

“ HMRC has recently released UK trade figures for the first 6 months of 2023. This month’s Market Bulletin looks at these figures in greater detail.

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Looking at the first 6 months of 2023, total cattle slaughterings are up 2% on the year, whilst total sheep slaughterings are up 4% - according to figures from Defra. Despite this, production volumes of both beef and lamb are less than 1% higher than year-earlier levels following lighter carcase weights being presented at slaughter.

Data from Kantar shows that grocery price inflation has fallen for two consecutive months - however, the level remains elevated

at 12.7% for the four weeks to 6th August 2023. This continues to have an impact on consumer shopping patterns, as many have been reaching for own-label products at retail and trading down within red meat categories for cheaper cuts. The foodservice sector has also been impacted as consumers limit their dining out occasions in an attempt to save money. As a result, demand for red meat in general has been dampened, however mince remains a popular choice for many.

BEEF

Data from HMRC reveals that the *total* volume of beef **exported** from the UK during the first 6 months of 2023 stood at 65,300 tonnes (down 22% on year-earlier levels), whilst the value of *total* exports fell by 10% to £287.4million. Within this total, the volume of fresh/frozen beef volumes stood at 50,300 tonnes - down 22% also. Fewer shipments to both France and the Netherlands have had a notable impact, however, France continues to account for almost a quarter of the shipments sent to the EU. Ireland remains as the main destination for UK beef exports, but has

received almost 7% less fresh/frozen beef than in 2022, at 17,800 tonnes. With beef production on the domestic market just 0.3% higher on the year for this period, its likely there has been limited product available for export, along with lesser demand from consumers in Europe and strong UK cattle prices impacting the competitiveness at a global level.

The *total* volume of beef **imported** to the UK during the 6-month period fell by 5% on the year to 143,100 tonnes, whilst the value of imports increased by almost 2% to £754.7 million. Looking at fresh/frozen imports of beef; volumes were down 7%



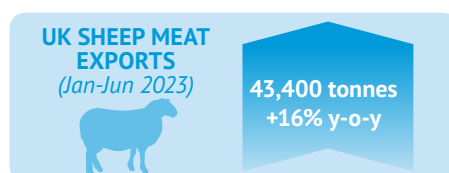
(or 7,700 tonnes) on the year to 109,400 tonnes. Ireland remains to be the main exporter, and accounted for over 70% of all shipments, despite figures indicating volumes of Irish beef were down almost 4% on year-earlier levels. Bord Bia has reported that cattle slaughterings in Ireland are behind year-earlier levels which suggest supplies are tight.

SHEEP MEAT

The *total* volume of sheep meat **exported** from the UK during the 6-month period totalled 43,400 tonnes – an increase of 16% on the year, whilst the *total* value rose by 13% to £277.5million. Fresh/frozen sheep meat exports have also performed well with an increase of 14%, despite lamb production on the UK market being less than 1% higher than year-earlier levels. Of the fresh/frozen product exported to date; 94% of the volume were to markets within the EU, with both France and Germany receiving an additional 2,500 tonnes and

1,700 tonnes, respectively. As supply in the UK is usually highest during the latter half of the year, we would expect this strong trade to continue.

The *total* volume of sheep meat **imported** to the UK during the first half of 2023 totalled 28,000 tonnes – a dramatic decrease of 31% (or 12,800 tonnes) on year-earlier levels. Fresh/frozen imported products also experienced a significant decrease of 33% as almost 8,000 tonnes less sheep meat was imported from NZ during the period. Despite the decrease, shipments from NZ accounted for almost



60% of the total volume of fresh/frozen sheep meat received.

Changes to consumer demand have impacted import trends, whilst much of the product from NZ and Australia continues to be shipped into China.

PORK

The *total* volume of pork **exported** during the period decreased significantly on the year – by 23% to 151,800 tonnes, whilst the value of these shipments stood at £294.7 million (down just 0.5%). The volume of fresh/frozen product exported recorded the largest year-on-year decline of 40% to just 64,000 tonnes. Exports are subdued due to the continued contraction of the UK pig

herd as cost of production values rocketed for UK producers. This is also highlighted in the Defra figures, which indicate pork production during the 6-month period was down 13% on the year at 457,200 tonnes.

Total pork **imports** during the 6-month period fell by 8% in volume terms to 381,900 tonnes, whilst the imports of fresh/frozen products decreased by 3% (or 5,500 tonnes) on the year. Germany exported almost



11,000 tonnes less product to the UK, whilst an increased volume was received from both Belgium and Denmark.

Note: ‘total beef/lamb/pork’ includes fresh, frozen, processed and offal products.

Monthly Market Round-Up

CATTLE

Prices – week ending 19th August

The prime cattle average price at auction markets in England and Wales stood at **262.7p/kg**. This was:

- + 1.3p on the previous week,
- + 18.0p compared with year-earlier levels,
- 51.2p higher than the 5-year average (2018-22 average: 211.5p/kg).

