

# Cattle Weekly

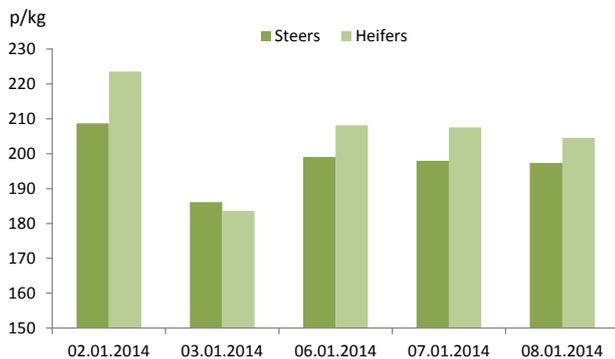
10 January 2014, Issue 2

## New Year trade subdued

In week ending 4 January 2014, with New Year holidays limiting trade and some abattoirs operating a shorter working week, throughputs were still significantly lower than in the weeks before the holiday period. However, despite this, with demand at retail level continuing to be subdued, [deadweight cattle prices](#) eased back on the week. The all prime average price was down almost 2p to 381.6p/kg. Steers and heifers were both cheaper on the week while, in contrast, young bulls increased slightly in price.

At GB auction markets, in the first full week's trading in the New Year, ended 9 January, [liveweight cattle prices](#) eased compared to the previous disrupted holiday week. All classes of prime cattle were cheaper on the week and, as such, the all prime cattle average was down 7p to 199.0p/kg. A return to normal trading meant that numbers forward were significantly up on the previous week.

## GB auction market prime cattle prices



Source: AHDB/EBLEX/LAA/IASS

The traditional pattern for January and early February would be for some easing of prices as consumer demand is subdued with budgets tighter following the holiday period. As such, any upwards pressure on prices might be limited for a period. However the fundamentally tight supply situation continues which, should demand improve, has the potential to result in some resumption of the upwards trend later in the year.

## Reduced purchases of roasting and mince impacts on beef's performance

According to the latest [Kantar Wordpanel data](#), in the four weeks to 8 December, household purchases of beef declined 4% on the year. However, despite this, overall expenditure on beef demonstrated some growth. As a direct result of a continued rise in average prices, the value of sales increased 5% on the year to £186 million. Household purchases of beef roasting joints were back 5% on the same period last year, largely on the back of an overall decline in the number of households buying them. Within the category, there was some growth in volume purchases by retired

## Cattle market at a glance

### GB Liveweight prices week ending 08/01/2014

	Price p/kg lw	p/kg change on wk
Steers	199.3	-2.3
Heifers	209.8	-5.9
Young bulls	182.2	-6.3
Cows	108.2	+6.7

### GB Deadweight prices week ending 04/01/2014

	Price p/kg dw	p/kg change on wk	
Steers :	R4L	391.7	-1.9
	All	384.2	-2.5
Heifers :	R4L	387.6	-
	All	384.5	-1.1
Young bulls :	R3	362.5	+1.6
	All	349.9	+2.9
Cows :	-O4L	232.8	-3.3
	All	226.0	-4.0

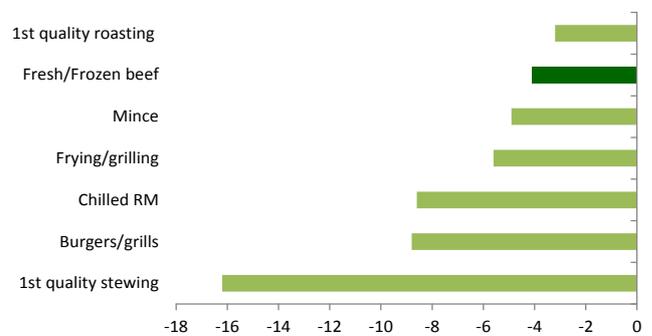
### GB Estimated slaughterings

	04/01/2014	02/12/2013
Steers	12,100	7,500
Heifers	9,900	6,600
Young bulls	2,500	1,600
<b>All prime</b>	<b>24,500</b>	<b>15,700</b>
Cows	5,400	2,200

Source: AHDB/EBLEX/LAA/IAAS

households but the fall in purchases by younger households more than offset this. Sales of beef roasting joints have been hampered by shoppers looking for cheaper alternative protein sources, with some switching to pork and chicken.

## Year-on-year change in household purchases - 4 weeks to 8 December



Source: Kantar Worldpanel

There was also a 5% reduction in beef mince purchases, largely on the back of fewer households buying mince compared to last year. However, consumers also bought less mince on each shopping trip, a development likely to have been influenced by the 13% increase in the average price paid.

