LMC
Livestock & Meat Commission

WEEKLY PUBLICATION OF THE
LIVESTOCK AND MEAT COMMISSION
FOR NORTHERN IRELAND

Saturday 22 September 2018 Issue No. 2537

LESS SLAUGHTER AGE CATTLE ON NI FARMS IN AUGUST 2018

AT the end of August 2018 there were 115,011 cattle intended for beef production on NI farms in the 24-30 month age category. While this was a two per cent reduction from August 2017 levels it was 4.2 per cent higher than the number of cattle in this age range in August 2016.

A similar trend can be observed if we consider cattle for beef production aged from 18-24 months. There were 134,333 head on NI farms at the end of August 2018, a four per cent reduction from August 2017 levels however this was 7.8 per cent higher than August 2016 levels.

Cattle in these two age ranges will provide throughput for local processors over the next six months. If we combine the two age categories there is a three per cent reduction in cattle numbers between August 2017 and August 2018. It should be noted however that cattle numbers on the ground were particularly strong in 2017 and while availability is lower in August 2018 the total number of cattle for beef production on farms within these two categories is six per cent higher than August 2016 levels.

The number of beef sired male cattle on NI farms aged between 18-30 months has actually increased marginally in August 2018 with 99,154 cattle recorded in this age category compared to 98,753 cattle in August 2017. The levels recorded in August 2018 were 10.5 per cent higher than the 89,719 cattle in this age range in August 2016.

Meanwhile the number of beef sired heifers on NI farms aged from 18-30 months totalled 130,628 head at the end of August 2018. This was a two per cent decline from August 2017 levels but was 8.1 per cent higher than the 120,894 beef sired heifers on NI farms in August 2016.

There has been a notable decline in the number of dairy sired male cattle on NI farms. At the end of August 2018 there were 19,562 dairy male cattle aged 18-30 months on NI farms, a 20 per cent reduction from year earlier levels. A decline in the number of dairy sired calves being born and steady export rates of dairy male calves to the continent have contributed to the lower numbers recorded.

It is worth noting that despite the decline in overall cattle numbers for beef production in NI when comparing August 2017 and August 2018 cattle availability for slaughter remains strong when compared to previous years. The reduction in cattle numbers on NI farms for beef production can be attributed primarily to declines recorded in calf registrations.

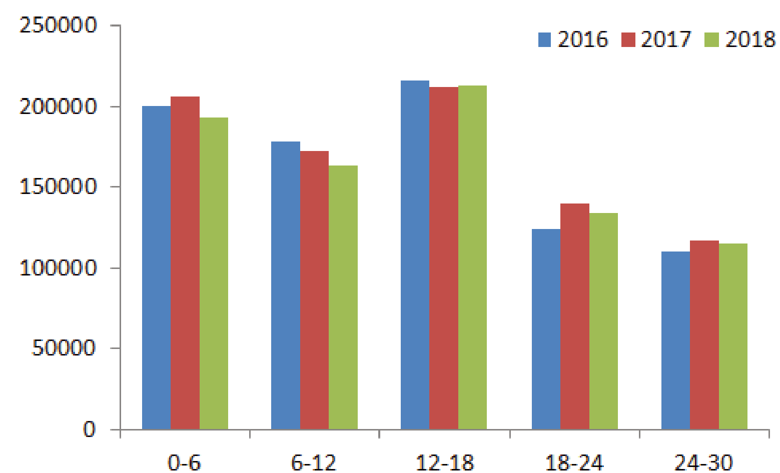
Reduced calf registrations in NI stem from a reduction in the total cow herd over the past two years. The June Agricultural Census recorded 586,900 cows on NI farms in June 2016 and this declined to 566,600 head in June 2018. This decline by 20,300 head accounts for a 3.4 per cent contraction in total cow numbers in the region

There has also been an increase in the proportion of male cattle being killed as young bulls under 16 months in NI which will have contributed to the drop in cattle numbers remaining on farm. During 2018 to date young bulls have accounted for 14.6 per cent of the total prime cattle kill in NI, up from 11.8 per cent of the prime kill in 2017. This accounts for an additional 6,450 male cattle being killed as young bulls year on year.

Prime cattle throughput in NI has totalled 231,964 head during 2018 to date, a 0.9 per cent increase from the corresponding period in 2017 when 229,921 prime cattle were slaughtered locally. With the reduction on cattle numbers on NI farms for beef production throughput of prime cattle is expected to decline slightly in the final quarter of 2018.

