

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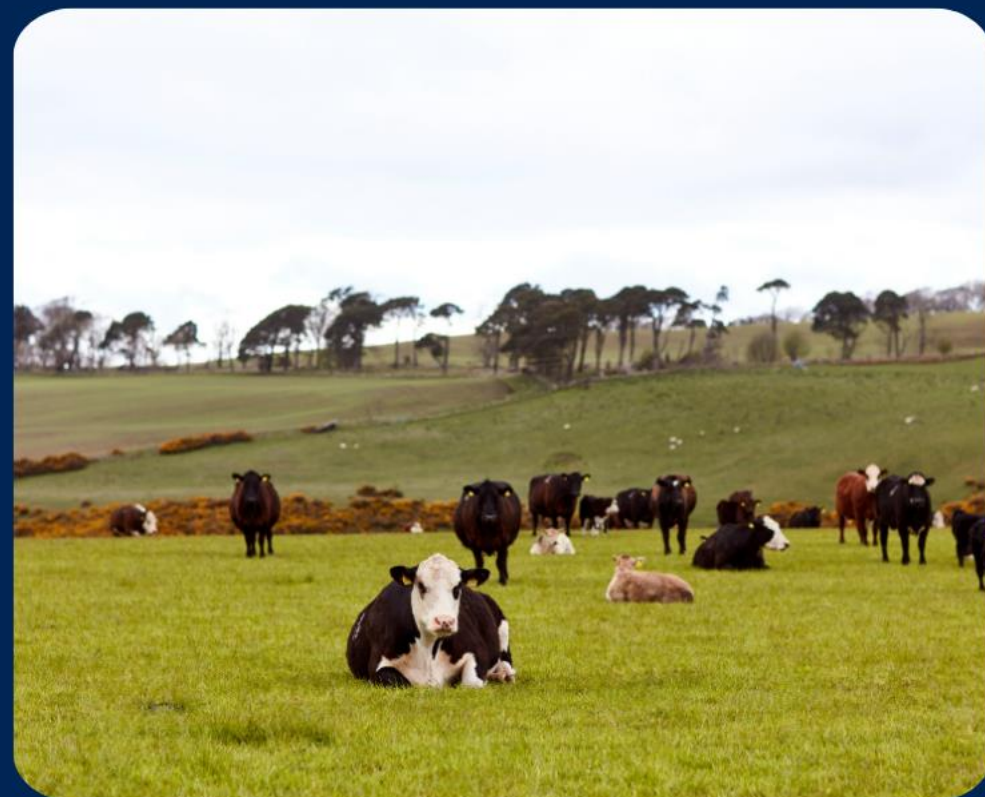
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Data Disclaimer: All deadweight price data used in this report is supplied to QMS by AHDB, who collect the data from reporting abattoirs each week and publish a consolidated set of data, regionally within GB for cattle, and GB-wide for sheep and pigs.

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# BEEF MARKET

## SUMMARY OF MARKET DEVELOPMENTS

### 01 Prices

- Prime cattle prices edged higher again in July as a period of lower slaughter may have brought the market back towards balance. Despite being 10% below the spring peak, prices still averaged a third higher than last year in late-July. Attractive finished cattle prices and reduced numbers have continued to underpin the store trade, which has risen more strongly relative to 2024. Meanwhile, cow prices have stabilised around 6% below their spring peak, with seasonally low slaughter and demand for manufacturing beef supporting the market relative to prime beef.
- In the Irish Republic, unsustainably high slaughter in the spring has been followed by a sharp reduction in kill in July, resulting in a jump in prime cattle prices towards Scottish levels. Slaughter is likely to rebuild at some point, reflecting a seasonal peak in Irish slaughter in the autumn, and, at some point there may be an impact on market demand and, in turn, competition for cattle.

### 02 Production and beef supply

- Defra prime cattle slaughter figures point to a significant reduction of nearly 5% in GB in the first half of 2025, helping to explain the upwards rebalancing of farmgate prices this year. Lower cow beef production also contributed to an overall decline in UK beef production of nearly 4% in the first half.
- A tight UK market balance in the spring resulted in lower export volumes and a surge in imports from non-EU countries, eventually offsetting some of the impact from lower domestic production, and taking some heat out of supply chain pricing.

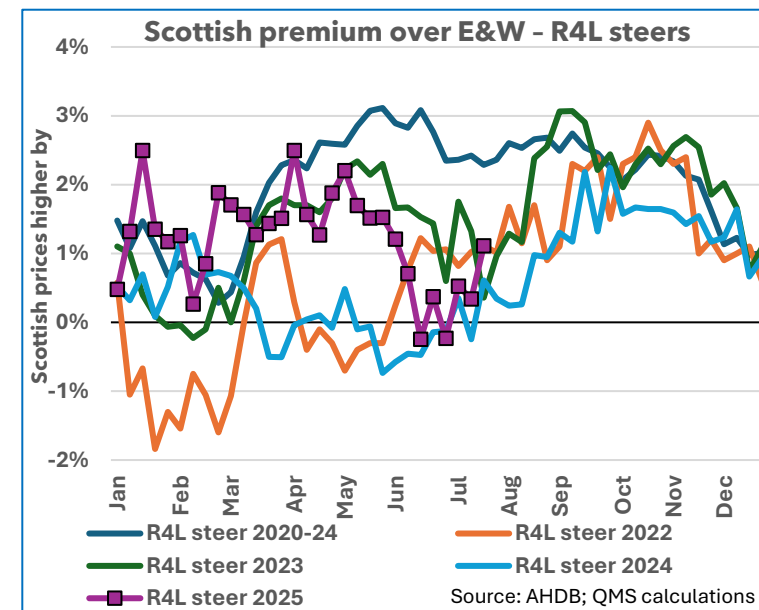
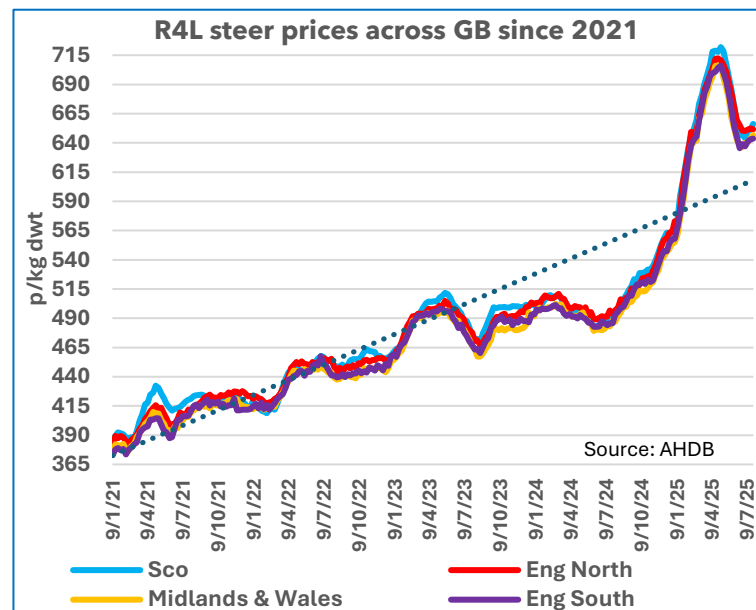
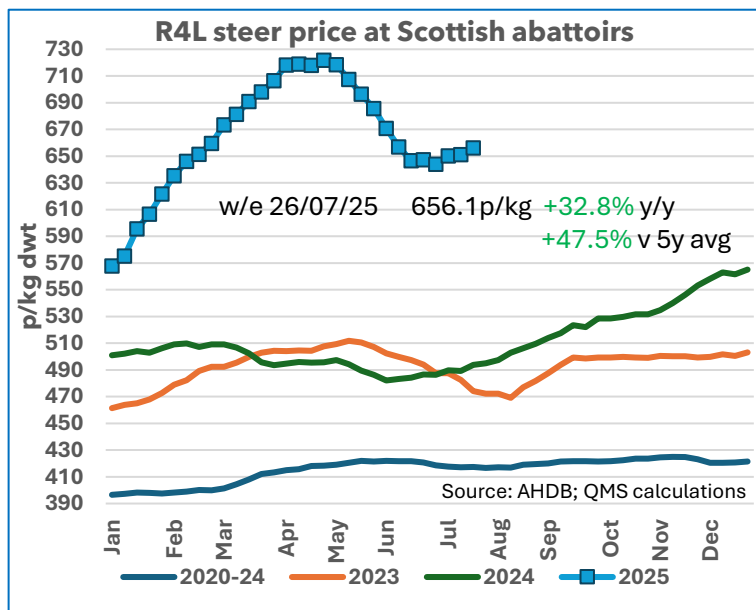
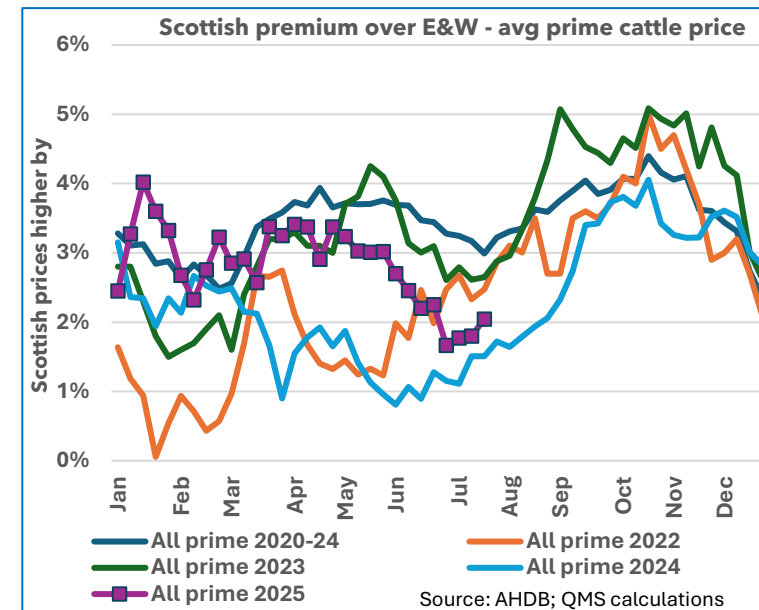
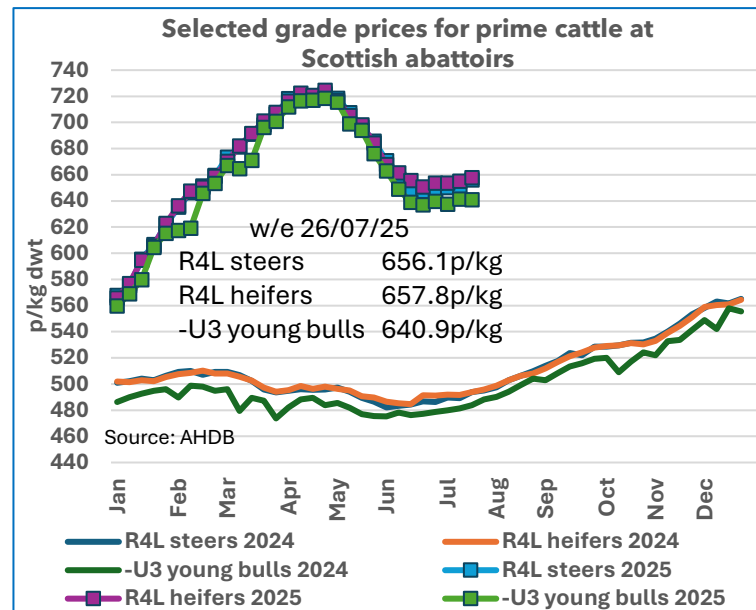
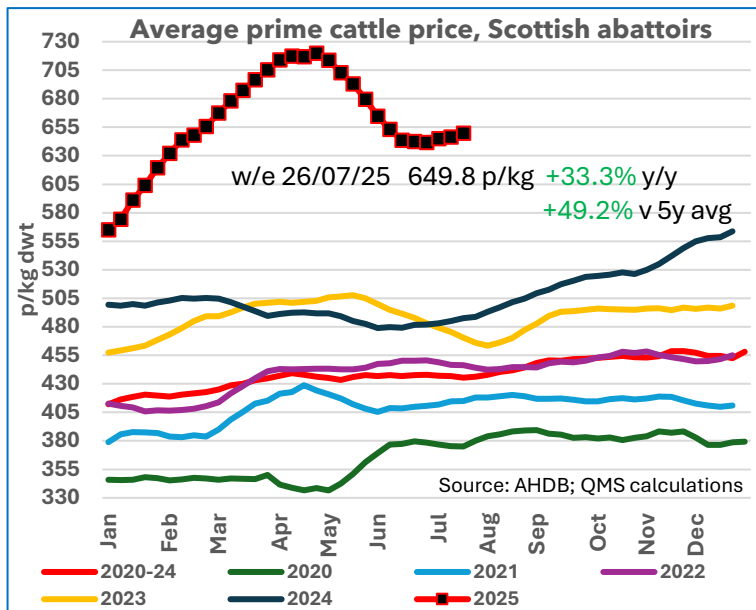
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
R4L steer price at Scottish abattoirs	p/kg dwt, w/e 26 July	656.1	+4.9p	+1.4%	+32.8%	+47.5%
Prime cattle slaughter at price reporting Scottish abattoirs (est 85% of kill in Jan to Dec 2024)	Average in four weeks to July 26, head procured deadweight	5,076		-1.5%	-11.5%	-18.2%
Store price at Scottish auctions for steers aged 12-18 months	Average in four weeks to July 26, £ per head	£1,773		+13.2%	+42.2%	+65.2% (2023 prices excluded from 5y avg due to lack of data)
UK beef market supply	Tonnes in Apr to June 2025 (estimate)	259,800			+0.4%	+1.9%

### 03 Outlook for production

- Due to unexpectedly low slaughter through June and July in Scotland, it seems likely that there has been a build-up on Scottish farms, with a jump in the weekly kill in late-July reflecting this. In turn, slaughter may end up higher than initially expected through August and September. Numbers are still expected to tighten year-on-year in the autumn due to the smaller pool of prime cattle under two years old on farm in April. Looking longer-term, a slight rebound in calf registrations this year suggests that production could begin to stabilise in 2026 and 2027, which is positive given that rising human populations in the UK and at a global level are set to support demand for red meat in the coming years. This domestic economic opportunity is highlighted in the QMS and Scottish Red Meat Resilience Group 'Meating Our Potential' partnership campaign: [QMS | Meating Our Potential](#)

# Farmgate prices

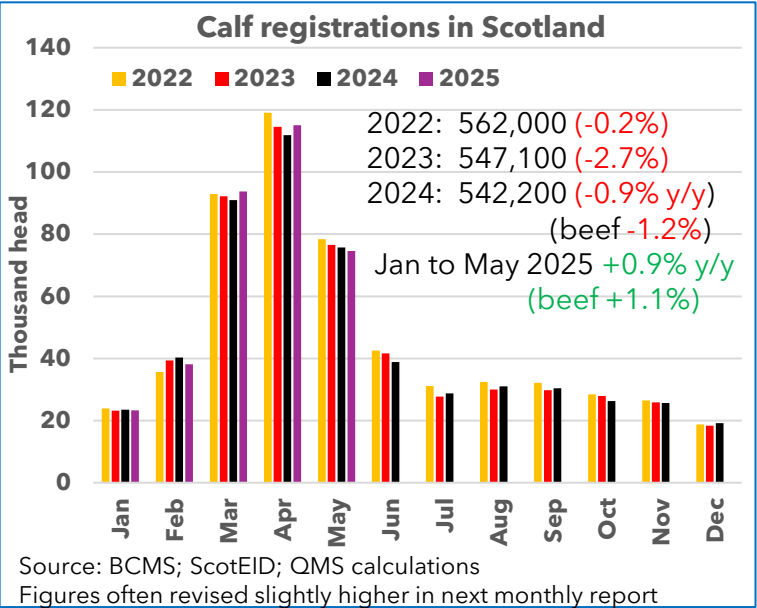
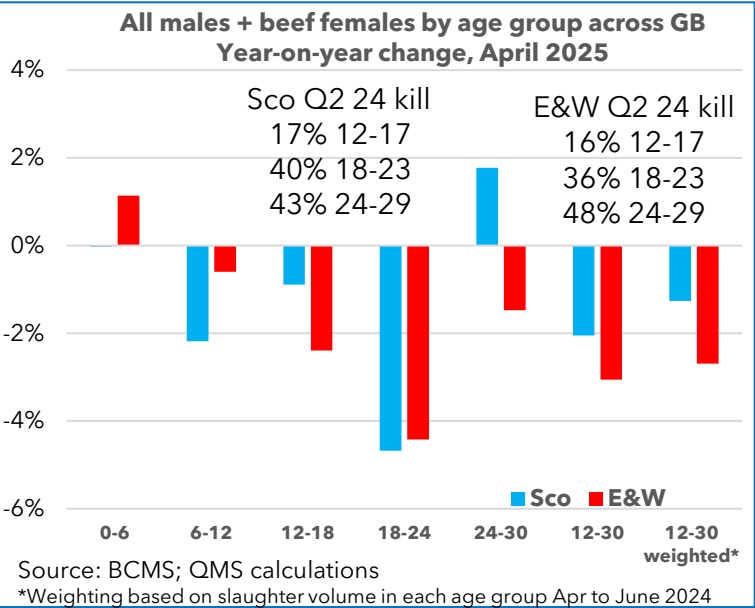
Prime cattle prices have been edging higher again in July as a period of lower slaughter seems likely to have helped bring the market back towards balance, but at a much higher level than in previous years.





# Availability and slaughter

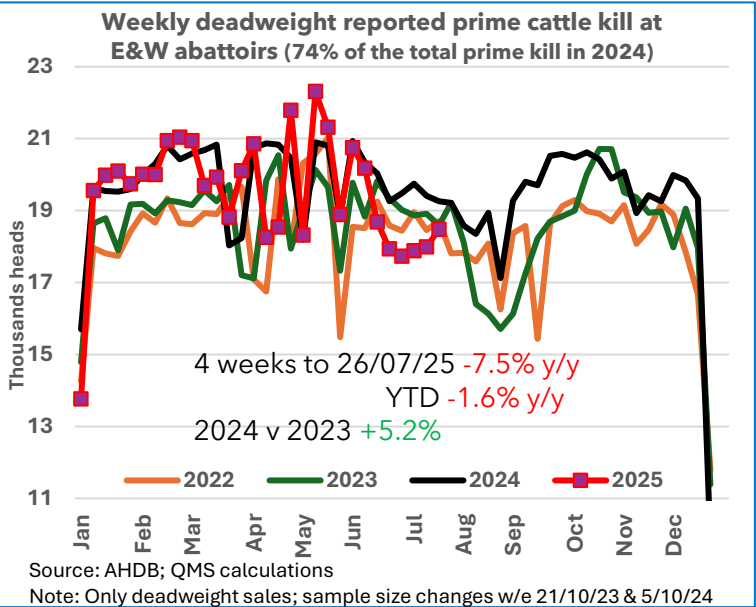
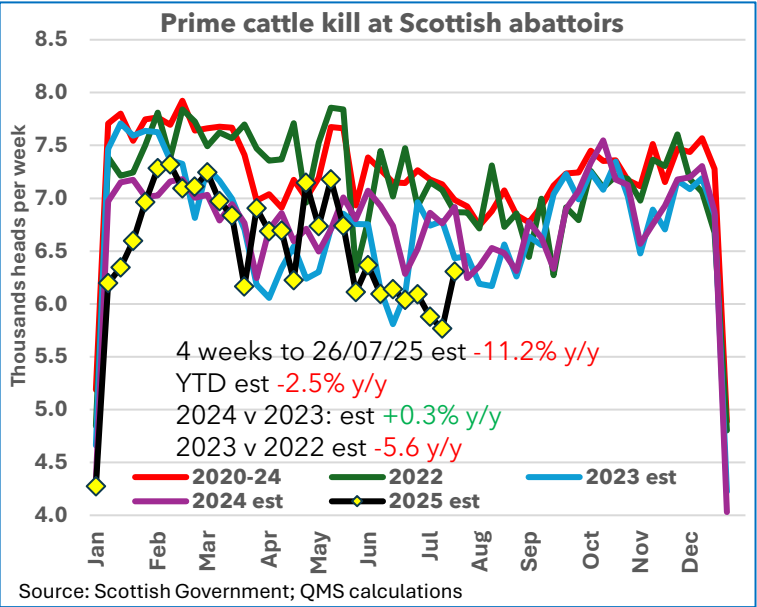
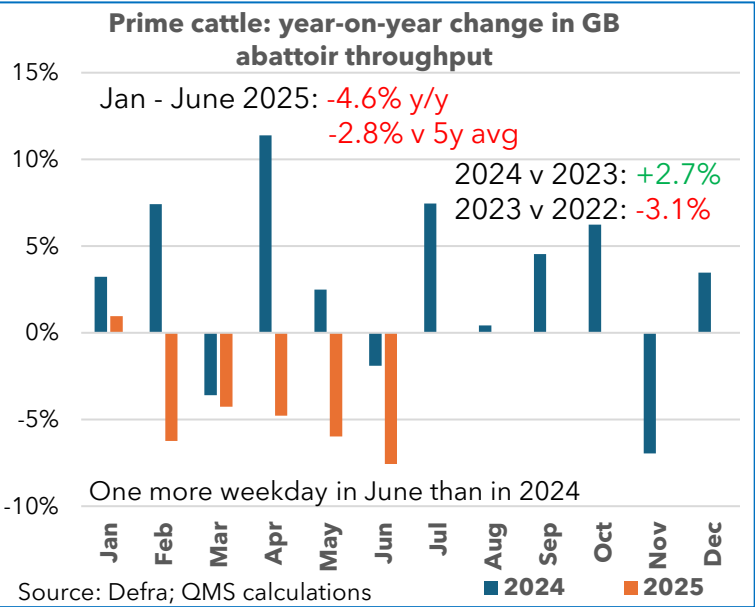
Defra reported a significant decline in the GB prime cattle kill in the first half of 2025, helping explain the significant rebalancing of farmgate prices this year. In Scotland, prime cattle slaughter fell below expectations in June and July, likely reflecting softer demand from processors due to the impact of higher output prices on sales, and this could support slaughter in August and September. Numbers are still expected to tighten relative to 2024 in the autumn.



Defra prime cattle slaughter figures point to a more significant reduction in GB in the first half of 2025 than indicated by the deadweight price reporting samples, helping to explain the strength of market prices in historical terms.

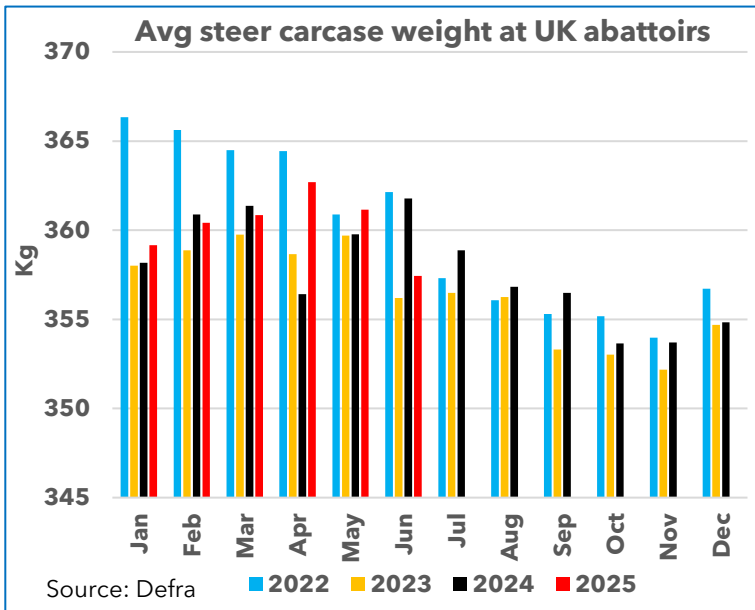
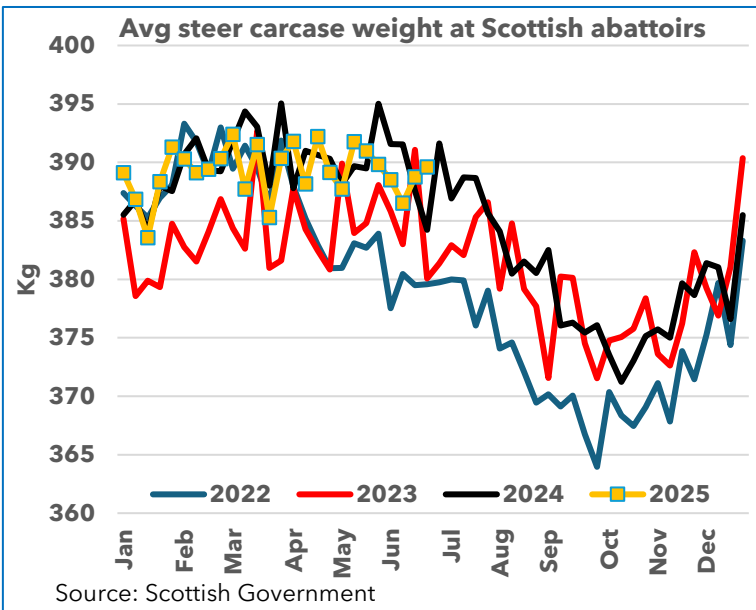
In Scotland, prime cattle slaughter was surprisingly low through most of June and July. While some of this may have reflected an earlier peak in May than usual due to the good spring weather, plus low calf registrations in Q3 2023, weak demand from processors due to the impact of higher prices on sales is likely to have been the main driver. As a result, it seems likely that there has been a build-up on Scottish farms, with a jump in the weekly kill in late-July reflecting this. In turn, slaughter may end up higher than initially expected through August and September. Numbers are still expected to tighten year-on-year in the autumn due to the smaller pool of prime cattle under two years old on farm in April.

