Lamb Briefing



15 February 2013

UK sheep production forecast to rise in 2013

A large carryover of lambs from the 2012 crop due to last year's exceptional weather will be the key factor driving a significant increase in UK sheep production in 2013, according to the latest forecast from AHDB Market Intelligence/EBLEX.

With lamb slaughterings in the second half of 2012 some half a million head lower on the year, this will impact on slaughterings throughout 2013. In the first half of the year, more old season lambs will be slaughtered as there remains some considerable carryover from 2012. In the second half of the year, numbers are expected to be higher year-on-year as 2012 levels were so low. Overall, the total lamb kill in 2013 is expected to increase by over a million head. However, with low prices impacting on confidence within the sector, the growth in the breeding flock is forecast to slow and stabilise.

The younger age profile of the flock and continued rebuilding intentions are expected to keep culling rates comparatively low. But with slaughterings down in 2012, the 2013 adult sheep kill is expected to increase year-on-year, being closer to the levels recorded in 2011. This is largely the result of the larger flock meaning more sheep are available for culling.

Following two comparatively good seasons, the poor weather throughout much of 2012 is expected to result in a decline in the lamb rate for the 2013 crop. This will likely have been compounded by reportedly higher incidents of a number of diseases including, but not limited to, Schmallenberg. However, with a considerably larger breeding flock this decline is expected to be offset to a large extent, resulting in the expectation that the 2013 lamb crop will be of a similar size to that of 2012.

Coming off the back of a poor season and a harsh winter, lamb weights in the first half of the year are expected to be lower year-on-year. In addition, weights in the first half of 2012 were up considerably on year-earlier levels following a mild winter in 2011 and good feed availability.

Continued growth in New Zealand lamb production and some expectation that this product will remain relatively cheap is likely to drive an increase in imported sheep meat into the UK. With increased domestic production and larger volumes of imported product on the UK market, export availability is expected to increase, with exports rising broadly in line with production.

With a difficult 2012 season and low lamb prices shaking industry confidence to some extent, there has been a revision to the anticipated growth in the national flock with numbers no longer expected to reach the 15 million head mark (as at a December survey). However, the flock is still expected to record some growth in 2013. From here numbers are expected to stabilise as the picture remains unclear in the face of weakened prices and CAP reform.

Actual and forecast supplies of lamb and mutton in the UK ('000 tonnes)

	2011	2012	2013
Production	289	276	298
Imports (a)	103	101	113
Exports (a)	103	95	104
Total consumption	290	281	307

(a) Carcase weight equivalent and including processed product.

All figures subject to revision. Forecasts in bold. Totals may not sum due to rounding Source: Defra, AHDB/EBLEX

These comments can be used as direct quotes from acting AHDB/EBLEX senior analyst, Paul Heyhoe, who can be contacted on 024 7647 8845.

Alternatively, call your EBLEX regional manager or the press office on 024 7647 8835. Information is also available at www.eblex.org.uk