However despite the tightening in the number of cattle for beef production on NI farms in August 2018, when compared to very strong August 2017 figures, the total throughput of prime cattle for 2018 is expected to be fairly similar to 2017 levels.

Image 1: Cattle on NI farms for beef production by age category August 2016-2018. Source: APHIS



NI STORE CATTLE PRICES BEHIND 2017 LEVELS

THE store cattle trade came under some pressure this summer with prices generally back £50-70 per head from the same time last year. There has however been some recovery in recent weeks as indicated in Figure 1 which displays average weekly prices for 300-400kg steers in local marts in 2017 and 2018. The average price for a 300-400kg steer last week was £721 compared to £742 during the corresponding week last year.

With the deadweight prices available for prime cattle coming under some pressure this summer this will have impacted the price which beef finishers were willing to pay for store cattle.

Some reports from industry have indicated an increase in the number of aged store cattle passing through the marts and analysis of APHIS data has shown a 4.5 per cent increase in the number of beef sired male cattle aged 24-30 months on NI farms at the end of August 2018 when compared to August 2017 levels. The prolonged winter and forage shortages across NI earlier this year may have impacted on beef cattle performance and resulted in some producers opting to turn cattle back to grass this summer.

While performance of store cattle at grass would have been fairly good in early summer a prolonged dry period and drought in some parts of NI impacted grass growth rates as the summer progressed. This will have had a detrimental impact on cattle performance with some producers opting to introduce supplementary feeding to maintain performance.

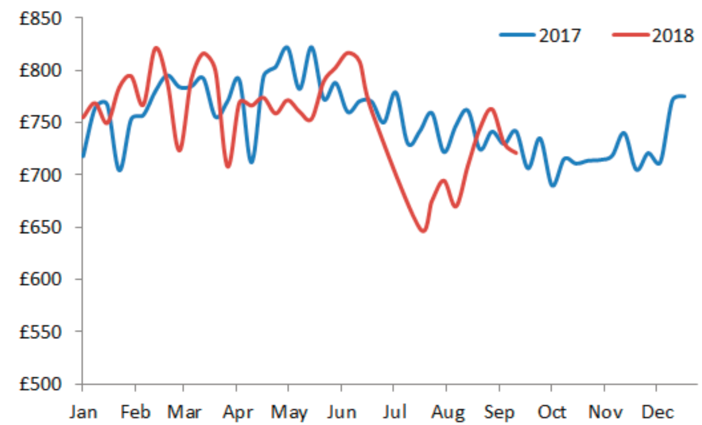
The effects of a dry summer and inadequate grass growth rates will also have prompted some producers to sell cattle earlier and at lower live weights than they usually would and this will have impacted the prices available. In some cases producers may have had to offload some stock early to free up cash flow to pay for higher concentrate feeding rates and to stretch grass supplies.

The demand for store cattle will also have been dampened by the grass and forage shortages on many NI farms this summer and this will have been reflected in the trade in local marts. In addition the weaker sterling against euro has increased the costs of inputs such as feed, fertiliser and fuel and this has further squeezed margins for NI beef producers.

There has also been an increase in the use of beef bulls on dairy cows in recent years which has resulted in more beef cross cattle passing through the local marts. These crossbred animals tend to have a poorer conformation than suckler bred cattle and tend to produce lighter carcase weights.

An increased proportion of these animals passing through the sale rings combined with suckler origin animals that have underperformed due to production difficulties will have influenced average store prices in recent months. Reports from the marts have indicated that while the trade for well fleshed beef cattle with good conformation has remained relatively steady the demand for plainer stock has come under pressure.

