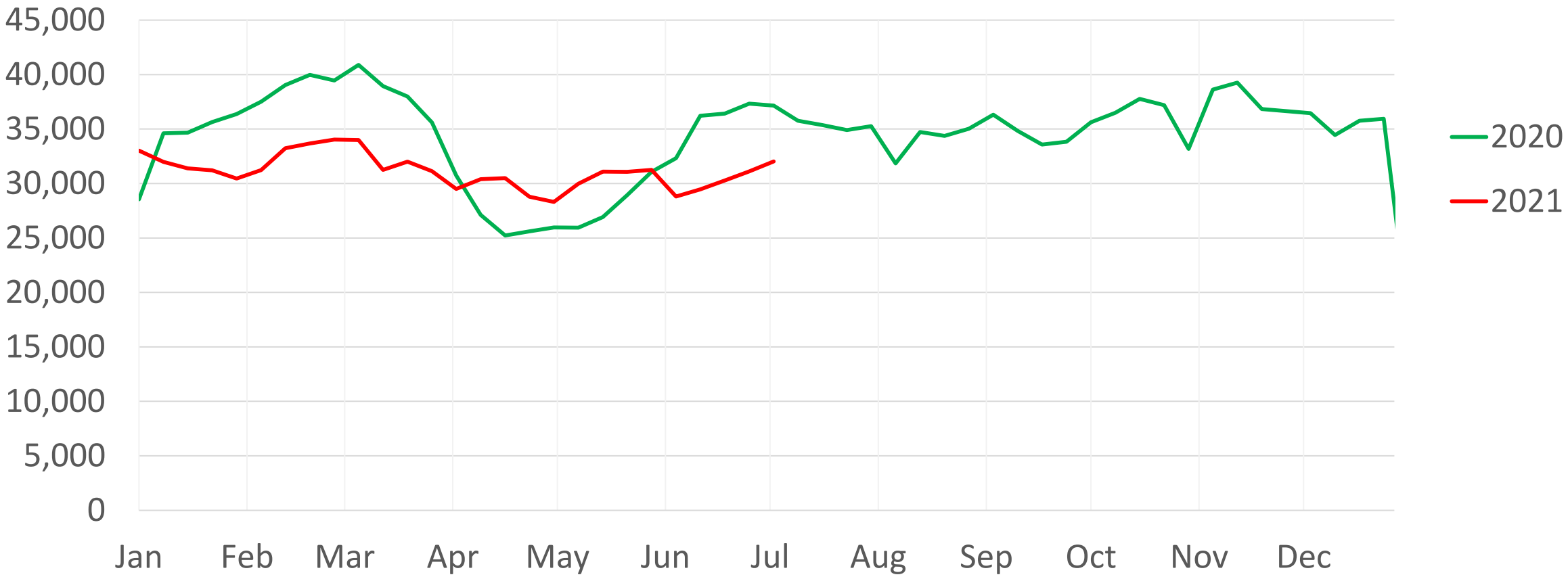
Market Outlook for Irish Beef & Livestock

