LMC
Livestock & Meat Commission

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION

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# LOCAL RED MEAT INDUSTRY CONTINUING TO FUNCTION

The UK government has designated food production staff, including those in the meat industry, as key workers as part of measures to curb the spread of the coronavirus. All of the major red meat processing facilities in Northern Ireland continue to be fully operational with significant protocols in place to protect staff, suppliers and supply chain workers.

These protocols will continue to be refined over the coming days and weeks in line with medical and government advice to ensure safeguards being employed are informed and applied using the best possible advice. Having these protocols in place will ensure our local industry can continue to supply beef and lamb for both the domestic and export markets.

### Livestock marts closed

All local beef and sheep marts announced earlier this week that they are closing for at least two weeks in response to the ongoing Covid-19 outbreak. The decision was announced by the Northern Ireland Livestock Auctioneers Association (NILAA) and follows on from the decision of Saintfield and Armoy marts to close their doors last week.

The Livestock and Meat Commission (LMC) remains open for business, but we have reorganised some of our services in order to safeguard the health and safety of our stakeholders and staff.

**LMC main switchboard number is still available on 02892633000**

**NIFCC main number is still available on 02892633017**

**FQAS Helpline is still available on 02892633024**

### Plant throughput

Cattle throughput in local plants has remained firm with 6,713 prime cattle processed last week bringing throughput for the year to date to 82,390 head. This is similar to the 82,289 head processed in the same period in 2019.

Cow throughput in Northern Ireland has also remained firm with 1,863 cows processed last week. This brings cow throughput for the year to date to 23,333 head, 11 per cent higher than the same period last year.

Hogget throughput last week totalled 5,397 head in local plants bringing throughput for the year to date to 81,609. This is a notable increase from the corresponding period in 2019 when throughput was impacted by poor weather.

### Base quotes

Base quotes for prime cattle from the major plants held steady this week at 324-334p/kg with the majority of plants quoting in the region of 330-334p/kg. This is operating just behind the same period last year when the plants were quoting xxx

Reports from industry have indicated that the cow trade has come under some pressure in the last few weeks in Northern Ireland with some plants reducing their quotes by up to 6p/kg. The range of quotes for O+3 cows however have held steady at 240-250p/kg.

The deadweight hogget trade has come under significant pressure this week with quotes coming back from a top of 500p/kg to 440p/kg up to 22kg. A number of factors have contributed to this decline as outlined in the article below.

### Red meat demand

There has been a significant shift in the demand for beef and lamb in recent weeks with strong growth in retail sales while sales to food service customers have dwindled. This is a direct response to the shutdown of the food service sector and greater consumption of food in the home environment.

This shift in demand from key market outlets creates issues in terms of carcase balance for both beef and lamb and has created notable challenges for our local processors in supplying the products that the market wants.

### Preparations

While preparations for Covid-19 have been in place in the processing sector for several weeks it is also important that our local producers have contingency plans for their farms in case they are infected with Covid-19 and rendered unable to work. DAERA have listed precautionary steps on their website which farmers can take now to reduce any potential impact the virus could have on their businesses.

Edwin Poots, The Minister for Agriculture in Northern Ireland has said: "As part of planning for Covid-19 I would advise some simple steps that will help alleviate any pressure should you, a family member or key workers on the farm take ill. These steps include identifying who you can ask to help and know what skills and knowledge they need to work on your farm.

LMC are encouraging everyone in the red meat supply chain to continue taking precautions to protect one another and help our healthcare professionals safeguard the people of Northern Ireland. Being extra vigilant when completing day-to-day activities will help ensure that the local food supply chain continues to operate effectively.

## FARM QUALITY ASSURANCE SCHEME UPDATE

Following the deferral of Northern Ireland Beef and Lamb Farm Quality Assurance Scheme (FQAS) inspections from Wednesday 18th March 2020 LMC and FQAS' accreditation body NIFCC are operating largely from home and therefore there are some limitations to normal FQAS services.

