

LMC RED MEAT PROSPECTS CONFERENCE

GREENMOUNT COLLEGE,

29 MARCH 2012, 9:45AM - 4PM

REGISTRATION FROM 9:15AM

LMC IS PLEASED TO ANNOUNCE THAT IT WILL HOST A NEW 1-DAY CONFERENCE IN GREENMOUNT COLLEGE ON 29 MARCH. THE THEME IS: **THE GREAT ECONOMIC UNCERTAINTY; OPPORTUNITY OR THREAT FOR THE RED MEAT INDUSTRY.** SPEAKERS WILL BRIEF DELEGATES ON THE PROSPECTS FOR THE TRADE IN 2012.

At a time of great economic uncertainty, the guest speakers will brief delegates on whether they think the current unsteady economic environment is an opportunity or threat to the NI red meat sector.

The conference theme and timing couldn't be more relevant. This year promises to be a nervous one for the international economy with the EuroZone debt crisis remaining unresolved. Global economic leaders continue to issue dire warnings about the financial future.

Meanwhile the beef and lamb trade has staged something of a recovery in recent years and producers hope that this will continue. Although producers' input costs have risen sharply, farmgate beef and lamb prices have also increased and there are some signs of improved confidence in the sector.

Producers will become increasingly reliant on the market in the coming years given the pressure on the CAP budget and ongoing reforms. With this in mind delegates will be keen to hear about the prospects for beef and lamb supplies

both locally and globally and the impact of higher retail prices, combined with recession on demand.

LMC welcomes producers and other stakeholders to Greenmount on 29 March 2012 to attend what promises to be a very informative event.

The conference will run from 9:45am - 4pm with registration from 9:15am. Complimentary lunch will be provided at 1:15pm. See booking details below.

Red Meat Prospects
Conference

BOOK NOW
First Come
First Served

Free Entry - Booking Essential
The deadline for bookings is
22 March

Contact LMC to book your seat
now!

conference@lmcni.com
028 9263 3000

Conference Speakers



James Campbell: Northern Editor, Irish Farmers' Journal - Conference Chair

James is well known in the local agriculture scene after almost 28 years reporting and commenting for the Irish Farmers Journal. Before that, he worked for the Ulster Farmers' Union as an economist and was its joint deputy General Secretary. In recent years, as chairman of AgriSearch, James has been actively involved in commissioning research into beef and sheep farming in Northern Ireland.



Richard Ramsay: Economist, Ulster Bank - 2012 - Recovery, Recession or Depression

Described by Jim Fitzpatrick, (BBC NI Business and Economics Editor), as "frighteningly accurate", Richard is one of Northern Ireland's best-known economic commentators. Richard covers all aspects of the NI economy, including financial markets, with particular focus on the UK economy. Richard also provides regular analysis to some of NI's largest companies and a range of leading business bodies.



Rupert Claxton, Senior Consultant, GIRA - International Outlook for Beef & Lamb

Rupert has worked as strategy consultant in the food sector for Gira for the last 9 years, with a high level of specialization in global meat markets. Gira has a huge meat sector database, insight and intelligence network, having forecast on developments for over 30 years.



**Mark Thomson, Head of Scotland & Ireland, Kantar Worldpanel
The GB Retail Landscape in 2012; What This Means for You!**

Mark has spent 10 years working within Kantar Worldpanel across both the consumer usage teams, as well as within the shopper research side. Mark is currently Business Unit Director looking after key clients across Scotland and Ireland. Mark has worked across all the main manufacturers and producers, along with key retail buyers.



**Trevor Lockhart, Chief Executive, Fane Valley & Chairman Linden Foods
Growing a Business in an Uncertain Economic Environment**

As CEO of Northern Ireland's largest and most diversified co-op, Trevor is ideally-placed to brief delegates on the challenges of doing business in the current economic environment. Fane Valley now has a turnover in excess of £425 million, with over 1,700 employees with sites in NI, ROI, GB and Belgium, with significant red meat interests.



