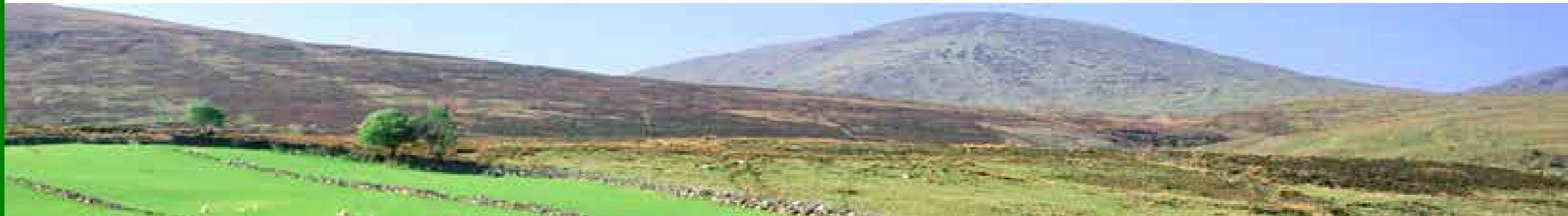
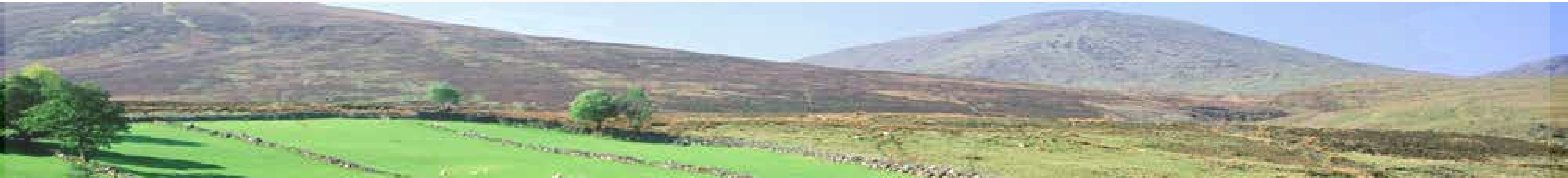
Conall Donnelly

