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NI SHEEP MARKET REMAINS STEADY

QUOTES from the major NI processors for lamb this week range from 320-325p/kg with plants paying up to 22kg. The plants are reporting steady supplies of lambs coming forward to meet demand for lamb from customers. The marts are also reporting firm demand for the steady supplies of good quality lambs passing through the sale rings.

A total of 10,742 lambs were slaughtered in NI plants last week bringing total lamb throughput since June to 286,876 head. In the corresponding period in 2014 total lamb throughput totalled 273,070 head. This increase iby 13,806 head accounts for a five per cent increase in lamb throughput year on year.

Meanwhile lamb exports to ROI for direct slaughter last week totalled 6,833 head bringing total exports since June to 146,098 head. In the corresponding period in 2014 161,098 lambs were exported from NI for direct slaughter in ROI. This accounts for a 10 per cent decline in exports year on year.

This brings total lamb output from the NI sheep flock since June 2015 to 432,974 head, marginally below the 434,168 lambs produced in the corresponding period in 2014. There has however been an increase in the proportion of NI origin lambs that have been killed locally as outlined in Figure 1. During the period June-November 2015 66 per cent of NI origin lambs were killed in NI plants with 34 per cent exported to ROI for direct slaughter. In the corresponding period in 2014 63 per cent of NI origin lambs were killed locally while 37 per cent were exported to ROI.

The DARD Agricultural Census in June 2015 recorded a four per cent increase in the number of lambs on NI farms when compared to June 2014 figures. With lamb output for the 2015 season to date similar to 2014 levels lamb availability for local slaughter and export are expected to remain fairly steady as we move into 2016.

The deadweight lamb trade has been fairly steady in recent weeks although the trade remains notably behind the trade in the corresponding period in 2013 and 2014. Figure 2 displays the average R3 lamb prices in NI for the period March-November 2013-2015. The average R3 lamb price in NI last week was 313p/kg compared to 358.1p/kg in the corresponding week last year. This decline by 45.1p/kg is the equivalent of £9.92 on a 22kg lamb.

The sterling/euro exchange rate has been a key factor behind the decline in deadweight prices in NI in 2015 when compared to previous years. A weakening in the value of euro against sterling has made NI origin lambs more expensive in euro terms and this has resulted in reduced demand for NI origin lambs from ROI processors this autumn when compared to previous years.

The euro has come under renewed pressure in recent weeks and was back to €1=0.70p on Wednesday this week, the lowest recorded value since early August 2015. Other factors such as changes to EU labelling legislation for dual origin lambs and strong domestic supplies in ROI have also contributed to the reduction in the level of lamb export from NI to ROI for direct slaughter.

While a weakening euro reduces demand from ROI for NI origin lambs it also makes NI lamb (and UK lamb) less competitive on key European export markets such as France when compared to our Eurozone competitors. Approximately 60 per cent of NI origin lamb in exported to mainland Europe every year with the remaining 40 per cent destined for NI and UK markets.

It is important therefore that every effort is being made to gain access to more third country markets for NI and UK origin lambs which currently only account for a very small proportion of total NI lamb exports. LMC are actively working in this area through their participation in the UK Export Certification Partnership (UKECP).

Figure 1: Proportion of NI origin lambs killed locally and exported to ROi for direct slaughter June - November 2014/2015

