

Cattle Weekly

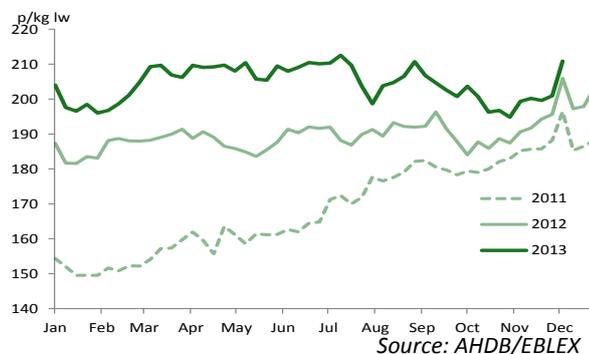
6 December 2013, Issue 49

Balanced market continues

As has been the case for a number of weeks, the market remains finely balanced, with relatively tight supplies being met with subdued demand for beef. As a result, for week ended 30 November, [deadweight cattle prices](#) were little changed from the previous week's level. The all prime average was up just under a penny at 388.3p/kg, driven by a 3p rise in young bull prices, while steer and heifer averages were up only marginally. While overall cull cow prices fell again, there was some recovery in the GB -04L price, which gained over 5p to stand at 233.1p/kg.

In contrast to the deadweight market, there have been significant increases in [liveweight prices](#) this week. However, this can largely be attributed to the Christmas shows and sales, with prize animals realising prices well above the normal market value. A sharp rise is normal during this week, particularly for steers, but is rarely sustained with the marketing period for the Christmas trade coming to an end. The all prime average for the week ended 4 December was up 11p at 210.9p/kg. This is 7p higher than in the equivalent week last year.

GB All prime cattle average liveweight price



Beef purchases impacted by poor roasting sales

The latest [Kantar Worldpanel data](#), covering the four weeks to 10 November, reports that household volume purchases of beef were down 10%, compared to the same period last year. Consumers were put off by the high price of beef, which was up 10%, on a year earlier, meaning they spent 1% less on beef during the period.

There were lower purchases across almost all cuts, with beef roasting joints particularly affected, being a quarter behind last year. Fewer households bought joints, with some shoppers switching into alternative meats for roasting meals. The year-on-year comparison was heavily impacted by a 50% fall in volumes at one of the top four retailers; this followed a strong promotional sales uplift in the equivalent four-week period in 2012. However, for that retailer volume levels remained higher than the same period in 2011, while overall beef roasting purchases were only 5% lower than two years ago.

Cattle market at a glance

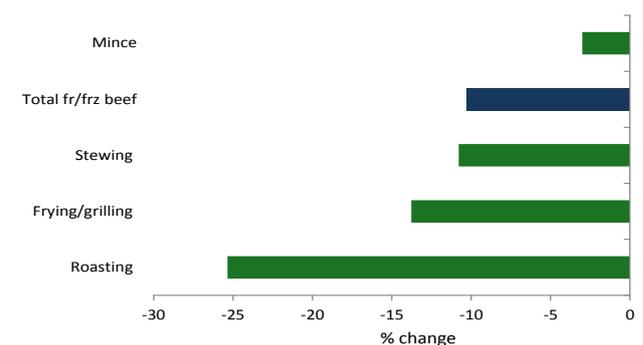
GB Liveweight prices week ending 4/12/13		
	Price p/kg lw	p/kg change on wk
Steers	212.1	+10.6
Heifers	224.3	+14.4
Young bulls	187.1	+5.9
Cows	103.9	+1.8

GB Deadweight prices week ending 30/11/13			
	Price p/kg dw	p/kg change on wk	
Steers :	R4L	399.4	-0.1
	All	392.8	+0.6
Heifers :	R4L	395.1	-0.6
	All	389.7	+0.3
Young bulls :	R3	370.1	+2.9
	All	358.0	+2.9
Cows :	-04L	233.1	+5.4
	All	207.9	-0.5

GB Estimated slaughterings		
	30/11/13	23/11/13
Steers	15,600	15,000
Heifers	12,500	12,400
Young bulls	4,300	4,400
All prime	32,300	31,700
Cows	10,900	11,900

Source: AHDB/EBLEX/LAA/IAAS

Household beef purchases, % change on year, 4 weeks to 10 November



Purchases of other beef cuts were also lower. The smallest decline was for mince, with the quantity sold down by 3%. However, expenditure on mince rose 5%, largely driven by higher prices, which stood at £5.57 in the latest period, 8% higher than last year. Frying/grilling cuts have struggled across the top five retailers, with an 8% reduction in the number of households purchasing compared to last year. The average price paid for these cuts was up by 19%, similar to the rise for roasting joints.