Economist

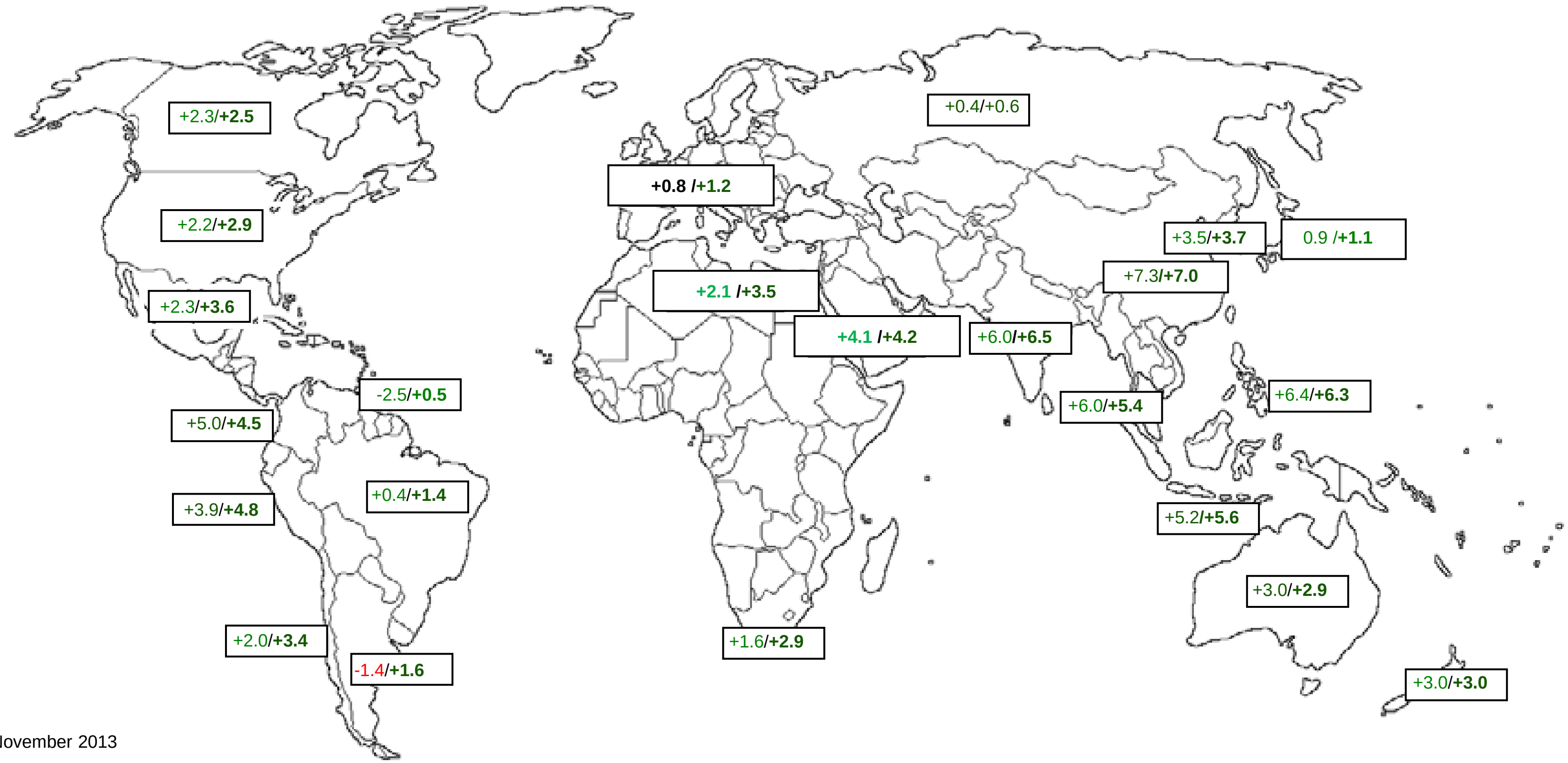
Beef Market Overview 2014



GLOBAL LANDSCAPE

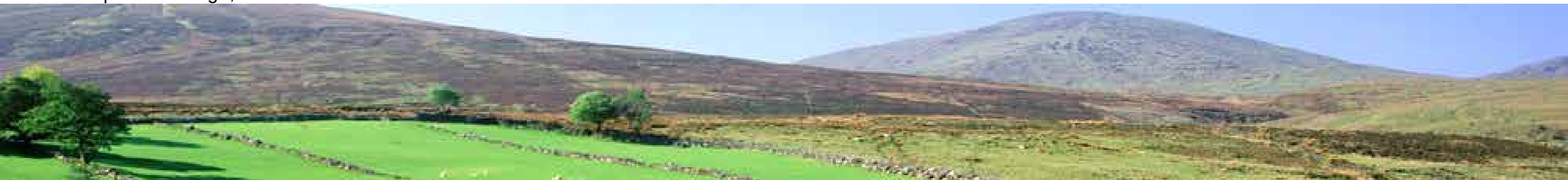


Economic Growth
A Tale of East v West

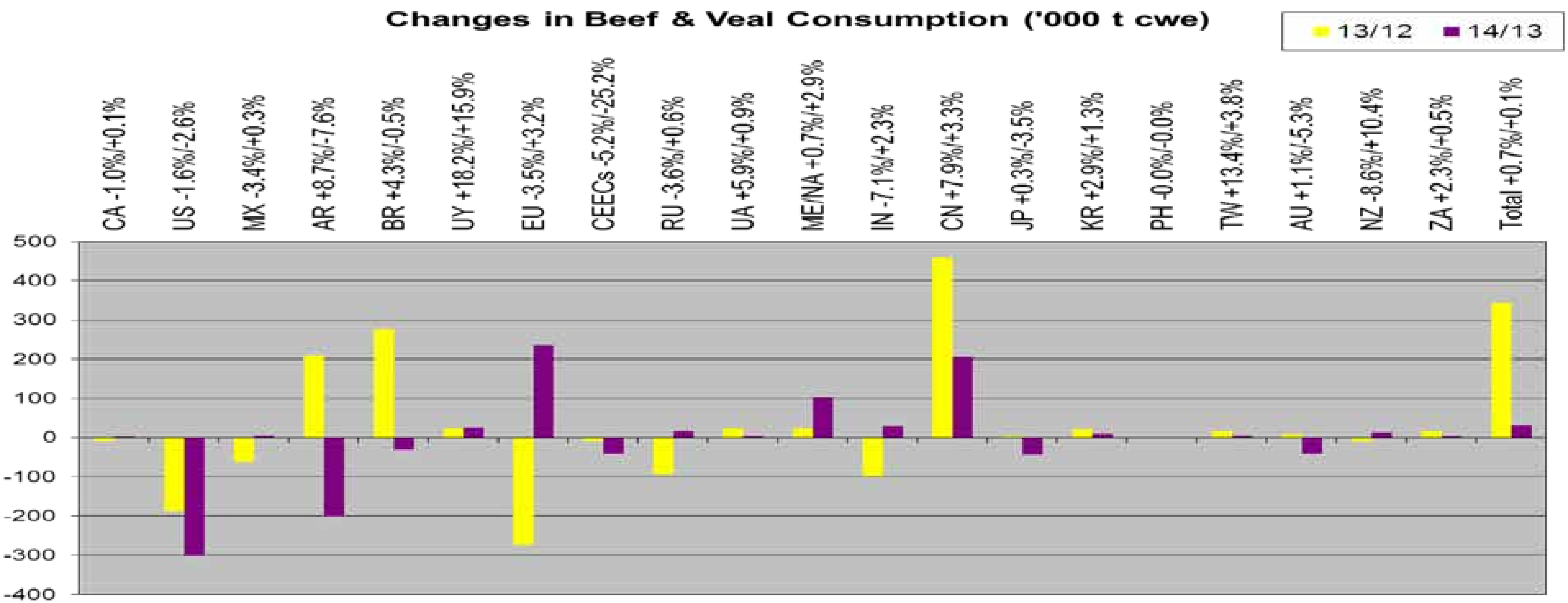


Source: EIU November 2013

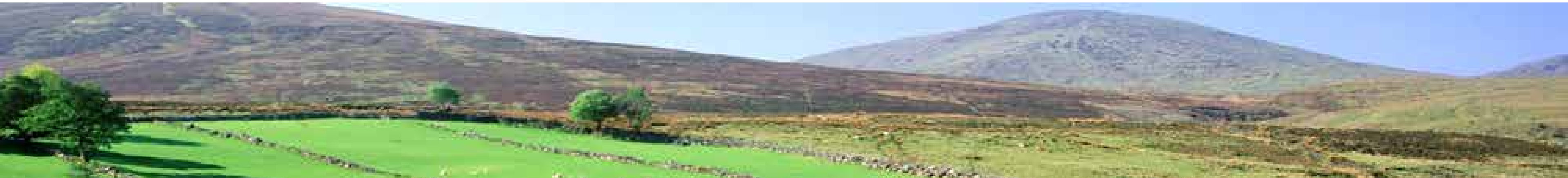
Real GDP p.a. % change, 2013 / 14 – **2014/15**



Consumption Constrained by Supply

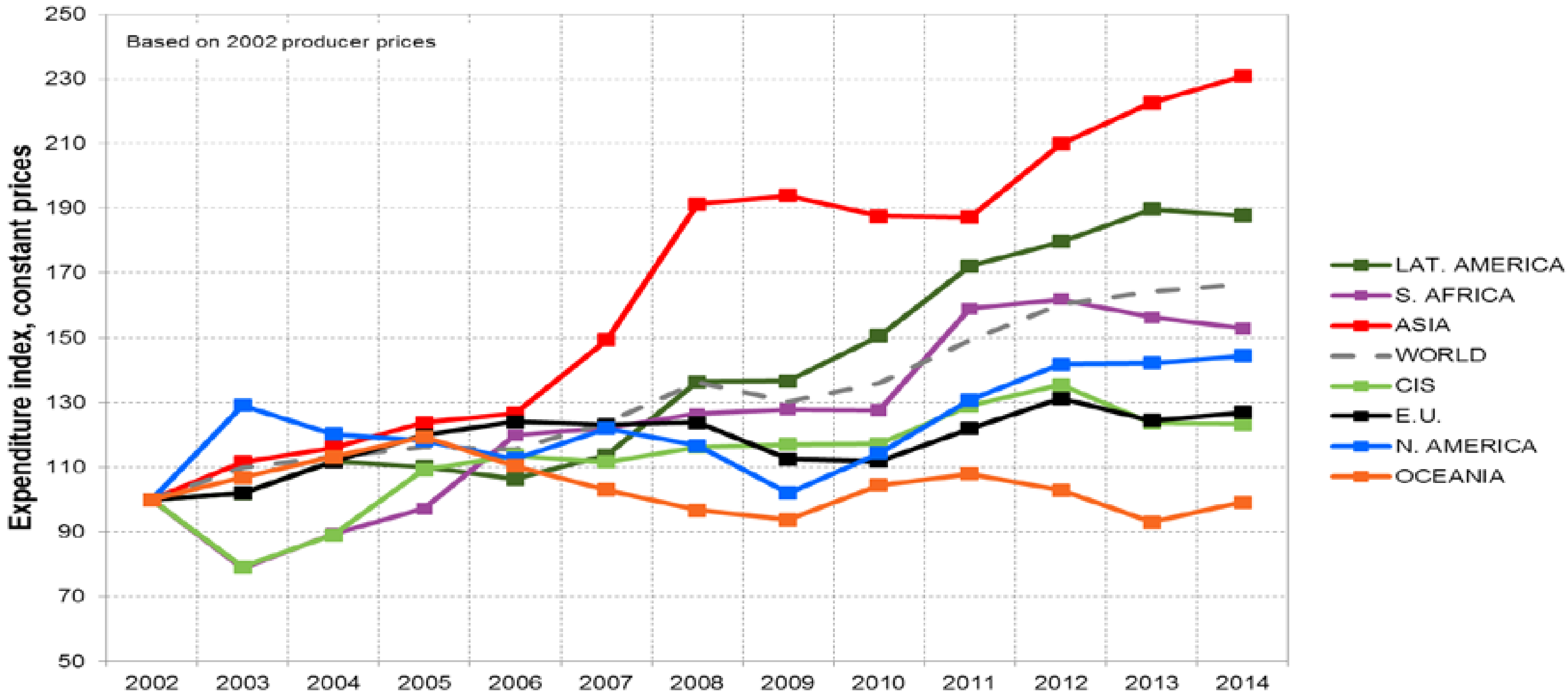


2014 Forecasts
Source: Gira



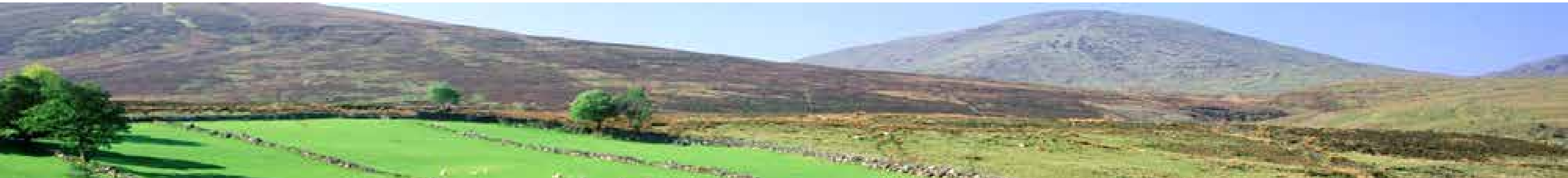
Consumption / Expenditure

Beef & Veal expenditure* index, 2002-2014(f) (2002 L.C.)

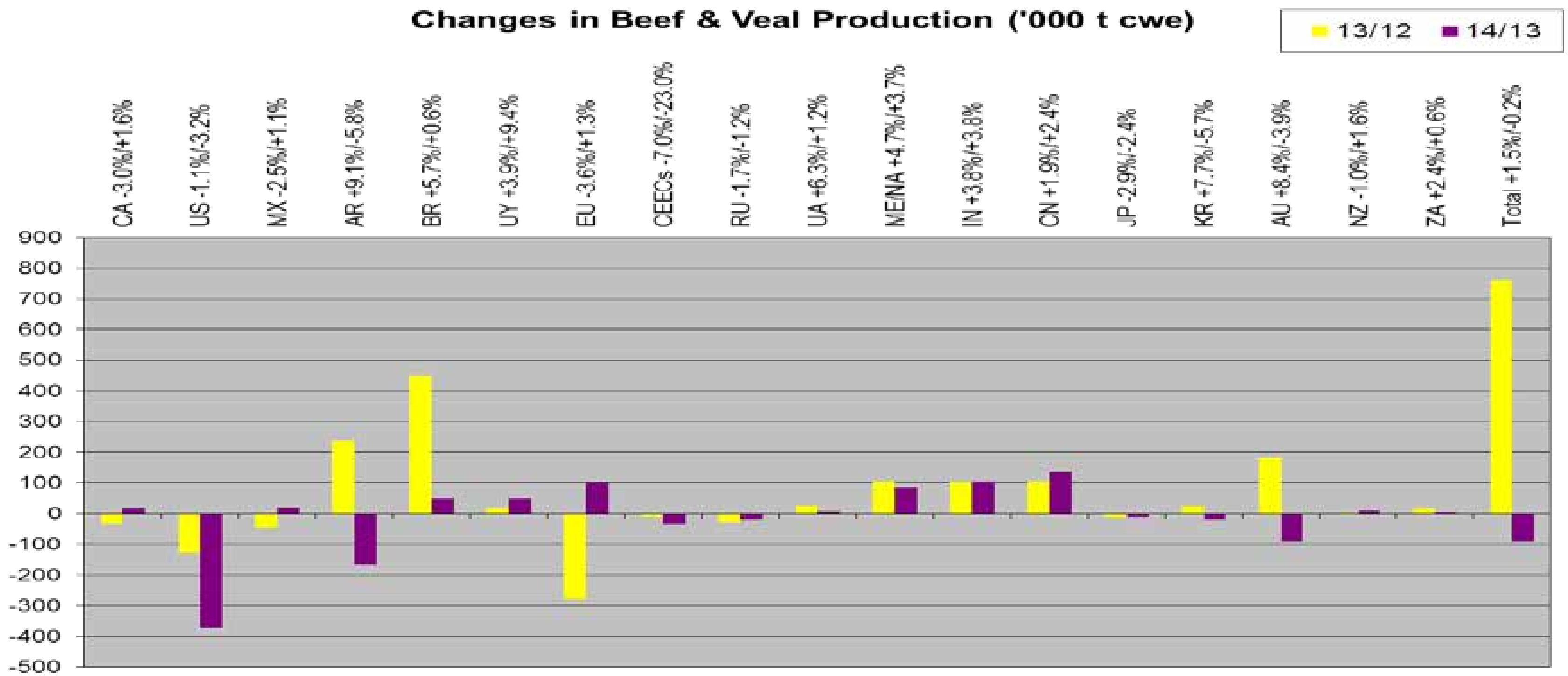


Source: GIRA GMC 2013

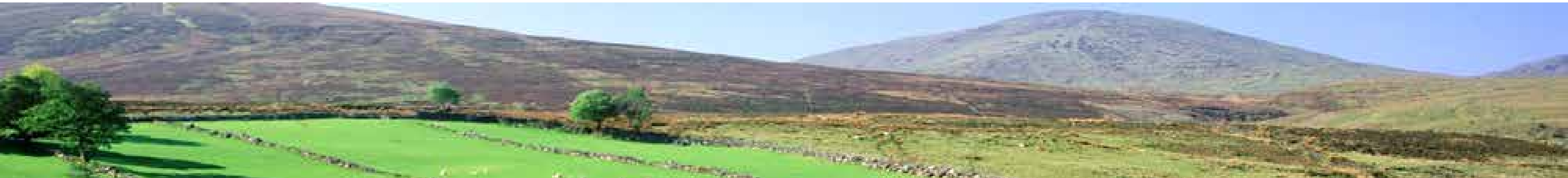
* expenditure = producer prices x total consumption
Weighted (consumption) averages