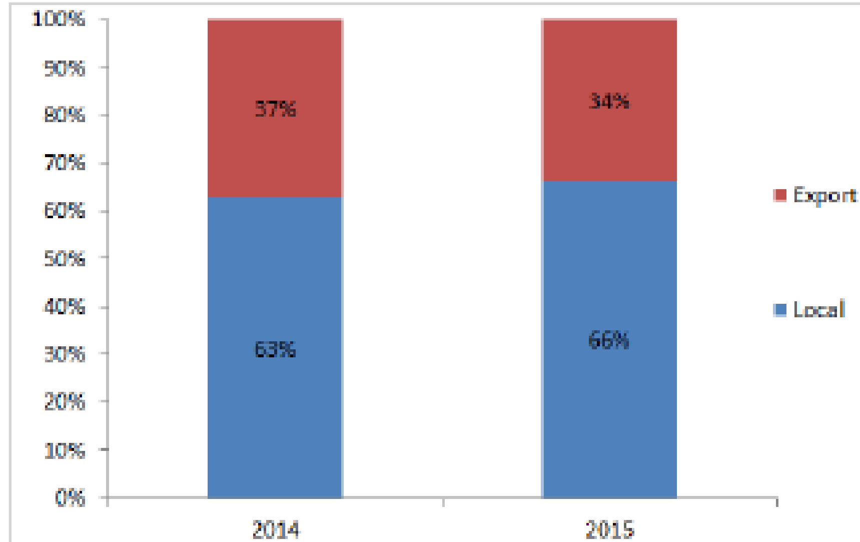
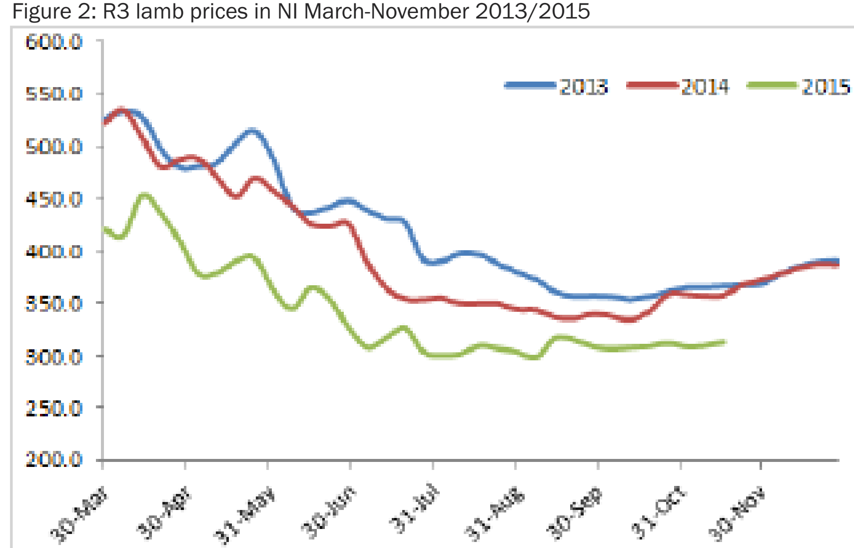


Figure 2: R3 lamb prices in NI March-November 2013/2015



PRIME CATTLE SUPPLIES MEETING DEMAND

REPORTS from the major NI beef processors have indicated steady supplies of beef cattle coming forward to meet demand for beef with several plants reporting good numbers booked in for the next few weeks. The processors have also indicated no major uplift in demand for beef from major customers as we move towards Christmas.

Prime cattle throughput in NI last week was similar to previous weeks at 6,736 head bringing throughput for the last six weeks to 39,088 head. This was five per cent lower than the 41,014 prime cattle slaughtered in NI plants in the corresponding period in 2014.

Some of this decline in prime cattle throughput has been offset by a notable increase in the average carcase weight of prime cattle. In the 2014 period the average carcase weight was 332.7kg and this increased to 344.8kg in the 2015 period. This increase by 12.1kg accounts for a 3.6 per cent increase between the two periods.

Increases in cow throughput and cow carcase weights have also helped to maintain beef throughput in the NI plants. In the six weeks ending 14 November 2015 cow throughput in NI totalled 13,307 head compared to 12,019 head in the 2014 period. Over the same period the average cow carcase weight increased from 300.6kg to 307.1kg, a 2.2 per cent increase between the two periods.

The volume of beef handled by NI processors in the six weeks ending 14 November 2014 totalled 18,037 tonnes, a two per cent increase on the 17,718 tonnes processed in the corresponding period in 2014.

ABERDEEN ANGUS MOST POPULAR BEEF SIRE IN NI DAIRY HERD

THE NI dairy herd acts as a valuable source of raw material to the NI beef industry in the form of beef cross calves and cull cows. A total of 80,601 beef sired calves with dairy dams have been registered in NI during the first 10 months of 2015. This is a 12.6 per cent increase from the 71,596 beef sired calves with dairy dams registered in the corresponding period in 2014.

Meanwhile the total number of dairy sired calves registered in NI recorded a two per cent increase to 151,730 head in the first 10 months of 2015. The increase in the total number of calf registrations to dairy cows during 2015 to date is not surprising given the six per cent increase in dairy cow numbers recorded on NI farms in the June 2015 census.

Aberdeen Angus continues to be the most popular beef sire used by NI dairy producers with 27,240 Aberdeen Angus calves registered to dairy cows during 2015 to date. This is a thirteen per cent increase from the 24,061 Aberdeen Angus cross calves registered in the same period in 2014. Aberdeen Angus calves accounted for a third of all beef sired calves registered to dairy dams during 2015 to date. This proportion was unchanged from 2014 levels. Strong demand for Aberdeen Angus cross calves, easier calving due to smaller birth weights and the shorter gestation have all encouraged dairy producers to use Aberdeen Angus bulls.

