

NI DEADWEIGHT CATTLE TRADE DIFFERENTIAL NARROWS WITH ROI AND GB

Since mid-December strong increases in base quotes for prime cattle from the major NI processors has translated into an improvement in deadweight cattle prices and has increased returns to producers. The major processors in NI have reported steady supplies of prime cattle coming forward for slaughter to meet demand for beef with 8,216 prime cattle killed in NI plants last week.

R3 Steers

Figure 1 provides a useful representation of the R3 steer price in NI, ROI and GB from the week ending 09 January 2021 until the week ending 21 May 2022. For the purposes of analysis we primarily use the R3 steer price as an indicator of the trade in NI as it is the most popular price reported grade and therefore provides the most robust sample for analysis. Using the prices paid for R3 grade steers also allows a like for like comparison to be made with the trade in GB and ROI.

Last week the average R3 steer price in NI increased by half a penny to 436.3p/kg, a marginal increase in comparison to recent months, however this remains 47.2p/kg higher than the corresponding week last year when the average price was 389.1p/kg.

While the trade in NI last week has eased it has not been to the same degree as experienced in GB. Trade in GB has also been strong in recent weeks however with steady cattle supplies the R3 steer price has come under pressure in three of the four regions across GB last week. During the week ending 01 May 2021 the differential in R3 steer prices between NI and GB was at a high of

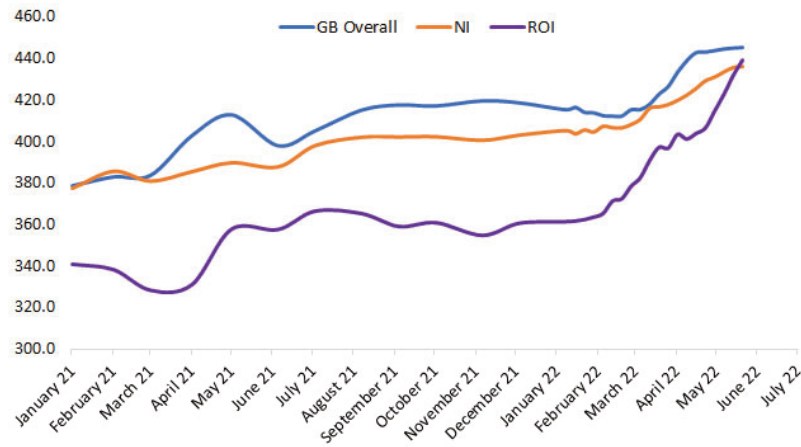
23p/kg during the 2021/22 period. This is the equivalent of £81 on a 350kg carcass, however last week (w/e 21 May 2022) the differential in R3 steer prices had narrowed to 9.3p/kg which is the equivalent of £33 on a 350kg carcass.

In ROI the R3 steer price has been consistently below the equivalent price in NI throughout 2021 and 2022. However as indicated in **Figure 1** the differential has narrowed notably since March this year as ROI deadweight prices have strengthened in recent weeks along with the euro strengthening against sterling. Last week the average R3 steer price in ROI recorded an increase equivalent to 7.4p/kg bringing the average price to 439.2p/kg.

During the 2021/22 period, the week ending 03 April 2021 saw the differential in R3 steer prices between NI and ROI reach a high of 54.7p/kg,

Figure 1: Price paid for R3 steer in NI, GB and ROI from January 2021 to date.

Source: LMC, DAFM & AHDB



which is the equivalent of £191 on a 350kg carcass. By the corresponding week of 2022 ending 02 April, the differential between ROI and NI had narrowed to 16.6p/kg.

The differential last week (w/e 21 May 2022) between ROI and NI was in the favour of ROI surpassing the relative NI price by 2.9p/kg which is the equivalent of £10 on a 350kg carcass. This is the first time since 01 June 2019 that the deadweight steer price in ROI has exceeded NI at which time the differential was a marginal 0.1p/kg.

R3 Heifers

Last week the R3 heifer price in ROI also surpassed the equivalent price in NI. This is the first time this has happened since week ending 21 March 2020, when the ROI R3 heifer price surpassed the NI price by a marginal 0.1p/kg. Last week the average R3 heifer price in NI fell by

half a penny to 436.7p/kg. This was 9.5p/kg behind the average price in GB which was 446.2p/kg having recorded a decrease of 0.3p/kg from the previous week.

