

MEETING WEIGHT SPECIFICATIONS FOR BEEF

PRODUCING cattle within current market specifications has been highlighted as one area NI beef producers should focus on to help maximise returns to their farm businesses. It is however equally important that the major NI processors give the correct market signals and reward producers who produce prime cattle that meet these specifications.

A key element of current market specifications is carcass weight and at present there is a preference for carcasses between 280-380kg to meet the specifications of the major processors. While there are markets for beef from cattle with carcass weights outside this weight range carcasses in the 280-380kg weight range meet the largest range of customer specifications. During the twelve week period ending 22 October 2016 the average carcass weight of price reported suckler origin steers in NI was 368.5kg with 63.3 per cent of suckler origin steer carcasses falling within the desired 280-380kg weight range during this period.

There is however a notable variation across the major breeds in terms of the proportion of cattle that meet these requirements for carcass weight. Table 1 provides a breakdown of the average carcass weights of steers sourced from the suckler herd during the twelve week period ending 22 October 2016. These

are categorised by the most popular breeds. Table 1 also outlines the proportion of these carcasses that meet the 280-380kg weight specification.

Limousin steers accounted for the largest proportion (32.6 per cent) of price reported steers from the suckler herd with an average carcass weight of 374.3kg. During the period under analysis 52.9 per cent of suckler origin Limousin steers had carcasses of 280-380kg. A further 34.4 per cent of Limousin steers had carcasses in the 380-420kg weight range while 11.2 per cent had carcasses in excess of 420kg.

The average carcass weight of Charolais steers with a suckler dam was 384.8kg during the 12 weeks ending 22 October 2016 and these accounted for 31 per cent of price reported steers. During the period under analysis 40.9 per cent of Charolais steer carcasses were in the 280-380kg weight category with a further 40.3 per cent of carcasses ranging from 380-420kg. Carcasses weighing over 420kg accounted for 17.6 per cent of price reported Charolais steers.

Aberdeen Angus steers accounted for ten per cent of suckler origin steers in NI during the 12 weeks ending 22 October 2016 with 78.8 per cent of these having carcasses within the desired 280-380kg carcass weight range. A further 12 per cent of suckler

origin Aberdeen Angus steers had carcasses in the 380-420kg weight category. The proportion of Hereford steers sourced from the suckler herd within each weight category were similar to the Aberdeen Angus steers but the numbers presented for slaughter were relatively small.

Heifers

During the 12 week period ending 22 October 2016 66 per cent of suckler origin heifer carcasses were within the 280-380kg range with an average carcass weight of 302.1kg. However in contrast to the steers there was much less variation in the proportion of in spec carcasses when the individual breeds are compared as indicated in Figure 1.

Limousin heifers accounted for 30.5 per cent of price reported suckler origin heifers during the period under analysis with 81.8 per cent of these carcasses in the 280-380kg weight range. A further 7.3 per cent of carcasses were in the 380-420kg weight range. The average carcass weight of Limousin heifers sourced from the suckler herd was 325.4kg.

Meanwhile Charolais heifers accounted for 37.7 per cent of price reported heifers sourced from the suckler herd during the same period and had an average carcass weight of 337.2kg. As indicated in Figure 1 80.2 per cent of

Charolais heifer carcasses were in the desired 280-380kg weight range, with a further 11.6 per cent of carcasses in the 380-420kg weight range.

