

NI DEADWEIGHT CATTLE PRICES IMPROVE

THE deadweight cattle trade in NI has gradually improved in recent weeks with reports of tighter than expected prime cattle supplies and a steady demand for beef the key drivers behind increases in reported prices. Quotes from the major NI processors for in spec U-3 grade prime cattle ranged from 334-336p/kg across the majority of the major NI plants this week but reports from industry have indicated that higher prices are available and that these base quotes are being used as a starting point for negotiation.

The reported R3 steer price in NI during the week ending 27 August 2016 was 340p/kg and this was the eighth consecutive week in which the average R3 steer price recorded an increase. Figure 1 displays the weekly price reported R3 steer price in NI from 2014 to 2016 to date and as outlined in the chart there has been significant variability over this period.

The R3 steer price in NI has been significantly lower than year earlier levels for the majority of 2016 to date with the differential between 2016 and 2015 at its widest during mid-January 2016. The differential at this point was 53.9p/kg which is the equivalent of £189 on a 350kg carcass. The R3 steer price in NI gradually declined between January and May 2016 however the rate of decline recorded was much less pronounced than previous years as indicated in Figure 1. With the R3 steer price slowly declining in the early months of 2016 compared to the steep declines recorded in the

corresponding period in 2015 the year on year differential gradually narrowed.

The deadweight cattle trade in NI began to improve during early summer 2016 with relatively tight cattle supplies during these months contributing to a rise in reported deadweight prices. The R3 steer price in NI gradually improved since May 2016 and during the week ending 11 August 2016 the average R3 steer price in NI rose above 2015 levels for the first time this year and has remained above 2015 levels since. The average R3 steer price of 340p/kg during week ending 27 August 2016 was 7.9p/kg higher than the 332.1p/kg paid for R3 steers in the corresponding week in 2015. This accounts for a £28 increase in the value of a 350kg R3 grade steer carcass in NI carcass year on year.

Prime cattle throughput in NI during the six week period ending 27 August 2016 totalled 31,474 head, a marginal decrease from the corresponding period in 2015 when prime cattle throughput totalled 31,553 head and four per cent lower than the 32,891 prime cattle killed in NI plants during the corresponding period in 2014.

Another key factor in the improvement of deadweight prices has been the euro/sterling exchange rate. While the largest majority of NI beef is destined for the UK retail market the NI beef industry is still influenced by the EU and wider global markets as these offer valuable outlets for prime beef, manufacturing beef and fifth quarter

products. A weaker sterling has made NI origin beef more competitive on global and EU markets in the short term.

The average euro-sterling exchange rate from the European Central Bank during the week ending 27 August 2016 was €1 = 85.7p. During the corresponding week in 2015 the average euro-sterling exchange rate was €1 = 73.1p. The average R3 heifer price in NI during the week ending 28 August 2016 was the equivalent of 393c/kg, 15.7c/kg higher than the EU average price of 377.3c/kg. In the corresponding week in 2015 the NI R3 heifer price was the equivalent of 451.8c/kg, 55c/kg higher than the EU average price of 396.8c/kg. It is the narrowing of this differential that has helped the competitiveness of NI beef on EU markets.

Deadweight prices for prime cattle have also shown an improvement in GB in recent weeks with the average R3 steer price last week increasing by 3.8p/kg to 360.5p/kg. This places it 20.5p/kg above the NI R3 steer price, a differential between the two regions of £72 on a 350kg steer carcass.

In ROI the deadweight trade for prime cattle has steadied over the last six weeks with reported prices remaining steady in euro terms and increasing when converted to sterling for the majority of reported cattle. The recent strengthening in the value of the euro against sterling contributed to the rise in prices in sterling terms. The R3 steer price in ROI last week was 324.8p/kg