**Stuart Ashworth, Head of Economic Services, Quality Meat Scotland (QMS)
GB Cattle and Sheep Supply Prospects**

Stuart joined QMS in 2003 and his team has responsibility for monitoring and reporting on the business environment facing the red meat sector in Scotland from market supply, demand and price trends through enterprise profitability measures and the machinations of trade flows to the impact of national, EU and global policies on the Scottish industry.



**Joe Burke, Beef Sector Manager, Bord Bia / Irish Food Board
Livestock Supply Prospects in ROI**

Joe is the Beef Sector Manager with Bord Bia, the Irish Food Board. He grew up on a beef finishing farm in Co. Limerick and graduated from Agricultural Science in University College Dublin. Joe previously worked in management in the meat industry and also spent a few years working as a beef nutrition advisor.



Conall Donnelly, Economist, LMC NI - NI Beef and Lamb Trade Prospects

Conall takes responsibility for analysis of the NI red meat market and is editor of the LMC Bulletin and regularly briefs industry on a range of market issues. Conall will brief delegates on the supply situation in NI and will provide an update of NI red meat export trends and local demand trends.

US RULE CHANGE COULD OPEN DOORS FOR NI BEEF

LMC welcomes the news that steps are being taken in the US which would allow the importation of EU beef into the US which is the largest single beef market in the world in terms of imports and consumption. The proposed rule from the US Department of Agriculture could yet be challenged as it is subject to a 60 day consultation period and there is no specific timescale on the completion of the matter. However, access to the US market has the potential to create opportunities for local exporters and would represent the resolution of

another legacy issue of BSE.

This scale of the US market represents a significant opportunity. In the US last year average per capita beef consumption was approximately 37kg, more than twice that of the EU. Overall consumption amounted to about 11.5m tonnes (carcase weight equivalent) in 2011 with approximately 1.7m tonnes cwe imported into the US.

There will clearly be a reciprocal element to any

agreement and local producers should be aware that any concessions made by the Americans will be coupled with the expansion of a special tariff rate for non-hormone high quality USA and Canadian beef. US exporters currently take the largest share of the EU's 20,000 tonne high quality beef quota. It is expected that the quota will be expanded later this year to 45,000 tonnes. Beef exports from the US (to global destinations) have risen sharply in recent years and the Americans will welcome increased access to the EU market through this high-quality beef quota.

The prospect of improved access to foreign markets is encouraging nonetheless and continues to be a major focus for the NI industry.

In 2011, NI exporters benefited from the agreement of 40 export health certificates for bovine and ovine products to capitalise on export opportunities into third country markets. LMC will continue to work with and fund the UK Export Certification Partnership which has been instrumental in so many of these issues.



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

CATTLE TRADE

CATTLE QUOTES

(P/KG DW)	This Week 12/03/12	Next Week 19/03/12
U-3	324 - 326p	326 - 330p
R-3	318 - 320p	320 - 324p
O+3	312 - 314p	314 - 318p
Cows	270 - 280p	270 - 286p

* Plus 8p/kg in-spec bonus where applicable.

LAST WEEK'S NI CATTLE PRICES - P/KG

W/E 10/03/12	Steers	Heifers	Young Bulls	Cows
U-3=	334.1	338.5	332.3	
U=3=	329.5	340.6	330.2	292.0
U=4=	327.7	332.0	320.0	308.0
R=3=	332.0	332.3	322.8	308.3
R=4=	327.5	329.3	314.7	300.2
O=3=	316.3	318.3	305.7	270.2
O+3=	326.8	324.5	316.4	287.7
O+4=	320.5	319.6		289.9
P+2=	295.8	280.0	294.3	251.5
P+3=	298.2	294.9	301.2	263.0
Average	324.2	325.6	314.0	252.5

Note: The table above shows prices for selected grades from the 15-point scale. The table below merges grades down to the 5-point scale for comparison with GB regions and ROI.

