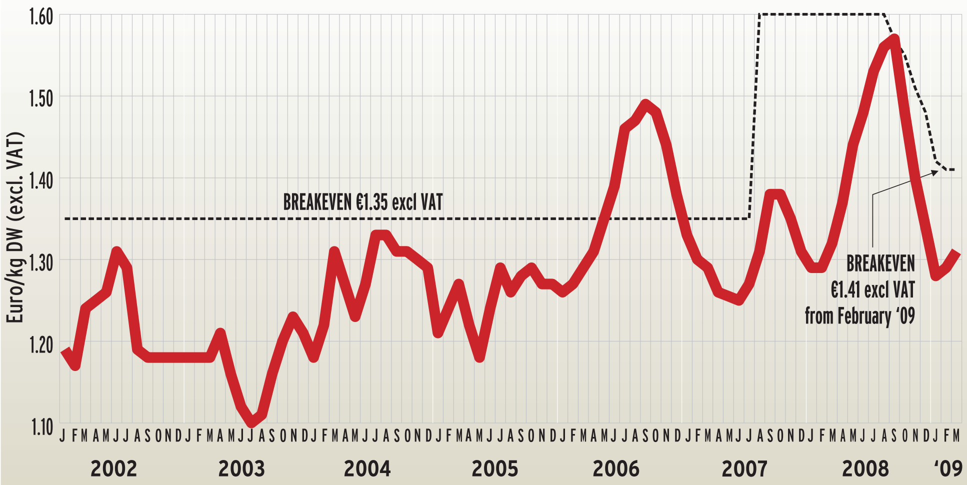
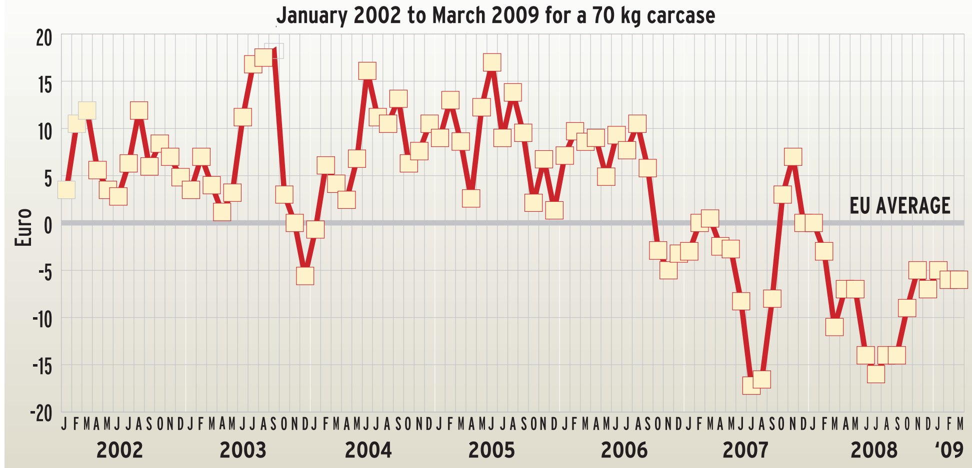
Average weighted Pig League price, January 2002 to March 2009



Irish pig price gap compared to EU average
January 2002 to March 2009 for a 70 kg carcase



Based on data from Bord Bia Monitor for March 2009

Pig prices – one year later, same story

AMII CAHILL*

The pig league in March 2008 began with the heading 'Irish pig prices still in the doldrums'; the same heading could be used in March 2009.

Since the start of February, prices paid to Irish pigmeat producers have not shown any measurable increase, but during the same period, our EU neighbours have seen quantifiable and significant increases.

These increases have been as much as 12c/kg in some countries (Belgium), with the lowest recorded increase (+5c/kg) achieved in Austria where the price has never dropped below €1.37/kg this year. German and Spanish prices were above the mainland EU average in March; however, overall EU pig producers' prices for March were down on a year-on-year basis.

At the time of writing, EU analysts predict a brisk EU Easter market, with more price increases expected. This forecast may be the order of the day in the US too, as American supplies are also dwindling with their barbecue season just around the corner. Will the Irish producer get to hop on board the price gravy train this month?

*Amii Cahill is executive secretary of the IFA national pigs and pigmeat committee.

Table 1: March 2009 pigmeat price league table

Factory	Mar 09 per kg DW	Mar 08 per kg DW	Feb 2009	Mar 09 price as % of Mar 08	Est. share of national kill in each factory %
All prices quoted excl. VAT refund					
Division No. 1 €1.30 and over					
Dawn	1.33	1.36	1.31	98%	17%
McCarren	1.32	1.31	1.29	101%	9%
Division No. 2 under €1.30					
Stauntons	1.31	1.34	1.29	98%	10%
Edenderry	1.31	1.31	1.29	100%	27%
Roscrea	1.31	1.31	1.29	100%	27%
Weighted Average	1.31	1.32	1.29		
Green Pastures	1.32	1.33	1.33	99%	6%
Ballon	1.32	1.33	1.31	99%	2%
Garbally	1.32	1.33	1.30	99%	–
Northern Prices					
Cookstown	1.35	1.37	1.30	99%	
Grants	1.36	1.36	1.33	100%	
Cullybackey	1.35	1.36	1.31	99%	

Irish exports static while imports rising slowly

CSO statistics have shown that the volume of meat exported from Ireland in 2008 was static at about 130,000 tonnes compared wtih 2007; however, the value of these exports fell by 7% (equivalent value €27m).

