

July – September 2025

QMS MARKET UPDATE

Purpose:

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

Contact:

marketintelligence@qmscotland.co.uk

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Prepared by: Iain Macdonald, Market Intelligence Manager
Abby Tong, Category Specialist
Heather Macdonald, External Affairs Assistant
Rory Hill, Market Intelligence Assistant

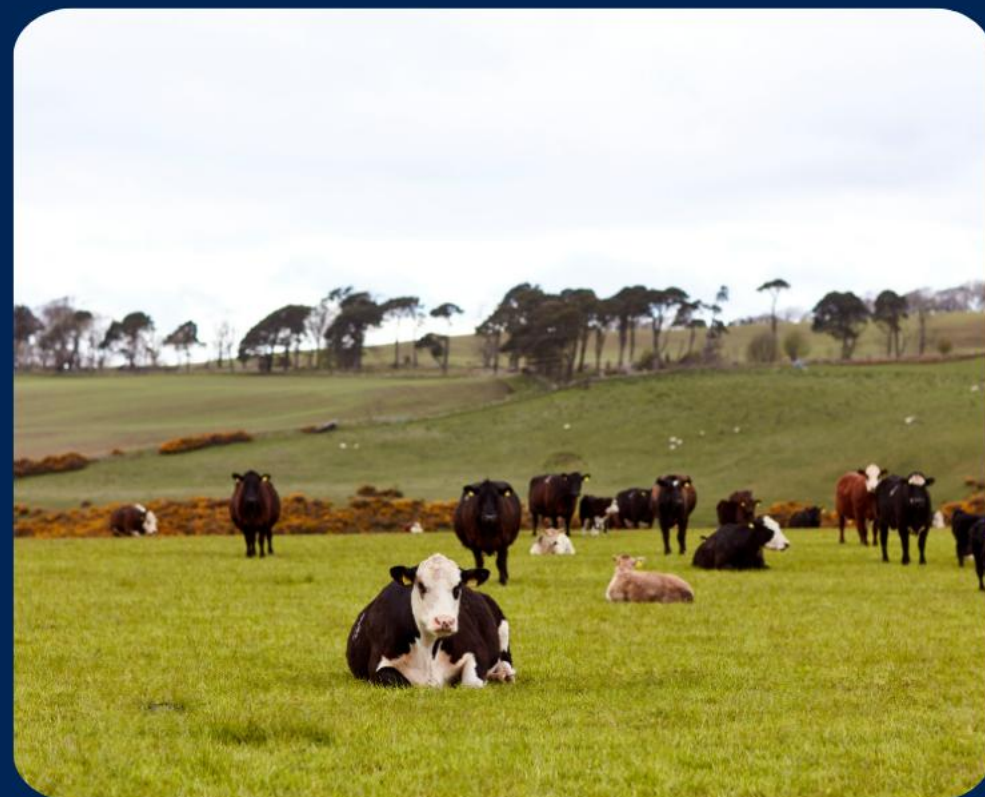
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Data Disclaimer: All deadweight price data used in this report is supplied to QMS by AHDB, who collect the data from reporting abattoirs each week and publish a consolidated set of data, regionally within GB for cattle, and GB-wide for sheep and pigs.

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BEEF MARKET

SUMMARY OF MARKET DEVELOPMENTS

01 Prices

- Prime cattle prices were relatively stable in September despite a seasonal rebound in slaughter, suggesting some improvement in demand. While 9% below the spring peak, prices were 25% above 2024 levels, reflecting reduced production this year. Attractive finished cattle prices and reduced numbers have continued to underpin the store trade, although price levels point to a significant squeeze on finishing margins. Cow prices have steadied around 6% below the spring peak but 35-40% higher than last year, signalling a stronger market for cow beef than for prime beef.

02 Production and beef supply

- Defra prime cattle slaughter figures point to a significant reduction of nearly 6% in GB in the first eight months 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 5% in the January to August period.
- In Scotland, weekly prime cattle slaughter showed a strong seasonal rebound in September but continued to trail year-earlier levels, reflecting a 3% decline in numbers on farm in July, a softer volume of demand than last year, and one less abattoir.
- A softer volume of demand in the domestic market due to surging consumer prices supported export activity in the summer while leading to a surge in imports of competitively priced beef from non-EU countries, mainly for use in the foodservice sector. However, this had limited impact on overall market supply, which still fell more than 3% in the January to July period.

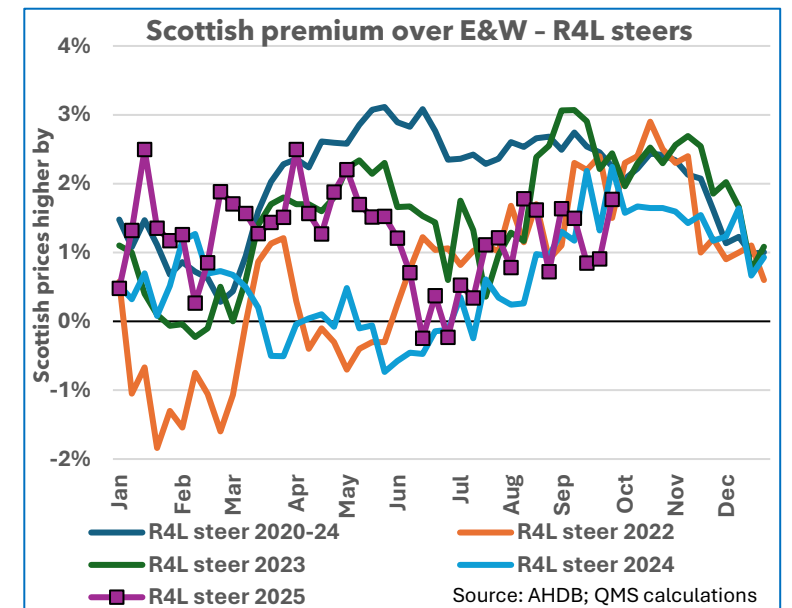
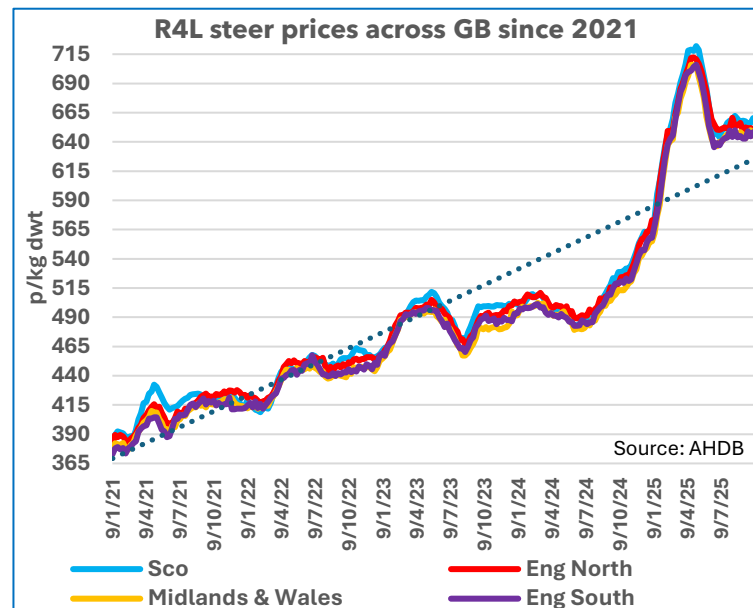
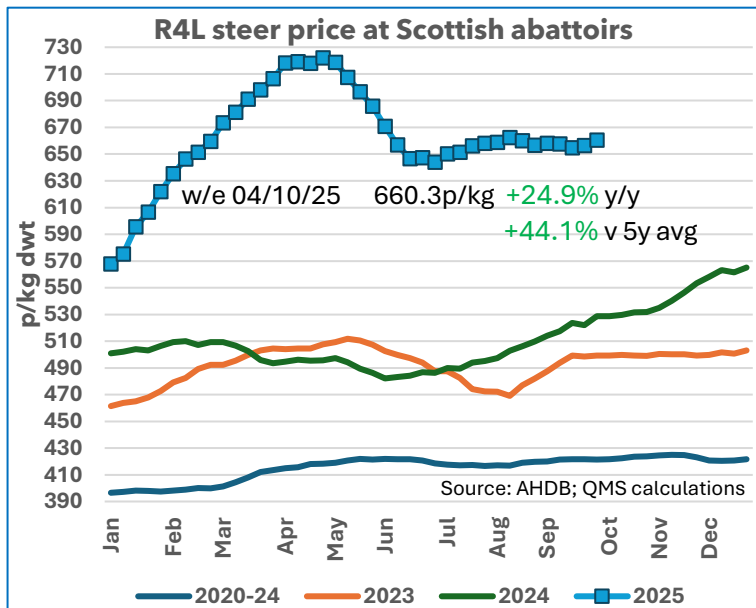
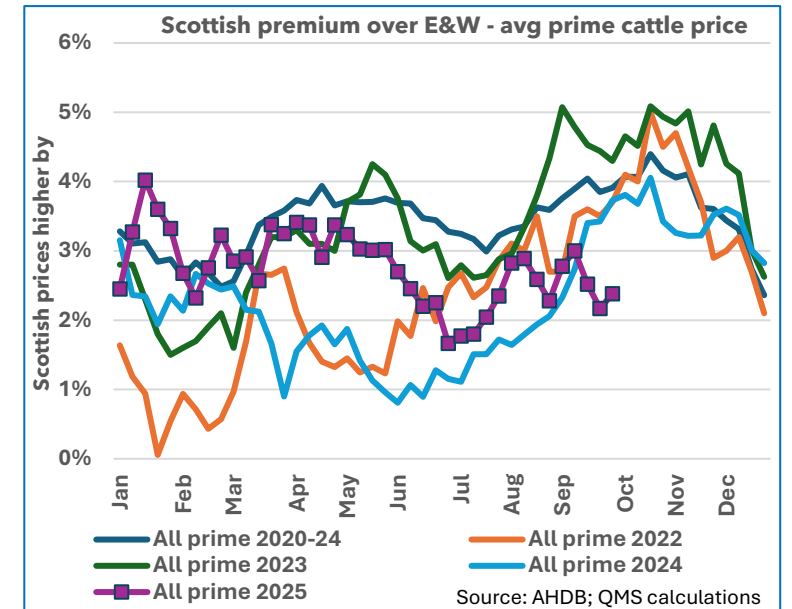
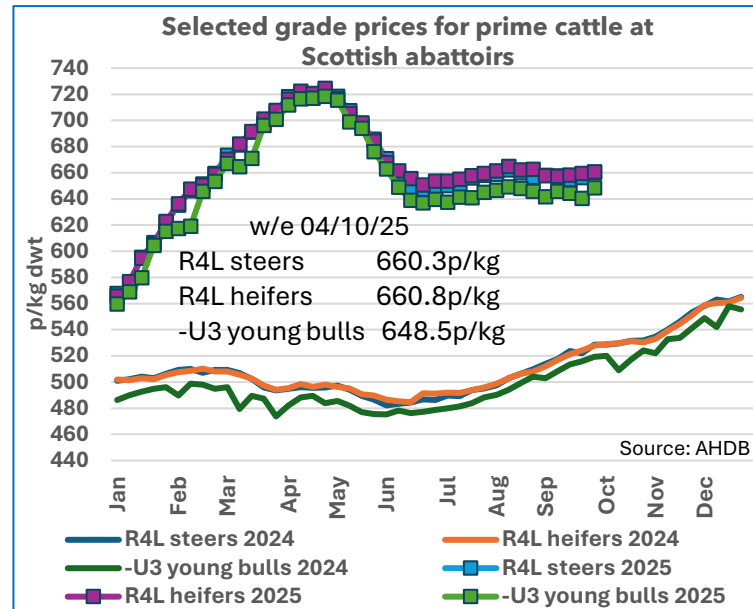
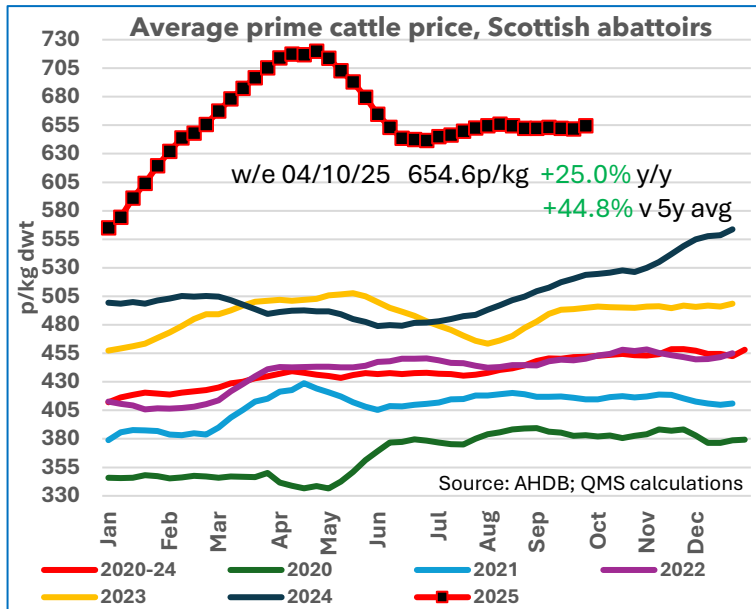
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
R4L steer price at Scottish abattoirs	p/kg dwt, w/e 4 Oct	660.3	+4p	+0.3%	+24.9%	+44.1%
Prime cattle slaughter at price reporting Scottish abattoirs (est 85% of kill in Jan to Dec 2024)	Average in four weeks to Oct 4, head procured deadweight	5,334		+12.5%	-6.7%	-10.6%
Store price at Scottish auctions for steers aged 12-18 months	Average in four weeks to Oct 4, £ per head	£1,990		+2.5%	+42.9%	+70.9% (2023 prices excluded from 5y avg due to lack of data)
UK beef market supply	Tonnes in June to Aug 2025 (estimate)	239,808			-5.6%	-5.7%

03 Outlook for production

- While numbers on farm in July pointed to continuing tight supply throughout the remainder of 2025, the very low level of slaughter during the summer adds some uncertainty and availability may not prove as tight as previously expected. A slight rebound in calf numbers on farm in July, reflecting reduced mortality in spring 2025, could support availability of longer keep stores at autumn sales. Looking longer-term, it could then feed through to an improved supply-side picture by mid-2026, offsetting the reduced population of older prime cattle.

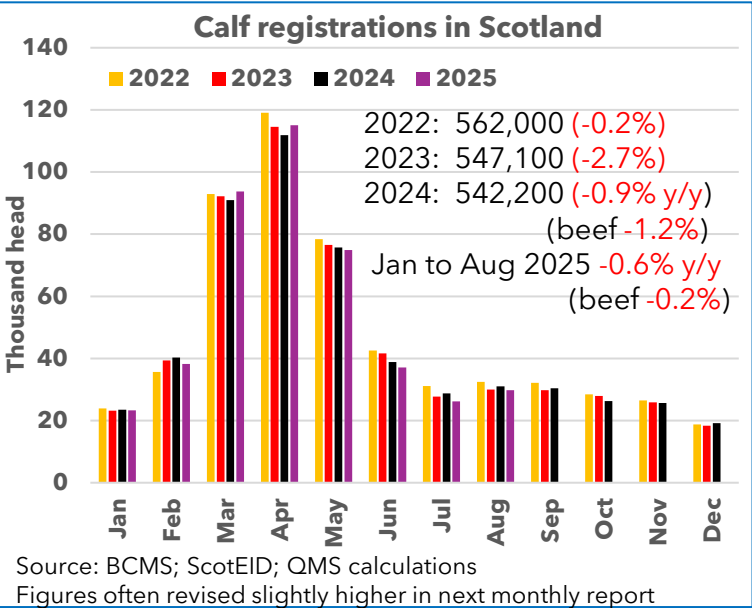
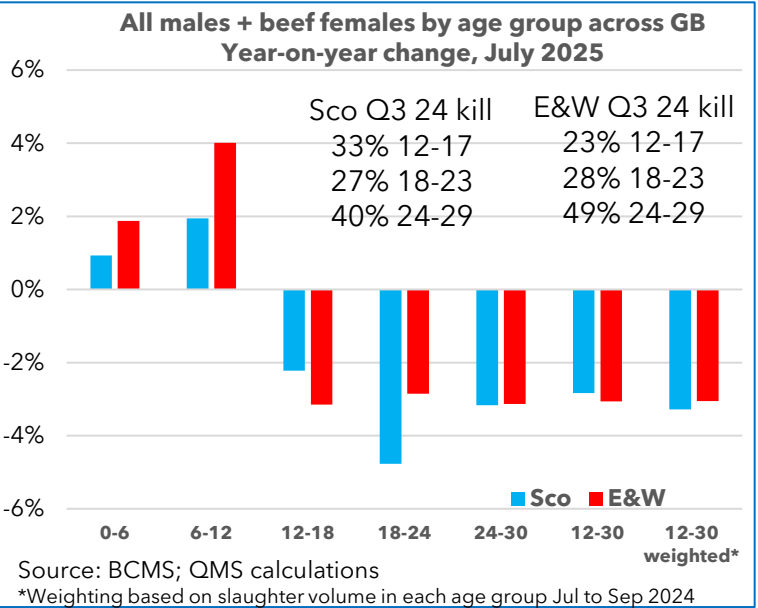
Farmgate prices

Prime cattle prices were relatively stable in September despite a seasonal rebound in supply. Prices remain 9% below the spring peak but 25% higher than last year, reflecting reduced production in 2025.



Availability and slaughter

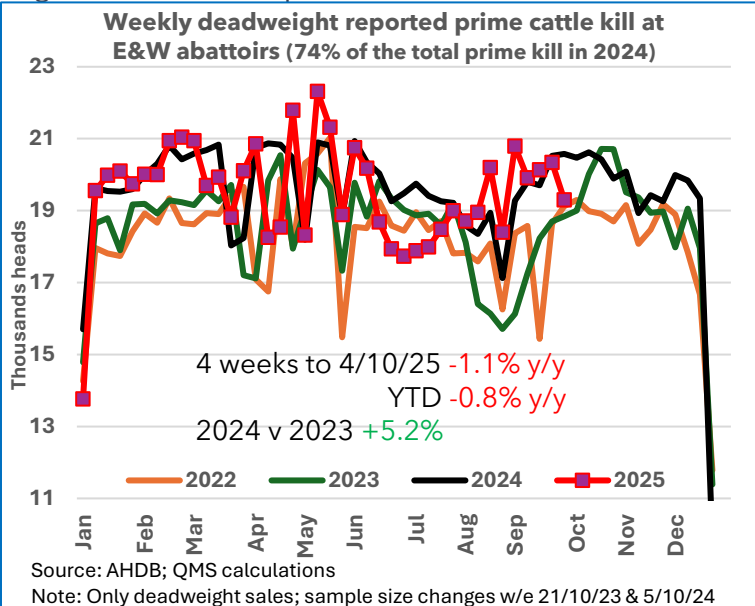
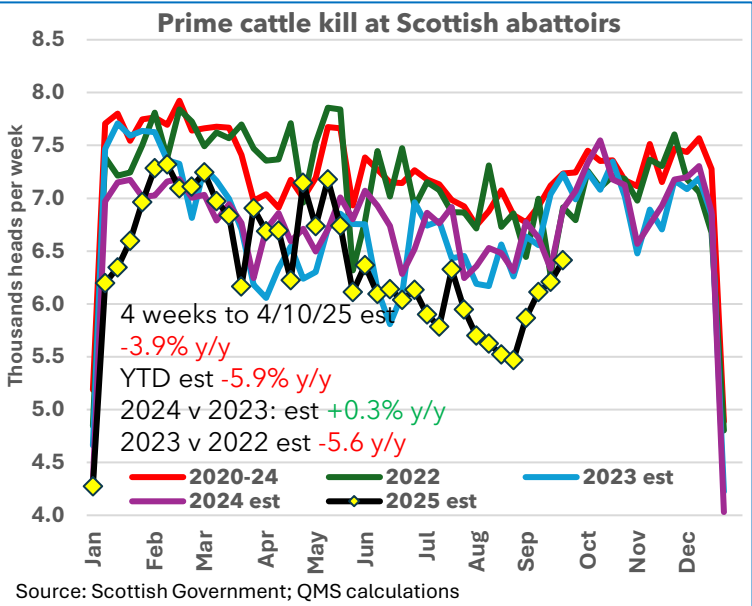
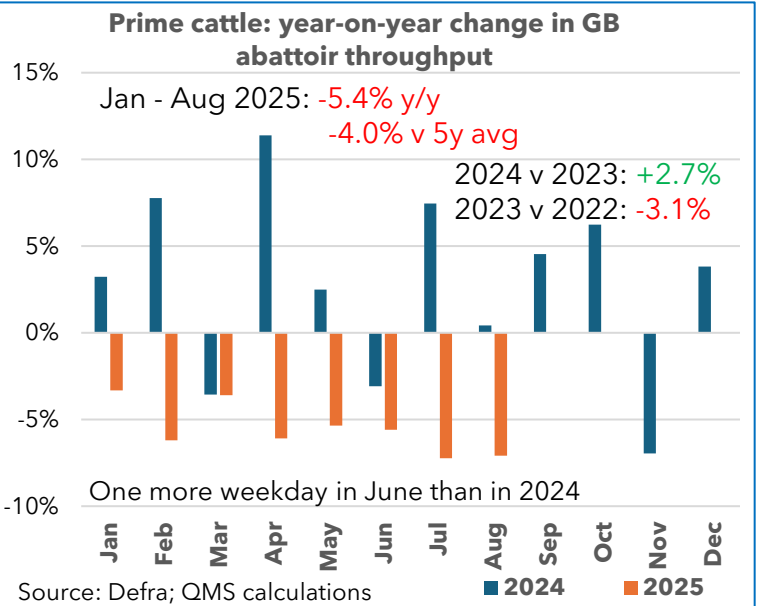
Defra reported a significant reduction in the GB prime cattle kill of more than 5% in the first eight months of 2025, with an above average decline in July and August reflecting softer competition for cattle due to the impact of a surge in consumer prices on sales volumes. In Scotland, weekly slaughter rebounded sharply from its summer lows in September, but continued to trail 2024 levels, reflecting a 3% reduction in prime cattle numbers on farm, a lower volume of demand, and one less abattoir.



Defra prime cattle slaughter figures point to a significant reduction in GB of 5.4% year-on-year in the first eight months of 2025, helping to explain the strength of market prices in historical terms. Above average declines in July and August are likely to reflect softer competition between processors for cattle due to the impact of a surge in consumer prices on the volume of demand.

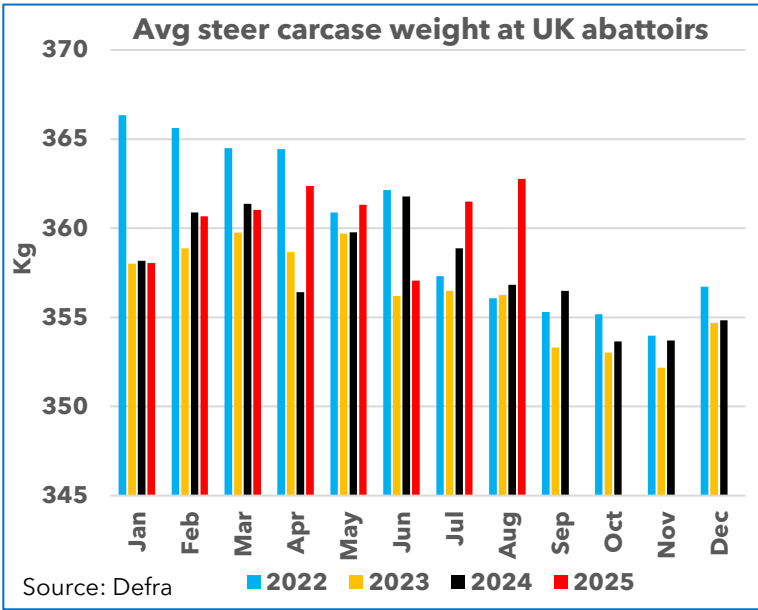
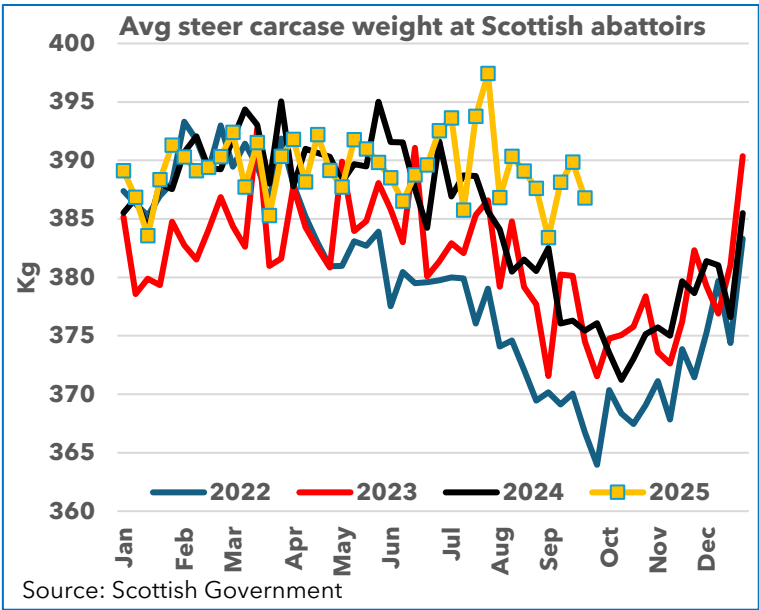
In Scotland, prime cattle slaughter was very low through the summer months and, while showing a strong seasonal upswing in September, it continued to fall short of 2024 levels. While numbers on farm in July looked tight, down 3% year-on-year, the kill has fallen faster, suggesting a reduced slaughter rate this year due to a softer volume of demand, while having one less abattoir may have been a factor. Cross-border movements may have had some influence, generating uncertainty around expectations for the final quarter, but it is possible that numbers may not be as tight as initially expected.

