

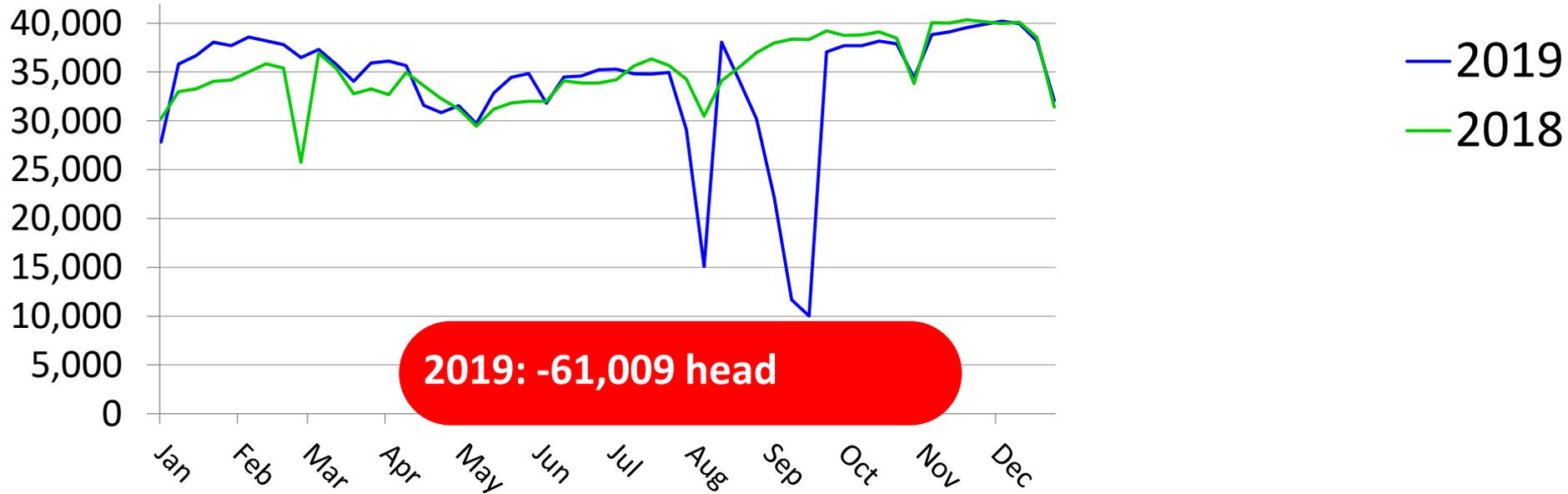
Review and Outlook for Irish Beef

Mark Zieg

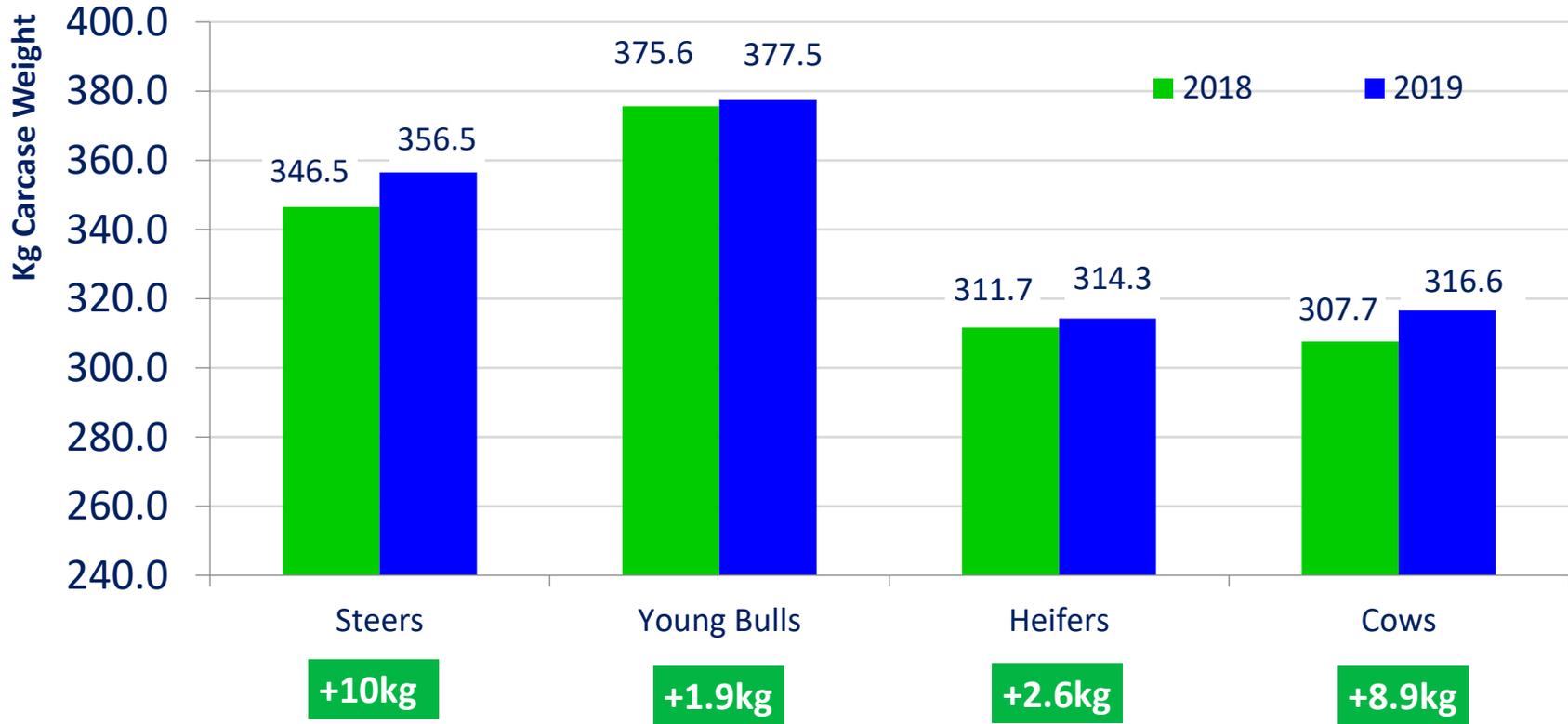
January 2020

BORD BIA
IRISH FOOD BOARD

Irish weekly finished cattle supplies (head)

