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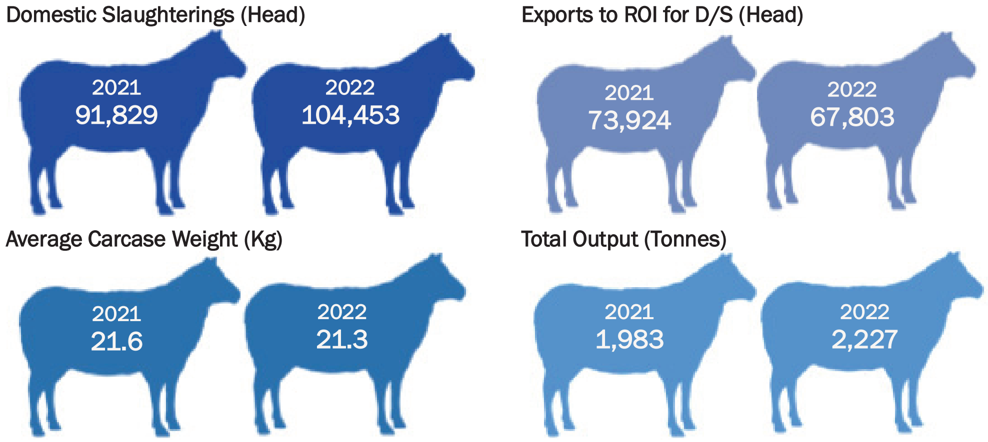
NI SHEEP MARKET UPDATE AUTUMN 2022

Figure 1: Overview of the NI lamb sector output during the ten week period from w/e 03 September to w/e 05 November 2022 and the same period of 2021. Source: DAERA.



Throughput

NI processors have reported the availability of lambs for slaughter in NI has remained strong over recent weeks. Last week 9,980 lambs were killed in local plants, a higher throughput than the corresponding week in 2021 when 9,270 lambs were killed locally. This brings the total lamb kill in the region during the ten week period ending 05 November to 104,453 head, an increase of 12,624 head or 13.7 per cent compared to the 91,829 head slaughtered locally during the same period in 2021.

Trade

Table 1 displays the average weekly deadweight and liveweight lamb price in NI this Autumn. The average deadweight lamb price in NI from w/e 03 September to w/e 05 November 2022 was 492.8p/kg compared to an average deadweight lamb price of 483.9p/kg during the corresponding period of 2021. This is a 1.8 per cent increase in the deadweight price when comparing the two ten week periods.

The deadweight lamb price in NI last week was 500.4p/kg, back 2.1p/kg on the previous week. Despite this decline in deadweight prices however, reports from the marts are indicating an improvement in the trade over recent weeks with last week's liveweight lamb price holding steady at 463.6p/kg from the previous week.

Meanwhile, base quotes from the three major meat plants for Monday are expected to increase and range from 520p/kg up to 21kg and 505p/kg for R3 grading lambs up to 22kg. The strengthening in the trade in the marts and the improved base quotes from the plants is being driven by competition from the processors in the South of Ireland. With ROI being the main channel of live lamb exports from NI, prices in this market are important to consider.

In recent weeks the ROI deadweight lamb price has held relatively steady. Shifts in Sterling / Euro exchange rates play an important role in the relative competitiveness of lamb buying plants on either side of the border. For example during the w/e 01 October 2022 (after the UK mini budget announcement), the average ROI lamb price declined by 1.8c/kg from the previous week, however in sterling terms this was an increase of 9.3p/kg from the previous week bringing it to 548.9p/kg, During the w/e 01 October this favourable exchange saw lamb exports total 7,996 head the second largest weekly lamb export level recorded during the year to date.