The second most popular beef sire used on NI dairy cows during 2015 to date was Limousin with a total of 17,706 calf registrations to dairy cows. This was a six per cent increase from the 16,754 registrations in the 2014 period. Limousin calves accounted for 22 per cent of all beef sired calf registrations to dairy cows during 2015 to date, a proportion unchanged from year earlier levels.

Hereford was the third most popular beef sire used on dairy cows during 2015 to date and accounted for 15 per cent of all beef sired registrations to dairy dams. This was a two percentage point increase from 13 per cent in the same period in 2014. A total of 12,252 Hereford calves were registered to dairy cows during 2015 to date, a 33 per cent increase from the 9,239 registrations made during the same period in 2014.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 16/11/15	Next Week 23/11/15
Prime		
U-3	316 - 320p	316 - 320p
R-3	310 - 314p	310 - 314p
O+3	304 - 308p	304 - 308p
P+3	262 - 290p	262 - 290p
	Including bonus where applicable	
Cows		
O+3 & better	234 - 245p	234 - 245p
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.

REPORTED NI CATTLE PRICES - P/KG

W/E 14/11/15	Steers	Heifers	Young Bulls
U3	321.5	327.0	311.3
R3	320.6	321.8	315.5
O+3	311.2	310.1	307.6

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 14/11/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	137.7	142.6	154.5	164.6
P2	148.9	167.8	190.7	206.5
P3	190.2	203.5	211.1	222.1
O3	200.0	211.4	228.2	237.8
O4	-	-	228.5	243.0
R3	-	-	265.0	258.7

Deadweight Cattle Trade

THE deadweight trade for prime cattle in NI has remained steady with base quotes for in spec U-3 grade prime cattle this week ranging from 316-320p/kg. Quotes for good quality O+3 grade cows have also remained steady with quotes generally ranged from 234-245p/kg across the plants. Similar quotes are expected for all types of cattle early next week.

A total of 6,736 prime cattle were slaughtered in NI plants last week, very similar to the 6,658 prime cattle killed in NI during the corresponding week in 2014. Cow throughput in NI has remained strong with throughput increasing to 2,419 head last week. This was 200 head higher than the corresponding week in 2014 when 2,219 cows were slaughtered in NI. Last week 61 per cent of price reported cows were of dairy origin, a similar proportion to the corresponding week in 2014.

Cattle imports from ROI for direct slaughter in NI plants last week were fairly similar to the previous week with 578 prime cattle and 134 cows imported. Meanwhile exports from NI to ROI for direct slaughter last week consisted of 40 prime cattle and 259 cows. This was the lowest weekly export of cows from NI to ROI for direct slaughter since mid September 2015. Exports to GB for direct slaughter last week consisted of 289 prime cattle and 52 cows compared to 310 prime cattle and 53 cows the previous week.

With base quotes from the plants remaining steady in recent weeks deadweight cattle prices have also remained fairly steady. The average steer price in NI last week increased by 1p/kg to 312.9p/kg while the R3 steer price increased by a similar margin to 322.6p/kg. The average heifer price was unchanged in NI last week at 316.9p/kg while the R3 heifer price was back marginally to 323.6p/kg. The average cow price in NI last week increased by 2.3p/kg to 214.7p/kg while the O3 cow price was back by 1p/kg to 236.2p/kg. The O3 cow price in NI last week was the highest in the UK and was 9.1p/kg higher than the average GB price which was 227.1p/kg last week.

Deadweight prices have also remained fairly steady in GB with an average steer price last week unchanged at 345.5p/kg while the average R3 steer price was unchanged at 352.2p/kg. The R3 steer price was within a penny of the previous week in all the GB regions. The average heifer price in GB last week was unchanged at 345.4p/kg while the R3 heifer price remained at 352.3p/kg.

The deadweight cattle trade in ROI has held steady in euro terms with reported prices similar to the previous week. However a weakening in the value of euro against sterling resulted in prices generally coming back in sterling terms. The R3 steer price in ROI last week was the equivalent of 270.8p/kg, back by 1.7p/kg from the previous week while the R3 heifer price was back by 1.5p/kg to 282p/kg. Cow prices in ROI recorded notable declines last week with the O3 cow price back by 6.5p/kg to 227.6p/kg. This was 8.6p/kg lower than the equivalent price in NI.