In E&W, it is possible that the softness in the deadweight price reported kill in July reflected the surge seen after Easter, and it remained relatively stronger than in Scotland (see page 6).



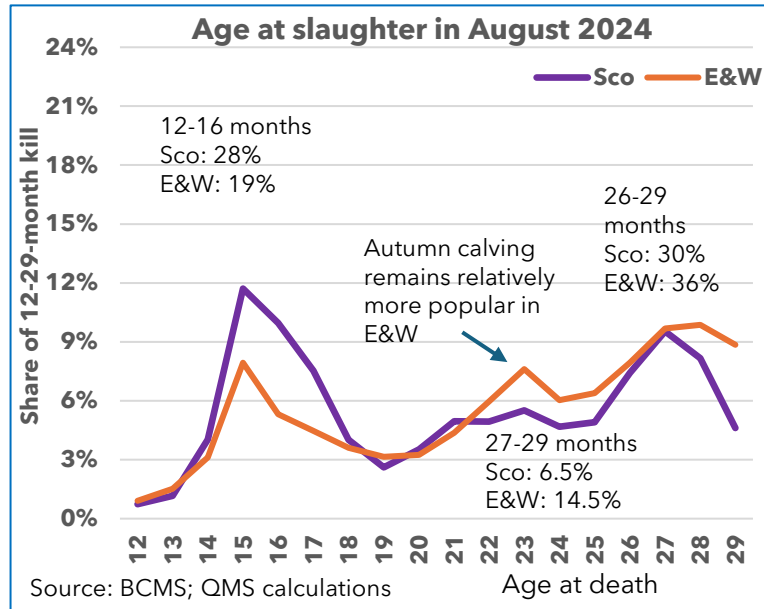
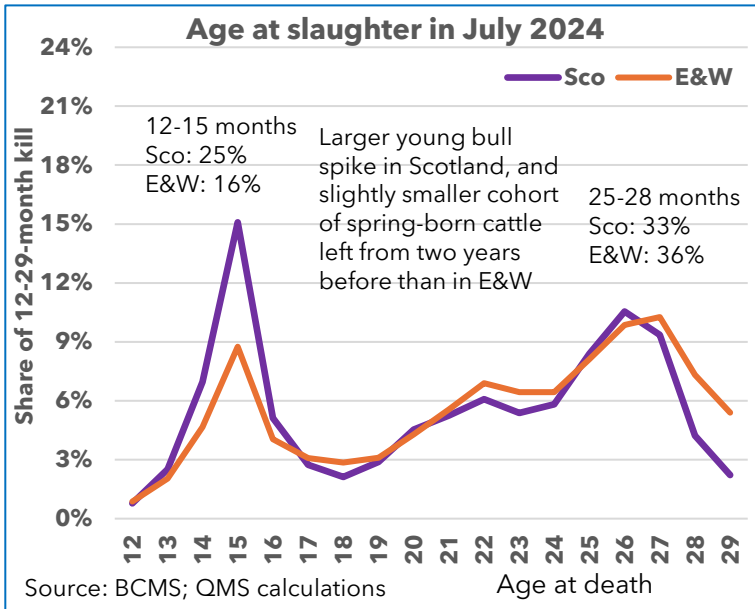
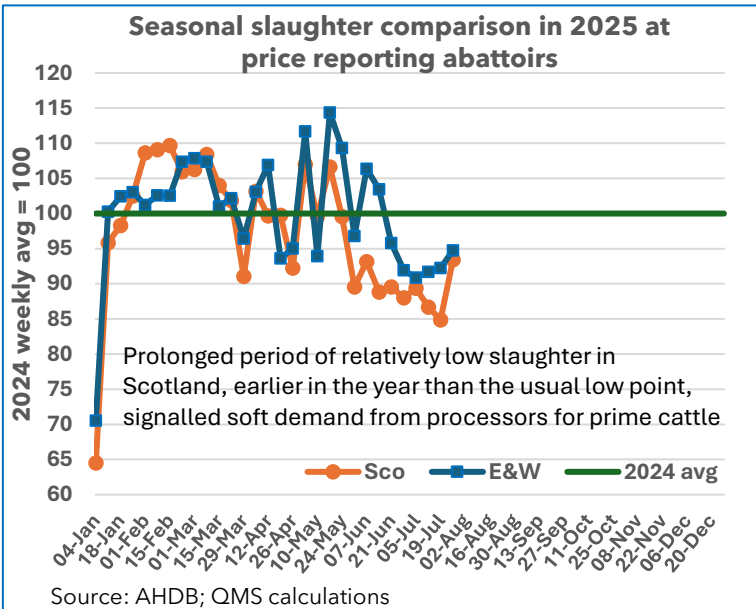
# Seasonality of production

An unusually low kill through most of June and July in Scotland seems likely to result in elevated slaughter compared to the normal annual lows through August and September. However, some of this potential rebound in slaughter may be partially offset by a seasonal reduction in carcase weights.



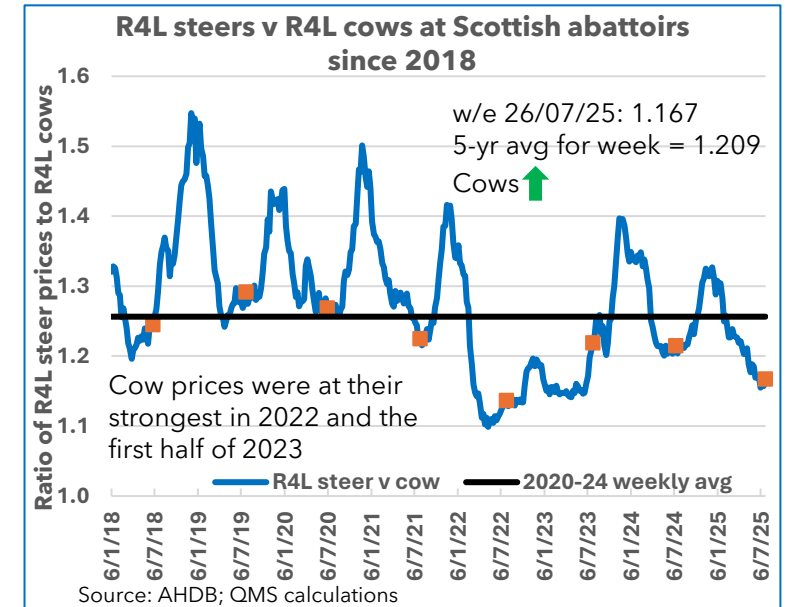
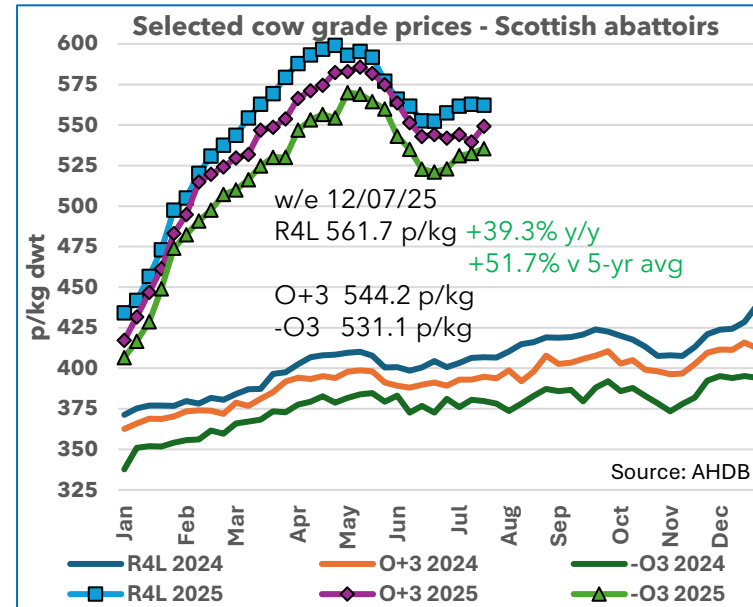
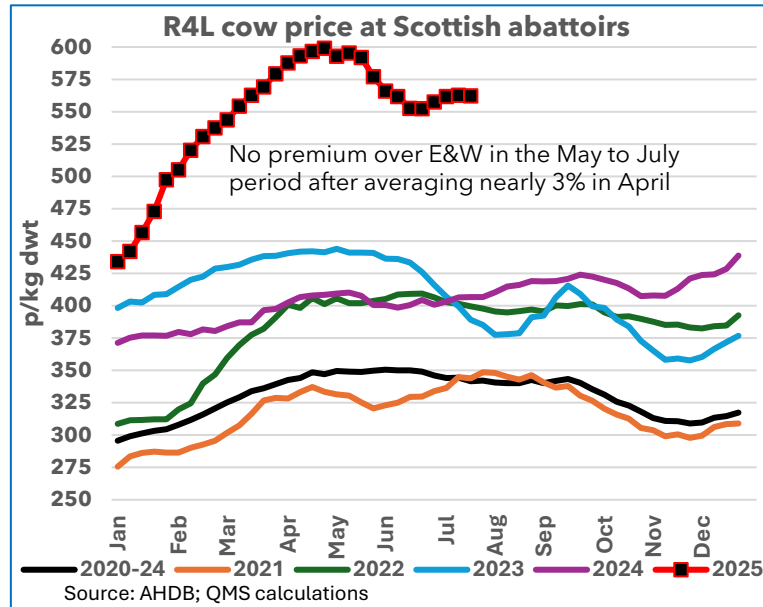
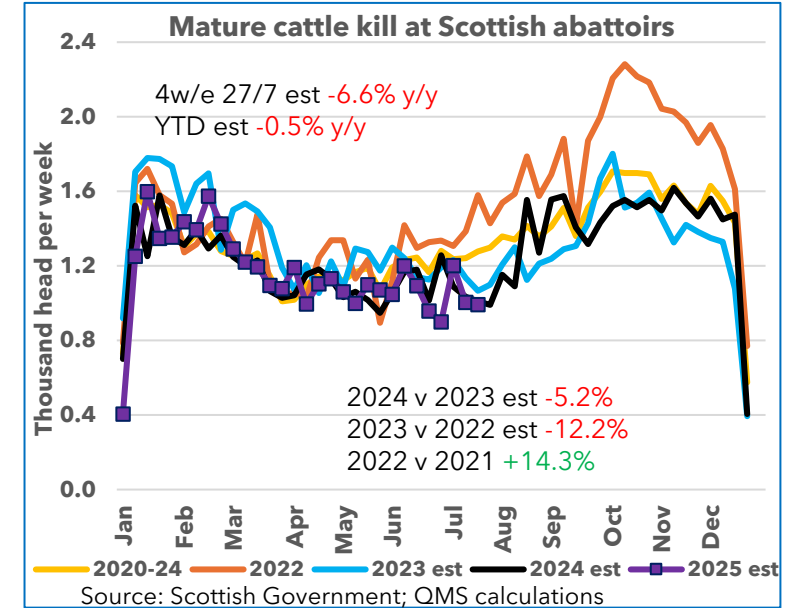
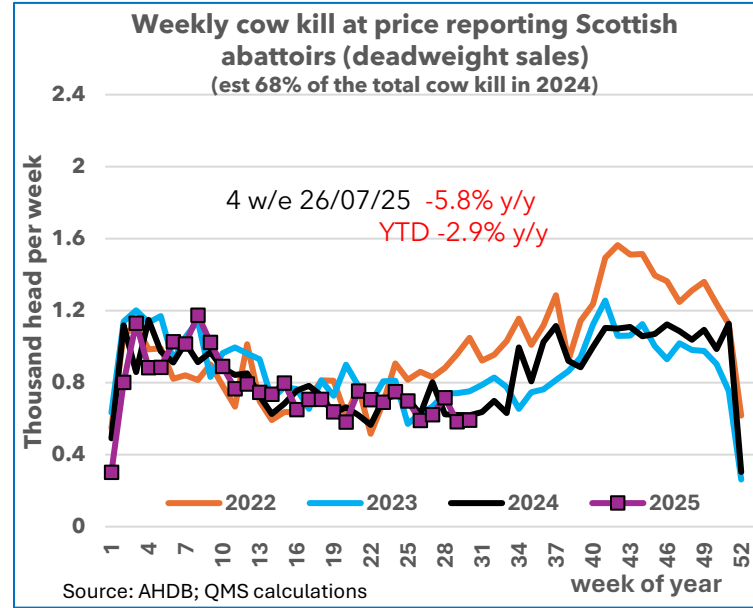
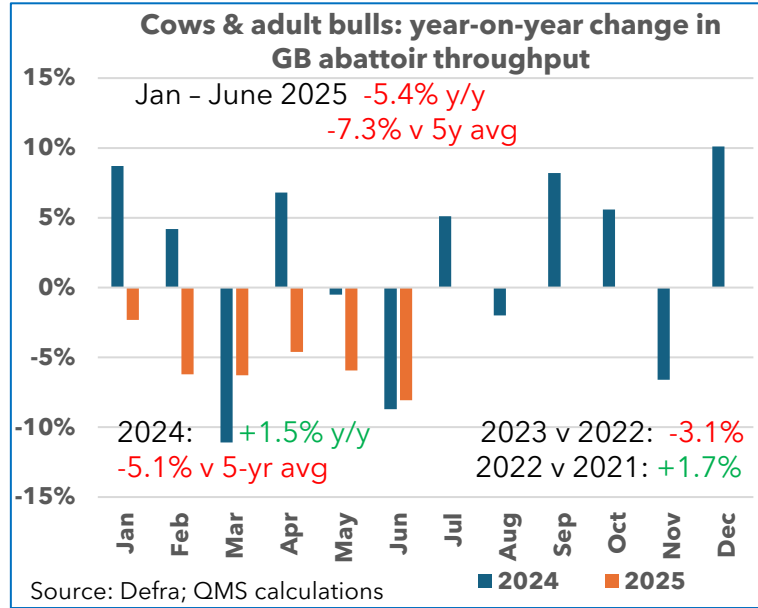
The dominance of spring calving coupled with a peak slaughter age of just under two years ensures that slaughter availability is seasonally weak towards the end of summer. It seems likely that soft demand from processors through June and July this year will have brought forward the annual low point in slaughter, with the potential for a rebound in August.

Carcase weights tend to fall seasonally though the third quarter of the year, so this may partially offset some of the potential rebound in production.



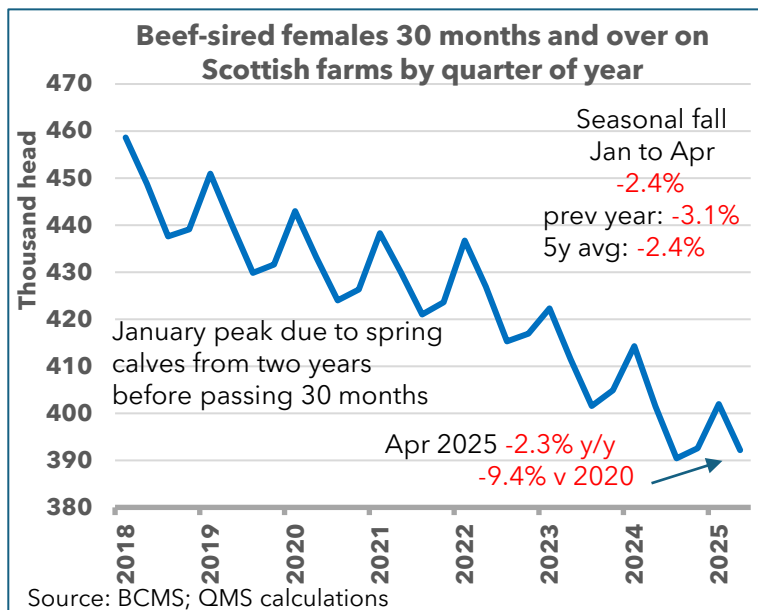
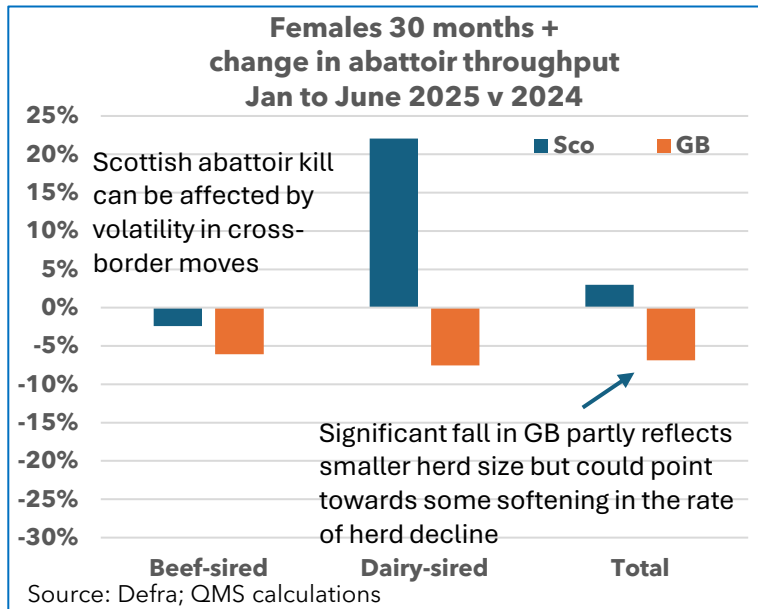
# Mature cattle market

Cow prices have stabilised in July after a small rebound in late-June, and are closer to their spring peak (-6%) than prime cattle prices (-9%). 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 could be a tentative signal of a slowdown in herd contraction this year following the upwards rebalancing of beef prices.



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%
Apr 2025	+1.8%	-2.3%	-1.1%

Source: BCMS; QMS calculations

Females aged 30 months+ on farms in England & Wales & GB (y/y change in Apr 2025)			
Month	Dairy	Beef	All
E&W	-0.5%	-4.0%	-1.9%
GB	-0.2%	-3.4%	-1.8%

Source: BCMS; QMS calculations

In April 2025, there were 392,200 beef-sired females aged 30 months and over on Scottish holdings. While the 2.3% decline from a year earlier was the slowest since January 2024, numbers continued to show a decline of over 9% on five years previously. The April 2024 total had been 401,500 head. The seasonal change from the previous quarter showed improvement from the previous two April's, softening to -2.4%, though it was still slightly steeper than seasonal changes between 2018 and 2022 (-1.9 to -2.3%).

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 1.9% in July before running at -2.0% in October and January. A higher pool of beef-sired females aged 24-30 months on farm than a year-earlier for five consecutive quarters may have provided more support to slaughter than the breeding herd.

A further decline in the beef herd in 2025 is set to extend the period of declining prime beef availability into 2026 and 2027. However, slaughter of lower productivity cows may have boosted overall productivity, and an increasing dairy herd has supported the number of beef-sired dairy calves. Meanwhile, it remains to be seen if a considerably higher farmgate price level can boost confidence enough that the downwards trend in the herd can be slowed more significantly.

While also softening a little, the year-on-year decline in the suckler herd in England & Wales has continued to outpace the decline in Scotland, with a 4% reduction in beef-sired females over 30 months in April. In addition, the dairy herd continued to edge lower in contrast to the expansion in Scotland. While this should, in theory, boost cross-border demand for Scottish calves, the outflow remained below the highs of 2022 and 2023 in Q1.

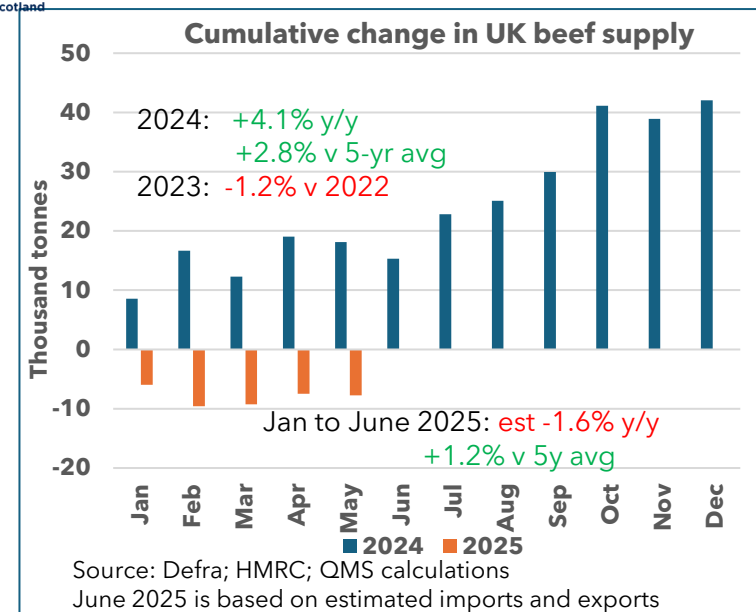
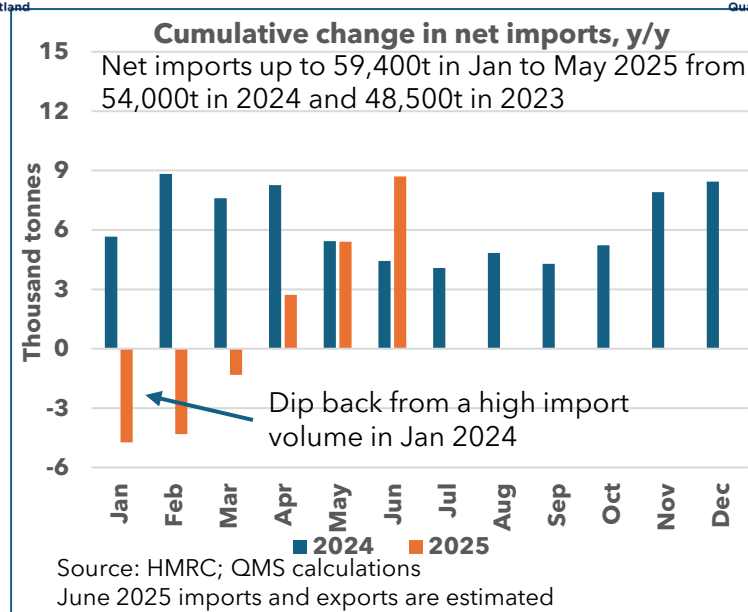
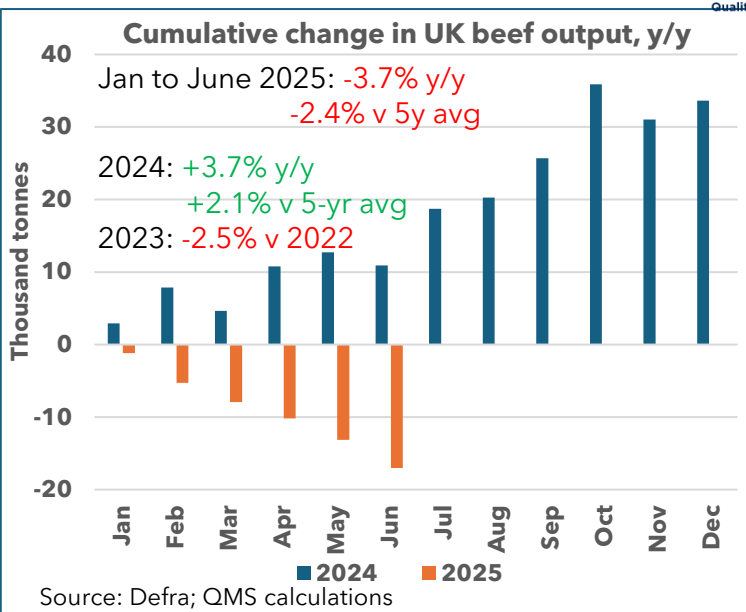
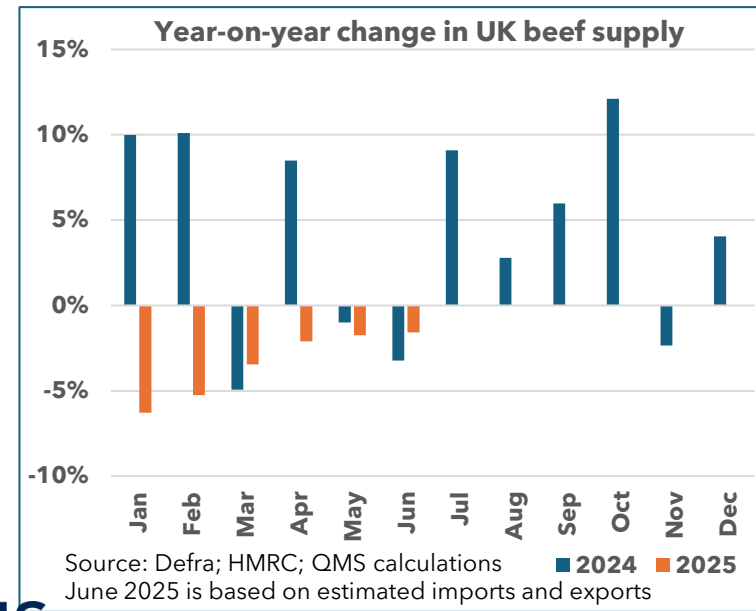
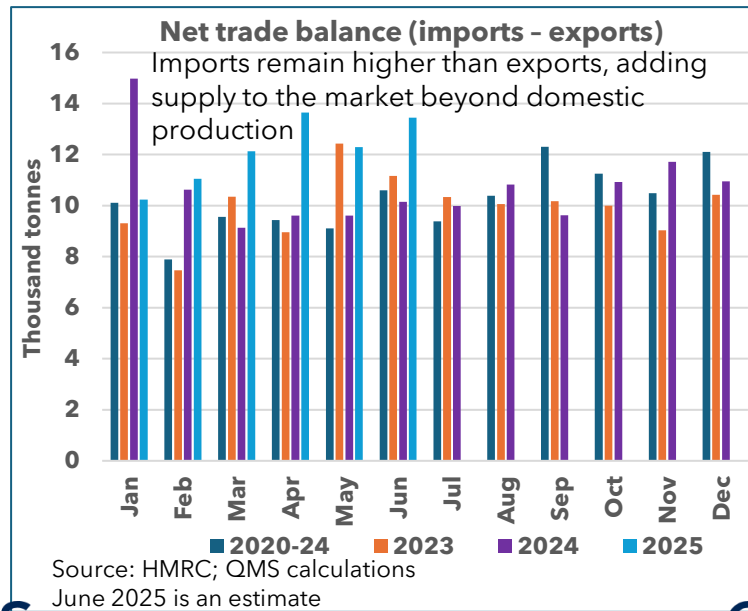
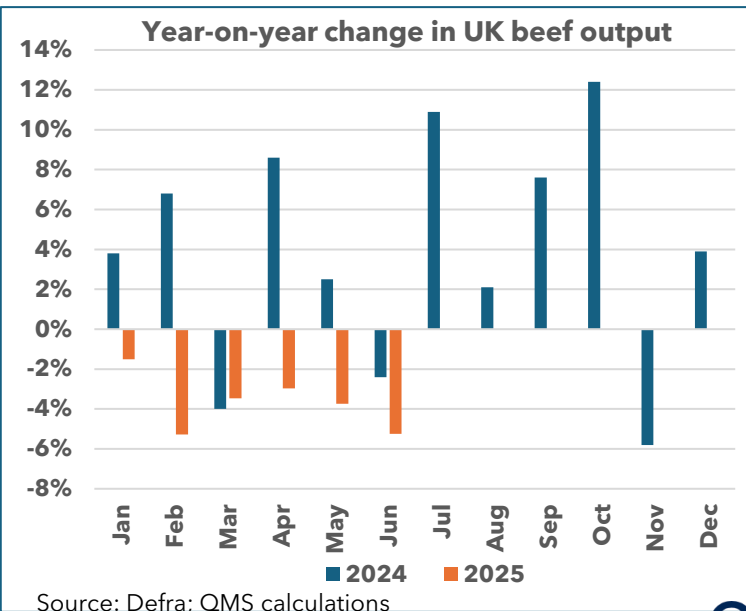
Latest breeding herd results - females over 2 years old with offspring (y/y change)			
	Dairy	Beef	All
Scotland (Dec 2024)	+1.9%	-3.6%	-1.9%
England (Dec 2024)	-0.2%	-5.3%	-2.0%

