

CHANGES TO PRIME CATTLE SLAUGHTER MIX DURING 2018

P RIME cattle throughput in NI during 2018 totalled 336,991 head, a one per cent increase from 2017 when 332,715 prime cattle were slaughtered in local plants. While throughput has remained similar to 2017 levels there were some key changes to the type of cattle being killed.

Cattle type

The NI steer kill totalled 160,732 and accounted for 48 per cent of the prime cattle kill during 2018. This was back from the 170,480 steers killed in local plants during 2017 which represented

51 per cent of the prime kill. The NI heifer kill totalled 131,414 head during 2018 and accounted for 39 per cent of the prime cattle kill, an increase from 126,135 head in 2017 when heifers accounted for 38 per cent of the kill. Meanwhile the young bull kill increased from 36,100 head in 2017 (11 per cent of the prime kill) to 44,845 head in 2018 (13 per cent of the prime kill).

Cattle Source

There has also been a shift in the source of prime cattle being killed in local plants. During 2018 58 per cent

of the price reported steer kill in NI originated from the suckler herd, back slightly from 59 per cent in 2017.

However the biggest change has been from dairy sired steers to beef crosses. Beef cross steers accounted for 28 per cent of the price reported steer kill in 2018 compared to 24 per cent in 2017. Meanwhile the proportion of dairy sired steers came back from 16 per cent of the price reported kill in 2017 to 14 per cent in 2018.

A similar trend has been recorded in the

price reported heifer kill with the proportion of suckler origin heifers back from 67 per cent in 2017 to 65 per cent in 2018. Meanwhile the proportion of beef cross heifers increased from 27 per cent in 2017 to 30 per cent in 2018.

During 2018 54 per cent of price reported young bulls came from the suckler herd, up from 52 per cent in 2017. The proportion of beef crosses also increased, up from 16 per cent in 2017 to 19 per cent in 2018. As a result of the increasing number of beef sired stock being finished as bulls the

proportion of dairy sired young bulls in the kill declined from 33 per cent in 2017 to 27 per cent in 2018.

Cattle Breed

While the origin and type of cattle in the price reported slaughter mix has changed there has also been a growing proportion of native bred cattle being slaughtered in NI in recent years in response to positive market signals for these types of cattle.

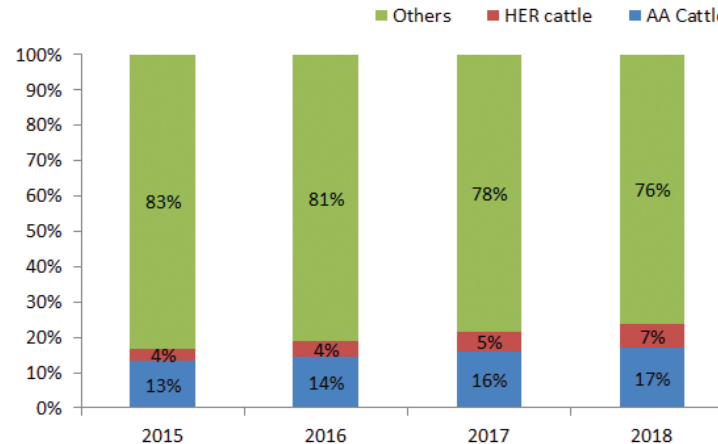
During 2018 17 per cent of the price reported prime cattle were Aberdeen Angus (AA). The proportion of AA cattle in the NI slaughter mix has been steadily increasing from 13 per cent of the kill in 2015 as indicated in Figure 1. In 2015 there were 34,173 AA cattle price reported in NI and this increased to 49,477 in 2018.

The proportion of Hereford prime cattle in the NI slaughter mix has also been steadily increasing. In 2018 Hereford cattle accounted for seven per cent of the prime kill, up from four per cent in 2015. In number terms the price reported Hereford kill increased from 9,466 head to 18,882 head over this period.

