LMC
Livestock & Meat Commission

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NI LAMB TRADE HOLDS STEADY

QUOTES from the plants this week for R3 grading lambs held steady at 380p/kg with all plants paying up to 21kg. The factories have reported an improvement in the supply of lambs coming forward for slaughter while numbers passing through the local marts have also increased.

It has been a challenging year for sheep producers in NI with heavy snowfall in March, a late spring which delayed grass growth and then drought conditions in some parts of the province in the summer. As a result lambs have been slower to finish on many farms with the number being slaughtered locally and exported for direct slaughter only starting to pick up in recent weeks.

Output

Production conditions have improved in recent weeks with relatively dry weather and improved grass growth helping to maintain lamb performance at grass. While lamb output from NI sheep flocks has picked up in recent weeks it remains behind the same period in previous years. Lamb throughput in local plants totalled 122,078 head during the 12 weeks ending 27 October 2018 which is a six per cent reduction from the same period in 2017.

Meanwhile exports of lambs for direct slaughter in ROI totalled 92,341 head during the 12 weeks ending 27 October 2018, a six per cent increase from year earlier levels. A small number of sheep have also been exported from NI to GB for direct slaughter. During the 12 weeks ending 27 October 2017 3,312 sheep were exported to plants in GB compared to no sheep making this journey in the same period in 2017.

Prices

The average price paid for R3 grading lambs in NI firmed last week to 377.2p/kg which takes the average price paid for a 21kg R3 grading lamb to £79.21. This is a similar trade to the corresponding weeks in 2016 and 2017 as indicated in Figure 1.

The liveweight trade has also firmed with reports from the marts indicating a strong demand for good quality finished lambs and forward stores. The average liveweight price in NI last week was 352.4p/kg, up 4.9p/kg from the previous week. In the corresponding week in 2017 the average liveweight price in NI was 336.8p/kg.

Carcase weights

The average carcase weight of lambs killed in local plants has also started to increase in recent weeks in line with normal seasonal trends. Last week the average carcase weight was 22kg with an average carcase weight over the last 12 weeks of 21.3kg. In the same period in 2017 the average lamb carcase weight in NI was 21.2kg.

With average carcase weights holding steady the decline in the volume of lamb processed can be attributed to the lower lamb throughput. Local plants processed 2,603 tonnes of lamb during the last 12 weeks, a five per cent decline from 2017 levels.

Figure 1: Average price paid for R3 grading 21kg lambs in NI last week and the corresponding weeks in 2016 and 2017.

INCREASE IN PRIME CATTLE IMPORTS FROM ROI FOR DIRECT SLAUGHTER LOCALLY

LAST week 213 prime cattle were imported from ROI for direct slaughter in local plants with these imported cattle accounting for three per cent of total prime cattle throughput. Imports of prime cattle from ROI for direct slaughter were relatively subdued up until mid-August 2018 before recovering strongly as indicated in Figure 2.

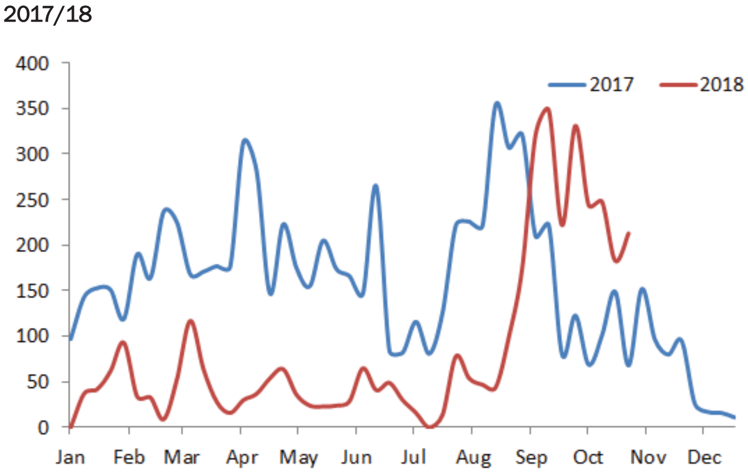
Imports for direct slaughter locally have increased in recent weeks with 1,441 prime cattle imported during the six week period ending 27 October 2018. This was a notable increase from the 590 prime cattle imported from ROI during the corresponding six week period in 2017, however well below the level of import recorded earlier this decade when imported cattle could have accounted for more than 10 per cent of throughput in local plants during some weeks.