Meanwhile, in E&W, deadweight price reports signalled seasonal strength in the kill between mid-August and mid-September, with numbers then dipping towards the end of the month, potentially suggesting an earlier autumn peak in 2025.



Seasonality of production

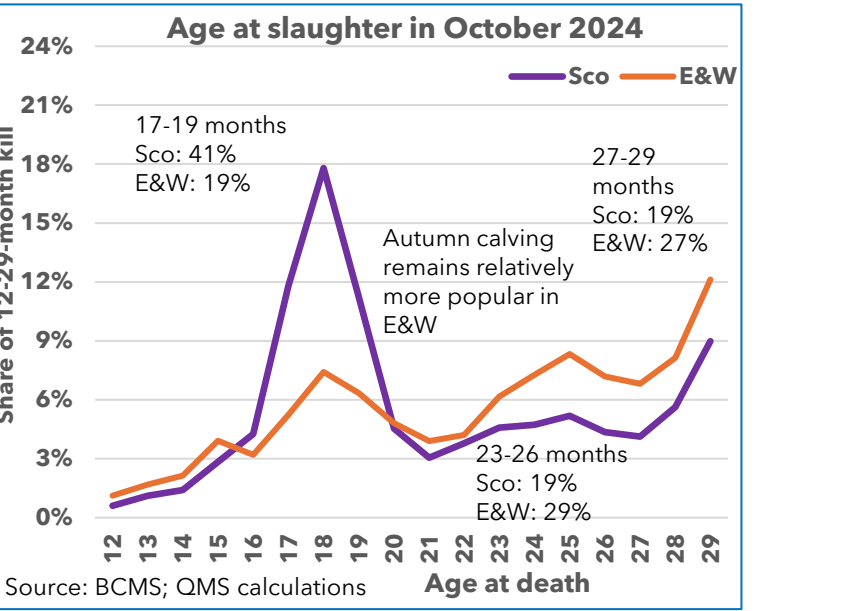
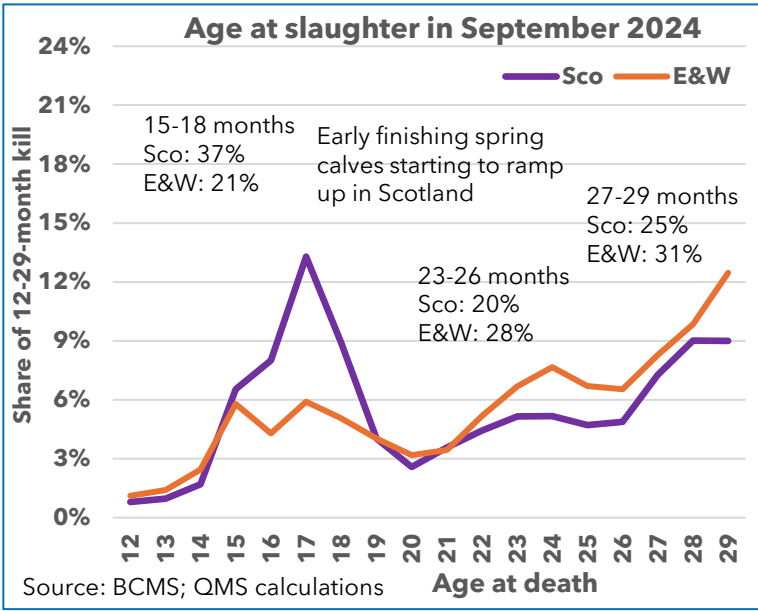
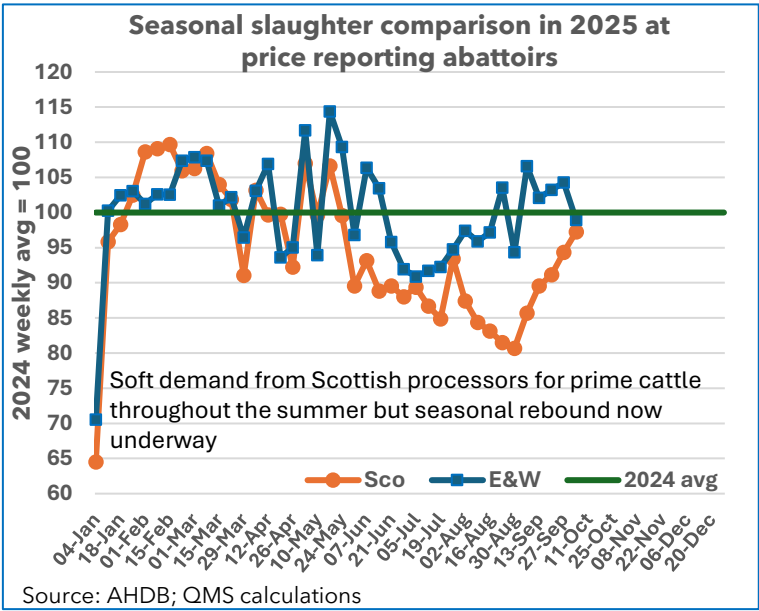
Slaughter is now rebounding seasonally after a surprisingly weak summer in Scotland, reflecting the volume of demand, but a seasonal reduction in carcase weights could offset some of the supply side pressure. Very low calf registrations in Q3 2023 may result in an even younger bias to slaughter age in Scotland this autumn.



The dominance of spring calving supports spikes in younger and older prime cattle in the slaughter mix in Scotland in the autumn, and this year the bias could move towards the younger side due to a steep fall in calf registrations in Q3 2023.

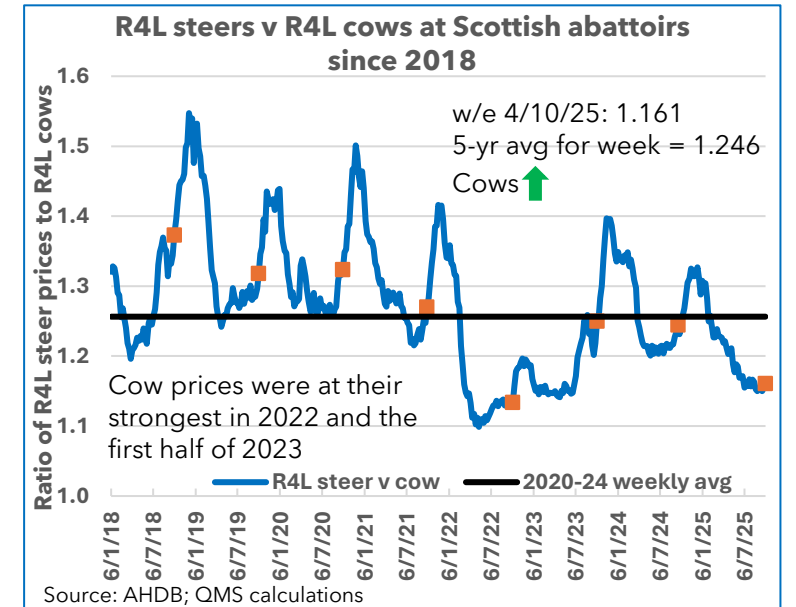
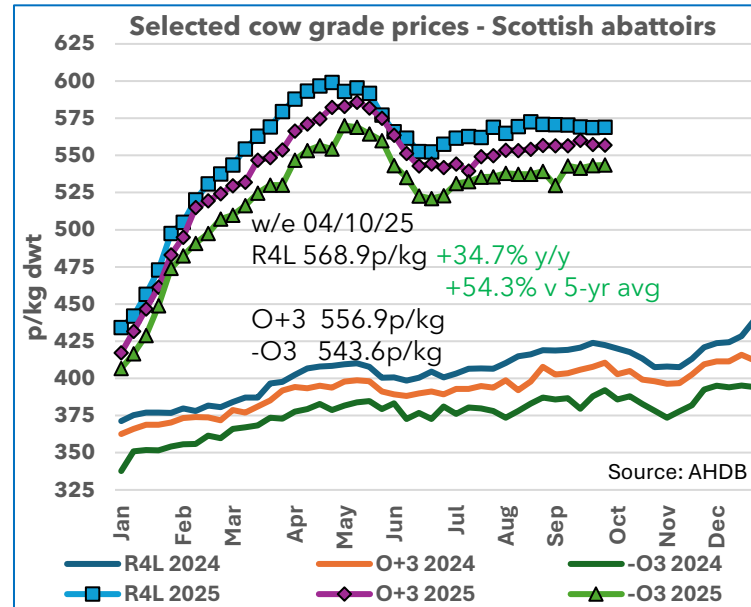
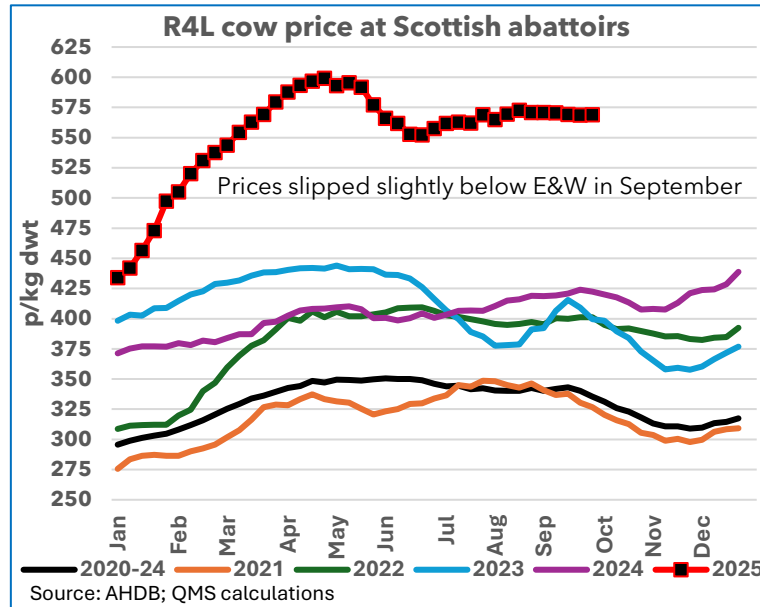
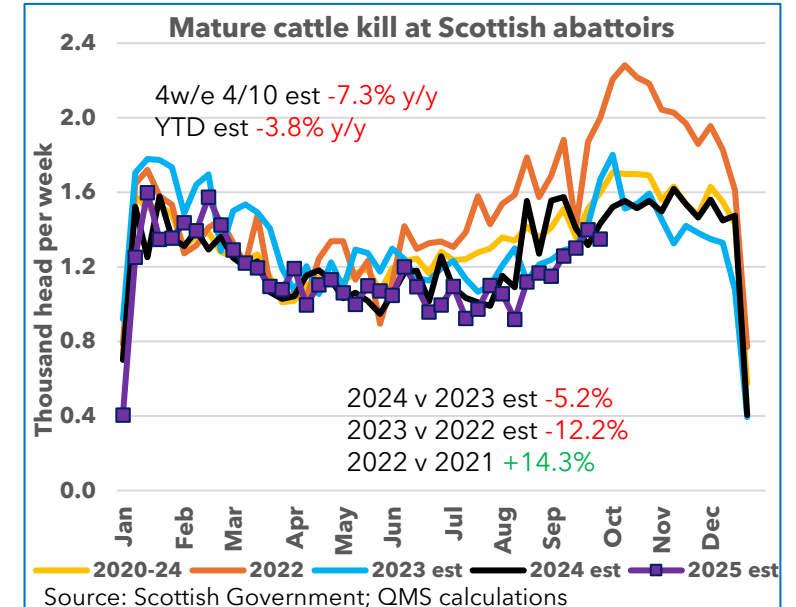
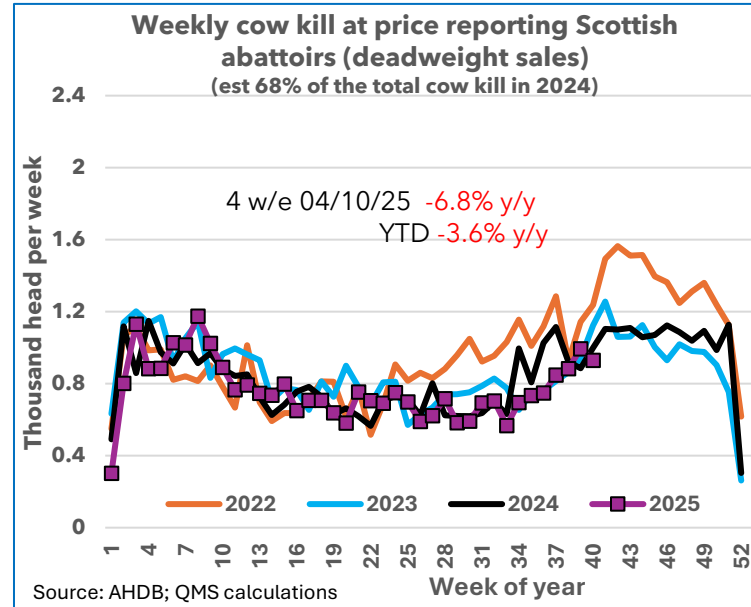
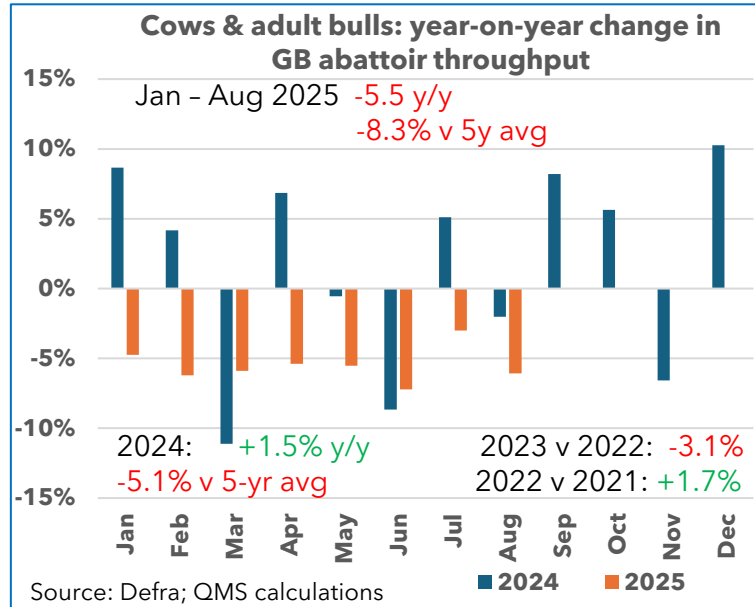
Carcase weights tend to fall to a seasonal low in the autumn, so this may partially offset some of the supply-side pressure from the seasonal increase in availability for slaughter, although weights were elevated compared to last year during Q3. Higher weights than last year in Q3 could suggest that younger cattle have been held back due to softer demand from processors.

In 2023 and 2024, weekly prime cattle slaughter peaked in October and was unusually soft in November before rebounding in December.



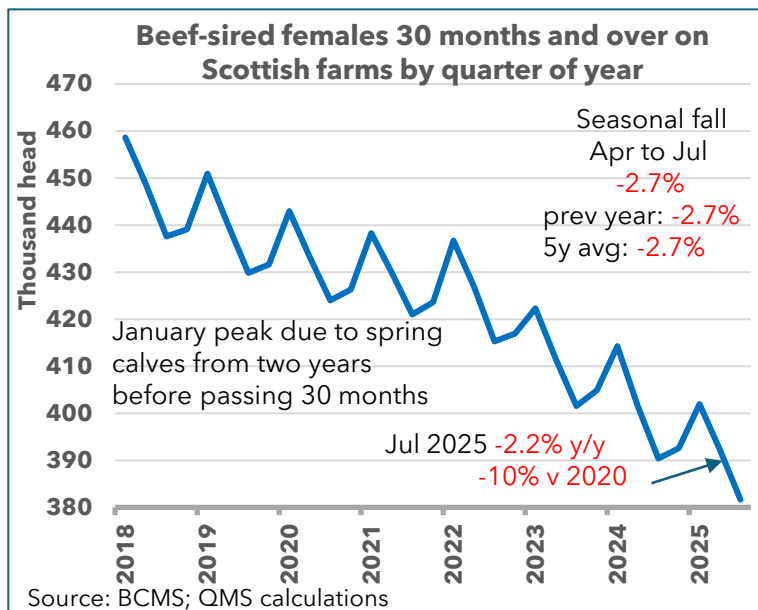
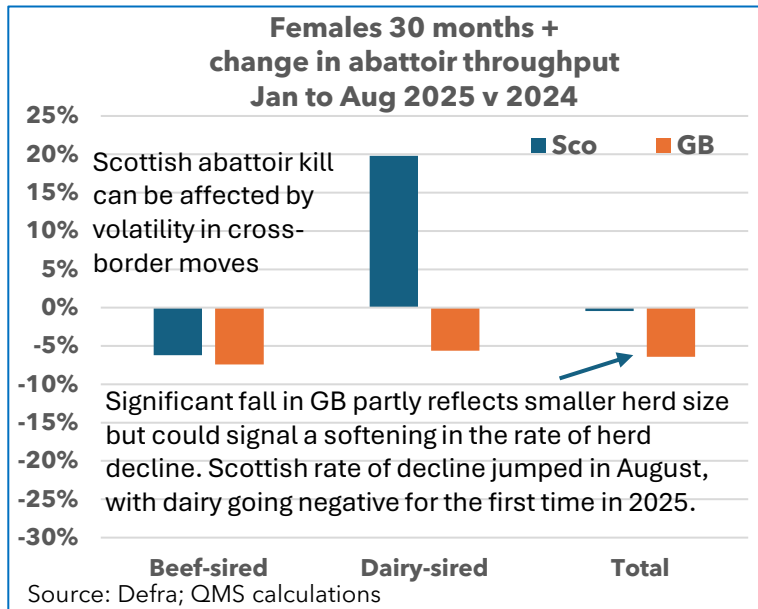
Mature cattle market

Cow prices have followed a similar trend to the prime trade but remain closer to their spring peak and have risen more strongly over the past year, signalling firm demand for manufacturing grade beef. Prices remain stable despite a seasonal uplift in slaughter.



Breeding herd

Only limited signs of a slowdown in herd decline in the first half of 2025 but a significant fall in the cow kill at Scottish abattoirs could signal a stronger slowdown in herd contraction in the second half.



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%
Jul 2025	+1.0%	-2.2%	-1.3%

Source: BCMS; QMS calculations

Females aged 30 months+ on farms in England & Wales & GB (y/y change in Jul 2025)			
Month	Dairy	Beef	All
E&W	-0.1%	-3.6%	-1.5%
GB	+0.0%	-3.2%	-1.5%

Source: BCMS; QMS calculations

In July 2025, there were 381,700 beef-sired females aged 30 months and over on Scottish holdings. This was a 2.2% decline from a year earlier, meaning a slowdown in the rate of decline to its lowest since January 2024. Nevertheless, numbers now show a decline of 10% on five years ago. The July 2024 total had been 390,400 head. The seasonal change from the previous quarter was the same as a year earlier (-2.7%), slightly stronger than in 2023 but softer than in 2022.

Looking ahead, if the quarterly population changes were to match their five-year average rates, the year-on-year decline in the beef herd could now stabilise. A higher pool of beef-sired females aged 24-30 months on farm than a year-earlier provided limited offsetting impact to the breeding herd for five consecutive quarters, and is likely to have supported slaughter numbers. This pool slipped back from a year earlier in July but remained higher than in 2023.

With the breeding herd continuing to contract, albeit at a slower rate, productivity gains are being required to prevent further falls in prime cattle production. These gains have been supported by the culling of the least productive cows and the additional beef-sired calves produced by growth in the dairy herd in 2024 and 2025. In the first half of 2025, the rebalancing of farmgate prices had little impact on the slowing of the contraction of the beef herd, but signs of a steeper reduction in the cow kill at Scottish abattoirs since the summer could be a tentative signal of a move towards rebuilding.

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, suggesting that demand for Scottish suckler bred calves will remain elevated. However, England's June census results do point to a slight uplift in the dairy herd.

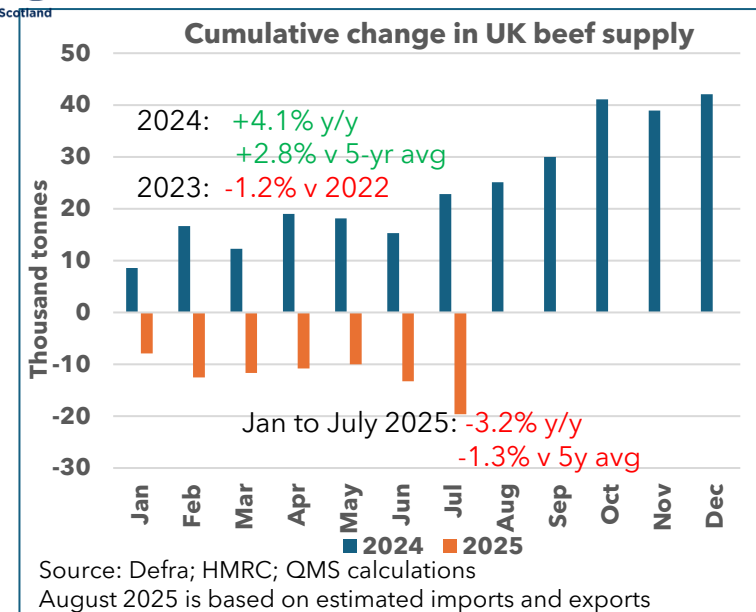
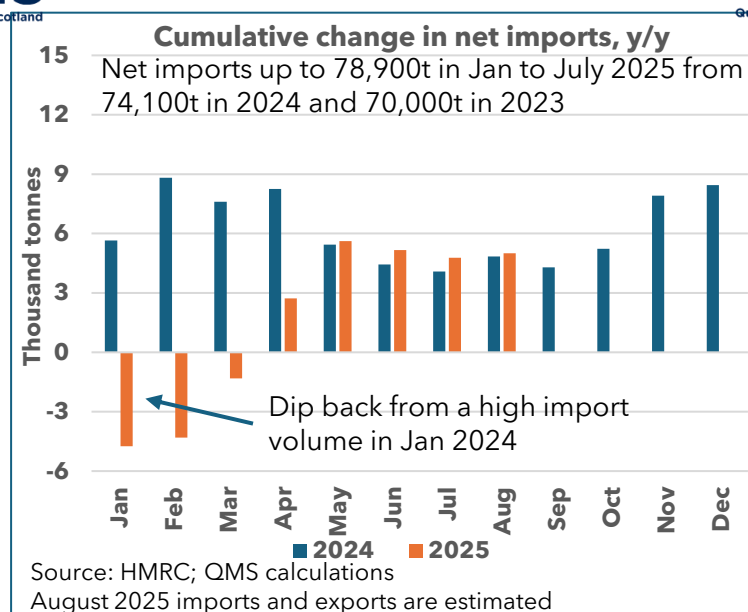
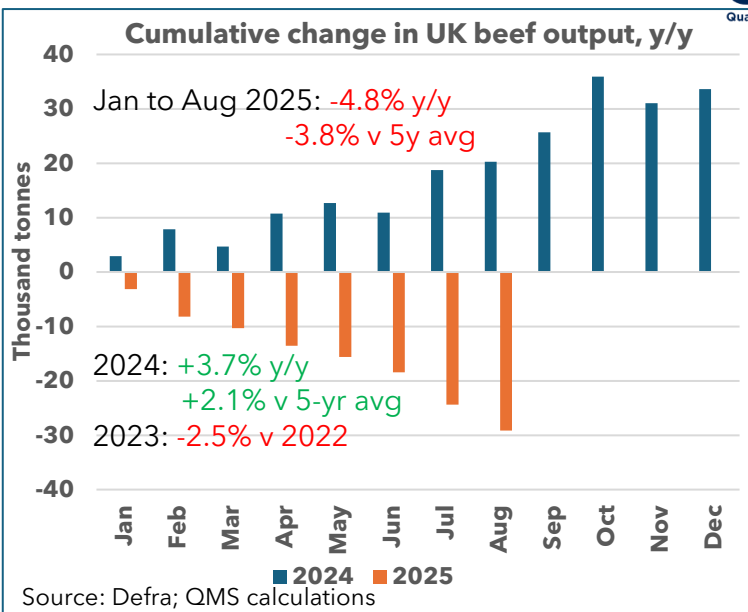
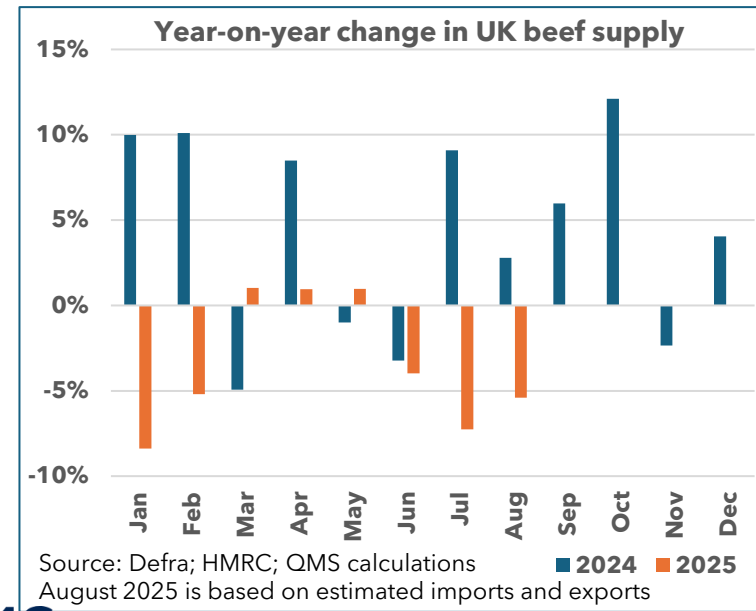
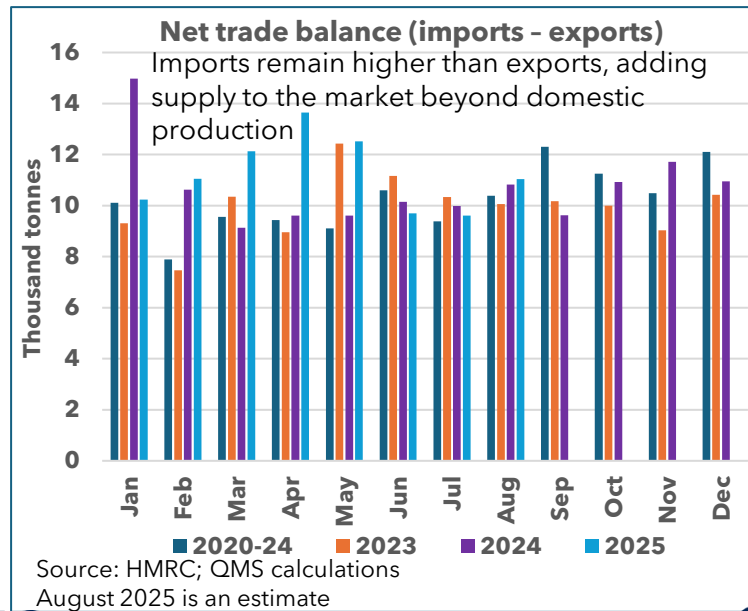
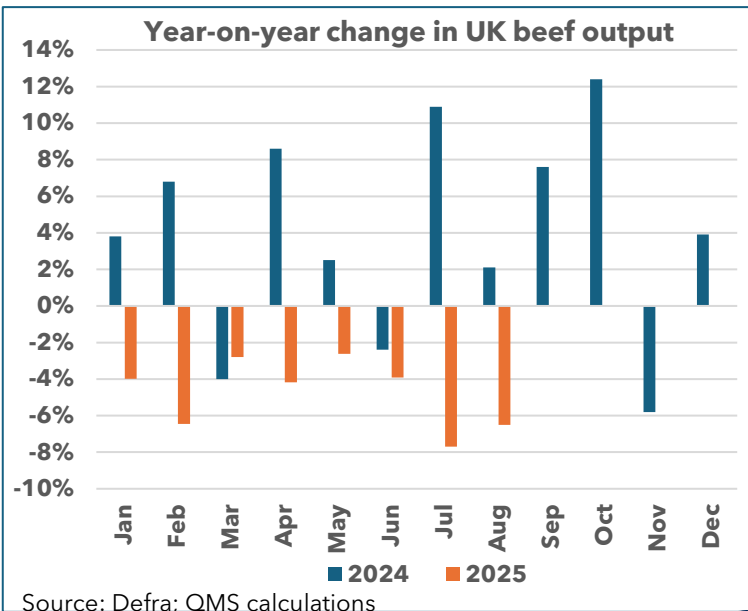
Latest breeding herd results - females over 2 years old with offspring (y/y change)

