LMC BULLETIN
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DECLINE IN CONFORMATION OF PRIME KILL

ANALYSIS of price reporting data has indicated that the conformation scores achieved by prime cattle kill during the final quarter of 2016 generally declined from the corresponding period in 2015.

Steers

During the period October-December 2016 18.4 per cent of price reported steers were awarded a U grade, back from 22.5 per cent of steer carcases in the same period in 2015. Meanwhile the proportion of steers achieving an R grade was back by 1.2 percentage points between the two periods to account for 36.2 per cent of the steer kill in the final quarter of 2016.

The proportion of O grading steers in the price reported kill increased from 29.2 per cent in the 2015 period to 33.5 per cent in the 2016 period while the proportion of P grades increased by one percentage point year on year to account for 11.5 per cent of price reported steers in the 2016 period.

This general downward movement in the conformation scores achieved by the NI steer kill may be due to a number of factors. The unsettled and changeable weather last summer will have meant some cattle will have come off grass lighter than expected. This appears to have carried through until slaughter with an average carcase weight of price reported steers of 350kg in the 2016 period, back 9kg from year earlier levels.

Price reported steers were also killed earlier during the 2016 period with an average age of slaughter of 768 days, back 29 days from the 2015 period when the average age at slaughter was 797 days. This may have contributed to the decline in carcase weights year on year. A relatively steady beef price during the final quarter of 2016 combined with a firm demand for NI origin cattle from the processors in the absence of imports for direct slaughter from ROI may have encouraged producers to slaughter cattle earlier and younger.

There has also been a slight increase in the dairy influence on the NI prime cattle kill which may have contributed to lower carcase weights. During the 2016 period 39.3 per cent of price reported steers had a dairy dam compared to 37.4 per cent in the corresponding period in 2015. Within this however there was an increase in the proportion of dairy origin steers with a beef sire, up from 19 per cent of the total kill in the 2015 period to 23 per cent in the 2016 period. Meanwhile the proportion of dairy sired steers in the kill recorded a decline.

Heifers

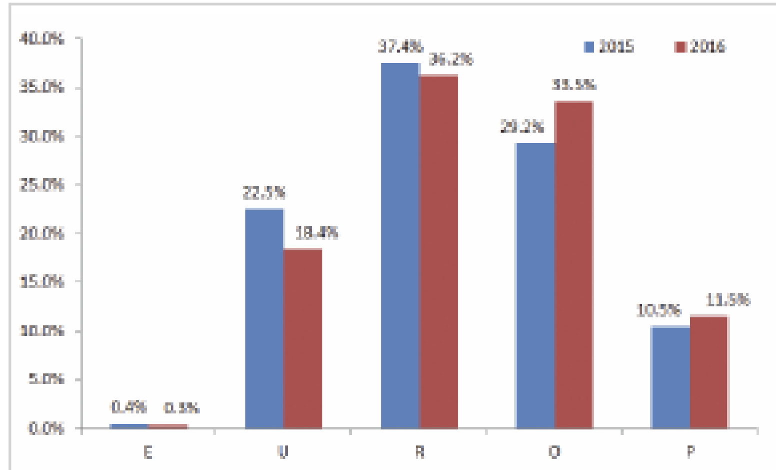
The conformation scores achieved by price reported heifers also generally declined during the final quarter of 2016 when compared to year earlier levels. U grading heifers accounted for 17 per cent of price reported heifer kill in the final quarter of 2016, back from 23 per cent in the 2015 period. The proportion of R grading heifer carcases also recorded a decline, back from 47.9 per cent of the reported kill in the 2015 period to 44.6 per cent in the 2016 period.

Meanwhile the proportion of price reported heifer carcases achieving an O grade increased notably from 23.7 per cent in the 2015 period to 30.9 per cent in the 2016 period. P grading carcases accounted for 7.3 per cent of the reported heifer kill in the final quarter of 2016, up from 5.1 per cent in the corresponding period in 2015.

As with the steers there has been a decline in the average carcase weight of price reported heifers from 325kg in the 2015 period to 316kg in the 2016 period which may have contributed to the poorer conformation scores achieved. In addition price reported heifers were killed an average of 17 days earlier during the final quarter of 2016 when compared to the same period in 2015.

The downward movement in conformation scores achieved by price reported heifers may also be due to an increase in the proportion of the heifer kill sourced from the dairy herd. In the 2016 period 32.1 per cent of price reported heifers had a dairy dam compared to 27.9 per cent of the heifer kill in the corresponding period in 2015.

