

Beef & Lamb Dashboard – June 2018

Key Market Indicators



The purpose of this quarterly dashboard is to provide an update on key market drivers and indicators for the Beef & Lamb Sector

- A range of **beef & lamb related data** is available within the following section of the **AHDB Beef & Lamb website:**

[AHDB Beef & Lamb Markets](#)

- In addition **AHDB Beef & Lamb** produces a number of **industry related** publications which are available via these website links:

[Cattle & Sheep Weekly](#)

[UK Yearbooks – Cattle and Sheep](#)

[Fertiliser Information](#)

- Or follow us on twitter:
[@AHDB_BeefLamb](#) [@NFUEconomics](#)
- The **NFU** also produces a number of **industry related** publications which are available via this website link: [NFU Online](#)

- A range of **other dashboards** are available for the following sectors via these links:

[Pig & Poultry](#)

[Dairy](#)

[Arable](#)

- AHDB's Horizon reports examining the **key issues relating to Brexit** are available at this link:

[Horizon Reports](#)

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- Next issue** of this report will be available:
3 September 2018

Beef & Lamb Dashboard

Key Market Indicators

Trends in GB Cattle and Sheep Prices

p/kg	Current Price*	% change 3 months	% change 6 months	% change 12 months
GB Lamb SQQ ** (deadweight)	570.9	+21.5%	+44.5%	+18.8%
GB All Prime Cattle (deadweight)	366.5	+3.2%	+0.5%	+3.0%
GB All Cull Cow (deadweight)	261.5	+3.7%	+13.1%	+5.8%

(Source: AHDB)

**SQQ: Standard Quality Quotation for lambs 12-21.5kg deadweight.

**SQQ: Jan-Apr: OSL; May: weighted average; Jun-Dec: NSL

*May 18

International Prices

£/tonne dw	Current Price	% change 3 months	% change 6 months	% change 12 months
EU 28 Young Bull (R3)* (Source: EU Commission)	3317.3	-3.6%	-5.3%	+4.0%
US Nebraska Steer** (liveweight) (Source: USDA)	1897.0	-4.5%	+0.1%	-17.1%
EU 28 Heavy Lamb* (Source: EU Commission)	5399.1	+15.5%	+24.1%	+18.4%
AHDB Global Beef Export***† (Source: AHDB/IHS Maritime & Trade – Global Trade Atlas®)	4021.0	+1.3%	-0.7%	-6.0%
NZ Lamb Export**^ (Source: IHS Maritime & Trade – Global Trade Atlas®/Statistics New Zealand)	4862.3	+1.2%	-5.6%	+7.7%

†Global beef export price is based on the average export price from Australia, Brazil & US

^NZ Lamb Export Price is net weight.

*May 18 **Apr 18

Trade Data

000 tonnes	Imports		Exports	
	2018*	2017*	2018*	2017*
UK Beef (fresh/frozen)	90.7	85.2	38.7	33.1
UK Sheep Meat (fresh/frozen)	30.4	33.3	26.2	27.3

(Source: IHS Maritime & Trade – Global Trade Atlas®/HMRC)

*Jan - Apr

UK Beef/Veal and Sheep Meat Production

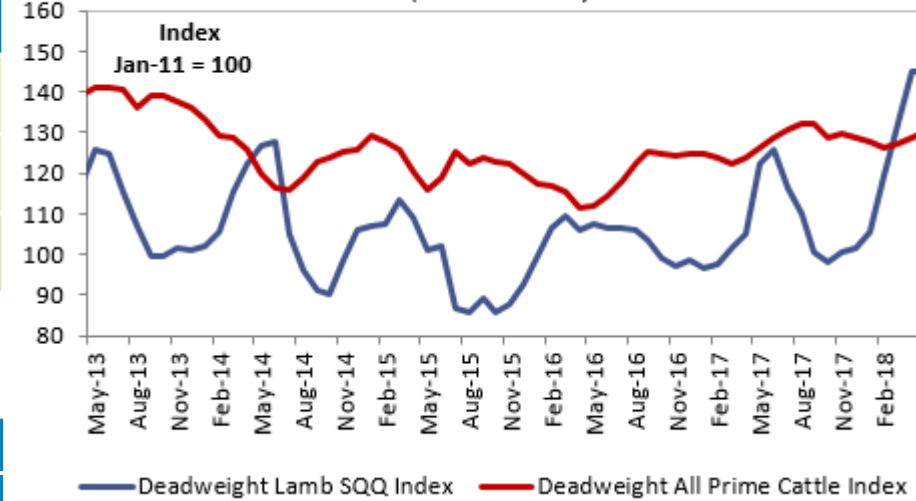
000 tonnes	2018*	2017*	% change
UK Beef and Veal	383.0	372.3	+2.9%
UK Sheep Meat	110.7	114.1	-3.2%

(Source: Defra)

