LMC BULLETIN

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND

Saturday 26 September 2015 Issue No. 2386

GB REMAINS TOP OF EU LEAGUE TABLE

GB and NI are ranked first and second respectively in the latest EU deadweight prices league table. The table provides a useful comparison of changes in deadweight prices across the EU for R3 grade heifers with countries ranked from highest to lowest in terms of the reported prices for R3 grade heifers in euro terms.

The average R3 heifer price in the EU in the week ending 13 September 2015 was 393.7c/kg, back 6.5c/kg from the week ending 16 August 2015 when the average R3 heifer price was 400.2c/kg.

In the week ending 13 September 2015 the R3 heifer price in GB was the equivalent of 485.8c/kg. This was a decline of 7.6c/kg from the week ending 16 August 2015 when the R3 heifer price was the equivalent of 493.4p/kg. The differential between the average EU R3 heifer price and the R3 heifer price in GB in the week ending 13 September 2015 was 92.1c/kg, slightly narrower than the 93.2c/kg differential in the week ending 16 August 2015.

Meanwhile in NI in the week ending 13 September 2015 the R3 heifer price was the equivalent of 448.7c/kg, back 13.2c/kg from the week ending the 16 August 2015 when the R3 heifer price was the equivalent of 462c/kg. The NI R3 heifer price was 55c/kg higher than the EU average in the w/e 13 September 2015 compared to a differential of 61.8c/kg in the week ending 16 August 2015.

Deadweight cattle prices in NI have been fairly steady in recent weeks and this combined with a strengthening in euro against sterling has resulted in a narrowing in the price differential with the EU average. The euro traded at €1= 0.711 STG in the week ending 16 August 2015 and this improved to €1= 0.727 STG in the week ending 13 September 2015.

The deadweight cattle trade has been under pressure in ROI with an R3 heifer price in the week ending 13 September 2015 of 403.2c/kg. This was an 11.2c/kg reduction from the week ending 16 August 2015 when the R3 heifer price was 414.4c/kg. There has been no change however to its ranking in the league table with it remaining in fifth position. A notable reduction in the price paid for R3 heifers was also recorded in Spain with an R3 heifer price of 358.6c/kg in the week ending 13 September 2015, a decline of 15.7c/kg from the week ending 16 August 2015. This moved it down two positions in the league table from ninth to eleventh position between the two weeks tabulated.

Meanwhile in France the R3 heifer price was back by 6c/kg to 412c/kg in the week ending 13 September 2015. Despite the decline in the R3 heifer price France remained in fourth position in the league table. A similar trend in Luxembourg saw R3 heifer prices decline by 8.3c/kg to 393.4c/kg in the week ending 13 September 2015 with Luxembourg remaining in sixth place on the league table.

Table 1: EU Deadweight Cattle Prices - Heifers R3 Equivalent (€ Cents)

Position last Mth	Position this Mth	Country	Price last Mth (w/e 16.08.15)	Price this Mth (w/e 13.09.15)	Change on Mth (cents)
1	1	Great Britain	493.4	485.8	-7.6
2	2	Northern Ireland	462.0	448.7	-13.2
3	3	Sweden	441.7	441.4	-0.3
4	4	France	418.0	412.0	-6.0
5	5	Ireland	414.4	403.2	-11.2
6	6	Luxembourg	401.7	393.4	-8.3
7	7	Italy	389.5	391.2	+1.7
8	8	Denmark	379.0	380.1	+1.2
10	9	Germany	369.0	368.1	-1.0
11	10	Austria	362.4	365.2	+2.9
9	11	Spain	374.2	358.6	-15.7
12	12	Slovenia	335.5	342.7	+7.2
13	13	Belgium	330.5	329.5	-1.0
14	14	Poland	300.5	299.1	-1.4
15	15	Czech Republic	278.8	273.9	-4.8
16	16	Lithuania	268.4	230.1	-38.3
		EU Average	400.2	393.7	-6.5
Euro (€1=)			71.1	72.7	+1.6

INCREASE IN EXPORTS TO ROI FOR DIRECT SLAUGHTER

CHANGES to the labelling rules for packaged meats which came into effect in April 2015 was one cause of the notable decline in the number of lambs/hoggets being exported from NI for direct slaughter in plants in ROI. Figure 1 indicates that the number of lambs/hoggets exported from NI to ROI was generally been lower from January to May 2015 when compared to year earlier levels with a notable dip in April when the new labelling rules came into effect.