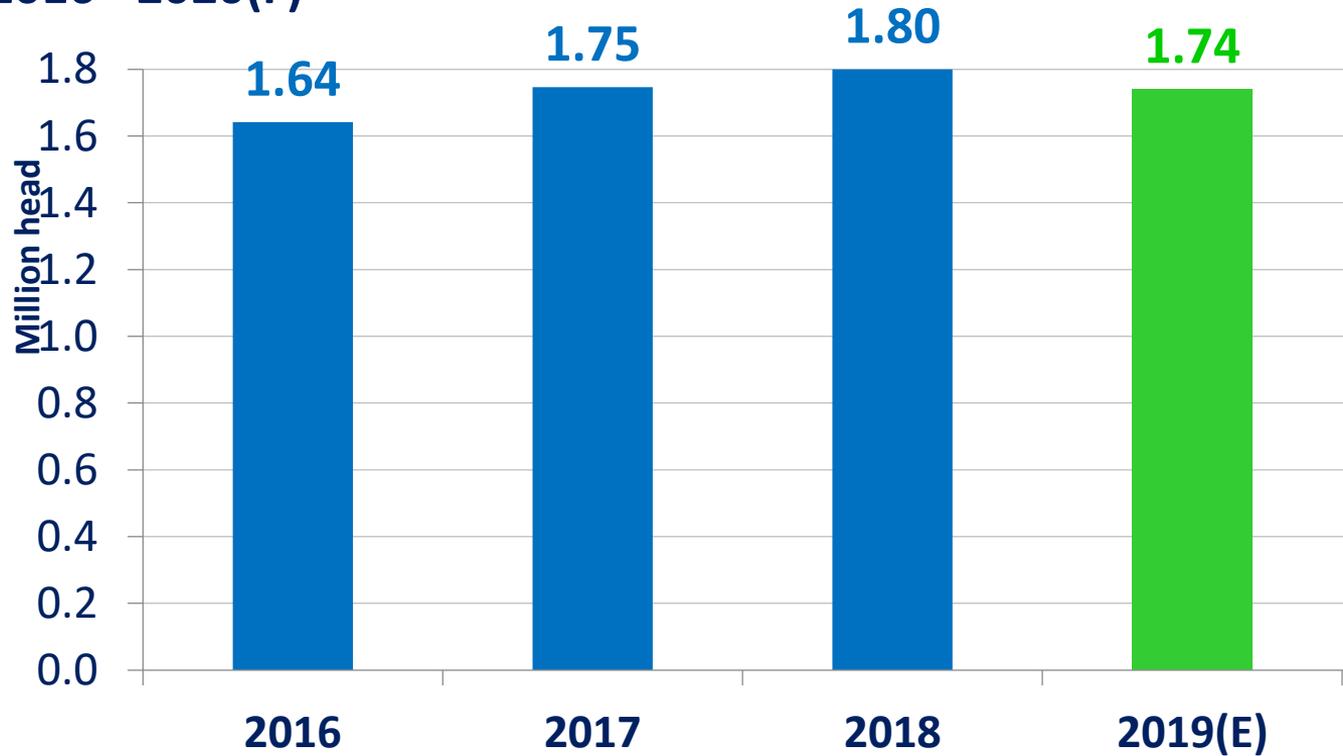


Carcase weights increase by +6.8kg

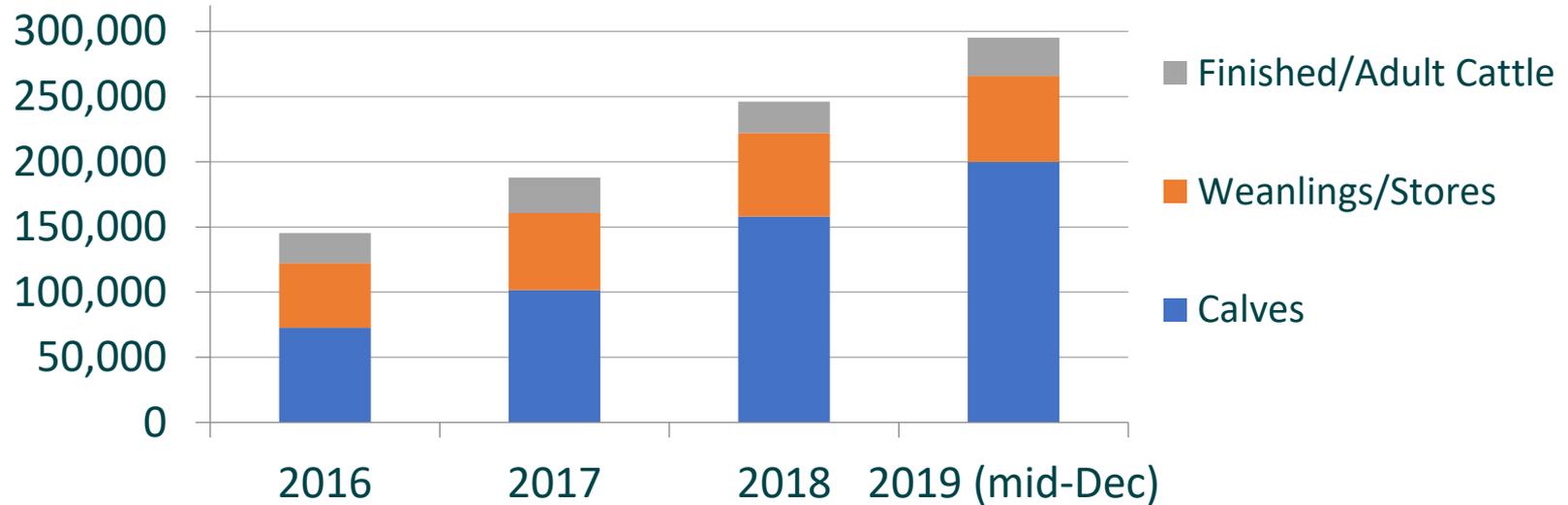


Finished Cattle Supplies - Export Meat Plants

2016 - 2020(F)



Live Cattle Exports by Category (2016 - 2019)



- Overall exports 21% higher, at 295,000 hd (to mid-Dec)
- Calf exports 24% higher, at 200,000 hd
- Weanlings & stores up 3%, to 66,000 hd
- Adult cattle increased by 22%, to 29,000 hd

Live Cattle Exports 2019

Distribution of Live Exports from Ireland to w/e. 14th Dec.

(head)	2018	2019	% change
Total	245,272	295,347	+20%
NI	23,893	32,616	+37%
GB	5,341	5,387	-
Italy	23,775	29,781	+25%
Spain	91,728	90,095	-2%
Netherlands	48,740	84,486	+73%
Belgium	13,459	2,961	-78%
Other EU	19,341	26,230	+36%
Turkey	12,870	10,239	-20%
Other int. mkt.s	6,125	13,552	+121%

