LMC
Livestock & Meat Commission
WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND
Saturday 20 October 2018 Issue No. 2541

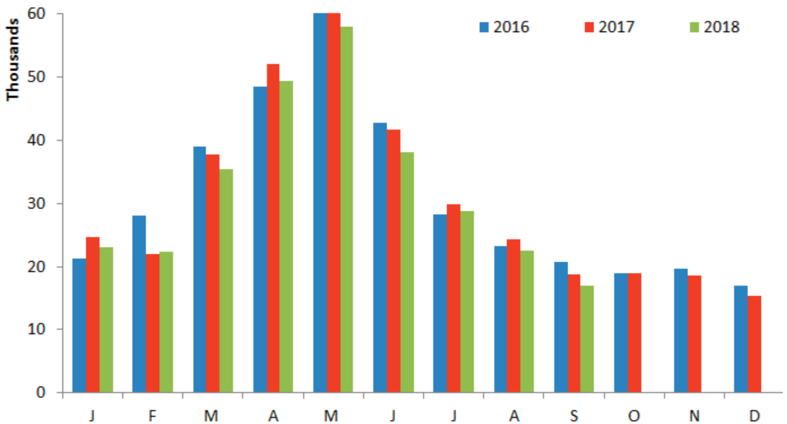
BEEF SIRED CALF REGISTRATIONS DECLINE

BEEF sired calf registrations in Northern Ireland totalled 16,917 head in September 2018. This was a ten per cent reduction from September 2017 levels when there were 18,838 beef calves registered in the region. It is worth noting that this was the lowest level of beef sired calf registrations in Northern Ireland during September since 2012.

This decline in beef sired calf registrations has been an on-going trend throughout 2018 with monthly calf registrations behind 2017 levels eight out of the nine months from January to September 2018. Throughout the first nine months of 2018 there were 294,407 beef sired calves registered in Northern Ireland compared to 312,742 beef sired calves registered in the region over the same period in 2017. This decline by 18,335 head accounts for a six per cent decrease in registrations year on year.

This decline in calf registrations can be attributed to a reduction in both suckler and dairy cow numbers in the province as recorded in the June 2018 Agricultural Census. Cow throughput in local plants during 2018 to date has been very strong with difficult production conditions encouraging a higher culling rate and as a result less calves have been born in the region.

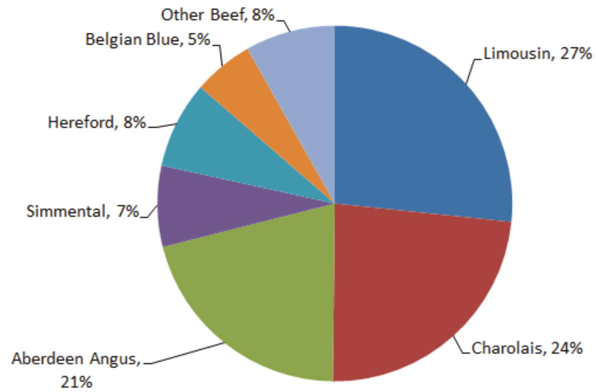
Figure 1: Monthly beef sired calf registrations in Northern Ireland 2016-2018



An improvement in milk prices as 2017 progressed will also have encouraged dairy producers to use more dairy bulls on their cows with less beef cross calves born in 2018 as a result. Within the first nine months of 2018 there were 113,483 dairy sired calves registered in NI compared to 116,618 dairy sired calves registered in the corresponding period in 2017. This decline by 3,135 head accounts for a three per cent decrease year on year.

During 2018 to date there were 91,773 beef sired calves registered to dairy cows in Northern Ireland compared to 96,205 registrations over the same period in 2017. This decline by 4,432 head accounts for a five per cent decrease year on year. Meanwhile the number of beef calves registered to suckler cows came back from 215,413 head in the first nine months of 2017 to 201,585 head in the 2018 period. This accounts for a six per cent decline year on year.

Figure 2: Proportion of beef sired calf registrations in NI by breed from January to September 2018



While the number of beef calves registered has reduced the type of beef sires used has remained fairly consistent. From January to September 2018 Limousin calves accounted for 27 per cent of beef sired calf registrations while Charolais accounted for a further 24 per cent.

