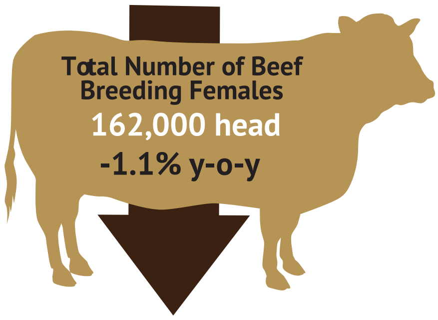
HCC Market Bulletin
January 2021

The June 2020 survey carried out by Welsh Government was undertaken during the Covid-19 pandemic. As a result, a less detailed questionnaire was used for the survey which captured the key variables only. Nevertheless, this information provides an important insight into livestock number trends seen in Wales during the most recent year. This month's market bulletin will look at the June survey results for Wales in greater detail.

CATTLE

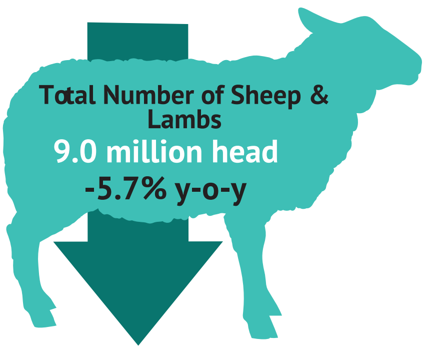
The June 2020 survey results reveal that the total number of cattle and calves in Wales increased by 0.2% on the year to stand at 1,122,400 head. Within this total, the beef breeding herd (beef females aged 2+ years that had calved) decreased by 1.1% to total 162,000 head, whilst the equivalent dairy herd increased by 0.3% over the previous 12 months to 252,200 head. As a result, the Welsh breeding herd (which accounts for both the beef and dairy breeding herd) was 0.3% smaller than in June 2019, and is the smallest breeding herd size since 2015.



Dairy females with no offspring (aged 2+ years) on Welsh holdings was the category which saw the largest decline – down 6.8% (or 3,100 head) to 42,100 head, whilst beef females of the same description fell by 2.1% on the year to total 42,000 head. It is unclear how many of these female cattle will move into the breeding herd, but with male cattle (aged 2+ years) numbers also down on the year (by 1.5%), the figures suggest that the increased demand for beef which was seen in March and April last year did bring additional numbers forward. Cattle numbers between the age of 13 and 24 months remained relatively stable on year-earlier levels at 258,000 head (down 0.1%) as dairy females fell by 2.1% and beef females increased by 2.6%. The number of cattle under the age of 12 months increased by 2.6% to stand at 329,500 head

SHEEP

The June survey confirms that a 2.8% decrease was experienced in the Welsh lamb crop to total 4.51 million head. This is the smallest lamb crop recorded in Wales since 2011. On 1 June 2020, however, the Welsh lamb crop made up 50.2% of the total number of sheep recorded – a higher proportion than in previous years, such as accounting for 48.7% in 2019, and 48.1% in 2018.



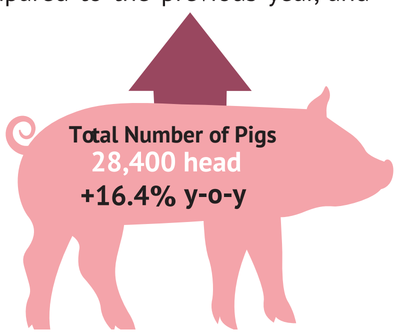
As the 2020 June survey was conducted during the Covid-19 pandemic, only the key variables were captured and therefore a split between the sheep aged 1 year and over was unavailable.

