Market Outlook for Irish Beef & Livestock

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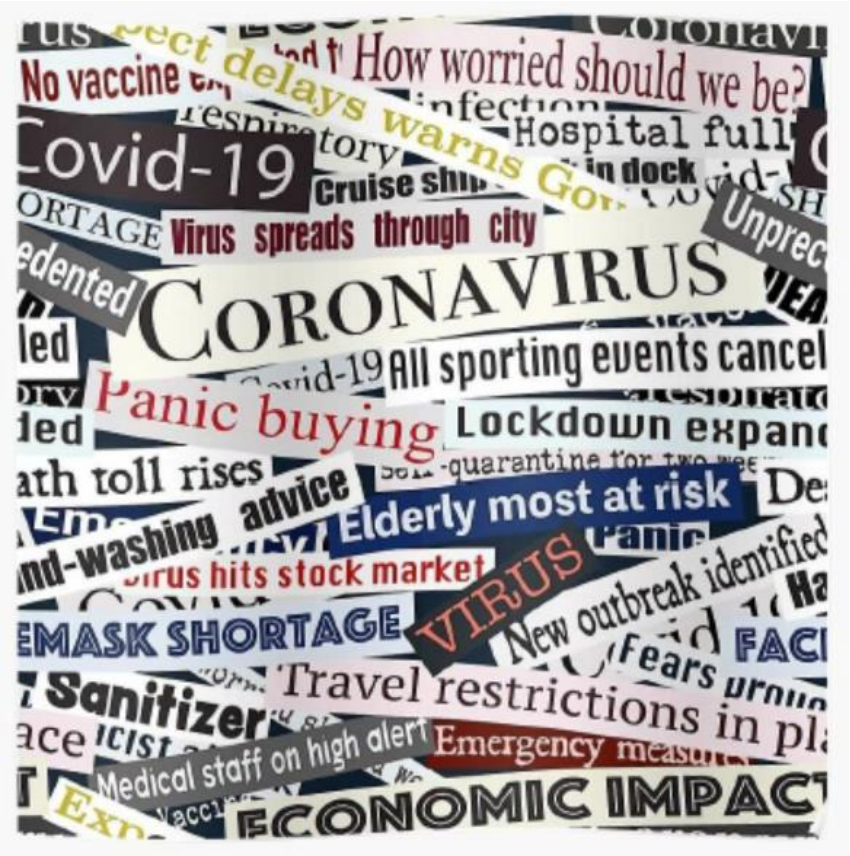
IRISH FOOD BOARD

