

SOME RECOVERY IN THE DEADWEIGHT HOGGET TRADE

The deadweight hogget trade in Northern Ireland continued to improve this week with base quotes on Monday for R3 grading hoggets of 420p/kg up to 22kg increasing to 450-460p/kg as the week progressed. Tighter supplies of hoggets for slaughter and some

increase in demand for sheepmeat in the lead up to Easter have contributed to this improvement in quotes. Lamb/Hogget throughput in Northern Ireland last week was back 22 per cent to 3,964 head.

Image 1: Tighter supplies of hoggets have contributed to the uplift in deadweight quotes this week.



Sheep Quotes
13/04/2020
Hoggets: 450-460p/kg (22kg)
S Lambs: 480p/kg (21kg)

12/04/2019
Hoggets: 450-465p/kg (22kg)
S Lambs: 500-510p/kg (21kg)

The improvement in the deadweight trade this week follows a sharp decline two weeks ago when quotes came back from a high of 500p/kg to 400p/kg over the course of a week. A number of factors contributed to this volatility in the lamb trade including the almost complete closure of the UK foodservice market as a result of Covid-19 restrictions and difficulties in accessing major export markets for lamb in the EU.

Retail sales of lamb in the UK have always been relatively small in volume terms when compared to other proteins. As a result the sheepmeat market has primarily been export focused with approximately 75 per cent of locally produced lamb destined either directly or indirectly for markets in mainland Europe.

While lamb processors across the UK remain fully operational and export channels remain open there has been an overall decline in demand for lamb in key markets, particular in France which is one of the UK's largest export markets. Demand for lamb across key export markets has been described as relatively poor in the last few weeks.

Spring lambs

Small numbers of spring lambs are being processed in the local plants with opening quotes this week of 450p/kg

up to 21kg. This improved as the week progressed with quotes increasing to 480p/kg. Spring lambs accounted for less than ten per cent of price reported sheep in Northern Ireland last week with just 200 lambs processed.

Exports to ROI

Last week there were 3,821 hoggets/lambs exported to ROI for direct slaughter, accounting for 49 per cent of total output from the Northern Ireland sheep flock.

There has been strong demand for hoggets in processing plants in ROI. A tightening in supplies in ROI combined with a strong euro against sterling has made lambs from Northern Ireland very attractive for processors in the Republic. Sheep throughput in ROI last week totalled 37,019 head, back 4,070 head from the previous week.

HIGHER VOLUMES OF BEEF PROCESSED IN Q1

A combination of higher cattle throughput in local plants and increases in average carcass weights for all types of cattle have contributed to an increase in the volume of beef processed in Northern Ireland during the first quarter of 2020.

There were 89,607 prime cattle processed in Northern Ireland during the first three months of the year. This was up one per cent or 641 head from the previous year. There was a strong decline in young bull throughput (-14 per cent) however this was offset by an increase in steer and heifer throughput as outlined in **Table 1**.

This slight increase in prime cattle throughput during quarter one combined with a 4kg increase in the average carcass weight to 346kg has meant the volume of prime beef processed during three months of 2020 was up two per cent or 451 tonnes from the same period in 2019.

Cows
Cow throughput in Northern Ireland plants totalled 25,181 head during the first three months of 2020, a 10 per cent increase from year earlier levels. This increase in throughput combined with a 5kg increase in the average cow carcass weight to 312kg has resulted in an 11 per cent increase in the volume

Figure 1: Volume of beef processed by Northern Ireland plants during Quarter 1 2016-2020 (tonnes)

