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PRIME CATTLE CONFORMATION UPDATE APRIL-JUNE 2015

THE conformation scores achieved by the price reported prime cattle kill in Northern Ireland for the period April to June 2015 were broadly similar to the corresponding period in 2014 although there were some slight differences year on year.

Steers

During the period under analysis 19.7 per cent of the price reported NI steer kill achieved a U grade compared to 23.3 per cent achieving a U grade in the corresponding period in 2014. Meanwhile the proportion of R grade carcases was almost unchanged year on year and accounted for 39 per cent of the NI steer kill in the 2015 period as outlined in Table 1.

Meanwhile the proportion of O and P grade steer carcases both recorded an increase year on year. O grade steer carcases accounted for 31.1 per cent of the NI steer kill in the 2015 period, a 2.2 percentage point increase on the corresponding period in 2014. P grade steer carcases accounted for 9.9 per cent of the price reported NI steer kill in the 2015 period, a 1.1 percentage point increase on the previous year.

This increase in the proportion of O and P grade carcases in the slaughter mix has been driven by an increase in the proportion of steers sourced from the dairy herd. Changes in market demands have resulted in a drop in demand for bull beef and as a result more dairy origin male cattle are being finished as steers instead of young bulls.

In the 2015 period 36.3 per cent of the price reported NI steer kill were sourced from the dairy herd, a 2.8 percentage point increase from the corresponding period in 2014 when 33.5 per cent of the steer kill were of dairy origin. Meanwhile the proportion of suckler origin steers accounted for 63.7 per cent of the price reported NI steer kill in the 2015 period compared to 66.5 per cent of the steer kill in the 2014 period.

While there has been an increase in the dairy influence in the NI steer kill the average price reported steer carcase weight was unchanged between the two periods at 351kg. The increased dairy influence on the NI steer kill has been counteracted by an increase in the dairy origin steer carcase weight from 318kg in the 2014 period to 324kg in the 2015 period. Meanwhile the carcase weight of suckler origin steers was unchanged year on year at 367kg.

Heifers

Analysis of the price reported heifer kill in NI has indicated a slight increase in the proportion of U grade heifer carcases year on year as indicated in Table 2. In the 2014 period 18.6 per cent of price reported heifers were awarded a U grade and this increased by half a percentage point to account for 19.1 per cent of the price reported heifer kill in the 2015 period.

Meanwhile the proportion of R grade heifer carcases declined from 52.6 per cent of the price reported kill in the 2014 period to 50.9 per cent in the 2015 period. The proportion of O grade carcases was unchanged year on year and accounted for 25.5 per cent of the price reported heifer kill in the 2015 period. P grade carcases accounted for 4.4 per cent of the price reported heifer kill in the 2015 period, a 1.3 percentage point increase from the 2014 period.

The proportion of the NI heifer kill sourced from the dairy herd increased by two percentage points from 24.1 per cent in the 2014 period to 26.1 per cent in the 2015 period and this may be one reason behind the increase in the proportion of P grade carcases in the slaughter mix.

The average price reported heifer carcase weight during April-June 2015 was 319kg, a 7kg increase from the corresponding period in 2014. The average carcase weight of heifers sourced from the dairy herd was 299kg in the 2015 period, an increase of 5kg from the same period in 2014. Meanwhile the average carcase weight of suckler origin heifers increased from 317kg in the 2014 period to 326kg in the 2015 period.

Young Bulls

As outlined above changes to market requirements have resulted in a decline in the proportion of young bulls in the NI slaughter mix. There has also been a general downward shift in the conformation scores of the young bulls slaughtered as indicated in Table 3.

In the 2015 period U grade young bulls accounted for 20.8 per cent of the price reported young bull kill compared to 22.4 per cent in the 2014 period. The proportion of R grade carcases also declined and accounted for 21.8 per cent of carcases in the 2015 period compared to 25.3 per cent in the 2014 period.

O grade carcases accounted for 32.4 per cent of young bull carcases in the 2014 period and this increased by 3.2 percentage points to 35.6 per cent in the 2015 period. The proportion of P grade carcases increased from 18.2 per cent in the 2014 period to 19.9 per cent in the 2015 period.

