

# INCREASING SUPPLIES IMPACTING DEADWEIGHT LAMB TRADE

Base quotes from the three major lamb processing plants in Northern Ireland ranged from 470-490p/kg for R3 grading lambs up to 21kg early this week and came back to 470p/kg up to 21kg as the week progressed.

While base quotes for R3 grading lambs have started to come back the current deadweight trade remains ahead of the corresponding period in 2019. In the same week last year base quotes from local processors for lambs ranged from 420-430p/kg up to 21kg.

Supplies of lambs for processing have continued to increase in recent weeks as outlined in **Figure 1**. Reports from the local plants have indicated that lambs being presented for slaughter are generally of very good quality. There were 8,871 lambs killed in local

plants last week which takes total lamb/hogget throughput during May 2020 to 26,936 head. This was an increase of 2,745 head or 11 per cent from the 24,191 lambs/hoggets processed in local plants during May 2019.

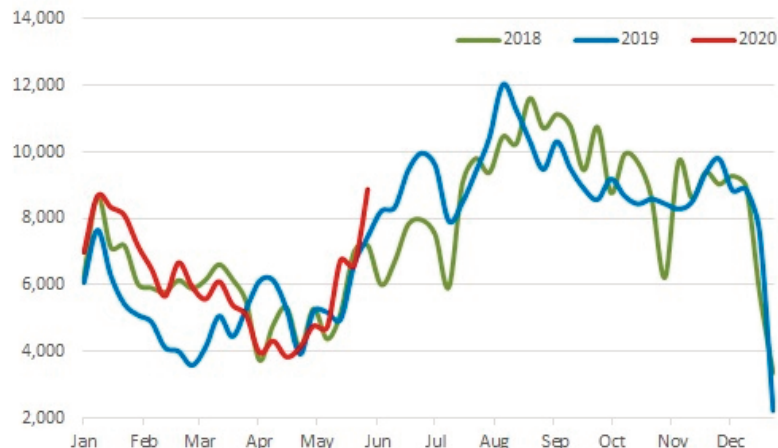
There has also been an increase in the number of lambs being exported from Northern Ireland for direct slaughter in plants in the Republic of Ireland. Last week 5,123 lambs were exported taking total lamb/hogget exports for May 2020 to 16,515 head. This was an increase of 5,374 head or 48 per cent from May 2019 when 11,141 lambs/hoggets were exported.

Favourable lamb production conditions across the British Isles this spring and early summer have contributed to

higher lamb throughput also being reported in mainland Great Britain and in Ireland during May 2020. This increase in throughput is also putting downward pressure on the deadweight lamb trade in both regions.

As we move into peak lamb production there is potential for further downward pressure on deadweight prices. The ongoing Covid-19 restrictions have impacted lamb demand both domestically and internationally. The Northern Ireland sheep sector is particularly exposed with approximately 75 per cent of lambs produced in the region destined for end markets in the European Union where there has been a particularly strong decline in demand from the food service sector.

**Figure 1: Weekly lamb/hogget throughput in Northern Ireland 2018-2020**  
Source: DAERA

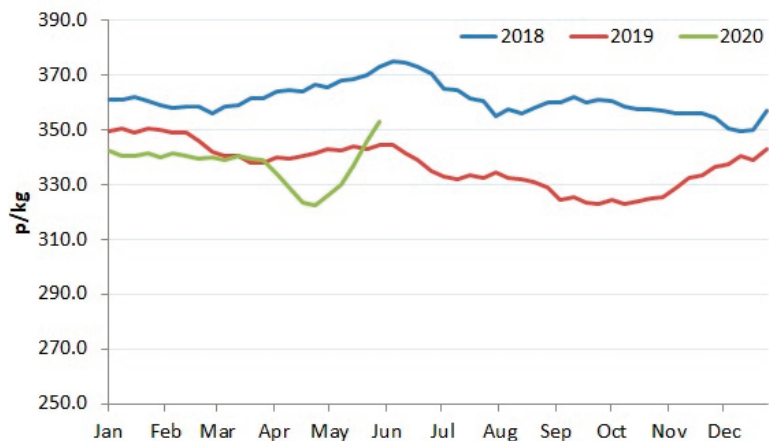


# TIGHTER CATTLE SUPPLIES DRIVING RECOVERY IN BEEF PRICES

Base quotes from the local beef processing plants this week for U-3 grading steers and heifers ranged from 340-346p/kg however reports have indicated that higher prices are being negotiated, particularly for prime cattle that meet current market specifications.

