LMC
Livestock & Meat Commission
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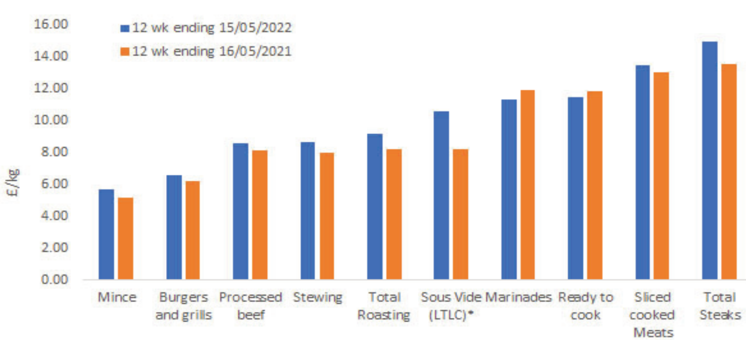
GB RETAIL BEEF MARKET: HIGHER PRICES AND DEPRESSED SALES

In recent weeks concerns have been raised surrounding consumers' willingness to buy beef at higher retail prices with pressure on farmgate beef prices expected across the UK. The latest monthly report from Kantar Worldpanel up to week ending 15 May 2022 shows that retail beef prices in GB, NI's largest market have risen in recent months. The Kantar data is based on a large panel of GB shoppers who record details of their purchases when they arrive home with their shopping. These figures are a useful indication of GB beef demand trends.

While farmgate prices have increased considerably during 2022, there was an immediate response at a retail level with beef prices rising simultaneously, and Kantar reported an increase in prices of all but two beef product categories year on year as shown in **Figure 1.** With increasing pressures on consumer pockets recently participants in this ongoing survey recorded decreased expenditure on beef. In the 12 weeks ending 15 May 2022, total spending on beef in the UK declined by 7.1 per cent year-on-year to £1,009.6 million while primary beef volumes declined by 15.4 per cent and total beef volumes correspondingly fell by 12.6 per cent, compared to the same period during 2021. This decline in volume also comes about as sales are compared to a period last year when more Covid-19 restrictions were in place during which consumers were cooking more meals at home while the foodservice sector began to re-open.

This 12 week data set ending 15 May 2022 reported the average beef price increasing by 6.2 per cent from the relative period during 2021, this is consistent with the trend over the past 52 weeks, during which the average beef price increased 4.5 per cent again with all but the marinades and ready to cook beef categories recording a price increase.

Figure 1: The average price of beef was up in the majority of beef categories year on year, during the 12 weeks ending 15 May 2022. Source: Kantar.



Primary beef sales

All of the primary beef categories recorded a decline in terms of the total value and volume of sales for high value cuts. Sales of roasting joints had an average retail price of £9.16/kg during the 12 weeks ending 15 May 2022, an £0.96/kg increase from the same period last year when the average price of roasting joints was £8.20 at 16 May 2021. This increase in average price combined with a 28.6 per cent decline in volume sales resulted in the value of roasting joint sales to be back by 20.2 per cent from year earlier levels.

Image 1: Steak sales in the GB were valued at £163.3 million during the 12 weeks ending 15 May 2022. Source: Kantar Worldpanel.

Steak sales in GB retailers were valued at £163.3 million during the 12 weeks ending 15 May 2022 which was back by 16.2 per cent from the same period in 2021. This decline was driven by a 10.5 per cent increase in the average retail price and the end of covid-19 restrictions on the foodservice sector.

The volume of mince sales was back 7.7 per cent from the corresponding period in 2021 week ending 16 May, while the value of sales was marginally up 1.8 per cent. This increase in overall sales is likely driven by mince being an affordable option for most households, while the lower volume sales is likely attributable to the 10.4 per cent increase in the average retail price.