Under the new legislation meat originating from sheep born in NI and slaughtered in ROI must be labelled as born in the UK and slaughtered in ROI. Reports earlier in the year indicated that this dual origin labelling of lamb was causing some issues for ROI processors in servicing certain markets. With the proportion of NI lambs being killed locally increasing early in 2015 the NI processors responded by actively seeking markets for the additional product passing through their plants.

While in the short term legislative changes appeared to have an impact on the level of export from NI to ROI the level of exports from NI to ROI in recent weeks has increased in line with normal seasonal trends. During the 12 weeks ending 19 September 2015 a total of 72,481 lambs were exported from NI for direct slaughter in ROI plants. This is a four per cent increase on the corresponding period in 2014 when 69,708 lambs were exported from NI to ROI for direct slaughter.

However it is also worth noting that legislative changes are not the only factors that affect the cross border trade of sheep. When the legislation came into effect supplies of lambs/hoggets were tightening in NI so there was increasing demand from NI plants for the lambs/hoggets available. In addition to this the low value of euro against sterling made NI lambs relatively more expensive than ROI origin lambs.

The strengthening in the value of euro against sterling in recent weeks combined with increasing lamb availability in NI as more lambs come fit for slaughter have contributed to the increase in the level of export to ROI for direct slaughter. Last week €1 = 73p, an increase from the average exchange rate of €1= 71p/kg over the previous 12 weeks.

ROI provides an important alternative market for the NI sheep industry and during 2014 exports to ROI for direct slaughter accounted for 43 per cent of total output from the NI sheep flock. During 2015 to date 38 per cent of NI origin sheep slaughtered were killed in ROI. Output from the NI sheep flock during the 12 week period ending 19 September 2015 totalled 218,825 head. In the same period last year 219,976 lambs were either killed in NI or exported to ROI.

Supplies of lambs are expected to remain firm as 2015 progresses with reports indicating increased numbers of lambs on the ground this year when compared to 2014 levels. In the June 2015 Agricultural Census the number of lambs on the ground was four per cent higher than year earlier levels. The combination of an increase in ewe numbers, improved production conditions in Autumn 2014 helping to improve ewe fertility and favourable conditions in Spring 2015 resulting in lower lamb mortality have resulted in an increase in lamb numbers this year.

The domestic NI market remains an important outlet for the NI sheep industry and with an increase in the volume of lamb coming onto the market in line with normal seasonal trends LMC has a lamb promotion campaign ongoing which promotes the benefits of Northern Ireland Farm Quality Assured lamb to local consumers. The advertising campaign includes TV and radio advertisements, outdoor press and online promotion to stimulate an increase in lamb consumption locally.

Figure 1: Weekly exports of lambs/hoggets from NI to ROI for direct slaughter January 2014-September 2015

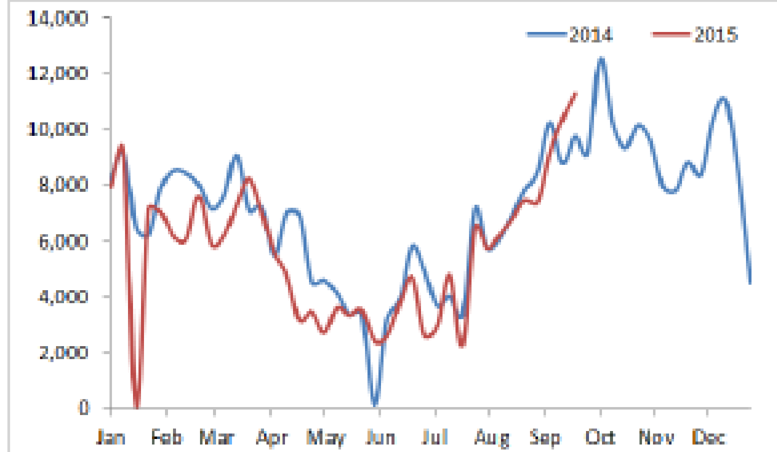
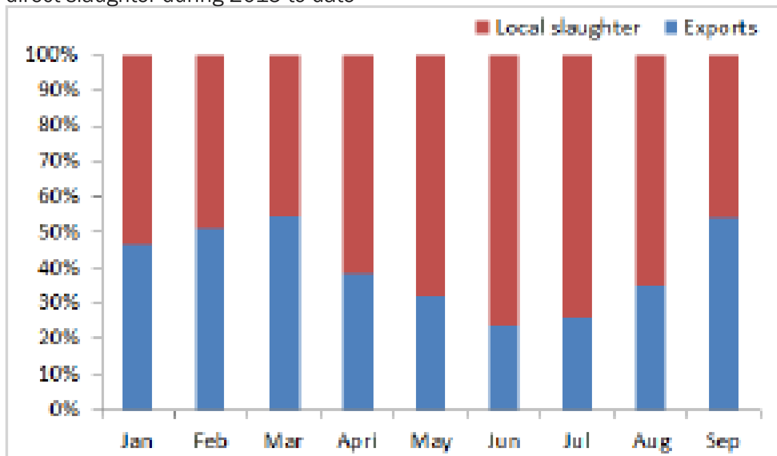