Table 1: Cattle throughput in NI plants 2017 and 2018

	2017	2018	% Change
Steers	170,480	160,732	-6%
Heifers	126,135	131,414	+4%
Young Bulls	36,100	44,845	+24%
Total Prime Cattle	332,715	336,991	+1%
Calves	6,287	6,107	-3%
Cows	103,440	103,533	0%
Mature Bulls	3,670	4,708	+28%
Total Cattle	446,112	451,339	+1%

Figure 1: Increasing numbers of native bred cattle in NI price reported kill



NI COW KILL DURING 2018 LOWER THAN EXPECTED

THE NI cow kill totalled 103,533 head during 2018 which was a marginal increase from the 103,440 cows killed in local plants during 2017. Cow throughput however remains very strong when compared to previous years.

NI COW KILL

2016: 99,943
 2017: 103,440 (+3.5%)
 2018: 103,533 (0%)

There has also been a slight change to the cow slaughter mix year on year with suckler cows accounting for 43 per cent of the price reported kill during 2018, up from 41 per cent in 2017. Meanwhile the proportion of dairy origin cows declined from 59 per cent of the kill in 2017 to 57 per cent in 2018

Cattle kill forecasts earlier this year had estimated the NI cow kill to be closer to 110,000 head during 2018 however there was a notable decline in cow throughput in local plants during the final quarter of 2018 when compared

to previous years as indicated in Figure 2. At the end of September 2018 the cow kill in NI totalled 75,893 head and was running six per cent ahead of the 71,805 cows killed in the same period in 2017. Throughput in the first three quarters of 2018 was a notable 10 per cent ahead of the same period in 2016 when 68,808 cows were killed in local plants.

However during the final three months of 2018 cow throughput in NI totalled 27,640 head, a 13 per cent reduction on the 31,635 cows killed in the same period in 2017. This marked reduction in throughput brought total cow slaughterings for 2018 back to 2017 levels.

Reports from the plants have indicated a plentiful supply of cows to meet demand for cow beef with marked downward pressure on the deadweight trade in recent months. This has weakened the liveweight trade with demand in the marts for cows also back from previous years. Exports to both ROI and GB for direct slaughter during the last quarter of 2018 were also behind the levels recorded in previous years.

The average O3 cow price in NI during December 2018 was 231.5p/kg as indicated in Figure 3. This was a reduction of 44p/kg from December 2017 levels which is the equivalent of £132 on a 300kg carcass. Meanwhile the P3 grading price fell from 251.9p/kg in December 2017 to 211p/kg which is the equivalent of £123 on a 300kg carcass.

This notable decline in deadweight cow prices may be one factor behind the drop in cow throughput during the final quarter of 2018. The mild winter to date may also have helped stretch forage supplies by delaying housing and encouraged producers to retain cows instead of presenting them for slaughter.

Figure 2: Quarterly cow kill in NI processing plants 2016-2018

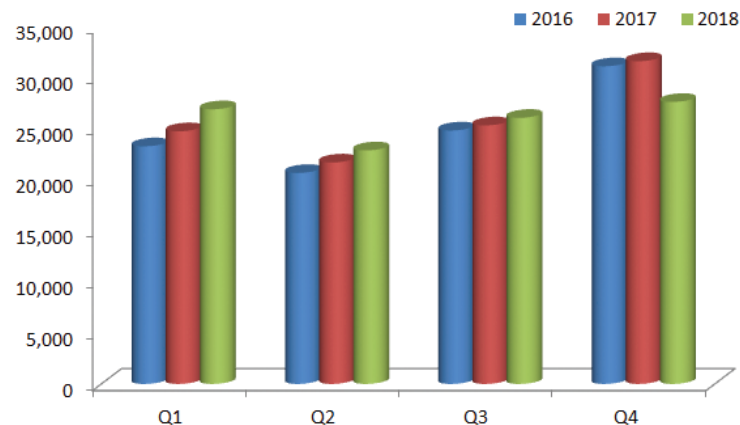


Figure 3: The deadweight cow trade in NI came under pressure towards the end of 2018 which impacted cow throughput



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WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 07/01/19	Next Week 14/01/19
Prime		
U-3	336 - 344p	336 - 344p
R-3	330 - 338p	330 - 338p
O+3	324 - 332p	324 - 332p
P+3	278 - 292p	278 - 292p
	Including bonus where applicable	
Cows		
O+3 & better	218 - 236p	222 - 236p
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 in NI has held steady this week with base quotes from the major processors of 336-344p/kg for in spec U-3 grade prime cattle. The majority of the major plants are quoting 342-344p/kg for steers and heifers. This week last year the major processors were quoting 348-356p/kg for in spec U-3 grading steers and heifers. The deadweight cow trade held steady in NI this week with quotes ranging from 218-236p/kg for good quality O+3 grading cows. Similar quotes are expected for all types of cattle next week.