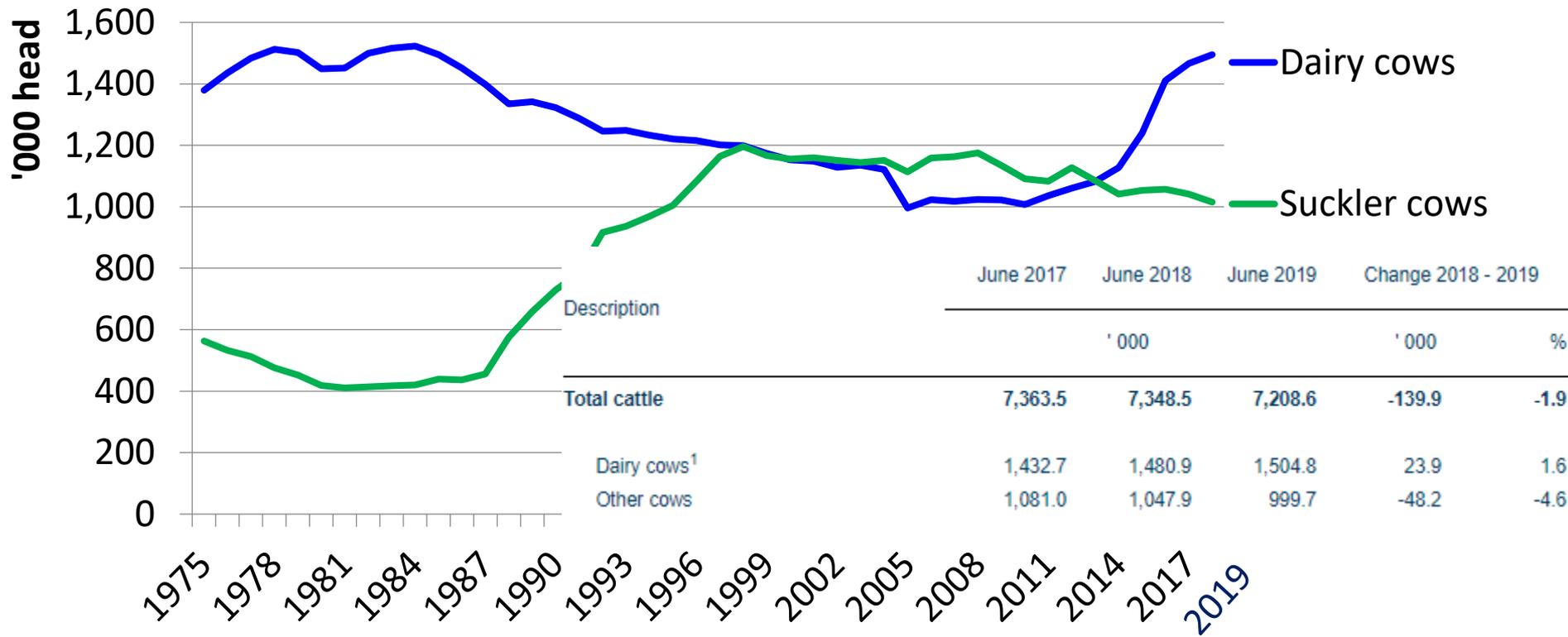


Herd Profile / Calf Births

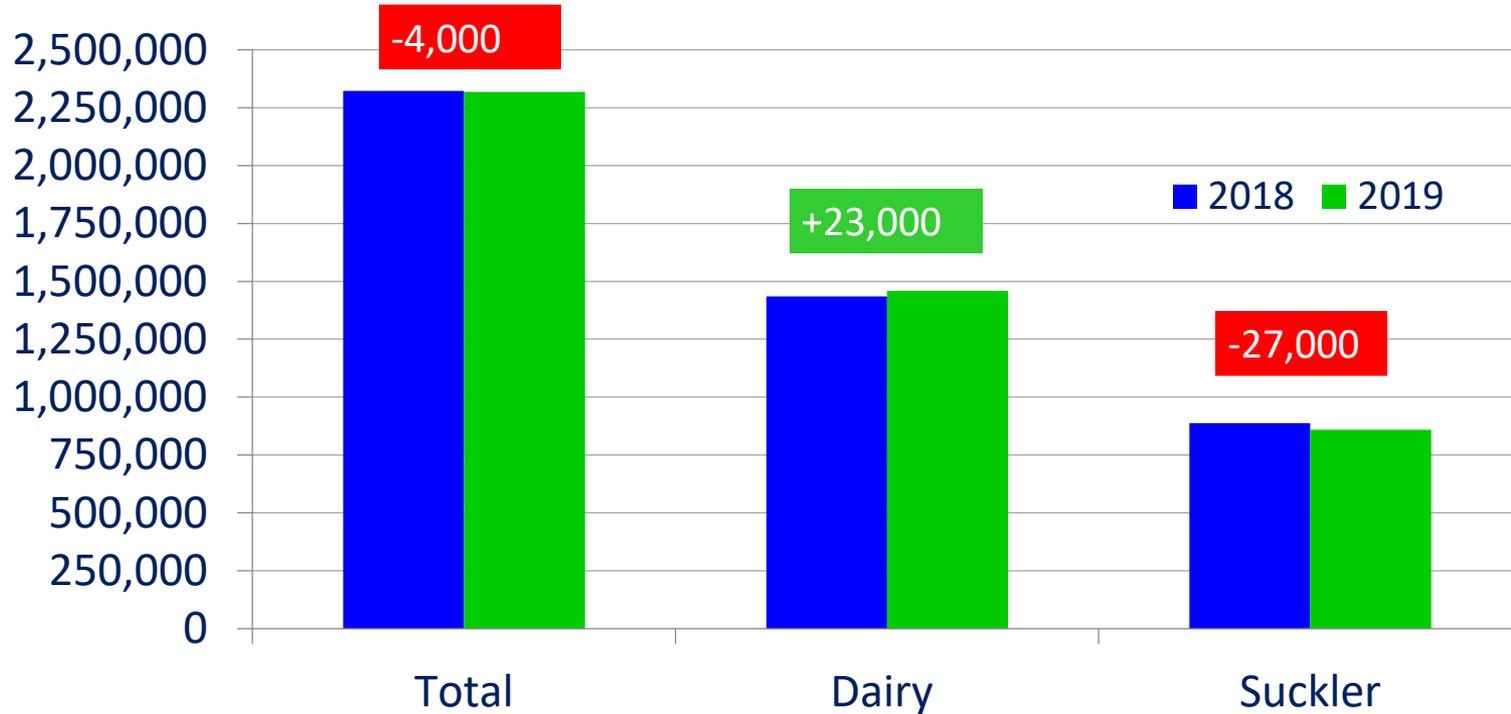
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Ireland - Dairy vs. Suckler Cows: 1975 - 2019

