LMC
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DECLINE IN COW NUMBERS REFLECTED IN LOWER CALF REGISTRATIONS

SUCKLER cow numbers in NI declined by four per cent to total 255,900 head in June 2018 according to the preliminary results of the June Agricultural Census 2018.

This is the second consecutive year in which the June census has recorded a decline in the suckler cow herd with suckler cow number now at their lowest recorded level in the region since June 2014. The number of suckler heifers in calf has also recorded a decline to 29,300 head, a four per cent decline from year earlier levels.

The June 2018 census also recorded a decline in dairy cow numbers in NI for the second consecutive year. The census recorded 310,700 dairy cows on NI farms in June 2018, back two per cent from year earlier levels. The number of dairy heifers in calf also recorded a decline with 58,900 on farm in June 2018, back two per cent from 2017 levels.

This decline in the size of both the suckler and dairy herds is unsurprising given the difficult production conditions faced by many NI dairy and beef producers during winter/spring 2017/18. Cow throughput in local plants during the first half of 2018 totalled 49,814 head, a seven per cent increase from the corresponding period in 2017 when 46,466 cows were killed in local plants.

Meanwhile exports of cows for direct slaughter totalled 3,199 head during the first half of 2018 with 219 cows destined for plants in GB and the remaining 2,980 cows exported to ROI. This was similar to the corresponding period in 2017 when 3,209 cows were exported out of NI for direct slaughter.

Cow throughput in NI has remained strong throughout the summer with total throughput for July and August totalling 17,427 head, a 6.7 per cent increase from 2017 levels. During July and August 2018 46 per cent of cows slaughtered locally came from the suckler herd, a two percentage point increase from the corresponding period in 2017. Meanwhile dairy cows accounted for 54 per cent of price reported cows in NI during July and August 2018, back two percentage points from 2017 levels.

The decline in cow numbers in both the suckler and dairy herds in NI has been reflected in a reduction in calf registrations. During the first eight months of 2018 there were 375,089 calves registered in NI compared to 392,609 calves registered during the same period in 2017. This decline in registrations by 17,520 head year on year accounts for a 4.4 per cent decline between the two periods.

Most of the decline in calf registrations recorded has been for beef sired calves with dairy sired calf registrations relatively similar year on year. During 2018 to date beef sired calf registrations have totalled 277,490 head compared to 293,904 head during the same period last year. This is the lowest level of beef sired calf registrations in NI recorded during the period January-August since 2015.

Beef sired calf registrations to suckler cows were back by six per cent during 2018 to date while the number of beef calves registered to dairy cows declined by four per cent. Beef calf registrations to dairy cows account for 30 per cent of total beef sired calf registrations and provide a valuable source of raw material for the NI beef industry.

Calf registrations in NI have been impacted this year by the challenging production conditions experienced on many NI farms over the last 12 months which have resulted in a reduction in total cow numbers. The decision to retain heifers for breeding or to put cows in calf for another season are also impacted by a number of other factors iincluding market conditions, feed availability and currency.

While these factors are mostly beyond the control of the individual producer one of the most important parameters which industry can exercise some influence is the future agricultural policy framework for Northern Ireland post Brexit. LMC encourages its stakeholders to actively engage in this discussion to ensure the future viability of beef production in the region.

Figure 1: Weekly cow throughput in NI beef processing plants January 2017 to August 2018