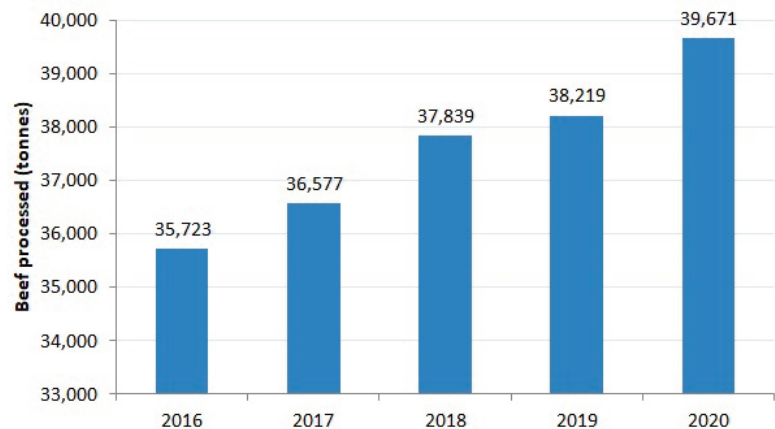


Table 1: Volume of beef and lamb processed in Northern Ireland during March 2020 and Quarter 1 2020 (tonnes)

	March (4 weeks ended 28/03/20)			Year to Date (13 weeks ended 28/03/20)		
	Mar-19	Mar-20	% Change	2019	2020	% Change
CATTLE - FOODCHAIN						
Steers	4,668	5,052	8%	15,035	15,900	6%
Heifers	3,597	3,743	4%	12,082	12,216	1%
Young Bulls	978	819	-16%	3,314	2,866	-14%
Total Prime Cattle	9,243	9,614	4%	30,430	30,981	2%
Calves	100	84	-16%	316	330	4%
Cows	2,134	2,346	10%	7,056	7,859	11%
Mature Bulls	123	161	32%	416	502	21%
Total Cattle	11,600	12,206	5%	38,219	39,671	4%
SHEEP						
Lambs & Hoggets	440	500	14%	1,520	1,954	29%
Ewes & Rams	61	30	-50%	213	193	-9%
Total Sheep	501	530	6%	1,733	2,147	24%

of cow beef handled by local processors. This is the equivalent of an additional 803 tonnes of cow beef processed.

Overall beef processing plants in Northern Ireland handled 39,671 tonnes of beef during the first three months of 2020. This was an increase of 1,452 tonnes or four per cent from the corresponding period in 2019.

Sheep

During the first three months of 2020 processing plants in Northern Ireland handled 86,165 lambs/hoggets, a strong increase from the 66,040

lambs/hoggets processed during the corresponding period in 2019 when throughput was impacted by poor weather conditions.

There was however a slight decrease in the average lamb/hogget carcass weight from 23kg in the 2019 period to 22.7kg in the same period in 2020 which has helped offset some of the additional throughput. During the first three months of 2020 there was 1,954 tonnes of lamb handled by processors in Northern Ireland. This is an increase of 434 tonnes of lamb from the 1,520 tonnes processed during the corresponding period in 2019.

There was however a decline in the number of cull ewes/rams passing through local plants with a reduction in the average carcass weight to 28.3kg also recorded in the 2020 period. As a result meat production from ewes/rams was back nine per cent to 193 tonnes in local processing plants during 2020 to date.

Overall the volume of sheepmeat handled by local plants was 2,147 tonnes during 2020 to date. This was up 24 per cent from the same period in 2019.

FQAS Helpline

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the FQAS helpline:
Tel: 028 9263 3024

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Tel: 028 9263 3011

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Free weekly price quotes sent to your mobile phone
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Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 06/04/20	Next Week 13/04/20
Prime		
U-3	314 - 320p	314 - 320p
R-3	308 - 314p	308 - 314p
O+3	302 - 308p	302 - 308p
P+3	254 - 262p	254 - 262p
	Including bonus where applicable	
Cows		
O+3 & better	224 - 230p	224 - 230p
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.

Deadweight Cattle Trade

Base quotes from the major NI processing plants for U-3 grade prime cattle this week remained fairly steady with plants quoting 314-320p/kg. Quotes from the plants for good quality O+3 cows have also remained steady 224-230p/kg. Similar quotes are expected for all types of cattle next week.

Prime cattle throughput in NI last week totalled 7,062 head, a decrease of 155 head from the previous week. This is an increase of 203 head from the corresponding week in 2019 when 6,859 prime cattle were processed in local plants. Cow throughput last week totalled 1,591 head, a decrease of 257 head from the previous week.