Source: Defra; Scottish Government; QMS calculations



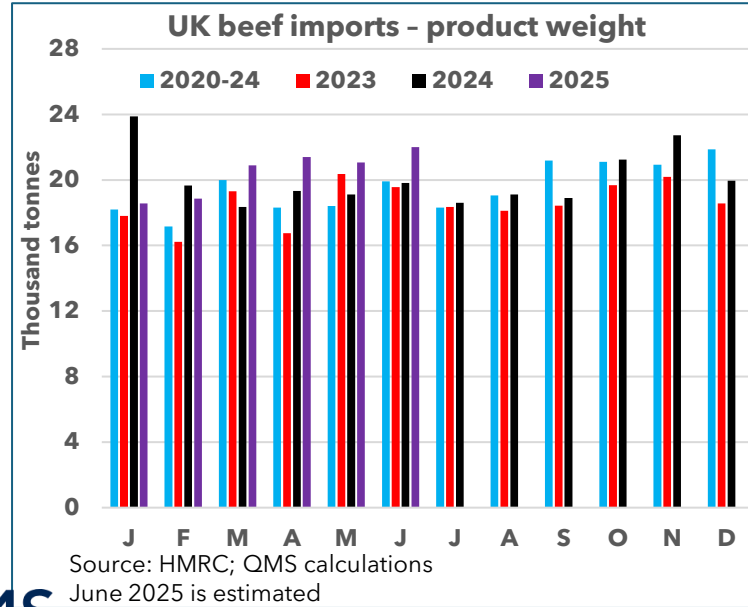
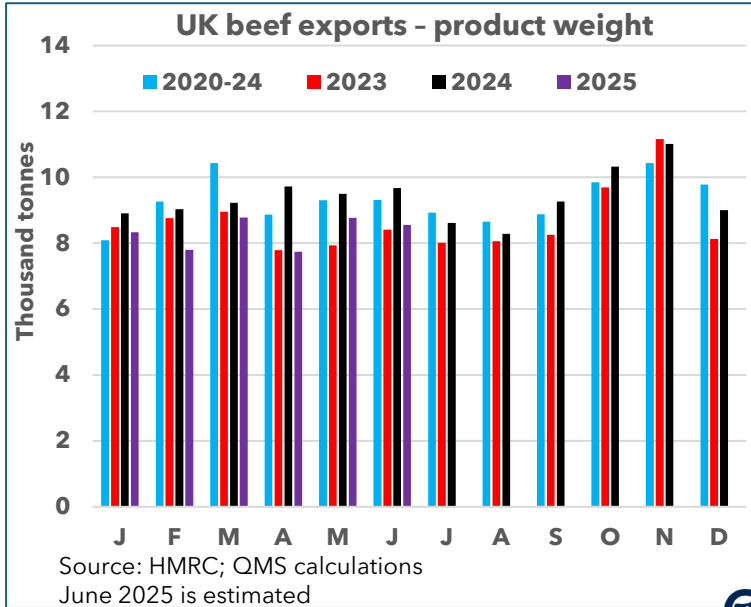
# UK beef market supply

domestic production + (imports – exports) = supply



# UK international trade

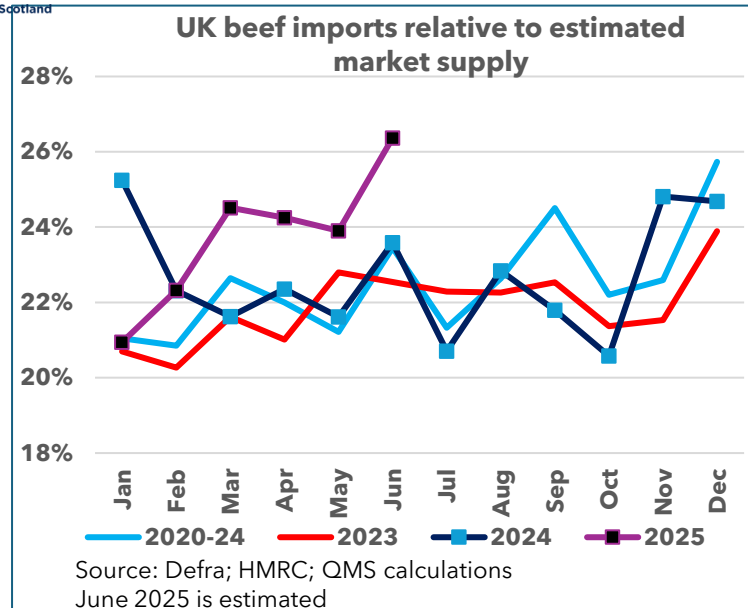
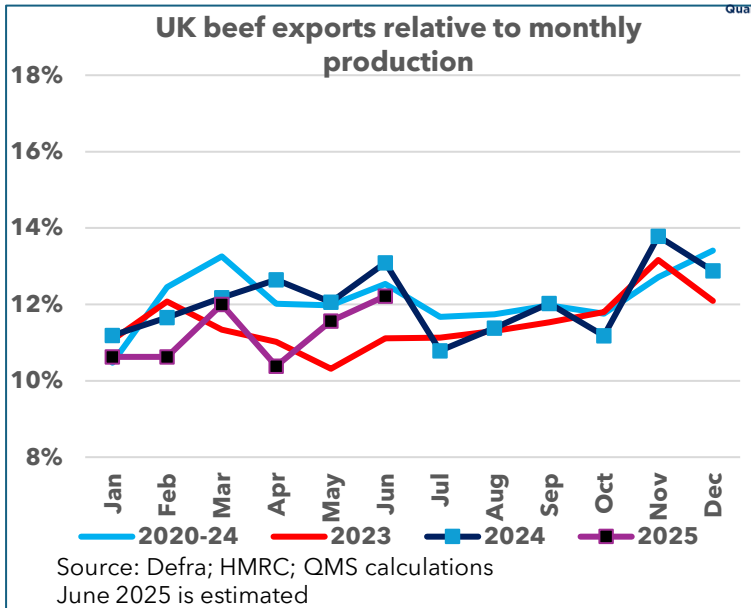
Tight domestic market restricted exports and pulled in extra imports during the spring after a slow start to the year



UK beef exports continued to run behind 2024 levels in May, reflecting reduced domestic output and a tight domestic market restricting availability for export. In the first five months, volumes fell 11% year-on-year. Surging farmgate prices passed through to export prices (+31% y/y), meaning that the overall value of exports still increased significantly (see page 11).

Shipments to EU and non-EU countries fell by the same 11% year-on-year rate in the first five months.

After a slow start to the year, UK beef imports jumped in the spring, running 12% higher than last year and moving the year-to-date total into marginal increase by the end of May. Imports from the EU fell by 5% year-on-year in the January to May period and fell back slightly behind 2024 in May after moving higher in March and April.



Non-EU trade continued to expand throughout the first five months of 2025, running 75% higher than last year for the period as a whole, and surging above 4,100t in May, having averaged 1,900t between January and April.

Imports from Australia (1,000t), Brazil (1,400t), Argentina (300t), and Uruguay (500t) surged in May, while the volume arriving from New Zealand steadied at 800t. Non-EU imports reached 20% of total imports in May, compared to 12% in the first five months combined and 7% in January to May 2024.

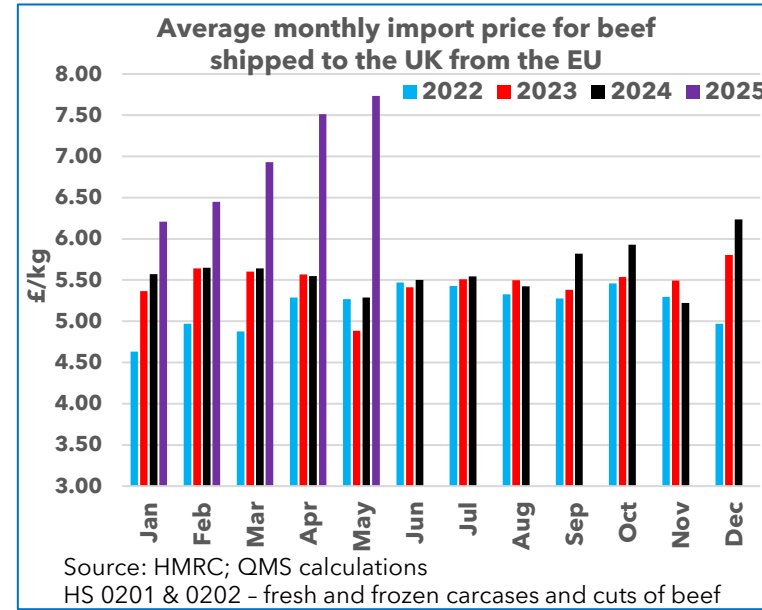
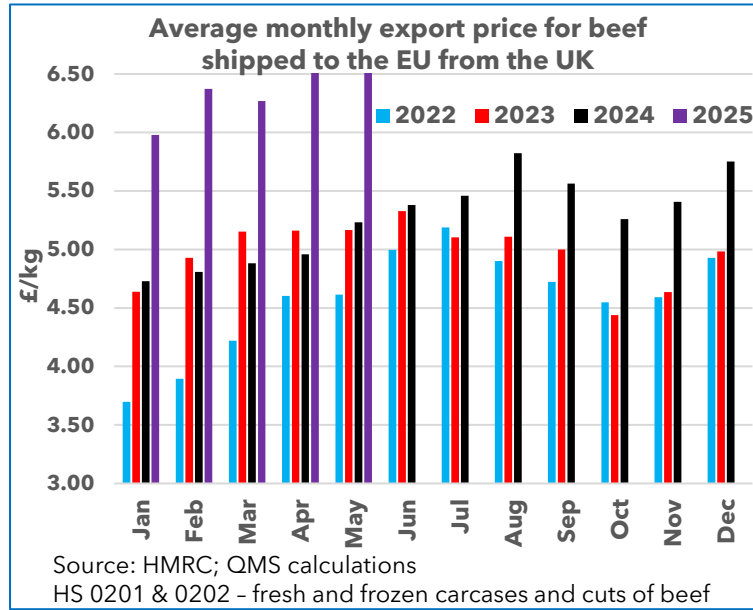
The EU supplied 88.2% of UK import volumes and bought 84.9% of UK exports in the first five months of 2025.

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

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

# Variables influencing international trade

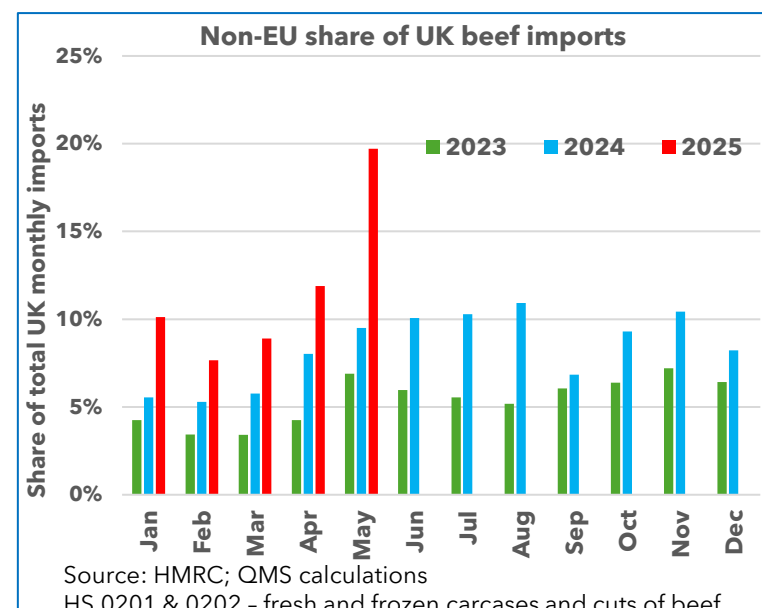
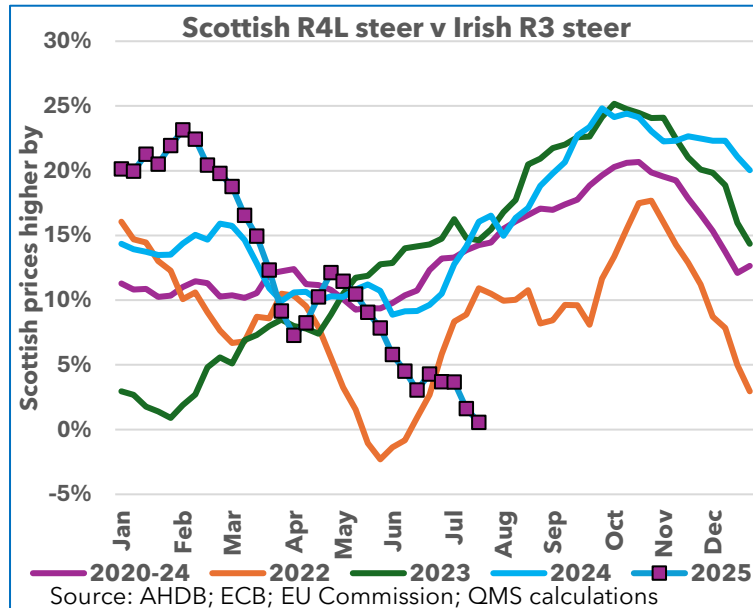
Tight British, Irish and European markets forcing up prices and resulting in increased interest in non-EU beef.



A considerable tightening of supply in the Irish Republic in July has forced producer prices sharply higher, leading to a further narrowing of the gap between Scottish and Irish prices. It remains to be seen whether this situation of little or no pricing premium can be sustained given the potential for a seasonal rebound in Irish supplies and the potential impact of sharply higher cattle prices on demand for Irish beef.

EU beef prices have risen significantly since the start of 2025, with the EU average for R3 young bulls 20% higher in late July than at the end of 2024 and 34% higher than 12 months before. However, there were signs of prices levelling off in July.

UK import and export prices in EU trade reflected general market trends in the first five months of 2025, surging higher. By contrast, imports from non-EU countries averaged marginally cheaper, potentially reflecting a different balance of cuts imported in April and May.



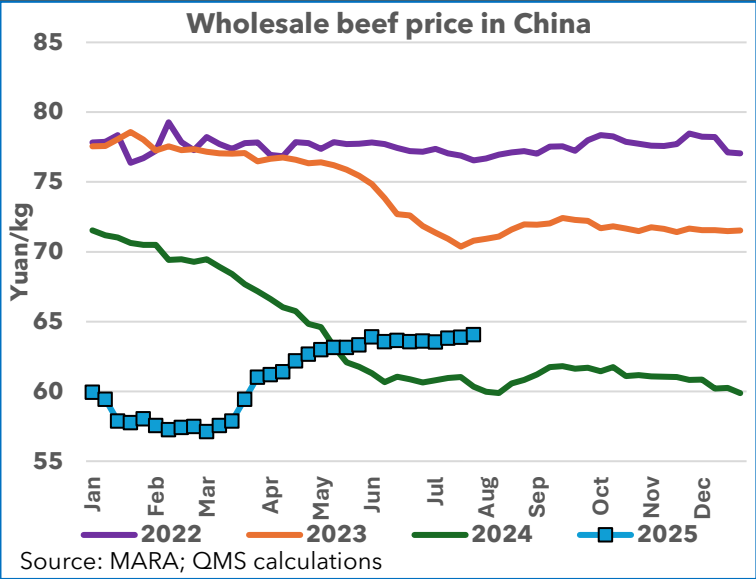
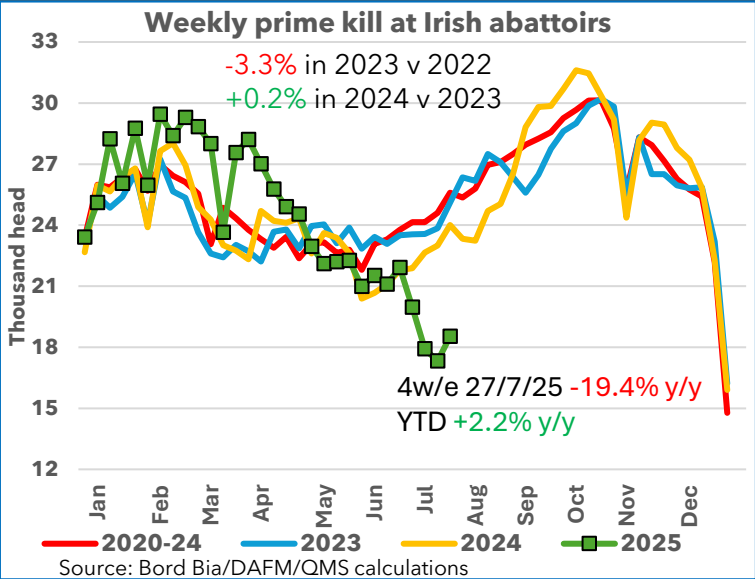
Selected EU cattle prices for R3 males, converted from euro to p/kg dwt			
	Week 30 2025	Week 26 2025	Week 30 2024
Germany (young bull)	630.8	619.4	421.1
Netherlands (8-12 months)	562.2	535.9	402.3
Spain (young bull)	599.7	588.2	451.6
Poland (young bull)	605.6	579.9	413.8
Irish Republic (steer)	652.4	620.5	425.6
<b>For comparison: Scotland R4L steer</b>	<b>656.1</b>	<b>647.2</b>	<b>493.9</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

The Irish kill has fallen sharply after an unusually high start to the year and EU production is expected to fall in 2025. Meanwhile, strong demand, tight supply and increased tariffs have supported US beef prices, filtering out across the global market through strong trade linkages.



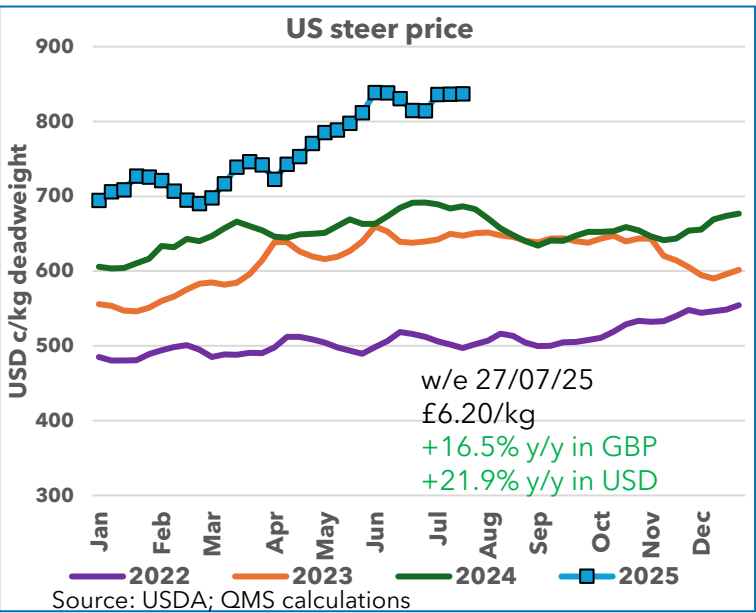
In the Irish Republic, after a surprisingly strong start to the year, slaughter has fallen back sharply in July, at a time when the kill would normally be beginning to climb towards its traditional autumn peak. At EU level, production is expected to return to its longer-term downwards trend this year, and it fell 3.3% on 2024 in Q1.

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 reflecting increased competition for beef due to 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 consumer demand has jumped over the past year. 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. An additional 50% US tariff on Brazilian beef from early-August may result in some further rebalancing of global trade.

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 projecting a 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)

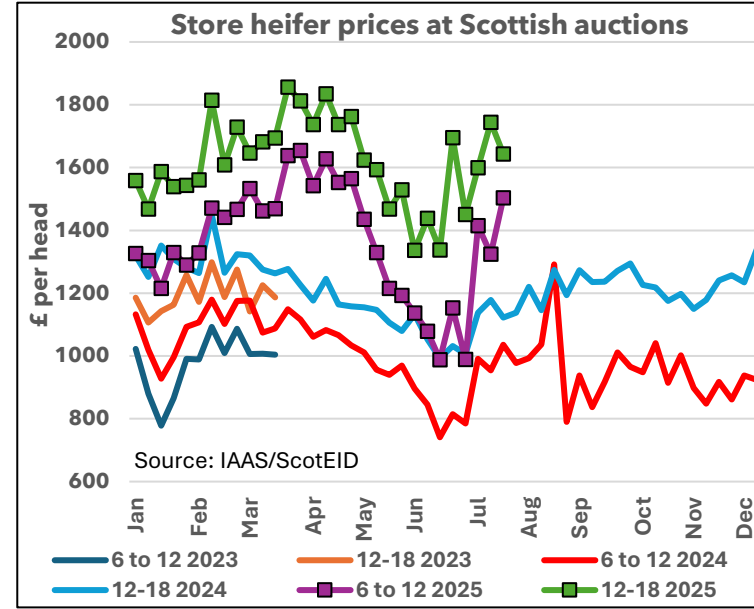
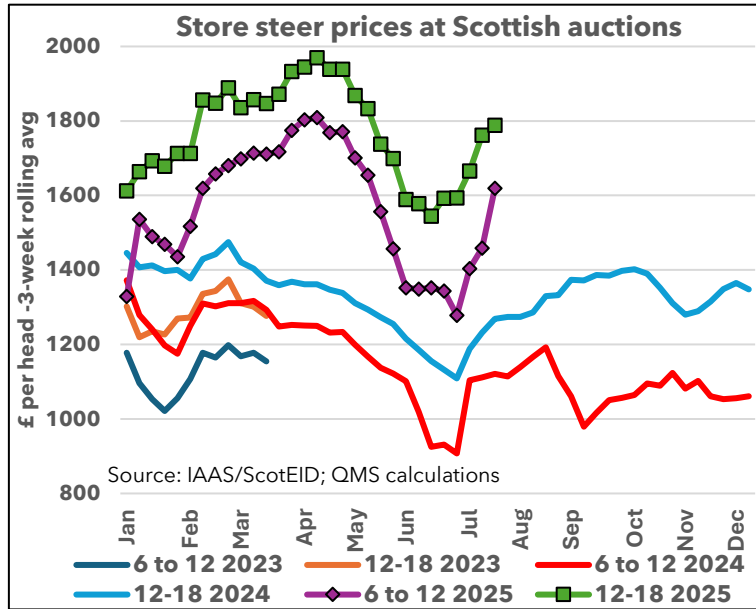
Age group	2022	2023	2024	y/y change 24 v 23
Cows	2,372.0	2,329.5	2,249.1	-3.5%
<12 months	1,995.4	1,973.9	1,922.4	-2.6%
<12 v cows	84.1%	84.7%	85.5%	+0.9%
1-2 years	1,801.3	1,795.0	1,691.4	-5.8%
2+ (males & non-breeding females)	336.8	380.6	396.7	+4.2%

Source: CSO; QMS calculations



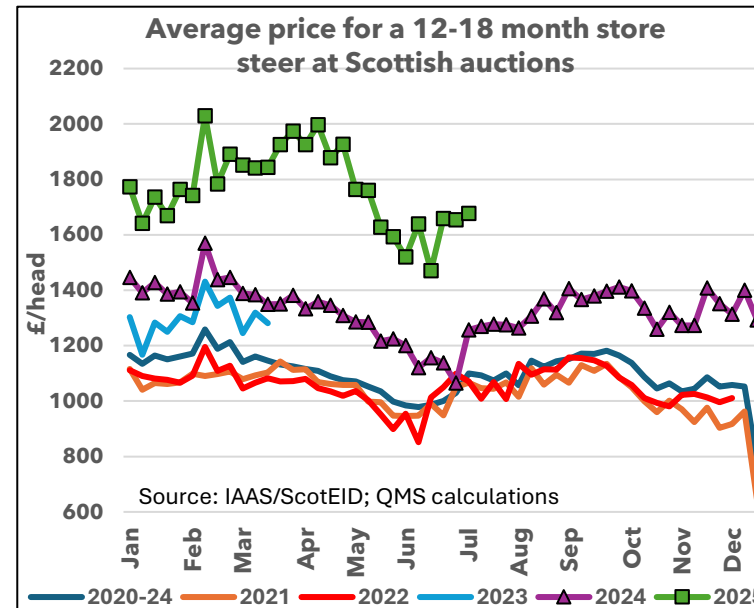
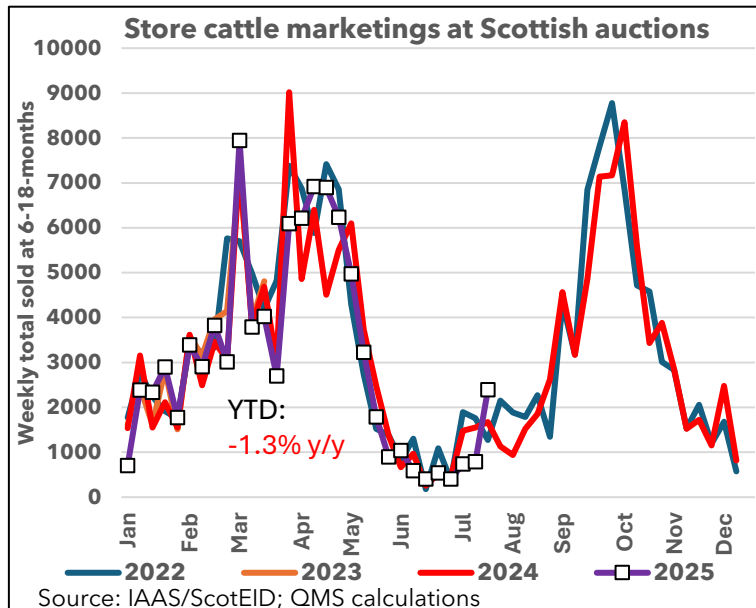
# Store cattle trade

Store prices have passed their summer low point, likely supported by the stabilisation of finished cattle prices. Reduced numbers and strong competition have resulted in faster year-on-year increases than for finished cattle.



