

## WEAKENING OF STERLING MOVES GB AND NI DOWN EU LEAGUE TABLE

THE EU Deadweight Cattle Price League Table provides a useful summary of farmgate prices across a number of selected EU countries by ranking them from highest to lowest in terms of the average farmgate prices paid for R3 grade heifers in euro terms in any given week. The table also provides the R3 heifer prices and the rankings for the previous month for comparison purposes.

Currency fluctuations in the past month have led to some significant shifts in positions in the top half of the EU League Table. Following the

decision of the UK to leave the EU in recent weeks the euro has strengthened considerably against sterling as indicated in Figure 1. In the week ending 03/07/2016 €1= 82.9p compared to €1= 77.0p in the week ending 05/06/2016.

There was a mixed performance in R3 heifer prices across the EU between the two weeks tabulated with prices increasing in some regions but coming under pressure in others. In the week ending 03/07/2016 the average R3 heifer price in the EU was 376.6c/kg, back by 6.2c/kg from the 382.8c/kg paid in the week ending 05/06/2016.

With the weakening in sterling deadweight cattle prices in GB in euro terms have come under pressure. GB was in fifth place on the league table in the week ending 03/07/2016 with an equivalent R3 heifer price of 403.8c/kg. This was a 23.7c/kg reduction from the 427.5c/kg paid during the week ending 05/06/2016 when GB was in second place in the league table. The differential between R3 heifer prices in GB and the EU average narrowed from 44.7c/kg in the week ending 05/06/2016 to 27.2c/kg in the week ending 03/07/2016.

In the week ending 03/07/2016 the R3 heifer price in NI was the equivalent of 395.1c/kg which placed it in sixth place in the EU league table, however this was a decrease of 20.8c/kg from 416.0c/kg paid in the week ending 05/06/2016 when the NI R3 heifer price was in third place in the league table. The differential between the R3 heifer price in NI and the EU average narrowed from 33.2c/kg in the week ending 05/06/2016 to 18.5c/kg in the week ending 03/07/2016.

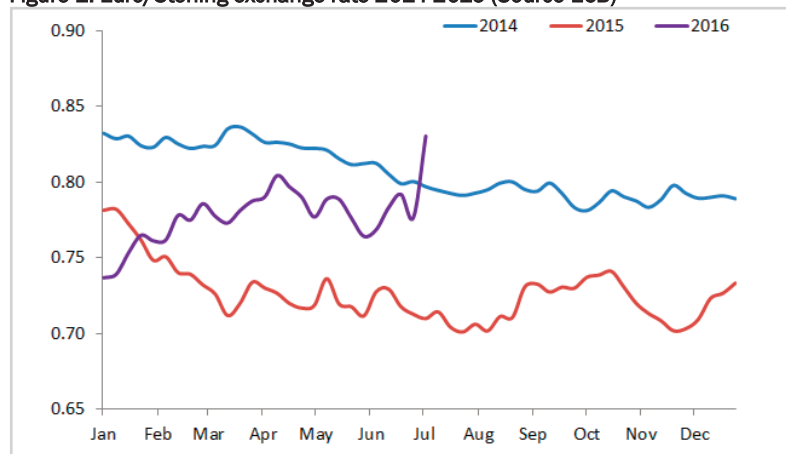
In ROI the R3 heifer price was 406.2c/kg in the week ending 03/07/2016, a decrease of 5.5c/kg from the 411.7c/kg paid in the week

Position last Mth	Position this Mth	Country	Price last Mth (w/e 05.06.16)	Price this Mth (w/e 03.07.16)	Change on Mth (cents)
1	1	Sweden	462.6	480.1	+17.6
5	2	Luxembourg	399.7	414.9	+15.2
4	3	Ireland	411.7	406.2	-5.5
6	4	Italy	389.0	405.6	+16.5
2	5	Great Britain	427.5	403.8	-23.7
3	6	Northern Ireland	416.0	395.1	-20.8
7	7	France	384.0	384.0	+0.0
8	8	Spain	372.9	370.1	-2.9
10	9	Denmark	359.4	363.0	+3.6
9	10	Germany	364.6	347.3	-17.3
11	11	Austria	342.1	339.6	-2.4
12	12	Slovenia	326.7	329.0	+2.4
13	13	Belgium	316.0	316.0	+0.0
14	14	Poland	297.8	290.7	-7.1
15	15	Czech Republic	271.6	262.8	-8.8
16	16	Lithuania	260.0	261.9	+1.9
EU Average			382.8	376.6	-6.2
Euro (€1=)			77.0	82.9	+5.9