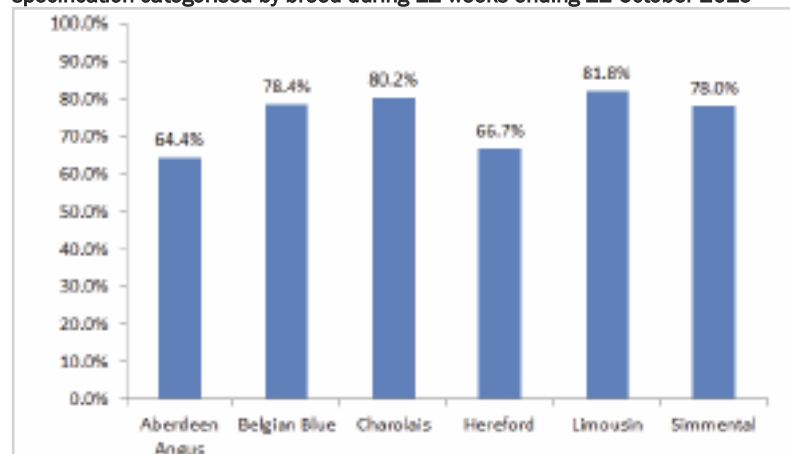
Aberdeen Angus heifers accounted for 11.4 per cent of the suckler origin heifer kill and had an average carcass weight

of 296.9kg during the 12 weeks ending 22 October 2016. Carcasses within the 280-380kg carcass weight range accounted for 64.4 per cent of slaughterings with 21.2 per cent of Aberdeen Angus heifers sourced from the suckler herd having carcass weights in the 260-280kg weight range.

Table 1: NI steer (suckler herd) average carcass weights by breed and by weight band during 12 weeks ending 22 October 2016

Breed	Aberdeen Angus	Belgian Blue	Charolais	Hereford	Limousin	Simmental
Av Cold weight	337.0	372.1	384.8	346.6	374.3	363.6
280-380kg	78.8%	51.4%	40.9%	76.6%	52.9%	62.9%
380-420kg	12.0%	31.9%	40.3%	16.3%	34.4%	27.8%
>420kg	2.3%	13.4%	17.6%	2.9%	11.2%	6.9%

Figure 1: Proportion of NI heifer carcasses meeting 280-380kg weight specification categorised by breed during 12 weeks ending 22 October 2016



NI SHEEP MARKET UPDATE

THE NI lamb kill during recent weeks has generally declined with lamb throughput during the six weeks ending 29 October 2016 totalling 61,315 head. This is a 17 per cent reduction on the corresponding period in 2015 when 73,888 lambs were killed in NI plants. Lamb throughput in NI plants during 2016 to date has totalled 345,925 head and is running 12 per cent behind the corresponding period in 2015 when throughput totalled 392,486 head.

Figure 2: Proportion of NI origin lambs exported for direct slaughter in ROI (2015-2016)



With the strengthening of euro against sterling in recent months there has been an increase in the proportion of NI origin lambs exported to ROI for direct slaughter. Exports during the six weeks ending 29 October 2016 totalled 48,798 head, accounting for 44 per cent of total lamb output from NI producers. In the corresponding period in 2015 a total of 48,969 lambs were exported from NI for direct slaughter in ROI plants which accounted for 40 per cent of total NI lamb output. While the

number of lambs exported has remained steady year on year, exports for direct slaughter accounted for a larger proportion of total NI lamb output in the 2016 period.

Total lamb output from NI sheep producers since June 2016 to date has been notably lower than the previous year at 374,772 head despite an increased number of lambs recorded on NI farms in the DAERA June 2016 census. The unsettled weather conditions this summer will have impacted lamb performance at grass and increased finishing periods. This has resulted in reduced availability of lambs for slaughter and more lambs still being on farm.

Carcass weights

The average lamb carcass weight during the six weeks ending 29 October 2016 was 21.1kg compared to 21.5kg in the same period in 2015. This 0.4kg decrease in the average carcass weight is likely to be a result of the unfavourable production conditions on NI farms this summer although conditions have improved in recent weeks.

The volume of lamb handled by the NI processors during the six weeks ending 29 October 2016 has totalled 1,293 tonnes, a 19 per cent decrease on the same period in 2015. The decline in lamb throughput combined with the decrease in average carcass weights will have contributed to this decrease in total lamb production.

