LMC
Livestock & Meat Commission

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND

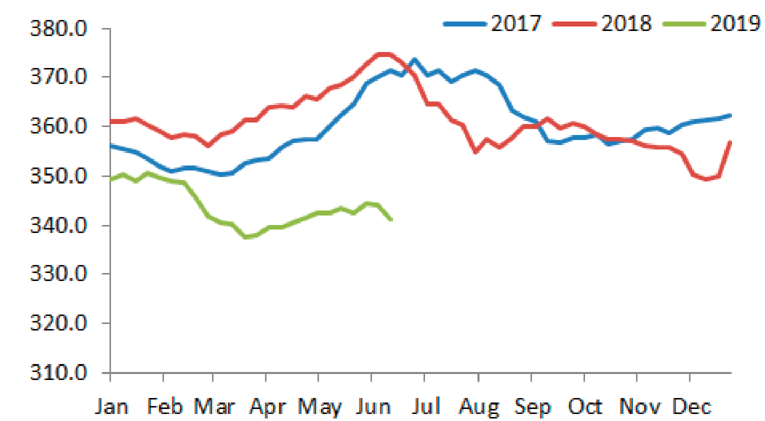
Saturday 29 June 2019 Issue No. 2576

DEADWEIGHT CATTLE TRADE CONTINUES TO COME UNDER PRESSURE

THE deadweight trade for prime cattle in Northern Ireland has continued to come under pressure with the R3 steer price back by 2.4p/kg to 338.8p/kg last week. This was the third consecutive week in which the R3 steer price in Northern Ireland has recorded a decline and is the lowest reported price since late March this year.

Strong supplies of prime cattle for slaughter in all parts of the UK combined with reduced demand for beef, competition from other proteins and reduced returns for fifth quarter products have all contributed to this downward pressure on the market. Deadweight prices during 2019 to date have been notably lower than previous years as outlined in Figure 1. The value of a 350kg R3 grading steer carcase in NI last week was £1,186, back from £1,306 in the same week last year as outlined in Figure 2.

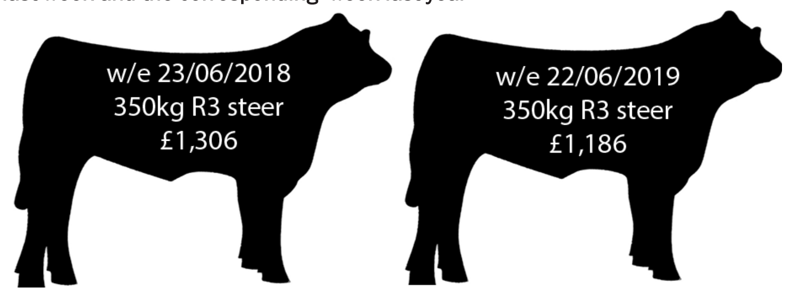
Figure 1: Weekly price reported R3 steer prices in Northern Ireland 2017-2019



Steady supplies of prime cattle have been presented for slaughter in local processing plants with 79,606 prime cattle slaughtered locally in the last 12 weeks. This is a 5.6 per cent increase from the 75,390 prime cattle killed in the same period last year. There has also been an increase in the average carcase weight of prime cattle from 334kg in the 2018 period to 343.4kg in the 2019 period.

This 9.4kg increase in the average prime cattle carcase weight combined with the additional throughput has meant local plants have processed an extra 2,150 tonnes of prime beef during the last 12 weeks when compared to the same period last year.

Figure 2: The value of a price reported 350kg R3 carcase in Northern Ireland last week and the corresponding week last year



The latest available slaughter figures for GB have also indicated an increase in prime cattle throughput. During the period March-May 2019 421,346 prime cattle were processed in GB, a 1.6 per cent increase from the 414,636 head processed in the same period last year. Average carcase weights of prime cattle have also been increasing in GB, up from 345.9kg in the 2018 period to 350.2kg in the 2019 period.

While prime cattle supplies for slaughter have been relatively strong during 2019 to date they are expected to tighten in the second half of the year. Lower calf registrations in both NI and GB over the last two years have reduced the number of cattle for beef production on farms and this should be reflected in the cattle kill as the year progresses.