Figure 1: NI R3 steer prices from January 2014 to 2016 to date

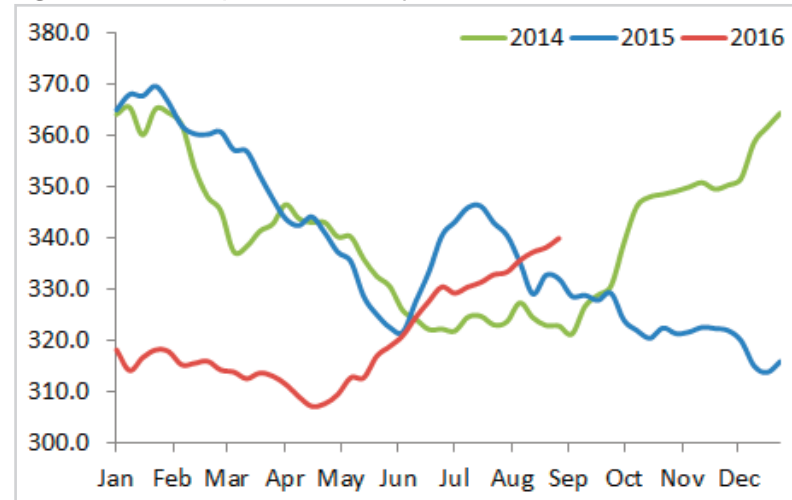
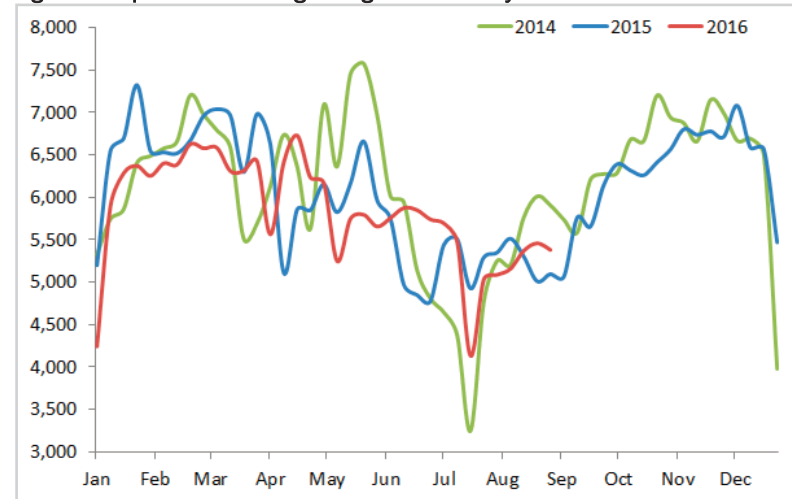


Figure 2: NI prime cattle slaughtering from January 2014 to 2016 to date



which is 15.2p/kg below the R3 steer price in NI. This puts the differential between the two regions at £53 on a 350kg R3 steer carcass. In the

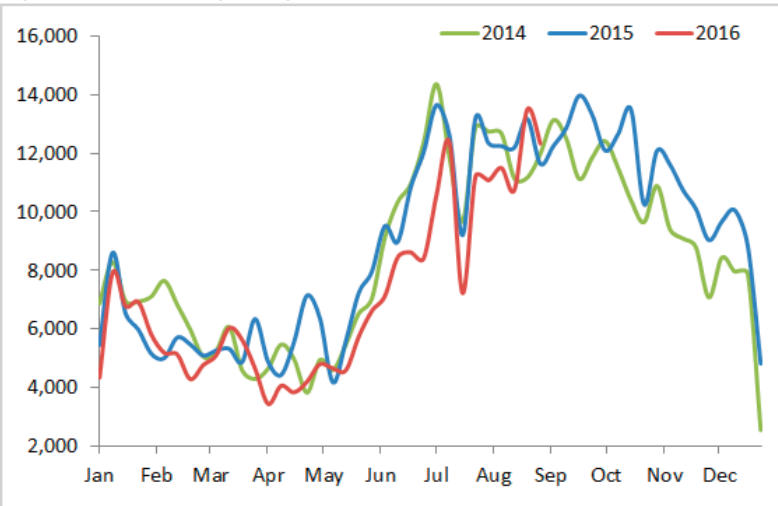
corresponding week in 2015 the differential was 41.4p/kg or £145 on a 350kg R3 steer carcass.

NI SHEEP MARKET UPDATE

LAMB throughput in the local plants has steadied in recent weeks although throughput has generally been lower than year earlier levels. During the week ending 27 August 2016 the number of 12,334 lambs

were slaughtered in NI plants, a nine per cent decrease from the 13,503 lambs killed during the previous week. Throughput of lambs however was six per cent higher than the corresponding week in 2015.