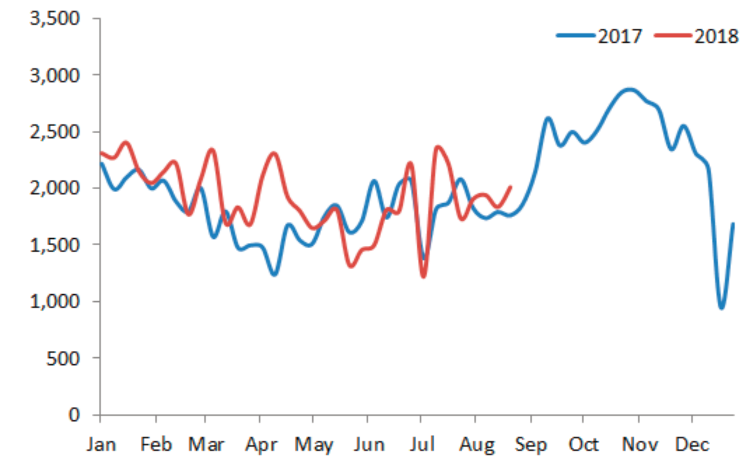
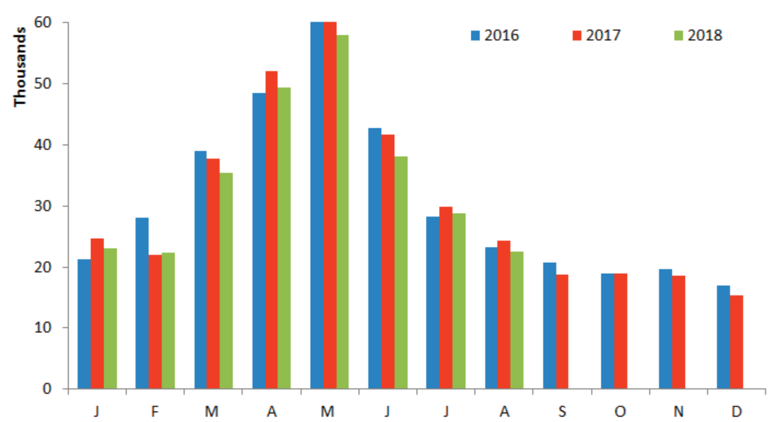


Figure 2: Monthly beef sired calf registrations in NI January 2016 to August 2018



LOWER LAMB THROUGHPUT LOCALLY DURING AUGUST 2018

REPORTS from the major processors have indicated an increase in the availability of lambs for slaughter in recent weeks in line with normal seasonal trends. However throughput remains lower than previous years with 52,381 lambs killed in local plants during August 2018. This is a 9.3 per cent decrease from August 2017 levels when 57,730 lambs were slaughtered locally.

The average lamb carcase weight in NI was 21.1kg during August 2018 which was an increase of 0.3kg or 1.5 per cent from August 2017 levels. Meanwhile the average carcase weight of ewes/rams killed locally was 27.7kg during August 2018, back 0.5kg from August 2017 levels.

Ewe and ram throughput in local plants totalled 2,125 head during August 2018 which was a notable reduction from the 3,646 head during August 2017. The market for cull ewes/rams is limited in NI with the largest majority exported live to GB and ROI for processing.

Live exports provide a valuable outlet for the NI sheep sector with 49,092 sheep exported out of the region for direct slaughter during August 2018, a 12.7 per cent increase from the 43,549 sheep exported during August 2017. A total of 46,973 sheep were exported to ROI for direct slaughter during August 2018 which was an eight per cent increase from the 43,549 sheep exported to the region during August 2017.

There were a further 2,119 sheep exported from NI to GB for direct slaughter during the five weeks in August 2018. There were no sheep exported from NI to GB for direct slaughter during August 2017.

According to the latest available figures from DAERA there were 4,827 sheep exported from NI to GB for further breeding and production during August 2018. This is an decrease from 6,177 sheep exported to the region during August 2017. Meanwhile 4,156 sheep were exported from NI to ROI for further production during August 2018, up from 3,448 head during August 2017.

The deadweight lamb price in NI was 402.1p/kg during August 2018 which was a slight increase from August 2017 levels when the average deadweight price was 400.3p/kg. Meanwhile in ROI the deadweight lamb price was the equivalent of 435.6p/kg, up 4.4p/kg from August 2017 levels when the average price was 431.2p/kg.

NI Sheep Industry Key Performance Indicators (August Snapshot)			
	Aug-17	Aug-18	% Change
Sheep Prices (p/kg)			
Average Deadweight Price NI	400.3	402.1	+0.5%
Average Liveweight Price NI	360.7	359.1	-0.4%
Average Weekly Price GB (D/W)	434.9	426.1	-2.0%
Average Weekly Price ROI (D/W) *	431.2	435.6	+1.0%
* ROI prices up to w/e 25/08/18 (4 weeks comparison)			
Slaughterings			
Total Hoggets & Lambs Slaughterings (Head)	57,730	52,381	-9.3%
Total Ewes & Rams Slaughterings (Head)	3,646	2,125	-41.7%
Average Hogget & Lambs Carcase Weight (kg)	20.8	21.1	+1.5%
Average Ewe & Rams Carcase Weight (kg)	28.2	27.7	-1.9%
Trade (Head)			
Live Imports for Direct Slaughter	0	0	-
Live Exports for Direct Slaughter	43,549	49,092	+12.7%
Euro / Stg Exchange Rate (€ / £)	91.1	89.7	-1.5%

