LMC BULLETIN
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NI COW THROUGHPUT REMAINS STRONG

STRONG supplies of cows have been reported by the major NI processors in recent months with throughput during 2016 to date totalling 49,337 head. A further 6,532 cows have been exported to ROI for direct slaughter during 2016 to date. In the corresponding period in 2015 a total of 42,589 cows were slaughtered in NI plants with 6,370 cows exported to ROI for direct slaughter. A total of 495 cows have also been exported from NI to GB for direct slaughter during 2016 to date, compared to 266 cows during the same period in 2015.

As indicated in Figure 1 the number of cows slaughtered in NI follows a seasonal trend with numbers tending to decline in the summer months before picking up again in the autumn. However during summer 2016 to date cow throughput has been notably higher than previous years as indicated by the red line in the chart.

Cull cows provide a valuable source of raw material for NI processors and during 2016 to date cows have accounted for 21 per cent of total cattle throughput in the NI plants. This was a slight increase from the same period in 2015 when cull cows accounted for 19 per cent of total cattle throughput in NI.

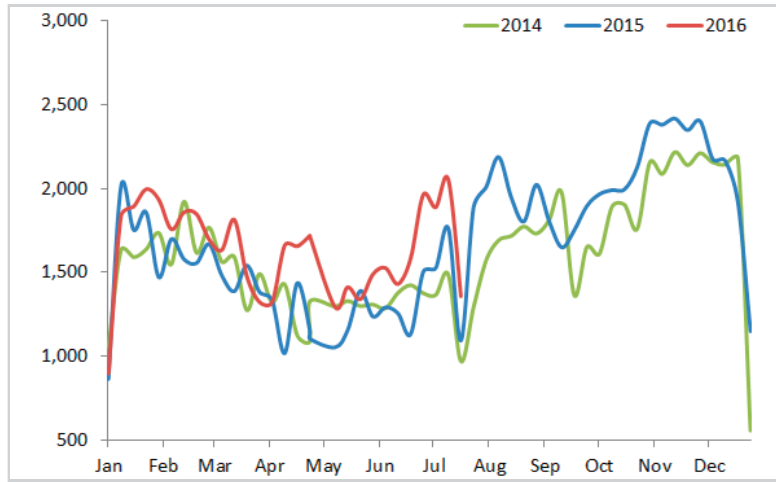
The increase in cow throughput in NI in recent times has largely been driven by an increase in culling from the dairy herd as a consequence of reduced profitability in dairy production. There are also more cows on the ground with dairy cow numbers recording a two per cent increase in the December 2015 Agricultural Survey to 313,600 head while suckler cow numbers were up by three per cent from year earlier levels at 261,000 head.

In the twelve weeks ending 17 July 2016 60 per cent of the price reported NI cow kill were of dairy origin compared to 57 per cent of the cow kill in the corresponding period in 2015. This has meant that the proportion of suckler origin cows in the slaughter mix has declined from 43 per cent in the 2015 period to 40 per cent in the 2016 period.

There have also been slight changes to the average carcase weights of both dairy and suckler origin cows year on year. The average dairy cow carcase weight during the twelve weeks ending 17 July 2016 was 279.2kg, a 1.2kg decline from year earlier levels when the average dairy cow carcase weight was 280.4kg. Meanwhile the suckler origin cow carcase weight increased slightly from 345.5kg in the 2015 period to 346kg in the 2016 period.

Deadweight prices for cows during the twelve week period ending 19 July 2016 were generally below prices paid in the corresponding period in 2015. During the twelve weeks ending 19 July 2016 the average O3 cow price in NI was 241.1p/kg, a decline of 10.5p/kg from the same period in 2015 when the average O3 cow price was 251.6p/kg. However the average O3 cow price in NI during the corresponding period in 2014 was similar to 2016 levels at 243.2p/kg.

Figure 1: Weekly cow throughput in NI 2014-2016



FQAS MART CLINICS AUGUST 2016

LOCATION	DAY	DATE
Omagh	Monday	01/08/2016
Saintfield	Wednesday	03/08/2016
Markethill	Tuesday	09/08/2016
Enniskillen	Thursday	18/08/2016
Kilrea	Wednesday	24/08/2016
Ballymena	Friday	26/08/2016

LMC's Farm Liaison Officer, Terry White, runs Farm Quality Assurance Scheme (FQAS) mart clinics at a range of Livestock Marts across Northern Ireland. Terry is present to assist members of FQAS with non-conformances, general scheme queries and any issues prior to or following an inspection.