According to United Kingdom Accreditation Services (UKAS) NIFCC must not process new applications to FQAS unless a physical inspection of the farm premises has been completed. Given that a physical inspection is not possible at this time there will be no new applicants awarded farm quality assured status until further notice.

FQAS continues to operate and existing participants' assured status will continue to be certified during the period of inspection deferral. Members whose renewals fall due will be invited to pay the annual renewal fee in order to continue participation in the scheme. Members will be advised to pay online during this period.

LMC's FQAS mart clinics have also been suspended until further notice however producers can continue to contact the FQAS helpline if they have any queries in relation to their FQAS membership. All liaison services will now be conducted via phone and email in order to safeguard the health and safety of our stakeholders and staff.

FARM QUALITY ASSURED
NORTHERN IRELAND

LMC are working closely with NIFCC and the FQAS Industry Board to determine the most appropriate course of action for future inspections that reflects the health and safety of our staff, scheme participants, farm inspectors and the needs of the supply chain.

If participants have any specific queries the FQAS Helpline is still operating on 028 9263 3024.

## SHARP DECLINE IN THE DEADWEIGHT HOGGET TRADE

The deadweight sheep trade has come under significant pressure across the UK during this week with a notable decline in base quotes from the major processing plants locally as a result in recent days. Up until now deadweight hogget prices had been relatively strong as outlined in Figure 1.

Quotes from the local processing plants on Monday this week ranged from 490-500p/kg for R3 grading hoggets with plants paying up to 22kg. By Wednesday these quotes had come back to 440-450p/kg up to 22kg with further declines expected early next week A number of factors have contributed to this significant change in fortune this week

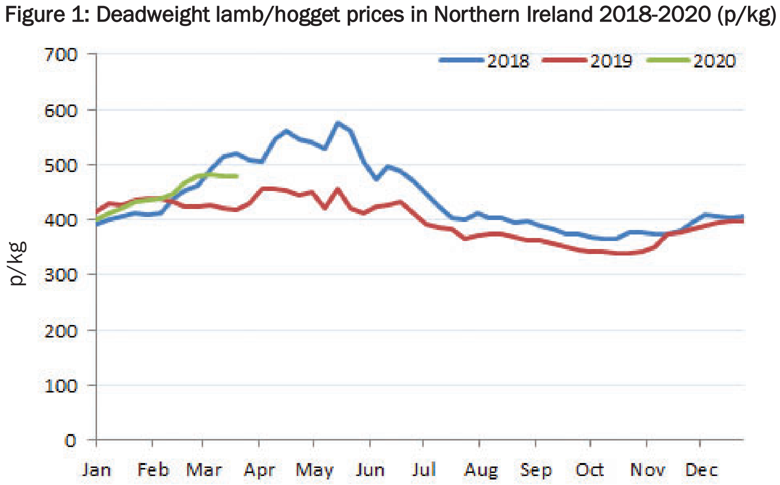
Retail sales of lamb in the UK have always been small in volume terms in comparison to other proteins however it performs relatively well in terms of food service sales through pubs, takeaways and restaurants. The recent closure of many food service outlets in the UK to help combat the spread of Covid-19 have resulted in an overall decline in domestic demand for lamb.

While some of the decline in demand for lamb from food service outlets in the UK in recent weeks may be offset by an increase in retail demand there is a different mix of products required to service this market as consumers tend to eat different meals and smaller portions within the home than they would out of the home.

The UK is a net exporter of lamb and exports large volumes of lamb to the EU. While lamb processors across the UK remain fully operational and export channels remain open there has been a decline in demand for lamb in key markets, particular in France which is one of the UK's largest export markets.

Open-air markets in France have now largely been closed following additional restrictions announced by the French government in an attempt to further limit the spread of Covid-19. The closure of the French city markets in particular is expected to have a large effect on demand for lamb in France which reports have indicated is currently very low.

