LMC
Livestock & Meat Commission

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RED MEAT SALES CONTINUE TO STRUGGLE

THE latest available data from Kantar Worldpanel has indicated that red meat sales have continued to struggle in GB.

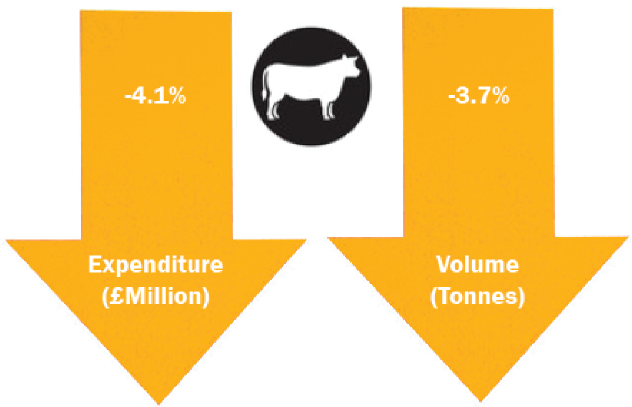
During the 12 week period ending 21 April 2019 retail beef sales in GB were valued at £522 million, a 4.1 per cent decline from the corresponding period in 2018. Volume sales have also continued to come under pressure with sales back by 3.7 per cent to total 67,617 tonnes in the 2019 period.

Household penetration for beef has remained high with 72.6 per cent of surveyed households buying beef during the 12 weeks ending 21 April 2019. However while it has remained high it was back slightly from year earlier levels when 74.2 per cent of households purchased beef.

The decline in volume sales during the 12 weeks ending 21 April 2019 has been driven primarily by reduced sales of roasting joints which were back by 20.9 per cent from year earlier levels. There have also been declines in the volume sales of stewing beef and frying/grilling steaks which were back by 9.9 and 3.0 per cent respectively during the 2019 period.

There were also declines in the volume sales of processed beef products including burgers (-0.5 per cent), chilled ready meals (-2.6 per cent) and frozen ready meals (-3.7 per cent). On a more positive note there was an increase recorded in the volume sales of mince (+3.3 per cent) and beef marinades (+5.4 per cent) when compared to the same period in 2018.

Figure 1: The value and volume of GB retail beef sales have continued to come under pressure.



Lamb

Retail lamb sales were valued at £163.2 million in GB during the 12 weeks ending 21 April 2019, a 1.1 per cent decrease from the same period in 2018. Meanwhile volume sales of lamb on the GB retail market declined by 5.5 per cent over the same period to total 17,451 tonnes. There was also a decline in household penetration for lamb. During the 12 weeks ending 21 April 2019 34.3 per cent of households purchased lamb. This was back from 36.7 per cent of households during the same period in 2018.

This decline in volume sales can be partly attributed to higher retail prices. During the 12 week period ending the 21 April 2019 the average retail price was £9.35/kg, an increase from £8.93 in the corresponding period in 2018. There has been a notable decline in the volume of lamb being imported from New Zealand and Australia during the first quarter of 2019. A larger proportion of domestically produced lamb on the supermarket shelves has contributed the rising retail lamb price.

The strongest declines in volume sales were for shoulder roasting joints (-22.5 per cent). Meanwhile there were declines in volume sales of leg roasting joints (-7.4 per cent), frying chops /steaks (-1.8 per cent), and lamb marinades (-3.6 per cent). There was however more positive news for lamb mince sales which increased by 12 per cent during the 12 weeks ending 21 April 2019 when compared to 2018.

Pork

While the volume and value of beef and lamb sales have come under pressure there has been an improvement in pork sales during the 12 weeks ending 21 April 2019 when compared to year earlier levels.

Total retail expenditure in GB on pork during the 12 weeks ending 21 April 2019 was £177.6 million, an increase of 2.3 per cent from the same period in 2018. Volume sales of pork recorded a 4.7 per cent increase over the same period to total 38,952 tonnes.

Household penetration for pork was 50.1 per cent during the 12 weeks ending 21 April 2019, unchanged from the same period the previous year. This indicates that while no additional consumers are buying pork those that do are buying more pork and spending more on it.

