LMC BULLETIN

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND

Saturday 02 May 2015 Issue No. 2367

NI SHEEP MARKET UNDER PRESSURE

IN recent weeks the deadweight sheep market in NI has come under notable pressure with quotes ending this week at 320-330p/kg for hoggets up to 22kg and quotes for spring lambs of 370-390p/kg up to 21kg.

The average R3 hogget price in NI last week was 341p/kg compared to 454p/kg in the corresponding week last year. This decline accounts for a £25 reduction per head year on year. The spring lamb trade has also been lower year on year with an R3 lamb price last week of 409.6p/kg compared to 487.5p/kg in the same week in 2014.

Total lamb and hogget throughput has increased in NI plants in recent weeks with 7,138 head slaughtered last week. This is the highest weekly throughput since the start of January 2015. The increase in throughput locally can be attributed to a notable decline in exports of lambs/hoggets to ROI for direct slaughter in recent weeks with increased availability for local processors as a result.

However it is worth noting that exports to ROI for direct slaughter also recorded a marked decline at the same time last year as indicated in Figure 2 with the hogget season coming to an end and the lamb trade not yet in full swing . The number of NI origin lambs and hoggets slaughtered in ROI last week totalled 3,189 head compared to 3,857 head in the corresponding week in 2014.

In recent weeks there has been a lot of discussion around changes to EU labelling legislation which came into effect from 1 April 2015 and is reportedly having a significant influence in the cross border trade of sheep. Under the new legislation meat from sheep born in NI and killed in ROI needs to be labelled as born in the UK and slaughtered in ROI. Reports have indicated that these labelling changes are causing some issues for ROI processors in servicing certain markets.

LMC's understanding is that animals that are exported from NI for slaughter in ROI plants and then exported in carcase form are not affected by these changes to labelling legislation, however this is a lower value market when compared to boned out lamb. Figures from Eurostat for January and February 2015 indicate that 70 per cent of Irish lamb exports were boned out as this is a higher value market. The remaining 30 per cent exported in carcase form.

France remains the biggest market for lamb exported from ROI and received 42 per cent of lamb exports from ROI during 2014 with a further 23 per cent destined for the UK market during the first two months of 2015.

While the labelling issue is undoubtedly having an influence on the NI lamb market there are a number of other factors that influence the NI sheep market which must also be considered. With euro continuing to remain weak against sterling it makes cross border trading of lamb less attractive.

The average exchange rate during April 2015 was €1= £0.72 compared to €1= £0.83 during April 2014, accounting for a 13 per cent decline year on year. The current weak euro also makes trading more difficult for NI processors on the European market as it makes sterling, and therefore NI lamb, less competitive.

Reports from both processors and the marts in NI in recent weeks have also indicated alot of very heavy or poor quality hoggets on offer which have also had a negative influence on both the liveweight and deadweight trades. It is also worth noting that the deadweight sheep trade in ROI has also come under pressure in recent weeks which will have reduced demand for NI sheep in ROI plants. Throughput in ROI plants last week totalled 36,918 head, a 1,500 head increase on the previous week.

There tends to be an improvement in the lamb trade around the Easter period due to increased consumer demand however with Easter being early this year demand for lamb/sheepmeat in recent weeks has been lower than the same time last year.

There has also been weaker domestic demand for lamb during 2015 to date as outlined in the Kantar consumer data published in the LMC Bulletin last week. This highlighted declines in both volume sales and expenditure on lamb by UK consumers during the 12 weeks ending 01 March 2015.

