HCC Market Bulletin
April 2021

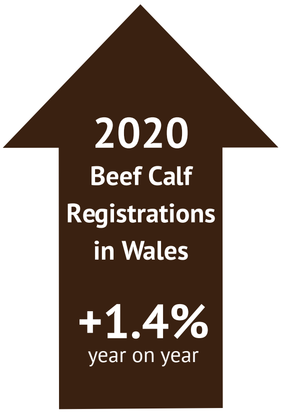
BCMS has recently released beef and dairy calf registration figures for the first two months of 2021. This month's market bulletin will take a look back at calf registrations during 2020, and assess how this could impact on supply over the coming year.

DURING 2020

Figures released from the British Cattle Movement Service (BCMS) show that the total number of calf registrations recorded during 2020 in Wales stood at 387,500 head – which is 2.0% (or 7,700 head) higher than the corresponding period in 2019. Within this total, **beef** calf registrations accounted for 67.3% of the total registrations in Wales at 260,700 head. For beef calves, this was an increase of 1.4% (or 3,700 head) on 2019 and also 2.3% higher than beef registrations during 2018.

The split between male and female beef calf registrations was relatively even with males accounting for 50.8% of the registrations, and females for 49.2%. The data highlights that the majority of producers in Wales have spring calving herds (which aim to calve prior to, or just after, turn-out), as April and May recorded the highest number of beef calf registrations and accounted for 30% of the total for 2020.

Dairy calf registrations during 2020 also increased on the year – up 3.2% to total 126,800 head. Unlike the relatively even split between sexes in the beef calf registrations; females accounted for 65.6% of the dairy calf registrations. This is an increase from females accounting for 62.9% in 2019 and likely reflects the increased use of sexed semen within the industry. In GB during 2020; dairy calf registrations were up 3.3% on the year whilst beef calf registrations were up 0.8%.



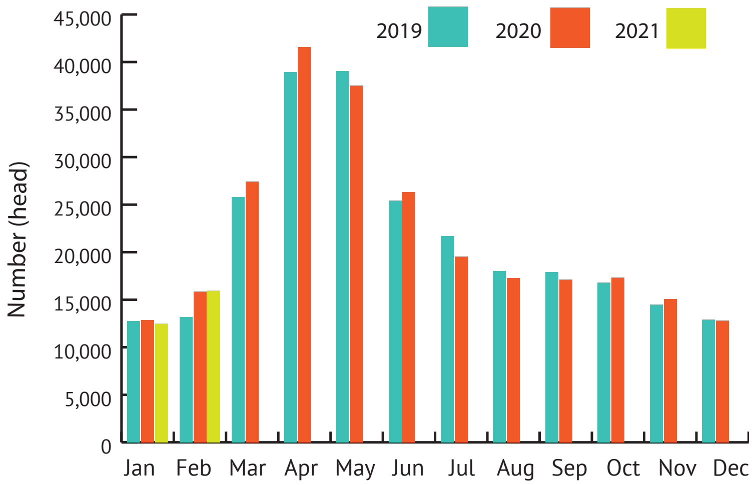
SO FAR THIS YEAR

For 2021, calf registration figures from BCMS are currently only available for January and February. For the year to date, total calf registrations in Wales stands at 58,000 head – up 5.3% on the corresponding period last year. An increase in the number of dairy calf registrations has driven the overall increase in numbers.

Dairy registrations currently stand 12.2% higher than year-earlier levels at 29,600 head, with increased numbers recorded for both sexes driving the increase. The June survey did show a 0.3% increase in the number of dairy females (over the age of 2years, with offspring) in 2020, which may be a contributing factor in the increased number of dairy calves so far this year.

For **beef** calf registrations; numbers for the 2-month period are currently trending 1.1% below last year at a total of 28,400 head. When compared to the corresponding period in both 2019 and 2018, however, the current number of beef calf registrations stand 9.6% and 9.5% higher, respectively.