Outline

Irish beef exports 2020

Sector review and outlook

International situation



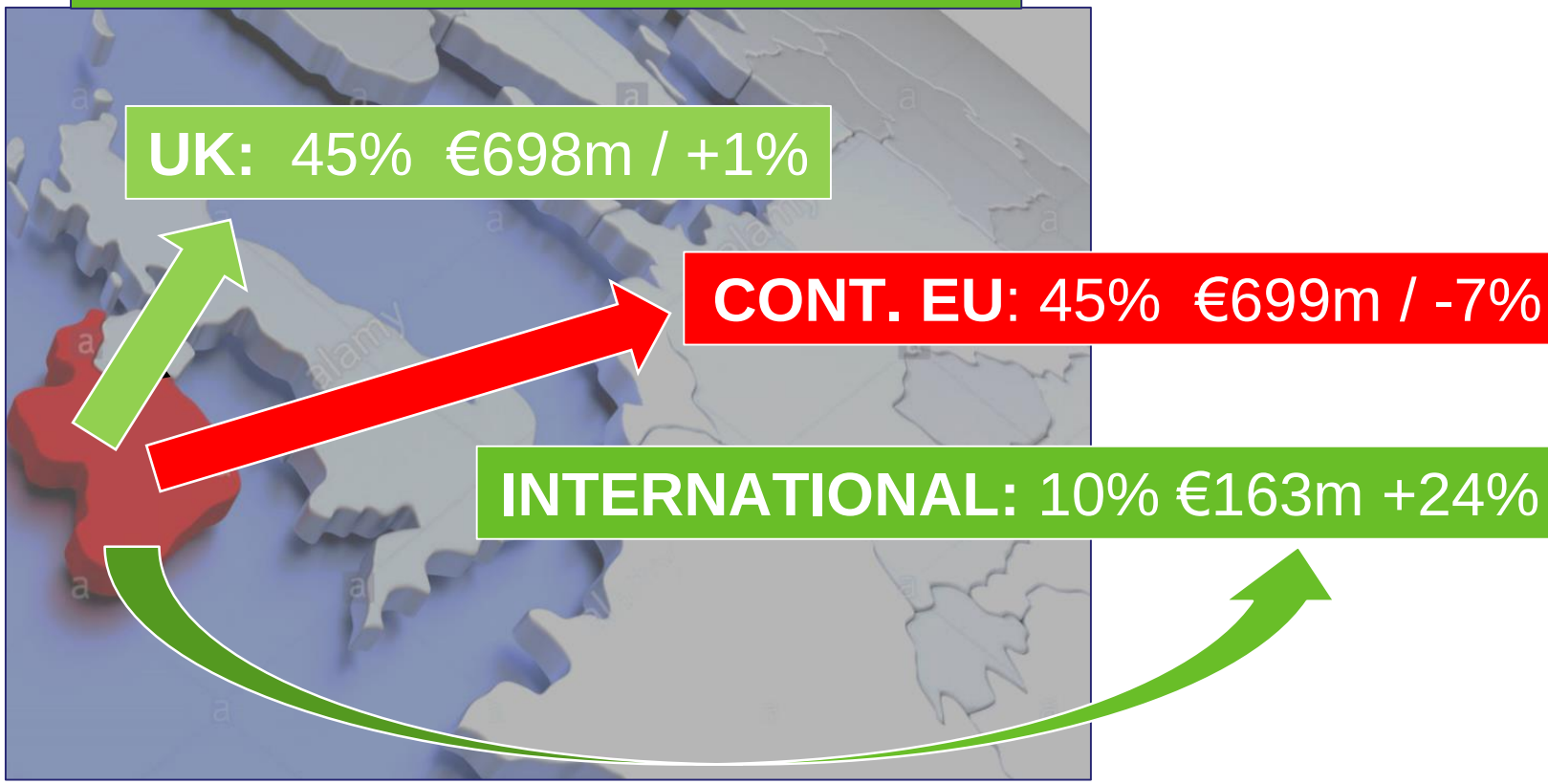
Irish Beef Exports Jan - Oct 2020

Primary Beef:
394,000T (cwe)
-2%

Beef Offal:
69,000T -6%
€159m -7%

Value-added Beef:
53,000T -5%
€171m -7%

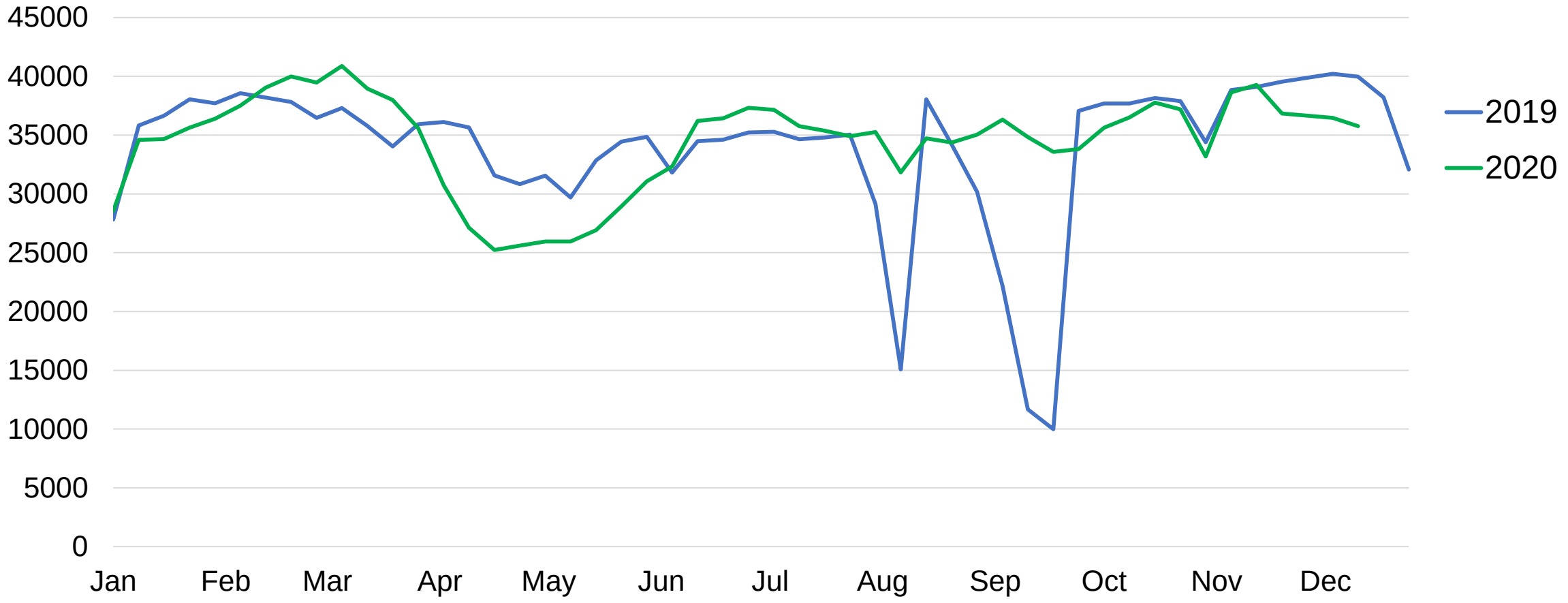
Primary Beef: €1.56bn -1%



Source: CSO Export data

Market:	Jan - Oct 2020 (million €)	% Change v.s 2019
UK	698	+1
Netherlands	153	+0.3
France	132	-7
Italy	142	-9
Philippines	33	+6.5
Germany	100	-1.6
Sweden	40	+3
Spain	31	-21
United States	29	+81
Hong Kong	17	-30
China	23	-14
Denmark	24	-22
Belgium	37	-1
Switzerland	28	+74

