

February to April 2025

# QMS MARKET UPDATE

**Purpose:**

To provide an update on the key industry and economic factors driving cattle, sheep and pig markets in Scotland.

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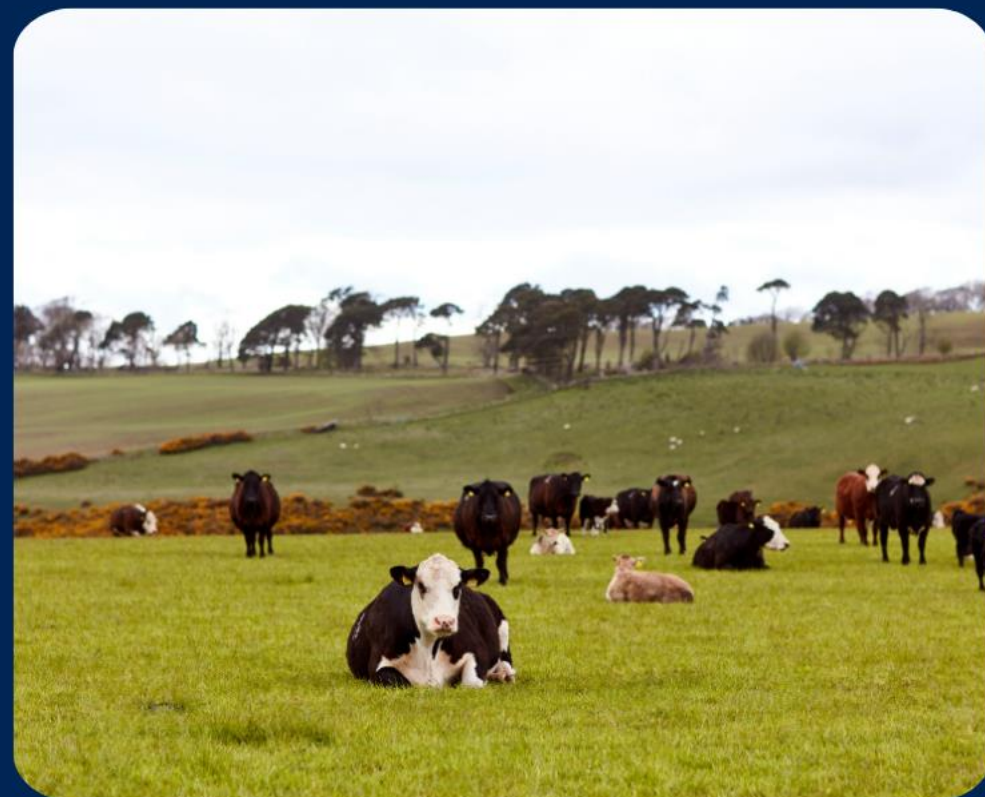
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Data Disclaimer: All deadweight price data used in this report is supplied to QMS by AHDB, who collect the data from reporting abattoirs each week and publish a consolidated set of data, regionally within GB for cattle, and GB-wide for sheep and pigs.

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# BEEF MARKET

## SUMMARY OF MARKET DEVELOPMENTS

### 01 Prices

- Prime cattle prices have continued to trend higher in April. However, there were signs of market conditions changing at Easter as competition for cattle softened during the shorter working weeks. In the Irish Republic, where prices had surged even faster than in Scotland in March and early April despite a strong year-on-year increase in kill, prices fell back at Easter. Cow prices have shown a more significant seasonal uplift at the start of 2025 than usual, and they have continued to run slightly closer to prime beef prices than usual for the time of year, highlighting a tight manufacturing grade beef market balance.
- Store cattle prices have rebalanced higher in line with the finished beef trade in 2025. However, per head values appear to have levelled off during the peak spring selling period in April. Despite a smaller calf crop in 2024, auction throughput has been slightly higher so far this year.

### 02 Production and beef supply

- Defra prime cattle slaughter figures for GB point to a more significant reduction compared to last year in Q1 than indicated by the deadweight price reports, but an elevated heifer kill has limited the declines.
- The overall volume of supply added to the UK market increased by 4% in 2024 without dampening beef prices, so the tighter market balance at the start of 2025, due to lower domestic production and a fall in net imports, coupled with rising consumer spending on beef is likely to have driven market prices higher.

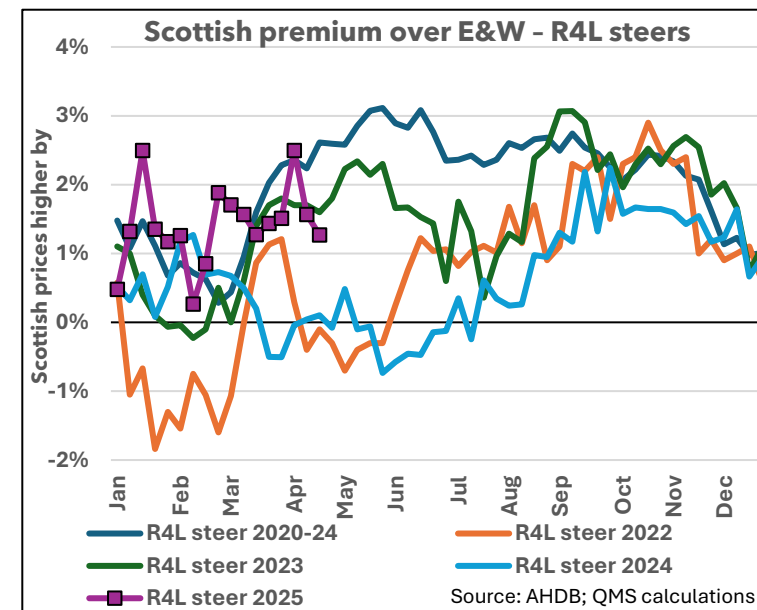
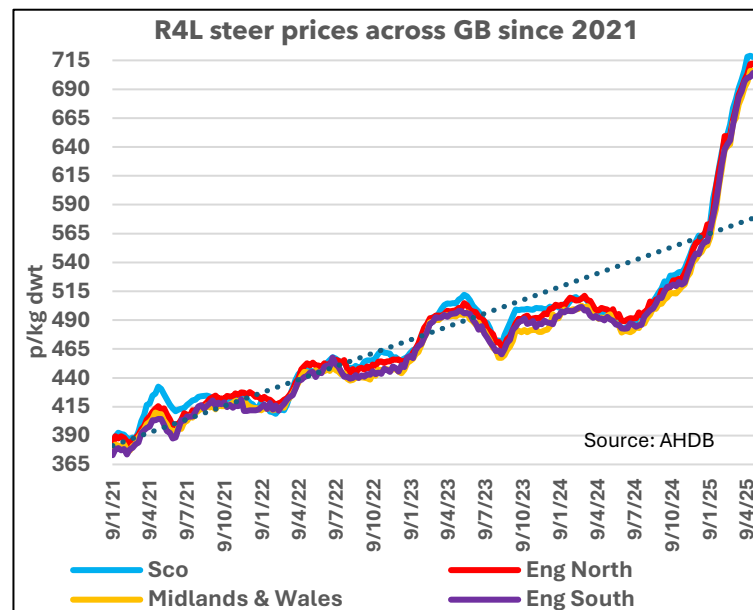
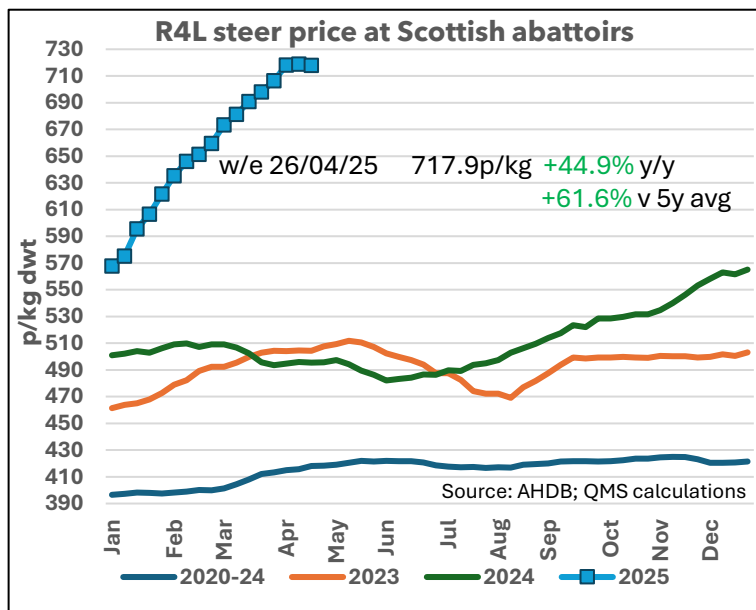
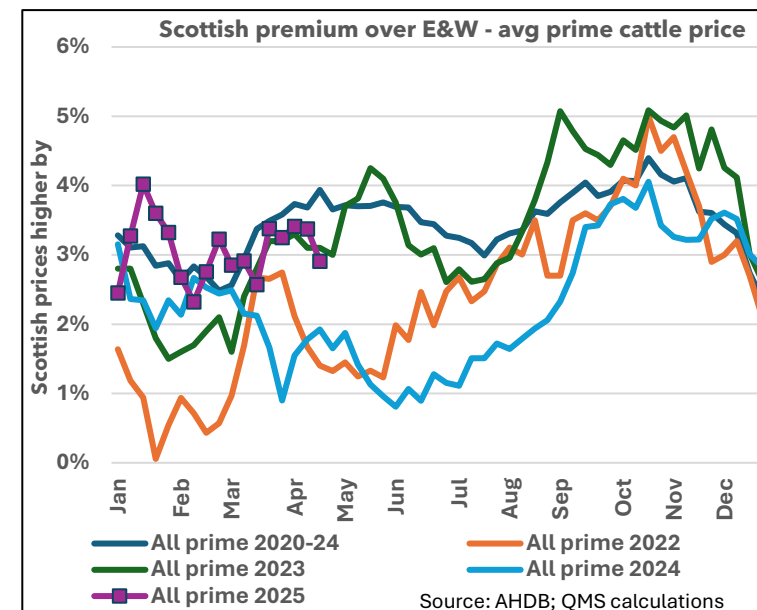
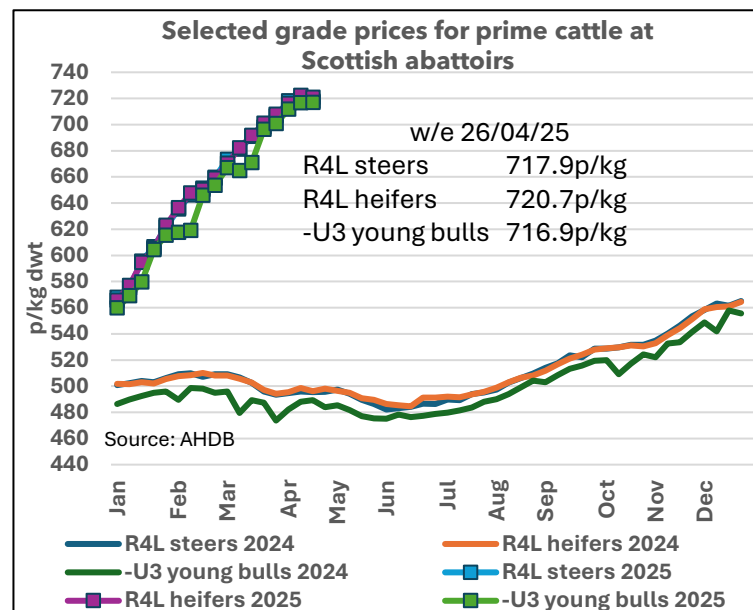
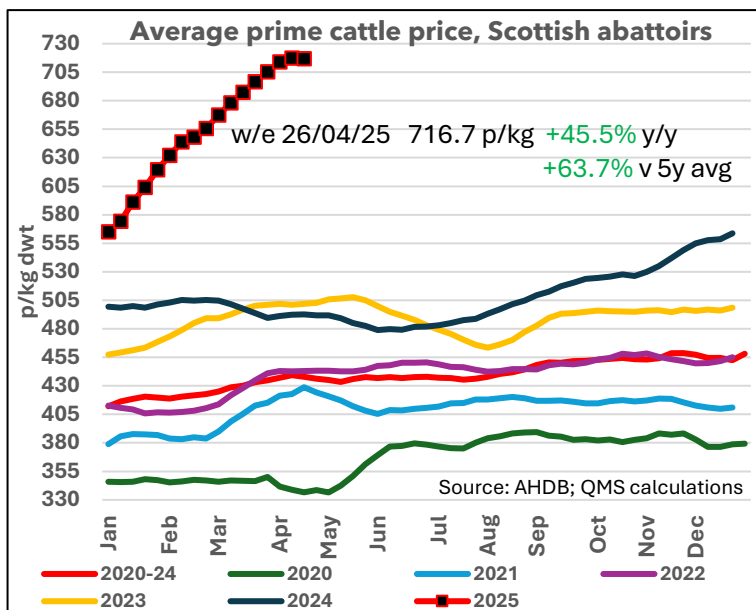
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
R4L steer price at Scottish abattoirs	p/kg dwt, w/e 26 April	717.9	-1.1p	+2.8%	+44.9%	+61.6%
Prime cattle slaughter at price reporting Scottish abattoirs (est 85% of kill in Jan to Dec 2024)	Average in four weeks to April 26, head procured deadweight	6,174		-2.6%	-0.4%	-6.8%
Store price at Scottish auctions for steers aged 12-18 months	Average in four weeks to April 26, £ per head	£1,945		+4.3%	+43.2%	+78.6% (2023 prices excluded from 5y avg due to lack of data)
UK beef market supply	Tonnes in Jan to Mar 2025 (estimate)	257,600			-3.7%	+0.2%

### 03 Outlook for production

- January prime cattle population data from BCMS continued to signal that supply is likely to tighten more significantly in Scotland relative to 2024 in the second half as the surplus of cattle aged over two years has been worked through and the smaller calf crops of 2023 and 2024 are supplying the market. In the short-term, weekly availability for slaughter is likely to rebound in May before slowing down during the summer. Looking longer-term, continuing herd decline in 2024 points to further falls in production beyond 2025, which is a concern given that market signals are pointing to considerable opportunities for growth. Rising human populations in the UK and at a global level are set to support demand for red meat in the coming years.

# Farmgate prices

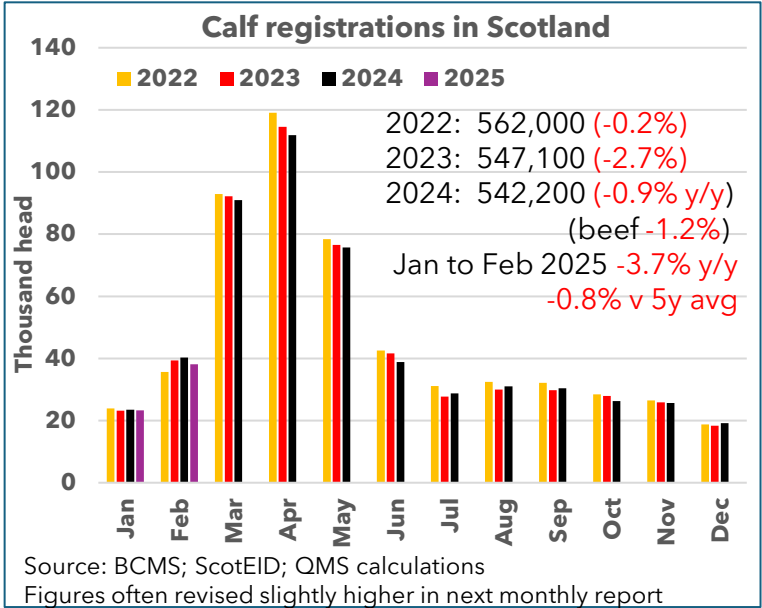
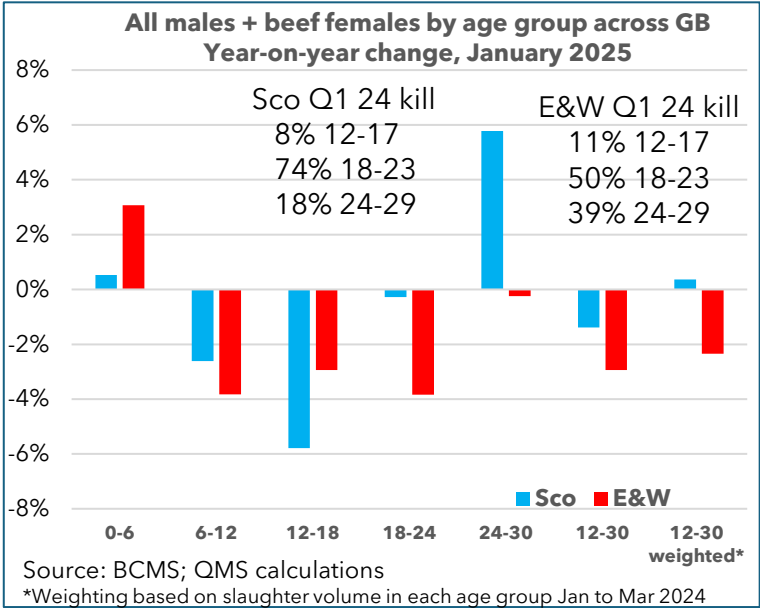
Prime cattle prices continued to trend higher in April but there were some signs of changing market conditions at Easter as competition for cattle softened in the shorter working weeks.





# Availability and slaughter

Defra prime cattle slaughter figures point to a more significant reduction in the GB kill in Q1 2025 than signalled by the deadweight price reports. However, an elevated heifer kill has limited the declines. In Scotland, prime cattle numbers are expected to tighten more significantly year-on-year in the second half due to the reduced calf crops of 2023 and 2024.

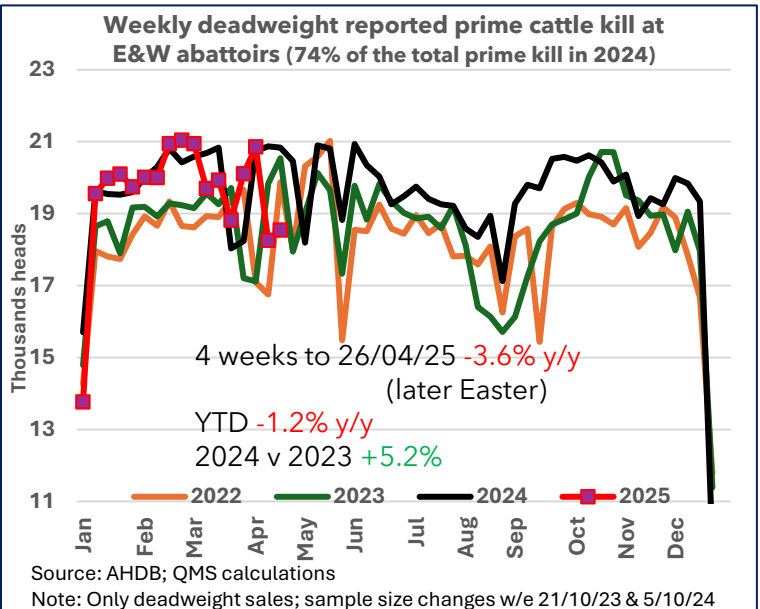
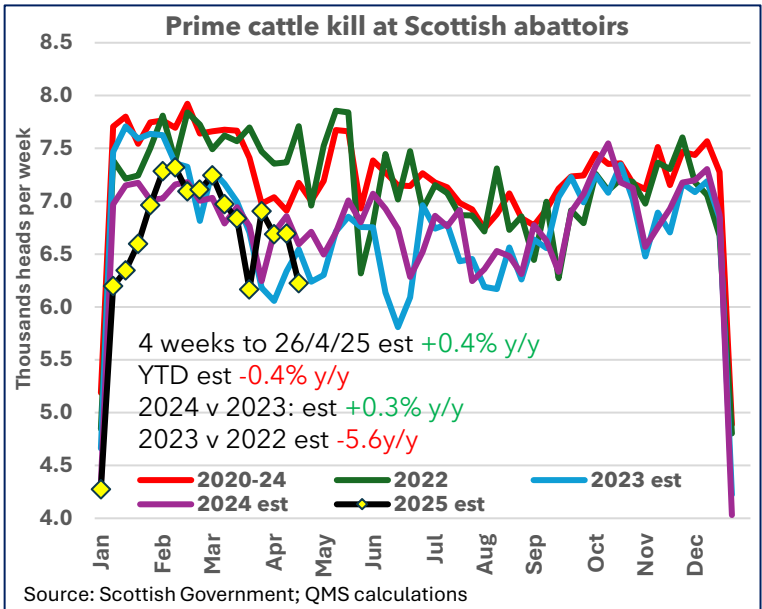
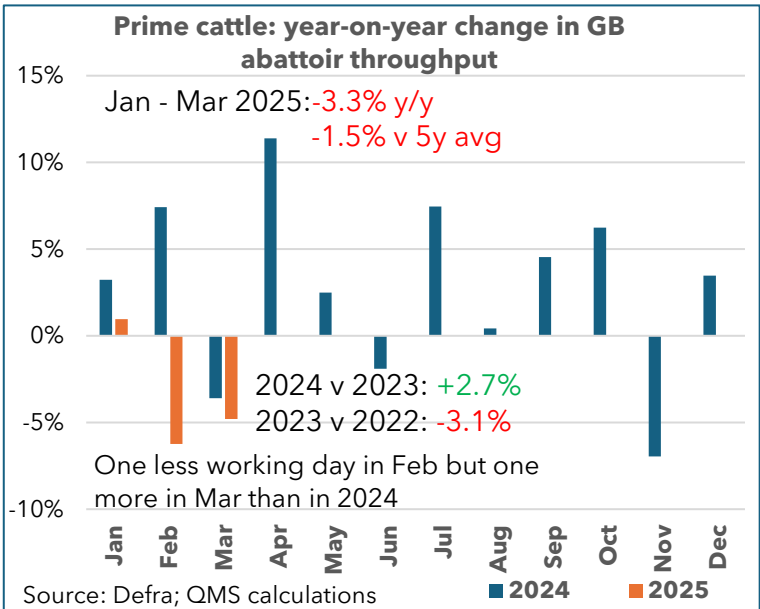


Defra prime cattle slaughter figures point to a more significant reduction in GB in Q1 2025 than indicated by the deadweight price reporting samples. Slaughter could have fallen faster, but an elevated heifer kill has provided support to throughput.

In Scotland, prime cattle availability has fallen back seasonally in March and April, but is expected to see a renewed uplift in May and June before slowing down towards a summer low point.

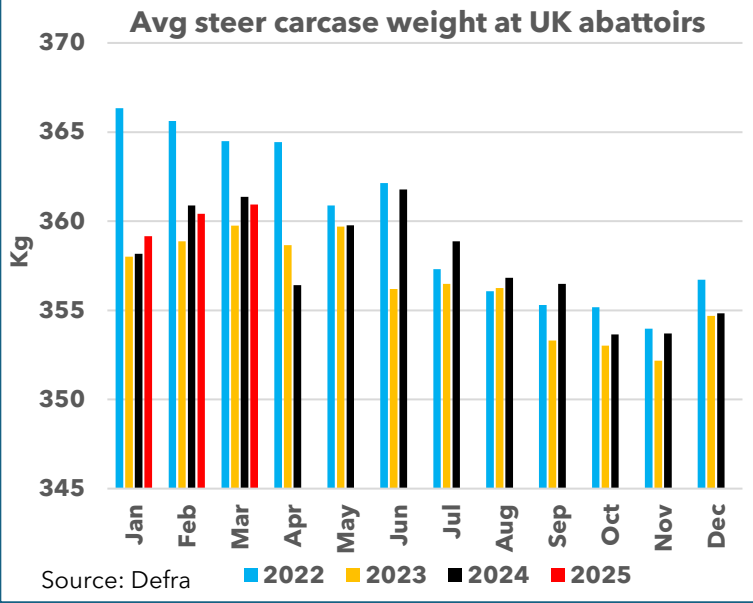
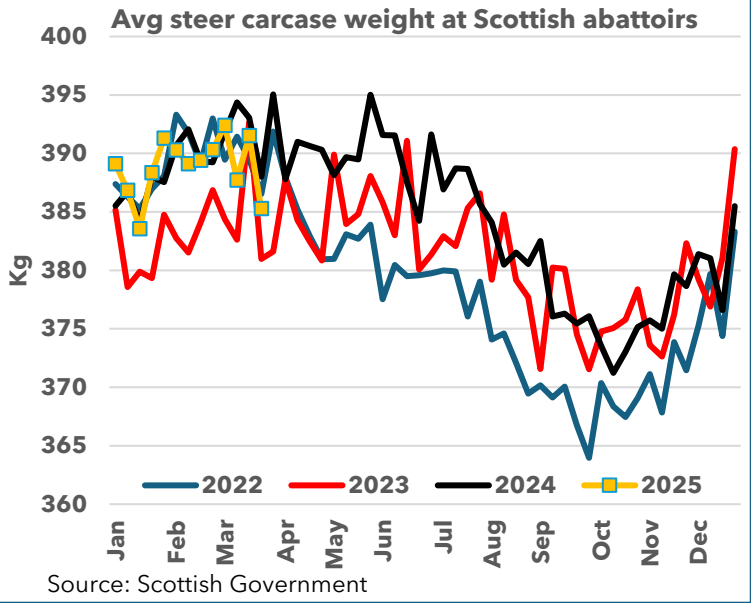
In E&W, the deadweight reported kill had fallen back in March, but it rose sharply again in the first half of April before a renewed dip over the Easter holiday period.

In the first half of 2025, numbers could hold up better in Scotland relative to 2024 as the January population data suggested that there could still be an increased population aged over 18 months to work through. As well as tightening seasonally in the summer, supply could tighten significantly year-on-year once abattoirs are only drawing from the smaller 2023 and 2024 calf crops.