BORD BIA
IRISH FOOD BOARD

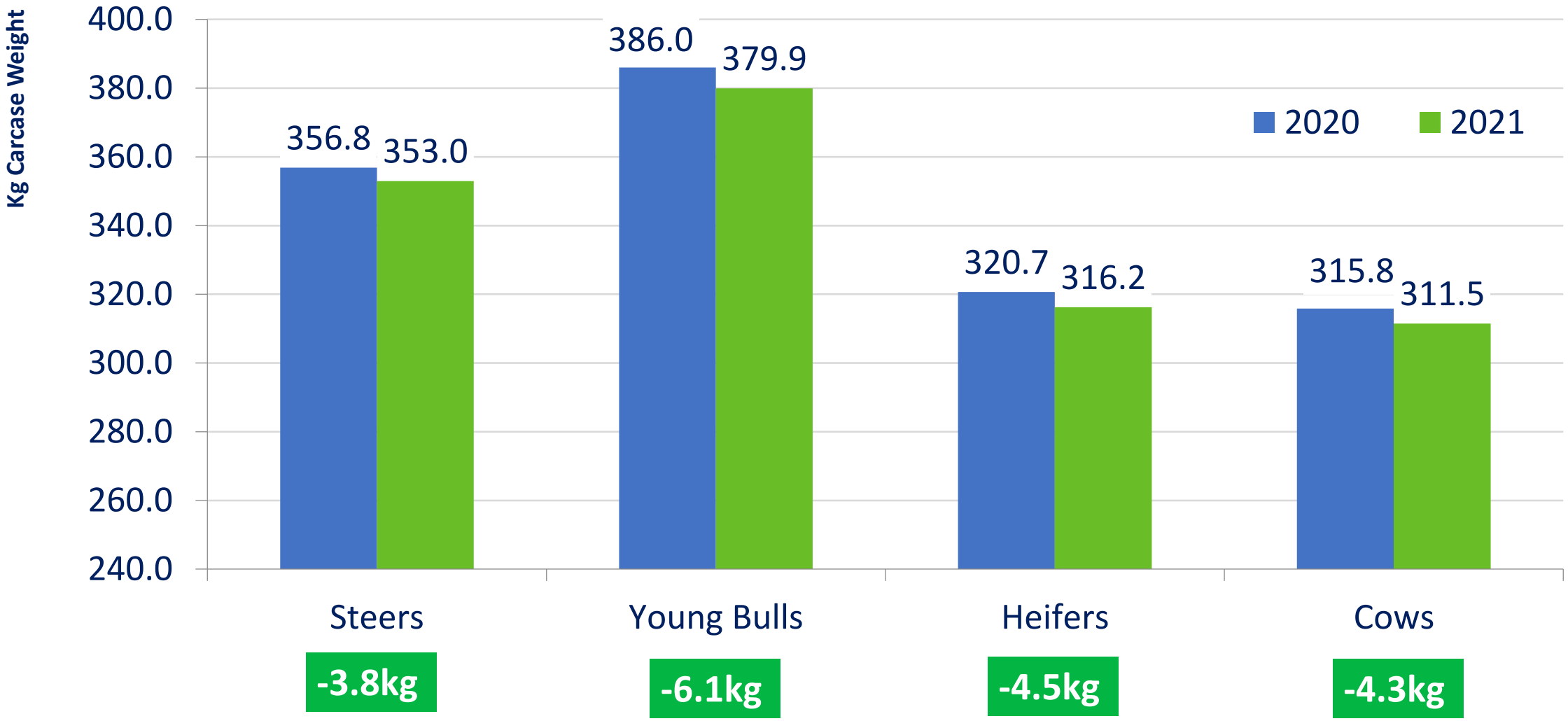
July 2021

Irish Weekly Cattle Throughput



Last weeks Kill:	33,601 hd	Change vs. same wk last yr:	-2,157 hd,	-6%
Kill to date:	941,932 hd	Change up to same wk last yr:	67,126 hd,	-7.1%

Carcase weights (Jan-June) decline by 4.7kg / 1.3%



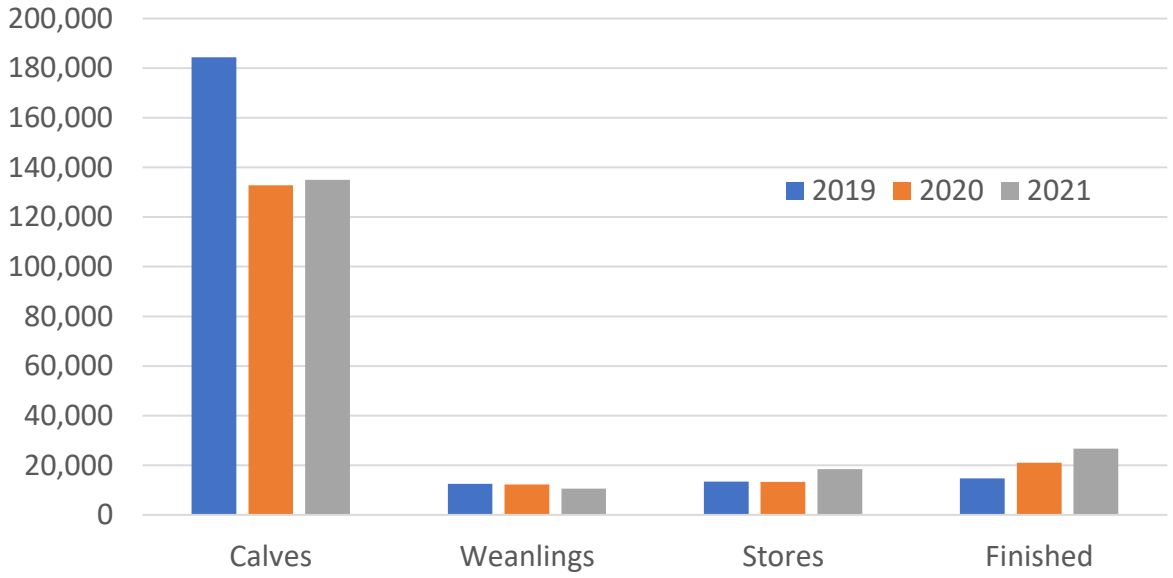
Live Exports

Live cattle exports by destination wk's 1-26

	2019	2020	2021	2020/21
Spain	72,370	61,146	61,243	0%
Netherlands	82,993	48,576	48,096	-1%
Northern Ireland	17,250	26,480	42,655	+61%
Italy	23,064	15,542	22,816	+47%
Libya	4,211	7,636	4,928	-35%
France	7,064	3,021	2,527	-16%
Great Britain	2,960	3,111	2,064	-34%
Belgium	2,925	4,071	1,972	-52%
Hungary	738	2,06	1,409	+584%
Greece	1,398	1,836	1,224	-33%
Poland	5,623	3,236	958	-70%
Kazakhstan	52	85	500	+488%
Other	4,415	4,366	451	-90%
Total	225,063	179,312	190,843	+6%

