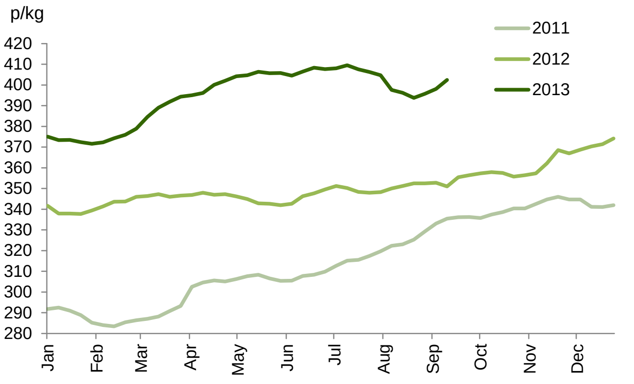
Cattle Weekly

20 September 2013, Issue 38

Cattle trade responds to firm demand

In week ended 14 September, deadweight cattle prices continued to respond to the sustained upturn in demand. The GB all prime indicator strengthened another 4p week on week to reach 391.3p/kg. The price of R4L steers surpassed the 400p/kg threshold again to average 402.4p/kg and has now increased 9p in the past three weeks to be close to pre-August levels. With higher prices of late and the marketing of cattle taking more of a priority, increased numbers of cattle came forward, which kept a lid on the upwards pressure on price. Nevertheless, well finished cattle fitting supermarket specification will continue to be in firm demand into the autumn.

GB R4L deadweight steer price

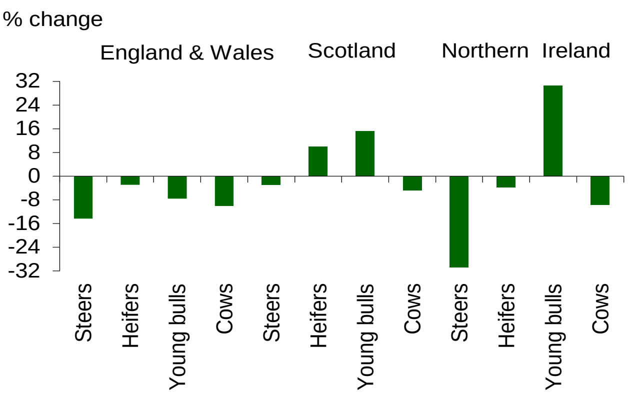


Source: AHDB/EBLEX

Production back again as steer throughputs are significantly lower

UK prime cattle slaughterings for August are now available on the EBLEX website. At 132,000 head, prime cattle slaughterings were back 7% on year earlier levels. This reduction was largely as a result of a significant downturn in steer slaughterings, back 15% on the year.

Change in cattle slaughterings Aug 2013/12



Source: Defra

All regions of the UK recorded reduced male cattle availability; with subdued demand during the month, harvest work could have been taking priority over marketing cattle for many producers. Heifer slaughterings levelled on the year whilst increased numbers of young bulls were evident. Cull cow throughputs were again markedly lower in all regions of the UK.

Carcase weights for all classes of prime cattle were again considerably lower on the year. However, for the first time this year the average weight of cows was reported to be broadly similar to last year's level. Beef and veal production in August was back 9% on the year at 58,000 tonnes.

Suckler breeding herd in England back again

In the June survey published by Defra the total number of cattle and calves in England was virtually unchanged on the year at 5.4 million head. In both the dairy and beef sectors, breeding cow numbers were lower on the year. Of significance, and having implications for longer term beef production in England, the beef breeding herd was reported to be back 3% and has now fallen 40,000 head in the past two years. The survey indicated some potential for an increase in supplies for slaughter in the short term as the number of male and female cattle between 1 and 2 years of age were both higher.

Cattle market at a glance

GB Liveweight prices week ending 18/09/13

	Price p/kg lw	p/kg change on wk
Steers	205.5	-0.1
Heifers	211.8	-1.3
Young bulls	191.5	-3.7
Cows	119.0	-3.7

GB Deadweight prices week ending 14/09/13

		Price p/kg dw	p/kg change on wk
Steers :	R4L	402.4	+4.3
	All	394.5	+2.7
Heifers :	R4L	397.8	+3.6
	All	393.5	+4.9
Young bulls :	R3	378.7	+7.4
	All	372.6	+8.0
Cows :	-O4L	372.4	+1.5
	All	253.4	+0.7