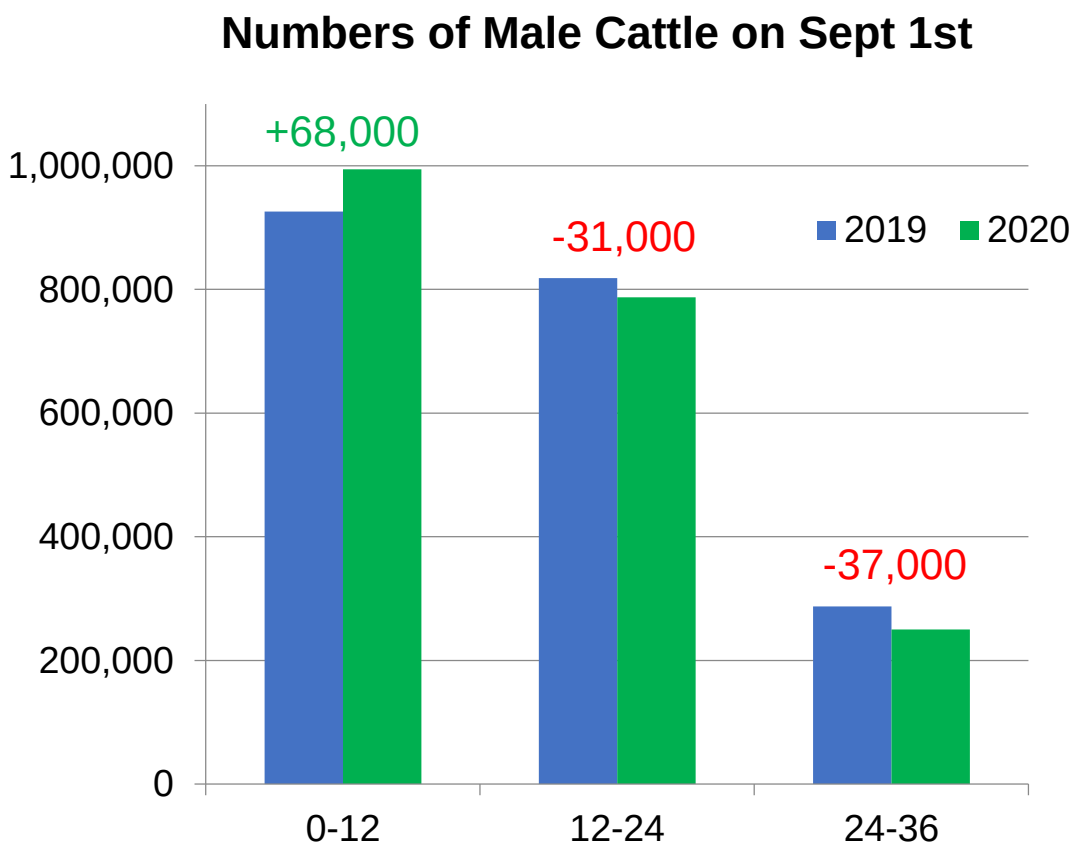
Irish Weekly Cattle Throughput

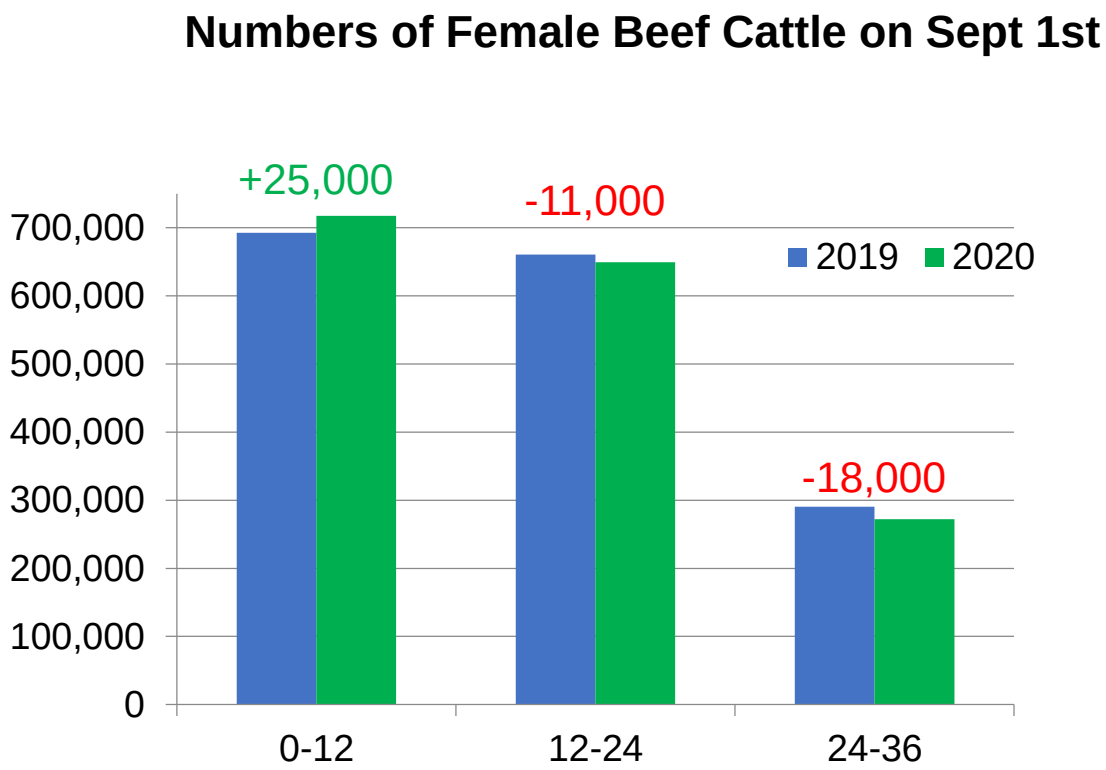


Overall cattle supplies for the year to-date show a rise of 30,900 / 1.8%

Steers +61K, Heifers +11K, Cows +15K, Y Bulls -69K

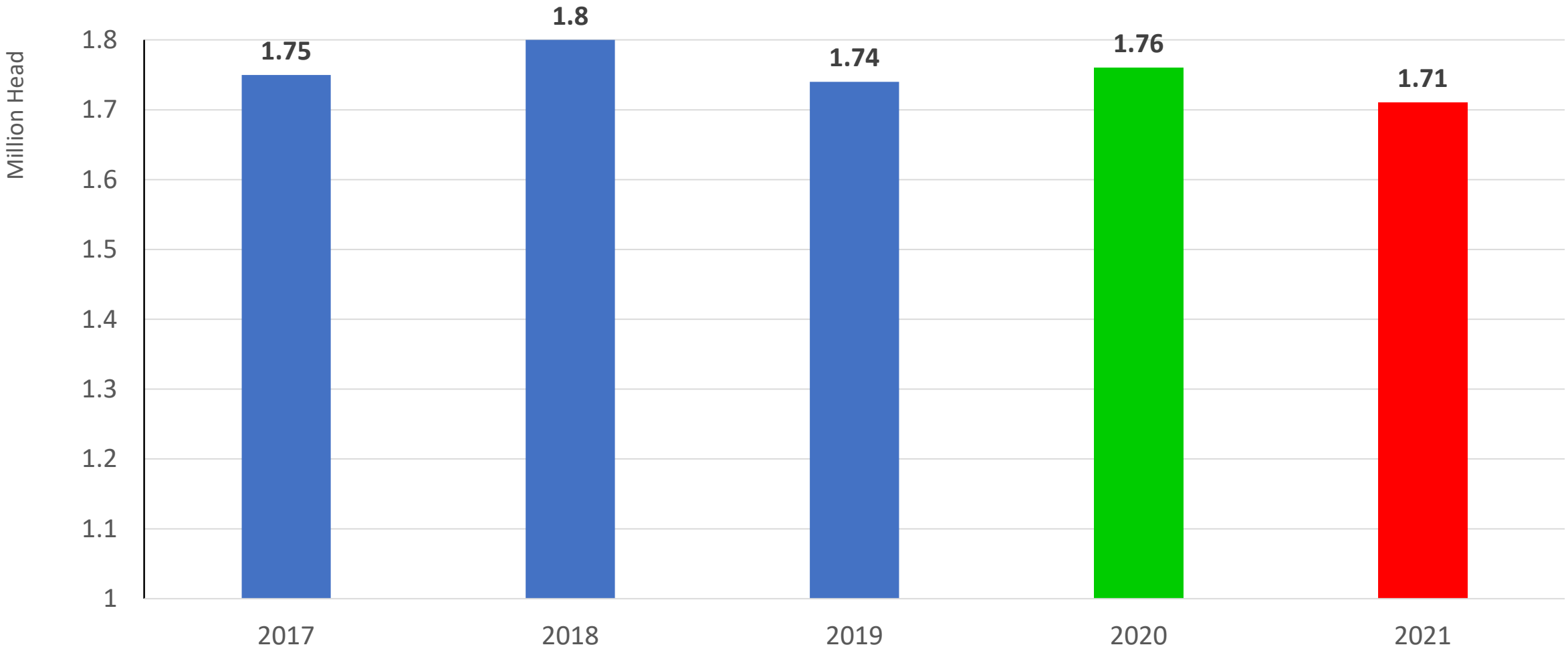
Irish Supply Outlook





2021: Likely to have 40-50,000 fewer prime cattle (higher live exports in 2019)

Finished Cattle Supplies - Export Meat Plants
2017- 2021(F)



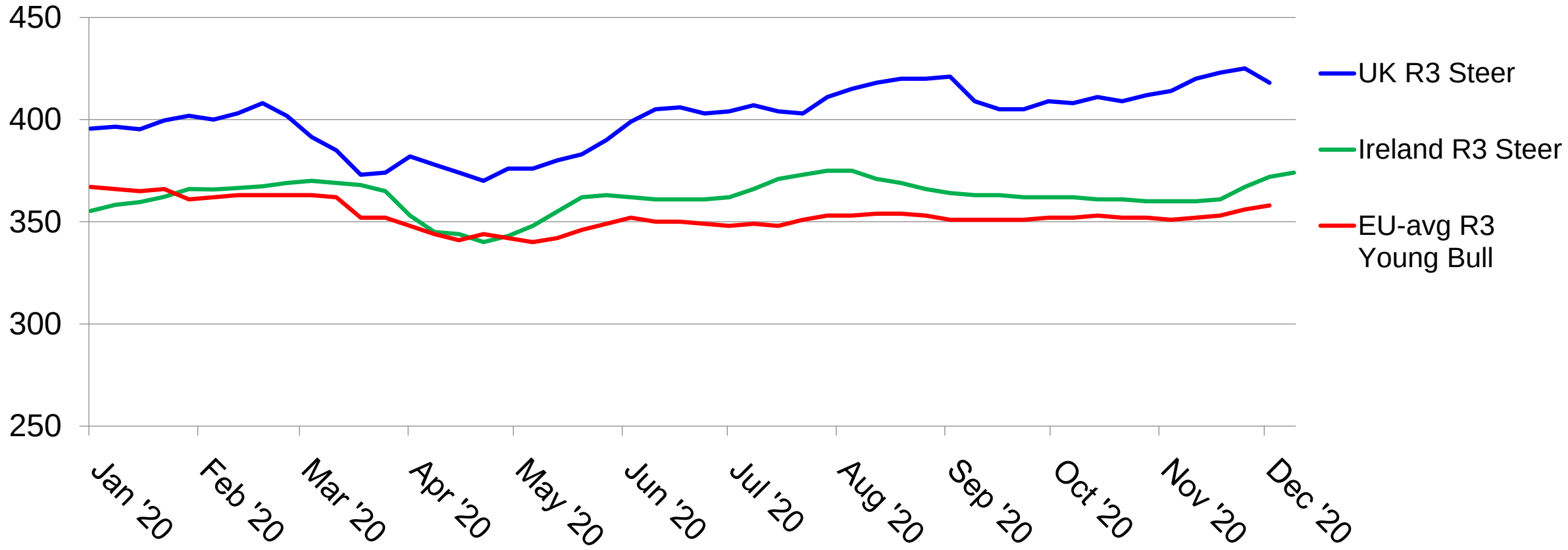
Live Cattle Exports 2020