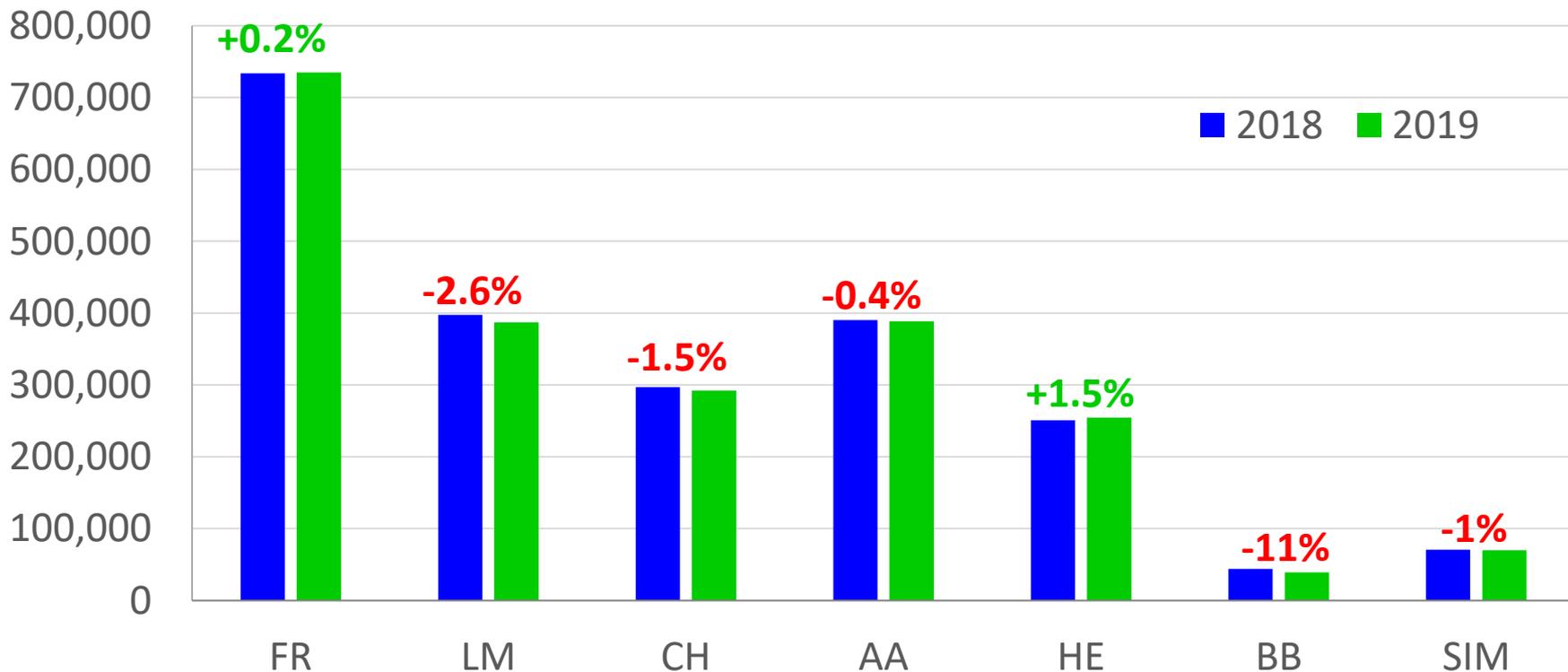


Calf Registrations marginally lower in 2019



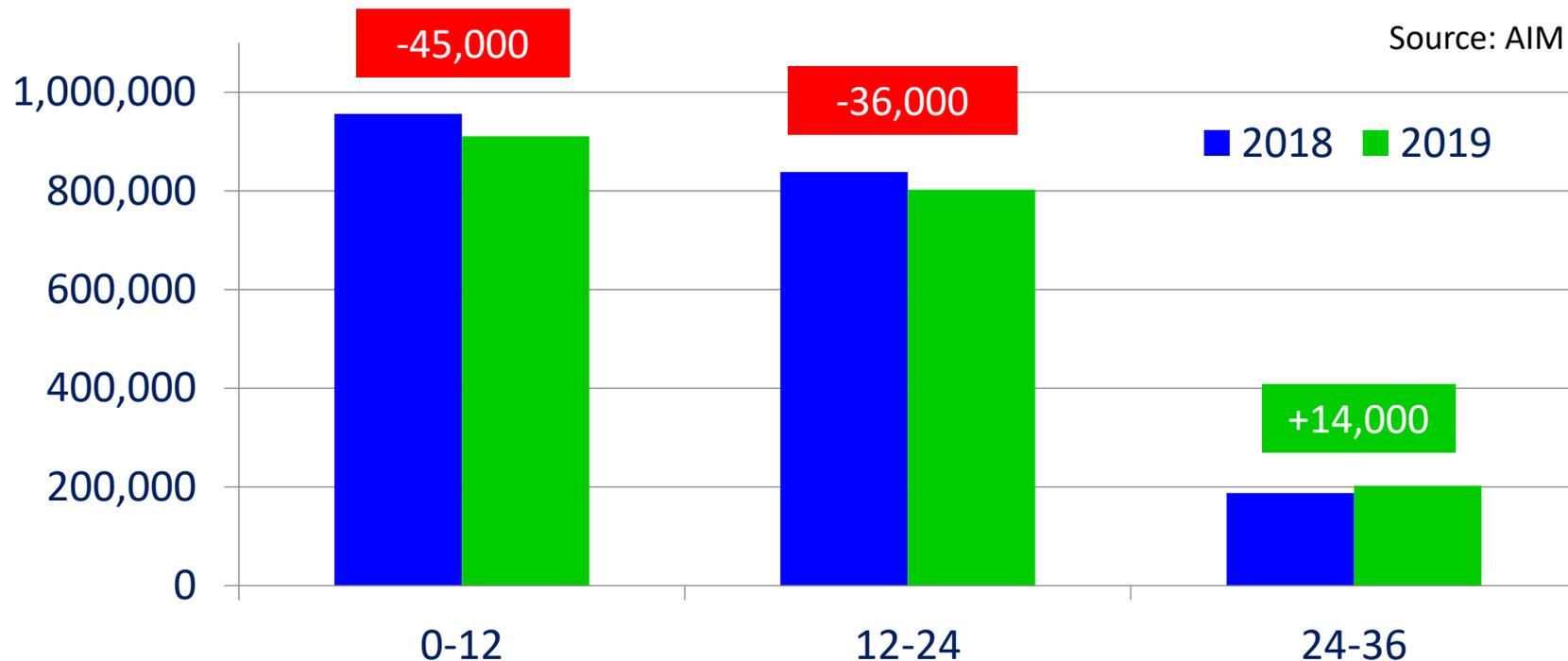
Source - ICBF / AIM

Calf Registrations by Breed Jan-Nov 2019 vs '18

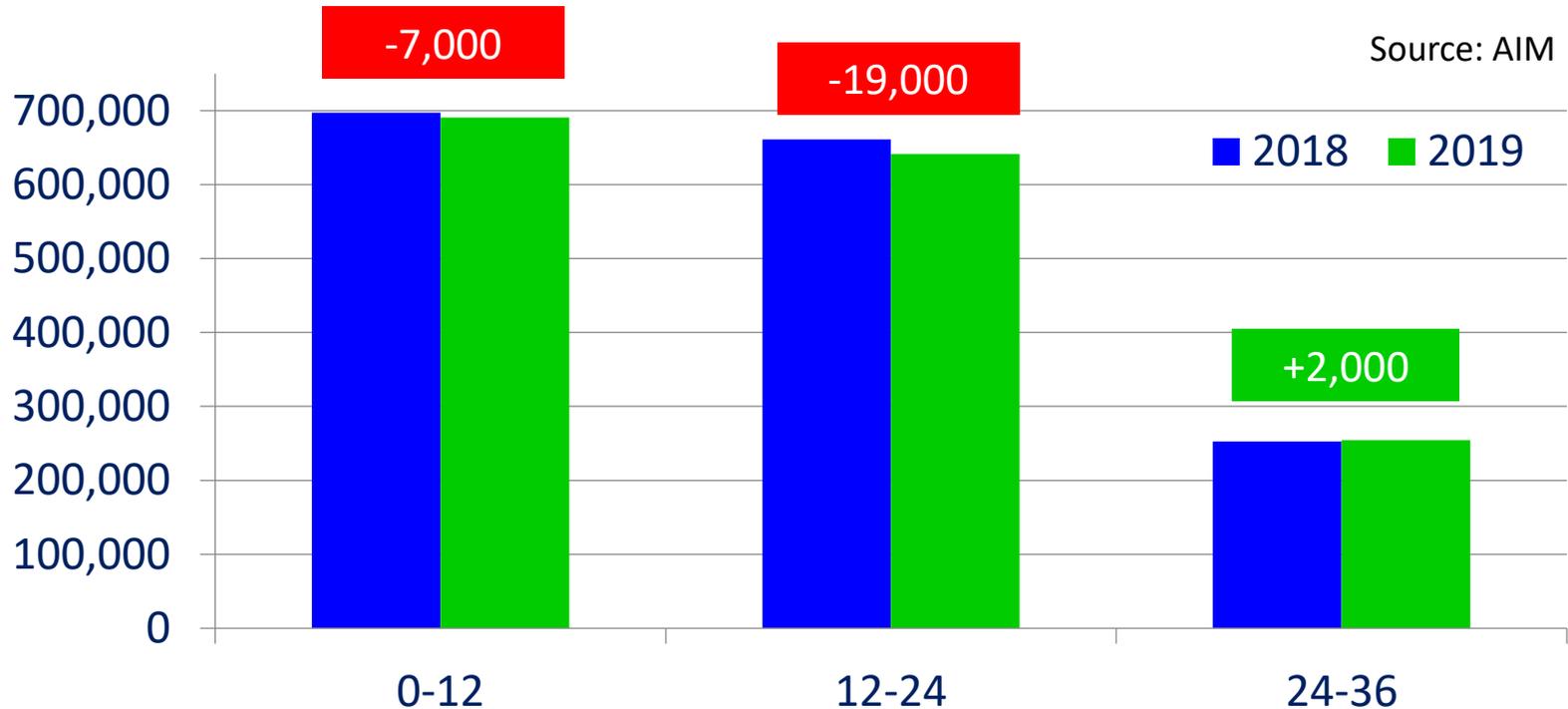


Source - AIM

Male Cattle Numbers by Age Category on 1st of November

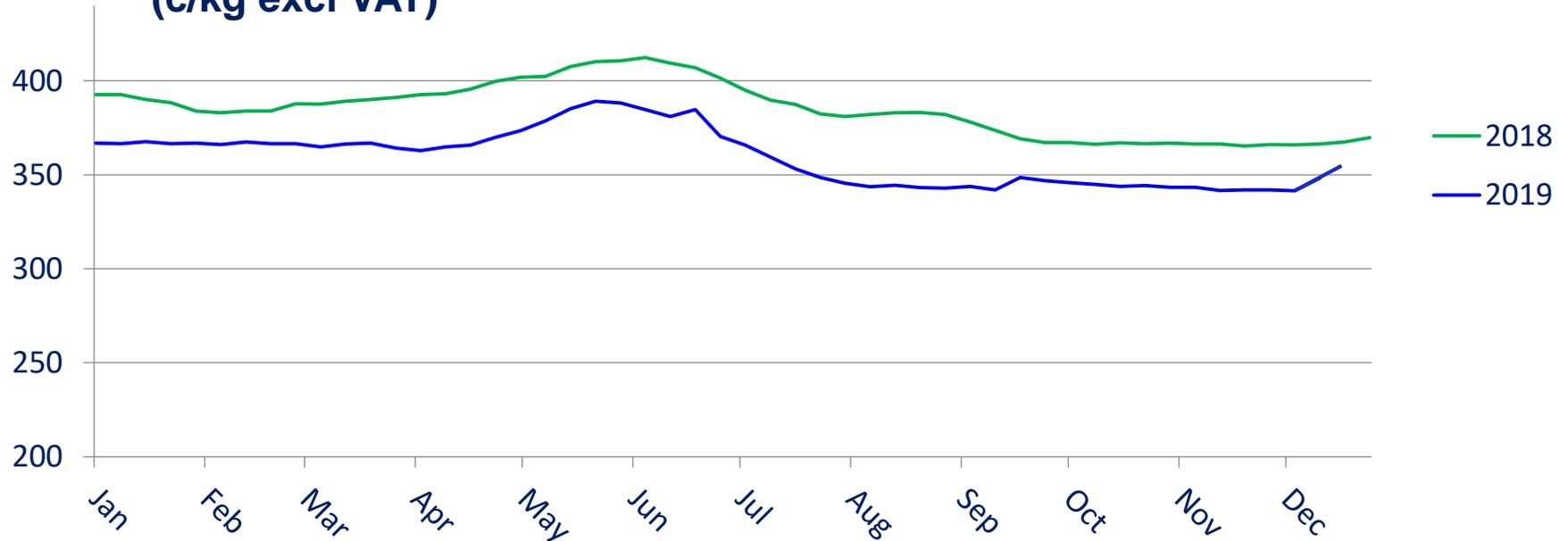


Female Beef Cattle No.s by Age Category on 1st of November



Producer Prices: Ireland R3 Steer

(c/kg excl VAT)

