

BEEF AND LAMB RETAIL

PERFORMANCE UPDATE MAY 2015

RETAIL beef sales in the UK during the 12 weeks ending 24 May 2015 totalled £489 million according to the latest data available from Kantar. This is 1.4 per cent lower than the corresponding period in 2014 when retail beef sales totalled £496 million.

This decline in the value of UK retail beef sales was driven primarily by a decline in the volume of beef sales. In the twelve weeks ending 24 May 2015 62,618 tonnes of beef were sold through UK retailers, a 1.6 per cent reduction on the corresponding period in 2014 when 63,684 tonnes were sold.

The most recent data from Kantar has indicated that there have been key changes in the performance of individual cuts in terms of volume sales when comparing the 12 week period ending 24 May 2015 and the corresponding period in 2014. Volume sales of frying and grilling steaks increased by three per cent year on year while volume sales of roasting joints remained stable between the two periods.

Meanwhile the volume sales of other major cuts

generally recorded a decline between the two periods. Volume sales of stewing pieces were back by 7.3 per cent, sales of mince were back by 2.6 per cent while sales of beef marinades were back by 1.6 per cent year on year.

While there has been a mixed performance in the sales of fresh and frozen cuts year on year the retail market for processed beef has generally improved. The most notable increase has been in sales of frozen pies/puddings which increased by 19.7 per cent in terms of volume sales while sales of chilled and frozen ready meals both increased in the region of 6.5 per cent year on year.

Meanwhile volume sales of burgers and grills also recorded an increase, up by 2.1 per cent year on year with sales of pre packed hot pies also recording an increase in volume sales, up by 5.8 per cent year on year.

While there has been a mixed performance for individual beef cuts the average retail price of beef in the twelve weeks ending 24 May 2014 was £7.81/kg, almost unchanged from the same period in 2014 when the average retail price was

£7.79/kg. In the same period in 2013 the average retail price of beef in UK retailers was £7.25.

Lamb

The value of retail lamb sales in the UK totalled £167.7 million in the twelve weeks ending 24 May 2015, a one per cent reduction on the corresponding period in 2014 according to the latest data available from Kantar. This slight decrease in total expenditure on lamb has occurred despite a 4.4 per cent increase in the volume of sales to 22,538 tonnes year on year.

The increase in the volume of lamb retail sales was driven by a decline in the average retail price to £7.44/kg in the twelve weeks ending 24 May 2015. In the corresponding period in 2014 the average retail price of lamb was £7.87/kg which accounts for a five per cent decline year on year.

The majority of major lamb cuts have recorded an increase in terms of total volume sales year on year and this can most likely be attributed to the lower retail price. The lowering of the retail price can be attributed to an increase in the level of imports from New Zealand during April 2015 when

compared to year earlier levels. This product will have been on retail shelves in late April and during May and helped reduce the average retail price coming on the back of an early Easter.

The strongest increases in retail sales volume was for mini roasting joints and lamb marinades which both increased in the region of 30 per cent during the 12 week period ending 24 May 2015 when compared to year earlier levels. Volume sales of lamb mince also recorded an increase of 15.3 per cent year on year. This indicates the growing importance of meeting consumer needs by providing products which suit busy lifestyles and minimise wastage.

There was also growth in terms of volume sales for lamb leg roasting joints (+9 per cent), lamb shoulder roasting joints (+2.5 per cent) and ready meals (+1.1 per cent) during the 12 week period ending 24 May 2015 when compared to year earlier levels. The only major cut which recorded declines in volume sales was frying and grilling chops/steaks, back by 8.4 per cent in the 2015 period when compared to volume sales in the 2014 period.

FQAS MART CLINICS JULY

LOCATION	DAY	DATE
Saintfield	Wednesday	08/07/2015
Markethill	Tuesday	21/07/2015
Enniskillen	Thursday	23/07/2015
Ballymena	Friday	24/07/2015
Omagh	Monday	27/07/2015
Kilrea	Wednesday	29/07/2015

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 above. For further information call (028) 9263 3024.



RUSSIA TO EXTEND IMPORT BAN TO AUGUST 2016

RUSSIA imposed a ban on agri-food products from the EU in early August 2014 for a period of one year following sanctions introduced by the EU on Russia in the financial, energy and defence sectors. The aim of the sanctions introduced by the EU was to push Russia to comply with the terms of a ceasefire agreement regarding Ukraine.

At a meeting in Brussels this week EU officials agreed to extend the application of these sanctions until January 2016 amid continued conflict over Ukraine. Following this decision by the EU Russian officials have confirmed that the ban on EU agricultural products entering Russia will be extended until August 2016.

