LMC
Livestock & Meat Commission
WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION
Saturday 11 February 2023
Issue No. 2755

NI CATTLE SLAUGHTER FORECAST 2023

In order to compile its annual slaughter projections, LMC uses its own sophisticated software systems informed by data from stakeholder bodies in Northern Ireland, the Republic of Ireland and further afield. Forecasting is not an exact science with many influencing factors that can change throughout the year but using the best available current information this article will outline the projected cattle slaughter forecast in NI for 2023.

2022 saw the highest prime cattle kill recorded in NI for over a decade totalling 373,485 head. During 2023 the local prime cattle kill is projected to be in the region of 366,000 head, a decline of around two per cent from 2022 levels. Despite being a decline year on year this will be ahead of previous years as shown in **Figure 1** with a prime kill of 345,640 and 347,502 head recorded during 2020 and 2021 respectively.

Cow slaughterings are forecast to remain high as they did during 2022 and total in the region of 114,000 head during 2023. During 2022 cow slaughterings in NI totalled 118,872 head and saw the highest weekly kill ever recorded in the region. The throughput of other cattle, which includes calves and bulls, is also projected to be back on 2022 levels and will see the smallest decline by category to a throughput in the region of 12,500 head this year, compared to the 13,538 figure reported last year. However, like prime cattle and cows, 2022 calf and bull slaughter levels were well ahead of recent years with the forecast for 2023 anticipating an increase compared to 2020 and 2021 levels.

Overall, the total cattle throughput for 2023 is projected to reach approximately 492,800 head: the actual throughput figure for 2022 was 505,895. In overall terms cattle slaughterings are projected to decline by just over 13,000 head this year or by 2.6 per cent. In terms of prime cattle a relatively small decrease is expected compared to 2022 equating to a weekly decline of around 139 head. The forecast is unconcering considering prime cattle slaughterings are expected to remain substantially ahead of previous years equating to an increase of approximately 360 cattle per week on 2021 levels.

The following key assumptions were used in the LMC prediction model:

1) Live imports for direct slaughter from the ROI to continue at current levels
2) Exports to the ROI for direct slaughter to continue at similar levels
3) Live imports and exports to GB will be lower than previous years
4) Calf exports to the continent to remain unchanged
5) The current level of beef sires used on dairy herd to continue
6) There will be no change in relative beef price differential across the British Isles in 2023
7) There will be no substantial movement in exchange rates
8) There will be no substantial disease outbreak in 2023
9) There will be no substantial changes in disease controls
10) Northern Ireland's beef and dairy breeding herds to remain steady in 2023
11) Dairy markets to remain stable over the next 12 months

Figure 1: Prime cattle slaughter forecast for 2023.
Source: LMC Forecasting Software.

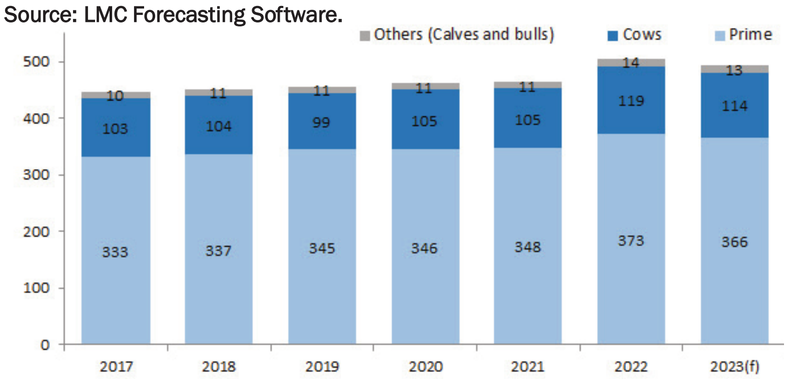

Figure 2: Imports of prime cattle and cows from ROI for direct slaughter in NI during 2017-2022. Source: DAERA.

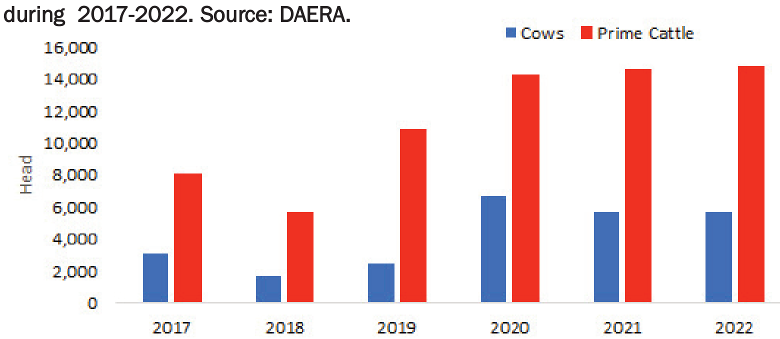

Table 1: Breakdown on beef cattle (beef & dairy sired males) on the ground by age category 31 January 2021-2023. Source: APHIS.