Beef Calf Registrations in Wales



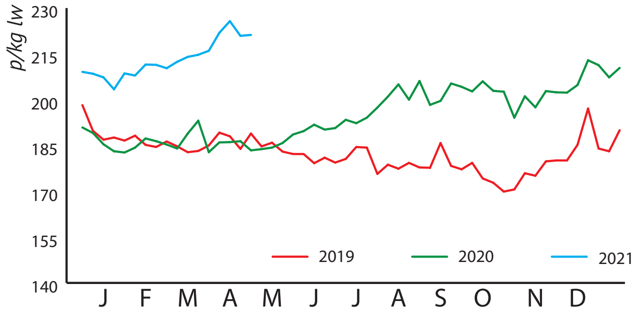
January 2021 saw beef calf registrations trend 2.9% below year-earlier levels, whilst February recorded a slight increase when compared to the corresponding period in 2020 (up 0.5%). As we approach the peak calving period for spring calving herds, there is the expectation that BCMS monthly registration figures will increase during the coming months.

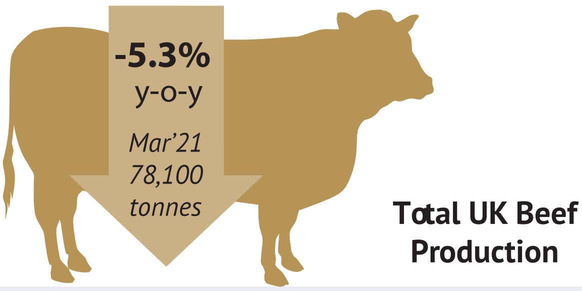
LOOKING AHEAD

The suckler cow herd in the UK has been retracting in recent years and stood at 1.51 million head in June 2020 – 1.2% below 2019. Looking ahead, the herd shows no signs of re-building as prime heifer slaughterings during 2020 and Quarter 1 of this year have been elevated when compared to historic levels.

Heifer throughput during 2020 was 4.5% higher than 2019, whilst heifer slaughterings during Q1 of 2021 stood at 211,100 head – down 2.3% on the year, but 3.4% higher than 2019 and a further 8.1% higher than 2018. When looking at total calf registrations in GB during 2020, registrations were up marginally on 2019 (by 0.5%). These figures would suggest that supply onto the domestic UK market will likely remain tight moving forward.

Prime Cattle Prices at Auction Market in England and Wales



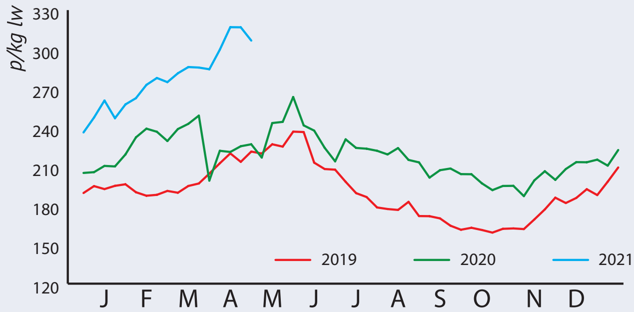


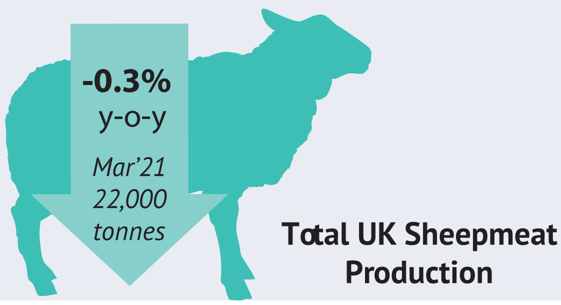
CATTLE

The all prime cattle average market price in England and Wales stood at 221.2p/kg for the week ending 24 April – up 0.3p on the week. The current price is strong when compared to historical averages, and is almost 38p above year-earlier levels, and 36p above the 5-year average (2016-20 average:184.8p/kg). For the week ending 24 April, the average deadweight prices in England and Wales for steers stood at 401.4p/kg (+3.2p on the week) which is 83.1p above year-earlier levels. The deadweight prices for heifers stood at 399.9p/kg (+2.0p on the week), young bulls stood at 395.8p/kg (+3.0p), and cull cows at 276.6p/kg (+3.0p).