The strong improvement in the base quotes from the major beef processing plants in NI over the last few weeks is being reflected in reported cattle prices with an average R3 steer price in Northern Ireland last week of 353.1p/kg. This was up 7.1p/kg from the previous week and is ahead of the 344.4p/kg paid for R3 steers during the corresponding week last year as outlined in **Figure 2** below.

**Figure 2: Weekly price reported R3 steer prices in Northern Ireland 2018-2020 (p/kg). Source: Price reporting**



Prime cattle throughput in local plants last week totalled 5,647 head which brings throughput for May 2020 to 21,283 head. This is 6,014 head or 22 per cent behind May 2019 levels when 27,297 prime cattle were processed in local plants.

Cow supplies for slaughter have also remained tight with 1,645 cows processed locally last week. This takes total cow throughput for May 2020 to 5,515 head, an eight per cent reduction from May 2019 levels.

With supplies of locally produced prime cattle remaining tight there has been an increase in the number of cattle being imported for direct slaughter in Northern Ireland plants. Last week

## CATTLE FOR BEEF PRODUCTION

Age (months)	MAY 2020	% change
0-6	200,974	+1.6%
6-12	145,930	+6.1%
12-18	229,687	-0.1%
18-24	105,840	-1.1%
24-30	124,202	-5.7%

458 prime cattle were imported from Ireland for direct slaughter bringing total imports from the region during May 2020 to 1,233 head. In the same period last year prime cattle imports from Ireland for slaughter in local plants totalled 536 head.

The local processing plants have reported some improvement in cattle supplies for slaughter this week however the latest APHIS figures indicate that supplies of prime cattle for processing will remain tight in the short term.

Cattle in the 18-30 month age range will provide the bulk of cattle throughput for local plants in the next six months. At the end of May 2020 there were 230,042 cattle for beef production aged between 18-30 months of age on local farms, back 3.7 per cent from the same time last year.

# INCREASE IN CATTLE MOVEMENTS RECORDED

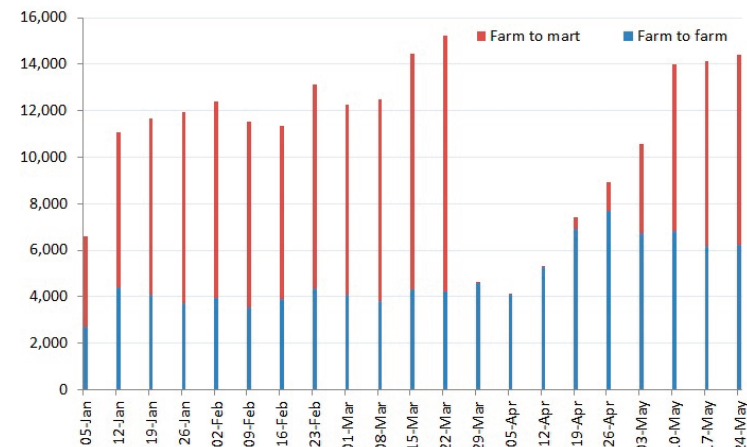
Livestock marts across Northern Ireland play an integral part in the red meat supply chain and their closure at the end of March 2020 due to Covid-19 restrictions had a serious impact on the number of cattle being traded in the region as outlined in **Figure 3** below.

In the w/e 29 March 2020 just five cattle were transferred from farms to marts in Northern Ireland compared to 7,837 cattle traded through marts in the corresponding week last year. While the marts were closed during the w/e 29 March 2020 the number of cattle traded from farm to farm that week totalled 4,568 head, similar to the 4,345 cattle transferred in the same week last year.