Age (months)	January 2021	January 2022	January 2023	2022/23 YOY change (%)	2021/23 YOY change (%)
0-6	122,055	147,765	148,564	+0.5%	+21.7%
6-12	247,352	255,997	248,521	-2.9%	+0.5%
12-18	143,438	139,868	141,092	+0.9%	-1.6%
18-24	196,154	201,768	193,867	-3.9%	-1.2%
24-30	70,655	68,858	66,973	-2.7%	-5.2%
30+	299,005	299,407	292,773	-2.2%	-2.1%

Beef supplies on NI farms

Consistent with LMC's forecast, in recent weeks prime cattle supplies have been tightening in NI with throughput to date during 2023, 1,356 head behind the same time last year. This is to be expected considering the reduced numbers of cattle on NI farms last month when compared to year earlier levels as outlined in **Table 1.**

Analysis of the APHIS data reported on 31 January 2023 reveals there has been a 2.7 per cent decline year on year, in the number of cattle for beef production aged between 24-30 months on NI farms. This accounts for a decline of 1,885 cattle or approximately a quarter of a week's kill based on last years average weekly throughput.

Meanwhile there were 193,867 cattle aged 18-24 months on NI farms at the close of January 2023, a decline of approximately four per cent from the 201,768 head recorded at the same time last year. However there has been an increase in the number of cattle aged 12-18 months old with 141,092 head recorded at the end of January 2023. This was a 0.9 per cent increase from January 2022 levels. Cattle in these two age categories will provide the majority of prime cattle throughput for local meat plants over the next six months. The decline in cattle numbers on NI farms stems mostly from the record kill in NI plants during quarter 1 and 2 of 2022, however is also a consequence of reduced calf births during 2020.

Despite the overall decline in cattle for beef production aged 6-30 months old on NI farms at the end of January the levels of calves aged 0-6 months old are higher than last year by approximately 800 head. Increases in the NI suckler cow herd during 2021 and 2022 in addition to increased use of terminal beef sires on the dairy herd in particular have contributed to the increase seen in calf registrations for beef production in recent months.

Cow kill

Cow throughput during 2023 to date has totalled 11,278 head running ahead of the 10,902 head slaughtered during the same five week period of 2022. This high level of throughput is expected to continue into 2023 as milk producers restructure their herds culling older animals, with increased levels of replacement dairy heifers available as a result of modern sexed semen breeding technologies.

The origin of cows slaughtered during 2023 is anticipated to remain similar to last year with dairy cows accounting for 66 per cent of the price reported slaughter mix and suckler origin cows accounting for the remaining 34 per cent.

Imports & Exports

The most recent official data confirms that finished cattle imported into NI from GB for direct slaughter in 2022 totalled four prime cattle and six cows. These levels are forecast to remain at low levels with no significant changes in trading policies expected.

Cattle imports from ROI last year increased slightly from 2021 levels with a total of 14,755 prime cattle imported for direct slaughter. Cow imports from the Republic for direct slaughter during 2022 totalled 5,694 head: remaining relatively steady from year earlier levels outlined in **Figure 2** and this is forecast to remain similar this year.

As the forecast projects supplies of prime cattle in NI are forecast to remain tight compared to last years levels with a reduction in the number of cattle on NI farms for beef production. Initial forecast figures have indicated a five per cent reduction in the local prime cattle kill in the first quarter of 2023 and a 4.4 per cent reduction during the second quarter when compared to 2022 levels.

In contrast to NI, industry sources from the GB regions have indicated they expect larger cattle slaughterings this year due to the smaller throughputs recorded in GB during 2022.

Strong supplies of beef are forecasted for GB as a whole during 2023 and this is forecast to result in a notable increase in beef output. Therefore while the deadweight cattle trade locally is currently experiencing the benefits of supply and demand producers are encouraged to consult with the procurement staff at the meat plants to ensure cattle meet specification and secure the best possible price for their cattle.

FQAS MART CLINICS FEBRUARY 2023

LMC Farm Liaison Officer, Terry White, runs Farm Quality Assurance Scheme (FQAS) mart clinics at a range of Livestock Marts across Northern Ireland. Terry is present to assist members of FQAS with non-conformances, general scheme queries and any issues prior to or following an inspection.

