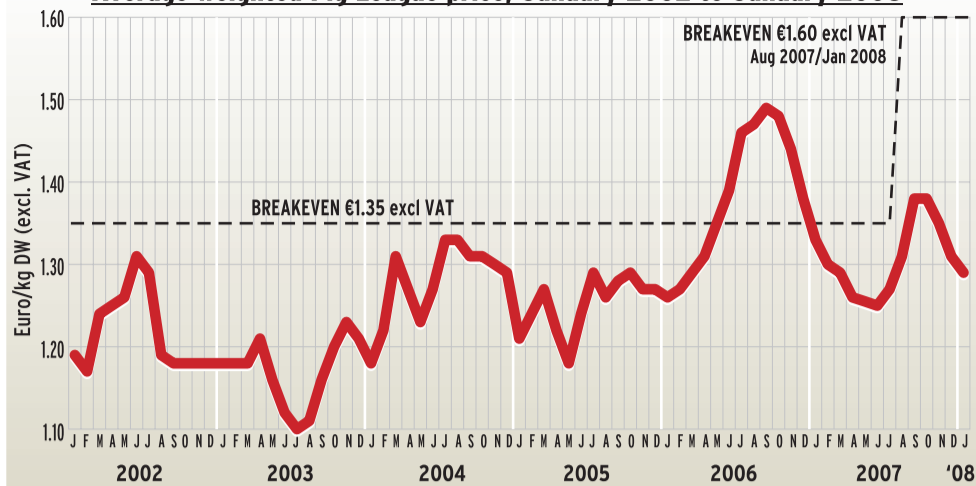
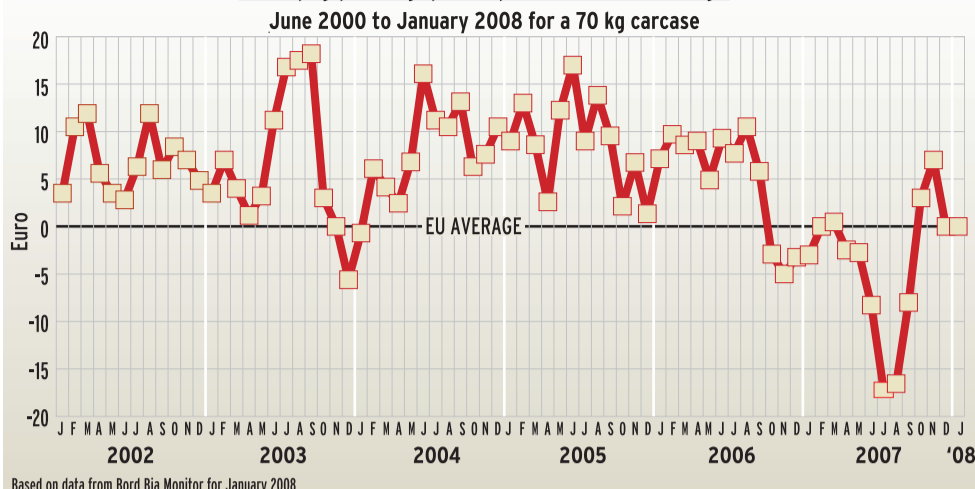


Average weighted Pig League price, January 2002 to January 2008



Irish pig price gap compared to EU average



January blues

AMII CAHILL*

THE January weighted average pig price was €1.29. This compares to €1.33 for January 2007 and €1.31 for December 2007.

Dawn continue to top the league as they have done since last September. Although a drop in prices was observed in January from all the ROI factories on the previous month, losses north of the border were more severe. There was some price recovery seen in the first week of February but this will only bring producers to within a few cents of their southern selling counterparts.

In Ireland export licences have been issued for 1,940 tonnes of fresh/frozen pigmeat since the introduction of export refunds in November 2007. Approximately 80,000 tonnes has already been applied for across the EU with traders reporting a strong growth in exports to non-EU Eastern Europe.

Pig prices have risen in these eastern countries as their small scale producers have exited the sector. It will however take a considerable increase in prices before any pig producer breaks back into a profit making situation.

SOW SLAUGHTERINGS

The November 2007 German pig census has shown a slight increase in the number of pigs compared with a year earlier however breeding sows are down 2.3% and in pig gilts were down 6.4%. Not all of these increased slaughterings are from the domestic herds as imports of cull sows October to December 2007

were up 70% in comparison with the previous year. The Danish herd (December census) has seen a fall in the breeding herd since January 1st 2007 of 6.1% and the most recent data from Holland shows a fall in the breeding herd of 3%.

MOVING FROM RASHERS

IFA members have carried out surveys in Tesco and Dunnes Stores across the country this month to ascertain the uptake of Irish products as part of the IFA 'reclaim the home market campaign'.

The average price of pigmeat retailing in the various pork and bacon products was €544.12 in January 2008. For the same pig, the producer was paid €100.50. This is less than 20% of the retail price.

