LMC
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SUCKLER HERD AT A CRITICAL JUNCTURE

In December 2018 the DAERA Agricultural Survey recorded 245,100 suckler cows on Northern Ireland (NI) farms, a five per cent reduction from the previous year. This was the second consecutive year in which suckler cow numbers recorded a decline and this downward trend is expected to carry through into 2019.

Suckler cow levels in NI are now at their lowest level since December 1988

During 2019 to date an estimated 21,000 suckler cows have been slaughtered in local processing plants. While this is lower than the 26,200 killed during the same period in 2018 it is well ahead of the 15,800 suckler cows killed locally in the 2017 period.

Suckler calf registrations

There has been a notable drop in calf registrations to suckler cows during 2019 to date which indicates a further contraction in suckler cow numbers. During the first seven months of 2019 there were just over 170,000 calves registered to suckler cows in NI. In the same period in 2018 176,000 calves were registered to suckler cows while in the same period in 2017 187,000 calves were registered.

This decline by 17,000 registrations between the first seven months of 2017 and the same period in 2019 indicates a significant contraction in suckler cow numbers in NI over the last two years.

Beef-cross calf registrations

Beef sired calf registrations to dairy cows in NI have also declined but to a much lesser degree. During the first seven months of 2019 79,000 beef sired calves were registered to dairy cows. This compares to 78,000 beef cross calf registrations in the same period last year and 81,500 registrations in the same period in 2017.

Dairy sired calves

Meanwhile the number of dairy sired male calves registered in NI has continued to decline with 37,000 head registered during the first seven months of 2019. This was back from 40,000 head in the 2018 period. While some dairy male calves are exported out of NI for further production the majority are utilised for beef production locally.

Between January-July 2019 7,100 dairy male calves were exported out of NI, accounting for approximately 20 per cent of total registrations. This was back from the same period last year when 9,800 male calves were exported, accounting for 25 per cent of total registrations.

While dairy male calf registrations have declined in NI in recent years dairy heifer calf registrations have trended upwards. During 2019 to date 47,500 dairy heifers have been registered in NI, up 1,500 from the same period last year. The increased use and effectiveness of sexed semen will have contributed to this trend.

Cattle supplies

The contraction in suckler calf registrations over the last two years is starting to impact cattle availability for slaughter. Analysis of APHIS data has identified 460,000 cattle for beef production on NI farms aged between 12-30 months at the start of August 2019. This is the lowest number of cattle in this category since 2016.

Declining suckler calf registrations have been offset to some degree by supplies of beef originating from the dairy herd however the suckler herd remains the backbone of the local beef industry. NI's suckler cows are predominantly farmed in Less Favoured Areas and contribute significant volumes of raw material to maintain and support the local beef industry. Suckler cows also help sustain and enhance rural communities in every corner of NI.

The future

It is LMC's long held view that the suckler beef industry requires targeted financial support within agricultural policy, and, with Brexit on the horizon, opportunities may exist to discuss and design policy instruments that will support productivity and profitability in the sector.

2017 marked the final year of full payment rates under the Areas of Natural Constraint Scheme (ANC) with payments ending altogether in 2018. The removal of these payments is no doubt one of the contributing factors in the recent decline in suckler cow numbers. LMC's vision is for a sustainable and profitable future for NI beef and sheep meat at all levels of the supply chain and we are keen to work with all our stakeholders to achieve this vision.

Figure 1: Suckler cows in NI have declined in recent years while dairy cow numbers have held relatively steady.