ending 05/06/2016. This placed it 29.6c/kg above the EU average price and 11.1c/kg higher than the equivalent price in NI. Despite the decrease in the R3 heifer price in ROI

between the two weeks tabulated it moved up one position on the league table to third position in the week ending 03/07/2016.

Figure 1: Euro/Sterling exchange rate 2014-2016 (Source ECB)



## NI SHEEP INDUSTRY KEY PERFORMANCE INDICATORS (JUNE SNAPSHOT)

	Jun-15	Jun-16	% Change
<b>Sheep Prices (p/kg)</b>			
Average Deadweight Price NI (Lamb)	338.5	385.9	+14.0%
Average Liveweight Price NI (Lamb)	313.9	363.8	+15.9%
Average Weekly Price GB (D/W) (Lamb)	391.8	417.4	+6.5%
Average Weekly Price ROI (D/W)	346.5	395.2	+14.1%
<b>Slaughtering</b>			
Total Hoggets & Lambs Slaughtering (Head)	49,284	43,162	-12.4%
Total Ewes & Rams Slaughtering (Head)	3,357	1,759	-47.6%
Average Hogget & Lambs Carcase Weight (kg)	21.6	21.2	-1.8%
Average Ewe & Rams Carcase Weight (kg)	30.6	30.2	-1.3%
<b>Trade (Head)</b>			
Live Imports for Direct Slaughter	0	0	0
Live Exports for Direct Slaughter	16,484	27,367	+66.0%
Euro / Stg Exchange Rate (€ / £)	72.1	79.0	+9.7%
All NI Figures Unless Otherwise Stated			

THE average deadweight lamb price in NI during June 2016 was 385.9p/kg. This was 47.4p/kg higher than the 338.5p/kg paid in June 2015 which is the equivalent of £10 on a 21kg lamb carcase and accounts for a 14 per cent increase year on year.

Meanwhile in GB during June 2016 the average reported deadweight lamb price was 417.4p/kg compared to an average reported price of 391.8p/kg in June 2015. This accounts for a 6.5 per cent increase year on year.

In ROI during June 2016 the average deadweight lamb price was the equivalent of 395.2p/kg, 48.7p/kg higher than the corresponding month in 2015 when the average price was 346.5p/kg. This increase accounts for a 14.1 per cent increase in sterling terms year on year. In euro terms the increase in lamb prices in ROI was less pronounced. During June 2016 the average lamb deadweight price was 500c/kg, 18.6c higher than

during June when it was 481.4c/kg. This increase accounts for a 3.9 per cent increase year on year.

The increase in deadweight lamb prices in sterling terms has been driven by a strengthening in euro against sterling as indicated in Table 2. In June 2015 €1 was worth 72.1 pence sterling and in June 2016 this had increased to €1 being worth 79 pence sterling.

Lamb throughput in NI plants during June 2016 totalled 43,162 head, a 12.4 per cent decrease on the 49,284 lambs killed in NI plants during June 2015. The major processors have reported steady supplies of lambs available to meet demand.

The average carcase weight of lambs killed in NI plants year on year has remained relatively steady. During June 2016 the average lamb carcase weight in NI was 21.2p/kg compared to 21.6p/kg during June 2015.

Meanwhile ewe and ram throughput in NI during June 2016 totalled 1,759, a 47.6 per cent decrease from the 3,357 head killed in NI plants during June 2015. The average ewe and ram carcase weight has similarly remained steady at 30.2kg in June 2016 compared to 30.6kg in June 2015.

ROI continues to act as an important outlet for the NI sheep sector with 27,367 sheep exported from NI to ROI for direct slaughter during June 2016. In the corresponding period in 2015 a total of 16,484 sheep made the journey from NI to ROI for direct slaughter. This accounts for a notable 66 per cent increase year on year.

