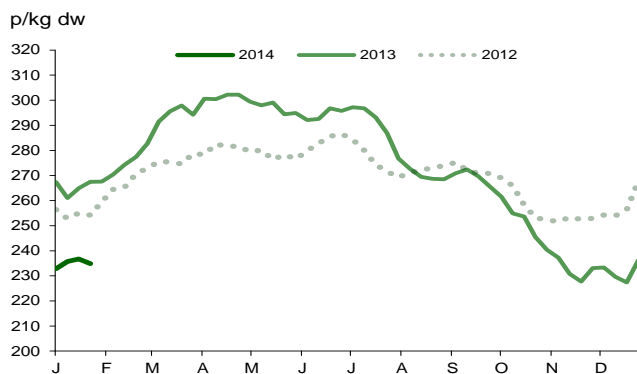


## Processor caution continues

For another week [cattle prices](#) eased back as sluggish demand and caution from processors continued to affect trade. Reports suggest that the focus on procuring stock within the tight supermarket specification has intensified. Penalties for stock outside of the 'ideal range', or not quality assured, have continued to increase. With prices falling across all categories, the all prime indicator in week ended 25 January was back another 4p to 372.3p/kg. Young bulls meeting the R3 specification only eased by a penny on the week. However, the overall young bull price was back 8p/kg. This demonstrates further evidence of the current difficult market conditions for young bulls outside industry requirements. Despite these latest price declines, the all prime deadweight average price is still up 3% compared to the same week last year.

### GB -O4L cow price



Source: AHDB/EBLEX

Since the turn of the year the [cull cow market](#) has held up better than the prime trade, in the latest week the -O4L price was back less than a penny on the week. Reports suggest that demand for cows at the right age and grade is moderately robust at the moment, giving an indication that processors stocks are not overly high.

## Availability the key to export performance

With production levels still having an impact on supplies available for export, [beef and veal exports](#) in November were back almost a quarter on the year. Despite this, within the product mix, higher valued boneless cuts still did well, increasing on the year and accounting for half of all fresh/chilled shipments, notably more than in the corresponding month two years ago when it was around 35%. With the unit value of fresh/chilled boneless shipments averaging £4,200 per tonne in November, a third more than the overall unit value of exports, continued growth in this higher value segment is continuing to deliver returns to the UK industry.

## Cattle market at a glance

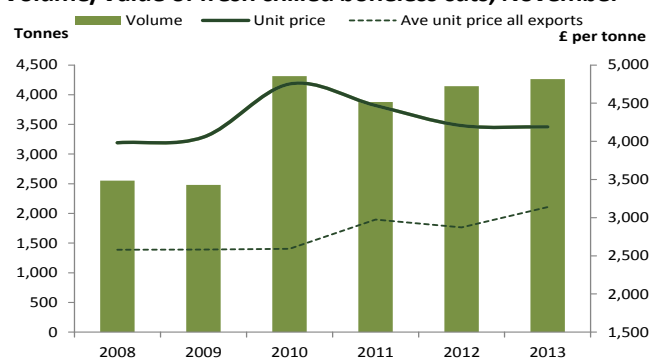
GB Liveweight prices week ending 29/01/14		
	Price p/kg lw	p/kg change on wk
Steers	186.4	-0.6
Heifers	197.6	-0.7
Young bulls	166.6	-2.3
Cows	103.8	-1.5

GB Deadweight prices week ending 25/01/14			
		Price p/kg dw	p/kg change on wk
Steers :	R4L	381.6	-3.4
	All	374.9	-3.8
Heifers :	R4L	378.0	-3.5
	All	374.9	-3.5
Young bulls :	R3	352.7	-1.3
	All	335.1	-7.9
Cows :	-O4L	234.9	-1.8
	All	222.1	-0.8

GB Estimated slaughterings		
	25/01/14	18/01/14
Steers	16,300	16,300
Heifers	12,800	13,600
Young bulls	2,700	3,400
<b>All prime</b>	<b>31,800</b>	<b>33,600</b>
Cows	13,000	13,100

Source: AHDB/EBLEX/LAA/IAAS

## Volume/Value of fresh chilled boneless cuts, November



Source: HMRC/GTIS

[Beef and veal imports](#) in November were 7% higher than year earlier levels, largely on the back of increased shipments from Ireland. Shipments from Poland declined 7% on the year. The Polish beef industry is very export dependent. While an immediate result of the ban on ritual slaughter last year appears to have been a surge in displaced beef onto Continental EU markets, the latest data indicates that in the year to November shipments to the UK are only modestly higher. Further details of Polish trade developments can be found on the [EBLEX website](#).