While exchange rates are one factor to consider Northern Ireland lamb producers also have a range of options when it comes to marketing their lambs, with many choosing to sell direct to factories and others who prefer the live auction mart. Recent figures report a significant recovery in the liveweight trade for lambs this autumn. In the w/e 03 September 2022 the average liveweight price was 423.3p/kg which increased to 463.6p/kg paid during the w/e 05 November. This is an increase of 40.3p/kg over the ten week period.

Carcase Weights

During the period from w/e 03 September to w/e 05 November 2022, the average carcase weights of lambs in NI decreased from the corresponding period last year, with an average carcase weight of 21.3kg recorded. This is a decrease of 0.3kg when compared to the weekly average lamb carcase weight during 2021 which was 21.6kg. During this ten week period the three major NI lamb processors handled 2,227 tonnes of lamb an increase of 244 tonnes or 12.3 per cent from the corresponding period in 2021 when 1,983 tonnes of lamb was produced locally. Therefore, the decrease in carcase weights has been offset by the increased throughput year on year.

Exports

Lamb exports to ROI for direct slaughter have declined during the ten week period ending 05 November 2022, with exports running 8.3 per cent behind the 73,924 head exported during the corresponding period in 2021 as shown in **Figure 1.** However, in comparison to the previous ten week period of 2022 an additional 13,235 lambs have been exported to ROI for direct slaughter in recent weeks.

In addition to the favourable exchange rate from Euro to Sterling for a period this autumn making NI lambs relatively more competitive in export markets, improved demand from ROI plants year on year is also the result of reduced domestic supplies in ROI this year when compared to previous years. According to Bord Bia this is the result of unfavourable spring conditions slowing lamb growth rates and increasing the time to finish.

When considering options for marketing their lambs producers are encouraged to review their available outlets and if selling deadweight they should first liaise with factory procurement staff to ensure they get the best possible deal for their lambs. It is important that producers aim to produce lambs within current market specifications as this will help maximise returns to their farm business. Ideally lamb carcases should be 19-22kg in weight, with a fat cover of 2 or 3 and be farm quality assured.

Retail market

The latest Kantar Worldpanel data on UK consumer purchases indicates that during the 12 w/e 02 October 2022, the total volume of lamb purchased in the UK year on year has declined by 19.9 per cent to 15,600 tonnes when compared to the corresponding 12 week period ending 03 October 2021. This decline has coincided with a 9.4 per cent increase in the retail price of lamb to £10.05/kg during the same period.

Breeding Sheep & Store Lambs

With the breeding sheep sales now concluded in NI marts for 2022, the trade reported has generally been behind last year. One of the biggest sales of the year was in Ballymena during w/e 13 August 2022 when 4,883 mule hoggets and ewe lambs went under the hammer. Average prices for mule hoggets were back £30 per head on 2021 levels with ewe lambs back £4 on 2021 levels. A similar differential has been reported across many of the breeding sales.

Meanwhile, the store lamb market has been strong this year to date and producers are reminded to consider the input costs when purchasing store lambs. Producers are also reminded to select lambs suitable for your farm system and the processing outlet for which they are destined as each processor has unique customer preferences.

Ewes & Rams

Cull sheep throughput during the ten week period ending 05 November 2022 totalled 6,964 head, 300 head behind the corresponding period of 2021 when 7,264 ewes/rams were processed. During the same period cull sheep exports to ROI totalled 9,564 head, a 2,621 head or 37.8 per cent increase from the corresponding period of 2021. This brings total ewe/ram exports to ROI during the year to date to 27,106 head. While cull sheep exports to ROI increased in the last ten week period year on year, the number of ewe/rams exported have steadily declined from 2018 when ewe/ram exports to ROI during the period from January to w/e 05 November totalled 56,922 head, and have remained below 2017 levels as displayed in **Figure 2.**