Any farmers who wish to join the scheme can also do so through their local FQAS mart clinic. Terry will be available at the livestock marts listed in the table. For further information call (028) 9263 3024.

UK LAMB CONSUMPTION AND EXPENDITURE RECORD A DECLINE

THE latest report from Kantar Worldpanel has indicated a decline in the value of UK retail lamb sales to £130 million in the twelve weeks ending 19 June 2016. This is a 9.6 per cent decline from the same period in 2015 when expenditure on lamb totalled £142 million.

The decrease in total expenditure on lamb in the UK has coincided with a decrease in volume sales year on year. During the 12 weeks ending 19 June 2016 volume sales of lamb totalled 15,034 tonnes and this accounted for a decline of 16.4 per cent from the 2015 period when volume sales of lamb totalled 17,716 tonnes.

According to the latest available Kantar data the average retail price of lamb in the UK has increased to £8.63/kg in the twelve weeks ending 19 June 2016. In the corresponding period in 2015 the average retail price of lamb in the UK was £8.01p/kg. Household penetration has recorded a slight decline year on year with 33 per cent of households purchasing lamb during the 12 weeks ending 19 June 2016 compared to 36.1 per cent of households during the 2015 period.

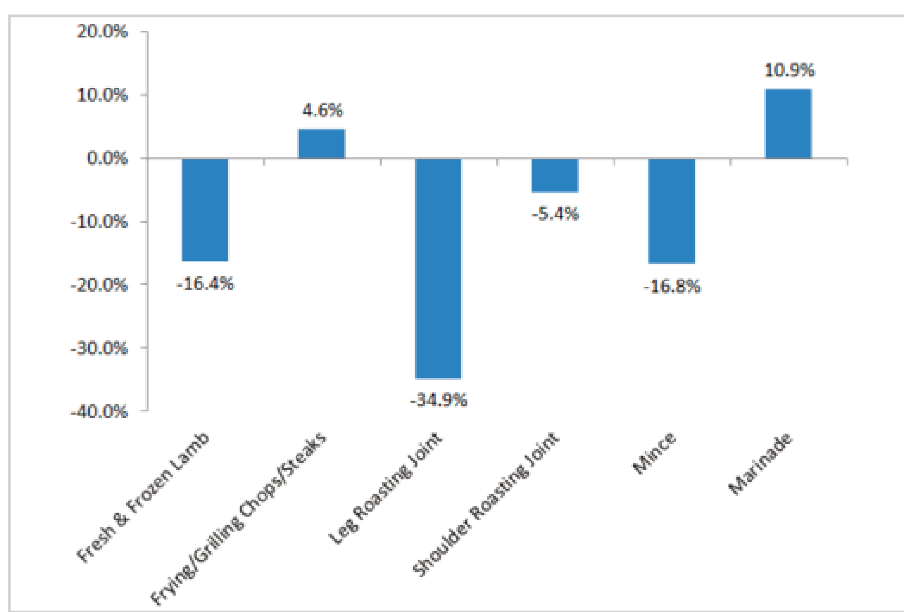
While the total volume of retail lamb sales in the UK has recorded a decrease year on year there has been variation in the performance of individual cuts in terms of volume sales as indicated in Figure 2. Volume sales of lamb leg roasting joints recorded the most notable decline, back by 34.9 per cent during the 12 weeks ending 19 June 2016 when compared to year earlier levels. Meanwhile volume sales of lamb shoulder roasting joints recorded a 5.4 per cent decline over the same period while volume sales of lamb mince were back by 16.8 per cent from year earlier levels.

Some lamb cuts did however record increases in volume sales year on year with sales of frying/grilling chops/steaks increasing by 4.6 per cent during the 12 week period ending 19 June 2016 when compared to year earlier levels. Marinade sales recorded a 10.9 per cent increase in volume sales during the twelve weeks ending 19 June 2016 when compared to the same period in 2015.

This growth in the volume sales of lamb marinades highlights the growing importance of product development and meeting consumer needs by providing products which suit busy lifestyles and minimise wastage.

The increase in volume sales of lamb marinade during the twelve week period ending 19 June 2016 coincided with an increase in volume sales of processed lamb in the form of chilled ready meals, supporting the notion of convenience being a key driver behind product sales. Volume sales of chilled ready meals recorded an increase of 36.2 per cent year on year according to the latest consumer data from Kantar.

