

STRONG DEADWEIGHT TRADE FOR COWS

CULL cow throughput in NI plants last week totalled 1,743 head taking total cow throughput for the year to date to 44,432 head. This is an eight per cent increase from the 41,181 cows killed in local plants during the same period in 2016. Cows accounted for 21.1 per cent of throughput in NI plants during 2017 to date, a slight increase from 20.6 per cent during the 2016 period.

The average cow carcass weight during 2017 to date was 300kg, back 8kg from the same period in 2016 when the average carcass weight was 308kg. This decline in the average carcass weight has helped to offset some of the increase in cow throughput in local plants and as a result the volume of cow beef handled by local processors during 2017 to date was just five per cent higher than 2016 levels despite the eight per cent increase in cow throughput.

Average carcass weights for all classes of cattle have been lower in NI during 2017 to date when compared to year earlier levels and this may be due to changes in production conditions on NI farms. Analysis of price reporting data has also indicated a shift in the source of cows being killed locally. During 2017 to date 40 per cent of price reported cows were of dairy origin with the remaining 60 per cent sourced from the

suckler herd. In the same period last year 63 per cent of price reported cows were from the dairy herd with 37 per cent sourced from the suckler herd.

The increase in cow throughput has been partly driven by a larger cow herd in NI. December 2016 census data recorded 312,000 dairy cows (+2.5 per cent) and 263,500 suckler cows (+ 1 per cent) and with more cows on NI farms there has been increased availability of cull cows for slaughter.

In addition to this there has been an increase in the number of cows being imported from both ROI and GB for slaughter in NI plants. During 2017 to date 4,769 cows have been imported for direct slaughter, 1,565 from ROI and 3,204 from GB while in the same period in 2016 2,763 cows were imported for direct slaughter 1,029 cows from ROI and 1,734 cows from GB. Imported cows accounted for 11 per cent of total cow throughput during 2017 to date, up from 4 per cent in the same period last year.

Exports of cows out of NI for direct slaughter have declined during 2017 to date with 2,949 cows exported to ROI and a further 473 exported to GB. This is a notable decline from the same period in 2016 when 5,857 cows were exported to ROI for direct slaughter and 473 cows to GB. This decline in exports

will have further increased the supply of cows for slaughter locally.

The relatively strong cow prices in NI will also have encouraged producers to cull unproductive stock which will have helped drive throughput in local plants. The average O3 cow price in NI last week was 286.3p/kg, notably higher than the corresponding week in 2016 when the O3 cow price was 247.4p/kg, as indicated in Figure 1. This increase by 38.9p/kg accounts for a £117 increase in the value of a 300kg O3 grading cow carcass year on year.

Figure 2 displays O3 cow prices in GB, NI and ROI from January 2016 until June 2017 and as indicated in the chart there has been a steady increase in cow prices in all three regions during 2017 to date. Prices in ROI have tended to track ahead of both NI and GB prices during 2017 to date however in recent weeks there has been a shift in this relationship.

The cow trade in ROI has come under some pressure with a decline in deadweight prices as a result whilst prices in NI have continued to firm. As a result the O3 cow price in NI last week was 4.3p/kg higher than the O3 cow price in ROI. Meanwhile the trade in GB has held relatively steady with an O3 cow price last week of 282.3p/kg.