Last week unlike both NI and GB the R3 heifer price in ROI recorded an increase of 5.4p/kg bringing it to 439.1p/kg. During the week ending 03 April 2021 the differential in R3 heifer prices between NI and ROI was at a high of 52.9p/kg, which is the equivalent of £169 on a 320kg carcass. Last week the ROI R3 heifer differential was 2.4p/kg above the same NI price equating to £8 on a 320kg R3 heifer carcass.

R3 Young Bulls

Last week in NI the R3 young bull price was back by 0.3p/kg, bringing it to 423.1p/kg. Meanwhile in GB, the R3 young bull price was up 1.6p/kg to 441.4p/kg, bringing it 18.3p/kg ahead of NI. In GB last week a 330kg R3 young bull carcass was worth £60 more than in NI.

Comparatively the differential between NI and ROI narrowed for six consecutive weeks to last week when the ROI R3 young bull price recorded an increase of 5.9p/kg to the equivalent price of 427.7p/kg bringing it ahead of NI. This equated to a 330kg R3 young bull carcass in ROI being worth £15 more in NI in sterling terms. The last time the ROI young bull price was ahead of NI was week ending 29 June 2019.

ROI deadweight prices have surpassed NI in all three R3 grade prime categories during the same week, which is the first time in just over five years, with the last time this occurred being week commencing 16 April 2016.

UPDATE ON ROI CATTLE IMPORTS FOR DIRECT SLAUGHTER

Last week there were 261 prime cattle imported from ROI for direct slaughter in local processing plants. This was an increase of 77 head from the previous week and the highest weekly level of prime cattle imported since mid-November 2021.

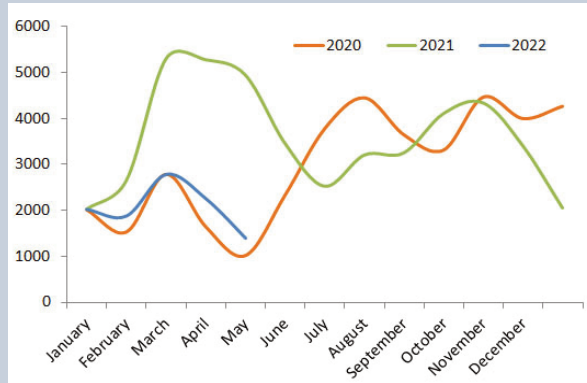
From 08 January 2022 up to week ending 21 May there have been a total of 5,678 cattle imported from ROI for direct slaughter in local plants. These have primarily consisted of 3,823 prime cattle and is back 1,079 head when compared to the 4,902 prime cattle imported from ROI in the same period last year. This year's levels are however, ahead of the 3,483 prime cattle imported from the region during the same period in 2020.

Prime cattle imports from ROI accounted for 2.6 per cent of total NI prime cattle throughput during January to week ending 21 May 2022. During the corresponding period in 2021 prime cattle imports from ROI accounted for 3.7 per cent of the local kill and accounted for 2.5 per cent during the same period in 2020.

Cull cattle, particularly cows continue to be a major cross border trade, unlike prime cattle imports, cow numbers entering NI for direct slaughter increased by 449 head from

the relevant period during 2021 to total 1,853 head to date this year. This is also well ahead of cow imports during the corresponding period during 2020 when 1,071 cows were imported from ROI for direct slaughter in NI plants. However, with the cow trade in ROI currently ahead of NI, it is anticipated these numbers will decline correspondingly.