	Dairy	Beef	All
Scotland (Dec 2024)	+1.9%	-3.6%	-1.9%
England (Jun 2024)	+0.2%	-4.3%	-1.4%

Source: Defra; Scottish Government; QMS calculations

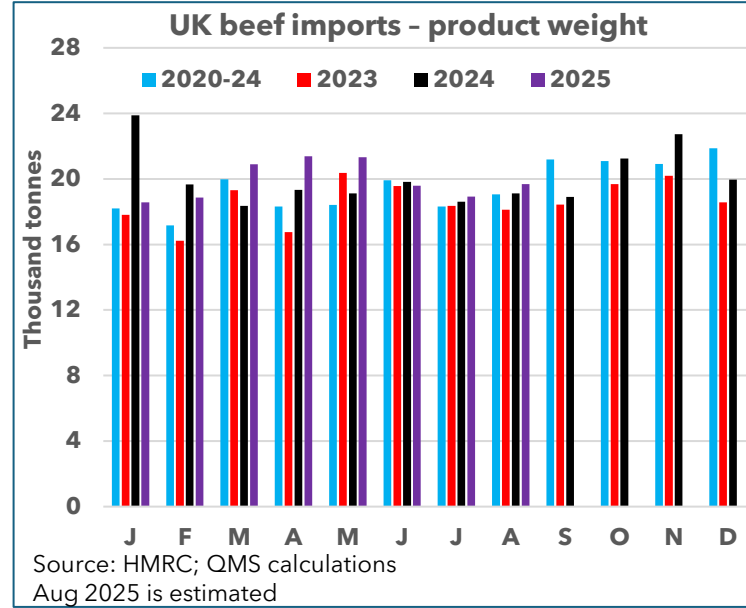
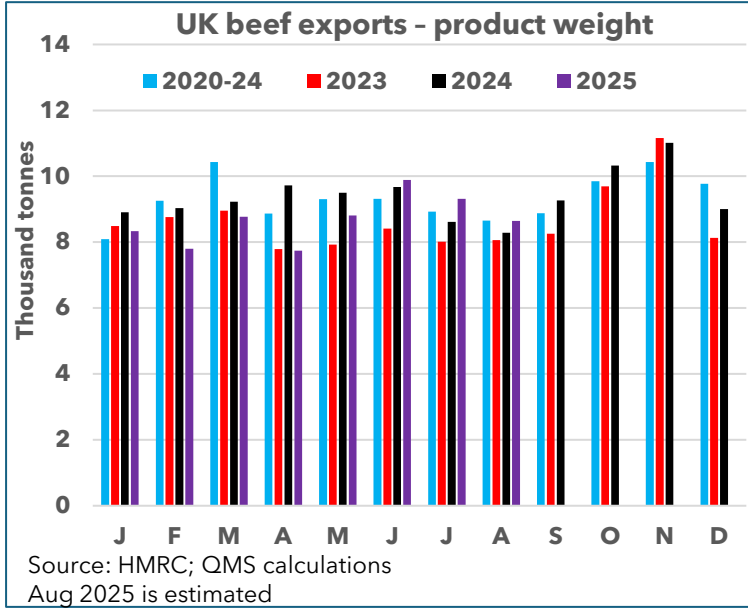
UK beef market supply

domestic production + (imports – exports) = supply



UK international trade

A softer volume of demand in the domestic market may have driven some greater interest in export activity over the summer while supporting import demand for competitively priced products



UK beef exports showed a second month of year-on-year growth in July, potentially signalling a shift in focus away from the home market towards export opportunities following the slowdown in the volume of domestic demand, driven by the surge in consumer prices. Surging farmgate prices have passed through to export prices in 2025 (+32% y/y), meaning that the overall value of exports in the first seven months still increased by 22.5% despite a 6% reduction in the volume shipped (see page 11).

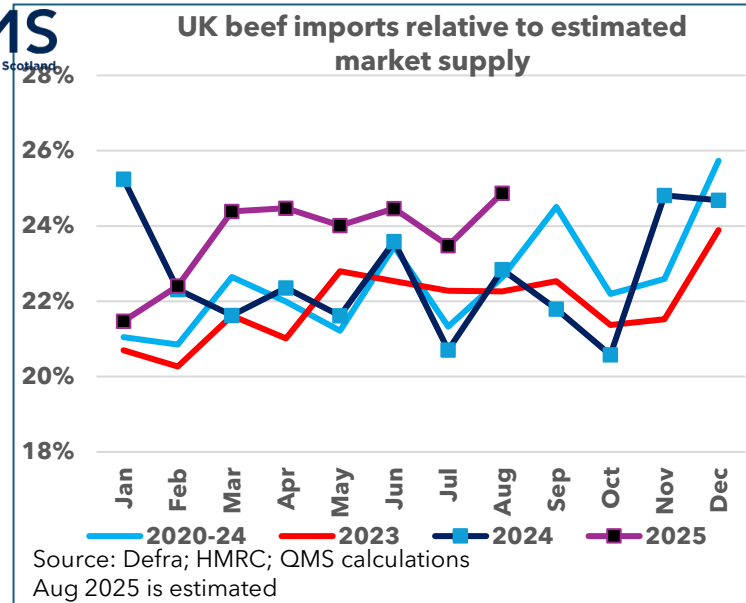
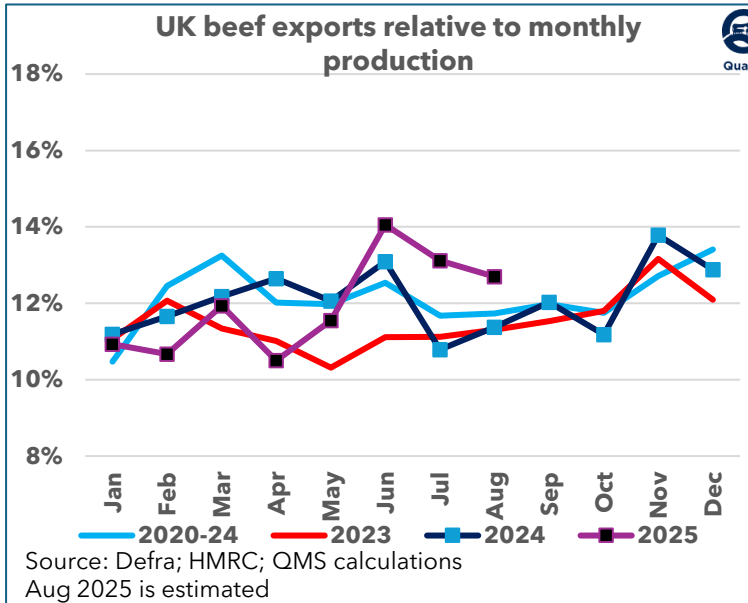
There was a slight rebalancing of trade towards the EU in the first seven months of 2025, with export volumes down slightly less than for non-EU volumes.

After a slow start to the year, UK beef imports jumped in the spring, before proving more stable relative to last year in June and July. After moving slightly ahead in May, the year-to-date total remained in marginal increase at the end of July. However, there has been a major rebalancing of imports towards non-EU sources, with EU imports down 8% in the January to July period while non-EU shipments almost doubled.

In July, imports from non-EU sources reached nearly 28% of total imports compared to 10.3% in July 2024 and 5.6% in 2023. Imports from Australia (1,700t), NZ (1,400t), Brazil (1,200t), and Uruguay (800t) accounted for 97% of the non-EU total.

The EU supplied 84.8% of UK import volumes and bought 85.1% of UK exports in the first seven months of 2025.

Further information and analysis around Scottish exports can be found here: <https://qmscotland.co.uk/news/scotlands-red-meat-exports-climb-to-a-record-164-million-as-qms-heads-to-anuga-2025>

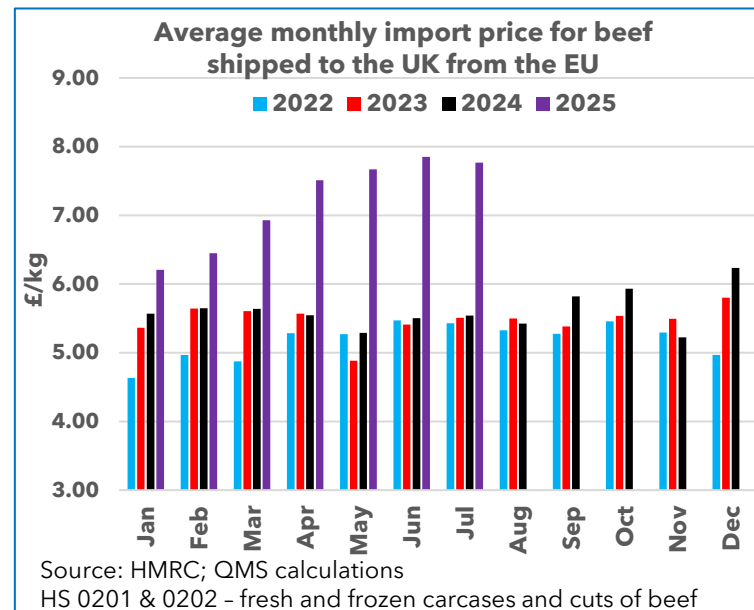
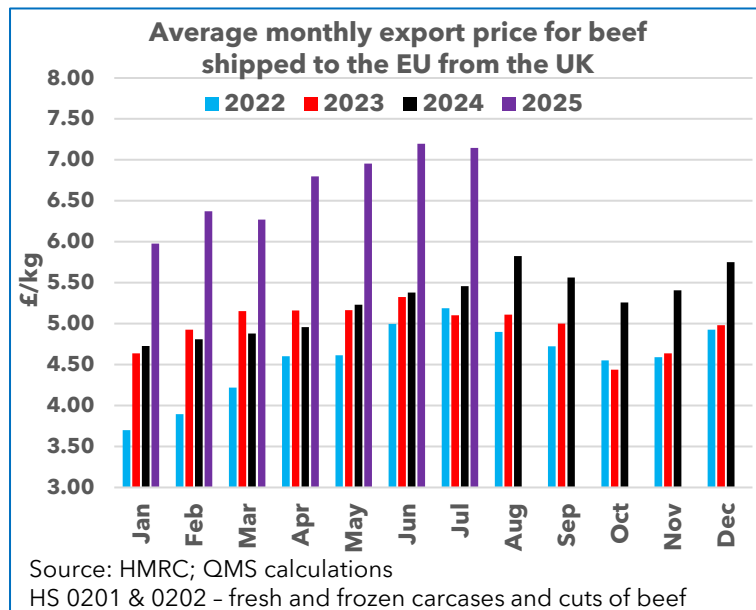


Note: HMRC trade data covers HS codes 0201 & 0202 (fresh or chilled & frozen beef)

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

Variables influencing international trade

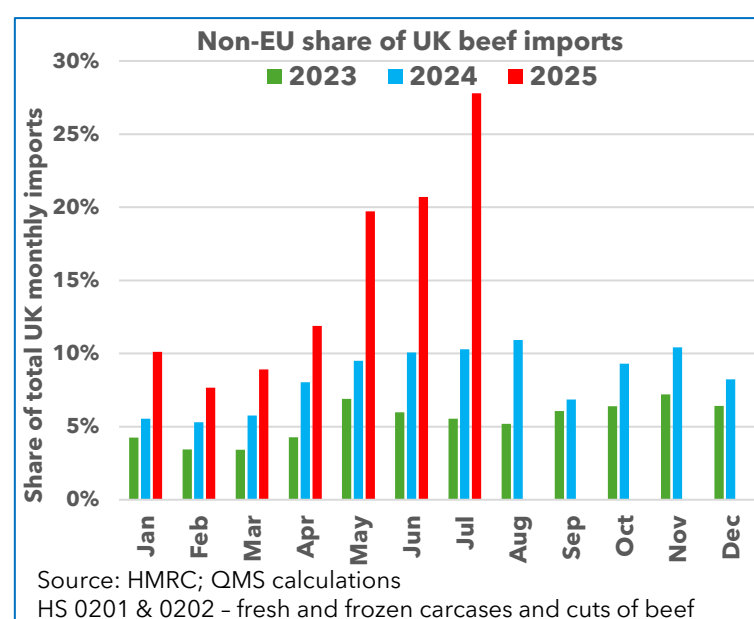
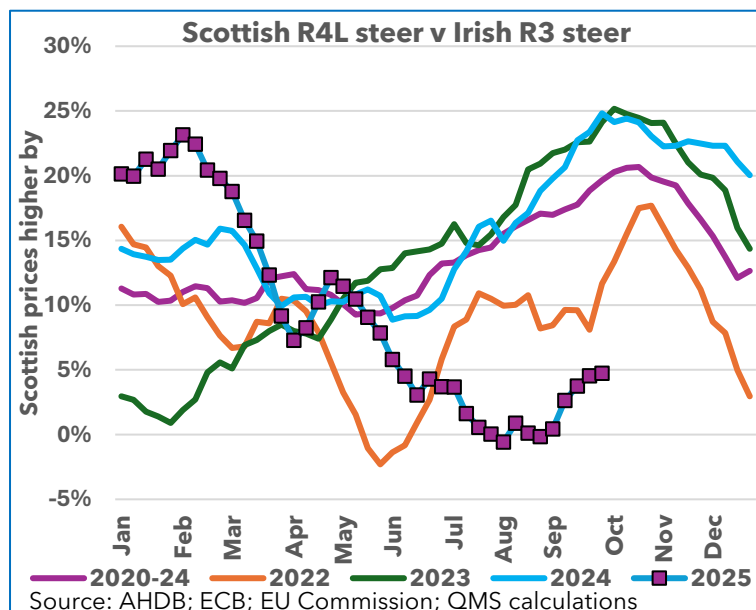
Tight British, Irish and European markets have forced up prices, resulting in increased interest in non-EU beef.



An unusual fall in weekly slaughter led to a surge in Irish beef prices in July, leading to convergence with Scottish levels. However, a seasonal rebound in Irish supplies and the likely impact of sharply higher cattle prices on the volume of demand for Irish beef saw the gap reopen in September. Nevertheless, the price difference remains much smaller than normal for the time of year, when Irish supply is usually around its annual high point.

EU beef prices have risen significantly since the start of 2025, with the EU average for R3 young bulls 27% higher as October began than at the end of 2024 and 35% higher than 12 months before. After steadying in July, there has been renewed upwards pressure in August and September.

UK import and export prices in EU trade reflected general market trends in the first seven months of 2025, surging higher in the spring before levelling off in the summer. By contrast, imports from non-EU countries averaged marginally cheaper, potentially reflecting a different balance of cuts imported following the near-doubling of volumes.



Selected EU cattle prices for R3 males, converted from euro to p/kg dwt

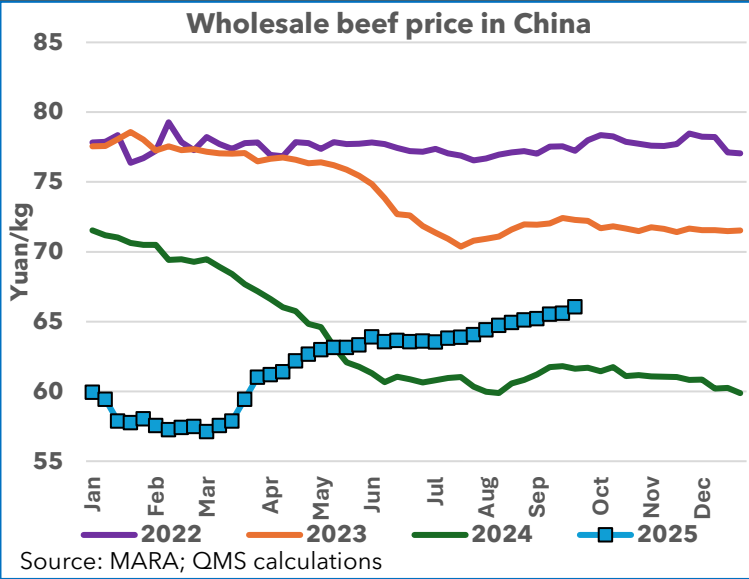
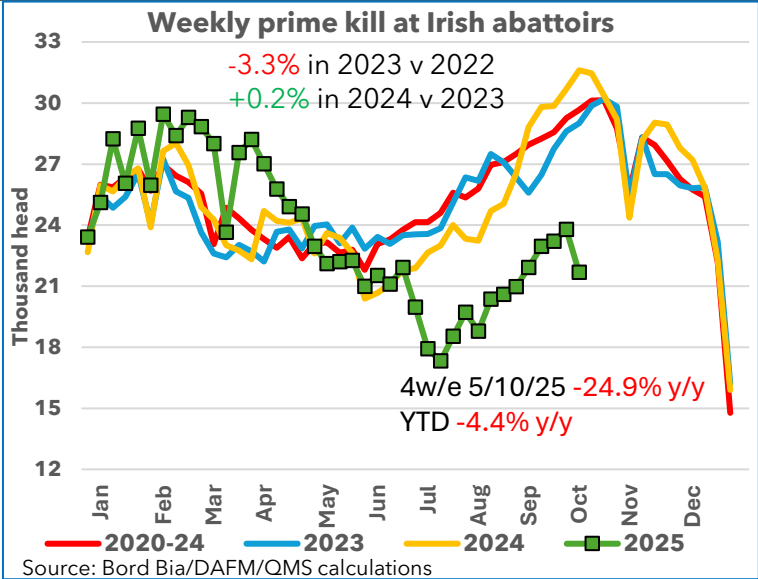
	Week 40 2025	Week 36 2025	Week 40 2024
Germany (young bull)	644.7	635.8	447.7
Netherlands (8-12 months)	577.3	566.6	418.0
Spain (young bull)	646.1	611.8	478.8
Poland (young bull)	625.0	637.4	422.9
Irish Republic (steer)	630.4	655.2	423.5
For comparison: Scotland R4L steer	660.3	658.0	528.6

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 is rising seasonally but remains well behind 2024 levels following an unsustainably high start to the year. Lower European and US beef production are supporting markets across the world through trade linkages, and the Chinese market is showing signs of recovery.



In the Irish Republic, after a surprisingly strong start to the year, slaughter fell sharply in July and while rebuilding seasonally, it has remained around 20% lower than last year, pulling the year-to-date total down more closely in line with initial expectations for 2025. 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.

Beef prices in China are slowly recovering, potentially reflecting increased competition for beef due to the loss of US product from the market, but it will be interesting to see if this continues now that other suppliers have increased shipments. US beef prices remain historically firm with US production levels adjusting downwards following drought in 2021 and 2022, and consumer demand has remained robust despite price inflation. However, processor margins are squeezed and there has been a significant softening this autumn. 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, especially Brazil due to an additional 50% US tariff on Brazilian beef which has applied since early-August.

In spring 2025, the USDA projected a marginal 0.2% reduction in global beef output this year. Significant supply and demand imbalances are ensuring more intense competition for beef globally than suggested by the production outlook, and total imports were projected to be 3.2% higher than in 2024, and up 22% on 2020 levels.

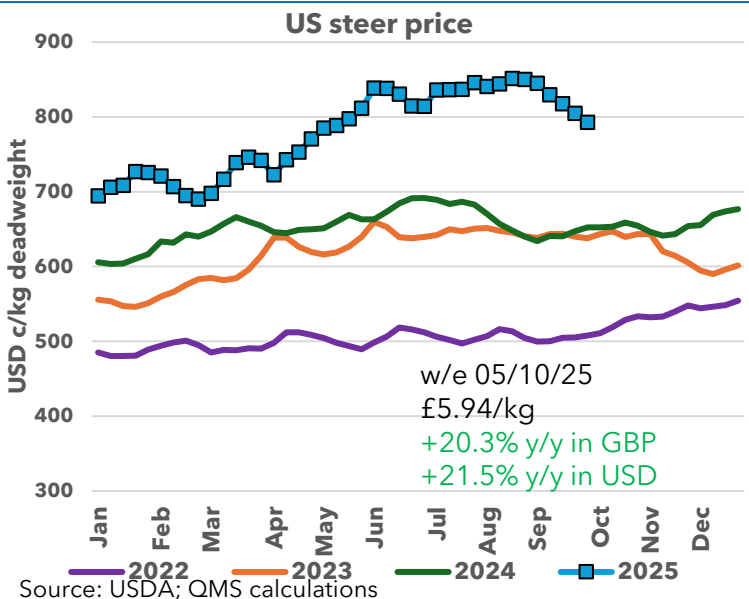
Cattle on Irish farms in June (thousand head)				
Age group	2023	2024	2025	y/y change 25 v 24
Cows	2,518.7	2,449.3	2,366.4	-3.4%
<12 months	2,074.2	2,026.4	1,962.4	-3.2%
<12 v cows	82.4%	82.7%	82.9%	+0.2%
1-2 years	1,910.8	1,846.3	1,786.0	-3.3%
2+ (males & non-breeding females)	791.3	812.0	741.0	-8.7%