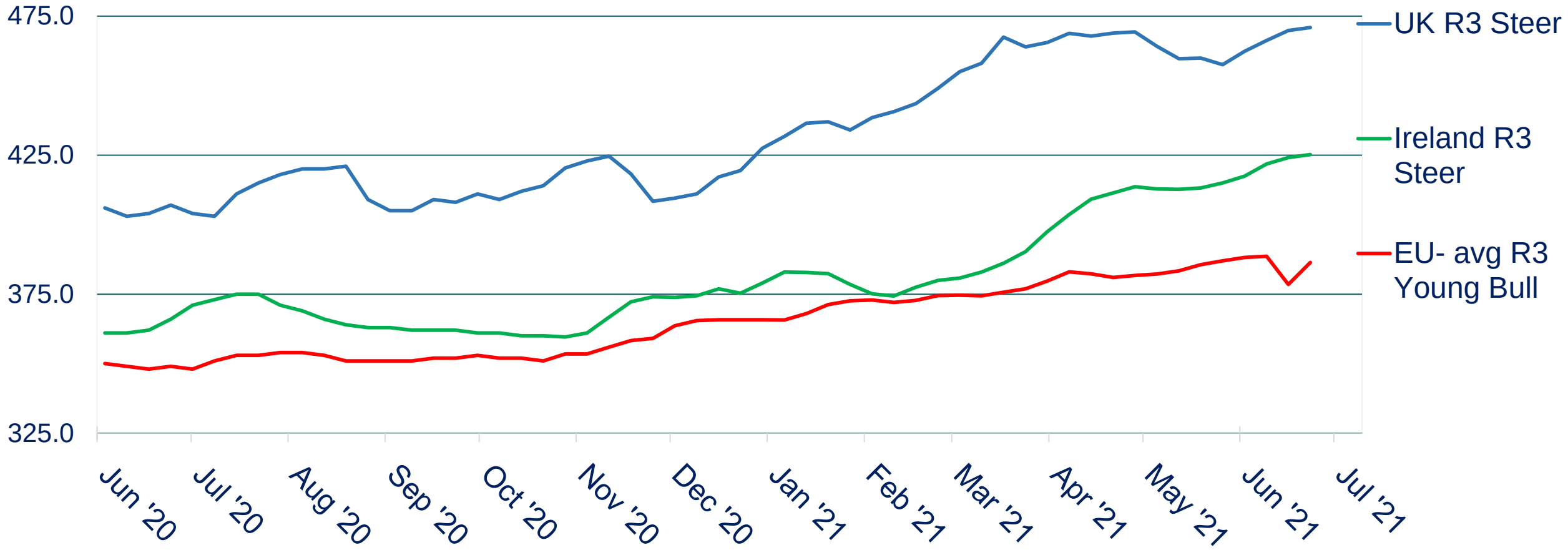
Live cattle exports by type wk's 1-26

	2019	2020	2021	2019/21	2020/21
Calves	184,401	132,809	135,052	-27%	+2%
Weanlings	12,516	12,213	10,602	-15%	-13%
Stores	13,414	13,308	18,456	+38%	+39%
Finished	14,732	20,982	26,733	+1%	+27%
Total	225,063	179312	190843	-15%	+6%



Producer Prices: Ireland vs UK & EU-average

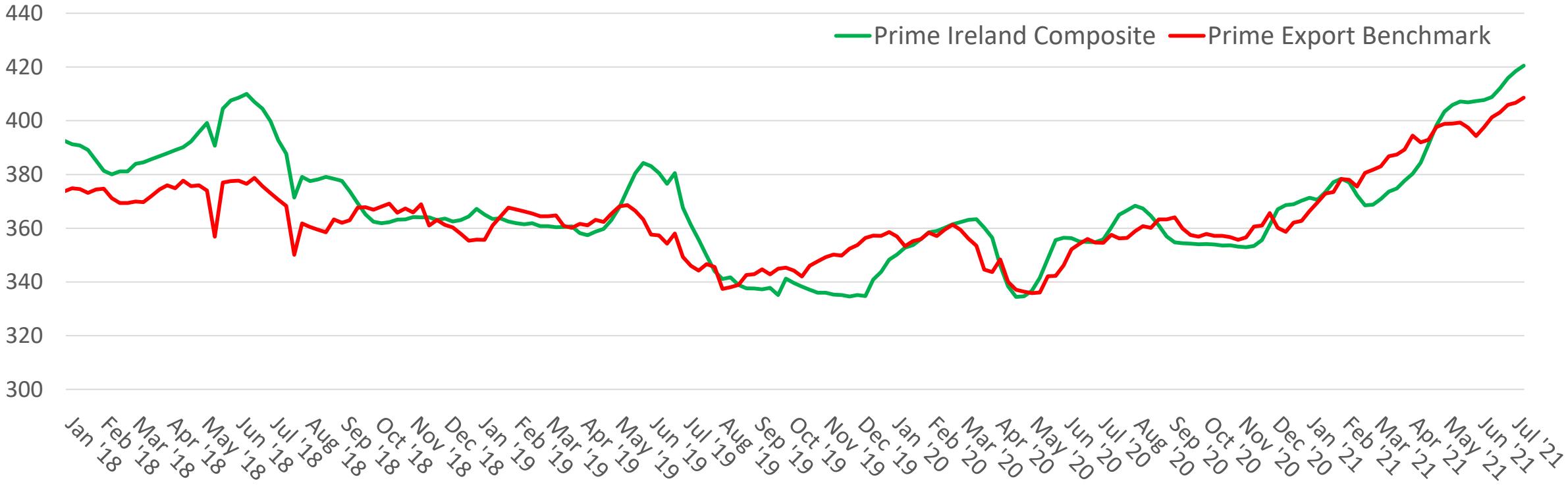
(c/kg excl. VAT)