Figure 3: NI lamb slaughtering from January 2014 to 2016 to date



Lamb throughput in NI plants for 2016 to date has totalled 247,411 head and is running 11 per cent behind the corresponding period in 2015 when throughput totalled 279,528 head.

The volume of sheepmeat handled by the NI processors during 2016 to date has totalled 5,279 tonnes, a thirteen per cent decrease on the same period in 2015. This decrease can be attributed to the decrease in lamb throughput with average carcass weights remaining similar at 21kg year on year.

Deadweight prices in NI have performed strongly in recent weeks and this can be attributed to increased competition from ROI processors for the lambs coming forward for slaughter and a steady demand for lamb from key markets. In addition to the weakening in sterling against euro has made NI lambs much more competitive on EU

markets. Quotes from the major NI lamb processors last week were at 385-390p/kg with plants paying up to 21kg. Similar quotes are expected next week.

During 2016 to date R3 lamb prices have been above year earlier levels with an average price reported R3 lamb price in NI last week of 385.2p/kg. This was 81.6p/kg higher than the corresponding week in 2015 when the average R3 lamb price was 303.6p/kg and is the equivalent of £17 on a 21kg lamb carcass. While the reported lamb prices in recent weeks have been above the prices paid in the corresponding weeks in 2015, the prices paid remain behind those paid in the same period in 2014.

A total of 6,649 sheep were exported from NI to ROI last week for direct slaughter, a slight decrease from the previous week and lower than the

7,395 sheep exported during the corresponding week in 2015.

For the year to date a total of 230,896 sheep have been exported from NI for direct slaughter in ROI plants, a 26 per cent increase on the corresponding period in 2015 when 182,605 sheep were exported. With the euro currently trading strongly against sterling reports have indicated that southern buyers have been very active in some of NI's sheep marts in recent weeks.

Exports of lambs/hoggets from NI to ROI for direct slaughter accounted for 45 per cent of total output from the NI sheep flock during 2016 to date with the remaining 55 per cent killed locally. In the corresponding period in 2015 37 per cent of lambs were exported with the remaining 63 per cent killed locally.



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WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 29/08/16	Next Week 05/09/16
Prime		
U-3	334 - 336p	334 - 336p
R-3	328 - 330p	328 - 330p
O+3	322 - 324p	322 - 324p
P+3	268 - 280p	268 - 280p
	Including bonus where applicable	
Cows		
O+3 & better	240 - 250p	240 - 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 NI CATTLE PRICES - P/KG

W/E 27/08/16	Steers	Heifers	Young Bulls
U3	340.2	342.0	334.6
R3	337.5	337.2	332.0
O+3	328.7	330.6	322.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 27/08/16	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	158.0	166.3	171.5	193.7
P2	170.0	188.9	209.4	223.4
P3	192.4	214.2	228.8	235.3
O3	-	224.9	243.4	252.5
O4	240.0	255.0	249.3	255.0
R3	-	-	265.0	269.2

Deadweight Cattle Trade

THE deadweight cattle trade strengthened this week with quotes from the major NI processors for in spec U-3 grade prime cattle ranging from 334-336p/kg. Quotes for good quality O+3 grade cows remained steady at 240-250p/kg across the plants.

Prime cattle throughput in NI last week totalled 5,379 head, similar to the previous week when 5,457 prime cattle were slaughtered in NI plants. In the corresponding week in 2015 a total of 5,094 prime cattle were killed locally. Cow throughput has remained steady with a total of 1,746 cows slaughtered in NI last week, a decrease of 278 head from the corresponding week in 2015 when 2,024 cows were killed in NI plants.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 89 head and accounted for two per cent of the total NI prime cattle kill. This was notably less than the corresponding week in 2015 when 470 prime cattle were imported from ROI for direct slaughter and accounted for nine per cent of the total NI prime cattle kill. The number of cows imported from ROI for direct slaughter in NI plants last week totalled 32 head, lower than the 185 cows in the same week in 2015. Meanwhile exports from NI to ROI for direct slaughter last week consisted of 51 prime cattle and 254 cows compared to 5 prime cattle and 321 cows in the corresponding week in 2015. Exports from NI to GB for direct slaughter last week consisted of 82 prime cattle and 29 cows compared to 201 prime cattle and 29 cows during the same week last year.

