HCC Market Bulletin

February 2025

> HMRC has recently released UK trade figures for December 2024. This month's Market Bulletin looks at the trade figures for 2024 as a whole in greater detail.

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According to Defra data, UK beef production in 2024 increased by 4%, while sheep meat production declined by 7%. The rise in beef production was driven by a 3% increase in total throughput, while the number of sheep and lambs processed fell by 8% compared to 2023. These changes in domestic production have directly impacted the availability of meat for export, contributing to notable shifts in red meat trade dynamics in 2024.

BEEF

According to HMRC data, the UK **exported** nearly 113,000 tonnes of during 2024, marking a 9% year-on-year increase. The total *value* of these exports grew by 16%, reaching £567.2million. This growth was largely driven by increased shipments to France, Canada, and the Netherlands. Ireland remained the top destination for UK beef, but its share dropped from 34% in 2023 to 29%, with a 7% decrease in imports to 32,500 tonnes. Despite this, a 4% increase in beef production suggests there was sufficient supply to meet export demand.

UK beef **imports** also rose during the year, with *volumes* up 8% to 240,700 tonnes. The *value* of these imports increased on the year by 11%, reaching to £1.4 billion. Ireland remained the main supplier, increasing its share of imports to 77% (up from 73% the previous year). The volume of Irish beef imported grew by 13%, and drove the overall increase in tonnage. Shipments from both New Zealand and Australia also saw growth, and accounted for almost 50% of volumes from non-EU countries.

SHEEP MEAT

In 2024, UK sheep meat **exports** totalled around 79,500 tonnes, down 6% from 2023. However, the total *value* of these exports rose by 7%, reaching £582.8 million, likely due to strong farmgate prices experienced across the UK, and globally. Subdued volumes are likely a result of tight domestic supplies, with production falling by 7% in the UK to 266,500 tonnes. Despite this, export levels in 2024 were higher than both 2022 and 2021. Exports to both the EU and non-EU markets fell, with Ireland and Germany seeing the largest decreases in tonnage.

UK **imports** of sheep meat surged by 40% on the year, reaching 67,880 tonnes – the highest level since 2018. This was driven primarily by increased imports from New Zealand (up 14,300 tonnes) and Australia (up 6,500 tonnes), which now account for 86% of UK sheep meat imports, up from 78% in 2023. The rise in imports reflects lower prices from the Southern Hemisphere along with the new Free Trade Agreements, a tight domestic supply, and record level deadweight prices in the UK. Imports have grown in order to meet demand – which has spiked around key religious festivals.

PORK

UK pork **exports** fell by 6% in 2024, totalling 122,150 tonnes, with the *value* dropping by 13% to £243.5 million, despite a 4% increase in domestic pigmeat production. Meanwhile, UK pork **imports** rose by 2% in volume, reaching 339,450 tonnes, although the value declined by 1%. Ireland and Belgium contributed to the rise, with Ireland exporting an additional 9,800 tonnes and Belgium 6,970 tonnes more. However, shipments from the Netherlands decreased by nearly 9,000 tonnes.

To note: this document refers to fresh & frozen red meat, which excludes processed & offal products

Trade in Wales; in 2024, the total value of red meat (fresh/frozen) exports from Wales reached £277.4 million – 9% higher than in 2023. Beef exports were estimated to be 9% higher reaching almost 16,000 tonnes, with their value also rising by 16%. For sheep meat, domestic supply constraints led to a 7% decrease in export volumes, now totalling an estimated 27,200 tonnes. Despite this decline, the value of sheep meat exports increased by 6% on the year, driven by stronger farmgate prices.

source: HCC estimates based on HMRC data

What does this mean for industry?

The mixed results in trade points to a balancing act between growing demand in our export markets and domestic production constraints. The increase in beef exports reflects robust global interest for our beef, whilst the rise of sheep meat imports (especially from NZ and Australia) suggests the industry may face more competition and pricing pressure moving forward. This, coupled with tighter domestic supplies, could prompt more strategic decisions regarding production and export strategies in the future.

