Livestock & Meat Commission

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND

Saturday 19 May 2018

Issue No. 2520

DEADWEIGHT PRIME CATTLE TRADE REMAINS FIRM ACROSS THE UK

THE deadweight trade for prime cattle in NI has held firm during 2018 to date as outlined in Figure 1. The average R3 steer price in the region last week was 367.8p/kg, 7.9p/kg higher than the corresponding week last year when the R3 steer price in NI was was 359.9p/kg.

The differential between the R3 steer price in NI and the GB average R3 steer price last week was 7.7p/kg. This has held relatively stable during 2018 to date although there have been some indications of it widening in recent weeks as displayed in Figure 1. The differential in R3 steer prices between NI and the GB average is wider than the same week last year when it was 4.6p/kg.

The deadweight trade for prime cattle has held firm in GB since the start of the year and has recorded a gradual improvement since early March as indicated in Figure 1. The average R3 steer price in GB last week was 375.5p/kg, up 11p/kg from the same week last year when the R3 steer price was 364.5p/kg. There is however some variation in the deadweight prime cattle trade across the GB regions as outlined in Figure 2 with the trade tending to weaken as you move southwards.

Deadweight prices in Scotland tend to be stronger than other GB regions due to the strong marketing of Scotch Beef and a higher proportion of premium cattle in the slaughter mix. There has however been a narrowing of the differential between R3 steer prices in Scotland and the GB average R3 steer price year on year. The R3 steer price in Scotland last week was 384.3p/kg, 8.8p/kg above the GB average. The R3 steer price in Scotland during the same week last year was 378.4p/kg, 13.9p/kg above the GB average R3 steer price.

Deadweight prices for prime cattle in Northern England tend to be behind the trade in Scotland but broadly similar to prices available in the Midlands. The slaughter mix in Northern England would be very similar to NI in terms of the dairy/suckler origin mix. The R3 steer price in Northern England last week was 370.9p/kg, 4.6p/kg below the GB average. In the same week last year the R3 steer price in Northern England was 356.2p/kg, 8.3p/kg below the GB average.

The average R3 steer price in the Midlands last week was 373.5p/kg which was 2p/kg below the GB average. In the same week last year the R3 steer price in the Midlands was 360.2p/kg, 4.3p/kg below the GB average. Southern England tends to have the lowest deadweight beef prices in GB due to a higher proportion of the kill being sourced from the dairy herd when compared to the other GB regions. However in recent weeks the differential has been much narrower than usual with reports indicating tighter cattle supplies. The R3 steer price in Southern England last week was 372.6p/kg last week, 2.9p/kg lower than the GB average. In the corresponding week last year the R3 steer price in the region was 361.8p/kg, 2.7p/kg below the GB average R3 steer price.

In ROI last week the R3 steer price was the equivalent of 357p/kg, 10.8p/kg below the equivalent price in NI. As indicated in Figure 1 the differential in R3 steer prices between ROI and NI has narrowed in recent weeks. In the corresponding week last year the differential in R3 steer prices between the regions was 20.6p/kg.

This narrowing of the differential has been driven primarily by a firming in the value of euro against sterling. A stronger euro has worked in the favour of NI and GB beef producers in recent months as it has made Irish origin beef less cost competitive on UK supermarket shelves while at the same time increasing the cost competitiveness of UK origin beef in key EU markets.

Figure 1: Weekly R3 steer prices in NI, ROI GB during 2018 to date (p/kg)

