

LIMITED PROGRESS ON EU/UK TRADE NEGOTIATIONS

The UK government published 12 draft negotiating documents this week covering the ten separate deals it is seeking from the EU. The publication of these documents follows on from reports earlier this week that only limited progress has been made during negotiations between the two parties.

UK negotiator David Frost has indicated that in his opinion Brussels is offering “not a fair free trade relationship between close economic partners, but a relatively low-quality trade agreement which includes unprecedented EU oversight of UK laws and institutions.”

The UK is currently looking for a range of individual agreements with a Free Trade Agreement (FTA) at the core. Meanwhile the EU is insisting that there must be one overarching deal.

The UK have continued to insist they do not want to remain part of the Single Market or the Customs Union, as they do not believe this is in the UK’s interest. Instead they are seeking a FTA agreement similar to what the EU has in place with Canada or Japan.

UK publishes ‘approach’ for NI

This week the UK government also published an outline of its plans for

Northern Ireland (NI). The documents outlines that there will be some limited additional process on goods arriving in the region, but that there will be “no new physical customs infrastructure.”

The UK government insists that the agreement on NI does not create any kind of international border in the Irish Sea between GB and NI.

London insists that the UK must function as a “single customs territory in practice.” Trade from NI to the rest of the UK “should take place as it does now,” without any “additional process or paperwork and there will be no

restrictions on NI goods arriving in the rest of the UK.” Trade from GB to NI will not be subject to tariffs. “Only those goods ultimately entering Ireland or the rest of the EU, or at clear and substantial risk of doing so, will face tariffs.”

The UK government outlines in the document that there will be no new physical customs infrastructure in NI and that they see no need to build any. They have however indicated that they will expand “some existing entry points for agri-food goods to provide for proportionate additional controls.”

Extend transition period?

With the end of the transition period now only seven months away many business organisations have outlined publicly that businesses do not have the bandwidth, resources or economic strength to deal with the ongoing Covid-19 crisis and then potentially be faced with a no trade deal Brexit.

Given the UK government’s insistence on keeping to the deadline many fear that businesses are now facing the possibility of a devastating no-deal/bad deal exit from the EU while already dealing with the impacts of the worst health crisis in a century.

NORTHERN IRELAND MARTS OPEN FOR BUSINESS

On the 27th April Livestock Markets across Northern Ireland started to reopen on a gradual basis, in line with robust operational protocols which have been developed by the marts in conjunction with the Health and Safety Executive NI and key stakeholders. The reopening of marts has been welcomed by all beef and lamb stakeholders given the crucial role they play in our local food supply chain.

The protocols have enabled the marts to conduct business in a manner that is safe for staff, farmers and buyers. As part of the ongoing review of these protocols, sales of breeding stock are now permitted. This includes, but is not limited to, dairy animals, breeding cattle, cows with calf at foot, breeding

Image 1: Local marts have gradually started to recommence livestock sales with strict protocols in place



Important message

While marts are now operational robust operational protocols are in place. Only mart staff and a limited number of pre-registered buyers are allowed on mart premises during sales. Sellers are not permitted.

It is the responsibility of all within the industry to self-regulate and implement the robust operational protocols for the safety of mart staff, farmers and buyers

sheep, ewes with lambs at foot, breeding pigs.

Sales that would normally create large

gatherings and require sellers to be in attendance, such as Pedigree Livestock sales, are still not permitted under this review of protocols. However, Livestock Markets can submit proposals to the Livestock Market Industry Stakeholder group for these sales to take place on a case by case basis.

Detailed proposals outlining the protocols for adherence to social distancing and management of these events would have to be prepared and discussed with the Health and Safety Executive Northern Ireland before the sale could proceed.

The operational protocols agreed by the Livestock Market Industry Stakeholder Group make it clear that only mart staff and a limited number of pre-registered buyers are allowed on mart premises during sales. To register as a buyer for particular sales producers should contact the individual marts directly.

Sellers are only allowed on site to leave off stock or collect unsold animals. Sellers are not allowed to remain on site to see animals being sold.

A number of marts are providing live video streaming of sales which can be viewed off-site or text alerts to keep sellers informed. It is essential everyone adheres to these protocols as we are still in COVID-19 lockdown.

EU BEEF MARKET UPDATE

The deadweight trade for prime cattle in Northern Ireland has been improving strongly in the last few weeks with this uplift in the trade driven by tighter supplies of prime cattle for slaughter rather than an increasing demand for beef.

The almost complete loss of the food service market in most EU countries has created difficulties in the beef markets across the EU with prices continuing to come under pressure in many EU countries as outlined in **Table 1** below.