Any farmers who wish to join the scheme can also do so through their local FQAS mart clinic. Terry will be available at the livestock marts listed in the table below.

For further information call (028) 9263 3024.

Mart	Day	Date
Ballymena	Friday (Day)	17/02/2023
Omagh	Monday (Day)	20/02/2023
Markethill	Tuesday (Day)	28/02/2023

WEEKLY BEEF & LAMB MARKETS

LMC Livestock & Meat Commission

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 06/02/23	Next Week 13/02/23
Prime		
U-3	442 - 458p	442 - 458p
R-3	436 - 452p	436 - 452p
O+3	430 - 446p	430 - 446p
P+3	374 - 390p	374 - 390p
	Including bonus where applicable	
Cows		
O+3	344 - 374p	344 - 374p

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 04/02/23	Steers	Heifers	Young Bulls
U3	474.4	473.1	463.7
R3	468.1	468.5	456.5
O+3	460.3	462.1	450.4

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 04/02/23	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	268.1	289.5	291.2	314.6
P2	293.7	323.0	342.0	355.1
P3	295.2	332.5	358.4	367.8
O3	-	354.0	374.8	382.4
O4	290.0	-	373.9	382.6
R3	-	-	-	399.4

Deadweight Cattle Trade

Base quotes from the seven major NI processors strengthened at the beginning of this week with quotes for in spec U-3 steers and heifers ranging from 442-458p/kg. Six of the seven plants are quoting at the upper end of this range. Base quotes for O+3 grading cows remained steady this week ranging from 344-374p/kg. Similar quotes expected for all types of cattle early next week.

LMC reminds producers it is important to consider last week base quotes for U-3 steers and heifers ranged from 444-456p/kg, however the average prices paid for a U3 steer and heifer was 474.4p/kg and 473.1p/kg respectively. With deadweight prices indicating a further strengthening in the trade producers should use these base quotes as a starting point for negotiating a price when selling their cattle.

Last week 7,323 prime cattle were slaughtered in local processing plants an increase of 216 head from the previous week and a decline of 477 head compared to the corresponding week of 2022. Cow throughput in NI last week totalled 2,399 head an decline of 41 cows from the previous week.

Cattle imports for direct slaughter from ROI last week totalled 181 prime cattle and 110 cows. Meanwhile exports out of NI for direct slaughter last week consisted of two steers and 77 cows to ROI, with no cattle moved from GB to NI for direct slaughter.

Deadweight prices for prime cattle in NI continued to strengthen last week with the average steer price up 3.5p/kg from the previous week to 459.2p/kg while the R3 steer price increased by 3.6p/kg to 469.3p/kg. The average heifer price in NI last week was up 2.4p/kg to 459.9p/kg while the R3 heifer price was up 2.7p/kg to 469.2p/kg. The average cow price in NI last week was the only grade to record a decrease back by 2p/kg from the previous week to 350.4p/kg, while the O3 cow price was up by 2.3p/kg to 381.2p/kg.

The deadweight trade in GB was also strong last week with the average steer price up 5.6p/kg from the previous week to 464.4p/kg while the R3 steer price was up 4.3p/kg to 471p/kg. The differential in R3 steer prices last week between NI and GB was 1.7p/kg or £5.95 on a 350kg carcase. The average heifer price in GB last week increased by 6p/kg to 463.5p/kg while the average R3 heifer price was up 5.5p/kg to 470.7p/kg. The differential in R3 heifer prices last week between NI and the GB average was 1.5p/kg or £4.80 on a 320kg carcase.

The deadweight trade in ROI last week increased from the previous week across all the grades. The R3 steer price in ROI was the equivalent of 468.3p/kg, an increase of 6.9p/kg while the R3 heifer price was the equivalent of 472.4p/kg, up by 7p/kg bringing it 3.2p/kg ahead of the same price in NI. The O3 cow price in ROI last week recorded an increase of 5.9p/kg to the equivalent of 400.8p/kg, putting it 19.6p/kg above the equivalent price in NI.

