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FAT SCORES OF PRIME CATTLE IMPACTED BY PRODUCTION CONDITIONS IN Q3

IT has been a challenging year for NI beef finishers during 2018 to date. Early in the year there were fodder shortages on many farms which were further compounded by a late spring which delayed the turnout of cattle on many farms. This was followed by drought conditions which impacted grass growth in many parts of the region as we moved into July and August.

These challenging production conditions resulted in many producers opting to introduce supplementary feeding to maintain animal performance at grass and to ensure they met processor specifications for fat cover, conformation and carcase weight. This will have resulted in higher costs of production on many farms.

Getting adequate fat cover on finished cattle was more difficult this summer than in previous years and this has been reflected in a general downward movement in the fat scores awarded to price reported prime cattle in the region during the period July-September 2018.

Table 1 breaks down the price reported heifer kill by fat cover during the period July-September 2018 and the corresponding period in 2017. During the 2018 period 36 per cent of heifer carcases achieved a fat class four, back five percentage points from 41 per cent of heifers in this category in the corresponding period in 2017.

Heifers achieving a fat class three accounted for 47 per cent of the price reported heifer kill in the 2018 period, up from 44 per cent in the same period in 2017. Meanwhile the proportion of heifers achieving a fat class two increased from 10 per cent in the 2017 period to 12 per cent in the 2018 period.

A similar trend can be observed in the fat class scores achieved by the price reported steer kill as outlined in Table 2. During the period July-September 2018 18 per cent of steers achieved a fat class four, back from 21 per cent of the steer kill in the same period in 2017.

The proportion of steers achieving a fat class three held steady year on year at 56 per cent however there was an increase in the proportion of steers achieving a fat class two. In the 2017 period 20 per cent of steers were awarded a fat class two and this increased to 23 per cent in the 2018 period. There was also a slight increase in the proportion of steers achieving a fat class one year on year.

There was also a general downward shift in the fat class scores achieved by price reported young bulls during the period July-September 2018 when compared to the same period in 2017. Young bulls achieving a fat class three accounted for 33 per cent of the young bull kill in the 2018 period, back from 37 per cent in the 2017 period.

Meanwhile the proportion achieving a fat class two increased from 52 per cent in the 2017 period to 54 per cent in the 2018 period. The proportion of young bulls awarded a fat class one increased marginally to account for 10 per cent of the kill in the 2018 period.

As expected there is variance in the fat scores achieved by price reported prime cattle which originated from the NI suckler herd when compared to those with a dairy dam (both dairy and beef sired). However a general downward trend in fat scores has been recorded for prime cattle from both sources during the 2018 period.

Figure 1 displays the fat scores achieved by suckler origin prime cattle during the period July-September 2018 compared to the corresponding period in 2017. As indicated in the chart 21 per cent of suckler origin prime cattle achieved a fat class four in the 2018 period, back five percentage points from the corresponding period in 2017.

The proportion of suckler origin prime cattle awarded a fat class three held steady at 50 per cent year on year while the number awarded a fat class two increased from 20 per cent in the 2017 period to 25 per cent in the 2018 period. While production conditions will have contributed to this downward trend it is worth noting that there has been a slight increase in the proportion of suckler origin young bulls in the slaughter mix which will also tend to be leaner than steers.

Dairy origin cattle accounted for 40 per cent of prime cattle throughput in local plants during the period July-September 2018, a figure unchanged from the corresponding period in 2017. In the period July-September 2018 19 per cent of dairy origin prime cattle achieved a fat class four, back from 22 per cent in the 2017 period.

Meanwhile the proportion of dairy origin prime cattle achieving fat class three was back from 47 per cent in the 2017 period to 45 per cent in the 2018 period. The proportion achieving a fat class two increased from 26 per cent in the 2017 period to 29 per cent in the 2018 period. The fat class of prime cattle is an important component of current retail specifications with a preference for carcases with a fat class score between 2+ and 4-.

It is important that producers aim to finish prime cattle to meet these specifications as these will provide the greatest return to their farm business with penalties for cattle with fat covers outside this range.

While producing cattle to meet specification has been challenging in recent months producers are encouraged to liaise with the procurement staff of the individual processing plants before presenting cattle for slaughter.

Table 1: Fat class scores achieved by the price reported heifer kill in NI July-September 2017 and 2018.