Figure 2: ROI cattle imports to NI for direct slaughter January to May 2022 and the corresponding period in 2021, 2020
Source: DAERA



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WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 23/05/22	Next Week 30/05/22
Prime		
U-3	424 - 432p	424 - 428p
R-3	418 - 426p	418 - 422p
O+3	412 - 420p	412 - 416p
P+3	356 - 364p	356 - 360p
	Including bonus where applicable	
Cows		
O+3	280 - 360p	280 - 360p

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 21/05/22	Steers	Heifers	Young Bulls
U3	442.2	444.1	430.9
R3	434.6	436.0	423.8
O+3	427.1	427.0	413.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 21/05/22	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	258.3	278.3	291.5	304.5
P2	282.3	303.2	325.1	334.7
P3	296.4	321.0	345.5	347.4
O3	365.0	344.0	360.5	366.6
O4	-	-	368.8	370.6
R3	-	-	-	389.1

Deadweight Cattle Trade

Base quotes from the major NI processing plants for in spec U-3 grade prime cattle this week came back mid-week to range from 424-428p/kg. Quotes for good quality O+3 grade cows have increased at the upper end with quotes ranging from 280-360p/kg across the plants this week with the majority of plants quoting 320p/kg upwards. Similar quotes are expected for all types of cattle early next week.

Throughput of prime cattle in the local plants has remained firm with 8,216 head killed last week, an increase of 106 head compared to the previous week when 8,110 prime cattle were slaughtered. This was 1,465 head more than the 6,751 prime cattle killed in local plants during the same week in 2021. The average carcass weight of prime cattle killed in local plants last week was 345.6kg, back 3.9kg compared to 349.5kg in the same week last year. Cow throughput in NI last week totalled 2,042 head similar to previous week and the same week in 2021. The average carcass weight of cows killed in local plants last week was 304.9kg back 13.1kg compared to the cow kill in the corresponding week last year.

Imports of cattle from ROI for direct slaughter in local plants last week consisted of 261 prime cattle and 76 cows. A total of 173 cattle were exported from NI to ROI last week for direct slaughter which consisted of three prime cattle, 162 cows and eight bulls, while 35 cows were exported from NI to GB.

Last week in NI the average steer price was up by 1.2p/kg to 426.9p/kg while the R3 steer price was up by half a penny to 436.3p/kg. The average heifer price in NI increased by 0.4p/kg to 429.2p/kg last week, with the R3 heifer price back half a penny to 436.7p/kg. The average young bull price recorded an increase of 1.2p/kg to 411.9p/kg, while the R3 young bull price was back by 0.3p/kg to 423.1p/kg. The cow trade in NI generally improved last week with the average cow price up 2.5p/kg to 339.7p/kg, while the O3 cow price increased by 3.4p/kg to 365.9p/kg.

In GB last week the average R3 steer price was 438.7p/kg, up 0.3p/kg from the previous week, while the average steer price in GB was back half a penny bringing it to 445.6p/kg. Meanwhile the R3 heifer price in GB was back 0.3p/kg to 446.2p/kg with the overall average GB heifer price increasing by 0.7p/kg from the previous week to 439.9p/kg. The O3 cow price in GB was up 0.3p/kg to 381.9p/kg narrowing the differential to 16p/kg above the price paid for O3 grade cows in NI last week.

In ROI the deadweight prices for prime cattle reported strong increases in both euro and sterling terms last week from the previous week. The R3 steer price increased by 7.4p/kg to the equivalent of 439.2p/kg with the R3 heifer price up by the equivalent of 5.4p/kg last week to 439.1p/kg. Prime cattle throughput in ROI last week totalled 24,998 head which was a decrease of 1,958 head from the previous week when 26,596 prime cattle were processed in ROI plants.