Figure 1: Price reported O3 cow prices in NI from January 2015 to June 2017

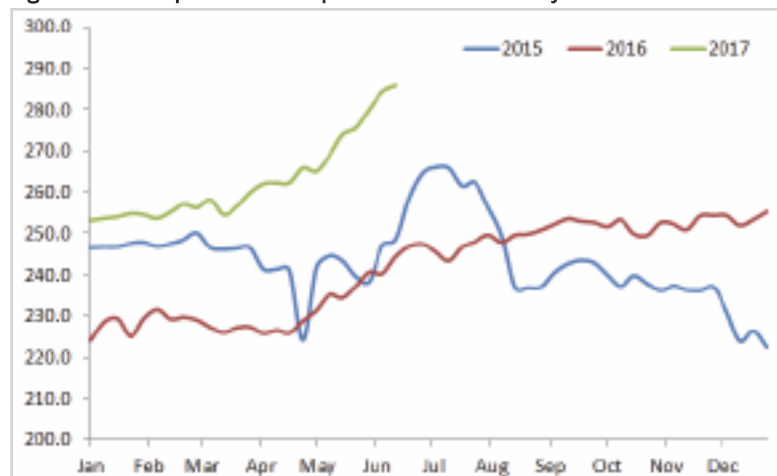
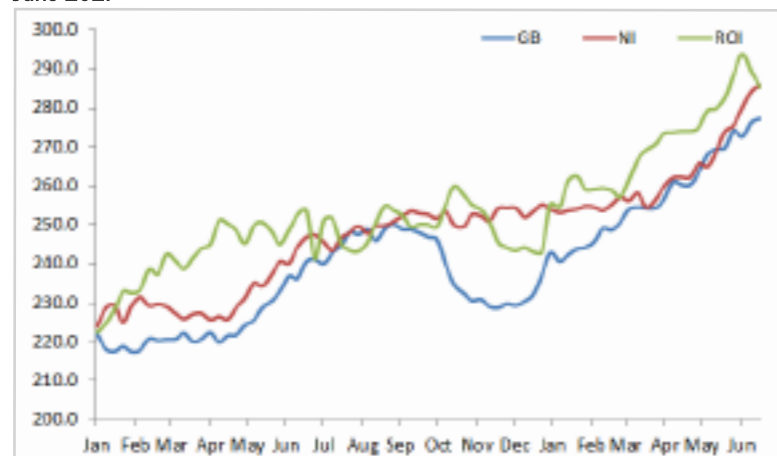


Figure 2: Price reported O3 cow prices in GB, NI and ROI from January 2016 to June 2017



RETAIL LAMB SALES RECORD A

DECLINE

DURING the 12 week period ending 21 May 2017 retail lamb sales in the UK were valued at £156.1 million according to the latest available data from Kantar. This is an 8.2 per cent decline from year earlier levels when retail lamb sales were valued at £168.9 million.

The decline in the total value of retail lamb sales was driven primarily by a decline in the volume of lamb sold by major retailers. During the 12 week period ending 21 May 2017 the volume of lamb sales by the UK retailers totalled 18,791 tonnes, a 15.6 per cent decline from the corresponding period in 2016.

There was also a decline in household penetration for lamb year on year which will have contributed to the decline in both the value and volume of sales. According to the latest Kantar data 34.5 per cent of households surveyed during the 2017 period had consumed lamb, a decline from 38.3 per cent in the corresponding period in 2016.

Some of the decline in volume sales of lamb has been offset by an increase in the average retail price year on year. In the 12 week period ending 21 May 2017 the average retail

price was £8.31/kg, an increase of 63p/kg from the same period in 2016 when the average retail price was £7.68/kg.

All of the major lamb cuts recorded declines in volume sales during the 2017 period. Volume sales of leg roasting joints were back by 22 per cent while volume sales of shoulder roasting joints were back by 15 per cent year on year. There were however increases in the volume sales of lamb mince (+ 3.2 per cent) and lamb marinades (+11.2 per cent).

While the value and volume of lamb sales recorded a decline year on year it should be noted that there has also been a notable decline in the volume of lamb imports entering the UK market which may have impacted product availability and contributed to the increase in the average retail price. During the first four months of 2017 total lamb imports were back by 15% compared to the same time period in 2016 at 33,000 tonnes.

A decline in lamb production in New Zealand has contributed to a fall in exports from the region. UK imports of lamb from New Zealand during the first four months of 2017 were 24 per cent lower than 2016 levels.

DEADWEIGHT LAMB TRADE COMES BACK

AS LAMB SUPPLIES INCREASE

QUOTES from the major NI lamb processors came back early this week to 440-455p/kg for R3 grade lambs with plants paying up to 21kg. However despite the decline in base quotes in recent weeks the deadweight trade remains well above the corresponding week last year when the local processors were quoting 395-400p/kg for R3 grading lambs.

Figure 3 displays the price reported R3 lamb price in NI from 2015 to 2017. As indicated in the chart deadweight lamb prices in recent weeks have remained well above previous years. The average price reported R3 lamb price last week was back 18.6p/kg from the previous week to 456.9p/kg while in the corresponding week in 2016 the R3 lamb price in NI was 381.7p/kg. This increase by 75p/kg equates to a differential of almost £16 on a 21kg carcass year on year.

