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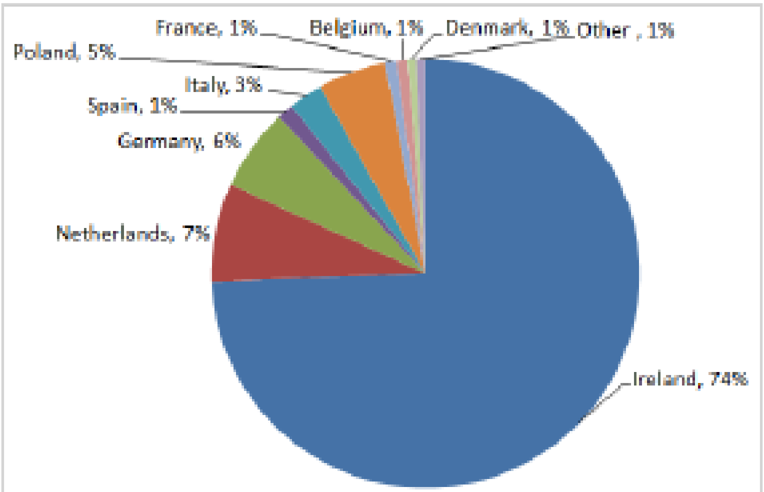
UK BEEF IMPORTS DECLINE WHILE BEEF EXPORTS INCREASE

THE latest data released by HMRC has indicated the volume of beef imported by the UK during February 2016 totalled 19,319 tonnes. This takes the total for the first two months of 2016 to 39,343 tonnes, a four per cent decline from the corresponding period in 2015 when a total of 40,972 tonnes of beef were imported.

The EU is the largest source of beef imports for the UK market with imports totalling 36,072 tonnes during January and February 2016, accounting for 92 per cent of total UK beef imports during this period. Figure 1 provides a breakdown of UK beef imports from the EU by source country during the period January to February 2016.

As indicated in the chart Ireland remains the UK's biggest source of imported beef by a significant margin with 26,841 tonnes imported during the first two months of 2016. This accounted for 74 per cent of UK beef imports from the EU and 68 per cent of the UK's total beef imports during this period.

Figure 1: UK beef imports from the EU by source country during Jan-Feb 2016



It was however a decline from the first two months of 2015 when 29,016 tonnes of Irish origin beef were imported by the UK. This accounts for a 7.5 per cent decline year on year. A proportion of the beef imported from ROI would be beef carcases taken to plants in NI for further processing before being exported back to ROI.

The Netherlands is the second largest source of imported beef for the UK market with 2,666 tonnes imported during the first two months of 2016. This was 16 per cent lower than the corresponding period in 2015 when 3,188 tonnes of beef were imported.

While there was an overall decline in the volume of beef imported from the EU during the first two months of 2016 when compared to year earlier levels there was an increase in imports from some EU countries, although in most cases the volumes involved remain very small. During the first two months of 2016 imports of beef from Germany increased by 42 per cent to total 2,247 tonnes, imports from Italy increased by 59 per cent to total 1,858 tonnes while imports from Poland increased by 7 per cent to total 1,858 tonnes.

Imports of beef to the UK from non EU sources totalled 3,271 tonnes during the first two months of 2016, an increase of just 10 tonnes from the corresponding period in 2015. There were declines in the volume of imports from Australia, Uruguay, Namibia, New Zealand and Botswana while imports from Brazil and Argentina recorded volume increases when comparing January-February 2016 with the corresponding period in 2015. It should however be noted that the volumes concerned are relatively small with non EU beef imports accounting for just eight per cent of total beef imports during the first two months of 2016.

Exports

UK beef exports totalled 17,536 tonnes during the first two months of 2016, an 11 per cent increase on the 15,834 tonnes exported during the corresponding period in 2015. The EU remains the primary destination for UK beef exports with 16,095 tonnes exported during the first two months of 2016. This accounts for 92 per cent of all UK beef exports during this period. The strengthening in euro against sterling has helped make UK origin beef more competitive on the EU markets in recent months.

Ireland remains the biggest market for UK beef within the EU with exports totalling 6,865 tonnes during January-February 2016 and accounting for 43 per cent of total exports to the EU. In the corresponding period in 2015 beef exports to ROI totalled 6,654 tonnes and accounted for 45 per cent of total UK exports to the EU.