The average R3 steer price in NI last week was 357.4p/kg, 31.5p/kg higher than the equivalent price in ROI. In monetary terms this puts the differential in R3 steer prices between the two regions at £110 on a 350kg carcase. In the same week in 2017 the differential in prices between the two regions was similar at 30.1p/kg.

The price differential has followed a similar trend to the level of import for direct slaughter and has steadily widened since mid-August 2018. Beef from cattle born and reared in ROI and slaughtered in NI has mixed origin status and is therefore generally less valuable to the processor as it cannot be used to service the high value retailer and food service markets in the UK. The beef produced however can also be used to fulfil orders locally and in GB which do not require beef to be from animals which are born, reared and slaughtered in the UK.

With a wider price differential between the two regions importing ROI origin cattle has become more attractive for NI plants to fulfil these orders. However with some local processors having business interests in both jurisdictions some plants in NI are Bord-Bia approved which allows ROI origin beef processed in NI to be returned to ROI and where applicable marketed as Bord-Bia Quality Assured.

Figure 2: Imports of prime cattle from ROI for direct slaughter in local plants 2017/18



COW KILL REMAINS STRONG BUT BEHIND 2017 LEVELS

THE deadweight cow trade in NI has continued to come under pressure with strong supplies of cows coming forward for slaughter. Cow throughput in NI last week totalled 2,378 head which brings throughput in local plants for the last six weeks to 13,379 head. This is a 12 per cent decline from the same period in 2017 when 15,119 cows were killed in local plants however throughput remains strong in comparison to previous years.

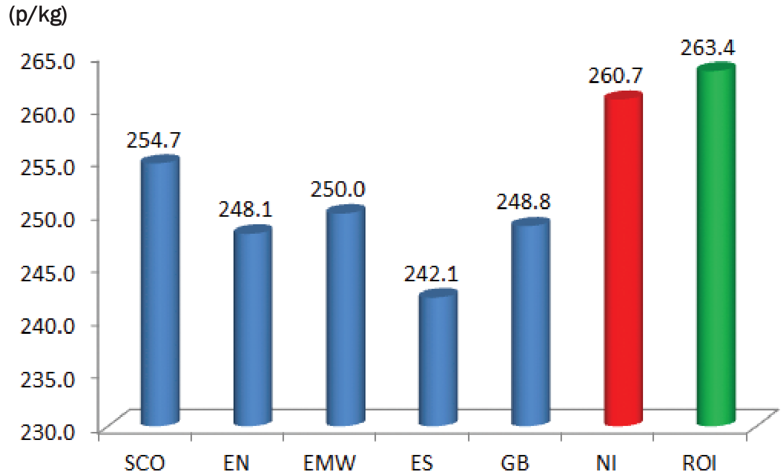
The O3 cow price in NI last week was 260.7p/kg, back 2.5p/kg from the previous week. This is the eighth consecutive week in which the O3 cow price in NI has recorded a decline. However while prices have come under pressure they remain above other regions of the UK as outlined in Figure 3.

The average O3 cow price in GB last week was 248.8p/kg with the strongest prices available in Scotland and tending to decrease as you move southwards. This puts the price differential between GB and NI for a 300kg O3 grade cow carcase at £39 last week. In the same week last year the differential between the regions was £22.

With cow prices stronger in NI than on the mainland small numbers of cows continue to be moved across the Irish Sea for slaughter in local facilities. During the six week period ending 27 October 2018 452 cows were imported from GB for direct slaughter. This was behind the same period last year when 710 cows were imported. Small numbers of cows are also imported from ROI for direct slaughter with 370 cows imported during the last six weeks. This was a slight increase from 256 cows in the same period last year.

The ROI market has traditionally been a strong market for cows and this helps to underpin the deadweight cow trade in NI. The O3 cow price in ROI last week was the equivalent of 263.4p/kg, 2.7p/kg higher than the NI price. During the last six weeks 803 cows have been exported from NI to ROI for direct slaughter, back from 1,212 head in the same period last year.

