

MORE PREMIUM CATTLE IN LOCAL KILL

OVER the past few years there has been a steady increase in the number of Aberdeen Angus (AA) and Hereford (HER) steers and heifers being presented for slaughter in local plants. Strong demand from major retailers and processors combined with bonuses at point of slaughter have incentivised beef producers to finish these types of cattle.

Calf registrations

Both dairy and beef producers in NI have responded to these positive market signals and have increased the use of native breed bulls on their herds. As a result the number of AA and HER calves being registered in NI has steadily increased with a growing number of these premium cattle now on local farms

Aberdeen Angus calf registrations
Jan-Sept 2019 : 65,657
+4,182 head yoy
+7% yoy

Hereford calf registrations
Jan-Sept 2019 : 23,695
+440 head yoy
+2% yoy

During the first nine months of 2019 there were 65,657 AA calves registered in NI, an increase of 4,182 head or seven per cent from the corresponding period in 2018. AA calves accounted for 22.6 per cent of all beef sired calves in NI during the 2019 period which makes it the third most popular beef sire used in the region.

Meanwhile there were 23,695 HER calves registered in NI during the first nine months of 2019, up slightly from

year earlier levels. HER calves accounted for 8.2 per cent of all beef sired calf registrations during the 2019 period which makes it the fourth most popular beef sire used in NI.

While there has been an increase in the use of native breed bulls in both the dairy and suckler herds in NI the growth in numbers has been driven primarily by more AA and HER calves being registered to dairy cows. Smaller birth weights, shorter gestations, demand from finishers and bonuses at point of slaughter have all contributed to the growing number of these types of calves being registered.

Slaughtering

During 2019 to date there have been 43,445 AA steers and heifers killed in local price reporting plants which accounted for 22 per cent of total throughput. This is up from 19 per cent of the steer and heifer kill in the same period in 2018.

There has also been a slight increase in the number of HER steers and heifers being killed in NI. During 2019 to date 14,860 HER steers and heifers have been killed in local price reporting plants, up from 13,133 head in the same period last year. During the 2019 period HER steers and heifers have accounted for seven per cent of the total price reported prime kill.

Aberdeen Angus steers and heifers have accounted for 22 per cent of the total kill during 2019 to date, up from 19 per cent in the same period in 2018

Carcase weights

As indicated in Figure 1 the proportion of AA and HER steer and heifer carcasses that meet the ideal 280-380kg weight specification is very high at 76 per cent and 74 per cent respectively during 2019 to date. If we consider the proportion of all other beef sired steers and heifers that met this weight specification during the same period it was 61 per cent.

However while a larger proportion of AA and HER cattle meet this weight specification they have a lower average carcase weight which reduces the potential return to the producer. During 2019 to date the average carcase weight of AA steers and heifers was 324kg, the average for HER steers and heifers was 329kg while the average for all other beef sired cattle was 358kg.

Grading

The value of the finished steer/heifer is also impacted by the grade the animal achieves at point of slaughter. Figure 2 displays the conformation scores achieved by AA, HER and other beef cattle at point of slaughter during 2019 to date.

As indicated in the chart AA and HER cattle killed in local plants have predominantly achieved R and O grade while other beef cattle tended to produce U and R grading carcasses. The larger proportion of AA and HER cattle originating from the dairy herd when compared to other beef cattle will have contributed to this.

Changing systems

While these native breed cattle are continuing to increase in popularity it is important that anyone finishing beef

Figure 1: Carcase weight of Aberdeen Angus, Hereford and other beef cattle by weight range during 2019 to date (Source: Price Reporting)