The Netherlands is the second largest export market for UK beef exports with 4,091 tonnes exported during the first two months of 2016, an increase of 15 per cent from the 2015 period when 3,562 tonnes of beef were exported.

There were also increases recorded in the volume of beef exported from the UK to France, Belgium, Germany and Denmark during the first two months of 2016 when compared to the corresponding period in 2015. Meanwhile there were declines in the volumes exported to Italy and Spain although these are very small markets for UK beef exports in terms of the volumes exported.

Meanwhile the volume of beef exported from the UK to non EU markets during January-February 2016 totalled 1,441 tonnes, a 24 per cent increase on the 1,164 tonnes exported during the corresponding period in 2015.

NI SHEEP MARKET UPDATE

SHEEP throughput in the local plants has declined in recent weeks in line with normal seasonal trends. The availability of hoggets has started to tighten with reports from the plants indicating a range in the quality of hoggets available. Meanwhile the number of spring lambs being presented for slaughter has started to increase with spring lambs accounting for 26 per cent of the price reported kill last week.

Hogget/spring lamb throughput in NI last week totalled 3,827 head, a six per cent decrease from the 4,054 killed during the previous week and 30 per cent lower than throughput in the corresponding week last year. Throughput for 2016 to date has totalled 83,547 head and is running six per cent behind the corresponding period in 2015 when throughput totalled 89,547 head.

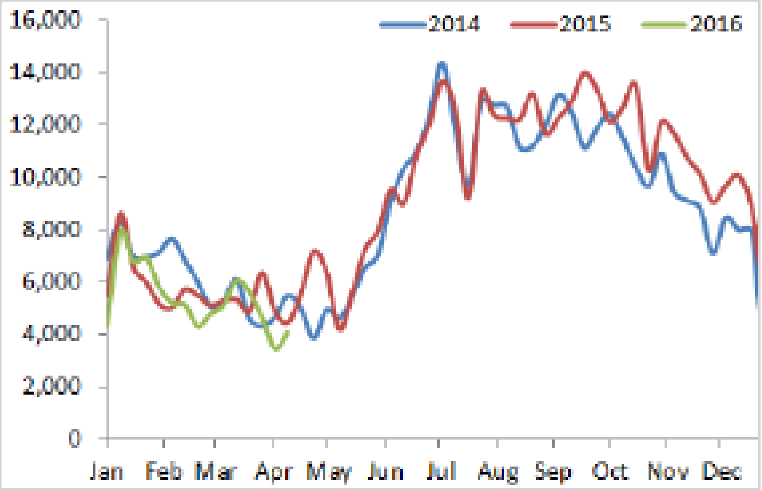
The volume of sheepmeat handled by the NI processors during 2016 to date has totalled 1,841 tonnes, an eight per cent decrease on the same period in 2015. This decrease can be attributed to the decrease in sheep throughput with average carcase weights remaining similar at 22kg year on year.

Hogget/lamb slaughterings in NI during 2016 to date have accounted for 40 per cent of total output from NI with the remaining 60 per cent of hoggets/lambs exported to ROI for direct slaughter. A total of 5,809 sheep were exported from NI to ROI last week for direct slaughter, a slight increase from the previous week. For the year to date a total of 125,841 sheep have been exported from NI for direct slaughter in ROI plants. With the euro currently trading strongly against sterling reports have indicated that southern buyers have been active in some of NI's sheep marts in recent weeks.

Deadweight prices in NI have performed strongly in recent weeks and this can be attributed to the reduced availability of hoggets/lambs coming forward for slaughter combined with weaker sterling against euro making NI product more competitive on EU markets. In addition the country of origin labelling issues which impacted the market in April last year have not been a disruptive influence on this year's lamb trade.

The price reported R3 hogget price in NI last week was 426.7p/kg compared to 377.7p/kg in the corresponding week last year. Meanwhile the R3 spring lamb price in NI last week was 455.8p/kg compared to 452.9p/kg in the corresponding week in 2015.

Figure 2: Total hogget and lamb throughput in NI plants January 2014 to April 2016



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.