Reduced Global Production in 2014

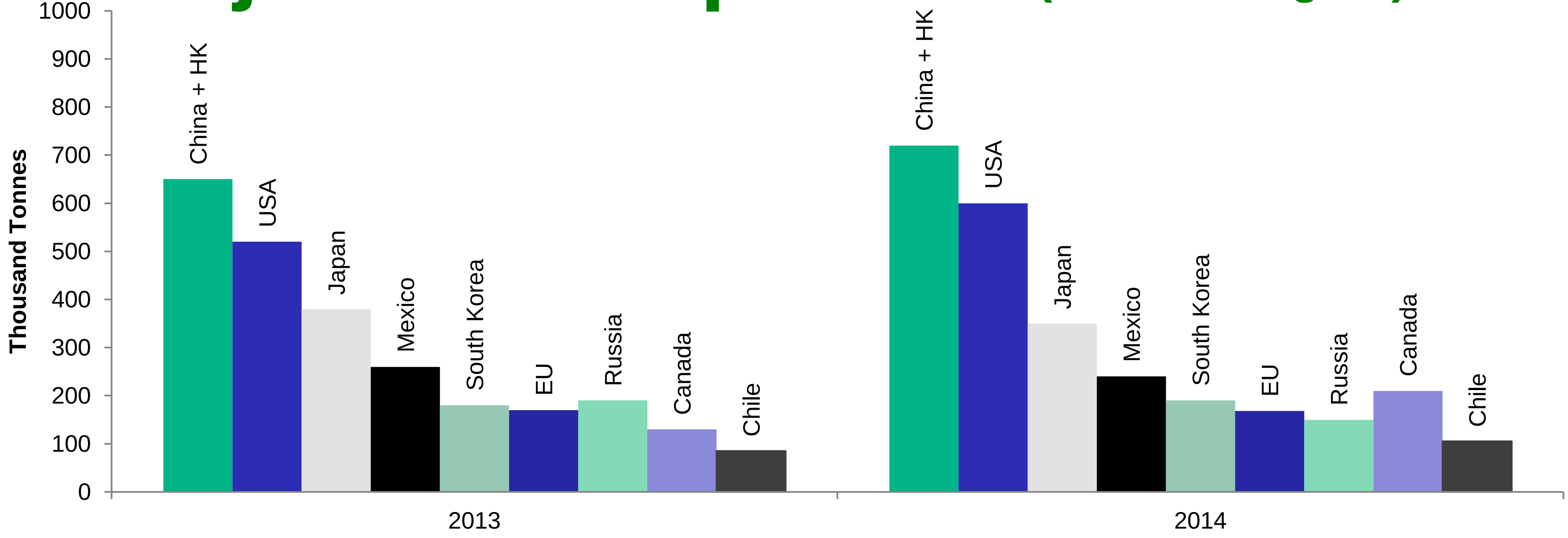


2014 Forecasts
Source: Gira

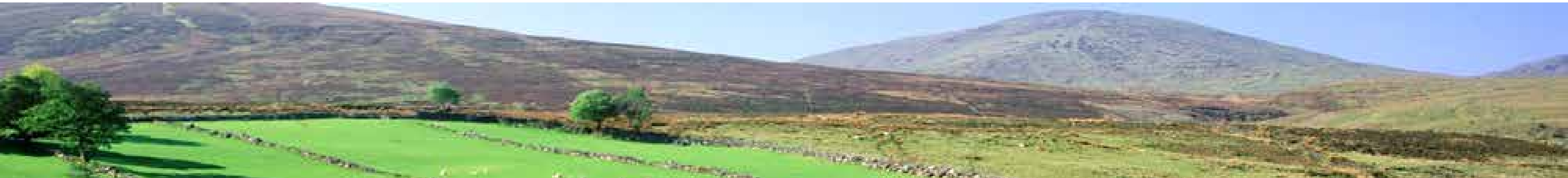


World Beef Trade

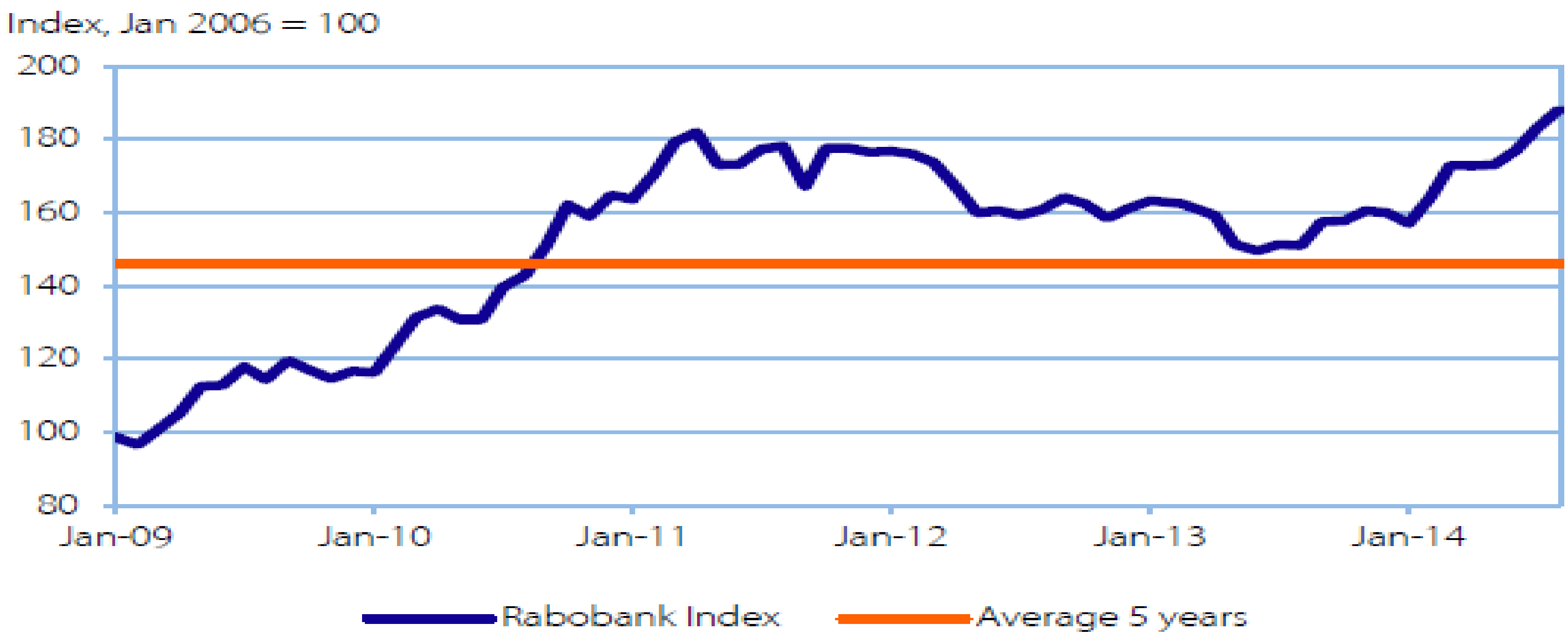
Major Beef Importers (Year to August)



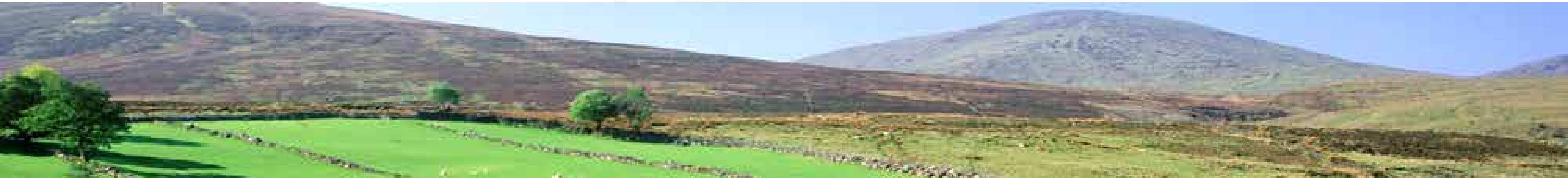
Note:
Figures for are for year ending August, with the following exceptions:
Figures for Russia are up to April
Figures for Mexico and Chile are up to July



