# HCC Market Bulletin

April 2023

**Recently released carcase classification data for 2022 has revealed that lambs and prime cattle processed at abattoirs in Great Britain were leaner when compared to year-earlier levels. This month's Market Bulletin takes a look at the knock-on effects of a dry summer and high farm input costs on the red meat sector.**

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## LAMBS

Information collected from over 124,000 lamb carcases at abattoirs in Great Britain during 2022 provides insight into how finished carcases were distributed across the EUROP classification grid in terms of conformation and fat class during the year. The results indicate that 58% of the lamb carcases in the deadweight sample were classified with an **R** conformation – similar to 2021, and an increase of 0.9 percentage points when compared to 2020.

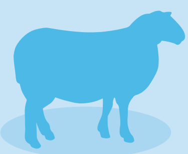
**Percentage of All Lamb Carcases by Fat Class in GB**

| | 1 | 2 | 3L | 3H | 4L | 4H | 5 |
|---|---|---|---|---|---|---|---|
| **2020** | 0.8 | 16.8 | 50.0 | 26.8 | 5.0 | 0.5 | 0.1 |
| **2021** | 1.0 | 19.5 | 52.7 | 22.6 | 3.9 | 0.3 | 0.0 |
| **2022** | 1.9 | 22.5 | 51.9 | 20.2 | 3.2 | 0.3 | 0.0 |

*Source: AHDB*

Grass growth was limited last year as GB experienced a drier summer. This in turn impacted on lamb finishing times. Farm input costs were particularly high last year too, which would have led to many producers reducing the volume of purchased feed for lambs – again, impacting on finishing times. In order to reduce costs, some producers may have offloaded their animals ahead of reaching their target weights for example. These impacts were reflected in changes within the classifications. In 2022, a higher proportion of lambs were given a leaner fat classification of **1** or **2** when compared to previous years. The combined number of lambs in these two fat classes accounted for 24.4% of the sample – which is an increase on the 20.5% recorded in 2021, and on the 17.6% in 2020.

Over 61% of lambs processed at GB abattoirs achieved the target grades (i.e., **E**, **U** or **R** conformation, and **1**,**2**, or **3L** fatness) during during 2022. Although they fell below the 63% achieved in 2021, the 2022 figure remains an improvement on the 57% in 2020. The proportion of carcases which achieved an **R3L** grade classification stood at almost 31% - similar to year-earlier levels, and 2.2 percentage points higher than 2020. This grade would typically achieve the base price of a processor, and is therefore encouraging that over a third of lambs assessed achieved this classifcation.



**Over a third** of lambs achieved the **R3L** specification in 2022

## PRIME CATTLE

The 2022 survey results for prime cattle are based on almost 1.7 million carcases from abattoirs in GB. The prime beef animals from the survey had an average carcase weight of 344kg – which is a kilo lighter than the average in 2021. Figures indicate that 48.3% of the prime cattle achieved an **R** conformation – an increase of 0.5 percentage points on 2021, and an increase of 2.0 percentage points on 2020.

In a similar manner to the lamb sample, there was an increase in the number of leaner beef animals coming forward. In 2022, almost 13% of the sample achieved either the **1** or **2** fat classification, which is notably higher than the 10.8% in the previous year. Limited grass growth and higher farm input costs are likely the reasons behind this shift too. Prime cattle farmgate prices were also strong during 2022, which may have encouraged producers to offload their animals. Despite external factors influencing the beef sector in 2022, an increasing proportion of prime cattle continue to achieve the target grades of **R3** or **R4L**. In 2022, 38% of cattle achieved these target grades - up 0.1 percentage points on the year, but a notable 2.4 percentage points higher than in 2019.

**38%**

of prime cattle achieved the target grades of **R3** or **R4L** **in 2022**

To maximise efficiency, both lamb and beef producers should aim to meet customer and market specifications – particularly during a time where historically high farm input costs will inevitably impact producer profits. Such specifications are established by understanding customer requirements while trying to achieve production and processing efficiencies. Any carcases (lamb or beef) produced outside these specifications will invariably lead to penalties and increased costs for those in the supply chain.

*The results are based on a sample survey conducted at abattoirs across GB that classify carcases according to the EUROP classification grid. Data sourced from AHDB.*

# Monthly Market Round-Up

## CATTLE

### Prices – week ending 22nd April

The prime cattle average price at auction markets in England and Wales stood at **275.6p/kg**. This was:

- \- 8.1p on the previous week,
- \+ 36.1p compared with year-earlier levels,
- 79.9p higher than the 5-year average (2018-22 average: 195.7p/kg).