Source: CSO; QMS calculations

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

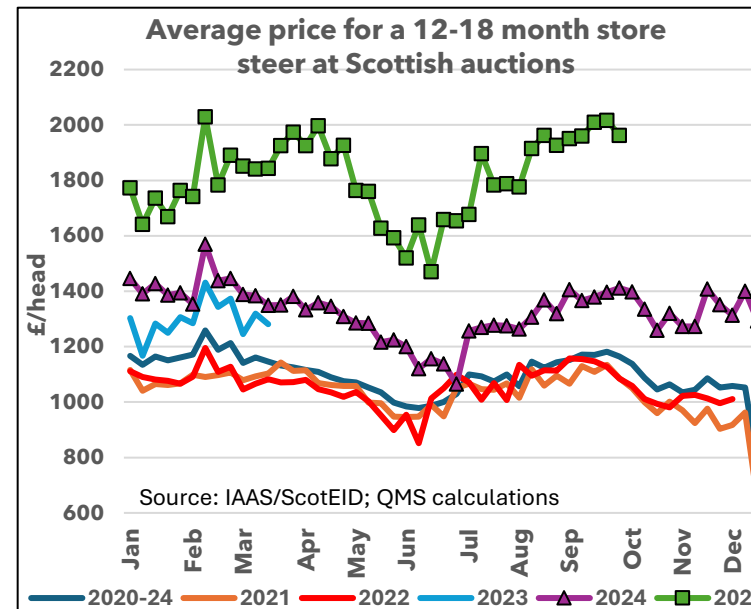
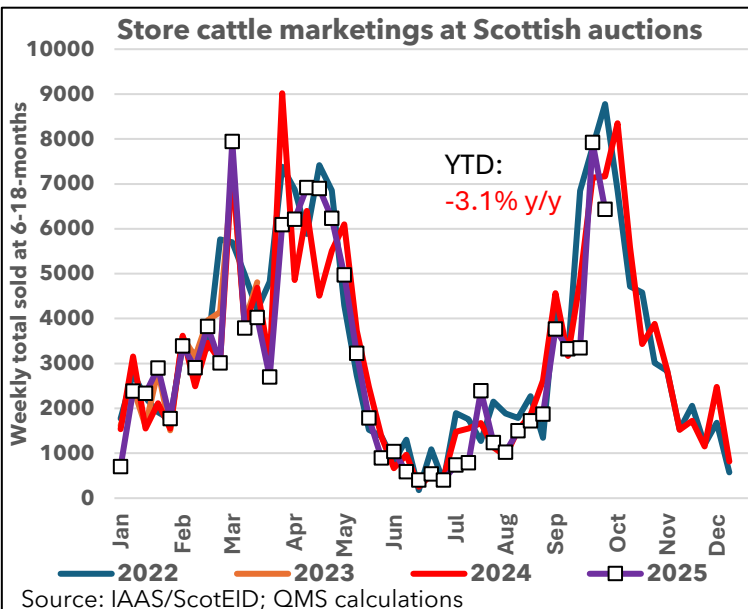
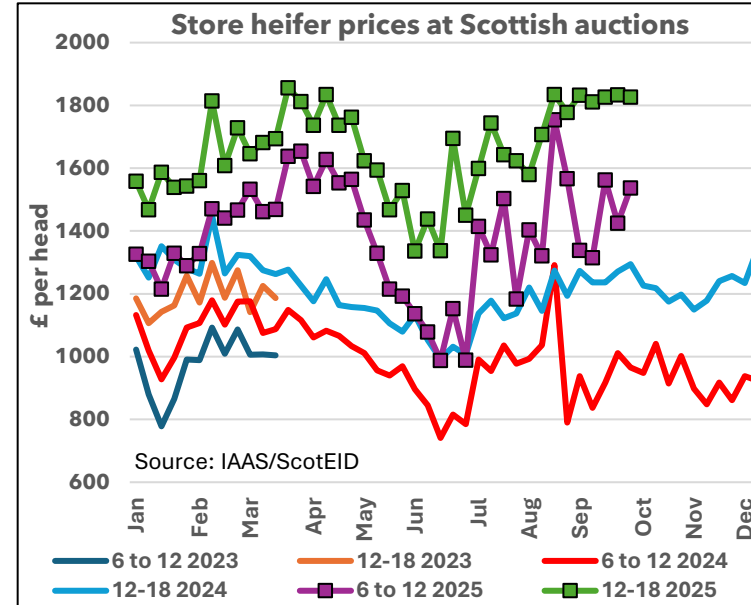
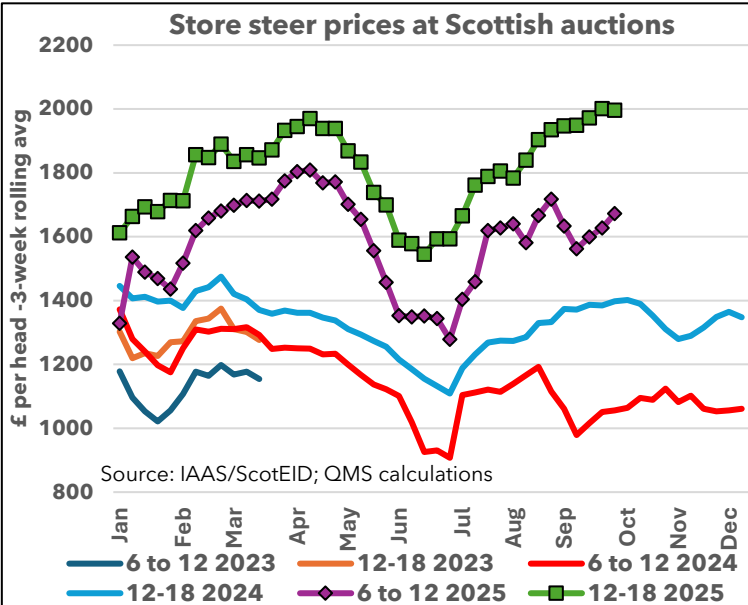


Store cattle trade

Store prices have risen seasonally and continue to show considerable year-on-year increases, reflecting attractive finished cattle values and reduced numbers. While supporting the confidence of calf producers, current store price levels are signalling a squeeze on finishing margins.

Store cattle prices have shown a normal seasonal pattern, lifting ahead of the main autumn selling period. Increases since the summer have been stronger for yearlings, with an improved spring calf crop (supported by lower mortality) potentially resulting in softer competition for weaners; though year-on-year increases have been stronger for younger stores.

The rebalancing of finished cattle prices to a new level in 2025 combined with 3% fewer store cattle being sold at Scottish auctions has supported store cattle values, and prices have risen at an even stronger pace than for finished cattle. While providing vital confidence to specialist calf producers, current store price levels are likely to place a significant squeeze on finishing margins.



4 weeks to 04/10/25		
Store cattle prices		y/y change
Steers, 6-12 months	£1,666	+58.8%
Steers, 12-18 months	£1,990	+42.9%
Heifers, 6-12 months	£1,465	+53.9%
Heifers: 12-18 months	£1,827	+44.3%
Store cattle marketings		y/y change
All steers & heifers, 6-18 months	21,000	-5.9%

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

Indicative finished cattle carcase values w/e 4/10/25	
370kg R4L steer: £2,443	330kg R4L heifer: £2,181
Source: AHDB; QMS calculations	



SHEEP MARKET

SUMMARY OF MARKET DEVELOPMENTS

01

Prices and availability for slaughter

- After a delayed seasonal reduction, lamb prices stabilised between late-August and early-October at Scottish auctions, running around the £3/kg lwt mark and 5-10% higher than last year. Prices were supported by sluggish throughput for the time of year.
- Store lamb prices have been elevated 10-15% higher than 2024 levels, looking slightly stronger than the finished lamb trade. This is despite increased throughput, in contrast to the finished lamb trade, signalling high levels of confidence.
- After increasing in July, GB abattoir slaughter fell back relative to 2024 in August and market pricing suggests that this may have continued in September. England's June census results indicated a surprisingly low lamb crop this year, suggesting that numbers could remain tight this season. Scotland's census results are due for release at the end of October. While a tightening in lamb numbers after a stronger start than last year suggests we may have a lower lamb crop, this may have been influenced by dry weather in eastern Scotland and store lamb throughput has increased at Scottish auctions.

02

International trade and market supply

- While remaining higher than last year, UK lamb export volumes softened in July after a very strong second quarter. Meanwhile, imports surged higher. Despite this combination, plus increased domestic production during the month, lamb prices held firm, signalling strong demand. It may have taken until August for these supply side changes to influence market prices, and retail sales appear to have remained weak in August.

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 8 October	299.22p/kg	-2.66p	-0.3%	+10.3%	+27.8%
Total lamb marketings at Scottish auctions	Average in four weeks to 8 October, head	20,202		+21%	-6.4%	-12.1%
Lamb slaughter at GB abattoirs	Total between June and August 2025, million head	2.621m			+0.9%	-9.5%
UK sheepmeat market supply	Tonnes in June to August 2025 (estimate)	68,000			+4.9%	+2.6%

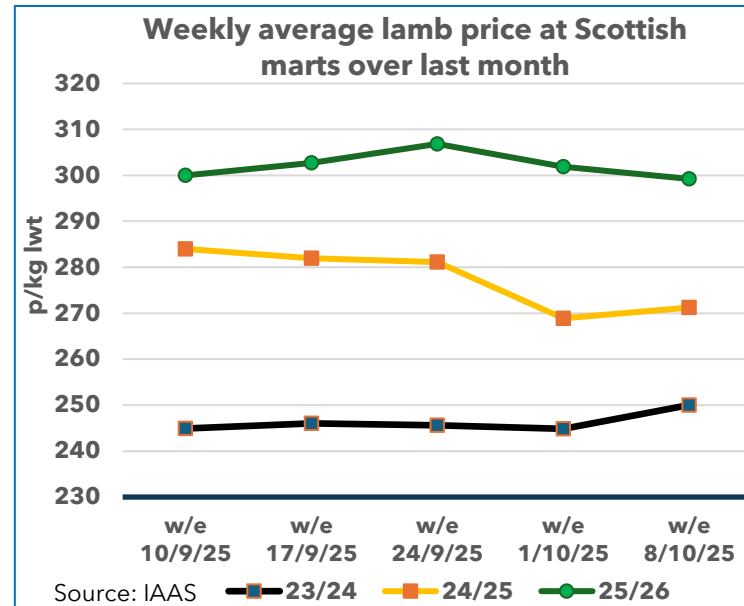
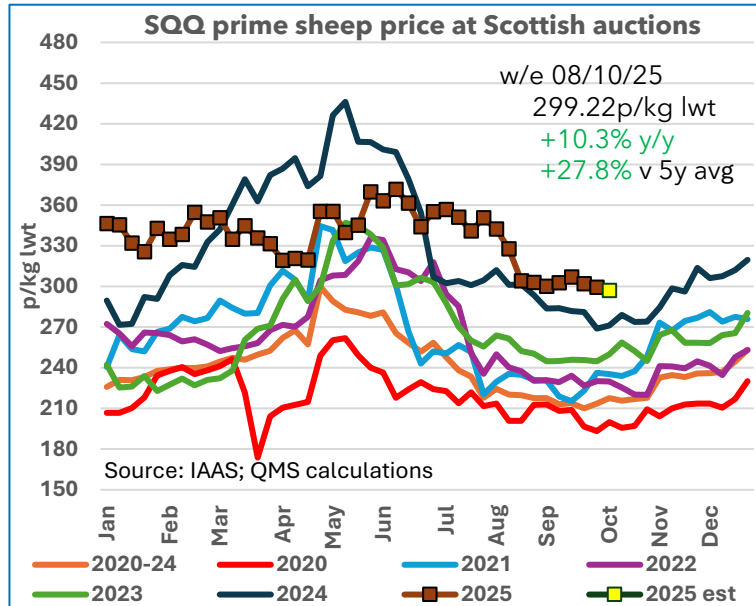
03

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. US tariffs of 10% on Australian lamb and 15% on New Zealand lamb may be leading to increased interest in shipping lamb to the UK market tariff-free.

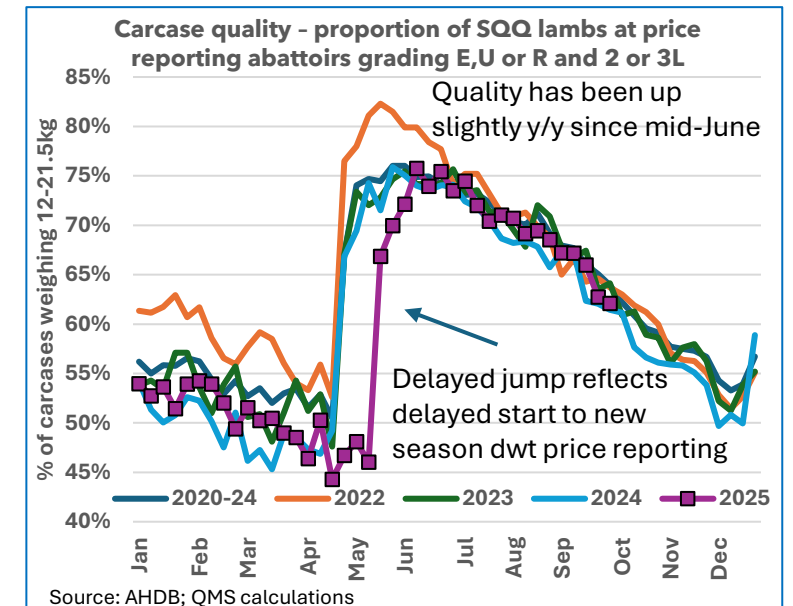
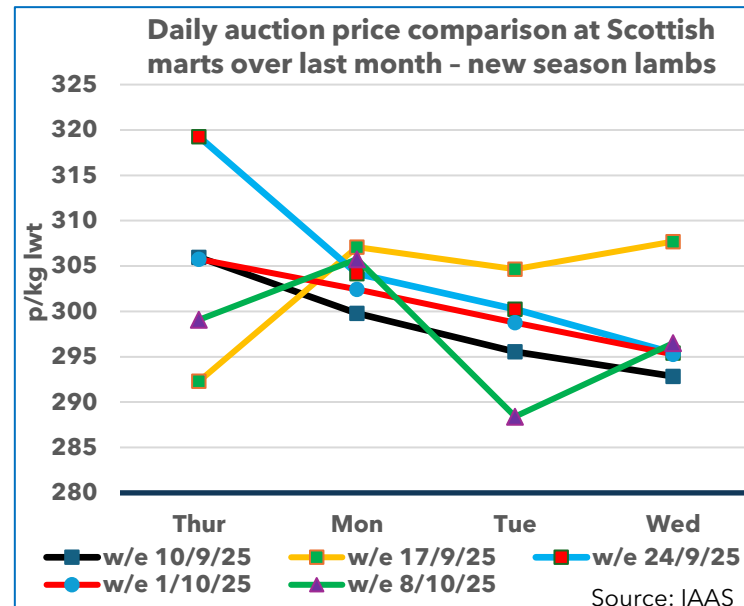
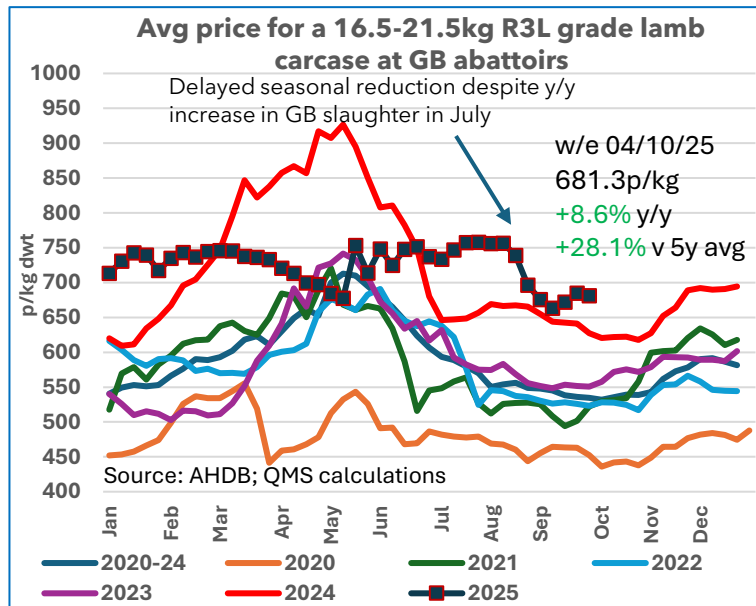
Farmgate prices - prime sheep

Lamb prices stabilised at Scottish auctions between late-August and early-October, running 5-10% higher than last year, supported by sluggish throughput for the time of year.



After holding unusually close to their new season peak in July, lamb prices showed a seasonal decline in August before stabilising once again in September at around the £3/kg lwt mark. Sluggish auction throughput between mid-August and early-October has supported prices, which have been running around 20% below their new season peak compared to a 35% seasonal decline last year. In recent weeks, prices have been holding 5-10% higher than last year and 30% above the five-year average.

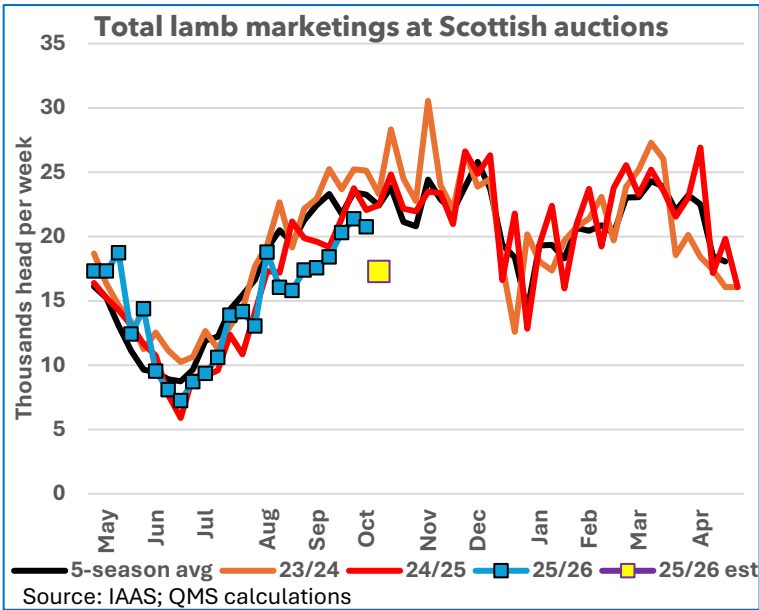
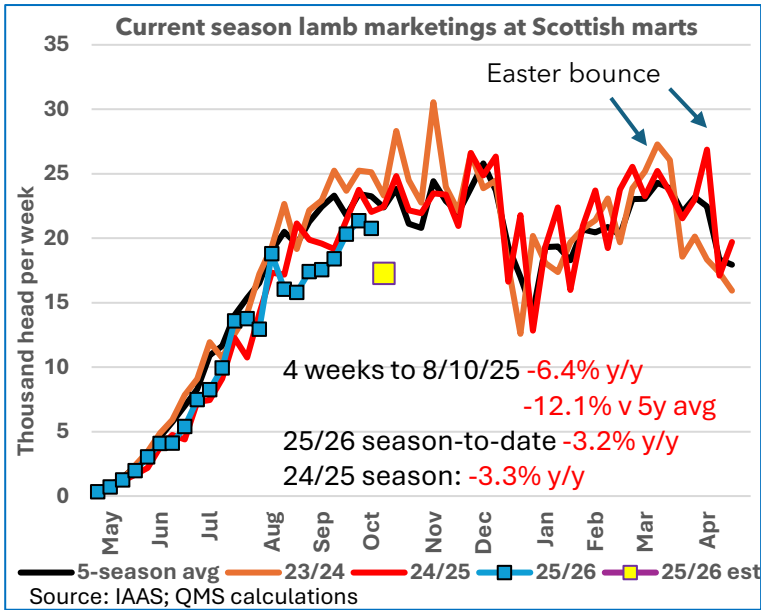
GB deadweight prices fell for longer than auction prices, slumping to a seasonal low point in mid-September before rebounding slightly towards the end of the month. Historical price comparisons were slightly softer than those of the Scottish auction trade in September.



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

Availability and slaughter

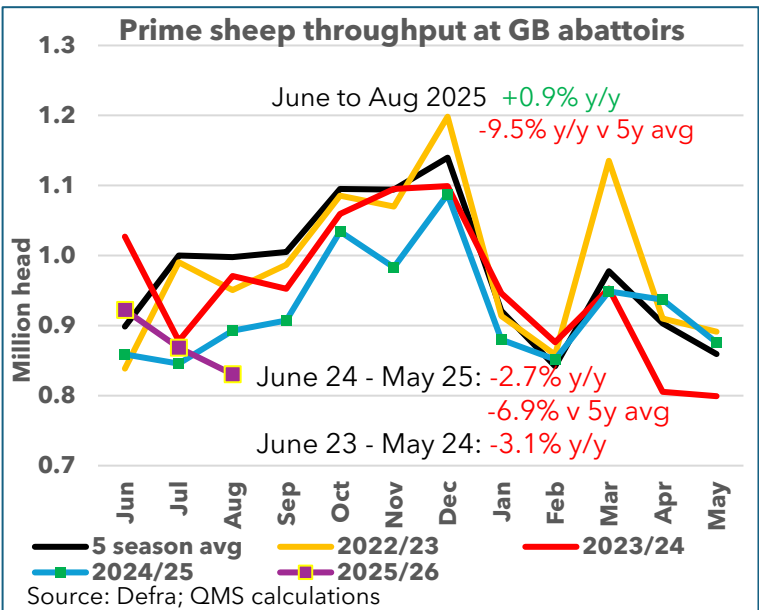
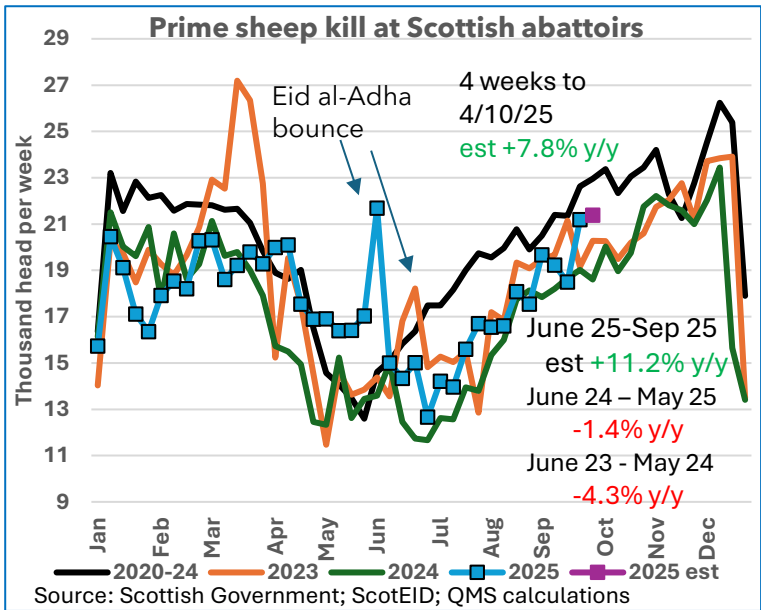
After a faster start to the new season than in 2024, the number of lambs going to slaughter from Scottish farms fell back in August and September. Lamb slaughter tightened at GB level in August and could remain tight for the remainder of the season following indications of a poorer lambing than expected in England.



After a strong hogg kill supported supplies in the second quarter, the new season started with a 3% year-on-year increase in lamb slaughter at GB abattoirs in July. However, numbers showed a more limited seasonal build than usual in August and fell 7% behind 2024 levels.

In Scotland, a stronger initial build of new season lambs than in 2024 provided support to availability in June and July. However, numbers still looked soft when compared to pre-2024 levels, and they then fell around 5% behind year-earlier levels in August and September, pulling season-to-date auction throughput behind 2024. Dry summer weather in eastern Scotland may have influenced the marketing profile this autumn, slowing it down, leaving the potential for a catch-up.

England's June census signalled that the breeding flock continued to contract significantly and that there was a poorer lambing than expected. As a result, supply is set to prove relatively tight for the remainder of the season. Scottish census results are due for release on 30/10/25.



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%

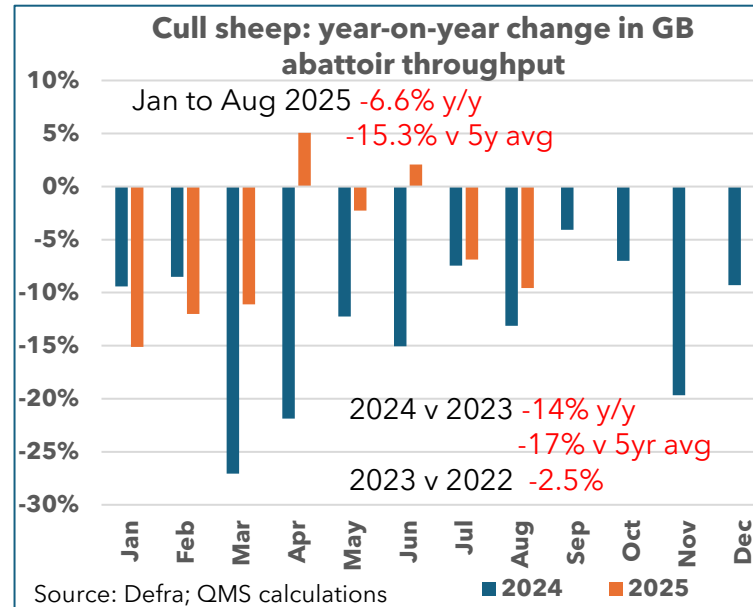
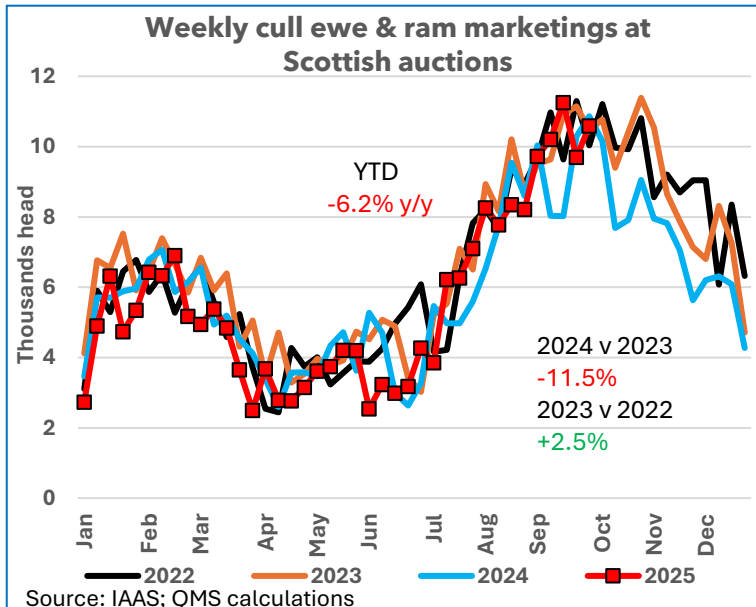
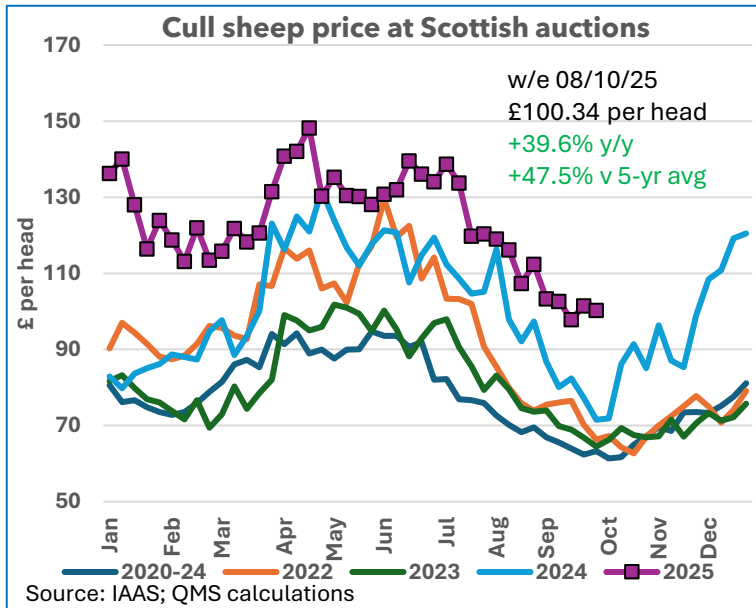
June 2025 – England (Scottish results due at the end October)

	Sco v 2024	Eng v 2024	Wal v 2024
Ewes for further breeding & slaughter	na	-3.4% y/y	na
New season lambs	na	-5.3% y/y	na

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

Cull sheep market

Seasonally high slaughter has seen cull ewe prices drop back from the high levels of the spring and summer. Nevertheless, values remain elevated well above 2024 levels, underpinned by a reduction in slaughter this year.