# Seasonality of production

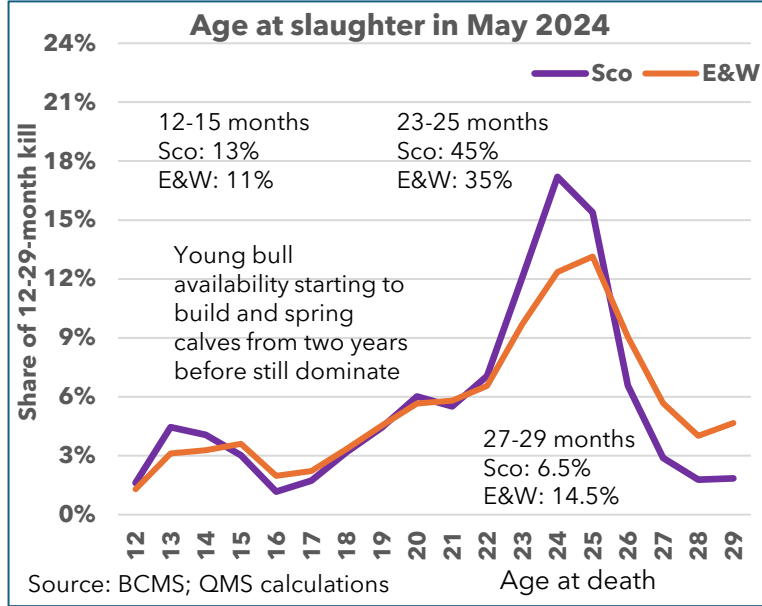
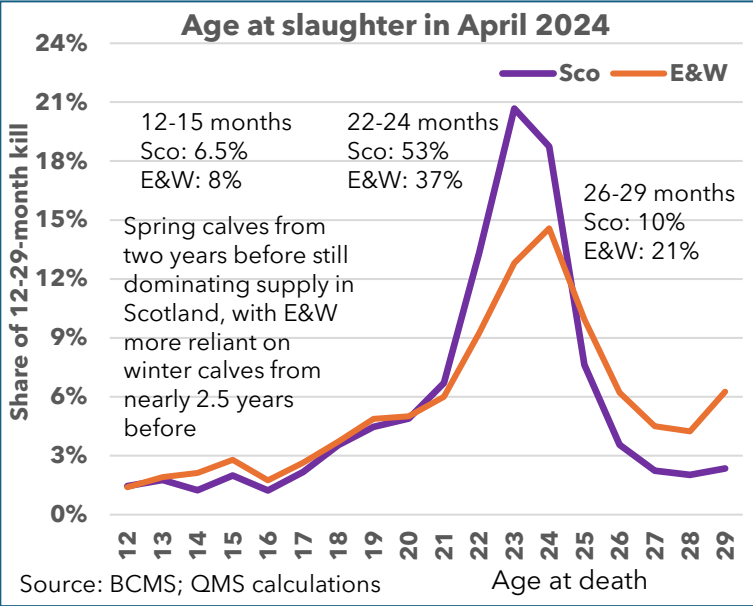
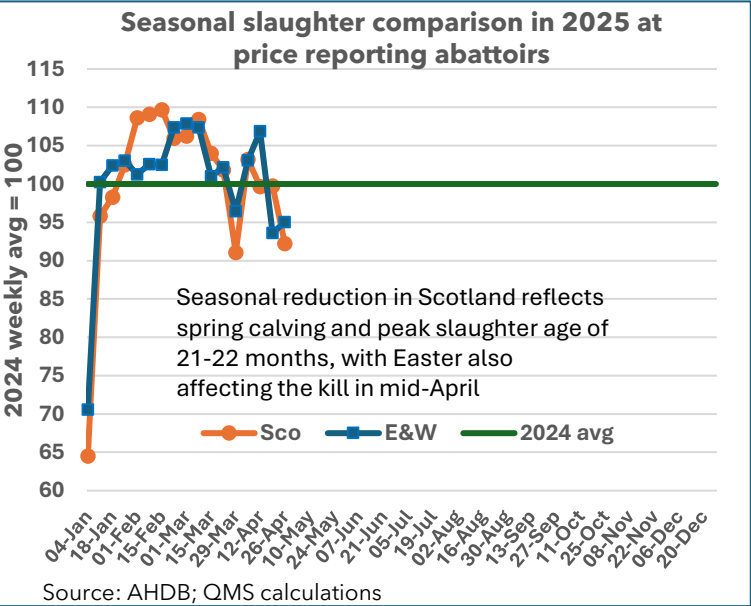
Availability for slaughter has fallen back now that the spring 2023 calf crop has passed its peak slaughter age. Seasonally high weights should have resulted in a smaller tightening of production volumes.



The dominance of spring calving coupled with a peak slaughter age of just under two years ensures that slaughter availability is at a seasonally high level in the first quarter, with a slightly later peak in E&W likely to reflect the slightly older slaughter age profile.

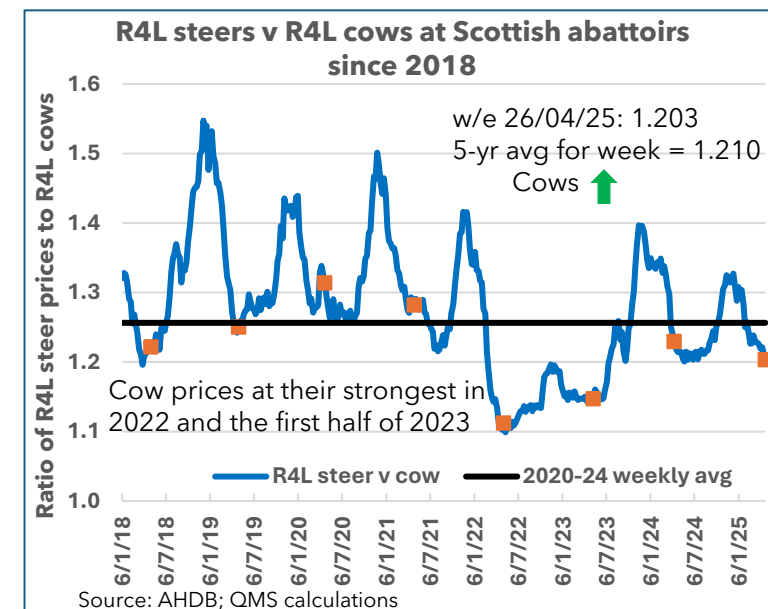
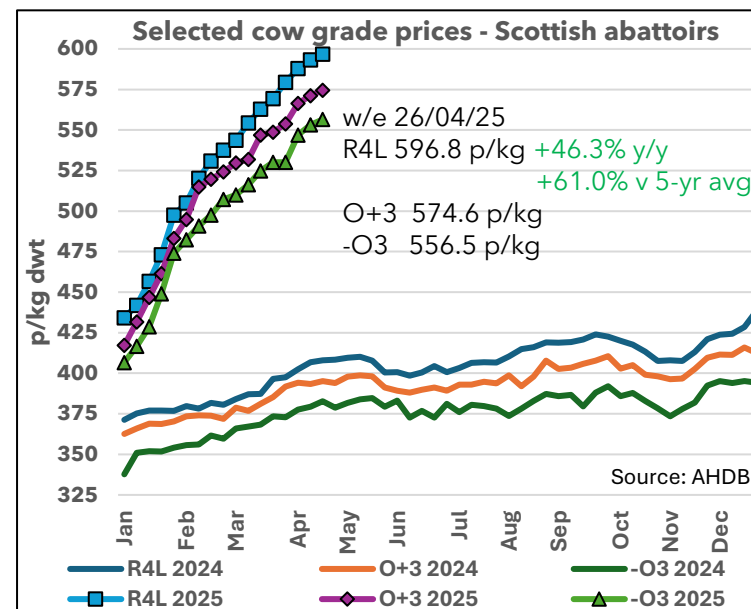
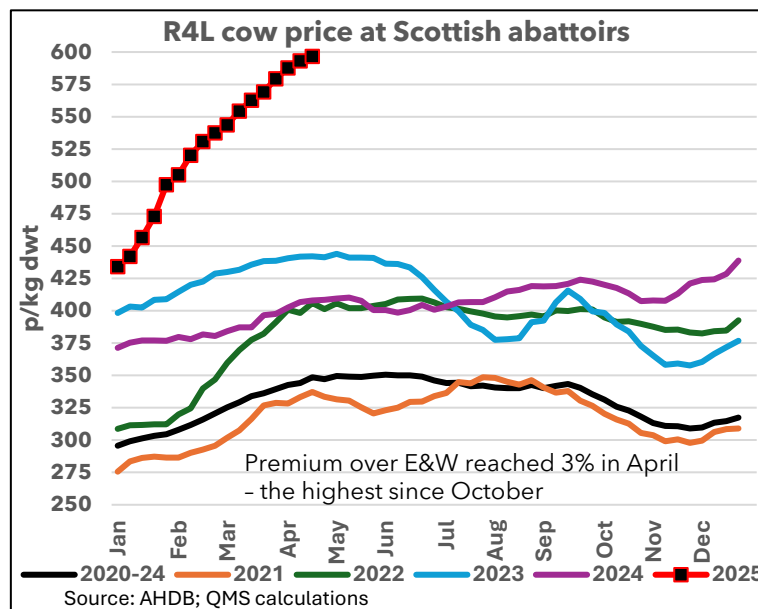
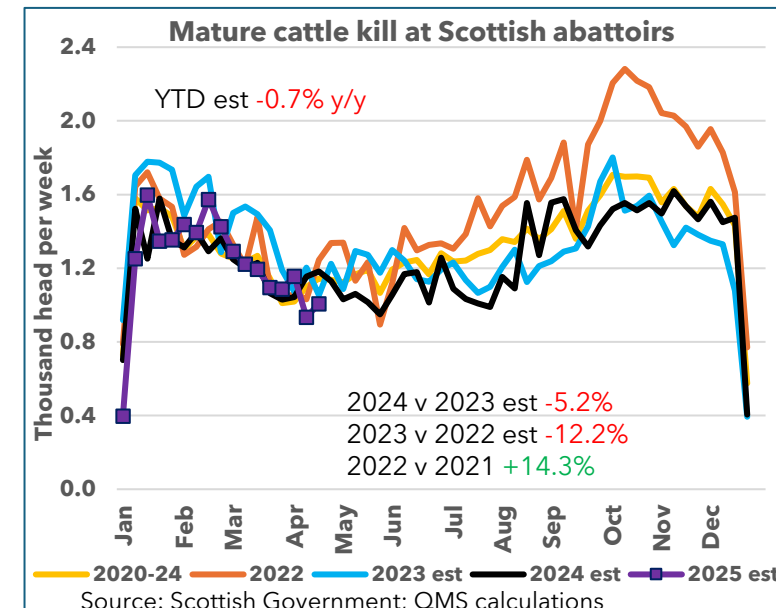
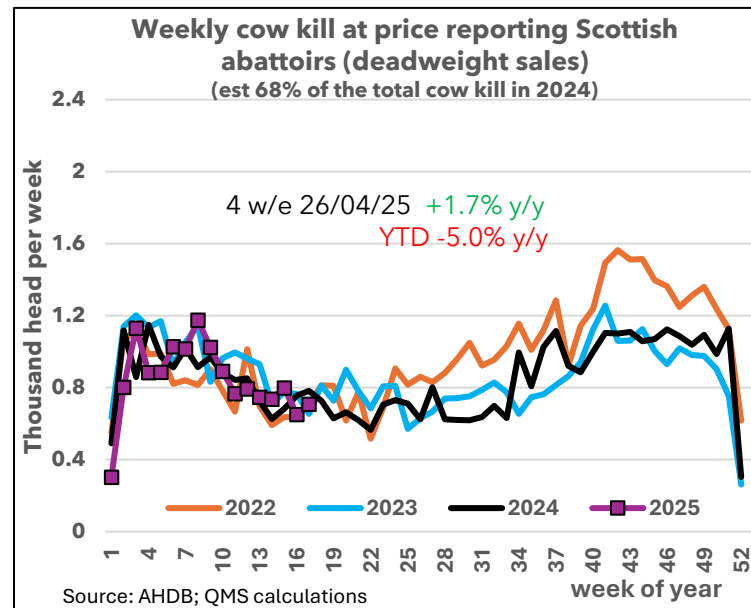
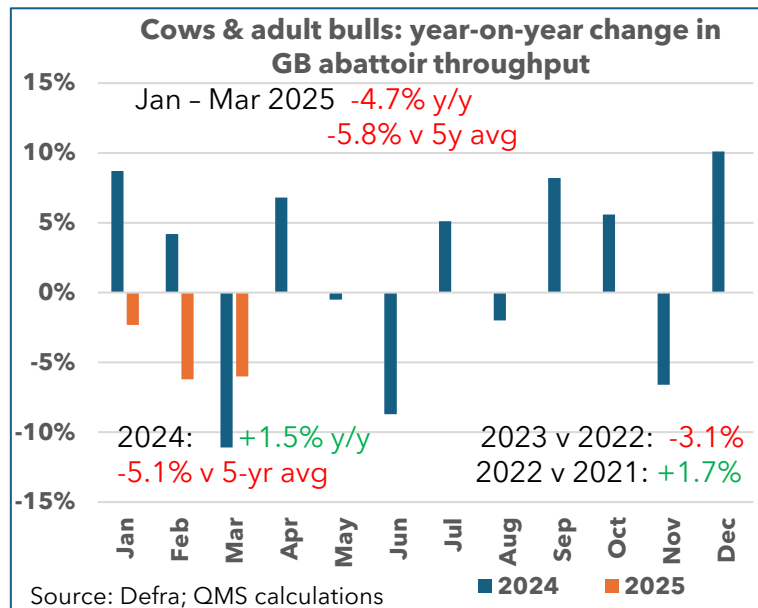
Meanwhile, seasonally high prime cattle carcass weights should also be underpinning production volumes.

Carcass weights had been showing year-on-year increases in Scotland for much of the time since spring 2023, but this may have changed in spring 2025. Meanwhile, increases in the UK average in the second half of 2024 continued into 2025, before dipping back again in February and March. An increase in older prime animals going to slaughter are likely to have influenced the rise in weights in 2024.



# Mature cattle market

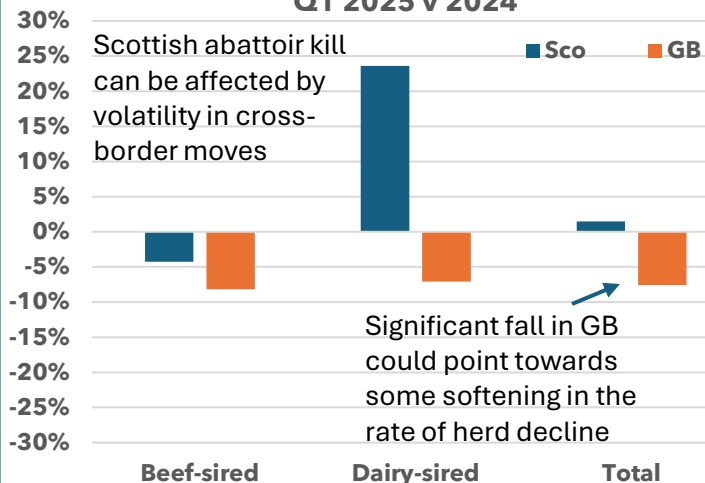
Cow prices have taken an unusually large seasonal upturn at the start of 2025, but we have now reached a time of year when the market tends to stabilise. Cow prices have continued to run slightly closer to prime prices than usual, reflecting tighter supply and firm demand for manufacturing grade beef.



# Breeding herd

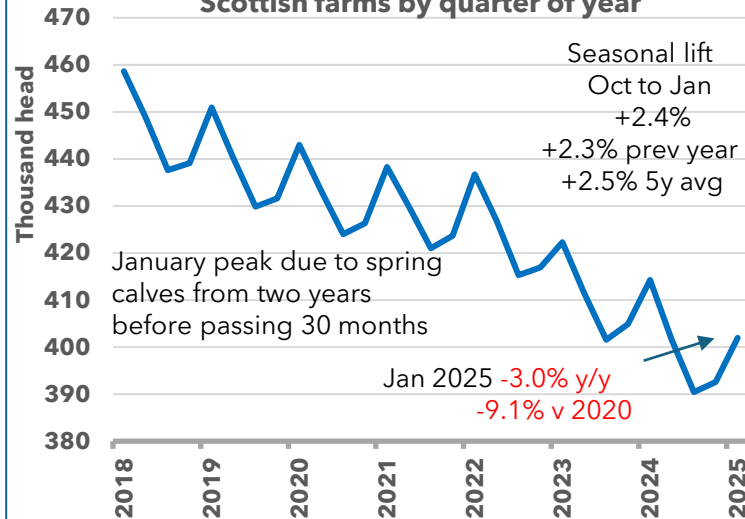
Steep declines continued in 2024, but a significant fall in OTM female slaughter in GB in Q1 could be a tentative signal of a slowdown in herd contraction this year following the surge in beef prices.

**Females 30 months +  
change in abattoir throughput  
Q1 2025 v 2024**



Source: Defra; QMS calculations

**Beef-sired females 30 months and over on  
Scottish farms by quarter of year**



Source: BCMS; QMS calculations

**Females aged 30 months+ on Scottish farms  
(y/y change)**

Month	Dairy	Beef	All
Jan 2022	-1.3%	-0.4%	-0.6%
April 2022	-1.1%	-0.7%	-0.8%
July 2022	-1.0%	-1.4%	-1.3%
Oct 2022	-0.5%	-1.6%	-1.3%
Jan 2023	-1.0%	-3.3%	-2.7%
Apr 2023	-1.2%	-3.6%	-2.9%
Jul 2023	-1.0%	-3.3%	-2.6%
Oct 2023	-0.1%	-2.9%	-2.1%
Jan 2024	+0.8%	-1.9%	-1.1%
Apr 2024	+1.3%	-2.4%	-1.4%
Jul 2024	+1.7%	-2.8%	-1.5%
Oct 2024	+1.7%	-3.0%	-1.6%
Jan 2025	+1.4%	-3.0%	-1.7%

Source: BCMS; QMS calculations

**Females aged 30 months+ on farms in England & Wales & GB  
(y/y change in Jan 2025)**

Month	Dairy	Beef	All
E&W	-0.4%	-4.3%	-2.1%
GB	-0.2%	-3.9%	-2.0%

Source: BCMS; QMS calculations

In January 2025, there were 401,900 beef-sired females aged 30 months and over on Scottish holdings. This was a 3% decline from a year earlier, matching the October figure. It left numbers down by more than 9% on five years before. The total in January 2024 had been nearly 414,300 head. However, the seasonal change from the previous quarter did show an improvement from the previous two Januaries, reaching +2.4%; though this remained below the 3% seasonal uplifts seen at the start of 2021 and 2022.

Looking ahead, if quarterly population changes were to match their five-year average rates, the year-on-year decline in the beef herd could soften to 2.3% in April and 1.9% in July, October and January. A higher pool of beef-sired females aged 24-30 months on farm than a year-earlier has provided little offsetting impact to the breeding herd for four consecutive quarters.

A further decline in the beef herd in 2024 is set to extend the period of declining prime beef availability into 2026 and 2027. However, if it has been the least productive cows going to slaughter, there could be a boost to productivity, limiting the decline in the calf crop. Meanwhile, it remains to be seen if the surge in farmgate prices boosts confidence and profitability to the extent that the downwards trend in the herd can be slowed.

The year-on-year decline in the suckler herd in E&W has continued to outpace the decline in Scotland, with a sharp 5.3% contraction reported in December 2024, and this is set to maintain firm demand from English finishers for Scottish-born beef calves. It also has the potential to drive a renewed upturn in outflow.

**Latest breeding herd results - females over 2 years old with  
offspring (y/y change)**

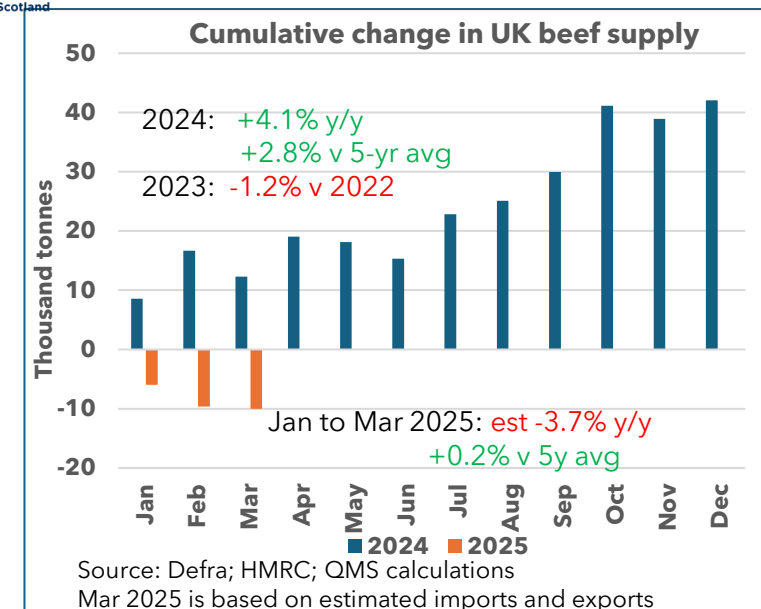
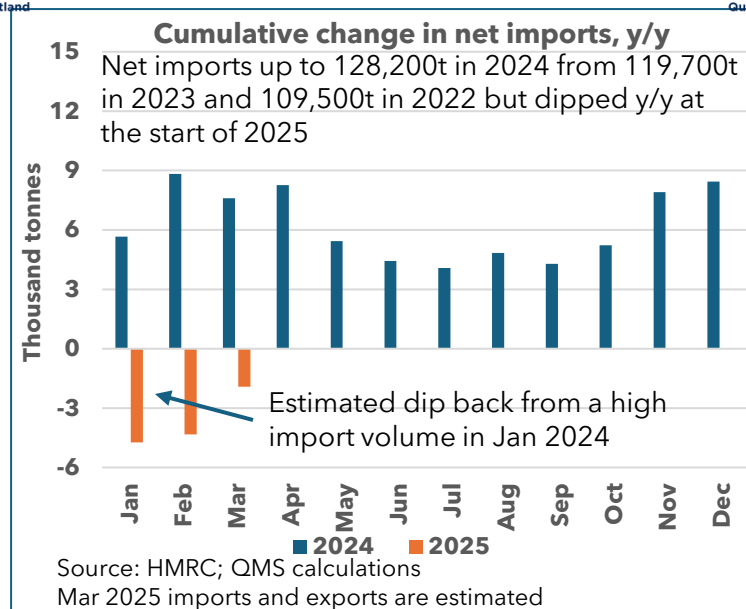
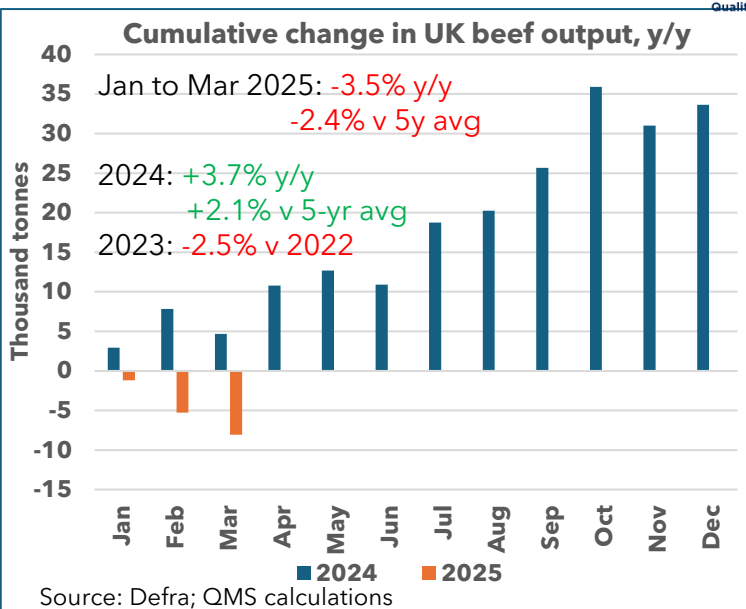
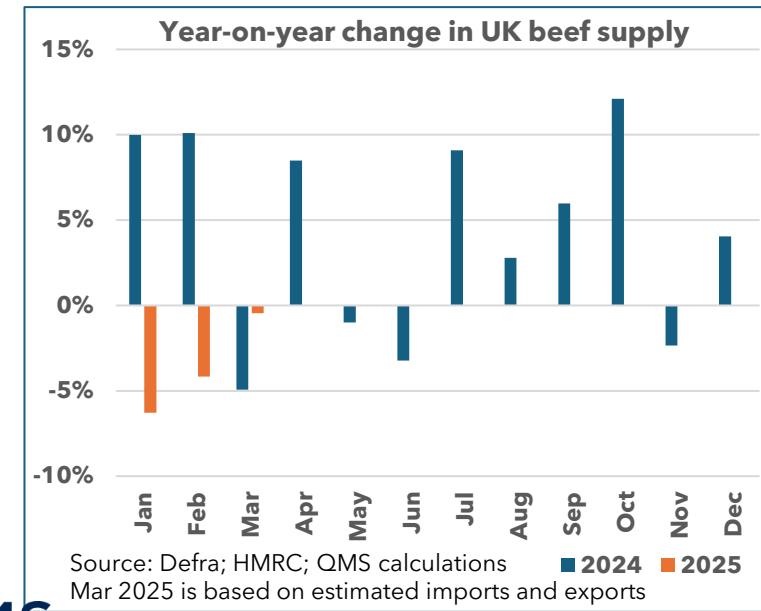
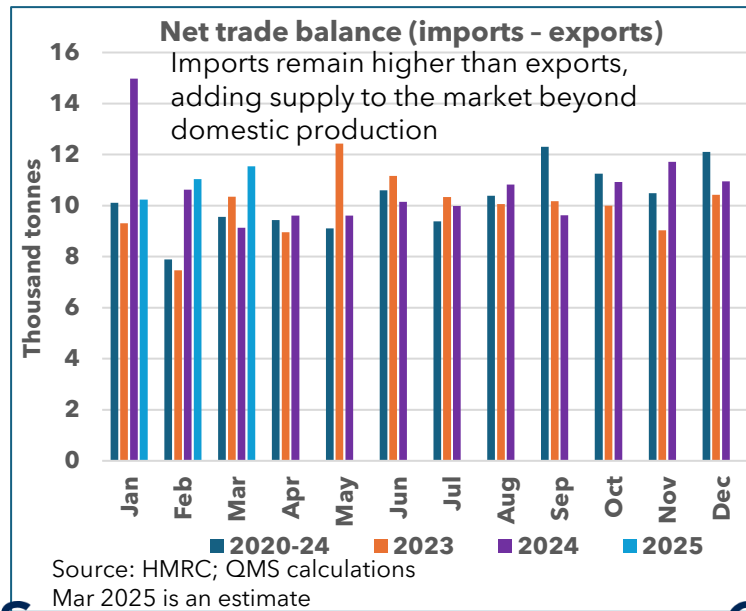
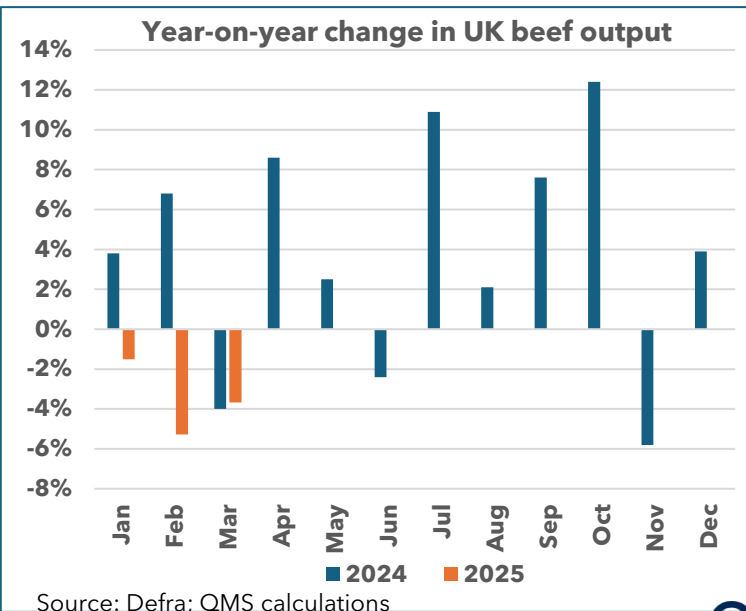
	Dairy	Beef	All
Scotland (Jun 2024)	+2.3%	-3.1%	-1.4%
England (Dec 2024)	-0.2%	-5.3%	-2.0%

