (-0.4p on the week), young bulls at 456.9p/kg (-2.8p), and cull cows at 284.5p/kg (-6.6p).

### Throughput – October 2023

- Total cattle throughput at UK abattoirs = 257,100 head – down 3% on the year.
- Total prime cattle throughput = 180,500 head – down 2% on the year.
  - steers -2%, heifers -0.1%, and young bulls -7%.
- Average prime cattle carcass weights = 339.3kg (-2kg on the year).
- Adult cattle throughput = 66,200 head – down 5% on the year.

## SHEEP

### Prices – week ending 18<sup>th</sup> November

The prime lamb average liveweight SQQ at auction markets in Wales stood at **254.3p/kg**. This was:

- - 4.4 p on the previous week,
- + 17.5p compared with year-earlier levels,
- 44.7p above the 5-year average (2018-22 average: 209.6p/kg).

Cull ewe prices at auction markets in Wales averaged **£68.70/head**. This was:

- + £2.70 on the previous week,
- £3.30 above year-earlier levels.

GB deadweight lamb prices averaged 589.9p/kg (+12.0p on the week).

### Throughput – October 2023

- Total sheep throughput at UK abattoirs = 1.3 million head – down 3% on the year.
- Lamb throughput = 1.1 million head – down 2.5% on the year.
- Average lamb carcass weights = 19.5kg (similar on the year).
- Cull ewe and ram throughput = 144,100 head – down 8% on the year.

## PIGS

### Prices – week ending 11<sup>th</sup> November

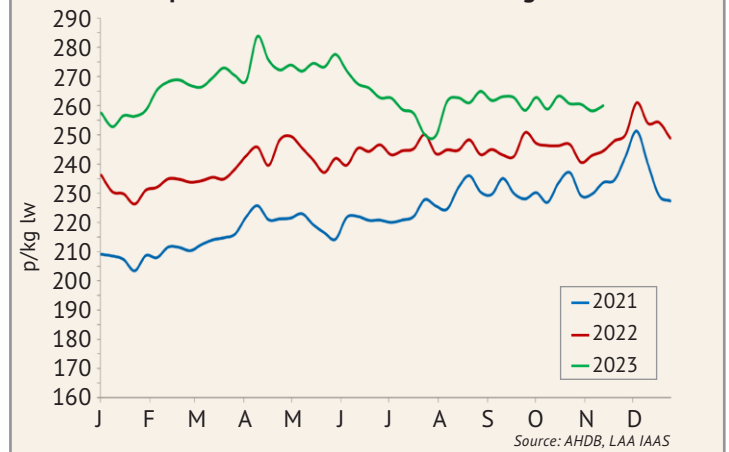
The EU-spec All Pig Price (APP) in GB stood at 217.0p/kg. This was:

- - 0.4p on the previous week,
- + 12.4p compared with year-earlier levels,
- 52.3p higher than the 5-year average (2018-22 average: 164.7p/kg).

### Throughput – October 2023

- Total pig throughput at UK abattoirs = 901,600 head – down 8% on the year.
- Clean pig throughput = 882,400 head – down 14% on the year.
- Average clean pig carcass weights = 89.7kg (-0.5kg on the year)
- Sow and boar throughput = 19,200 head – down 0.5% on the year.

Prime cattle prices at auction markets in England and Wales



UK Beef & Veal  
Production  
October '23

82,100 tonnes  
-3% y-o-y



Prime lamb (SQQ) prices at auction markets in Wales

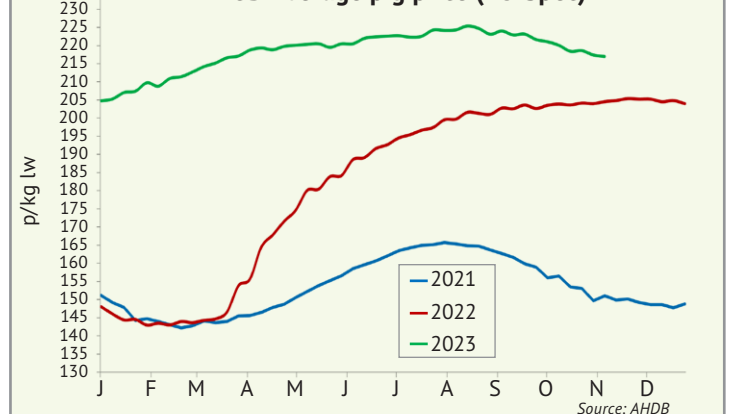


UK Sheep Meat  
Production  
October '23

25,200 tonnes  
-4% y-o-y



GB Average pig price (EU-Spec)



UK Pork  
Production  
October '23

82,000 tonnes  
-8% y-o-y