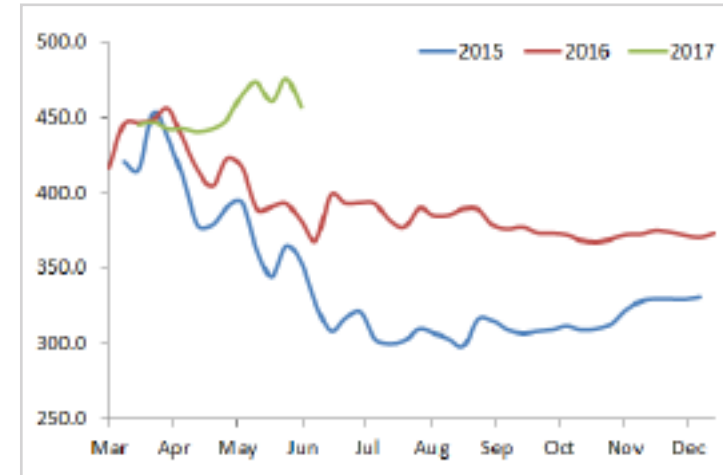
Lamb supplies have started to pick up in recent weeks with 9,038

lambs killed locally last week. This takes throughput in NI plants for the six week period ending 25 June to 45,997 head, a two per cent increase from the corresponding period in 2016.

Meanwhile exports of lambs from NI to ROI for direct slaughter last week totalled 5,599 head taking total exports for the six week period

ending 25 June 2017 to 28,099 head. This accounts for a 13 per cent decline year on year. Lamb exports to ROI accounted for 38 per cent of output from the NI sheep flock during the six weeks ending 25 June 2017, a decrease from the same period in 2016 when 42 per cent of NI lambs were exported to ROI for direct slaughter.

Figure 3: Price reported R3 grade lamb prices in NI 2015-2017



FQAS Helpline

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the FQAS helpline:
028 9263 3024

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WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 26/06/17	Next Week 03/07/17
Prime		
U-3	362 - 366p	360 - 364p
R-3	356 - 360p	354 - 358p
O+3	350 - 354p	348 - 352p
P+3	292 - 312p	290 - 310p
Including bonus where applicable		
Cows		
O+3 & better	270 - 280p	265 - 290p
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 24/06/17	Steers	Heifers	Young Bulls
U3	372.9	374.4	368.1
R3	367.9	368.8	364.7
O+3	360.3	359.1	352.2

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 24/06/17	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	191.8	199.6	215.6	228.7
P2	198.2	226.3	254.5	262.9
P3	223.3	246.5	266.2	273.0
O3	230.0	260.0	279.6	287.7
O4	202.0	271.9	280.9	290.2
R3	-	-	-	303.2

Deadweight Cattle Trade

BASE quotes from the plants for in spec U-3 grade prime cattle held steady this week at 362-366p/kg. Quotes for early next week have come back slightly and are expected to range from 360-364p/kg with reports from the plants indicating tighter supplies of prime cattle coming forward for slaughter. The deadweight cow trade in NI has also held steady this week with quotes for good quality O+3 grade cows ranging from 270-280p/kg.

Prime cattle throughput in local plants last week totalled 5,654 head. This was back 533 head from the previous week and is the second consecutive week in which it has recorded a decline. The prime cattle kill last week was the lowest weekly throughput in local plants since late April 2017 however it was similar to the same week last year when 5,738 prime cattle were slaughtered locally. Cow throughput was also back last week with 1,743 cows killed compared to 2,066 cows during the previous week.

Imports for direct slaughter from ROI last week were at their lowest levels for the year to date with 84 prime cattle and 21 cows imported. A further 6 prime cattle and 162 cows were imported from GB for direct slaughter last week, also back from the previous week. Meanwhile exports from NI to ROI for direct slaughter last week totalled just 24 head with no cattle exported to GB for slaughter last week.

The deadweight trade for prime cattle held relatively steady in NI last week with the average steer price unchanged at 362.2p/kg while the R3 steer price was back by a penny to 370.5p/kg. The average heifer price in NI last week was 361.8p/kg, up half a penny from the previous week. Meanwhile the R3 heifer price was back by a similar margin to 370.6p/kg.