Figure 3: O3 cow prices in NI, GB and ROI for week ending 27 October 2018 (p/kg)



LMC

FQAS Helpline
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WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 29/10/18	Next Week 05/11/18
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	236 - 270p	232 - 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 27/10/18	Steers	Heifers	Young Bulls
U3	355.8	361.2	346.9
R3	353.3	354.1	345.5
O+3	346.2	347.3	333.7

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 27/10/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	157.1	168.7	176.8	187.1
P2	171.6	200.5	213.9	228.5
P3	196.2	207.4	232.2	239.4
O3	198.0	237.6	252.2	262.2
O4	-	218.0	260.8	265.7
R3	-	-	281.6	285.6

Deadweight Cattle Trade

THE deadweight trade for prime cattle has held steady in NI this week with base quotes for U-3 grade prime cattle ranging from 346-354p/kg. The majority of plants are quoting in the region of 350-354p/kg for steers and heifers. Quotes for O+3 cows continued to range from 236-270p/kg across the major processors. Similar quotes are expected for all types of cattle early next week.

Steady supplies of prime cattle have continued to come forward for slaughter in local plants. Prime cattle throughput last week totalled 7,393 head which was a slight decrease from the 7,432 head killed the previous week and an increase of 445 head from the 6,938 head killed in the same week in 2017. Cow throughput in NI last week totalled 2,378 head an increase of 284 cows from the previous week.

Imports from ROI for direct slaughter last week consisted of 213 prime cattle, 78 cows and one bull while one heifer and 69 cows were imported from GB for slaughter in local plants. Exports to ROI last week for direct slaughter included four prime cattle, 174 cows and 17 bulls while exports to GB included 81 prime cattle and 36 cows.

The average steer price in NI last week increased by 1.3p/kg to 349.5p/kg while the R3 steer price was back slightly to 357.4p/kg. The average heifer price in NI last week was 350.5p/kg, back 3p/kg from the previous week while the R3 heifer price decreased by 2.3p/kg to 356.9p/kg. The average price for young bulls came back by 3.1p/kg to 333.8p/kg while the R3 young bull price increased marginally to 346.2p/kg. The cow trade in NI continued to come under pressure with the average cow price back 1.5p/kg to 237.5p/kg, with the O3 cow price back by 2.5p/kg to 260.7p/kg..

The deadweight trade for prime cattle generally came under pressure in GB last week. The average GB steer price was back by 0.7p/kg to 364.7p/kg last week while the R3 steer price decreased by 1.8p/kg to 373.3p/kg. The average heifer price in GB last week was back by 2.1p/kg to 363.9p/kg while the R3 heifer price remained unchanged from the previous week at 374.1p/kg. The differential in R3 steer prices between NI and GB last week was 16p/kg or £56 on a 350kg carcase. There was a similar differential of 17p/kg for R3 heifers which is the equivalent of £55 on a 320kg carcase.

The deadweight trade for prime cattle held steady in ROI last week in euro terms and with a strengthening euro against sterling prices increased in sterling terms. The average steer price was up by 1.2p/kg to the equivalent of 325.9p/kg, while the R3 heifer price increased 3p/kg to 336.9p/kg when compared to the previous week. The O3 cow price reported an increase of 2.4p/kg to 264.3p/kg last week which was 3.6p/kg higher than the equivalent price in NI.

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

W/E 27/10/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	356.9	336.5	384.1	374.7	375.7	381.7	378.5
	R3	357.4	325.9	381.8	372.9	368.3	371.5	373.3
	R4	353.2	325.8	386.8	382.7	368.7	368.2	378.2
	O3	350.3	307.5	363.9	353.3	342.2	350.9	352.3
	AVG	349.5	-	379.9	368.2	354.6	355.0	364.7
Heifers	U3	361.7	348.3	390.6	383.5	381.4	378.4	384.0
	R3	356.9	336.8	385.3	370.4	370.5	369.6	374.1
	R4	355.2	336.2	385.8	372.9	370.4	369.0	374.8
	O3	350.2	321.9	363.6	358.5	340.1	347.3	352.0
	AVG	350.5	-	382.8	364.1	354.5	352.4	363.9
Young Bulls	U3	347.0	332.8	377.7	360.2	357.5	365.8	363.0
	R3	346.2	323.1	370.3	355.3	356.4	358.7	358.9
	O3	328.0	310.5	335.5	316.6	319.5	295.9	320.2
	AVG	333.8	-	356.1	332.1	335.9	315.7	336.4
Prime Cattle Price Reported		6523	-	6823	7165	7674	5017	26679
Cows	O3	260.7	264.3	254.7	248.1	250.0	242.1	248.8
	O4	265.3	265.5	255.4	246.4	248.8	235.0	246.1
	P2	217.3	233.0	201.7	198.7	206.0	206.2	204.4
	P3	235.3	253.5	220.3	214.5	222.2	219.1	220.4
	AVG	237.5	-	242.2	219.4	212.0	204.3	215.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.39p 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 27/10/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	201	214	207	170	200	185
Friesians	-	-	-	-	-	-
Heifers	190	207	196	160	184	170
Beef Cows	144	185	151	110	143	130
Dairy Cows	111	147	120	65	107	85
Store Cattle (p/kg)						
Bullocks up to 400kg	225	255	235	180	223	200
Bullocks 400kg - 500kg	215	244	225	170	214	192
Bullocks over 500kg	200	214	207	160	199	178
Heifers up to 450kg	205	227	212	165	204	180
Heifers over 450kg	190	203	198	160	189	175
Dropped Calves (£/head)						
Continental Bulls	300	410	350	200	295	245
Continental Heifers	270	410	330	130	265	200
Friesian Bulls	140	195	160	80	125	100
Holstein Bulls	80	155	115	2	50	35