Figure 2: Proportion of NI lambs/hoggets killed locally and exported to ROI for direct slaughter during 2015 to date



WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 21/09/15	Next Week 28/09/15
Prime		
U-3	324 - 328p	320 - 322p
R-3	318 - 322p	314 - 316p
O+3	312 - 316p	308 - 310p
P+3	268 - 296p	264 - 290p
	Including bonus where applicable	
Cows		
O+3 & better	224 - 250p	224 - 250p
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 19/09/15	Steers	Heifers	Young Bulls
U3	330.3	335.1	323.6
R3	326.1	330.3	321.6
O+3	316.6	317.7	315.4

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 19/09/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	128.6	136.5	145.7	158.5
P2	152.2	174.3	190.3	210.4
P3	192.4	188.8	211.7	224.5
O3	210.0	225.5	222.4	245.1
O4	-	218.2	228.0	245.5
R3	-	-	300.0	263.8

Deadweight Cattle Trade

QUOTES from the major NI processors for in spec U-3 grade prime cattle this week generally ranged from 324-328p/kg. Quotes for early next week are expected to be in the region of 320-322p/kg across the plants with reports indicating weaker demand for beef combined with good supplies of cattle coming forward.

Prime cattle throughput in NI last week was similar to previous weeks with 5,653 head slaughtered; however this is notably lower than the 6,503 prime cattle killed in NI plants in the corresponding week in 2014. This decline by 850 head accounts for a 13 per cent reduction year on year. Cow throughput in NI remains strong with slaughterings last week totalling 1,752 head. This was an increase of 102 head from the previous week and was markedly higher than the 1,364 cows slaughtered in the same week in 2014. Dairy origin cows accounted for 64 per cent of the price reported cow kill last week compared to 61 per cent of cow throughput in the same week in 2014.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 588 head, similar to the 538 head imported in the previous week. A total of 151 cows were also imported from ROI for direct slaughter in NI plants last week with 325 cows exported from NI to ROI for direct slaughter. Exports from NI to GB for direct slaughter last week were similar to the previous week and consisted of 190 prime cattle and 48 cows while 30 cows were exported from GB for slaughter in NI plants.

The average steer price in NI last week was back by 1.2p/kg to 319.6p/kg while the R3 steer price was back by 1p/kg to 327.9/kg. In the same week last year the R3 steer price in NI was 328.9p/kg. There was a general improvement in the heifer trade in NI last week with the average heifer price increasing by 1.3p/kg to 324.4p/kg and the R3 heifer price increasing by 2.2p/kg to 331p/kg.

In GB last week the average steer price increased by 1.3p/kg to 351.5p/kg while the R3 steer price was up by 2.4p/kg to 357.8p/kg. The R3 steer price was almost unchanged in Northern England from the previous week at 354.6p/kg while prices in the other GB regions all recorded an increase. The differential in R3 steer prices between NI and the GB last week widened to 29.9p/kg. This is the widest differential in R3 steer prices since early September 2014 and is the equivalent of £99 on a 330kg carcase. The average heifer price in GB last week increased by 1p/kg to 351p/kg while the R3 heifer price increased by 2.4p/kg to 358.4p/kg. The R3 heifer price increased in all the GB regions with the exception of Northern England where it was back by 1.5p/kg to 354.1p/kg.

In ROI last week deadweight prices came under pressure in euro terms as prime cattle throughput increased. However an improvement in the value of euro against sterling meant that deadweight prices were similar to the previous week in sterling terms. R3 steer and heifer prices in ROI last week were the equivalent of 285.2p/kg and 294.2p/kg respectively. This put the differential with NI last week at 42.7p/kg for R3 steers and 36.8p/kg for R3 grade heifers.