In GB last week the deadweight trade for prime cattle generally improved with the average steer price increasing by 3.1p/kg to 364.9p/kg. The R3 steer price in GB last week increased strongly by 5.1p/kg to 375.9p/kg with prices increasing in all of the regions. This puts the R3 steer price in GB 5.4p/kg ahead of the NI R3 steer price. An improvement was also recorded in heifer prices in GB last week with the average price increasing by 2.5p/kg to 368.7p/kg. The R3 heifer price increased by 2.7p/kg to 375.2p/kg with prices increasing in all of the regions. The most notable increase was recorded in Northern England where the R3 heifer price increased by 5.2p/kg to 369p/kg. The cow trade in GB improved last week with the average price up by 2.4p/kg to 255.3p/kg. The cow trade also firmed in NI last week with the average cow price up by 3.7p/kg to 271.5p/kg. This puts the average cow price in NI 16.2p/kg above the average cow price in GB.

The deadweight trade in ROI came under some pressure last week with reported prices back in both euro and sterling terms. The R3 steer price in ROI last week was back by 3.3p/kg to 355.1p/kg which puts it 15.4p/kg behind the R3 steer price in NI. The R3 heifer price in ROI last week was back by 3.6p/kg to 365.6p/kg which puts it 5p/kg lower than the equivalent price in NI.

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

W/E 24/06/2017	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB	
Steers	U3	373.8	363.7	385.3	373.8	374.4	375.8	377.2
	R3	370.5	355.1	387.4	368.4	373.9	371.4	375.9
	R4	372.4	355.7	388.9	378.0	370.9	371.8	378.4
	O3	359.4	341.3	360.6	339.2	340.6	343.9	346.3
	AVG	362.2	-	381.3	361.7	358.5	356.2	364.9
Heifers	U3	375.0	378.8	392.0	377.9	384.2	380.4	384.5
	R3	370.6	365.6	384.1	369.0	373.7	371.0	375.2
	R4	369.6	364.9	387.2	374.4	372.9	368.2	376.4
	O3	359.5	350.9	369.2	338.9	346.8	353.0	353.2
	AVG	361.8	-	383.8	366.0	363.4	358.4	368.7
Young Bulls	U3	367.9	363.4	378.8	362.0	368.8	367.9	368.9
	R3	365.0	352.2	373.3	352.9	360.9	362.7	361.1
	O3	344.6	332.9	333.9	313.5	320.0	335.4	321.8
	AVG	354.5	-	366.4	339.6	354.0	352.7	352.3
Prime Cattle Price Reported		5070	-	6333	6474	6470	4127	23404
Cows	O3	286.3	282.0	285.8	277.0	284.7	283.7	282.3
	O4	289.3	283.5	290.5	280.3	284.6	280.3	283.5
	P2	250.4	261.8	244.5	239.9	235.3	237.7	237.8
	P3	269.8	274.4	249.8	257.4	243.6	265.3	252.5
	AVG	271.5	-	275.5	257.9	250.5	252.0	255.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.88p 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 24/06/17	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	214	224	219	182	216	199
Friesians	150	168	159	142	150	146
Heifers	214	235	219	170	202	186
Beef Cows	167	196	180	119	157	135
Dairy Cows	120	145	132	75	111	95
Store Cattle (p/kg)						
Bullocks up to 400kg	200	254	229	192	217	202
Bullocks 400kg - 500kg	200	254	227	180	204	191
Bullocks over 500kg	205	220	210	175	210	195
Heifers up to 450kg	210	250	225	175	206	189
Heifers over 450kg	190	210	203	165	192	177
Dropped Calves (£/head)						
Continental Bulls	375	450	440	200	290	240
Continental Heifers	300	380	340	130	240	185
Friesian Bulls	115	195	153	80	120	105
Holstein Bulls	105	185	141	2	70	54

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 26/06/17	Next Week 03/07/17
Lambs >21kg	445-455p	440-445p

REPORTED SHEEP PRICES

(P/KG)	W/E 10/06/17	W/E 17/06/17	W/E 24/06/17
NI Lambs L/W	447.4	456.6	410.8
NI Lambs D/W	462.9	476.4	457.2
GB Lambs D/W	504.3	509.4	509.4
ROI D/W	475.1	489.1	480.6