TIGHTER PRIME CATTLE SUPPLIES FORECAST IN GB

ANALYSIS from AHDB has indicated that the cattle population in GB has continued to decline. In April 2019 the GB cattle population totalled 7.99 million, back 140,000 head (two per cent) from April 2018 levels according to the latest available data from the British Cattle Movement Service (BCMS).

The number of beef sired and dairy male cattle aged 12-30 months and intended for beef production on GB farms was back marginally in April 2019 when compared to the previous year. With these cattle expected to provide the majority of the kill for the next 18 months the overall cattle kill is expected to decline in the short term. The prime cattle kill in GB is forecast to tighten in the second half of 2019 and remain tight throughout 2020.

The number of beef sired and dairy male cattle under 12 months was back two per cent in GB during April 2019 with the majority of this decline coming from a reduction in the number of cattle in the 6-12 month age category. Difficult production conditions and higher calf mortality impacted the number of calf registrations across GB early in 2019 and this has been reflected in the cattle population.

In the 0-6 month age category there has been a notable decline in the number of dairy sired calves registered with the number of male calves back by 15,000 from year earlier levels. Reports have indicated that the used of sexed semen in the dairy herd has become more successful with more dairy cows then being served using a beef bull. This has increased the number of beef cross calves being registered and contributed to an increase in the number of beef sired cattle aged 0-6 months on GB farms during April 2019.

The size of the total beef and dairy cow herd in GB has continued to decline with total numbers back by 76,000 during April 2019 according to the latest report from AHDB. This represented a decline of two per cent from April 2018 levels. High levels of cow culling and lower levels of heifer retention for breeding during 2018 and 2019 have contributed to this decline in both beef and dairy cow numbers.

This decline in overall cow numbers in GB will result in lower levels of calf registrations in the longer term which will then impact on the availability of prime cattle for slaughter. The ability of the GB cow herd to recover and return to growth will also take longer if there are any improvements in market conditions.

Northern Ireland

The latest cattle kill forecast figures for Northern Ireland indicate a similar trend to the GB cattle kill forecasts. Prime cattle availability for slaughter is expected to be back by five per cent in the second half of 2019 with reduced supplies throughout 2020. This expected decline in the availability of cattle for slaughter stems from falling calf registrations in the region over the last two years.

The NI cattle kill forecast can be accessed at www.lmcni,com or by contacting LMC's Market Information team on bulletin@lmcni.com

LMC MARKET INFORMATION SURVEY

A key function of the Livestock and Meat Commission (LMC) is the provision of Market Information Services which are designed to support, examine and inform the Northern Ireland red meat industry. The service aspires to support producers and processors with their decision making by producing accurate and timely information that creates a better understanding of the trade.

LMC is currently seeking views from our stakeholders on the services provided to our stakeholders by our Market Information Department. Good stakeholder participation in this review process will allow LMC to shape the future outputs of the Market Information Department to ensure they meet the needs of our stakeholders now and in the future.

As a stakeholder of the LMC we would like to invite you to take part in our online market information stakeholder survey. We want to get your views on our market information publications as well as what you think more generally of LMC communications/engagement with our stakeholders.

The survey is being undertaken independently on our behalf by Social Market Research (SMR) and will take less than 10 minutes of your time. The survey can be accessed via the LMC website www.lmcni.com or www.lmcstakeholdersurvey.com

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WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 03/06/19	Next Week 10/06/19
Prime		
U-3	330 - 336p	326 - 336p
R-3	324 - 330p	320 - 330p
0+3	318 - 324p	314 - 324p
P+3	270 - 280p	266 - 280p
	Including bonus where applicable	
Cows		
0+3 & better	245 - 252p	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 01/06/19	Steers	Heifers	Young Bulls
U3	343.1	349.5	336.0
R3	341.2	342.9	334.8
O+3	334.3	332.6	324.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 01/06/19	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	154.1	171.2	178.5	197.1
P2	172.9	208.0	222.1	238.8
P3	202.0	217.9	237.0	244.3
O3	-	236.6	254.5	260.0
O4	-	230.0	257.1	263.3
R3	-	-	-	280.6

Deadweight Cattle Trade

BASE quotes for in spec U-3 grade prime cattle have come back slightly to 330-336p/kg this week with quotes for early next week expected to come back further to 326-336p/kg. The cow trade remained fairly steady with base quotes for good quality O+3 grade cows starting this week at 245-252p/kg.