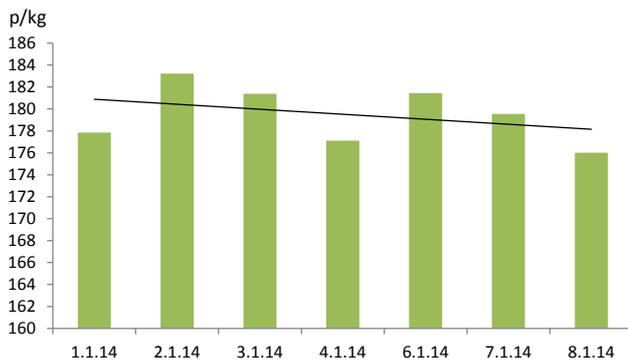
# Sheep Weekly

10 January 2014, Issue 2

## Lamb market finely balanced as New Year trading resumes

With the Christmas and New Year holiday periods over, the [liveweight lamb trade](#) is back to a more normal trading week. The slight uplift in trade over the holiday week was replicated in week ended 8 January. Despite many more lambs coming forward, the GB SQQ averaged 180.0p/kg, up over 2p on the week. However, to some extent, this disguises a modest amount of downwards pressure as the week progressed, with reports that retail demand both at home and on the Continent remains lacklustre. The SQQ on Monday 6 January was 181.4p/kg. By Wednesday 8 January it was back to 176.0p/kg. Current indications for Thursday's trade suggest some stability.

### GB Auction market SQQ



Source: AHDB/EBLEX/LAA/IAAS

Despite the fine balance in the market at the moment, prices are considerably ahead of levels a year earlier, when domestic lamb was competing with increased volumes of cheaper imported product and prices were at 3-4 year lows. In the short term, there remains the expectation that supplies of lamb will remain tight in the first half of 2014, offering the potential to support farmgate returns. However, as always, consumer demand remains key.

### Lamb purchases remain in positive growth

The latest [Kantar Worldpanel data](#), covering the four weeks to 8 December, indicates that household purchases of lamb increased 1% compared to the same period last year. Lamb mince sales continued to record strong growth, largely due to more households buying lamb mince this year than last. Increased promotional activity has helped attract more consumers to buy lamb mince.

Purchases of lamb roasting joints were mixed. With less promotional activity, sales of leg joints recorded a

## Sheep market at a glance

### GB Liveweight prices week ending 08/01/2014

	Price p/kg	p/kg change on wk
Lambs SQQ - NSL/OSL	180.0	+2.2
	£ per head	£ change on week
Cull ewes	53.2	-1.2
Store lambs - NSL	56.4	+5.4

### Deadweight prices week ending 04/01/2014

	Price p/kg	p/kg change on wk
GB lambs SQQ - NSL/OSL	406.2	+6.3

### European prices week ending 05/01/2014 (converted from €)

	Price p/kg	p/kg change on wk
United Kingdom	403.7	+5.7
Republic of Ireland	353.0	-1.5
France	543.8	-3.1
EU-25	425.5	+2.8

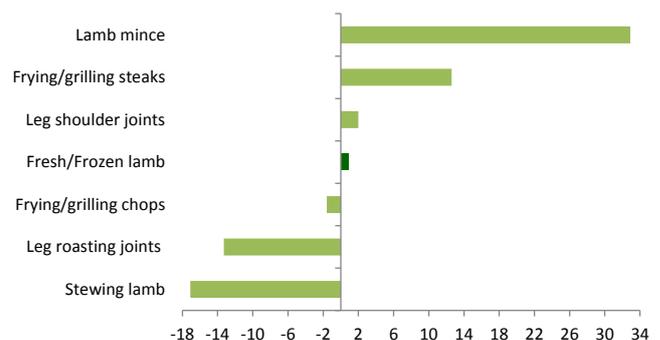
### Estimated slaughterings (lambs)

	04/01/2014	28/12/2013
Great Britain	156,500	127,400
Northern Ireland	6,900	2,280
Republic of Ireland	37,900	23,100

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

13% reduction compared to the corresponding period a year earlier. While there was a decline in the number of household buying legs, the reduction was compounded by some remaining shoppers buying less often. Meanwhile purchases of shoulder roasting joints increased compared with last year, with slightly more households buying them. Purchases of lamb steaks also increased on the year, supported by shoppers buying more often and in larger quantities. Overall expenditure on fresh and frozen lamb in the four week period increased 4% on the year to £51 million.

### Year-on-year change in household purchases - 4 weeks to 8 December



Source: Kantar Worldpanel