No cattle were imported to NI for direct slaughter last week from ROI or GB. Meanwhile exports from NI for direct slaughter in ROI last week totalled 44 head and these were predominantly cows with no cattle exported from NI for slaughter in GB plants last week.

In NI last week the deadweight trade for all types of cattle came under pressure. The average steer price was back by 5.5p/kg to 325p/kg with the R3 steer price decreasing by 5p/kg to 333.9p/kg. The average heifer prices in NI last week decreased by 4.7p/kg from the previous week to 328.1p/kg, while the R3 heifer price decreased by 3.9p/kg to 335.7p/kg. The average young bull price was back by 8p/kg to 305.9p/kg with the R3 young bull price decreasing by 7.2p/kg to 319.7p/kg. The cow trade also came under pressure last week compared to previous weeks. The average cow price recorded a notable decline of 16.4p/kg to 223.6p/kg while the O3 cow price was back by 14.8p/kg to 242.9p/kg. This is the lowest recorded O3 cow price since 30 March 2019 when the price reported was 238.5p/kg.

In GB last week the deadweight trade for steers and heifers generally came under pressure when compared to the previous week. The average steer price came back marginally to 336.6p/kg while the R3 steer price decreased by 1.9p/kg to 341.3p/kg. R3 steer prices reported declines across all of the regions except in Northern England where an increase of 0.7p/kg to 348.6p/kg was reported. The average heifer price remained steady at 336.7p/kg, while the R3 heifer price reported a decrease of 2.1p/kg to 339.3p/kg. R3 heifer prices reported declines across all the regions with the strongest decrease reported in Northern England where it was back by 4.9p/kg to 340.3p/kg. The cow trade also came under significant pressure in GB last week with the average cow price decreasing by 19p/kg to 211.8p/kg, while the O3 cow price decreased by 16.4p/kg to 239.5p/kg.

In ROI last week the deadweight cattle trade also came under pressure and with a weakening in the euro ROI prices came back notably in sterling terms. The R3 steer price in ROI decreased by 21.8p/kg to the equivalent of 313.9p/kg while the R3 heifer price came back by the equivalent of 20.1p/kg to 318.6p/kg. The O3 cow price in ROI last week decreased by 29.6p/kg to the equivalent of 230.3p/kg, 12.6p/kg below the same price in NI.

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

W/E 04/04/20	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	334.4	323.6	349.3	345.0	344.9	346.3
	R3	333.9	313.9	350.4	348.6	338.4	341.3
	R4	331.7	315.0	351.3	358.3	337.2	348.4
	O3	321.8	299.2	348.1	320.6	315.8	319.7
	AVG	325.0	-	349.7	340.8	329.3	336.6
Heifers	U3	338.9	331.9	357.1	351.2	349.5	350.4
	R3	335.7	318.6	349.5	340.3	338.8	339.3
	R4	333.2	318.2	351.4	350.0	338.1	345.2
	O3	324.5	303.2	342.8	320.8	313.5	317.0
	AVG	328.1	-	352.1	340.0	328.2	336.7
Young Bulls	U3	318.4	302.5	344.2	335.0	334.7	340.1
	R3	319.7	291.5	337.4	330.5	325.9	330.4
	O3	304.2	277.8	296.1	291.1	296.1	296.7
	AVG	305.9	-	334.4	328.2	309.6	323.3
Prime Cattle Price Reported	6,166	-	6,576	6,934	8,063	5,263	26,836
Cows	O3	242.9	230.3	240.4	245.7	237.1	239.5
	O4	242.5	229.7	247.5	248.2	237.7	239.2
	P2	202.9	202.6	206.7	199.6	192.6	190.8
	P3	224.8	218.6	215.0	215.9	210.8	209.7
	AVG	223.6	-	239.0	233.6	206.4	211.8

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.32p 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