Distribution of Live Exports from Ireland to w/e. 5th December

(head)	2019	2020	% change
Total	**290,067**	**255,847**	**-12%**
NI	31,598	60,406	**+91%**
GB	5,385	5,962	**+11%**
Italy	29,652	21,272	**-28%**
Spain	89,754	80,207	**-11%**
Netherlands	84,433	48,823	**-42%**
Belgium	2,961	4,229	**+43%**
Libya	9,136	13,673	**+50%**
Other int. mkt.s	11,157	10,134	**-9%**

Calves -28%, Weanlings/Stores +6%, Finished cattle +66%

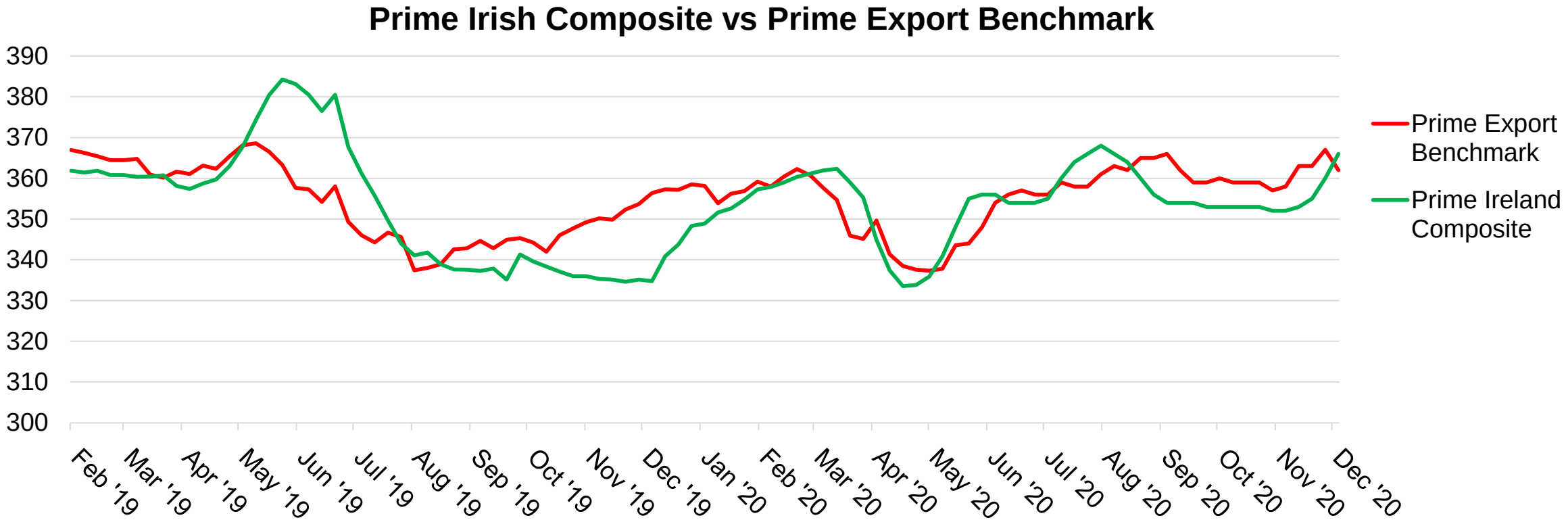
Producer Prices: Ireland vs. UK & EU average (c/kg excl VAT)