Figure 2: Average weekly prices for 300-400kg steers in a range of NI marts during 2017/18 (Source: DAERA)



LMC Quarterly

Register now to receive this Market Information publication by post or email

Phone: 028 9263 3000
Email: bulletin@lmcni.com

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.

www.lmcni.com

FARM QUALITY ASSURED NORTHERN IRELAND

LMC

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
Factory Quotes &
Mart Results
Updated 5pm Daily

Tel: 028 9263 3011

Text Service
Free Price Quotes sent to your mobile phone weekly

Email - bulletin@lmcni.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 17/09/18	Next Week 24/09/18
Prime		
U-3	352 - 356p	348 - 356p
R-3	346 - 350p	342 - 350p
O+3	340 - 344p	336 - 344p
P+3	294 - 304p	290 - 304p
	Including bonus where applicable	
Cows		
O+3 & better	255 - 270p	255 - 270p
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 15/09/18	Steers	Heifers	Young Bulls
U3	360.9	365.1	356.0
R3	357.3	359.7	351.3
O+3	351.6	353.6	339.2

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 15/09/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	166.9	178.4	193.0	197.2
P2	198.2	211.0	232.2	246.6
P3	225.1	243.2	248.1	256.3
O3	260.0	254.1	268.7	275.2
O4	-	-	270.6	279.7
R3	-	-	-	294.8

Deadweight Cattle Trade

BASE quotes from the major NI processing plants this week held steady with the majority of plants quoting from 354-356p/kg for in spec U-3 grade prime cattle. Quotes for good quality O+3 grade cows have also held steady, ranging from 255-270p/kg across the plants. These quotes should be used as a starting point for negotiation.

Supplies of prime cattle for slaughter in NI have continued to firm with 6,499 head slaughtered in local plants last week. This is 573 head increase compared to the previous week, while similar to the 6,510 prime cattle killed locally in the same week last year. Cow throughput in NI last week totalled 2,102 head, a decrease of 133 cows when compared to the previous week and similar to the 2,141 cows killed in the corresponding week in 2017.

Imports from ROI for direct slaughter in local plants last week included 348 prime cattle and 42 cows. Meanwhile imports from GB for direct slaughter consisted of 3 prime cattle and 102 cows. Exports from NI to ROI for direct slaughter consisted of 7 prime cattle and 83 cows while exports to GB for direct slaughter totalled 45 prime cattle and 15 cows.

The deadweight trade for prime cattle held steady in NI last week with no change reported in the average steer price of 351.4p/kg when compared to the previous week. The R3 steer price was up by 1.7p/kg to 361.8p/kg. The average heifer price was up 2.8p/kg in NI last week to 356.8p/kg while the R3 heifer price was up marginally to 361.6p/kg. The trade for young bulls improved with the average price up by 1.1p/kg to 342p/kg compared the previous week while the R3 price was up by 1.5p/kg to 352.2p/kg. The trade for cows came under pressure last week with the average price back by 2.7p/kg to 255p/kg while the O3 price was back by 1.1p/kg to 274.1p/kg.

The deadweight trade for prime cattle improved in the majority of GB regions. The average steer price in GB last week was up 2p/kg to 370.3p/kg while the R3 steer price was up 2.7p/kg to 379.9p/kg. The average GB heifer prices last week reported an increase of 1.5p/kg to 371.2p/kg while the R3 heifer price was slightly back to 377.5p/kg. The differential between NI and GB prices has continued to widen with a differential in R3 steer prices last week of 18.1p/kg. This is the equivalent of £63 on a 350kg carcase and is the widest differential recorded since early December 2017. Meanwhile the differential in R3 heifer prices between the two regions is 15.9p/kg or £51 on a 320kg carcase.

Deadweight prices for prime cattle in ROI came under pressure last week and this combined with a weakening euro has resulted in strong declines in deadweight cattle prices in the region in sterling terms. The R3 steer price was the equivalent of 335p/kg in ROI last week, back 7.1p/kg from the previous week. The R3 heifer price was back by a similar margin to 344.4p/kg. This has resulted in the differential in R3 heifer prices between NI and ROI widening to 17.2p/kg or £55 on a 320kg carcase.