Store cattle prices appear to have mirrored the finished cattle trade, falling sharply in May and June, before stabilising and showing some signs of rebounding in July. However, some of this is likely to have been driven by normal seasonal trends, with limited buying and selling during the summer, and prices have often increased in July in the past.

With slightly fewer store cattle being sold so far in 2025 at Scottish auctions, strong competition has pushed store prices up faster than for finished cattle. It is hoped that this market strength can boost confidence enough to bring the period of herd decline to an end.



## 4 weeks to 26/7/25

Store cattle prices		y/y change
Steers, 6-12 months	£1,594	+43.2%
Steers, 12-18 months	£1,773	+42.2%
Heifers, 6-12 months	£1,408	+43.6%
Heifers: 12-18 months	£1,636	+44.3%
Store cattle marketings		y/y change
All steers & heifers, 6-18 months	4,300	-15.8%

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

- Lamb prices remained unusually close to their new season peak in late July despite auction and abattoir throughput continuing to show significant increases on 2024 levels (+14% and +8% respectively). However, numbers do still look soft relative to pre-2024 levels.
- In England and Wales, there are indications that lamb throughput has been more stable with June levels in July than usual, with sluggish grass growth likely to have delayed finishing, and this may help explain the surprisingly strong pricing levels for the time of year.

### 02 International trade

- UK lamb export volumes surged in the spring over and above the increase in domestic production, supported by a further fall in EU sheepmeat production this year. However, overall market supply still increased slightly, due to increased domestic production and imports. In July, wholesale prices in Paris have fallen seasonally, suggesting a tightening of export margins, but this does not appear to have filtered through to GB farmgate prices.
- While UK sheepmeat imports continued to increase relative to 2024 in the spring, this may not have lasted into June and July due to a tightening of supply in New Zealand.

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 July	340.89p/kg	-10.22p	-0.9%	+11.9%	+36%
Total lamb marketings at Scottish auctions	Average in four weeks to 30 July, head	11,992		+43%	+14.3%	-11%
Lamb slaughter at GB abattoirs	Total between April and June 2025, million head	2.775m			+12.6%	+4.8%
UK sheepmeat market supply	Tonnes in Apr to June 2025 (estimate)	66,300			+5.8%	+3.7%

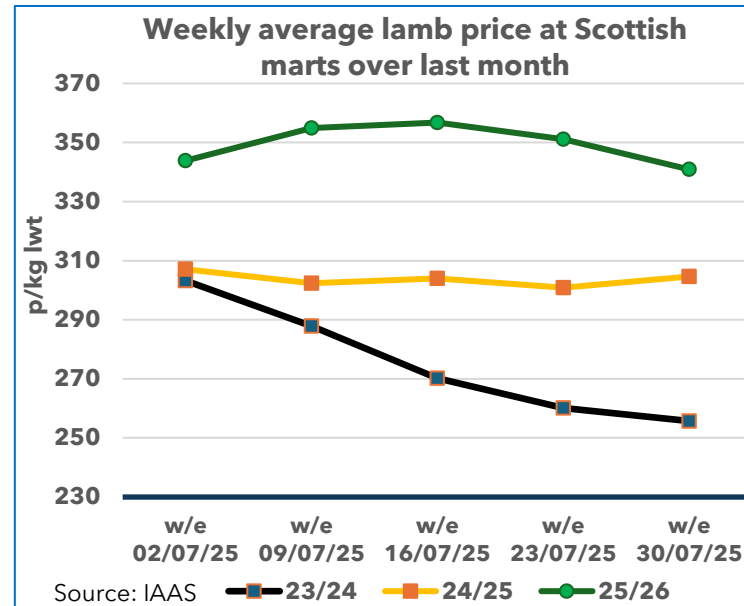
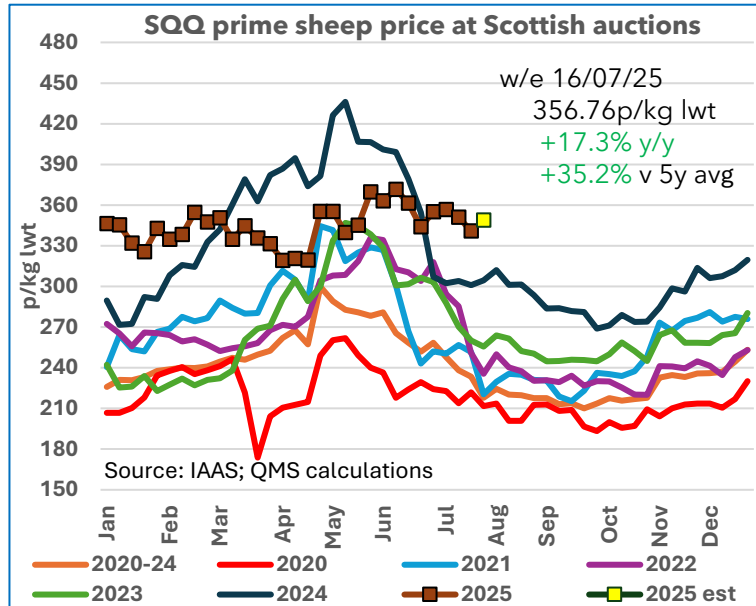
### 03 Global market

- A jump in lamb prices in the Southern Hemisphere reflecting seasonally lower production, a tightening of supply from 2024 levels and strong overseas demand is likely to have pushed up UK import prices further, potentially setting a higher market floor. Meanwhile, it remains to be seen if imminent US tariffs of 10% on Australian lamb and 15% on New Zealand lamb will have an impact on global trade flows.



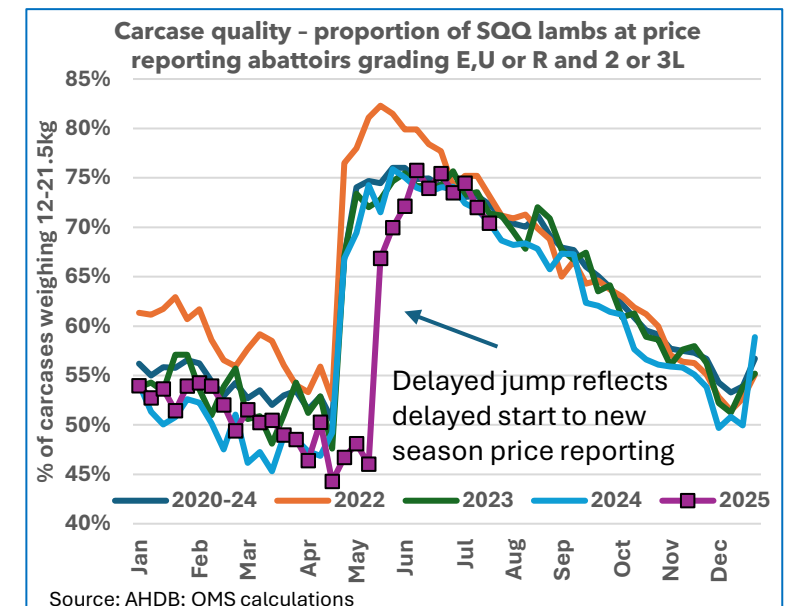
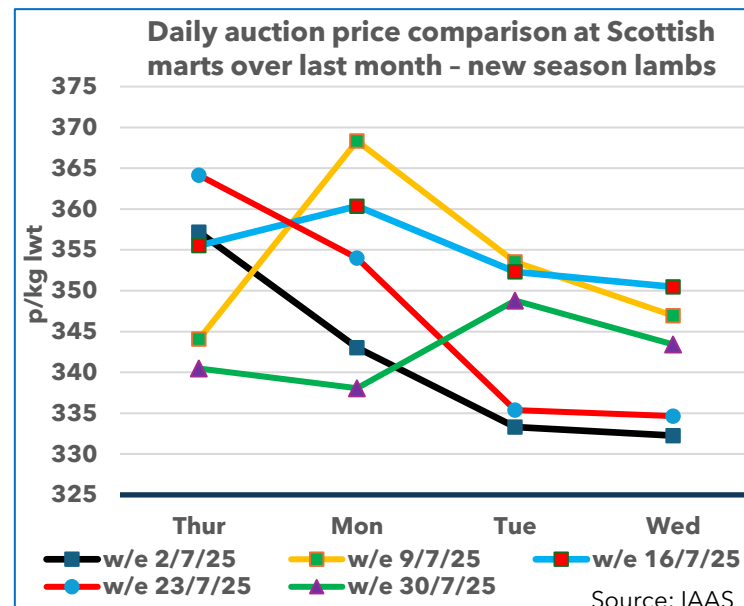
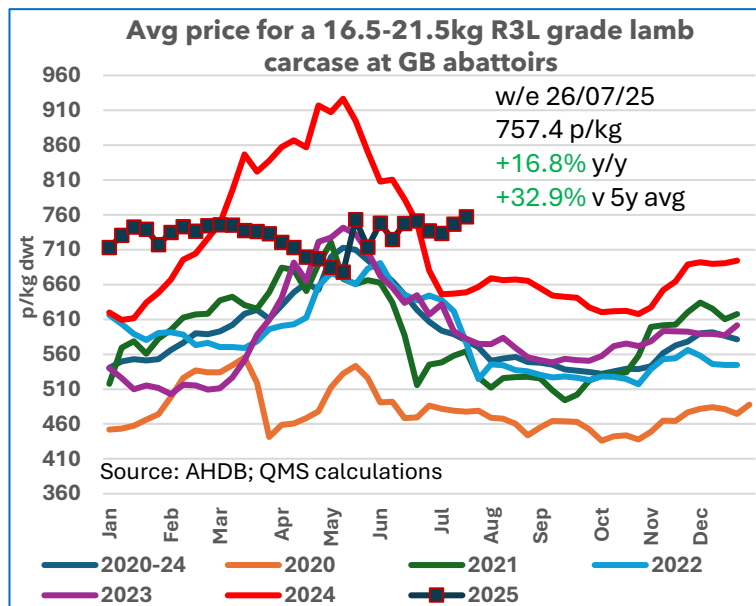
# Farmgate prices - prime sheep

Lamb prices remained unusually close to their new season peak in late-July, signalling a tight market balance despite the quicker arrival of new season lambs this year in Scotland.



Lamb prices have held unusually close to their new season peak in July, with little downwards seasonal pressure from a build in new season supplies reaching the market in Scotland.

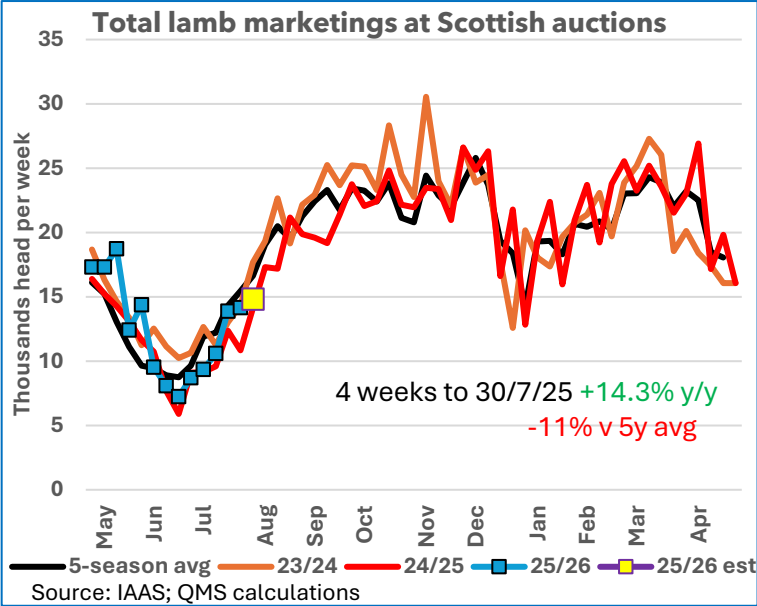
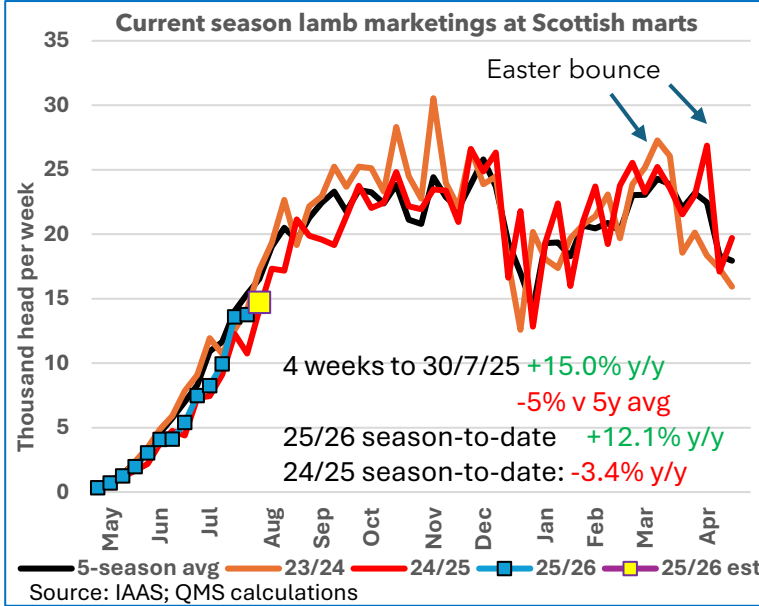
GB deadweight prices even trended slightly higher in July, reflecting a more stable weekly kill through July at the price reporting abattoirs than usual, resulting in a sharp reduction in slaughter compared to 2024. Historical price comparisons have remained similar to those of the Scottish auction trade.



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

# Availability and slaughter

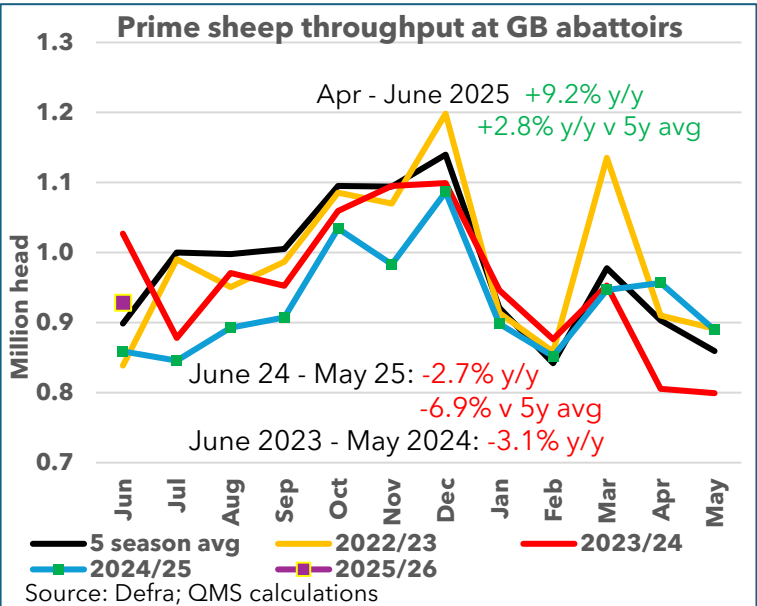
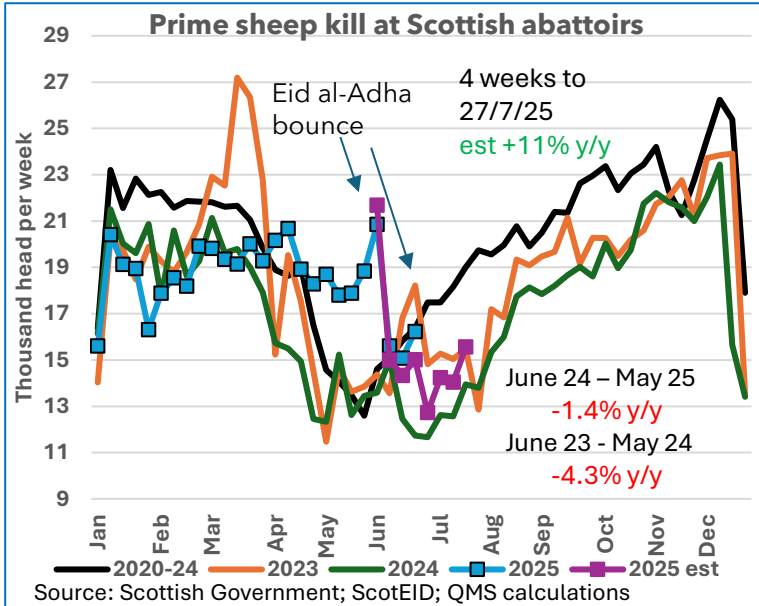
The 2025 lamb crop has arrived quicker than the 2024 crop, with a significant increase in throughput at Scottish auctions and abattoirs in June and July. However, numbers remain historically tight. Lamb slaughter continued to run ahead of 2024 levels at GB abattoirs in June, but numbers may have tightened in July.



Strong hogg availability provided continuing support to overall lamb numbers through May and into June across GB after a high kill at Easter.

In Scotland, a stronger build of new season lambs than in 2024, reflecting the much improved spring weather this year, provided support to availability in June and July, boosting auction and abattoir throughput in Scotland compared to 2024. However, numbers still look soft when compared to pre-2024 levels.

While Defra continued to report a year-on-year uplift in lamb slaughter across GB in June (+8%), there are indications that numbers may have tightened in England & Wales in July, as a lack of grass growth has slowed finishing, and this may help to explain the more limited downwards seasonal pressure on lamb prices than usual.



## Latest Census Results – Scotland, England & Wales (% change y/y)

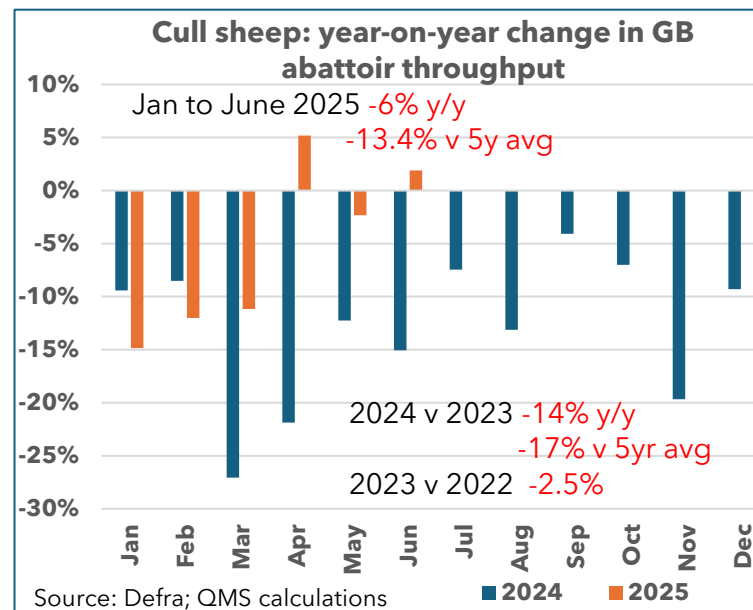
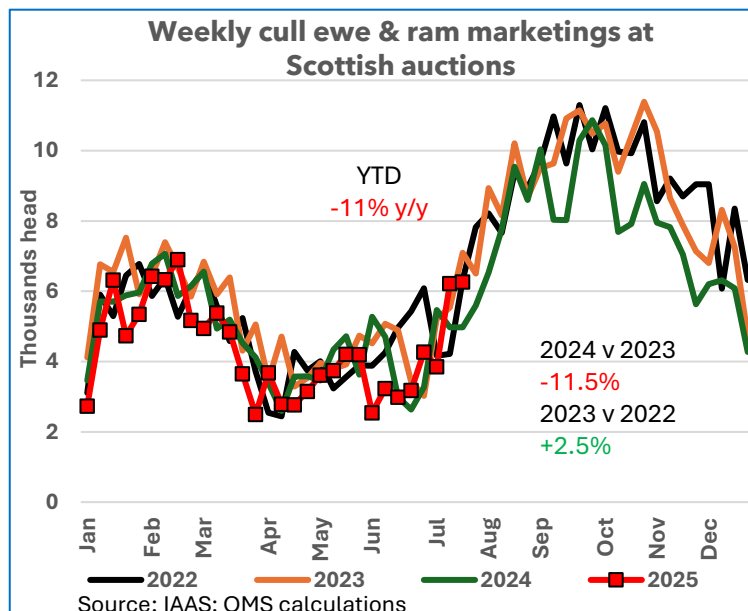
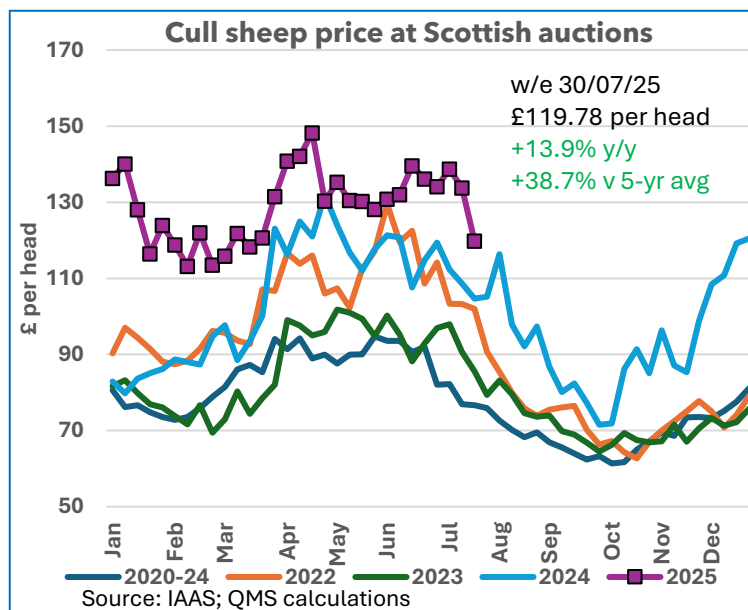
June 2024 – Scotland, England and Wales			
	Sco v 2023	Eng v 2023	Wal v 2023
Ewes for further breeding & slaughter	-2.3%	-4.7% y/y	-0.8%
New season lambs	-1.6%	-3.1% y/y	+2.6%
December 2024 – England			
	Sco v 2023	Eng v 2023	Wal v 2023
Total female breeding flock	na	-4.7% y/y	na
Lambs	na	+3.5% y/y	na

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



# Cull sheep market

A seasonal rebalancing in slaughter is now underway, finally placing some downwards pressure on cull ewe prices after a strong spring and summer. Slaughter appears to have stopped falling on a year earlier at GB level in Q2 after a prolonged period of decline.