Year	1	2	3	4	5
2017	2%	10%	44%	41%	3%
2018	2%	12%	47%	36%	2%

Table 2: Fat class scores achieved by the price reported steer kill in NI July-September 2017 and 2018.

Year	1	2	3	4	5
2017	2%	20%	56%	21%	0%
2018	3%	23%	56%	18%	0%

Table 3: Fat class scores achieved by the price reported young bull kill in NI July-September 2017 and 2018.

Year	1	2	3	4	5
2017	9%	52%	37%	2%	0%
2018	10%	54%	33%	2%	0%

Figure 1: Fat class scores achieved by price reported suckler origin prime cattle in NI July-September 2017 and 2018.

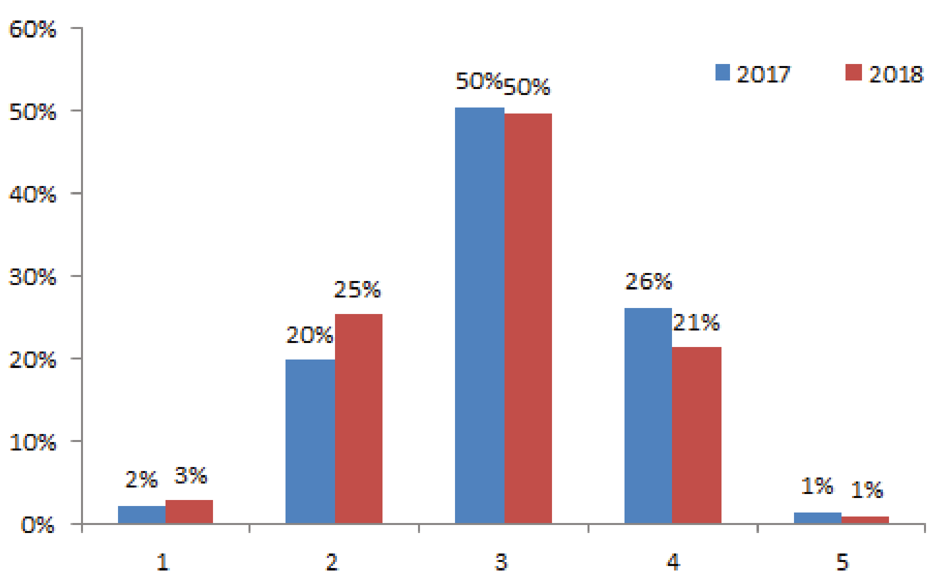
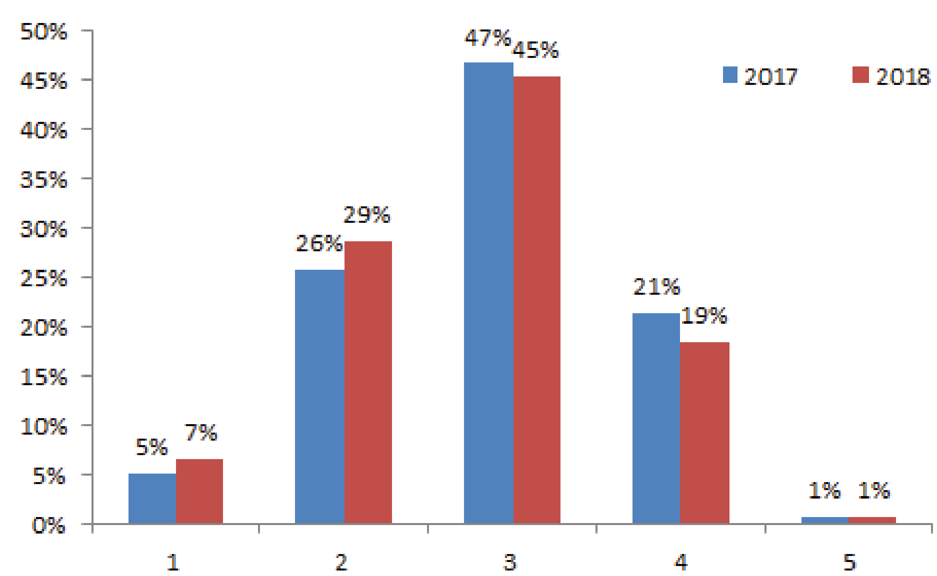


Figure 2: Fat class scores achieved by price reported dairy origin prime cattle in NI July-September 2017 and 2018