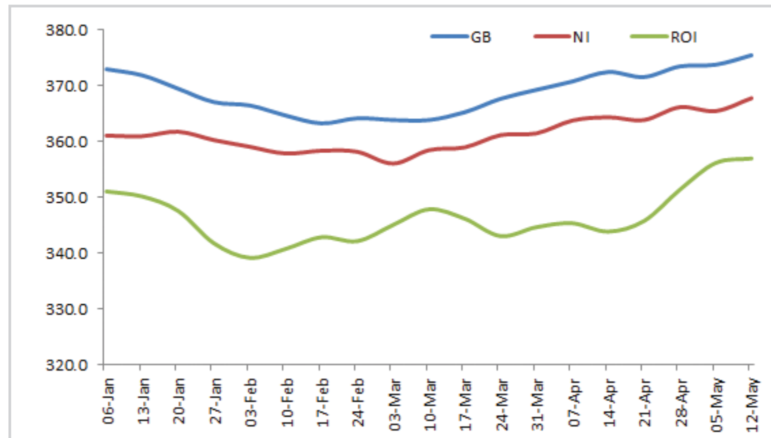
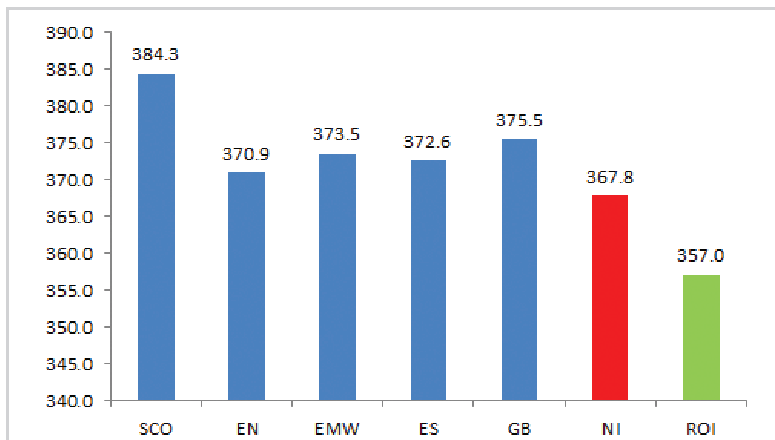


Figure 2: R3 steer prices in NI, ROI and the GB regions during the week ending 12 May 2018 (p/kg)



HOGGET SEASON COMING TO AN END

IN the last few weeks the number of hoggets being killed locally has gradually declined in line with normal seasonal trends as outlined in Figure 3. Meanwhile the number of spring lambs coming forward for slaughter have started to improve after a very slow start.

Total lamb/hogget throughput in local plants last week totalled 3,745 head, back from 5.290 lambs/hoggets killed during the previous week. Throughput remains lower than the corresponding week last year when 5,736 lambs/hoggets were killed in local plants. This accounts for a 6.9 per cent decrease year on year.

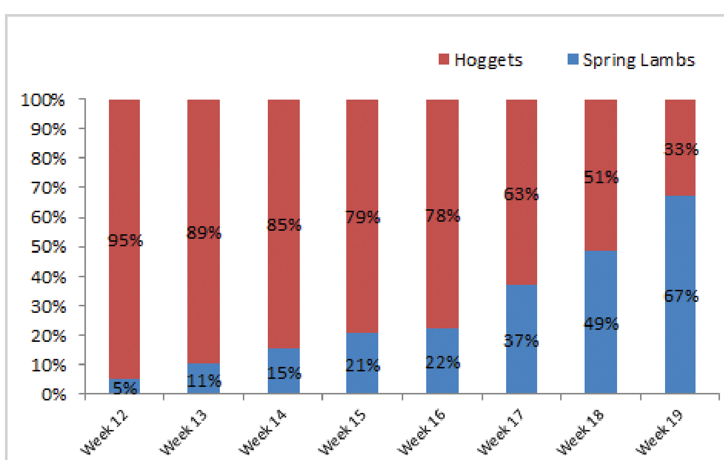
Spring lambs accounted for 67 per cent of price reported lambs in NI last week as outlined in Figure 3, This was similar to the corresponding week last year when spring lambs accounted for 80 per cent of the local lamb/hogget kill.

Reports have indicated that the lambs being presented for slaughter in local plants are generally of very good quality with 44 per cent of spring lambs achieveing a U grade last week and a further 55 per cent being awarded an R grade. In the corresponding week last year 46 per cent of price reported spring lambs were awarded a U grade with a further 51 per cent achieving an R grade.

The deadweight trade for lambs has remained firm with an R3 spring lamb price of 574.7p/kg last week. This was up 2.2p/kg from the previous week when the R3 lamb price in NI was 572.5p/kg. In the corresponding week in 2017 the R3 spring lamb price in NI was 442.8p/kg. This is an increase of 131.9p/kg year on year which equates to a £28 increase in the value of a 21kg lamb.

ROI continues to act as an important outlet for the NI sheep sector with 3,792 lambs/hoggets exported from NI to ROI for direct slaughter last week. This up from the 3,093 lambs/hoggets exported to ROI during the same week last year.

Figure 3: The proportion of hoggets in the NI price reported sheep kill has gradually declined over the last few weeks.



FQAS NOTICE ONLINE PAYMENTS

LMC has launched an online payment system for the Farm Quality Assurance Scheme. This allows producers to pay annual membership renewal and initial registration fees through the LMC website.

