HYBU CIG CYMRU
MEAT PROMOTION WALES

HCC Market Bulletin

January 2022

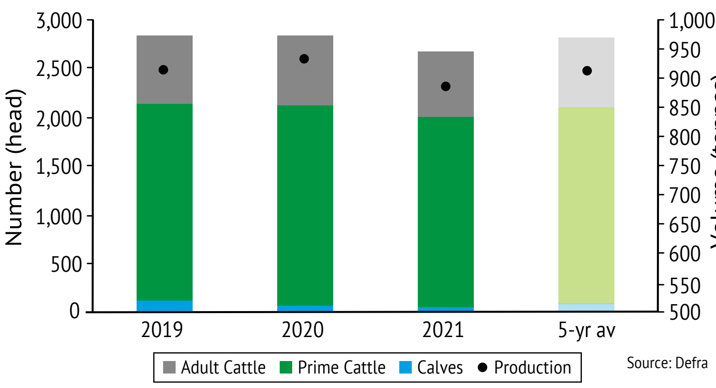
Defra has recently released the UK abattoir throughput figures for December, and so it is now possible to review throughput and production trends for 2021. This month's Market Bulletin will look at these figures in greater detail.

Beef & Veal

Total UK cattle throughput lowest since 2015 at 2.7 million head

According to newly released figures from Defra, the total throughput of cattle at UK abattoirs stood at 2.7 million head for 2021. When compared to year-earlier levels, this is 5.7% (or 160,600 head) lower, and also 4.3% below the 5-year average (2016-2020). This also marked the lowest cattle throughput since 2015. As a result, the total volume of beef and veal produced during 2021 stood at 885,500 tonnes – down 5.0% on the year, and 3.0% below the 5-year average. A fall in cattle throughput at UK abattoirs was expected for 2021 due to elevated numbers processed during 2020, along with a reduced number of animals available on the ground.

Cattle Throughput and Production at UK Abattoirs

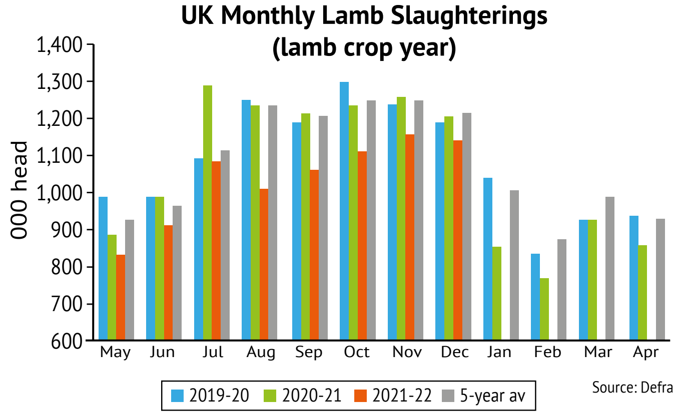


All categories of cattle recorded a year-on-year decline in throughput numbers. A total of 1.95 million prime cattle were processed in 2021 - 5% (or 102,800 head) less than 2020, with steers down 5.6% on the year, heifers down 4.3%, and young bulls down 3.1%. Alongside this, adult cattle throughput fell by almost 6% on the year to a total of 655,300 cattle. A decrease in adult cattle throughput was to be expected following elevated throughput numbers between 2018 and 2020. Overall, average carcase weights remained relatively stable on the year, however young bull average carcase weights were 5kg heavier at 348.8kg.

Sheep Meat

According to data from Defra, prime lamb throughput during each month of 2021 trended below year-earlier levels. As a result, the total throughput of lambs at UK abattoirs during 2021 was 10.6% (or 1.4 million head) below year-earlier levels at 11.7 million head. This is significantly lower than historical records, whilst adult sheep throughput numbers were also down almost 20% on the year at 1.2 million head. Looking at the total throughput of sheep and lambs during 2021, numbers were down 11.5% on the year at 12.8 million head. As a result, the total volume of sheep meat produced during 2021 stood at 265,100 tonnes – down 10.5% on the year.