The average deadweight prices in England and Wales for steers stood at **467.4p/kg**. This was:

- + 1.9p on the previous week,
- 23.4p above year-earlier levels.

The deadweight prices for heifers stood at 449.8p/kg (+1.3p on the week), young bulls at 441.9p/kg (-4.1p), and cull cows at 309.8p/kg (-3.2p).

Throughput – July 2023

- Total cattle throughput at UK abattoirs = 220,400 head – down 3% on the year.
- Total prime cattle throughput = 166,000 head – down 2% on the year.
 - steers -2%, heifers -1%, and young bulls -3%.
- Average prime cattle carcass weights = 343.4kg (-1.2kg on the year).
- Adult cattle throughput = 48,300 head – down 4% on the year.

SHEEP

Prices – week ending 19th August

The prime lamb average liveweight SQQ at auction markets in Wales stood at **252.6p/kg**. This was:

- - 9.2p on the previous week,
- + 12.2p compared with year-earlier levels,
- 45.0p above the 5-year average (2018-22 average: 207.6p/kg).

Cull ewe prices at auction markets in Wales averaged **£74.60/head**. This was:

- - £2.10 on the previous week,
- £5.60 above year-earlier levels.

GB deadweight lamb prices averaged 580.7p/kg (+6.4p on the week).

Throughput – July 2023

- Total sheep throughput at UK abattoirs = 1.0 million head – down 12% on the year.
- Lamb throughput = 921,500 head – down 11% on the year.
- Average lamb carcass weights = 19.6kg (- 0.1kg on the year).
- Cull ewe and ram throughput = 119,300 head – down 23% on the year.

PIGS

Prices – week ending 12th August

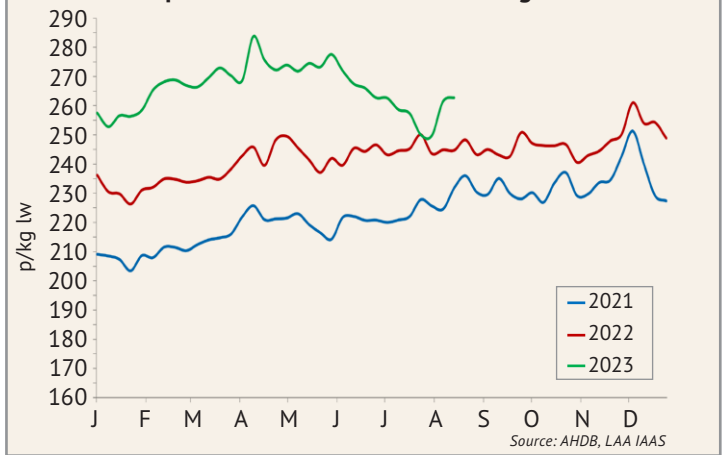
The EU-spec All Pig Price (APP) in GB stood at **224.3p/kg**. This was:

- + 0.1p on the previous week,
- + 24.6p compared with year-earlier levels,
- 56.2p higher than the 5-year average (2018-22 average: 168.1p/kg).

Throughput – July 2023

- Total pig throughput at UK abattoirs = 810,700 head – down 15% on the year.
- Clean pig throughput = 792,500 head – down 15% on the year.
- Average clean pig carcass weights = 88.1kg (+0.1kg on the year)
- Sow and boar throughput = 18,200 head – down 16% on the year.

Prime cattle prices at auction markets in England and Wales



UK Beef & Veal
Production
July '23

72,700 tonnes
-3% y-o-y



Prime lamb (SQQ) prices at auction markets in Wales

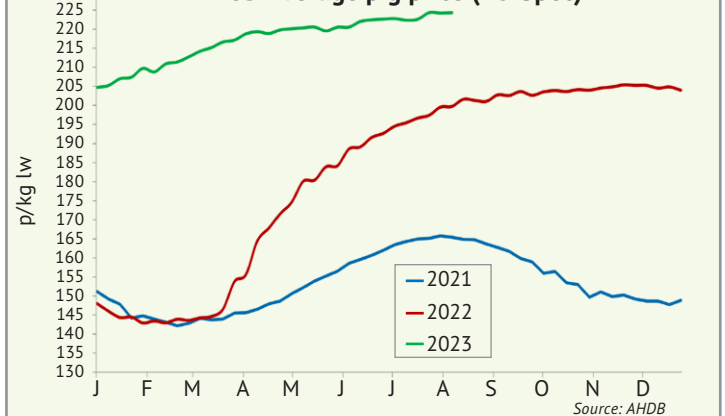


UK Sheep Meat
Production
July '23

21,400 tonnes
-13% y-o-y



GB Average pig price (EU-Spec)



UK Pork
Production
July '23

72,400 tonnes
-15% y-o-y