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 29/10/18	Next Week 05/11/18
Lambs >21kg	380p	380p

REPORTED SHEEP PRICES

(P/KG)	W/E 13/10/18	W/E 20/10/18	W/E 27/10/18
NI L/W Lambs	338.7	347.5	352.4
NI D/W Lambs	366.5	365.2	375.5
GB D/W Lambs	389.4	388.9	387.4
ROI D/W	384.2	384.2	392.3

Deadweight Sheep Trade

QUOTES from the major processors this week for R3 grading lambs remained in the region of 380p/kg up to 21kgs. Similar quotes are expected for early next week. Lamb throughput in local plants last week totalled 8,619 head, back by 1,055 lambs when compared to the previous week and a decline of 1,425 lambs when compared to the same week in 2017. Lamb exports to ROI for direct slaughter last week totalled 9,288 head, a decrease from 9,683 lambs exported during the previous week. The deadweight lamb price in NI last week increased by 10.3p/kg to 375.5p/kg. In the corresponding week last year the deadweight lamb price in NI was 363.7p/kg. In ROI last week the average lamb price was the equivalent of 392.3p/kg, up 8.1p/kg from the previous week.

This week's marts

THE marts have reported a similar trade this week with a steady demand for good quality lambs passing through the sale rings. In Swatragh last Saturday 850 lambs sold from 315-368p/kg compared to 1,100 lambs the previous Saturday selling from 334-373p/kg. In Massereene this week 968 lambs sold from 340-377p/kg compared to 908 lambs last week selling from 340-372p/kg. In Rathfriland this week 1,138 lambs sold from 325-395p/kg (avg 348p/kg) compared to 673 lambs last week selling from 325-427p/kg (avg 350p/kg). In Enniskillen this week 482 lambs sold from 332-368p/kg this week which was a similar trade to last week. In Markethill this week 950 lambs sold from 340-358p/kg compared to 1,300 lambs last week selling from 340-374p/kg. Top reported prices for cull ewes ranged from £75-94 across the marts.

LATEST SHEEP MARTS

From: 26/10/18		Lambs (P/KG LW)			
To: 01/11/18		No	From	To	Avg
Friday	Newtownstewart	360	328	358	-
Saturday	Omagh	821	362	424	-
	Swatragh	850	315	368	-
Monday	Massereene	986	340	377	-
	Kilrea	330	340	370	-
Tuesday	Saintfield	886	340	382	-
	Rathfriland	1138	325	395	348
Wednesday	Ballymena	2401	320	368	335
	Enniskillen	482	332	368	-
	Markethill	950	340	358	-
	Armoy	246	324	370	-

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LMC Livestock & Meat Commission

MONTHLY NEWS

Saturday 03 November 2018 Issue No. 0032

EUROPEAN ROUNDTABLE FOR BEEF SUSTAINABILITY LAUNCHED

THE Global Roundtable for Sustainable Beef (GRSB) is an international initiative, developed to advance a continuous improvement in the sustainability of the global beef value chain through leadership and science in tandem with international engagement and collaboration.