**Figure 1: Deadweight lamb/hogget prices in Northern Ireland 2018-2020 (p/kg)**



# WEEKLY BEEF & LAMB MARKETS

LMC Livestock & Meat Commission

## CATTLE TRADE

### NI FACTORY BASE QUOTES FOR CATTLE

| (P/KG DW) | This Week 23/03/20 | Next Week 30/03/20 |
|---|---|---|
| **Prime** | | |
| U-3 | 324 - 334p | 324 - 334p |
| R-3 | 318 - 328p | 318 - 328p |
| O+3 | 312 - 322p | 312 - 322p |
| P+3 | 264 - 276p | 264 - 276p |
| | Including bonus where applicable | |
| **Cows** | | |
| O+3 & better | 240 - 250p | 230 - 240p |
| Steakers | 140 - 170p | 140 - 170p |
| Blues | 120 - 130p | 120 - 130p |

Cow quotes vary depending on weight and grade.
Pricing policies vary from plant to plant. Producers are advised to check pricing policies before presenting cattle for slaughter.

### REPORTED NI CATTLE PRICES - P/KG

| W/E 21/03/20 | Steers | Heifers | Young Bulls |
|---|---|---|---|
| U3 | 340.0 | 346.4 | 325.5 |
| R3 | 336.4 | 340.0 | 328.3 |
| O+3 | 326.1 | 332.4 | 321.6 |

*Prices exclude AA, HER and Organic cattle

### REPORTED COW PRICES NI - P/KG

| W/E 21/03/20 | Weight Bands | | | |
|---|---|---|---|---|
| | <220kg | 220-250kg | 250-280kg | >280kg |
| P1 | 156.4 | 171.0 | 184.8 | 203.4 |
| P2 | 179.6 | 200.5 | 223.7 | 233.1 |
| P3 | 213.9 | 212.5 | 240.6 | 243.5 |
| O3 | - | 226.2 | 242.4 | 259.4 |
| O4 | - | - | 248.5 | 260.1 |
| R3 | - | - | 260.8 | 277.8 |

## Deadweight Cattle Trade

Base quotes for U-3 grading prime cattle this week ranged from 324-334p/kg with the majority of plants quoting at the upper end of this scale. Some plants have indicated a decline in quotes for early next week however the range in base quotes remains the same at 324-334p/kg. Quotes for O+3 grading cows early this week ranged from 240-250p/kg however they came under pressure as the week progressed. Quotes for early next week are expected to range from 230-240p/kg.

Steady supplies of all types of cattle have continued to come forward for slaughter in local plants. Prime cattle throughput last week totalled 6,713 head, back just 440 head from the previous week despite the shorter working week. Cow throughput in local processing plants last week totalled 1,863 head which was back marginally from the previous week.

There was only one young bull imported from ROI for direct slaughter in local processing plants last week while one steer was imported from GB for direct slaughter. Exports from NI to ROI for direct slaughter have continued at low levels with five prime cattle and 87 cows exported last week. A further 18 prime cattle and two cows were exported from NI to GB for direct slaughter last week.

The local deadweight trade for prime cattle has been holding fairly steady with reported steer prices back marginally last week when compared to the previous week while heifer prices increased slightly. The average steer price in NI last week was back 1.3p/kg to 331.1p/kg while the R3 steer price was back just less than a penny to 339.4p/kg. The average heifer price in NI last week was up almost a penny to 334p/kg while the R3 heifer price increased by a similar margin to 342.2p/kg. The R3 young bull price in NI increased by 2.3p/kg to 327.8p/kg last week while the average young bull price was almost unchanged at 314.3p/kg.

The deadweight trade for prime cattle in GB has also been holding steady with the majority of reported prices within 1p/kg of the previous week. There were however some variance across the regions. Reported prices for both steers and heifers came under some pressure in Scotland and Southern England last week however they recorded improvements in the other regions. The young bull trade recorded an improvement in all of the GB regions last week with the strongest increases recorded in Scotland and Northern England.

The deadweight trade for prime cattle has held relatively steady in ROI with reported prices for last week in euro terms broadly similar to previous weeks. However a significant weakening in the value of sterling against the euro has meant ROI prices have increased strongly in sterling terms. The R3 steer price in ROI last week increased by the equivalent of 12.4p/kg to 339.1p/kg which is just behind the equivalent price in NI. The R3 heifer price in ROI increased by the equivalent of 10p/kg to 342.3p/kg last week which was marginally higher than the same price in NI. The cow trade has continued to come under pressure in ROI however a weaker sterling has meant reported prices increased in sterling terms.

