

NI DEADWEIGHT PRIME CATTLE TRADE SOFTENS ENTERING THE SECOND HALF OF THE YEAR

The deadweight trade for prime cattle in NI has come under pressure in recent weeks with base quotes from the major beef processing plants in NI gradually coming back correspondingly. Quotes this week were 412-430p/kg for in spec U-3 grade steers and heifers with similar base quotes expected for early next week.

The R3 steer price is used as an indicator of the deadweight cattle trade as this is the most popular price reported grade in NI and therefore provides the most robust sample of data for analysis.

The R3 steer price in the region during the w/e 27 August 2022 was 435.4p/kg, back 2.8p/kg from the previous week. This reflects the trade in recent weeks, despite an increase recorded during the week prior (w/e 20 August), over the last four week period the average R3 steer price was 436.3p/kg which was back 5p/kg from the average price paid during the previous four week period. This is a decline in price the equivalent of £17.50 on a 350kg steer carcase.

Despite the decline in the R3 steer price in NI, recent levels remain well ahead of the corresponding period of previous years, as indicated in **Figure 1** which displays R3 steer prices in the region during 2020, 2021 and until w/e 27

August 2022. For reference, during the w/e 27 August 2021 the R3 steer price was 401.4p/kg, which is a difference of 34p/kg and amounts to £119 on a 350kg carcase.

During the w/e 27 August 2022 the average R3 steer price in GB was 443p/kg, up 1.7p/kg from the previous week. During the four w/e 27 August 2022 the R3 steer price in GB was 442.1p/kg on average, which was back 4.8p/kg when compared to the previous four weeks. This is a decline in price the equivalent of £16.80 on a 350kg. As discussed previously, the average R3 steer price in NI declined by a similar margin during the period.

While there is variability in deadweight prices available across GB, the trade in all regions has reported similar price movements over the past few weeks. The similar levels of weakening seen in both the NI and GB deadweight trade resulted in the price differential between the two regions remaining similar during the four week period ending 27 August 2022. In the w/e 06 August 2022 the differential in R3 steer prices between the regions was 6.3p/kg, or £22.05 on a 350kg carcase and by the w/e 27 August 2022 the differential widened to 7.6p/kg or £26.60 on a 350kg carcase.

Figure 2 outlines the R3 steer price in

NI, GB and ROI during 2022 to date. As indicated in the chart the R3 steer price has also come under pressure in ROI in recent weeks with an average R3 steer price of 406.5p/kg during the w/e 27 August 2022. This was back 1.1p/kg from the previous week. The average R3 steer price during the four w/e 27 August 2022 was 407.1p/kg, which was back 12.3p/kg from the average price of 419.4p/kg paid during the previous four week period. This is a decline in price the equivalent of £43.05 on a 350kg steer carcase.

The differential in deadweight R3 steer prices between NI and ROI was 28.9p/kg during the w/e 27 August 2022 which is the equivalent of £101.15 on a 350kg carcase. This has widened significantly from a differential of 0.9p/kg in the w/e 02 July 2022 which was the equivalent of £3.15 on a 350kg carcase.

Prime cattle throughput in NI during the four w/e 27 August 2022 totalled 26,138 head with 8,930 tonnes of beef from prime cattle processed in local plants during this period. In the corresponding period in 2021 prime cattle throughput in NI was slightly higher at 27,422 head with 9,517 tonnes of beef from prime cattle processed. This decline in prime cattle being processed in local plants in recent

Figure 1: Price reported R3 steer prices in NI during 2020, 2021 and 2022 to date (p/kg). Source: LMC Deadweight Price Reporting.