WEEKLY BEEF & LAMB MARKETS

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CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 08/10/18	Next Week 15/10/18
Prime		
U-3	346 - 354p	346 - 354p
R-3	340 - 348p	340 - 348p
O+3	334 - 342p	334 - 342p
P+3	288 - 302p	288 - 302p
	Including bonus where applicable	
Cows		
O+3 & better	248 - 270p	244 - 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 06/10/18	Steers	Heifers	Young Bulls
U3	358.9	364.5	350.9
R3	355.1	357.1	346.7
O+3	349.2	345.3	340.5

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 06/10/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	161.4	172.3	184.8	197.6
P2	184.4	203.4	224.9	240.1
P3	215.7	225.6	239.1	249.1
O3	217.5	234.0	264.7	269.9
O4	192.0	200.0	270.8	273.4
R3	-	-	-	290.0

Deadweight Cattle Trade

THE NI deadweight cattle trade has come under pressure this week with base quotes for in spec U-3 grade prime cattle ranging from 346-354p/kg. With the range of quotes available producers are encouraged to shop around to get the best possible deal. Quotes for O+3 grading cows also came under pressure this week ranging from 248-270p/kg with quotes for cows on Monday ranging from 244-270p/kg.

The plants have reported strong supplies of all types of cattle to meet demand for beef. Prime cattle throughput last week totalled 7,017 head, a decrease of 75 head when compared to the previous week. Cow throughput in NI last week totalled 2,284 head, an increase of 207 cows from the previous week. In the corresponding week last year 7,018 prime cattle were killed in NI plants along with 2,499 cows.

Cattle imports from ROI for direct slaughter consisted of 244 prime cattle and 73 cows last week compared to 331 prime cattle and 59 cows imported the previous week. Imports from GB for slaughter in NI last week consisted of two steers and 107 cows compared to three prime cattle and 32 cows imported the previous week. Meanwhile exports for direct slaughter from NI to ROI last week included four prime cattle and 116 cows with a further 57 prime cattle and 26 cows exported to GB.

The average steer price in NI last week was marginally back to 350.9p/kg from the previous week while the R3 steer price was back half a penny to 360.2p/kg. Meanwhile the average heifer price in NI last week was back 1.2p/kg to 353.9p/kg and the R3 heifer price was back by 2.3p/kg to 359.5p/kg. The average young bull price in NI last week was up 0.9p/kg to 337.7p/kg while the R3 young bull price came back by 3.5p/kg to 346.7p/kg. The cow trade came under pressure in NI last week with the average cow price back by 6.2p/kg to 245.8p/kg and the O3 cow price back by 2.2p/kg to 268.6p/kg.

The deadweight trade in GB came under pressure last week with the majority of price reported grades recording a decline. The average steer price in GB last week was back 3.2p/kg to 368.3p/kg while the R3 steer price was back by 2.4p/kg to 378.5p/kg. The R3 steer price reported declines in all regions with the strongest decline in Northern England where the R3 steer price was back by 3.8p/kg. The average heifer price in GB last week was back by 2.3p/kg to 369.7p/kg while the R3 heifer price was back by 1.3p/kg to 378.8p/kg. R3 heifer prices were back in all regions except the Midlands and Wales were an increase of 0.8p/kg was reported.

Reported prices for prime cattle in ROI last week came under some pressure and combined with a weaker euro has resulted in a decline in the majority of grades. The R3 steer price was back the equivalent of 1.7p/kg last week to 327.5p/kg while the R3 heifer price was back by 2.3p/kg to 336p/kg. Cow prices also came under pressure in ROI last week with the average O3 cow price back 0.8p/kg to 262.1p/kg. This was 6.5p/kg lower than the equivalent price in NI.