Source: Defra; Scottish Government; QMS calculations



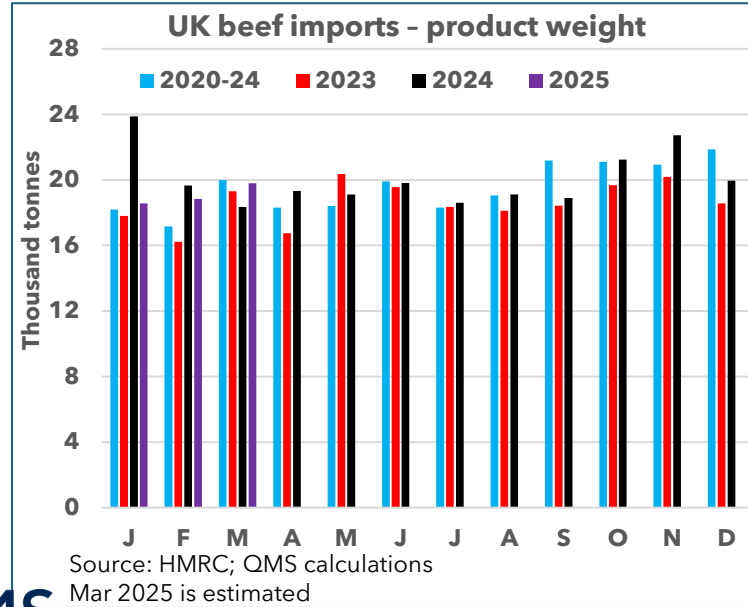
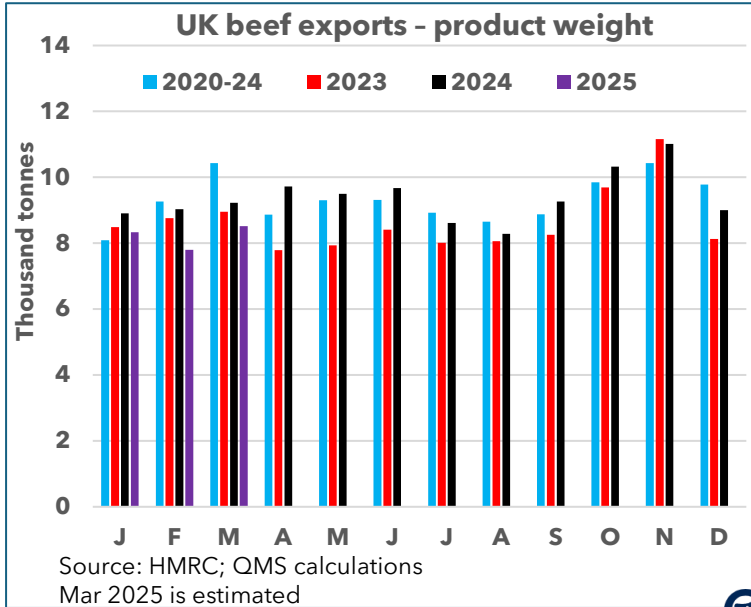
# UK beef market supply

domestic production + (imports – exports) = supply



# UK international trade

Tight domestic market restricted exports and supported imports to exceed the five-year average at the start of 2025.



UK beef exports fell back in February compared to January, running against the seasonal trend as a tight domestic market restricted availability for export. After declining by more than 6% year-on-year in January, the gap extended to 13% in February. Surging farmgate prices passed through to export prices (+29% y/y), meaning that the overall value of exports still increased (see page 11).

Shipments to EU countries fell by 8% year-on-year in the first two months, while sales to non-EU markets fell back by more than 20% on early 2024.

While 14% below 2024 levels, beef imports to the UK still ran 6% above the five-year average in the first two months of the year. Non-EU trade continued to expand, up more than 40% year-on-year and at an eleven-year high for the period, but this failed to offset a 17% reduction in volumes arriving from the EU. Imports from Ireland fell 16% despite a sharp year-on-year rise in Irish beef production at the start of 2025. Average import prices increased (+13% y/y), but this was less than half the rate of export prices.

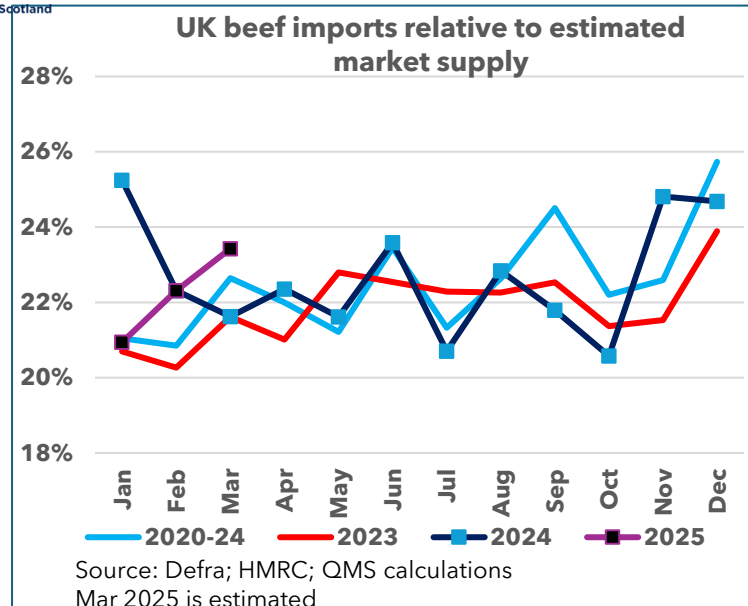
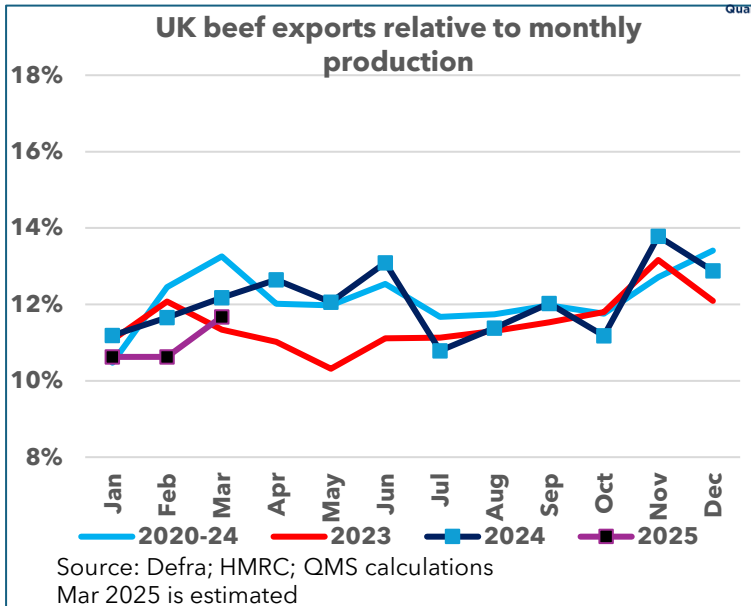
Imports from Australia and New Zealand continued to increase penetration, taking a 57.4% share of non-EU imports, up almost twelve percentage points on the year, with volumes rising 77%. Their combined share reached 5% of UK imports, double year-earlier levels.

The EU supplied 91.1% of UK import volumes and bought 85.5% of UK exports in the first two months of 2025.

Note:

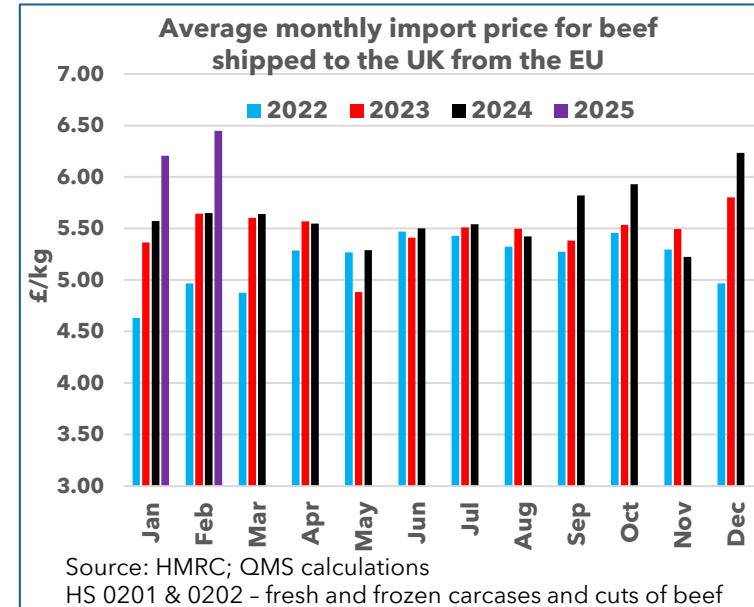
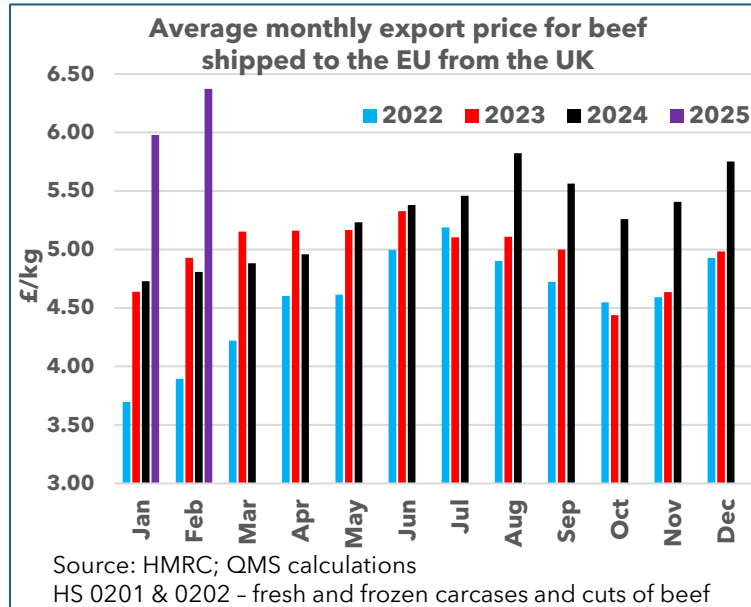
HMRC trade data covers HS codes 0201 & 0202 (fresh or chilled & frozen beef)

Estimates for March are based on seasonal trends in trade volumes and domestic production



# Variables influencing international trade

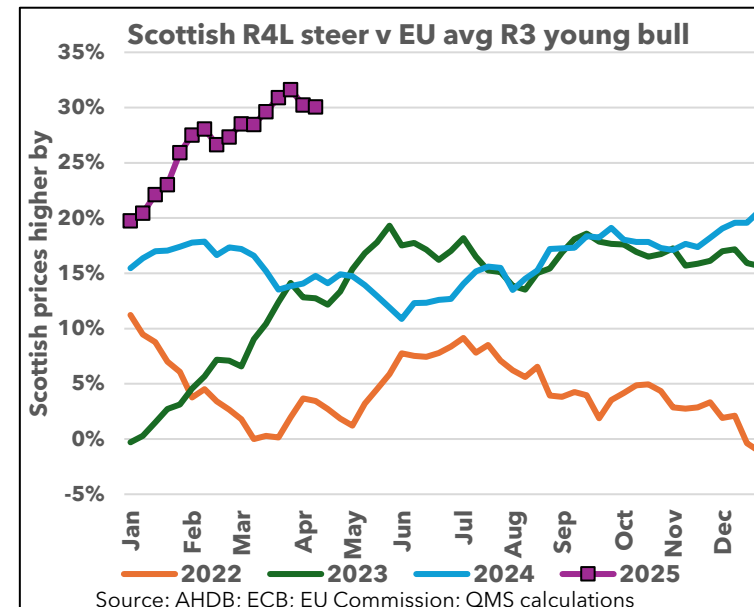
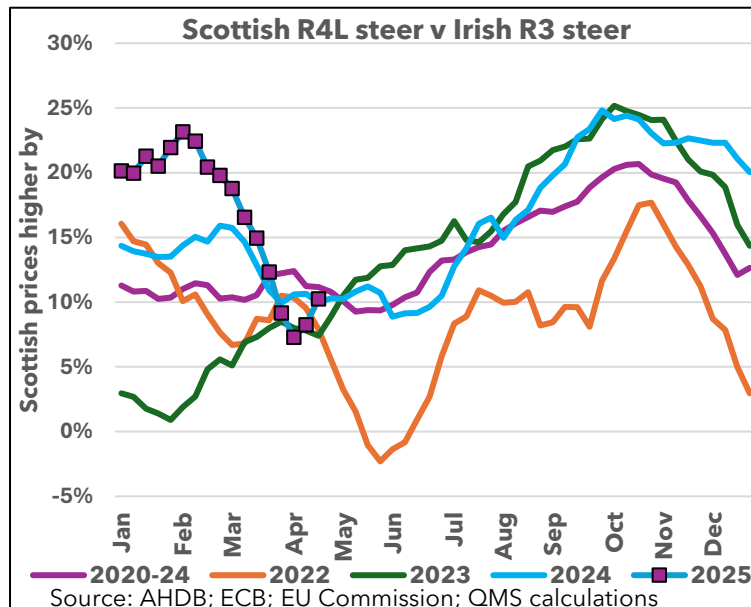
Cattle prices have been rising across Europe in 2025 due to tight markets, but Scotland has out-paced the EU average while Irish prices surged even faster in March before dipping at Easter.



After holding up unusually strongly at the start of the year, the Scottish premium over Ireland fell sharply through March as Irish prices rose by 12% over four weeks, and by 14% in sterling. However, Irish prices softened at Easter, leading to a slight rebound in the price gap, resulting in a normal difference for the time of year of 10% in late-April.

EU beef prices have also risen significantly since the start of 2025, just at a slower pace than in Scotland or Ireland. In late-April, the EU average for R3 young bulls was 35% higher year-on-year. Despite such a significant uplift, Scottish steer prices still held a lead of more than 30% in late-April.

UK import and export prices reflected general market trends in the final quarter of 2024, rising significantly above year-earlier levels, though export prices rose at double the pace (29% v 13%).

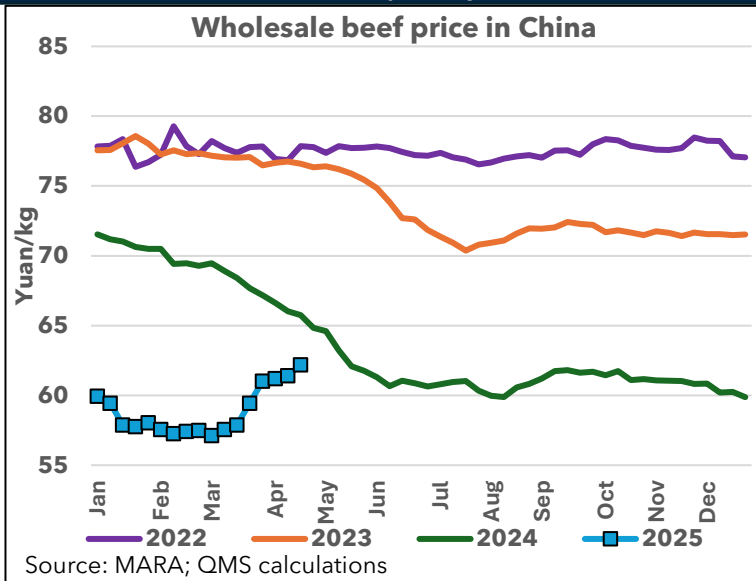
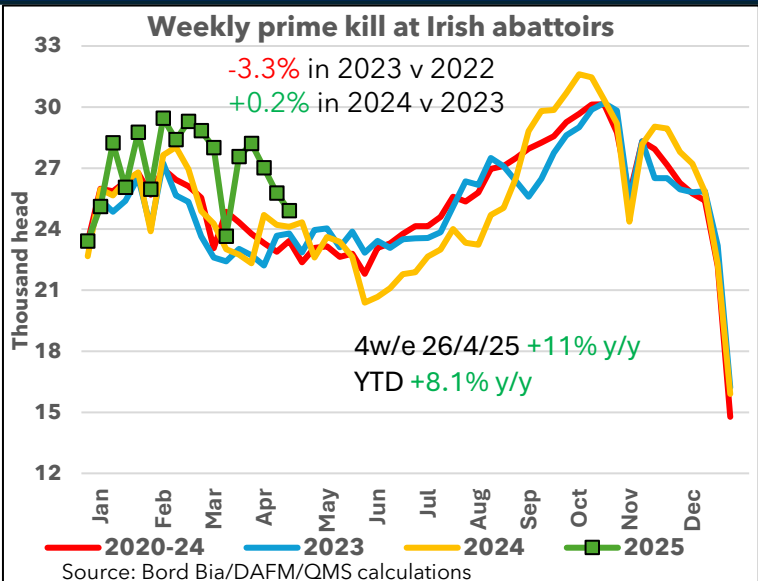


Selected EU cattle prices for R3 males, converted from euro to p/kg dwt			
*Week 17 2025 EU prices not yet available	Week 16* 2025	Week 12 2025	Week 16 2024
Germany (young bull)	584.4	547.2	418.7
Netherlands (8-12 months)	552.8	533.7	404.3
Spain (young bull)	580.0	579.3	461.0
Poland (young bull)	499.3	526.5	418.8
Irish Republic (steer)	664.2	601.1	448.3
<b>For comparison: Scotland R4L steer</b>	<b>719.0</b>	<b>691.0</b>	<b>496.0</b>
Source: AHDB; EU Commission; LMC; QMS calculations			

Please note that a +0.6% adjustment has been made to EU prices to reflect different spec and the weekly average exchange rate is sourced from the ECB

# Variables influencing international trade

Tighter global market balance expected in 2025 as production dips and trade flows increase. Little sign yet of a negative impact on the US market from changing trade policy.



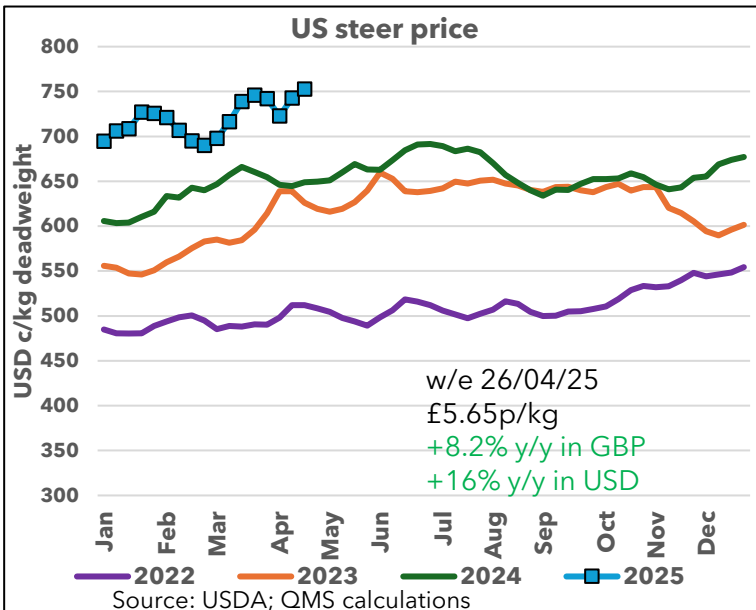
In the Irish Republic, prime slaughter has made a surprisingly strong start to the year. Increases over 2024 have been underpinned by an elevated heifer kill and continued over Easter despite comparing against full working weeks in 2024. Production should now dip towards its annual low in the second quarter. At EU level, production is expected to return to its longer-term downwards trend this year.

While beef prices are still well down on the levels of recent years in China, reflecting weak purchasing power, there has been some recovery since March, potentially driven by increased competition for beef ahead of the loss of US product from the market. US beef prices remain historically firm with US production levels adjusting downwards following drought in 2021 and 2022, and farmgate and wholesale prices are yet to show any significant impact from changing US trade policy. Production in Australia and Brazil is at a cyclical peak and both countries are expected to rebalance sales further towards China to replace US beef in the marketplace.

USDA Global Beef Market Forecasts, April 2025  
(million tonnes carcase weight)

Key indicators	2022	2023	2024	2025
World, production	59.33	59.96	61.66	61.55
USA, production	12.89	12.29	12.29	12.16
Brazil, production	10.35	10.95	11.85	11.90
EU, production	6.72	6.46	6.63	6.55
Australia, production	1.88	2.22	2.58	2.65
All countries, imports	10.23	10.32	11.44	11.80
China, imports	3.50	3.58	3.74	3.83
USA, imports	1.54	1.69	2.10	2.20
EU, imports (from non-EU sources)	0.37	0.36	0.39	0.40

Source: USDA Foreign Agricultural Service



The USDA is now projecting a more marginal 0.2% reduction in global beef output in 2025. Nevertheless, supply and demand imbalances are set to ensure intense competition for beef globally, and total imports are projected to be 3.2% higher than in 2024, and up 22% on 2020 levels.

Cattle on Irish farms in December (thousand head)

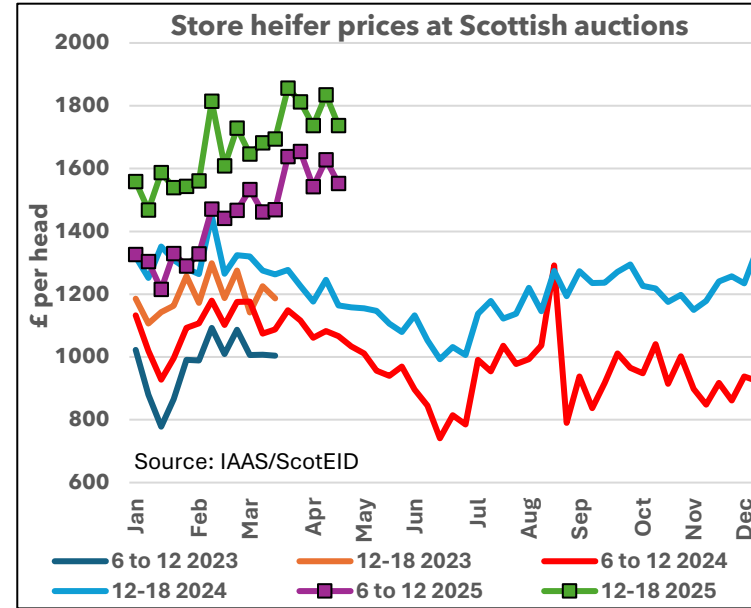
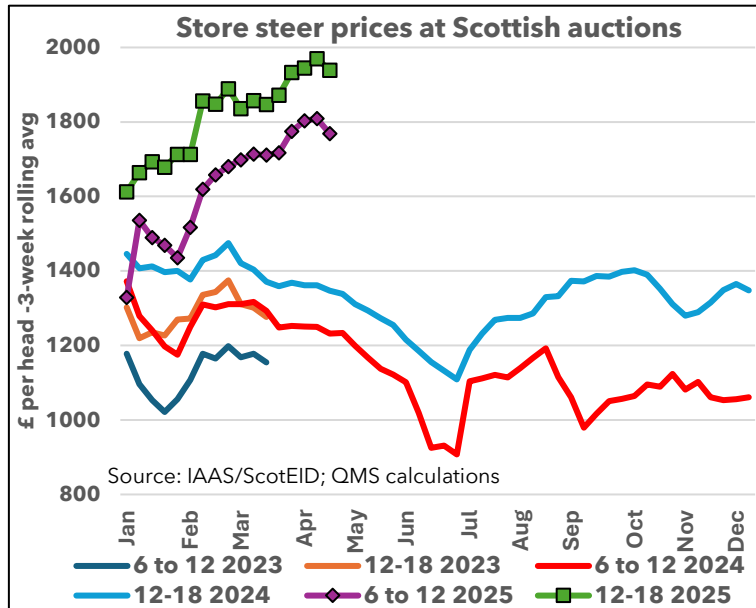
Age group	2022	2023	2024	y/y change 24 v 23
Cows	2,372.0	2,329.5	2,249.1	-3.5%
<12 months	1,995.4	1,973.9	1,922.4	-2.6%
<12 v cows	84.1%	84.7%	85.5%	+0.9%
1-2 years	1,801.3	1,795.0	1,691.4	-5.8%
2+ (males & non-breeding females)	336.8	380.6	396.7	+4.2%

Source: CSO; QMS calculations



# Store cattle trade

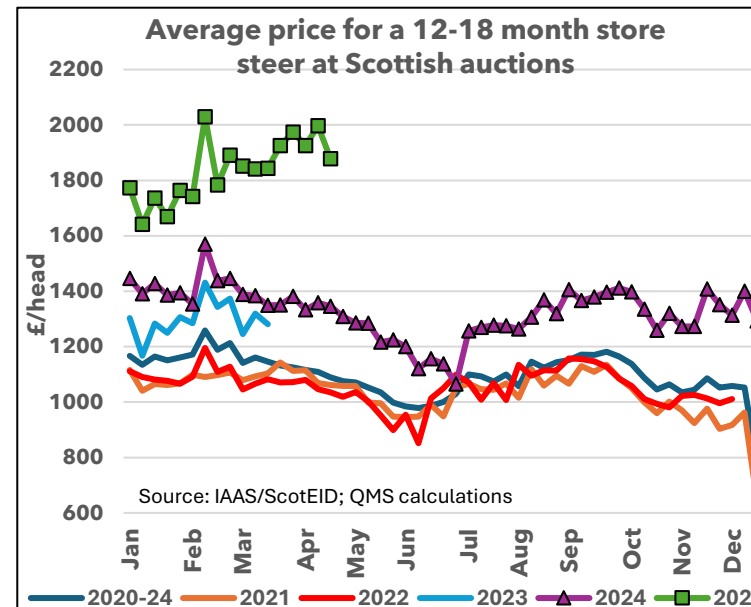
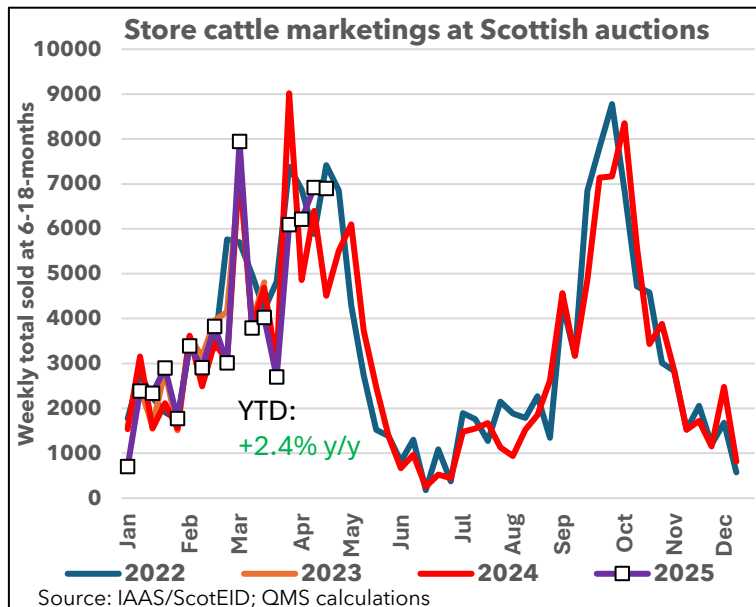
Prices have rebalanced higher to reflect the strong market for finished cattle.