LAST WEEK'S CATTLE PRICES (UK / ROI)

W/E 10/03/12	Scotland	Northern England	Midlands & Wales	Southern England	Northern Ireland	Rep of Ireland
Steers	U3	356.6	350.4	354.0	350.1	333.6
	R3	350.0	343.0	341.3	336.5	331.8
	R4	352.0	349.7	342.5	336.4	328.8
	O3	337.8	324.6	323.1	314.0	318.9
Average	350.3	339.3	338.4	319.5	324.2	-
Heifers	U3	357.0	351.6	354.4	350.3	339.3
	R3	350.3	341.3	342.0	338.6	334.7
	R4	351.1	342.8	342.0	337.7	329.7
	O3	338.9	323.8	326.2	314.2	320.0
Average	349.9	339.2	338.9	325.5	325.6	-
Young Bulls	U3	345.8	337.7	345.0	341.5	329.9
	R3	339.0	329.6	334.5	330.4	321.9
	O3	312.0	311.8	317.2	306.8	308.1
Average	326.2	319.9	321.9	312.4	314.0	-
Prime Cattle Price Reported	03	7081	6133	5686	4266	4682
	O3	282.2	277.9	274.4	262.3	276.6
	O4	287.3	280.4	282.0	264.7	278.5
	P2	220.8	236.0	230.0	224.7	236.1
	P3	248.5	260.5	257.3	229.0	260.5

Notes:

(i) Prices are p/kg Sterling-ROI prices converted at 1 euro=83.53p Stg.

(ii) Shading indicates a lower price than the previous week.

Deadweight Cattle Trade

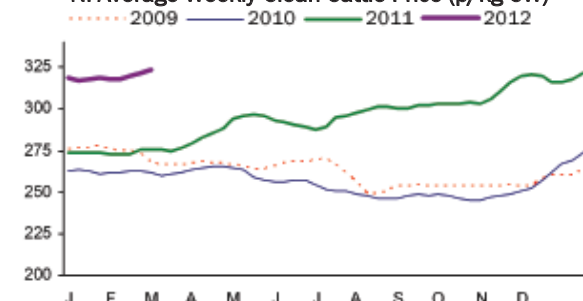
At the start of last week the factories were quoting 324-326p/kg for U-3 grade prime cattle. However, by Wednesday quotes were higher at 326-330p/kg. On Monday it is expected that similar quotes will be available.

Last week the factories paid 334p/kg (+1.4p on the previous week) for U3 steers and 339p/kg (+1.8p) for U3 heifers. The reported heifer price in particular was well above quotes, even when bonuses are considered. Furthermore, it is important to understand that these are average prices and that behind any average price is a range, with higher and lower prices being paid. Clearly higher prices are available and producers should be shopping around for deals.

The kill remained under pressure last week with 7,971 head slaughtered in total. This was down by 16 per cent from the same week last year when over 9,500 head were slaughtered. Factories engaged in the live import trade from ROI have found it difficult to procure stock there in recent months. On average just 430 head a week were imported from ROI by factories in the first two months of the year. Last week however, 680 head were imported which will have boosted the kill somewhat.

In GB, U3 prices are significantly higher than NI levels. Scottish U3 steer prices last week averaged 357p/kg, 23p/kg higher than in NI. In Southern England where U3 steer prices were up by 4p, the difference was 16.5p/kg last week. ROI steer and heifer prices were generally up by 2-3c/kg last week.

NI Average Weekly Clean Cattle Price (p/kg CW)



NI Clean Cattle Slaughterings ('000 head per week)



More detailed information on prices and explanations of these tables and charts are available from the LMC
 Technical Department:
 Call 028 9263 3000.

LATEST NI BEEF MARTS

Finished Cattle (£/100kg LW)		Store Cattle (£/100kg LW)		Dropped Calves (£/head)		
	from	to		from	to	
Steers			Store bullocks up to 400kg		Continental bull calves	
	1st quality	196	221	1st quality	200	227
	2nd quality	180	195	2nd quality	170	199
Friesians	136	169	Store bullocks 400kg-500kg		1st quality	300
Heifers			Store bullocks 400kg-500kg		2nd quality	230
	1st quality	186	212	1st quality	191	222
	2nd quality	160	185	2nd quality	170	190
Beef Cows			Store bullocks over 500kg		1st quality	230
	1st quality	162	199	1st quality	196	212
	2nd quality	125	160	2nd quality	165	195
Dairy Cows			Store heifers up to 450kg		2nd quality	150
	1st quality	126	147	1st quality	200	230
	2nd quality	100	125	2nd quality	175	199
				Store heifers over 450kg		Friesian bull calves
				1st quality	190	207
				2nd quality	170	189
						Holstein Bull Calves
						10
						200

Taken from a sample of beef marts in the week ended 09/03/12

(ii) Shading indicates a lower price than the previous week.