Sales of stewing beef were valued at £49.3 million during the 12 weeks ending 15 May 2022, a 3.1 per cent decline from the corresponding period. This is also attributable to the end of Covid-19 restrictions promoting cooking at home, the current reduced expenditure of consumers and the 9.7 per cent increase in the retail price of stewing beef year-on-year, which equates to a £0.70/kg increase from

The LMC has collaborated with Food Futures to develop a farm sustainability measurement tool. To find out more about Food Futures visit: https://www.food-futures.org

UPDATE ON ROI CATTLE IMPORTS TO NI FARMS

According to the most recent APHIS data available, during the first four months of 2022, 10,429 cattle were imported from ROI for further breeding and production on local farms. As shown in **Figure 2**. this is a significant decrease of 13,494 head or 56.4 per cent when compared to the corresponding period during 2021 when 23,923 cattle were imported to NI farms from ROI. However this is a four per cent increase from 2020 levels when 10,021 head were imported during the first four months of the year. It is important to note however, that 2021 import levels were unusually high.

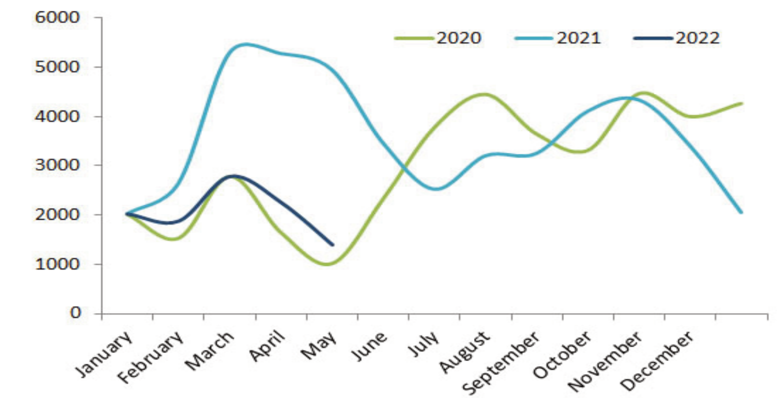
Of the 10,429 cattle imported from ROI for further production during the first four months of 2022, 76 per cent were aged over 7 months old and of these 7,904 animals over 7 months old, 5,751 head or 72.8 per cent were female cattle, the majority of which will be used in both the suckler and dairy herds. The proportion of female cattle in the over 7 month old category, imported onto NI farms this year to date, is up from the corresponding period last year when female cattle accounted for 68.6 per cent of cattle imports over 7 months old.

While the proportion of females in this category has fallen over the two year period from 2020 when females accounted for 85.7 per cent of the total cattle imported over 7 months old during January to April, the number of female cattle imported has increased by a combined 11,939 head over the two year period.

From January to April 2022, the proportion on males over 7 months old arriving on NI farms for further production totalled 2,153 head. This was an increase of 1,221 head from the corresponding 2020 period when 932 head were imported from ROI.

However, 2,153 head is a signficant decrease of 60 per cent from the first four months of 2021 when 5,384 male cattle over 7 months old were imported from ROI for further production. This is the most relevant statistic to the local beef industry, as this reduction in animals which would predominantly be intended for slaughter in local plants will tighten supplies in the future.

Figure 2: Cattle imported from ROI for further production on NI Farms during 2020, 2021 and to date in 2022. Source: APHIS



WEEKLY BEEF & LAMB MARKETS

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CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 30/05/22	Next Week 06/06/22
Prime		
U-3	424 - 432p	424 - 432p
R-3	418 - 426p	418 - 426p
O+3	412 - 420p	412 - 420p
P+3	356 - 364p	356 - 364p
	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 28/05/22	Steers	Heifers	Young Bulls
U3	445.7	446.5	437.6
R3	438.7	440.5	430.7
O+3	428.4	432.0	421.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 28/05/22	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	264.8	280.1	297.8	308.4
P2	283.6	307.8	332.9	343.8
P3	302.1	327.5	345.5	352.4
O3	290.0	367.5	360.2	372.2
O4	-	350.3	370.9	372.3
R3	-	-	-	387.9

Deadweight Cattle Trade

Base quotes for U-3 grade prime cattle strengthened this week to range from 424-432p/kg across the major plants this week. The cow trade has also remained firm in NI with base quotes for good quality O+3 grading cows ranging from 280-360p/kg with just one plant quoting at the lower end of the range. Similar quotes are expected for all types of cattle early next week.