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 03/09/18	Next Week 10/09/18
Prime		
U-3	350 - 356p	350 - 356p
R-3	344 - 350p	344 - 350p
O+3	328 - 344p	328 - 344p
P+3	292 - 304p	292 - 304p
	Including bonus where applicable	
Cows		
O+3 & better	255 - 275p	255 - 275p
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 01/09/18	Steers	Heifers	Young Bulls
U3	357.4	362.1	351.8
R3	353.5	356.6	349.2
O+3	346.8	351.0	339.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 01/09/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	172.8	183.9	195.2	224.0
P2	194.8	209.7	232.5	247.4
P3	-	236.3	253.6	254.5
O3	218.0	248.0	265.1	277.5
O4	190.0	-	261.6	281.7
R3	-	-	290.0	298.1

Deadweight Cattle Trade

BASE quotes from the major processing plants this week ranged from 350-356p/kg for U-3 grade prime cattle with the majority of plants quoting 354-356p/kg for steers and heifers. Quotes for good quality O+3 grade cows ranged from 255-275p/kg across the plants this week. Similar quotes are expected for all types of cattle early next week.

Prime cattle throughput in local plants last week was back 146 head from the previous week at 5,658 head. This brings the total prime cattle throughput for August to 28,394 head which accounts for a 2.3 per cent decrease on the corresponding period in 2017 when 29,057 prime cattle were slaughtered in NI plants. Cow throughput in NI plants last week increased to 2,010 head, up 174 head form the previous week when 1,836 cows were killed. This brings cow throughput for August to 9,429 cows, a 2.5 per cent increase from 9,200 cows killed during August 2017.

Imports for direct slaughter from ROI last week consisted of 175 prime cattle and 48 cows compared to 321 prime cattle and 118 cows in the same week last year. A further 6 prime cattle and 98 cows were imported from GB for slaughter in local plants last week which was similar to the 9 prime cattle and 86 cows imported during the same week last year. Exports from NI to ROI for direct slaughter last week consisted of 47 prime cattle and 91 cows while no cattle made the journey to GB for direct slaughter.

In NI last week the deadweight cattle trade strengthened with the majority of grades recording an increase in the reported price. The average steer price in NI last week was up 2.1p/kg to 350.1p/kg while the R3 steer price increased by a similar margin to 359.9p/kg. The R3 heifer price increased by 1.5p/kg to 360.4p/kg last week while the average heifer price increased by 3.7p/kg to 355p/kg. The young bull trade also indicated an improvement with the average young bull price up 0.8p/kg to 339.8p/kg while the U3 price was back by half a penny from the previous week to 351.9p/kg. The average NI cow price reported a notable increase of 5.4p/kg to 252.5p/kg when compared to the previous week with a similar increase in the O3 cow price to 275.6p/kg.

In GB last week the deadweight cattle trade continued to strengthen across the regions with the average steer price up by 3.8p/kg to 367.4p/kg while the R3 steer price increased by 3.2p/kg to 376.1p/kg. This puts the differential between NI and the GB average at 16.2p/kg or £57 on a 350kg carcase. The average heifer price in GB last week was up by 3.6p/kg to 367.1p/kg while the R3 heifer price increased by 4.4p/kg to 376.3p/kg. This puts the differential between NI and GB at 15.9p/kg or £51 on a 320kg carcase.

The deadweight trade in ROI has come back slightly in euro terms however a weaker sterling has resulted in most reported prices increasing marginally in sterling terms. The R3 steer price in ROI was up half a penny to the equivalent of 346.8p/kg last week while the R3 heifer price was back marginally to 355.6p/kg.