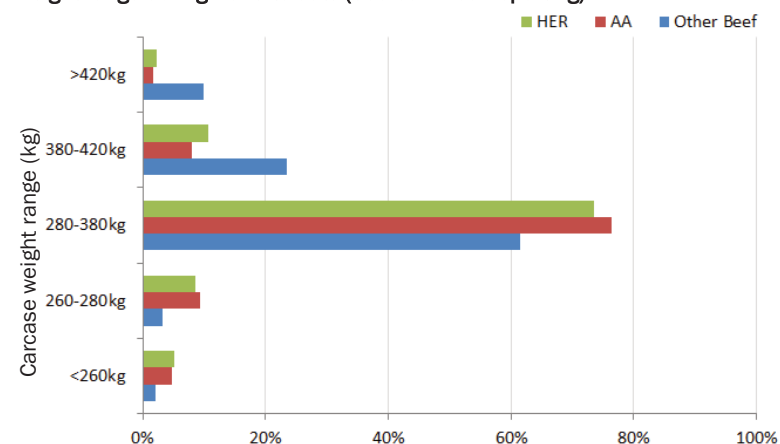
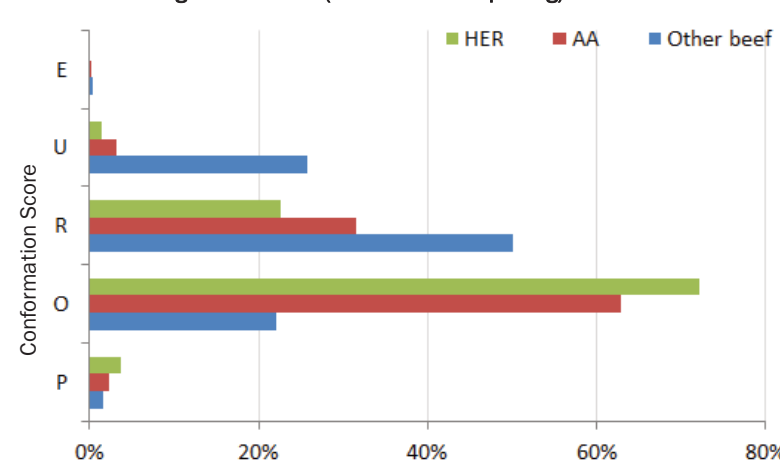


Figure 2: Conformation scores achieved by Aberdeen Angus, Hereford and other beef cattle during 2019 to date (Source: Price Reporting)



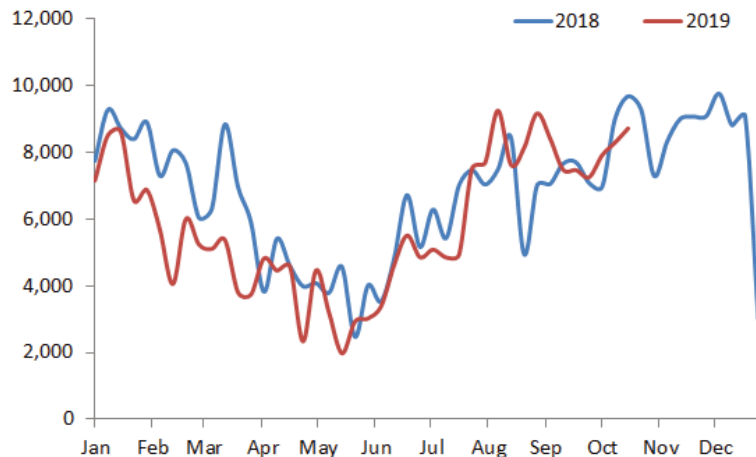
cattle looks at the economics of this type of finishing system and consults with the procurement staff of the individual plants before changing their production system.

While there are a range of bonuses available across the major processing

plants for AA and HER cattle that meet specification it is important to note that these cattle tend to produce lighter carcasses and have poorer conformation scores than other beef breeds, particularly when originating from the dairy herd.

NI LAMB PRODUCTION RUNNING AHEAD OF 2018 LEVELS

Figure 3: Weekly lamb/hogget exports from NI to ROI for direct slaughter during 2018 and 2019 YTD



DURING the period June-October 2019 total lamb output from the NI sheep flock totalled 326,529 head. This is an increase of 6,416 head or two per cent from the same period in 2019.

The more favourable production conditions on NI farms during spring 2019 when compared to spring 2018 will have reduced lamb mortality and increased the number of lambs on the ground. With more lambs on the ground during the 2019 season there has been an increase in the number of lambs being presented for slaughter in local plants and also to be exported to ROI.

During the 20 week period ending 19 October 2019 there were 188,362 lambs killed in local plants which

accounted for 58 per cent of total lamb production in the region. In the corresponding period in 2018 lamb throughput in local plants totalled 183,596 head. This increase by 4,766 head accounts for an 2.6 per cent increase year on year.

While there has been an increase in lamb throughput in local plants the average carcass weight has also increased slightly to 21.5kg. This has resulted in an additional 159 tonnes of lamb carcasses being processed by local plants during the 20 weeks ending 19 October 2019 when compared to the same period in 2018.

Live export market

NI, unlike the other UK regions, is heavily reliant on access to a live export

market for our lambs. During the 20 week period ending 19 October 2019 there were 138,167 lambs exported to ROI for direct slaughter which accounted for 42 per cent of total lamb output from the NI sheep flock. This was fairly similar to the same period in 2018 when 136,517 lambs were exported from NI.