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

W/E 15/09/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	362.1	345.2	391.5	377.5	381.3	384.5	383.5
	R3	361.8	335.0	391.0	378.2	373.2	377.7	379.9
	R4	361.2	334.7	394.3	386.2	375.2	377.8	384.2
	O3	354.2	318.0	365.4	356.2	346.6	355.5	356.0
	AVG	351.4	-	388.7	369.6	360.9	360.4	370.3
Heifers	U3	365.5	355.7	396.1	384.2	385.7	390.1	388.7
	R3	361.6	344.4	385.7	371.5	374.6	378.1	377.5
	R4	360.6	343.8	392.5	375.7	376.3	376.4	380.3
	O3	356.5	328.6	361.2	357.5	345.5	352.4	354.5
	AVG	356.8	-	389.5	369.8	360.5	363.2	371.2
Young Bulls	U3	356.3	339.5	386.4	358.7	367.9	375.8	368.4
	R3	352.2	332.2	378.0	357.4	358.9	362.6	362.3
	O3	335.2	312.9	334.7	326.0	324.7	348.9	328.8
	AVG	342.0	-	373.4	342.4	347.3	353.5	351.6
Prime Cattle Price Reported		5471	-	6588	7402	7134	4811	25935
Cows	O3	274.1	267.9	281.0	269.7	269.6	276.9	272.2
	O4	279.3	268.7	280.6	269.5	270.8	269.4	271.3
	P2	234.7	235.7	241.9	217.9	223.6	232.8	227.3
	P3	253.6	257.2	251.3	239.0	238.5	250.8	243.3
	AVG	255.0	-	274.4	245.9	232.0	235.7	240.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.13p 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 15/09/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	211	205	175	197	190
Friesians	140	156	148	-	-	-
Heifers	208	231	220	180	207	195
Beef Cows	160	210	170	125	159	140
Dairy Cows	115	135	122	70	114	100
Store Cattle (p/kg)						
Bullocks up to 400kg	215	243	230	170	214	195
Bullocks 400kg - 500kg	220	268	235	180	219	200
Bullocks over 500kg	210	234	218	175	209	190
Heifers up to 450kg	215	247	230	180	214	198
Heifers over 450kg	200	230	215	170	199	185
Dropped Calves (£/head)						
Continental Bulls	300	390	335	185	295	240
Continental Heifers	230	340	280	140	225	180
Friesian Bulls	125	230	170	65	120	90
Holstein Bulls	90	145	110	25	85	55

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 17/09/18	Next Week 24/09/18
Lambs >21kg	375-380p	370-375p

REPORTED SHEEP PRICES

(P/KG)	W/E 01/09/18	W/E 08/09/18	W/E 15/09/18
NI L/W Lambs	347.5	351.7	344.8
NI D/W Lambs	396.3	388.5	382.6
GB D/W Lambs	424.8	422.1	412.8
ROI D/W	409.5	409.0	-

Deadweight Sheep Trade

QUOTES from the local plants for R3 grading lambs ended this week in the region of 375p/kg with plants paying up to 21kg. Quotes for early next week are expected to range from 370-375p/kg. Lamb throughput in NI last week totalled 10,768 head, a decline of 359 lambs from the previous week, though up 175 lambs when compared to the same week last was year when throughput totalled 10,593 head. Exports of lambs to ROI for direct slaughter increased last week to 7,660 head compared to 7,051 head the previous week. In the same week last year 7,672 lambs were exported from NI for direct slaughter in ROI plants. The deadweight lamb price in NI last week was back by 5.9p/kg to 382.6p/kg however this is up 4.9p/kg when compared to the same week in 2017 when the NI lamb price was 377.7p/kg.

This week's marts

THE trade held steady in the majority of local marts this week with numbers generally back from last week. In Swatragh last Saturday a good entry of 1,000 lambs sold from 320-409p/kg compared to 1,300 lambs the previous Saturday selling from 335-419p/kg. In Massereene on Monday 968 lambs sold from 335-369p/kg compared to 1,226 lambs last week selling from 345 -370p/kg. In Saintfield this week 624 lambs sold from 330-370p/kg, a similar trade to last week when 909 lambs sold from 325-370p/kg. In Armoy this week 344 lambs sold from 311-362p/kg compared to 320 lambs last week selling from 325-371p/kg. Top reported prices for cull ewes generally ranged from £80-100 with a top reported price of £105 in Rathfriland on Tuesday.

LATEST SHEEP MARTS

From: 14/09/18		Lambs (P/KG LW)			
To: 20/09/18		No	From	To	Avg
Friday	Newtownstewart	325	323	341	-
Saturday	Omagh	1641	359	431	-
	Swatragh	1000	320	409	-
Monday	Massereene	968	335	369	-
	Kilrea	360	328	340	-
Tuesday	Saintfield	624	330	370	-
	Rathfriland	873	325	390	341
Wednesday	Ballymena	1401	320	361	339
	Enniskillen	489	320	366	-
	Armoy	344	311	362	-
	Markethill	900	335	358	-

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