Latest Prices: Ireland €4.26/kg vs. UK €4.71 vs. EU avg. €3.86/kg

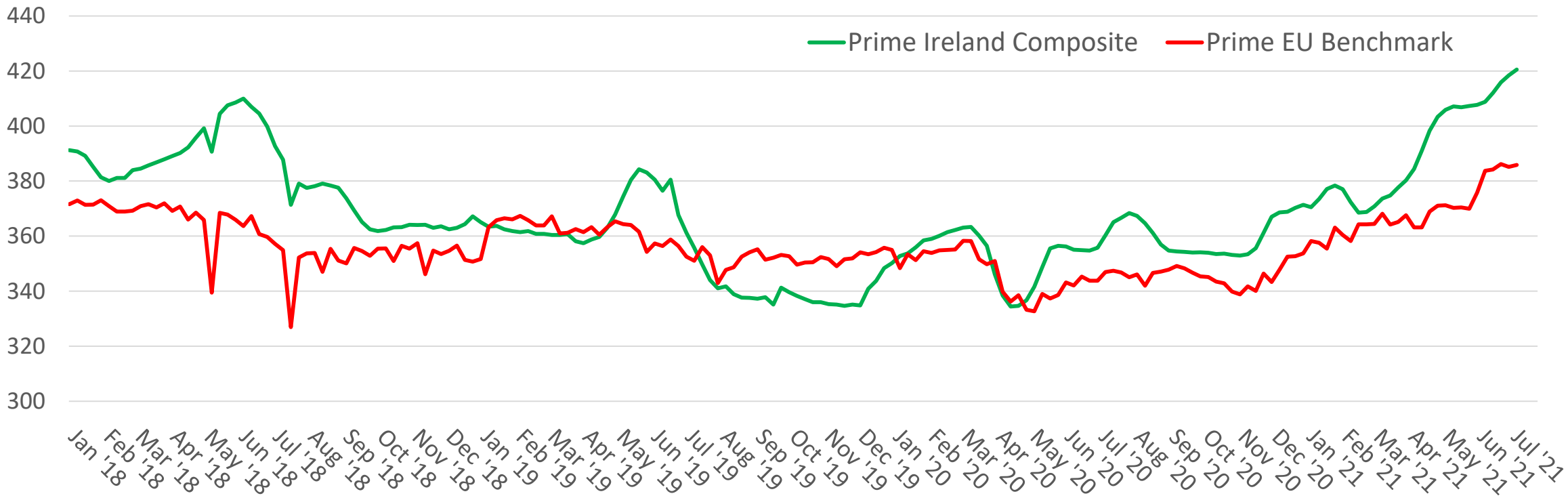
Cattle Price Developments

Prime Irish Composite Vs Prime Export Benchmark



	Latest wk	YTD 2021	full yr 2020
Prime Irish Composite	€4.20/kg	€3.90/kg	€3.56/kg
Prime Export Benchmark	€4.09/kg	€3.90/kg	€3.55/kg

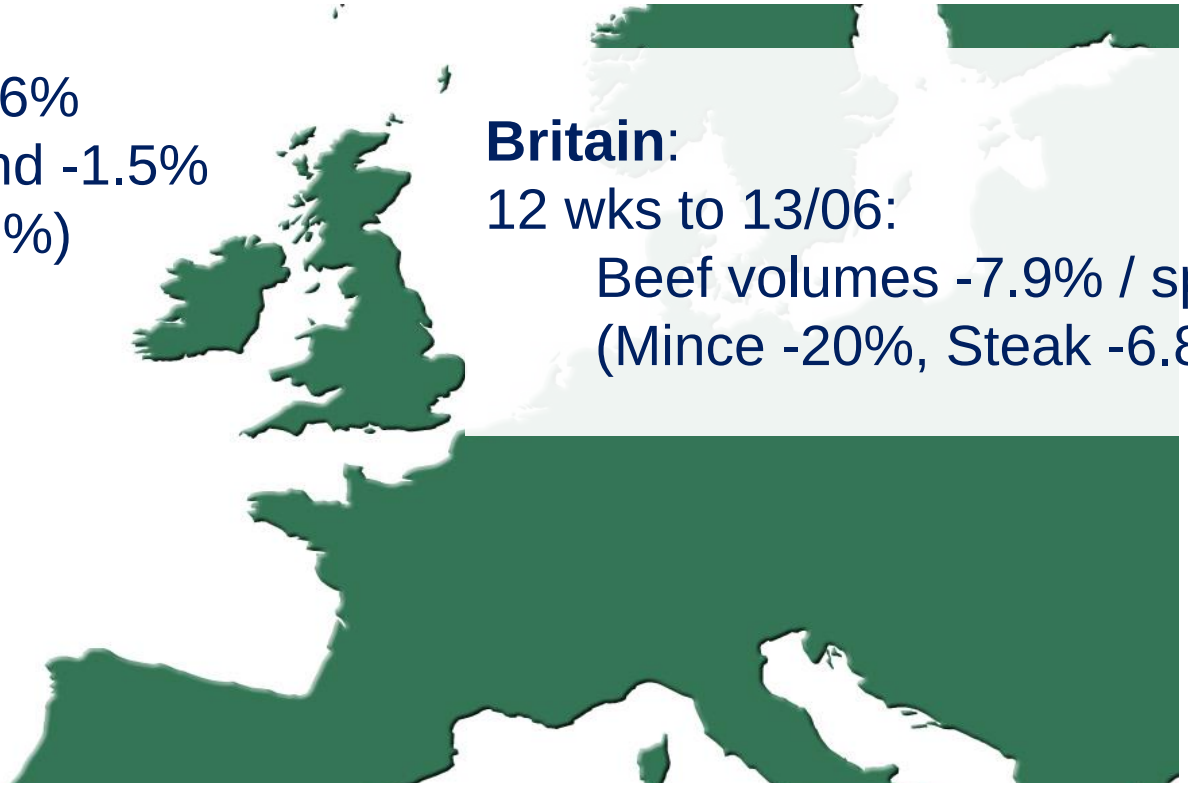
Prime Irish Composite vs. Prime EU Benchmark