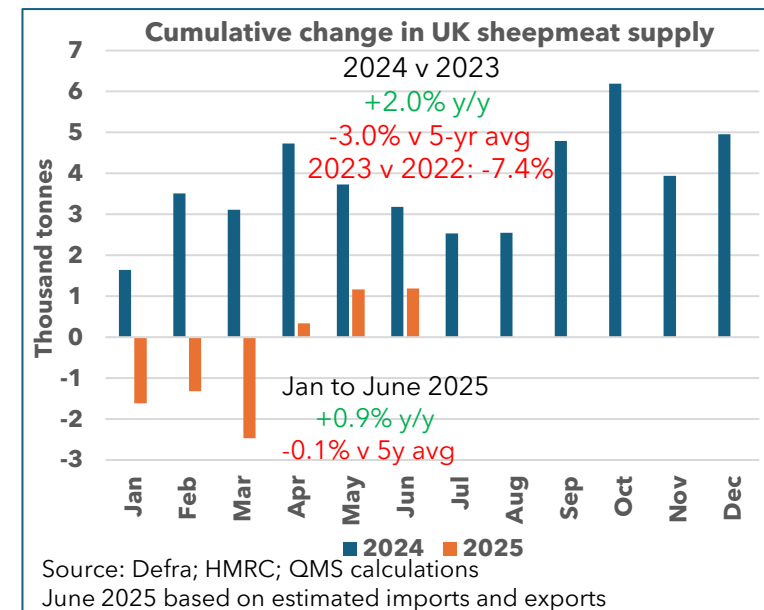
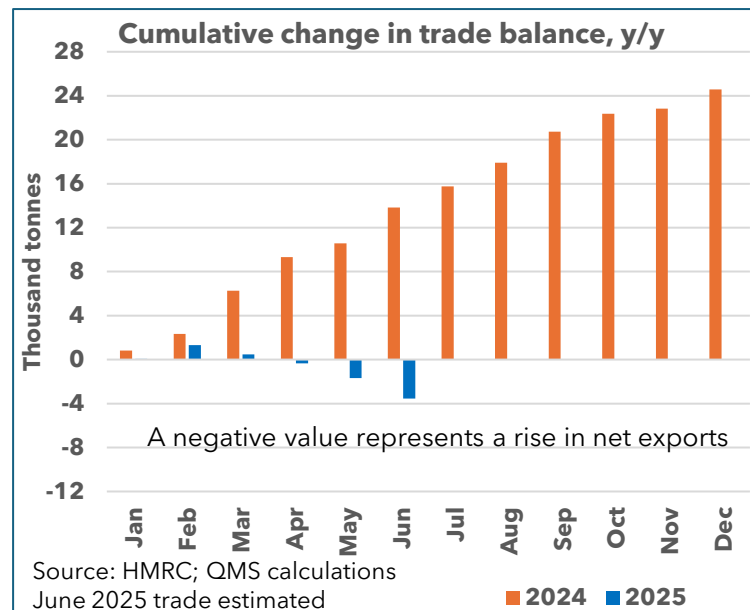
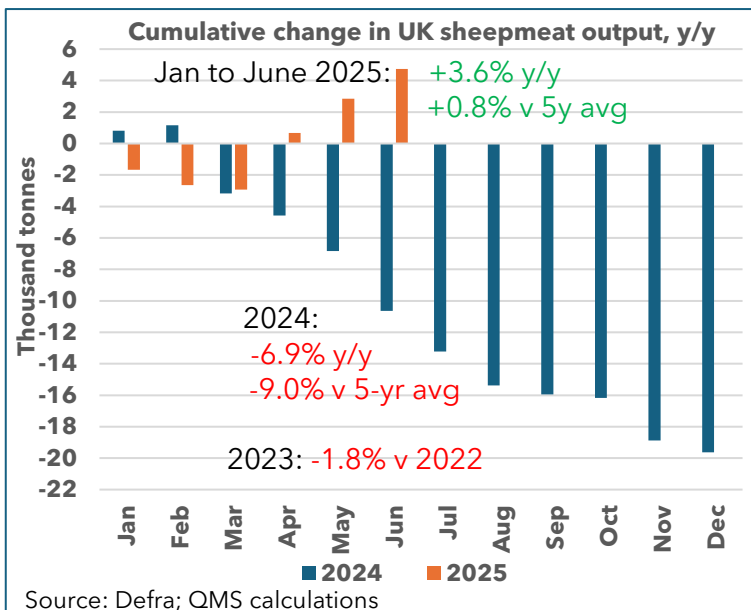
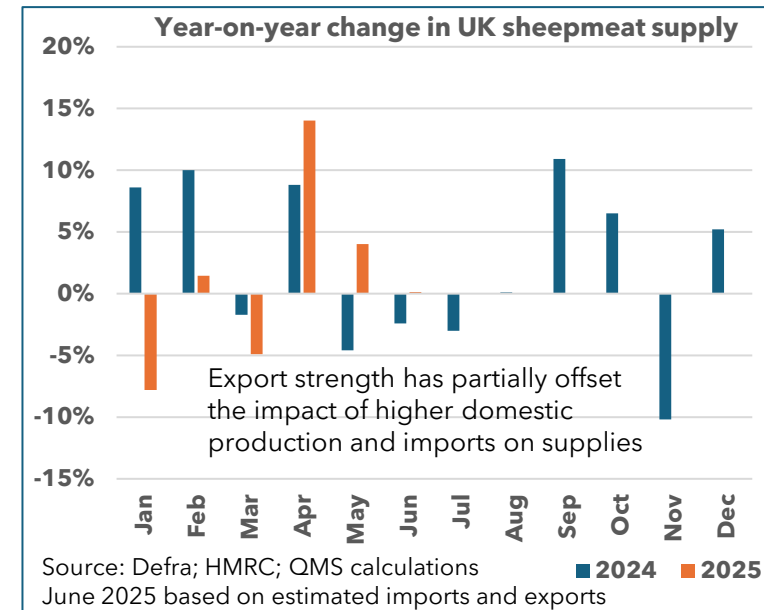
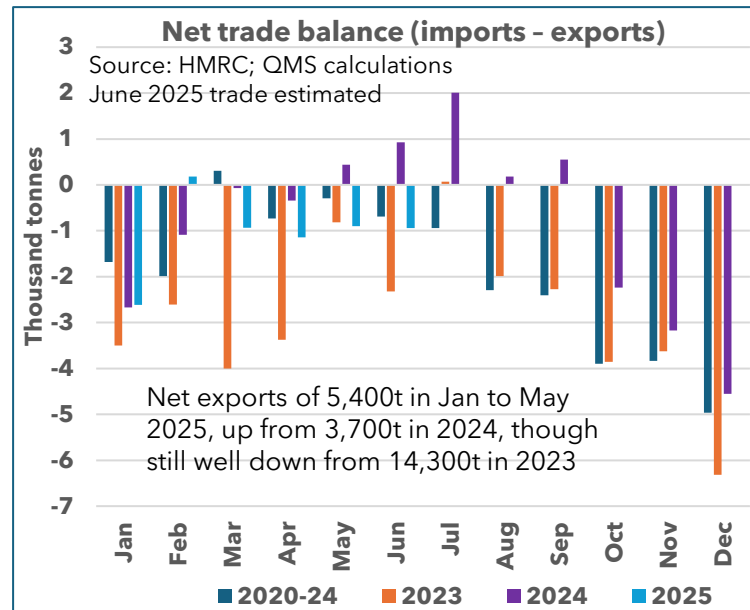
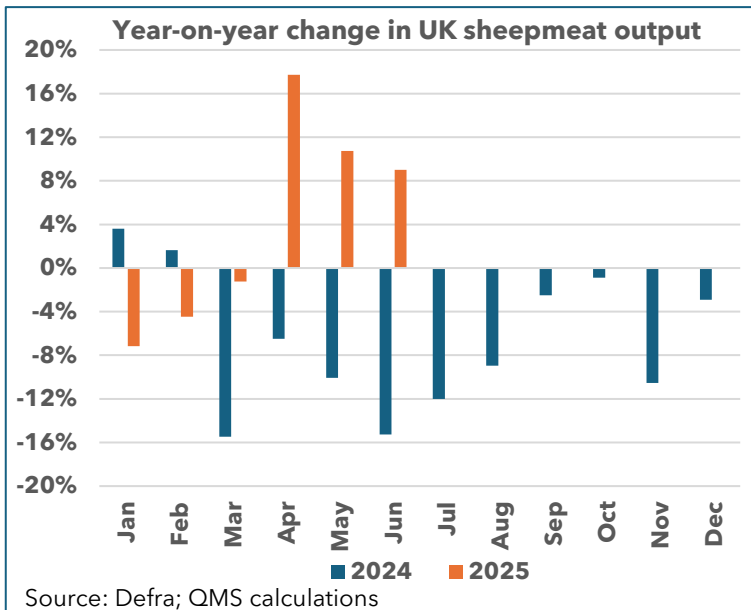
Cull ewe prices fell sharply in the final week of July, having held firm earlier in the month despite the beginning of the seasonal move higher in slaughter. Lower auction throughput than in 2024 has been supporting prices all year, while demand for mutton is likely to have been supported by its more affordable price point than lamb.

While the scale of the fall in slaughter in GB in 2024 and early-2025 pointed towards flock rebuilding, some of it will have reflected a smaller ewe flock. It is notable that the declines appeared to stop in the April to June period, potentially as high prices drew out stock, and this is something to watch closely as slaughter climbs towards its autumn peak.

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, except for a brief period around Eid al-Adha.

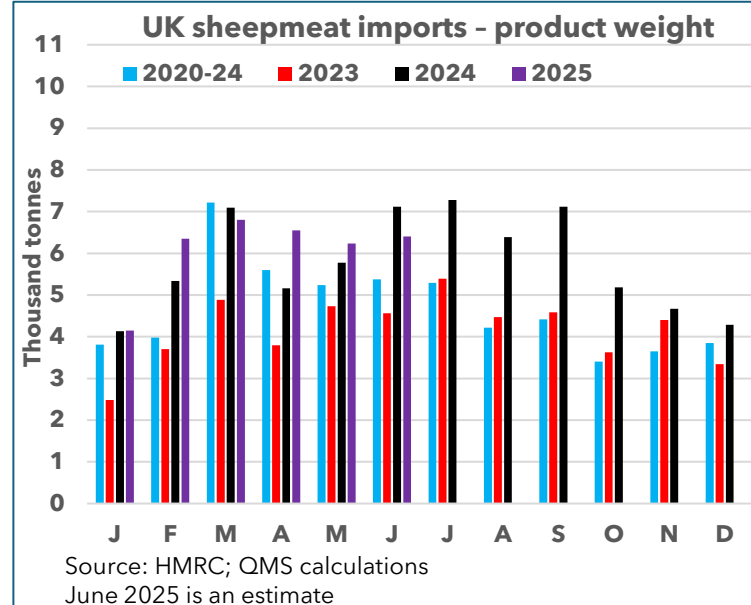
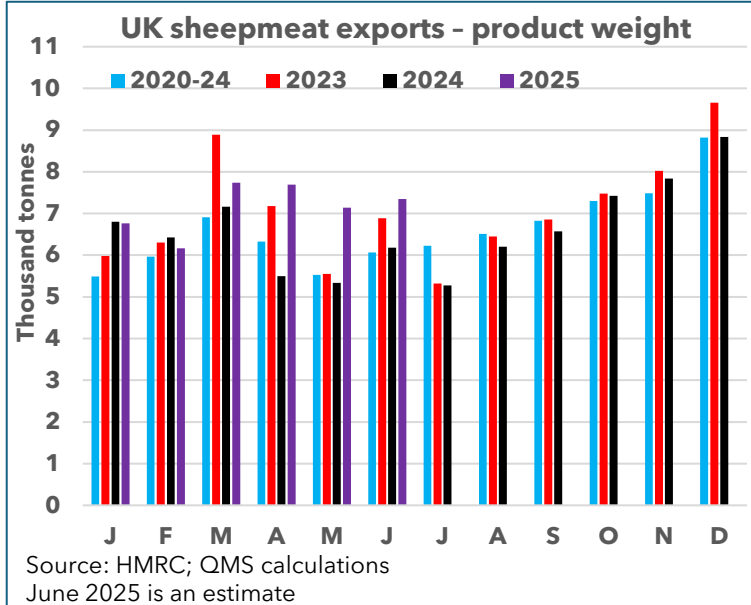
# UK sheep market supply

domestic production + (imports – exports) = supply



# UK international trade

Export sales had a very strong spring, increasing at a much faster rate than domestic production. Import volumes continued to show significant year-on-year increases through the spring, but this may not have been sustained into June and July as supply tightened in New Zealand.



UK sheepmeat exports had a very strong period during the spring with volumes growing by 25% on 2024. While significantly higher domestic production underpinned export volume growth, the share of output exported rose sharply, particularly in May (32% v 26.5% in May 2024), highlighting the strength of overseas demand.

UK sheepmeat imports continued to show year-on-year increases through the spring, rising broadly in line with the year-to-date rise of 9%. Import penetration also continued to rise further, although some of this will reflect the downwards impact on overall supply from the fast pace of exports.

Although highly competitive prices in Australia and New Zealand supported import demand, import prices have rebounded significantly this year, averaging 25% higher than in 2024 from NZ and 31% higher from Australia in the first five months. While imports from Australia continued to expand at a sharp rate of close to 50% from 2024 in the January to May period, the volume arriving from NZ was only marginally higher, and it declined in the spring.

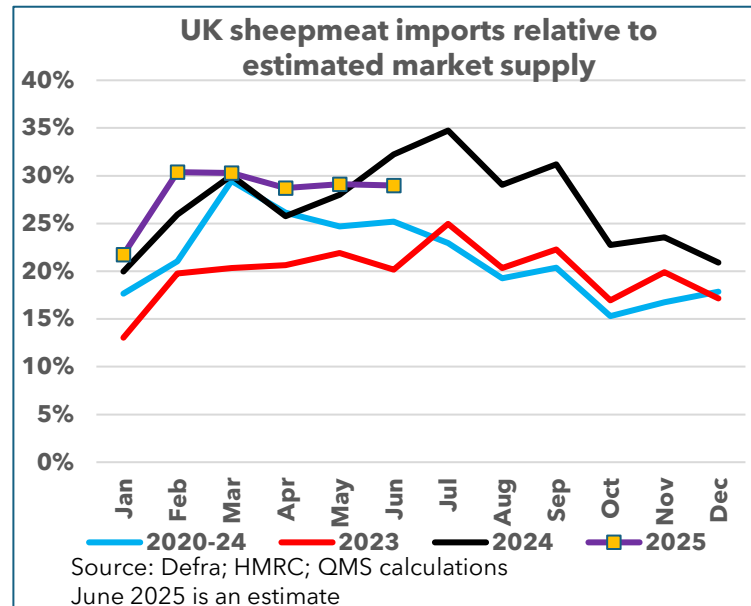
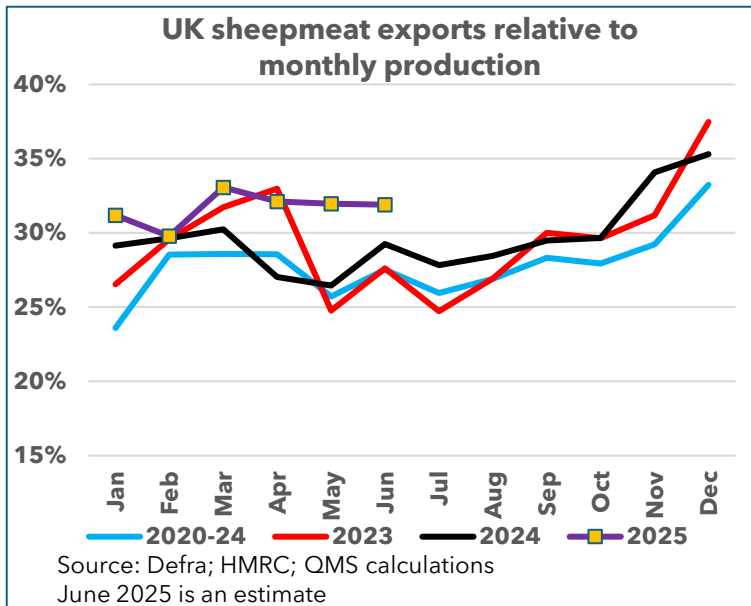
Following on from this, slaughter statistics from NZ point to a considerable tightening of supply in May 2025, suggesting that imports to the UK will have struggled to match the highs of summer 2024.

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:

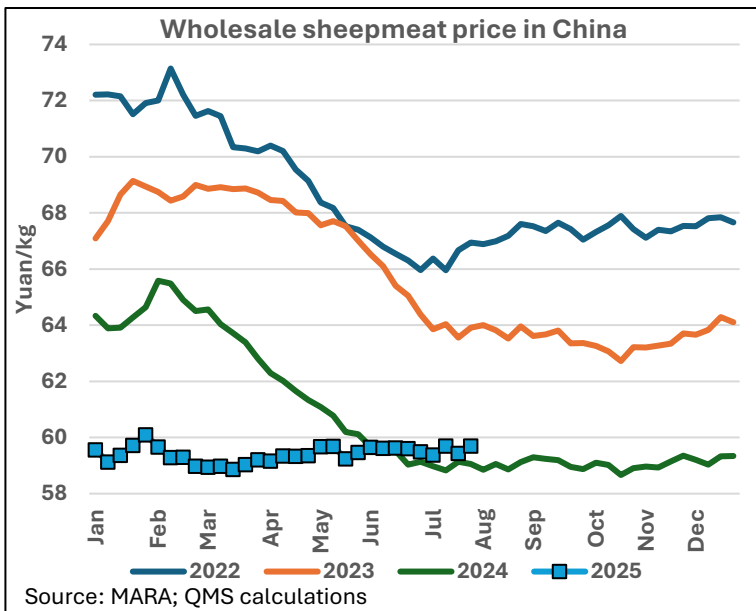
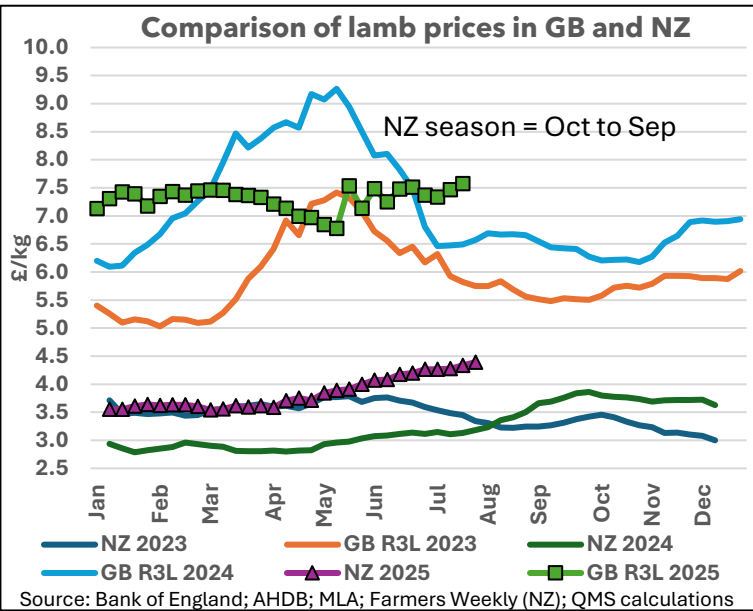
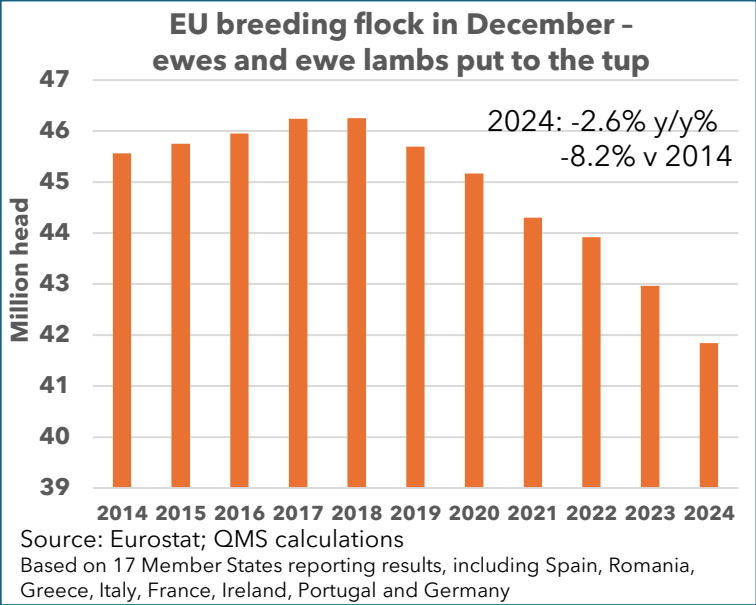
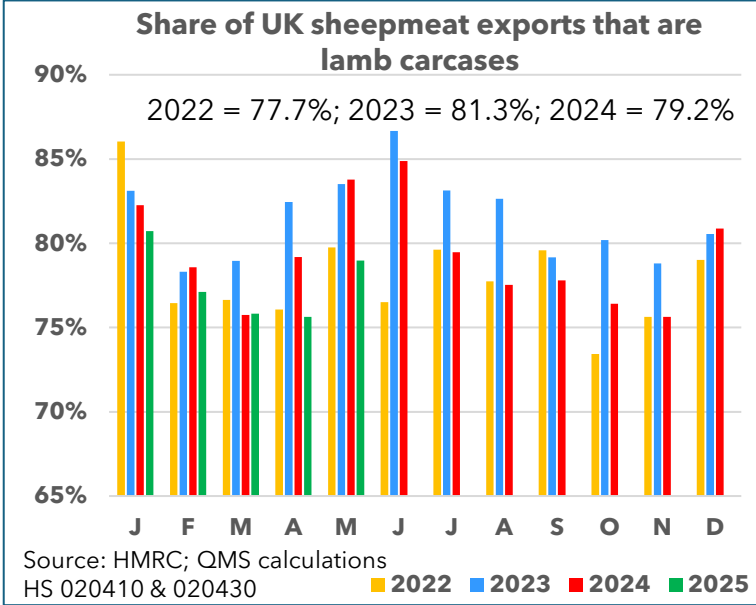
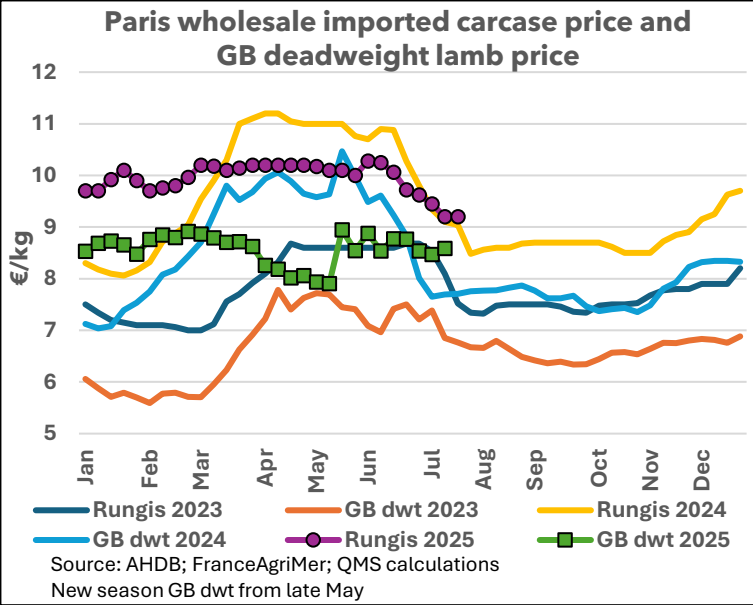
HMRC trade data covers HS codes 0204 (fresh or chilled & frozen sheep and goatmeat)

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



# Variables influencing international trade

Wholesale prices in France for GB lamb have fallen seasonally, leading to tighter export margins due to the lack of seasonal pressure on farmgate lamb values. In the Southern Hemisphere, lamb prices have surged in recent weeks, reflecting strong international demand, seasonally lower production, and year-on-year declines in slaughter. It remains to be seen if US tariffs of 10% on Australia and 15% on NZ will have an impact on global trade flows.



Oceania lamb production forecasts					
	2022	2023	2024	2025	25 v 24
Australia: September 2024 Industry Projections (thousand tonnes)					
Sheepmeat production	710	847	927	879	-5.2%
Sheepmeat exports (product weight)	428	536	614	616	+0.3%
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					





# PIG MARKET

## SUMMARY OF MARKET DEVELOPMENTS

### 01 Prices

- Per kilo pig prices continued to follow a normal seasonal trend in July, rising slowly. Given the lack of upturn between spring and summer in 2024, year-on-year declines narrowed to within 1%. Prices ran 10-15% above their five-year average and are estimated to have held slightly above the cost of production, supporting producer confidence.

### 02 Slaughter numbers

- Slaughter figures from Defra point to an increased prime pig kill at GB abattoirs in the first half of 2025, building further on the rise in production in 2024. However, the kill has continued to trail the five-year average. Weekly slaughter is likely to start trending higher as autumn approaches.
- The number of pigs leaving Scottish farms for slaughter fell slightly from 2024 in the first half of the year, but this didn't stop the Scottish abattoir prime pig kill from continuing to increase, signalling favourable market demand.