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

W/E 01/09/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	359.0	356.9	387.9	373.9	375.1	377.5	378.3
	R3	359.9	346.8	387.4	372.9	370.3	374.1	376.1
	R4	361.9	347.0	392.3	381.2	371.6	373.1	380.7
	O3	353.4	329.4	370.2	351.1	343.7	353.1	354.1
	AVG	350.1	-	386.0	365.9	355.9	360.8	367.4
Heifers	U3	362.9	367.9	393.0	378.8	381.8	381.9	383.7
	R3	360.4	355.6	386.9	372.6	371.8	374.1	376.3
	R4	358.5	355.2	389.8	371.3	371.7	370.2	376.0
	O3	357.9	339.9	372.3	363.2	341.0	357.3	357.8
	AVG	355.0	-	385.3	368.2	354.9	357.3	367.1
Young Bulls	U3	351.9	351.1	378.3	353.6	361.8	369.8	362.4
	R3	349.0	341.7	371.1	350.8	356.8	360.7	357.4
	O3	335.1	326.6	340.3	315.3	323.2	334.4	324.9
	AVG	339.8	-	364.0	342.0	339.4	346.6	345.6
Prime Cattle Price Reported		4149	-	6253	6327	5893	3794	22267
Cows	O3	275.6	278.3	268.8	267.2	269.9	270.7	269.2
	O4	280.5	280.7	270.7	268.8	271.1	260.9	268.2
	P2	232.1	245.6	230.4	224.0	224.7	229.3	226.1
	P3	253.2	266.1	243.5	243.6	245.3	246.5	245.0
	AVG	252.5	-	264.5	244.1	230.2	227.3	236.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=90.21p 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 01/09/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	217	209	175	198	190
Friesians	136	167	152	-	-	-
Heifers	205	222	213	180	204	192
Beef Cows	150	192	170	125	149	138
Dairy Cows	115	140	125	80	114	100
Store Cattle (p/kg)						
Bullocks up to 400kg	220	251	235	180	218	200
Bullocks 400kg - 500kg	215	240	228	180	214	198
Bullocks over 500kg	210	231	215	175	209	190
Heifers up to 450kg	210	249	230	175	208	192
Heifers over 450kg	190	227	205	160	188	175
Dropped Calves (£/head)						
Continental Bulls	280	370	310	190	265	225
Continental Heifers	255	340	295	170	220	200
Friesian Bulls	100	170	135	35	90	68
Holstein Bulls	40	50	45	35	38	37

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 03/09/18	Next Week 10/09/18
Lambs >21kg	385-390p	385-395p

REPORTED SHEEP PRICES

(P/KG)	W/E 18/08/18	W/E 25/08/18	W/E 01/09/18
NI L/W Lambs	363.6	342.0	347.5
NI D/W Lambs	404.5	394.6	396.3
GB D/W Lambs	434.9	425.7	424.8
ROI D/W	425.3	417.6	-

Deadweight Sheep Trade

QUOTES from the plants for R3 grading lambs improved by the end of the week and ranged from 385-395p/kg up to 21kg across the plants. Lamb slaughterings in local plants totalled 10,708 head last week, an eight per cent reduction from the previous week when 11,607 lambs were killed locally. This brings the total lambs slaughtered in August to 52,381 head, 9.3 per cent behind the 57,730 lambs slaughtered in August 2017. Exports of lambs to ROI for direct slaughter last week totalled 7,012 head a 42 per cent increase from the previous week. This brings the total lambs exported to ROI in August to 34,932 head, similar to the 34,707 lambs exported in August 2017. The deadweight lamb price in NI last week increased by 1.7p/kg to 396.3p/kg.

This week's marts

GOOD numbers of lambs continue to pass through the marts with a steady trade reported for good quality lambs. In Omagh last Saturday 1,123 lambs sold from 365-414p/kg compared to 1,144 lambs the previous week selling from 358-439p/kg. In Massereene on Monday 1,206 lambs sold from 345-379p/kg compared to 865 lambs last week selling from 340-364p/kg. In Rathfriland this week 885 lambs sold from 333-384p/kg (avg 361p/kg) compared to 700 lambs last week selling from 334-416p/kg (avg 357p/kg). In Ballymena a similar trade this week saw 1,304 lambs sold from 332-367p/kg (avg 345p/kg) compared to 1,172 lambs last week selling from 330-373p/kg (avg 345p/kg). Good numbers of cull ewes continue to pass through the sale rings with top prices ranging from £78-114 across the marts.

LATEST SHEEP MARTS

From: 31/08/18		Lambs (P/KG LW)			
To: 06/09/18		No	From	To	Avg
Friday	Newtownstewart	354	335	364	-
Saturday	Omagh	1123	365	414	-
	Swatragh	1000	332	400	-
Monday	Massereene	1206	345	379	-
	Kilrea	400	352	370	-
Tuesday	Saintfield	602	340	370	-
	Rathfriland	885	333	384	361
Wednesday	Ballymena	1304	332	367	345
	Enniskillen	822	345	379	-
	Armoy	352	330	375	-
	Markethill	800	340	380	-

Contact us:

Website: www.lmcni.com

Telephone: 028 9263 3000

Fax: 028 9263 3001

FQAS Helpline: 028 9263 3024

Answerphone: 028 9263 3011

Comments: bulletin@lmcni.com