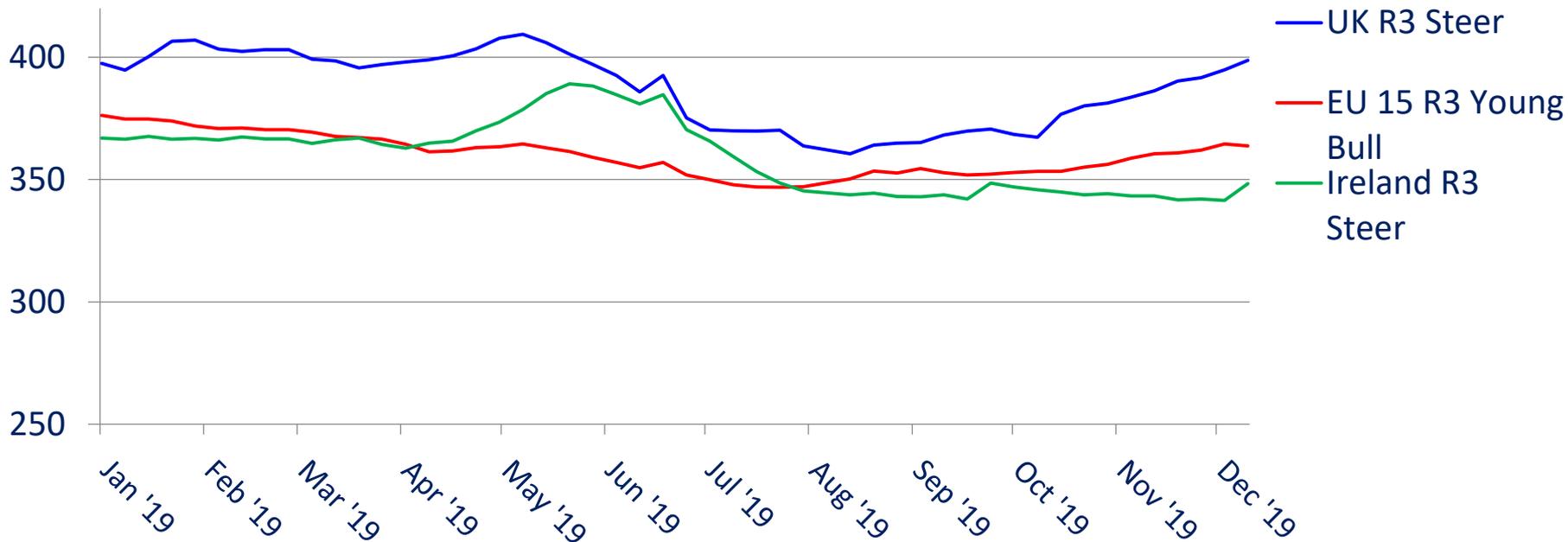


During 2019, Irish R3 steer price declined by 6.8% vs. 2018 (€3.60 vs. €3.85)

(w/e 29/12) Irish Price Dec '19: €3.55/kg vs. Dec. '18: €3.66/kg

Producer Prices: Ireland vs. UK & Continental EU

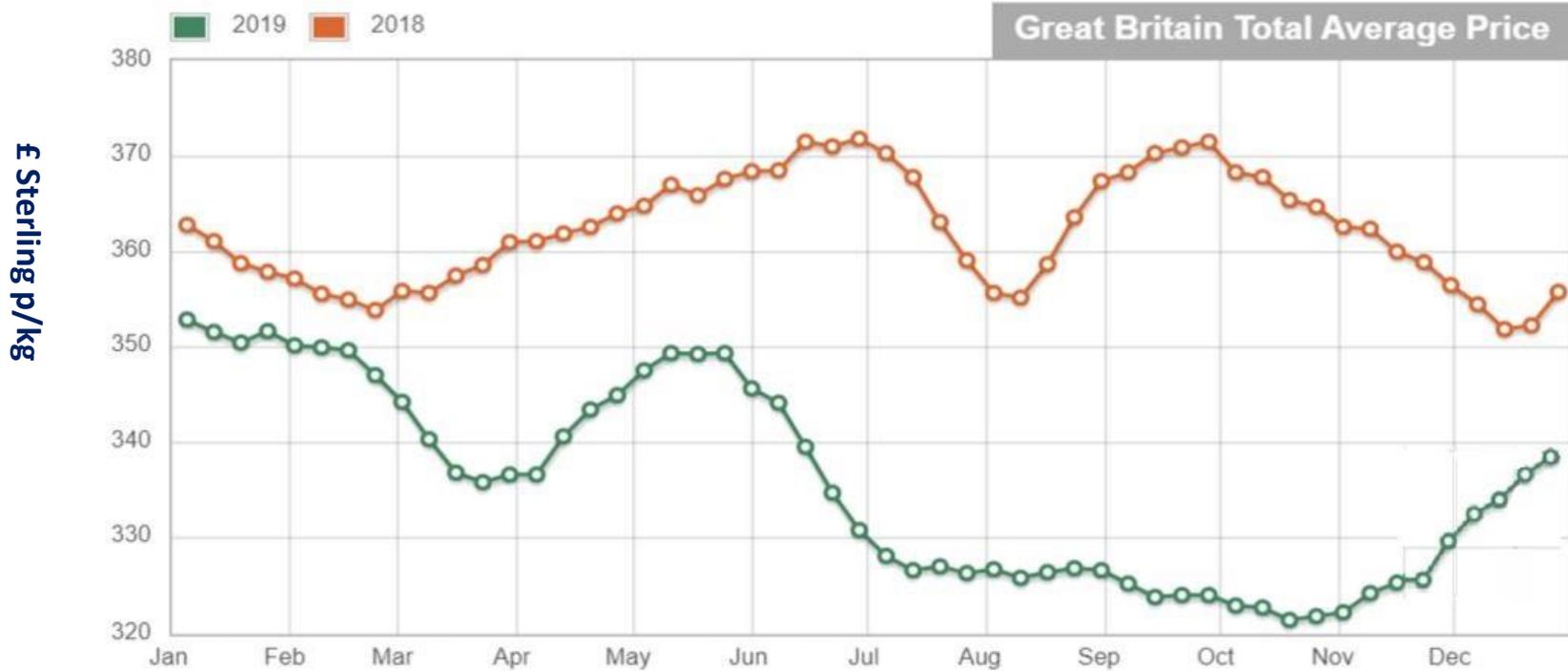
(c/kg excl VAT)



During 2019, Irish R3 steer €3.60 vs. UK R3 steer €3.88, Continental EU R3 YB €3.60

Latest prices: Ireland €3.55/kg vs. UK €3.99 vs. Continental EU: €3.64/kg

British Cattle Price Development in Sterling terms



W/e. 28th Dec: GB R3 steers average £3.41 @ 85p = €3.99/kg

IRISH BEEF EXPORTS 2019

Total	624,000 Tonnes	-1.5%
(inc offals)	€2.25bn	-7%

Britain	265,000T (cwe)	-11%
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Continental EU	250,000T (cwe)	nc
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International	45,000T (cwe)	+80%
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EU Beef Production declined by 0.5% in 2019 Further decline of 0.5% forecast for 2020

