

Cattle Weekly

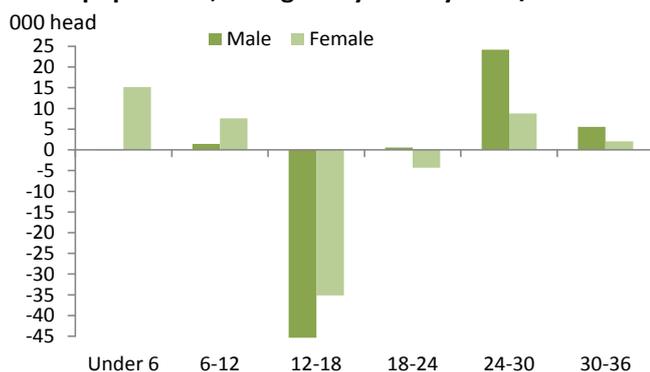
22 August 2014, Issue 34

Another positive movement in cattle trade

For another week, there was upwards movement in the [prime cattle trade](#). In week ended 16 August, despite numbers seemingly increasing on the week, the all prime average was up 3p at 331.7p/kg. This further uplift reflects a more positive trading environment in which the all prime average has strengthened by more than 6p/kg over the past three weeks. With throughputs estimated to be higher, this price rise has evidently come as demand has improved, meaning the supply and demand balance has modestly swung in producers' favour, with processors reportedly chasing cattle. As such, waiting lists have evaporated and price negotiations are reported to have been more favourable, even for cattle previously penalised for being 'out of spec'. Consequently, while R4L steers levelled on the week at 343.2p/kg, the overall steer average increased 3p to 334.4p/kg.

While the short term outlook may still indicate that the caution in trade has not dissipated entirely, particularly as supplies in Ireland are still running ahead of year earlier levels, the mid-term outlook continues to look more positive. British Cattle Movement Service data in July shows the potential for only a modest increase in domestic supplies over the coming few months. However, it demonstrates clear signs of lower availability later this year and into 2015, which may have implications for the evolution of prices.

Cattle population, change on year July 2014/13



UK production up again in July

[UK prime cattle throughputs](#) in July were up over 1% on the year at 177,400 head. Steer throughputs entirely drove the increase, being 9% higher at 85,300. Largely due to increased numbers in England and Wales, this represented the highest July steer slaughtering position since 2011. In contrast, following the first year-on-year decline in 2014 so far during June, heifer numbers were again lower than year earlier levels. Being down 2%, at 60,500 head, this was entirely attributed to lower numbers in Scotland and Northern Ireland. Young bull throughputs were back nearly

Cattle market at a glance

GB Liveweight prices week ending 20/08/14		
	Price p/kg lw	p/kg change on wk
Steers	181.9	-1.5
Heifers	196.6	+1.5
Young bulls	164.2	+2.8
Cows	107.5	N/C

GB Deadweight prices week ending 16/08/14			
		Price p/kg dw	p/kg change on wk
Steers :	R4L	343.2	N/C
	All	334.4	+3.0
Heifers :	R4L	340.9	+2.8
	All	337.1	+2.6
Young bulls :	R3	315.3	-0.9
	All	310.9	+1.8
Cows :	-O4L	244.9	+1.1
	All	229.3	+1.7

GB Estimated slaughterings		
	16/08/14	09/08/14
Steers	15,000	14,700
Heifers	11,600	10,500
Young bulls	5,000	5,100
All prime	31,600	30,200
Cows	10,000	9,000

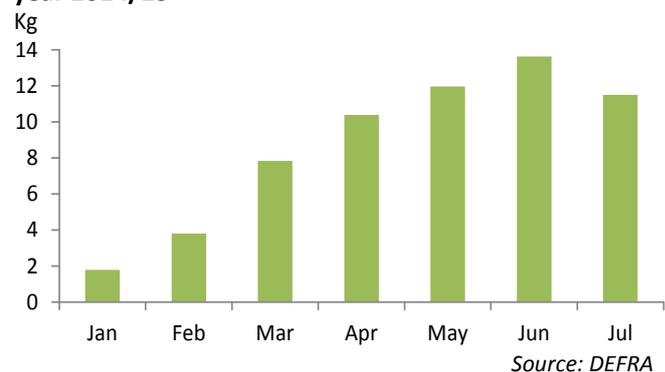
Source: AHDB/EBLEX/LAA/IAAS

10% on the year at 31,600 head. Adult cattle slaughterings were again lower on the year, being 8% back at 49,600 head. The good weather and abundant grass in some areas may be offering opportunities for producers to add condition to those cows they are able to.

Despite total cattle numbers being back just a fraction on the year, the better conditions have once again had a positive impact on carcase weights.

These higher weights were the key driver in increased beef and veal production for the month, which was 3%, or 2,200 tonnes, higher year on year at 78,600 tonnes.