Approximately 18kg of the pig goes for rasher production. This equates to 42% of the retail price as calculated above. The remaining 58% of the total retail value however is made up of other products such as gammon, collar and pork steaks. Substantial quantities of rashers now carry the origin Ireland Q mark. This is probably due to the increased uptake of the logo on rasher products by the Galtee and Denny brands.

There has been an increased uptake of the Quality Assurance logo by a number of the independent brands since Christmas. Various products from processors such as Oliver Carty, Carroll meats and Hilton Foods are now visible on the retail shelves carrying the Q mark.

There was no even pattern across the country. In different regions there was varying

JANUARY 2008 PIGMEAT PRICE LEAGUE TABLE

Factory	Jan 08 per kg DW	Dec 07 per kg DW	Jan 2007	Jan 08 price as % of Jan 07	Est. share of national kill in each factory %
All prices quoted excl. VAT refund					
Division No. 1 €1.29 and over					
Dawn	1.34	1.37	1.30	101%	21%
Stauntons	1.29	1.32	0.00		9%
Division No. 2 under €1.28					
McCarren	1.28	1.30	1.33	96%	10%
Edenderry	1.27	1.29	1.35	94%	16%
Roscrea	1.27	1.29	1.34	95%	32%
Weighted Average	1.29	1.31	1.33		
Northern Prices					
Green Pastures	1.29	1.31			5%
Ballon	1.31	1.33			2%
Garbally	1.29	1.30			4%
Cookstown					
Cookstown	1.19	1.22	1.39	86%	
Grants	1.18	1.23	1.38	86%	
Cullybackey	1.18	1.26	1.39	85%	



uptake of the origin logo in Dunnes and Tesco.

The table below left give an indication of what is available.

'FARMERS CANNOT PRODUCE TWO FOR THE PRICE OF ONE'

The multiples and not just the 'discounters' continue to use food as a loss leader.

The enormous differential between the farm gate price is where the supermarket

finds the discounts they are promoting. With pig producers losing €25 per pig it is an unacceptable for Tesco to be offering 33% off the price of loin chops. SuperQuinn last week advertised a 50% discount on the same product.

Roscrea rashers are one of the most discounted items

available with 25%-off, almost a standard part of the packaging.

Dunnes Stores had deli-breaded ham available with two packs being sold for €3.50 last week. This product carries a label stating that they are 'made from Irish meat' but do not carry the Q-mark.

Dunnes Products WITH logo	Factory	Dunnes Products WITHOUT logo	Factory
Dunnes Shoulder	Oliver Carty	Dawn Farm Rashers	IBS*
Dunnes Loin of bacon	Tender meats	Shaws Rashers	IBS*
Dunnes Collar Bacon	Tender Meats	Cookstown rashers	Grampian
Dunnes Loin Chops	Grampian NI	Bradley Bacon Joint	IBS
Dunnes Back bacon	Oliver Carty	Dunnes Gammon	Malton
Oliver Carty Collar	Oliver Carty	Cookstown gammon	Malton

Tesco Products WITH logo	Factory	Tesco Products WITHOUT logo	Factory
Abbey ham joint	Oliver Carty	Roscrea Rashers	IBS*
Abbey ham fillet	Oliver Carty	Tesco Finest Dry Cure	Tulip
Tesco Loin joint	Hilton Foods	Tesco mild bacon joint	Oliver Carty
Tesco Shoulder Joint	Hilton Foods	Abbey back Joint	Oliver Carty
Carrolls ham	Carroll Meats	Tesco Value Back rashers	Kerry
Tesco ham fillet	Henry Denny	Clover Smoked bacon	Henry Denny

*IBS: Irish bacon slicers

% improvement/disimprovement in uptake of the Origin Ireland logo by retailers

Product	Aldi		Centra		Dunnes		Lidl		Londis	
	A	B	A	B	A	B	A	B	A	B
Bacon	26%	(12%+)	86%	(11%+)	36%	(NC)	0%	(NC)	2%	(2%+)
Cooked ham	0%	(NC)	4%	(4%+)	3%	(1%-)	0%	(NC)	7%	(3%+)
Pork	100%	(NC)	100%	(NC)	95%	(5%-)	0%	(NC)	0%	(NC)
Rashers	3%	(3%+)	82%	37%+	57%	(19%+)	0%	(NC)	59%	(27%+)

Product	M&S		Spar		SuperQuinn		SuperValu		Tesco	
	A	B	A	B	A	B	A	B	A	B
Bacon	0%	(NC)	0%	(14%-)	90%	(4%+)	84%	(21%+)	69%	(17%+)
Cooked ham	0%	(NC)	0%	(3%-)	3%	(2%+)	2%	(3%-)	3%	(3%+)
Pork	0%	(NC)	0%	(NC)	100%	(17%+)	64%	(11%-)	99%	(33%+)
Rashers	0%	(NC)	57%	(27%+)	88%	(40%+)	58%	(5%+)	41%	(12%+)

Source: Bord Bia: (A): Current uptake Jan 08 (B): change from Dec 07. (NC) - No change