UK

Imports: 420,000t / Exps 120,000t

UK Production +1%

Imports -13%

2020 ↓

France

Imports 300,000t / Exps 230,000t

FR Production -2.3%

2020 ↓

Spain

ES Production +2.4%

2020 ↑

Netherlands

NL Production -7.5%

2020 →

Poland

PL Production -2.2%

2020 ↑

Germany

Imports 600,000t / Exp 400,000t

DE Prodn. +1.8%

2020 →

Italy

Imports 330,000t

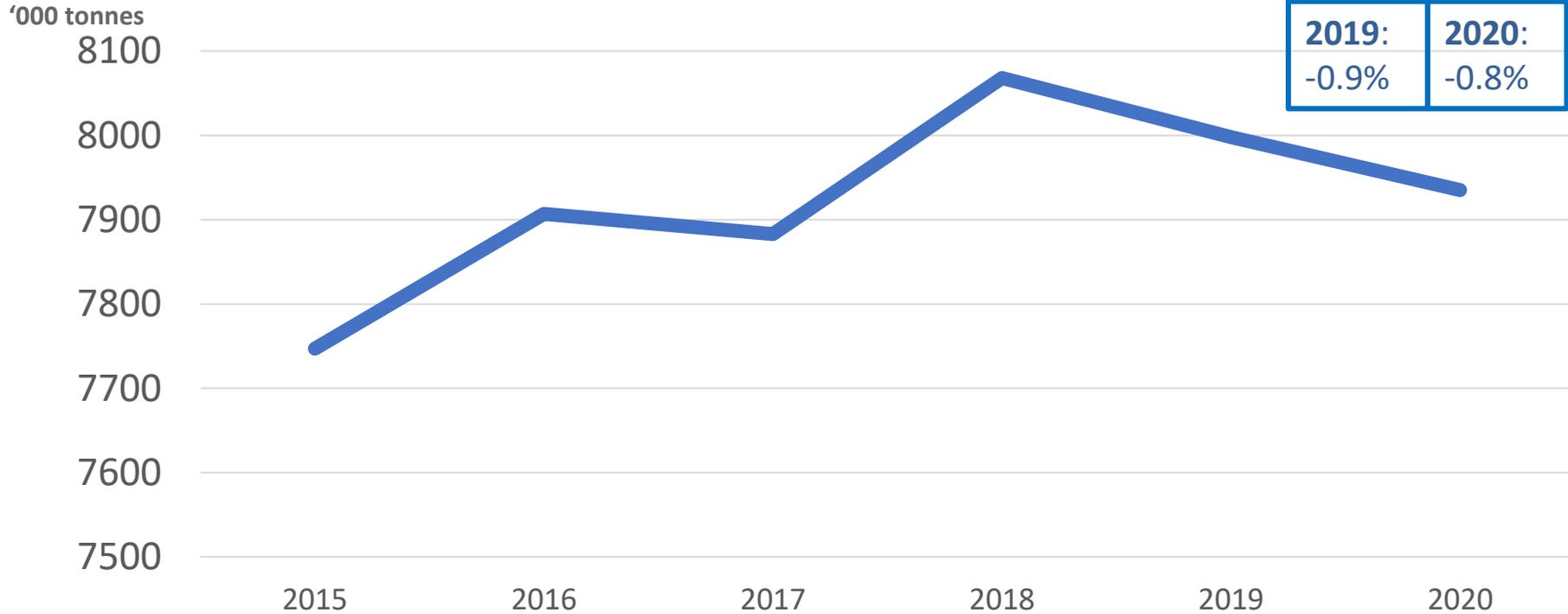
Also imports 1.2m cattle

IT Prodn -2.2%

2020 →

EU-28 Beef Consumption

Source: EU Commission



EU-28 Beef Consumption

Source: EU Commission

'000 tonnes

8100

3

8000

2.5

7900

2

7800

1.5

7700

1

7600

0.5

7500

0

2015

2016

2017

2018

2019

2020

2019:
-0.9%

2020:
-0.8%

EU 27 GDP is slowing but still in growing



Negative Messaging Impacts Consumer Choice

COMPASSION in world farming

BORIS: BAN LIVE EXPORTS

Our new Prime Minister has repeatedly said he can end live exports. It's time to turn his words into actions.

[EMAIL BORIS NOW](#)

“We ban exports and...”

This screenshot shows a website page with a dark background and a close-up of Boris Johnson's face. It features social media icons for Facebook, Twitter, and WhatsApp. The main headline is "BORIS: BAN LIVE EXPORTS" and the subtext reads, "Our new Prime Minister has repeatedly said he can end live exports. It's time to turn his words into actions." Below this is a green button that says "EMAIL BORIS NOW". To the right, there is a quote that begins with "We ban exports and...". At the bottom of the page, there are several small, square images showing various scenes, possibly related to farming or animal welfare.

F4F EAT WITH TRINA EXCLUSIVE

HEALTHY RECIPES
MEAT FREE MEAL IDEAS
Plant Protein Ideas

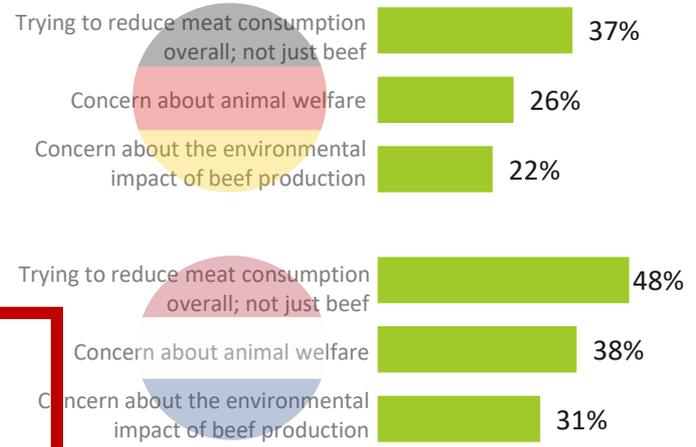
This advertisement features a vibrant image of fresh vegetables, including orange bell peppers, red tomatoes, and green leafy vegetables. The text is overlaid on the top left of the image. It includes the logo "F4F" and the text "EAT WITH TRINA EXCLUSIVE". Below this, it says "HEALTHY RECIPES" and "MEAT FREE MEAL IDEAS" in large, bold letters. At the bottom, it reads "Plant Protein Ideas".

2019 Beef Research – Shoppers questioning their beef consumption

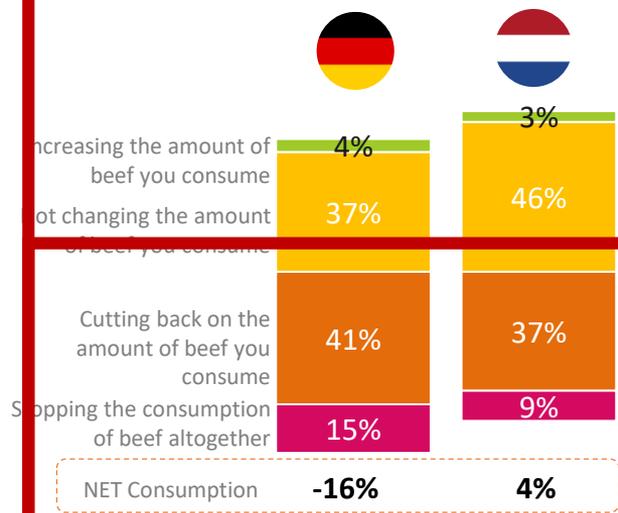
Behaviour in Relation to the Consumption of Different Proteins



Key Reasons for Reducing/Stopping Beef Consumption



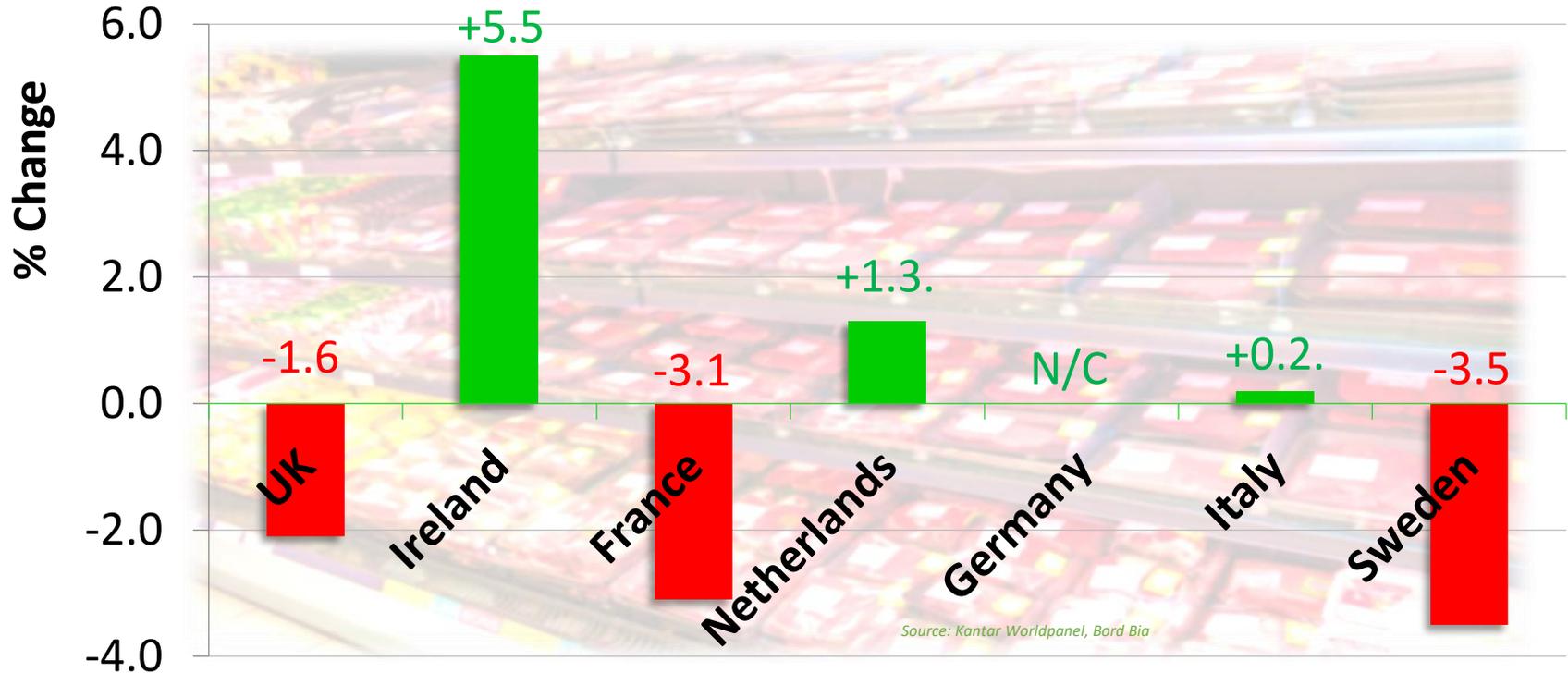
Possible Future Behaviour in Relation to Beef Consumption