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

W/E 19/09/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	330.4	293.9	376.5	360.1	360.6	362.8	365.4
	R3	327.9	285.2	370.8	354.6	351.5	350.5	357.8
	R4	323.1	284.7	372.7	363.2	353.2	348.9	361.8
	O3	315.1	270.8	350.1	335.7	324.7	328.6	335.3
	AVG	319.6	-	368.2	353.7	339.3	338.4	351.5
Heifers	U3	335.1	303.6	383.2	365.2	360.0	363.3	369.5
	R3	331.0	294.2	371.2	354.1	351.2	352.7	358.4
	R4	327.1	293.1	373.0	355.8	351.7	348.6	359.1
	O3	318.4	280.8	351.7	330.2	321.8	324.4	333.8
	AVG	324.4	-	368.8	350.3	337.8	336.4	351.0
Young Bulls	U3	323.6	290.4	369.2	344.5	356.5	354.1	354.8
	R3	321.7	283.7	364.3	333.7	343.2	347.8	344.6
	O3	308.0	270.0	325.5	293.9	320.2	335.4	318.0
	AVG	311.8	-	348.2	322.8	341.9	332.6	336.1
Prime Cattle Price Reported		4461	-	6515	6730	5755	4241	23241
Cows	O3	243.4	248.0	245.1	241.6	238.2	232.6	240.6
	O4	243.6	249.9	252.7	242.9	236.6	232.4	242.2
	P2	199.2	216.1	194.5	204.0	188.3	184.8	193.4
	P3	219.5	241.8	206.8	217.7	205.1	209.0	209.3
	AVG	214.8	-	237.9	217.5	194.5	194.6	213.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=73.06p 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 19/09/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	188	199	192	180	187	183
Friesians	138	150	144	120	135	131
Heifers	192	210	200	172	187	176
Beef Cows	129	166	143	105	128	115
Dairy Cows	100	117	108	60	99	80
Store Cattle (p/kg)						
Bullocks up to 400kg	222	271	235	185	220	200
Bullocks 400kg - 500kg	215	235	223	175	214	190
Bullocks over 500kg	200	217	208	170	199	185
Heifers up to 450kg	204	225	215	175	200	188
Heifers over 450kg	202	235	212	170	201	185
Dropped Calves (£/head)						
Continental Bulls	300	400	335	200	298	250
Continental Heifers	275	415	300	140	272	200
Friesian Bulls	90	172	118	35	88	60
Holstein Bulls	70	152	95	20	68	40

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 21/09/15	Next Week 28/09/15
Lambs	310-315>21kg	310>21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 05/09/15	W/E 12/09/15	W/E 19/09/15
NI Lambs L/W	276.4	288.4	281.4
NI Lambs D/W	300.2	316.5	315.0
GB Lambs D/W	342.7	354.1	350.5
ROI D/W	321.6	323.7	327.7

Deadweight Sheep Trade

QUOTES from the major NI plants this week for R3 grade lambs were 310p/kg up to 21kg with similar quotes expected for early next week. Strong supplies of lambs have continued to come forward for slaughter with 13,967 lambs killed in NI plants last week. This was an increase of 1,105 head from the previous week and was the highest weekly throughput in NI for the year to date. Exports of lambs for direct slaughter in ROI last week totalled 10,969 head. This was an increase of 2,385 head from the previous week when 8,584 NI origin lambs were killed in ROI plants. The deadweight lamb price in NI last week was back by 1.5p/kg to 315p/kg. In the corresponding week last year the deadweight lamb price in NI was 334.4p/kg.

This week's marts

REPORTS have indicated good numbers of lambs passing through the sale rings this week. In Masserene on Monday 1,329 lambs sold from 265-298p/kg compared to 1,312 lambs last week selling from 265-302p/kg. In Rathfriland this week 1,200 lambs sold to an average of 286p/kg compared to 1,123 lambs last week selling to an average of 288p/kg. In Ballymena this week a similar trade to last week saw 2,044 lambs sold to an average of 269p/kg while in Enniskillen 785 lambs sold to an average of 285p/kg. There has been an increase in the number of cull ewes passing through many of the marts with top reported prices generally ranging from £80-90.

LATEST SHEEP MARTS

From: 18/09/15		Lambs (P/KG LW)			
To: 24/09/15		No	From	To	Avg
Friday	Newtownstewart	653	265	304	-
Saturday	Omagh	2003	311	345	-
Monday	Massereene	1329	265	298	-
	Kilrea	680	264	284	-
Tuesday	Saintfield	644	260	304	-
	Rathfriland	1200	264	342	286
Wednesday	Ballymena	2044	255	287	269
	Enniskillen	785	274	298	285
	Markethill	1500	260	310	280
	Armoy	355	254	285	-

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