Price

Deadweight prices in NI have performed strongly in recent weeks and this can be attributed to the increase in the proportion of lambs being exported to ROI resulting in increased competition in the NI sheep market. The average price reported R3 lamb price in NI during the six weeks ending 29 October 2016 was 373.7p/kg, compared to 307.5p/kg in the corresponding period in 2015. This notable increase by 66.2p/kg is the equivalent of £14 per head year on year on a 21kg carcass.

The strength of euro against sterling has also made NI origin lamb more cost competitive against ROI product in valuable EU export markets. In recent weeks NI product has been cheaper in euro terms than ROI product which has

made it easier for NI processors to service EU markets.

Ewes and rams

Ewe and ram throughput in NI during the six weeks ending 29 October 2016 totalled 4,767 head, a seven per cent increase on the same period in 2015. The rise in ewe and ram throughput was combined with steady average carcass weights, from 27.6kg in the 2015 period to 27.5kg in the 2016 period. This has resulted in a six per cent increase in the volume of meat processed from ewes and rams year on year.

ROI

While the number of lambs presented for slaughter in NI plants have recorded a reduction in recent weeks, a similar trend has been recorded in ROI. A total of 351,908 lambs were slaughtered in ROI plants during the six weeks ending 22 October 2016 (latest available data). This was a six per cent decrease on the corresponding period in 2015. During this period, NI lambs have accounted for 13 per cent of total lamb throughput in ROI plants, unchanged from the corresponding period in 2015.

WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 31/10/16	Next Week 07/11/16
Prime		
U-3	334 - 340p	338 - 340p
R-3	328 - 334p	332 - 334p
O+3	322 - 328p	326 - 328p
P+3	268 - 288p	272 - 288p
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.

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 towards the end of this week reaching 338-340p/kg. Quotes for good quality O+3 grade cows remained steady at 240-250p/kg across the plants.

A total of 6,761 prime cattle were slaughtered in NI plants last week, a slight decrease from the 6,818 head killed the previous week. This is three per cent higher than the 6,563 prime cattle slaughtered in the corresponding week in 2015. Cow throughput in NI has increased for the fourth consecutive week with a total of 2,651 cows killed in NI last week from 2,637 head killed the previous week. This is 11 per cent higher than the 2,390 cows killed in NI plants in the same week last year.

Prime cattle imports from ROI for direct slaughter in NI plants last week totalled 52 head, accounting for less than one per cent of the total NI prime cattle kill. Imports from ROI in the corresponding week in 2015 were markedly higher with a total of 644 prime cattle imported for slaughter in NI plants which accounted for ten 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 95 head compared to 132 head in the same week in 2015. Meanwhile 151 cows were exported from NI for direct slaughter in ROI plants last week, a decrease from 300 cows in the corresponding week in 2015. A further 126 prime cattle and 25 cows were exported from NI to GB for direct slaughter last week compared to 307 prime cattle and 60 cows during the corresponding week last year.

The deadweight trade for prime cattle generally improved in NI last week with the average steer price up by 1.4p/kg to 332.6p/kg while the R3 steer price increased marginally to 341.1p/kg. The average heifer price in NI last week was up by almost a penny to 335.8p/kg while the R3 heifer price increased by 2.7p/kg to 343.5p/kg. The average cow price in NI last week also recorded an increase of 2.7p/kg to 226p/kg while the O3 cow price was up by 3.1p/kg to 252.6p/kg.

The average steer price in GB last week was back by 0.7p/kg to 350.8p/kg while the R3 steer price decreased by almost three pence to 359.1p/kg. The differential in R3 steer prices between NI and the GB average last week was 18p/kg which is the equivalent of £63 on a 350kg carcass. The average heifer price in GB last week was up by 1.5p/kg to 353.2p/kg while the R3 heifer price was back by 2.6p/kg to 358.7p/kg. The differential in R3 heifer prices last week between NI and the GB average was 15.2p/kg which is the equivalent of £53 on a 350kg carcass.

