LMC BULLETIN

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STRONG INCREASE IN NI COW PRICES

COW throughput in NI during 2015 to date has totalled 36,320 head with a further 5,793 cows exported to ROI for direct slaughter. In the corresponding period in 2014 a total of 37,429 cows were slaughtered in NI plants with 3,735 cows exported to ROI for direct slaughter. A small number of cows have also been exported from NI to GB for direct slaughter during 2015 to date.

Cull cows provide a valuable source of raw material for NI processors and during 2015 to date cows have accounted for 18 per cent of throughput in the NI plants. This was similar to the same period in 2014. The number of cows available for slaughter in NI tends to follow a seasonal trend with numbers dropping in the summer months before picking up again in the autumn. Cow throughputs in 2015 to date have followed a similar trend to previous years.

The deadweight trade for cull cows has been fairly steady during 2015 to date although quotes from the processors for good quality O+3 grade cows have improved in recent weeks. This increase has come from increased competition for good quality cows between the processors with reports of improved trade for cow beef. Figure 1 displays the O+3 cow price in NI from January 2013 until June 2015. There has been a strong increase in the prices paid for O+3 grade cows in response to the increase in quotes from the major processors in recent weeks although prices remain lower than the record prices paid in 2013.

The average price paid for an O+3 grade cow in NI last week was 280.4p/kg, an increase of 26.3p/kg from the last week of May 2015. In the corresponding week in 2014 the average O+3 cow price in NI was 250.7p/kg. This accounts for a 12 per cent increase year on year.

There has also been an improvement in the cow trade in GB and ROI in recent weeks. The average O3 cow price in GB last week was 259.9p/kg, up by 7.9p/kg from the last week of May 2015. Meanwhile in ROI the O3 cow price was the equivalent of 257.4p/kg, up by 7.1p/kg from the last week of May 2015. Reports have indicated reduced supplies of good quality cows coming forward for slaughter in recent weeks.

The processors have a preference for O+3 grade cows or better with a carcase weight in excess of 280kg. The processors also want cows that are FQ assured, have been on four or less farms in their lifetime, are UK born and have been on the last farm for 21 days. There may be some variation to this across the plants so producers should consult with individual plants before presenting cows for slaughter.

The average price reported cow carcase weight in NI during 2015 to date was 302.8kg compared to 309.6kg in the corresponding period in 2014. This decrease in the average carcase weight by 6.8kg represents a 2.2 per cent decline in the average cow carcase weight. This decline can be partly attributed to the increase in the proportion of dairy origin cows in the NI slaughter mix in the 2015 period when compared to year earlier levels.

During 2015 to date 62 per cent of the price reported NI cow kill were of dairy origin compared to 51 per cent in the corresponding period in 2014. This has meant that the proportion of suckler origin cows in the slaughter mix has declined from 49 per cent in the 2014 period to 38 per cent in the 2015 period.

There have also been changes to the average carcase weights of both suckler and dairy origin cows year on year. The average dairy cow carcase weight during 2015 to date was 277.4kg. This was a 3.9kg decline from year earlier levels when the average dairy cow carcase weight was 281.3kg. Meanwhile the suckler origin cow carcase weight increased from 338.7kg in the 2014 period to 345.1kg in the 2015 period. This accounts for a two per cent increase year on year.

The increasing influence of dairy genetics on the cow slaughter mix has also resulted in a general downward shift in the conformation scores achieved by the NI cow kill during 2015 to date when compared to year earlier levels as outlined in Figure 2.

During the period April-June 2015 16 per cent of the NI cow kill achieved an R grade compared to 19 per cent in the corresponding period in 2014. Meanwhile O grade carcases accounted for 29 per cent of the price reported cow kill during the second quarter of 2015, a six percentage point decrease from year earlier levels when 35 per cent of the cow kill achieved an O grade.

While the proportion of O and R grade cows have decreased year on year the proportion of P grading cows in the slaughter mix has increased. In the 2015 period 53 per cent of cows were awarded a P grade compared to 44 per cent in the 2014 period.

This shift in the proportion of cows sourced from the suckler and dairy herds in NI during 2015 to date is perhaps unsurprising given the heavy culling undertaken in the NI suckler herd in 2013/2014 following production difficulties, fodder shortages and reduced fertility. This was indicated in the December 2014 census where suckler cow numbers were back by two per cent on year earlier levels.