Figure 1: Conformation of price reported NI steer kill October-December 2015/2016



Young Bulls

There was a general downward movement in the conformation scores achieved by the young bull kill year on year. U grade carcases accounted for 15.2 per cent of the price reported young bull kill during the 2016 period, back from 17.6 per cent in the 2015 period. R grading carcases accounted for 21.3 per cent of the young bull kill in the 2016 period, back slightly from 22.1 per cent in the 2015 period. Meanwhile O grading carcases accounted for 39.4 per cent of the price reported young bull kill in the 2016 period with P grade carcases accounting for 22 per cent. These increased from 37.7 per cent and 20.9 per cent respectively in the 2015 period.

These shifts in the conformation scores achieved have occurred despite the proportion of young bulls sourced from the dairy and suckler herds remaining fairly consistent year on year. There has however been a decline in the average carcase weight from 329kg in the 2015 period to 321kg in the 2016 period.

NI SHEEP INDUSTRY SNAPSHOT - DECEMBER 2016

Table 1: NI Sheep Industry Key Performance Indicators (December Snapshot)			
	Dec-15	Dec-16	% Change
Sheep Prices (p/kg)			
Average Deadweight Price **NI (Lamb)**	328.2	372.3	+13.4%
Average Liveweight Price **NI (Lamb)**	299.7	343.0	+14.4%
Average Weekly Price **GB** (D/W) (Lamb)	365.5	386.3	+5.7%
Average Weekly Price **ROI** (D/W)	337.9	373.3	+10.5%
Slaughterings			
Total Hoggets & Lambs Slaughterings (Head)	33,359	29,602	-11.3%
Total Ewes & Rams Slaughterings (Head)	2,347	2,483	+5.8%
Average Hogget & Lambs Carcase Weight (kg)	21.8	22.1	+1.4%
Average Ewe & Rams Carcase Weight (kg)	26.4	26.9	+2.0%
Trade (Head)			
Live Imports for Direct Slaughter	150	378	+152.0%
Live Exports for Direct Slaughter	32,274	28,697	-11.1%
Euro / Stg Exchange Rate (€ / £)	72.6	84.4	+16.3%
All NI Figures Unless Otherwise Stated			

TABLE 1 outlines key performance indicators for the NI sheep industry during December 2016 and provides a useful comparison with year earlier levels. During December 2016 the average deadweight lamb price in NI was 372.3p/kg. This was 44.1p/kg higher than the 328.2p/kg paid in December 2015 which is the equivalent of £10 on a 22kg lamb carcase and accounts for a 13.4 per cent increase year on year.

Meanwhile in GB during December 2016 the average reported deadweight lamb price was 386.3p/kg compared to an average reported price of 365.5p/kg in December 2015. This accounts for a 5.7 per cent increase year on year.

In ROI during December 2016 the average deadweight lamb price was the equivalent of 373.3p/kg, 35.4p/kg higher than the corresponding month in 2015 when the average price was 337.9p/kg. This increase accounts for a 10.5 per cent increase in sterling terms year on year. In euro terms however lamb prices in ROI recorded a decline. During December 2016 the average lamb deadweight price was 441.7c/kg, 25.6c lower than during December 2015 when it was 467.3c/kg. This decline accounts for a 5.5 per cent decrease in euro terms year on year.

The increase in deadweight lamb prices in sterling terms has been driven by the strengthening in euro against sterling as indicated in Table 1. In December 2015 €1 was worth 72.6 pence sterling and in December 2016 this had increased to €1 being worth 84.4 pence sterling.

Lamb throughput in NI plants during December 2016 totalled 29,602 head, an 11.3 per cent decrease on the 33,359 lambs killed in local plants during December 2015. However despite the notable decline in throughput year on year the major processors have reported steady supplies of lambs coming forward for slaughter to meet demand.

The average carcase weight of lambs killed in NI plants has shown a slight increase with an average carcase weight during December 2016 of 22.1kg compared to 21.8kg during December 2015.

Meanwhile ewe and ram throughput in NI during December 2016 totalled 2,483 head, a 5.8 per cent increase from the 2,347 head killed in NI plants during December 2015. The average ewe and ram carcase weight has similarly increased slightly to 26.9kg in December 2016 compared to 26.4kg in December 2015.

ROI continues to act as an important outlet for the NI sheep sector with 28,697 sheep exported from NI to ROI for direct slaughter during December 2016. In the same period in 2015 however a total of 32,274 sheep made the journey from NI to ROI for direct slaughter which accounts for an 11.1 per cent decrease year on year.