*Jan - May

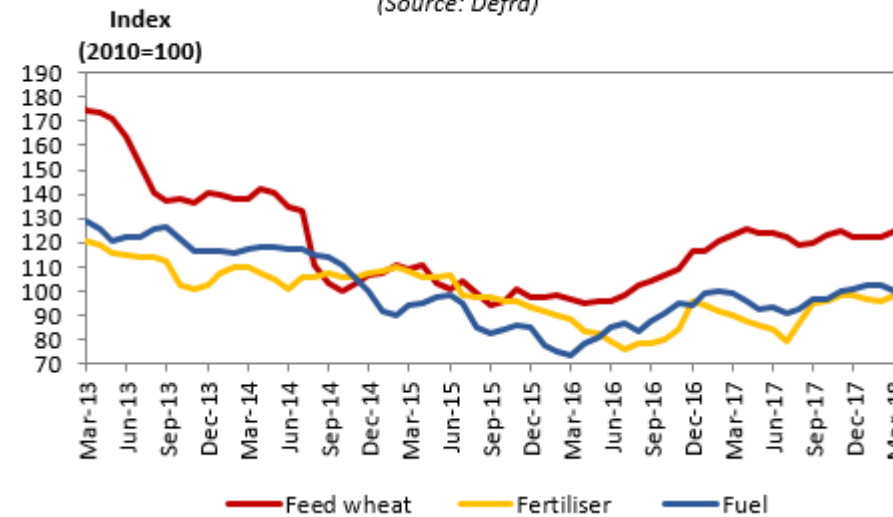
GB Deadweight SQQ and Cattle Price

(Source: AHDB)



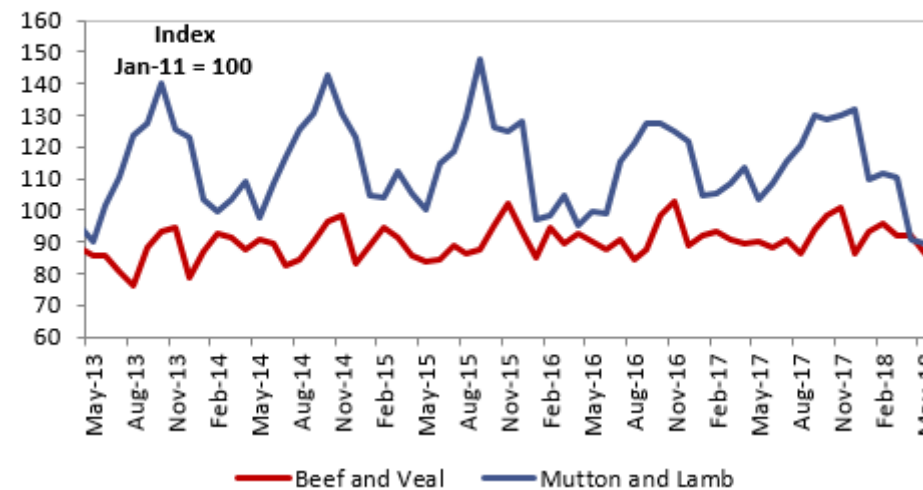
Inputs Watch

(Source: Defra)



UK Sheep Meat, Beef and Veal Production

(Source: Defra)



Demand Trends

- According to Kantar Worldpanel, retail sales of beef remain fairly static, both on an annual and quarterly basis. In the 12 weeks to 20 May 2018, expenditure was up 0.8% driven mainly by small gains in the amount bought which was down to more buyers in the category. Declines in roasting cuts was offset by gains across all other major cuts. The amount of beef sold on deal was up slightly driven by more Y for £X deals.
- Retail sales of lamb continue to be challenging and while increased retail prices are propping up expenditure on the category, volume sales are struggling. In the latest quarter, the amount bought was down just over 5%, driven mainly by shoppers buying lamb less often. Most cuts lost volume sales with leg roasting contributing the biggest declines. A switch in to fresh chicken was the biggest movement out of lamb.

Self Sufficiency

	2017	2016
UK self sufficiency – sheep meat* (Source: Defra, GTIS/HMRC, AHDB)	99.7%	91.5%
UK self sufficiency – beef and veal* (Source: Defra, GTIS/HMRC, AHDB)	74.9%	76.3%

*Self-sufficiency (%) = production/consumption (where consumption is production + imports – exports)

Industry Outlook

- Defra has released a 12 week consultation on the introduction of mandatory sheep carcass classification, price reporting and the publication of processing charges, such as insurance, classification and anti-mortem/post mortem inspection for all livestock categories. This follows the government's response to the Groceries Code Adjudicator call for evidence which included plans for a £10 million collaboration fund. This consultation could pave the way for regulation as early as 2019 to bring sheep meat into line with Beef and Pork improving transparency within the market place.

Horizon Scan

- Currently market indications suggest that new season lamb throughputs are down by 25/30% on the year, this combined with the variable weather through the spring and early summer has resulted in forecasts that a lighter lamb crop will be coming to market later than in previous years.
- With the regulation change to Transmissible Spongiform Encephalopathies (TSE) controls for sheep having now been passed through Europe, it's expected that Defra will move to a set date for the purpose of ageing lambs within the 2019 season. Market commentators believe this has the potential to further exaggerate the price differential between old and new season lambs if this regulation is introduced, creating a stronger new season trade.