Prime cattle throughput last week totalled 7,826 head, a decrease of 390 head from the previous week when 8,216 head were processed locally. This brings prime cattle throughput for May to 31,181 head, almost 15 per cent above the same period in 2021 when 27,139 prime cattle were processed locally. Meanwhile a total of 2,165 cows were processed in NI last week, this brings cow throughput for May to 8,333 head, a 18.6 per cent increase on the same period last year.

Imports of prime cattle from ROI for direct slaughter in NI last week totalled 162 head with 121 cows also imported, no cattle were imported from GB for direct slaughter in local plants last week. Meanwhile a total of 262 cattle were exported from NI for direct slaughter in ROI last week consisting of 11 prime cattle, 245 cows, and six bulls. No cattle made the journey to GB for direct slaughter.

The R3 steer price in NI last week was up 3.9p/kg from the previous week to 440.2p/kg. The overall average steer price was up by 3.9p/kg to 430.8p/kg. The R3 heifer price in NI last week increased by 4.4p/kg to 441.1p/kg. The overall average heifer price was up by 3.9p/kg to 433.1p/kg. The R3 young bull price was strong in NI last week recording an increase of 7.4p/kg to 430.5p/kg. The NI O3 cow price increased last week by 5.3p/kg to 371.2p/kg, while the overall average cow price was up by 4.6p/kg to 344.3p/kg compared to the previous week.

In GB last week cattle prices came under some pressure from the previous week. The average steer price in GB was back 0.2p/kg to 438.5p/kg while the R3 steer price was back 1.4p/kg to 444.2p/kg. This places the differential in the R3 steer price last week between NI and GB at 4p/kg. The average heifer price in GB last week remained steady at 439.9p/kg, while the R3 heifer price in GB increased marginally by 0.4p/kg to 446.6p/kg which puts the differential in R3 heifer prices last week between NI and GB at 5.5p/kg or £18 on a 320kg carcase.

In ROI last week deadweight cattle prices reported increases across all grades when compared to the previous week. The R3 steer price in ROI was the equivalent of 450.8p/kg, up by 11.6p/kg which equates to 10.6p/kg ahead of NI or £37 on a 350kg carcase. The R3 heifer price recorded a significant increase of 12.5p/kg to the equivalent of 451.6p/kg. This puts the differential between ROI and NI at 10.5p/kg or £34 on a 320kg carcase. The O3 cow price in ROI last week also continued to increase recording a 13.1p/kg rise to the equivalent of 397.6p/kg, widening the differential with NI to 26.4p/kg or £74 on a 280kg carcase.

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

W/E 28/05/22		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	445.7	457.3	446.1	449.8	450.1	450.4	448.8
	R3	440.2	450.8	443.9	446.8	444.0	442.3	444.2
	R4	440.3	453.2	445.5	451.2	443.5	444.1	446.8
	O3	425.9	442.5	429.5	433.3	425.7	421.2	426.8
	AVG	430.8	-	441.3	443.9	436.1	431.3	438.5
Heifers	U3	446.0	460.4	450.5	455.2	454.1	453.7	453.5
	R3	441.1	451.6	448.2	448.1	447.0	443.3	446.6
	R4	438.9	454.7	449.9	449.0	445.6	443.0	447.7
	O3	429.9	446.3	429.7	438.8	424.2	418.8	427.1
	AVG	433.1	-	446.0	443.6	436.9	431.7	439.9
Young Bulls	U3	437.6	445.7	442.6	448.4	447.2	446.1	445.4
	R3	430.5	442.2	437.1	440.1	438.5	440.4	438.6
	O3	412.3	425.9	418.3	407.2	416.9	399.0	413.4
	AVG	420.7	-	437.2	431.9	426.9	427.5	431.1
Prime Cattle Price Reported		6,588	-	6,922	7,212	8,695	5,115	27,944
Cows	O3	371.2	397.6	385.8	382.2	381.5	378.3	381.5
	O4	371.9	395.9	387.6	385.6	382.6	380.2	383.7
	P2	326.7	370.0	335.1	338.1	342.8	336.7	339.9
	P3	348.3	388.6	362.4	358.4	360.1	346.0	355.9
	AVG	344.3	-	382.1	366.0	360.3	351.7	362.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=85.16p 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 28/05/22	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	270	294	280	220	269	245
Friesians	203	217	210	192	196	194
Heifers	245	282	260	200	244	225
Beef Cows	244	286	254	190	243	205
Dairy Cows	170	214	181	130	169	143
Store Cattle (p/kg)						
Bullocks up to 400kg	255	326	280	205	254	230
Bullocks 400kg - 500kg	245	310	260	200	244	222
Bullocks over 500kg	240	282	252	200	239	218
Heifers up to 450kg	250	295	260	210	249	225
Heifers over 450kg	215	245	230	190	214	200
Dropped Calves (£/head)						
Continental Bulls	350	450	400	225	345	285
Continental Heifers	300	435	350	150	295	225
Friesian Bulls	140	190	165	65	135	100
Holstein Bulls	100	190	135	1	95	50