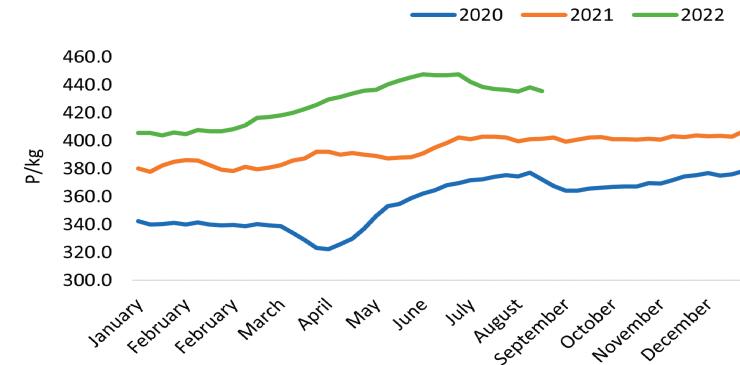
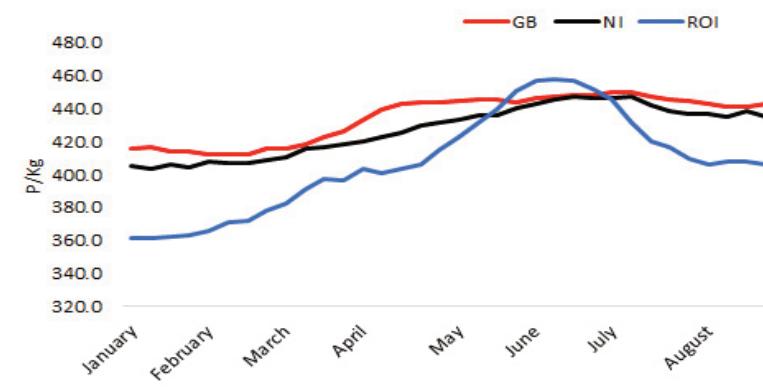


Figure 2: Price reported R3 steer prices in NI, GB and ROI during 2022 to w/e 27 August (p/kg). Source: LMC Deadweight Price Reporting, AHDB and DAFM.



weeks comes following a high cattle throughput in NI during the first half of the year. The recent reduced throughput level is in line with the slaughter

forecast published by LMC which reported a tightening in cattle available for slaughter in NI during the remainder of this year.

FARMERS ADVISED TO CONSIDER PRODUCTION COSTS WHEN SOURCING STORE LAMBS

With store lamb sales commencing throughout the region during the month of August, the numbers of lambs passing through the NI sale rings has gradually increased with a firm trade being reported throughout NI for good quality lambs.

The average live weight lamb price in NI during the week ending 27 August 2022 was 441.2p/kg while in the corresponding week in 2021 the average live weight lamb price in NI was 454.3p/kg. This decrease by 13.1p/kg accounts for a 2.9 per cent decline in the liveweight price year on year.

With sales of store lambs expected to remain strong over the coming weeks it is important that buyers consider the cost of taking these animals through to slaughter. If grass supplies are limited which they have been in recent weeks following the dry period, then producers should opt for short keep

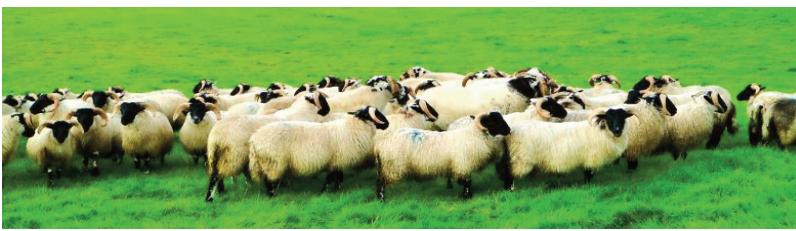
store lamb. Alternatively where there are more plentiful grass supplies purchasing lighter weight store lambs may be a viable option, with resources available to accommodate a longer time to slaughter.

Provided the lambs purchased are of good quality, store lambs on good quality grazing can be expected to gain 180-200g per day during September. As the year progresses the performance of lambs at grass will ease back to 150-170g/day moving into October and down to 100g/day in late October and November, however with supplementary feeding and adequate management including fluke

and worm management which is particularly important in the event of a wet autumn, optimum gains can be easily achieved.