Figure 1: R3 hogget price in NI January 2013- April 2015

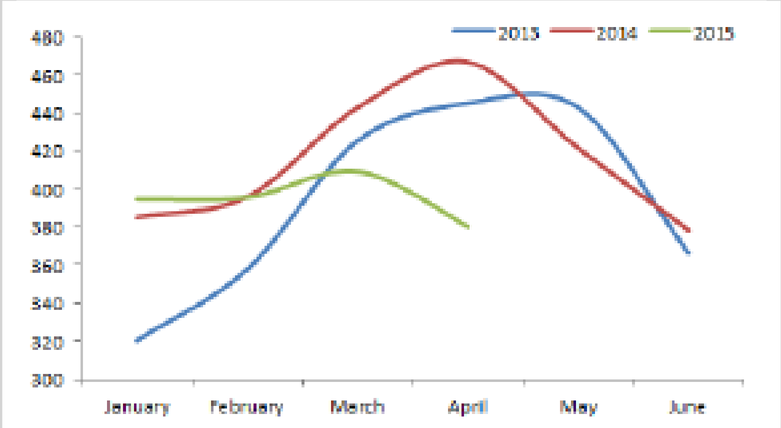
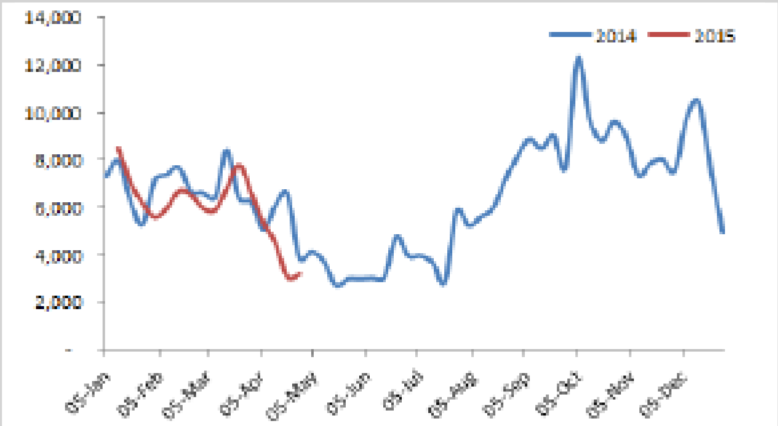


Figure 2: Exports of lambs/hoggets from NI to ROI for direct slaughter January 2014 to April 2015



With so many factors influencing the NI sheep trade it is therefore difficult to quantify the full effect that any one issue has on the overall market. However with ROI being such an important outlet for NI origin sheep in recent years since Foyle ceased killing lambs it is important that every step is taken to ensure a quick and effective resolution to the current issues around the implementation of the new EU

FQAS MART CLINICS MAY

LOCATION	DAY	DATE
Markethill	Tuesday	05/05/2015
Saintfield	Wednesday	06/05/2015
Omagh	Monday	11/05/2015
Enniskillen	Thursday	21/05/2015
Kilrea	Wednesday	27/05/2015
Ballymena	Friday	29/05/2014

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.

BENEFITS OF RED MEAT REACHES OVER 95 MILLION CONSUMERS

LMC representatives attended the annual review meeting of Meat Matters in London on 31 March. At the well attended event delegates learned that positive messages concerning the benefits of red meat had reached over 95 million consumers in the past 12 months.

Meat Matters continually examine media content for red meat references and is well placed to counter any negative press or to proactively distribute good news stories about red meat. Through its work Meat Matters calls upon the expertise of a Meat Advisory Panel, a group of healthcare professionals, scientists and researchers who can provide independent impartial information about red meat and its role as part of a healthy, balanced diet.

The initiative is part funded by LMC in conjunction with other redmeat stakeholders including AHDB. During the twelve month period ending 31 March 2015 thirty separate issues were identified and dealt with by Meat Matters staff. Examples of negative news stories included links between red meat and conditions such as cancer, dementia and heart disease.

In this modern age where news travels rapidly across the globe it is vital that consumers and the media receive accurate information based on professional advice and robust research. The Meat Matters initiative delivers this on behalf of levy payers. With a seemingly endless stream of negative press articles on red meat reaching media channels and the promotion of meat free events becoming more frequent the work of Meat Matters becomes all the more important.

It is extremely encouraging to see the amount of work that goes on behind the scenes to accurately inform consumers and the media about the nutritional benefits of red meat. This is just one example of how LMC utilises a small amount of funding to deliver a huge impact in Northern Ireland's key export market; Great Britain.

Whereas the above initiative works largely in the GB market, LMC compliments this work with our own programme of activity, taking positive messages about the benefits of red meat to school pupils and general consumers. LMC's team of 8 cookery demonstrators delivered 325 school cookery demonstrations between September 2014 and March 2015. This was supported by the ongoing media campaign, 'Beef and Lamb-The Natural Choice'.