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 30/05/22	Next Week 06/06/22
R3 Lambs up to 21kg	640-650p	640-650p

REPORTED SHEEP PRICES

(P/KG)	W/E 14/05/22	W/E 21/05/22	W/E 28/05/22
NI L/W Lambs	581.6	601.5	607.8
NI D/W Lambs	599.5	618.8	623.7
GB D/W Lambs	676.4	672.0	661.5
ROI D/W	635.0	648.6	658.4

Deadweight Sheep Trade

Base quotes from the plants for lambs this week were in the region of 640-650p/kg with plants paying up to 21kg. The number of lambs coming forward for slaughter has continued to increase in recent weeks with the lamb throughput in NI plants last week totalling 7,111 head up from the previous week. This brings total lamb/hogget throughput to date in 2022 to 144,402 head, a 1.3 per cent increase on the same period last year when 142,528 hoggets/lambs were processed locally. The average deadweight lamb price in NI last week was up by almost 5p/kg to 623.7p/kg. Meanwhile the ROI deadweight lamb price increased by the equivalent of 9.8p/kg to 658.4p/kg.

Liveweight Sheep Trade

Increased numbers of lambs passed through many of the marts this week with trade generally improved compared to last week. In Swatragh last Saturday 620 lambs sold from 525-680p/kg compared to 600 lambs the previous week selling from 535-650p/kg. In Kilrea on Monday 350 lambs sold from 591-668p/kg compared to 470 lambs last week selling from 600-675p/kg. In Saintfield on Tuesday 640 lambs sold from 610-655p/kg compared to 535 lambs last week selling from 585-620p/kg. In Rathfriland on Tuesday 555 lambs sold from 590-615p/kg (avg 600p/kg) compared to 452 lambs last week selling from 590-650p/kg (avg 619p/kg). The trade for well fleshed cull ewes has remained steady with top reported prices last week ranging from £164-284 across the marts.

LATEST SHEEP MARTS (P/KG LW)

From: 28/05/22		Lambs			
To: 01/06/22		No	From	To	Avg
Saturday	Swatragh	620	525	680	-
	Omagh	87	596	657	-
Monday	Kilrea	350	591	668	-
	Massereene	394	610	642	-
Tuesday	Saintfield	640	610	655	-
	Rathfriland	555	590	615	600
Wednesday	Ballymena	903	600	665	622
	Markethill	820	610	660	-

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MONTHLY NEWS

Saturday 04 June 2022 Issue No. 0066

BALMORAL SHOW LIVES UP TO ALL ITS PROMISE FOR LMC

The Livestock and Meat Commission (LMC) is confirming that Balmoral Show 2022 provided the organisation with a unique opportunity to engage with stakeholder groups and consumers in a more than meaningful way.

"We were flat to the mat throughout the four days of the event, confirmed Commission Chief Executive Ian Stevenson. "Balmoral worked for us at four levels. First and foremost, it provided members of the public with an opportunity to enjoy a range of delicious beef and lamb recipes, prepared specifically for them on the stand, by our team of cookery demonstrators."

Image 1: Sampling of NIFQA Beef and Lamb dishes from the team of LMC Cookery Demonstrators.