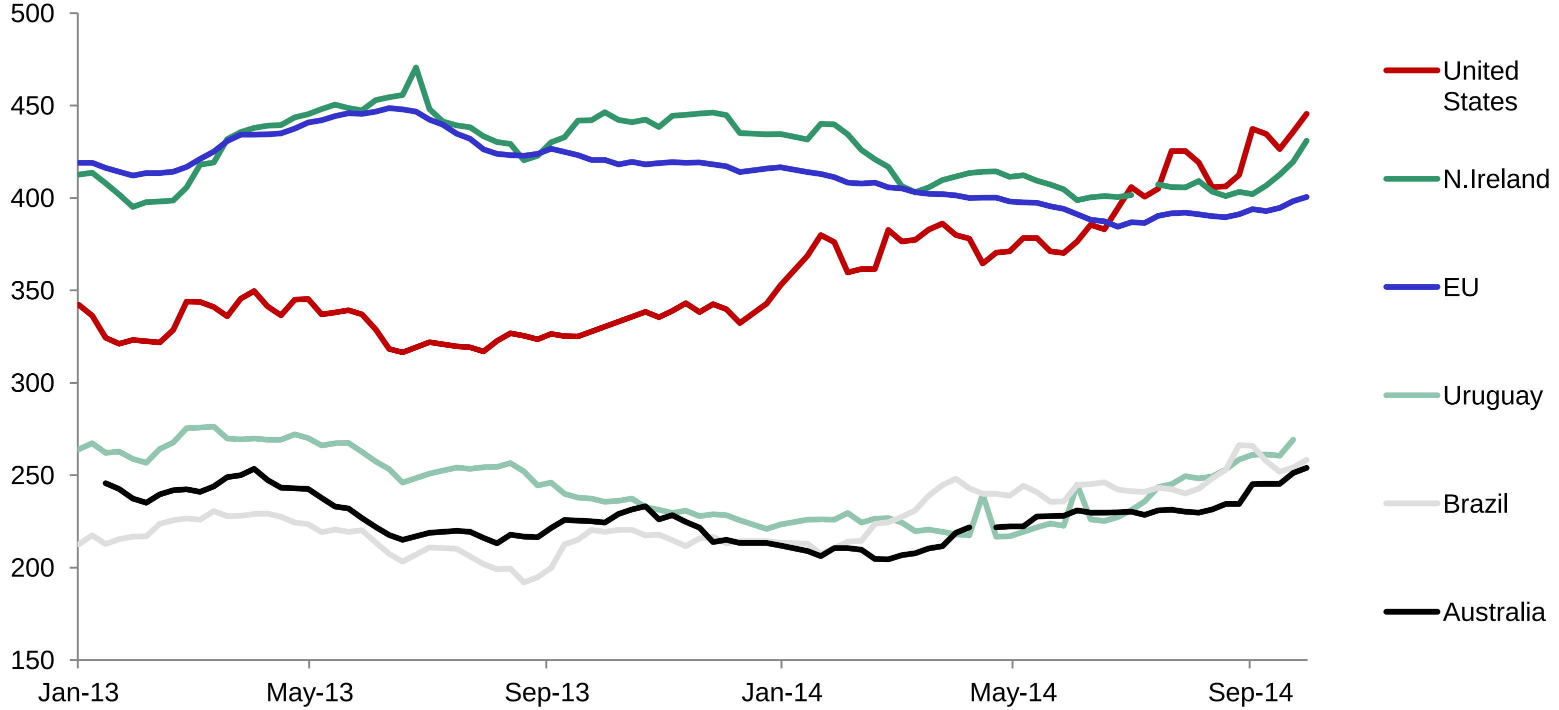
Global Prices on the Rise



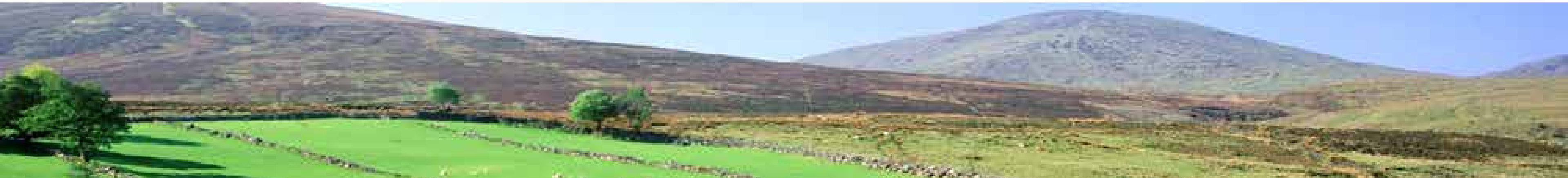
Source: Rabobank 2014
Average finished cattle prices weighted by share of global exports (Brazil, Australia, Argentina, Uruguay, US, Canada, New Zealand)



