LMC
Livestock & Meat Commission

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DECLINE IN PRIME CATTLE THROUGHPUT IN LOCAL PLANTS

REPORTS from the major beef processing plants in NI have indicated steady supplies of prime cattle to meet demand for beef from major customers. However prime cattle throughput in recent weeks has been operating at lower levels than the corresponding period last year as indicated in Figure 1.

Prime cattle throughput in NI has totalled 156,677 head during 2018 to date, a marginal 0.7 per cent increase from the same period last year when 155,588 prime cattle were killed locally. However if we consider the six week period ending 18 June 2018 prime cattle throughput in NI totalled 36,338 head, an 8 per cent decline from the 39,559 prime cattle killed locally in the same period last year.

When we consider the prime cattle kill in NI during 2018 to date and the same period last year there has also been a slight shift in the NI slaughter mix. Steers accounted for 48 per cent of prime cattle throughput during 2018 to date, back from 50 per cent in the same period last year. Meanwhile the proportion of heifers and young bulls both increased by one percentage point between the 2017 and 2018 periods to account for 40 per cent and 12 per cent of the local kill respectively.

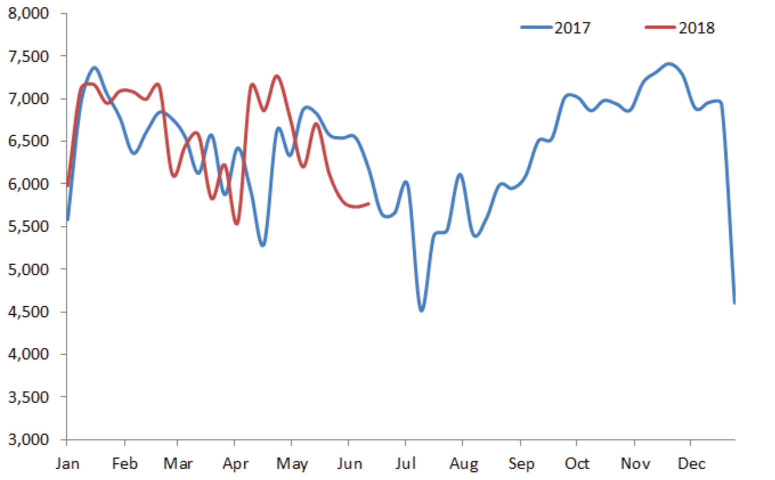
The average prime cattle carcase weight in NI during 2018 to date was 334.7kg. This was an increase of 2.2kg from the corresponding period in 2017 when the average carcase weight was 332.5kg. All categories of prime cattle have recorded an increase in average carcase weights. The average steer carcase weight increased by 2.9kg to 351.5kg, the average heifer carcase increased by 2.2kg to 315.9kg while the average young bull carcase increased by 7.2kg to 330.4kg in the 2018 period.

The combination of higher carcase weights and the slight increase in prime cattle throughput has resulted in a 1.4 per cent increase in the volume of beef from prime cattle handled by local processors during 2018 to date when compared to the same period last year.

While the volume of prime beef handled by local processors has increased slightly during 2018 there has been an 8 per cent increase in the volume of cow beef processed. With no change in the average cow carcase weight year on year this increase in cow beef processed is driven by an increase in cow throughput. Cow throughput in NI during 2018 to date totalled 46,207 head, up 8.2 per cent from the 42,689 cows processed in the same period last year.

However similar to prime cattle the cow throughput in NI during the last few weeks has been lower than 2017 levels.

Figure 1: Prime cattle throughput in NI has been running behind last years levels in recent weeks.



In the six weeks ending 18 June 2018 9,450 cows were processed locally, a 10 per cent decline from the 10,501 cows killed in the same period last year. The reduced throughput of both prime cattle and cows in the last six weeks have contributed to an 8 per cent decline in the total volume of beef processed in NI when compared to the same six week period in 2017.

FAO FOOD PRICE INDEX RISES IN MAY 2018

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

THE FAO Food Price Index is a measure of the monthly change in international prices of a basket of food commodities and consists of the average of five commodity group price indices.