The deadweight cattle trade in ROI last week recorded a decrease in both euro and sterling terms. The R3 steer price in ROI last week was the equivalent of 319.5p/kg, a decrease of 5.4p/kg from the previous week while the R3 heifer price decreased by 4.1p/kg to 331.4p/kg. The O3 cow price in ROI last week recorded a decrease of 2.4p/kg to 255.2p/kg which puts it 2.6p/kg above the equivalent price in NI.

Deadweight Sheep Trade

QUOTES for R3 grade lambs this week remained steady ranging from 370-375p/kg with plants continuing to pay up to 21kg and similar quotes expected for early next week. The major NI processors have reported an increase in the number of lambs coming forward for slaughter with throughput last week totalling 9,849 head compared to 9,580 head the previous week however this is notably less than the same week last year when 12,083 lambs were killed in NI plants. Exports of sheep to ROI for direct slaughter last week totalled 8,867 head, compared to 10,018 head the previous week. The average deadweight lamb price in NI last week was back by 2.8p/kg to 369p/kg while the average deadweight lamb price in ROI last week was back by the equivalent of 3.9p/kg to 383p/kg.

This week's marts

REPORTS from the marts this week generally indicated a reduction in the number of lambs passing through the sale rings with a tighter trade when compared to the previous week. In Swatragh last Saturday 1,185 lambs sold from 319-365p/kg compared to 1,585 lambs the previous week selling from 328-409p/kg. In Kilrea on Monday 410 lambs sold from 318-354p/kg compared to 540 lambs the previous week selling from 324-363p/kg. In Saintfield on Tuesday 663 lambs sold from 316-379p/kg compared to 707 lambs the previous week selling from 324-374p/kg. In Ballymena on Wednesday 1,870 lambs sold to an average of 326p/kg compared to 2,513 lambs the previous week selling to an average of 321p/kg. The ewe trade remained steady with a top reported price of £110 in Omagh on Saturday.

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

W/E 29/10/2016	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	344.6	328.4	378.6	360.6	357.7	362.9
	R3	341.1	319.5	373.3	357.0	352.4	359.1
	R4	339.1	318.4	375.1	377.5	353.3	369.0
	O3	335.0	302.6	353.7	333.0	323.4	334.4
AVG	332.6	-	370.9	354.4	338.2	334.6	350.8
Heifers	U3	346.8	344.6	383.7	365.7	365.4	370.1
	R3	343.5	331.4	372.4	352.4	355.1	358.7
	R4	342.0	332.0	374.5	365.4	356.4	363.9
	O3	337.8	318.9	351.2	333.0	327.5	336.3
AVG	335.8	-	372.4	353.5	342.4	338.3	353.2
Young Bulls	U3	333.0	326.3	370.3	348.0	345.0	350.7
	R3	332.7	319.8	363.7	332.7	332.5	339.2
	O3	312.9	305.0	319.4	296.9	302.1	307.5
	AVG	315.3	-	340.1	322.2	318.4	320.1
Prime Cattle Price Reported	6113	-	6801	6950	6170	4812	24733
Cows	O3	252.6	255.2	234.7	232.3	230.4	230.6
	O4	253.7	256.7	239.7	235.4	232.7	232.4
	P2	212.7	227.8	194.7	190.6	186.7	188.1
	P3	231.8	246.2	205.3	213.4	202.7	205.3
	AVG	226.0	-	219.4	204.8	197.8	199.5

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.31p 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 29/10/16	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	198	211	205	160	190	175
Friesians	142	146	144	126	130	128
Heifers	189	209	197	156	188	176
Beef Cows	128	154	133	100	127	112
Dairy Cows	100	130	112	60	99	75
Store Cattle (p/kg)						
Bullocks up to 400kg	210	240	225	165	209	188
Bullocks 400kg - 500kg	200	220	208	160	199	180
Bullocks over 500kg	190	208	198	150	189	172
Heifers up to 450kg	210	240	220	160	209	185
Heifers over 450kg	200	249	215	150	199	175
Dropped Calves (£/head)						
Continental Bulls	270	390	320	190	265	220
Continental Heifers	200	325	260	125	198	160
Friesian Bulls	100	190	125	40	98	65
Holstein Bulls	75	150	100	5	72	45