Aberdeen Angus was the third most popular beef breed during 2018 to date and accounted for 21 per cent of all calf registrations. Hereford, Simmental and Belgian Blue accounted for a further eight, seven and five per cent of calf registrations respectively. These six breeds accounted for 92 per cent of beef sired calf registrations in Northern Ireland from January 2018 to date, a proportion unchanged from 2017 levels.

EU BEEF PRODUCTION FORECAST TO INCREASE IN 2018

THE EU has recently released its Short-Term Outlook for EU agricultural markets in 2018 and 2019 and the report has indicated a stronger than anticipated growth in beef production during 2018 to date. This has been primarily driven by forage shortages in many parts of the EU which has encouraged producers to offload unproductive stock and reduce the slaughter age of prime cattle.

According to the May-June 2018 livestock survey the total EU cow herd recorded a 0.6 per cent decline from year earlier levels. The EU suckler cow herd recorded a 1.5 per cent decline in total numbers with 130,000 less suckler cows recorded than May/June 2017. While the largest majority of Member States recorded declines in suckler cow numbers year on year there were some exceptions to this trend, namely Spain, Sweden, Italy and Netherlands where suckler cow numbers have recorded an increase.

Meanwhile the EU dairy cow herd declined by 270,000 head in the May-June livestock survey which is a marginal decrease in percentage terms from year earlier levels. The dairy herd recorded a three per cent increase in both Ireland and Poland in the 2018 livestock survey while the most notable decline in dairy cow numbers was recorded in the Netherlands where cow numbers were back by four per cent in response to the obligation to reduce phosphate emissions. There were also notable declines in dairy cow numbers in Germany and France where herd restructuring has been on-going.

Figure 3: Forecast developments in the EU beef market in 2018 and 2019 (Source Short-term outlook for EU agricultural markets)

	2018	2019
Production	+1.6%	-0.1%
Exports	-8.0%	-2.0%
Imports	+6.0%	+2.0%
Consumption	+1.8%	-0.2%

Net beef production increased by 1.9 per cent the EU in the first half of 2018 which has primarily been driven by an increase in cow and heifer slaughterings due to forage shortages in many parts of the EU. Meanwhile beef production from adult male cattle in the first half of 2018 remained stable with an increase in throughput being offset by a reduction in average carcase weights. EU beef production for 2018 as a whole is expected to be 1.6 per cent higher than 2017 levels and is then expected to level off in 2019.

Live cattle exports from the EU were 11 per cent higher than year earlier levels during the first half of 2018. Turkey remained the biggest outlet for EU live cattle exports with almost one third of all exported cattle destined for this market. Meanwhile Libya, Lebanon and Israel also remained key destinations despite a slight reduction in the number of animals being exported to these regions. By contrast live cattle exports from the EU to Morocco, Tunisia and Algeria all increased.

However this strong performance of live exports is expected to weaken significantly in the second half of 2018. Estimations of live exports for 2018 as a whole are just 1.5 per cent higher than 2017 levels with high inflation and devaluation of the Turkish lira impacting demand from this important market. Demand is also expected to be impacted by competition from other exporters such Uruguay and Brazil. Live exports are expected to stabilise in 2019.

EU beef exports were 11 per cent lower in the first half of 2018 however it should be noted that this is compared to a very strong export performance in the first half of 2017. Beef exports to Turkey and Israel recorded growth throughout the first half of 2018 while Morocco and Tunisia became emerging destinations for EU beef products. Meanwhile exports to other key destinations, such as Bosnia and Herzegovina, Switzerland, Algeria, Hong Kong, Norway and the Philippines fell significantly (by 20-60 %).

EU beef exports in 2018 as a whole are expected to be eight per cent lower than in 2017 however this will make beef exports similar to 2016 levels. Key global exporters such as the USA, Australia, New Zealand and Brazil are all exporting more beef to traditional EU export markets (Hong Kong, Israel, Switzerland and the Philippines). This is expected to continue putting pressure on the world market in 2018.

EU beef imports were 12 per cent higher in the first half of 2018 when compared to the same period in 2017. However projections for 2018 as a whole expect imports to increase by six per cent from 2017 levels. Beef imports from South American countries account for nearly 80 per cent of total EU beef imports.

Imports from Australia continued to increase but at a much lower rate as Australian exporters found other market opportunities in Asia. EU imports from the USA declined sharply as US traders diversified into other markets around the world.