As indicated in Figure 3 there is fluctuation in the level of lamb exports to ROI for direct slaughter on a weekly basis however the number exported tends to trend upwards in the autumn as more slaughter ready lambs come onto the market. It is important that any future trading arrangement between NI and ROI allows this trade to continue with as little disruption as possible.

FQAS Helpline

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

Answerphone Service

Factory Quotes & Mart Results
Updated 5pm Daily
Tel: 028 9263 3011

Text Service

Free weekly price quotes sent to your mobile phone
Email - bulletin@lmcnl.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 21/10/19	Next Week 28/10/19
Prime		
U-3	312 - 320p	312 - 320p
R-3	306 - 314p	306 - 314p
O+3	300 - 308p	300 - 308p
P+3	252 - 262p	252 - 262p
	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 19/10/19	Steers	Heifers	Young Bulls
U3	321.1	328.5	315.7
R3	319.0	321.2	309.2
O+3	312.2	314.4	299.2

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 19/10/19	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	147.6	163.1	173.3	182.1
P2	170.6	192.8	215.0	221.8
P3	184.7	215.8	224.9	233.1
O3	176.4	219.6	238.7	250.0
O4	-	220.7	245.2	252.7
R3	-	-	-	269.2

Deadweight Cattle Trade

The deadweight trade for prime cattle has held steady in NI with base quotes from the major processing plants for U-3 grade steers and heifers ranging from 312-320p/kg. The majority of plants are continuing to quote 318p/kg for steers and heifers. Quotes for O+3 grading cows ranged from 235-250p/kg across the plants with most plants quoting 240-245p/kg. Similar quotes are expected for all types of cattle early next week.

The NI plants have reported strong supplies of prime cattle coming forward for slaughter with throughput last week increasing slightly to 7,741 head. In the corresponding week in 2018 a total of 7,393 prime cattle were killed in local plants. Cow throughput in local plants has remained steady with 2,834 head killed last week. In the same week last year 2,094 cows were killed in local plants.

Imports of prime cattle from ROI for slaughter in local plants last week totalled 367 head with 15 prime cattle also imported from GB. Meanwhile 60 cows were imported from ROI for direct slaughter in local plants with a further 115 cows imported from GB. Exports of prime cattle out of NI for direct slaughter in ROI plants consisted of seven steers and 40 cows with no cattle making the journey to GB for direct slaughter.

The average steer price in NI last week was 314.6p/kg, up 0.2p/kg from the previous week. The R3 steer price in NI last week was up by just under a penny to 323.8p/kg. The average heifer price in NI last week was back 1.6p/kg to 318.1p/kg while the R3 heifer price decreased by 4.3p/kg to 323.6p/kg. The average young bull price in NI last week was back 3.1p/kg to 298.8p/kg with the R3 young bull price back by 2.9p/kg to 312.3p/kg. The average cow price in NI last week increased by just under a penny to 225.2p/kg, while the O3 cow price decreased by 1.7p/kg to 248.4p/kg.

In GB last week the average steer price came back by 1.3p/kg to 321.5p/kg while the R3 steer price increased by half a penny to 330.6p/kg. The differential in R3 steer prices between NI and GB last week narrowed to 6.8p/kg. The average heifer price in GB last week was 322.9p/kg, back 0.7p/kg from the previous week with the R3 heifer price increasing by half a penny to 330.3p/kg. The differential in R3 heifer prices between NI and GB last week narrowed to 6.7p/kg. The average young bull price in GB last week was back by 4.5p/kg to 301.1p/kg while the R3 young bull price was up by half a penny to 316.4p/kg.

The deadweight prices for the majority of prime cattle grades came under pressure in ROI last week in euro terms. In addition a weakening euro against sterling has resulted in strong declines in all deadweight cattle prices in ROI in sterling terms. Both the R3 steer and heifer price decreased by 9p/kg to 301.7p/kg and 310.5p/kg respectively. This puts the differential between ROI and NI at 22.1p/kg for R3 steers and 13.1p/kg for R3 heifers. Prime cattle throughput in ROI last week totalled 30,285 head, an increase of 726 head when compared to the same week in 2018.