### LAST WEEK'S DEADWEIGHT CATTLE PRICES (UK / ROI)

| W/E 21/03/20 | | Northern Ireland | Rep of Ireland | Scotland | Northern England | Midlands & Wales | Southern England | GB |
|---|---|---|---|---|---|---|---|---|
| Steers | U3 | 340.1 | 349.7 | 349.3 | 346.3 | 346.7 | 344.1 | 347.0 |
| | R3 | 339.4 | 339.1 | 349.2 | 347.7 | 340.0 | 336.0 | 342.5 |
| | R4 | 336.4 | 340.3 | 349.7 | 350.9 | 340.2 | 337.6 | 346.7 |
| | O3 | 329.1 | 323.4 | 333.9 | 325.6 | 315.9 | 313.3 | 319.7 |
| | AVG | 331.1 | - | 346.5 | 338.3 | 329.7 | 327.1 | 335.7 |
| Heifers | U3 | 346.2 | 355.2 | 358.5 | 351.7 | 351.5 | 345.0 | 352.9 |
| | R3 | 342.2 | 342.3 | 350.2 | 342.2 | 341.6 | 336.7 | 342.2 |
| | R4 | 338.8 | 342.8 | 349.7 | 345.1 | 342.0 | 337.3 | 344.9 |
| | O3 | 331.1 | 326.6 | 332.4 | 325.9 | 316.3 | 311.3 | 319.6 |
| | AVG | 334.0 | - | 348.0 | 338.1 | 331.7 | 326.4 | 336.7 |
| Young Bulls | U3 | 326.6 | 326.3 | 344.4 | 334.8 | 335.4 | 341.1 | 338.5 |
| | R3 | 327.8 | 316.7 | 339.6 | 327.3 | 333.2 | 327.9 | 331.8 |
| | O3 | 312.2 | 301.7 | 316.6 | 300.1 | 303.2 | 318.6 | 306.6 |
| | AVG | 314.3 | - | 329.8 | 315.6 | 317.8 | 319.9 | 319.4 |
| Prime Cattle Price Reported | | 5,843 | - | 7,413 | 8,129 | 8,441 | 5,649 | 29,632 |
| Cows | O3 | 258.0 | 269.7 | 264.0 | 262.4 | 261.8 | 257.3 | 261.3 |
| | O4 | 259.4 | 269.7 | 266.8 | 262.6 | 260.3 | 250.8 | 259.8 |
| | P2 | 221.9 | 236.8 | 225.1 | 218.5 | 216.2 | 214.6 | 216.5 |
| | P3 | 241.6 | 258.6 | 240.1 | 234.1 | 235.2 | 229.9 | 233.8 |
| | AVG | 236.0 | - | 259.1 | 244.4 | 231.9 | 229.3 | 237.2 |

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=91.58p Stg
(ii) Shading indicates a lower price than the previous week.
(iii) AVG is the average of all grades in the category, not just those listed

### LATEST LIVEWEIGHT CATTLE MART PRICES NI

| W/E 21/03/20 | 1st QUALITY | | | 2nd QUALITY | | |
|---|---|---|---|---|---|---|
| | From | To | Avg | From | To | Avg |
| **Finished Cattle (p/kg)** | | | | | | |
| Steers | 199 | 203 | 200 | 175 | 198 | 187 |
| Friesians | 150 | 168 | 157 | 127 | 149 | 140 |
| Heifers | 203 | 212 | 206 | 175 | 202 | 188 |
| Beef Cows | 157 | 205 | 168 | 128 | 156 | 140 |
| Dairy Cows | 114 | 133 | 119 | 80 | 113 | 100 |
| **Store Cattle (p/kg)** | | | | | | |
| Bullocks up to 400kg | 230 | 268 | 249 | 200 | 229 | 218 |
| Bullocks 400kg - 500kg | 201 | 219 | 210 | 170 | 200 | 185 |
| Bullocks over 500kg | 189 | 206 | 197 | 155 | 188 | 171 |
| Heifers up to 450kg | 224 | 250 | 237 | 170 | 223 | 196 |
| Heifers over 450kg | 200 | 215 | 207 | 165 | 199 | 185 |
| **Dropped Calves (£/head)** | | | | | | |
| Continental Bulls | 270 | 340 | 300 | 180 | 265 | 230 |
| Continental Heifers | 200 | 315 | 250 | 100 | 195 | 150 |
| Friesian Bulls | 105 | 160 | 140 | 40 | 95 | 70 |
| Holstein Bulls | 20 | 35 | 28 | 2 | 18 | 10 |