While there has been an overall decline in the proportion and number of young bulls in the NI slaughter mix there has also been a change to the source of the young bulls killed in the 2015 period when compared to year earlier levels. In the 2014 period 50 per cent of the young bull kill in NI was sourced from both the dairy and suckler herds. However in 2015 56.5 per cent of the young bull kill was sourced from the dairy herd with the other 43.5 per cent sourced from the suckler herd. This will have been one factor behind the downward movement in the overall conformation scores.

While there has been a general downward shift in conformation scores the average young bull carcase weight increased from 312kg in the 2014 period to 315kg in the 2015 period. This increase was driven by an 11kg increase in dairy origin carcases year on year to 275kg in the 2015 period and a 7kg increase in suckler origin carcases to 367kg in the 2015 period.

Figure 1: Proportion of the NI prime cattle kill sourced from the dairy herd by type during April-June 2014 and 2015

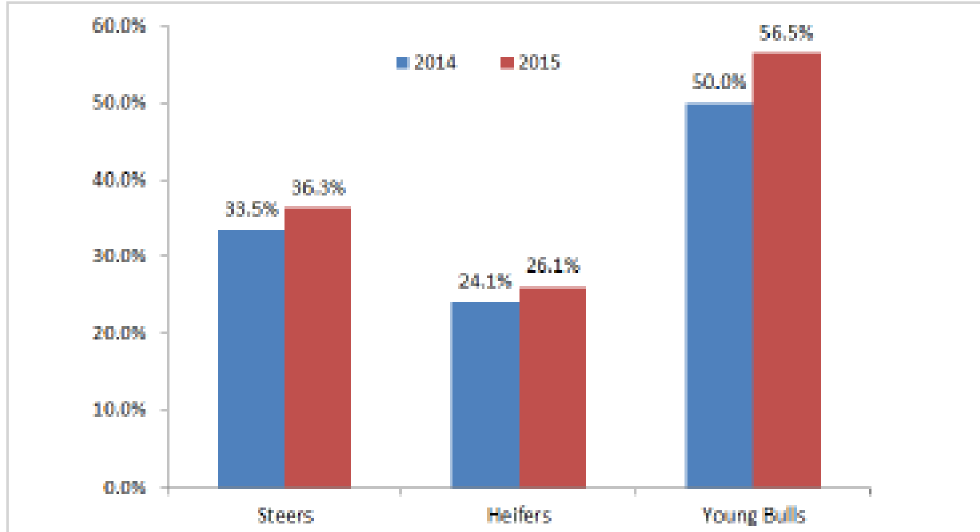


Table 1: Conformation of the NI steer kill April-June 2014 and 2015

Year	E	U	R	O	P
2014	0.4%	23.3%	38.6%	28.9%	8.8%
2015	0.3%	19.7%	39.0%	31.1%	9.9%

Table 2: Conformation of the NI heifer kill April-June 2014 and 2015

Year	E	U	R	O	P
2014	0.1%	18.6%	52.6%	25.6%	3.1%
2015	0.1%	19.1%	50.9%	25.5%	4.4%

Table 3: Conformation of the NI young bull kill April-June 2014 and 2015

Year	E	U	R	O	P
2014	1.7%	22.4%	25.3%	32.4%	18.2%
2015	1.8%	20.8%	21.8%	35.6%	19.9%

FQAS NOTICE ONLINE PAYMENTS

LMC has launched an online payment system for the Farm Quality Assurance Scheme. This allows producers to pay annual membership renewal and initial registration fees through the LMC website.

www.lmcni.com

FARM QUALITY ASSURED NORTHERN IRELAND

WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 13/07/15	Next Week 20/07/15
Prime		
U-3	340p	340p
R-3	334p	334p
O+3	328p	328p
	Including bonus where applicable	
Cows		
O+3 & better	240 - 264p	240 - 264p
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 11/07/15	Steers	Heifers	Young Bulls
U3	349.2	351.3	341.8
R3	345.5	345.2	339.8
O+3	337.3	338.6	328.0

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 11/07/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	150.7	163.4	180.3	191.4
P2	179.2	204.3	215.9	229.5
P3	182.9	187.6	238.1	250.0
O3	-	254.0	253.5	267.2
O4	-	-	262.1	271.6
R3	-	-	-	292.6

Deadweight Cattle Trade

BASE quotes from the major processors for in spec U-3 grade prime cattle were in the region of 340p/kg this week with quotes early next week expected to remain similar. Quotes from the NI processors for good quality O+3 grade cows this week ranged from 240-264p/kg with the majority of processors quoting at the upper end of this scale. Similar quotes are expected for early next week.