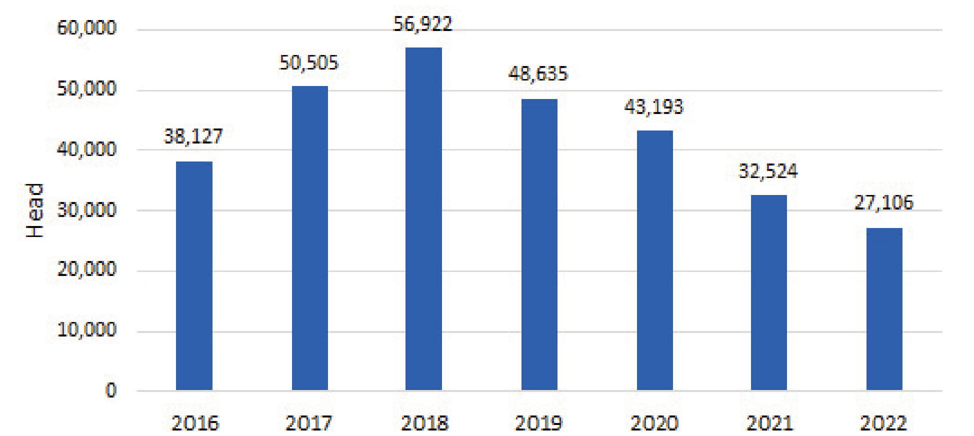
Ewe and ram carcase weights during the ten week period from w/e 03 September to 05 November 2022 were back on the previous year at 25.6kg compared to an average carcase weight of 26.3kg during the corresponding period of 2021. During this period the total sheepmeat processed from the cull sheep category in NI was 178 tonnes, compared to 191 tonnes produced during the same period last year. This brings the total output from this category during the year to date to 642 tonnes, a decline of 74 tonnes compared to the 716 tonnes handled during the same period of 2021.

The reduced ewe culling rates indicate increased levels of breeding sheep are on NI farms at present. However, with high, and rising, input costs we may see higher numbers of ewes slaughtered as producers adapt culling policies ahead of winter. Producers are reminded farm efficiency and output can be improved by tipping ewe lambs rather than hoggets. Results from a study by AFBI proves ewe longevity is unaffected by age at first mating, while ewe growth rates and mature weights were also unaffected. Tipping ewe lambs will reduce the unproductive animals on farm reducing input costs and the carbon footprint of the flock.

Table 1: The average deadweight and liveweight lamb price in NI from w/e 03 September-05 November 2022. Source: DAERA

	03 Sep	10 Sep	17 Sep	24 Sep	01 Oct	08 Oct	15 Oct	22 Oct	29 Oct	05 Nov
Deadweight NI	478.6	482.7	489.6	486.9	494.2	496.6	497.5	499.0	502.5	500.4
Liveweight NI	423.3	445.4	453.0	452.3	450.6	454.3	461.8	460.5	463.5	463.6

Figure 2: Ewe/ram exports to ROI for direct slaughter during January to w/e 05 November 2016-2022. Source: DAERA.



WEEKLY BEEF & LAMB MARKETS

LMC Livestock & Meat Commission

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 07/11/22	Next Week 14/11/22
Prime		
U-3	414 - 428p	414 - 428p
R-3	408 - 422p	408 - 422p
O+3	402 - 416p	402 - 416p
P+3	346 - 360p	346 - 360p
	Including bonus where applicable	
Cows		
O+3	294 - 340p	294 - 335p

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 05/11/22	Steers	Heifers	Young Bulls
U3	439.3	443.7	429.5
R3	435.8	437.6	426.7
O+3	428.1	431.3	416.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 05/11/22	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	234.7	247.1	262.0	282.1
P2	264.8	281.1	300.8	316.3
P3	258.6	295.7	316.3	327.8
O3	-	318.0	338.1	347.0
O4	-	348.0	339.3	351.3
R3	-	-	358.0	365.9

Deadweight Cattle Trade

Base quotes from the plants this week for in-spec U-3 grade steers and heifers continued to range from 414-428p/kg with the majority of plants quoting 420p/kg upwards for both steers and heifers. Similar quotes are expected early next week. Base quotes for O+3 grade cows this week ranged from 294-340p/kg with the majority of plants quoting in the region of 304-340p/kg. The major processors have given preliminary base quotes of 294-335p/kg for O+3 grading cows next week.