The average steer price in NI last week was up by 2.9p/kg to 330.6p/kg while the R3 steer price increased by 1.8p/kg to 340p/kg. The average heifer price in NI last week was back by half a penny to 330.6p/kg while the R3 heifer price increased by 0.8p/kg to 339.1p/kg. The average cow price in NI recorded an increase of 3.2p/kg to 229.3p/kg while the O3 cow price was up by a penny to 250.8p/kg.

The average steer price in GB last week increased by 4.7p/kg to 351p/kg while the R3 steer price was up by 3.8p/kg to 360.5p/kg. This puts the differential in R3 steer prices last week between NI and the GB average at 20.5p/kg which is the equivalent of £72 on a 350kg carcass. The average heifer price in GB last week increased by 2.5p/kg to 352p/kg while the R3 heifer price was up by 2.9p/kg to 360.6p/kg. The differential in R3 heifer prices last week between NI and the GB average was at 21.5p/kg which is the equivalent of £75 on a 350kg carcass.

Reports from ROI last week have indicated steady deadweight prices for prime cattle in euro terms however a slight weakening in euro against sterling has meant deadweight prices in ROI decreased in sterling terms. The R3 steer price in ROI last week was the equivalent of 324.8p/kg, back by 3.6p/kg from the previous week while the R3 heifer price was the equivalent of 335.3p/kg, back by 2.7p/kg. The O3 cow price in ROI last week recorded a decrease of 1.1p/kg to 253.7p/kg which was 2.9p/kg more than the equivalent price in NI.

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

W/E 27/08/2016	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	341.0	333.0	378.0	358.8	360.6	365.1
	R3	340.0	324.8	375.2	354.7	353.5	360.5
	R4	338.9	324.9	376.9	362.0	353.3	363.2
	O3	331.7	310.2	355.8	332.6	322.1	334.9
	AVG	330.6	-	371.1	349.7	340.4	338.9
Heifers	U3	342.6	345.4	382.4	364.3	369.7	371.4
	R3	339.1	335.3	373.7	353.8	355.7	360.6
	R4	336.5	334.1	372.5	355.1	353.5	359.1
	O3	331.2	320.9	359.7	335.1	323.5	338.3
	AVG	330.6	-	370.7	346.4	345.6	352.0
Young Bulls	U3	334.9	327.9	366.4	345.7	350.8	352.7
	R3	331.0	321.5	358.5	332.0	344.3	344.9
	O3	312.1	306.5	311.8	292.3	306.8	304.8
	AVG	318.6	-	351.6	322.3	329.1	332.0
Prime Cattle Price Reported		4883	-	6403	6902	6719	24304
Cows	O3	250.8	253.7	261.5	241.2	250.5	250.2
	O4	254.7	255.1	262.1	244.2	246.5	246.9
	P2	210.5	232.7	201.5	203.3	202.7	204.5
	P3	232.0	248.3	225.7	222.2	210.6	218.7
	AVG	229.3	-	246.8	211.5	207.8	214.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=85.68p 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

W/E 27/08/16	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	195	208	200	174	194	184
Friesians	141	166	152	129	140	136
Heifers	190	209	196	160	189	175
Beef Cows	137	195	155	108	136	122
Dairy Cows	100	120	109	65	99	82
Store Cattle (p/kg)						
Bullocks up to 400kg	213	244	225	168	212	190
Bullocks 400kg - 500kg	200	228	214	160	199	180
Bullocks over 500kg	185	204	195	155	184	170
Heifers up to 450kg	200	228	214	160	199	180
Heifers over 450kg	190	221	205	160	189	175
Dropped Calves (£/head)						
Continental Bulls	260	395	310	130	258	195
Continental Heifers	225	395	285	100	222	160
Friesian Bulls	60	90	75	40	58	50
Holstein Bulls	45	60	52	30	42	35

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 29/08/16	Next Week 05/09/16
Lambs	385-390 > 21kg	385-390 > 21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 13/08/16	W/E 20/08/16	W/E 27/08/16
NI Lambs L/W	353.3	342.1	343.8
NI Lambs D/W	390.8	387.0	385.2
GB Lambs D/W	417.4	426.4	417.4
ROI D/W	395.5	395.6	390.1

Deadweight Sheep Trade

THE deadweight sheep trade has remained firm this week with quotes for R3 grade lambs ranging from 385-390p/kg, with plants paying up to 21kg. The processors have reported a decrease in the number of lambs coming forward for slaughter compared to the previous week with throughput last week totalling 12,334 head. In the corresponding week in 2015 lamb throughput totalled 11,633 head. A further 6,649 sheep were exported from NI to ROI for direct slaughter last week. The average deadweight lamb price in NI last week decreased by 1.8p/kg to 385.2p/kg while the deadweight lamb price in ROI decreased by 5.5p/kg to the equivalent of 390.1p/kg.