Figure 2: Percentage change in volume sales of individual lamb cuts during 12 weeks ending 19 June 2016 and the corresponding period in 2015.



WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 25/07/16	Next Week 01/08/16
Prime		
U-3	322 - 328p	326- 330p
R-3	316 - 322p	320 - 324p
O+3	310 - 316p	314 - 318p
P+3	260 - 276p	264 - 278p
	Including bonus where applicable	
Cows		
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 23/07/16	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	155.0	159.6	168.3	185.8
P2	160.4	191.2	208.0	221.0
P3	206.0	213.1	225.2	231.4
O3	205.0	229.1	243.6	249.3
O4	-	228.2	246.3	252.1
R3	-	-	275.0	266.4

REPORTED NI CATTLE PRICES - P/KG

W/E 23/07/16	Steers	Heifers	Young Bulls
U3	334.9	335.9	329.2
R3	330.5	327.0	323.6
O+3	323.1	318.0	303.9

*Prices exclude AA, HER and Organic cattle

Deadweight Cattle Trade

THE deadweight cattle trade firmed towards the end of this week with quotes for in spec U-3 grade prime cattle ranging from 326-330p/kg. Quotes for good quality O+3 grade cows this week have remained steady, ranging from 338-245p/kg. Similar quotes are expected for all types of cattle early next week.

Prime cattle throughput in NI last week totalled 5,030 head, an increase of 899 head from the previous week when 4,131 prime cattle were slaughtered locally. In the corresponding week in 2015 a total of 5,290 prime cattle were killed in NI plants. Meanwhile cow throughput has remained strong with a total of 1,958 cows slaughtered in NI last week compared to 1,358 cows the previous week. In the corresponding week in 2015 a total of 1,887 cows were slaughtered in NI plants.

Imports of prime cattle from ROI for direct slaughter in NI last week increased to 83 head, accounting for two per cent of the total NI prime cattle kill. This was well below the corresponding week in 2015 when 373 prime cattle were imported for direct slaughter in NI plants which accounted for seven per cent of the total NI prime cattle kill. A small number of cows were imported from ROI last week for direct slaughter compared to 151 head in the corresponding week last year. Meanwhile 183 cows were exported from NI for direct slaughter in ROI last week, an increase from 74 cows the previous week. Exports of prime cattle to GB for direct slaughter totalled 47 head last week.

The average steer price in NI last week was back by 0.6p/kg to 322.3p/kg while the R3 steer price was up by 1.5p/kg to 332.9p/kg. This was the third consecutive week in which it recorded an increase and was the highest weekly R3 steer price in NI sine early August 2015. The average heifer price in NI last week was back by 2.2p/kg to 322.2p/kg while the R3 heifer price decreased by 1.4p/kg to 329.7p/kg. The average cow price in NI last week recorded a decrease of 2p/kg to 229.7p/kg while the O3 cow price was up by 1.4p/kg to 248p/kg.

In GB last week the average steer price increased by 3.7p/kg to 336.2p/kg while the R3 steer price increased by a similar margin to 345.5p/kg. This puts the differential in R3 steer prices last week between NI and GB at 12.6p/kg, the widest differential since early April this year. The average heifer price in GB last week was up by 2.7p/kg to 337.5p/kg while the R3 heifer price was up by 4.2p/kg to 345.4p/kg. The differential in R3 heifer prices between NI and GB last week was 15.7p/kg which is the equivalent of £52 on a 330kg carcase. This was the fourth consecutive week in which the NI/GB differential has widened.

The deadweight cattle trade in ROI last week recorded decreases in both euro and sterling terms. The R3 steer price in ROI last week was back by 3.2p/kg to 318.3p/kg while the R3 heifer price was back by 3.8p/kg to 328.7p/kg. The O3 cow price in ROI last week recorded a decrease of 1.9p/kg to 243.4p/kg which places it 4.6p/kg below the O3 cow price in NI and 4.8p/kg below the O3 cow price in GB.