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

W/E 14/11/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	321.9	278.6	373.2	355.8	354.8	355.7	360.6
	R3	322.6	270.8	366.4	349.1	345.0	344.1	352.2
	R4	317.9	270.3	368.5	360.0	344.4	343.5	357.5
	O3	308.1	258.3	351.7	326.4	318.8	320.4	330.6
	AVG	312.9	-	365.7	346.0	331.9	329.2	345.5
Heifers	U3	327.3	290.2	376.1	357.1	353.5	354.1	361.7
	R3	323.6	282.0	367.5	347.2	347.7	342.4	352.3
	R4	319.7	280.9	368.2	351.5	347.0	343.7	354.4
	O3	310.2	270.2	341.7	316.7	309.0	324.1	324.9
	AVG	316.9	-	367.2	342.2	332.0	329.1	345.4
Young Bulls	U3	311.3	275.1	366.2	342.5	345.3	347.0	347.3
	R3	316.1	270.9	357.1	327.9	333.8	336.9	335.0
	O3	297.1	259.4	321.8	297.1	310.6	319.3	310.5
	AVG	300.3	-	337.3	318.5	316.9	315.0	319.5
Prime Cattle Price Reported		5694	-	6909	7440	5275	4750	24374
Cows	O3	236.2	227.6	235.2	222.4	228.5	218.2	227.1
	O4	242.1	228.3	243.6	225.5	227.4	220.7	230.6
	P2	194.7	200.8	186.6	193.5	186.2	170.3	184.5
	P3	219.3	221.4	204.0	203.0	203.8	192.4	201.4
	AVG	214.7	-	234.1	202.9	189.9	187.3	205.5

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=70.84p 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

	1st QUALITY			2nd QUALITY		
W/E 14/11/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	180	196	185	160	179	170
Friesians	131	138	136	110	128	120
Heifers	190	205	197	165	189	178
Beef Cows	120	161	132	100	119	110
Dairy Cows	93	107	98	50	92	75
Store Cattle (p/kg)						
Bullocks up to 400kg	193	221	207	162	180	171
Bullocks 400kg - 500kg	190	209	197	150	188	169
Bullocks over 500kg	187	205	193	150	186	168
Heifers up to 450kg	184	198	192	150	183	168
Heifers over 450kg	188	200	196	158	187	173
Dropped Calves (£/head)						
Continental Bulls	290	375	330	180	288	235
Continental Heifers	240	365	280	100	238	165
Friesian Bulls	125	225	160	50	122	85
Holstein Bulls	60	120	80	10	58	30

SHEEP TRADE

SHEEP QUOTES		
(P/Kg DW)	This Week 16/11/15	Next Week 23/11/15
Lambs	315-320p > 22kg	320-325p > 22kg

REPORTED SHEEP PRICES			
(P/KG)	W/E 31/10/15	W/E 07/11/15	W/E 14/11/15
NI Lambs L/W	279.5	284.3	289.8
NI Lambs D/W	307.7	308.1	312.2
GB Lambs D/W	333.2	333.4	342.8
ROI D/W	309.2	308.3	310.6

Deadweight Sheep Trade

QUOTES from the major NI processors for R3 grade lambs ranged from 320-325p/kg up to 22kg this week. Similar quotes are expected early next week. The plants have reported steady supplies of lambs coming forward for slaughter with 10,742 lambs killed in NI plants last week. This was a reduction of 869 head from the 11,611 lambs killed in NI during the previous week. Exports of lambs from NI to ROI for direct slaughter last week totalled 6,833 head with 548 ewes also exported. This was lower than the previous week when 6,679 lambs and 944 ewes were exported to ROI for direct slaughter. The deadweight lamb price in NI last week increased by 4.1p/kg to 312.2p/kg while in ROI it increased by 2.3p/kg to 310.6p/kg.

This week's marts

GOOD numbers passed through many of the sale rings this week with firm demand for good quality lambs on offer. In Massereene on Monday 1,103 lambs sold from 290-316p/kg compared to 840 lambs last week selling from 280-310p/kg. In Kilrea on Monday 440 lambs sold from 284-322p/kg compared to 385 lambs sold from 285-313p/kg. In Rathfriland this week 1,036 lambs sold to an average of 300p/kg compared to 980 lambs last week sold to an average of 298p/kg. In Ballymena this week 1,848 lambs sold from 270-314p/kg compared to 1,705 lambs last week selling from 278-319p/kg. Top reported prices for ewes this week generally ranged from £80-100 across the marts.

LATEST SHEEP MARTS					
From: 13/11/15		Lambs (P/KG LW)			
To: 19/11/15		No	From	To	Avg
Friday	Newtownstewart	513	265	310	-
Saturday	Omagh	1567	295	351	-
	Swatragh	825	294	346	-
Monday	Massereene	1103	290	316	-
	Kilrea	440	284	322	-
Tuesday	Saintfield	555	282	340	-
	Rathfriland	1036	278	360	300
Wednesday	Ballymena	1848	270	314	289
	Enniskillen	789	282	314	298
	Armoy	290	290	325	315

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