It is important to take growth rates and lamb type into account when purchasing store lambs and producers should consider supplementing lambs with meal where applicable to maintain performance and allow them to meet finishing targets. When calculating a finishing budget producers should also remember to consider miscellaneous costs such as mortality, veterinary and transport costs.

Buyers should try to purchase store



lambs to suit their finishing system by focusing on the weight, price and quality of lambs on offer. Where possible store lambs should be bought in even batches as this increases the likelihood these animals will come to slaughter weights together, which in addition to reducing transport and labour costs as mentioned, a larger batch of animals will also allow the producer to negotiate a better price with the meat plant.

Meeting market specifications at point of slaughter will help maximise returns from finishing store lambs. The current specification from the major processors is for R grading lambs or better with a fat score of 2 or 3 and a carcass weight of 21kg. Processors also have a strong preference for lambs with FQ status with bonuses available in some plants while other plants will not handle non assured lambs.



Achieving FQ assured status for sheep allows NI sheep producers to keep their options open when marketing their lambs. The enhanced assurances on animal welfare, food safety, traceability and care for the environment provided by the NI Farm Quality Assurance Scheme allows the processors to service the high value retail and food service markets in the UK. For many of these customers FQAS status is a key requirement of their product specification.

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 base quotes & mart results
Updated 5pm Daily
Tel: 028 9263 3011

Text Service

Free weekly base quotes sent to your mobile phone
Email: bulletin@lmcnl.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE		
(P/KG DW)	This Week 29/08/22	Next Week 05/09/22
Prime		
U-3	412 - 430p	412 - 426p
R-3	406 - 424p	406 - 420p
O+3	400 - 418p	400 - 414p
P+3	344 - 362p	344 - 358p
Including bonus where applicable		
Cows		
O+3	330 - 350p	330 - 350p

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 27/08/22	Steers	Heifers	Young Bulls
U3	436.6	439.3	430.0
R3	431.8	434.3	427.2
O+3	424.5	425.9	415.7

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 27/08/22	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	256.4	270.5	280.7	295.2
P2	267.4	302.4	325.0	336.8
P3	307.5	319.3	338.6	346.8
O3	-	341.7	357.2	363.1
O4	-	361.0	361.2	367.4
R3	-	-	-	379.6

SHEEP TRADE

NI SHEEP BASE QUOTES		
(P/Kg DW)	This Week 29/08/22	Next Week 05/09/22
R3 Lambs up to 21kg	495 - 500p	480 - 485p

REPORTED SHEEP PRICES			
(P/KG)	W/E 13/08/22	W/E 20/08/22	W/E 27/08/22
NI L/W Lambs	462.8	470.9	441.2
NI D/W Lambs	499.6	504.8	492.8
GB D/W Lambs	545.4	542.8	536.2
ROI D/W	538.9	541.1	533.6

Deadweight Cattle Trade

Base quotes from the major processing plants this week ranged from 412-430p/kg for in spec U-3 grade prime cattle. Quotes for next week are expected to range from 412-426p/kg. Quotes for good quality O+3 grade cows ranged from 330-350p/kg across the plants this week, with a similar trade expected early next week.

Prime cattle throughput in local plants last week reported a decrease of 596 head from the previous week at 6,425 head. This brings the total prime cattle throughput for the last four weeks to 26,138 head which accounts for a 4.7 per cent decrease on the corresponding period in 2021 when 27,422 prime cattle were slaughtered in NI plants. Cow throughput in NI plants last week totalled 2,213 head, up 116 head from the previous week when 2,097 cows were killed locally.

Imports for direct slaughter from ROI last week consisted of 345 prime cattle and 100 cows with no cattle imported from GB for slaughter in local plants last week. Exports from NI to ROI for direct slaughter last week consisted of 68 cows while no cattle made the journey to GB for direct slaughter.