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

W/E 04/02/23		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	475.0	477.1	469.7	476.7	479.3	481.8	475.9
	R3	469.3	468.3	470.8	472.2	471.2	469.6	471.0
	R4	468.7	470.3	472.2	476.6	468.2	469.0	472.6
	O3	456.3	459.8	459.0	457.2	454.2	449.9	454.4
	AVG	459.2	-	468.0	467.3	462.2	458.6	464.4
Heifers	U3	474.1	483.4	476.4	479.7	481.2	480.5	479.4
	R3	469.2	472.4	471.6	470.3	471.4	469.2	470.7
	R4	466.0	475.8	472.9	473.5	470.1	469.1	472.0
	O3	457.7	466.4	455.5	454.7	447.7	447.1	449.8
	AVG	459.9	-	470.2	465.5	460.3	455.9	463.5
Young Bulls	U3	463.7	463.2	464.8	462.4	467.1	471.7	465.1
	R3	457.2	454.2	450.5	458.9	459.4	456.7	457.0
	O3	441.4	444.0	430.3	429.9	430.5	380.0	429.4
	AVG	443.9	-	445.8	443.9	436.1	446.7	440.3
Prime Cattle Price Reported		6,058	-	6,733	6,937	7,483	4,750	25,903
Cows	O3	381.2	400.8	388.9	391.8	388.3	384.8	389.0
	O4	381.8	401.8	395.9	393.9	386.7	385.7	390.1
	P2	342.7	372.3	344.4	348.0	348.5	344.2	346.6
	P3	360.9	387.3	359.9	371.4	364.0	367.2	365.9
	AVG	350.4	-	386.4	375.8	361.8	354.8	366.8

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.60p 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 04/02/23	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	280	307	291	220	279	242
Friesians	214	231	222	190	213	205
Heifers	265	305	278	200	264	228
Beef Cows	232	293	245	175	231	200
Dairy Cows	155	206	170	88	154	120
Store Cattle (p/kg)						
Bullocks up to 400kg	280	392	310	235	279	252
Bullocks 400kg - 500kg	265	354	285	200	264	232
Bullocks over 500kg	250	286	270	200	249	225
Heifers up to 450kg	265	386	290	205	264	230
Heifers over 450kg	250	300	275	180	249	215
Dropped Calves (£/head)						
Continental Bulls	375	710	440	240	370	290
Continental Heifers	325	580	385	200	320	260
Friesian Bulls	120	195	145	40	105	70
Holstein Bulls	70	140	105	1	65	40

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 06/02/23	Next Week 13/02/23
R3 Hoggets up to 22kg	500 - 510p	510 - 525p

REPORTED SHEEP PRICES

(P/KG)	W/E 21/01/23	W/E 28/01/23	W/E 04/02/23
NI L/W Hoggets	471.1	477.9	474.2
NI D/W Hoggets	496.9	516.5	524.3
GB D/W Hoggets	502.5	510.2	506.2
ROI D/W	528.3	540.3	543.5

Deadweight Sheep Trade

Base quotes for R3 grade hoggets from the three major processing plants in NI were back at the beginning of this week to range from 500-510p/kg up to 22kg. Recovery was seen mid-week with quotes of 510-520p/kg received by LMC, with processors indicating some improvement in the quotes early next week. The average paid price for deadweight hoggets last week was 524.3p/kg up 7.8p/kg from the previous week. The strengthening in trade saw throughput increase last week by 1,813 head from the previous week with 9,578 hoggets processed locally. A further 6,035 hoggets were exported to ROI for direct slaughter last week up 844 head from the previous week. In ROI last week the deadweight hogget price also reported recovery up 3.2p/kg to the equivalent of 543.5p/kg.

Liveweight Sheep Trade

Reports from the marts this week have indicated a slower trade with smaller numbers of hoggets passing through the sale rings compared to last week. In Markethill on Monday 400 hoggets sold from 475-498p/kg compared to 500 hoggets last week selling from 470-500p/kg. In Rathfriland on Tuesday 427 hoggets sold to an average of 472p/kg compared to 456 hoggets last week selling to an average of 493p/kg. In Ballymena on Wednesday 1,201 hoggets sold to an average of 490p/kg compared to 2,441 hoggets last week selling to an average of 491p/kg. Across the marts the trade for first quality fat ewes was also back this week with top prices ranging from £130-180.

LATEST SHEEP MARTS (P/KG LW)

From: 04/02/23		Hoggets			
To: 09/02/23		No	From	To	Avg
Saturday	Swatragh	860	485	505	-
	Omagh	899	469	509	-
Monday	Kilrea	550	474	513	-
	Markethill	400	475	498	-
Tuesday	Saintfield	685	475	515	-
	Rathfriland	427	460	495	472
Wednesday	Ballymena	1201	475	547	490
	Enniskillen	355	475	500	-
	Armoy	312	469	512	-

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