	Latest wk	YTD 2021	full yr 2020
Prime Irish Composite	€4.20/kg	€3.90/kg	€3.56/kg
Prime EU Benchmark	€3.86/kg	€3.68/kg	€3.46/kg

Retail Meat Sales trends

Ireland:
*12 wks to 13/06: Overall meat -3.6%
Beef volumes -2.5% / spend -1.5%
(Mince -13.7%, Steak -3.2%)

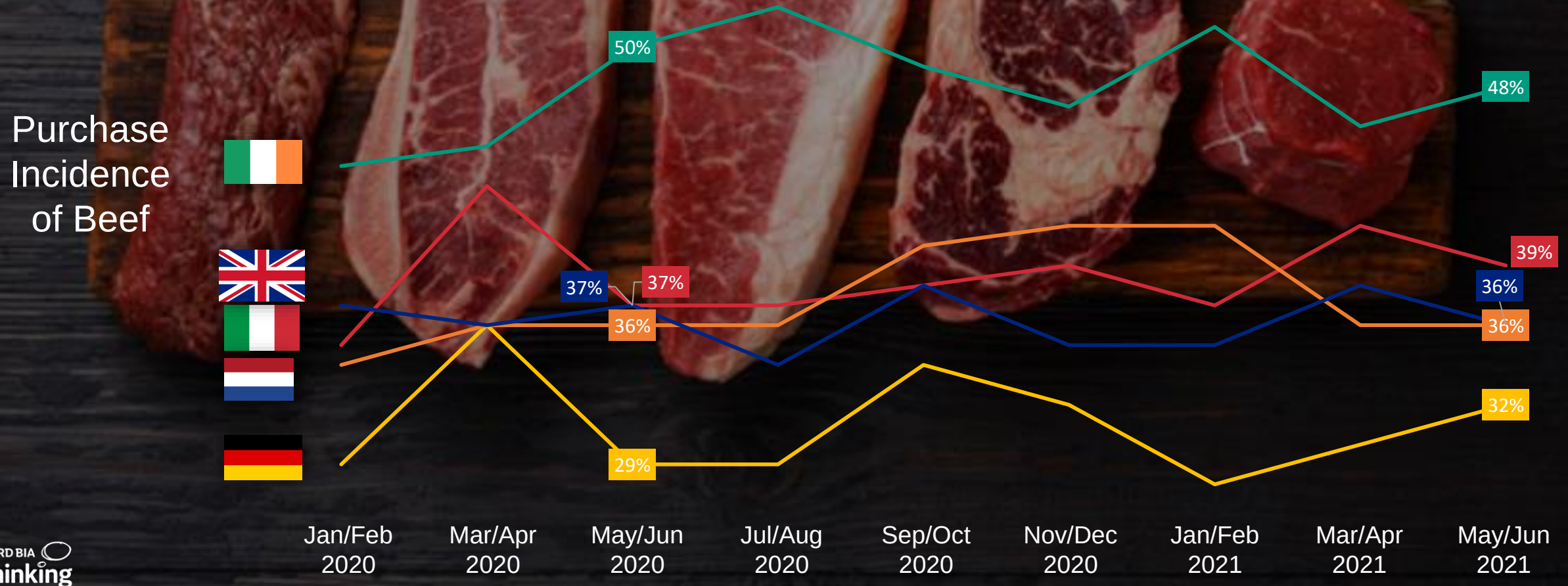


Britain:
12 wks to 13/06:
Beef volumes -7.9% / spend -6.3%
(Mince -20%, Steak -6.8%)

**In 2020, for the 12 wks to 12/06/20: Beef +14.5% (Mince +18%, Steak +11%)*

Therefore, recent retail volumes are still 12% higher than in 2019.

Beef purchase is quite steady year-on-year in most markets, with a welcome increase recorded in Germany over the last number of waves



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PAST 12 MONTHS CONSUMPTION OF BEEF

The NET consumption position of beef is moving in the right direction in most markets as shoppers returned to beef this year.