In NI last week the average steer price was back by 3.7p/kg to 422.4p/kg while the R3 steer price decreased by 2.8p/kg to 435.4p/kg. The average heifer price was back marginally to 424.7p/kg last week with the R3 heifer price also back slightly from the previous week to 435.8p/kg. The average young bull price in NI last week came back by 4p/kg to 413.1p/kg while the R3 young bull price was back by 2.4p/kg from the previous week to 424.7p/kg. The average NI cow price last week reported a significant decrease of 10.9p/kg to 328.9p/kg with the O3 cow price also back by a notable 6.2p/kg to 362.1p/kg.

In GB last week the deadweight cattle trade generally reported a mixed trade with variations reported across the regions. The average steer price was up by 0.7p/kg to 435.2p/kg while the R3 steer price increased by 1.7p/kg to 443p/kg. This puts the differential in the R3 steer price between NI and GB at 7.6p/kg last week compared to 16p/kg in the corresponding week in 2021. The average heifer price in GB last week was back by 0.7p/kg to 433.6p/kg while the R3 heifer price increased by 1.7p/kg to 442p/kg. This puts the differential in the R3 heifer price between NI and GB at 6.2p/kg last week compared to 16p/kg in the same week last year. The average GB cow price reported an decrease of 1.9p/kg to 344.8p/kg when compared to the previous week with the O3 cow price back by 1.1p/kg to 373.5p/kg.

In ROI last week the R3 steer price was the equivalent of 406.5p/kg. This was back 1.1p/kg from the previous week and 28.9p/kg lower than the R3 steer price in NI. The R3 heifer price in ROI was 410.4p/kg, back 0.4p/kg from the previous week and 25.4p/kg below the R3 heifer price in NI. The O3 cow price in ROI last week was the equivalent of 368.8p/kg, which was 6.7p/kg ahead of the O3 cow price in NI.

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

	W/E 27/08/22	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	438.1	415.8	447.8	446.4	446.5	445.2	446.7
	R3	435.4	406.5	448.5	441.6	441.0	442.3	443.0
	R4	431.8	407.7	449.8	443.9	439.8	442.6	445.7
	O3	422.8	393.4	435.5	429.1	422.9	419.7	425.6
	AVG	422.4	-	445.8	436.7	429.7	427.6	435.2
Heifers	U3	439.6	421.7	452.3	448.2	449.8	448.0	450.1
	R3	435.8	410.4	447.0	444.2	440.1	437.5	442.0
	R4	431.0	411.7	450.3	444.7	439.4	439.6	445.3
	O3	423.4	401.8	429.1	432.3	418.7	412.6	421.3
	AVG	424.7	-	446.8	436.9	426.6	422.4	433.6
Young Bulls	U3	430.4	406.3	439.1	440.6	442.2	440.1	440.7
	R3	424.7	397.9	435.0	432.8	434.4	436.8	434.0
	O3	406.9	377.6	411.6	409.9	404.0	399.0	407.0
	AVG	413.1	-	430.2	423.9	423.0	407.6	423.9
	Prime Cattle Price Reported	5,139	-	5,882	6,582	7,127	4,375	23,966
Cows	O3	362.1	368.8	377.5	377.8	373.2	365.4	373.5
	O4	366.8	368.0	379.7	379.8	377.7	367.8	377.2
	P2	323.5	335.6	336.9	330.7	337.1	331.9	334.4
	P3	342.8	358.7	340.5	347.0	355.9	354.4	352.8
	AVG	328.9	-	371.8	350.1	340.2	332.3	344.8

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=84.43p 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 27/08/22	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	266	282	273	215	265	235
Friesians	184	207	193	168	203	180
Heifers	244	276	258	205	243	220
Beef Cows	212	250	230	165	211	188
Dairy Cows	142	194	162	100	141	125
Store Cattle (p/kg)						
Bullocks up to 400kg	255	308	275	205	254	228
Bullocks 400kg - 500kg	240	292	260	180	239	212
Bullocks over 500kg	221	270	233	165	216	195
Heifers up to 450kg	250	349	265	200	249	220
Heifers over 450kg	220	249	235	160	219	195
Dropped Calves (£/head)						
Continental Bulls	375	550	435	250	370	300
Continental Heifers	350	570	400	225	345	260
Friesian Bulls	110	205	150	40	105	70
Holstein Bulls	80	190	120	5	75	40