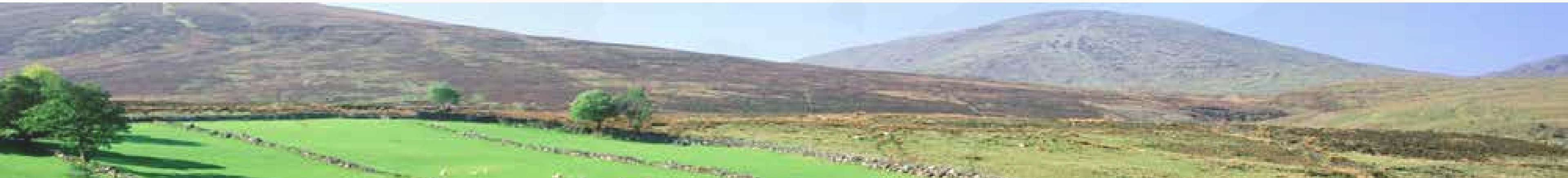
Global Prices on the Rise



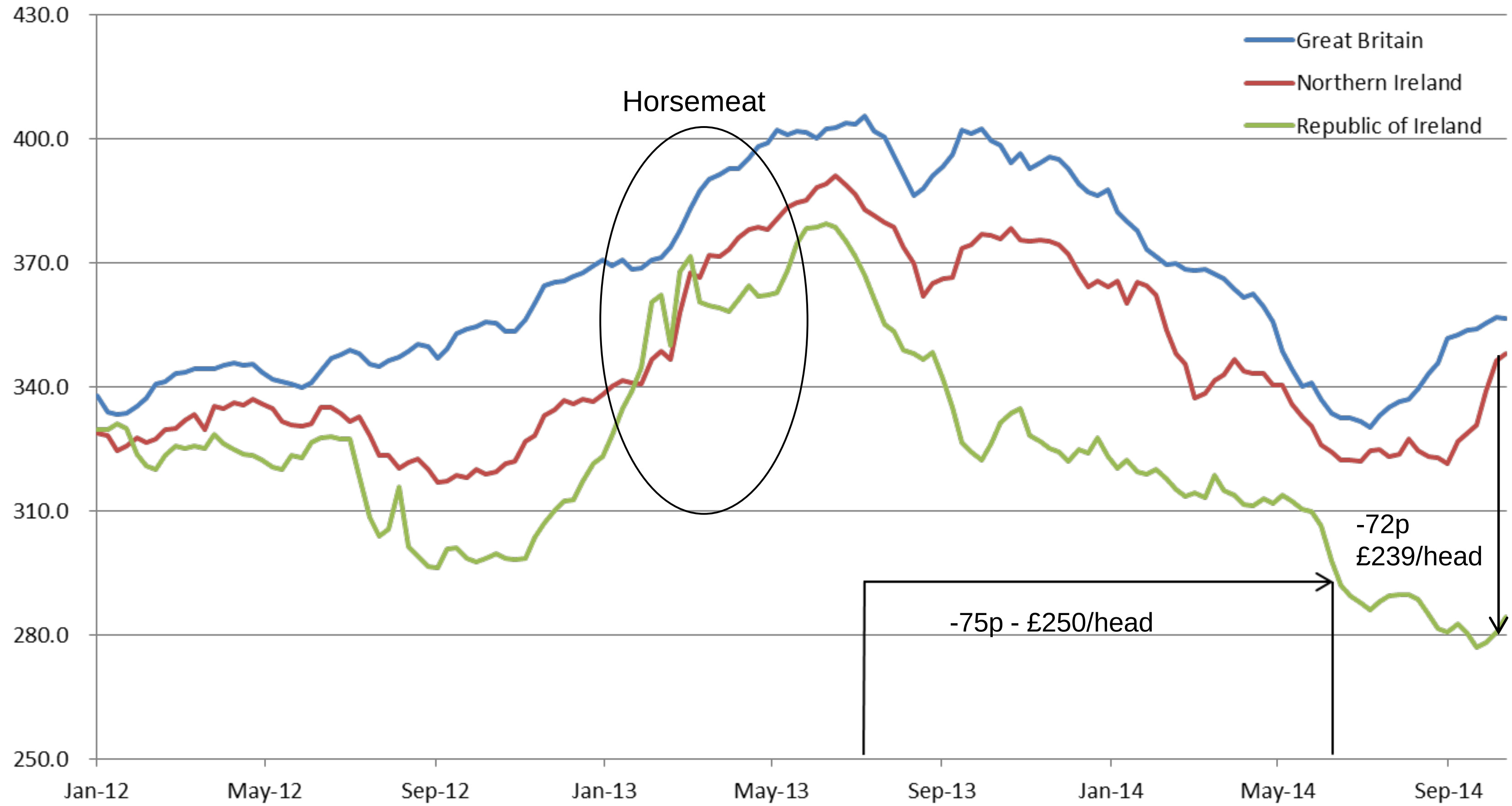
R3 Steer Price Equivalent in Euros



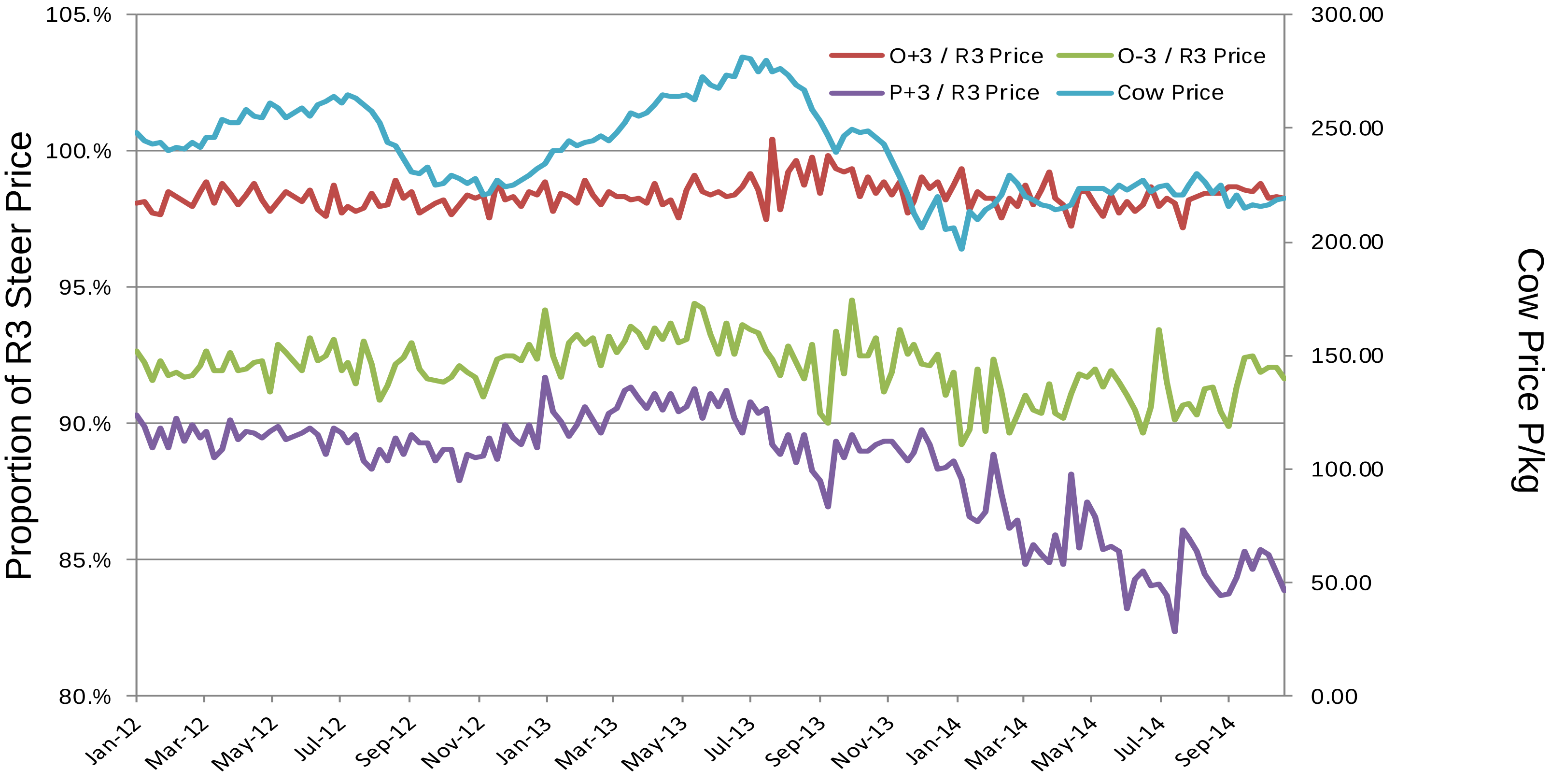
LOCAL LANDSCAPE

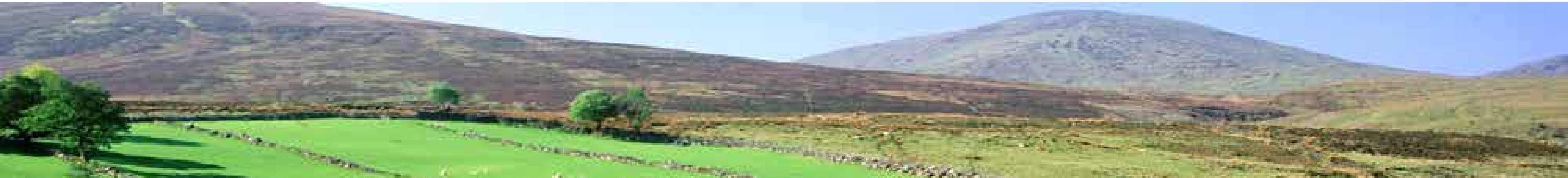


The New Norm - Price Volatility

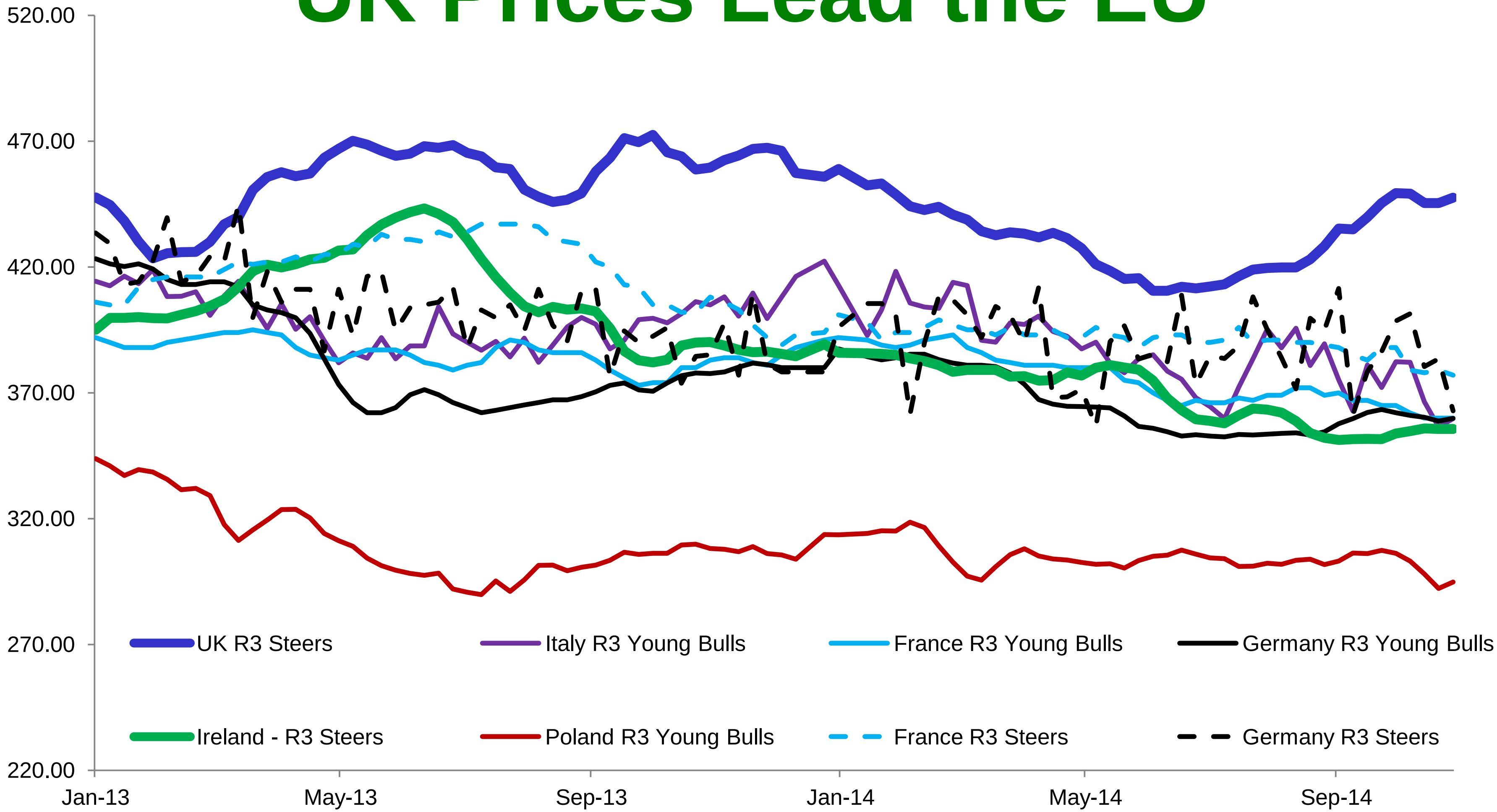


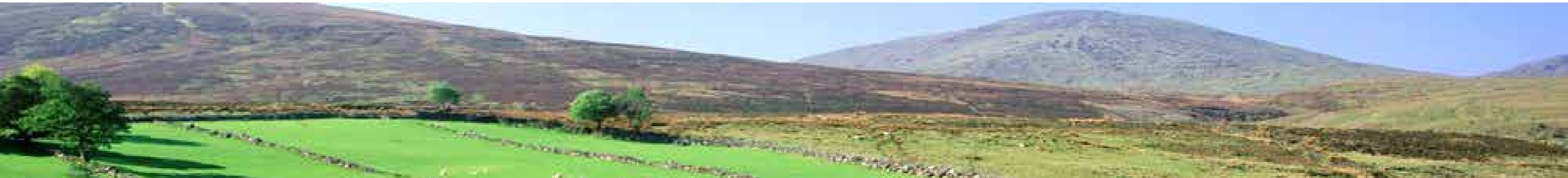
Lower Prices for Plain Cattle & Cows





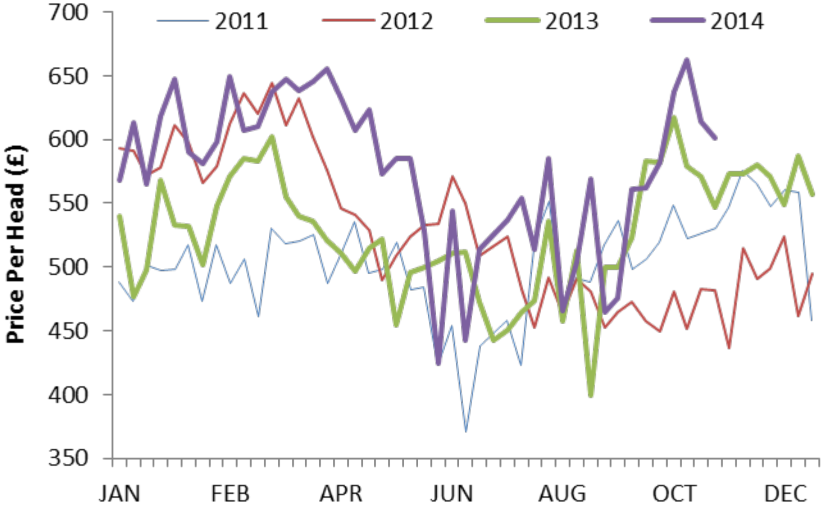
UK Prices Lead the EU





NI Store Prices Firm