Store cattle prices have rebalanced higher in line with the finished beef trade in 2025. However, prices do appear to have levelled off during the peak spring selling period in April.

Despite a smaller calf crop in 2024, auction throughput has been higher so far this year, without dampening prices.

It is possible that higher throughput in 2025 reflects that high prices have encouraged some producers to sell extra calves store rather than finishing at home.



## 4 weeks to 26/4/25

Store cattle prices		y/y change
Steers, 6-12 months	£1,791	+43.4%
Steers, 12-18 months	£1,945	+43.2%
Heifers, 6-12 months	£1,593	+46.4%
Heifers: 12-18 months	£1,780	+47.1%
Store cattle marketings		y/y change
All steers & heifers, 6-18 months	26,100	+5.4%

Source: IAAS/ScotEID; QMS calculations  
Prices rounded to nearest £1 and numbers to nearest 100



# SHEEP MARKET

## SUMMARY OF MARKET DEVELOPMENTS

### 01 Prices and availability for slaughter

- An increased carryover of hoggs, heavier carcasses and softer demand have combined to place some downwards pressure on lamb prices in April. Nevertheless, prices remained historically firm for the time of year at the end of April, up more than 10% on the five-year average. Early data suggests that prices have fallen at the start of May, by around 10% for hoggs and 5% for new season lambs.
- Auction throughput has risen by 3% in the first third of 2025 from a year earlier in Scotland, resulting in a narrowing of the year-on-year decline for the season as a whole. A later Easter ensured that numbers ran sharply higher than last year in April. Auction marketings have fallen back sharply since Easter but still remained elevated from 2024 and while further seasonal decline in weekly numbers is expected in May and June, numbers could hold above 2024 levels.

### 02 Consumer demand

- While the retail sales data from Kantar for the twelve weeks to late-March is clouded by the earlier Easter in 2024, spending on lamb had already begun to fall back over the winter against the backdrop of a strong winter 2023/24 to compare against, as higher retail prices this year appeared to pressure demand. Eid al-Adha moves forward this year to June 6-10, potentially giving demand a boost in the first half of June.

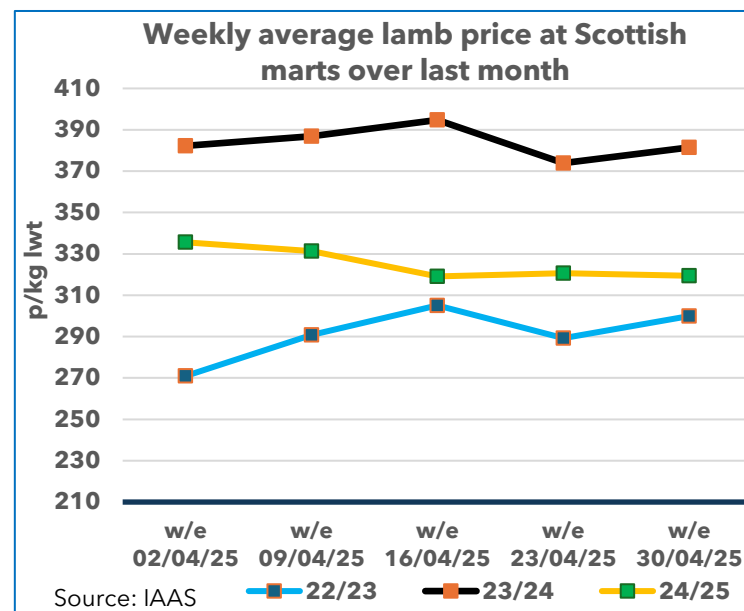
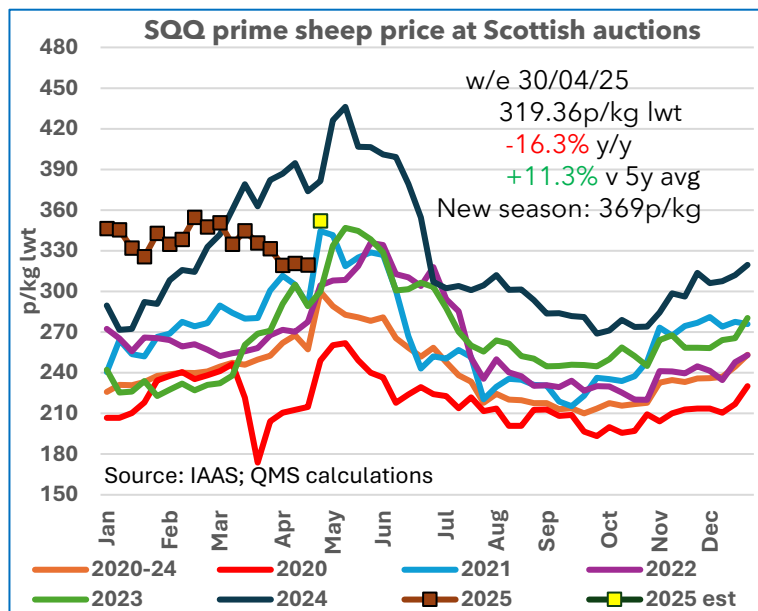
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
New season SQQ lamb price at Scottish auctions	p/kg lwt, w/e 30 April	319.36p/kg	-1.22p	-4.8%	-16.3%	+11.3%
Total lamb marketings at Scottish auctions	Average in four weeks to 30 April, head	21,735		-7.1%	+20.8%	+13.5%
Lamb slaughter at GB abattoirs	Total between January and March 2025, million head	2.692m			-3.0%	-1.9%
UK sheepmeat market supply	Tonnes in Jan to Mar 2025 (estimate)	66,800			-3.4%	-9.3%

### 03 International trade

- Wholesale prices in France for imported lamb continue to signal an attractive export trade, and a stable pricing trend points to increased export margins. While UK export volumes fell from a year-earlier in the opening two months of 2025, they rose as a share of domestic production.
- Although now rising significantly in price, lamb produced in Australia and NZ continues to look highly competitive, supporting UK import demand. Import volumes reached a seven-year high in the first two months of 2025 despite a reduced NZ lamb crop and Australian production approaching a cyclical peak.

# Farmgate prices - prime sheep

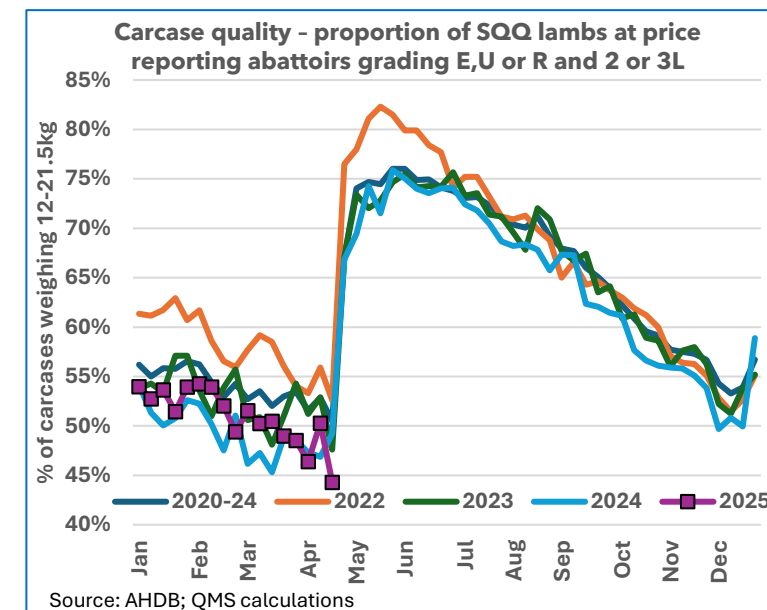
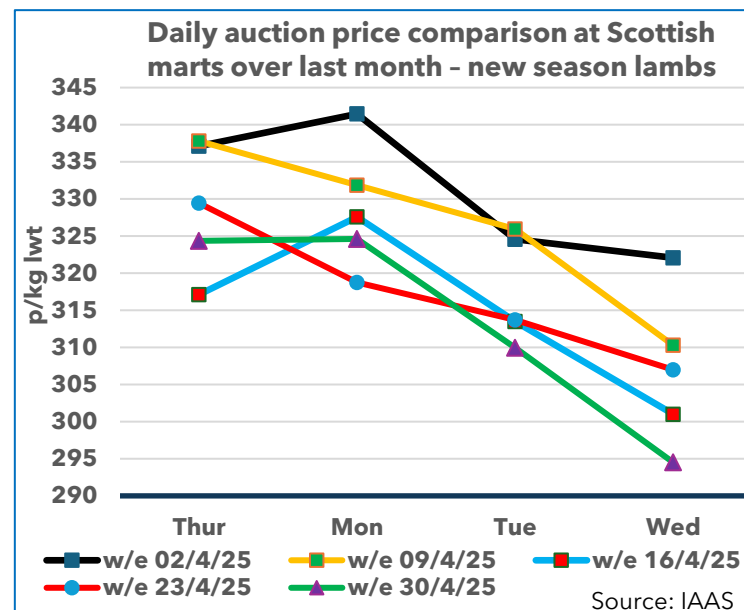
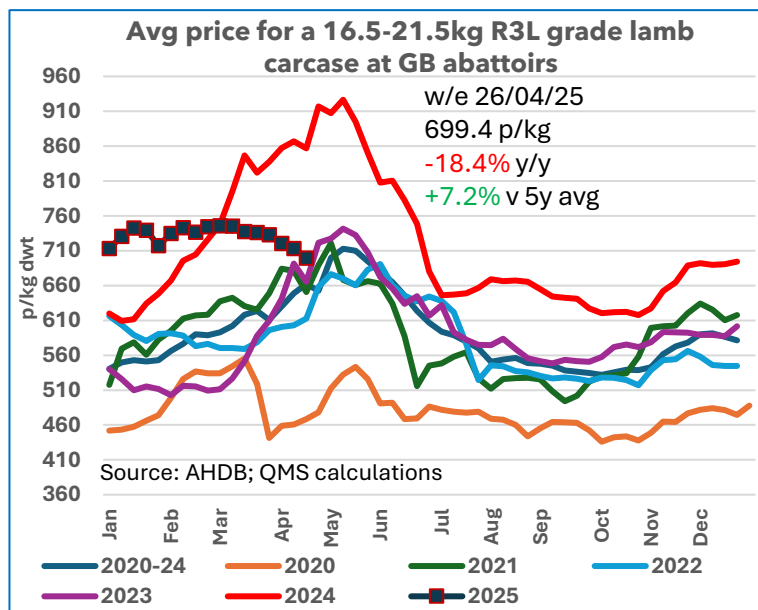
An increased carryover of hogs, heavy carcasses and weaker demand have combined to result in softer lamb prices around Easter this year. Though failing to match the highs of spring 2024, prices remain historically firm.



An increased carryover of hogs and softer demand resulted in a more stable price trend in the first quarter with limited increases at Ramadan followed by lower price levels in April. High throughput then prevented a price uplift for Easter and prices failed to rebound when auction throughput fell back in the second half of April. New season lambs averaged 50p/kg higher than old season in the final week of April. Early sales data has signalled a reduction in prices of around 10% for hogs and 5% for new season lambs at the start of May.

An increased proportion of heavy carcasses on the market may also have had some influence, potentially as higher consumer prices per kilo and increased product sizes combine to price some customers out of the market. Though failing to match the highs of spring 2024, prices remain historically high for the time of year.

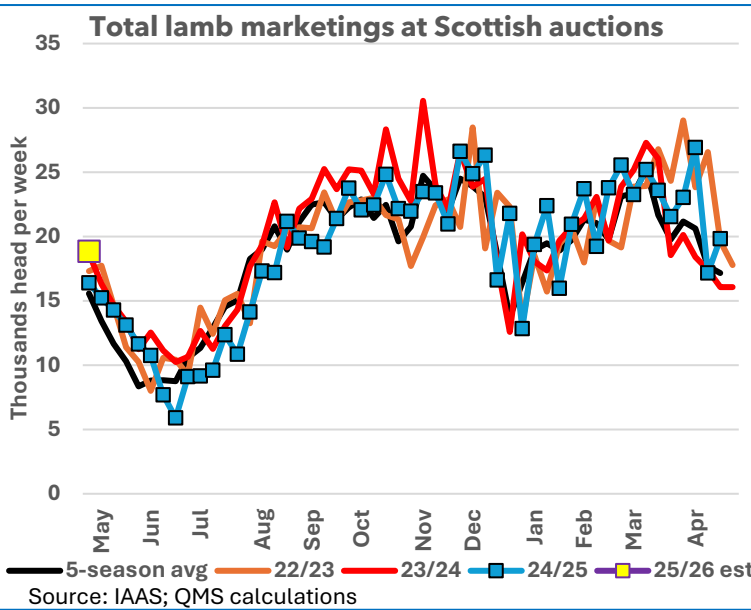
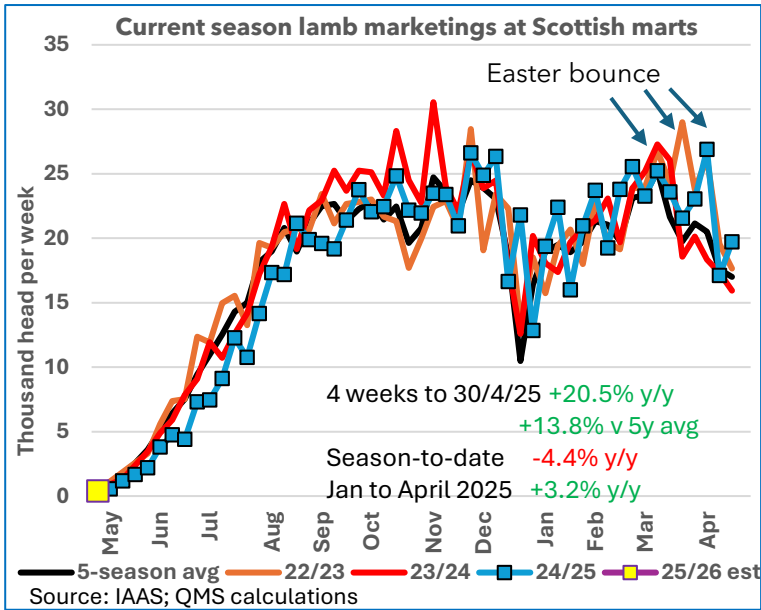
GB deadweight prices have also fallen in April, and historical comparisons have remained similar to those of the Scottish auction trade.



Charts based on old season lamb prices from January to April and new season lambs from May to December

# Availability and slaughter

An increased carryover of hogs has been reaching Scottish auctions and this plus the later Easter means that numbers have been sharply higher in April than in 2024. While numbers are set to tighten seasonally in May and June, they could continue to run higher than in 2024

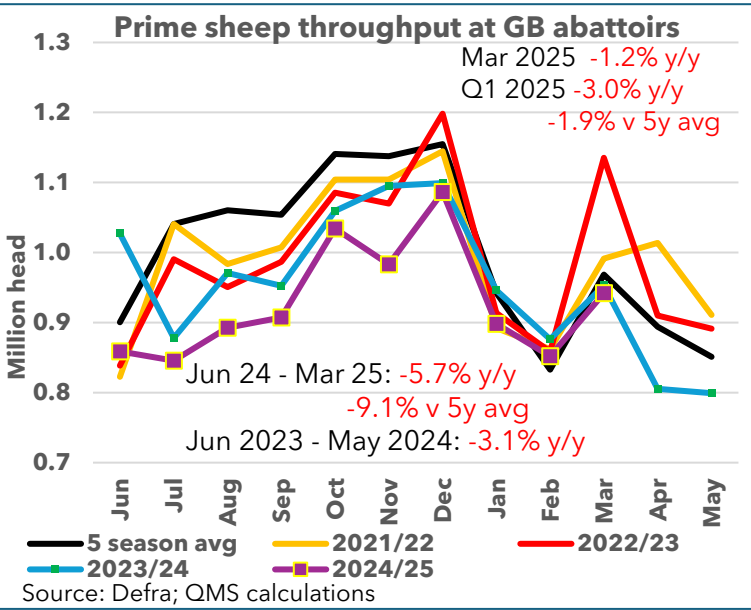
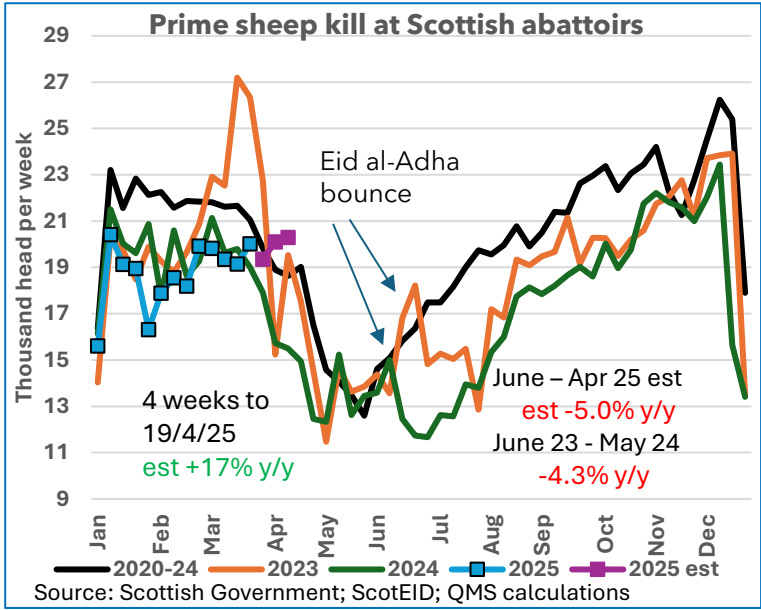


An increased carryover of hogs combined with the later Easter to push auction throughput sharply higher in April than in 2024. While the number of hogs sold at Scottish marts has exceeded year-earlier levels in the first third of 2025, the season-to-date total has continued to trail 2023/24.

Meanwhile, GB abattoir slaughter continued to trail 2024 levels throughout Q1, although a smaller decline in March is likely to have been an increase after adjusting for Easter, and a rebound is expected to have occurred in April.

At Scottish abattoirs, lamb slaughter had a subdued start to 2025 but it did pick up around Easter.

Looking forward, while numbers are set to tighten seasonally, they could continue to run higher than in 2024. Eid al-Adha runs from June 6-10. While a favourable spring lambing could support this year's lamb crop, dry conditions may slow their arrival on the market.



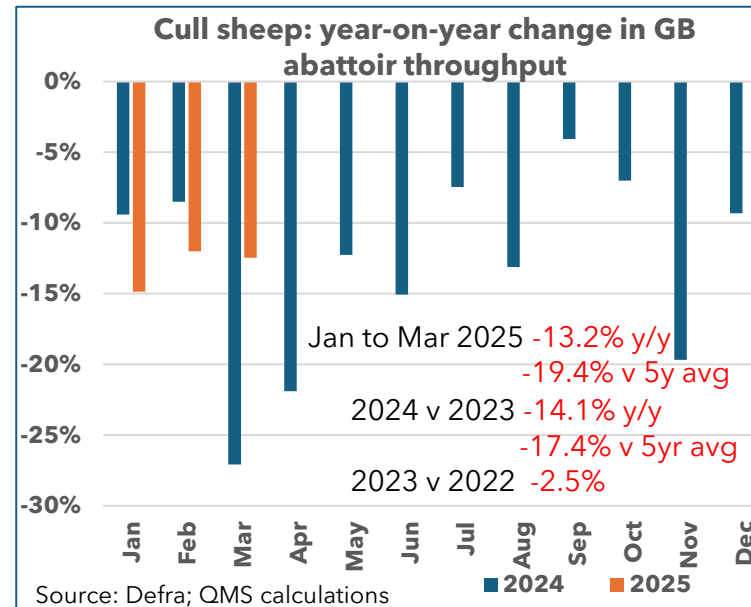
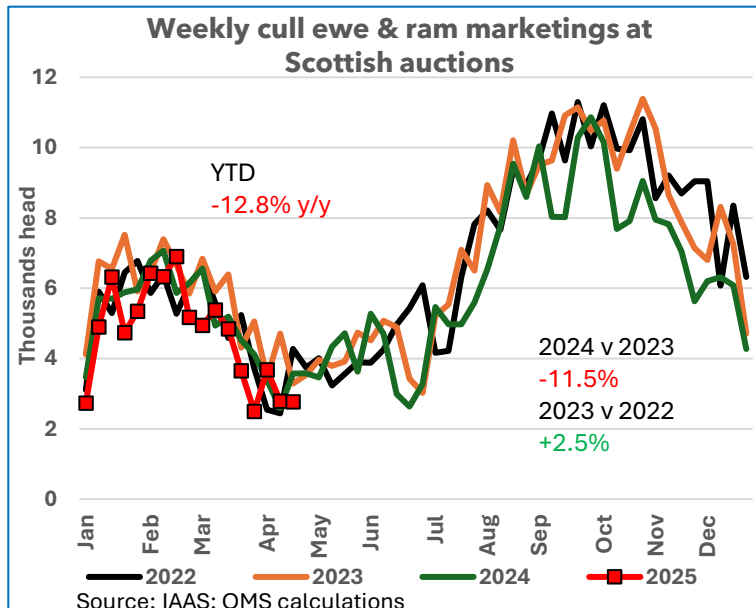
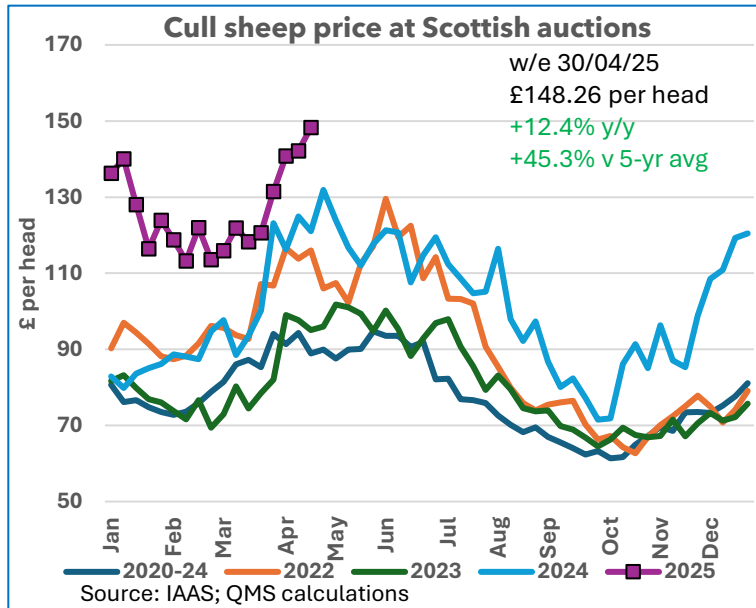
Latest Census Results – Scotland, England & Wales (% change y/y)			
June 2024 – Scotland, England and Wales			
	Sco v 2023	Eng v 2023	Wal v 2023
Ewes for further breeding & slaughter	-2.3%	-4.7% y/y	-0.8%
New season lambs	-1.6%	-3.1% y/y	+2.6%
December 2024 – England			
	Sco v 2023	Eng v 2023	Wal v 2023
Total female breeding flock	na	-4.7% y/y	na
Lambs	na	+3.5% y/y	na

Source: Defra; Scottish Government; Welsh Government; QMS calculations



# Cull sheep market

Cull ewe prices have been high relative to prime sheep prices in spring 2025, reflecting a further sharp reduction in auction throughput this year. Mutton's more affordable price point may have given some support to demand.