## SHEEP TRADE

### NI SHEEP BASE QUOTES

| (P/Kg DW) | This Week 23/03/20 | Next Week 30/03/20 |
|---|---|---|
| Hoggets up to 22kgs | 490-500p | 400p |

### REPORTED SHEEP PRICES

| (P/KG) | W/E 07/03/20 | W/E 14/03/20 | W/E 21/03/20 |
|---|---|---|---|
| NI L/W Hoggets | 431.1 | 432.1 | 427.6 |
| NI D/W Hoggets | 482.5 | 479.8 | 479.5 |
| GB D/W Hoggets | 530.9 | 539.7 | 551.4 |
| ROI D/W | 488.7 | 488.7 | 499.0 |

## Deadweight Sheep Trade

The deadweight trade for hoggets has come under significant pressure this week with quoted prices for R3 grading hoggets back to 440-450p/kg towards the end of the week. Further declines are expected early next week with base quotes for R3 grading hoggets expected to be in the region of 400p/kg up to 22kg.

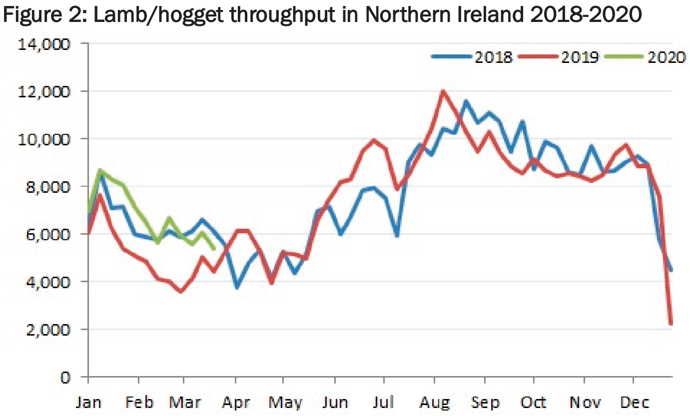
Steady supplies of hoggets have continued to come forward for slaughter with 5.397 hoggets processed in local plants last week. This brings throughput for the year to date to 81,069 which is significantly ahead of the same period in 2019 when plant throughput was hampered by bad weather. Exports of hoggets to ROI for direct slaughter last week totalled 6,578 head. A significant improvement in the value of euro against sterling made NI origin lambs very attractive to processors in ROI. Exports to ROI for direct slaughter have totalled 77,334 head during 2020 to date which accounts for 49 per cent of total output from the NI sheep flock.

The reported deadweight price in NI for last week was 479.5p/kg, back marginally from the previous week. Meanwhile in GB the trade continued to improve with a reported price of 551.4p/kg, up 11.7p/kg from the previous week. In ROI the average hogget price increased by 10.3p/kg to the equivalent of 499p/kg. It is worth noting that differences in price reporting methodology makes it impossible to draw comparisons in the trade between the three regions.

## Marts Update

All local beef and sheep marts announced earlier this week that they are closing for at least two weeks in response to the ongoing Covid-19 outbreak. The decision was announced by the Northern Ireland Livestock Auctioneers Association (NILAA) and follows on from the decision of Saintfield and Armoy marts to close their doors last week. LMC will begin to publish liveweight sheep information again once the marts are open for business.

Figure 2: Lamb/hogget throughput in Northern Ireland 2018-2020

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