The body, which involves the active participation of stakeholders from around the world, was established to help develop a global beef chain within which all aspects of production, processing and marketing are environmentally sound, socially responsible and economically viable.

Its most recent biennial conference was held in Co Kilkenny. The event was attended by LMC chairman Gerard McGivern, board member Jim Lennon and chief executive Ian Stevenson. In excess of 230 delegates from 25 major beef producing and consuming countries attended the conference. According to Ian Stevenson, a wide range of issues were addressed by the speakers, who presented at the event. It was also marked by the launch of the European Roundtable for Beef Sustainability (ERSB) with LMC one of its founder members

"The new grouping will be focussed on securing beef sustainability across the European region and across all aspects of the value chain, from farm to fork," confirmed LMC's chief executive. "ERSB members believe that the beef industry has an important role to play within a sustainable food system. Specifically, the industry transforms inedible feed stuffs into high value protein for human consumption."

He added: "A number of key policy issues were teased out at the conference. These included the need for the beef industry to properly engage with consumers about their sector, particularly on social media. We also need more leadership to shape our future within the beef industry, we need to be setting the direction, not following the lead given by others."

Image 1: The Global Roundtable for Sustainable Beef was established to help develop a global beef chain within which all aspects of production, processing and marketing are sustainable (Source: GRSB)

Ian continued: "Over 60 per cent of growth in global beef production will emanate from developing countries by 2022, but these regions will only account for 35% of total beef output." According to Ian other developments will include "the growing importance of pharmaceutical stewardship for the global beef industry moving forward: it's not just about anti-microbials. Also most of the major beef producing regions of the world are developing sustainability programmes and frameworks with ambitious targets e.g. Australia is hoping to achieve carbon neutrality by 2030."

Ian also pointed out that McDonald's is one of the main driving forces behind Beef Sustainability Roundtables and it feeds over one per cent of the world's population every day in its 37,000 restaurants world-wide. McDonald's wants to change the narrative with consumers and talk about the positive (and measurable) outcomes of the beef industry, for example in how it helps to deliver against the Sustainable Development Goals of the United Nations.

LMC CO-HOSTING NI BEEF CONFERENCE 2018

THE coming weeks should see the UK and the EU get some form of Brexit package over the line – even if it turns out to be a 'no deal' scenario. Given this eventuality, farmers will be striving to find out what Brexit means for them in practical terms.

One good starting point for livestock producers in this regard will be the upcoming beef conference, taking place at Greenmount College on Wednesday November 21st. The event will have the over arching theme: 'Healthy Cattle, Healthy Profits'.

It will be co-hosted by the Livestock and Meat Commission (LMC), Ulster Farmers' Union (UFU), the Agri-Food and Biosciences Institute (AFBI), the College of Food, Agriculture and Rural Enterprise (CAFRE) and the National Beef Association (NBA)

It goes without saying that all livestock farmers should take note of this date and make every effort to attend the event itself. Cattle mortality and underperformance due to health issues represent a huge cost to the NI beef industry. While not all cattle mortality on farm can be prevented there are a number of measures that producers can take to help minimise the risk of losses and improve the health of their livestock. This includes the implementation of a preventative health plan or changes to housing to improve ventilation which can help reduce disease risk.

The coming years will present unique challenges, and potential opportunities for beef producers here in Northern Ireland. The objectives of the conference are to highlight what the industry currently does well, but also to identify potential areas of improvement to help progress beef prodcution in NI.

The conference will provide an opportunity for all the leading stakeholder groups , plus a selection of internationally renowned speakers, to relate their views on how the industry can move forward with confidence. And, of course, those attending the conference will have their chance to ask the questions they need answers to.

Brexit apart, the backdrop for the event is that of an ever-growing world population and an increasing global demand for all animal proteins including beef. Here in Northern Ireland we are uniquely advantaged in having so many facets to our beef sector that set us apart for the rest of the world. These include the tremendous quality of our cattle, our ability to produce beef from grazed grass and the highly honed skills of our beef farmers.

These are exciting times for the local beef sector. Farmers play a pivotal role in making the entire beef chain work and given this reality, it is crucially important that the views of producers are reflected in the clearest possible terms on November 21st. The conference is open to all with an interest in beef production. The fee is £20 and includes refreshments and lunch. Bookings are encouraged online at **www.ufuni.org** or if you need assistance please contact Angela in the UFU head office on 028 9037 0222.

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