LATEST SHEEP MARTS (P/KG LW)

From: 27/08/22		Lambs			

THE ONGOING LOVE LAMB WEEK PROFILES THE IMPORTANCE OF THE LOCAL SHEEP SECTOR

The sheep sector continues to make a major contribution to Northern Ireland's farming economy. The beginning of September traditionally sees the rolling out of 'Love Lamb Week' across the UK. And, according to Livestock and Meat Commission (LMC) Chief Executive Ian Stevenson, it's an initiative that helps to highlight the attributes of this high-quality meat with consumers of all ages.

Ian explained: "Lamb is an extremely price sensitive food product. The recent Kantar data for Northern Ireland for the 52-week period ending 12th June 2022 confirms that the recorded 18.7% year on year increase in average retail prices led to a corresponding drop of 28.5% in lamb retail sales. "This level of price sensitivity is much greater than is the case with beef." "But it's not all bad news: far from it, in fact. Our own work with schools confirms that young people really like lamb, once they get the opportunity to taste it. "LMC school cookery demonstrations have confirmed a very high level of pupil preference for dishes like Yummy Lamb Curry."

Image 1: Representatives of the NI sheep industry including LMC Chief Executive Ian Stevenson encourage consumers to support the NI sheep industry and enjoy local lamb.



According to the LMC representative, sheep farmers in Northern Ireland are amongst the most passionate and committed of their kind to be found in the UK and beyond. "Local flock owners are totally dedicated to their businesses," he said. "And, as a result, they produce lamb of the highest quality on a consistent basis. "It's important that lamb is celebrated for the high quality and delicious food source that it represents. It must never be forgotten or over looked: hence the Commission's continuing support for Love Lamb Week."

Love Lamb Week runs from 01 to 07 September 2022. The event provides the sheep industry with a prime opportunity to come together and promote Northern Ireland Farm Quality Assured (NIFQA) lamb. Love Lamb Week is celebrating its eighth successive year in 2022. LMC is proud to have supported the initiative since its launch.

LMC's Marketing and Communications Manager Lauren Patterson explained: "Love Lamb Week shines a light on the sustainability of UK sheep production as well as highlighting the versatility of lamb and its nutritional credentials.

"We have, once again, partnered with the Ulster Farmers' Union to help promote the event. "The Union will emphasise the on-farm production of lamb while LMC will focus on processing and cooking aspects. "By taking this combined approach we will be able to provide a wholesome, farm-to-fork story, where home produced lamb is concerned."

to further boost the message back to consumers regarding the myriad benefits of lamb dishes," Lauren Patterson confirmed. "We have also secured a press partnership with NI4Kids and will use this platform to promote a child friendly lamb recipe To further engage with consumers LMC will also offer public sampling opportunities throughout Love Lamb Week.

An LMC cookery demonstrator will provide a series of demos at the Boulevard Outlet, Banbridge on Saturday 03 September from 11.30am to 3.00pm.

From a digital perspective, the Commission will be sharing facts about lamb production plus its health and environmental credentials. Lauren concluded: "We will share lots of top tips for cooking with lamb and tasty recipes that will suit the whole family via our social media platforms. "We encourage farmers and consumers to join us in promoting NIFQA lamb.

To find out more about the plans in place for the week ahead: Search #LoveLambWeek.

ERBS CONTINUES TO DELIVER FOR EUROPE'S BEEF SECTOR

The European Roundtable for Beef Sustainability (ERBS) continues to deliver a cohesive and strategic response to the many challenges facing the red meat industries across the continent at the present time. Its great strength lies in the scope of the organisation's membership and their breadth of expertise across the entire gamut of issues that continue to impact on the beef industry. As a result, Europe's red meat sector has been able to speak with one voice on issues such as climate change and the over arching challenge of shaping a sustainable industry that reflects the needs of consumers across the board.