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WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 18/04/16	Next Week 25/04/16
Prime		
U-3	300 - 306p	300 - 306p
R-3	294 - 300p	294 - 300p
O+3	288 - 294p	288 - 294p
P+3	218 - 256p	218 - 256p
	Including bonus where applicable	
Cows		
O+3 & better	218 - 235p	220 - 240p
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 16/04/16	Steers	Heifers	Young Bulls
U3	309.0	310.9	305.4
R3	305.4	305.5	304.5
O+3	296.2	294.8	294.4

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 16/04/16	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	130.8	137.1	146.3	170.6
P2	149.8	163.0	180.3	199.9
P3	162.6	189.7	198.9	210.6
O3	171.0	210.5	221.1	227.6
O4	-	-	225.0	232.9
R3	-	-	-	255.1

Deadweight Cattle Trade

QUOTES from the major NI processors for in spec U-3 grade prime cattle ranged from 300-306p/kg towards the end of this week with the majority of plants quoting 304-306p/kg for both steers and heifers. Quotes for good quality O+3 grade cows ranged from 220-240p/kg towards the end of this week across the plants. The plants have reported good supplies of cattle coming forward to meet demand for beef with similar quotes expected for all types of cattle early next week.

Prime cattle throughput in NI last week totalled 6,729 head, an increase of 320 head from the previous week and an increase of 876 head from the corresponding week in 2015 when a total of 5,853 prime cattle were killed in NI plants. Meanwhile cow throughput in NI last week totalled 1,656 head, almost unchanged from the previous week and an increase of 219 head from the corresponding week in 2015.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 191 head, accounting for three per cent of the total prime cattle kill. In the corresponding week in 2015 463 prime cattle were imported from ROI accounting for eight per cent of the total prime cattle kill. A small number of cows were imported from ROI for slaughter in NI plants last week while 483 cows were exported from NI for slaughter in ROI. Exports of prime cattle from NI to GB for direct slaughter last week totalled 78 head, compared to 42 head exported to GB in the corresponding week last year. A total of 12 cows and 7 bulls were also exported from NI for slaughter in GB last week.

The average steer price in NI last week was back by 1.1p/kg to 298.7p/kg while the R3 steer price was back by 1.9p/kg to 307.2p/kg. The average heifer price in NI last week decreased by 2.5p/kg to 300.2p/kg while the R3 heifer price decreased by 2.6p/kg to 306.8p/kg. The average cow price in NI last week was also back by 2.6p/kg to 207p/kg while the O3 cow price decreased by 0.7p/kg to 225.8p/kg. The deadweight cattle trade in GB has recorded similar declines with the average steer price back by 2.6p/kg to 314.4p/kg while the R3 steer price was also back by 2.6p/kg to 321.2p/kg. This puts the differential in R3 steer prices last week between NI and GB average at 14p/kg which is the equivalent of £46 on a 330kg carcase. Northern England saw the largest decline in deadweight R3 steer price last week with a decrease of 10.3p/kg to 316.7p/kg. The average heifer price in GB last week was back by 4p/kg to 314.9p/kg while the average R3 heifer price decreased by 2.1p/kg to 322.7p/kg. The differential in R3 heifer prices last week between NI and GB average was 15.9p/kg which is the equivalent of £52 on a 330kg carcase.

Reports from ROI have indicated steady supplies of prime cattle with throughput totalling 23,071 head last week. The deadweight cattle trade in ROI firmed marginally in euro terms however a slight weakening in euro against sterling has meant deadweight prices decreased in sterling terms. The R3 steer price in ROI last week was the equivalent of 308.2p/kg, back by 2p/kg from the previous week while the R3 heifer price was the equivalent of 320.8p/kg, back by 1.9p/kg from the previous week.

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

W/E 16/04/2016		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	309.7	317.7	329.9	328.1	323.7	327.8	327.1
	R3	307.2	308.2	327.5	316.7	319.8	319.6	321.2
	R4	307.2	309.9	329.0	329.1	318.8	315.0	324.6
	O3	293.4	294.6	299.8	287.4	285.2	289.2	290.6
	AVG	298.7	-	324.6	317.6	307.9	303.2	314.4
Heifers	U3	311.8	333.6	338.2	334.1	330.6	333.8	334.2
	R3	306.8	320.8	325.4	318.1	322.0	323.4	322.7
	R4	305.7	320.8	327.1	324.7	321.0	315.6	322.7
	O3	295.0	306.0	299.6	294.6	291.8	296.9	295.9
	AVG	300.2	-	324.6	319.4	307.9	304.1	314.9
Young Bulls	U3	305.4	309.8	325.1	316.6	324.2	323.3	322.0
	R3	299.4	300.2	309.6	304.5	314.3	312.4	310.3
	O3	286.9	284.9	271.3	268.3	280.4	277.4	273.7
	AVG	285.0	-	297.2	290.8	305.6	296.1	296.9
Prime Cattle Price Reported		5848	-	6873	7005	5989	4583	24450
Cows	O3	225.8	250.3	230.2	223.6	221.6	210.7	221.6
	O4	232.4	250.1	235.7	226.1	225.8	210.6	224.1
	P2	183.8	223.3	190.4	184.0	177.3	162.0	176.7
	P3	206.9	242.4	195.4	201.1	190.7	189.3	193.1
	AVG	207.0	-	220.7	203.4	188.3	178.8	193.9