LATEST SHEEP MARTS

From: 28/10/16		Lambs (P/KG LW)			
To: 03/11/16		No	From	To	Avg
Friday	Newtownstewart	402	308	322	-
Saturday	Omagh	1007	336	408	-
	Swatragh	1185	319	365	330
Monday	Kilrea	410	318	354	-
	Massereene	1256	320	373	-
Tuesday	Saintfield	663	316	379	-
	Rathfriland	814	319	382	342
Wednesday	Ballymena	1870	310	343	326
	Enniskillen	329	348	369	-
	Markethill	1180	320	364	-
	Armoy	328	323	355	-

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 31/10/16	Next Week 07/11/16
Lambs	370-375 > 21kg	370-375 > 21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 15/10/16	W/E 22/10/16	W/E 29/10/16
NI Lambs L/W	331.6	334.6	331.5
NI Lambs D/W	373.6	371.8	369.0
GB Lambs D/W	389.8	381.8	376.5
ROI D/W	394.7	386.9	383.0

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LMC WILL PLAY AN IMPORTANT ROLE WITHIN REMIT OF NEW FOOD MARKETING BODY

THE Livestock and Meat Commission (LMC) will play a critically important role as part of the over-arching responsibilities assumed by the new food marketing body for Northern Ireland, according to Commission chairman Gerard McGivern.

"The establishment of the new body is one of the core proposals put forward by the Agri-Food Strategy Board," he added. "And given recent developments, particularly Brexit, it is imperative for the new marketing organisation to be established as quickly as possible."

McGivern continued: "LMC plays a critical role within the redmeat sector. This encompasses the provision of wide ranging market intelligence, promotion, industry development and marketing services that have been specifically designed to meet the needs of farmers, processors and retailers. "In addition, the Commission has ownership of the Farm Quality Assurance Scheme, which is recognised by stakeholders as delivering tremendous value along the entire length of the agri food chain, where beef and lamb are concerned."

According to McGivern, the LMC will also play a central role in securing new market access for beef and lamb produced in Northern Ireland, post-Brexit. "And we already have a strong track record in making this happen. The UK currently enjoys a free trade agreement with the rest of the EU. And in this context the Commission has been consistently active in helping to secure new market outlets for local red meat businesses.

"But we are also members of the UK Export Certification Partnership. Specifically, this

organisation provides a forum for UK industry and government representatives to plan and co-ordinate market access negotiations and develop export certificates for UK meat exporters to access important third country markets around the world. Getting access to mainland China remains the top priority for Northern Ireland beef and sheep meat exporters and good progress is being made by the UK in progressing market access negotiations with the Chinese authorities. However as these negotiations can often take a very long time to conclude the focus of UKECP has been to simultaneously work on a range of priority markets with the Philippines, USA, Japan and Saudi Arabia getting significant focus of resources at the present time".

"We now know that Whitehall will continue to have overall responsibility when it comes to securing new market access for agri-food businesses throughout the UK. But the Commission's involvement with the Export Certification Partnership will ensure that the needs of Northern Ireland's red meat sector are fully recognised within the work undertaken by this critically important body moving forward."

Continuing roll out of LMC strategic plan

LMC chief executive Ian Stevenson has confirmed that the organisation continues to implement its strategic plan for the period 2016 to 2019. "As part of this process we are actively engaging with all relevant stakeholder groups including the Ulster Farmers' Union and NIMEA," he said. "Farm Minister Michelle McIlveen has fully endorsed our new plan: now, it's all about delivery.

"And this will be an evolving process. The recent

Brexit vote brings a new dimension to the challenge facing our beef and lamb sectors. "But it is one that also brings with it significant opportunities. The reality remains that 80% plus of our redmeat output must be exported. So this, in itself, is not a new challenge.