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

W/E 06/10/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	359.9	337.0	389.4	379.5	380.3	381.5	382.5
	R3	360.2	327.5	389.4	374.9	373.3	376.9	378.5
	R4	360.3	326.8	391.9	386.2	374.7	376.0	383.3
	O3	353.8	307.9	369.1	352.9	343.0	354.2	354.5
	AVG	350.9	-	385.6	368.4	358.8	359.7	368.3
Heifers	U3	364.8	347.4	394.6	385.7	386.7	387.0	388.5
	R3	359.5	336.0	386.1	375.8	377.2	375.2	378.8
	R4	360.1	335.3	388.1	377.9	376.8	378.4	380.3
	O3	353.5	321.0	364.2	357.7	339.1	352.2	353.3
	AVG	353.9	-	384.6	370.2	361.9	360.7	369.7
Young Bulls	U3	350.8	331.8	385.8	368.2	364.3	371.7	370.1
	R3	346.7	324.8	372.3	354.7	355.3	362.7	359.0
	O3	332.8	309.5	329.4	323.1	317.5	345.5	323.4
	AVG	337.7	-	361.3	338.9	337.9	344.0	343.2
Prime Cattle Price Reported		6128	-	6686	7156	7710	4965	26517
Cows	O3	268.6	262.1	269.4	263.5	260.3	257.6	261.7
	O4	272.8	263.4	269.4	262.2	262.6	256.2	261.9
	P2	229.1	228.8	221.5	213.8	220.3	217.6	218.9
	P3	246.7	250.3	241.2	236.4	234.2	233.2	234.9
	AVG	245.8	-	258.6	237.9	224.4	220.4	230.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.75p 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 06/10/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	210	205	170	198	185
Friesians	146	162	150	115	143	128
Heifers	200	215	207	170	196	182
Beef Cows	146	175	155	115	144	130
Dairy Cows	105	125	113	60	103	82
Store Cattle (p/kg)						
Bullocks up to 400kg	225	254	235	180	224	202
Bullocks 400kg - 500kg	220	253	238	175	219	200
Bullocks over 500kg	215	237	220	180	214	197
Heifers up to 450kg	210	228	220	165	209	187
Heifers over 450kg	200	222	210	165	199	185
Dropped Calves (£/head)						
Continental Bulls	310	420	350	200	305	250
Continental Heifers	260	365	305	150	255	200
Friesian Bulls	100	145	120	45	95	70
Holstein Bulls	75	140	105	2	70	40

SHEEP TRADE

SHEEP BASE QUOTES		
(P/Kg DW)	This Week 08/10/18	Next Week 15/10/18
Lambs >21kg	370-375p	370p

REPORTED SHEEP PRICES			
(P/KG)	W/E 22/09/18	W/E 29/09/18	W/E 06/10/18
NI L/W Lambs	342.8	344.5	338.5
NI D/W Lambs	374.2	375.1	368.5
GB D/W Lambs	403.1	403.2	391.9
ROI D/W	392.9	390.8	389.5

Deadweight Sheep Trade

QUOTES from the plants at the beginning of the week for R3 grading lambs ranged from 370-375p/kg with plants paying up to 21kg. However quotes are back for early next week to 370p/kg up to 21kg. Lamb throughput in local plants last week totalled 8,765 head back 1,978 lambs from the previous week. In the corresponding week in last year 9,619 lambs were killed locally. Lamb exports to ROI for direct slaughter last week totalled 6,964 head with 1,617 ewes and rams also exported. The average liveweight lamb price in NI marts last week was back 6p/kg to 338.5p/kg while the average deadweight price was back by 6.6p/kg to 368.5p/kg. In ROI last week the average lamb price was the equivalent of 389.5p/kg, back 1.3p/kg from the previous week.

This week's marts

THE marts have reported a similar trade this week compared to previous weeks with smaller numbers of lambs passing through the sale rings. In Massereene on Monday 896 lambs sold from 325-360p/kg compared to 1,168 lambs last week selling from 330-368p/kg. In Ballymena this week 2,030 lambs sold from 318-353p/kg (avg 325p/kg) compared to 2,020 lambs last week selling from 315-370p/kg (avg 321p/kg). In Markethill on Wednesday 950 lambs sold from 330-360p/kg compared to 1,250 lambs last week selling from 330-357p/kg. In Armoy this week 214 lambs sold from 324-368p/kg compared to 312 lambs last week selling from 335-370p/kg. Top reported prices for ewes generally ranged from £70-100 across the marts this week.

LATEST SHEEP MARTS					
From: 05/10/18		Lambs (P/KG LW)			
To: 11/10/18		No	From	To	Avg
Friday	Newtownstewart	408	310	342	-
Saturday	Omagh	1528	362	451	-
	Swatragh	1100	321	378	-
Monday	Massereene	896	325	360	-
	Kilrea	320	320	328	-
Tuesday	Saintfield	444	326	365	-
	Rathfriland	977	318	402	338
Wednesday	Ballymena	2030	318	353	325
	Enniskillen	484	340	368	-
	Markethill	950	330	360	-
	Armoy	214	324	368	-

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