

Update on the Current Situation of Calf Registrations and Market Trends

Updated Paper produced for the Beyond Calf Exports Forum
February 2009

UK black and white calf registrations, deaths and live exports

	2006	2007	2008
Dairy male calf registrations	391,684	395,405	401,629
Estimated number born (from heifer registrations)	485,000	480,000	515,000
Estimated number killed on farm or not registered	96,000	90,000	115,000
Number of male dairy calves exported live	90,512	88,000	67,000

*Based on latest detailed breed data available at time of writing

Calf Birth Registrations

In 2008 the total number of birth applications in the UK fell 1.9% or 51,300 calves compared to 2007. The latest figures also show that dairy calf applications are up 4.4% and beef bred calves down 4.4% (Appendix 2).

Calf Prices

Despite the export ban in autumn 2007 due to FMD black and white bull calf prices recovered to a peak of nearly £55 per head in June 2008. But soon after, prices were hit by the Dutch and Belgium industry bans on imports of British calves. Values fell to £24 and hovered between £25 and £30 for the remainder of the year, in part due to the lack of export trade but also with the seasonal increase in dairy calf births.

Live Calf Exports 2008

During 2008 over 51,000 live cattle were exported from GB, of which 84.9% were under 2 months of age. Just over 83% of the total live exports were male dairy calves (42,500 head). (In 2007 calf exports totalled 63,700 head, and 94.7% were under 2 months old. Of the total exported, 90% were male dairy calves.)

Up until the Dutch and Belgian bans demand for calves on the continent had been relatively constant, despite buyers being very cautious following the FMD and bluetongue outbreaks in the UK in 2007. The exchange rate made UK calves competitive but the cost of rearing had soared and was a key factor for continental calf buyers.

As a result of these bans the trade in live calves has ceased, with only breeding and store stock being exported. From August to December 2008 a monthly average of nearly 100 animals was exported from GB.

Forecast

Unrecorded calf slaughterings in 2009 will largely depend on whether the live calf export trade resumes and the economics of rearing and finishing male dairy calves. It is doubtful that live exports to the main market of the Netherlands will resume in 2009. As a result, the increase in calf disposals on farm will be higher than in 2008. However a rise could be mitigated to a limited extent by various initiatives by retailer supply chains, but also as the falling cost of feed provides an economic opportunity for more dairy male calves to be kept.

Overall domestic beef production was down 2.5% in 2008 due to a decline in prime cattle supplies and despite an increase in cull cow slaughterings. In 2009 UK beef production is forecast to be around 1.5 to 2% lower. The continuing decline in both the dairy and suckler herds is affecting total calf registrations. As a result, prime cattle slaughterings are forecast to drop further over the next 2 -3 years. Meat imports will still continue to be affected by EU limitations on Brazilian fresh/frozen product, and supplies will be sourced from a range of other countries. UK meat exports will continue to increase this year on the back of a shortage of manufacturing beef on the continent, but more significantly due to a favourable exchange rate.

Mark Topliff
Economic & Policy Analysis Group
AHDB Meat Services
February 2009

Appendix 1

UK Male Dairy Calf Births, Deaths and Live Exports

Notes:

- 1) Data provided by BCMS (Great Britain) and APHIS (Northern Ireland)
- 2) Latest data available as at January 09
- 3) Historical data also updated
- 4) 2007 & 2008 live exports estimated - awaiting NI data
- 5) *net of recorded deaths under 1 month of age

2006

Male dairy calf registrations	391,684
Estimated number born (from dairy heifer registrations)	485,000
Recorded male dairy calf deaths under 1 month old	12,200
Recorded female dairy calf deaths under 1 month old	9,397
Unrecorded number estimated killed on farm or not registered*	96,000
Number of male dairy calves exported live	90,512

2007

Male dairy calf registrations	395,405
Estimated number born (from dairy heifer registrations)	480,000
Recorded male dairy calf deaths under 1 month old	14,995
Recorded female dairy calf deaths under 1 month old	8,899
Unrecorded number estimated killed on farm or not registered*	90,000
Number of male dairy calves exported live	88,000

2008

Male dairy calf registrations	401,629
Estimated number born (from dairy heifer registrations)	515,000
Recorded male dairy calf deaths under 1 month old	11,700
Recorded female dairy calf deaths under 1 month old	8,503
Unrecorded number estimated killed on farm or not registered*	115,000
Number of male dairy calves exported live	67,000

Appendix 2

Change in Calf Birth Registrations 2008/07