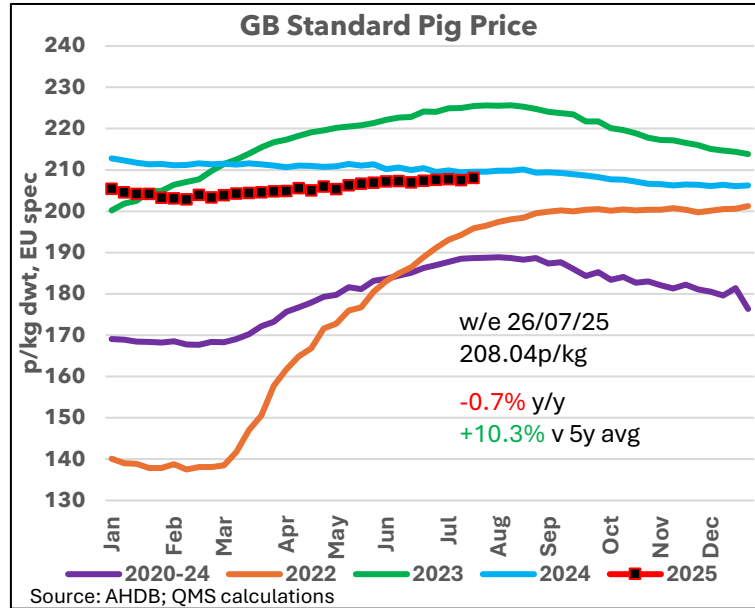
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
GB Standard Pig Price (SPP)	p/kg dwt, w/e 27 July	208.04p/kg	+0.56	+0.3%	-0.7%	+10.3%
Average carcass weight of standard pigs	Average in four weeks to 27 July, EU spec	89.84		-0.3%	-0.6%	+2.5%
Prime pig slaughter at GB abattoirs	Total during June 2025, thousand head	680.0		-6.4% (change in daily avg kill June v May)	+2.7%	-3.4%
UK pig market supply	Tonnes in Apr to June 2025 (estimate)	330,400			-1.3%	+4.5%

### 03 International trade and market supply

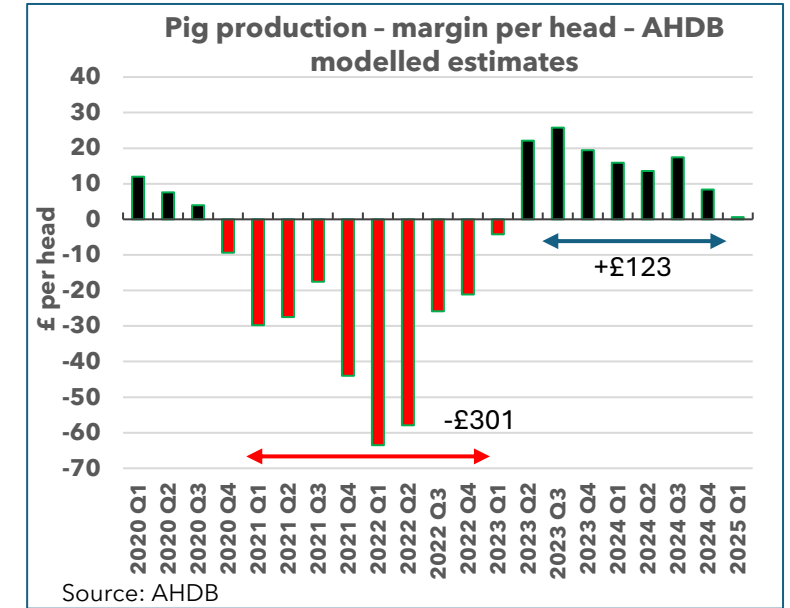
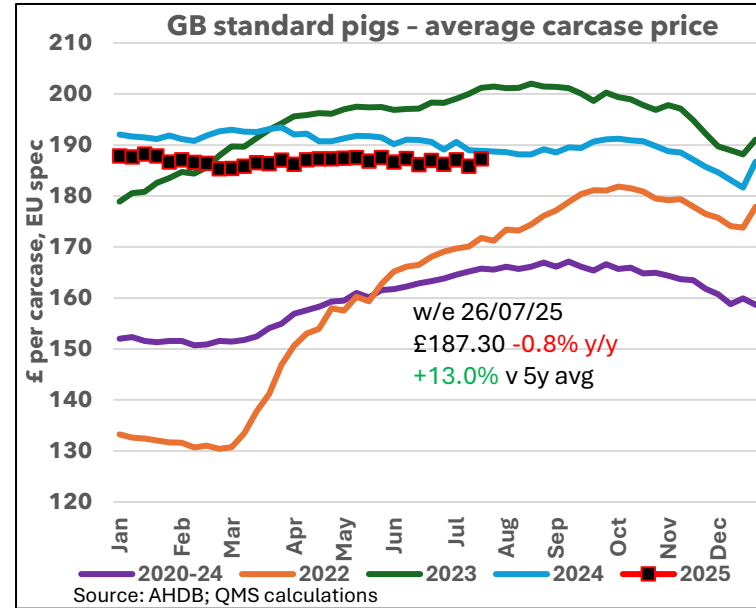
- UK pig market supply rose by around 4% in 2024 and further increases occurred in the first half of 2025 as a fall in net imports was unable to fully offset the increase in domestic production. Given higher supplies, a normal seasonal pattern in farmgate prices points to some demand-side strength.
- Likely reflecting increased domestic production, imports from the EU have remained sluggish in 2025 despite competitive pricing. Meanwhile, UK exports have shown some growth, mostly in China, despite the Chinese market continuing to look sluggish this year. This export growth may reflect improved market access following the renewal of export licenses and opportunities caused by a sharp fall in US pork shipments into China due to increased tariffs.

# Farmgate prices – prime pigs

Slight seasonal upturn in producer prices has seen prices move to within 1% of 2024 levels, while holding 10-15% above the five-year average, supporting the slow recovery of producer finances.



Note: AHDB cost of production estimate Q1 2025: 203p/kg dwt, with feed costs reaching a two-year high.



Note: AHDB have revised their estimates of margins in 2025, switching from using the APP as a measure of producer prices to using the SPP. This has reduced margins by around £2 per head.

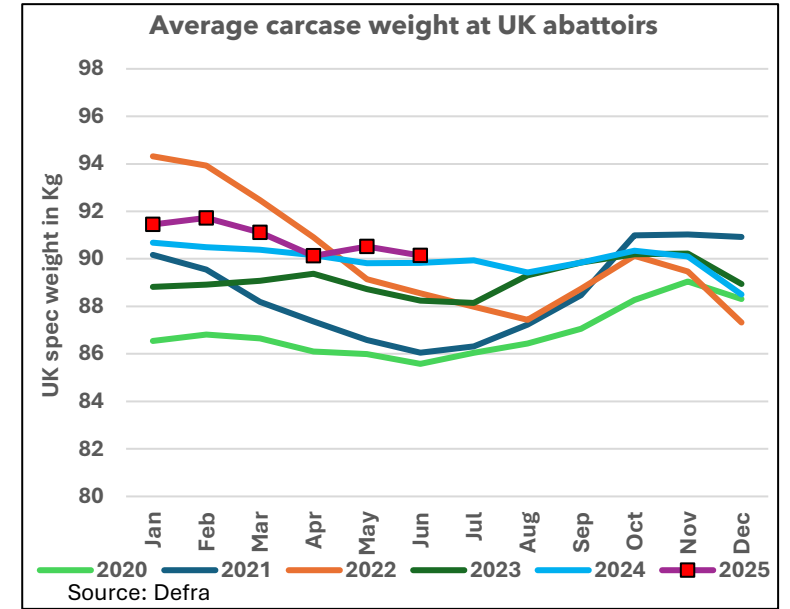
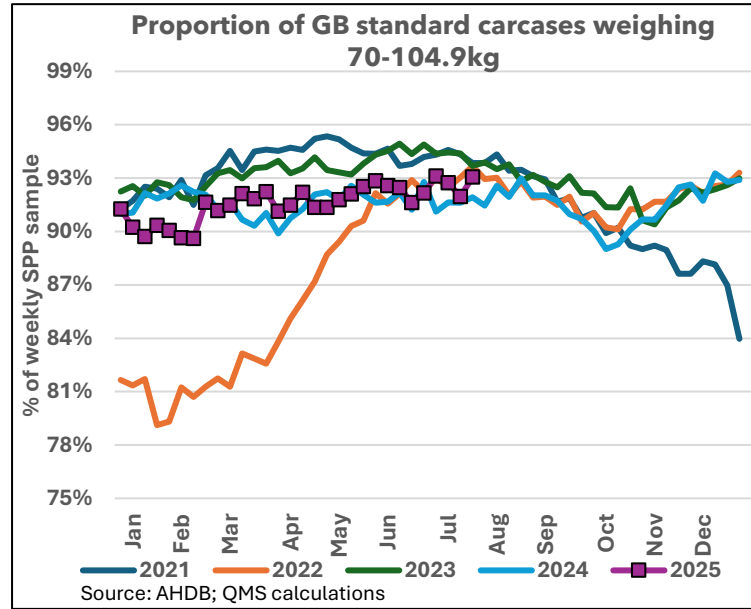
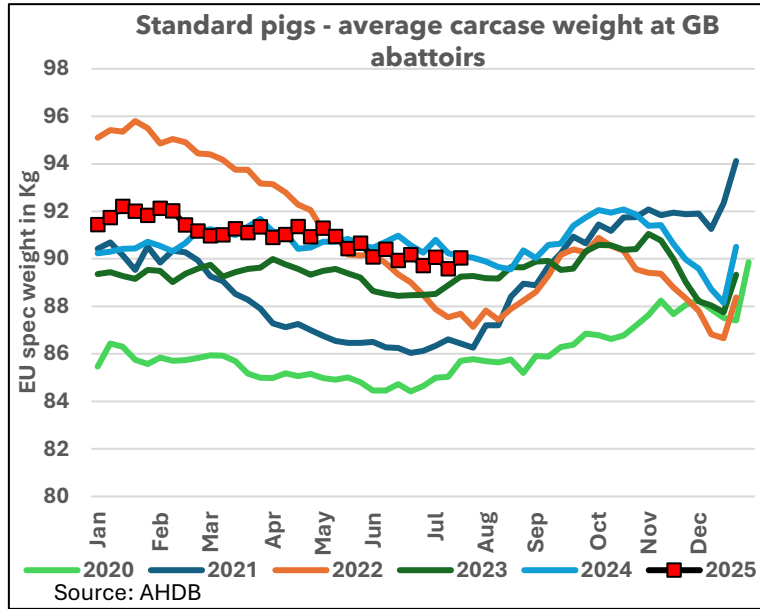
Pig prices have been showing a normal seasonal pattern, continuing to edge higher in July, and may be approaching their peak. A relatively stable trend in carcase weights during the summer means that carcase prices have followed a flatter trend than per kilo prices. In 2024, the traditional price upturn between spring and summer failed to occur, so the year-on-year declines have slowed further, slipping below 1% in late-July. While leads over the five-year average have slowed since the spring, they remain significant, at 10-15%.

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 may limit the potential for any significant 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.

# Carcase weights

Carcase weights continued to trend seasonally lower into July as the proportion of in-spec pigs reached its highest of the year, but weights may be approaching a turning point.

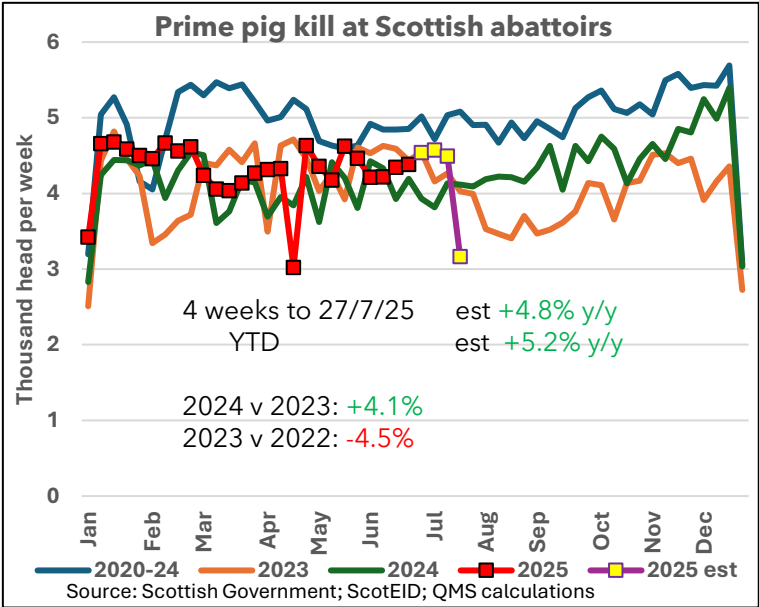
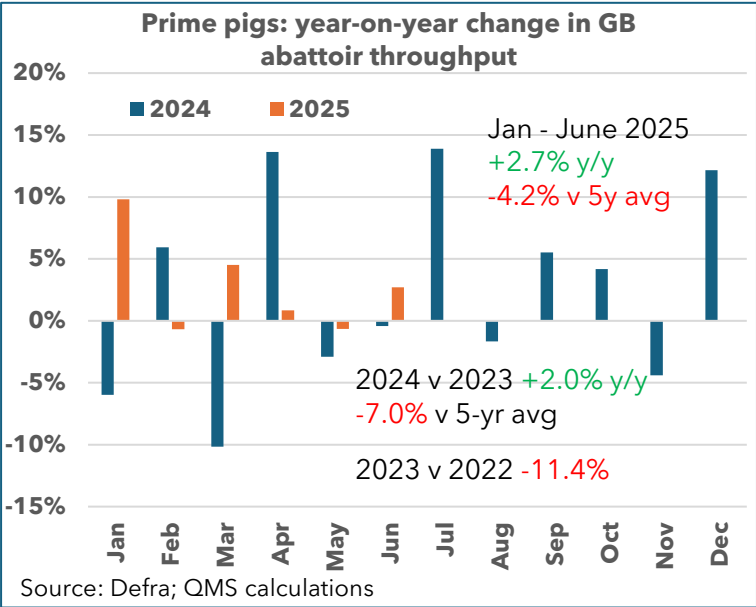


Carcase weights in the SPP sample continued to trend seasonally lower in July, but they could be about to rebalance as autumn draws closer. In July, weights have averaged just under the 90kg mark, compared to just over 90kg in July 2024, and down from a winter peak of around 92kg. Defra's monthly carcase weights from their survey of UK abattoirs have closely matched the SPP sample, having been on the low side in 2024.

A higher share of standard carcasses have been in-spec in July 2025 than in July 2024, contributing to the slightly lighter average weights this year.

# Availability and slaughter

England's December census results pointed to the potential for a significant expansion of domestic production in GB this year, and some uplift is showing up in Defra's slaughter data. A 2% dip in the number of pigs leaving Scottish farms for slaughter hasn't prevented a continued year-on-year increase in slaughter at Scottish abattoirs.

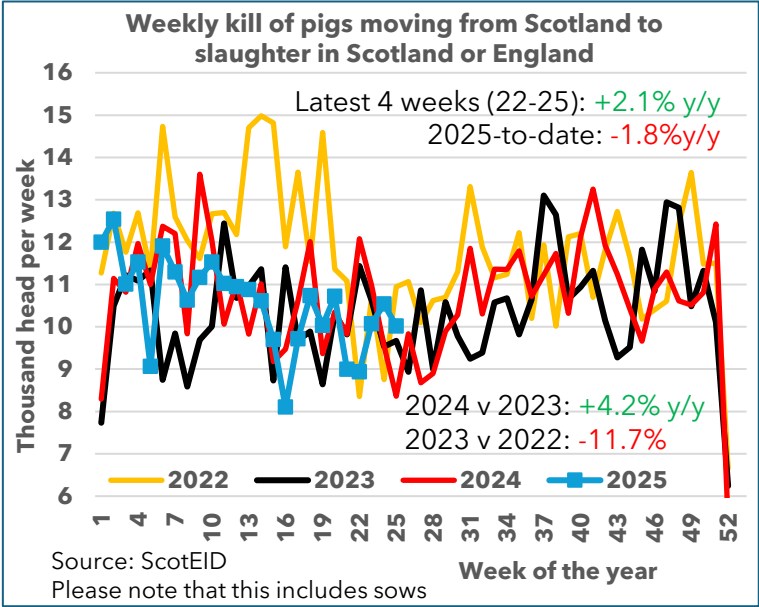
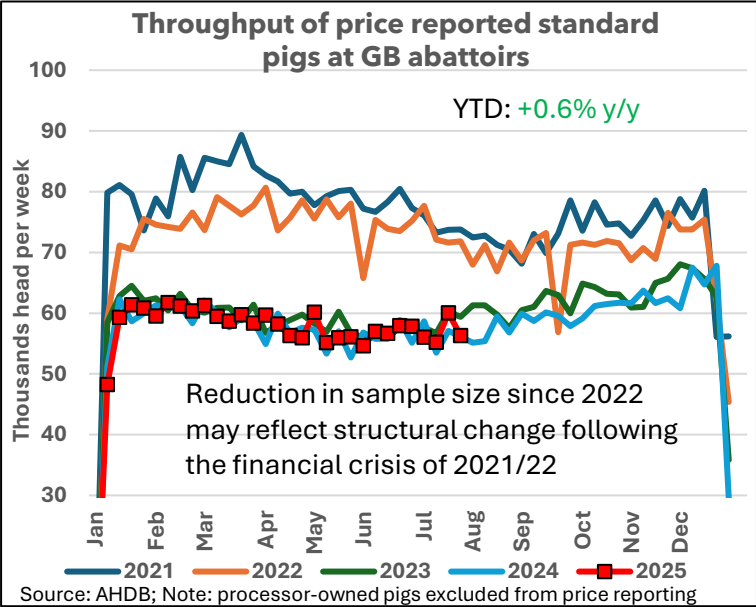


GB abattoir throughput has risen further in 2025 after a small rebound in 2024, reflecting the favourable balance between input costs and output prices. However, the increase in slaughter during the first half was more sluggish than signalled by the December census results for England.



Weekly availability for slaughter is likely to start trending upwards from its summer low point as autumn approaches.

In Scotland, weekly availability for slaughter trended downwards through the first quarter and has been more stable since. In the year-to-date, numbers moving from Scotland to slaughter destinations have fallen by around 2%, and the ScotEID data continues to signal a more stable herd than indicated by the June 2024 census.



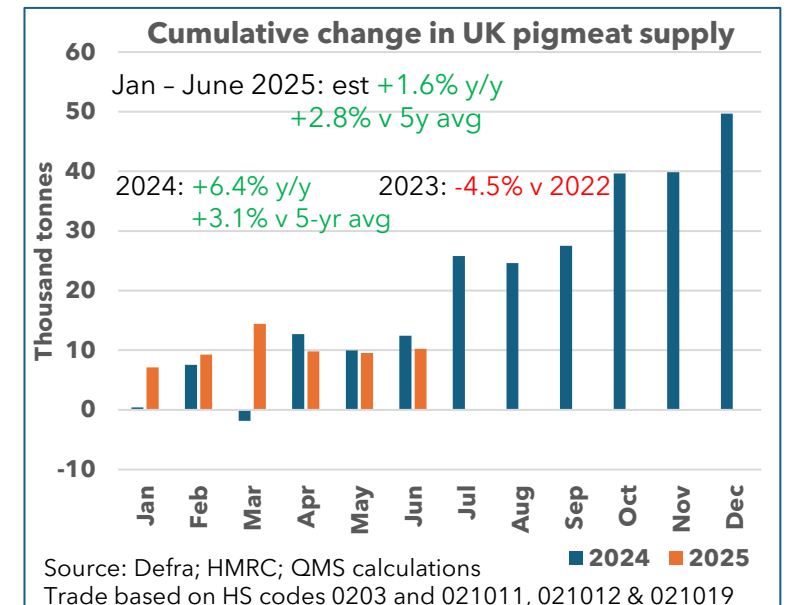
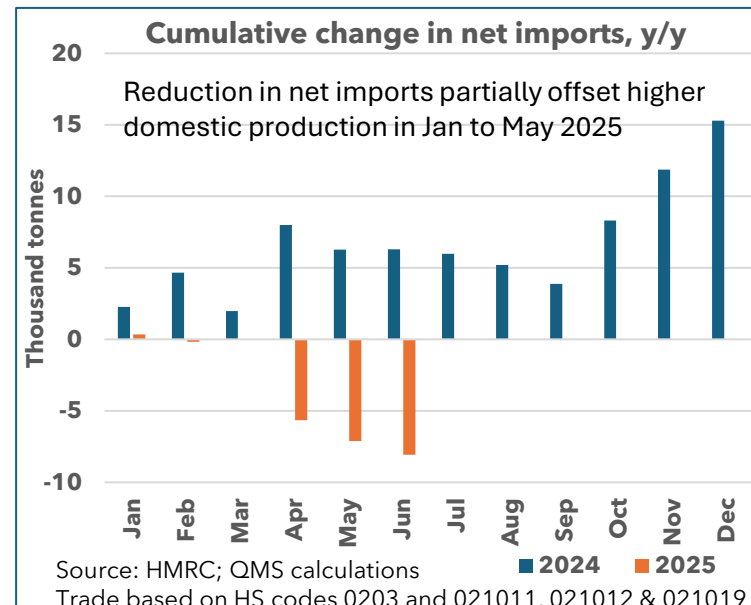
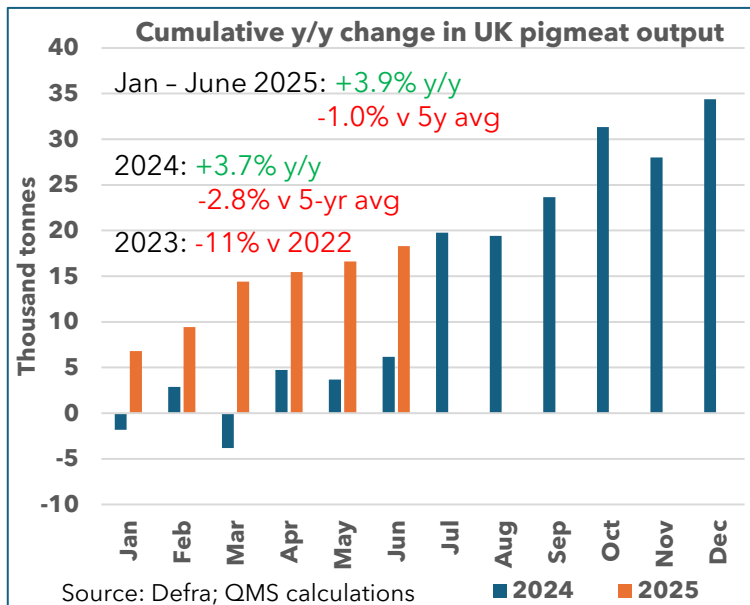
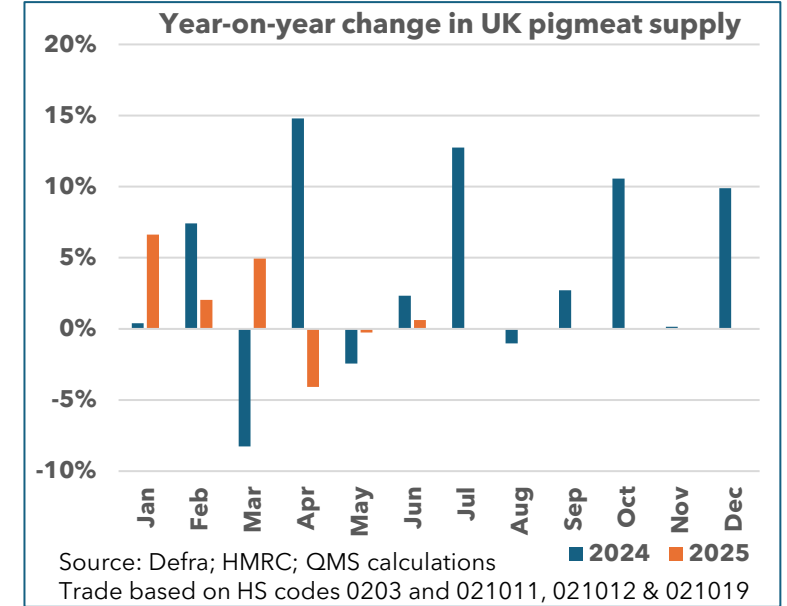
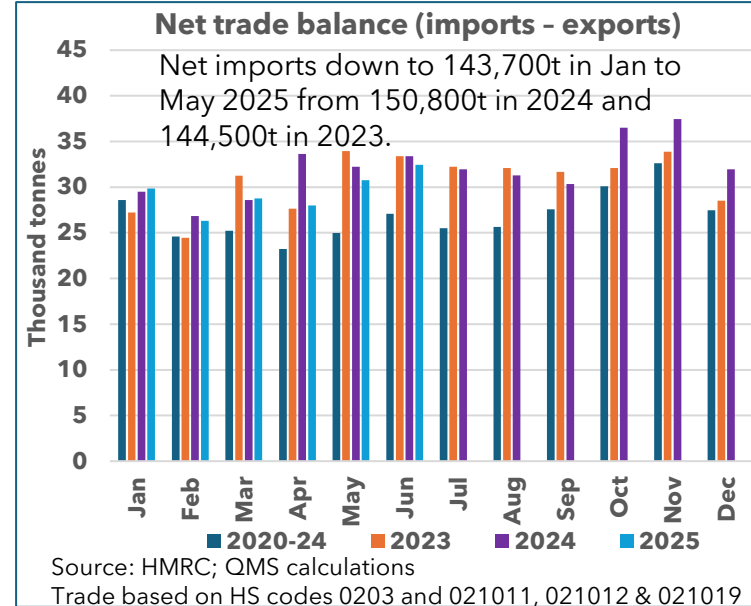
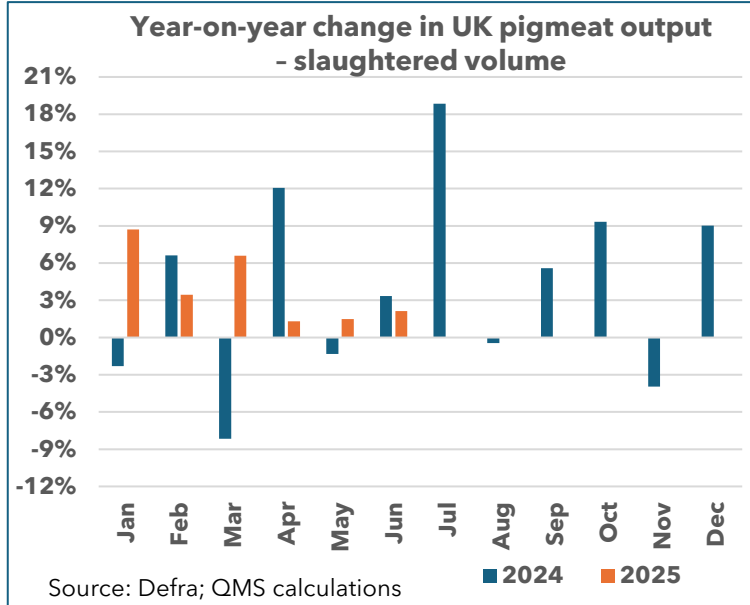
Slaughter at Scottish abattoirs has continued to exceed year earlier levels in June and July, taking a higher share of the slaughter crop than last year and indicating improved market demand.