A smaller and younger suckler herd will have a lower culling rate than recorded in 2013/2014 and account for a smaller proportion of the overall cow kill as a result. In addition to this the December 2014 agricultural survey indicated a 9.5 per cent growth in the NI dairy cow herd. This growth in dairy cow numbers in NI will ultimately result in a higher cull cow output from the NI dairy herd and will have been a key factor in the increased proportion of dairy origin cows in the NI slaughter mix.

This general decline in the conformation of cows being presented for slaughter combined with tighter supplies in line with seasonal trends and good demand for cow beef will have been key drivers behind the recent uplift in O+3 cow prices in recent weeks.

Figure 1: Average O+3 grade cow prices in NI from January 2013 to June 2015

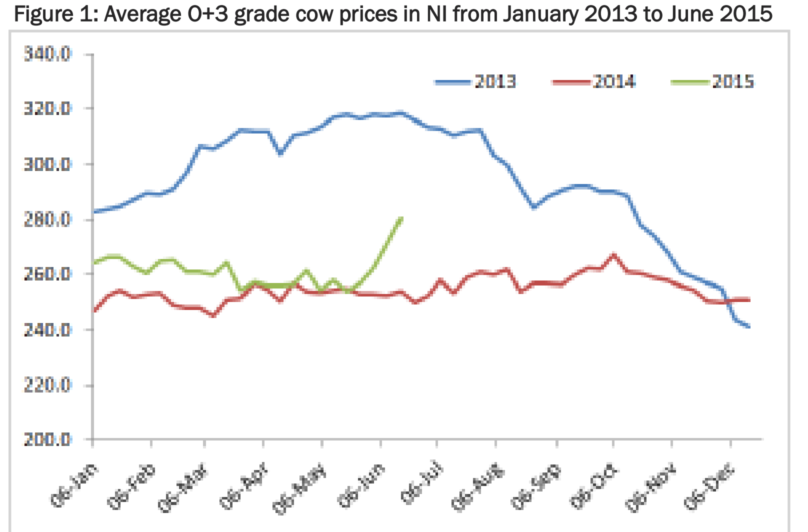
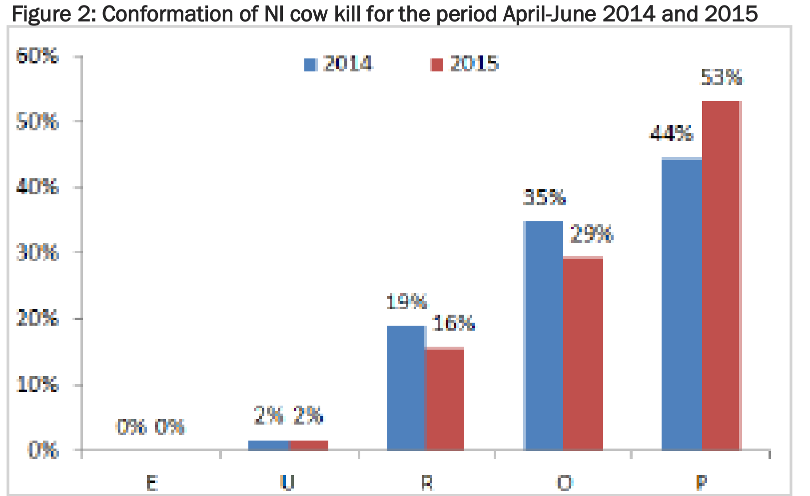


Figure 2: Conformation of NI cow kill for the period April-June 2014 and 2015



EU DEADWEIGHT CATTLE PRICES UPDATE

EU Deadweight Cattle Prices - Heifers R3 Equivalent (€ Cents)

Position last Mth	Position this Mth	Country	Price last Mth (w/e 24.05.15)	Price this Mth (w/e 21.06.15)	Change on Mth (cents)
1	*1*	*Great Britain*	***459.9***	***475.4***	***+15.6***
4	2	Sweden	430.1	469.2	+39.2
2	*3*	*Northern Ireland*	***452.0***	***461.0***	***+8.9***
5	*4*	*Ireland*	***416.1***	***426.6***	***+10.5***
3	5	Greece	442.3	416.6	-25.7
7	6	France	403.0	407.0	+4.0
6	7	Italy	406.1	402.3	-3.7
8	8	Luxembourg	396.9	399.3	+2.4
9	9	Denmark	381.5	381.2	-0.3
10	10	Germany	370.0	373.5	+3.5
11	11	Spain	366.7	366.7	+0.1
12	12	Austria	358.6	358.7	+0.1
14	13	Belgium	330.5	332.0	+1.5
13	14	Slovenia	343.8	331.3	-12.6
15	15	Poland	313.4	312.7	-0.7
16	16	Czech Republic	270.7	282.4	+11.6
17	17	Lithuania	249.9	252.2	+2.3
		EU Average	393.1	398.6	+5.5
	Euro (€1=)		71.77	71.77	+0.0

Official prices reported to the EC Dressing Specification

THE EU Deadweight cattle prices table provides a useful update on farmgate R3 heifer prices across the EU.