The strengthening in the value of euro against sterling has made NI lambs less expensive in euro terms and this has resulted in increased demand for NI origin lambs from ROI processors whilst also making competing on the EU market slightly less challenging for NI processors.

# WEEKLY BEEF & LAMB MARKETS



## CATTLE TRADE

### NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 11/07/16	Next Week 18/07/16
<b>Prime</b>		
U-3	322 - 328p	322 - 326p
R-3	316 - 322p	316 - 320p
O+3	310 - 316p	310 - 314p
P+3	260 - 276p	260 - 274p
	Including bonus where applicable	
<b>Cows</b>		
O+3 & better	238 - 250p	238 - 250p
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 COW PRICES NI - P/KG

w/e 09/07/16	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	154.0	161.4	167.3	179.5
P2	169.7	183.0	200.5	217.1
P3	167.0	203.1	220.1	228.6
O3	-	200.0	232.5	244.2
O4	-	210.0	229.0	248.2
R3	-	-	265.0	267.1

## Deadweight Cattle Trade

**B**ASE quotes towards the end of this week for in spec U-3 grade prime cattle ranged from 322-326p/kg with the majority of plants quoting in the region of 324-326p/kg. Quotes for good quality O+3 grade cows ranged from 238- 245p/kg across the plants. Similar quotes are expected for all types of cattle early next week.

A total of 5,477 prime cattle were slaughtered in NI plants last week which was a decrease of 215 head from the previous week. Meanwhile cow throughput in NI last week totalled 2,054 head and this was an increase of 165 head from the previous week. In the corresponding week in 2015 a total of 5,508 prime cattle and 1,763 cows were slaughtered in NI.

Prime cattle imports from ROI for direct slaughter in NI plants last week totalled 31 head, accounting for 0.6 per cent of the total NI prime cattle kill. In the corresponding week in 2015 436 prime cattle were imported from ROI for direct slaughter in NI plants and accounted for 8 per cent of the total NI prime cattle kill. Meanwhile exports from NI to ROI for direct slaughter last week consisted of 91 prime cattle and 256 cows compared to 4 prime cattle and 114 cows in the corresponding week in 2015. A total of 124 cows were imported from GB for direct slaughter in NI last week while 38 prime cattle and 4 cows were exported to GB for direct slaughter.

The deadweight trade for prime cattle has remained steady in recent weeks with the average steer price in NI last week up by half a penny to 318.9p/kg while the R3 steer price increased by 1.2p/kg to 330.5p/kg. The average heifer price in NI last week was almost unchanged at 320.8p/kg while the R3 heifer price was up marginally to 329.8p/kg. The average cow price in NI last week recorded a decrease of 6.4p/kg to 224.7p/kg while the O3 cow price was back by 2.3p/kg to 243.3p/kg.

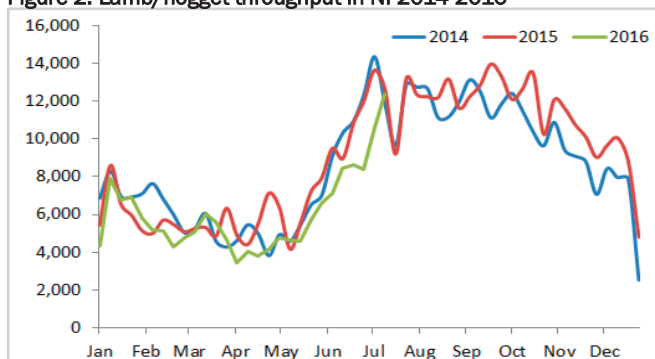
In GB last week the average steer price was up by 3.1p/kg to 329.8p/kg while the R3 steer price increased by 4p/kg to 339p/kg. This put the differential in R3 steer prices last week between NI and GB at 8.5p/kg which is the equivalent of £28 on a 330kg carcass. The average heifer price in GB last week was up by 3.7p/kg to 332.5p/kg while the R3 heifer price increased by 4.4p/kg to 340.9p/kg. The differential in R3 heifer prices last week between NI and GB was 11.1p/kg which is the equivalent of £37 on a 330kg carcass.