The plants have reported a slight improvement in the availability of cattle for prime slaughter with 5,508 prime cattle killed in NI plants last week. This was a slight increase on the previous week and the highest weekly throughput since the first week of June this year. Cow throughput in the NI plants last week totalled 1,763 head, an increase of 237 head from the previous week and was the highest weekly throughput of cows since late January this year.

Imports of prime cattle for direct slaughter from ROI last week totalled 425 head, a reduction of 176 head from the previous week when 601 prime cattle were imported for direct slaughter. A total of 115 cows were also imported from ROI for direct slaughter in NI plants while 115 cows were exported from NI for direct slaughter in ROI plants. The trade between NI and GB for cattle for direct slaughter remains small with 75 prime cattle and six cows exported from NI for slaughter in GB plants last week while 65 cows were exported from GB for slaughter in NI plants.

The deadweight cattle trade has improved in line with the improvement in base quotes from the processors in recent weeks. The average steer price in NI last week was 336.6p/kg, an increase of 2p/kg from the previous week. Meanwhile the R3 steer price in NI last week was 346p/kg, an increase of 2.8p/kg from the previous week and this takes it to its highest level since late March 2015. The average heifer price in NI last week was 338.9p/kg, up half a penny from the previous week, while the R3 heifer price was unchanged at 345.4p/kg. The trade for young bulls improved in NI last week with the average price up by 5.7p/kg to 331.7p/kg while the R3 young bull price increased by 4.4p/kg to 339.8p/kg.

In GB last week there was also a general improvement in the deadweight cattle trade with reports indicating that prime cattle numbers remain tight. The average steer price in GB last week was up 4.3p/kg to 355.1p/kg with all the GB regions recording increases in average prices of 4-5p/kg. The R3 steer price in GB followed a similar trend with the GB average up by 4.8p/kg to 361.2p/kg and all regions recording an increase in reported prices. This puts the differential in R3 steer prices between NI and the GB average at 15.2p/kg, the widest recorded differential since early October 2014.

The average heifer price in GB last week was up 4.9p/kg to 356.2p/kg while the average R3 heifer price was up by 4.2p/kg to 362.0p/kg. Strong increases in R3 heifer prices were recorded in Scotland and Southern England while the trade in the Midlands and Northern England remained steady. The improvement in the average R3 heifer price in GB has widened the differential between NI and GB to 16.6p/kg which is the equivalent of £53 on a 320kg carcase.

The average cow price in NI last week was up 1.7p/kg to 252.6p/kg which was 11.9p/kg higher than the GB average price. The O3 cow price in NI last week was unchanged at 265.6p/kg and was very close to the GB average price of 264.6p/kg. The highest O3 cow price in the UK was in Scotland where it was 271.4p/kg. Meanwhile in ROI last week the O3 cow price was up the equivalent of 1.2p/kg to 258p/kg, 7.6p/kg below the equivalent price in NI.

The deadweight cattle trade in ROI last week was similar in euro terms but a slight improvement in the value of the euro meant prices were up in sterling terms. The R3 steer price in ROI last week was up the equivalent of 2.7p/kg to 300.6p/kg while the R3 heifer price was up by 1.9p/kg to 308.6p/kg. This puts the differential between ROI and NI at 45.4p/kg for R3 grade steers and 36.8p/kg for R3 grade heifers.