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WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 14/05/18	Next Week 21/05/18
Prime		
U-3	356 - 360p	358 - 362p
R-3	350 - 354p	352 - 356p
O+3	344 - 348p	346 - 350p
P+3	298 - 310p	300 - 312p
	Including bonus where applicable	
Cows		
O+3 & better	270 - 290p	270 - 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 12/05/18	Steers	Heifers	Young Bulls
U3	368.2	370.7	359.6
R3	364.6	364.7	356.1
O+3	355.1	355.6	344.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 12/05/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	197.0	207.9	226.0	242.8
P2	198.8	239.6	259.7	269.6
P3	232.0	254.2	272.7	279.1
O3	260.0	312.1	280.7	297.6
O4	300.0	304.7	286.3	300.3
R3	-	-	319.3	317.0

Deadweight Cattle Trade

QUOTES from the major processing plants for in-spec U-3 grade prime cattle firmed slightly to 358-362p/kg. The majority of plants are quoting 358-360p/kg for steers and heifers. However with firm demand for prime cattle producers are encouraged to shop around to get the best possible deal. Quotes for good quality O+3 grade cows continued to range from 270-290p/kg across the plants this week.

Prime cattle throughput last week totalled 6,201 head, back by 579 head from the previous week when 6,780 prime cattle were killed locally. This is also back by 672 head from the 6,873 prime cattle killed in NI plants during the corresponding week last year. Cow throughput in NI last week totalled 1,650 head, back by 152 cows from the previous week when 1,802 cows were slaughtered in NI plants. This is an increase of 140 cows compared to the 1,510 cows killed locally during the same week in 2017.

Imports from ROI for direct slaughter in NI plants last week consisted of 24 heifers and 2 cows while a further 3 prime cattle and 62 cows were imported from GB for direct slaughter. Meanwhile exports from NI for direct slaughter in ROI plants last week consisted of 5 prime cattle and 144 cows while exports to GB for direct slaughter continued at low levels with 16 prime cattle exported.

The deadweight trade for prime cattle has continued to firm in NI with the average steer price up by 1.1p/kg to 359p/kg last week. The R3 steer price last week was 367.8p/kg, up 2.3p/kg from the previous week and is the highest reported weekly R3 steer price to date in 2018. The average heifer price in NI last week was up 2.6p/kg to 359.8p/kg while the R3 heifer price was up by a penny to 367p/kg. The cow trade also firmed in NI last week with the average cow price up by 3.8p/kg to 279p/kg with the O3 cow price back by 0.8p/kg to 295.8p/kg.

The deadweight trade for prime cattle in GB reported a mixed trade last week with the average steer price up by 2.2p/kg to 367p/kg while the average R3 steer price was up by 1.7p/kg to 375.5p/kg. The differential in R3 steer prices between NI and GB was 7.7p/kg last week or £27 on a 350kg carcase. The average heifer price in GB last week was back 0.2p/kg to 366.4p/kg while the R3 heifer price also reported a decline of 0.7p/kg to 374.3p/kg. Last week the differential between NI and GB R3 heifer price was 7.3p/kg or £23 on a 320kg carcase.

The deadweight trade has also continued to firm in ROI last week with the R3 steer price up by the equivalent of 0.8p/kg to 357p/kg. This puts the differential between ROI and NI for R3 grade steers at 10.8p/kg. The ROI R3 heifer price was also up by 0.8p/kg to the equivalent of 367.3p/kg this puts the ROI price at 0.3p/kg higher than the NI R3 heifer price. Prime cattle throughput in ROI last week totalled 22,169 head, back 1,041 head from the previous week. The cow trade also firmed in ROI last week with the O3 cow price up 0.9p/kg to 303.4p/kg. This was 7.6p/kg higher than the equivalent price in NI.

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

W/E 12/05/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	369.9	365.8	384.6	378.9	376.1	377.5	379.1
	R3	367.8	357.0	384.3	370.9	373.5	372.6	375.5
	R4	368.0	359.6	387.0	383.0	372.1	377.1	380.4
	O3	357.3	342.8	362.6	346.3	344.9	342.8	349.4
	AVG	359.0	-	381.7	365.9	359.9	358.9	367.0
Heifers	U3	372.3	380.3	390.8	383.5	384.8	383.9	386.0
	R3	367.0	367.3	383.0	369.3	372.7	370.6	374.3
	R4	364.5	368.7	386.1	375.4	374.8	370.0	377.0
	O3	358.6	352.6	365.0	350.8	342.9	338.6	350.0
	AVG	359.8	-	382.2	364.3	361.4	355.0	366.4
Young Bulls	U3	359.1	363.0	376.2	361.3	370.7	368.4	368.5
	R3	356.1	353.5	375.5	360.9	359.2	363.5	363.5
	O3	338.6	337.3	334.8	319.9	327.2	329.0	326.4
	AVG	343.1	-	364.6	345.9	340.3	357.1	349.2
Prime Cattle Price Reported		5603	-	6476	6978	6790	4441	24685
Cows	O3	295.8	303.4	300.7	283.1	287.8	282.8	287.5
	O4	300.0	303.3	302.6	284.9	288.0	283.7	288.3
	P2	258.5	274.1	243.5	229.4	235.8	240.4	236.5
	P3	276.4	294.5	263.4	251.0	254.1	267.4	257.6
	AVG	279.0	-	289.1	255.8	254.8	251.7	258.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.84p 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