May – Jun 21

	NET CONSUMPTION (Proportion Consuming More Beef vs. Less Beef)	YOY Change
	+1%	+7%
	-8%	+1%
	-5%	+4%
	-12%	+5%
	-8%*	+3%

(Base: All Beef Considerers)

* Changes are based on Jan-Feb '21 vs. Mar-Apr '21

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Shoppers are trying to be healthier, which may be impacting beef consideration

I am trying to reduce my intake of beef

	May – Jun 21	YOY Change
	19%	+7%
	14%	+3%
	14%	+1%
	13%	+5%
	13%*	+2%

Wanting a healthier option

	May – Jun 21	YOY Change
	15%	+4%
	11%	+5%
	9%	+2%
	9%	+2%
	10%*	+3%
	8%*	+3%

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* Changes are based on Mar-Apr '21 vs. May - Jun '21

(Base: All Beef Considerers who did not consider beef on the last occasion)

Main drivers of reducing beef consumption are environmental and welfare concerns

Reason for intending to cut beef consumption	May – Jun '21	May – Jun '21	May – Jun '21	May – Jun '21	May – Jun '21	May – Jun '21	May – Jun '21
Environmental Reasons	48%	42%	43%	50%	40%	35%	54%
Animal Welfare Reasons	37%	40%	30%	37%	35%	39%	45%

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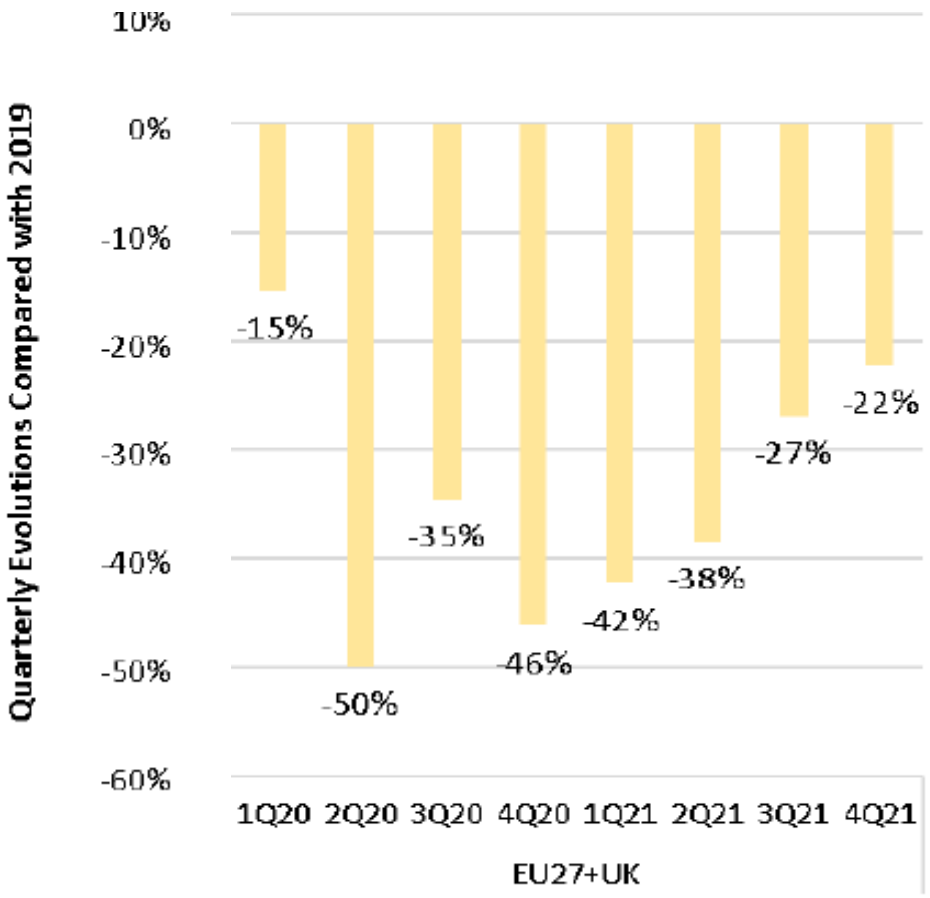
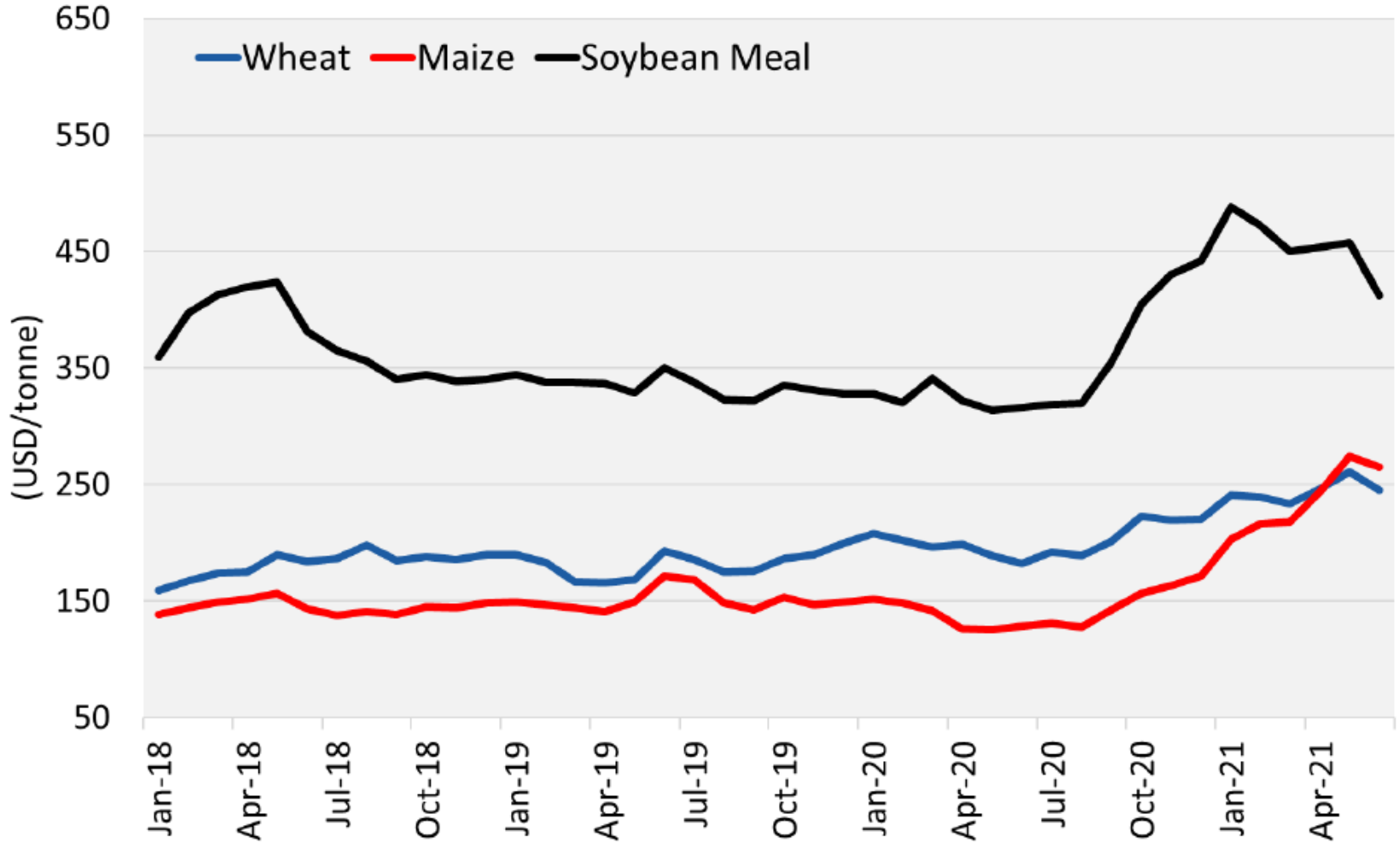
Recovery of EU Foodservice channel