Latest prices: Ireland €3.74/kg vs. UK €4.18 vs. EU avg. €3.58/kg

Year to-date: Ireland €3.62/kg vs. UK €4.01 vs. EU avg. €3.53/kg

Cattle Price Developments



Country	Current Week	Same Week Last Year	% Change Previous Week	% Change Previous Year	Average Same Period Last Year	Average to Date Current Year	% Change Average to Date from Last Year
Prime Irish Composite	€ 3.66	€ 3.35	▲ 1.6%	▲ 9.4%	€ 3.54	€ 3.55	▲ 0.1%
Prime Export Benchmark	€ 3.62	€ 3.56	▼ -1.5%	▲ 1.5%	€ 3.54	€ 3.56	▲ 0.3%

Retail Meat Sales trends

Ireland:

4 wks to 29/11: Overall meat +17.2%

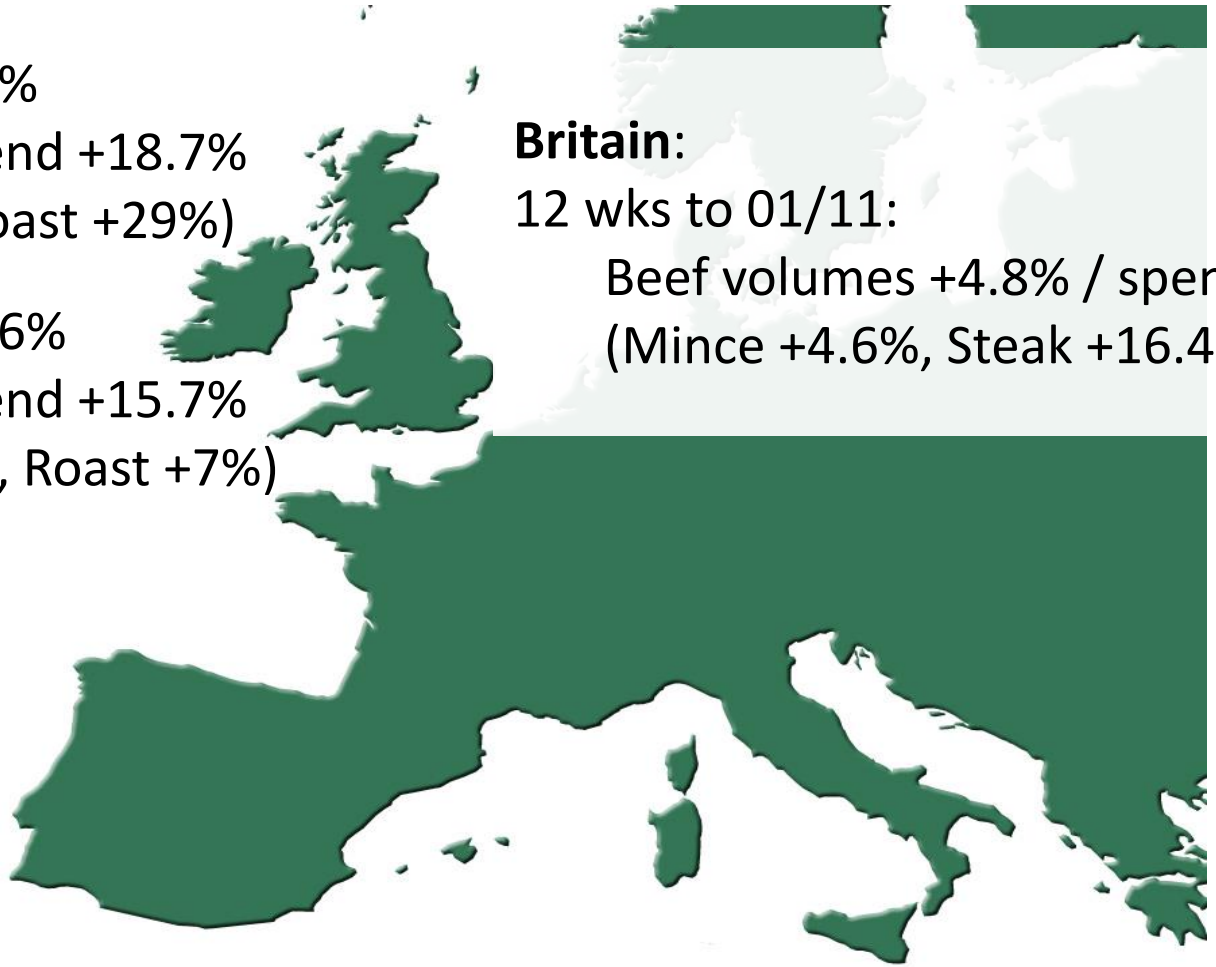
Beef volumes +14.4% / spend +18.7%

(Mince +6%, Steak +20%, Roast +29%)

12 wks to 29/11: Overall meat +13.6%

Beef volumes +13.8% / spend +15.7%

(Mince +11%, Steak +19.5%, Roast +7%)



Britain:

12 wks to 01/11:

Beef volumes +4.8% / spend +9.7%

(Mince +4.6%, Steak +16.4%, Roast +20.5%)