WEEKLY BEEF & LAMB

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 16/01/17	Next Week 23/01/17
Prime		
U-3	344 - 348p	342 - 346p
R-3	338 - 342p	336 - 340p
O+3	332 - 336p	330 - 334p
P+3	278 - 296p	276 - 294p
	Including bonus where applicable	
Cows		
O+3 & better	240 - 250p	240 - 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 14/01/17	Steers	Heifers	Young Bulls
U3	358.1	359.3	349.1
R3	352.0	352.2	344.5
O+3	343.6	341.6	335.6

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 14/01/17	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	157.0	169.7	177.4	209.1
P2	169.4	195.1	217.8	229.9
P3	177.1	215.8	232.6	240.1
O3	-	228.6	245.0	255.3
O4	-	238.1	258.9	257.4
R3	-	-	280.0	272.0

Deadweight Cattle Trade

BASE quotes from the major NI processors this week for in spec U-3 grade steers and heifers ranged from 344-348p/kg. Quotes for early next week are expected to be in the region of 342-346p/kg. The trade for good quality O+3 grade cows remained steady this week ranging from 240-250p/kg across the plants.

Prime cattle throughput in NI plants last week totalled 6,964 head, an increase of 1,380 head from the previous week. This is 11 per cent higher than the 6,283 prime cattle slaughtered in the corresponding week in 2016. Meanwhile a total of 2,218 cows were slaughtered in NI plants last week, an increase of 533 head from the previous week. This is 17 per cent higher than the 1,893 cows killed in NI plants in the same week last year.

Prime cattle imports from ROI for direct slaughter in NI plants last week totalled 144 head, accounting for two per cent of the total NI prime cattle kill. In the corresponding week in 2016 a total of 663 prime cattle were imported from ROI which accounted for 11 per cent of the total NI prime cattle kill. The number of cows imported from ROI for direct slaughter in NI last week totalled 52 head compared to 128 cows in the same week last year. Meanwhile 151 cows were exported from NI for direct slaughter in ROI last week which was lower than the 245 cows exported during the corresponding week in 2016. Exports from NI for direct slaughter in GB last week consisted of 22 prime cattle and 16 cows, almost unchanged from the previous week.

The deadweight trade for prime cattle generally remained steady in NI last week with the average steer price back by 0.4p/kg to 346.8p/kg while the R3 steer price similarly decreased 0.5p/kg to 355.6p/kg. The average heifer price in NI last week was almost unchanged at 349p/kg while the R3 heifer price was back by almost a penny to 354p/kg. The average cow price in NI last week recorded an increase of 5.3p/kg to 237.6p/kg while the O3 cow price was up by half a penny to 253.6p/kg.

In GB last week the deadweight cattle trade generally weakened with the average steer price back by 1.7p/kg to 352.4p/kg while the average R3 steer price decreased by 2.1p/kg to 361.4p/kg. This puts the differential in R3 steer prices between NI and GB at 5.8p/kg or £20 on a 350kg carcase. Scotland saw the largest decline in deadweight R3 steer price last week by 4.1p/kg to 366.5p/kg. The average heifer price in GB last week decreased by 2.5p/kg to 355.1p/kg while the average R3 heifer price was back by the same amount to 361.2p/kg. The differential in R3 heifer prices last week between NI and the GB average was 7.2p/kg or £23 on a 320kg carcase.

Reports from ROI last week indicated steady deadweight cattle prices in euro terms and a strengthening in sterling terms. The R3 steer price in ROI was the equivalent of 323.8p/kg, a notable 8p/kg increase from the previous week while the R3 heifer price was up 7.8p/kg to 335.1p/kg. The O3 cow price in ROI last week was up by 6.6p/kg to 261.1p/kg which puts it 7.5p/kg above the equivalent price in NI.