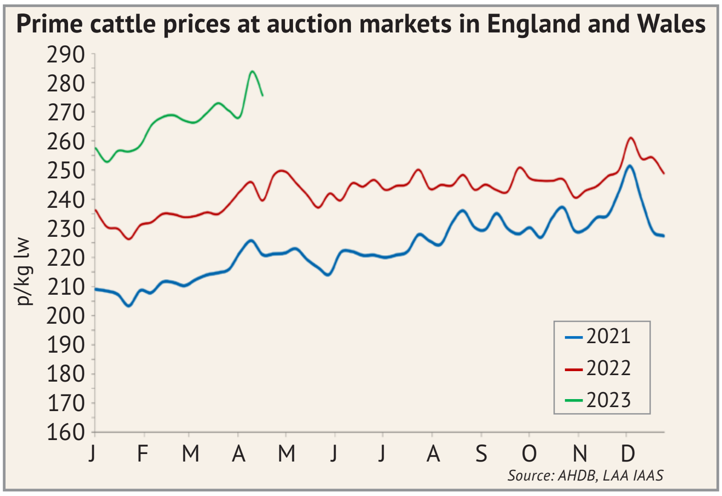
The average deadweight prices in England and Wales for steers stood at **487.8p/kg**. This was:

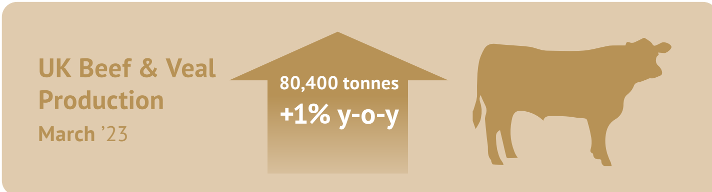
- \+ 0.4p on the previous week,
- 52.7p above year-earlier levels.

The deadweight prices for heifers stood at 484.5p/kg (+0.2p on the week), young bulls at 476.8p/kg (-3.6p), and cull cows at 377.4p/kg (-1.5p).

### Throughput – March 2023

- Total cattle throughput at UK abattoirs = 248,200 head – up 2% on the year
- Total prime cattle throughput = 177,700 head – up 1% on the year.
  - ➢ *steers +0.3%, heifers +4%, and young bulls -8%.*
- Average prime cattle carcase weights = 343.4kg (-5.2kg on the year).
- Adult cattle throughput = 57,700 head – up 3% on the year.




## SHEEP

### Prices – week ending 22nd April

Prime lamb average liveweight SQQ at auction markets in Wales stood at **303.7p/kg**. This was:

- \- 5.4p on the previous week,
- \+ 27.8p compared with year-earlier levels,
- 50.4p above the 5-year average (2018-22 average: 253.3p/kg).

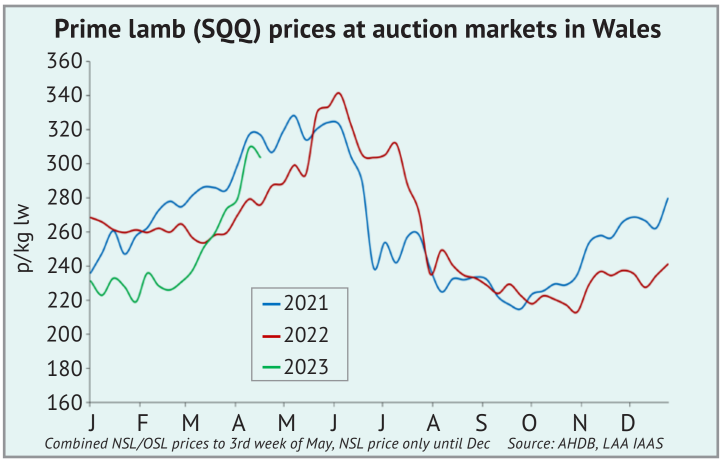
Cull ewe prices at auction markets in Wales averaged **£88.20/head**. This was:

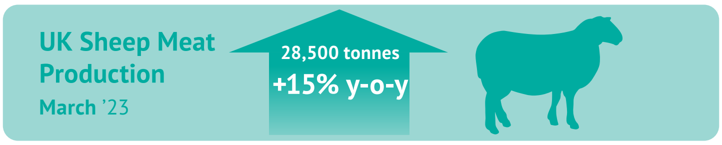
- \- £11.10 on the previous week,
- £11.30 below year-earlier levels.

GB deadweight lamb prices averaged 687.0p/kg (+50.7p on the week).

### Throughput – March 2023

- Total sheep throughput at UK abattoirs = 1.4 million head – up 19% on the year.
- Lamb throughput = 1.2 million head – up 21% on the year.
- Average lamb carcase weights = 20.5kg (-0.5kg on the year).
- Cull ewe and ram throughput = 122,000 head – up 5% on the year.




## PIGS

### Prices – week ending 15th April

The EU-spec All Pig Price (APP) in GB stood at **219.3p/kg**. This was:

- \+ 0.6p on the previous week,
- \+ 54.9p compared with year-earlier levels,
- 65.5p higher than the 5-year average (2018-22 average: 153.8p/kg).

### Throughput – March 2023

- Total pig throughput at UK abattoirs = 918,700 head – down 15% on the year.
- Clean pig throughput = 898,700 head – down 15% on the year.
- Average clean pig carcase weights = 89.0kg (-3.4kg on the year)
- Sow and boar throughput = 19,900 head – down 27% on the year.