Kantar Worldpanel

EU-27 market developments for 2021

BEEF	2020	2021
Production	-1.4%	-1.5%
Exports	+1.0%	-4.0%
Imports	-10%	+0.0%
Consumption	-2.1%	-1.2%

Source: EU Commission Short Term Outlook Autumn 2020

EU-27 beef trade review - exports

EU Exports of Beef and Live Animals (1):

Trade figures (COMEXT – tonnes cwe)

Destinations	2016		2017		2018		2019		Jan-Sep 20		Compared
	tonnes	%	tonnes	%	tonnes	%	tonnes	%	tonnes	%	to Jan-Sep 19
Israel	41 534	6.2%	44 196	6.1%	47 774	6.8%	49 676	7.1%	40 348	7.8%	- 2.3%
Hong Kong	47 532	7.1%	76 085	10.5%	55 538	7.9%	46 748	6.7%	39 839	7.7%	+ 13.3%
Ghana	37 490	5.6%	37 744	5.2%	36 766	5.2%	39 221	5.6%	35 083	6.8%	+ 21.3%
Philippines	24 116	3.6%	37 103	5.1%	28 766	4.1%	34 158	4.9%	30 742	5.9%	+ 20.3%
Algeria	25 003	3.7%	26 305	3.6%	35 410	5.0%	57 152	8.2%	29 509	5.7%	- 27.5%
Bosnia-Herz.	38 875	5.8%	34 710	4.8%	38 762	5.5%	41 145	5.9%	25 975	5.0%	- 15.5%
Ivory Coast	35 371	5.3%	36 038	5.0%	36 063	5.1%	33 403	4.8%	24 972	4.8%	+ 1.5%
Switzerland	24 872	3.7%	26 707	3.7%	23 762	3.4%	25 188	3.6%	23 120	4.5%	+ 23.7%
Lebanon	47 010	7.0%	38 323	5.3%	42 542	6.1%	36 393	5.2%	21 568	4.2%	- 26.4%
Libya	29 723	4.4%	27 848	3.8%	27 878	4.0%	24 541	3.5%	17 973	3.5%	+ 15.4%
Canada	862	0.1%	2 424	0.3%	2 225	0.3%	6 806	1.0%	16 114	3.1%	+++
Turkey	71 030	10.6%	96 414	13.3%	96 052	13.7%	34 518	4.9%	14 403	2.8%	- 30.9%
China	10 253	1.5%	5 738	0.8%	6 713	1.0%	22 317	3.2%	13 915	2.7%	+ 4.6%
Ukraine	7 875	1.2%	7 331	1.0%	10 466	1.5%	13 835	2.0%	11 525	2.2%	+ 22.6%
Norway	18 312	2.7%	12 849	1.8%	7 925	1.1%	7 667	1.1%	9 472	1.8%	+ 37.1%
Japan	3 254	0.5%	4 281	0.6%	3 453	0.5%	8 038	1.1%	9 323	1.8%	+ 72.2%
Other Destinations	*209 917*	*31.2%*	*213 426*	*29.3%*	*201 789*	*28.7%*	*219 601*	*31.4%*	*153 887*	*29.7%*	
Total (without UK)	**673 028**		**727 522**		**701 882**		**700 409**		**517 766**		
% change			+ 8%		- 4%		- 0%		+ 0.8%		

EU Commission

EU-27 beef trade review - imports

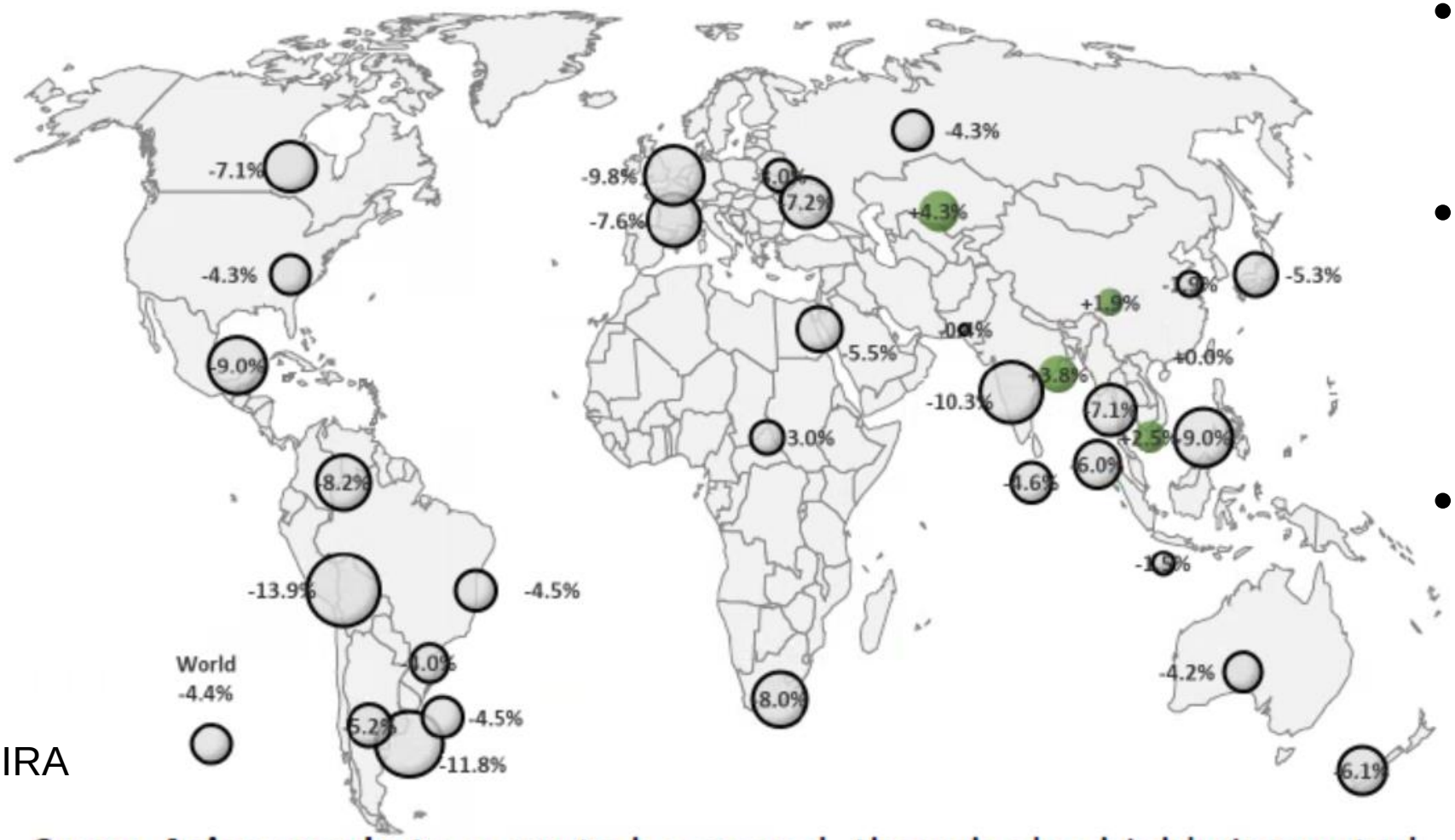
EU Imports of Beef and Live Animals (1):