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

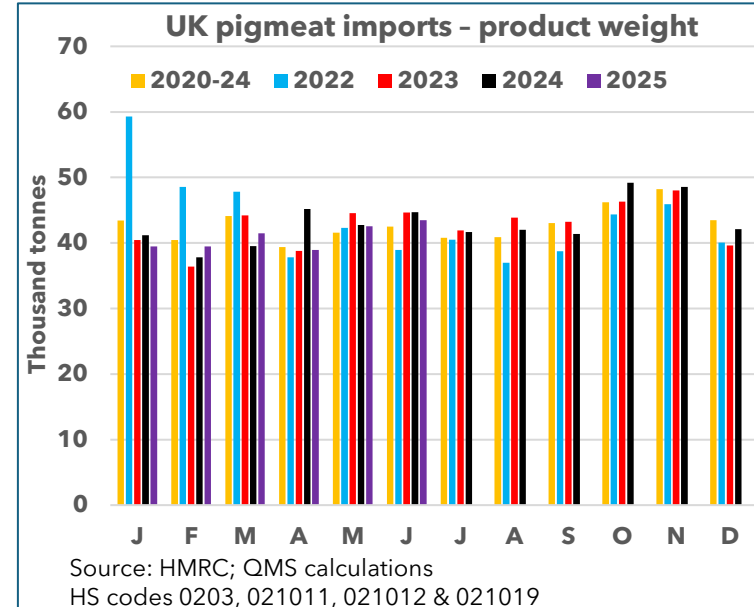
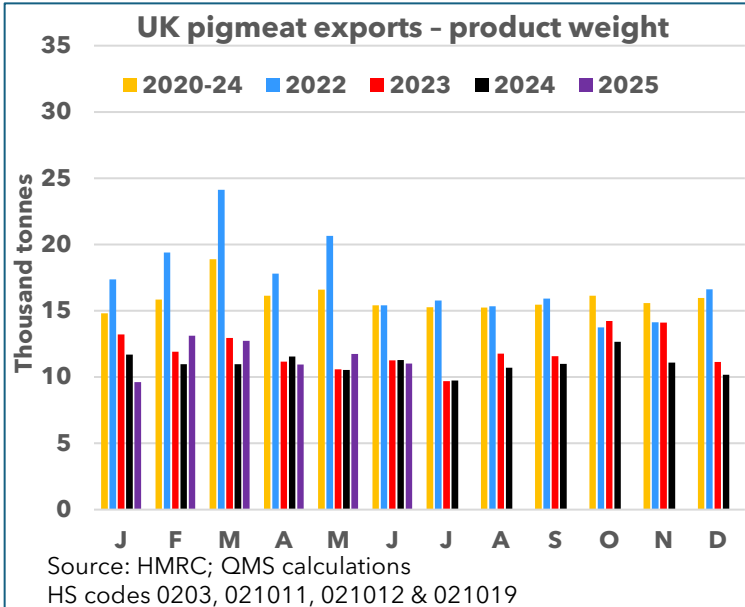
Trade balance and pigmeat supply calculations based on estimated imports and exports for June 2025





# UK international trade

Exports showed some signs of recovery in the first five months, driven by China, while higher domestic production continued to pressure imports despite competitive EU pricing.



UK pigmeat exports continued to show historically soft performance in May, trailing the 2018-22 average for the month by 43%. However, the total in May was around 12% higher than in the previous two May's, taking the year-to-date total 4% above 2024 levels.

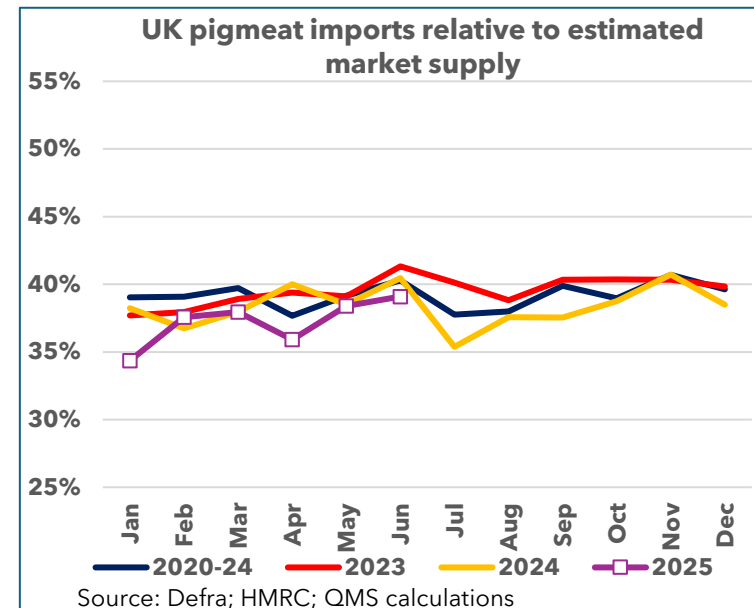
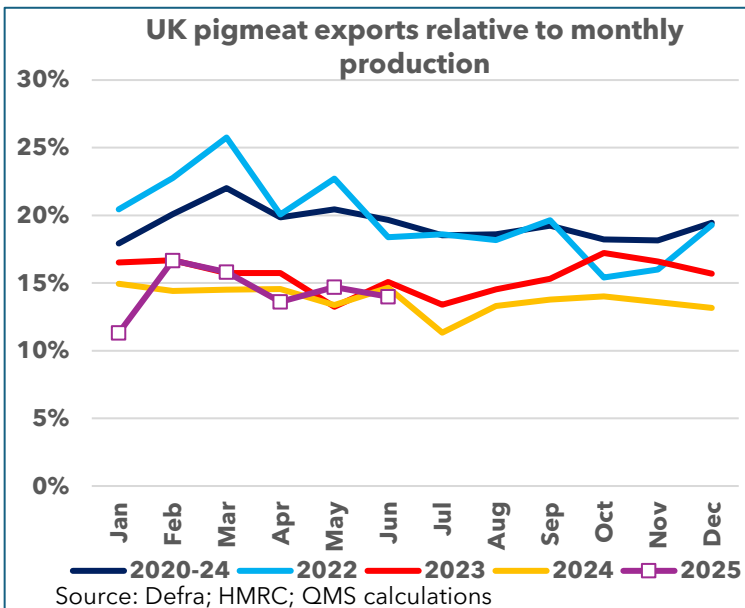
UK pork exports (HS 0203) to the EU were up 0.6% year-on-year in the January to May period, with shipments to non-EU countries exceeding 2024 levels by nearly 10%. China and Hong Kong accounted for all of this non-EU growth, rising 23%, with sales to other non-EU countries falling back (-10%).

Imports continued to look muted in May despite the increased price competitiveness of EU pork this year (see page 28), likely reflecting a well-supplied domestic market. Pork (HS 0203) imports rose marginally from a year earlier, against a 3% reduction in the January to May period as a whole, while deliveries of bacon & ham (HS0210) were around 3% lower than in May 2024, with a near-2% reduction in the first five months.

Note:

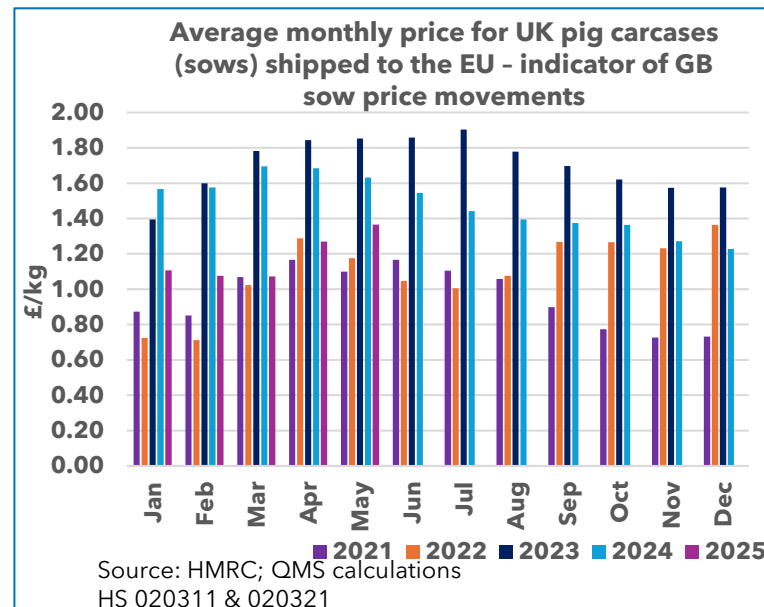
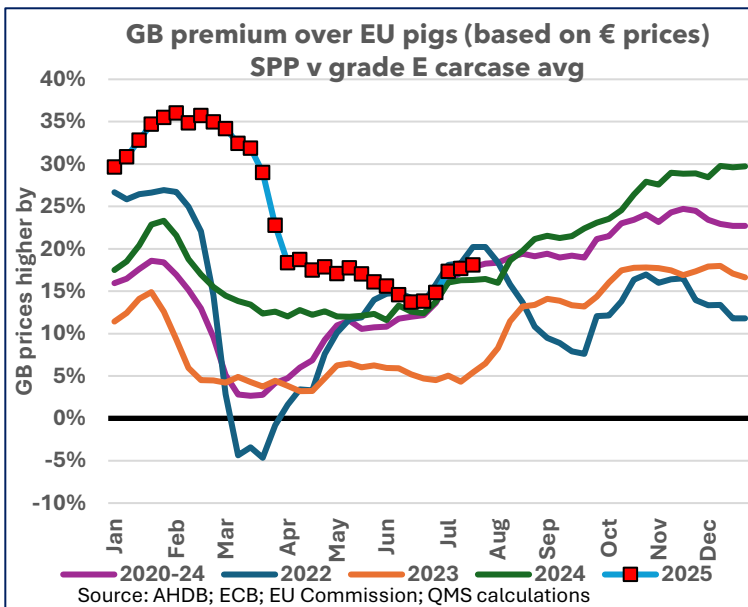
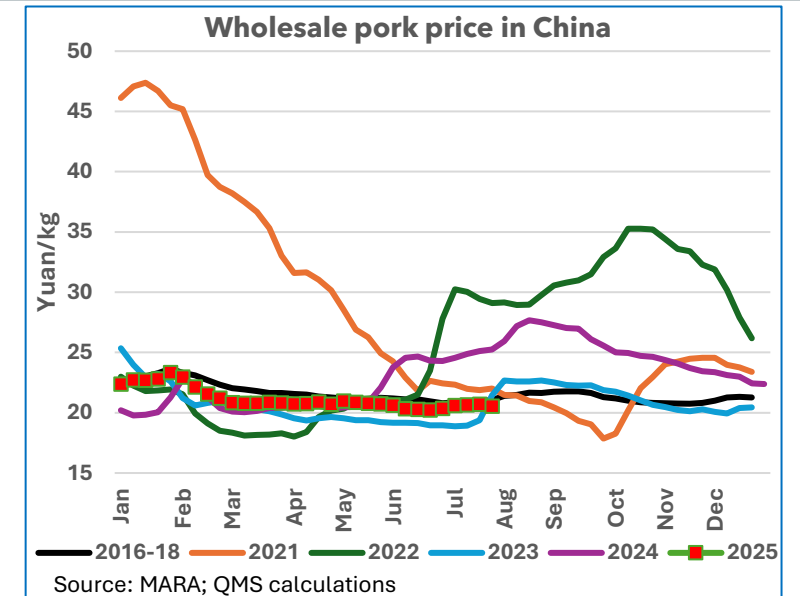
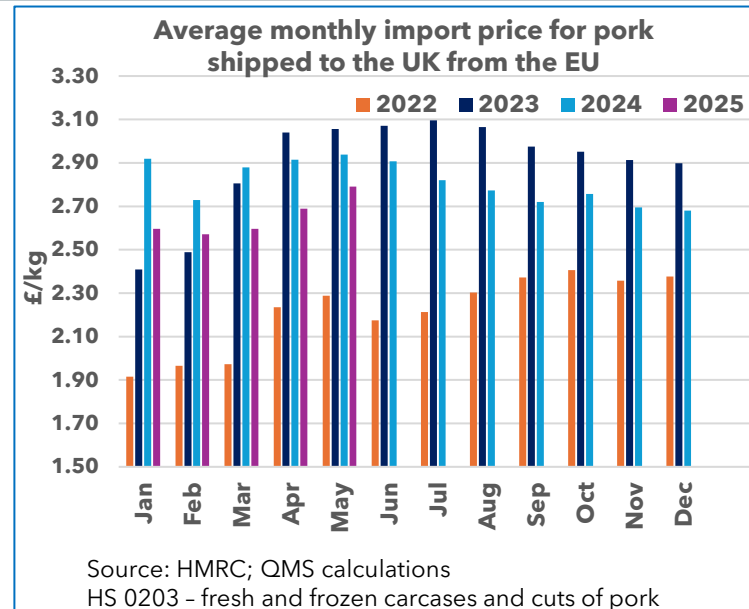
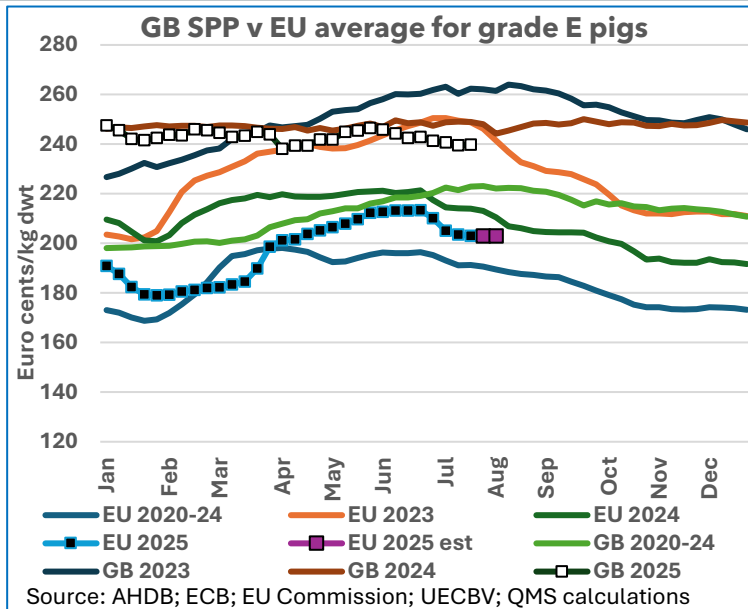
HMRC trade data used here covers HS codes 0203 (fresh or chilled & frozen swine meat) & 021011, 021012 & 021019 (bacon & ham – 'salted, in brine, dried or smoked').

Trade data for June 2025 is estimated



# Factors driving UK international trade

Seasonal EU price reduction has resulted in a renewed widening of the GB-EU price gap, despite a weaker pound boosting GB price competitiveness, and this could continue to place downwards pressure on UK import prices, which have fallen from their 2024-highs. While the Chinese market remains well-supplied, volatility in US trade policy and renewed site approvals may have resulted in increased opportunities for UK exporters in China.



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

Key indicators	2019	2020	2021	2022	2023	2024	2025
World, production	101.5	96.1	108.0	114.6	116.4	116.5	116.7
China, production	42.6	36.3	47.5	55.4	57.9	57.1	57.0
EU, production	23.0	23.2	23.6	22.3	20.8	21.3	21.1
All countries, imports	9.3	11.6	11.5	9.80	9.20	9.00	9.09
China, imports	2.45	5.28	4.33	2.13	1.90	1.31	1.30

Source: USDA Foreign Agricultural Service




# ECONOMIC DEVELOPMENTS

- Volatility in US trade policy and exchange rates have the potential to drive volatility in commodity prices in 2025, with a lower US dollar and impacts on demand and economic confidence potentially softening input cost pressures, while disruption of trade flows could lead to new opportunities for UK exporters. The impact of trade uncertainty on car production may have influenced the weakness of hide prices, but sheepskin values have held up.
  - In 2025, geopolitical challenges have continued to have limited upwards impact on energy prices overall, although natural gas and fertiliser prices have remained elevated in Europe. Meanwhile, positive global harvest prospects have ensured that feed costs have continued to face downwards pressure.
  - According to the ONS, average earnings growth continued to hold above inflation in the spring, supporting disposable incomes, while the early signs from the UK labour force survey suggest limited impact on the labour market from increased minimum wages and employer national insurance rates. Spending on red meat appears to have held up as a result, although increased consumer prices have limited any overall volume growth, while pressuring beef sales volumes.
- 
- Business surveys continue to point towards little or no private sector activity growth in the UK, while suggesting that higher employment costs and soft demand have led to reduced headcounts in the private sector.
  - 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.

# US Import Tariffs

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

- Highly uncertain and fast-moving situation – some tariffs have been suspended, removed or reduced, and so many variables at play, while affected parties are questioning the legality in court (to use the act of law which most of the tariffs fall under, an economic emergency had to be declared)
- 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
  - Brazil is now facing an additional 50% tariff on its beef exports to the US from August 8, though it may still remain competitive due to lower price levels.
  - Argentina, Australia and Uruguay face a 10% tariff, while NZ is facing 15%, with implications for lamb imports as well as for beef
  - Products traded with Canada and Mexico under the USMCA trade agreement are unaffected
  - The UK's 10% tariff for exports hasn't changed since the agreement announced in May.
- Retaliatory measures against US exports and displacement
  - Higher Chinese tariffs on US pork are squeezing margins while higher tariffs on beef have pushed prices to prohibitive levels on the limited volume of product still able to enter the market given the expiry of most US beef site approvals.
  - Key US meat export destinations Korea and Japan are facing 25% tariffs on their sales to the US, and it remains to be seen if there will be a retaliation against beef and pork imports from the US.
  - Potential opportunities for UK 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
  - Weaker dollar potentially softens US import demand by pushing up import costs in addition to any impact from tariffs
- Impact on inputs as well as meat
- 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
- UK exporters could find new opportunities in the US if imports from other sources becomes more expensive, while opportunities could present in other markets if US beef or pork is priced out by retaliatory tariffs. The UK has been granted a new 13,000t beef quota for the US market at a favourable tariff compared to some other suppliers, although it may not open until 2026.
- Note: this was drafted on 1/8/25 and the situation may have changed by the time this is being read.



Reciprocal Tariffs

Country	US Tariff	UK Tariff
China	25%	25%
European Union	0%	0%
India	50%	50%
Japan	25%	25%
Korea	25%	25%
Mexico	0%	0%
NZ	15%	15%
South Korea	25%	25%
Thailand	25%	25%
USA	0%	0%
UK	10%	10%
Uruguay	10%	10%
Argentina	10%	10%
Australia	10%	10%
Canada	0%	0%
USA	0%	0%
South Africa	10%	10%
Brazil	50%	50%
Indonesia	25%	25%
Malaysia	25%	25%
Philippines	25%	25%
Singapore	25%	25%
Taiwan	25%	25%
Vietnam	25%	25%

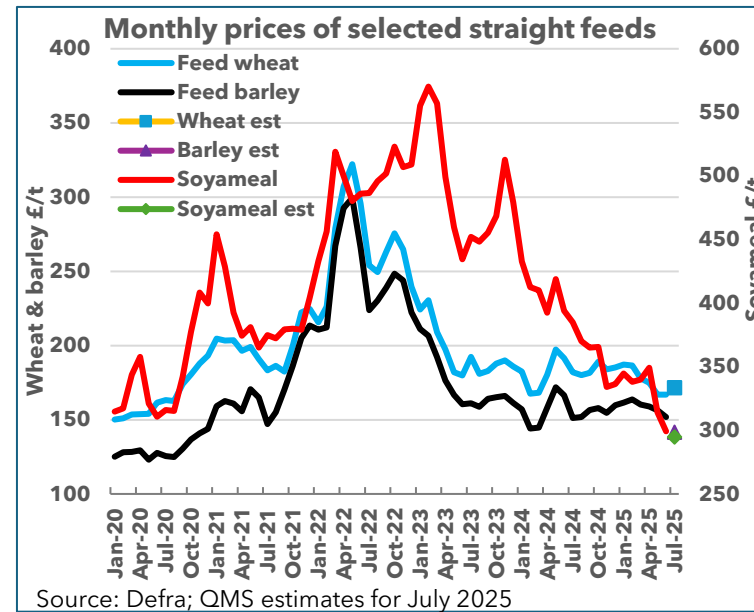
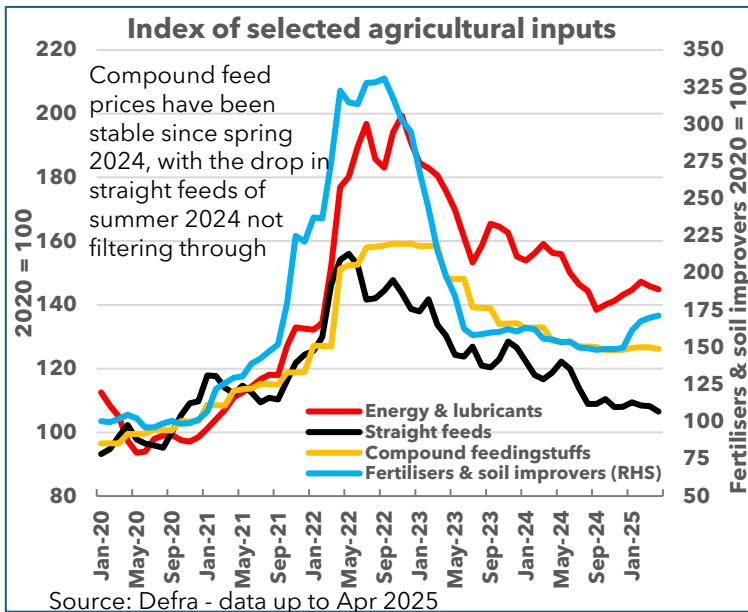
Source: BBC





# Production costs and by-product revenues

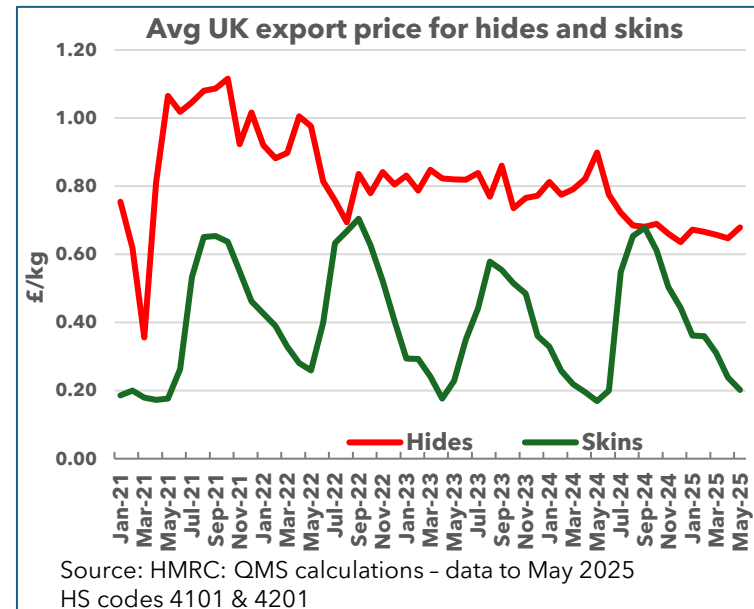
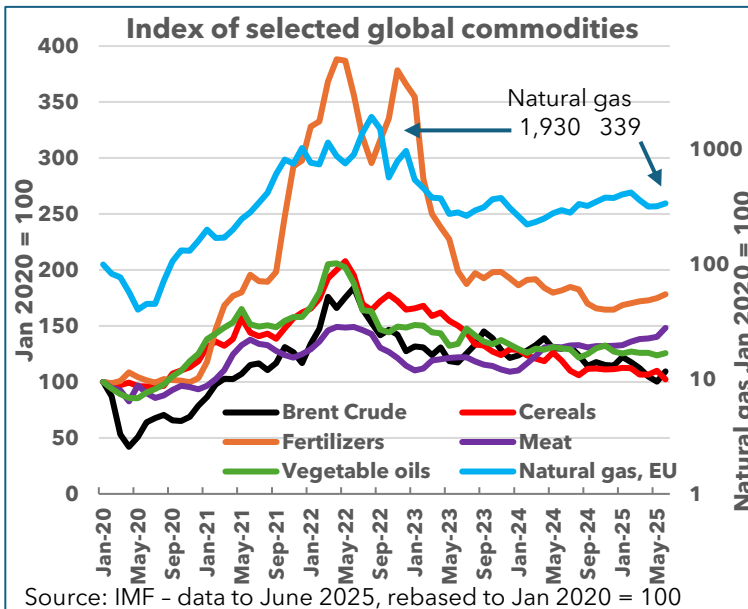
Most input costs are still above pre-covid levels, but feed costs have fallen back due to a third year of positive global harvest prospects. US trade policy has generated significant volatility this year, including through exchange rates, with a lower dollar pressuring input costs in summer 2025.