The plants have reported steady supplies of prime cattle for slaughter with throughput last week totalling 6,937 head, similar to the previous week when 6,881 head were killed locally. This brings the 2019 year to date prime cattle kill to 149,186, three per cent ahead of the same period in 2018. Meanwhile a total of 1,608 cows were slaughtered in NI last week, this bring the total cows slaughtered this year to 36,038, 17 per cent behind the same period in 2018.

Imports of prime cattle from ROI for direct slaughter in NI last week totalled 122 head with 39 cows also imported. This brings prime cattle imports from ROI to NI to 4,051 head during 2019 to date, up 3,142 head compared to the same period last year. Exports for direct slaughter in ROI plants last week consisted of 4 prime cattle and 95 cows. This brings total cattle exports from NI to ROI to 2,383 head during 2019 to date, back 1,082 head from the same period in 2018.

The NI deadweight prices for prime cattle improved for the majority of grades. The average steer price in NI last week remained unchanged from the previous week at 337.3p/kg while the R3 steer price increased by 1.8p/kg to 344.4p/kg. The average heifer price in NI last week also remained steady at 339.6p/kg while the R3 heifer price was up by 1.5p/kg to 345.7p/kg. The O3 cow price recorded a decrease of half a penny to 259.2p/kg from the previous week while the overall average cow price was back 3.5p/kg to 244.2p/kg.

In GB last week the deadweight prime cattle trade came under pressure with the average steer price back by 3.7p/kg to 345.7p/kg while the average R3 steer price decreased by 2.9p/kg to 354.6p/kg. The R3 steer price in GB was 10.2p/kg higher than the R3 steer price in NI last week. The average heifer price in GB last week was back by 0.8p/kg to 349.9p/kg while the R3 heifer price decreased 1.6p/kg to 355.7p/kg. The R3 heifer price in GB was 10p/kg higher than the R3 heifer price in NI last week. The O3 cow price in GB was back 3.6p/kg last week to 265.8p/kg which is 6.6p/kg higher than the same price in NI.

In ROI last week deadweight prices for prime cattle came back slightly in euro terms however a stronger euro has meant prices have generally held steady in sterling terms. The R3 steer price in ROI last week held steady at the equivalent of 344.5p/kg, while the R3 heifer price was up by 0.9p/kg to the equivalent of 355p/kg. This puts the R3 heifer price in ROI 9.3p/kg higher than the R3 heifer price in NI. The O3 cow price in ROI came back by the equivalent of 0.6p/kg to 272.2p/kg which is 13p/kg higher than the equivalent price in NI.