INCREASES IN INTERNATIONAL MEAT TRADE DRIVEN BY CHINA

GIRA, an independent economic and market research consultancy firm, have indicated continued growth in global demand for meat during 2019, particularly in the Asian and North American Markets. This continued increase in demand in these regions is a direct contradiction to developed western markets where there is an increasing media focus on the effects of meat production on the environment.

However any negative influence this may be having on global meat demand is far outweighed by the growing import demand for meat in China. The global trading of meat has become increasingly influenced by the relative strength, or not, of import demand from China for particular proteins over the last 6-7 years. This is expected to also be the case in 2019 due to the dramatic impact of African Swine Fever (ASF) on Chinese pork production.

The strong decline in pork production in China will drive up domestic prices and increase import demand to a level which will absorb any surplus pork on the global market. Pork consumption is forecast to decline in China as a result of reduced product availability and higher prices. This is expected to result in a demand transfer to other meats and proteins.

This product substitution will provide a boost to the Chinese poultry market and also result in strong import demand for beef and sheepmeat. This strong increase in import demand from China for all meats is a key driver behind the five per cent growth in global meat trading which has been forecast by Gira. This will bring global meat exports to just over 35 million tonnes during 2019.

As outlined in Figure 3 global trading of pork is forecast to increase by 1 million tonnes during 2019 to total 9.1 million tonnes. This is a 12.3 per cent increase year on year. Meanwhile global trading of beef is forecast to increase by 400,000 tonne to total 11 million tonnes in 2019, a 3.7 per cent increase from 2018 levels.

Trading of poultry meat accounts for the largest share of the global market and is expected to increase by 400,000 tonnes to 14.2 million tonnes during 2019. The global export trade for sheep meat is very concentrated and is dominated by Australia and New Zealand. It is forecast to hold steady at 1.1 million tonnes in 2019.

Figure 3: Change in international meat trade by species 2018-2019(f) (GIRA)

Poultry meat
14.2 million tonnes
+0.4 million tonnes
+2.9%

Pork
9.1 million tonnes
+1 million tonnes
+12.3%

Sheep and Goat meat
1.1 million tonnes
No change
+0.0%

Beef and Veal
11 million tonnes
+0.4 million tonnes
+3.7%

FQAS MART CLINICS JULY 2019

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.

LOCATION	DAY	DATE
Omagh	Monday	08/07/19
Saintfield	Wednesday	10/07/19
Markethill	Tuesday	16/07/19
Enniskillen	Thursday	18/07/19
Kilrea	Wednesday	24/07/19
Ballymena	Friday	26/07/19

FQAS Helpline
If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the FQAS helpline:
028 9263 3024

Answerphone Service
Factory Quotes &
Mart Results
Updated 5pm Daily

Tel: 028 9263 3011

Text Service
Free Price Quotes sent to your mobile phone weekly

Email - bulletin@lmcni.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 24/06/19	Next Week 01/07/19
Prime		
U-3	320 - 330p	318 - 328p
R-3	314 - 324p	312 - 322p
O+3	308 - 318p	306 - 316p
P+3	260 - 274p	258 - 272p
	Including bonus where applicable	
Cows		
O+3 & better	235 - 250p	235 - 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 22/06/19	Steers	Heifers	Young Bulls
U3	337.1	342.0	329.4
R3	332.5	335.9	327.9
O+3	324.9	328.4	317.2

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 22/06/19	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	151.2	166.8	178.6	185.1
P2	172.7	195.9	218.0	232.5
P3	171.5	198.2	236.1	238.9
O3	-	234.4	253.1	256.0
O4	-	-	254.5	260.3
R3	-	-	280.0	276.1

Deadweight Cattle Trade

BASE quotes from the plants this week for U-3 grading steers and heifers came back to 320-330p/kg. The majority of plants were quoting 328-330p/kg for both steers and heifers with quotes for early next week expected to range from 318-328p/kg. The cow trade has held steady with quotes for good quality O+3 grading cows ranging from 235-350p/kg. Similar quotes for cows are expected for early next week.