Table 1: R3 heifer prices EU league table for the week ending 10/05/2020
Source EU deadweight cattle price reporting (c/kg)

Position last Mth	Position this Mth	Country	Price last Mth (w/e 12.04.20)	Price this Mth (w/e 10.05.20)	Change on Mth (cents)
2	1	Sweden	398.0	411.5	+13.5
1	2	Italy	401.2	391.7	-9.5
4	3	France	389.0	387.0	-2.0
3	4	Luxembourg	389.2	384.6	-4.6
7	5	Northern Ireland	367.9	378.3	+10.4
6	6	Great Britain	378.8	375.5	-3.3
5	7	Portugal	379.2	368.2	-11.0
8	8	Spain	362.2	355.2	-7.0
9	9	Ireland	350.0	350.9	+0.9
10	10	Denmark	322.5	318.6	-3.9
14	11	Austria	308.7	308.2	-0.5
12	12	Belgium	310.0	308.0	-2.0
13	13	Slovenia	308.8	303.4	-5.5
11	14	Germany	316.6	302.4	-14.2
16	15	Romania	271.1	290.1	+18.9
15	16	Poland	283.1	283.6	+0.5
19	17	Netherlands	214.0	267.0	+53.0
17	18	Czech Republic	251.6	235.4	-16.2
18	19	Lithuania	219.7	231.7	+12.0
EU Average			353.1	348.8	-4.3
Euro (€1=)			87.9	87.4	-0.4

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

Answerphone Service

Factory Quotes & Mart Results
Updated 5pm Daily
Tel: 028 9263 3011

Text Service

Free weekly price quotes sent to your mobile phone
Email - bulletin@lmncni.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 18/05/20	Next Week 25/05/20
Prime		
U-3	330 - 336p	336 - 342p
R-3	324 - 330p	330 - 336p
O+3	318 - 324p	324 - 330p
P+3	268 - 278p	274 - 284p
	Including bonus where applicable	
Cows		
O+3 & better	248 - 265p	252 - 275p
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

As anticipated base quotes from the major NI processing plants for in spec U-3 grade prime cattle this week strengthened to 330-342p/kg with the majority of plants ranging from 336-342p/kg. Producers should use these quotes as a starting point for negotiation with higher prices available, particularly for cattle that meet current market specifications. Quotes for good quality O+3 grade cows this week also increased with quotes ranging from 252-275p/kg across the plants.

Throughput of prime cattle in the local plants improved last week with 5,323 head processed, an increase of 476 head compared to the previous week when 4,847 head were processed. However this was 1,676 head less than the 6,999 prime cattle processed in local plants during the same week last year. Cow throughput in NI last week totalled 1,164 head similar to the previous week though back 256 head when compared to the same week last year.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 211 head with 47 cows also imported. Meanwhile cattle exports from NI for slaughter in ROI plants consisted of six prime cattle and 44 cows last week.

Deadweight prices for all types of cattle notably improved in NI last week with the continued tightening in the availability of cattle for processing across all of the local plants. In NI last week the average steer price was up by 7.5p/kg to 329.3p/kg when compared to the previous week. The R3 steer price was up by 7p/kg to 336.9p/kg while in the same week in 2019 the R3 steer price was 343.6p/kg. The average heifer price in NI was up by 8.6p/kg to 332.8p/kg with the R3 heifer price up by 7.7p/kg to 340.2p/kg. In the same week last year the R3 heifer price was 345.3p/kg. The average young bull price in NI last week recorded an increase of 12.8p/kg to 318.7p/kg. The R3 young bull price was up by 13.4p/kg to 333p/kg while in the same week in 2019 the R3 young bull price was 330.4p/kg. The average NI cow price last week was up 8.4p/kg to 237.1p/kg, with the O3 cow price up by a similar margin to 257.9p/kg.

The tightening of cattle supplies also impacted the GB deadweight trade with all cattle grades strengthening last week. The average R3 steer price was 329.9p/kg, up 5.6p/kg from the previous week while the average GB steer price increased by 5.3p/kg to 336.3p/kg. Meanwhile the R3 heifer price in GB was up 6.3p/kg to 336.4p/kg while the overall GB heifer price was up by a similar margin to 331.5p/kg. The O3 cow price in GB last week increased by 8.7p/kg to 255.2p/kg.

Similarly in ROI last week deadweight prices strengthened considerably for all types of cattle. The R3 steer price was up by 9.3p/kg to the equivalent of 315.4p/kg with the R3 heifer price increasing by 9.6p/kg to 318.3p/kg. Prime cattle throughput in ROI last week totalled 20,428 head which was an increase of 397 head from the previous week. However, this is back 17 per cent when compared to the 24,584 prime cattle processed during the same week last year.