REPORTED NI CATTLE PRICES - P/KG

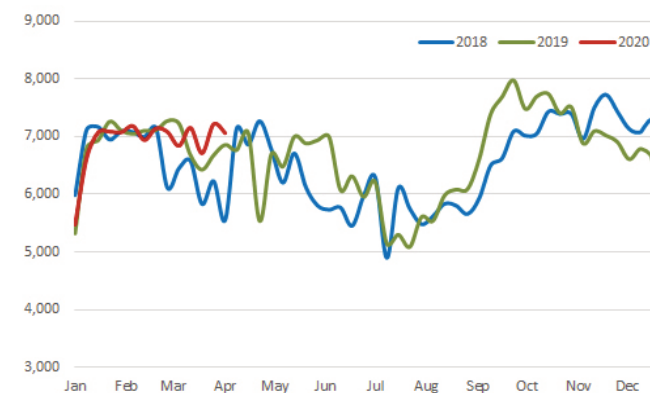
W/E 04/04/20	Steers	Heifers	Young Bulls
U3	333.7	338.7	318.4
R3	331.2	335.0	320.9
O+3	323.4	325.3	313.8

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 04/04/20	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	139.2	149.0	163.4	175.3
P2	157.4	178.6	197.6	214.7
P3	200.6	218.2	216.3	227.0
O3	-	222.6	226.1	244.7
O4	160.0	198.0	241.2	243.1
R3	-	-	-	265.2

Figure 2: Prime cattle throughput in Northern Ireland 2018-2020



SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 06/04/20	Next Week 13/04/20
Hoggets up to 22kg	420p	450-460p
Spring Lambs up to 21kg	440-450p	480p

REPORTED SHEEP PRICES

(P/KG)	W/E 21/03/20	W/E 28/03/20	W/E 04/04/20
NI L/W Hoggets	427.6	-	-
NI D/W Hoggets	479.5	460.0	414.7
GB D/W Hoggets	551.4	516.6	439.9
ROI D/W	499.1	492.3	450.3

Deadweight Sheep Trade

Quotes this week from the major NI processors for R3 grade hoggets and spring lambs improved from last week. R3 grade hoggets ended this week ranging from 450-460p/kg with plants paying up to 22kg while R3 grade spring lambs are in the region of 480p/kg paying up to 21kg.

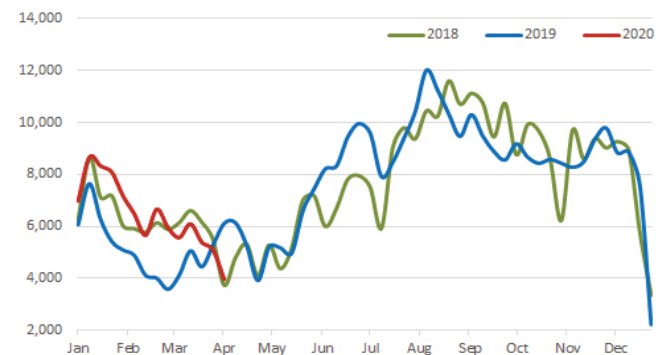
A total of 3,964 hoggets/lambs were processed in local plants last week, a decrease of 1,132 head from 5,096 head killed locally the previous week. In the corresponding week last year 6,117 hoggets/lambs were processed in local plants. Exports of hoggets/lambs to ROI for direct slaughter decreased last week by 1,091 head to 3,821 head when compared to the previous week. In the same week in 2019 a total of 4,820 hoggets/ lambs were exported to ROI for direct slaughter.

The average deadweight hogget prices across all of the regions came under significant pressure last week when compared to the previous week. The average deadweight hogget price in NI last week was 414.7p/kg, a notable decrease of 45.3p/kg. A small number of spring lambs were reported with an average NI deadweight price of 470.4p/kg. In ROI last week the hogget price also strongly decreased by the equivalent of 42p/kg to 450.3p/kg. Meanwhile in GB last week the hogget price reported the strongest decline of 76.7p/kg to 439.9p/kg, a small number of spring lambs were also reported in GB last week with an average deadweight price of 489.8p/kg.

Marts Update

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

Figure 3: Lamb/Hogget throughput in Northern Ireland 2018-2020



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