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=79.68p 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 16/04/16	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	175	188	182	160	174	167
Friesians	130	138	134	110	130	118
Heifers	175	189	182	155	174	165
Beef Cows	139	164	147	105	138	120
Dairy Cows	103	122	110	60	102	80
Store Cattle (p/kg)						
Bullocks up to 400kg	210	234	222	180	208	195
Bullocks 400kg - 500kg	190	202	195	165	189	177
Bullocks over 500kg	180	194	187	160	179	170
Heifers up to 450kg	200	226	210	170	199	185
Heifers over 450kg	180	200	188	160	179	170
Dropped Calves (£/head)						
Continental Bulls	275	375	325	170	272	220
Continental Heifers	235	360	290	100	230	165
Friesian Bulls	80	170	125	30	78	55
Holstein Bulls	60	120	80	5	58	35

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 18/04/16	Next Week 25/04/16
Hoggets	415 - 425p > 22kg	390 - 410p > 22kg
Spring Lambs	440 - 465p > 21kg	430 - 440p > 21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 02/04/16	W/E 09/04/16	W/E 16/04/16
NI Hoggets L/W	375.0	378.9	368.5
NI Hoggets D/W	408.8	420.4	425.5
GB Hoggets D/W	427.5	427.1	414.2
ROI D/W	423.3	431.0	428.1

Deadweight Sheep Trade

QUOTES from the NI plants this week for R3 grade hoggets ranged from 415-425p/kg up to 22kg while quotes for spring lambs ranged from 440-465p/kg up to 21kg. The plants have reported a slight tightening in the number of lambs/hoggets coming forward for slaughter with throughput last week totalling 3,827 head, which is lower than the same week in 2015 when 5,543 hoggets/lambs were slaughtered in NI plants. Exports of sheep to ROI for direct slaughter last week totalled 5,809 head, notably higher than the same week in 2015 when 3,187 sheep were exported. The average deadweight hogget price in NI last week increased by 5.1p/kg to 425.5p/kg while the deadweight hogget price in ROI decreased by the equivalent of 2.9p/kg to 428.1p/kg.

This week's marts

SMALLER numbers of hoggets passed through most of the sale rings this week with the hogget season starting to come to an end. Smaller numbers and a range in the quality of hoggets available have resulted in a subdued trade across some of the marts. In Massereene on Monday 365 hoggets sold from 360-400p/kg compared to 541 hoggets last week selling from 375-434p/kg. In Saintfield on Tuesday 270 hoggets sold from 333-380p/kg compared to 280 hoggets last week selling from 360-387p/kg. The number of spring lambs passing through the marts this week has steadily increased with 174 lambs in Rathfriland selling to an average of 402p/kg compared to 212 lambs last week selling to an average of 439p/kg. In Ballymena 154 spring lambs sold to an average of 400p/kg compared to 100 lambs last week selling to an average of 417p/kg.

LATEST SHEEP MARTS

From: 15/04/16		Hoggets (P/KG LW)				Spring Lambs (P/KG LW)			
To: 21/04/16		No	From	To	Avg	No	From	To	Avg
Friday	Newtownstewart	82	350	377	-	48	420	427	-
Saturday	Omagh	438	324	403	-	42	398	427	-
	Swatragh	783	358	414	-	65	385	420	-
Monday	Kilrea	100	341	370	-	50	411	445	-
	Massereene	365	360	400	-	102	400	459	-
Tuesday	Saintfield	270	333	380	-	-	-	-	-
	Rathfriland	375	338	384	362	174	380	432	402
Wednesday	Ballymena	585	320	400	336	154	370	455	400
	Enniskillen	489	350	368	-	58	400	420	-
	Markethill	400	340	376	-	200	390	422	-
	Armoy	412	340	400	370	-	-	-	-

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