# Sheep Weekly

31 January 2014, Issue 5

## Lamb prices hit buffers

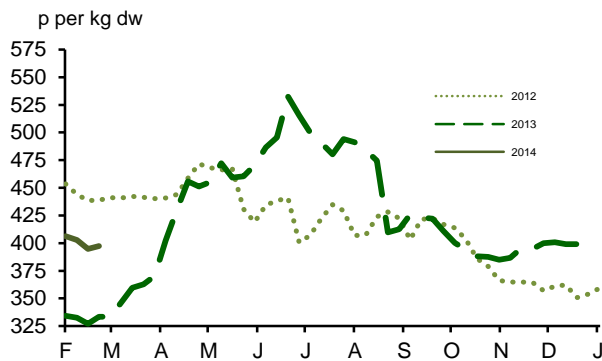
Having risen over the past two weeks or so, the latest auction mart data shows that lamb price rises have now seemingly stalled. While the overall figure for week ended 29 January showed an increase of 4p week on week to 185.7p/kg, the final daily SQQ of the week showed that this rise had stopped. On Wednesday, 29 January, the GB SQQ was back almost a penny on the week to average 182.7p/kg. However, the weekly SQQ is still 11p ahead of the level recorded a fortnight earlier, while the SQQ on Wednesday was 9p higher than a fortnight previous.

With tightened supplies reportedly the driver behind the recent uplift, this slow down might be in relation to increased numbers of lambs coming forward, in response to the strengthened trade. In the latest week, throughputs of lambs at GB marts were 13% higher week on week.

With fewer cull ewes forward on the week, numbers being 9% lower, the average price of these animals increased a small amount. At £51.10 per head this price was over a pound dearer on the week.

Following the trend in the marts, the [GB deadweight](#) price in week ended 25 January also started to pick up. At 397.2p/kg the overall SQQ was 2.5p higher than week earlier levels.

## GB Deadweight SQQ lamb price



Source: AHDB/EBLEX

## Tighter global supplies impact on UK imports

The expected slowdown in [UK sheep meat imports](#) continued during November with volumes falling 22% on the year, to total 5,500 tonnes. This follows the 33% fall in volumes during October. This drop is the result of lower supplies in New Zealand and the continued growth in shipments of New Zealand sheep meat to China. Volumes from New Zealand for the month were down in line with the overall trend, falling 22% on the year. This drop is expected to continue with the latest export figures from New Zealand, covering November, showing a 14% drop in volumes year on year.

## Sheep market at a glance

GB Liveweight prices week ending 29/01/14		
	Price p/kg	p/kg change on wk
Lambs SQQ - OSL	185.7	+3.9
	£ per head	£ change on week
Cull ewes	51.1	+1.1
Store lambs - OSL	58.2	+3.0

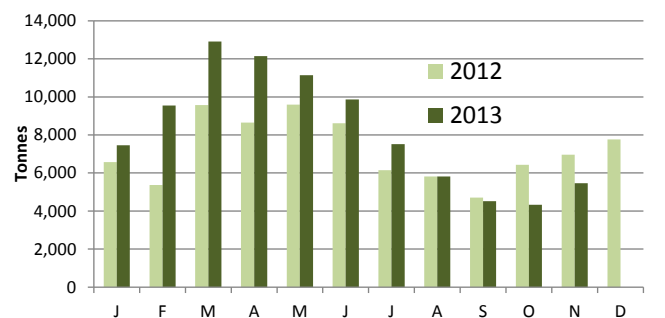
Deadweight prices week ending 25/01/14		
	Price p/kg	p/kg change on wk
GB lambs SQQ - OSL	397.2	+2.5

European prices week ending (converted from €) 26/01/14		
United Kingdom	394.6	+2.3
Republic of Ireland	353.9	+0.1
France	519.8	-9.4
EU-25	413.5	-1.4

Estimated slaughterings (lambs)		
	25/01/14	18/01/14
Great Britain	205,100	197,400
Northern Ireland	6,700	7,000
Republic of Ireland	35,700	35,800

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

## UK sheep meat imports



Source: GTIS/HMRC

In addition to lower volumes from New Zealand, shipments from the other two largest supplies fell. Imports from Australia were down 2% on the year, with volumes from Ireland down 44% on the year.

As expected, the tighter supplies have resulted in increased average prices for these imports. At £4,200, the average unit value of UK imports was 14% higher year on year. However, this remains below the levels recorded during 2011 when the average unit value for November was £4,900 per tonne. Lower imports for sheep meat were also evident for the EU as a whole, with volumes during November falling 19% on the year to 10,300 tonnes. Again, this is largely the result of tighter supplies from New Zealand, with shipments falling 21% on the year.