EU beef consumption is forecast to increase to 11kg per capita during 2018 which is a 1.8 per cent increase from year earlier levels. This increase reflects higher domestic supplies of beef on EU markets combined with steady imports and declining exports.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 15/10/18	Next Week 22/10/18
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	244 - 270p	240 - 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 13/10/18	Steers	Heifers	Young Bulls
U3	355.9	363.7	351.0
R3	353.4	355.8	347.7
O+3	345.4	346.2	335.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 13/10/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	157.3	172.2	184.1	200.6
P2	178.9	204.4	224.6	236.3
P3	224.0	217.0	239.0	245.5
O3	-	248.9	259.8	265.3
O4	260.0	252.5	254.8	270.1
R3	-	-	277.9	286.9

Deadweight Cattle Trade

BASE quotes from the major NI processing plants this week for U-3 grade prime cattle held steady at 346-354p/kg. The majority of plants are quoting 350-354p/kg so with the range of quotes available producers are encouraged to shop around to get the best possible deal. Quotes for good quality O+3 grading cows ranged from 244-270p/kg this week with quotes next week expected to come back at the lower end to 240-270p/kg.

Prime cattle throughput in NI last week totalled 7,054 head up 37 head from the previous week and 193 head above the 6,861 prime cattle killed in the same week in 2017. Cow throughput in NI last week was up by 24 cows from the previous week at 2,308 head and back 97 cows from the 2,405 cows killed in local plants in the same week last year.

Imports of prime cattle from ROI for direct slaughter in local plants last week totalled 248 head with a further three prime cattle imported from GB. Cow imports from ROI for direct slaughter last week totalled 47 head with a further 105 cows imported from GB. Prime cattle exports from NI to GB last week totalled 42 head. Cow exports out of NI for direct slaughter totalled 141 head last week with 121 head destined for processing plants in ROI and the remaining 20 exported to plants in GB.

The deadweight trade came under pressure for steers and heifers in NI last week with the majority of reported prices back from the previous week. The average steer price in NI last week was 350.3p/kg, back 0.6p/kg from the previous week. The R3 steer price decreased by 1.9p/kg last week to 358.3p/kg. The average heifer price in NI last week was back 1.5p/kg to 352.4p/kg while the R3 heifer price decreased by 1.9p/kg to 357.6p/kg. The average young bull price in NI last week reported a marginal increase to 337.9p/kg with the R3 young bull price up by 0.4p/kg to 347.1p/kg. The cow trade in NI last week came under pressure with the average cow price back 2.4p/kg to 243.4p/kg.

The deadweight trade in GB last week came under pressure across all of the regions. The average steer price was back half a penny to 367.8p/kg while the R3 steer price declined by 1.7p/kg to 376.8p/kg. The average heifer price in GB last week decreased by 1.7p/kg to 368p/kg while the R3 heifer price was back by 2.5p/kg to 376.3p/kg. The cow trade in GB continued to come under pressure with the average cow price back by 6.5p/kg to 223.6p/kg with strong declines reported in all regions. The O3 cow price came back by 5.4p/kg to 256.3p/kg last week. The O3 cow price in GB was 7.7p/kg below the equivalent price in NI last week.

In ROI last week deadweight cattle prices increased slightly for the majority of grades in euro terms however a weakening euro against sterling has resulted in declines in sterling terms. The R3 steer price in ROI last week decreased by the equivalent of 4.6p/kg to 322.9p/kg while the R3 heifer price was back 3.9p/kg to the equivalent of 332.1p/kg. This puts the differential in R3 heifer prices between ROI and NI at 25.5p/kg or £82 on a 320kg carcase.