In ROI last week deadweight prices remained steady in sterling terms however declined notably in euro terms. The R3 steer price in ROI last week was up marginally to 328.1p/kg while the R3 heifer price in ROI was up by 0.6p/kg to 339.9p/kg. The O3 cow price in ROI last week recorded an increase of half a penny to 251.6p/kg which puts it 8.3p/kg above the average O3 cow price in NI. Reports from ROI have indicated steady supplies of prime cattle coming forward for slaughter to meet demand.

## Deadweight Sheep Trade

**T**HE deadweight sheep trade has remained firm this week with quotes for R3 grade lambs towards the end of this week ranging from 390-395p/kg up to 21kg. The processors have reported an increase in the number of lambs coming forward for slaughter as indicated in figure 2 with throughput last week totalling 12,357 head. A further 7,864 sheep were exported from NI to ROI for direct slaughter last week. The average deadweight lamb price in NI last week decreased by 4.6p/kg to 393.4p/kg while the deadweight lamb price in ROI last week decreased by 2.8p/kg to 395.1p/kg.

Figure 2: Lamb/hogget throughput in NI 2014-2016



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

W/E 09/07/2016	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	332.2	335.2	353.8	336.0	338.7	343.3
	R3	330.5	328.1	354.3	332.5	332.7	339.0
	R4	329.2	327.5	356.8	340.9	330.2	341.6
	O3	317.5	314.9	324.7	303.9	302.8	308.9
Heifers	AVG	318.9	-	349.8	327.5	319.5	329.8
	U3	335.5	355.6	360.4	344.7	344.6	349.7
	R3	329.8	339.9	355.8	331.0	335.2	340.9
	R4	328.1	338.7	355.8	334.9	333.1	339.9
Young Bulls	O3	318.7	324.5	339.3	313.0	307.9	319.1
	AVG	320.8	-	353.4	329.4	322.7	332.5
	U3	325.2	334.8	352.0	328.6	335.9	336.5
	R3	323.8	327.0	343.4	319.9	325.1	327.4
Cows	O3	306.1	307.1	304.2	279.9	293.6	289.4
	AVG	313.7	-	340.4	306.8	313.7	316.9
	Prime Cattle Price Reported	5212	-	6459	6459	6459	6459
	O3	243.3	251.6	256.3	240.0	243.0	242.8
Cows	O4	247.4	252.0	258.5	240.2	243.6	243.2
	P2	202.8	228.6	194.0	201.0	199.3	198.0
	P3	224.8	244.0	211.9	213.7	211.9	213.0
	AVG	224.7	-	238.9	218.3	206.8	213.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro 84.91 = p 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

W/E 02/07/16	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
<b>Finished Cattle (p/kg)</b>						
Steers	176	184	180	160	175	168
Friesians	127	136	130	124	127	126
Heifers	180	195	186	160	179	170
Beef Cows	140	183	148	108	139	123
Dairy Cows	102	120	106	60	101	80
<b>Store Cattle (p/kg)</b>						
Bullocks up to 400kg	200	217	210	165	199	185
Bullocks 400kg - 500kg	200	224	212	165	199	185
Bullocks over 500kg	170	180	175	152	167	160
Heifers up to 450kg	206	244	213	165	205	185
Heifers over 450kg	190	208	198	160	189	175
<b>Dropped Calves (£/head)</b>						
Continental Bulls	300	450	350	150	298	220
Continental Heifers	200	325	250	100	198	150
Friesian Bulls	120	200	160	40	118	80
Holstein Bulls	80	180	115	25	78	50

## SHEEP TRADE

### SHEEP QUOTES

(P/Kg DW)	This Week 11/07/16	Next Week 18/07/16
Lambs	390-395 > 21kg	390-395 > 21kg

### REPORTED SHEEP PRICES

(P/KG)	W/E 25/06/16	W/E 02/07/16	W/E 09/07/16
NI Lambs L/W	357.2	366.9	350.1
NI Lambs D/W	367.8	398.0	393.4
GB Lambs D/W	397.9	409.9	418.8
ROI D/W	365.4	397.9	395.1

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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](http://www.lmcni.com)