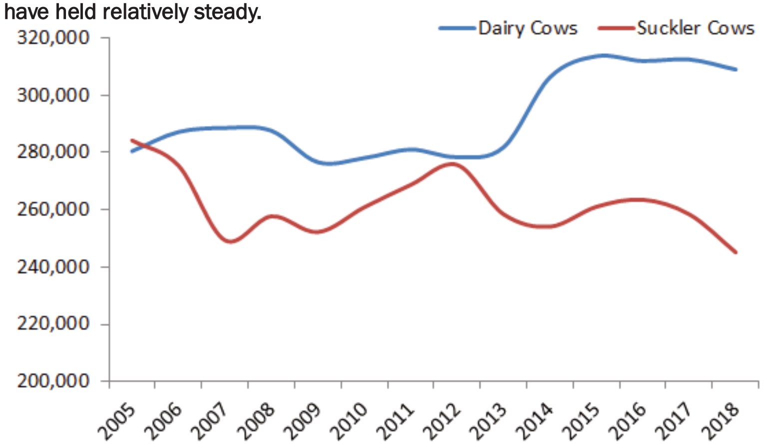
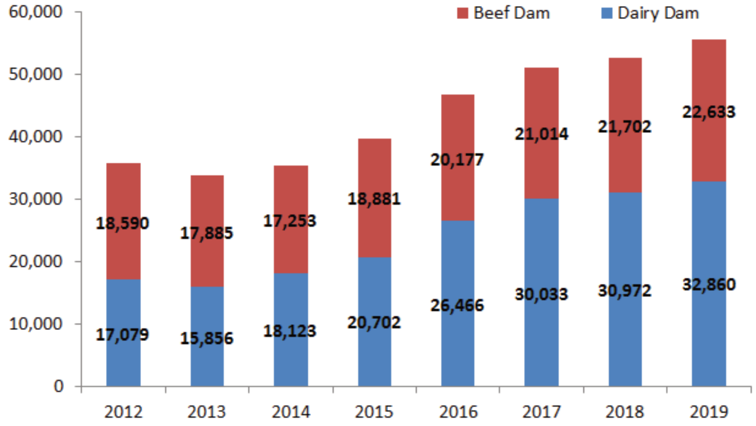


Image 1: Calf registrations to suckler cows during 2019 to date are running 17,000 head behind the same period in 2017.

ABERDEEN ANGUS CALF REGISTRATIONS INCREASE

DURING the first seven months of 2019 55,493 Aberdeen Angus calves were registered in Northern Ireland (NI). This was an increase of 2,819 registrations from the same period in 2018 which accounts for a five per cent increase year on year. This growth in numbers has come at a time when beef sired calf registrations have been in overall decline.

Figure 2: The number of Aberdeen Angus NI calf registrations to dairy and suckler cows January - July 2012 to 2019



The number of Aberdeen Angus calf registrations in NI has been steadily increasing since 2013 with increased use of Aberdeen Angus bulls in both the dairy and suckler herd as outlined in Figure 2. Bonuses at point of slaughter, shorter gestations and lower birth weights have all contributed to the growth in popularity of the breed.

During 2019 to date Aberdeen Angus was the most popular beef sire used on dairy cows, accounting for 42 per cent of beef sired registrations. This proportion has been steadily increasing from 34 per cent of registrations in the same period back in 2012.

The use of Aberdeen Angus bulls in the suckler herd has also been steadily increasing with 22.633 calves registered to suckler cows during 2019 to date. This was up four per cent from the corresponding period in 2018. Aberdeen Angus is the third most popular beef sire used on suckler cows in NI and accounted for 13 per cent of calf registrations during the first seven months of 2019. While Aberdeen Angus registrations to suckler cows remain well behind the level of Charolais registrations (32 per cent) and Limousin registrations (31 per cent) they have been steadily increasing in recent years.

AA cattle kill

The increasing popularity of Aberdeen Angus genetics in NI has led to an increase in the proportion of Aberdeen Angus cattle passing through local plants. During 2019 to date 20 per cent of price reported cattle were Aberdeen Angus, up from 17 per cent during the same period in 2018. The bonuses available at point of slaughter for Aberdeen Angus cattle have undoubtedly contributed to their increase in popularity.

However it is important that when producers decide to go down this production route that they present Aberdeen Angus cattle for slaughter that meet current market requirements. Carcase weight is one of the most important aspects of these specifications with most processors looking for carcases of between 260-380kg to meet retail requirements.