The number of cattle imported from ROI for direct slaughter in local plants last week remained relatively similar to the previous week with 484 prime cattle and 96 cows imported from ROI. No cattle were imported from GB for direct slaughter locally. Meanwhile exports of cattle out of NI for direct slaughter last week continued to run at low levels with two prime cattle and 31 cows exported from NI to ROI while no cattle were exported from NI to GB.

Last week 8,181 prime cattle were processed in NI beef processing plants. This was similar to the 8,135 prime cattle processed during the previous week. While prime cattle kill numbers declined last week they remain ahead of the 7,934 prime cattle processed locally in the same week last year. Cow throughput in local plants last week increased to a record 3,158 cows processed, this is the highest weekly cow throughput reported in NI.

Last week the deadweight trade in NI reported a mixed trade across the majority of grades. The average NI steer price last week reported a marginal increase of 0.3p/kg bringing it to 426.3p/kg while the R3 steer price was up by 0.4p/kg to 438p/kg. The average NI heifer price last week was back by almost a penny to 429.3p/kg while the R3 heifer price increased by 0.2p/kg to 439p/kg. The average young bull price in NI last week was back 2.2p/kg to 411.5p/kg while the R3 young bull price was back by 1.4p/kg to 426.3 p/kg. Meanwhile the average cow price in NI last week was back by 9.7p/kg to 311.2p/kg while the average O3 cow price declined by 6.1p/kg to 346.2p/kg.

The deadweight trade for prime cattle in GB also reported a mixed picture last week. The average GB steer price last week was up by 0.4p/kg to 445p/kg while the average R3 steer price reported an increase of 0.6p/kg to 451.9p/kg. The differential between NI and the GB R3 steer price last week was 13.9p/kg. The average heifer price in GB last week was 440.7p/kg, up half a penny from the previous week while the R3 heifer price increased by 2p/kg to 450.8p/kg. This puts the R3 heifer price in GB 11.8p/kg above NI levels.

In ROI last week the R3 steer price was the equivalent of 392.4p/kg, back 2.1p/kg from the previous week. This widens the differential bewteen NI and ROI to 45.6p/kg which equates to a diference of £159.60 on a 350kg carcase. Meanwhile the R3 heifer price in ROI last week was the equivalent of 397.7p/kg, back 0.2p/kg from the previous week and 41.3p/kg below the equivalent price in NI which is a difference of £132.16 on the value of a 320kg heifer carcase.