Deadweight Sheep Trade

QUOTES from the plants for R3 grade lambs came back early this week to 440-455p/kg with plants paying up to 21kg and these weakened to 440-445p/kg as the week progressed. The plants have reported good supplies of lambs coming forward to meet demand with lamb throughput continuing to increase as more lambs come fit for slaughter. A total of 9,038 lambs were killed locally last week. This was the highest weekly throughput for the year to date. A further 5,599 lambs were exported from NI to ROI for direct slaughter last week. Exports to ROI during the last six weeks totalled 28,099 head compared to 32,219 lambs exported during the same period in 2016. The deadweight lamb price in NI last week was 457.2p/kg, back 19.2p/kg from the previous week.

This week's marts

REPORTS from the marts this week indicated a relatively steady trade with the numbers of lambs passing through the sale rings generally improving as the week progressed. In Swatragh last Saturday 500 lambs sold from 408-438p/kg compared to 650 lambs the previous week selling from 435-461p/kg. In Massereene on Monday 618 lambs sold from 400-467p/kg compared to 1,016 lambs the previous week selling from 425-450p/kg. In Rathfriland this week 897 lambs sold to an average of 414p/kg compared to 586 lambs the previous week selling to an average of 412p/kg. In Enniskillen on Wednesday 487 lambs sold from 398-426p/kg compared to 322 lambs the previous week selling from 390-432p/kg. Top reported prices for well fleshed cull ewes generally ranged from £80-115 and the highest recorded price was £135 in Omagh last Saturday.

LATEST SHEEP MARTS

From: 23/06/17		Lambs (P/KG LW)			
To: 29/06/17		No	From	To	Avg
Friday	Newtownstewart	265	400	448	-
Saturday	Omagh	754	421	446	-
	Swatragh	500	408	438	-
Monday	Kilrea	420	413	426	-
	Massereene	618	400	467	-
Tuesday	Saintfield	860	400	444	-
	Rathfriland	897	395	436	414
Wednesday	Ballymena	1309	390	446	-
	Enniskillen	487	398	426	-
	Markethill	900	390	425	-
	Armooy	312	410	455	-

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LMC TO HAVE A PRESENCE AT NSA SHEEP NORTHERN IRELAND EVENT 2017

THE Livestock and Meat Commission for Northern Ireland (LMC) will have a presence at this year's NSA Sheep Northern Ireland event which is taking place in Ballymena Livestock Market on Monday July 3rd. The organisation's stand will focus on the specific benefits which the Farm Quality Assurance Scheme (FQAS) has delivered for the local sheep sector. LMC will also be hosting cookery sampling sessions throughout the day.

"This year marks the 25th anniversary of FQAS," confirmed LMC's FQAS Manager Daryl McLaughlin. "The scheme is universally recognised as a measure that has brought great benefit to both the beef and sheep sectors in Northern Ireland. Fundamentally, it has succeeded in giving consumers total confidence in the quality, traceability and heritage of the beef and lamb they are buying. The scheme continues to resonate at farm level with the number of producers participating in the scheme continuing to grow."

However despite the continued growth of the scheme McLaughlin outlined that there remains scope to further increase the number of sheep producers in Northern Ireland who are FQAS accredited. "Flock owners attending the upcoming NSA event can get the advice and information from

the LMC staff in attendance on joining FQAS. A point worth noting is that producers who are already FQAS accredited for beef can gain assurance for lamb at no additional cost to the farm business. Having FQ status on lambs when presenting them for market benefits the producer by widening the potential customer base with the major processors and finishers buying short keep lambs actively seeking FQ status at point of sale"

McLaughlin believes that FQAS is the quality benchmark that could be recognised as the norm in the context of trade deals entered into by the UK, once Brexit becomes a reality. He added; "At an industry level, the biggest benefit delivered by FQAS has been its role in allowing local redmeat processors to present a positive and verifiable offering to secure new export markets and supply the critically important retail and food service market in the UK. And this continues to be the case."

McLaughlin believes that FQAS will play an equally important role moving forward; "Following its official launch in 1992, FQAS was a key driver in delivering market access throughout Europe for Northern Irish beef and lamb and today it continues to represent a pivotal assurance scheme for buyers in these markets. Finding

additional export markets for Northern Ireland's beef and lamb output will be a fundamental requirement post-Brexit and, again, FQAS has the potential to be a key factor in gaining this crucially important market access."