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

W/E 21/05/22	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	442.4	445.2	443.5	450.2	452.7	448.9
	R3	436.3	439.2	445.5	448.7	445.0	445.6
	R4	436.0	443.3	445.7	451.6	446.0	447.2
	O3	424.2	430.3	431.7	430.6	424.7	422.8
AVG	426.9	-	441.1	443.0	436.8	432.7	438.7
Heifers	U3	444.3	448.0	455.4	453.2	456.8	455.0
	R3	436.7	439.1	448.5	448.4	445.9	446.2
	R4	433.3	441.7	449.4	450.5	446.5	448.2
	O3	424.4	433.4	429.2	428.8	423.8	423.4
AVG	429.2	-	445.9	445.8	435.1	431.7	439.9
Young Bulls	U3	430.3	433.8	445.5	447.3	450.1	447.5
	R3	423.1	427.7	439.3	440.6	442.9	441.4
	O3	405.8	412.4	407.9	411.8	412.7	413.8
	AVG	411.9	-	438.4	432.0	429.9	432.4
Prime Cattle Price Reported	6,996	-	6,908	7,030	8,362	5,198	27,498
Cows	O3	365.9	384.5	383.3	381.8	382.3	381.9
	O4	370.5	382.8	387.4	385.0	382.7	382.2
	P2	321.3	357.2	335.4	336.6	338.3	338.0
	P3	344.6	374.6	353.6	360.4	357.1	356.7
AVG	339.7	-	378.1	369.1	356.1	350.9	359.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=84.73p 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 21/05/22	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	270	285	277	225	269	247
Friesians	203	228	215	155	202	178
Heifers	261	290	275	210	260	235
Beef Cows	242	282	262	180	241	210
Dairy Cows	160	190	175	120	159	139
Store Cattle (p/kg)						
Bullocks up to 400kg	250	293	272	220	249	235
Bullocks 400kg - 500kg	242	272	257	200	241	220
Bullocks over 500kg	230	252	241	190	229	210
Heifers up to 450kg	240	265	253	180	239	210
Heifers over 450kg	230	263	247	180	229	205
Dropped Calves (£/head)						
Continental Bulls	400	500	450	250	395	320
Continental Heifers	350	470	410	190	345	265
Friesian Bulls	180	220	200	90	175	130
Holstein Bulls	90	150	120	20	85	50

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 23/05/22	Next Week 30/05/22
R3 Hoggets up to 22kg	570-575p	570-575p
R3 Spring Lambs up to 21kg	640-650p	640-650p

REPORTED SHEEP PRICES

(P/KG)	W/E 07/05/22	W/E 14/05/22	W/E 21/05/22
NI L/W Hoggets	477.3	-	-
NI L/W Spring Lambs	571.9	581.6	601.5
NI D/W Hoggets	557.2	558.6	560.4
NI D/W Spring Lambs	589.2	599.5	618.8
GB D/W Hoggets	603.3	605.1	598.5
GB D/W Spring Lambs	659.4	676.4	672.0
ROI D/W	625.4	635.0	648.6

Deadweight Sheep Trade

Base quotes from the major processors for R3 grade lambs strengthened early this week to 640-650p/kg up to 21kg with similar quotes expected for early next week. Throughput in the local plants last week increased to 6,916 lambs last week which was just behind the 7,025 lambs killed locally during the same week last year. Exports of lambs to ROI for direct slaughter last week increased by 671 head to 3,476 head from the previous week. The average deadweight lamb price in NI last week was 618.8p/kg, up 19.3p/kg from the previous week. The sheep trade in ROI continues to strengthen with last week's deadweight lamb price up by 13.6p/kg to the equivalent of 648.6p/kg.

Liveweight Sheep Trade

Number of lambs passing through local sale rings increased this week with prices similar to last week. In Omagh last Saturday 124 lambs sold from 552-595p/kg compared to 63 lambs the previous week selling from 522-590p/kg. In Massereene on Monday 298 lambs sold from 596-638p/kg compared to 206 lambs selling from 600-624p/kg last week. In Rathfriland this week 452 lambs sold from 590-650p/kg (avg 619p/kg) compared to an entry of 441 lambs last week selling from 600-651p/kg (avg 629p/kg). On Wednesday in Enniskillen 320 lambs sold from 590-647p/kg compared to last week when 185 lambs sold from 585-622p/kg. The trade for cull ewes continues to remain strong with top reported prices for well fleshed ewes ranging from £163-265 across the marts last week.

LATEST SHEEP MARTS (P/KG LW)

From: 21/05/22		Lambs			
To: 25/05/22		No	From	To	Avg
Saturday	Swatragh	600	535	650	-
	Omagh	124	552	595	-
Monday	Kilrea	470	600	675	-
	Massereene	298	596	638	-
Tuesday	Saintfield	535	585	620	-
	Rathfriland	452	590	650	619
Wednesday	Ballymena	754	580	648	615
	Enniskillen	320	590	647	-
	Armoy	246	598	625	-
	Markethill	800	610	654	-

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