Monthly Market Round-Up

CATTLE

Prices – week ending 22nd February

The average deadweight prices in England and Wales for steers stood at **633.2p/kg**. This was:

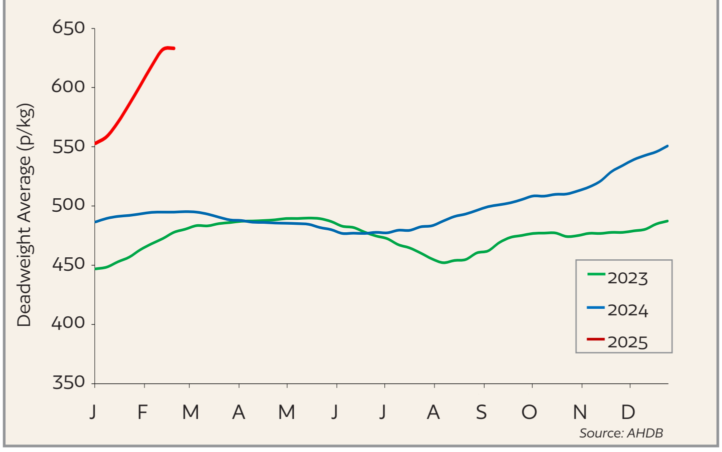
- + 1.0p on the previous week,
- 138.3p above year-earlier levels.

The deadweight prices for other cattle categories were as follows -

- Heifers: 629.3p/kg (+1.20p on the week),
- Young bulls: 614.2p/kg (+4.9p on the week), and
- Cull cows: 473.2p/kg (+4.6p on the week).

Throughput - January 2025

- Total cattle throughput at UK abattoirs = 249,400 head – up 4% on the year.
- Total prime cattle throughput = 177,800 head – up 2% on the year.
    - ➢ *steers -2%, heifers +6%, and young bulls +2%*
- Average prime cattle carcase weights = 342.7kg (-2.7kg on the year).
- Adult cattle throughput = 65,700 head – up 11% on the year.



England and Wales deadweight steer overall price

UK Beef & Veal Production
January '25
82,600 tonnes
+4% y-o-y

SHEEP

Prices – week ending 22nd February

The deadweight lamb price in GB averaged **729.5p/kg**. This was:

- - 7.4p on the previous week
- + 29.9p compared with year-earlier levels,
- 142.0p higher than the 5-year average (2020-24 average: 587.5p/kg).

Numbers coming forward reached 31,400 head. This was:

- + 1.5% on the previous week

Throughput - January 2025

- Total sheep throughput at UK abattoirs = 1.0 million head – down 7% on the year.
- Lamb throughput = 923,200 head – down 6% on the year.
- Average lamb carcase weights = 20.2kg (similar on the year).
- Cull ewe and ram throughput = 109,300 head – down 15% on the year.

GB average deadweight SQQ lamb price

UK Sheep Meat Production
January '25
21,700 tonnes
-7% y-o-y

PIGS

Prices – week ending 22nd February

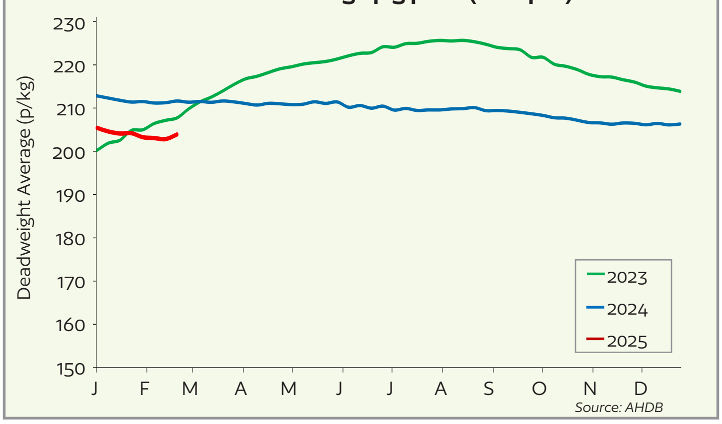
The EU-spec Standard Pig Price (SPP)* in GB stood at **203.9p/kg**. This was:

- +1.1p on the previous week,
- - 7.7p compared with year-earlier levels,
- 32.3p higher than the 5-year average (2020-24 average: 171.6p/kg).

**Note: the APP is currently unavailable as the data does not meet validation thresholds. The SPP (which uses different data sources) is unaffected.*

Throughput – January 2025

- Total pig throughput at UK abattoirs = 886,000 head – up 4% on the year.
- Clean pig throughput = 867,600 head – up 5% on the year.
- Average clean pig carcase weights = 91.0kg (+0.4kg on the year)
- Sow and boar throughput = 18,400 head – down 11% on the year.



GB Average pig price (EU-Spec)

UK Pork Production
January '25
81,800 tonnes
+5% y-o-y