The FAO Food Price Index averaged 176.2 points in May 2018, up 2.2 points (1.2 per cent) from the previous month and reaching its highest level since October 2017. The increase recorded during May 2018 reflected a continued steep rise in dairy price quotations, with an increase also recorded in the Cereal Price Index, albeit at a slower pace. Meanwhile vegetable oil and sugar markets remained under downward pressure whereas meat values generally held steady.

The FAO Meat Price Index averaged 169.6 points in May 2018, marginally lower than in April 2018 levels. There was a slight easing in pork prices in response to weaker Chinese imports during May 2018 while sheepmeat prices came under some pressure during the month due to a weaker US dollar.

During May 2018 there was a slight increase recorded in poultry prices however a truckers strike in Brazil, the world's largest poultry exporter, reportedly resulted in millions of birds being culled and this has created some uncertainty in prices. Bovine meat prices remained steady on a generally well-balanced market situation.

The FAO Dairy Price Index averaged 215.2 points during May 2018, up 11 points (5.5 per cent) from the previous month. The index value stood at 11.5 per cent higher than in May 2017, however it was 22 per cent below the peak reached in February 2014. The rise recorded in May 2018 was mainly driven by sizeable increases in the price quotations of cheese, Skim Milk Powder (SMP) and butter, as those of Whole Milk Powder (WMP) were virtually unchanged. Tight supplies in New Zealand, the leading exporter of dairy products, have contributed to market improvements in recent months.

The FAO Cereal Price Index averaged 172.9 points during May 2018, 4.1 points (2.4 per cent) above its April 2018 level. During May 2018 the index was almost 17 per cent above year earlier levels and was at the highest level since January 2015. International prices of all major cereals have strengthened considerably in recent months. In May 2018 wheat values gained largely on concerns over production prospects in a number of major exporting countries. International prices of leading coarse grains also rose, mostly due to weaker production prospects in Argentina and Brazil.

The FAO Vegetable Oil Price Index averaged 150.6 points in May 2018, down by 4 points (2.6 per cent) from April 2018 levels. Weakening values of palm, soy and sunflower oils have contributed to this decline while rapeseed oil prices have recorded some improvement. The rise in rapeseed oil prices is due to concerns about unfavourable weather conditions affecting the 2018/19 crop in parts of Europe.

The FAO Sugar Price Index averaged 175.3 points in May 2018, down slightly (0.5 per cent) from April 2018 level. This is the sixth consecutive month in which the FAO Sugar Index has recorded a decline. The latest decrease in international sugar prices mostly reflects expectations of a large sugarcane output as a result of favourable harvesting conditions in the Centre South region of Brazil, the world's largest sugar producer and exporter.

FQAS REMINDER: FQAS STANDARDS & RULES 2018

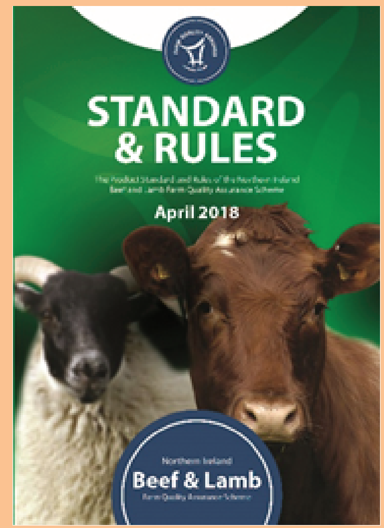
LMC would like to remind all FQAS participants that the new Standard and Rules 2018 came into effect from **1 June 2018.**

A copy of the new Standard and Rules book was posted to all FQAS scheme members in February 2018. LMC would ask that all FQAS producers take care to look for this book which has been required at inspection since 1 June 2018. **The 2014 edition of the FQAS standards is now obsolete.**

The FQAS helpline has received several calls indicating that participants do not have a copy of this book. This has created significant cost to LMC as scheme operators for the printing and posting of additional copies to participants who would have already received a copy earlier this year.

A copy of the new Standard and Rules is also available to download/print from the LMC website (www.lmcni.com) along with relevant templates.

If you have any queries or require any further information please call the FQAS helpline on 028 9263 3024.