Prime cattle average carcase weights, increase on year 2014/13



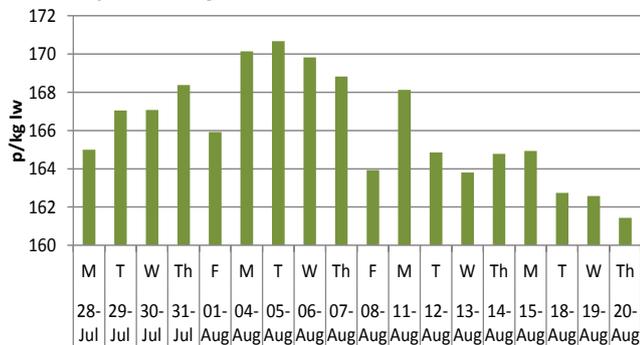
Sheep Weekly

22 August 2014, Issue 34

Lamb prices continue to drift lower

The downwards trend in [liveweight lamb prices](#) has continued for another week as the market seemingly lacks any real impetus. At 162.8p/kg, the GB NSL SQQ in week ended 20 August was down by over 3p on the previous week. With the week as a whole lower, there was also an easing of the trade across the week. Having started the week at 164.8p/kg on Thursday 14 August, the SQQ had fallen to 161.4p/kg by Wednesday 20 August.

GB Daily Liveweight SQQs



Source: AHDB/EBLEX/LAA/IAAS

Despite the market being under pressure, reports continue to indicate a better demand for well finished animals, with those either under finished or too fat more difficult to sell. This comes as buyers can be more selective about their procurement. As such, the message remains true that at this point in the trading cycle, it is best to market lambs when they are fit. Animals should be regularly drafted so as to avoid overfinishing which both incurs extra costs and potentially affects the end price received.

Looking ahead the usual seasonal pattern is for prices to bottom out around the end of September or early October. In 2013, with the [Muslim festival of Eid-al-Adha](#) falling on 14 October, prices hit their lowest weekly point in week ended 5 October before picking up due to increased festival demand. This year, the festival falls on 4 October, meaning the increased demand associated with this event should be 10 days earlier this year.

UK lamb kill still ahead of 2013

Further confirming the expectations of a larger lamb crop and better finishing conditions, the [UK lamb kill](#) during July was still ahead of year earlier levels. At 1.27 million head, lamb slaughterings for the month were 6% higher year on year. While this is ahead of the levels recorded in the corresponding months of 2013 and 2012, it is much

Sheep market at a glance

GB Liveweight prices week ending 20/08/14		
	Price p/kg	p/kg change on wk
Lambs SQQ - NSL	162.8	-3.5
	£ per head	£ change on week
Cull ewes	56.1	-2.9
Store lambs - NSL	53.3	-1.5

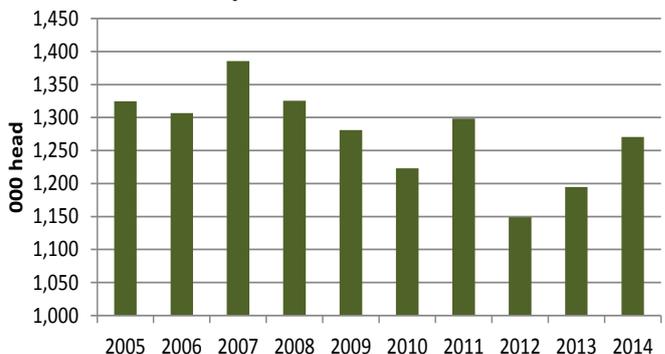
Deadweight prices week ending 16/08/14		
	Price p/kg	p/kg change on wk
GB lambs SQQ - NSL	380.3	-3.0

European prices week ending 17/08/14 (converted from €)		
United Kingdom	377.0	-2.6
Republic of Ireland	330.9	+1.4
France	496.4	+0.9
EU-25	401.9	-1.6

Estimated slaughterings (lambs)		
	16/08/14	09/08/14
Great Britain	237,700	247,200
Northern Ireland	11,100	12,700
Republic of Ireland	49,900	46,800

Source: AHDB/EBLEX/LAA/IAAS, EU Commission, Bord Bia, DARD more in line with the levels recorded prior to that, albeit generally much lower than pre-2009 levels.

UK lamb kill for July 2008-14



Source: DEFRA

In contrast to the lamb kill, the number of adult sheep slaughtered continued to be lower year on year during July. At 171,000 head the UK adult sheep kill for the month was down 13% compared with 2013 levels. This represents the lowest July adult sheep kill since the FMD-disrupted year of 2001.

Overall carcass weights for July were higher, largely on the back of better conditions and better feed availability.

With higher weights and more lambs slaughtered, total UK sheep meat production for July was over 5% higher on the year at 28,700 tonnes.