

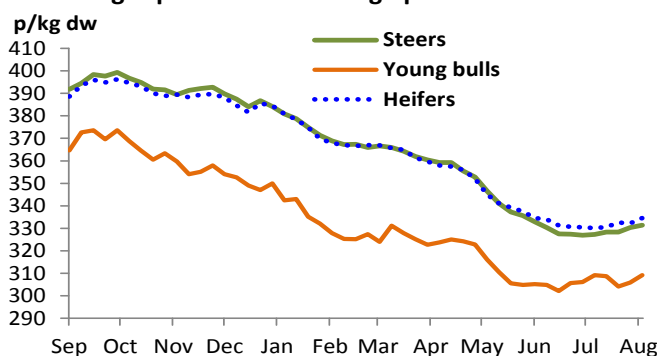
Cattle Weekly

15 August 2014, Issue 33

Positive movement in trade again

In week ended 9 August, the [deadweight cattle trade](#) moved up again. With average prices in almost all categories of prime cattle strengthening, the all prime average was up 2p on the week at 328.8p/kg. Following a few weeks of stability, this movement represents the second consecutive week that the trade has demonstrated some positivity.

Deadweight prime cattle average prices 2013-14



AHDB/EBLEX estimates indicate that fewer cattle were marketed compared with the week before. This contributed to a more competitive trading environment which has obviously resulted in stronger prices. Reports suggest that the better trading conditions were of particular benefit to cattle previously penalised for being outside of supermarket specification. Supporting this, and with around 600 head fewer forward, young bull prices strengthened to the greatest extent. R3 young bulls increased 4p on the week to 316.2p/kg.

While this position is better news for producers, it should be noted that Irish cattle supplies are still robust. While there was a two-week period of lower supplies, Irish cattle slaughterings have started to track ahead of year-earlier levels once again. This may continue, at least in the short term, as the flow of grass-fed cattle increases. This comes as producers attempt to avoid any penalties by finishing the increased number of cattle born in spring 2012 within the 30-month age threshold.

Trade figures paint a better picture for exports

[UK trade data for June](#) has been published by HMRC and includes some revisions to previous data. Having originally been reported as showing a decline compared with a year ago, a significant upwards revision to export data for May means that volumes are now recorded as being 14% higher year on year. HMRC report that in June, the UK exported 9,660 tonnes of fresh and frozen beef, up 20% compared with last year. Increased shipments of fresh/chilled carcasses to the Netherlands largely drove the trade. However, cuts to France also performed very well.

Cattle market at a glance

GB Liveweight prices week ending 13/08/14		
	Price p/kg lw	p/kg change on wk
Steers	183.4	+5.2
Heifers	195.1	+4.4
Young bulls	161.4	+0.9
Cows	107.5	-1.7

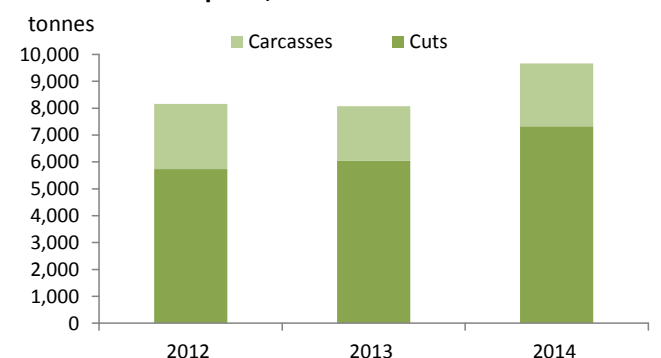
GB Deadweight prices week ending 09/08/14			
	Price p/kg dw	p/kg change on wk	
Steers :	R4L	343.2	-0.7
	All	331.4	+1.1
Heifers :	R4L	338.1	+2.7
	All	334.5	+2.3
Young bulls :	R3	316.2	+3.5
	All	309.1	+3.2
Cows :	-O4L	243.8	-0.1
	All	227.6	+0.4

GB Estimated slaughterings		
	09/08/14	02/08/14
Steers	14,600	14,400
Heifers	10,300	10,500
Young bulls	5,400	6,000
All prime	30,200	30,900
Cows	8,600	7,800

Source: AHDB/EBLEX/LAA/IAAS

A 9% fall in the unit value was more than offset by increased volumes and, as such, the export trade was worth £33.4 million in the month, up 9% year on year.

Beef and veal exports, June



The offal trade is also reported to have performed very well, with shipments to all the major destinations higher. Overall volumes were up two-thirds on the year to over 3,500 tonnes. While average values to some destinations were lower than a year ago, there was a greater than 50% rise in the unit value of shipments to Hong Kong. This helped the value of the offal trade to increase by over 70% on the year, to £4.9 million.