LMC will be on Stand 43 at NSA Sheep Northern Ireland and at the Sampling area. For further information, contact LMC on (028) 9263 3000.

Image 1: LMC's FQAS Manager Daryl Mc Laughlin with John Martin from Greyabbey who has been a member of the FQAS scheme for 25 years.



IN MY OPINION: RICHARD HALLERON NOT CULLING BVD PI ANIMALS IS THE HEIGHT OF MADNESS

It's now becoming apparent that a number of farmers are keeping calves that have been identified as BVD Persistently Infected (PI). These PI animals remain the most potent source of BVD infection and if they are kept alive then the targets laid down for the scheme as a whole will never be met.

This makes no sense, nationally, or at an individual farm level. The benefits of eradicating BVD will bring with it a production bonus for the beef industry and also enhance the animal health status of our beef and dairy sectors. But, more than this, those farmers who hold on to PI stock are only kidding themselves, in every sense of the term. In the first instance, animals identified as PI's will never meet the production and breeding targets they should have attained, had they been disease-free. In addition, PIs represent a reservoir of infection that will only serve to reduce the performance potential of the stock on affected farms on an on-going basis and also increase the chances of more PI calves being born.

Recognising these issues, DAERA has put in place a BVD scheme that compensates farmers for PI calves. The compensation available breaks down as follows: £160 for a beef calf, £130 for a dairy heifer calf and £50 for a dairy bull calf. Surely, it's a no-brainer for farmers with PI calves to accept the money on-offer and get these animals out of the system as quickly as possible. For their part, LMC staff members are processing the claims that have been received as quickly as possible. A total of 674 claims have been received up to this point and, of these, 523 have now fully processed. To date, a total of £54,560 has been paid out, representing a 70% success rate, where processed forms are concerned.

The compensation scheme remains open until September 30 this year. So I come back to my fundamental point: surely it makes sense for farmers with PI calves to take the money that is currently available and get these animals out of the system, once and for all.

HEALTHY EATING: GETTING THE RIGHT BALANCE BETWEEN KNOWN BENEFITS AND POTENTIAL RISKS

THE Meat Advisory Panel (MAP) – made up of independent scientists and health professionals – has acted to clarify the role which red meat can play within a healthy diet.



According to MAP Chair Dr Carrie Ruxton, consumers are right to be concerned about eating very large quantities of red and processed meat, adding: “But the reality is the vast majority of people are not eating anywhere near the amounts which appear to be problematic, and many women and children are eating very little red meat.

“While it's true that four in ten men, according to government experts, are eating in excess of the recommended amount, it's women who are heeding the eat less red meat message and potentially putting their health at risk as a result.

“A healthy diet is all about balance, and advice on healthy eating should focus on

getting the right balance between known benefits and potential risks. There is no such thing as a bad food, but there is no doubt that excluding entire food groups from the diet is a major risk for nutrient adequacy.

“A diet built around five-a-week servings of red meat, and simple visual aids on appropriate portion sizes, is now desperately needed to counter the myth and misinformation which is driving unbalanced diets and risk of iron

Image 2: The Meat Advisory Panel recommends five servings of red meat per week as part of a balanced diet



deficiency.”

MAP member Dr Emma Derbyshire agrees: “A five-a-week red meat message, combined with easy to remember ‘hands on’ advice on portion sizes, will provide consumers with the sensible, evidence-based advice they so clearly need. “Lastly, red meat is a key part of the human diet and it should be a regular component of everyone's diet.”

LMC's Education Services Manager Cherrie Kenny has welcomed the publishing of this report. “It is heartening to see the Meat Advisory Panel working to rebut negative press on red meat consumption. Red meat is an important part of a healthy balanced diet and provides an important source of nutrients such as zinc, iron and protein.”

“Low levels of iron in the diets of females in particular has become a major worry and this is something that LMC aims to address through its educational programme. LMC provides 330 beef and lamb cookery demonstrations to local secondary schools each academic year. LMC continues to be a member of the MeatMatters group which is a joint levy body initiative supporting the work of the Meat Advisory Panel”

LMC

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