W/E 12/05/18	1st QUALITY From	1st QUALITY To	1st QUALITY Avg	2nd QUALITY From	2nd QUALITY To	2nd QUALITY Avg
Finished Cattle (p/kg)						
Steers	210	216	213	180	209	195
Friesians	144	166	155	140	143	142
Heifers	210	219	214	180	208	195
Beef Cows	150	194	165	120	149	135
Dairy Cows	120	139	128	70	119	100
Store Cattle (p/kg)						
Bullocks up to 400kg	235	279	255	205	234	220
Bullocks 400kg - 500kg	220	256	232	190	219	202
Bullocks over 500kg	210	233	222	175	209	195
Heifers up to 450kg	215	246	230	175	214	200
Heifers over 450kg	210	227	220	170	209	192
Dropped Calves (£/head)						
Continental Bulls	280	390	335	180	278	230
Continental Heifers	250	360	290	140	248	195
Friesian Bulls	100	155	125	60	98	80
Holstein Bulls	60	130	80	8	78	40

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 14/05/18	Next Week 21/05/18
Hoggets >22kg	540p	540p
Spring Lambs >21kg	570-590p	570-590p

REPORTED SHEEP PRICES

(P/KG)	W/E 28/04/18	W/E 05/05/18	W/E 12/05/18
NI L/W Hoggets	445.0	436.6	436.6
NI D/W Hoggets	545.4	541.7	528.4
GB D/W Hoggets	553.6	569.5	578.5
ROI D/W	524.0	542.7	543.5
NI L/W Spr Lambs	545.1	544.8	555.3
NI D/W Spr Lambs	563.5	569.4	571.8
GB D/W Spr Lambs	596.9	600.9	610.5

Deadweight Sheep Trade

QUOTES from the major NI plants for spring lambs this week were ranging from 570-590p/kg up to 21kg. In the corresponding week last year the plants were quoting in the region of 450-460p/kg up to 21kg. Lamb/hogget throughput in NI plants last week totalled 3,745 head, a notable decrease of 1,545 head from the previous week. This is also back 1,991 head compared to the same week in 2017 were 5,736 lambs/hoggets slaughtered in NI plants. Exports of sheep to ROI for direct slaughter last week totalled 4,411 head, a decrease of 1,048 head from the previous week. The deadweight spring lamb price in NI last week was up 2.4p/kg to 571.8p/kg while in ROI the combined lamb/hogget deadweight price was up 0.8p/kg to 543.5p/kg.

This week's marts

SMALL numbers of spring lambs passed through the marts this week with numbers increasing as the week progressed. In Swatragh last Saturday 300 spring lambs sold from 452-551p/kg compared to 300 spring lambs the previous week selling from 483-538p/kg. In Saintfield on Tuesday 296 spring lambs sold from 550-590p/kg compared to 244 spring lambs last week selling from 517-580p/kg. In Ballymena this week 318 spring lambs sold from 530-566p/kg (avg 548p/kg) compared to 202 spring lambs last week selling from 518-618p/kg (avg 550p/kg). The ewe trade has continued at similar levels with top reported prices of over £100 across the marts.

LATEST SHEEP MARTS

From: 11/05/18 To: 17/05/18		Spring Lambs (P/KG LW) No	Spring Lambs From	Spring Lambs To	Spring Lambs Avg	Hoggets (P/KG LW) No	Hoggets From	Hoggets To	Hoggets Avg
Friday	Newtownstewart	104	510	575	-	-	-	-	-
Saturday	Omagh	108	544	617	-	150	489	524	-
	Swatragh	300	452	551	-	-	-	-	-
Monday	Massereene	285	540	614	-	198	450	512	-
	Kilrea	270	522	542	-	-	-	-	-
Tuesday	Saintfield	296	550	590	-	120	439	545	-
	Rathfriland	498	505	583	541	-	-	-	-
Wednesday	Ballymena	318	530	566	548	207	370	479	400

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