Aspects Influencing Decision Making When Purchasing Beef

	How the animal has been treated & reared (animal welfare)	whether the beef is free from additives or preservatives	The origin of the beef	whether the beef has been produced sustainably	The cost of buying beef	The impact beef production has on the environment	The impact of consuming beef might have on your own health
% impactful (7-10)	63%	61%	58%	56%	50%	48%	44%
	54%	50%	44%	48%	51%	45%	44%

Beef Consumption Trends– Key Markets 2019



Britain
- Most
pressure
on higher
value cuts

Retail consumption

Last Updated: Monday 30 December 2019
Contact: econ@ahdb.org.uk
Website: <http://beefandlamb.ahdb.org.uk>
Source: Kantar Worldpanel
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Period ending 1st December 2019

Annual volume change %

**12 weeks ended:
1st December 2019**

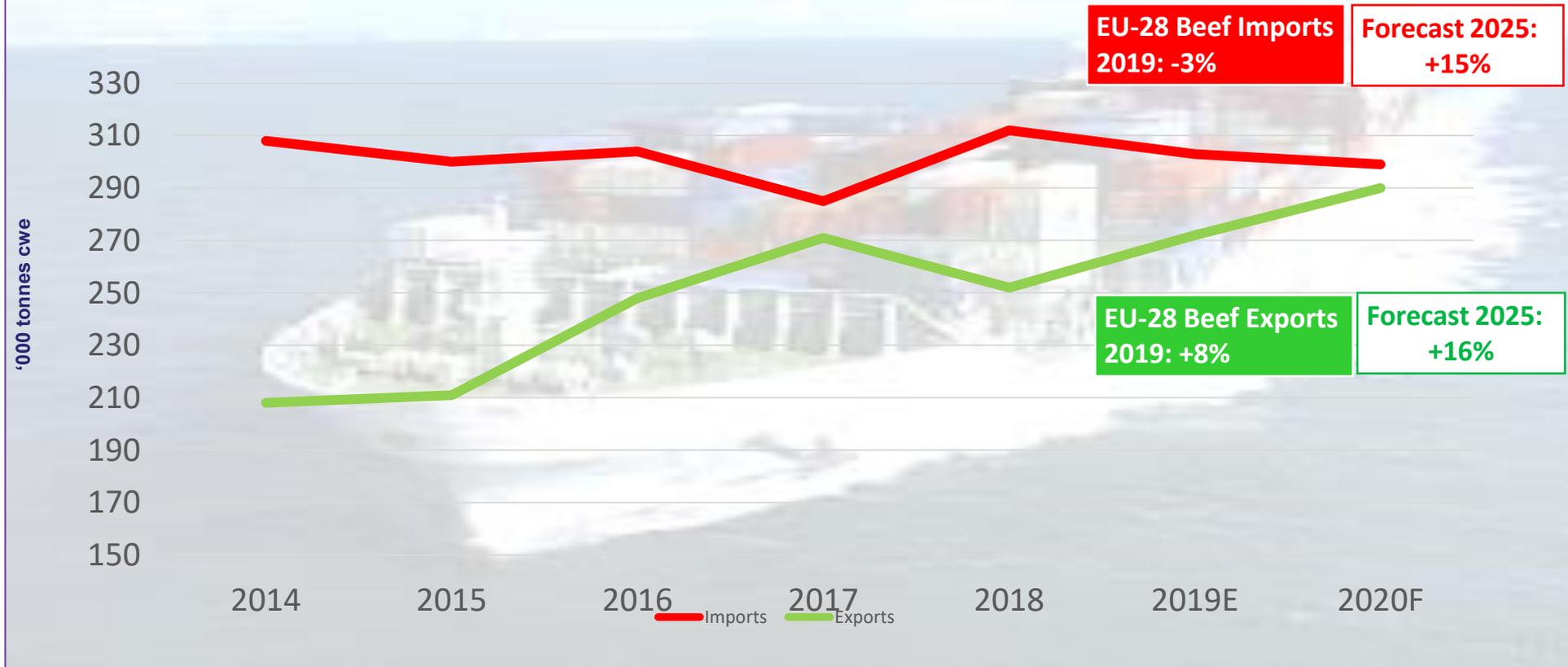
**52 weeks ended:
1st December 2019**

Fresh & frozen beef	-1.6	-0.9
- Roasting	-2.9	-5.7
- Stewing	-2.6	-2.2
- Frying/grilling steak	+3.9	-4.7
- Mince	-2.7	+2.2
- Marinade	+1.0	+1.7

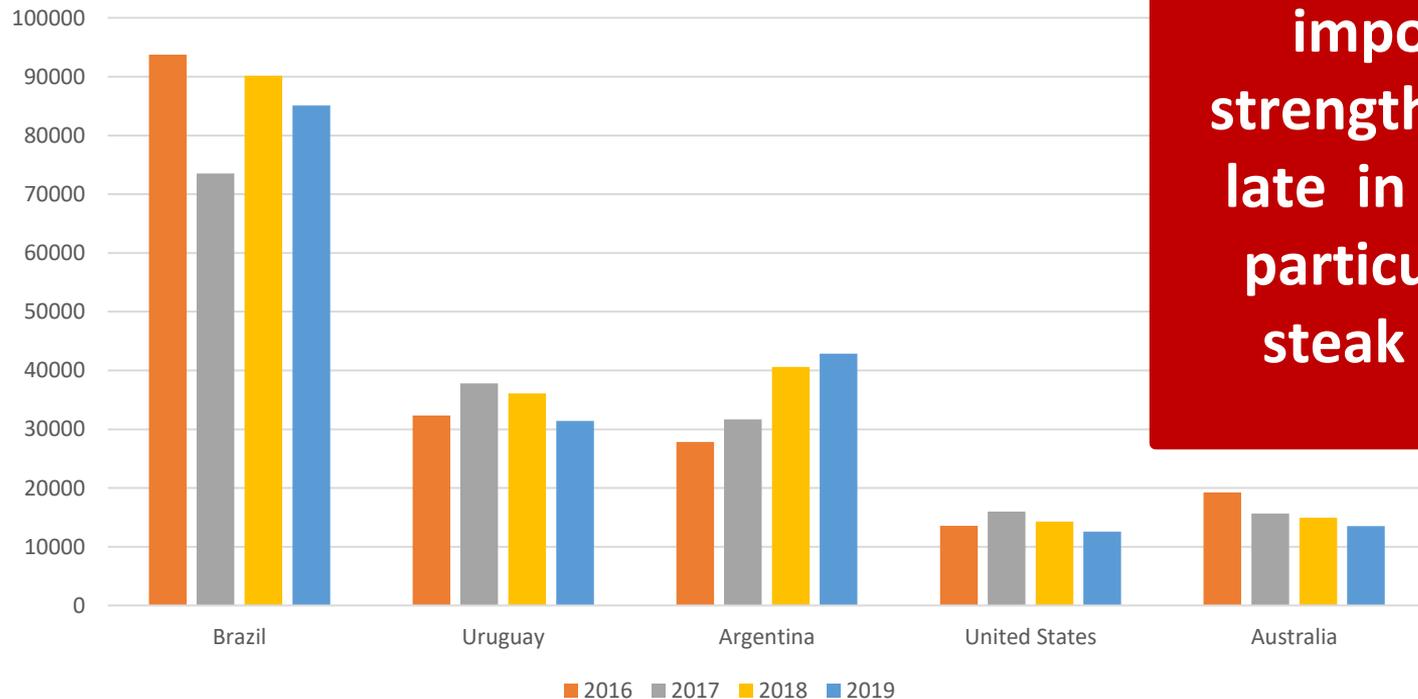
Please note Kantar data may be revised on a monthly basis.