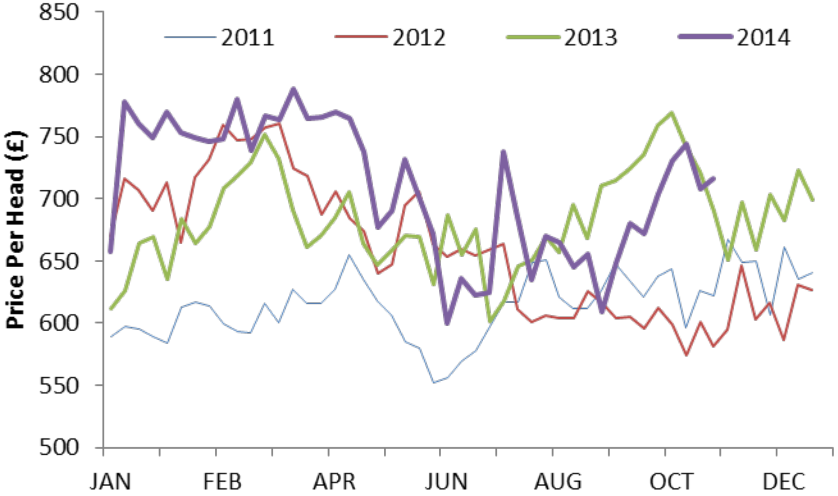
NI Store Cattle Prices
Av. Price of Steers 150-300kg (£/head)



In Sept / Oct Prices were:

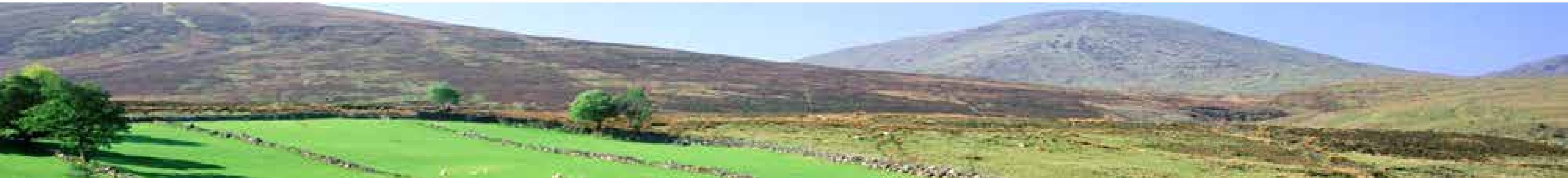
- 3% ahead of last year
- 23% ahead of 2012
- 10% ahead of 2011

NI Store Cattle Prices
Av. Price of Steers 300-400kg (£/head)

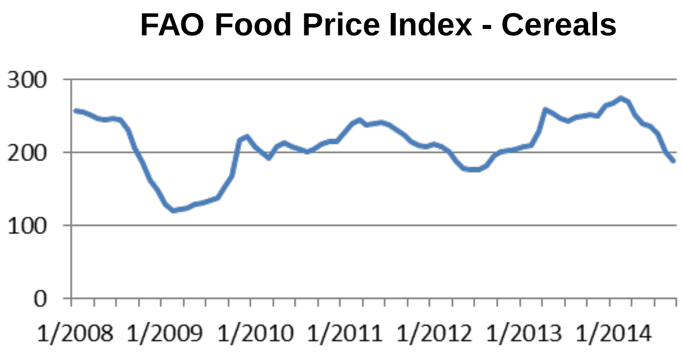


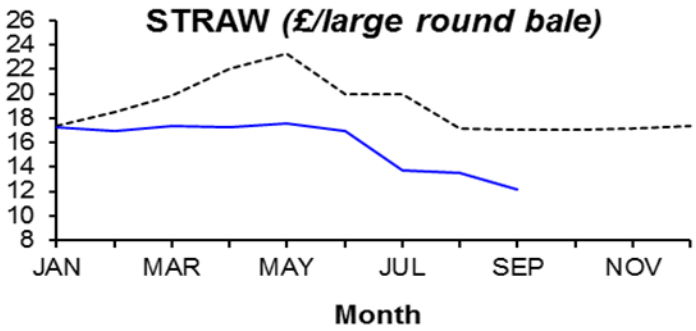
In Sept / Oct Prices were:

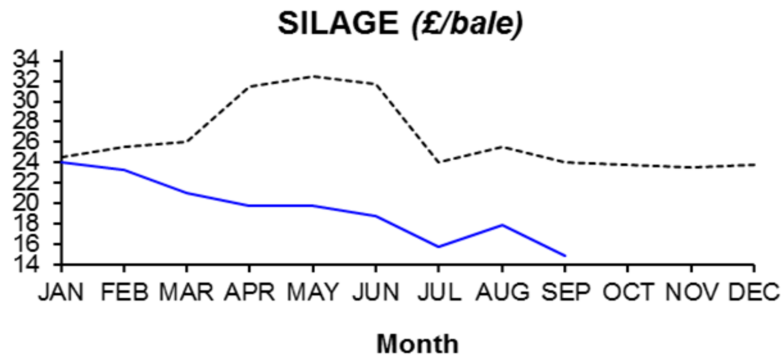
- 5% lower than last year
- 15% ahead of 2012
- 10% ahead of 2011