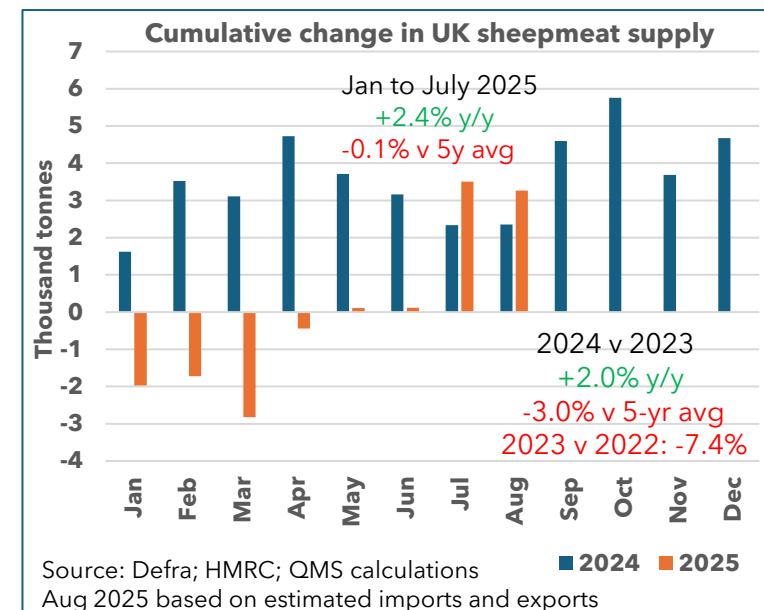
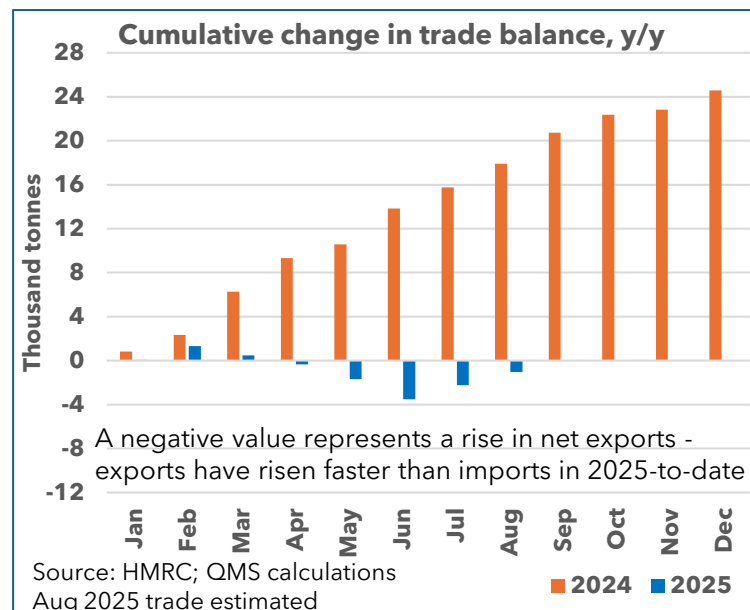
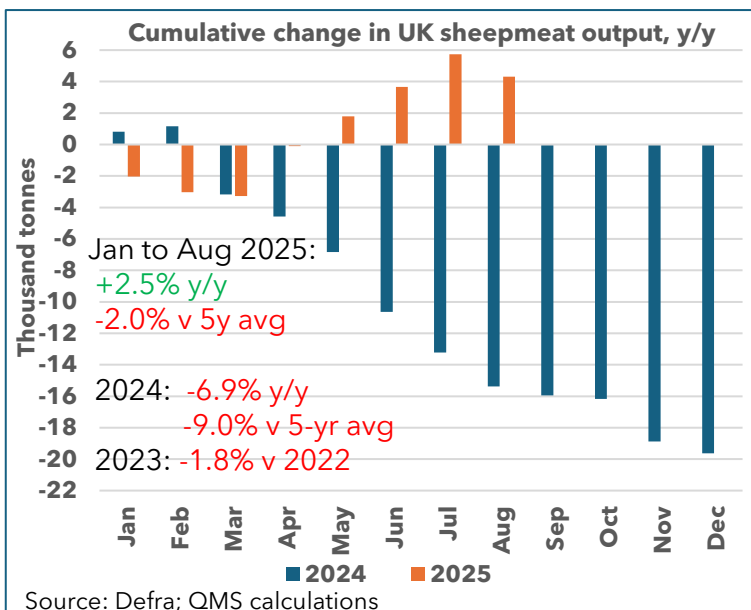
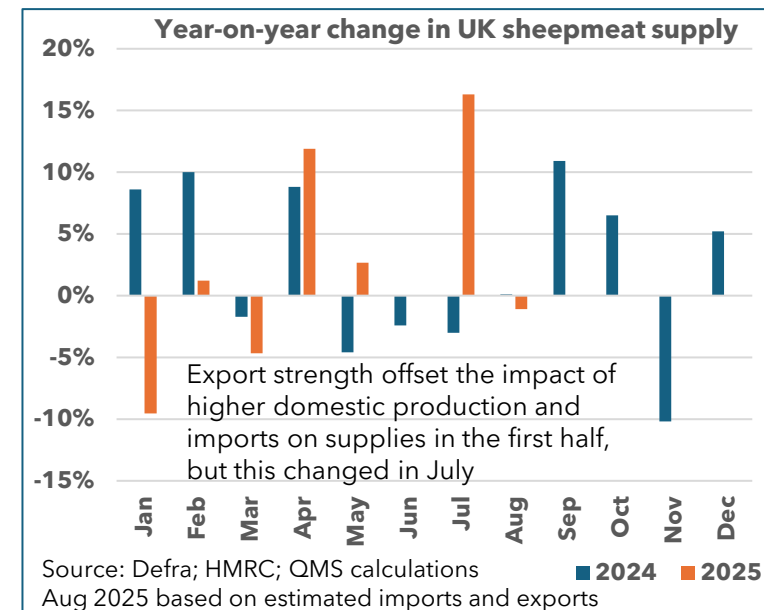
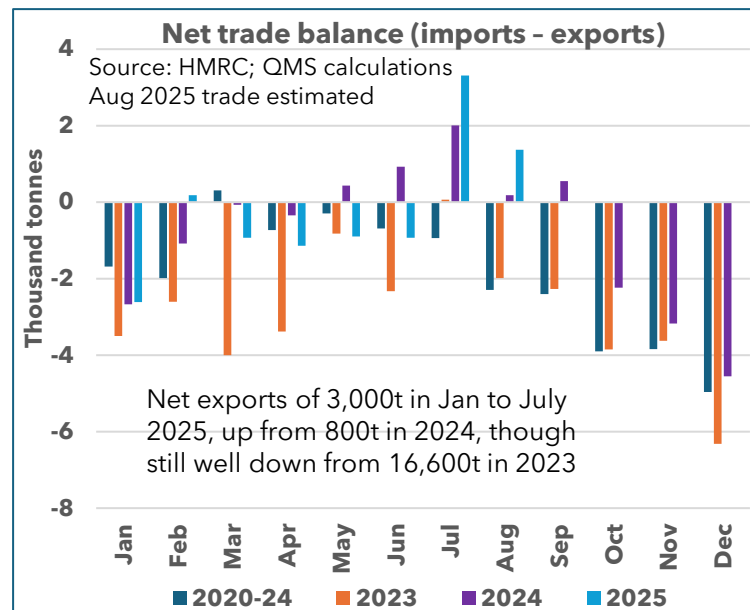
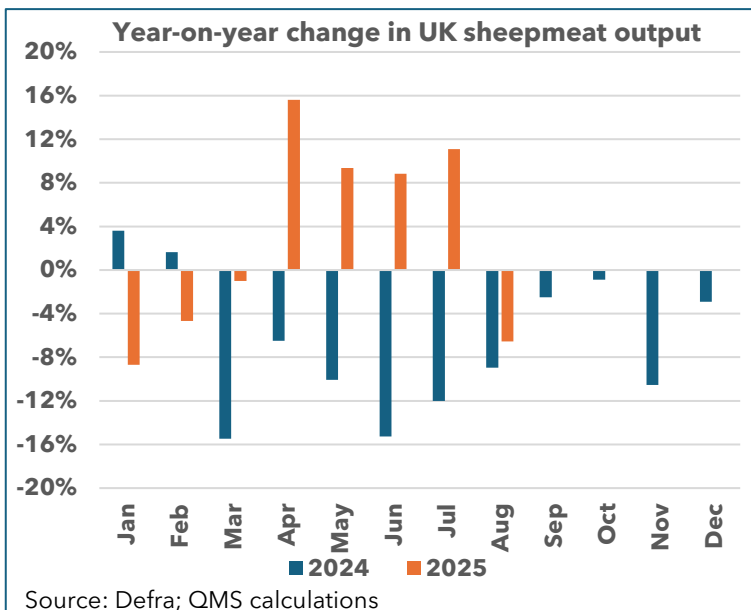
Cull ewe prices steadied through September and into October at around the £100/head mark having fallen seasonally between late-July and early-September as auction throughput picked up towards its autumn peak. Lower auction throughput than in 2024 has been supporting prices all year, while demand for 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. After signs of steadying in the second quarter, ewe slaughter began to fall back on 2024 levels again in the summer.

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.

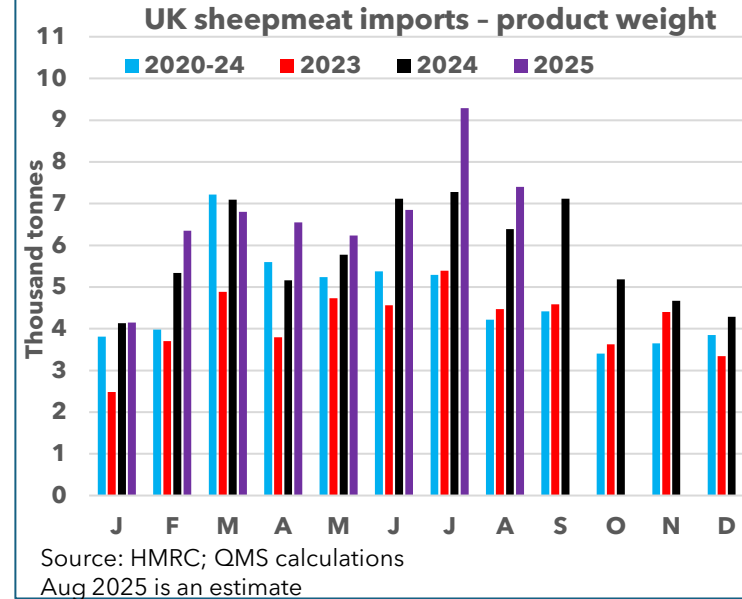
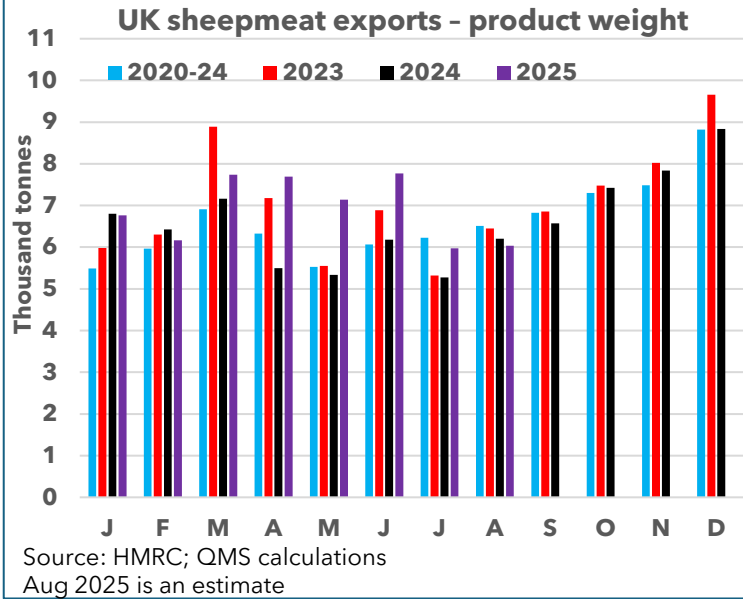
UK sheep market supply

domestic production + (imports – exports) = supply



UK international trade

Export sales fell back sharply in July after a strong second quarter, but were still well ahead of 2024 levels, highlighting positive demand. Import volumes surged in July after a softer June, and this year's increases have been driven by Australia.

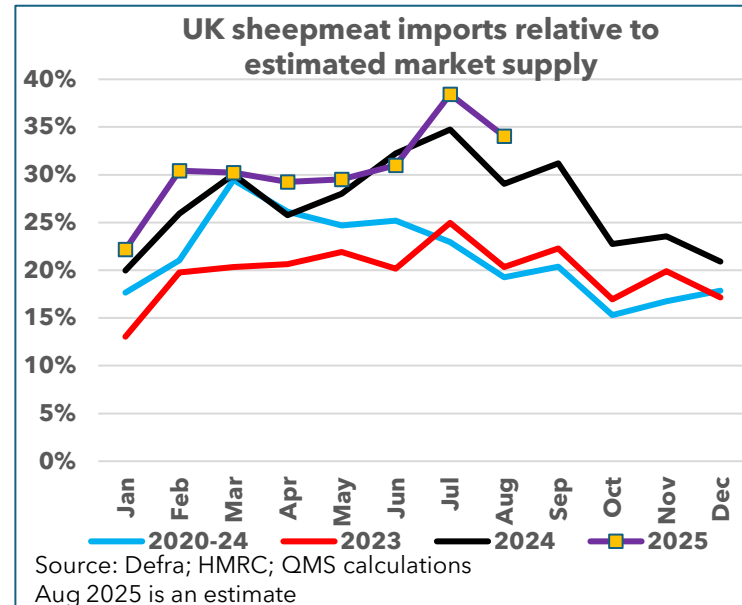
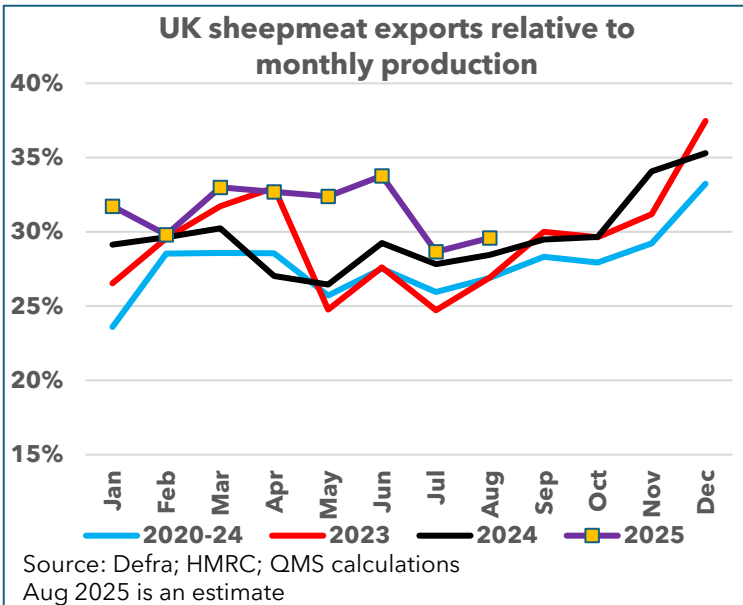


After a very strong March to June period, UK sheepmeat exports slumped to their lowest of the year in July. However, exports continued to exceed year-earlier levels, up 13%. They also held higher than last year when looked at relative to production volumes, highlighting a continuing strength of demand.

UK sheepmeat imports surged higher in July, rebounding into year-on-year growth after a dip in June. Volumes reached their highest for the month since 2008 and for any month since March 2020.

Although highly competitive prices in Australia and New Zealand have supported import demand, import prices have rebounded significantly this year, averaging 29% higher than in 2024 from NZ and 28% higher from Australia in the first seven months.

Imports continued to rebalance towards Australia in July, with volumes more than double year-earlier levels while imports from NZ were 12% higher. In the January to July period, imports from Australia rose 58% while there was a marginal reduction from NZ, resulting in respective market shares of 30.5% and 56.5%.



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

Further information and analysis around Scottish exports can be found here: <https://qmscotland.co.uk/news/scotlands-red-meat-exports-climb-to-a-record-164-million-as-qms-heads-to-anuga-2025>

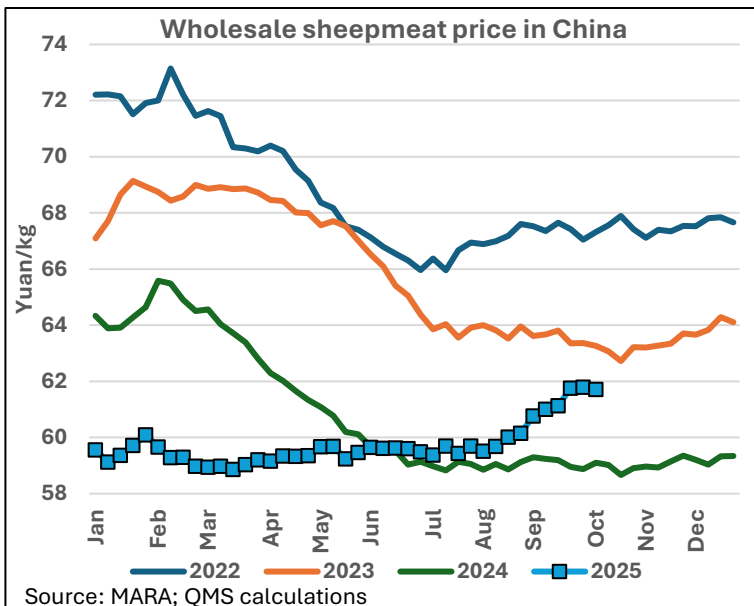
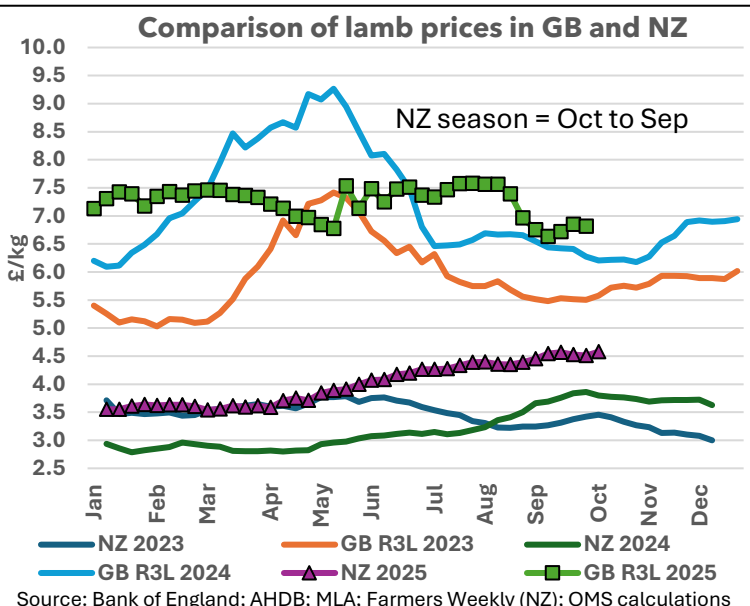
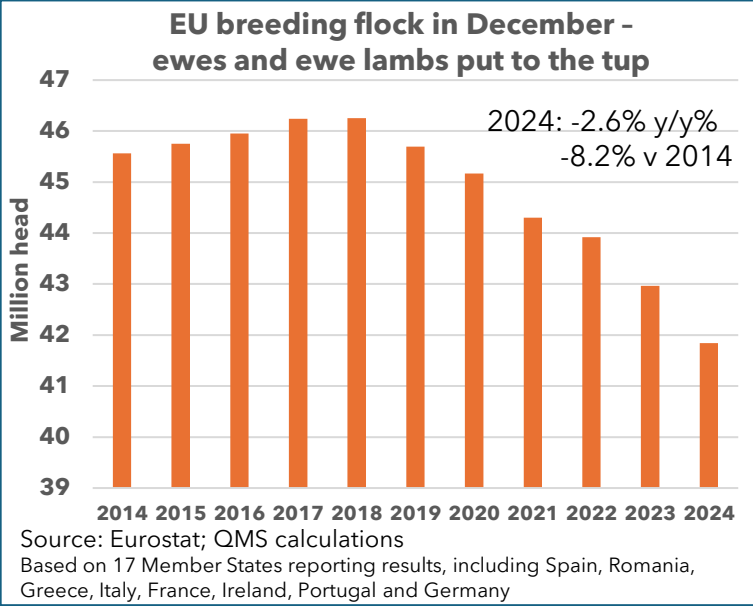
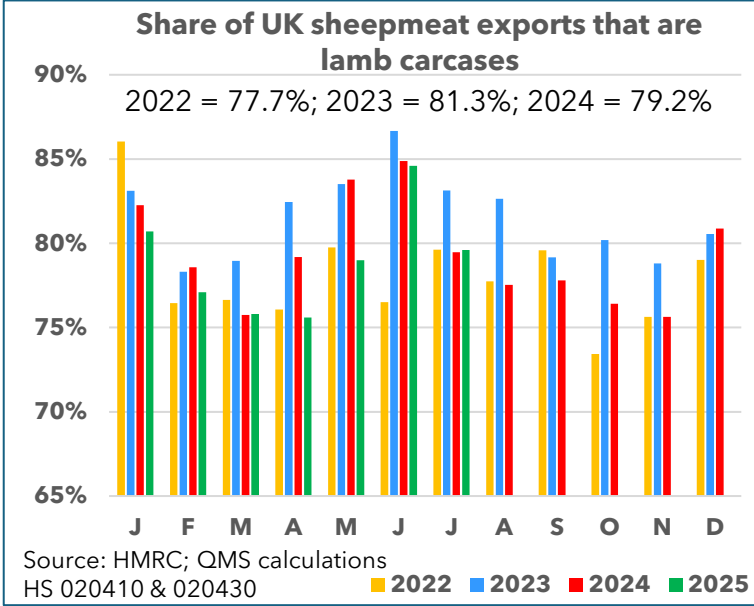
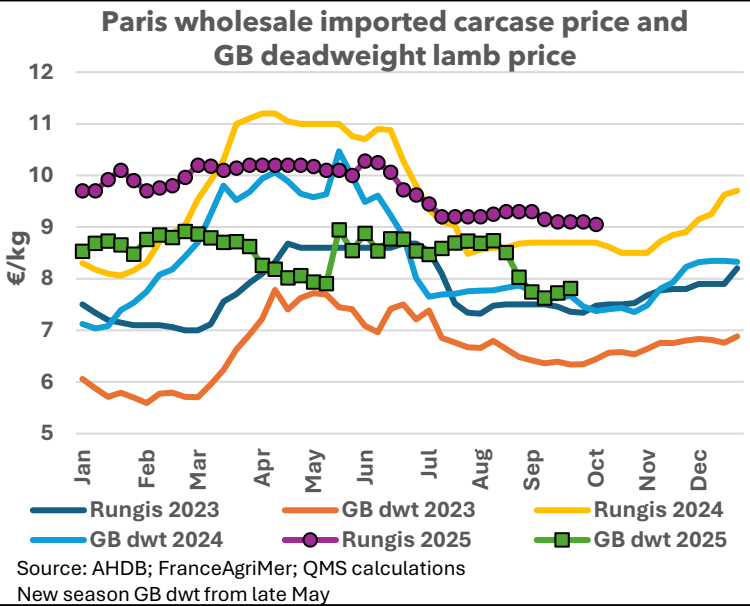
Note:

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

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

Variables influencing international trade

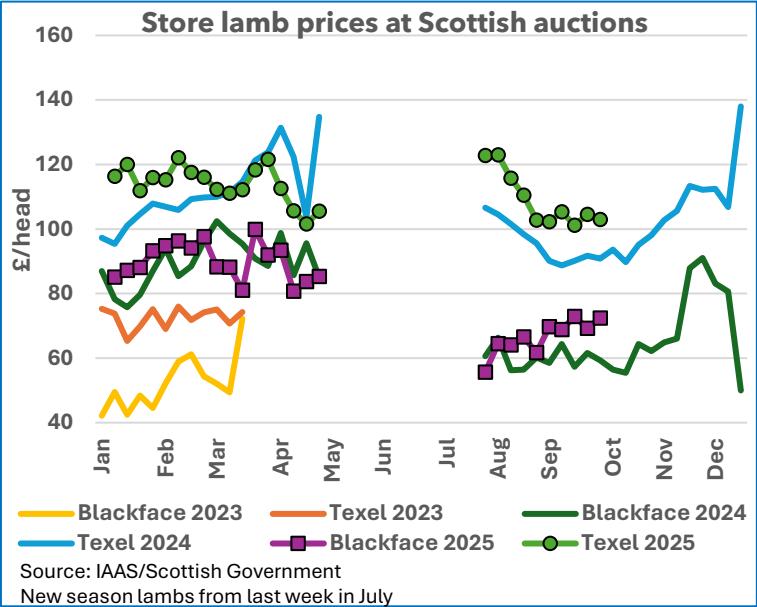
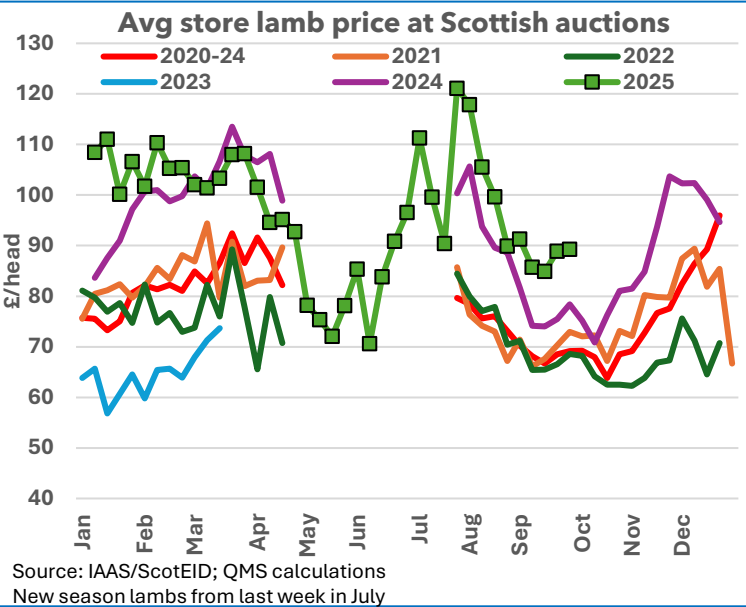
Wholesale prices in France for GB lamb have stabilised, allowing a recovery of export margins. In the Southern Hemisphere, lamb prices may have reached a seasonal peak but remain well above 2024 levels, reflecting a recovery in demand from China, seasonally lower production, and year-on-year declines in slaughter. US tariffs of 10% on Australia and 15% on NZ may be having some impact on global trade flows.