The list of banned agricultural produce from the EU implemented by Russian authorities included dairy products, fruit and vegetables and meat with some reports indicating that the ban may also be extended to other agri-food products following the recent developments. This will come as a blow to Europe's farm sector, but particularly those exporting dairy products, meat and fruit and vegetables which were most adversely affected when the ban was introduced in August 2014

Russia accounted for almost 25 per cent of all EU agri-food exports in 2013 and this has declined by over 40 per cent following the introduction of the Russian import ban. In the period August 2013 to April 2014 agri food exports from the EU to Russia were valued at €8.6 billion and this declined to €5 billion in the period

August 2014 to April 2015.

However despite the introduction of the Russian import ban on EU agri-food products the most recent statistics from the European Commission have indicated that EU agri-food exports to third countries for the period August 2014 to April 2015 were five per cent higher in terms of value than the corresponding period in 2013/2014.

This increase in the value of exports despite the Russian ban indicates that the EU has been successful in identifying and accessing alternative markets for produce that would usually have been destined for Russia.

The recent report from the EU has indicated that the value of agri-food exports during the nine month period August 2014-April 2015 recorded notable increases to some countries when compared to year earlier levels. Exports to the US increased by 15 per cent in terms of the value of exports while exports to China increased by 26 per cent, Hong Kong by 26 percent, Turkey by 27 per cent and South Korea by 31 per cent.

According to the recent report exports in April 2015 saw a notable increase in third country exports, up by 10 per cent on year earlier levels. This increase was mainly driven by an increase in exports of agri-food products to the US and China and due to the weakening of the euro against other currencies.



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



CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 22/06/15	Next Week 29/06/15
Prime		
U-3	330-338p	336-338p
R-3	324-332p	330-332p
O+3	318-326p	324-326p
Including bonus where applicable		
Cows		
O+3 & better	240 - 272p	240 - 272p
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 20/06/15	Steers	Heifers	Young Bulls
U3	334.4	343.5	331.5
R3	331.6	332.8	324.5
O+3	323.7	324.1	309.5

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 20/06/15	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	148.0	164.0	165.1	178.7
P2	159.4	192.9	217.9	235.2
P3	200.0	229.5	224.5	240.7
O3	208.0	234.8	252.0	259.3
O4	-	-	249.5	265.1
R3	-	-	244.0	281.1

Deadweight Cattle Trade

THE base quotes from the major NI processors have strengthened this week with quotes for U-3 grade prime cattle ranging from 336-338p/kg for in spec steers and heifers towards the end of the week. Quotes for good quality O+3 cows ranged from 240-272p/kg across the plants this week with the majority of plants quoting from 260-272p/kg.

Reports have indicated that supplies of prime cattle remain tight with 4,847 prime cattle killed in NI plants last week. This was the lowest weekly kill for the year to date and six per cent lower than the 5,138 prime cattle killed in NI plants during the corresponding week in 2014. Cow throughput last week totalled 1,131 head last week, 125 head lower than the previous week and 293 head lower than the corresponding week in 2014.

Imports of prime cattle from ROI for direct slaughter in NI plants last week increased to 449 head which was the highest weekly import since early May 2015. Imports from ROI accounted for 9.3 per cent of the NI prime cattle kill last week. A total of 120 cows were also imported from ROI for direct slaughter last week while 127 cows were exported from NI for slaughter in ROI plants. This was a reduction from 262 head the previous week. Meanwhile exports of prime cattle to GB last week totalled 145 head, the highest weekly export for the year to date.

Deadweight cattle prices recorded strong increases last week in response to the increase in base quotes. The average steer price in NI last week increased by 9.9p/kg to 326p/kg while the R3 steer price increased by 5.7p/kg to 333.4p/kg. The deadweight trade has also improved in GB in response to tighter cattle supplies with the average steer price increasing by 5.3p/kg to 339.1p/kg while the R3 steer price increased by 4.3p/kg to 343.9p/kg. This put the differential in R3 steer prices between NI and the GB average at 10.5p/kg. The deadweight trade improved in all the GB regions last week with R3 steer prices in Scotland and Northern England up by 6p/kg and 7p/kg respectively from the previous week.

The average heifer price in NI last week increased by 9.3p/kg to 327.7p/kg while the R3 heifer price increased by 8p/kg to 333p/kg. Meanwhile in GB the average heifer price increased by 4.2p/kg to 340.6p/kg while the R3 heifer price increased by 3.5p/kg to 343.5p/kg. The differential in R3 heifer prices between NI and GB last week was 10.5p/kg. The R3 heifer price recorded an increase in all the GB regions last week with the most notable increase in Northern England where it was up by 6.9p/kg from the previous week to 351p/kg.

In ROI last week the deadweight cattle trade remained steady in euro terms but a drop in the value of the euro to 1 euro=71.8p resulted in prices coming back in sterling terms. The R3 steer price was back the equivalent of 5p/kg to 300p/kg while the R3 heifer price was back by 4.4p/kg to 308p/kg.

