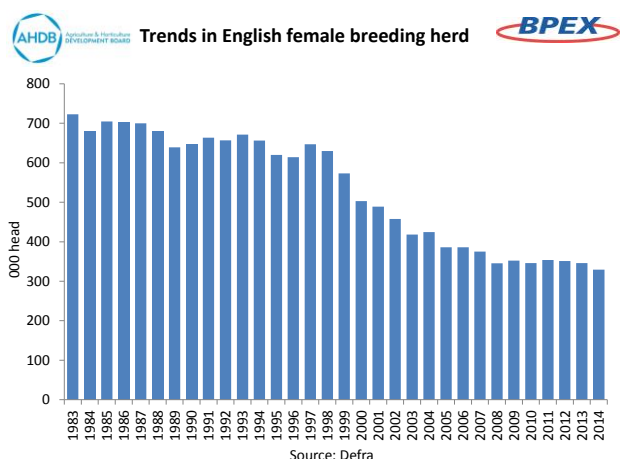


Smaller English herd but expansion in Northern Ireland

English and Northern Irish pig numbers from the June 2014 Agricultural Survey have now been published. The two regions account for over 90% of the total UK pig herd. Scottish and Welsh pig numbers will be published later this year. The new figures painted a mixed picture. There was some positivity in the Northern Ireland pig industry, in contrast to the English pig sector which showed reductions in the herd. However, Northern Ireland's pig industry accounts for not much more than a tenth of the UK total. As such, judging from the figures available so far, the UK pig herd is likely to record a small decline since June last year.

Latest figures published by Defra recorded the smallest English female pig breeding herd in around 60 years, at 329,000 head. This was 5% down compared with the same point in 2013. Despite improving profitability recently, producers were previously in a loss making situation for several years. The industry as a whole has not completely recovered from the losses incurred during that period, despite costs falling below pig prices. As a result, the latest female breeding herd figures reflect producer reluctance to make further investments in expansion at this stage.



In contrast to the English pig sector, Northern Ireland reported a 3% year-on-year increase in the female breeding herd, at 43,900 head. With Northern Ireland largely dependent on imports of feed, the recent falls in global prices is likely to have encouraged producers in the region.

Northern Ireland figures do not distinguish between in-pig and other (suckling or dry) sows but English figures for sows in-pig showed a 2% reduction on the year earlier. This suggests that the number of piglets born over the summer may have been somewhat constrained. Consequently, supplies available for slaughter may tighten towards the end of the year and early next year, relative to 12 months before. Updated forecasts for UK supplies will be published in next month's Pig Market Trends.

Both the English and Northern Irish figures shared a similar trend of a reduction in the number of maiden gilts recorded. Given the subdued pig market of late, producer intentions going forward may be more cautious. Low cull sow prices will also have reduced replacement rates to some extent. As finished pig prices have fallen steadily since June and EU pig prices have also been subdued, producers in the UK are unlikely to have become any more positive. This all suggests that any significant expansion of the UK breeding herd is unlikely in the near future.

Feeding pig numbers also recorded contrasting trends for England (down 2%) and Northern Ireland (up 10%). Improvements in productivity were the key driving factor behind the fast rate of increase in Northern Ireland but imports of pigs from Ireland for finishing north of the border was also a contributing factor. Given a 3% increase in the Irish breeding herd in the year to June, imports may continue on an upward trend.

The number of fattening pigs in England declined by 2% compared with June 2013. However, it is worth noting that last year's figure was particularly (and unexpectedly) high and the increase was not reflected in subsequent slaughterings. In fact, the overall pig herd this year was 8% higher than that recorded for June 2012, which could be a better representation of the general trend in English pig industry. Despite the lower breeding herd, productivity is pushing the overall pig herd to higher levels.

Scottish figures are due to be published in early October, with provisional UK ones out later in the month. The Scottish pig herd has declined sharply in recent years, with the closure of Halls of Broxburn plant in late 2012 reducing slaughter capacity. However, December figures showed a small increase in the Scottish breeding herd which may indicate the start of a recovery. Nevertheless, given the relatively small size of the Scottish herd, this is unlikely to be sufficient to offset the drop recorded in the English figures. The Welsh herd is even smaller and any changes in its size will have minimal impact on the overall UK position.

Pigs on English and Northern Irish farms - June

	England			Northern Ireland		
	2013	2014	% Change	2013	2014	% Change
Total pigs	4066	3954	-3	480	526	+9
Breeding pigs	434	411	-5	48	50	+3
Sows	293	284	-3	36	37	+3
In-pig gilts	53	46	-13	6	7	+3
Maiden gilts	75	70	-7	5	5	-2
Boars for service	13	12	-6	1	1	0
Fattening pigs	3632	3542	-2	432	476	+10