Oceania lamb production forecasts					
	2023	2024	2025	2026	25 v 24
Australia: September 2025 Industry Projections (thousand tonnes)					
Sheepmeat production	847	927	866	819	-6.6%
Sheepmeat exports (product weight)	536	614	570	538	-7.2%
New Zealand: Stock Number Survey and New Season Outlook (head)					
	2023/24	2024/25	2025/26	y/y change	
Breeding ewes	14.80m	14.56	14.28	-1.9%	
Total lamb crop	21.0m	19.4m	19.3m	-0.6%	
Production (‘000t)	348.6	326.3	321.5	-1.5%	
Source: MLA; Beef + Lamb NZ; QMS calculations					

Store sheep trade

Store lamb values have started the season well ahead of last year, reflecting positive market conditions



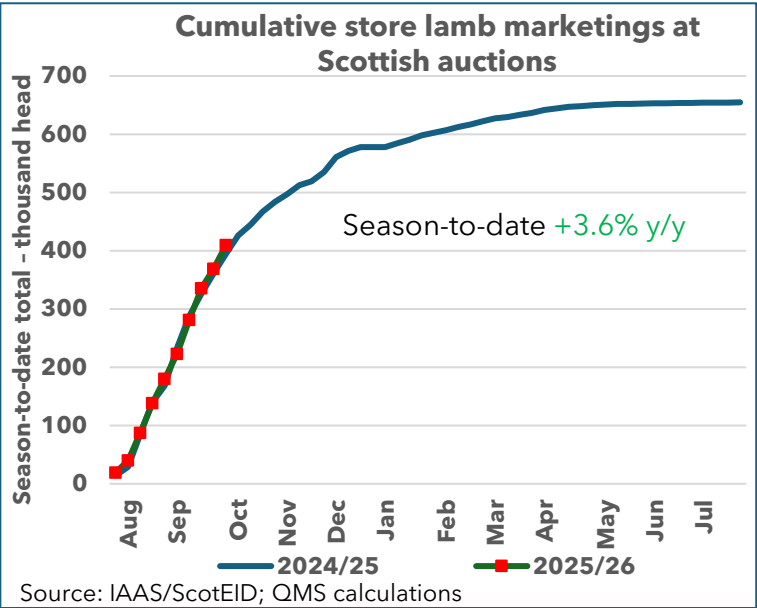
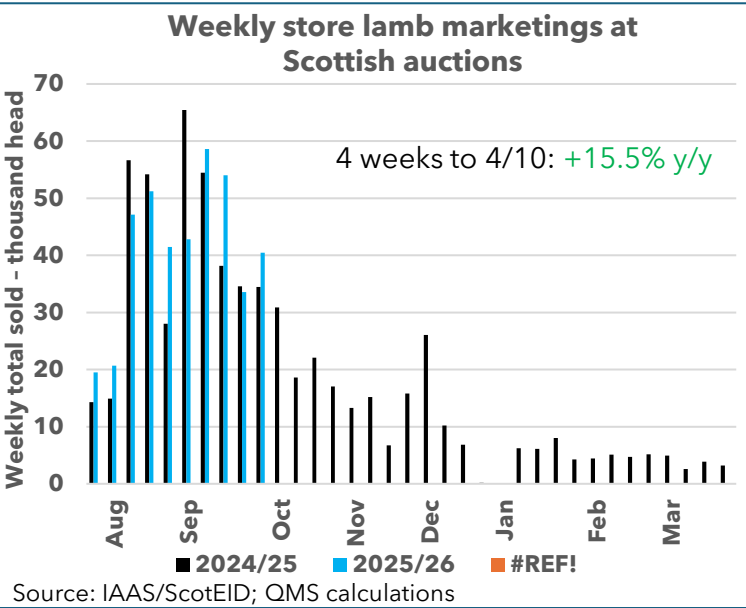
Store lamb values have started the season well ahead of 2024 levels, reflecting the combination of lower feed costs and higher prices for finished lambs.

In contrast to finished lambs, store auction throughput is running slightly above 2024 levels. The combination of increased throughput and prices points to strong competition between finishers and a high degree of confidence.

Store lamb trade at Scottish auctions, 4 weeks to 4/10/25

Category	Average	% change y/y
Overall average	£86.80	+9.9%
Blackface	£70.90	+17.4%
Cheviot	£80.20	+11.4%
Suffolk	£98.30	+6.1%
Texel	£102.50	+9.4%
Weekly average number	46,668	+15.5%

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





PIG MARKET

SUMMARY OF MARKET DEVELOPMENTS

01 Prices

- Per kilo pig prices continued to follow a normal seasonal trend in September, falling slowly from their summer peak as weekly availability for slaughter and carcass weights trended higher. Though around 1% lower than last year, prices were still 10-15% above the five-year average and are estimated to have held slightly above the cost of production, supporting producer confidence.

02 Slaughter numbers

- GB prime pig slaughter started the year showing increases, fitting with England's December census results. However, by June, census results were showing a slight reversal and GB slaughter fell back during the summer.
- The number of pigs leaving Scottish farms for slaughter has continued to show a small year-on-year reduction, of 1.5%, but the Scottish abattoir prime pig kill continued to increase on 2024 levels in September, signalling favourable market demand.

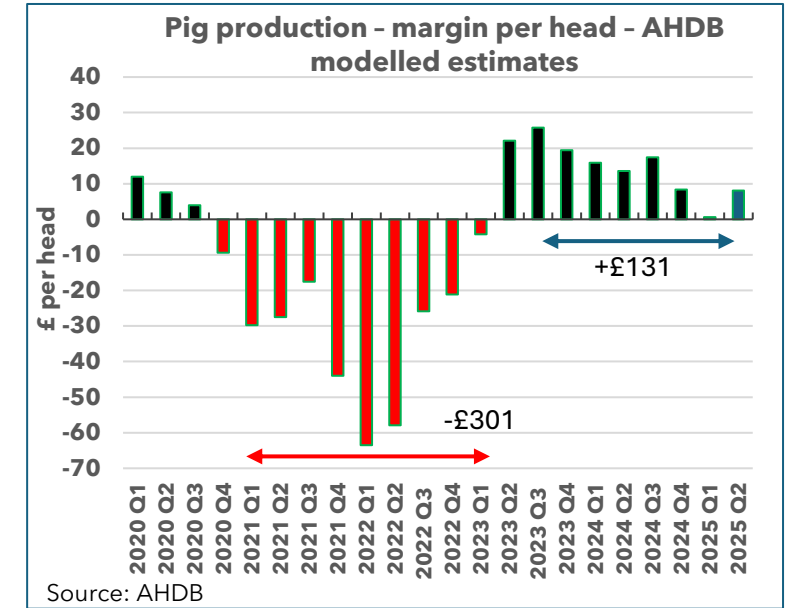
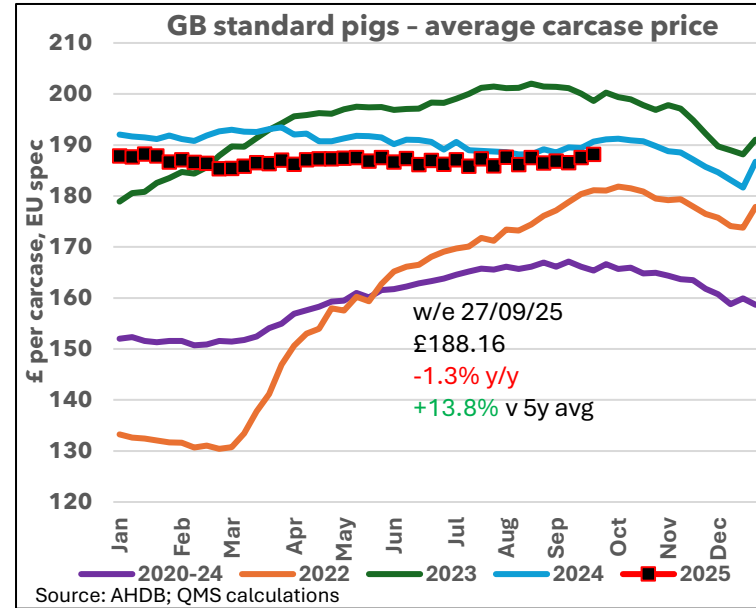
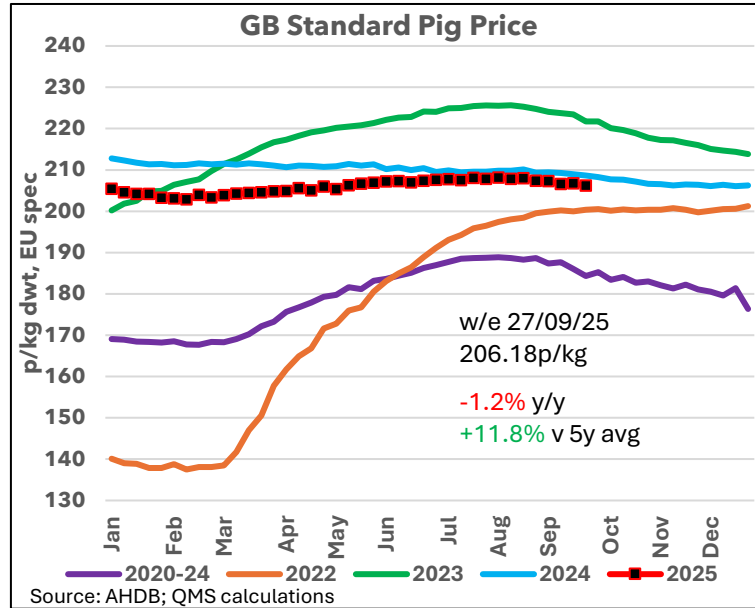
Report Category	Basis	Average price or volume	Change on week	Change over four weeks	Change on year	Change on 5-year avg
GB Standard Pig Price (SPP)	p/kg dwt, w/e 4 Oct	205.65p/kg	-0.53	-0.8%	-1.3%	+11%
Average carcass weight of standard pigs	Average in four weeks to 4 Oct, EU spec	90.95		+1.1%	-0.1%	+1.7%
Prime pig slaughter at GB abattoirs	Total during August 2025, thousand head	663.3		+8.6% (change in daily avg kill July v Aug)	-1.3%	-10.8%
UK pig market supply	Tonnes in June to August 2025 (estimate)	323,365			-3.9%	+0.9%

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. However, domestic production fell back in the summer and overall market supply began to reduce from 2024 levels, without boosting market prices.
- Imports from the EU remained sluggish in the first seven months of 2025 despite highly competitive pricing. Meanwhile, UK exports increased slightly from a low base, mostly to China, despite the Chinese market continuing to look well-supplied. This export growth may reflect improved market access following the renewal of export licenses and opportunities caused by increased Chinese tariffs on US pork. Looking ahead, higher Chinese tariffs on EU pork that were imposed in September may support further opportunities for UK pork.

Farmgate prices – prime pigs

Producer prices are showing a slight seasonal decline and, although down marginally on 2024, they remain ahead of the estimated cost of production and 10-15% above the five-year average, supporting the slow recovery of producer finances.



Note: AHDB cost of production estimate Q2 2025: 197p/kg dwt, with feed costs slipping back from a two-year high in Q1 and accounting for 61% of total costs.

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 continued to show a normal seasonal pattern, transitioning from a slight upwards trend to a slight downwards trend since early-August. By late-September, the average price for a carcase weighing 70-104.9kg had fallen by 0.6% from its August peak, slipping from 209.3p/kg dwt down to 208.2p/kg.

Average carcase prices presented a relatively flat trend during the summer, fluctuating around £186-187 per head. In the second half of September, the seasonal upturn in weights then offset the reduction in per kilo prices, pushing carcase value up to around £188. This remained around 1% lower than last year.

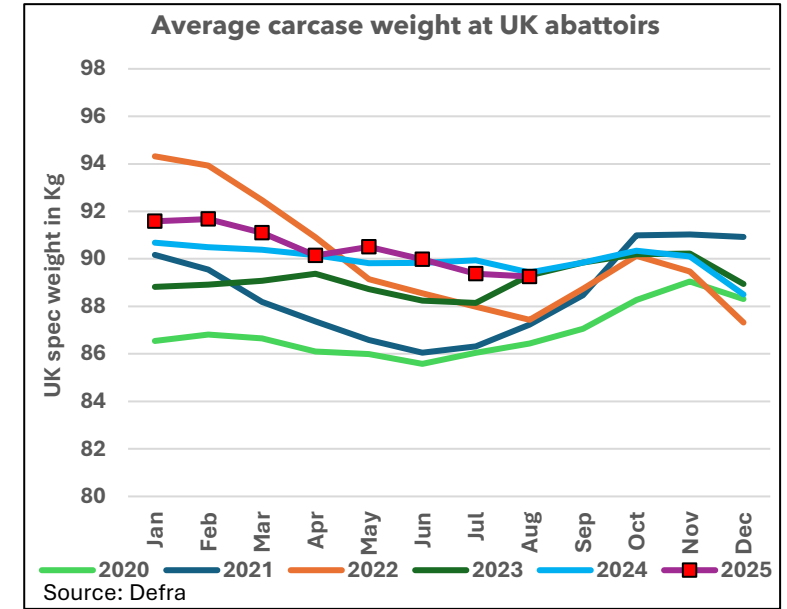
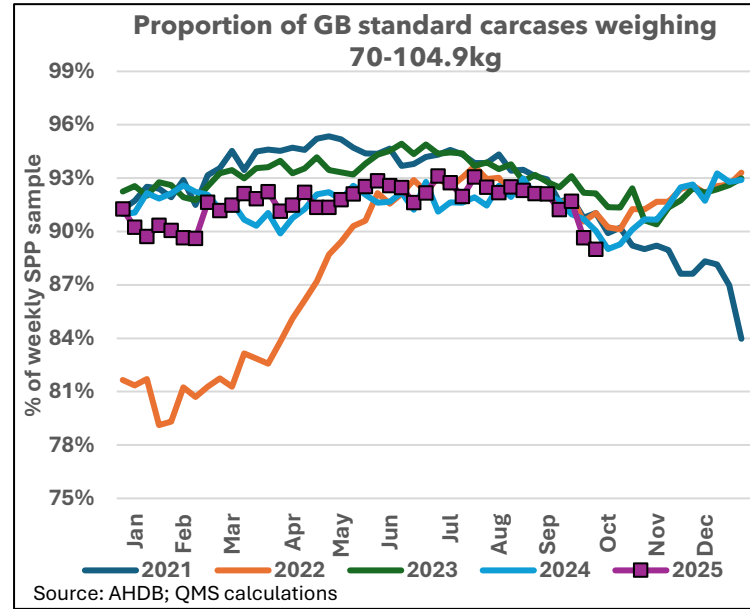
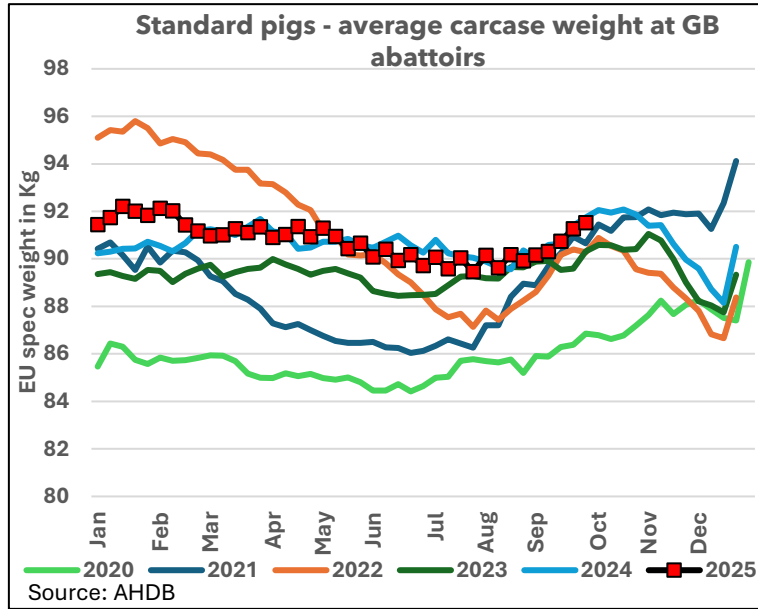
While still in the 10-15% range, leads over the five-year average for per kilo and per carcase prices have started to widen again in September, rising by one-to-two percentage points.

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 have risen seasonally in September as the proportion of in-spec pigs has fallen back.

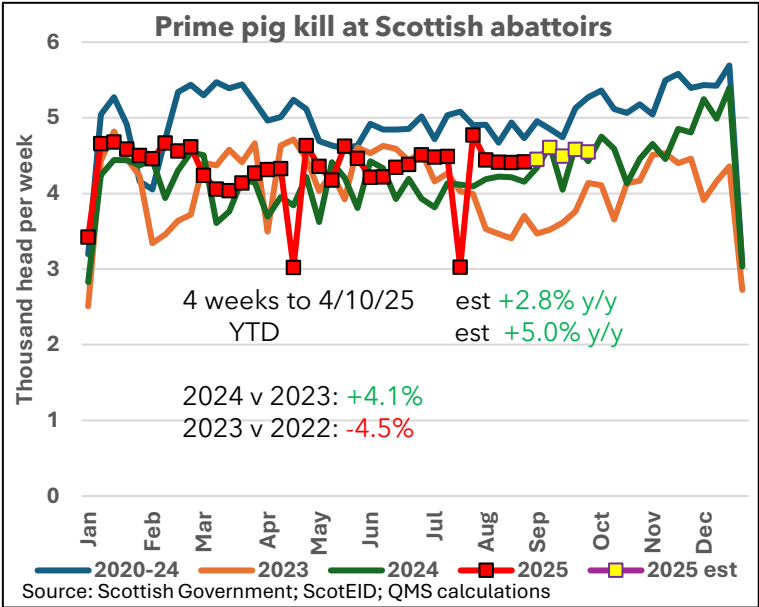
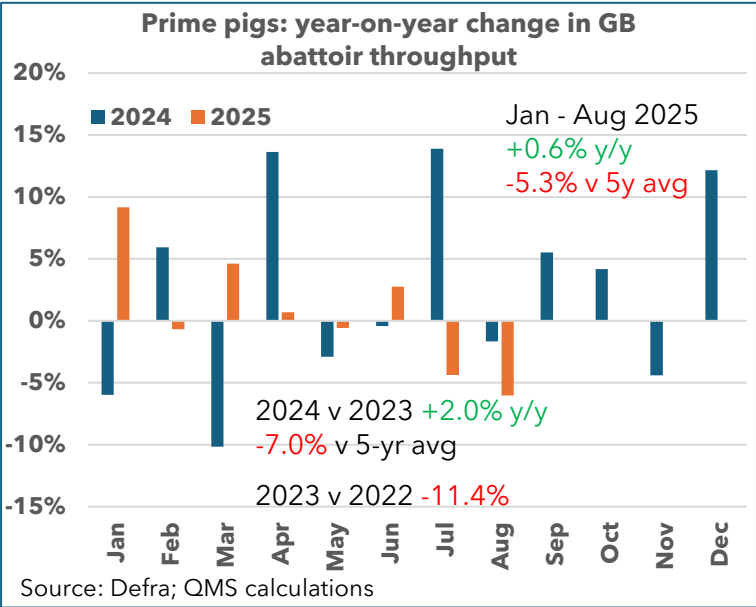


Carcase weights in the SPP sample showed a seasonal transition in September, returning towards their highest levels of the year so far, and the week-to-week volatility of the summer came to an end. In the second half of September, weights increased to average above 91kg, having averaged around 90kg since June, though they remained below the winter 2024/25 peak of around 92kg. Weights had been around 0.5% lower than 2024 in June and July, but this gap closed in August and September. 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 significant seasonal reduction in the share of standard carcasses being in-spec for weight at 70-104.9kg has contributed to the uplift in average carcase weights.

Availability and slaughter

Prime pig slaughter in GB started the year reflecting increased pig numbers reported in England’s December census. However, by June, census results were signalling a slight reversal in the pig crop, and slaughter fell during the summer. A 1.5% dip in the number of pigs leaving Scottish farms for slaughter in 2025 hasn’t prevented a continued year-on-year increase in slaughter at Scottish abattoirs, signalling positive demand.

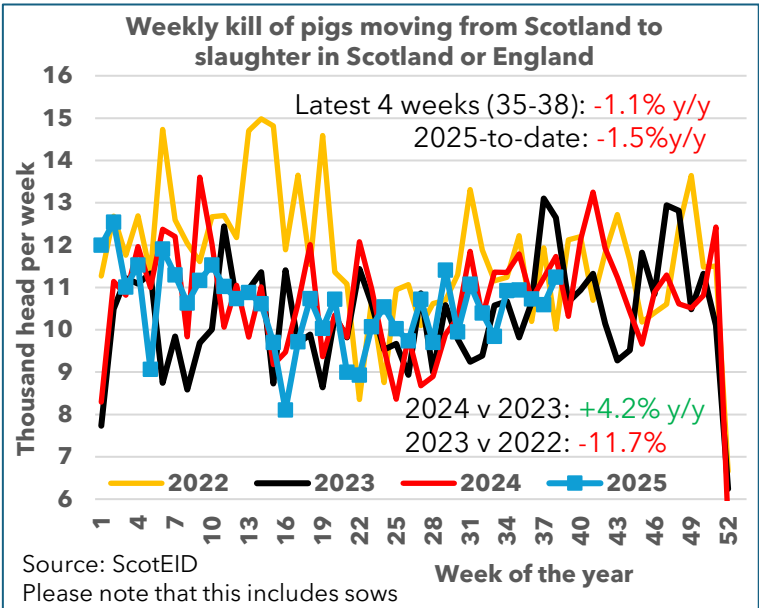
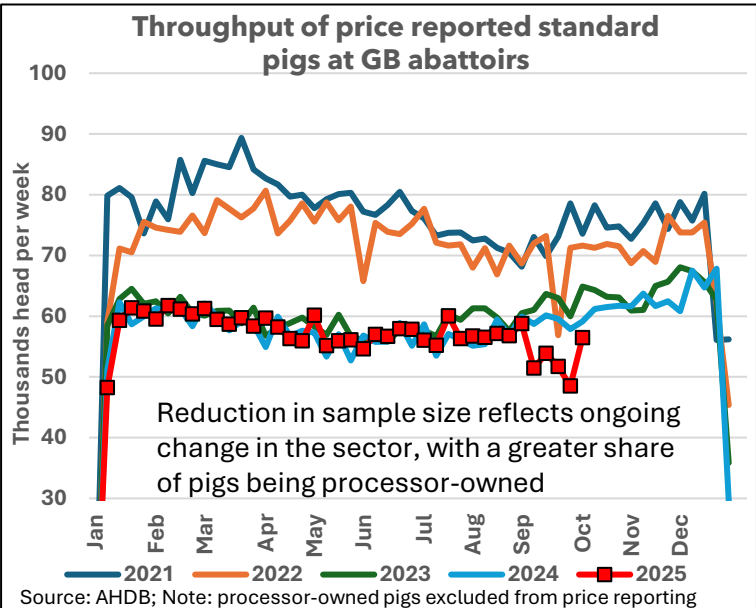


GB abattoir throughput made a strong start to the year, building on a 2% increase in 2024, fitting with England’s December census results which had pointed to a significant increase in availability of slaughter prigs. However, slaughter became more stable on 2024 levels in Q2 before declining in July and August, in line with a slight reversal in the pig crop reported in England’s June census.



Weekly availability for slaughter has trended higher through the third quarter and may begin to level off in the coming weeks, before lifting ahead of Christmas.