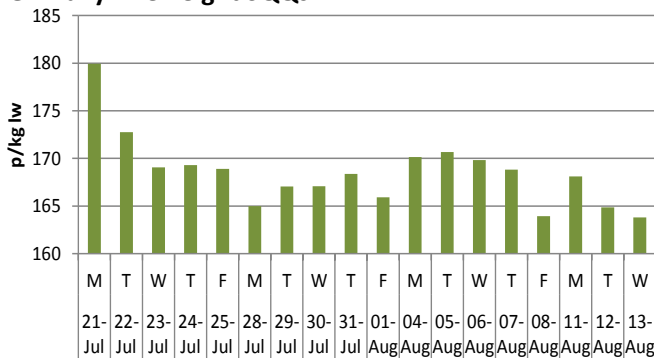
Sheep Weekly

15 August 2014, Issue 33

Prices start to slip again

Having been relatively stable for a couple of weeks [liveweight lamb prices](#) have started to ease again. In week ended 13 August, the average SQQ at GB marts was down 3p on the week at 166.3p/kg. In addition to a week-on-week fall, the trend across the week has been downwards, with the daily GB NSL SQQs falling below the 165p/kg mark for the first time this year. By Wednesday 13 August, the daily price was down 6p on the week at 163.8p/kg, this being the lowest point in the trade so far in 2014.

GB Daily Liveweight SQQs



Source: AHDB/EBLEX/LAA/IAAS

This potentially comes as producers have turned to marketing lambs again as the poor weather holds up other activities such as harvest. Across the latest week, 7% more lambs were sold at GB marts compared with the previous week.

Imports 14% lower on year

During June, [UK imports of sheep meat](#) continued the general recent trend and tracked below year-earlier levels. At 8,500 tonnes, total import volumes were down 14% compared with June 2013, although they were only 1% lower than 2012 levels.

This fall was largely driven by lower shipments from New Zealand, where the focus was still shifting towards China, with volumes down 22% on the year. There were also lower shipments from Ireland and the Netherlands. These lower shipments were somewhat offset by a number of suppliers who have looked to try and fill some of the gap created by the lower New Zealand volumes. Notably, there were increased volumes from Australia, the Falkland Islands, Spain and Argentina.

With a tighter global market so far this year, the average unit value of shipments has been consistently higher than year-earlier levels. For June, the average value was 11% higher on the year at £4,300 per tonne.

Sheep market at a glance

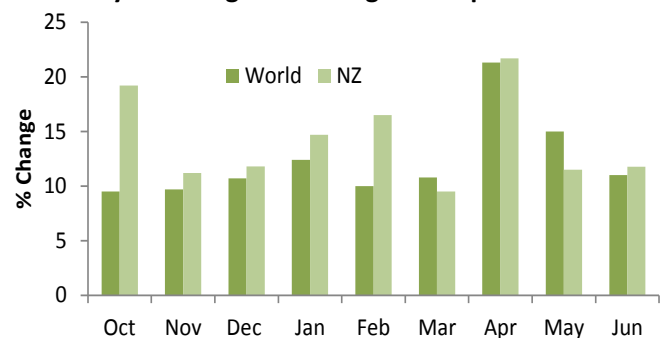
GB Liveweight prices week ending 13/08/14		
	Price p/kg	p/kg change on wk
Lambs SQQ - NSL	166.3	-3.4
	£ per head	£ change on week
Cull ewes	59.0	+1.0
Store lambs - NSL	54.1	-1.2

Deadweight prices week ending 09/08/14		
	Price p/kg	p/kg change on wk
GB lambs SQQ - NSL	383.3	+1.3
European prices week ending 10/08/14 (converted from €)		
United Kingdom	379.6	+0.9
Republic of Ireland	329.5	-7.0
France	495.5	-0.9
EU-25	403.4	-1.3

Estimated slaughterings (lambs)		
	09/08/14	02/08/14
Great Britain	249,700	247,100
Northern Ireland	12,700	12,700
Republic of Ireland	46,800	52,100

Source: AHDB/EBLEX/LAA/IAAS, EU Commission, Bord Bia, DARD

Year-on-year change for average UK import values



Source: HMRC/GTIS

Exports well up on 2013 levels

Having being slightly lower (in shipped volume terms) during the first five months of the year, [UK sheep meat exports](#) jumped considerably in June, up 13% on the year at 9,000 tonnes.

Whereas in previous months any growth has come from the newer non-EU markets, the growth in June was driven by a strong performance by the main EU markets. Shipments to other member states were up 17% on the year, with higher volumes to France, Ireland, Belgium and Italy.

Meanwhile shipments to non-EU markets during June were virtually unchanged on the year.