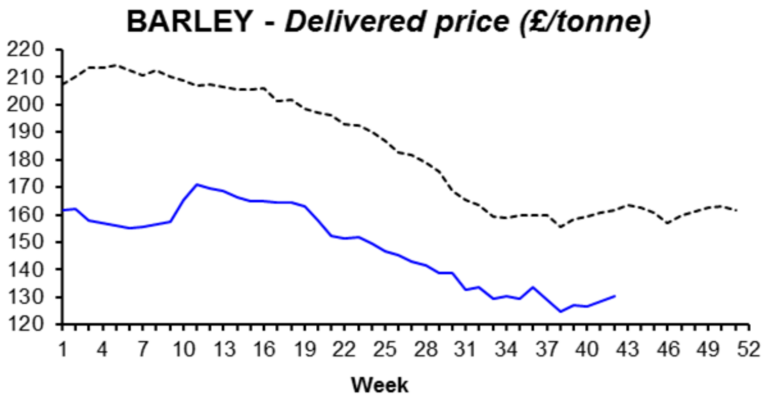


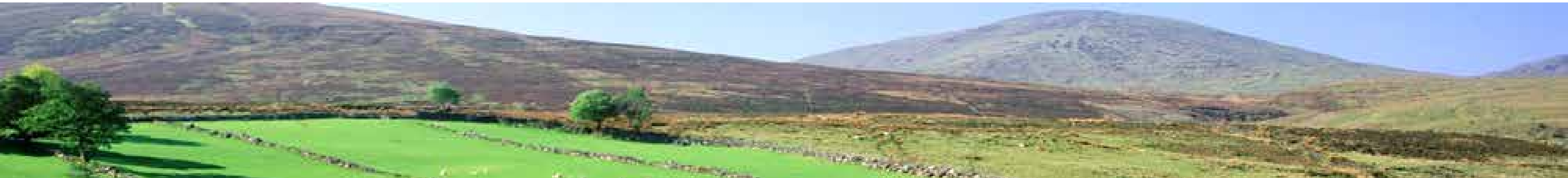
Feed Costs Falling





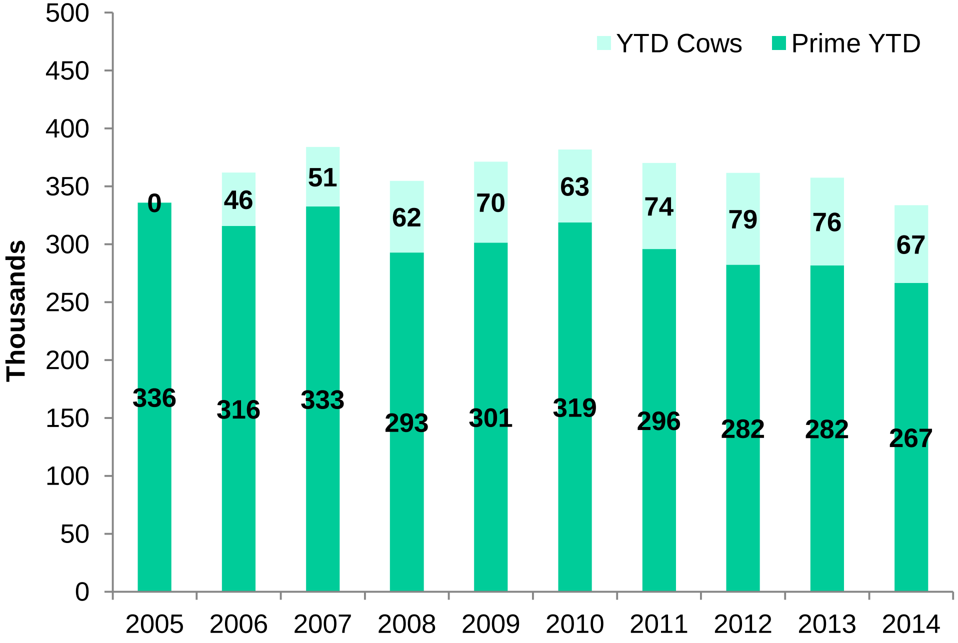






Reduced NI Production in 2014

But Increases in ROI, GB and EU

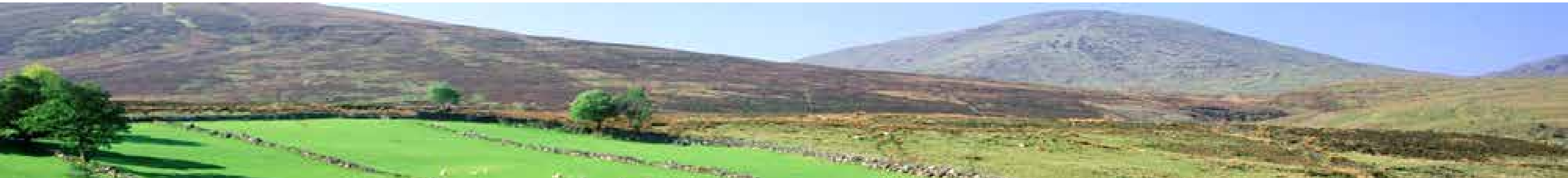


In 2014 to date:

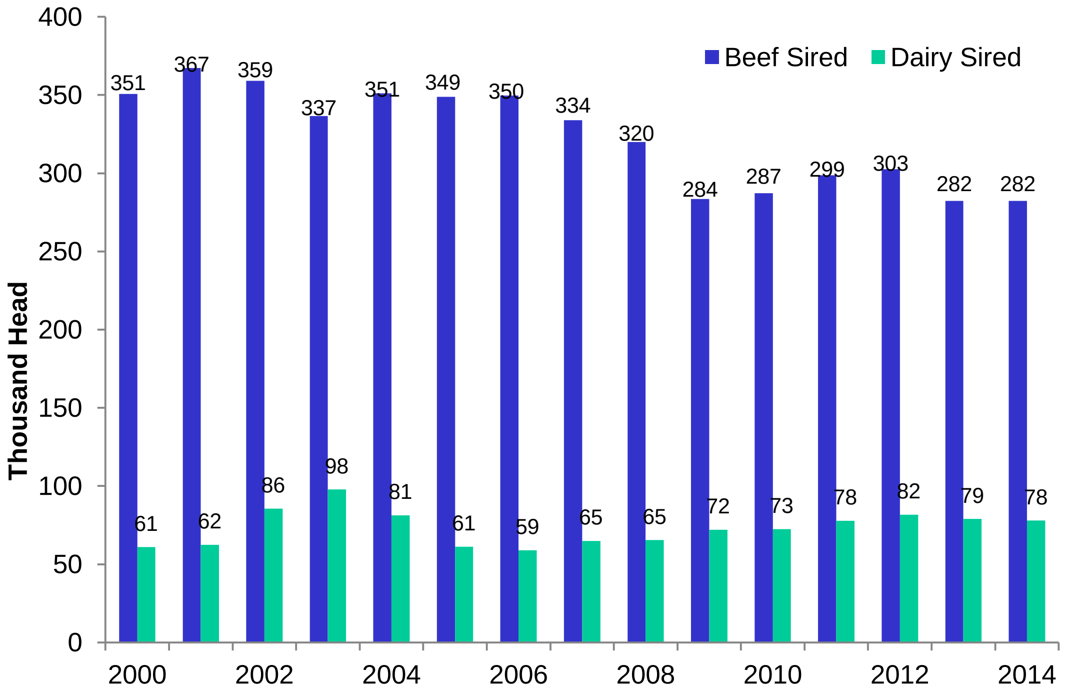
- NI prime kill down 5% (- 15,000 head)
- NI cow kill down 12% (- 9,000 head)
- Prime carcase wts up 4kg
- Cow carcase wts up 10kg

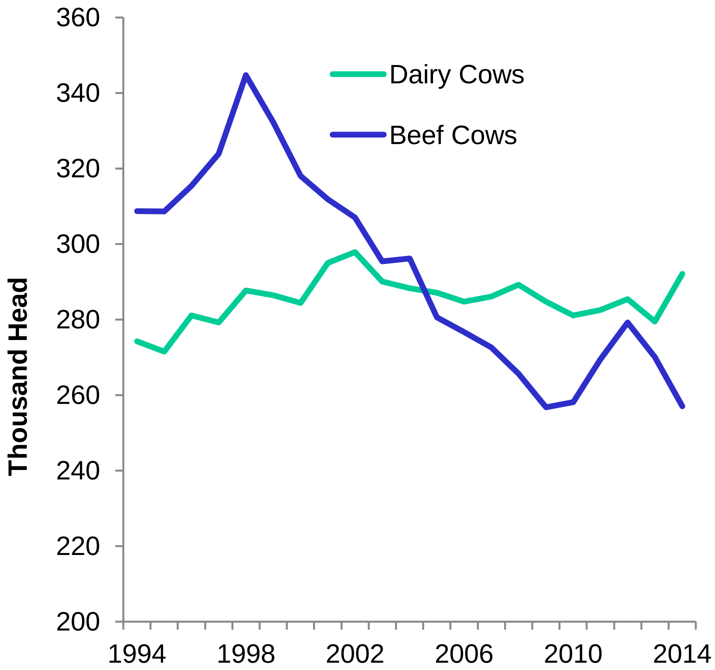
- ROI prime kill up 14% (+ 132,000 head)
- ROI cow kill down 2% (-5,000 head)
- GB prime kill up by 2% (+28,000 head)
- GB Cow Kill down 5% (-20,000 head)

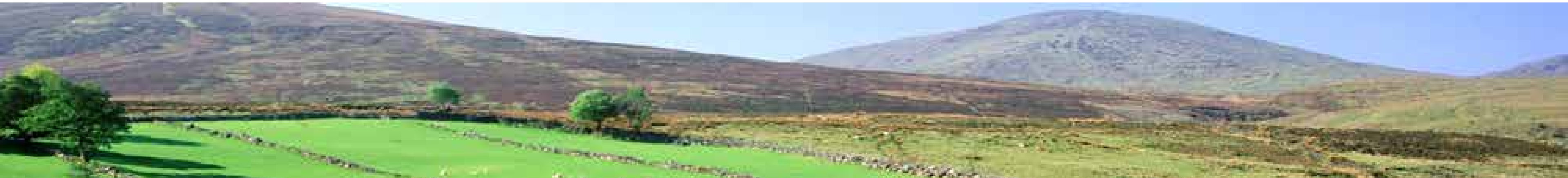
3.5 % increase in production in EU by year end