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

W/E 05/11/22		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	439.9	401.9	461.9	452.5	455.4	456.0	456.8
	R3	438.0	392.4	461.5	451.6	448.3	446.1	451.9
	R4	435.8	392.8	461.6	452.8	447.2	449.3	455.4
	O3	427.2	379.6	447.1	442.8	428.2	423.7	433.8
	AVG	426.3	-	458.1	448.4	437.6	434.3	445.0
Heifers	U3	445.1	407.7	463.9	453.0	459.7	456.2	458.8
	R3	439.0	397.7	461.1	449.5	448.1	446.9	450.8
	R4	436.1	398.6	462.1	448.8	447.8	443.7	453.7
	O3	426.9	388.2	441.9	441.7	417.8	422.1	428.8
	AVG	429.3	-	458.1	442.5	431.8	428.4	440.7
Young Bulls	U3	430.1	394.7	449.2	450.2	451.9	447.0	450.2
	R3	426.3	385.5	444.4	436.9	439.0	433.6	439.2
	O3	411.3	369.8	424.3	415.0	409.6	426.7	416.5
	AVG	411.5	-	435.2	429.7	427.5	420.2	429.1
Prime Cattle Price Reported		6,673	-	6,284	6,636	7,298	4,762	24,980
Cows	O3	346.2	338.6	372.7	364.0	362.7	350.1	362.3
	O4	350.5	340.0	372.0	366.8	364.4	347.1	362.7
	P2	304.0	301.6	332.0	320.0	323.0	322.5	323.1
	P3	324.5	323.7	342.3	337.0	340.9	332.9	338.2
	AVG	311.2	-	363.4	337.3	326.0	319.4	332.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=86.60p 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 05/11/22	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	245	278	259	195	244	220
Friesians	-	-	-	174	187	180
Heifers	226	264	241	185	225	205
Beef Cows	207	235	217	150	206	180
Dairy Cows	130	170	145	70	129	105
Store Cattle (p/kg)						
Bullocks up to 400kg	250	300	272	200	249	225
Bullocks 400kg - 500kg	225	264	236	160	224	200
Bullocks over 500kg	234	256	245	176	233	205
Heifers up to 450kg	230	333	250	169	229	200
Heifers over 450kg	215	246	224	180	214	197
Dropped Calves (£/head)						
Continental Bulls	350	490	420	240	345	300
Continental Heifers	305	430	358	200	300	250
Friesian Bulls	105	150	120	40	90	65
Holstein Bulls	40	90	65	2	35	20

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 07/11/22	Next Week 14/11/22
R3 Lambs up to 21kg	515 - 520p	520p
R3 Lambs up to 22kg	500p	505p

REPORTED SHEEP PRICES

(P/KG)	W/E 22/10/22	W/E 29/10/22	W/E 05/11/22
NI L/W Lambs	460.5	463.5	463.6
NI D/W Lambs	499.0	502.5	500.4
GB D/W Lambs	523.3	519.5	512.6
ROI D/W	533.7	532.0	530.9

Deadweight Sheep Trade

Base quotes from the plants this week for R3 grading lambs ranged from 500p/kg up to 22kg, and 515-520p/kg up to 21kg. Quotes for early next week are expected to be in the region of 505p/kg up to 22kg and 520p/kg up to 21kg. Lamb throughput in NI plants last week totalled 9,980 head, while a further 6,656 lambs were exported to ROI for direct slaughter. Last week the average NI deadweight lamb price decreased by 2.1p/kg to 500.4p/kg. In the corresponding week last year the average deadweight lamb price was 517.4p/kg. In ROI last week the average lamb price was the equivalent of 530.9p/kg, back 1.1p/kg from the previous week.

Liveweight Sheep Trade

This week the marts have reported good numbers of lambs passing through the sale rings with a strong demand for good quality lambs. In Omagh on Saturday 932 fat lambs sold from 470-514p/kg compared to 1,007 the previous week selling from 469-509p/kg. In Massereene on Monday a good entry of 748 lambs sold from 450-484p/kg compared to 816 lambs last week selling from 455-494p/kg. In Saintfield this week an improved trade to last week saw 675 lambs selling from 455-568p/kg. In Ballymena this week a strong entry of 2,532 lambs sold from 440-510p/kg (avg 464p/kg) compared to 2,345 lambs last week selling from 440-494p/kg (avg 455p/kg). In Markethill this week 1,835 lambs sold from 450-481p/kg. Smaller numbers of ewes passed through the marts this week with an improved trade ranging from £105-£294.

LATEST SHEEP MARTS (P/KG LW)

From: 05/11/22		Lambs			
To: 10/11/22		No	From	To	Avg
Saturday	Omagh	932	470	514	-
	Swatragh	1205	469	510	-
Monday	Kilrea	950	457	482	-
	Massereene	748	450	484	-
Tuesday	Saintfield	675	455	568	-
	Rathfriland	756	465	541	476
Wednesday	Ballymena	2532	440	510	464
	Enniskillen	1045	430	514	-
	Armoy	512	448	498	-
	Markethill	1835	450	481	-

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