The R3 heifer price in GB during the week ending 21 June 2015 was the equivalent of 475.4c/kg, up 15.6c/kg from the week ending 24 May 2015 when it was 459.9c/kg and keeps it in first place on the EU League Table. With no changes in the euro sterling exchange rate this increase was driven by an improvement in the deadweight trade in GB.

In NI in the week ending 21 June 2015 the R3 heifer price was the equivalent of 461c/kg, up 8.9c/kg from the week ending 24 May 2015. This puts it 14.4c/kg behind the GB price and in third place on the league table.

In ROI the R3 heifer price was 426.6c/kg in the week ending 21 June 2015, up by 10.5c/kg from the week ending 24 May 2015. This moved it up one position on the league table to fourth place. This puts it 34.4c/kg behind the equivalent NI price and 28c/kg above the EU average R3 heifer price.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 29/06/15	Next Week 06/07/15
Prime		
U-3	336-340p	336-340p
R-3	330-334p	330-334p
O+3	324-328p	324-328p
	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 27/06/15	Steers	Heifers	Young Bulls
U3	342.8	347.8	337.0
R3	340.0	342.1	333.4
O+3	332.7	332.1	322.2

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 27/06/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	149.2	167.2	172.0	183.0
P2	172.8	200.7	218.8	233.8
P3	194.0	222.3	233.8	245.3
O3	224.0	220.8	244.9	267.1
O4	-	-	253.7	269.7
R3	-	-	-	282.5

Deadweight Cattle Trade

BASE quotes from the major processors this week ranged from 336-340p/kg for in spec U-3 grade prime cattle with the majority of plants quoting at the upper end of this range. Similar quotes are expected for early next week. The firm trade for good quality O+3 grade cows has continued with the majority of plans quoting 260-272p/kg.

Reports from the plants have indicated a tightening in the supply of prime cattle for slaughter and this has been reflected in the NI prime cattle slaughterings. Last week 4,774 prime cattle were killed in NI plants, a reduction of 73 head from the previous week and the fifth consecutive week in which NI prime cattle slaughterings have recorded a decline.

With prime cattle numbers remaining tight imports from ROI for direct slaughter have increased. Last week 598 prime cattle were imported for direct slaughter, the highest weekly level of import for the year to date. A total of 163 cows were also imported from ROI for direct slaughter in NI plants last week. Meanwhile exports from NI to ROI for direct slaughter last week consisted of 3 prime cattle and 237 cows while exports to GB consisted of 39 prime cattle and 2 cows.

The average steer price in NI last week was 330.7p/kg, up 4.7p/kg from the previous week while the R3 steer price was up by 7.1p/kg to 340.5p/kg. The average heifer price in NI last week was 335.1p/kg while the R3 heifer price was up by 9p/kg to 342p/kg. This is the highest R3 heifer price since late March this year.

The deadweight cattle trade has also recorded a firm improvement in GB with the average steer price up by 5.7p/kg to 344.8p/kg while the R3 steer price increased by 8.1p/kg to 352p/kg. Strong increases in R3 steer prices were recorded in all of the GB regions last week. The average heifer price in GB last week was up 5.1p/kg to 345.7p/kg while the R3 heifer price was up by 7p/kg to 350.5p/kg. All the GB regions recorded an increase in R3 heifer price last week with the strongest increase recorded in Southern England where the R3 heifer price was up by 12p/kg to 346.3p/kg.

While the trade has improved in both NI and GB in recent weeks the differential in R3 steer and heifer prices between the regions has widened slightly. Last week the differential in R3 steer prices between NI and GB was 11.5p/kg or £37 on a 320kg carcase while the differential in R3 heifer prices was 8.5p/kg or £27 on a 320kg carcase.