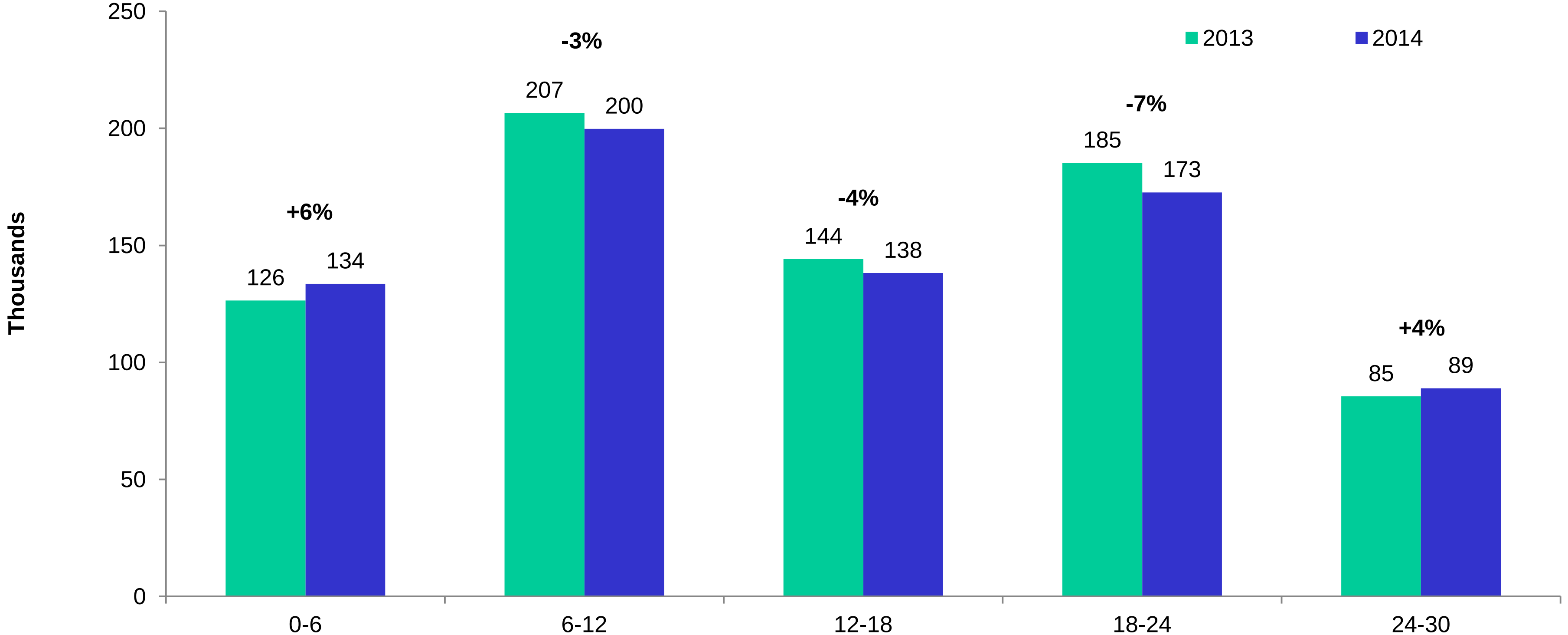
Decline in Breeding Herd



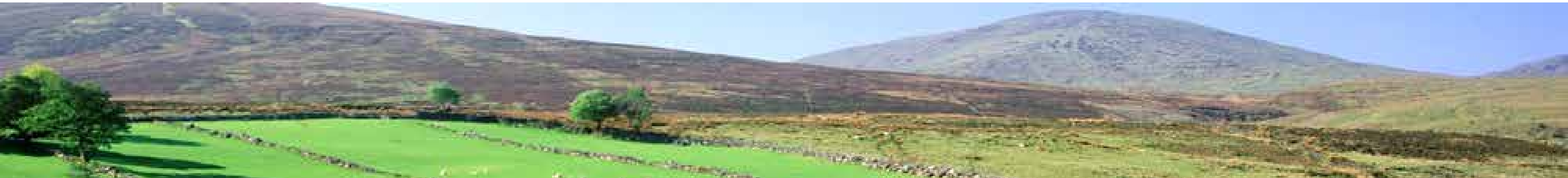




Reduced NI Cattle Numbers

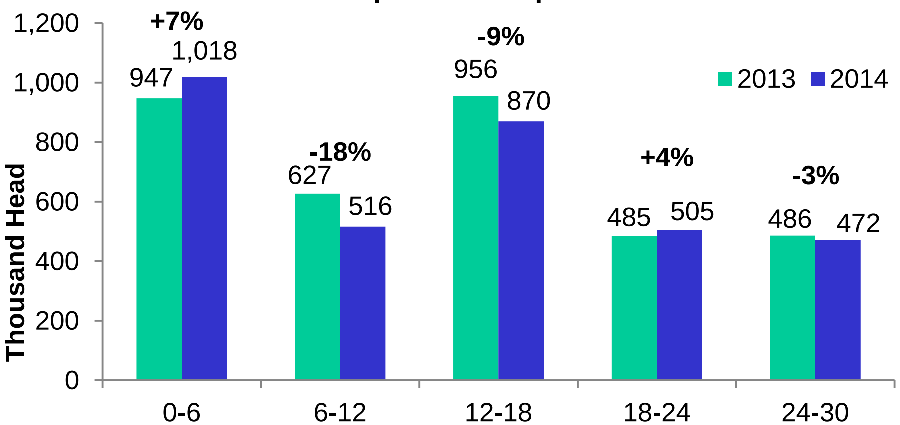


All Beef + Dairy Males (1st November 2014 v 2013)



Reduced Supplies Forecast Elsewhere

ROI Cattle on the Ground - All Beef Cattle + Dairy Females
Sept 2014 v Sept 2013



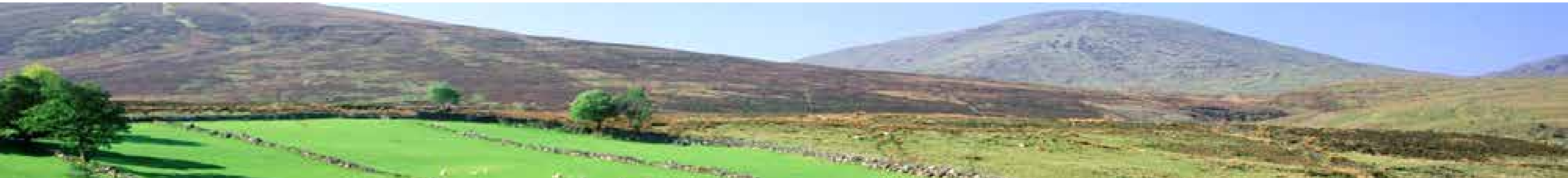
Source: Bord Bia

GB Slaughter Forecasts 2014-15

	2013	2014 (a & f)	2015 (f)
		Forecast	Forecast
Jan - Mar	214.6	221.0	**225.0**
Apr - Jun	212.6	218.4	**209.4**
Jul - Sep	200.5	210.4	**205.9**
Oct - Dec	220.4	**231.6**	**225.6**
Year (52 weeks)	848.0	**881.6**	**865.9**

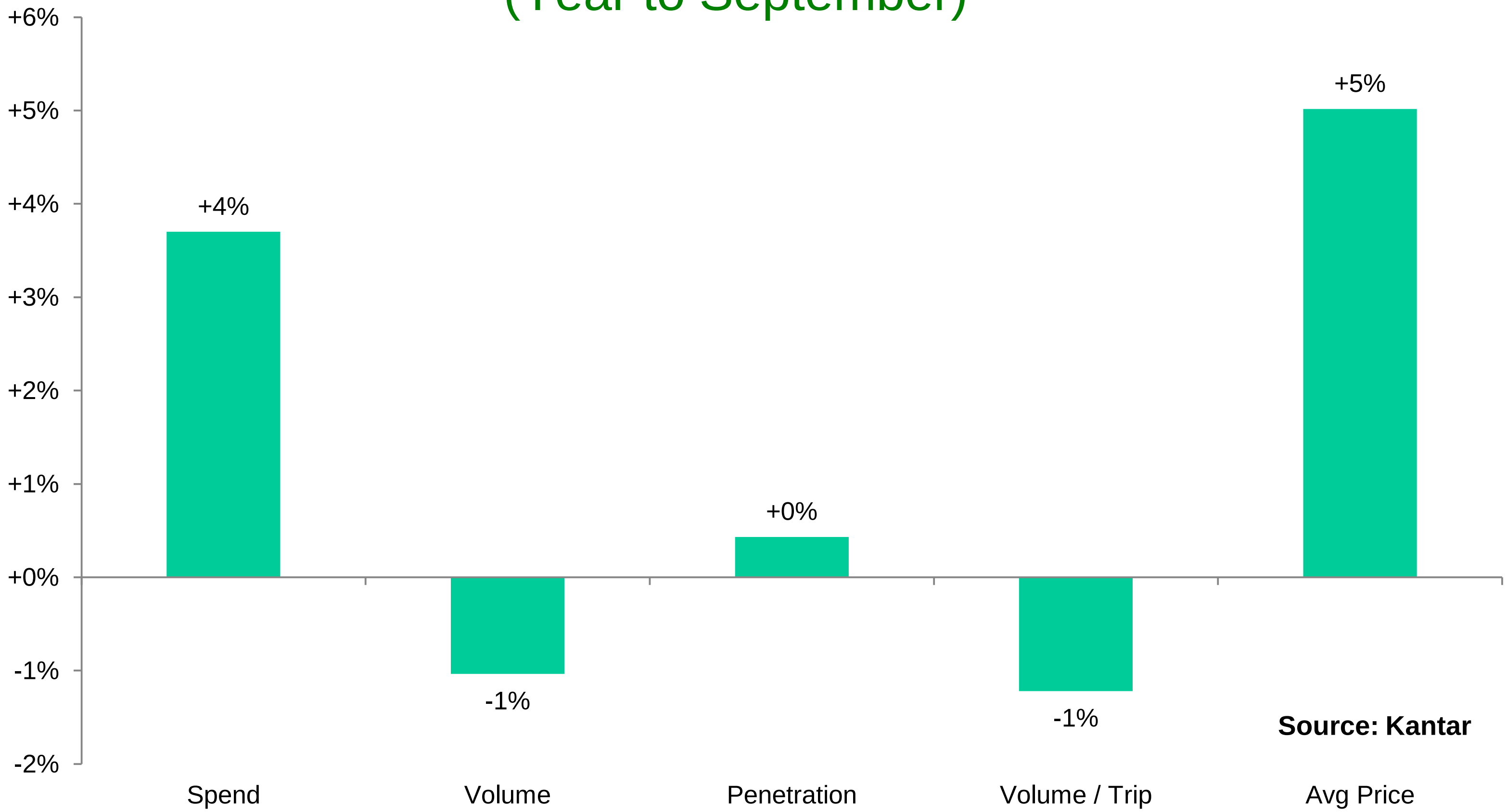
Forecasts in bold. All figures subject to revision.
Source: Defra, AHDB / EBLEX

Beef production to decline in EU in 2015 by just under 1%
ROI forecasting sharp decline 2015
Substantial reduction in the number of GB cattle from 18-24 months
GB Forecasting decline of 2% in 2015

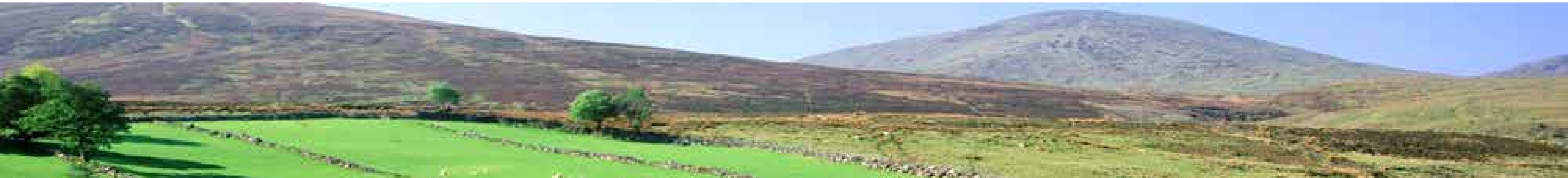


GB Beef Buying Trends

(Year to September)



Source: Kantar



Thank You