Total Foodservice Sales for EU27 + UK
(% Change v.s 2019)



- EU-28: Foodservice Sales -35% in 2020
- Small uplift overall for 2021
- Slow recovery: Likely to be Q4 2022 before sales reach pre-Pandemic level

Sharp increase in feed input prices



Source: GIRA, based on CBOT

US (CBOT) prices rose by:

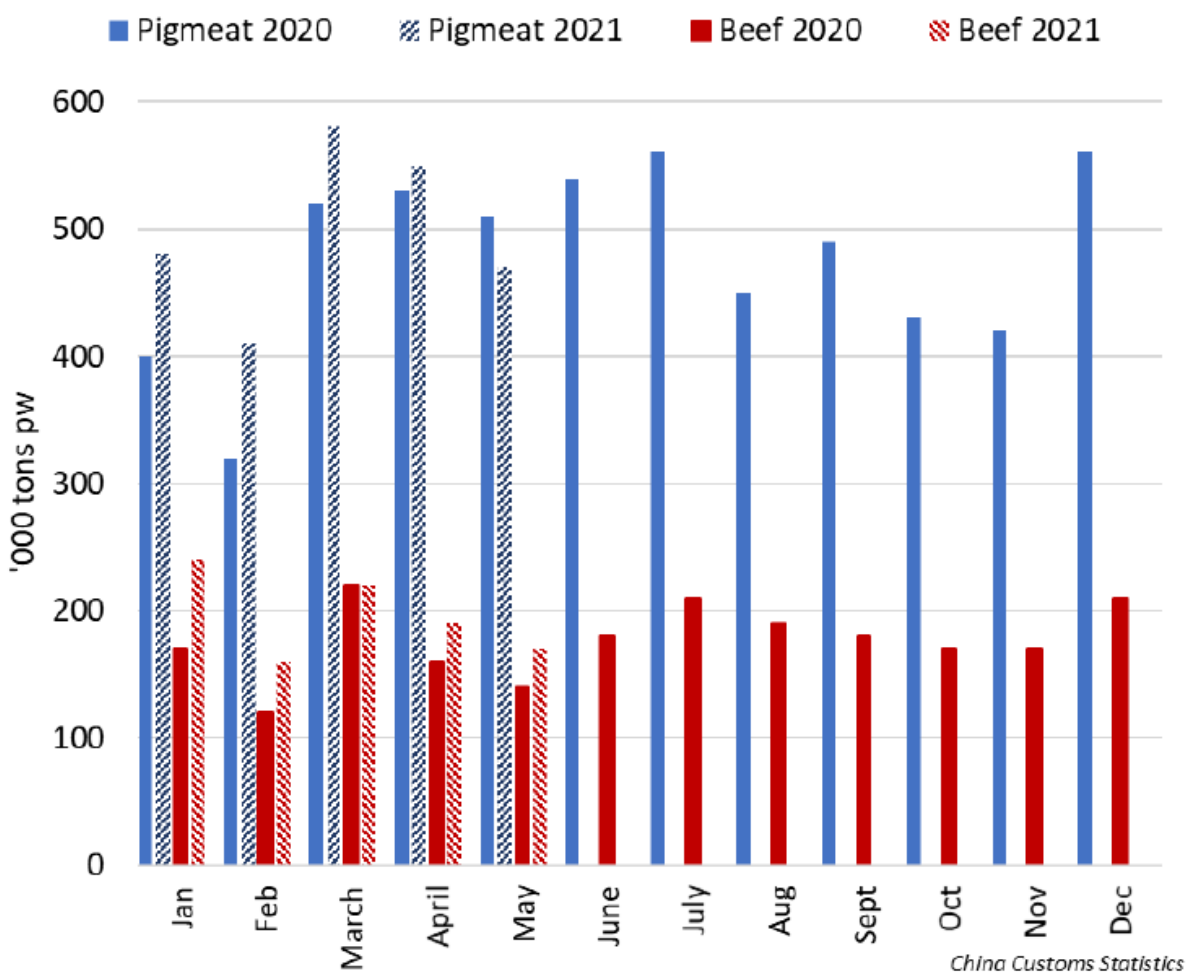
Wheat: +34%

Maize +103%

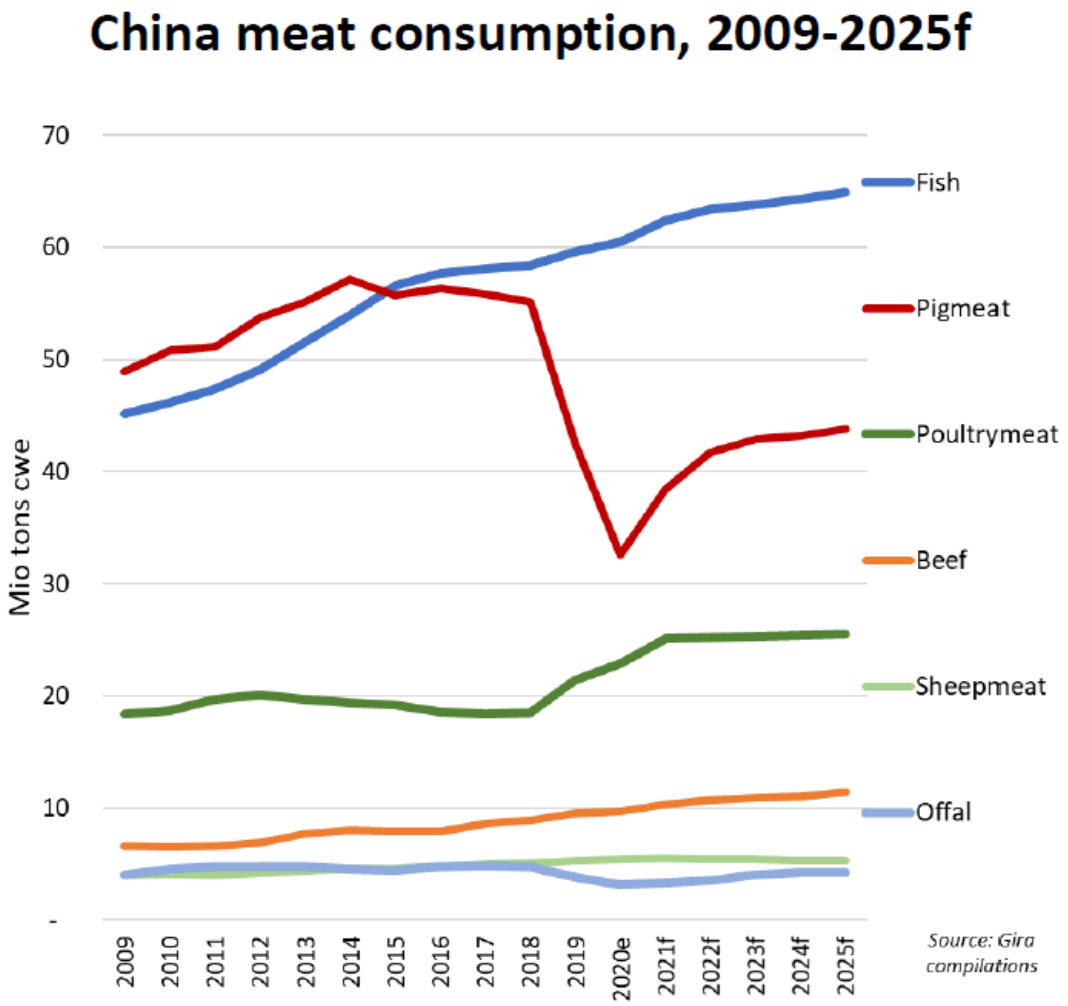
Soybean meal: +30%

from Jun ‘20 to Jun ‘21

Growing Chinese meat imports:



Future consumption pattern



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