During 2019 to date 8.3 per cent of Aberdeen Angus heifers have produced carcases of under 260kg with a small proportion of steer carcases also falling under the desired 260kg weight range. While there are market outlets for cuts from these smaller carcases they are much more limited. Producers are encouraged to liaise directly with the procurement staff of the individual plants before finishing Aberdeen Angus cattle at lighter carcase weights.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 19/08/19	Next Week 26/08/19
Prime		
U-3	316 - 326p	316 - 324p
R-3	310 - 320p	310 - 318p
O+3	304 - 314p	304 - 312p
P+3	256 - 268p	256 - 266p
	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 17/08/19	Steers	Heifers	Young Bulls
U3	329.5	337.9	324.2
R3	326.8	333.3	323.2
O+3	318.4	321.6	306.3

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 17/08/19	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	150.2	168.0	178.4	197.3
P2	188.9	207.9	222.7	232.0
P3	198.3	218.9	233.5	239.8
O3	-	240.0	249.6	256.5
O4	-	245.0	251.3	259.4
R3	-	-	277.0	274.3

Deadweight Cattle Trade

QUOTES from the major processing plants this week for U-3 grade prime cattle ranged from 316-326p/kg with the majority of plants quoting 320-324p/kg. Quotes for early next week range from 316-324p/kg across the plants. The trade for cows held steady this week with quotes for O+3 cows ranging from 235-250p/kg across the plants. Similar quotes are expected for early next week.

The plants have reported good numbers of all types of cattle coming forward for slaughter. Prime cattle throughput in local plants last week totalled 5,977 head, up 440 head from the previous week. In the corresponding week in 2018 prime cattle throughput in local plants totalled 5,834 head. Cow throughput has also remained steady with 2,042 cows killed in NI last week. This was similar to the previous week and an increase of 100 cows when compared to the same week in 2018.

Cattle imports to NI for direct slaughter from ROI last week included 236 prime cattle and 66 cows while a further six prime cattle and 90 cows were imported from GB. Cattle exports from NI to ROI last week included 18 prime cattle and 94 cows with no cattle exported to GB for direct slaughter last week.

The deadweight cattle trade in NI generally remained steady last week with average steer and heifer prices up marginally from the previous week. The average steer price in NI was 323.5/kg, up 0.2p/kg while the R3 steer price remained steady at 332p/kg. Meanwhile the average heifer price in NI last week increased by 0.3p/kg to 329.2p/kg with the R3 heifer price up by 1.3p/kg to 336.3p/kg. The average young bull price increased by 2.7p/kg to 313.3p/kg while the R3 young bull price was up 2.4p/kg to 323.3p/kg. The cow trade in NI firmed compared to the previous week with an increase in the average cow price of 4.1p/kg to 237.8p/kg while the O3 cow price was up 0.7p/kg to 256p/kg.

In GB last week the deadweight trade for prime cattle was similar to the previous week. The average steer price was up 0.6p/kg to 326.5p/kg compared to the previous week while the R3 steer price was up by 1.7p/kg to 334p/kg. The R3 steer price increased across all the regions with Northern England reporting the strongest increase of 4.8p/kg to 339.3p/kg. The average heifer price in GB last week was back by 0.4p/kg to 327.9p/kg while the R3 heifer price was back by 0.7p/kg to 333.1p/kg. The R3 heifer price decreased in the Midlands and Wales (-1.6p/kg) and Southern England (-1.7p/kg) while it held steady in Northern England and increased in Scotland (+2.1p/kg). Both the average GB cow price and O3 cow price held steady this week at 229.1p/kg and 253.6p/kg respectively.

The deadweight trade for prime cattle came back in both euro and sterling terms last week. The R3 steer price was back over a penny to 319.3p/kg last week, while the R3 heifer price was back by 2.6p/kg to 327.8/kg. Meanwhile the O3 cow price improved by the equivalent of 1.4p/kg to 263.6p/kg, 7.6p/kg higher than the same price in NI.