Trade Figures (COMEXT – tonnes cwe)

Origins	2016		2017		2018		2019		Jan-Sep 20		Compared
	tonnes	%	tonnes	%	tonnes	%	tonnes	%	tonnes	%	to Jan-Sep 19
Brazil	100 982	37.1%	87 156	33.5%	103 979	36.1%	99 568	35.7%	63 907	35.1%	- 16.4%
Argentina	43 111	15.8%	49 260	18.9%	69 011	24.0%	70 617	25.3%	55 644	30.6%	+ 6.8%
Uruguay	52 896	19.4%	55 212	21.2%	48 712	16.9%	40 483	14.5%	25 770	14.2%	- 17.9%
USA	20 290	7.5%	21 624	8.3%	19 268	6.7%	16 852	6.0%	12 482	6.9%	- 0.5%
Australia	21 909	8.1%	18 193	7.0%	17 368	6.0%	16 516	5.9%	8 907	4.9%	- 27.2%
New Zealand	8 274	3.0%	6 806	2.6%	7 164	2.5%	6 726	2.4%	4 445	2.4%	- 14.3%
Paraguay	5 309	2.0%	5 922	2.3%	5 520	1.9%	5 204	1.9%	3 110	1.7%	- 17.8%
Switzerland	5 496	2.0%	5 138	2.0%	5 437	1.9%	4 432	1.6%	2 962	1.6%	- 4.7%
Namibia	6 281	2.3%	5 043	1.9%	3 442	1.2%	7 734	2.8%	1 183	0.7%	- 77.9%
Canada	392	0.1%	512	0.2%	1 343	0.5%	2 518	0.9%	740	0.4%	- 55.4%
Serbia	557	0.2%	565	0.2%	1 134	0.4%	1 062	0.4%	734	0.4%	- 4.4%
Botswana	4 204	1.5%	2 686	1.0%	3 119	1.1%	4 950	1.8%	686	0.4%	- 78.0%
Japan	518	0.2%	646	0.2%	791	0.3%	998	0.4%	506	0.3%	- 22.6%
Norway	276	0.1%	388	0.1%	153	0.1%	128	0.0%	217	0.1%	+++
Ukraine	317	0.1%	374	0.1%	257	0.1%	410	0.1%	134	0.1%	- 56.1%
Chile	575	0.2%	319	0.1%	356	0.1%	392	0.1%	124	0.1%	- 59.9%
Other Destinations	*705*	*0.3%*	*651*	*0.2%*	*735*	*0.3%*	*645*	*0.2%*	*328*	*0.2%*	
Total (without UK)	**272 093**		**260 496**		**287 788**		**279 235**		**181 880**		
% change			- 4%		+ 10%		- 3%		- 13.2%		

EU Commission

Global recession (IMF)



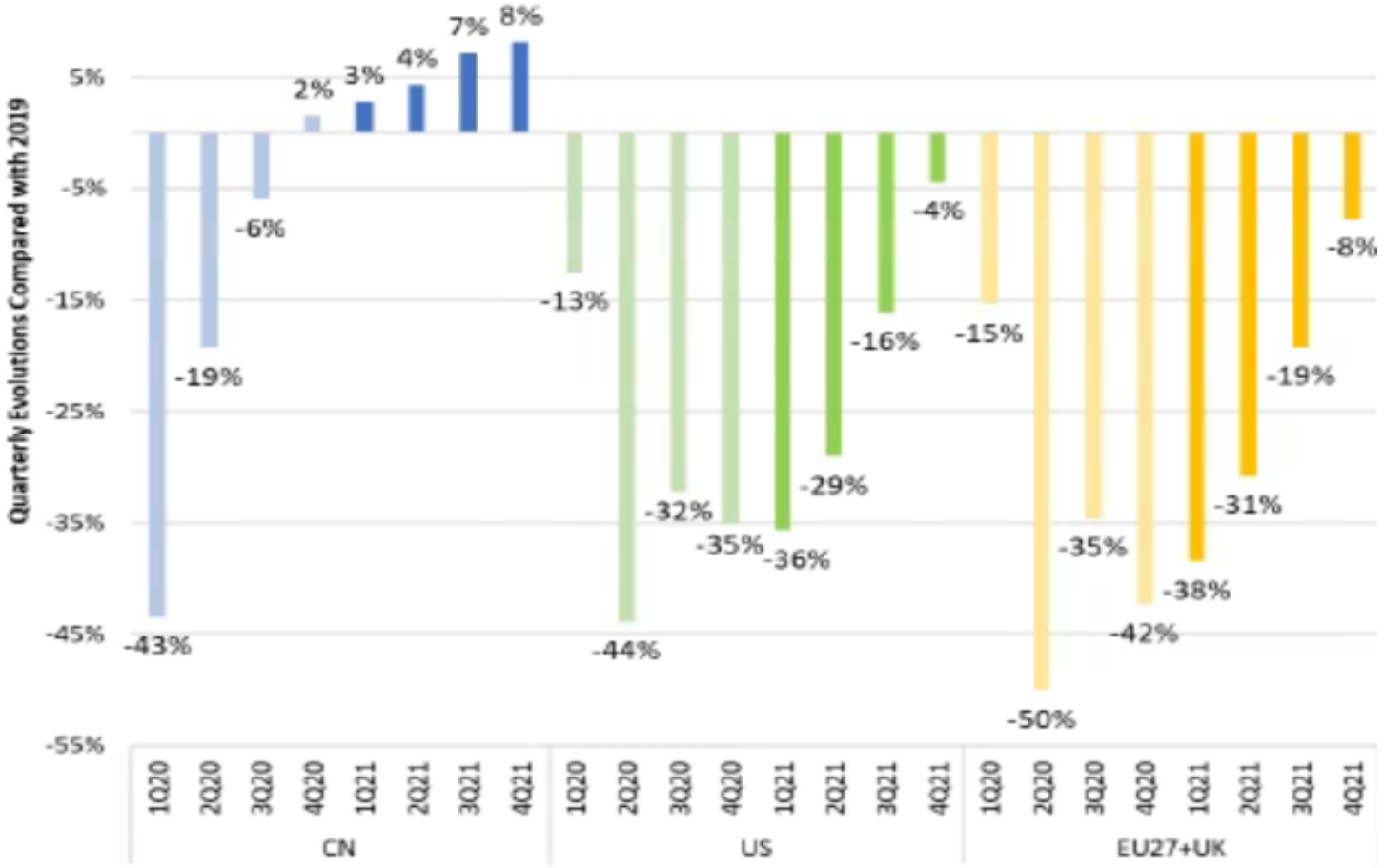
Some Asian markets seem to be spared, though also highly impacted