Cull ewe prices have shown a sharp seasonal uplift in April, reflecting the annual low point for production.

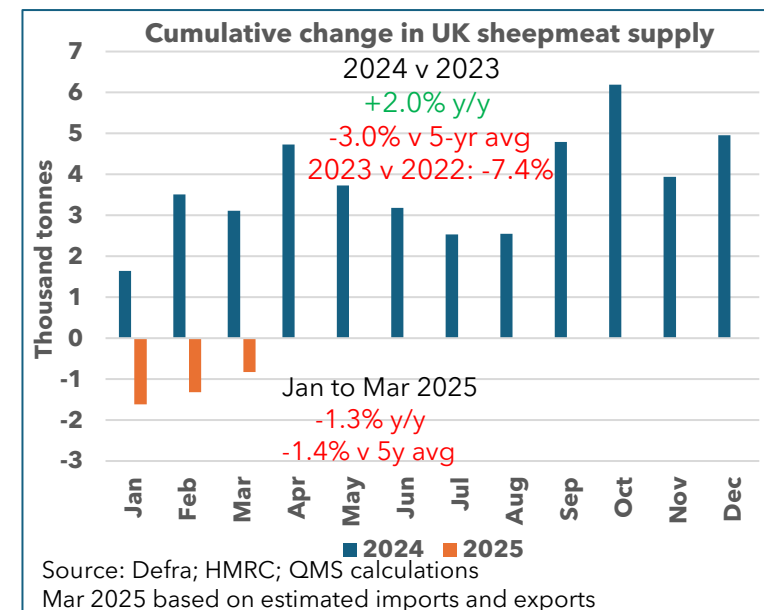
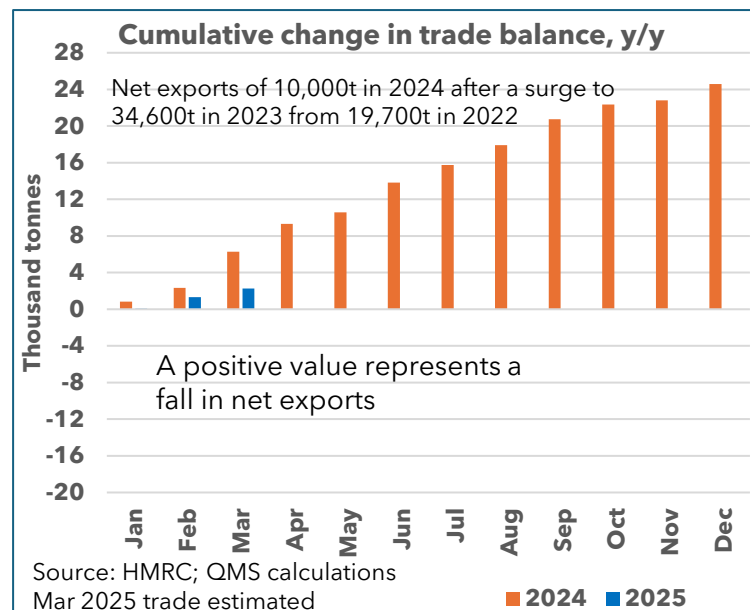
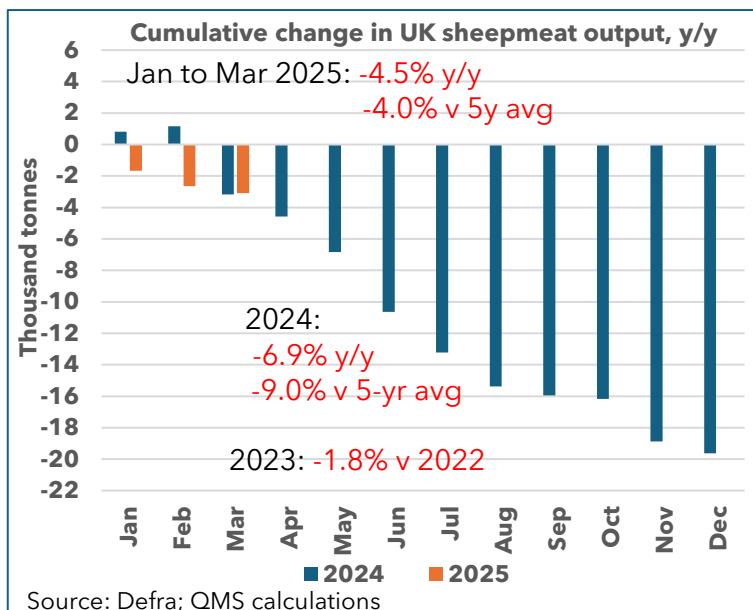
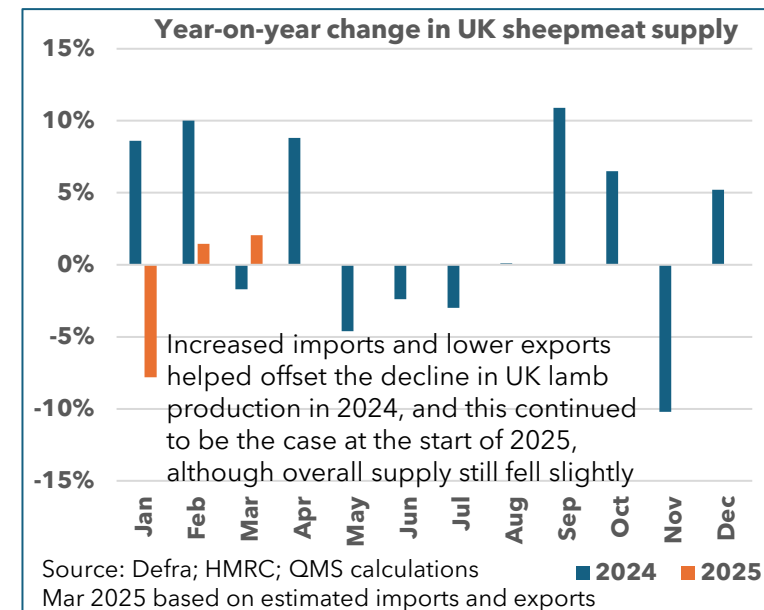
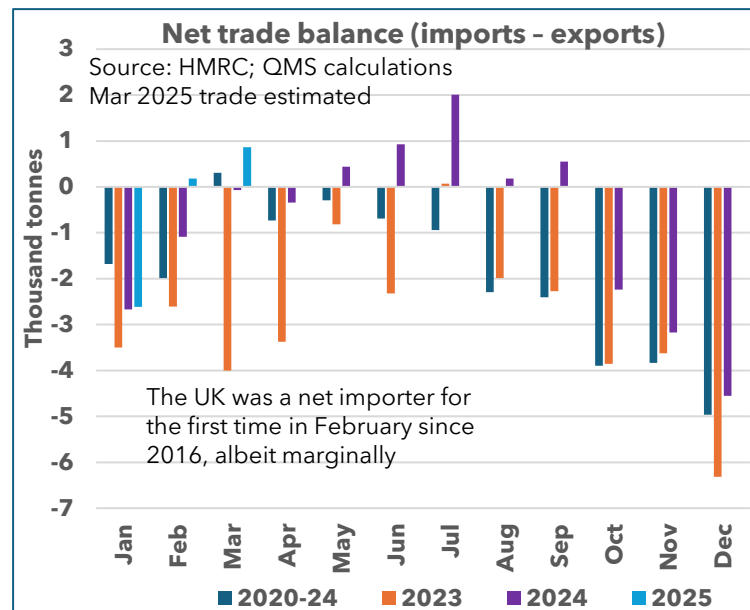
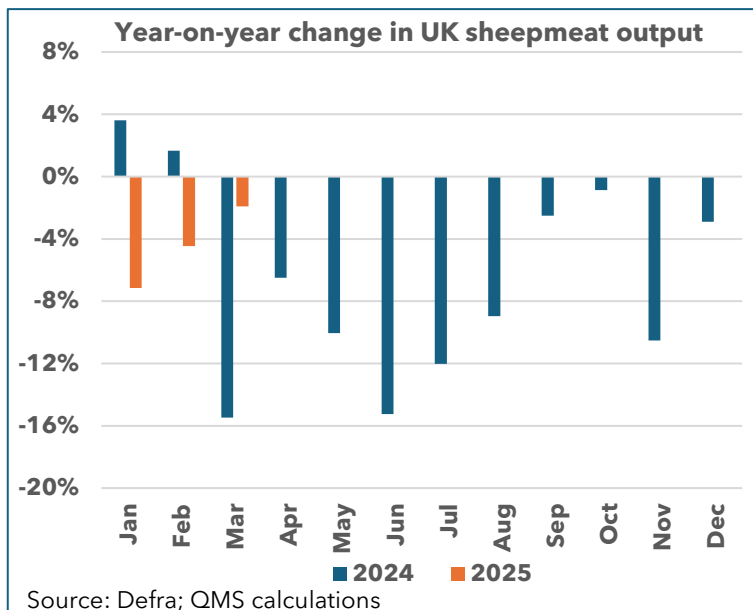
Meanwhile, ewe prices have been high relative to those being paid for prime lamb in spring 2025. As well as a further sharp reduction in slaughter this year, lower per kilo prices for mutton than for prime sheepmeat may have also given some support from the demand-side, with a more affordable price point appealing in some segments of the market.

While the scale of the fall in slaughter points towards flock rebuilding, England's December census results signalled a sharp reduction in the ewe flock.

After a short-lived period of expansion in 2024, abattoir throughput of ewes has returned to a very low level relative to availability in Scotland this year.

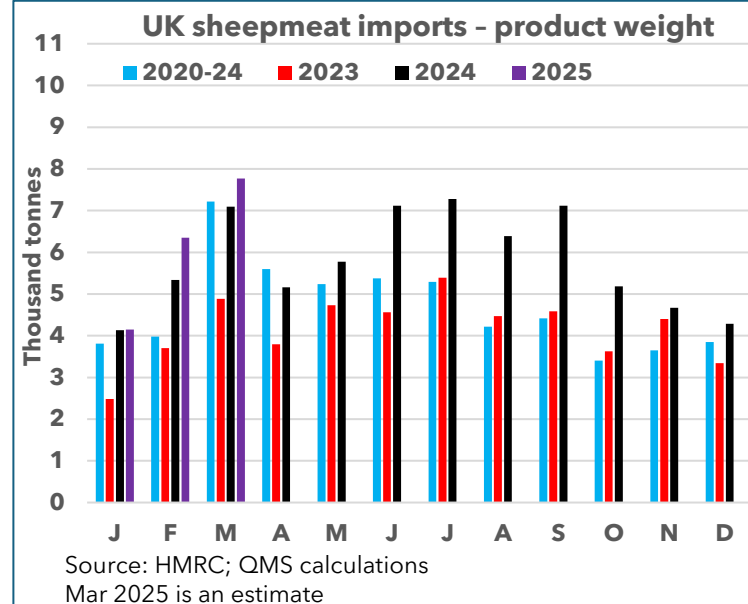
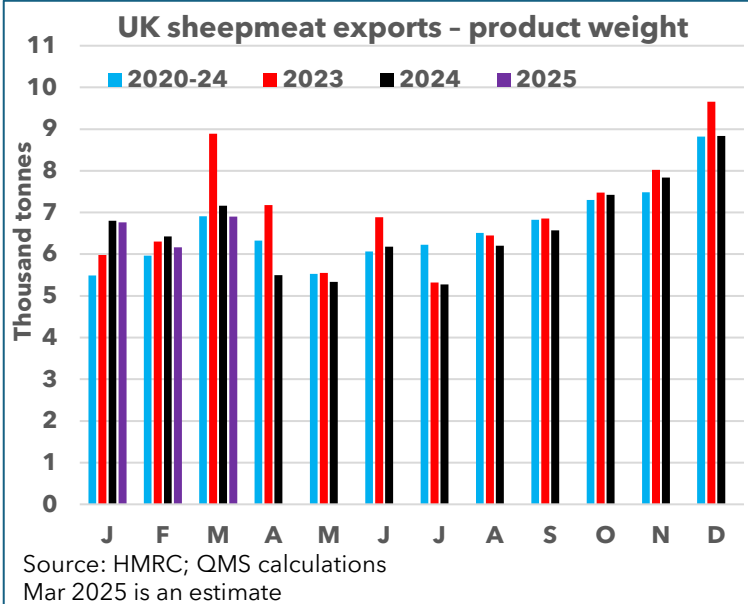
# UK sheep market supply

domestic production + (imports – exports) = supply



# UK international trade

Export sales continued to look historically firm at the start of 2025 despite reduced domestic production, as exports rose as a share of output. Import volumes continued to show significant year-on-year increases at the start of 2025 despite reduced production in New Zealand.



UK sheepmeat exports came close to matching early 2024 levels at the start of 2025 (-2% y/y in the first two months) despite lower domestic output, as a higher share of output was exported. In addition, exports held above the five-year average (+13%). A tight EU market and attractive export margins are likely to have supported export activity.

UK sheepmeat imports showed a strong seasonal uplift between January and February, likely reflecting extra demand for Ramadan, and volumes continued to rise strongly on a year earlier, up 11% across the first two months and at a seven-year high for the period. Meanwhile, they exceeded the five-year average by more than a third.

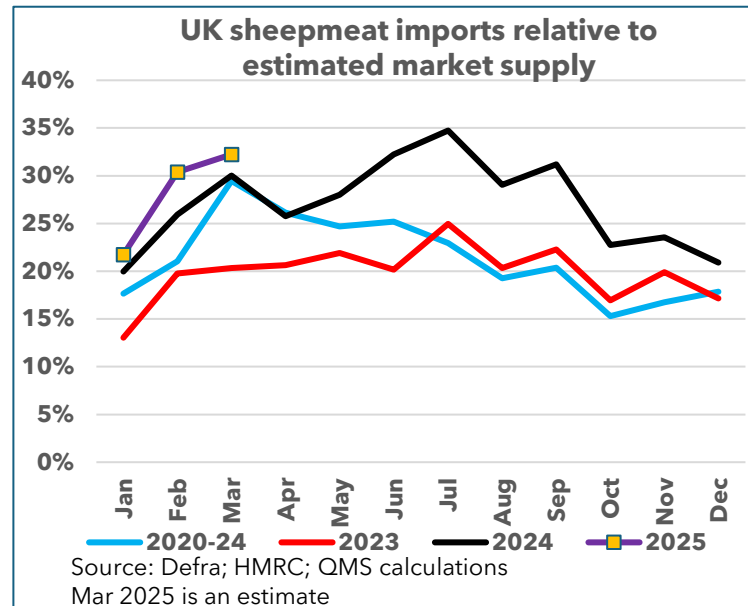
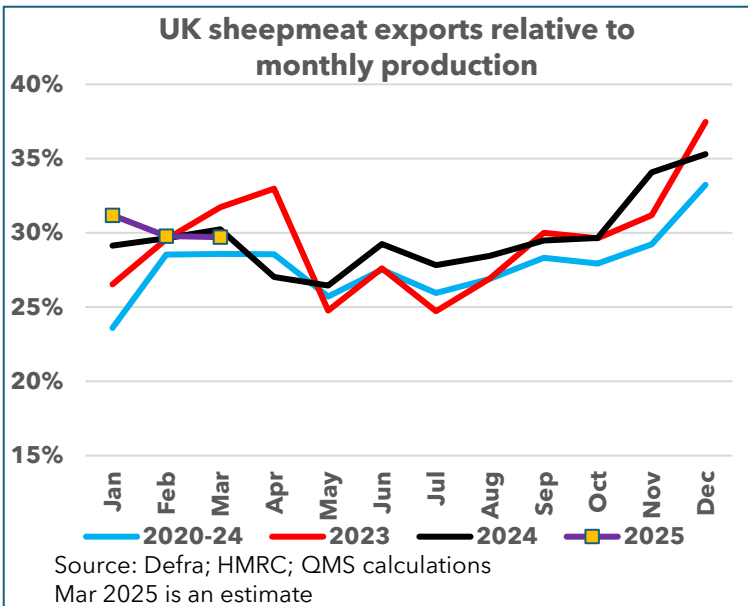
Although highly competitive prices in Australia and New Zealand supported import demand, import prices have rebounded significantly, averaging 23% higher than in the first two months of 2024 from NZ and 34% higher from Australia. Imports from both countries were up 16% year-on-year in the opening two months, with around 6,300t arriving from NZ and 2,700t from Australia.

Higher imports due to the Free Trade Agreement with Australia remain a long-term downside pricing risk, especially at times of increased domestic output, although it should be noted that NZ lamb production has been trending downwards.

Note:

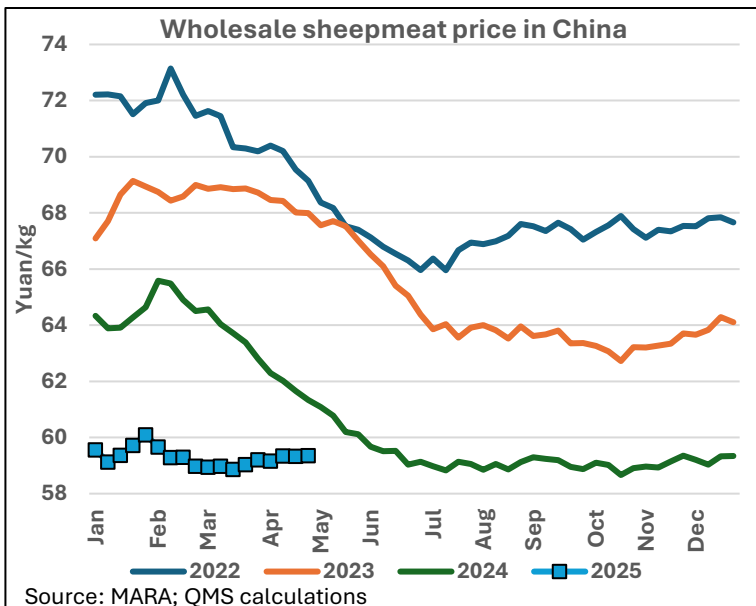
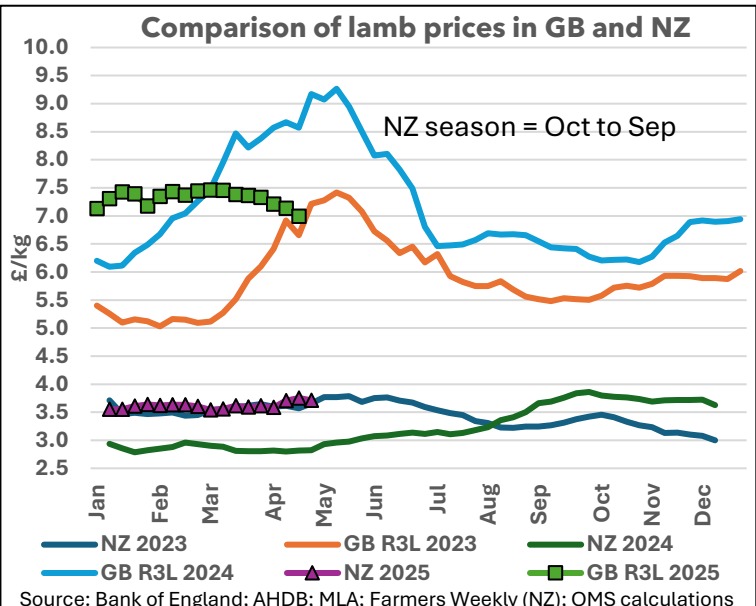
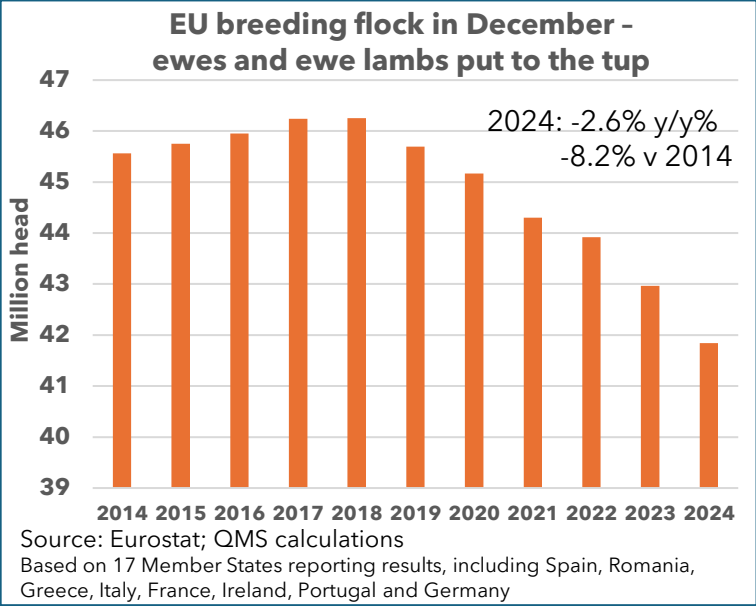
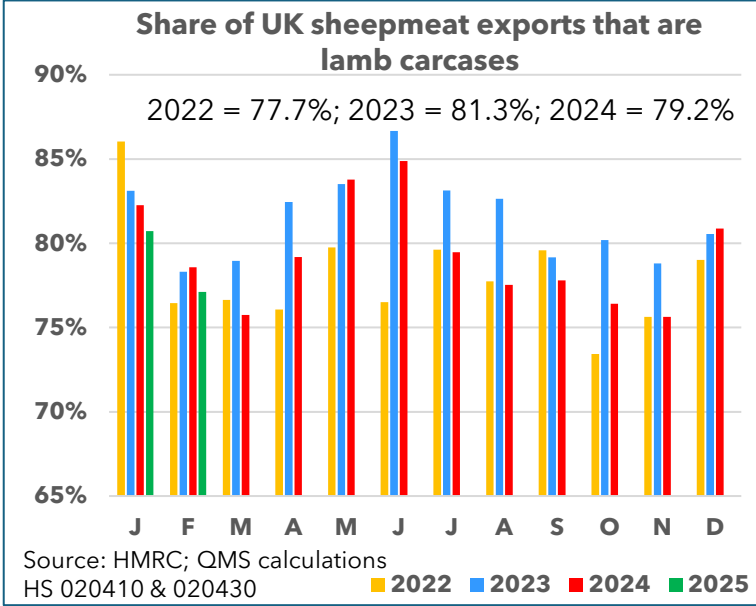
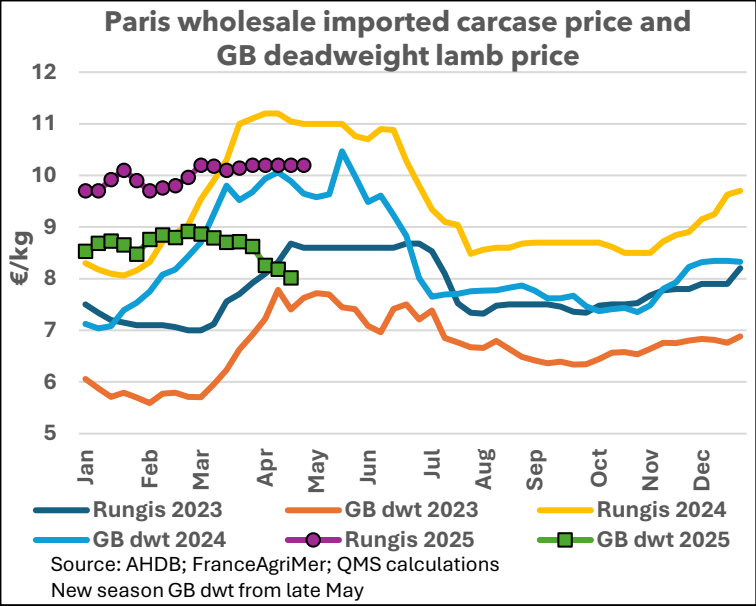
HMRC trade data covers HS codes 0204 (fresh or chilled & frozen sheep and goatmeat)

Estimates for March 2025 are based on seasonal trends in trade volumes and domestic production



# Variables influencing international trade

Wholesale prices in France for GB lamb have been stable since the beginning of Ramadan despite the fall in farmgate prices, signalling some demand-side strength. As a result, export margins have risen. Despite price increases this year, lamb produced in Australia and NZ remains highly competitive, supporting UK import demand along with the historically tight domestic market. A sharp fall in NZ production this season and Australia moving towards the top of its production cycle have not slowed imports at the start of 2025 and it remains to be seen if there is any diversion of product away from the US following the introduction of a 10% tariff.