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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

Answerphone Service
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WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 18/06/18	Next Week 25/06/18
Prime		
U-3	360 - 366p	358 - 366p
R-3	354 - 360p	352 - 360p
O+3	348 - 354p	346 - 354p
P+3	302 - 314p	300 - 314p
	Including bonus where applicable	
Cows		
O+3 & better	265 - 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 16/06/18	Steers	Heifers	Young Bulls
U3	374.7	377.9	367.6
R3	371.2	370.6	363.2
O+3	363.5	364.0	348.9

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 16/06/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	200.5	211.1	225.7	240.1
P2	212.3	240.8	262.0	276.3
P3	243.1	263.5	278.0	287.5
O3	245.0	265.0	294.2	304.7
O4	-	-	296.0	304.1
R3	-	-	366.0	320.3

Deadweight Cattle Trade

BASE quotes from the major NI plants for U-3 grade prime cattle have held steady this week at 360-366p/kg. However some plants have indicated that they expect the deadweight trade to be back early next week with the majority of quotes ranging from 358-362p/kg. Quotes for good quality O+3 cows came back this week to 265-290p/kg.

The plants have reported steady supplies of prime cattle coming forward for slaughter to meet demand for beef. Prime cattle throughput in NI last week totalled 5,769 head. This was up marginally from the previous week but lower than the 6,187 prime cattle slaughtered in local plants during the corresponding week in 2017. Cow throughput in local plants last week totalled 1,497 head, up 41 head from the previous week but lower than the 2,066 cows slaughtered in the same week in 2017.

A total of 41 prime cattle were imported from ROI for direct slaughter last week with 16 prime cattle imported from GB. Five cows were imported from ROI for direct slaughter in NI plants last week with a further 88 cows imported from GB. Exports from NI to ROI last week consisted of 32 prime cattle and 117 cows while no cattle made the journey to GB for direct slaughter.

The deadweight trade for prime cattle in NI last week came under slight pressure with the majority of prime cattle prices back. The average steer price increased by 0.4p/kg to 367.6p/kg while the R3 steer price was back slightly by 0.2p/kg to 374.6p/kg. The average heifer price in NI last week was back half a penny to 366.9p/kg, while the R3 heifer price recorded a decline of 1.5p/kg to 372.3p/kg. The average young bull price was slightly back last week to 352.8p/kg while the R3 young bull price was back a penny to 363p/kg. The average cow price in NI last week increased by 3p/kg to 287.7p/kg while the O3 cow price was up by 1.1p/kg to 303.5p/kg. This was higher than all the other UK regions with the exception of Scotland where the O3 cow price was 304.4p/kg. The average cow price in GB last week was 267.2p/kg, 20.5p/kg lower than the equivalent price in NI.

The deadweight trade for prime cattle showed a mixed trade in GB last week with the average steer price up by 3p/kg to 371.5p/kg and the R3 steer price also up by 3p/kg to 380p/kg. The R3 steer price increased in all of the GB regions last week with the exception of Northern England where it was back by half a penny. The average heifer price in GB last week was back by half a penny to 373.4p/kg while the R3 heifer price was back 0.3p/kg to 378p/kg. The R3 heifer price recorded increases in Scotland and Southern England last week while it recorded declines in Northern England and the Midlands and Wales.

The deadweight trade for prime cattle in ROI was also generally back last week. The R3 steer price was back by 1.8p/kg to 362.1p/kg in ROI last week, 12.5p/kg lower than the equivalent R3 steer price in NI. Meanwhile the R3 heifer price in ROI last week declined by 1.4p/kg to 372.5p/kg which puts it marginally higher than the equivalent price in NI.