Total cattle throughput at UK abattoirs stood at 235,200 head for March – 7.4% lower than March 2020. Prime cattle throughput for the month was down 4.9% on the year at 175,200 head, with all categories recording a decline on the year. Adult cattle throughput was also significantly reduced when compared to 2020 – down 6.4% to 52,600 head. This brings the total cattle throughput for Q1 of 2021 to be 5.4% below year-earlier levels. Total beef production for March stood at 78,100 tonnes – down 5.3% on the year.

Prime Lamb (SQQ) Prices at Auction Markets in Wales



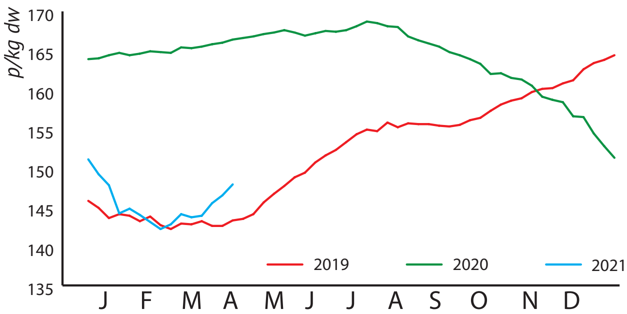


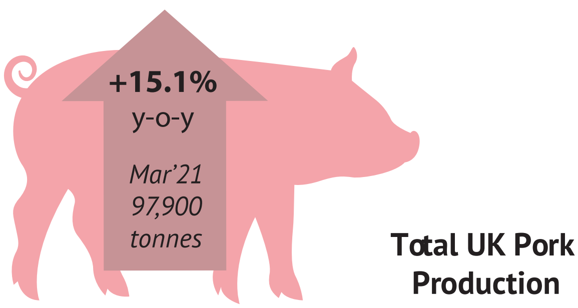
SHEEP

During recent weeks, the average prime lamb liveweight SQQ (OSL and NSL combined) at auction markets in Wales has been trending well above year-earlier levels. For the week ending 24 April, the price decreased by 10.2p on the week to average 306.6p/kg. Despite the decrease, this is 79.6p higher than year-earlier levels, and 91.2p above the 5-year average (2016-20 average: 215.4p/kg). Cull ewe prices at auction markets in Wales averaged £84.60/head – down £8.40 on the previous week, but £18.60 above 2020. Deadweight lamb prices in GB stood at 674.2p/kg for the week ending 24 April (+ 210.4p on the year).

Total sheep throughput at UK abattoirs stood at 1.0 million head for March – down 3.0% on the year. Within this, prime lamb throughput was down 1.1% at 916,000 head, whilst cull ewe and ram throughput fell by 16.6% on the year to 110,600 head. Looking at Q1 of this year; throughput of lambs totalled 2.5 million head (down 9.3% on the year), whilst cull sheep stood at 277,000 head (down 27.0%). Carcase weights during March were slightly heavier on the year, bringing the total volume of sheep meat produced to 22,000 tonnes – down 0.3% on the year.

GB Average All Pig Price (EU-Spec)





PIGS

Pig prices have generally been increasing since the beginning of March, with the most recent EU-spec All Pig Price (APP) for the week ending 17 April increasing by 1.4p on the week to 147.9p/kg. This is the fifth consecutive week of price increases. The current average remains below year-earlier levels (down 18.7p), but is 4.4p higher than the corresponding week in 2019. Industry reports suggest that there is continuing demand from the Asian regions for pork in particular. Prices in Europe continue to strengthen with the EU Reference price during the week ending 18 April being up 1.6p on the previous week to 136.6p/kg.

Total pig throughput at UK abattoirs stood at 1.1 million head for March – up 12.2% on the year, and suggests that abattoirs are working their way through the reported back log of pigs that were on farm. The increase on the year was mainly driven by an additional 112,600 clean pigs coming forward, whilst their average carcase weights were also up 2.0kg on the year at 88.6kg. The combination of higher throughputs and heavier average carcase weights led to a 15.1% increase in pork production during March at 97,900 tonnes – the highest volume of pork produced since the year 2000.