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

W/E 14/01/2017		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	359.0	332.8	369.3	361.9	365.7	369.3	366.3
	R3	355.6	323.8	366.5	357.9	358.6	362.8	361.4
	R4	356.0	324.7	368.0	372.1	359.2	362.4	367.2
	O3	345.5	311.6	339.9	335.3	325.8	331.5	333.3
	AVG	346.8	-	364.4	353.7	344.6	343.2	352.4
Heifers	U3	359.7	346.6	376.2	368.6	376.6	374.2	373.9
	R3	354.0	335.1	366.9	354.8	360.2	361.7	361.2
	R4	353.8	335.3	368.8	360.4	360.5	363.5	363.1
	O3	345.7	321.0	347.8	342.0	337.6	332.9	340.2
	AVG	349.0	-	367.4	354.2	349.8	344.8	355.1
Young Bulls	U3	348.1	326.6	362.4	350.5	356.5	354.7	355.1
	R3	344.3	317.0	358.5	338.2	343.8	344.8	345.0
	O3	329.9	304.8	315.0	298.3	307.6	313.6	306.9
	AVG	329.2	-	334.4	311.8	317.1	323.6	320.0
Prime Cattle Price Reported		6265	-	6686	7458	6138	4038	24320
Cows	O3	253.6	261.1	246.2	240.7	244.5	237.0	242.2
	O4	257.3	263.0	247.7	244.5	245.4	237.1	243.9
	P2	217.0	239.7	200.0	201.3	192.9	194.8	195.9
	P3	236.6	251.0	212.3	223.5	211.9	209.4	214.2
	AVG	237.6	-	235.0	220.8	211.8	206.7	215.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=86.94p 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 14/01/17	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	205	202	170	199	185
Friesians	150	162	156	130	149	140
Heifers	190	201	194	160	189	175
Beef Cows	130	178	146	105	129	117
Dairy Cows	100	117	109	60	98	80
Store Cattle (p/kg)						
Bullocks up to 400kg	210	241	225	165	209	188
Bullocks 400kg - 500kg	202	231	210	170	200	185
Bullocks over 500kg	190	208	200	155	189	180
Heifers up to 450kg	200	250	220	170	198	185
Heifers over 450kg	190	218	205	160	189	175
Dropped Calves (£/head)						
Continental Bulls	280	380	330	165	275	225
Continental Heifers	235	390	295	150	232	190
Friesian Bulls	100	170	135	20	98	60
Holstein Bulls	60	132	85	5	58	30

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 16/01/17	Next Week 23/01/17
Hoggets	360-365 > 22kg	365-375 > 22kg

REPORTED SHEEP PRICES

(P/KG)	W/E 31/12/16	W/E 07/01/2017	W/E 14/01/2017
NI L/W Lambs/Hoggets	349.4	339.3	345.9
NI D/W Lambs/Hoggets	373.4	370.5	363.8
GB D/W Lambs/Hoggets	389.1	386.6	382.3
ROI D/W Lambs/Hoggets	377.6	375.2	382.0

Deadweight Sheep Trade

QUOTES from the major NI processors for R3 grade hoggets started this week at 360-365p/kg however quotes firmed towards the end of the week with 365-375p/kg expected for Monday. Reports have indicated a slight increase in the number of hoggets coming forward for slaughter with throughput last week totalling 7,939 head, up by 269 head from the previous week. In the corresponding week in 2016 hogget throughput totalled 6,779 head accounting for a 17 per cent increase year on year. Exports of sheep to ROI for direct slaughter last week totalled 9,237 head, an increase from the 7,954 head exported to ROI the previous week however less than the 9,539 sheep exported to ROI in the same week last year. The average deadweight hogget price in NI last week was back by 6.7p/kg to 363.8p/kg.

This week's marts

THE number of hoggets passing through the sale rings this week declined in many of the marts compared to the previous week with a generally firmer trade reported. In Swatragh last Saturday 430 hoggets sold from 329-376p/kg compared to 900 hoggets the previous week selling from 310-364p/kg. In Massereene on Monday 928 hoggets sold from 335-368p/kg compared to 1,086 hoggets the previous week selling from 330-360p/kg. In Ballymena on Wednesday 1,501 hoggets sold to an average of 330p/kg compared to 1,991 hoggets the previous week selling to an average of 327p/kg. The ewe trade weakened this week with top reported prices generally ranging from £80-90 with a top reported price of £93 in Omagh on Saturday.

LATEST SHEEP MARTS

From: 13/01/17		Hoggets (P/KG LW)			
To: 19/01/17		No	From	To	Avg
Friday	Newtownstewart	101	317	341	-
Saturday	Omagh	947	336	362	-
	Swatragh	430	329	376	-
Monday	Kilrea	200	336	351	-
	Massereene	928	335	368	-
Tuesday	Saintfield	508	330	383	-
	Rathfriland	222	322	362	338
Wednesday	Ballymena	1501	310	360	330
	Enniskillen	448	330	366	-
	Markethill	600	330	371	-
	Armoy	305	330	366	-

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