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

	W/E 19/10/19	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	321.7	309.5	341.5	331.3	330.4	330.3	333.3
	R3	323.8	301.7	339.9	335.4	323.8	326.1	330.6
	R4	320.4	299.8	343.1	340.0	324.2	325.1	335.3
	O3	315.7	284.0	326.4	308.1	299.1	302.3	309.0
	AVG	314.6	-	337.6	324.1	311.8	311.9	321.5
Heifers	U3	328.9	319.4	348.4	332.2	336.5	330.3	337.6
	R3	323.6	310.5	339.4	331.8	328.0	323.1	330.3
	R4	326.1	308.1	342.8	331.7	327.7	325.2	332.4
	O3	315.8	296.3	315.4	306.1	305.2	305.2	307.9
	AVG	318.1	-	339.7	322.9	316.1	312.0	322.9
Young Bulls	U3	316.1	290.4	327.5	319.3	321.9	321.0	322.1
	R3	312.3	282.1	324.6	310.6	316.5	315.3	316.4
	O3	292.0	266.7	295.1	288.7	288.9	300.3	291.5
	AVG	298.8	-	312.5	296.8	298.3	301.8	301.1
Prime Cattle Price Reported	6,504	-	6,947	6,935	7,965	5,121	26,968	
Cows	O3	248.4	234.8	241.1	241.0	239.6	227.0	237.6
	O4	252.1	235.5	242.3	239.7	237.4	224.6	236.4
	P2	214.6	205.2	201.3	190.8	199.2	191.1	196.0
	P3	230.8	223.7	216.1	211.0	211.6	209.5	211.7
	AVG	225.2	-	231.1	213.2	207.1	196.4	209.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=86.98p 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

LATEST LIVEWEIGHT CATTLE MART PRICES NI

W/E 19/10/19	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	199	206	203	175	198	185
Friesians	-	-	-	-	-	-
Heifers	190	209	197	165	188	180
Beef Cows	142	174	155	118	141	130
Dairy Cows	105	118	110	60	104	83
Store Cattle (p/kg)						
Bullocks up to 400kg	200	229	215	170	199	185
Bullocks 400kg - 500kg	210	232	218	170	209	190
Bullocks over 500kg	190	204	200	165	189	178
Heifers up to 450kg	195	222	205	165	194	180
Heifers over 450kg	185	200	192	155	185	170
Dropped Calves (£/head)						
Continental Bulls	300	390	330	190	290	240
Continental Heifers	255	290	270	150	250	200
Friesian Bulls	130	230	178	40	105	75
Holstein Bulls	55	130	95	2	50	30

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 21/10/19	Next Week 28/10/19
Lambs up to 21kg	345p	345p

REPORTED SHEEP PRICES

(P/KG)	W/E 05/10/19	W/E 12/10/19	W/E 19/10/19
NI L/W Lambs	302.6	313.0	316.6
NI D/W Lambs	341.6	343.1	339.6
GB D/W Lambs	371.2	371.3	374.3
ROI D/W	377.8	374.4	363.1

Deadweight Sheep Trade

The deadweight sheep trade remained steady this week with quotes in the region of 345p/kg up to 21kg for R3 grading lambs across the plants. Reports from the plants have indicated that the lambs being presented for slaughter are generally of very good quality with 8,433 lambs killed locally last week. This was a decline of 239 lambs from the previous week when 8,672 were lambs killed in NI plants. Exports of lambs to ROI last week for direct slaughter totalled 8,720 head with 1,174 ewes/rams also exported. This compares to 8,296 lambs and 1,077 ewes/rams exported to ROI for direct slaughter the previous week. The deadweight lamb price in NI last week decreased by 3.5p/kg to 331.6p/kg while the liveweight lamb price increased by 3.6p/kg to 316.6p/kg.

This week's marts

A slightly sharper trade was reported across some of the marts this week with a steady demand for good quality lambs. In Swatragh on Saturday 820 lambs sold from 295-338p/kg compared to 1,100 lambs last Saturday selling from 280-336p/kg. In Kilrea this week 550 lambs sold from 304-334p/kg compared to 480 lambs last week selling from 302-317p/kg. In Rathfriland this week 523 lambs sold from 298-384p/kg (avg 321p/kg) compared to 645 lambs last week selling from 295-378p/kg (avg 318p/kg). In Markethill this week 950 lambs sold from 300-330p/kg compared to 990 lambs last week selling from 300-330p/kg. Top reported prices for cull ewes generally ranged from £80-£95 across the marts.

LATEST SHEEP MARTS (P/KG LW)

From: 18/10/19		Lambs			
To: 24/10/19		No	From	To	Avg
Friday	Newtownstewart	338	292	347	-
Saturday	Swatragh	820	295	338	-
	Omagh	1054	352	427	-
Monday	Massereene	1155	310	335	-
	Kilrea	550	304	334	-
Tuesday	Saintfield	741	300	352	-
	Rathfriland	523	298	384	321
Wednesday	Ballymena	1850	278	336	299
	Enniskillen	483	300	354	-
	Armoy	364	298	325	-
	Markethill	950	305	350	-

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