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

W/E 13/10/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	356.5	333.0	390.9	378.5	377.0	382.2	381.7
	R3	358.3	322.9	387.5	374.1	371.2	375.2	376.8
	R4	359.1	322.0	391.7	384.0	372.6	371.8	381.4
	O3	352.1	304.4	365.1	355.8	342.2	353.6	354.2
	AVG	350.3	-	385.2	368.4	357.5	358.9	367.8
Heifers	U3	364.0	343.6	391.9	380.5	381.8	384.7	384.5
	R3	357.6	332.1	383.9	373.9	375.0	371.2	376.3
	R4	357.1	332.2	387.4	376.0	373.7	372.4	377.7
	O3	351.9	317.1	363.2	351.6	339.0	352.7	352.1
	AVG	352.4	-	385.1	367.3	360.8	356.8	368.0
Young Bulls	U3	351.2	329.6	374.2	357.5	364.5	377.5	364.3
	R3	347.1	321.2	367.7	360.0	358.4	366.9	361.0
	O3	331.3	306.5	330.2	319.0	323.3	328.1	323.8
	AVG	337.9	-	352.0	338.5	339.0	330.4	340.5
Prime Cattle Price Reported		6176	-	6935	7165	7710	4963	26773
Cows	O3	264.0	261.0	262.3	255.7	255.4	255.3	256.3
	O4	269.4	261.9	262.3	254.4	257.9	249.7	255.5
	P2	225.8	229.1	216.7	204.7	213.5	216.4	213.4
	P3	243.6	249.3	235.6	224.6	228.9	231.5	230.0
	AVG	243.4	-	254.3	226.0	219.4	214.6	223.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.65p 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 13/10/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	197	218	209	168	194	180
Friesians	145	152	149	130	140	136
Heifers	192	210	202	170	190	181
Beef Cows	145	174	154	110	144	127
Dairy Cows	101	114	106	60	99	80
Store Cattle (p/kg)						
Bullocks up to 400kg	210	230	220	170	209	190
Bullocks 400kg - 500kg	215	249	230	170	214	192
Bullocks over 500kg	210	225	215	175	209	190
Heifers up to 450kg	210	227	220	165	209	187
Heifers over 450kg	190	208	200	160	189	175
Dropped Calves (£/head)						
Continental Bulls	300	375	335	200	295	240
Continental Heifers	240	310	270	125	235	180
Friesian Bulls	150	245	175	75	145	95
Holstein Bulls	70	130	100	2	65	35

SHEEP TRADE

SHEEP BASE QUOTES		
(P/Kg DW)	This Week 15/10/18	Next Week 22/10/18
Lambs >21kg	370p	375-380p

REPORTED SHEEP PRICES			
(P/KG)	W/E 29/09/18	W/E 06/10/18	W/E 13/10/18
NI L/W Lambs	344.5	338.5	338.7
NI D/W Lambs	375.1	368.5	366.5
GB D/W Lambs	403.2	391.9	389.4
ROI D/W	390.8	389.5	384.2

Deadweight Sheep Trade

QUOTES from the plants for R3 grading lambs increased to 370-380p/kg up to 21kg towards the end of this week with quotes of 375-380p/kg expected for early next week. Throughput last week of lambs totalled 9,920 head, an increase of 1,155 lambs from the previous week and back 2,241 head when compared to the 12,161 lambs killed in the same week last year. Exports of lambs to ROI for direct slaughter last week totalled 9,014 head, an increase of 2,050 lambs when compared to the previous week. The average deadweight lamb price in NI last week was 366.5p/kg, back 2p/kg from the previous week. In ROI last week the average deadweight lamb price was the equivalent of 384.2p/kg, back 5.3p/kg from the previous week.

This week's marts

THE marts have reported a steady trade with smaller numbers of lambs passing through the sale rings this week. In Saintfield on Tuesday 450 lambs sold from 330-400p/kg compared to 444 lambs last week selling from 326-365p/kg. In Rathfriland this week 655 lambs sold from 321-411p/kg (avg 340p/kg) compared to 977 lambs last week selling from 318-402p/kg (avg 338p/kg). In Ballymena this week 1,620 lambs sold from 315-364p/kg (avg 330p/kg) compared to 2,030 lambs last week selling from 318-353p/kg (avg 325p/kg). In Enniskillen 382 lambs sold from 328-364p/kg compared to 484 lambs last week selling from 340-368p/kg. Top reported prices for cull ewes generally ranged from £75-112 across the marts this week.

LATEST SHEEP MARTS					
From: 12/10/18		Lambs (P/KG LW)			
To: 18/10/18		No	From	To	Avg
Friday	Newtownstewart	490	310	337	-
Saturday	Omagh	1127	359	419	-
	Swatragh	800	332	370	-
Monday	Massereene	968	330	368	-
	Kilrea	400	330	355	-
Tuesday	Saintfield	450	330	400	-
	Rathfriland	655	321	411	340
Wednesday	Ballymena	1620	315	364	330
	Enniskillen	382	328	364	-
	Markethill	1250	340	370	-
	Armoy	285	325	368	-

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

Information supplied by LMC / DAERA/ AHDB/ DAFM

LMC