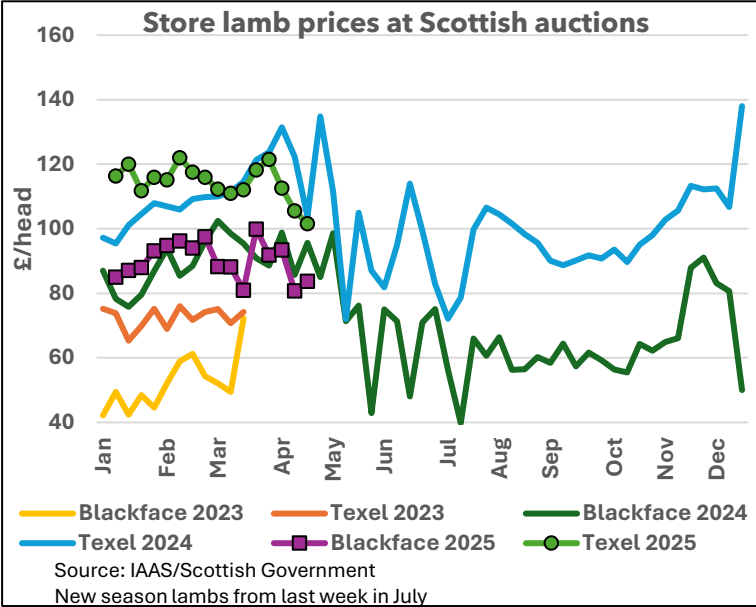
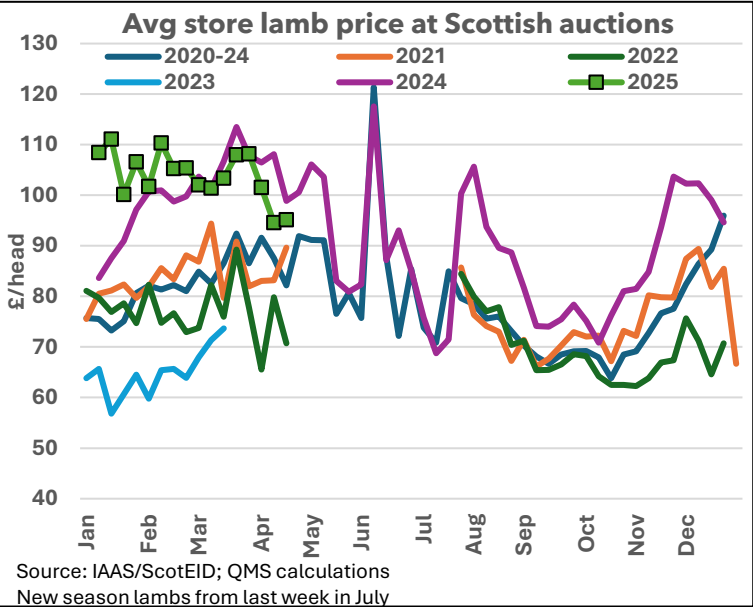


Oceania lamb production forecasts					
	2022	2023	2024	2025	25 v 24
Australia: September 2024 Industry Projections (thousand tonnes)					
Sheepmeat production	710	849	915	924	+1%
Sheepmeat exports (product weight)	428	536	582	589	+1%
New Zealand: Lamb Crop Report, December 2024 (head)					
	2023/24		2024/25		y/y change
Ewes to ram	14.80m		14.37m		-2.9%
Total lamb crop	20.24m		19.16m		-5.3%
Export lamb processing	18.2m		17.0m		-6.5%
Source: MLA; Beef + Lamb NZ; QMS calculations					



# Store sheep trade

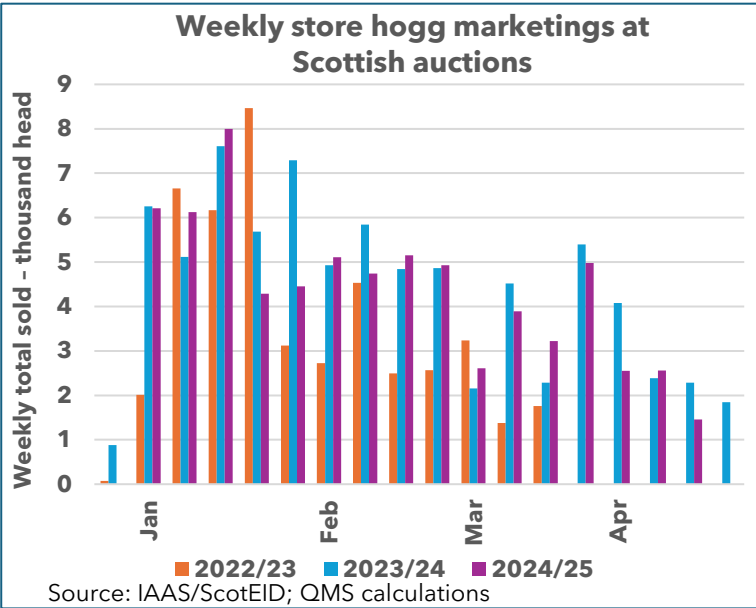
Store lamb values have followed finished prices lower in April but while lower than in 2024, they continue to look historically firm



Store lamb values have followed the market for finished lambs lower in April, pulling prices behind 2024 levels. However, they have continued to look historically firm, running around 15% above the five-year average.

In contrast to the finished lamb trade, store auction throughput has trailed 2024 levels.

Note: Prices may not be displayed between May and July due to small volumes and volatile prices; no data available for 2023 after w/e 25/3/23



Store lamb trade at Scottish auctions, 4 weeks to 26/4/25		
Category	Average	% change y/y
Overall average	£102.10	-3.7%
Blackface	£87.50	-3.5%
Cheviot	£106.20	+0.9%
Suffolk	£118.70	-1.9%
Texel	£112.20	-11.7%
Weekly average number	2,888	-18.3%

Source: IAAS/ScotEID; QMS calculations  
Prices rounded to nearest 10p

**QMS**  
Quality Meat Scotland



# PIG MARKET

## SUMMARY OF MARKET DEVELOPMENTS

### 01 Prices

- Pig prices have been showing a normal seasonal pattern in 2025, edging slightly higher since February as availability for slaughter has slipped back from its winter peak. In 2024, the traditional price upturn between spring and summer failed to occur, so the year-on-year decline has been slowing, and we could see year-on-year increases return by the summer if the normal seasonal trend was to continue. Prices have been running 15-20% above their five-year average and are estimated to have held slightly above the cost of production.

### 02 Slaughter numbers

- Slaughter figures from Defra point to a significant 4.5% year-on-year increase in the GB prime pig kill in Q1 2025, building on a 2% uplift in 2024 and fitting with an increase in slaughter prigs reported in England's December census. Elevated carcase weights added to the lift in production. However, the kill has continued to trail the five-year average.
- The number of pigs leaving Scottish farms for slaughter fell slightly from 2024 in the first quarter, but this didn't stop the Scottish abattoir prime pig kill from increasing by nearly 6% year-on-year, signalling favourable end-market conditions. After a dip in the weekly average kill at Scottish abattoirs in March, numbers have rebounded in April.

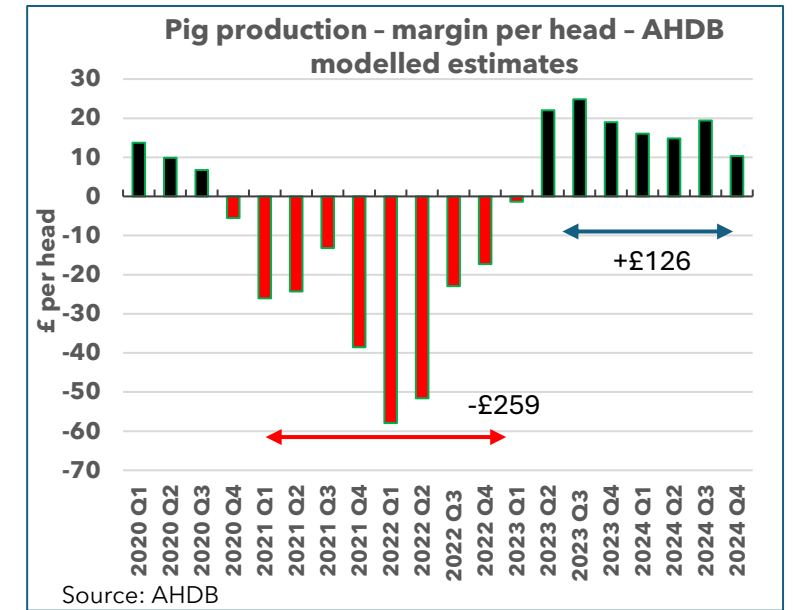
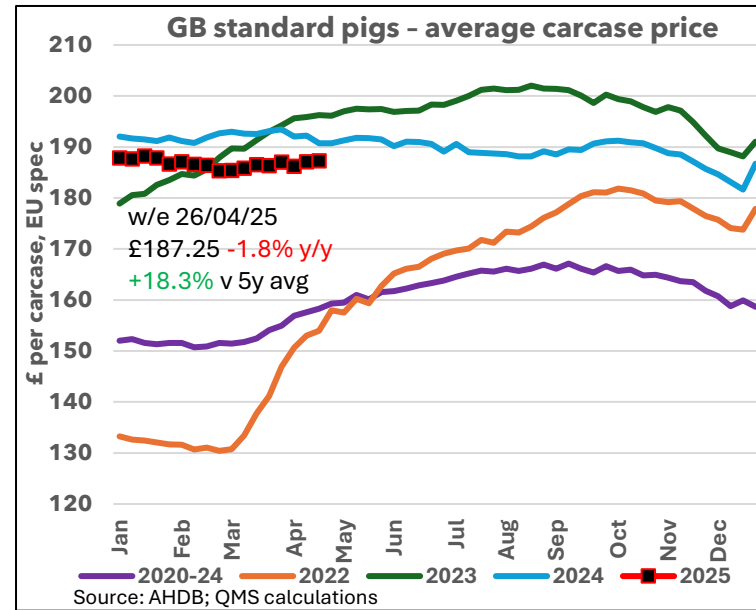
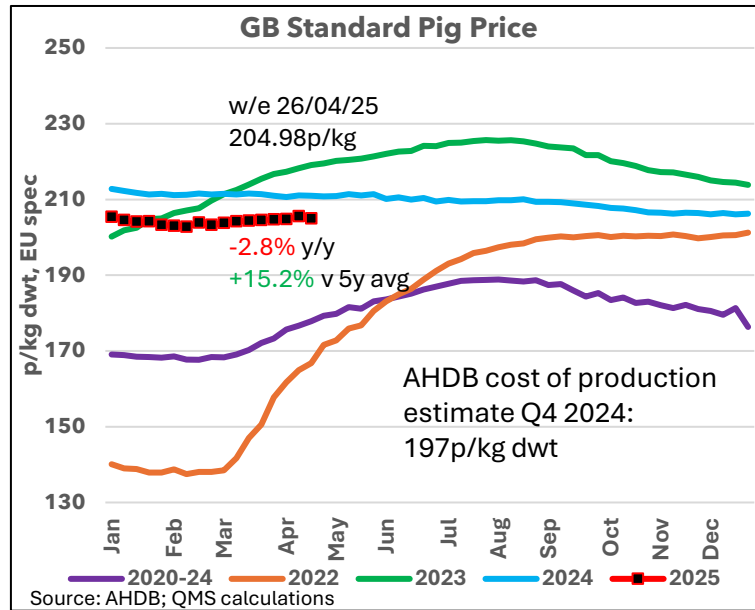
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
GB Standard Pig Price (SPP)	p/kg dwt, w/e 26 April	204.98p/kg	-0.59	+0.2%	-2.8%	+15.2%
Average carcase weight of standard pigs	Average in four weeks to 26 April, EU spec	91.68		+0.1%	+0.1%	+2.1%
Prime pig slaughter at GB abattoirs	Total during March 2025, thousand head	689.7		-1.1% (change in daily avg kill Mar v Feb)	+4.5%	-9.8%
UK pig market supply	Tonnes in Jan to Mar 2025 (estimate)	328,400			+4.3%	+0.8%

### 03 International trade and market supply

- UK pig market supply rose by around 4% in 2024 and further expansion occurred at the start of 2025 as domestic production increased and imports and exports were almost unchanged from 2024. Given this increase in supply, a normal seasonal pattern in farmgate prices points to some demand-side strength. In addition, while EU pig prices have shown a stronger seasonal upturn than GB prices this spring, narrowing the price gap, import prices fell at the start of the year and EU prices have still been 15-20% below GB levels in April without dampening the GB market.
- The USDA is now expecting a fairly stable global pigmeat supply in 2025 as Chinese production is expected to almost match 2024 levels rather than fall back. However, as important suppliers of pork to China, the UK and EU could benefit from lower US pork shipments into China this year.

# Farmgate prices – prime pigs

Slight seasonal upturn in producer prices, with the potential for year-on-year increases by the summer. Prices have held around 15-20% above the five-year average, supporting the slow recovery of producer finances.



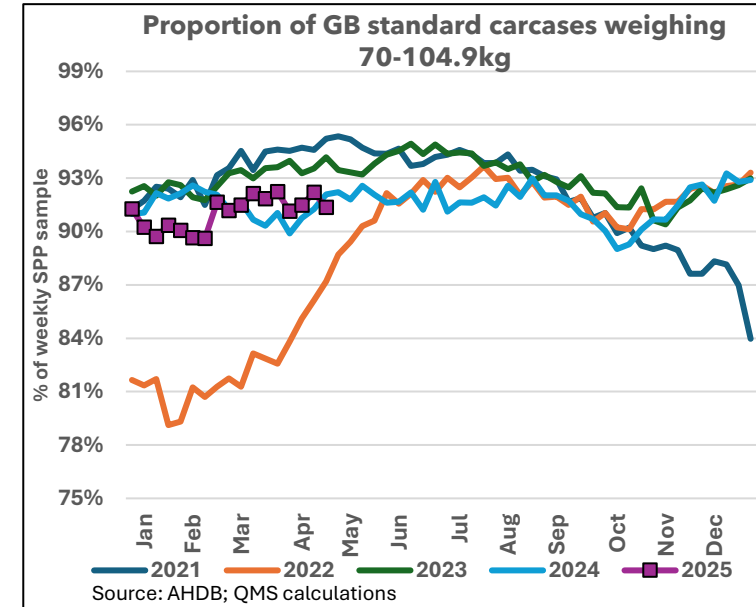
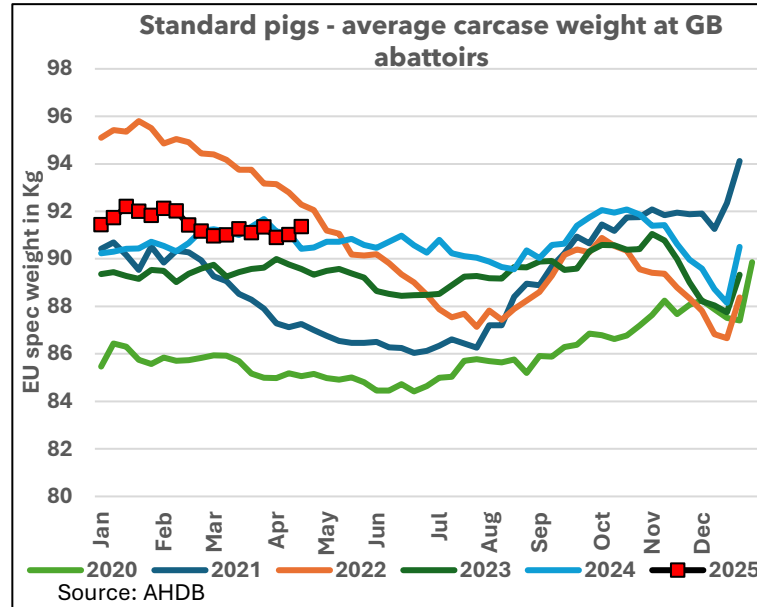
Pig prices have been showing a normal seasonal pattern, edging higher since mid-February. Carcase weights have stabilised at around 91kg in the SPP sample since the start of March following a seasonal reduction. This has meant that carcase prices have edged higher in line with the price per kilo. In 2024, the traditional price upturn between spring and summer failed to occur, so the year-on-year decline has been slowing, and we could see year-on-year increases return by the summer if the normal seasonal trend was to continue. While leads over the five-year average have slowed a little, reflecting the market rebalancing higher in spring 2022, they remain considerable, at 15-20%.

The current combination of farmgate prices and feed costs is likely to be supporting recovery in producer finances from the period of substantial losses in 2021/22. However, the scale of past losses means that producer confidence remains relatively weak, limiting the potential for any expansion of production.

Please note: pigs owned by processing companies excluded from deadweight price reporting; merger of major marketing groups has prevented the APP from being reported since w/e 11/1/25.

# Indicators of market disruption

Carcase weights dipped seasonally between February and March and have remained relatively stable in April, converging with last year's surprisingly high spring weights but with a smaller proportion of heavy pigs on the market.

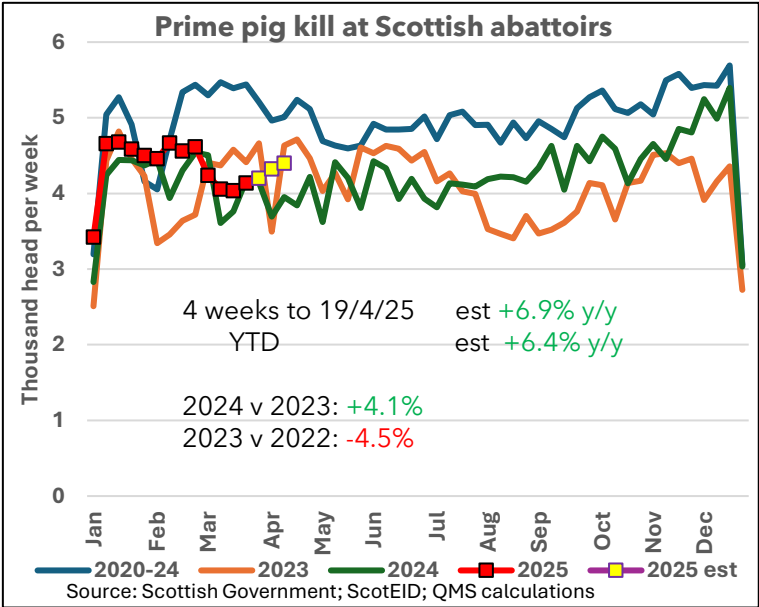
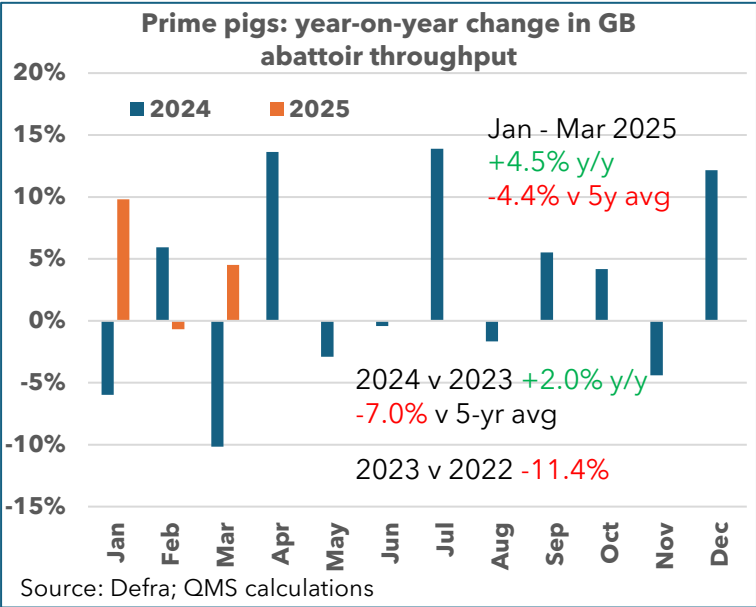


Carcase weights in the SPP sample dipped seasonally between February and March, with fewer heavy carcasses on the market. Through March and April, weights have settled in a range around 91kg, down from around 92kg at the start of the year.

Interestingly, while average weights have been similar to 2024, this has been achieved with a slightly lower proportion of heavy carcasses, suggesting some increase in weights within the target weight range, which is potentially an indication of increased productivity. However, the share of heavy pigs has remained elevated when compared to spring 2022 and 2023.

# Availability and slaughter

England's December census results pointed to the potential for a significant expansion of domestic production this year, and this is showing up in Defra's slaughter data. A dip in the number of pigs leaving Scottish farms for slaughter hasn't prevent a continued year-on-year increase in slaughter at Scottish abattoirs.

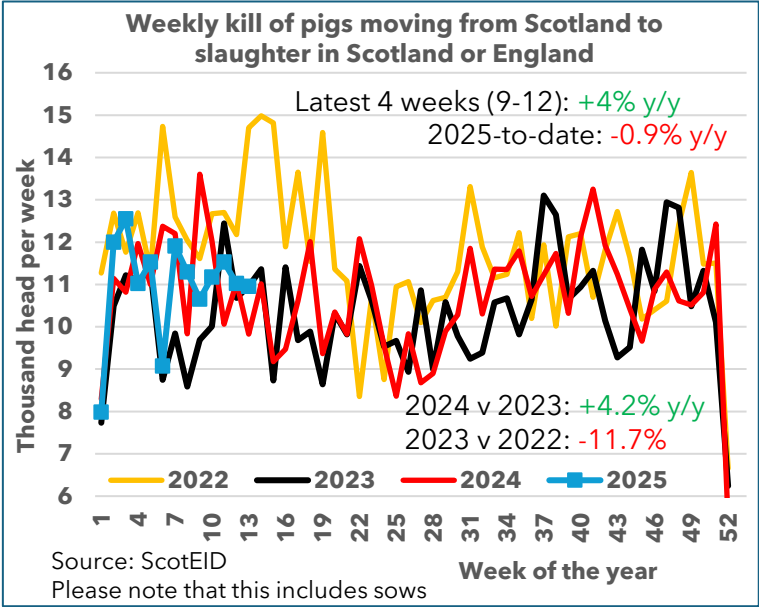
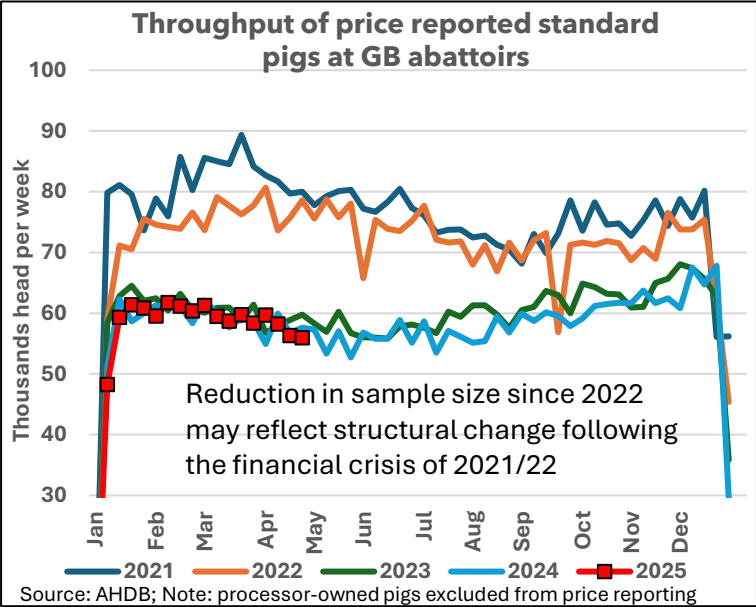


GB abattoir throughput showed a small rebound in 2024 and this trend had been expected to continue in 2025 given the continuing favourable balance between farmgate prices and input costs. However, December census results for England signalled the potential for a more significant increase in domestic production this year.



Weekly availability for slaughter has been easing back seasonally through the spring.

In Scotland, the number of pigs leaving Scottish farms for slaughter rose by around 4% in 2024, and this pattern held at the start of 2025. However, this changed in February, with the number leaving Scottish farms falling sharply, before rebounding again in March. Slaughter data from ScotEID for 2024 contradicted the June census results which signalled the potential for a significant contraction of pig production in Scotland.



Slaughter at Scottish abattoirs has increased this year and after a dip in the weekly kill in March, numbers have rebounded in April.

Latest Census Results – Scotland and England		
	Sco: June 2024 v 2023	Eng: Dec 2024 v 2023
Female breeding herd	-7.9% y/y	+8.1% y/y
Fattening pigs	-7.7% y/y	+8.5% y/y