During March 2020 there were a total of 30,320 cattle movements from farms to either marts or other farms recorded by APHIS. This was a notable 55 per cent decline from 67,280 movements recorded during March 2019.

There was some increase in the number of cattle being traded from farm to farm during March and April 2020 as outlined below however this increase did little to offset the decline in the trade caused by the closure of the local livestock marts. As the marts have started to trade again the level of farm to farm trade has declined. Farm to farm trade and farm to mart trade are now operating closer to more typical levels.

**Figure 3: Weekly movements of cattle from farm to farm and farm to mart during 2020 YTD Source: APHIS**



## 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 01/06/20	Next Week 08/06/20
<b>Prime</b>		
U-3	340 - 346p	340 - 346p
R-3	334 - 340p	334 - 340p
O+3	328 - 334p	328 - 334p
P+3	278 - 288p	278 - 288p
	Including bonus where applicable	
<b>Cows</b>		
O+3 & better	260 - 275p	260 - 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

Base quotes for in spec U-3 grade prime cattle remained steady this week ranging from 340-346p/kg with similar quotes expected for early next week. The cow trade also held steady this week with base quotes for good quality O+3 grade cows ranging from 260-275p/kg.

As reported over the last few weeks there has been a significant tightening in supplies of prime cattle available for processing. Prime cattle throughput last week totalled 5,647 head, a slight increase on the previous week when 5,466 head were processed locally. This brings the 2020 year to date prime cattle throughput to 142,488 head, 4.5 per cent below the same period in 2019. Meanwhile a total of 1,645 cows were processed in NI last week, this brings the total cow throughput to date to 37,321 head, a 3.6 per cent increase on the same period last year.

Imports of prime cattle from ROI for direct slaughter in NI last week increased to 458 head with 130 cows also imported. This brings prime cattle imports from ROI to NI to 3,997 head during 2020 to date, back slightly from the same period last year. Exports of cattle for direct slaughter in ROI plants last week consisted of four prime cattle and 30 cows. This brings cattle exports for direct slaughter from NI to ROI to 1,276 head during 2020 to date, back 46 per cent from the same period in 2019.

Last week the NI deadweight prices for all types of cattle continued to strengthen due to the tightening in the availability of cattle for processing locally. The average steer price in NI last week increased by 9.2p/kg from the previous week to 345.9p/kg with the R3 steer price increasing by just over 7p/kg to 353.1p/kg. In the same week in 2019 the R3 steer price reported in NI was 344.4p/kg. The average heifer price in NI last week increased by 5.5p/kg to 345.6p/kg with the R3 heifer price up by 5.8p/kg to 352.1p/kg. In the same period last year the R3 heifer price was 345.7p/kg. The O3 cow price in NI recorded an increase of just under 11p/kg to 279.9p/kg last week while the average cow price in the region was up by 11.6p/kg to 260.6p/kg.

In GB last week the deadweight prime cattle trade also firmed in line with tighter supplies of cattle for processing. The average steer price in GB was up by 6.9p/kg to 344.8p/kg while the average R3 steer price increased by 8.2p/kg to 351.6p/kg. The R3 steer price in GB was 1.5p/kg lower than the R3 steer price in NI last week. The average heifer price in GB last week was up by 8p/kg to 346.2p/kg with the R3 heifer price increasing by 8.4p/kg to 351.9p/kg, similar to the reported R3 heifer price in NI last week. The O3 cow price in GB was up 7p/kg last week to 268.9p/kg which was 11p/kg below the same price in NI.

In ROI last week the R3 steer price came back by half a penny to the 325.9p/kg, while the R3 heifer price was up by 1.3p/kg to 330.6p/kg. This puts the R3 heifer price in ROI 21.5p/kg lower than the R3 heifer price in NI. Prime cattle throughput remains subdued in ROI with 84,160 prime cattle processed during May 2020, back 13 per cent from May 2019 levels. The O3 cow price in ROI came back by just over 2p/kg to 252.2p/kg last week which is 27.7p/kg below the equivalent price in NI.