Pigmeat exports destined for the British market fell by 4% but Continental buyers purchased 17% more Irish pigmeat.

The volume of imports increased by 5%, and the value of these imports also increased by 12% (from €210m to €235m).

The value of imports from Britain rose by 18%; however, the percentage of this coming from Northern Ireland was lower in 2008 (€8m) compared with 2007 (€9.5m).

RETAIL MARKET

According to TNS, in the 12 months leading up to the end of February 2009, there was a fall off in retail pork sales of about 328 tonnes and bacon sales of 440 tonnes. The volume of sausage sales, however, increased in the same period by almost 1,000 tonnes.

The value of all three products increased in the same period. Total pork value increased by over €6.5m, total sausage value increased by over €8m and bacon, the lowest performer, still increased in value by just over €500,000. In the 12 weeks leading up to the end of February (which encompasses the dioxin crisis), a similar trend was seen, with a fall in volume sales of pork and bacon compared with the same period in 2007.

FEED COSTS

In comparison with the January figures reported, the range of ingredient prices in March had narrowed; however, there was still significant variation in prices being paid for soya and soya oil/fat blend (range of €600 to €910 for the latter) depending on whether bought forward or not. Again, all diets home milled (without milling costs) were less expensive than their purchased compound feed equivalents.

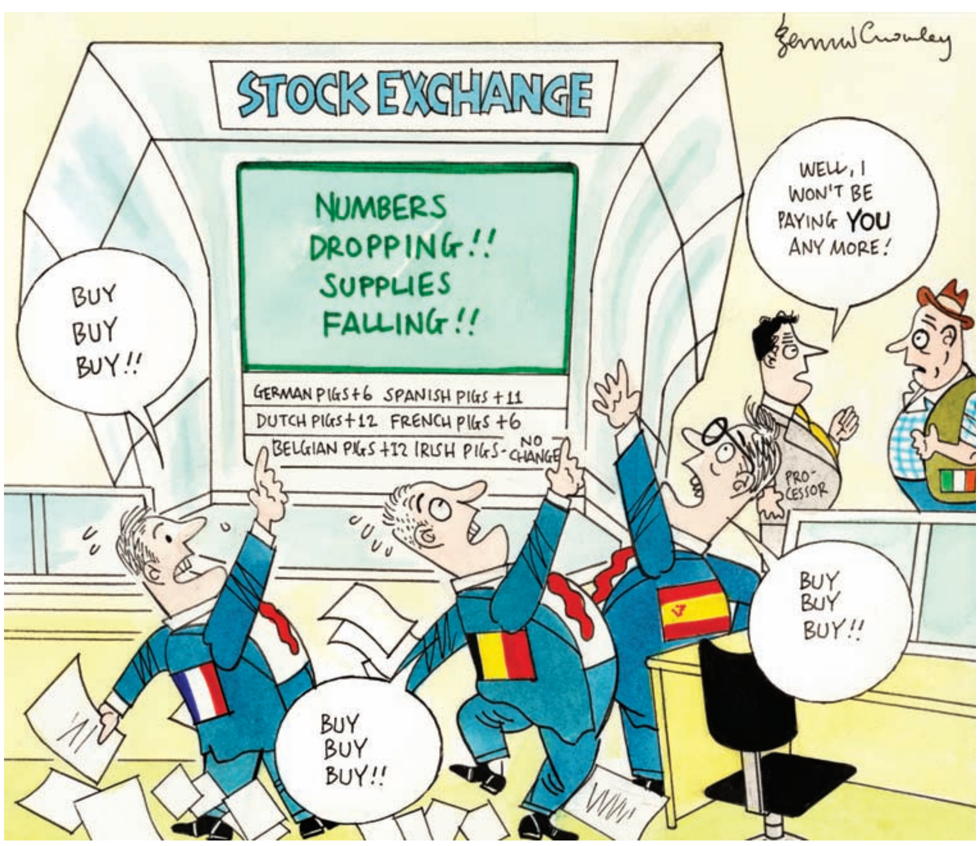
Table 2: Cost of home milling versus compound feed in March '09

Diets	Home milled	Compound	Difference
Weaner	246	289	43
Finisher	207	234	27
Dry sow	179	227	48
Lactating	217	251	34
Feed cost/kg C	85	97	12

Source: Teagasc Pig Production Development Unit

KEYPOINTS

- The cost of diets is based on the cost of feed ingredients delivered to the unit.
- The diet formulations used are those being fed in Moorepark pig production unit.
- The cost of mineral/vitamin supplements and including amino acids are current prices from Moorepark.
- The milled weaner is a meal diet while the compound diet is a pelleted diet.



Michael Berkery retires from IFA

OVER the past 30 years, Irish pig farmers have benefited considerably from Michael Berkery's involvement with the pig sector, in his initial role as executive secretary of the IFA national pigs committee and then as IFA general secretary.

Michael, who would be the first to admit he started out in pigs, has been instrumental over the years in ensuring the growth of the industry. From Irish pig farmers, I would like to extend a sincere thanks to Michael, and wish him the best in his future endeavours.