GIRA

- Global GDP to decline by -4.4%
- Very few countries with GDP growth (China +1.9%)
- Optimistic for recovery in ‘21: Global GDP +5.2%

EU Foodservice to gradually recover in 2021

Change in Total Foodservice Sales, 2020 & 2021 vs. 2019 (China, USA, EU27 + UK)



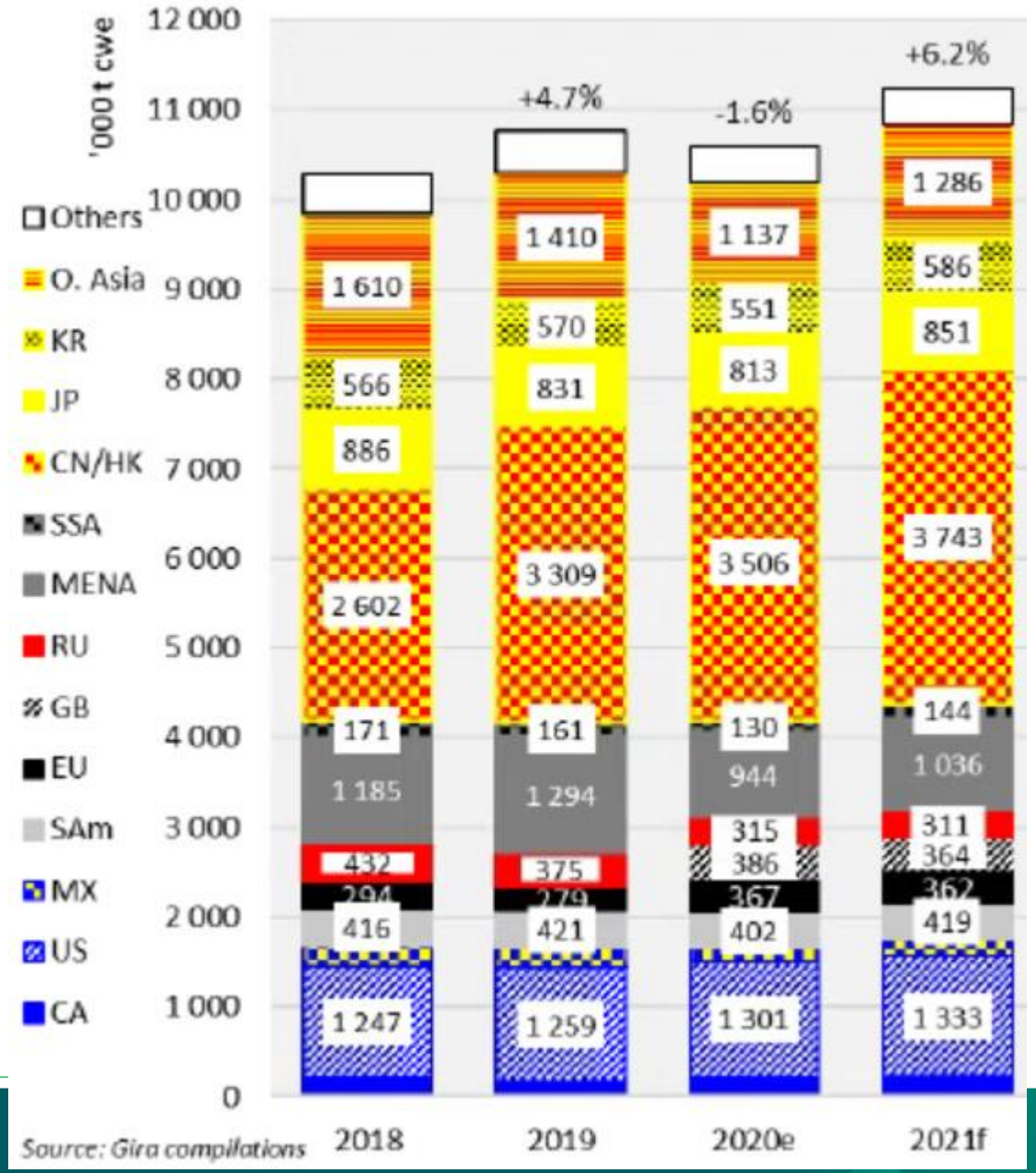
- EU-28: Foodservice Sales -36% in 2020
- By Q4 2021, EU F/S. sales are forecast to be within 8% of 2019 levels

GIRA

Growth in global beef trade likely in '21

- Driven by strong import demand from CH, HK and other Asian markets
- Also some additional volume available for export from AUS, BRA, USA, India

GIRA



Brexit – a logistics* nightmare

*the careful organization of a complicated activity so that it happens in a successful and effective way

30 November 2020
Peter Hardwick
Trade Policy Adviser
BMPA

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