At a fundamental level ERBS represents a vitally important networking opportunity for all of those involved with the organisation. Significantly, Livestock and Meat Commission Chief Executive Ian Stevenson is an ERBS board member. He commented: "Throughout Covid, we held a number of virtual meetings. This allowed the momentum, previously generated by ERBS, to be maintained. "However, there is no substitute for a face-to-face gathering. And the first of these to be held in three years recently took place over two days in Northern France. "By any yardstick, the event proved to be extremely successful."

The over-arching theme chosen for the meeting was: "Igniting Positive Impact Together". In practical terms, ERBS unites stakeholders across Europe's beef value chain to deliver measurable and positive impact and continuous improvement on key sustainability priorities. The organisation also aligns everyone in working towards measurable progress to the same - agreed targets, whilst recognising the diversity of production systems across Europe. The result is the provision of freedom to deliver progress in a way that suits all stakeholder members.

Ian Stevenson takes up the story: "The get-together in France focused on recognising and reflecting the current and future challenges facing the beef sector. "There was a clear focus on how the ERBS can support our members in continuing to drive positive progress on key sustainability topics."

Day one of the event started with a field trip to Conteville, where ERBS members had the opportunity of gauging the effectiveness of using CAP'2ER (a multi-criteria calculator to measure GHG emissions and identify mitigation options) on a dairy, beef and arable farm. The visit also provided for an assessment of the cattle welfare evaluation tool, Boviwell. "Both technologies are helping French

farmers to assess key factors that impact on the sustainability of their farms," commented Ian Stevenson.

Day two of the meeting provided Richard Brown, a director of international consultancy and research firm Gíra, to present to the group. He highlighted the unprecedented level of uncertainty and change now impacting on the international beef sector. "But, on the upside, he also highlighted the growing demand for beef," Ian Stevenson confirmed. Courtesy of his presentation to the group, Ruaraidh Petre - Executive Director of the Global Roundtable for Sustainable Beef (GRSB) - echoed these positive perspectives. He also highlighted the role that global and regional sustainability goals can play in sharing the values and level of care for the environment and animals across Europe's entire beef sector.

Thomas Duffy, the Vice President of the European Council of Young Farmers (CEJA), also addressed the ERBS meeting. He brought the farmer perspective on the challenges facing the beef sector, and the need for solutions to be farmer based. ERBS draws its membership from across the European region with six aligned platforms now operating in France, Germany, Ireland, Italy, Poland and UK.

Ian Stevenson further explained: "The meeting provided all ERBS members the opportunity to agree priorities and future projects that have the unanimous support of all our stakeholder organisations." Three ERBS members also shared case studies with colleagues.

Kepak highlighted the work now underway, bringing together science, customers and business in addressing climate action in Ireland.

Representatives of the Germany-based Tönnies' group discussed the impact of the 'BEST Beef' programme in that country. Specifically they referenced the significant progress made, where animal medicines, animal welfare, farming resilience and GHG reduction measures are concerned.

Finally, Interbev, France, highlighted Image 2: ERBS members on a visit to view and discuss sustainability improvement actions being deployed on a dairy, beef, and arable farm during a recent meeting in Northern France

the work that has been undertaken in driving a pan-European response to the Common Agricultural Policy's new 'Green Deal'.

Ian Stevenson concluded: "Three main themes were identified at the meeting, all of which can be identified as opportunities for Europe's beef sector a whole. "Firstly, and perhaps most importantly, consumers want to hear a simple story that relates positive aspects associated with beef production and the progress being made by the sector. "Secondly, the cohesive role that ERBS continues to play at the very heart of Europe's beef sector. "And, finally, the value of sharing collective knowledge to tackle the complexities of developments taking place across the beef industry can never be overlooked."



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