Number of Lambs (aged under 1) in Wales on 1 June

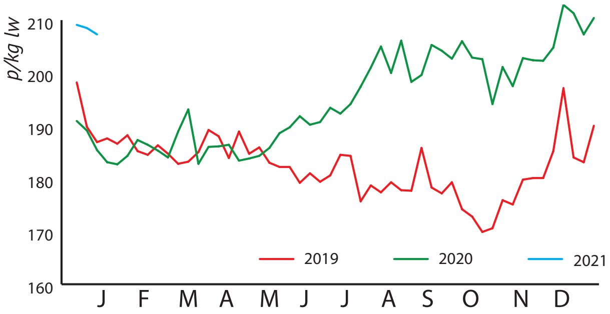
Nevertheless, the total number of sheep aged over 1 year stood at 4.48 million head – a significant decrease of 8.4% on year-earlier levels. While this represents a dramatic decline, some caution should be given when reviewing these numbers given the different wording utilised this year during data collection. Both the decrease in the number of lambs on the ground, and the significant decrease in the number of sheep aged over 1 year contributed to an overall 5.7% decrease in the total number of sheep and lambs in Wales on 01 June 2020, which stood at 9.0 million head. Since 2013, the total number of sheep and lambs in Wales have remained relatively stable from year to year – with a slight peak in 2017 (to 10.0 million head). The total reported for 2020 is lower than recent years, and is similar to the size of the Welsh flock in 2012.

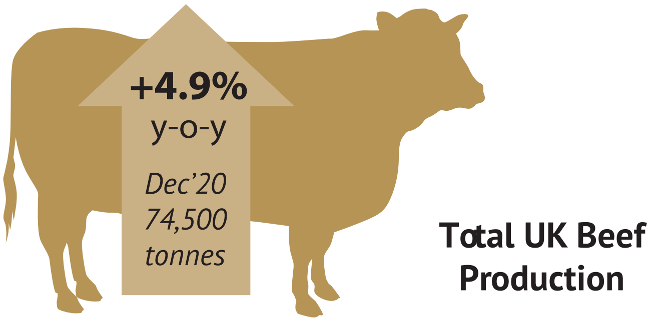
PIGS

As of 01 June 2020, the total number of pigs in Wales stood at 28,400 head – a significant increase of 16.4% (or 4,000 head) on year-earlier levels. The overall increase seen in the pig herd was due to the number of fattening pigs being up 20.5% on year-earlier levels to stand at 25,470 head. Fattening pigs have historically made up the majority of the pig herd in Wales, and on 01 June 2020 almost 90% of the national pig herd were fattening pigs. This is the highest proportion of fattening pigs on record. The total number of breeding pigs on Welsh holdings declined by 10.3% when compared to the previous year, and stood at 3,000 head. The June Survey has revealed that the increase in pig numbers was due to a small number of holdings reporting a large number of pigs during 2020 – driven by farms looking to diversify into finishing units during the 12-month period.



Prime Cattle Prices at Auction Market in England and Wales



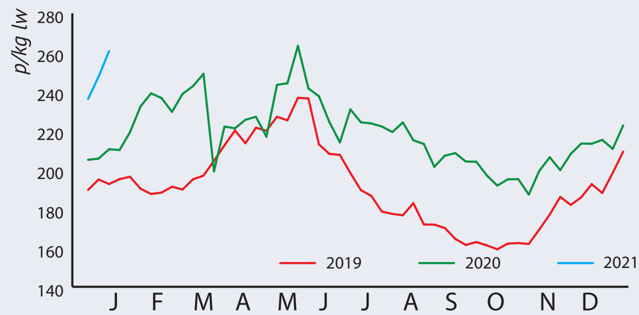


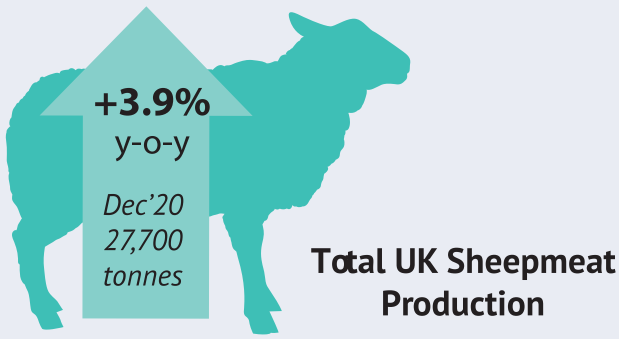
CATTLE

The all prime cattle average market price in England and Wales stood at 207.3p/kg for the week ending 16 January – down 1.2p on the week. Prices ended 2020 on a high, with this trend continuing into the start of the new year. The current price is almost 22p above year-earlier levels and 21.2p above the 5-year average (2016-20 average:186.1p/kg). For the week ending 16 January, the average deadweight prices in England and Wales for steers stood at 374.8p/kg (+4.4p on the week) which is 48.4p above year-earlier levels. The deadweight prices for heifers stood at 373.6p/kg (+3.9p on the week), young bulls stood at 360.8p/kg (+8.7p), and cull cows at 242.8p/kg (+7.3p).