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

W/E 23/07/2016		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	335.3	327.3	357.7	344.8	348.8	346.2	350.0
	R3	332.9	318.3	357.8	340.0	340.7	342.4	345.5
	R4	331.0	318.3	359.6	347.9	338.4	340.1	348.0
	O3	321.7	304.3	335.8	315.6	312.1	315.1	320.0
	AVG	322.3	-	354.2	334.7	326.2	326.5	336.2
Heifers	U3	336.6	340.2	362.5	350.1	358.6	354.3	356.8
	R3	329.7	328.7	353.6	341.3	343.2	341.5	345.4
	R4	328.3	328.3	355.2	343.4	341.4	337.8	345.4
	O3	317.4	314.3	331.7	319.3	313.9	316.0	320.7
	AVG	322.2	-	352.0	337.4	331.5	322.5	337.5
Young Bulls	U3	331.4	323.0	353.2	336.4	343.2	348.5	344.4
	R3	324.2	316.5	347.0	322.6	331.7	339.7	333.3
	O3	302.3	296.2	304.3	283.6	297.1	311.4	297.4
	AVG	311.9	-	341.5	316.4	317.7	331.8	324.2
Prime Cattle Price Reported		4493	-	6698	6797	6713	3939	24147
Cows	O3	248.0	243.4	256.4	240.1	251.7	244.4	248.2
	O4	251.4	244.8	258.8	242.4	246.4	238.1	245.4
	P2	208.7	223.6	212.2	194.2	199.8	201.3	201.0
	P3	229.5	236.5	228.1	213.0	214.1	218.7	216.5
	AVG	229.7	-	248.6	218.3	216.4	203.4	217.7

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=83.73 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

	1st QUALITY			2nd QUALITY		
W/E 23/07/16	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	180	205	188	160	179	170
Friesians	133	148	140	119	130	125
Heifers	170	192	185	150	169	164
Beef Cows	120	167	140	100	118	110
Dairy Cows	95	116	105	60	94	75
Store Cattle (p/kg)						
Bullocks up to 400kg	200	244	220	170	198	185
Bullocks 400kg - 500kg	190	212	200	160	189	175
Bullocks over 500kg	177	197	184	166	176	172
Heifers up to 450kg	200	228	215	170	199	185
Heifers over 450kg	185	204	195	160	184	172
Dropped Calves (£/head)						
Continental Bulls	250	350	315	130	248	190
Continental Heifers	170	320	245	100	168	135
Friesian Bulls	100	180	140	50	98	75
Holstein Bulls	80	130	100	45	75	55

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 25/07/16	Next Week 01/08/16
Lambs	395 > 21kg	370-380 >21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 09/07/16	W/E 16/07/16	W/E 23/07/16
NI Lambs L/W	350.1	363.7	358.3
NI Lambs D/W	393.4	392.7	392.9
GB Lambs D/W	418.8	434.8	422.0
ROI D/W	406.9	398.5	401.3

Deadweight Sheep Trade

QUOTES for R3 grade lambs towards the end of this week ranged from 370-380p/kg with plants paying up to 21kg. The processors have reported strong supplies of lambs coming forward for slaughter with throughput last week totalling 11,219 head. Exports of sheep to ROI for direct slaughter last week also recorded a strong increase with a total of 7,149 head exported compared to 3,931 the previous week. In the same week last year a total of 6,487 sheep were exported to ROI for slaughter. The average deadweight lamb price in NI last week was almost unchanged at 392.9p/kg while in ROI the average deadweight lamb price last week was up by 2.8p/kg to 401.3p/kg.

This week's marts

GOOD numbers of lambs passed through many of the sale rings this week with a slightly quieter trade reported however demand has remained firm for good quality lambs across the marts. In Newtownstewart last Saturday 457 lambs sold from 350-365p/kg compared to 490 lambs the previous week selling from 360-380p/kg. A similar trade in Kilrea this week saw 494 lambs selling from 350-367p/kg. In Enniskillen this week 689 lambs sold from 338-369p/kg compared to 486 lambs last week selling from 369-387p/kg. In Ballymena this week a large entry of 1,740 lambs sold to an average of 321p/kg compared to 1,274 lambs last week selling to an average of 355p/kg.

LATEST SHEEP MARTS

From: 22/07/16		Lambs (P/KG LW)			
To: 28/07/16		No	From	To	Avg
Friday	Newtownstewart	457	350	365	-
Saturday	Swatragh	1205	342	400	-
	Omagh	740	356	411	-
Monday	Kilrea	494	350	367	-
	Massereene	967	345	370	-
Tuesday	Saintfield	688	326	375	-
	Rathfriland	1136	315	405	343
Wednesday	Ballymena	1740	300	381	321
	Enniskillen	689	338	369	-
	Armoy	864	310	370	337

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