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

	W/E 16/05/20	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	337.7	325.0	347.3	338.9	335.3	341.5	341.7
	R3	336.9	315.4	347.1	337.0	331.0	332.0	336.3
	R4	339.0	316.1	345.8	341.4	328.3	330.3	340.3
	O3	327.3	300.9	331.8	319.9	311.5	312.6	316.2
	AVG	329.3	-	342.0	331.9	319.1	323.3	329.9
Heifers	U3	343.4	330.1	354.3	345.8	343.2	341.7	346.6
	R3	340.2	318.3	347.4	337.6	332.9	333.6	336.4
	R4	337.5	317.7	347.7	337.5	330.6	332.5	339.9
	O3	329.5	305.5	332.2	328.0	308.1	311.0	315.6
	AVG	332.8	-	345.6	332.9	321.3	322.0	331.5
Young Bulls	U3	338.1	314.9	342.5	330.6	337.5	333.3	337.9
	R3	333.0	302.8	336.0	323.7	327.9	324.9	328.6
	O3	312.4	286.4	308.2	297.5	296.5	318.3	301.2
	AVG	318.7	-	332.3	315.9	316.9	324.0	322.3
Prime Cattle Price Reported	4,340	-	7,413	6,635	6,591	4,873	25,512	
Cows	O3	257.9	244.6	257.2	255.4	255.2	253.9	255.2
	O4	260.7	245.4	259.5	254.0	251.9	242.1	251.3
	P2	220.6	219.9	213.8	211.3	205.8	220.8	211.9
	P3	239.7	237.1	226.4	229.6	219.5	228.1	223.7
	AVG	237.1	-	252.5	237.6	223.8	224.9	230.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.23p 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 16/05/20	Steers	Heifers	Young Bulls
U3	337.2	343.2	337.7
R3	334.9	339.7	331.2
O+3	325.8	329.2	319.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 16/05/20	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	153.0	168.4	179.4	186.1
P2	180.2	190.9	224.4	234.5
P3	182.7	219.6	234.3	243.3
O3	-	233.3	255.9	258.8
O4	-	232.0	240.8	261.4
R3	-	-	-	276.8

LATEST LIVEWEIGHT CATTLE MART PRICES NI

W/E 16/05/20	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	215	231	223	200	214	207
Friesians	155	177	166	135	154	144
Heifers	210	230	220	198	209	203
Beef Cows	170	203	186	120	169	144
Dairy Cows	120	145	132	80	119	99
Store Cattle (p/kg)						
Bullocks up to 400kg	223	235	229	206	222	214
Bullocks 400kg - 500kg	211	243	227	190	210	200
Bullocks over 500kg	200	215	207	180	199	189
Heifers up to 450kg	210	219	214	180	209	194
Heifers over 450kg	191	222	206	170	190	190
Dropped Calves (£/head)						
Continental Bulls	300	490	395	190	295	240
Continental Heifers	280	465	370	180	275	220
Friesian Bulls	200	310	255	90	195	140
Holstein Bulls	20	70	45	2	18	10

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 18/05/20	Next Week 25/05/20
Lambs up to 21kg	500-510p	490-520p

REPORTED SHEEP PRICES

(P/KG)	W/E 02/05/20	W/E 09/05/20	W/E 16/05/20
NI L/W Lambs	-	465.9	489.9
NI D/W Lambs	496.5	481.4	493.1
GB D/W Lambs	523.0	514.6	536.1
GB D/W Hoggets	473.8	470.9	475.4
ROI D/W	493.2	484.5	496.4

Deadweight Sheep Trade

Quotes from the major processors for R3 grade lambs remained steady this week at 500-510p/kg up to 21kg with quotes expected to range from 490-520p/kg next week. Last week the throughput of lambs in the local plants increased by 42 per cent from the previous week to 6,748 head. This was also well above the 4,968 lambs processed locally during the same week last year. Exports of lambs to ROI for direct slaughter last week decreased to 2,431 head compared to 2,850 head the previous week. The NI average deadweight lamb price last week was 493.1p/kg, up 11.7p/kg from the previous week. In the same week in 2019 the NI deadweight lamb price was 454.8p/kg. The sheep trade in ROI has also improved last week with deadweight lamb price up by 11.9p/kg to the equivalent of 496.4p/kg.

Liveweight Sheep Trade

This week across the marts the number of lambs are continuing to increase along with a firm trade reported. On Saturday in Omagh 236 lambs sold from 465-514p/kg. In Massereene on Monday 310 lambs sold from 490-535p/kg compared to 242 lambs selling from 460-510p/kg last week. In Rathfriland this week 495 lambs sold from 500-550p/kg (avg 509p/kg) compared to 380 lambs last week selling from 485-540p/kg. On Wednesday in Markethill 600 lambs sold from 480-515p/kg compared to an entry of 570 lambs last week selling from 480-532p/kg. A strong trade was reported for cull ewes with top prices ranging from £109-147 across the marts.

LATEST SHEEP MARTS (P/KG LW)

From: 16/05/20		Lambs			
To: 21/05/20		No	From	To	Avg
Saturday	Omagh	236	465	514	-
	Swatragh	350	454	523	-
Monday	Massereene	310	490	553	-
	Kilrea	250	500	541	-
Tuesday	Rathfriland	495	500	550	509
Wednesday	Ballymena	740	480	579	505
	Armoy	274	475	515	--
	Markethill	600	480	515	--

Strict Covid - 19 restrictions are in place across all of the livestock marts

Information supplied by LMC / DAERA/ AHDB/ DAFM

LMC does not guarantee the accuracy or completeness of any third party information provided in or included with this publication.

LMC hereby disclaims any responsibility for error, omission or inaccuracy in the information, misinterpretation or any other loss, disappointment, negligence or damage caused by reliance on third party information.

Not for further publication or distribution without prior permission from LMC

Contact us

T: 028 9263 3000
E: bulletin@lmcni.com
W: www.lmcni.com