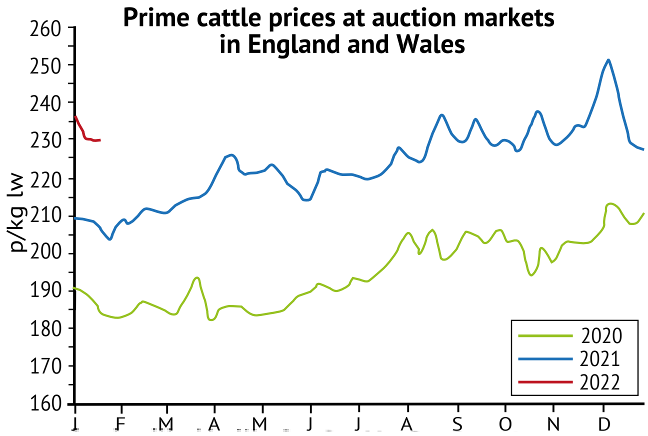
UK Monthly Lamb Slaughterings (lamb crop year)



When looking at the lamb crop year (May '21 and April '22), the throughput between May and December stands at 8.3 million head – 10.9% below the previous year. Following the increased number of lambs that were presented to slaughter earlier in 2020 due to Brexit uncertainty, it was anticipated that lamb kill would be lower in 2021. However, these figures would suggest that throughput levels are below what would be expected, given the size of the lamb crop. Many processors in the UK suffered staff shortages due to both Brexit and Covid-related issues (with some continuing to face these pressures) which may have limited the processing capacity of the abattoirs. It must be noted that the monthly throughput figures provided by Defra are provisional, and may be revised at a later date.

Pig Meat

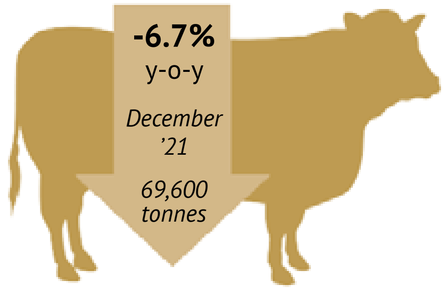
The total throughput of pigs at UK abattoirs during 2021 stood at 11.4 million head. This is 1.9% (or 213,900 head) more than 2020, and 2.5% higher than 2019. Following historical trends – clean pig throughput numbers accounted for the majority of animals at 11.1 million head, whilst 240,000 sows and boars were processed during the year. The average carcase weights of both categories were heavier than year-earlier levels due to Covid-related staff shortages leading to pigs backing up on farm during the year. As a result of both increased numbers and heavier animals, the total volume of pig meat produced during 2021 stood at 1.02 million tonnes. This is 4% more than 2020, and almost 7% more than the volume produced in 2019.



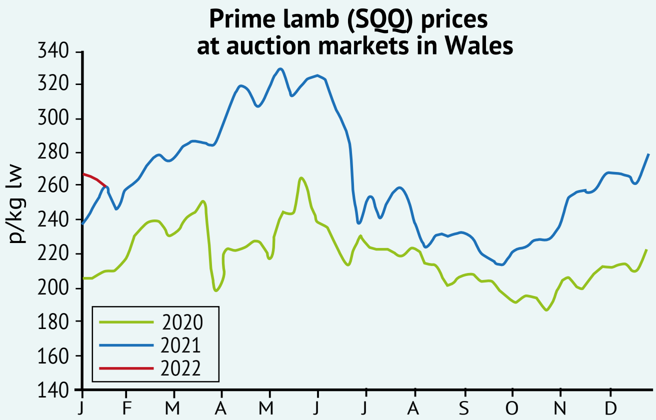
CATTLE

The prime cattle average price at auction markets in England and Wales stood at 229.8p/kg for the week ending 15 January 2022 – an decrease of 0.7p on the previous week. The current price is strong when compared to historical averages, and is 22.5p higher than year-earlier levels, and almost 38.4p higher than the 5-year average (2017-21 average: 191.4p/kg). For the week ending 15 January the average deadweight prices in England and Wales for steers stood at 407.4p/kg (stable on the previous week), which is 32.6p above year-earlier levels. The deadweight prices for heifers stood at 405.6p/kg (-0.3p on the week), young bulls at 390.5p/kg (-1.9p), and cull cows at 264.6p/kg (+0.4p).