"Secondly, the event also allowed LMC board members and staff to engage with those representatives from other stakeholder organisations, politicians and business organisations, who visited our stand between the Wednesday and the Saturday."

Ian continued: "Farm minister Edwin Poots, newly elected UFU President David Brown and new DAERA Permanent Secretary Katrina Godfrey were among the many industry and government leaders, who took the time to come on to our stand at the show. The timing of this year's Balmoral was perfect, given the number of crucially important policy-related decisions that have to be taken over the coming months, where the future of farming in Northern Ireland is concerned."

Image 2: Visitors on the LMC stand enagaging with our staff.

"The outworking of new climate change legislation on the ground is a critically important issue for the sector as is agreement on new farm support arrangements. Large numbers of farmers also visited the LMC pavilion at the show. In their case, it was very much a case of debating the wide range of issues that go to the very heart of the beef and sheep sectors' priorities for the future. Matters such as input costs, market prospects, future farm support measures plus the need to improve animal health and overall efficiency standards were discussed at length." "Securing a sustainable future for beef and sheep was another priority issue," the Commission's chief executive confirmed. "But LMC Staff and Board members do not have all the answers. So, it was tremendously helpful to get feedback from farmers on all these critically important issues."

According to Ian, effective networking is at the heart of any strategy development process. And the LMC pavilion at Balmoral 2022 was put to excellent use in this regard. The third strand associated with the Commission's presence at the show was its sponsorship support for some of the most important Balmoral livestock and livestock handling classes. Ian Stevenson remarked: "We were delighted to be so clearly associated with the many cattle and sheep breeders taking part at this year's event."

Image 3: Pictured is Jack Smyth with judge Mr Michael Durno and LMC Chief Executive Ian Stevenson who presented Jack with the rosette for Supreme interbreed beef champion at Balmoral.

"The standard of the livestock exhibited across all the classes were magnificent. Yes, there will always be a champion and a runner-up. But in my opinion, all the breeders and handlers taking part this year were winners on the day. They are fully deserving of the congratulations they received from their fellow competitors in the show rings but also from the very large crowds of spectators who gathered to watch every class take place, from early in the morning until quite late in the evening."

Fourthly, Ian continued "at the heart of it all, Balmoral Show is really a series of events taking place within one over-arching extravaganza of activity. LMC's diary was full of events to attend at Balmoral Park, more or less from first thing on the Wednesday morning through until the Saturday afternoon."

Image 4: Sheep Young Handlers 8-11 year olds champion Shannon Smyth and 12-14 year olds champion Zara Smyth, pictured with their parents.

Image 5: LMC Cookery Demonstrators Arlene Thompson and Wendy Donaldson, ready to start their demonstrations at the show.

"These were unique opportunities to meet-up with representatives from organisations that interface in so many different ways with the farming sector. "The making a difference in rapidly changing times discussion, hosted by Rural Support and ABP Food Group, stands out as possibly the most mind jogging event of the entire four days. The speakers taking part managed to encapsulate so well the increased stress levels now impacting on farmers and the toll this is having on their mental and physical health and wellbeing, whilst clearly identifying practical steps farmers can take to manage things within their control and to access readily available support services where required."

Balmoral Show has long been recognised as the main shop window for farming and food in Northern Ireland. "From an LMC perspective, it really is a case of the consumer coming first. We estimate that approximately 1,000 people engaged in viewing and sampling the output from the cookery demonstrations that were held on the LMC stand at this year's show," confirmed Ian Stevenson. "In addition, we distributed approximately 4,000 copies of new LMC beef and lamb recipe books. Many of these recipes also featured in a very meaningful way at the show, courtesy of the cookery demonstrations."

Image 6: One of the popular promotional products, water bottles with the Northern Ireland Farm Quality Assurance Logo, which could be refilled on the LMC stand throughout the show.

"Ian continued: "All of our promotional activities were focused on communicating the benefits of Northern Ireland's Farm Quality Assured Beef and Lamb and the schemes underpinning the produce. This is the very tangible link back to the many thousands of local beef and sheep farmers, all of whom produce beef and lamb of the highest quality on a consistent basis."

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