The trade in ROI last week recorded a slight improvement in euro terms for many of the reported prices but a drop in the value of the euro against sterling resulted in prices being down in sterling terms. The R3 steer price in ROI last week was the equivalent of 298.6p/kg, down by 1.4p/kg from the previous week. The R3 heifer price in ROI last week was the equivalent of 307.4p/kg, back half a penny from the previous week

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

W/E 27/06/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	343.6	307.1	364.7	355.8	357.5	356.0	358.9
	R3	340.5	298.6	359.9	348.2	349.3	348.5	352.0
	R4	338.7	299.4	361.0	357.2	345.7	345.9	354.3
	O3	326.4	285.5	345.7	329.4	324.5	322.8	331.1
	AVG	330.7	-	358.0	347.1	335.9	333.0	344.8
Heifers	U3	348.3	317.5	369.3	361.4	362.7	357.8	363.3
	R3	342.0	307.4	359.8	344.9	348.4	346.3	350.5
	R4	337.2	306.0	362.0	350.1	346.2	344.9	352.1
	O3	326.5	292.7	343.3	330.2	317.0	325.1	330.7
	AVG	335.1	-	359.0	345.2	337.5	333.5	345.7
Young Bulls	U3	337.0	302.8	360.0	340.5	351.5	352.6	350.9
	R3	332.9	296.4	354.4	331.8	336.8	336.4	337.8
	O3	313.8	279.3	315.1	293.2	313.3	323.6	308.5
	AVG	324.9	-	348.6	316.0	336.4	333.7	331.9
Prime Cattle Price Reported		3751	-	6312	6316	5585	4347	22560
Cows	O3	264.5	257.4	274.1	259.1	251.6	245.2	259.9
	O4	269.3	258.2	274.5	263.1	257.2	245.5	261.6
	P2	220.1	234.7	206.6	221.9	204.3	202.2	207.6
	P3	242.8	252.8	227.3	243.1	227.6	220.1	229.5
	AVG	246.6	-	260.0	243.1	219.7	215.2	236.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=71.27p 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 27/06/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	205	225	216	170	204	187
Friesians	155	189	172	125	149	139
Heifers	200	220	212	170	199	185
Beef Cows	148	190	154	112	147	130
Dairy Cows	110	146	120	65	109	87
Store Cattle (p/kg)						
Bullocks up to 400kg	212	230	219	146	188	168
Bullocks 400kg - 500kg	186	202	194	156	185	170
Bullocks over 500kg	200	213	207	179	199	189
Heifers up to 450kg	180	202	190	156	179	168
Heifers over 450kg	185	209	195	150	184	165
Dropped Calves (£/head)						
Continental Bulls	300	395	345	200	298	250
Continental Heifers	250	345	295	140	248	195
Friesian Bulls	162	250	190	90	160	110
Holstein Bulls	100	195	130	12	98	55

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 29/06/15	Next Week 06/07/15
Lambs	310>21kg	300-310>21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 13/06/15	W/E 20/06/15	W/E 27/06/15
NI Lambs L/W	349.1	315.4	288.3
NI Lambs D/W	364.3	352.3	324.1
GB Lambs D/W	408.1	411.4	384.9
ROI D/W	370.2	359.2	334.8

Deadweight Sheep Trade

QUOTES from the plants this week continued to come under pressure with quotes at the end of the week ranging from 300-310p/kg for R3 grade lambs with plants paying up to 21kg. Supplies of lambs coming forward for slaughter continues to increase in line with normal seasonal trends with 12,035 lambs killed in NI plants last week and a further 2,632 lambs exported to ROI for direct slaughter. In the corresponding week in 2014 12,362 lambs were killed in NI plants while 4,945 lambs were exported to ROI for direct slaughter. The deadweight lamb price in NI last week was 324.1p/kg, down 28.2p/kg from the previous week and £1.01/kg lower than the corresponding week in 2014.

This Week's Marts

THERE has been a subdued trade across the marts this week with average reported prices ranging from 275-295p/kg. In Swatragh last Saturday an entry of 556 lambs sold from 244-300p/kg compared to 563 lambs the previous Saturday selling from 296-342p/kg. In Massereene on Monday 382 lambs sold from 260-290p/kg compared to 595 lambs last week selling from 272-313p/kg. In Rathfriland this week a similar trade to last week saw a larger entry of 1,007 lambs sold to an average of 287p/kg compared to 673 lambs last week selling to an average of 289p/kg. There were small numbers of ewes passing through the sale rings this week with a top reported price of £126 in Omagh last Saturday.

LATEST SHEEP MARTS

From: 27/06/15		Lambs (P/KG LW)			
To: 03/07/15		No	From	To	Avg
Saturday	Omagh	344	278	303	-
	Swatragh	556	244	300	295
Monday	Kilrea	429	276	309	-
	Massereene	382	260	290	275
Tuesday	Saintfield	466	265	300	-
	Rathfriland	1007	272	330	287
Wednesday	Ballymena	909	260	311	276
	Enniskillen	287	268	304	284
	Armoy	520	265	300	280

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