After rising 4% last year, the number of pigs leaving Scottish farms for slaughter has slipped back by around 1.5% in 2025, but the ScotEID data continues to signal a more stable herd than indicated by the June 2024 census.



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

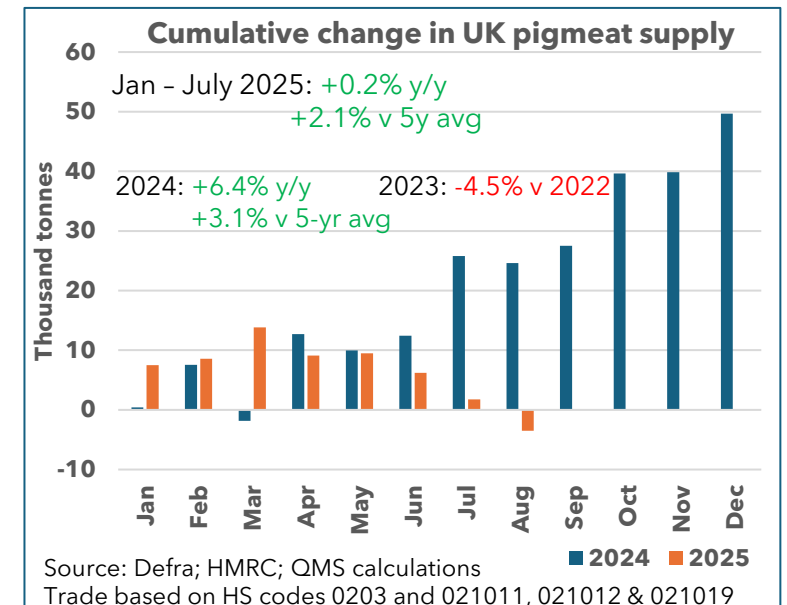
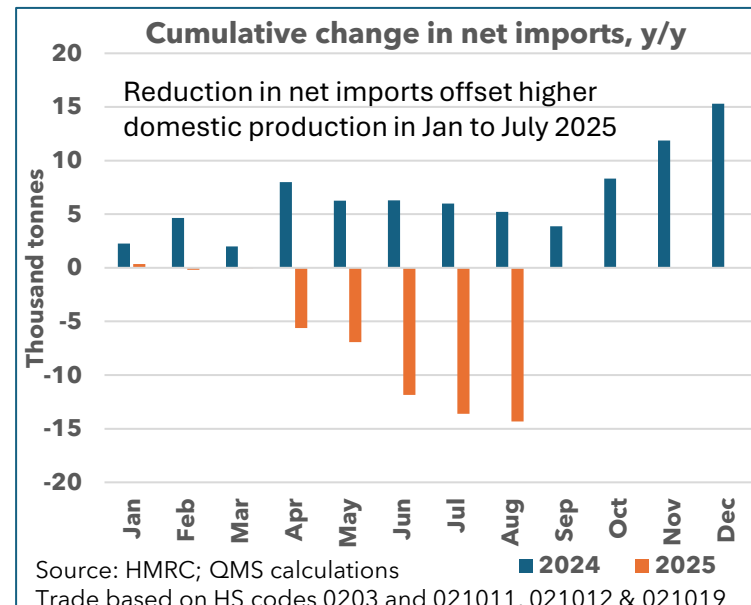
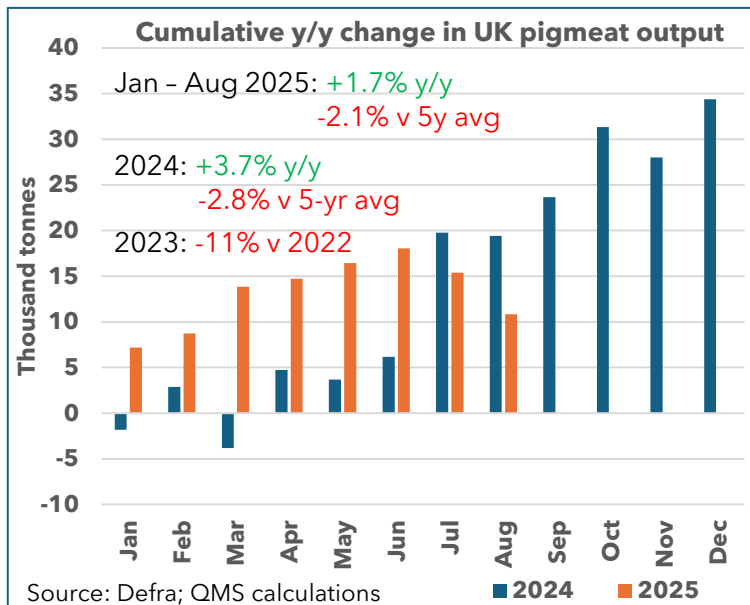
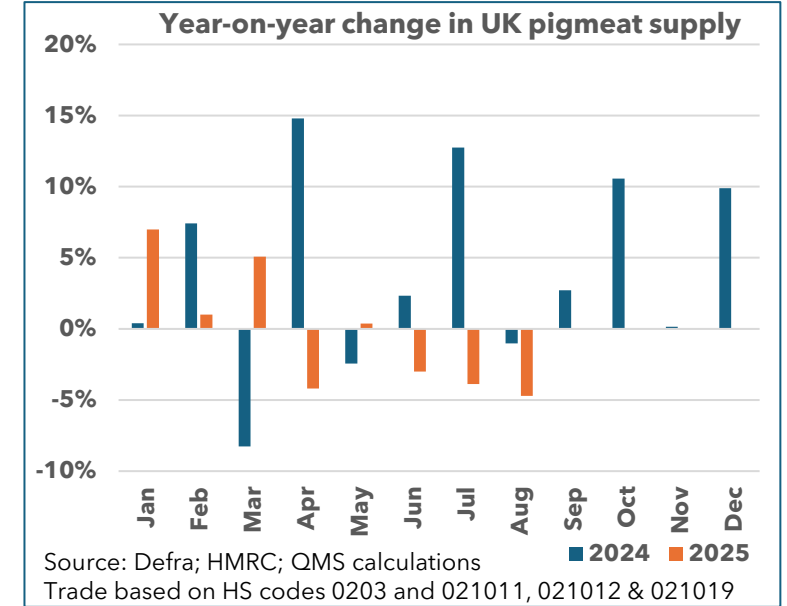
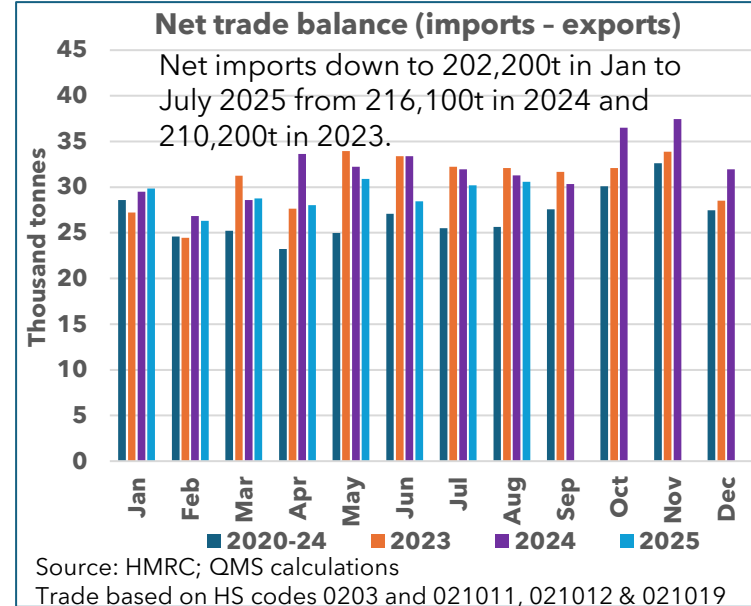
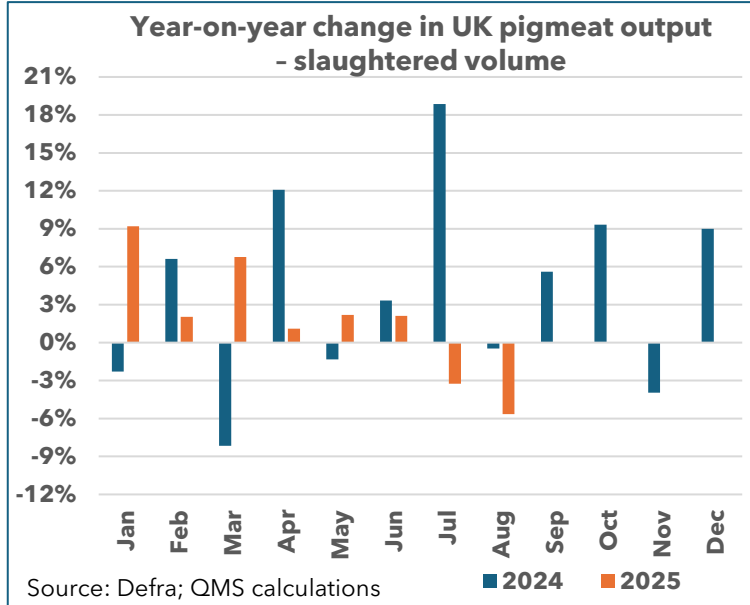
Latest Census Results – Scotland and England		
	Sco: June 2024 v 2023	Eng: June 2025 v 2024
Female breeding herd	-7.9% y/y	-5.3% y/y
Fattening pigs	-7.7% y/y	-0.4% y/y

Source: Defra; Scottish Government

UK pigmeat market supply

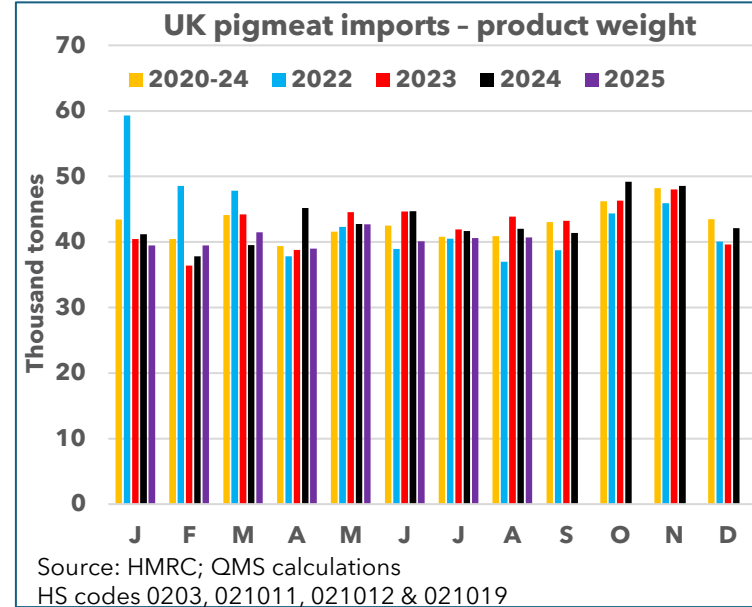
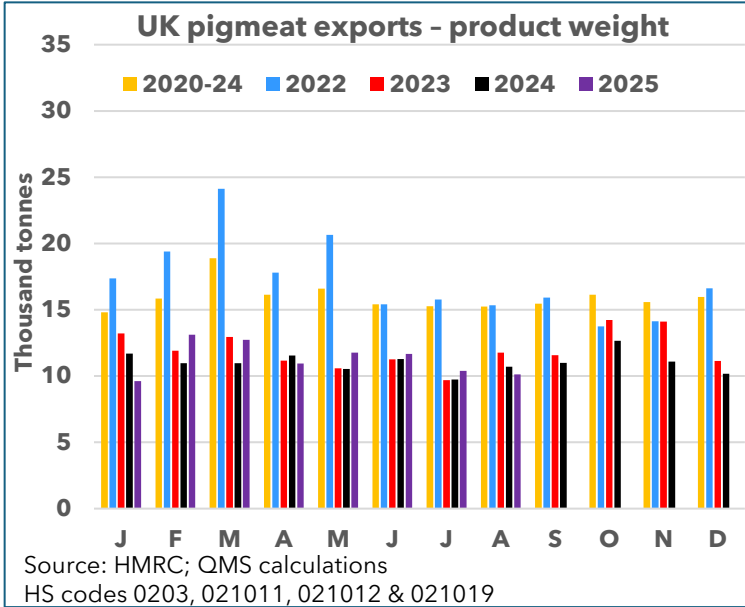
domestic production + (imports – exports) = supply

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



UK international trade

Exports have shown a slight recovery in 2025, driven by China, while higher domestic production continued to pressure imports in July despite competitive EU pricing.



UK pigmeat exports continued to show historically soft performance in July, trailing the 2018-22 average for the month by 45%. However, the July volume was the third consecutive month to show a three-year high, taking the year-to-date total nearly 5% above 2024 levels.

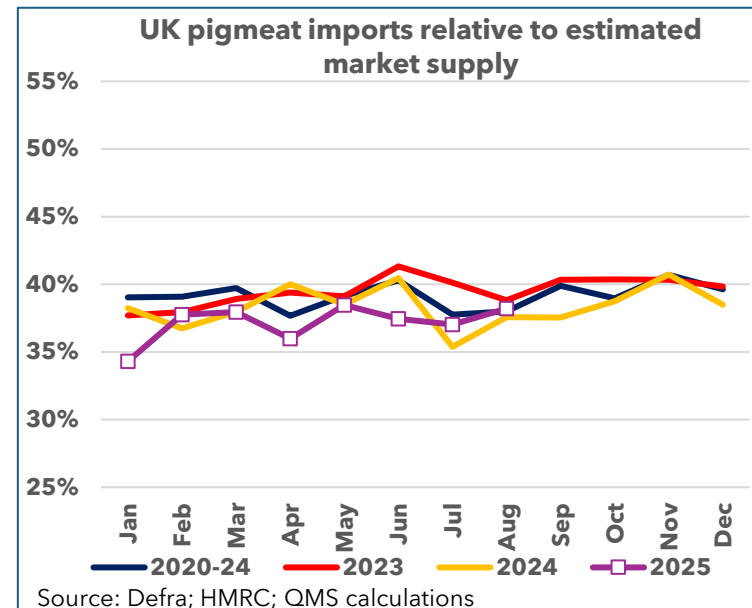
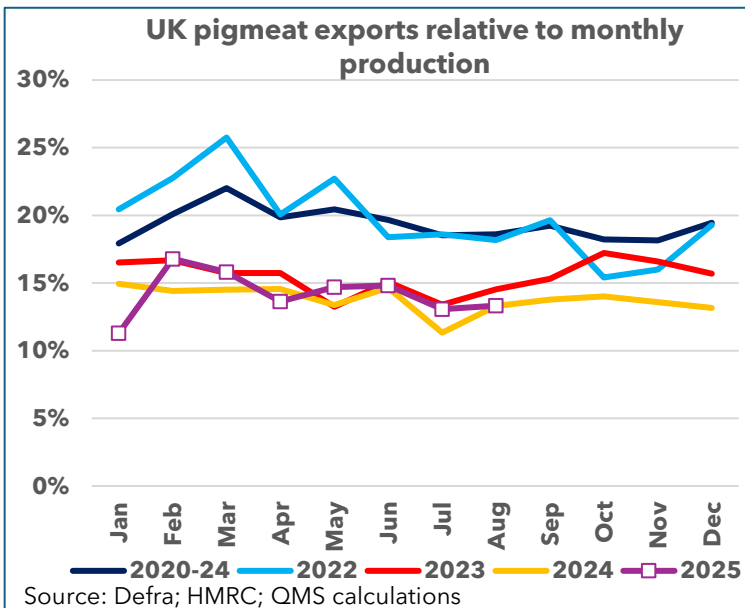
UK pork exports (HS 0203) to the EU were almost unchanged year-on-year in the January to July period, with the overall uplift driven by a 10.5% increase in shipments to non-EU countries. China and Hong Kong accounted for all of this non-EU growth, rising 18%, with sales to other non-EU countries falling 2%.

Imports continued to look muted in July despite the increased price competitiveness of EU pork this year (see page 28), likely reflecting increased domestic production and limited export growth. Pork (HS 0203) imports trailed 2024 levels by 1.5% in July, compared to a 4% reduction in the year-to-date, while deliveries of bacon & ham (HS0210) were around 5% lower than in July 2024, faster than the 3% reduction in the year-to-date.

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 August 2025 is estimated



ECONOMIC DEVELOPMENTS




- In 2025, geopolitical challenges have had surprisingly limited impact on energy prices, although natural gas and fertiliser prices have remained elevated in Europe. Meanwhile, positive global harvest prospects have ensured that feed costs remain anchored and futures markets are signalling that this is set to remain the case over the winter.
- According to the ONS, average earnings growth continued to hold slightly above inflation in the summer, supporting disposable incomes, while the UK labour force survey has suggested limited impact on the labour market from increased minimum wages and employer national insurance rates. Higher unemployment has reflected previously inactive people returning to the labour market, with employment increasing more slowly than labour supply.
- Spending on red meat continued to grow significantly during the summer months, although increased consumer prices resulted in reduced sales volumes, mainly driven by a surge in the cost of beef.
- While the ONS continues to report steady GDP growth rates, 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 likely to have placed downwards pressure on input costs and generated new opportunities for UK exporters

- Higher tariffs applied as of early-August, but hard to fully understand the impact as so many variables are at play. 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
 - Impact of higher import prices will vary with 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, resulting in a 76.4% tariff.
 - 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.
 - 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
 - Dollar weakness has offset the weakness of sterling, preventing input costs from rising this autumn
 - Dollar weakness could make US exports cheaper in markets product is diverted to from China
 - Dollar weakness potentially softens US import demand by pushing up import costs in addition to any impact from tariffs
- Impact on US economy and consumer demand - if the US economy was to slow as a result of the trade shock and higher prices, meat demand could soften
- UK exporters could find new opportunities in the US due to more favourable tariffs than for other suppliers. The UK has been granted a new 13,000t beef quota for the US market, although it is expected to open at the beginning of 2026.
- Note: this was drafted on 10/10/25 and the situation may have changed by the time this is being read.



Reciprocal Tariffs

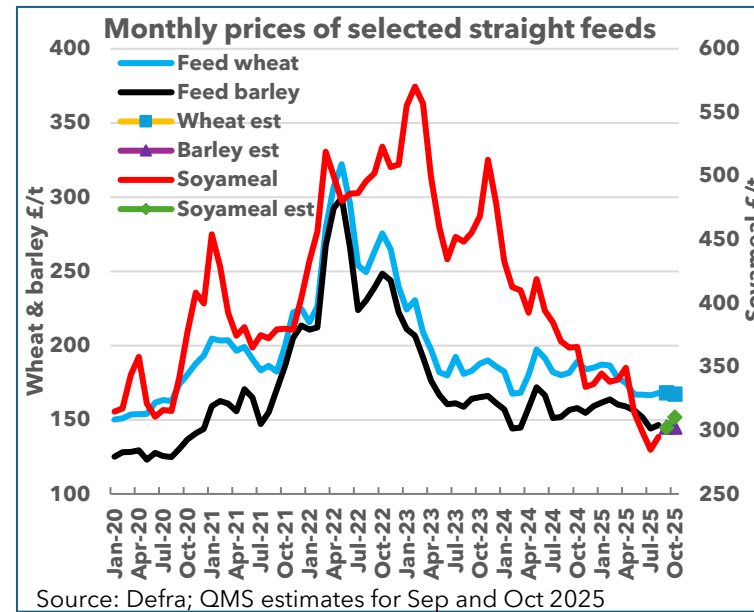
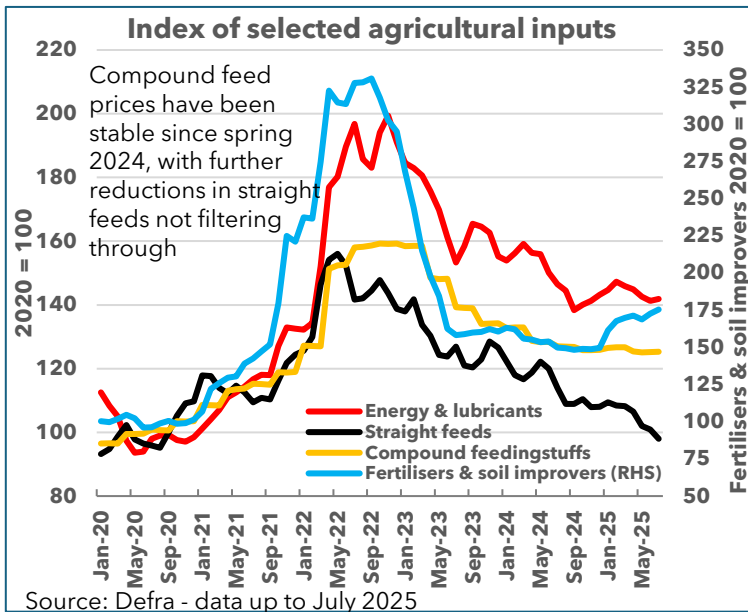
Country	US Tariff	Foreign Tariff
China	87%	14%
European Union	26%	20%
India	58%	45%
Japan	44%	32%
South Korea	26%	24%
Thailand	52%	25%
United Kingdom	10%	10%
United States	18%	18%

Source: BBC



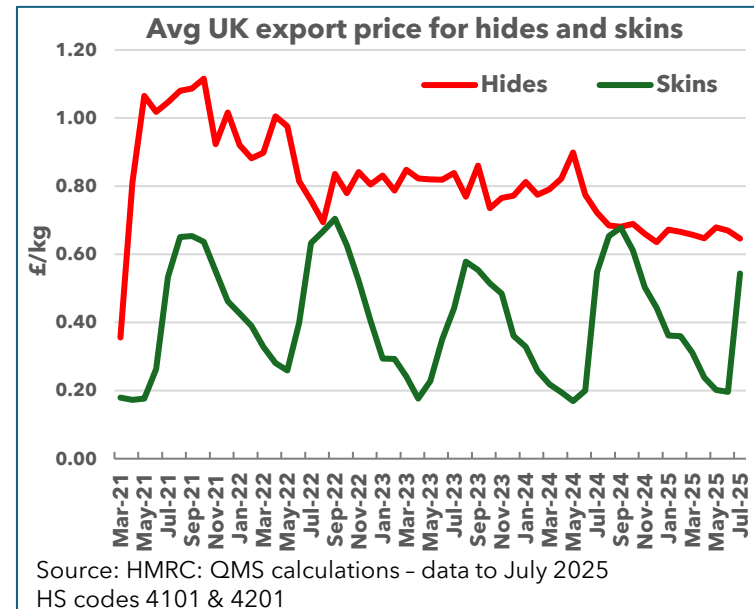
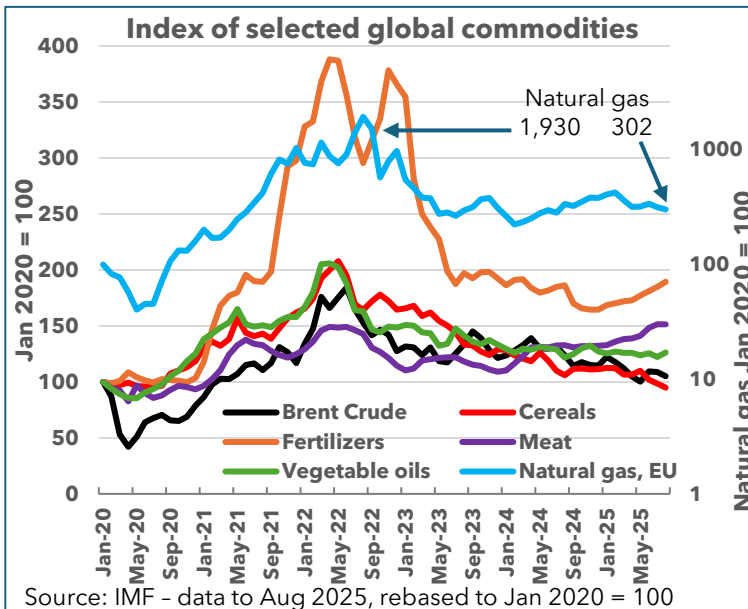
Production costs and by-product revenues

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 have trended slightly higher again this year.

Cereal and oilseed markets fell further between spring and summer 2025 due to positive prospects for the global harvest and, with crop conditions remaining favourable at global level, futures markets are signalling little potential for any increase in wheat prices in the winter. There has however been a slight rebound in the cost of imported soyameal, despite steady dollar prices and exchange rates.