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

W/E 20/06/2015	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB	
Steers	U3	335.3	308.0	358.8	347.8	355.2	351.9	353.7
	R3	333.4	300.0	351.5	343.1	341.2	337.4	343.9
	R4	331.8	300.4	353.5	351.2	342.0	337.6	347.8
	AVG	326.0	-	351.0	341.7	332.1	326.9	339.1
Heifers	U3	343.9	319.4	359.3	353.7	359.4	352.1	356.8
	R3	333.0	308.0	351.0	342.2	342.2	333.8	343.5
	R4	329.6	308.0	352.6	346.9	340.9	336.1	345.9
	AVG	327.7	-	350.5	343.1	335.8	324.6	340.6
Young Bulls	U3	331.5	304.5	354.9	336.5	347.9	347.8	346.6
	R3	324.5	297.0	344.5	322.3	333.1	332.5	331.3
	O3	302.8	284.2	316.0	296.2	304.5	306.6	304.5
	AVG	313.0	-	343.1	315.5	326.9	327.3	326.5
Prime Cattle Price Reported	3969	-	6645	6138	6073	4338	23194	
Cows	O3	258.5	259.4	267.7	258.7	252.0	242.6	256.7
	O4	264.3	260.3	269.5	260.8	256.6	244.7	259.1
	P2	216.9	237.8	202.4	219.2	209.0	189.3	205.0
	P3	238.2	255.7	229.5	236.1	228.8	217.3	228.4
AVG	240.9	-	257.2	239.4	223.0	216.6	235.5	

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=71.77p 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 20/06/15	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	217	206	165	199	182
Friesians	164	179	173	131	156	146
Heifers	202	221	211	170	201	185
Beef Cows	143	172	153	110	142	126
Dairy Cows	108	135	117	60	107	85
Store Cattle (p/kg)						
Bullocks up to 400kg	-	-	-	-	-	-
Bullocks 400kg - 500kg	194	217	202	165	193	180
Bullocks over 500kg	195	219	204	160	194	178
Heifers up to 450kg	180	205	193	150	179	175
Heifers over 450kg	170	190	180	150	169	160
Dropped Calves (£/head)						
Continental Bulls	320	370	345	200	318	260
Continental Heifers	250	325	285	150	248	200
Friesian Bulls	125	225	170	60	122	90
Holstein Bulls	75	125	100	48	72	55

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 22/06/15	Next Week 29/06/15
Lambs	335>21kg	320>21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 06/06/15	W/E 13/06/15	W/E 20/06/15
NI Lambs L/W	334.9	349.1	315.4
NI Lambs D/W	344.2	364.3	352.3
GB Lambs D/W	405.1	408.1	411.4
ROI D/W	356.4	370.2	359.2

Deadweight Sheep Trade

QUOTES from the plants this week for R3 grade lambs started the week at 335p/kg to 21kg and came back to 320p/kg to 21kg as the week progressed. Strong supplies of lambs have been coming forward for slaughter with 10,824 lambs killed in NI plants last week. This was an increase in local throughput by 1,854 head from the previous week. Meanwhile sheep exports to ROI for direct slaughter last week totalled 4,701 head, an increase of 953 head from the previous week and 1,125 less than the corresponding week last year when 5,826 lambs were exported for direct slaughter in ROI. The deadweight lamb price in NI last week was down 12p/kg to 352.3p/kg with the deadweight price in ROI back by a similar margin to 359.2p/kg.

This Week's Marts

THERE was a quieter trade in the marts this week with reported average prices ranging from 285-300p/kg. In Rathfriland on Tuesday an entry of 673 lambs sold to an average of 289p/kg compared to 1,100 lambs last week selling to an average of 322p/kg. In Ballymena this week 709 lambs sold from 270-322p/kg (avg 288p/kg) compared to 1,053 lambs last week selling from 295-390p/kg (avg 310p/kg). In Enniskillen on Wednesday 308 lambs sold from 289-308p/kg (avg 300p/kg) compared to 413 lambs last week selling from 304-325p/kg (avg 319p/kg). Reports from the marts have also indicated a quieter trade for cull ewes with small numbers on offer.

LATEST SHEEP MARTS

From: 20/06/15		Lambs (P/KG LW)			
To: 26/06/15		No	From	To	Avg
Saturday	Omagh	563	296	342	-
Monday	Kilrea	534	284	309	-
	Massereene	595	272	313	-
Tuesday	Saintfield	555	275	326	-
	Rathfriland	673	272	302	289
Wednesday	Ballymena	709	270	322	288
	Enniskillen	308	289	308	300
	Markethill	750	280	298	285
	Armoyle	234	270	295	290

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

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

