



Department  
for Environment  
Food & Rural Affairs

# Note of the meeting of the UK Agricultural Market Monitoring Group, 14 November 2023

The UK Agricultural Market Monitoring Group comprises representatives from Defra, DAERA, Scottish Government and Welsh Government.



Scottish Government  
Riaghaltas na h-Alba  
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Department of  
**Agriculture, Environment  
and Rural Affairs**



Llywodraeth Cymru  
Welsh Government

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# Introduction

This note records the key points discussed at the meeting of the UK Agricultural Market Monitoring Group (UK AMMG) held on 14 November 2023. Present were representatives of Defra, Scottish Government, Welsh Government and DAERA (Northern Ireland). The meeting assessed issues impacting on the agricultural sector and reviewed the market situation across a range of UK agricultural commodities.

The publication of these notes is in the interest of preserving transparency and accountability. The accompanying data reports will be published on the same GOV.UK landing page.

## Key points: Market situation

- The market situation is overall stable across sectors, but this will continue to be monitored closely, including any impacts from the recent flooding which have not yet been fully assessed.
- The supply of seasonal workers appears to be meeting demand.
- Results from the recent [AHDB Cereal Quality Survey](#) (20 October 2023) show below average specific weights and protein content in milling wheat samples. Across all barley samples, the average moisture content is 16%. This is up from last year's low level of 14.3% (October 2022).
- Market reports suggest there has been minimal UK purchasing of fertiliser partly due to uncertainty in autumn planting and therefore crop requirements.
- Key horticulture commodity prices are varied due to supply and seasonality. Tomato prices are high due to tight supplies.
- The eggs market is still tight, but confidence continues to be slowly returning in both the egg and poultry sectors.
- The poultry sector is now preparing for peak Christmas turkey production in November-December 2023. There are currently no issues expected for supply of turkeys at Christmas.
- Pig prices remain strong.
- Consumer demand at retail for beef industry showed positive signs in September and October 2023, with buying behaviours starting to reflect a more autumnal buying pattern.
- An increase in seasonal slaughter lamb levels is expected in the final quarter of the year, as we begin to near the Christmas period and that demand for sheep meat increases.
- The dairy sector is showing signs of slowing production.

## Scheme announcements

There were no new market intervention schemes announced.

## Overview and market updates

Exchange rates remain generally stable for the UK, with inflation continuing to slow. Whilst food inflation remains high at 12.2% (September 2023), this was down from 13.6% in August 2023.

Oil prices have appeared to steady after some substantial daily changes in October 2023. The Organisation of the Petroleum Exporting Countries (OPEC) confirmed its cuts in production would continue until the end of the year.

The red diesel price continues its slow rise, while the Title Transfer Facility (TFF) prices continue their decline, after the warmer weather observed across Europe this summer, which has kept the demand low.

Fertiliser prices have continued to flatline since the summer after falling from the historically high levels seen last year. Market reports suggest there has been minimal UK purchasing of fertiliser party due to uncertainty in autumn planting and therefore crop requirements.

Over the next 3 months (from November 2023 to January 2024), both temperatures and rainfall are expected to be around the average for the time of year.

## Sector discussions

### 1. Eggs

The eggs market is still tight, but confidence continues to be slowly returning in both the egg and poultry sectors.

Eggs prices continue to increase on the year, with a year increase of 41% compared to October 2022.

Layer chick placements are following the same trends as previous years, closely matching the 5-year average trend.

### 2. Poultry

Poultry production in September 2023 was 1% ahead compared to same period last year.

Average weekly broiler chick placements for September 2023 are above the 5-year range as retailers increase chicken orders for Christmas.

In September 2023 a normal seasonal drop has been registered in turkey slaughter. But the sector is now preparing for peak Christmas turkey production in November-December 2023. Farmgate turkey producers confirmed that orders are strong.

Stakeholders continued to be concerned about Avian Influenza (AI), although current outbreaks are much lower than the previous two years, the price of inputs, and the cost and availability of AI insurance.

### **3. Pigs**

Pig prices remain strong. After reaching record highs in August 2023, deadweight pig prices have slightly fallen in September and October 2023, reaching in October 215.2 p/kg for the Standard Pig Price (SPP) and 219.1 p/kg for the All Pig Price (APP). This is a slight decrease from September 2023 (-1.3%) but prices remain strong and are up 9.3% compared with October 2022.

In October 2023, the UK produced 182,000 tonnes of pigmeat, which is a 7.9% decrease on the previous month and 11.2% decrease compared to October 2022.

### **4. Arable**

Feed wheat prices slightly increased by 1.6% (to £186.50 per tonne) at the end of October 2023 compared to September 2023 (£185.20 per tonne) and are down 30% compared to October 2022.

Malting barley and bread making wheat prices remain above the 5-year average while feed barley, feed wheat and oilseed rape prices remain below the 5-year average. NI Potato washing and processing prices remain up on the year.

### **5. Horticulture**

Key horticulture commodities are seeing varied prices due to supply and seasonality.

At the end of October 2023 apple prices were 6.3% up compared to October 2022, and 4.7% down compared to September 2023 due to a plentiful supply. Prices of raspberries are 11% up since the previous month (September-beginning of October 2023) due to the end of season. The price of strawberries has also increased significantly (+ 123%) from this time last year (end of October 2022), due to short supply.

A consistent increase in prices of tomatoes both compared to last month (+65%) and last year (+99%) has been registered at the end of October 2023 as a result of tight supplies.

### **6. Beef**

Consumer demand at retail for beef showed positive signs in both September and October 2023, with buying behaviours starting to reflect a more traditional autumnal buying pattern.

The UK produced 70,700 tonnes of beef in September 2023, down 0.8% compared to August 2023 and a year on year (YOY) decline of 2.5%.

Prime cattle slaughter in September 2023 totalled 161,000 a head, a 0.5% drop on the previous month and a year-on-year (YOY) decrease of 1%. Cow slaughter recorded 48,100 head in September 2023, which is an annual fall of 5.4%.

The GB deadweight prime cattle price in October 2023 was 479p/kg, which is a monthly increase of 1.2% and a year-on-year increase of 9%.

## 7. Sheep

An increase in seasonal slaughter is expected in the final quarter of the year, as we begin to approach Christmas and the demand for sheep meat increases.

The clean lamb deadweight price in October 2023 averaged 559p/kg, which is a YOY increase of 7.5%. Lower domestic production has resulted in more competition for supply, which is keeping prices supported.

In September 2023, sheep meat production totalled 22,700 tonnes, which is a 4% decrease on August 2023 and a YOY decrease of 4.4%.

For slaughter rates, in September 2023 clean sheep slaughter totalled 994,000 a head, which is 1% lower than August 2023 and is a YOY decrease of 3.6%.

## 8. Dairy

The dairy sector is showing signs of a slowing in production.

After a period of sharp decline, both dairy commodity values and farmgate milk prices, appear to have stabilised recently. Farmgate milk prices were 36.4 pence per litre in September 2023, stable on the previous month but down 26% YOY.

## Any other business

There were no items raised under Any Other Business.

## Date of next meeting

The next scheduled meeting of the UKAMMG will take place on 12 December 2023.



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