This week's marts

REPORTS from the marts this week have indicated a steady trade with good numbers of lambs passing through the sale rings. In Swatragh on Saturday 1,485 lambs sold from 346-411p/kg compared to 1,195 lambs the previous week selling from 346-400p/kg. In Massereene on Monday 976 lambs sold from 345-376p/kg compared to 946 lambs the previous week selling from 345-377p/kg. In Ballymena this week a large entry of 2,453 lambs sold from 340-390p/kg to an average of 353p/kg compared to 1,799 lambs the previous week selling from 320-409p/kg to an average of 347p/kg. Prices for cull ewes generally ranged from £80-110 with a top reported price of £121 in Massereene on Monday.

LATEST SHEEP MARTS

From: 26/08/16		Lambs (P/KG LW)			
To: 01/09/16		No	From	To	Avg
Friday	Newtownstewart	365	333	348	-
Saturday	Swatragh	1485	346	411	370
	Omagh	702	331	363	-
Monday	Massereene	976	345	376	-
	Kilrea	497	348	383	-
Tuesday	Saintfield	747	338	370	-
	Omagh	415	344	375	359
Wednesday	Rathfriland	1050	320	397	343
	Ballymena	2453	340	390	353
	Enniskillen	624	340	374	-
	Markethill	1580	340	377	355
	Armoys	472	320	365	337

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FQAS HAS PROVEN ITS WORTH ON CO TYRONE BEEF FARM

THE Northern Ireland Beef and Lamb Farm Quality Assurance Scheme (NIBL FQAS) is acting to maintain the highest possible standards on cattle and sheep farms across Northern Ireland, according to Co Tyrone beef finisher Victor Patterson.

"I have been involved with the scheme for many

years," he added. "It acts to ensure that my business is managed to an agreed standard. This has a beneficial impact on the performance achieved by the stock brought on to the farm. A bonus for me is the fact that the FQAS inspectors are also willing advisors when it comes to sorting out any issues that arise pertaining to the scheme."

Image 1: LMC's Farm Liason Officer Terry White surveying beef cattle at a recent visit to Victor Patterson's farm in Ballygawley Co Tyrone.



Victor finishes a mix of high quality bought-in heifers and steers on two farms; one at Ballygawley, the other at Castlecaulfield. "But above all else, FQAS is acting to ensure that farmers maximise the return they receive on each animal sent for slaughter. At the present time, that works out at £150 per head. This is making a real difference when it comes to assessing the viability of beef production here in Northern Ireland."



NIBL FQAS is one of the longest established farm quality assurance schemes in the world. It is owned by the Livestock & Meat Commission for Northern Ireland on behalf of the beef and sheepmeat industry. The scheme was developed to give consumers assurances about the farm end of the production chain of their food. It is about farm quality – the quality of the production methods used, the quality of care for animals which is practiced, the quality of the farm environment, and above all the quality of concern

for the customer in producing beef and lamb which is wholesome, safe and free from unnatural substances.

LMC appoint a Certification Body to independently verify that producers are adhering to the required standards of the scheme. The Certification Body is accredited to the European Procedures Standard ISO 17065 by the United Kingdom Accreditation Services (UKAS). Currently NIFCC (Northern Ireland Food Chain Certification) operate the certification system.

FQAS Liaison Officer Terry White was a recent visitor to the Patterson farm. He confirmed that well over 90% of the beef processed in Northern Ireland is FQAS accredited. "My job is to answer specific queries which farmers might have regarding the scheme. I regularly hold advisory clinics at marts across Northern Ireland and man the FQAS helpline. The agreed schedule for the mart clinics is available on the LMC website."

But Terry pointed out that FQAS is also relevant to dairy farmers and suckler producers, who sell cull cows to the factories. "These animals are worth so much more, if they are FQAS certified," he stressed. "FQAS is acting to improve standards on livestock farms across Northern Ireland. On that basis I would encourage every farmer with cattle and sheep to join the scheme."