"LMC was established to ensure that locally produced beef and lamb is marketed in the most effective way possible on both home and export markets." Stevenson said that delivering optimum value for money for farmers and processors will always be a priority for LMC. "We continue to input ideas on behalf of the redmeat sector across a wide range of subject areas, all of which are of fundamental importance to the long term well-being of farmers and processors.

"These include strategic collaboration in agri food marketing and promotion, driving efficiency

improvements through cattle and sheep genetic advancement, facilitating better communications and leading the sustainability agenda." Stevenson cited LMC's involvement with the International Meat Secretariat and other important world-wide groupings, including the Global Roundtable for Sustainable Beef, as being of fundamental importance for the local beef and sheep sectors well into the future.

"Sustainability has become a new baseline for trade within the international meat sector," he stressed. "And we here in Northern Ireland are world leaders in this field. For example, our unique animal traceability system and the Fortress Food initiative set us apart from the rest of the world in this regard. And it is fundamentally important that potential customers in the new markets that we will be targeting over the coming years are made fully aware of these facts."

Image 1: LMC Board members and Chief Executive after a recent meeting in 1A Lissue Walk, Lisburn- LMC's new base of operation.



SIAL BOOST FOR NI REDMEAT SECTOR

A networking dinner, hosted on the Sunday evening of this year's SIAL international food exhibition in Paris, has been confirmed a major success by LMC chief executive Ian Stevenson. "We co-hosted the event in conjunction with Invest NI, AHDB France and Tourism Ireland," he added.



"The dinner, which took place in one of Paris' top restaurants, gave six of Northern Ireland's largest meat companies an opportunity to attend with 80 of their top international clients and potential customers. "A wide selection of local produce featured on the menu. The event itself provided a unique opportunity for LMC and the other organising bodies to profile the quality of the meat produced in Northern Ireland.

"Farm Minister Michelle McIlveen also attended. She used her speech to reflect on the world leading attributes which the local meat industry enjoys. The

dinner was also part of LMC's commitment to the Year of Food and Drink. It represented an important international dimension to build on the success of our local advertising campaigns."

SIAL is the world's largest food innovation exhibition. This year saw 7,000 companies from more than 100 countries present their products to retail and foodservice professionals. Providing new international networking opportunities for redmeat businesses in Northern Ireland will be a priority for LMC during the period ahead. A case in point is the organisation's attendance at the upcoming World Meat Congress in Uruguay.

"The congress will deal with the major topics affecting the global meat sector and will have an international attendance which reflects this important issue," said Stevenson. "Representatives from other stakeholder organisations within the redmeat sector in Northern Ireland will attend the event as part of the LMC grouping. "The networking potential which the congress represents is immense, made even more so by the fact that Uruguay is a member of the Mercosur trading group."

APPLICATION TO SECURE BSE NEGLIGIBLE RISK STATUS HAS BEEN SUBMITTED

ACCORDING to LMC chairman Gerard McGivern, Farm Minister Michelle McIlveen has submitted an application through DAFRA to the World Organisation for Animal Health (OIE) in order to secure BSE Negligible Risk status for Northern Ireland.

"Our commitment is to pay the accompanying €9,000 fee," he said. "And this will be done as a matter of priority. The actual decision on whether or not our application is successful will be taken at a meeting in Paris next May. The good news is that we meet all of the criteria laid down by OIE in this regard. Obviously, it is imperative that we remain BSE-free in the meantime."

McGivern highlighted the importance of Food Fortress and other industry-led initiatives. "All of these enhance the reputation and offering from Northern Ireland now that we have the opportunity to

secure negligible BSE risk status. All of this is a tremendous news story for the beef sector here in Northern Ireland, both now and into the future," he said

"In the first instance, negligible risk status will increase the amount of saleable meat that is available per carcass while, also reducing the costs associated with the handling of BSE-related materials. "The combined benefit to the industry of these developments alone has been estimated at approximately £1.5m per annum.

"And, of course, in the longer term, the new accreditation will help local meat companies secure new export customers around the world. This is a cornerstone of the development strategy put in place for the industry."