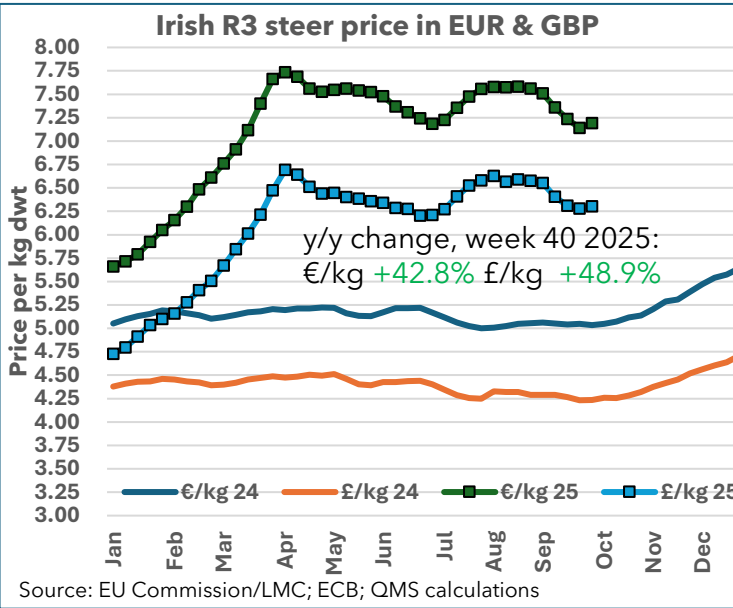
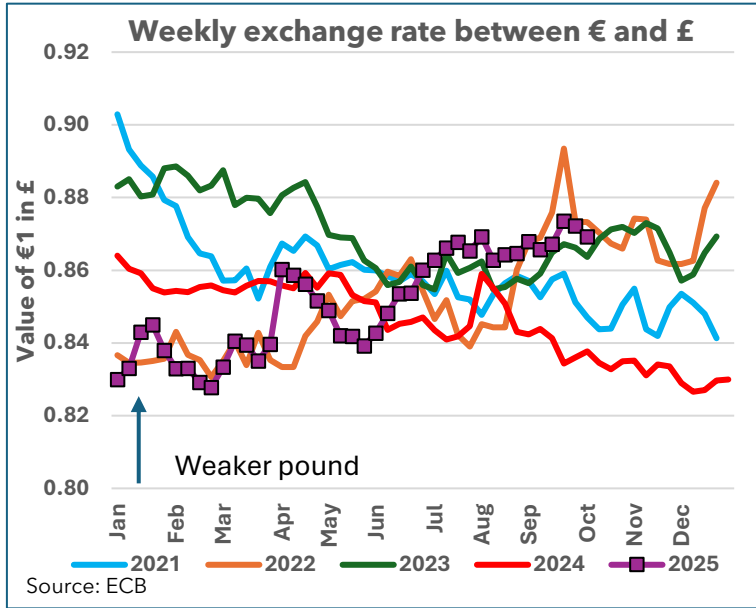


Volatility in US trade policy has resulted in a generally weaker US dollar this year, in turn placing downwards pressure on the cost of many imported commodities.

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. It will be interesting to see if car production supply chain challenges will have had an impact on prices since July. For sheepskins, a seasonal upswing began in July, and it is likely to be around its annual peak in October. In June and July, export prices were almost unchanged year-on-year, after a year of running 20% higher.

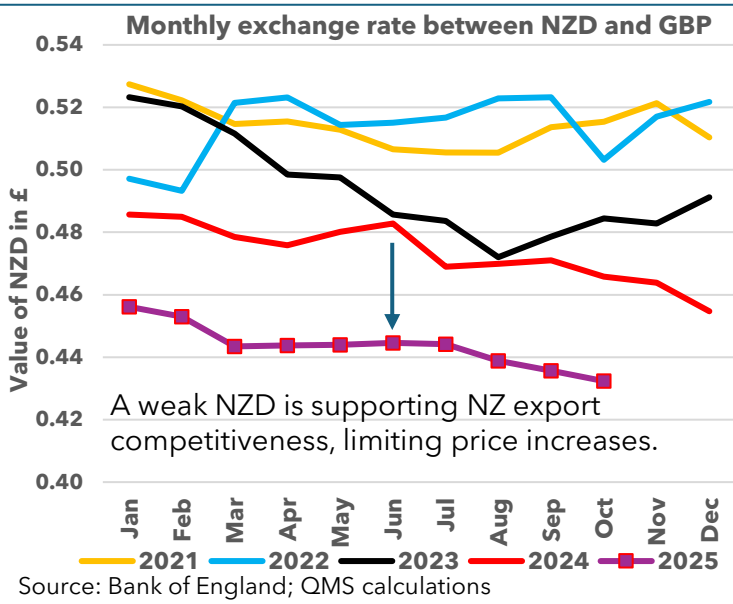
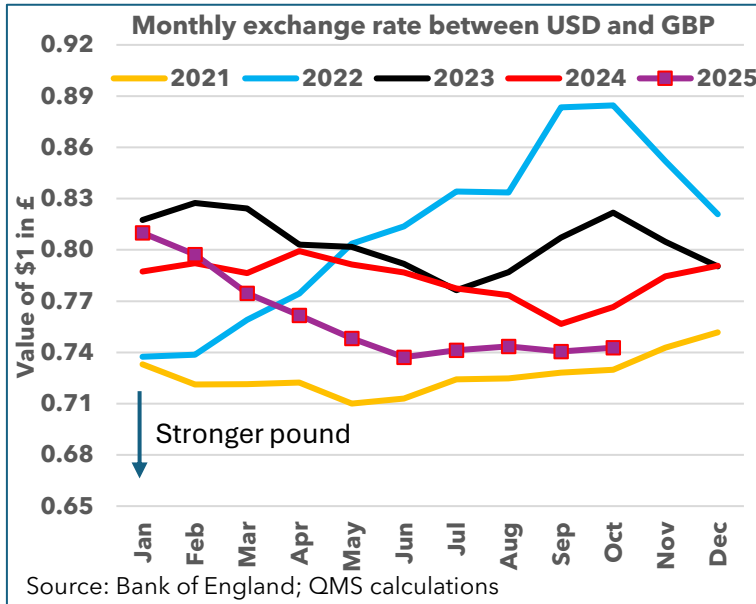
Exchange Rate Movements

In a volatile year for sterling against the euro, the pound weakened further in September, 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.



After a volatile first half of the year, the exchange rate between sterling and the euro has been more stable since July, with the euro spending much of this time worth 86.5-87.5p. In late-September and early-October, the rate has been towards the upper end of this range, generally reflecting budget pressures and subsequent uncertainty around the outlook for taxes and government spending in the UK.

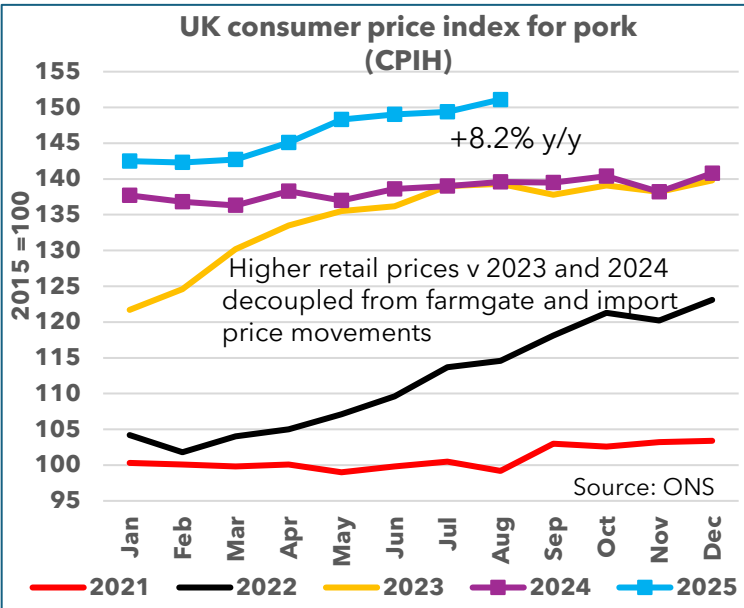
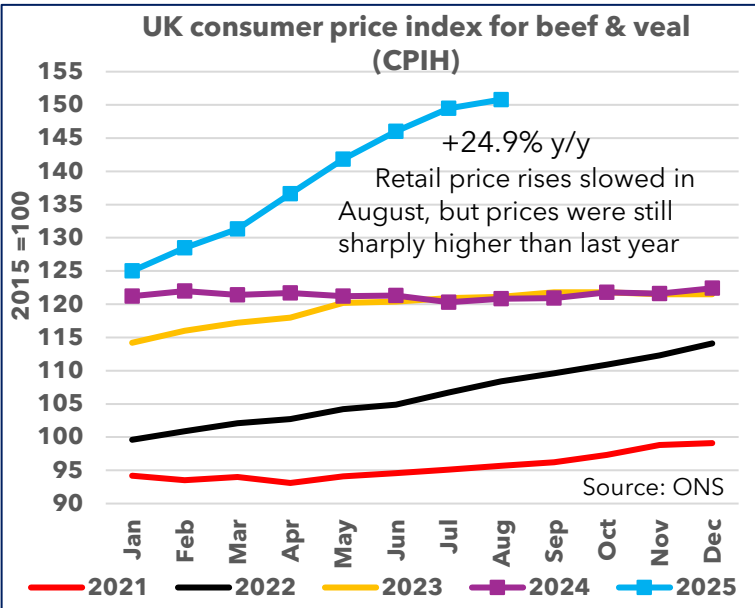
The pound has also been more stable against the US dollar since the summer, but in contrast to the position with the euro, it has been at a stronger level than last year, even after factoring in sterling strength in mid-2024. Uncertainty around US financial prospects caused by the changes in its trade policy, and a push towards lower US interest rates have been the drivers.



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 cost pressures. However, a rise against the NZ dollar will have softened some of the upwards pressure on lamb import prices.

Consumer demand and prices

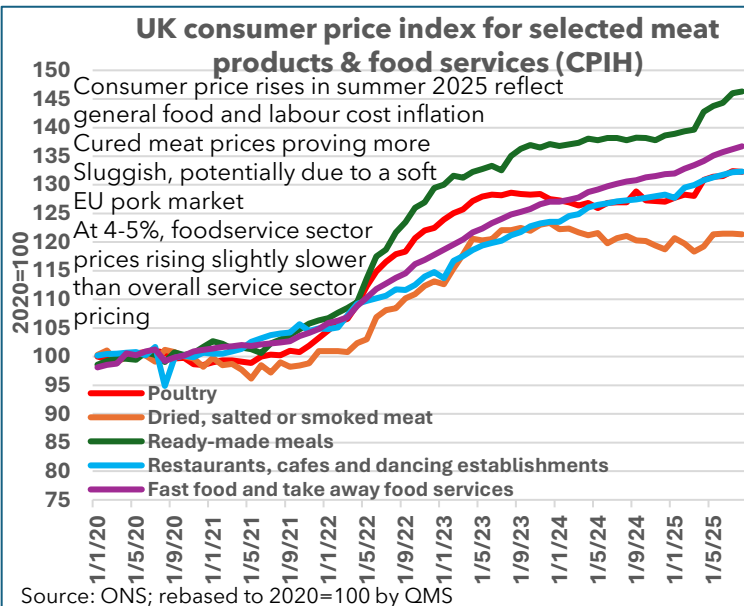
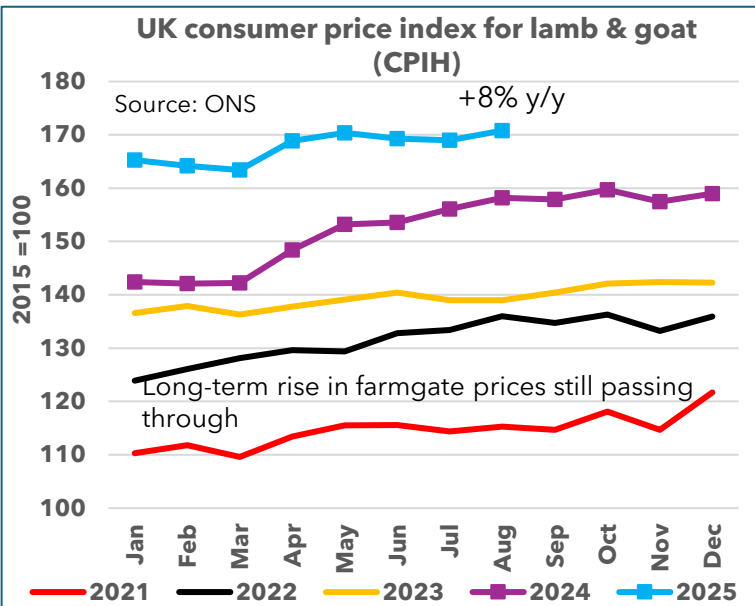
The surge in farmgate beef prices has been followed by a jump in retail prices, and inflation has filtered out across the meat category. Poultry appears to have benefitted from faster red meat inflation. The foodservice sector continues to pass through higher costs, but at a below average rate.



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 the prices of 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.

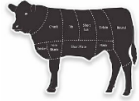
The long-term upwards pricing trend in the foodservice sector has continued, likely reflecting significant employment cost pressures in addition to renewed food inflation. However, inflation rates have fallen slightly below the overall service sector average. Nevertheless, restaurant, fast food and takeaway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



GB retail sales, 12 weeks to 7/9/25, year-on-year changes			
	Value	Volume	Avg price per kilo
Fresh red meat	+3.6%	-4.0%	+7.9%
Fresh poultry	+8.5%	+3.9%	+4.4%
Total grocery market	+5.0%	-0.2%	+5.2%
Source: Worldpanel by Numerator			

Retail demand and prices

Retail demand for red meat continues to look fairly positive in GB from a spend perspective. Beef retail price inflation has squeezed sales volumes but supported demand for pork.



BEEF

12 weeks to 7 September 2025



LAMB

12 weeks to 7 September 2025

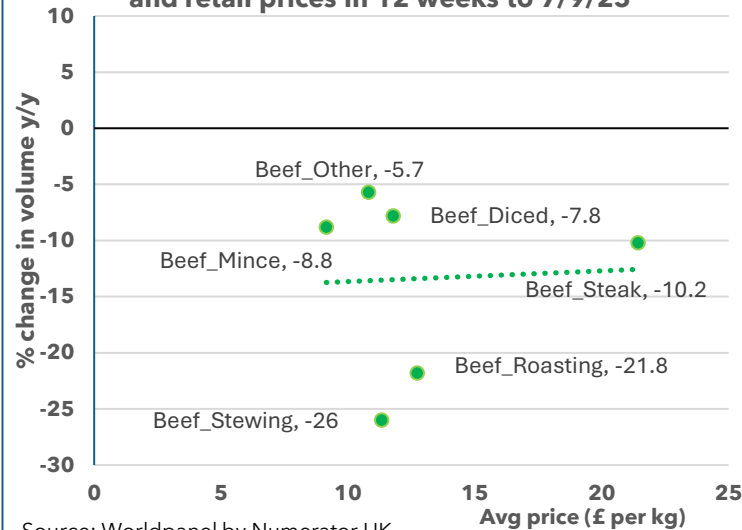


PORK

12 weeks to 7 September 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)	553.8	11.0%	57.7	16.6%	96.9	-19.7%	7.0	22.8%	192.6	8.7%	12.4	1.3%
Volume (t)	44,962	-10.8%	4,659	-2.1%	7,219	-22.6%	526	15.5%	29,329	6.3%	1,877	2.2%
Avg price (£/kg)	12.32	24.4%	12.38	19.1%	13.42	3.7%	13.27	6.4%	6.57	2.2%	6.61	-0.9%
Penetration*	61%	-4.7%	67%	0.3%	19%	-10.3%	16%	0.7%	39%	-0.8%	34%	-8.7%
Frequency**	4.1	-2.8%	4.2	-3.1%	2.2	-3.7%	2.2	-0.3%	3.1	4.0%	2.8	13.6%

Relationship between GB household beef purchases and retail prices in 12 weeks to 7/9/25



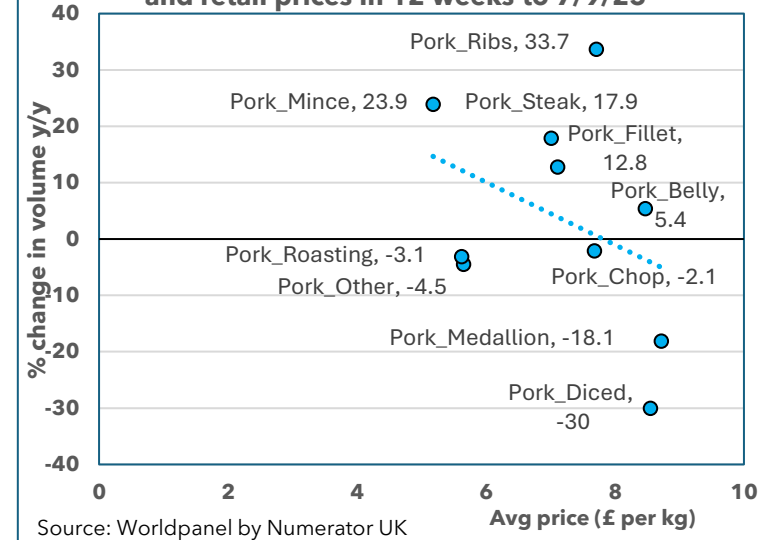
- All cuts seeing sales volumes squeezed by the surge in retail prices.

Relationship between GB household lamb purchases and retail prices in 12 weeks to 7/9/25



- The timing of Eid al-Adha 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 7/9/25



- Higher priced cuts performing well.

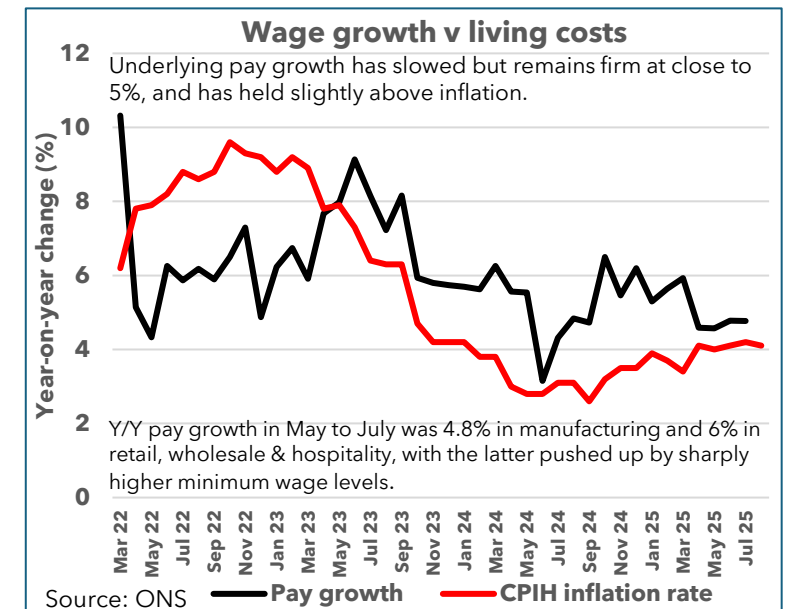
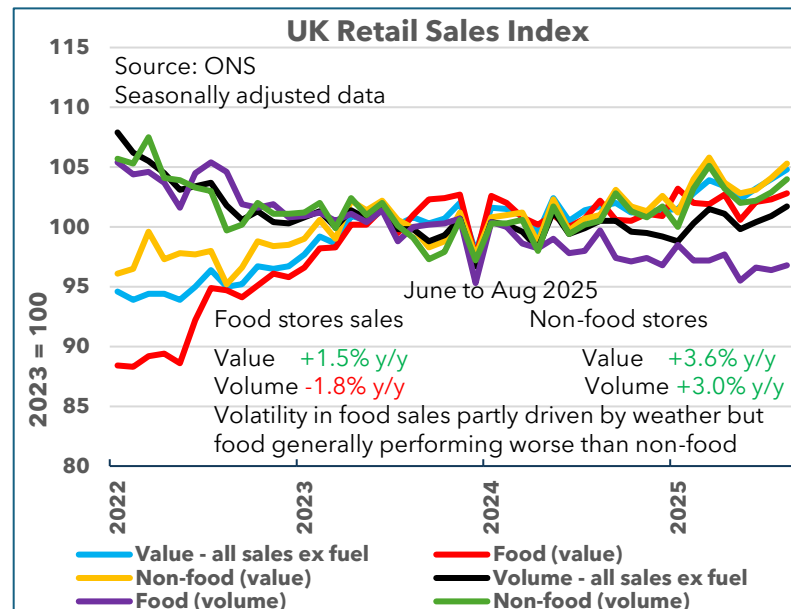
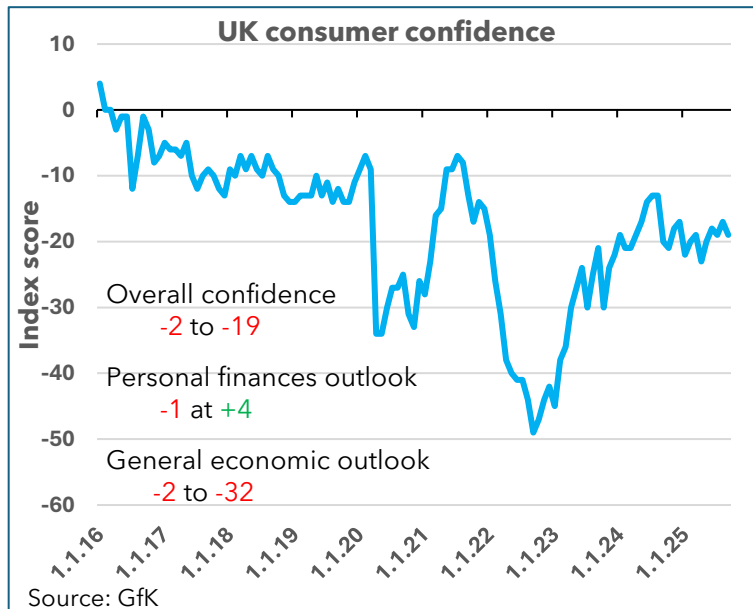
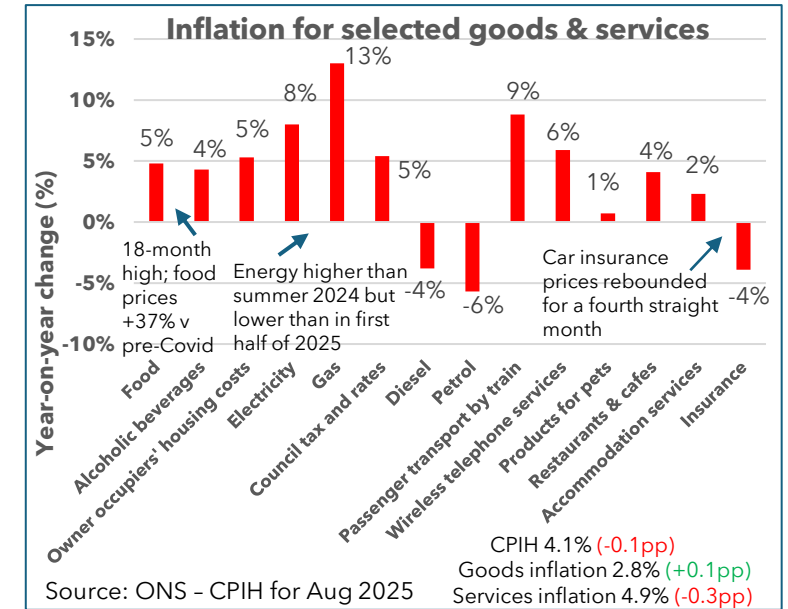
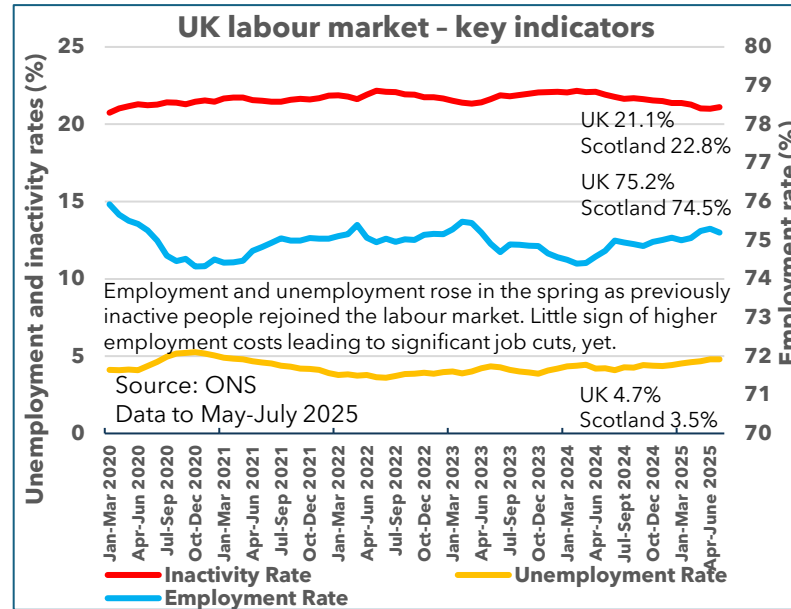
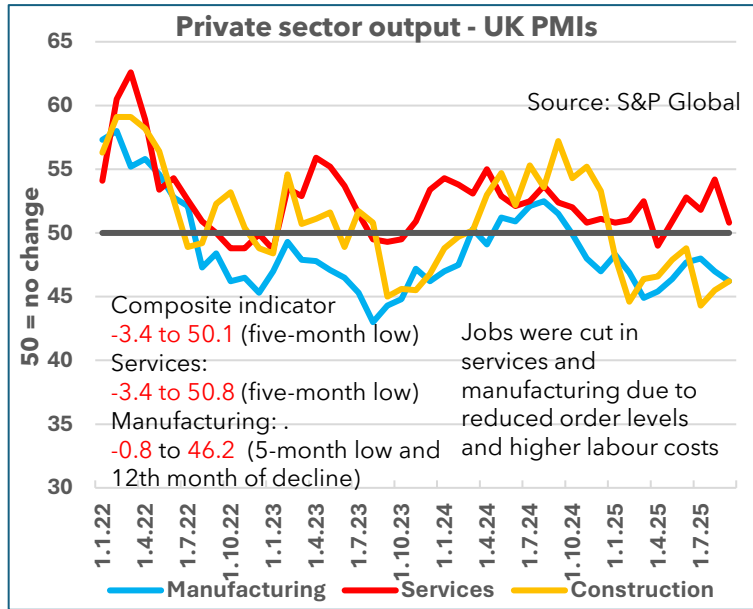
Source: Worldpanel by Numerator UK; data covers sales of fresh and frozen unprocessed red meat; please note that sales data for Scotland can be volatile due to the limited sample size

*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. PMI surveys suggest little private sector activity growth, in contrast to steady GDP growth rates reported by the ONS. Again, the ONS labour force survey has suggested limited impact on the labour market from the rise in labour costs in April, contrasting with a more negative picture in the PMI surveys. Meanwhile, wages have continued to slightly out-pace inflation, supporting disposable incomes.



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.