Deadweight Sheep Trade

THIS week two factories were quoting 440p/kg for R3 hoggets, similar to last week. A third plant was quoting 445p/kg. On Monday we expect quotes of 440-445p/kg. Last week the kill was lower for the second week running. The latest weekly kill figures show that it has now fallen by about 15 per cent in a fortnight. The reported prices reflect this reduced supply. NI deadweight prices have increased by about 10p/kg per week over the three weeks ending 10 March. GB prices on the other hand have remained steady at 440p/kg, slightly ahead of NI prices last week.

SHEEP QUOTES		
(P/KG DW)	This Week 12/03/12	Next Week 19/03/12
Hoggets	440 - 445p*	440 - 445p*

All plants paying up to 22kgs for FQAS hoggets.

REPORTED HOGGET PRICES - P/KG			
(P/KG)	W/E 25/02/12	W/E 03/03/12	W/E 10/03/12
NI Liveweight	389.9p	395.2p	402.1p
NI Deadweight	415.1p	425.2p	434.2p
GB Deadweight	441.3p	440.1p	440.7p

Contact us:

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FQAS Helpline: 028 9263 3024

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Comments: bulletin@lmcni.com

LATEST SHEEP MARTS

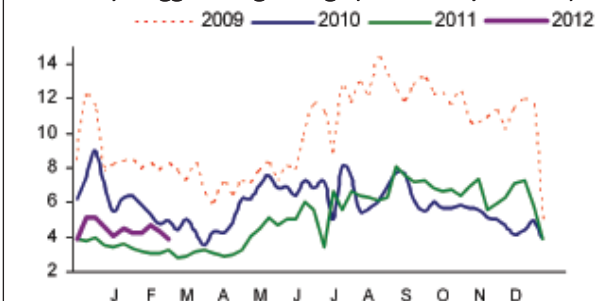
From: 10/03/2012 To: 15/03/2012		Hoggets (P/KG LW)			
		No.	From	To	Average
Saturday	Donemana	397	N/A	N/A	411
	Omagh	614	385	421	N/A
Monday	Kilrea	900	380	425	390
	Masserene	724	390	430	N/A
	Saintfield	392	390	442	402
Tuesday	Armooy	274	386	420	396
	Rathfriland	250	383	442	407
	Ballymena	803	380	427	391
	Enniskillen	784	384	420	395
Wednesday	Markethill	1050	380	438	408
	Newtownstewart	80	396	424	402

This week's marts

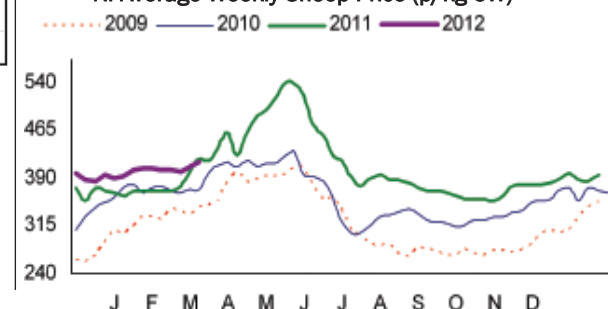
AT the marts this week, trade was reasonably steady with average prices across the marts similar to last week, generally ranging from 395-405p/kg with a few exceptions. At Ballymena on Wednesday hogget prices averaged 391p/kg, 5p/kg lower than last week, while in Marketkill the reported average price was more-or-less the same as last week. In Enniskillen the average price was up by about 7p/kg compared to last week. Cull ewes sold to a top of at least £100 in all marts last week.

SHEEP TRADE

NI Lamb / Hogget Slaughterings ('000 head per week)



NI Average Weekly Sheep Price (p/kg CW)



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