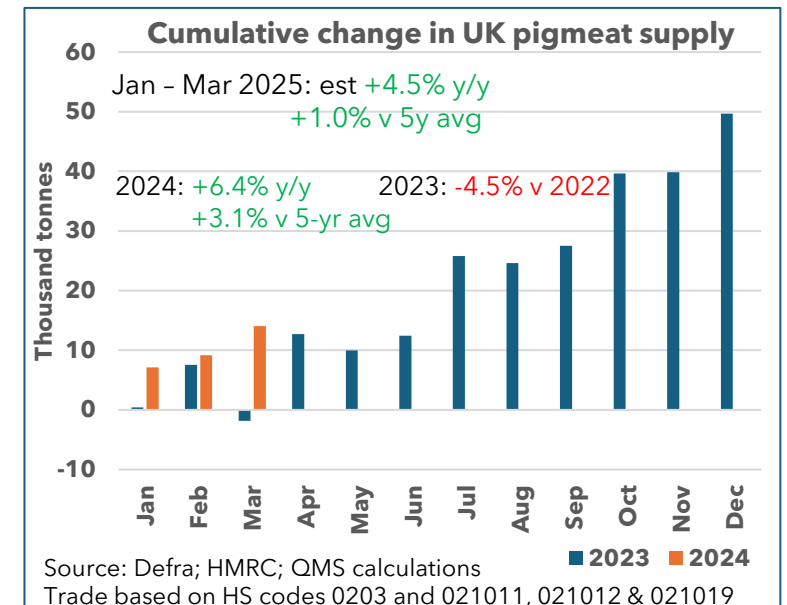
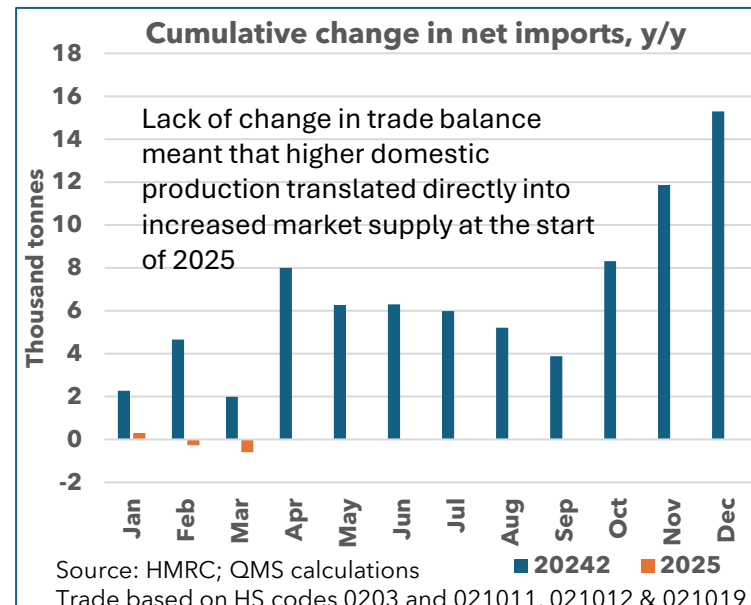
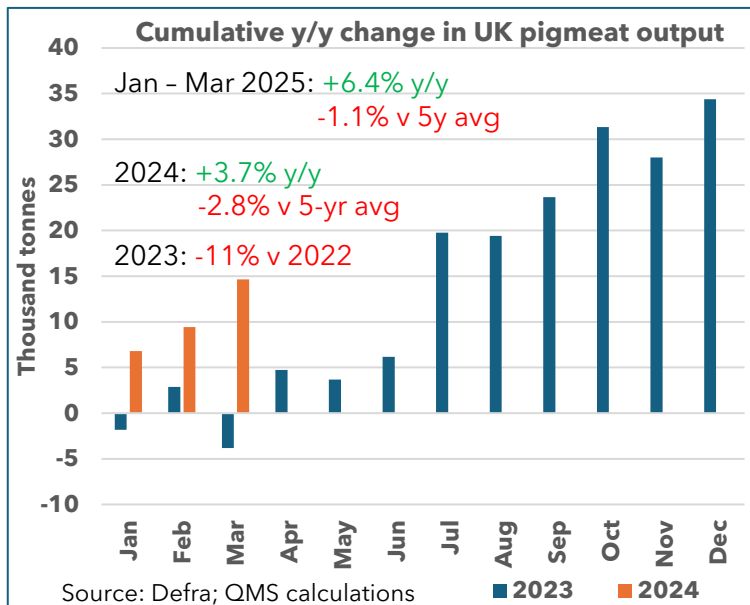
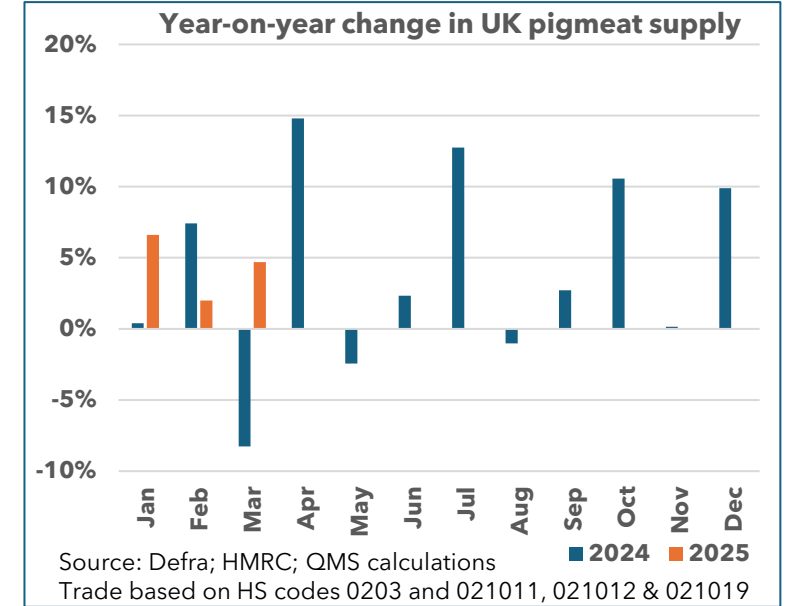
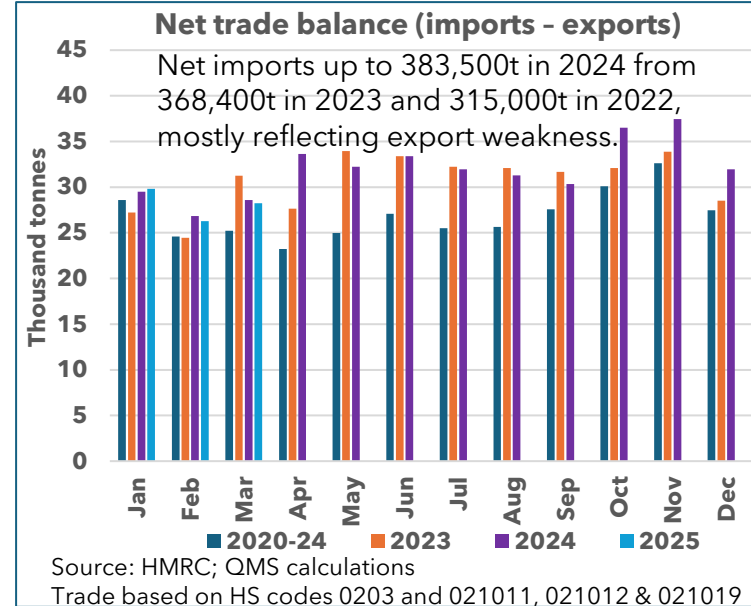
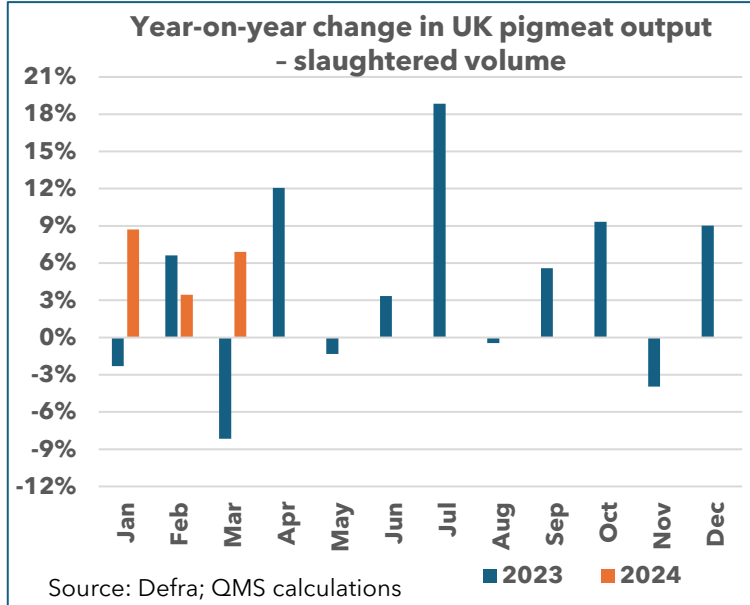
Source: Defra; Scottish Government



# UK pigmeat market supply

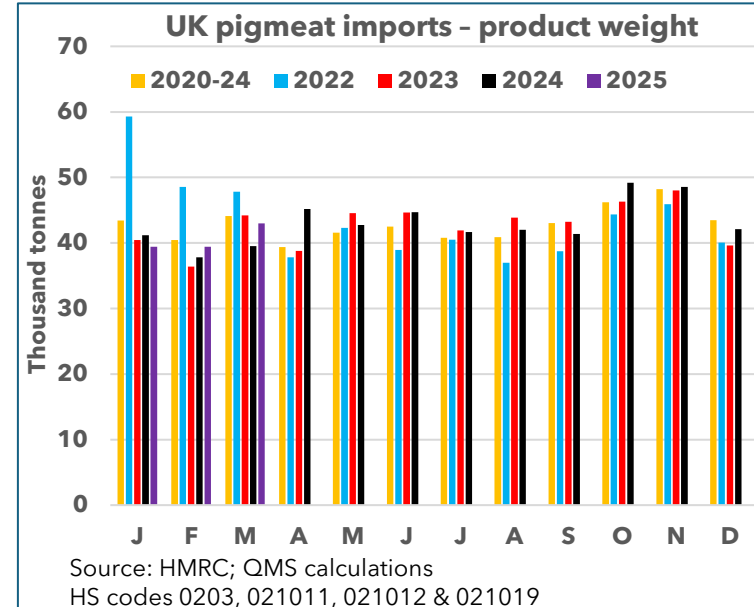
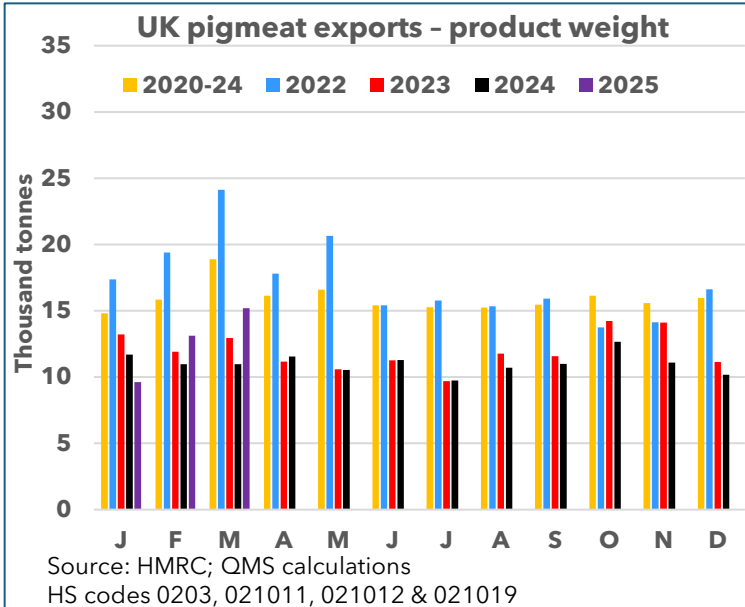
domestic production + (imports – exports) = supply

Trade balance and pigmeat supply calculations based on estimated imports and exports for March 2025



# UK international trade

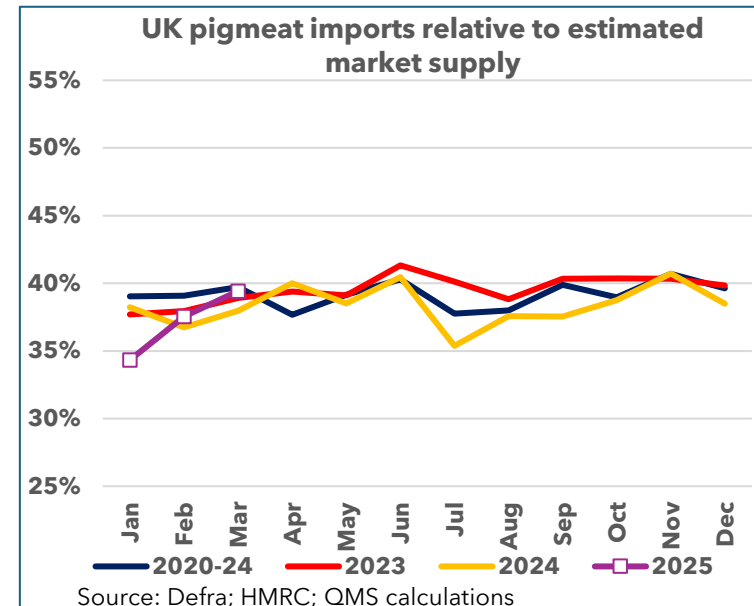
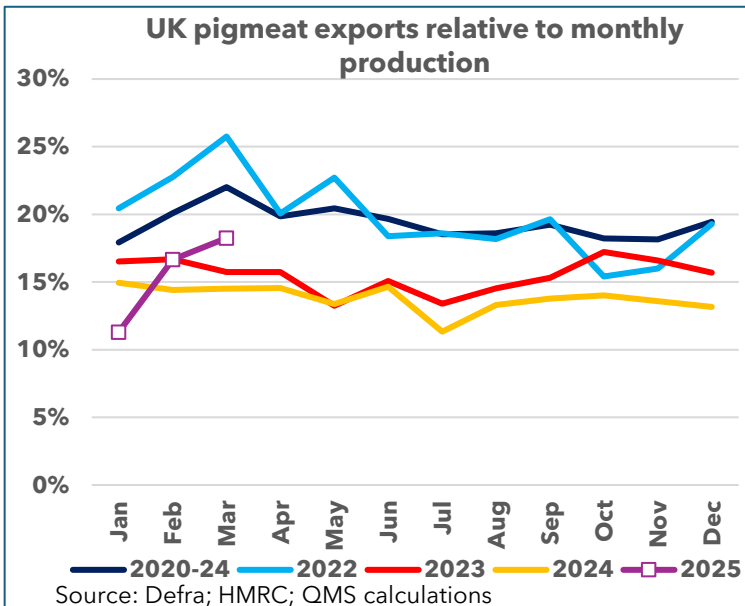
Tentative signs of some export recovery in February while imports continued to trail the five-year average despite highly competitive EU pork prices.



UK pigmeat exports continued to show historically soft performance in January, with the volume shipped at the lowest monthly level since 2009. However, there was a considerable rebound in February, reaching a 15-month high, and moving the year-to-date total into marginal growth.

UK pork exports (HS 0203) to the EU rebounded in February to run 11% higher than last year, taking the year-to-date total up nearly 4%.

Pork exports to non-EU sources were even more volatile, dipping 30% year-on-year in January before rising by a third in February to bring the year-to-date total in line with early 2024 (HS 0203). China showed a slightly smaller reduction in January, followed by a steeper rebound in February, taking volumes up 14% year-on-year across the two months; though sales still trailed their 2020-22 average by nearly half.



It was a similar story for UK pigmeat imports, starting the year trailing 2024 in January before a February uplift took year-to-date volumes slightly ahead of last year. This was true for both pork (HS0203) and bacon & ham (HS0210).

Note:

HMRC trade data used here covers HS codes 0203 (fresh or chilled & frozen swine meat) & 021011, 021012 & 021019 (bacon & ham – ‘salted, in brine, dried or smoked’).

Trade data for Mar 2025 is estimated






# ECONOMIC DEVELOPMENTS

- While relatively stable over the past year, commodity prices remain elevated above pre-covid levels, resulting in higher cost bases for businesses to manage. Volatility in US trade policy and exchange rates have the potential to drive volatility in commodity prices in 2025, with a lower US dollar potentially softening input cost pressures.
  - According to the ONS, average earnings growth ran at 5-6% over the winter, remaining above inflation, supporting disposable incomes. Food retail underperformed non-food in 2024 and this appears to have continued into 2025, potentially reflecting the recovery in disposable incomes.
  - GB retail meat trading conditions appear to remain firm overall with spending rising strongly. However, inflation rates have also accelerated, acting to balance out strong demand and relatively tight supply. Lamb sales have made a softer start to 2025, falling back after a strong 2024, with signs of resistance to further price inflation.
- 
- Business surveys suggest that private sector activity growth is minimal and that companies have cut staffing levels due to weak demand and rising employment costs. However, this is yet to be picked up by the ONS labour market survey, which is pointing to a more stable level of employment with little slowdown in pay growth.
  - Weakness in consumer confidence continues to reflect pessimism around general economic conditions, likely influenced by the media, with a more balanced picture around personal finances. Nevertheless, financial market volatility in April fed through to a dip in confidence in both the wider economy and personal finances.

# US Import Tariffs

High degree of uncertainty around potential impacts, but it could result in lower input costs and new export opportunities for UK exporters

- Highly uncertain and fast-moving situation – some tariffs have been suspended, removed or reduced, and so many variables at play
- Potential impact on US imports and displacement
  - Higher import prices could have different impacts in different markets with different levels of price sensitivity, but US markets are tight and prices may not fully rebalance in line with tariffs if the supply chain takes a squeeze on its margins – initial additional 10% tariff on all imports
  - Products traded with Canada and Mexico under the USMCA trade agreement are unaffected
- Retaliatory measures against US exports and displacement
  - Surge in Chinese tariffs on US beef and pork likely to push prices to prohibitive levels and US site approvals have expired, potentially ending their market access
  - Potential opportunities for exporters where the lack of US imports leaves a gap in the market, but it could lead to increased competition where the US diverts product to
- Impact on exchange rates
  - Weaker dollar makes imported inputs to the UK cheaper but potentially reduces export margins in global market and could make US exports cheaper in markets product is diverted to from China and
  - Weaker dollar potentially softens US import demand by pushing up import costs over and above any impact from tariffs
- Impact on inputs as well as meat – supply and prices, and import cost
- Impact on supply chains if significant displacement occurs – it takes time for shipping routes to change and for port capacity to rebalance
- Impact on US economy and consumer demand – if the US economy was to slow as a result of the trade shock and the hit to consumer confidence, meat demand could soften



Reciprocal Tariffs

Country	US Tariff	Foreign Tariff
China	37%	14%
European Union	26%	20%
India	58%	45%
Japan	44%	32%
South Korea	26%	24%
UK	52%	25%
Thailand	20%	25%
Philippines	22%	26%
Indonesia	81%	31%
Malaysia	64%	30%
Canada	47%	24%
United Kingdom	57%	49%
South Africa	10%	10%
Brazil	65%	38%
Argentina	20%	30%
Singapore	24%	37%
Israel	18%	18%

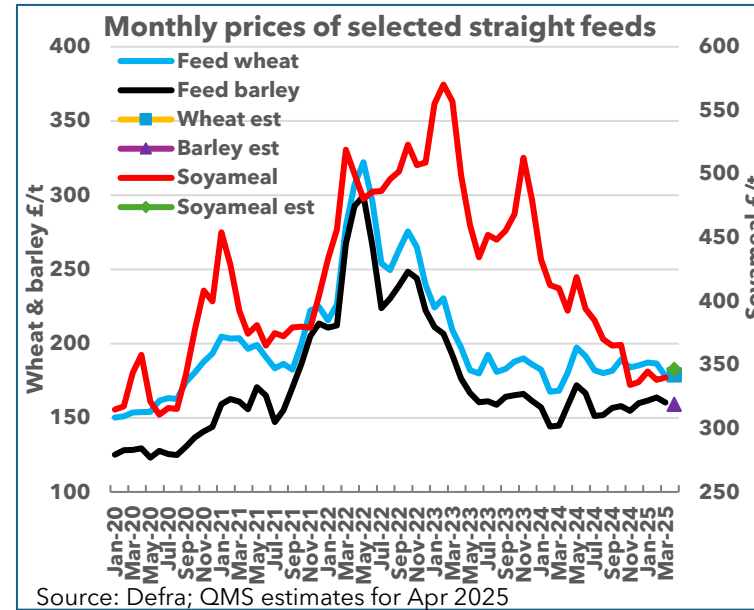
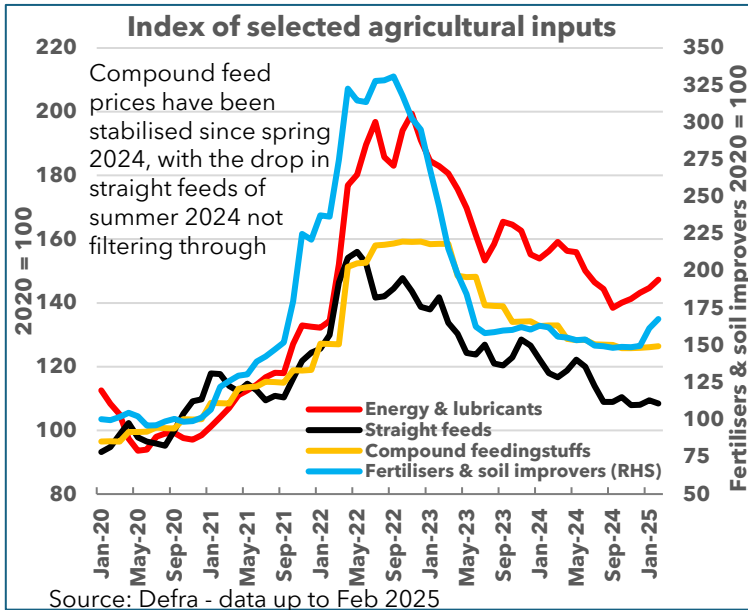
Source: BBC





# Production costs and by-product revenues

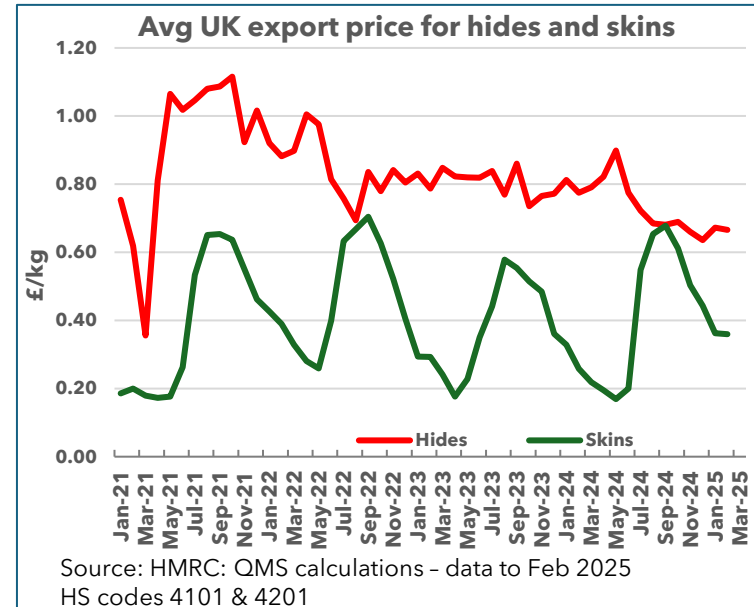
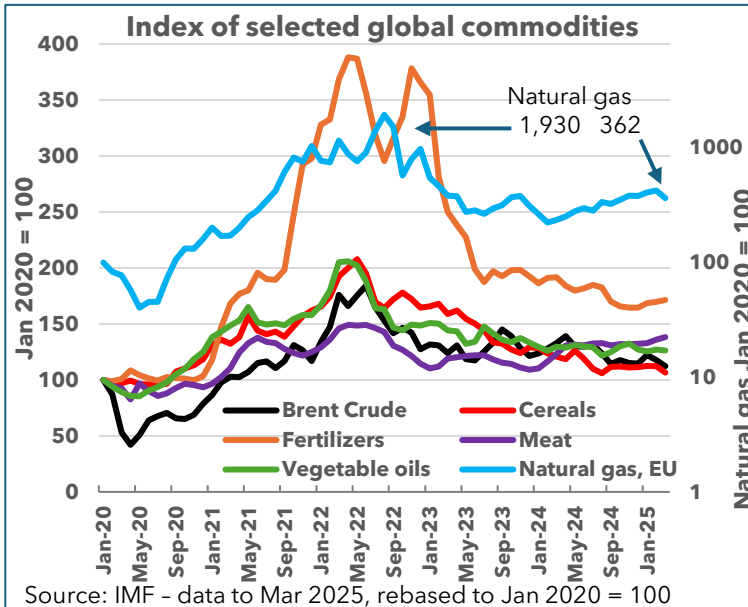
While most of the Ukraine war price shocks have unwound, input costs are still above pre-covid levels. US trade policy has the potential to generate significant volatility this year, including through the exchange rate channel.



Commodity prices generally trended slightly downwards in 2024 and most of the Ukraine war price shocks unwound, while conflict in the Middle East had a surprisingly limited impact on commodity values, with smaller risk premia than in the past.

Nevertheless, while relatively stable over the past year, commodity values remain well above pre-covid levels, resulting in higher costs bases for businesses to manage.

However, there was some upwards pressure on gas prices in 2024, flowing through to fertiliser costs over the winter, but IMF data suggests that gas prices softened to a five-month low in March.



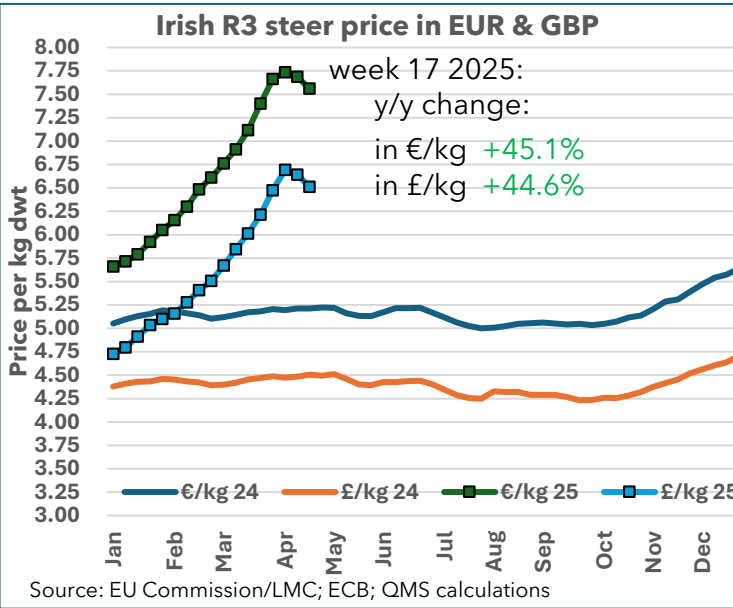
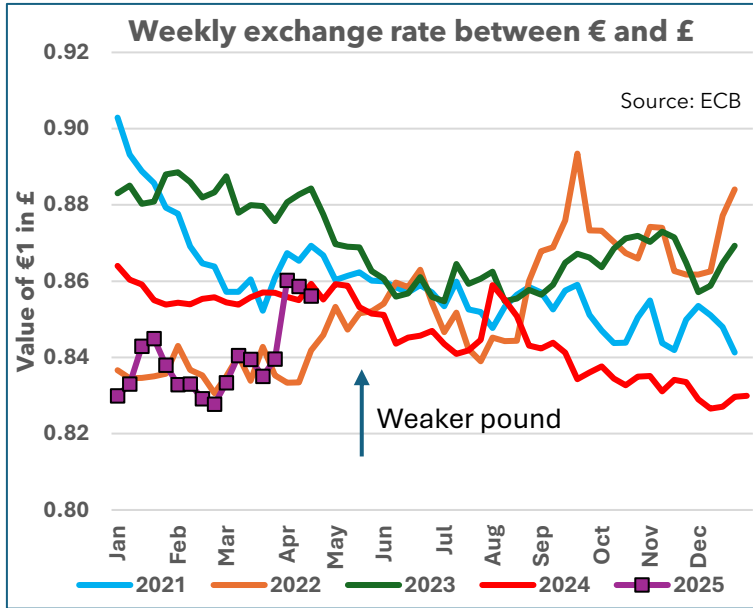
Cereal and oilseed markets remain fairly balanced, leading to more stable pricing after the volatility of 2021-24. Futures markets are signalling the potential for higher new crop prices, but for them to remain in a similar range to autumn 2024.

A weaker USD has the potential to place some welcome downwards pressure on input costs.