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

	W/E 30/05/20	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	354.0	338.2	365.6	347.5	352.3	356.9	356.4
	R3	353.1	325.9	364.8	350.2	346.9	349.0	351.6
	R4	352.8	327.5	366.6	351.7	343.7	350.5	355.8
	O3	339.8	312.4	351.5	328.6	324.7	331.9	330.0
	AVG	345.9	-	361.9	341.3	336.7	340.1	344.8
Heifers	U3	354.0	342.0	370.7	356.0	359.0	358.5	360.9
	R3	352.1	330.6	366.1	347.5	349.7	349.7	351.9
	R4	348.9	330.0	365.2	350.0	346.4	350.5	355.2
	O3	341.8	318.0	343.5	332.3	323.8	328.1	328.7
	AVG	345.6	-	362.4	343.6	337.4	340.1	346.2
Young Bulls	U3	347.7	325.4	359.9	350.2	351.3	354.1	356.2
	R3	342.4	315.5	358.2	341.4	347.6	336.8	349.0
	O3	328.4	296.2	326.1	312.1	311.5	305.5	313.3
	AVG	333.5	-	355.1	335.3	336.2	333.3	342.6
Prime Cattle Price Reported		4,493	-	6,592	6,401	7,322	4,511	24,826
Cows	O3	279.9	252.2	271.0	266.6	268.0	273.6	268.9
	O4	280.6	252.5	273.6	266.9	272.3	267.6	270.1
	P2	243.0	229.2	218.4	223.6	224.3	233.2	226.4
	P3	256.9	243.9	249.7	233.6	240.8	246.0	242.0
	AVG	260.6	-	266.0	249.8	242.8	245.5	247.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.56p 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 30/05/20	Steers	Heifers	Young Bulls
U3	353.0	354.1	347.5
R3	350.4	349.7	344.1
O+3	339.8	342.1	334.7

\*Prices exclude AA, HER and Organic cattle

### REPORTED COW PRICES NI - P/KG

W/E 30/05/20	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	168.1	188.3	197.8	222.7
P2	199.0	217.1	243.0	252.3
P3	211.2	229.5	256.2	258.6
O3	-	273.0	278.7	279.9
O4	-	-	280.1	280.6
R3	-	-	-	299.5

### LATEST LIVEWEIGHT CATTLE MART PRICES NI

	W/E 30/05/20	1st QUALITY			2nd QUALITY		
		From	To	Avg	From	To	Avg
<b>Finished Cattle (p/kg)</b>							
Steers		215	227	221	190	214	202
Friesians		157	173	165	125	156	140
Heifers		210	218	109	181	209	195
Beef Cows		182	240	211	140	181	160
Dairy Cows		123	149	136	85	122	103
<b>Store Cattle (p/kg)</b>							
Bullocks up to 400kg		210	238	224	190	209	199
Bullocks 400kg - 500kg		214	226	220	170	213	190
Bullocks over 500kg		207	224	215	160	206	183
Heifers up to 450kg		211	228	219	180	210	195
Heifers over 450kg		211	220	215	195	210	202
<b>Dropped Calves (£/head)</b>							
Continental Bulls		415	450	430	200	410	305
Continental Heifers		385	410	395	195	380	285
Friesian Bulls		150	195	175	90	145	115
Holstein Bulls		40	80	60	10	30	20

# SHEEP TRADE

## NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 01/06/20	Next Week 08/06/20
Lambs up to 21kg	470-480p	470-475p

## REPORTED SHEEP PRICES

(P/KG)	W/E 16/05/20	W/E 23/05/20	W/E 30/05/20
NI L/W Lambs	489.9	501.3	459.0
NI D/W Lambs	493.1	506.0	491.0
GB D/W Lambs	536.1	545.6	526.7
ROI D/W	496.4	516.3	500.8

## Deadweight Sheep Trade

With supplies of lambs for processing increasing in NI there has been some downward pressure on the deadweight trade. Quotes from the major NI processors for R3 grade lambs ended this week in the region of 470p/kg paying up to 21kg. Throughput of lambs last week increased to 8,871 head. This brings total lamb/hogget throughput in 2020 to 134,124 head, a 14.7 per cent increase on the same period last year. Exports of lambs to ROI for direct slaughter last week increased to 5,123 head. This brings the year to date exports of lambs/hoggets to ROI to 115,720 head, a 6.6 per cent increase when compared to the same period in 2019. The average deadweight lamb price in NI last week was back by 15p/kg to 491p/kg while the ROI deadweight lamb price decreased by the equivalent of 15.5p/kg to 500.8p/kg.