Total cattle throughput at UK abattoirs stood at 211,200 head for December – down 6.0% on the year, and 2.8% lower than the same period in 2019. Prime cattle throughput for December was down 8.5% on the year at 148,900 head (the lowest monthly throughput recorded in 2021). All categories of prime cattle recorded a decrease on the year – steers down 10.6%, heifers down 6.7% and young bulls down 3.6%. Adult cattle throughput was up slightly on the year (by 0.4%) at 57,400 head. As a result of the overall tight supply, total beef production for December was down almost 7% on the year at 69,600 tonnes.



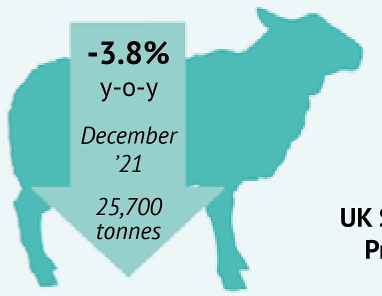
UK Beef Production



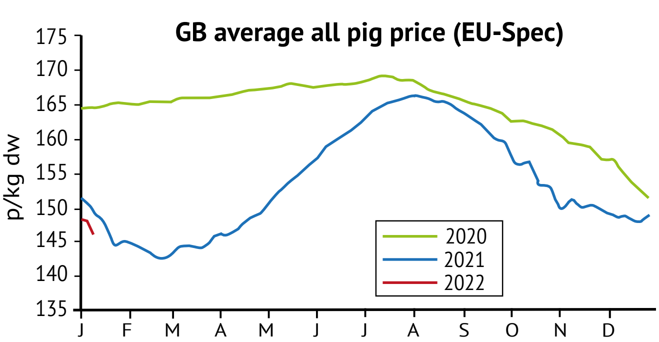
SHEEP

Following a price spike at the end of 2021, the average prime lamb liveweight SQQ at auction markets in Wales has been steady during the first few weeks of January. During the week ending 15 January, the average stood at 261.3p/kg – down 4.5p on the previous week. The current average is similar toy ear-earlier levels (0.7p higher), but is 60p higher than the 5-year average (2017-21 average: 201.4p/kg). Industry reports suggest demand has slowed somewhat following the Christmas period, and the strength of the Sterling against the Euro may be impacting export volumes. Cull ewe prices at auction markets in Wales averaged £81.90/head – up £1.90 on the previous week, and £4.10 higher than year-earlier levels. Deadweight lamb prices in GB stood at 601.1p/kg for the week ending 15 January (+132.3p on the year).

Total sheep throughput at UK abattoirs stood at 1.3 million head for December – down 5.0% on the year. Within this, lamb throughput was down 5.5% on the year at 1.1 million head. Despite the decrease in throughput, the average carcase weights were up 0.3kg on the year at 19.8kg. Cull ewe and ram throughput numbers were strong at 113,500 head – which is high when compared to the previous 12 months or so, but is not as high as the 5-year average (2016-20 = 133,300 head). The total volume of sheep meat produced during December decreased by 3.8% on the year to 25,700 tonnes.



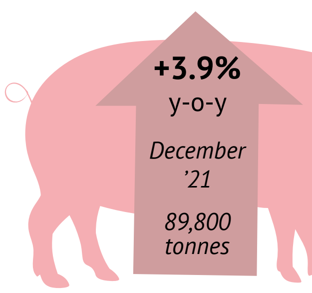
UK Sheep Meat Production



PIGS

For the week ending 08 January, the EU-spec All Pig Price (APP) decreased by 0.8p on the previous week to 146.0p/kg. When compared to the corresponding period last year, the current average is 3.2p lower, and is also 6.7p lower than the 5-year average for this period (2017-21 average: 152.7p/kg). Industry reports suggest that profitability in the EU pig market is putting pressure on the sector, whilst some farms continue to have a number of market-ready pigs on farm as abattoirs reach their processing capacity.

Total pig throughput at UK abattoirs stood at 974,600 head for December – up 0.6% on the year. Clean pig throughput was similar to year-earlier levels at 951,900 head; however, their average carcase weights were significantly heavier than December 2020 at 90.9kg (2.6kg heavier). This was likely due to pigs being kept on farm for longer than anticipated following challenges with processing capacity at some UK abattoirs. Sow and boar throughput was over 34% higher on the year at 22,700 head, whilst carcase weights were similar to year-earlier levels – 0.5kg heavier at an average of 144.6kg. As a result of these trends, pork production was up 3.9% on the year at 89,800 tonnes during December.



UK Pork Production