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

W/E 16/06/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	375.8	370.3	385.5	377.1	379.4	385.4	381.6
	R3	374.6	362.1	390.2	374.8	376.2	378.6	380.0
	R4	376.1	361.9	395.2	385.5	376.2	377.6	384.8
	O3	366.8	347.8	370.4	351.2	349.3	357.3	356.8
	AVG	367.6	-	386.8	369.0	364.0	365.7	371.5
Heifers	U3	378.2	386.0	394.2	383.7	385.0	385.8	387.2
	R3	372.3	372.5	386.8	369.5	376.3	376.9	378.0
	R4	372.9	372.6	391.2	381.7	374.4	379.2	381.7
	O3	366.7	358.2	356.0	356.8	355.4	355.1	355.8
	AVG	366.9	-	387.1	372.0	365.8	367.6	373.4
Young Bulls	U3	367.6	371.8	383.4	364.6	367.8	371.9	370.9
	R3	363.0	360.5	379.7	359.2	363.9	367.7	365.9
	O3	341.9	338.9	334.3	323.5	332.5	341.4	330.8
	AVG	352.8	-	372.7	344.8	349.6	356.2	354.3
Prime Cattle Price Reported		5164	-	6751	6992	7052	4619	25414
Cows	O3	303.5	302.1	304.4	291.4	293.8	295.1	294.9
	O4	304.0	302.4	307.5	288.1	294.8	290.8	294.2
	P2	262.4	274.7	256.3	249.0	247.0	251.6	249.6
	P3	284.6	292.4	270.7	266.2	262.8	269.5	266.0
	AVG	287.7	-	295.6	264.5	263.5	262.4	267.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.91p 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 16/06/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	211	231	216	185	210	200
Friesians	175	188	181	152	164	159
Heifers	213	229	220	185	206	198
Beef Cows	170	208	182	140	169	150
Dairy Cows	130	166	138	100	129	115
Store Cattle (p/kg)						
Bullocks up to 400kg	235	274	250	210	234	218
Bullocks 400kg - 500kg	225	252	238	200	222	210
Bullocks over 500kg	210	225	219	170	209	195
Heifers up to 450kg	225	270	245	180	222	200
Heifers over 450kg	200	209	205	170	199	185
Dropped Calves (£/head)						
Continental Bulls	325	490	380	220	322	270
Continental Heifers	250	350	305	140	248	200
Friesian Bulls	85	160	122	55	58	56
Holstein Bulls	-	-	-	-	-	-

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 18/06/18	Next Week 25/06/18
Lambs >21kg	470-495p	470-475p

REPORTED SHEEP PRICES

(P/KG)	W/E 02/06/18	W/E 09/06/18	W/E 16/06/18
NI L/W Lambs	435.7	485.4	494.4
NI D/W Lambs	506.6	473.9	495.2
GB D/W Lambs	537.9	549.3	542.0
ROI D/W	486.2	483.4	488.6

Deadweight Sheep Trade

QUOTES from the processors this week for R3 grade lambs came back this week to 470-495p/kg up to 21kg with quotes of 470-475p/kg up to 21kg expected for early next week. In the same week last year quotes for R3 grade lambs were 465-480p/kg across the major plants. Lamb supplies increased last week with 6,710 lambs killed in local plants last week, up 705 lambs from the previous week. A further 5,799 lambs were exported from NI to ROI for direct slaughter last week, taking exports for the year to date to 177,511 head compared to 158,781 in 2017. The deadweight lamb price in NI last week was 495.2p/kg, up 21.3p/kg from the previous week. In ROI last week the average lamb price was the equivalent of 488.6p/kg, up 5.2p/kg from the previous week.

This week's marts

THE trade across the marts this week was generally back from previous weeks with the number of lambs passing through the sale rings increasing in the majority of marts. In Swatragh last weekend 400 lambs sold from 414-491p/kg compared to 250 lambs the previous week selling from 480-541p/kg. In Massereene on Monday 762 lambs sold from 440-485p/kg compared to 702 lambs last Monday selling from 490-548p/kg. In Saintfield this week 707 lambs sold from 440-480p/kg compared to 507 lambs last week selling from 495-540p/kg. In Ballymena this week 961 lambs sell to an average of 441p/kg compared to 932 lambs last week selling to an average of 497p/kg. Top reported prices for cull ewes this week generally ranged from £103-117.

LATEST SHEEP MARTS

From: 15/06/18		Lambs (P/KG LW)			
To: 21/06/18		No	From	To	Avg
Saturday	Omagh	592	457	505	
	Swatragh	400	414	491	
Monday	Massereene	762	440	485	
	Kilrea	400	445	475	
Tuesday	Saintfield	707	440	480	
	Rathfriland	881	435	464	446
Wednesday	Ballymena	961	370	496	441
	Enniskillen	302	407	455	-
	Armoy	227	438	480	-
	Markethill	920	430	475	-

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