The local plants are reporting steady supplies of all types of cattle to meet demand for beef. Prime cattle throughput in NI last week totalled 5,320 head which was 11 per cent lower than the 5,983 prime cattle killed locally in the corresponding week last year. Cow throughput in NI last week totalled 1,209 head which was back from 1,657 cows killed locally in the same week last year.

The average steer price in NI last week was 342.4p/kg, a decrease of 2.1p/kg from the previous week. The R3 steer price in NI last week was back by 7.5p/kg from the previous week to 349.2p/kg. The average heifer price in NI last week was 345.1p/kg, back 1.5p/kg when compared to the previous week. Meanwhile the R3 heifer price in NI last week was back just over a penny to 350.1p/kg. The average cow price in NI reported a decrease of 4.8p/kg to 209.3p/kg while the O3 cow price reported an increase last week of 4.8p/kg to 233.2p/kg.

The deadweight cattle trade in GB has come under some pressure with the average steer price back by 2.9p/kg to 352.9p/kg while the R3 steer price was back by a penny to 361.4p/kg. There was however some variability across the regions. The R3 steer price reported decreases in Scotland (-1.8p/kg), Southern England (-0.6p/kg) and the Midlands (-1.5p/kg) with a slight increase of 0.3p/kg in Northern England. The average heifer price in GB last week was back by 0.8p/kg to 355.1p/kg with the R3 heifer price also back slightly to 360.4p/kg. The differential in R3 steer prices between NI and the GB average last week was 12.2p/kg which is the equivalent of £43 on a 350kg carcass. Meanwhile the differential in R3 heifer prices between the two regions was 10.3p/kg or £33 on a 320kg carcass.

In ROI last week the majority of prime cattle prices reported declines in euro terms and with the euro weakening slightly from the previous week prices have come under some pressure. The R3 steer price was back the equivalent of 3.1p/kg to 332.1p/kg while the R3 heifer price increased marginally to 344.5p/kg. This puts the differential with NI at 17.1p/kg for R3 grade steers and 5.6p/kg for R3 grade heifers. The O3 cow price in ROI last week recorded a decrease of 0.3p/kg to the equivalent of 246.4p/kg, 13.2p/kg above the O3 cow price in NI.

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

W/E 05/01/19	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB	
Steers	U3	352.5	339.4	364.0	364.2	365.7	364.0	364.5
	R3	349.2	332.1	363.3	363.7	359.7	359.6	361.4
	R4	347.8	333.7	366.9	367.3	361.0	359.5	364.3
	O3	341.2	318.9	347.2	340.5	332.5	341.2	340.0
	AVG	342.4	-	362.3	355.7	346.2	346.9	352.9
Heifers	U3	356.5	356.3	371.5	371.9	365.2	364.0	368.3
	R3	350.1	344.5	362.9	360.5	357.7	363.1	360.4
	R4	352.1	345.6	365.9	364.9	356.7	360.8	361.9
	O3	342.6	330.8	351.4	342.5	328.9	344.9	341.2
	AVG	345.1	-	365.0	357.5	347.3	351.2	355.1
Young Bulls	U3	334.2	334.1	355.7	338.7	330.8	358.6	339.0
	R3	331.7	323.2	352.5	340.0	340.8	345.5	343.0
	O3	319.5	307.8	305.9	306.8	310.0	291.8	305.4
	AVG	321.0	-	335.8	323.7	323.2	308.9	323.6
Prime Cattle Price Reported	4,743	-	4,463	4,686	5,271	3,472	17,892	
Cows	O3	233.2	246.4	222.8	234.5	241.3	221.8	234.8
	O4	235.4	246.5	230.0	236.5	237.4	222.0	233.7
	P2	192.6	216.5	183.9	185.4	187.0	176.2	183.3
	P3	210.6	233.0	184.5	203.5	209.9	201.4	203.7
	AVG	209.3	-	222.9	215.6	211.7	187.5	209.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.98p 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