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

W/E 11/07/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	349.9	309.2	378.9	363.6	363.8	365.0	368.3
	R3	346.0	300.6	372.7	360.4	353.9	354.6	361.2
	R4	341.5	300.5	376.5	367.0	356.0	356.8	365.8
	O3	331.6	286.6	355.7	338.0	331.2	330.4	339.5
	AVG	336.6	-	372.0	356.6	343.3	343.0	355.1
Heifers	U3	351.4	318.5	379.9	371.2	362.7	366.6	371.6
	R3	345.4	308.6	375.7	357.1	354.6	355.9	362.0
	R4	342.0	307.0	376.2	359.8	354.0	351.3	362.4
	O3	333.1	294.5	352.5	340.5	330.0	330.2	339.9
	AVG	338.9	-	373.3	356.0	342.6	341.0	356.2
Young Bulls	U3	341.8	305.1	376.3	349.9	359.1	360.6	359.8
	R3	339.8	297.2	369.3	333.0	347.6	347.6	345.7
	O3	323.0	281.3	335.5	304.2	317.3	318.0	315.8
	AVG	331.7	-	363.2	329.8	341.1	341.9	341.2
Prime Cattle Price Reported		3751	-	6901	6703	6067	4406	24077
Cows	O3	265.6	258.0	271.4	266.2	257.1	255.4	264.6
	O4	271.1	259.4	275.1	265.3	258.2	256.1	264.6
	P2	218.7	228.8	211.2	224.1	214.8	211.8	214.8
	P3	245.4	253.4	232.8	249.5	224.1	232.6	233.2
	AVG	252.6	-	255.7	248.5	227.2	226.7	240.7

Notes:
(i) Prices are p/kg Sterling-ROI prices converted at 1 euro=71.42p 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

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 13/07/15	Next Week 20/07/15
Lambs	320-325>21kg	320-325>21kg

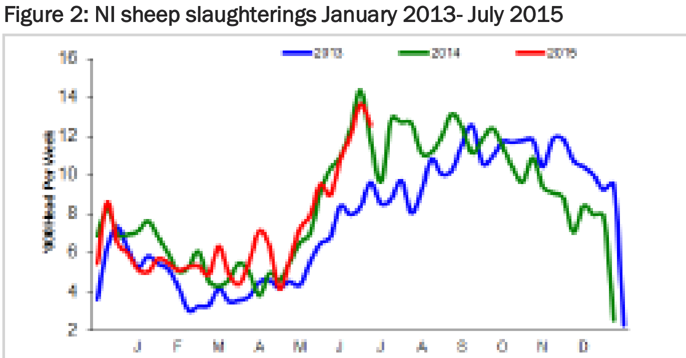
REPORTED SHEEP PRICES

(P/KG)	W/E 27/06/15	W/E 04/07/15	W/E 11/07/15
NI Lambs L/W	288.3	281.9	297.1
NI Lambs D/W	324.1	307.8	320.4
GB Lambs D/W	384.9	349.3	346.5
ROI D/W	334.8	311.9	323.6

Deadweight Sheep Trade

QUOTES from the NI plants this week for R3 grade lambs ranged from 320-325p/kg with plants paying up to 21kg. Similar quotes are expected for early next week. Throughput in the NI plants has continued to increase in line with normal seasonal trends with lamb throughput last week totalling 12,587 head. The average lamb carcase weight in NI last week was 21.2kg. Exports of lambs to ROI for direct slaughter last week also increased and totalled 4,780 head. This was the highest weekly export since early April 2015. The deadweight lamb price in NI last week was 320.4p/kg, an increase of 12.6p/kg from the previous week. The deadweight trade in ROI also improved last week and the average lamb price was the equivalent of 323.6p/kg.

Figure 2: NI sheep slaughterings January 2013- July 2015



LATEST LIVEWEIGHT CATTLE MART PRICES NI

	1st QUALITY			2nd QUALITY		
W/E 11/07/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	192	221	200	170	191	180
Friesians	154	167	160	129	145	138
Heifers	193	220	203	165	192	178
Beef Cows	145	188	160	100	144	122
Dairy Cows	108	133	117	65	107	85
Store Cattle (p/kg)						
Bullocks up to 400kg	203	240	214	160	202	180
Bullocks 400kg - 500kg	191	197	195	160	190	175
Bullocks over 500kg	193	207	198	158	186	172
Heifers up to 450kg	204	230	214	155	200	176
Heifers over 450kg	200	225	213	150	198	175
Dropped Calves (£/head)						
Continental Bulls	280	362	320	180	278	230
Continental Heifers	260	395	300	120	258	190
Friesian Bulls	170	285	200	50	168	100
Holstein Bulls	70	185	120	4	68	40

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