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

W/E 17/08/19		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	331.2	328.7	342.6	338.8	332.4	332.9	336.7
	R3	332.0	319.3	343.6	339.3	329.7	325.4	334.0
	R4	330.9	319.6	348.6	336.0	330.3	326.0	336.6
	O3	323.6	303.1	327.0	323.4	311.1	305.8	316.3
	AVG	323.5	-	342.3	329.0	318.7	314.2	326.5
Heifers	U3	338.6	338.8	351.5	345.5	339.6	334.1	342.3
	R3	336.3	327.8	343.0	334.1	330.9	325.6	333.1
	R4	333.8	327.5	346.7	337.0	330.7	328.4	336.5
	O3	326.5	314.1	316.1	333.9	308.0	307.3	314.5
	AVG	329.2	-	343.5	332.7	317.8	316.4	327.9
Young Bulls	U3	324.2	317.4	331.1	324.3	326.1	317.8	325.6
	R3	323.3	307.4	323.5	319.9	314.2	307.2	316.9
	O3	298.1	287.4	292.9	285.0	278.1	307.0	285.6
	AVG	313.3	-	320.6	310.4	311.1	309.2	312.5
Prime Cattle Price Reported		5,077	-	6,560	6,372	7,063	4,647	24,642
Cows	O3	256.0	263.6	252.8	249.9	256.3	254.0	253.6
	O4	259.0	263.8	255.7	252.8	255.3	249.3	253.6
	P2	226.0	238.5	202.3	205.9	213.9	214.7	211.4
	P3	237.1	254.2	221.9	226.7	231.7	235.1	230.6
	AVG	237.8	-	244.6	232.1	227.0	221.1	229.1

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=92.20p 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 17/08/19	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	201	209	205	170	200	185
Friesians	140	154	148	120	135	130
Heifers	202	212	207	176	200	188
Beef Cows	147	178	157	116	146	130
Dairy Cows	109	122	114	60	108	82
Store Cattle (p/kg)						
Bullocks up to 400kg	200	233	220	175	199	190
Bullocks 400kg - 500kg	205	225	215	165	204	185
Bullocks over 500kg	190	221	200	160	189	175
Heifers up to 450kg	200	219	210	170	199	185
Heifers over 450kg	190	208	200	165	189	178
Dropped Calves (£/head)						
Continental Bulls	340	450	395	220	335	280
Continental Heifers	250	360	300	170	245	200
Friesian Bulls	150	215	180	50	145	100
Holstein Bulls	90	145	120	2	85	50

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 19/08/19	Next Week 26/08/19
Lambs up to 21kg	370p	370p

REPORTED SHEEP PRICES

(P/KG)	W/E 03/08/19	W/E 10/08/19	W/E 17/08/19
NI L/W Lambs	348.6	353.5	340.8
NI D/W Lambs	370.9	374.8	374.0
GB D/W Lambs	395.5	395.2	394.4
ROI D/W	392.3	415.3	412.1

Deadweight Sheep Trade

BASE quotes from the plants this week for R3 grading lambs were in the region of 370p/kg with all plants paying up to 21kg. The plants have reported steady supplies of lambs coming forward for slaughter with 11,247 lambs slaughtered locally last week. This was back 769 head from the previous week when 12,016 lambs were killed in local plants. Exports of lambs to ROI last week for direct slaughter totalled 7,625 head which was a decrease by 1,630 head from the previous week. The deadweight lamb price in NI last week was 374p/kg, back 0.8p/kg from the previous week. In the corresponding week last year the deadweight lamb price in NI was 404.5p/kg. The ROI deadweight lamb price last week was back 3.2p/kg to the equivalent of 412.1p/kg.

This week's marts

A steady demand for good quality lambs was reported across the marts this week with good numbers passing through many of the sale rings. However the trade was generally back from last week. In Massereene on Monday 1,066 lambs sold from 330-360p/kg compared to 1,004 lambs last week selling from 340-379p/kg. In Rathfriland this week 1,067 lambs sold from 318-381p/kg (avg 342p/kg) compared to 935 lambs last week selling from 320-406p/kg (avg 350p/kg). In Markethill this week 1,350 fat lambs sold from 320-337p/kg compared to 1,200 lambs last week selling from 320-348p/kg. Good numbers of cull ewes passed through the marts this week with top reported prices ranging from £86-£138.

LATEST SHEEP MARTS (P/KG LW)

From: 16/08/19		Lambs			
To: 22/08/19		No	From	To	Avg
Friday	Newtownstewart	516	300	341	-
Saturday	Swatragh	1200	310	361	-
	Omagh	1473	354	405	-
Monday	Massereene	1066	330	360	-
	Kilrea	550	327	375	-
Tuesday	Saintfield	711	320	370	-
	Rathfriland	1067	318	381	342
Wednesday	Ballymena	1921	315	340	323
	Enniskillen	456	330	362	-
	Armoy	336	305	345	-
	Markethill	1350	320	337	-

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