GB Estimated slaughterings

	14/09/13	07/09/13
Steers	14,500	13,500
Heifers	11,800	10,500
Young bulls	4,500	3,900
All prime	**30,800**	**27,900**
Cows	9,500	9,000

Source: AHDB/EBLEX/LAA/IAAS

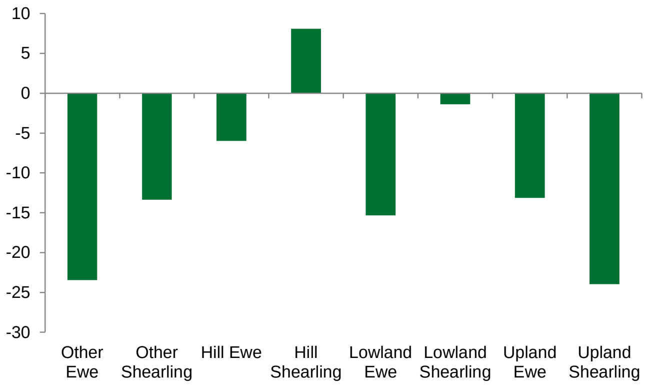
Sheep Weekly

20 September 2013, Issue 38

Breeding sheep values ease so far in 2013

With producers still feeling the after effects of the costly winter and continued uncertainty over prospects for next season, the breeding sheep trade so far in 2013 has eased on the year. However, with producers looking for the best value for money, reports suggest that quality ewes have still been in firm demand, whilst plainer sorts have been proving more difficult to place. In the four weeks to the 17 September, shearling ewes in the 'other' category of sheep (the majority of which are mules or other crosses) averaged £118 per head, a drop of £13 on the corresponding period a year ago. Upland shearlings were back almost £25 at £147 per head.

Breeding sheep values - 4 weeks to 17 September, £ per head change on year



Source: AHDB/EBLEX/LAA/IAAS

In week ended 18 September, liveweight lamb prices followed the expected trend and eased on the week. However, despite the average GB SQQ for the period falling 2p on the week, trade has broadly levelled at around 163p/kg. Numbers at auction were again reported to be tighter, possibly as the breeding sheep season was in full swing.

Lamb kill in August levels while adult slaughter high again

The number of lambs slaughtered in August was broadly level on the year at 1.05 million head. A modest year-on-year rise in availability in England was counteracted by significantly fewer lambs coming forward in the other regions of the UK. It would appear that the slowdown in adult cullings evident in July could have been somewhat of an anomaly; in August, at 171,000 head they were 14% up on the year. In the year to date 160,000 more adult sheep have been slaughtered compared with the same period last year, indicating that despite more positive indications in the DEFRA June Survey (see below), a fall in the national flock could still be likely.

As finishing conditions improved, the average weight of lambs was reported to be higher on the year for the second consecutive month, although it was still behind the average in the 2011 season. With adult sheep also slaughtering at heavier weights, sheep meat production was up almost 3% on the year to 24,170 tonnes.

English sheep flock records an increase

The English sheep flock in the DEFRA June survey was up 2% on year earlier levels at 14.9 million head. Following the growth recorded in December, on the back of some rebuilding activity, the breeding flock is reported to have grown by nearly 4% to total 6.49 million head. Considering the difficult conditions of the 2012/13 winter and the high culling rate recorded in the first half of 2013, this points to continued optimism amongst producers at the time. The number of lambs on the ground under one year of age was broadly similar to a year earlier at 7.8 million head. The next edition of the Cattle and Sheep Market Update, published on 30 September, will feature more details of the cattle and sheep survey results. To subscribe to this publication please click here.

Sheep market at a glance

GB Liveweight prices week ending 18/09/13		
	Price p/kg	**p/kg change on wk**
Lambs SQQ - NSL	163.0	-1.9
	£ per head	**£ change on week**
Cull ewes	42.9	-3.2
Store lambs - NSL	48.4	-0.7

Deadweight prices week ending 14/09/13		
	Price p/kg	**p/kg change on wk**
GB lambs SQQ - NSL	394.0	-6.2
European prices week ending 15/09/13 (converted from €)		
United Kingdom	na	na
Republic of Ireland	na	na
France	na	na
EU-25	na	na

Estimated slaughterings (lambs)		
	14/09/13	**07/09/13**
Great Britain	304,000	280,000
Northern Ireland	12,500	11,500
Republic of Ireland	51,800	50,000

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