Total cattle throughput at UK abattoirs stood at 225,000 head for December – 3.5% higher than December 2019. Total prime cattle throughput for December was up 1.6% on the year to stand at 162,600 head, whilst adult cattle numbers were up by 0.8%. The increase in throughput numbers resulted in a 4.9% increase in beef production for December. Total cattle throughput for 2020 stood at 2.82 million head – which is similar to 2019 (down 0.1%), whilst beef production for the year totalled 931,200 tonnes (up 1.8% on the year).

Prime Lamb (SQQ) Prices at Auction Markets in Wales



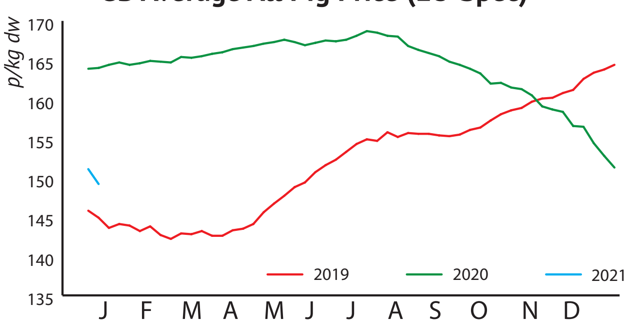


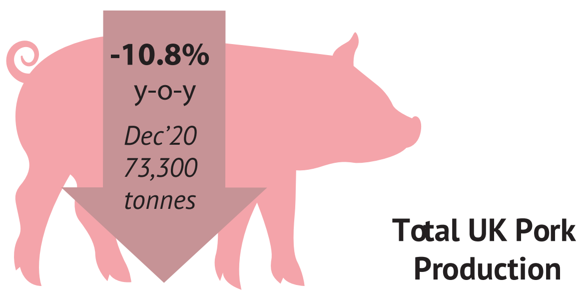
SHEEP

The Welsh prime lamb liveweight SQQ at auction remained strong at the end of 2020, and has continued the trend into 2021. For the week ending 16 January, the average price increased by 13.1p on the previous week to average 260.6p/kg. This is over 50p higher than the corresponding week in 2020, and 78p above the 5-year average (2016-20 average:182.4p/kg). Cull ewe prices at auction markets in Wales averaged £77.80/head – up £4.60 on the previous week, and £7 higher than the corresponding week in 2020. Deadweight lamb prices in GB stood at 568.8p/kg for the week ending 16 January (+50.2p on the previous week).

Total sheep throughput at UK abattoirs stood at 1.4 million for December – 3.7% higher than December 2019. Within this, prime lamb throughput was up 5.3% to 1.3 million head, whilst cull ewe and ram throughput fell by 10.0% on the year. The increased lamb throughput during December led to an overall 3.9% increase in sheep meat production. Total prime lamb throughput for 2020 stood at 13.1 million head down 0.4%), whilst total cull ewe and ram throughput was down 14.6% at 1.5 million. This meant that total production for the year was down 3.3% on 2019 at 297,200 tonnes.

GB Average All Pig Price (EU-Spec)





PIGS

Pig prices have been on a downward trajectory since August 2020, and have continued with the trend into 2021. The EU-spec All Pig Price (APP) in GB stood at 149.2p/kg for the week ending 09 January – down 1.9p on the previous week, and 14.7p below year-earlier levels. Low throughput figures during December reflect the weaker pig prices during the month. Industry reports suggest that pig throughput is low for this time of year, as Covid-19 and ASF may be influencing the market. Neither the 30kg or 7kg average weaner price in GB was available for the week ending 09 January.

Total pig throughput at UK abattoirs stood at 819,500 head for December – 14.1% below December 2019, and the second lowest monthly throughput for 2020. The decrease on the year was driven by decreased numbers of both clean pigs (-14.1%) and sows and boars (-13.1%). Pig meat production for December reflected the decreased throughput, and totalled 73,300 tonnes (down 10.8% on the year). Total pig throughput for 2020 stood at 11.0 million head – down 1.1% on the year – with pork production totalling 971,100 tonnes for 2020 (up 1.2% on the year).