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 27/04/15	Next Week 04/05/15
Prime		
U-3	328 - 334p	326 - 330p
R-3	322 - 328p	320 - 324p
O+3	316 - 322p	314 - 318p
P+3	278 - 300p	276 - 296p
	Including bonus where applicable	
Cows		
O+3 & better	230 - 250p	230 - 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 25/04/15	Steers	Heifers	Young Bulls
U3	344.0	347.2	331.9
R3	339.7	338.9	328.8
O+3	328.0	328.8	312.4

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 25/04/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	137.0	149.1	151.0	175.3
P2	149.6	177.1	194.6	211.2
P3	-	197.8	215.1	227.2
O3	-	205.6	229.5	244.6
O4	-	218.0	243.2	248.3
R3	-	-	280.0	271.5

Deadweight Cattle Trade

QUOTES from the major NI plants this week for U-3 grade prime cattle remained steady at 330-334p/kg however some plants are quoting 326-330p/kg for early next week. With notable differences between the prices quoted and the prices being paid producers are encouraged to use base quotes as a starting point for negotiation. The quoted price for an R-3 steer across the NI plants last week ranged from 322-328p/kg with an average price paid of 340p/kg. When premium payments (e.g. Organic, AA and Hereford) are removed the average price paid in NI last week for R-3 steers was 337p/kg. This was 9p/kg higher than the highest quoted price from the major NI processors.

Prime cattle throughput in NI last week was similar to the previous week and totalled 5,850 head with processors reporting steady supplies of prime cattle to meet demand. Imports from ROI for direct slaughter in NI plants last week totalled 525 head and accounted for nine per cent of total prime cattle throughput. In the corresponding week last year prime cattle imports totalled 218 head and accounted for four per cent of prime cattle throughput in NI plants. Exports of cattle from NI to ROI last week were similar to the previous week and consisted of 56 prime cattle and 196 cows. Exports to GB have continued at very low levels with 33 prime cattle and 6 cows exported for direct slaughter last week.

The average steer price in NI last week was back 3p/kg to 328.7p/kg while the R3 steer price was back by the same margin to 341.1p/kg. Meanwhile in GB the deadweight cattle trade continued to come under pressure with the average steer price back by 3.3p/kg to 338.1p/kg and the R3 steer price back by 4.4p/kg to 342.5p/kg. The R3 steer price was back in the region of 4p/kg in Scotland, Northern England and the Midlands and was back by 7p/kg in Southern England. The average heifer price in NI last week was up 1.3p/kg to 332.8p/kg with the R3 heifer price up by 1p/kg to 339.9p/kg. Meanwhile the average heifer price in GB last week was back by 3p/kg to 338.6p/kg with the R3 heifer price back by 3.8p/kg to 342.3p/kg. This brings the GB R3 heifer price to its lowest recorded level since late August 2014. The R3 heifer prices in Scotland and Southern England last week were back in the region of 5p/kg while R3 heifer prices in the Midlands and Northern England were back by 2p/kg.

There was an improvement in the cow trade last week across all the UK regions with the average GB price up by 6p/kg to 232.7p/kg and the average NI price up by 7p/kg to 224.7p/kg. The O3 cow price in NI last week was 242p/kg, 10.3p/kg lower than the average GB price and 9.4p/kg lower than the equivalent price in ROI.

The deadweight cattle trade in ROI held steady last week with the majority of reported prices within 1c/kg of the previous week. In sterling terms the R3 steer price was back by 1p/kg to 295.3p/kg with the R3 heifer price back by a similar margin to 303.7p/kg. This puts the differential with NI at 45.8p/kg for steers and 36.2p/kg for heifers. The cattle kill in ROI last week remained steady at 29,101 head.

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

W/E 25/04/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	344.1	303.3	355.7	353.5	349.9	347.8	352.4
	R3	341.1	295.3	350.3	343.4	339.0	334.8	342.5
	R4	338.0	295.3	350.9	355.9	340.2	336.9	348.3
	O3	322.4	281.7	330.5	319.1	307.7	311.0	317.3
	AVG	328.7	-	349.4	344.8	327.5	324.2	338.1
Heifers	U3	347.4	315.1	358.1	360.8	352.5	348.7	356.1
	R3	339.9	303.7	348.7	342.9	341.5	332.8	342.3
	R4	337.1	304.0	348.0	348.7	341.0	334.2	344.6
	O3	326.3	290.5	329.3	321.5	309.8	309.2	318.9
	AVG	332.8	-	347.7	343.9	333.2	321.6	338.6
Young Bulls	U3	331.8	296.5	354.4	333.9	339.1	342.8	340.8
	R3	324.3	290.0	338.4	323.2	328.5	324.9	327.2
	O3	303.4	276.6	307.1	292.0	300.9	305.2	299.0
	AVG	308.0	-	323.9	304.0	315.4	319.4	313.8
Prime Cattle Price Reported		4817	-	6221	5663	5307	3800	20991
Cows	O3	242.0	251.4	261.0	252.7	247.4	241.1	252.3
	O4	247.8	252.7	265.8	254.6	250.4	247.8	255.5
	P2	195.0	221.1	199.1	215.8	200.4	189.0	200.3
	P3	224.0	245.3	222.1	233.6	210.8	216.5	218.9
	AVG	224.7	-	255.4	237.9	216.7	214.2	232.7