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

W/E 01/06/19		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	344.0	353.4	361.2	352.1	351.7	356.3	355.0
	R3	344.4	344.5	363.1	353.2	352.1	350.3	354.6
	R4	344.6	346.9	367.2	357.3	350.5	350.2	357.0
	O3	336.3	329.5	341.7	331.7	327.9	333.1	333.5
	AVG	337.3	-	360.1	344.1	338.2	340.4	345.7
Heifers	U3	350.0	366.5	369.3	361.1	363.6	363.7	364.5
	R3	345.7	355.0	360.0	355.8	354.4	351.9	355.7
	R4	344.1	354.2	367.9	354.4	353.6	352.2	357.3
	O3	335.6	338.6	348.0	338.7	325.4	334.6	336.4
	AVG	339.6	-	363.0	349.0	343.5	342.9	349.9
Young Bulls	U3	335.9	342.8	362.0	350.3	350.8	352.3	353.0
	R3	334.2	331.4	356.7	345.2	339.6	341.3	345.2
	O3	317.9	313.2	318.4	312.2	306.8	321.8	311.0
	AVG	324.0	-	354.5	328.0	329.4	336.4	334.6
Prime Cattle Price Reported		6,080	-	6,384	6,620	6,976	4,066	24,046
Cows	O3	259.2	272.2	273.0	264.6	265.0	264.4	265.8
	O4	263.0	273.9	275.4	265.0	267.8	259.6	266.6
	P2	228.2	250.4	223.8	214.8	217.0	227.8	220.6
	P3	242.5	266.3	247.8	234.8	239.2	248.7	242.2
	AVG	244.2	-	272.0	249.2	241.1	233.7	245.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.34p 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 01/06/19	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	201	211	207	180	200	190
Friesians	145	163	152	130	144	136
Heifers	200	213	204	175	195	185
Beef Cows	150	195	165	120	149	135
Dairy Cows	110	141	114	60	106	80
Store Cattle (p/kg)						
Bullocks up to 400kg	230	253	240	205	229	215
Bullocks 400kg - 500kg	210	231	220	180	209	195
Bullocks over 500kg	200	212	206	170	199	185
Heifers up to 450kg	220	249	230	185	219	200
Heifers over 450kg	200	213	205	165	199	180
Dropped Calves (£/head)						
Continental Bulls	325	545	375	210	320	270
Continental Heifers	300	445	325	150	295	225
Friesian Bulls	145	210	165	80	140	100
Holstein Bulls	80	130	100	5	75	40

SHEEP TRADE

SHEEP BASE QUOTES		
(P/Kg DW)	This Week 03/06/19	Next Week 10/06/19
Lambs up to 21kg	420-430p	425p

REPORTED SHEEP PRICES			
(P/KG)	W/E 18/05/19	W/E 25/05/19	W/E 01/06/19
NI L/W Lambs	398.4	394.4	402.6
NI D/W Lambs	454.8	419.5	412.6
GB D/W Lambs	508.1	498.2	479.0
ROI D/W	451.5	425.2	439.5

Deadweight Sheep Trade

QUOTES from the major NI processors for R3 grade lambs this week ranged from 420-430p/kg with plants paying up to 21kg. Quotes for early next week are expected to be in the region of 425p/kg up to 21 kg. Throughput of lambs last week increased to 7,448 head. This brings total lamb/hogget throughput in 2019 to 116,896 head, a 10 per cent decrease on the same period last year. Exports of lambs to ROI for direct slaughter last week increased to 3,024 head. This brings the year to date exports of lambs/hoggets to ROI to 108,546 head, a 21 per cent decrease when compared to the same period in 2018. The average deadweight lamb price in NI last week was back by 6.9p/kg to 412.6p/kg while the ROI deadweight lamb price increased by the equivalent of 14.3p/kg to 439.5p/kg.

This week's marts

INCREASING numbers of lambs passed through many of the marts this week with trade generally improving compared to last week. In Omagh last Saturday 392 lambs sold from 381-437p/kg compared to 209 lambs the previous week selling from 353-421p/kg. In Kilrea on Monday 250 lambs sold from 400-427p/kg compared to 150 lambs last week selling from 400-423p/kg. In Rathfriland on Tuesday 503 lambs sold from 403-429p/kg (avg 415p/kg) compared to 304 lambs last week selling from 390-421p/kg (avg 410p/kg). In Enniskillen on Wednesday 302 lambs sold from 380-414p/kg compared to 175 lambs last week selling from 385-405p/kg. The trade for well fleshed cull ewes has remained steady with top reported prices ranging from £90-134.

LATEST SHEEP MARTS (P/KG LW)					
From: 31/05/19		Lambs			
To: 06/06/19		No	From	To	Avg
Friday	Newtownstewart	155	396	412	-
Saturday	Swatragh	500	410	452	-
	Omagh	392	381	437	-
Monday	Massereene	464	385	417	-
	Kilrea	250	400	427	-
Tuesday	Saintfield	411	390	415	-
	Rathfriland	503	403	429	415
Wednesday	Ballymena	607	380	422	395
	Enniskillen	302	380	414	-
	Armoy	188	385	432	-
	Markethill	600	390	426	-

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