REPORTED NI CATTLE PRICES - P/KG

W/E 05/01/19	Steers	Heifers	Young Bulls
U3	349.6	355.0	334.9
R3	345.0	347.1	333.1
O+3	336.9	338.7	327.5

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 05/01/19	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	127.9	140.1	149.7	172.6
P2	149.8	172.5	189.1	203.7
P3	-	198.0	201.2	214.0
O3	-	212.1	221.9	235.3
O4	-	203.5	225.8	235.8
R3	-	-	-	250.5

LATEST LIVEWEIGHT CATTLE MART PRICES NI

W/E 05/01/19	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	194	206	200	160	193	178
Friesians	-	-	-	-	-	-
Heifers	190	201	196	160	186	178
Beef Cows	135	159	147	108	134	117
Dairy Cows	90	123	104	60	89	75
Store Cattle (p/kg)						
Bullocks up to 400kg	No Sale					
Bullocks 400kg - 500kg						
Bullocks over 500kg						
Heifers up to 450kg						
Heifers over 450kg						
Dropped Calves (£/head)						
Continental Bulls	335	420	375	225	330	275
Continental Heifers	275	330	300	150	270	200
Friesian Bulls	150	290	175	80	145	110
Holstein Bulls	80	160	110	5	75	40

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 07/01/19	Next Week 14/01/19
Hoggets> 22kg	420-430p	425p

REPORTED SHEEP PRICES

(P/KG)	W/E 22/12/18	W/E 29/12/18	W/E 05/01/19
NI L/W Lambs/Hoggets	384.2	-	394.3
NI D/W Lambs/Hoggets	402.8	404.8	413.6
GB D/W Lambs/Hoggets	414.1	423.8	431.8
ROI D/W Lambs/Hoggets	424.2	429.9	-

Deadweight Sheep Trade

BASE quotes from the plants early this week for R3 grading hoggets ranged from 420-430p/kg up to 22kg with quotes for early next week in the region of 425p/kg up to 22kg. The plants have reported steady supplies of hoggets with throughput in local plants last week totalling 6,073 head. In the corresponding week in 2017 hogget throughput totalled 6,255 head. The deadweight lamb/hogget price in NI last week was 413.6p/kg, an increase of 8.8p/kg from the previous week. In the corresponding week last year the deadweight hogget price in NI was 390.2p/kg.

This week's marts

THE marts have reported mixed quality hoggets passing through the sale rings this week with a firm trade reported for any good quality hoggets on offer. In Swatragh last Saturday 950 hoggets sold from 370-446p/kg compared to 700 lambs the previous Saturday selling from 365-429p/kg. In Massereene on Monday 902 hoggets sold from 380-421p/kg compared to 650 lambs selling last week from 370-402p/kg. In Saintfield on Tuesday 714 hoggets sold from 375-434p/kg. In Enniskillen this week 290 hoggets sold from 368-420p/kg compared to 340 hoggets last week selling from 360-397p/kg. A strong entry of 1,150 hoggets in Markethill on Wednesday sold from 390-432p/kg compared to 1,120 hoggets last week selling from 370-416p/kg. Small numbers of ewes passed through the marts this week with top reported prices generally ranging from £85-112.

LATEST SHEEP MARTS

From: 05/01/19		Hoggets (P/KG LW)			
To: 10/01/19		No	From	To	Avg
Friday	Newtownstewart	193	377	429	-
Saturday	Swatragh	950	370	446	-
	Omagh	492	402	439	-
Monday	Massereene	902	380	421	-
	Kilrea	350	390	436	-
Tuesday	Saintfield	714	375	434	-
	Rathfriland	500	350	448	391
Wednesday	Ballymena	1902	368	415	384
	Enniskillen	290	368	420	-
	Armoy	573	390	418	-
	Markethill	1150	390	432	-

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