In 2025, geopolitical challenges have continued to have a relatively limited impact on energy markets. Oil prices have been back close to 2019 levels, although gas continues to be much more expensive, and fertiliser prices are still elevated.

Cereal and oilseed markets have fallen further between spring and summer 2025 due to positive prospects for the global harvest, and futures markets are signalling limited increases in wheat prices through the autumn and winter.

Volatility in US trade policy has resulted in a weaker US dollar this year, in turn placing downwards pressure on the cost of many imported commodities.

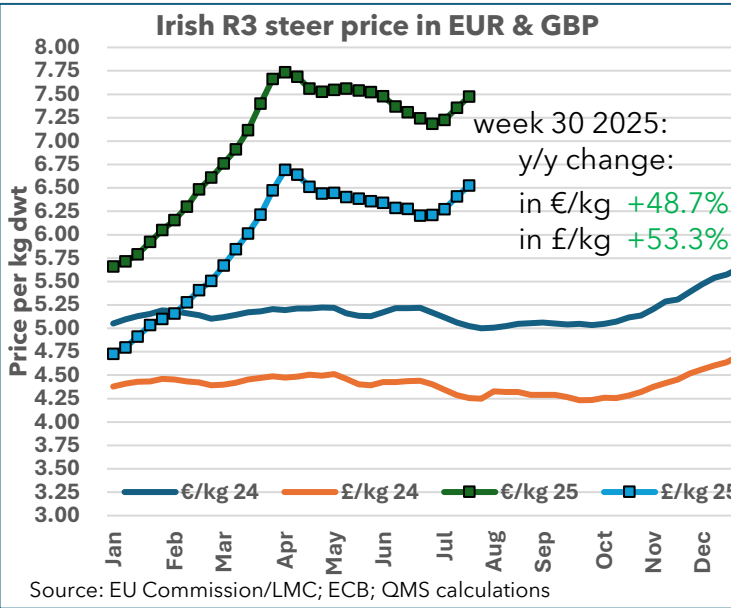
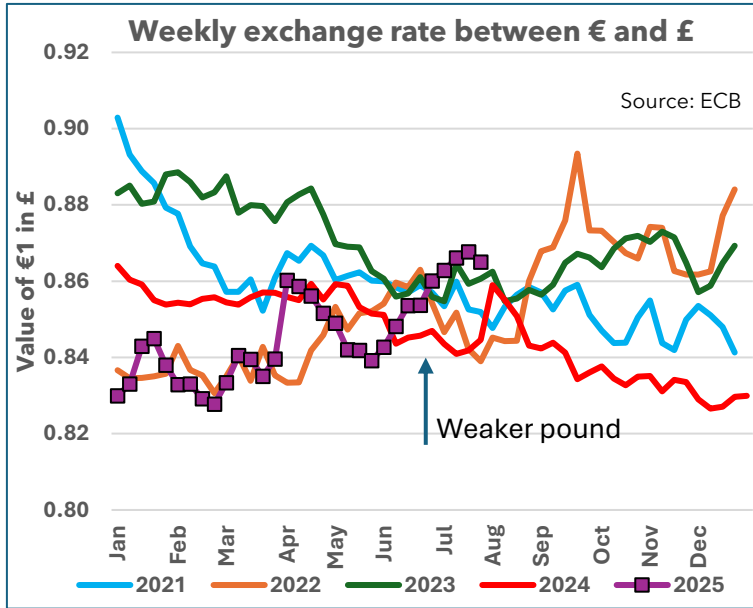


UK hide export prices softened significantly after reaching a two-year high in May 2024, but appear to have settled at a new level for nearly a year. For sheepskins, a seasonal downswing has been underway since September 2024, but the low point may now have been reached. In contrast to hides, skin prices ran well ahead of year-earlier levels over the winter and spring. It is possible that uncertainty over car production may have had some influence on hide values.



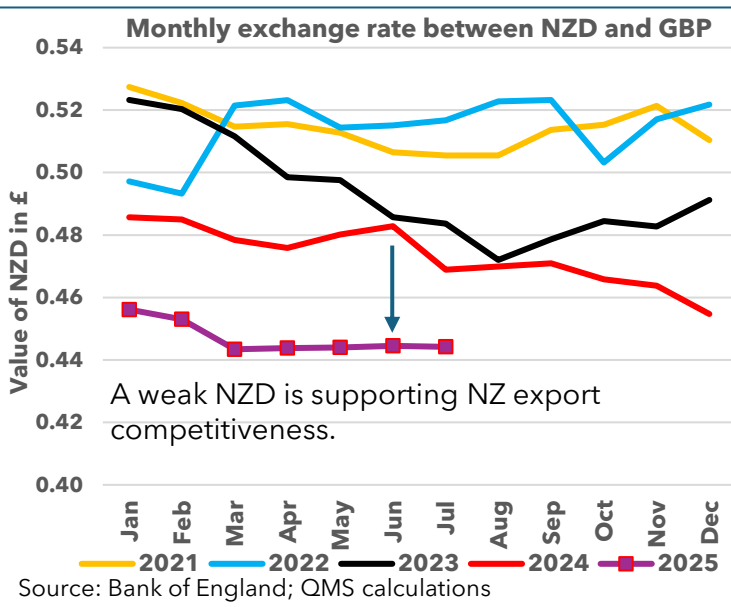
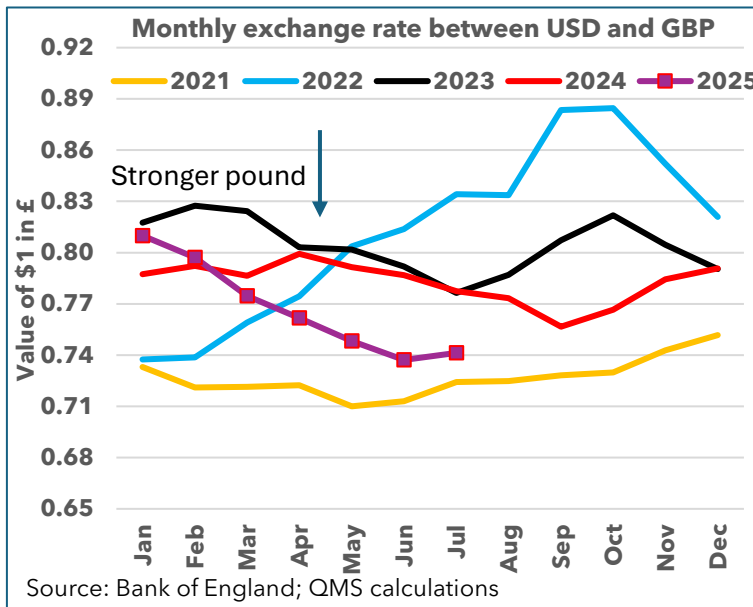
# Exchange Rate Movements

In a volatile year for sterling against the euro, the pound has weakened significantly in June and July, boosting UK competitiveness in red meat trade with the EU. By contrast, the pound has remained significantly stronger against US and NZ dollars, pressuring import prices for meat and inputs.



Volatility in the exchange rate between sterling and the euro has continued in June and July, with a significant weakening of the pound. This has come despite interest rate stability in the UK while the cuts have continued in the euro area. Budget pressures and subsequent uncertainty around the outlook for taxes and government spending in the UK have been one of the main drivers.

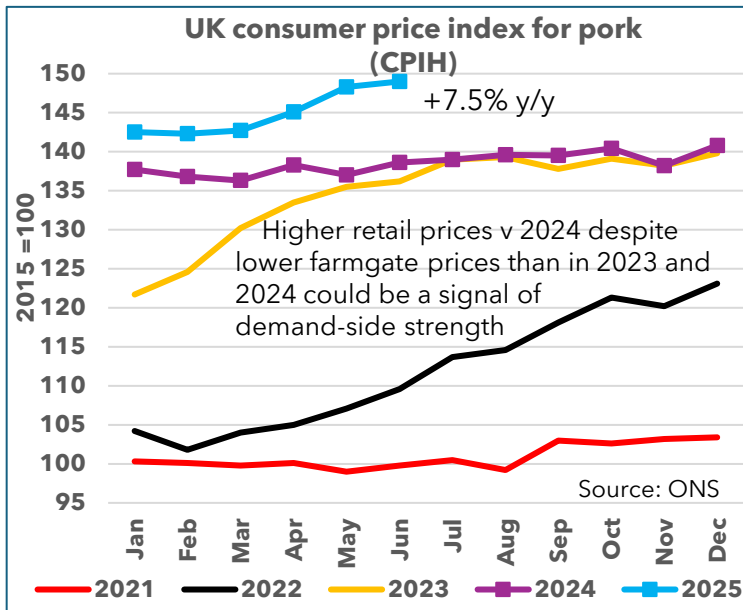
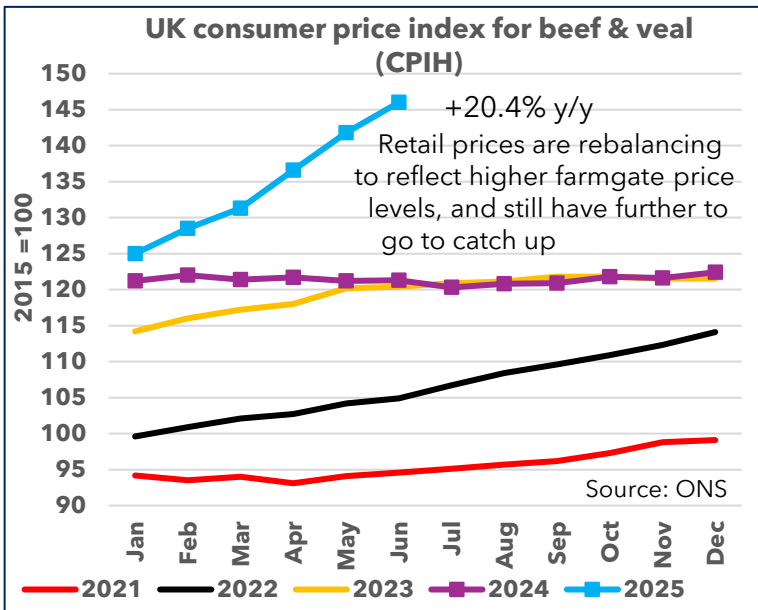
While the pound has seen some of its previous gains against the US dollar eroded at the end of July, it remains significantly stronger than in 2024, reflecting uncertainty around US financial prospects caused by the changes in its trade policy.



A fall against the euro and rise against the US dollar is generally positive for the domestic red meat sector, potentially boosting competitiveness across the majority of red meat trade while lowering input costs pressures. However, a rise against the NZ dollar will have softened some of the upwards pressure on lamb import prices.

# Consumer demand and prices

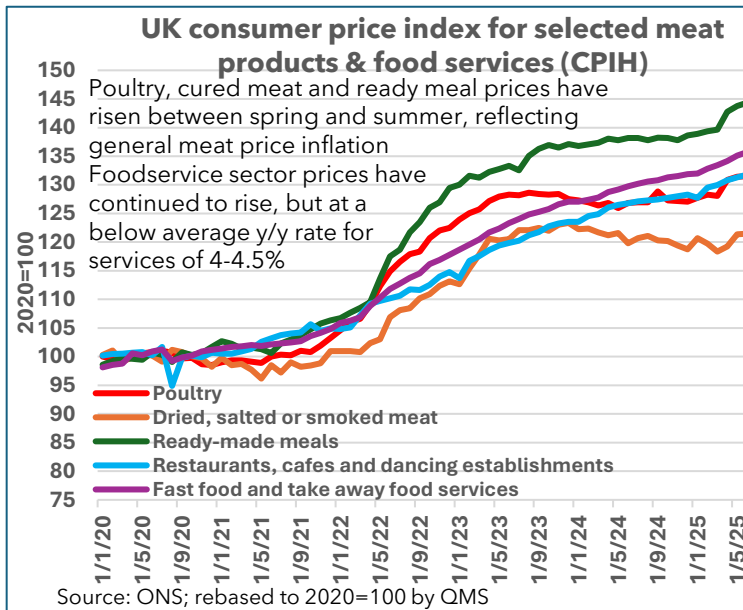
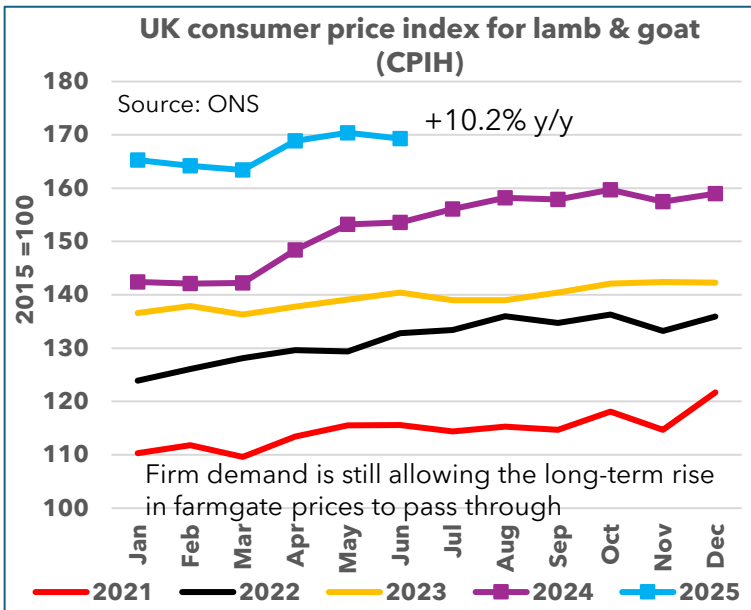
The surge in farmgate beef prices has been followed by a jump in retail prices, and inflation has filtered out across the meat category. Poultry appears to have benefitted from faster red meat inflation. The foodservice sector continues to pass through higher costs, but at a below average rate.



Retail spending remains firm overall with wage increases of 5% continuing to support the value of sales.

However, accelerating price inflation has slowed beef sales volumes and limited the room for volume growth in other meats. It is possible that some of the beef category inflation has been passed over to other meats to slow the pace of substitution. Poultry is showing strong spending growth, translating into significant volume growth despite a lift in price inflation.

The long-term upwards pricing trend in the foodservice sector has continued, likely reflecting significant employment cost pressures in addition to renewed food inflation. However, inflation rates have fallen below the overall service sector average. Nevertheless, restaurant, fast food and takeaway charges are 30-40% higher than pre-covid levels.



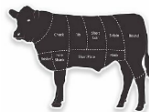
## GB retail sales, 12 weeks to 15/6/25, year-on-year changes

	Value	Volume	Avg price per kilo
Fresh red meat	+4.5%	-1.0%	+5.5%
Fresh poultry	+8.1%	+3.8%	+4.1%
Total grocery market	+4.8%	-0.1%	+5.0%

Source: Worldpanel by Numerator

# Retail demand and prices

Retail demand for red meat continues to look fairly positive in GB from a spend perspective, but retail price inflation is limiting lamb and pork volume growth, and squeezing beef sales.



## BEEF

12 weeks to 15 June 2025



## LAMB

12 weeks to 15 June 2025



## PORK

12 weeks to 15 June 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
<b>Value (£m)</b>	590.0	+9.0%	56.7	+16.6%	165.3	+4.3%	8.3	+3.2%	199.8	+3.5%	12.9	+1.7%
<b>Volume (t)</b>	53,155	-4.5%	4,979	+0.8%	14,083	+0.1%	696	-2.4%	31,557	+0.4%	1,974	-2.9%
<b>Avg price (£/kg)</b>	11.10	+14.2%	11.38	+15.7%	11.74	+4.2%	11.86	+5.8%	6.33	+3.1%	6.55	+4.7%
<b>Penetration*</b>	64.8%	-2.3%	69.4%	+3.3%	26.6%	+0.8%	19.6%	+8.2%	41.3%	-1.7%	35.3%	-3.5%
<b>Frequency**</b>	4.3	-1.4%	4.2	-5.0%	2.1	-7.8%	2.0	-11.1%	3.1	+1.3%	2.8	+4.8%

Relationship between GB household beef purchases and retail prices in 12 weeks to 15/6/25



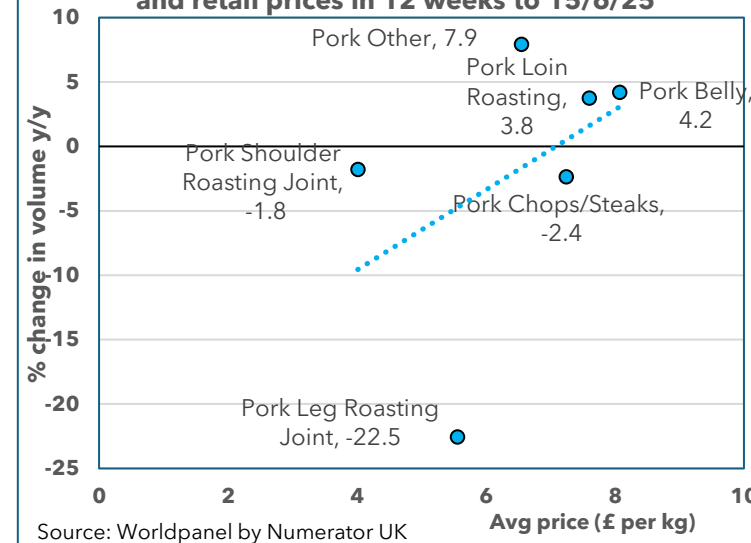
- Steak and mince volumes being squeezed by large price increases, but roasts had a better winter and spring than in the previous year.

Relationship between GB household lamb purchases and retail prices in 12 weeks to 15/6/25



- The early Easter in 2024 may have had some impact on the year-on-year comparison for this period.

Relationship between GB household pork purchases and retail prices in 12 weeks to 15/6/25



- Higher priced cuts performing well.

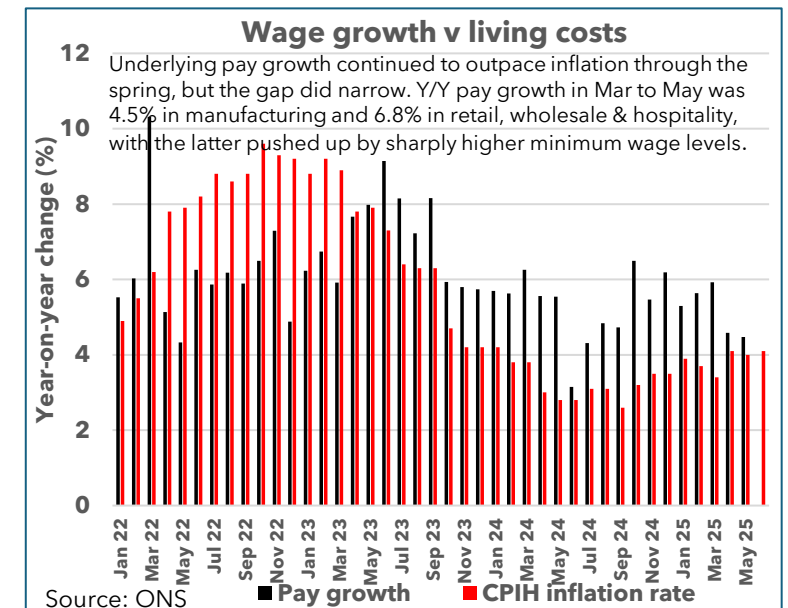
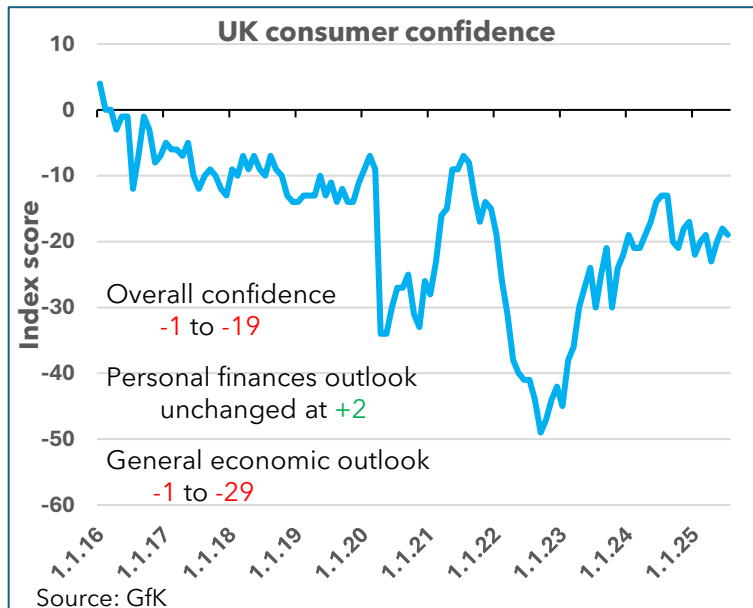
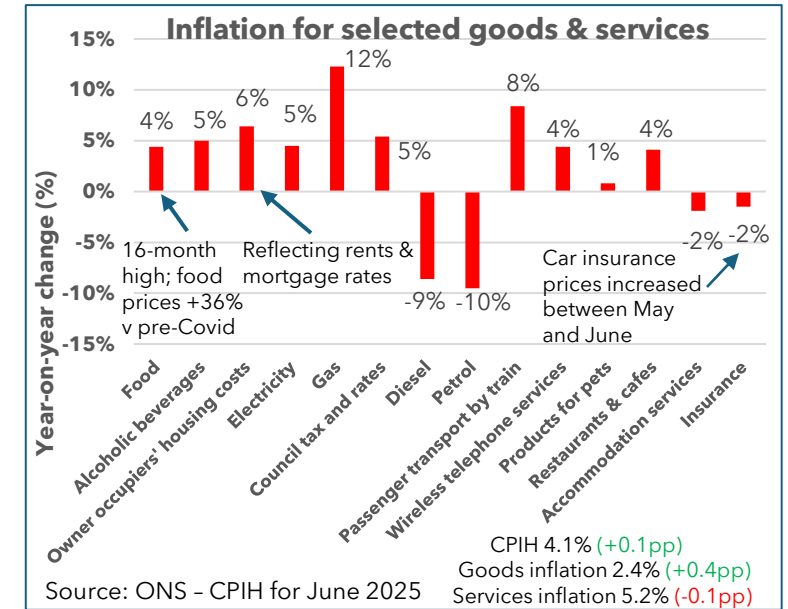
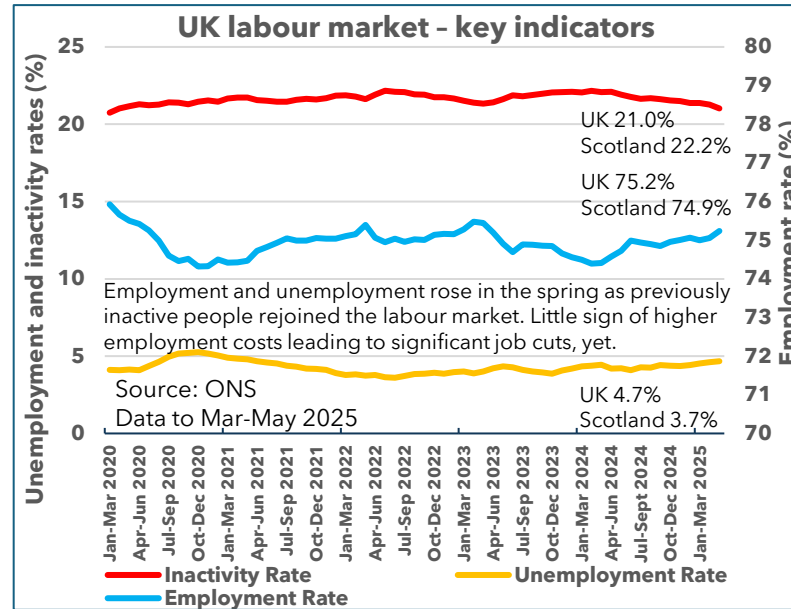
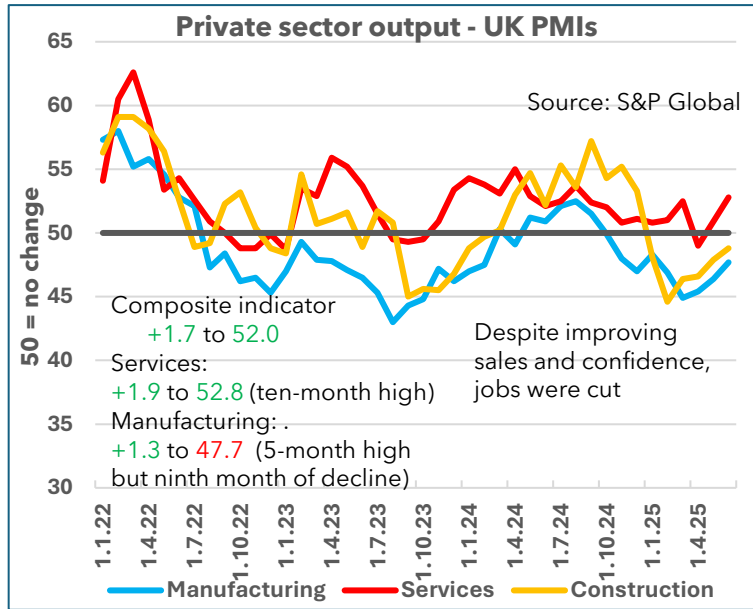
Source: Worldpanel by Numerator UK; data covers sales of fresh and frozen unprocessed red meat; please note that sales data for Scotland can be volatile due to the limited sample size

\*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

Economic conditions remain mixed. The early signs suggest that overall employment levels have held up despite the rise in employment costs in April, while wage pressures have held slightly above inflation, continuing to support consumer spending.





## 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.