Sheep Weekly

6 December 2013, Issue 49

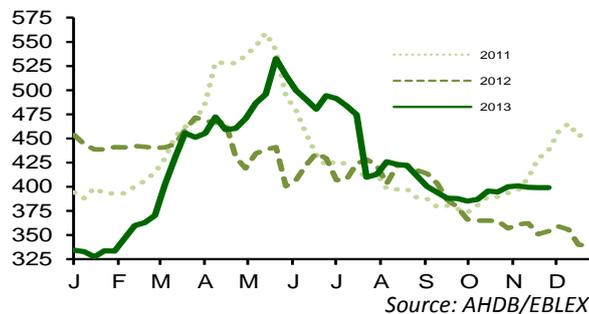
Lamb trade still subdued

Even with Christmas shows and sales spurring on the trade at some marts, the [liveweight lamb trade](#) in week ended 4 December still failed to show any real upwards movement. At 171.8p/kg, the liveweight GB SQQ was only slightly higher than the previous week and much of the increase can be attributed to the higher prices paid for the best animals at the Christmas shows. With the trade still largely flat, it seems clear that any seasonal uplift will be small and short-lived this year. Nevertheless, prices are still better than they were a year ago, when the market was exceptionally weak.

With numbers forward little changed on the week, it is clear that slow demand is still the main cause of the subdued trade. Domestic demand has fallen back lately, while the continuing economic problems in the Eurozone are still affecting key export markets, not helped by a stronger pound. The lack of demand is also affecting [deadweight prices](#), which averaged 399.0p/kg for week ended 30 November, down 0.1p on the week but 45p higher than a year earlier.

GB Deadweight SQQ lamb price

p per kg



The cull ewe market has been slightly more buoyant than of late, with the average price for week ended 4 December rising by £2.44 to £48.02 per head. This came as the number of ewes marketed was somewhat lower on the week, suggesting that demand remains subdued. At this level, prices are still below their level at the same time last year.

Lamb sales remain positive thanks to strong mince performance

According to the latest [Kantar Wordpanel data](#), in the four weeks to 10 November, the amount of lamb purchased was 1% higher compared with the same 4-week period last year. In particular, purchases of lamb mince increased by 22%, although it still made up only 12% of lamb sales. There was a significant uplift in the number of households that bought lamb mince, up 25% compared to last year. It has proved particularly popular among those aged over 45 and of a high social grade.

Sheep market at a glance

GB Liveweight prices week ending 4/12/13

	Price p/kg	p/kg change on wk
Lambs SQQ - NSL	171.8	+0.8
	£ per head	£ change on week
Cull ewes	48.0	+2.4
Store lambs - NSL	53.9	+1.3

Deadweight prices week ending 30/11/13

	Price p/kg	p/kg change on wk
GB lambs SQQ - NSL	399.0	-0.1

European prices week ending 01/12/13 (converted from €)

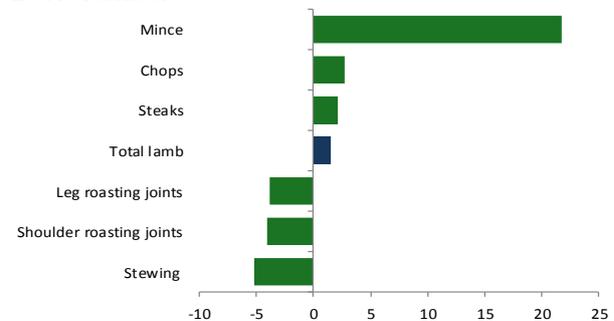
United Kingdom	395.6	+0.3
Republic of Ireland	328.8	-17.8
France	548.9	-0.8
EU-25	419.3	-3.4

Estimated slaughterings (lambs)

	30/11/13	23/11/13
Great Britain	281,800	272,700
Northern Ireland	n/a	10,700
Republic of Ireland	n/a	47,800

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

Household lamb purchases, change on year, 4 weeks to 10 November



Purchases of both leg and shoulder roasting joints were 4% behind the same period last year. Shoulder roasting joints were actually bought by a larger number of households but lower volumes per trip, perhaps due to smaller pack sizes, meant overall purchases were behind last year. In contrast, leg roasting joints were impacted by a reduction in the number of households buying. Lamb chops and steaks recorded slight increases in purchases, influenced by higher purchase frequency.

With prices overall slightly higher than a year earlier, consumers spent 3% more on lamb than in the same period last year. Again, mince was a key driver of increased spending with expenditure on other cuts broadly in line with last year.