Prime cattle throughput in local plants last week totalled 6,315 head, an increase of 243 head from the previous week. In the same week last year prime cattle throughput in NI totalled 5,451 head. Meanwhile a total of 1,677 cows were slaughtered in NI last week, a decrease of 170 head from the previous week.

Prime cattle imports for direct slaughter from ROI last week totalled 39 head with 28 prime cattle and 78 cows exported from NI for direct slaughter in ROI. No cattle were exported from NI to GB last week for direct slaughter while 7 prime cattle and 49 cows were imported from GB for slaughter in local plants.

The deadweight prime cattle trade came under pressure in NI last week with the majority of prices back from the previous week. The average steer price in NI last week was 329.1/kg, back 2.1p/kg from the previous week. Meanwhile the R3 steer price in NI was back 2.4p/kg to 338.8p/kg. In the same week in 2018 the R3 steer price was 373.1p/kg. The average heifer price in NI last week was 332.3p/kg, back 2.6p/kg from the previous week while the R3 heifer price was back 3.7p/kg to 337.7p/kg. In the same week in 2018 the R3 heifer price was 372p/kg. The young bull trade also came under pressure with the average price back by 3.9/kg to 316.8p/kg while the R3 young bull price was back by 2.3p/kg to 327.5p/kg. There was a slight improvement in the NI O3 cow price to 255.6p/kg last week.

In GB last week a decline in the deadweight trade was also recorded for all types of cattle. The average steer price was back by 4.8p/kg to 334.8p/kg while the average R3 steer price was back by 4p/kg to 342.2p/kg. In the same week in 2018 the R3 steer price was 379.1p/kg. The R3 steer price came back in all of the GB regions, most notably in Southern England where it was back by 6.7p/kg to 335.5p/kg. The average heifer price in GB last week was back 4.5p/kg to 337.8p/kg while the average R3 heifer price decreased by 4.1p/kg to 343p/kg. In the same week in 2018 the R3 heifer price was 379.4p/kg. The R3 heifer trade also reported declines across all of the GB regions most notably in Northern England where it was back by 6.3p/kg to 342.3p/kg.

The trade also came under pressure in ROI last week with the R3 steer price back the equivalent of 3.8p/kg to 337.4p/kg. In the same week in 2018 the R3 steer price was 358.7p/kg. Meanwhile the R3 heifer price was back by a similar margin to 349.5p/kg. In the same week in 2018 the R3 heifer price was 369.7p/kg. The O3 cow price in ROI last week was back by 2.4p/kg to 263.9p/kg which puts it 8.3p/kg above the equivalent price in NI.

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

W/E 22/06/19		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	336.4	346.3	349.4	346.4	339.6	343.8	344.5
	R3	338.8	337.4	351.3	345.2	337.7	335.5	342.2
	R4	337.8	338.7	355.1	350.3	336.5	338.7	346.3
	O3	329.5	324.1	332.4	327.2	311.9	312.0	320.6
	AVG	329.1	-	348.3	339.6	325.4	324.8	334.8
Heifers	U3	342.8	362.7	357.1	351.6	350.0	342.0	350.8
	R3	337.7	349.5	352.4	342.3	338.7	338.9	343.0
	R4	336.7	349.2	353.6	344.8	340.8	342.0	345.4
	O3	330.3	335.8	340.5	326.2	312.6	318.8	324.1
	AVG	332.3	-	351.7	340.0	329.5	328.5	337.8
Young Bulls	U3	329.2	337.3	347.5	333.3	334.7	334.6	336.5
	R3	327.5	327.7	342.1	329.5	330.2	326.3	331.5
	O3	310.6	305.0	312.7	288.0	293.8	290.7	295.6
	AVG	316.8	-	341.4	319.6	314.6	323.9	322.2
Prime Cattle Price Reported		5,542	-	6,872	6,819	7,166	4,945	25,802
Cows	O3	255.6	263.9	264.9	253.4	257.3	260.0	257.9
	O4	260.2	265.0	263.5	257.1	255.5	254.3	256.8
	P2	222.1	235.0	236.0	206.7	207.3	219.9	214.5
	P3	235.7	253.9	239.2	225.3	229.3	238.8	232.9
	AVG	238.6	-	262.6	239.0	225.8	230.1	234.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.24p 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 22/06/19	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	190	197	193	170	188	180
Friesians	148	155	152	125	146	136
Heifers	194	206	201	176	190	183
Beef Cows	146	182	159	120	145	130
Dairy Cows	108	126	114	65	107	85
Store Cattle (p/kg)						
Bullocks up to 400kg	235	267	247	200	234	217
Bullocks 400kg - 500kg	220	251	230	180	219	200
Bullocks over 500kg	180	202	190	155	179	170
Heifers up to 450kg	210	222	218	175	209	190
Heifers over 450kg	195	214	200	160	194	175
Dropped Calves (£/head)						
Continental Bulls	355	505	380	250	350	290
Continental Heifers	300	420	355	150	280	225
Friesian Bulls	160	205	182	50	125	85
Holstein Bulls	110	200	150	10	90	50