CONOR SYMINGTON COOKS UP THE PERFECT STEAK

GETTING the pan super-hot and using a piece of meat that is between two and three inches thick are the key steps required when cooking the perfect steak, according to North Belfast man Conor Symington. And he should know, as he was recently acclaimed the overall winner in the 'Perfect Steak competition', hosted by U105 in association with LMC Northern Ireland.

The initiative was developed to mark August as 'Love NI Meat Month' and added significantly to Northern Ireland's tremendously successful Year of Food and Drink Celebrations. Many entered the competition. But Conor was one of the lucky five who won through to the final cook off, held on Saturday August 13th in Belfast's St George's market.

"I have never entered a competition of this kind before," Conor confirmed. "But I do love cooking. Northern Ireland produces excellent beef. And it is always a pleasure to fry it up." Conor is a man with a very straightforward approach to frying a steak. But as he quickly points out, it is the quality of the original meat that totally dictates the taste of the final offering on the plate.

"I will only buy steak with a known provenance,"

he stressed. "That means it must be farm quality assured. It must be locally produced and I would have a strong preference for guaranteed Angus beef. I will only buy steaks that are nicely marbled. This guarantees that they will be full of flavour when cooked."

When it comes to cooking the perfect steak Conor puts a small drop of oil into the pan and puts in on a very high heat. He then seasons the steak with rock salt and pepper. "When I feel the temperature of the pan is hot enough, the steak will be put on to fry. What I am looking for is a steak that is well done on the outside but pink and juicy in the middle. It should take no longer than three minutes' frying on each side to finish the job."

Conor works as an inspector for the Northern Ireland Environment Agency. As a consequence, he is on farms the length and breadth of Northern Ireland throughout the year. "I am fully aware of the high quality beef cattle produced on local farms," he stressed. "In my opinion, the breed of the cattle from which the beef is produced can play an important part in determining its overall quality. I am a big fan of Angus cattle. But I plan to try Dexter beef in the very near future. I have been told that it is a tremendous eating experience."

NI FARM QUALITY ASSURED BEEF IS UNBEATABLE SAYS PAUL RANKIN

NORTHERN Ireland Farm Quality Assured Beef is a world beater, according to renowned chef Paul Rankin. He made the assertion while coordinating the final cook-off in the 'Perfect Steak' competition. The well-known media personality also entertained the many Saturday morning visitors attending the St George's Market venue with a demonstration of how he cooks the range of steak cuts available in butchery outlets and farm shops.

"Grass fed beef has a unique taste and succulence," Rankin explained. "And adding to all of this is the tremendous quality of the cattle produced on local farms." When it comes to frying a steak, Rankin believes that a heavy, cast iron pan is the best option. "Non-stick options don't do it for me," he said. "I have never been able to get the cooking surface hot enough when using that type of pan."

Rankin believes that most breeds of cattle will produce a quality steak. "But the meat must be allowed to mature for at least five to six weeks. And even longer, if this is at all possible. Hanging meat for the required period of time is the key factor in delivering the taste that we all want to get from a steak. "It only requires two to three minutes on each side to cook the perfect steak. But the pan has to be piping hot, the meat seasoned accordingly and only a very small amount of oil placed initially in the pan."

Rankin is also quick to endorse the role which red meat can play in a balanced diet. "In the first instance it is a very natural food," he explained. "Beef is also full of important minerals and vitamins. Eating the proper diet is crucially important. I realise that, as a society, we are richer today than would have been the case generations ago. We also lead a much more sedentary lifestyle. And, yes, it's all about getting the balance right. But within this context red meat, and beef in particular, has a lot to offer from a dietary perspective."

Securing new markets for beef produced in Northern Ireland is a priority for the red meat sector, according to LMC Chairman Gerard McGivern. He made the comment while attending the final of the 'Perfect Steak' competition. "But we can, and never will, forget about the needs of local consumers," he added. "This is why 'Love NI Meat Month' is so important as part of this year's celebration of food and drink in Northern Ireland.

"This initiative is delivering a win: win scenario for agriculture and food in Northern Ireland. Not only are local consumers getting an opportunity to learn more about the tremendous quality of the food produced on their doorsteps, but in addition, all of this activity is taking place at a time when many thousands of tourists are visiting Northern Ireland from countries around the world."



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