## Liveweight Sheep Trade

This week the liveweight trade came under some pressure with steady numbers passing through the local marts. In Omagh last Saturday 344 lambs sold from 431-495p/kg compared to 392 lambs the previous week selling from 459-512p/kg. In Massereene on Monday 605 lambs sold from 440-467p/kg compared to 672 lambs last week selling from 460-531p/kg. On Tuesday in Rathfriland 430 lambs sold from 440-480p/kg (avg 464p/kg) compared to 865 lambs last week selling from 460-500p/kg (avg 484p/kg). This week in Markethill 480 lambs sold from 440-471p/kg compared to 800 lambs last week selling from 470-491p/kg. The trade for well fleshed cull ewes has remained steady with top reported prices ranging from £97-130.

## LATEST SHEEP MARTS (P/KG LW)

From: 30/05/20		Lambs			
To: 04/06/20		No	From	To	Avg
Saturday	Omagh	344	431	495	-
	Swatragh	500	434	488	-
Monday	Massereene	605	440	467	-
	Kilrea	390	448	466	-
Tuesday	Saintfield	402	440	490	-
	Rathfriland	430	440	480	464
Wednesday	Ballymena	889	445	483	452
	Enniskillen	280	405	458	-
	Arroy	215	470	500	-
	Markethill	460	440	471	-

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

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## LMC STAFF CONTINUE TO DELIVER DURING COVID-19 LOCKDOWN

Despite the fact that all LMC staff are currently working remotely all of its business targets are being met in full. "Remote working has not prevented us from providing all of our regular services and, in fact, a lot more has been going on since the Covid-19 lockdown took effect," explained LMC Chief Executive Ian Stevenson.

"All of our Industry Development and Market Information functions have been provided in the normal fashion including our important price reporting activities which have continued in the usual manner."

Ian also confirmed that 'virtual meeting technologies' are allowing LMC staff to fully participate in meetings of

organisations that have a global footprint within the meat sector. These include the International Meat Secretariat and the European Round Table for Beef Sustainability.

He said: "These are tremendously important networking opportunities for Commission staff. Normally we would have to get on a plane and fly to destinations around Europe and beyond to meet up with colleagues within these various organisations."

"Covid-19 restrictions are forcing us to look at the use of virtual meeting technologies such as Zoom, Teams, Webex and Skype and the good news is that these options are working well for LMC. At the most recent meeting of the

European Round Table for Beef Sustainability a total of 30 people logged-in for the event with similar numbers engaging with the online meeting of the International Meat Secretariat."

Ian continued: "The fact that we can participate in these important get-togethers remotely points to a new way of doing business for those operating within agri food and all the other sectors of the economy. Face to face meetings will always be part of building strong supply chain relationships but there is no doubt that social distancing will be here for some time to come and that remote meeting technology will continue to be widely used in the near future"

Recent weeks have also seen LMC staff liaise with industry stakeholders and the Department of Agriculture, Environment and Rural Affairs (DAERA) regarding the impact that Covid-19 is having on the beef and sheep sectors.

"Our engagement with industry and DAERA officials commenced prior to the recent aid package announced by the Agriculture Minister, Edwin Poots. Our discussions have centred on the results of a study carried out by the Andersons Centre on behalf of LMC with the support of the Ulster Farmers Union and the Northern Ireland Meat Exporters Association" confirmed Ian.

Ian also confirmed that LMC is using new digital technologies to drive the

strongest possible messages regarding farm quality assured beef and lamb to local consumers. He said: "Advising consumers on how best to cook beef and lamb and enjoy the sensory experience of tasty and nutritious beef and lamb dishes in the comfort of their own homes is the focus of our current social media campaign."