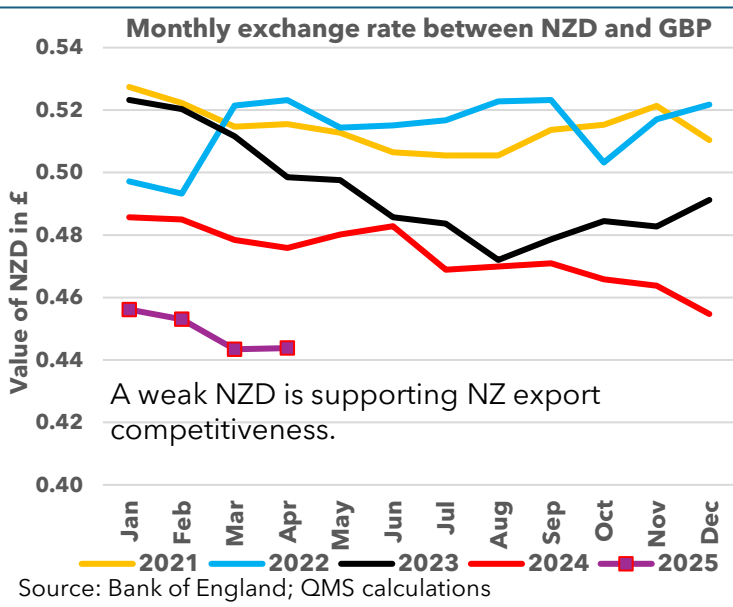
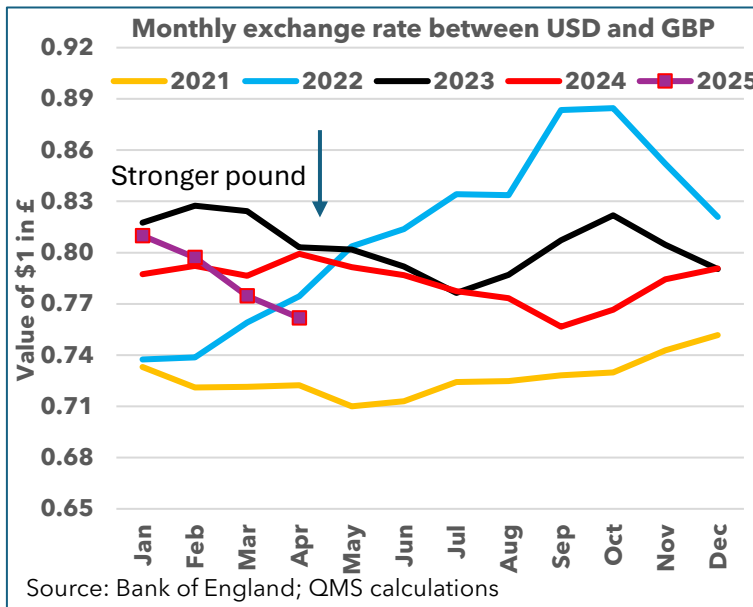
UK hide export prices softened significantly after reaching a two-year high in May 2024, but appear to have settled at a new level. For sheepskins, a seasonal downswing has been underway since September 2024. However, prices ran well ahead of year-earlier levels over the winter.

# Exchange Rate Movements

Sterling has risen against the dollar as a result of volatility in financial markets driven by changes in US trade policy, likely easing input cost pressures. However, the pound has risen less than the euro, potentially boosting UK competitiveness in red meat trade with the EU.



After a strong end to 2024 and start to 2025, sterling fell sharply against the euro in mid-April despite the faster pace of interest rate cuts in the euro area, which had been the main driver of exchange rate differentials for a prolonged period. This has been linked to financial inflows to the euro area as a 'safe-haven' for investments at a time where the USA and US dollar lost part of their safe-haven appeal.

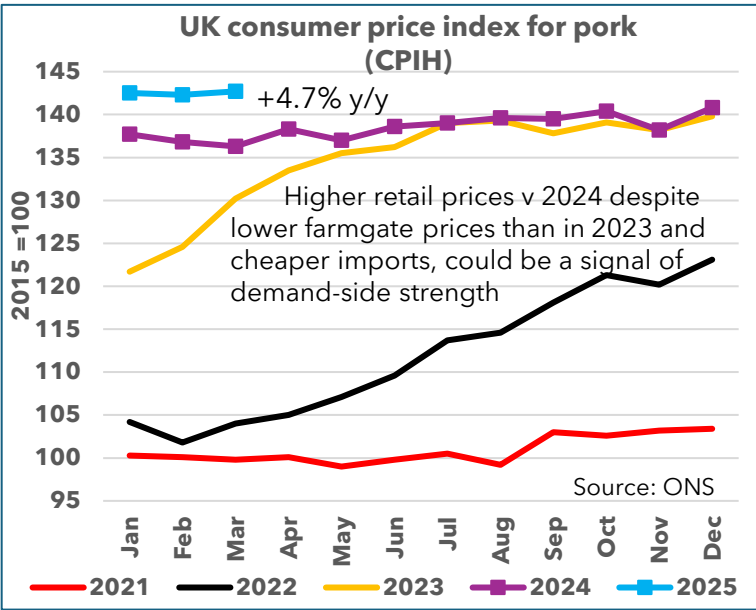
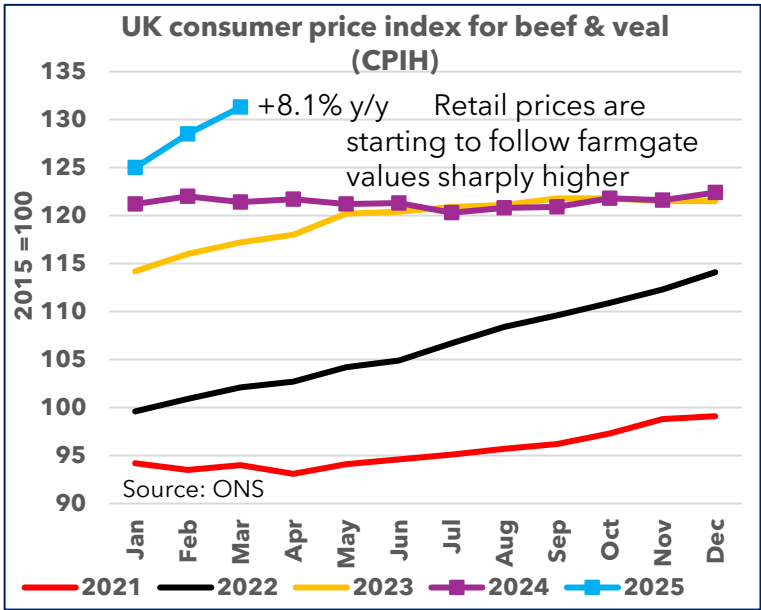


The relationship between sterling and the US dollar has also changed significantly due to volatility in financial markets, with sterling rising as a result, just not to the same extent as the euro.

A fall against the euro and rise against the dollar is positive for the domestic red meat sector, potentially lowering input costs pressures while boosting competitiveness in red meat trade.

# Consumer demand and prices

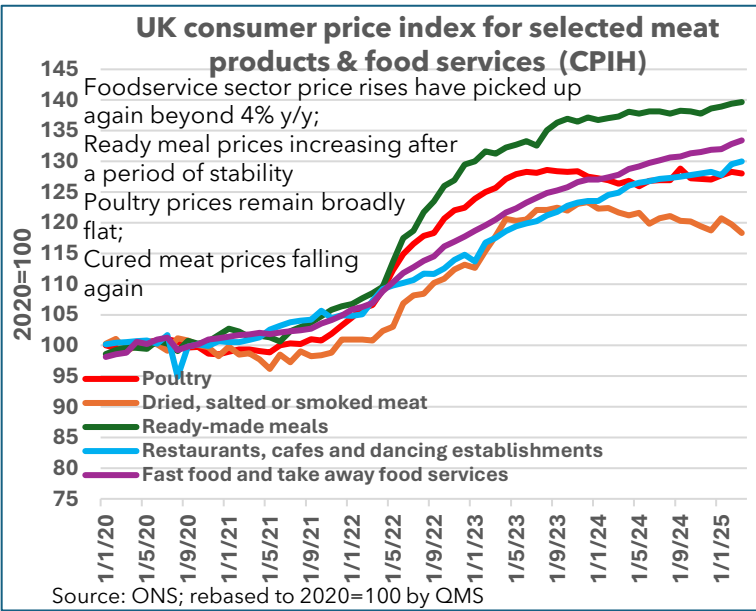
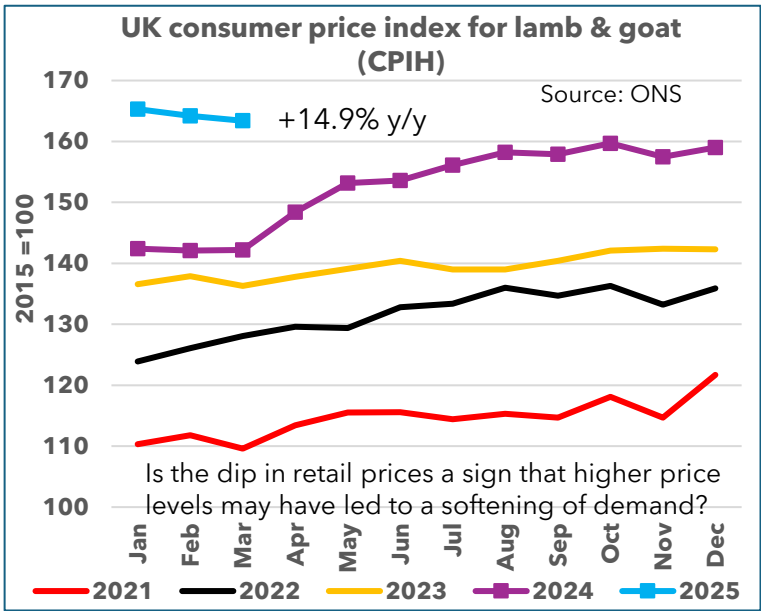
Rising disposable income has continued to support spending on meat but inflation has accelerated in response, acting to balance out strong demand and relatively tight supply. The foodservice sector is continuing to pass through higher costs.



Retail demand remains firm overall with wage increases of 5-6% continuing to support spending levels. Lamb appears to be the exception, although the latest period was affected by comparing against an early Easter in 2024.

However, price inflation has accelerated, limiting the room for sales volume growth, acting as a balancing mechanism given underlying market conditions of strong demand and relatively limited supply. Stronger poultry price inflation picked up in the Kantar data is something to watch.

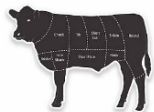
The long-term upwards pricing trend in the foodservice sector has returned after a brief period of stability, likely reflecting significant wage and employment costs pressures and renewed food inflation. Prices are 30-35% higher than pre-covid levels.



Y/Y change in GB retail sales reported by Kantar in 12 weeks to 23/3/25			
	Value	Volume	Avg price per kilo
Fresh beef	+6.1%	-0.6%	+6.7%
Fresh lamb	-16.4%	-24.6%	+10.9%
Fresh pork	+3.5%	+1.4%	+2.0%
Fresh poultry	+5.1%	+1.1%	+4.0%
Total grocery market	+3.5%	-0.1%	+3.5%
Source: Kantar			

# Retail demand and prices

Retail demand for red meat continues to look fairly positive in GB, but with signs of price sensitivity having an impact on lamb sales before the most recent Easter-affected period. Reduced penetration is something to watch.



## BEEF

12 weeks to 23 March 2025



## LAMB

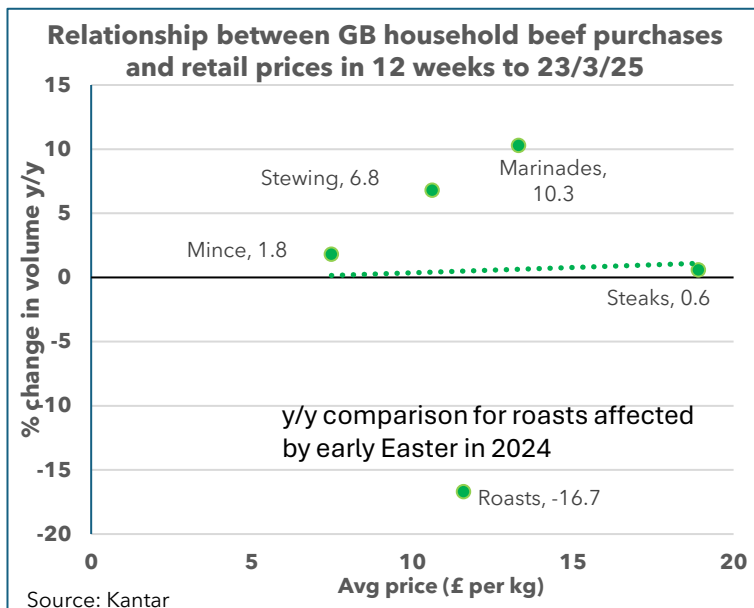
12 weeks to 23 March 2025



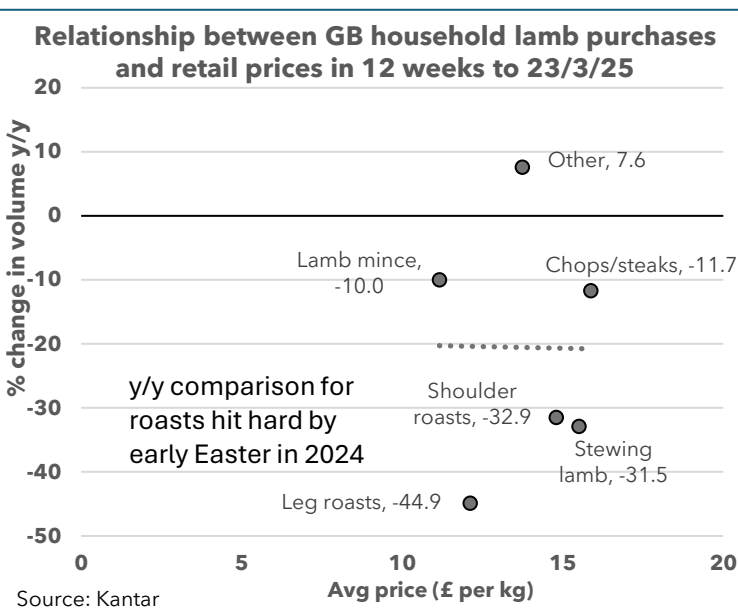
## PORK

12 weeks to 23 March 2025

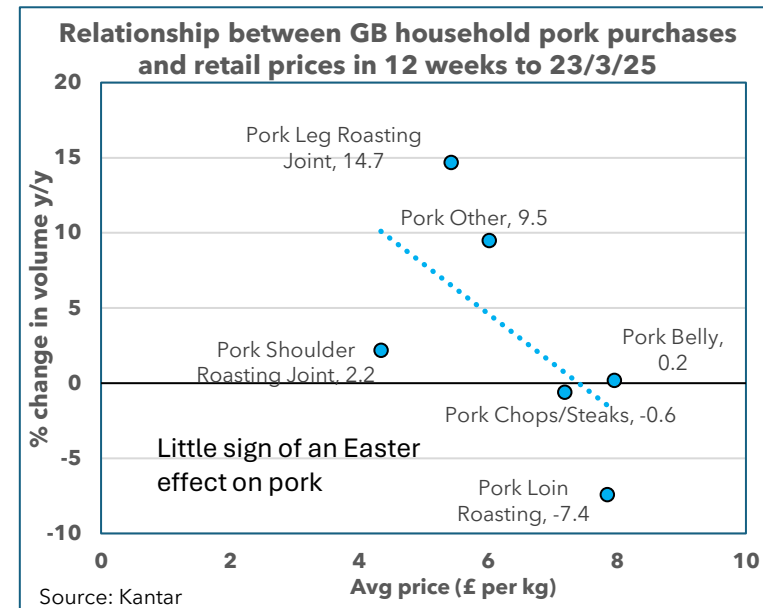
	GB		Scotland		GB		Scotland		GB		Scotland	
	Actual	% change y/y	Actual	% change y/y	Actual	% change y/y	Actual	% change y/y	Actual	% change y/y	Actual	% change y/y
Value (£m)	667.0	6.5%	63.8	5.0%	121.6	-17.2%	6.3	-11.3%	230.8	4.5%	16.0	8.9%
Volume (t)	64,179	0.0%	5,876	-1.2%	8,961	-25.6%	443	-22.2%	35,622	2.7%	2,411	5.6%
Avg price (£/kg)	10.39	6.4%	10.86	6.2%	13.57	11.3%	14.19	14.0%	6.48	1.8%	6.64	3.1%
Penetration*	68.5%	-1.9%	70.2%	-2.1%	21.3%	-15.4%	14.0%	-17.6%	45.2%	-1.7%	40.3%	-5.9%
Frequency**	4.9	2.8%	4.9	1.7%	2.3	-3.7%	2.3	1.1%	3.2	2.4%	2.9	8.3%



- Steak and mince volume growth limited by significant inflation (9% and 6%).



- Strong decline for roasts reflects the start of their sales spike for Easter in 2024 being included in this comparison period.



- Leg roasts supported by cheaper prices than in 2024, but strong increase in spend on belly offset by inflation.

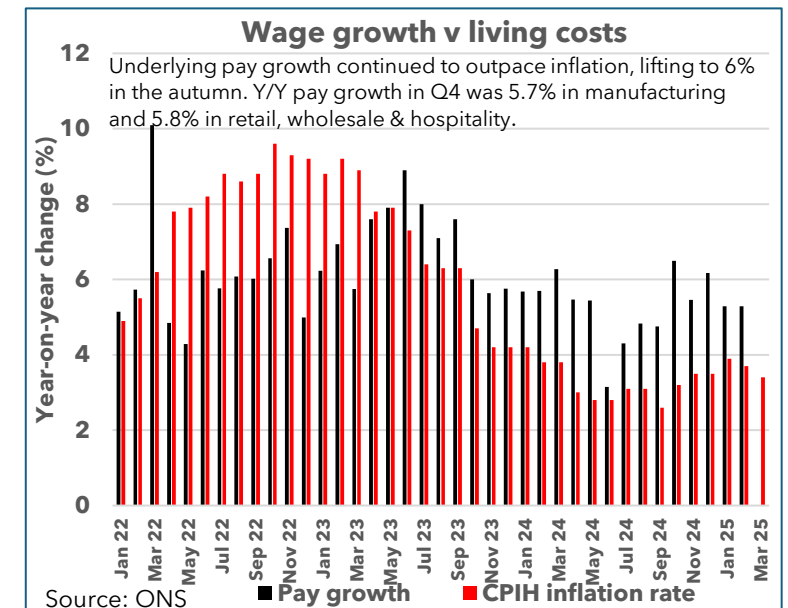
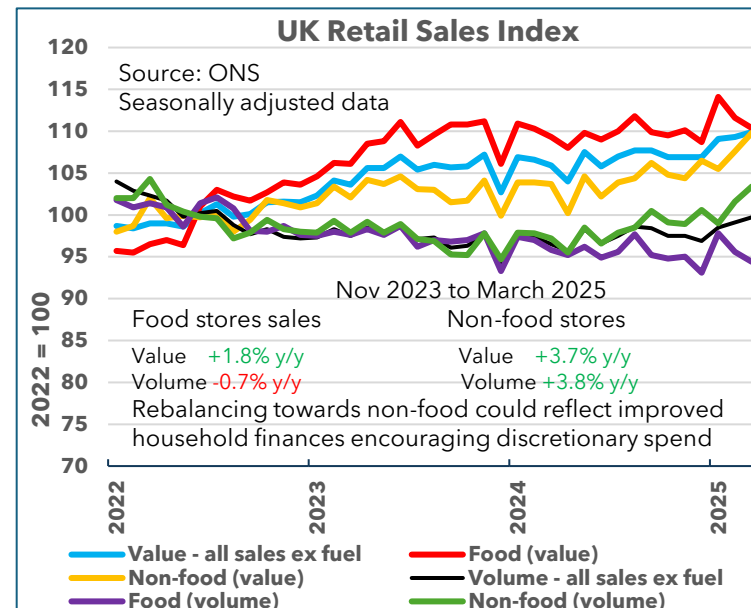
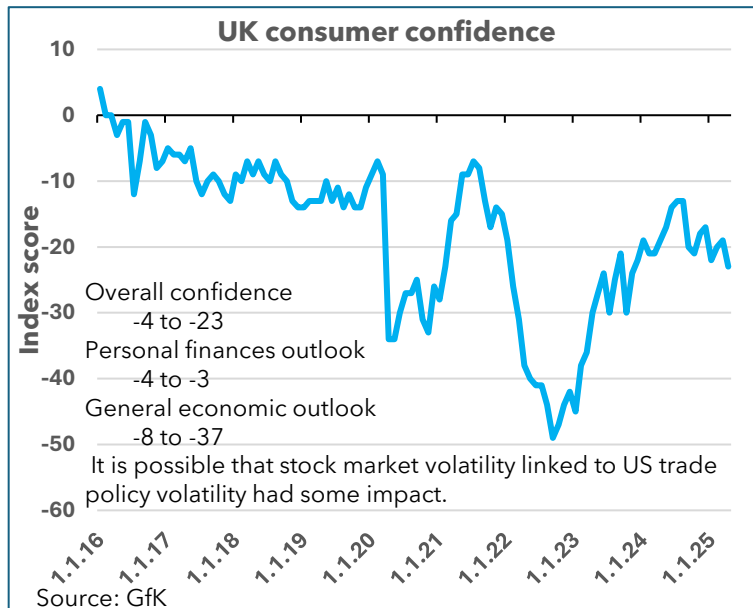
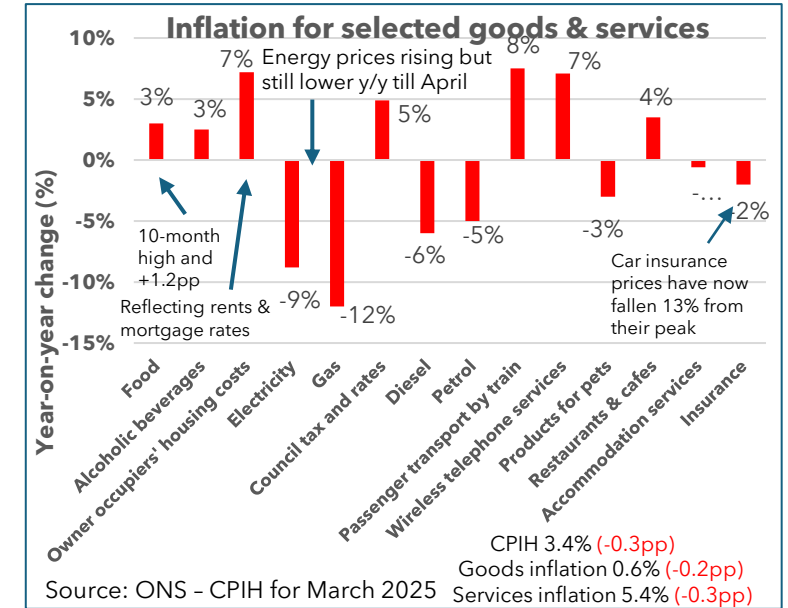
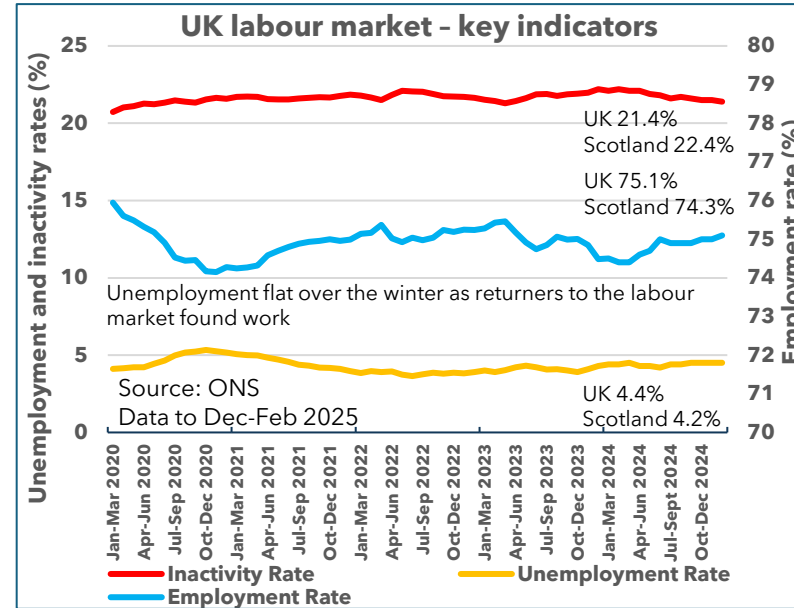
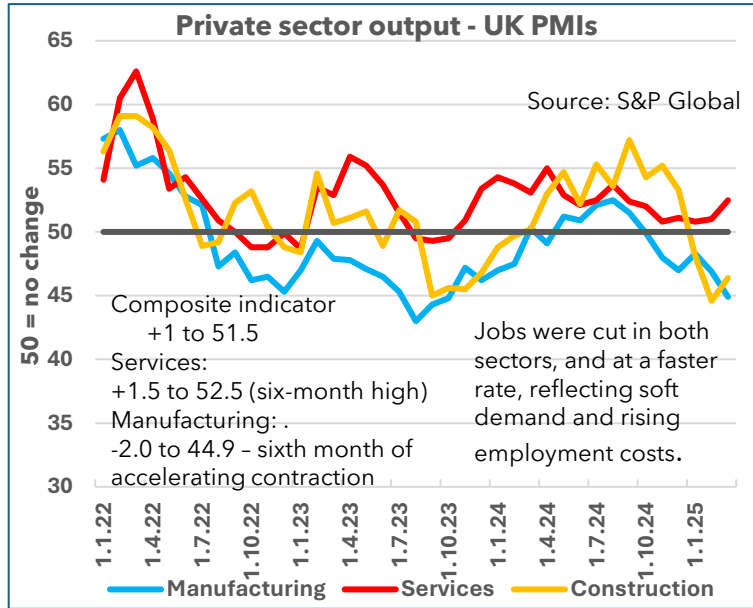
Source: Kantar; data covers sales of fresh and frozen unprocessed red meat; please note that sales data for Scotland can be volatile due to the limited sample size

\*Penetration % - Number of households/individuals that bought at least once in the time period as a percentage of total households/individuals.

\*\*Frequency - Average number of purchase trips per buyer in the time period.

# Economic indicators

Relatively flat economy but with the labour market remaining robust and consumer confidence and spending being supported by real wage growth on one hand but pressured by pessimism around general economic conditions on the other hand. Sharp rise in UK employment costs in April and fast evolving US trade policy is leading to considerable uncertainty.





## Scotch Beef UKGI is whole chain assured beef from Scotland

Scotch Beef UKGI is from specific animals that are sourced from selected Scottish farms which adopt best practice that includes high standards of animal welfare and natural production methods.



## Scotch Lamb UKGI is whole chain assured lamb from Scotland

When you see the Scotch Lamb UKGI logo, you can be confident that the lamb was born, reared and processed in Scotland and that it holds whole life quality assurance from farm to fork.



## Specially Selected Pork is assured pork from Scotland

Specially Selected Pork is from animals that are sourced from selected farms that adopt best practice. Specially Selected Pork is approved by The Scottish SPCA, who independently inspect farms and processors.