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=71.68p 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 25/04/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	190	208	197	167	189	178
Friesians	135	146	139	122	134	128
Heifers	190	218	200	162	189	176
Beef Cows	130	168	140	110	129	115
Dairy Cows	108	123	113	60	107	83
Store Cattle (p/kg)						
Bullocks up to 400kg	214	251	230	149	205	185
Bullocks 400kg - 500kg	218	242	228	190	217	200
Bullocks over 500kg	206	223	213	175	205	190
Heifers up to 450kg	198	216	207	150	197	175
Heifers over 450kg	200	227	210	165	199	182
Dropped Calves (£/head)						
Continental Bulls	300	400	365	200	298	250
Continental Heifers	250	380	320	150	248	200
Friesian Bulls	80	150	115	50	78	65
Holstein Bulls	60	110	85	32	58	45

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 27/04/15	Next Week 04/05/15
Hoggets	320-320>22kg	320-330>22kg
Spring Lambs	370-390>21kg	370>22kg

REPORTED SHEEP PRICES

(P/KG)	W/E 11/04/15	W/E 18/04/15	W/E 25/04/15
NI Hoggets L/W	345.8	322.8	292.0
NI Hoggets D/W	396.9	378.9	341.0
GB Hoggets D/W	443.2	445.4	417.2
ROI D/W	410.3	404.9	375.1
NI Spr Lmbs L/W	421.6	388.0	380.2
NI Spr Lmbs D/W	450.6	431.8	405.3
GB Spr Lmbs D/W	-	514.3	492.9

Deadweight Sheep Trade

QUOTES from the plants for hoggets this week continued to come under pressure and were 320-330p/kg up to 22kg at the end of the week. Quotes for spring lambs ended the week at 370-390p/kg up to 21kg. Throughput of lambs/hoggets in the NI plants last week totalled 7,138 head, an increase of 1,595 head from the previous week. Meanwhile exports of sheep to ROI for direct slaughter last week were similar to the previous week at 3,422 head. The deadweight hogget price in NI last week was 341p/kg, down 37.9p/kg from the previous week. Meanwhile the deadweight spring lamb price was 405.3p/kg, down 26.5p/kg from the previous week.

This Week's Marts

SMALLER numbers of hoggets were on offer across the marts this week with reports of very mixed quality. In Saintfield on Tuesday 321 hoggets sold from 240-300p/kg compared to 340 hoggets last week selling from 250-320p/kg. In Rathfriland this week a small entry of 186 hoggets sold to an average of 274p/kg compared to 255 hoggets last week selling to an average of 295p/kg. The number of spring lambs passing through the sale rings has started to increase with 200 lambs in Rathfriland this week selling to an average of 366p/kg. This was a similar trade to the previous week when 187 lambs sold to an average of 368p/kg. In Ballymena this week 235 lambs sold to an average of 360p/kg compared to an average price last week of 385p/kg. Reported top prices for cull ewes were over £110 in many of the marts this week.

LATEST SHEEP MARTS

From: 25/04/15		Hoggets (P/KG LW)				Spring Lambs (P/KG LW)			
To: 01/05/15		No	From	To	Avg	No	From	To	Avg
Saturday	Omagh	201	282	326	-	85	317	371	-
	Swatragh	322	245	294	-	100	321	360	-
Monday	Kilrea	-	-	-	-	120	352	369	-
	Massereene	301	300	343	-	116	375	408	-
Tuesday	Saintfield	321	240	300	-	50	340	390	-
	Rathfriland	186	212	319	274	200	340	382	366
Wednesday	Ballymena	200	250	312	270	235	350	444	360
	Enniskillen	298	300	338	320	122	338	364	340
	Markethill	180	250	310	-	100	330	370	-
	Armoy	324	260	310		100	340	380	-

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