SHEEP TRADE

SHEEP BASE QUOTES		
(P/Kg DW)	This Week 24/06/19	Next Week 01/07/19
Lambs up to 21kg	410-415p	395p

REPORTED SHEEP PRICES			
(P/KG)	W/E 08/06/19	W/E 15/06/19	W/E 22/06/19
NI L/W Lambs	404.3	418.1	403.0
NI D/W Lambs	423.7	426.6	431.1
GB D/W Lambs	472.5	451.5	451.6
ROI D/W	453.2	460.1	461.2

Deadweight Sheep Trade

QUOTES from the plants for R3 grade lambs came back early this week to 410-415p/kg with plants paying up to 21kg. Quotes for Monday are expected to be in the region of 395p/kg up to 21kg. The plants have reported good supplies of lambs coming forward to meet demand with lamb throughput continuing to increase as more lambs come fit for slaughter. A total of 9,449 lambs were killed locally last week with a further 5,512 lambs exported from NI to ROI for direct slaughter. Exports to ROI for direct slaughter during the last six weeks totalled 21,438 lambs, back from the 26,110 lambs exported during the same period in 2018. The deadweight lamb price in NI last week was 431.1p/kg, up 4.5p/kg from the previous week.

This week's marts

REPORTS from the marts this week indicated the trade was generally back from previous weeks with steady number of lambs passing through the sale rings. In Omagh last Saturday 564 lambs sold from 378-443p/kg compared to 436 lambs the previous week selling from 435-474p/kg. In Kilrea on Monday 450 lambs sold from 380-389p/kg compared to 480 lambs last week selling from 410-449p/kg. In Saintfield this week 505 lambs sold from 360-400p/kg compared to 605 lambs last week selling from 396-433p/kg. In Ballymena on Wednesday 1,201 lambs sold from 340-405p/kg (avg 361p/kg) compared to 1,164 lambs last week selling from 326-473p/kg (avg 400p/kg). Top reported prices for well fleshed cull ewes ranged from £85-129 and the highest recorded price was £129 in Swatragh last Saturday.

LATEST SHEEP MARTS (P/KG LW)					
From: 21/06/19		Lambs			
To: 27/06/19		No	From	To	Avg
Friday	Newtownstewart	252	375	398	-
Saturday	Swatragh	750	330	399	-
	Omagh	564	378	443	-
Monday	Massereene	675	385	417	-
	Kilrea	450	380	389	-
Tuesday	Saintfield	505	360	400	-
	Rathfriland	757	340	404	378
Wednesday	Ballymena	1201	340	405	361
	Enniskillen	280	362	389	-
	Armoy	228	350	395	-
	Markethill	620	350	380	-

Contact us:

Website: www.lmcni.com

Telephone: 028 9263 3000

Fax: 028 9263 3001

FQAS Helpline: 028 9263 3024

Answerphone: 028 9263 3011

Comments: bulletin@lmcni.com

Information supplied by LMC / DAERA/ AHDB/ DAFM
LMC does not guarantee the accuracy or completeness of any third party information provided in or included with this publication. LMC hereby disclaims any responsibility for error, omission or inaccuracy in the information, misinterpretation or any other loss, disappointment, negligence or damage caused by reliance on third party information.

Not for further publication or distribution without prior permission from LMC