EU Beef Imports/Exports

Source: EU Commission



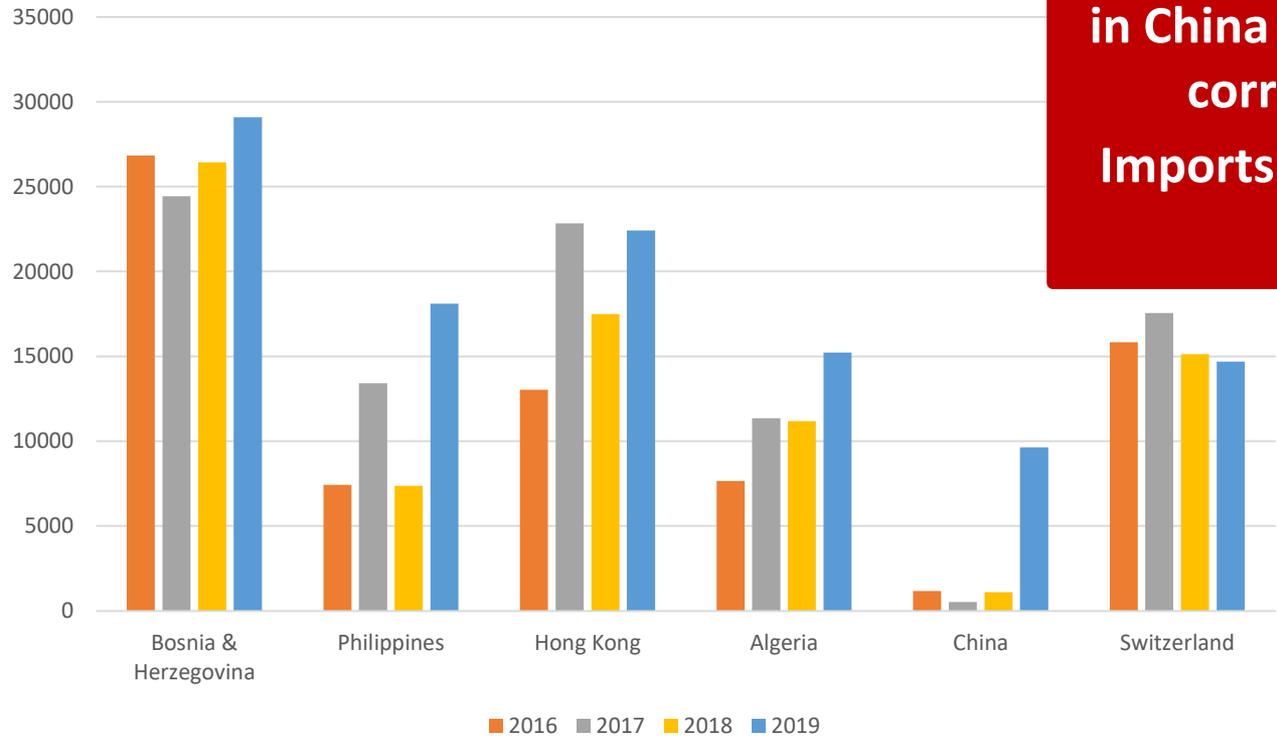
EU Beef Import Trend 2019 (Jan-Oct)



Evidence of imports strengthening late in 2019, particularly steak cuts

EU beef Export Destinations 2019 (Jan-Oct)

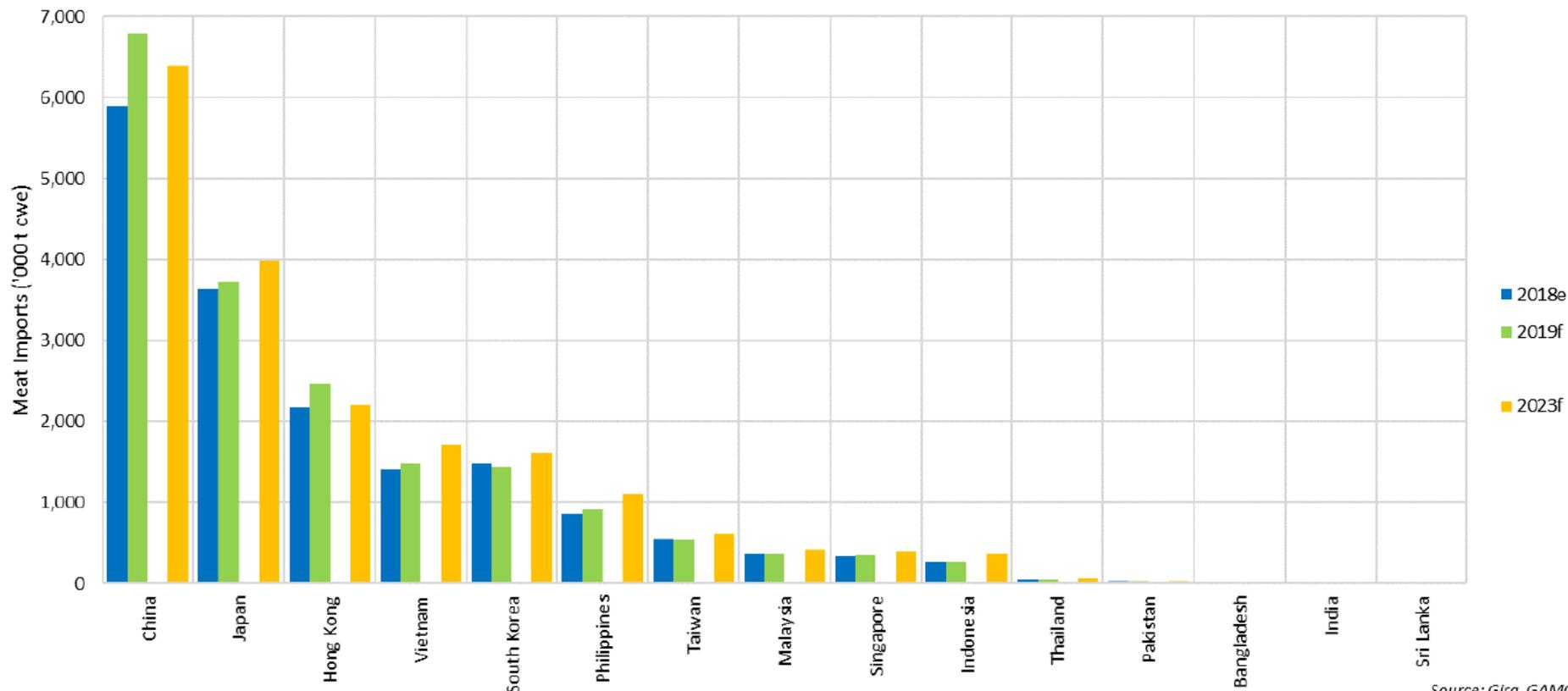
**Recent Volatility
in China brings strong
correction to
Imports and prices**



Meat Imports by Country

CN readjusts from ASF surge, growth elsewhere in volume + value

Meat Imports by Country, 2018e-2023f



Protein Consumption Growth

Regional average of +0.8% p.a. between 2023-2018

Protein Consumption CAGR, 2023/18



Source: Gira, GAMC

Summary

- Irish cattle supplies declined by 61,000 hd
- Lower cattle prices, especially in July & August 2019
- EU beef output declined by 0.5%
- Prices also declined in UK & across EU
- Market situation impacted by:
 - Pressure on retail sales, especially higher value cuts
 - 11% decline in Irish beef exports to UK
- EU Exports up 8% and Imports down 3% in 2019
- International markets delivering growth ... with risk and volatility



Mark Zieg
Beef Market Outlook 2020
Thank You