"The response to this engagement to date has been extremely encouraging with large numbers of consumers from across Northern Ireland getting involved. Again, there are lessons to be learnt from this type of online marketing activity, which we will no doubt develop further in the future."

## NEW BVD STANDARD INTRODUCED FOR FQAS

In line with changes agreed last autumn to the Northern Ireland Beef and Lamb Farm Quality Assurance Scheme (FQAS) Standard and Rules, farmers known to have Persistently Infected (PI) animals on their farm will be contacted and asked to take remedial action to resolve the issue, identified as part of the ongoing Bovine Viral Diarrhoea (BVD) eradication campaign.

The new rule states that: Any applicant or approved producer in the possession of a bovine for which a positive test result for the presence of BVD has been obtained from an approved laboratory will have FQ attained status removed from the herd if the BVD status of the bovine in question is not resolved, either through evidence that a BVD negative test result has been obtained for the animal or through evidence that the animal has been culled, in accordance with timescales determined by the scheme owners.

This new standard makes it a requirement for PI cattle to be culled as soon as possible after being

identified. These animals must also be isolated appropriately if they are present on farm at the time of inspection. A retained PI animal is one that has been retained on farm for 35 days or more.

LMC's Colin Smith commented: "We have contacted 109 FQAS members on this matter this week. To rectify a BVD non-conformance, farmers have three options. They can e-mail confirmation that the retained PI animal is registered dead via APHIS online, they can confirm that the retained PI animal has moved in to the DEAD herd-made available by local DVOs via a 'Move Out' list or thirdly they can provide evidence that the retained PI animal has retested BVD negative."

"NI is leading the way when it comes to eradicating BVD in the UK and this new standard shows how important industry considers animal health and welfare. It is important that those FQAS members take prompt action to remove PI's and help push eradication forward for the good of all involved in the cattle industry."

Image 1: Any FQAS producer who retains a BVD PI calf will have their FQ status removed



## IN MY OPINION.....RICHARD HALLERON RESUMING FQAS INSPECTIONS THE RIGHT DECISION

The decision taken by the Livestock and Meat Commission (LMC) to facilitate the resumption of actual farm inspections, where the Farm Quality Assurance Scheme (FQAS) is concerned, was totally right and proper. I note that the move comes with the proviso that virtual remote assessments will still be allowed in the case of vulnerable farmers, who are still Covid-19 shielding. And, again, this is the way it should be.

Given that the Department of Agriculture, Environment and Rural Affairs (DAERA) has announced a return to more normal inspection procedures, in light of the improving Covid-19 situation, it made total sense for the LMC to reflect a similar approach, where FQAS is concerned.

But there is a bigger story at play here. Farm Minister Edwin Poots recently confirmed that securing full access to countries like China with our beef must be made a priority for the local economy. And China is only one of the many new markets which we must target successfully in a post-Brexit world.

Given this reality, the need to have inspectors on the ground, assessing our farms on a regular basis, will be crucial in delivering the quality of information which countries around the world will demand from suppliers, if they decide to do business with Northern Ireland.

FQAS is what sets our beef and sheep industries apart from those in other countries. Sometimes, I think we take this fundamental fact for granted. So why should we diminish the effectiveness of the scheme in any way? In fact, we need to build on the scope of FQAS if we hope to secure the



premium price local beef and sheep farmers need from future export deals.

We cannot compete on price, when it comes to rubbing shoulders with the Brazils of this world. Verifiable quality must always be the hallmark of the beef and lamb produced here in Northern Ireland.

LMC made the right decision in opting for deferral of inspections, once the full impact of the Covid-19 pandemic became known. But, in equal measure, the organisation was obligated to review these changes in line with the public health advice emanating from government over recent days.

Fundamentally, the decision to push ahead with the re-introduction of FQAS farm inspections puts no one's health at risk. My experience of the inspectors coming out on to farms is that they are totally professional in everything that they do. So, I am totally confident that all criteria relating to the need for social distancing will be fully adhered to at all times.



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