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CALF REGISTRATIONS INCREASE

BEEF sired calf registrations in NI during October 2014 totalled 18,922 head, an 11 per cent increase on the corresponding month in 2013. This increase in registrations is the sixth consecutive month in which beef sired calf registrations in NI have been higher than year earlier levels.

Beef sired calf registrations during the first ten months of 2014 have totalled 282,392, very similar to the 282,400 registered in the corresponding period in 2013. It is however notably lower than the corresponding period in 2012 when 302,633 beef sired calves were registered. This reduction by 20,241 between the 2012 and 2014 periods accounts for a seven per cent reduction.

While beef sired calf registrations have shown an improvement over year earlier figures for the last six months there has been no change in the proportion of the major breeds in the registration mix. Figure 1 provides a breakdown of NI beef sired calf registrations by breed during 2014 to date.

Limousin continues to be the most popular beef breed in Northern Ireland and accounted for 31 per cent of all beef sired calf registrations during 2014 to date with Charolais sired calves accounting for a further 27 per cent of beef calf registrations.

Total dairy sired calf registrations during 2014 to date have also shown an increase on year earlier levels. During October 2014 22,494 dairy sired calves were registered on NI farms compared to 21,737 calves in October 2013. This accounts for a 3.5 per cent increase year on year.

Like the beef registrations the dairy sired registrations have shown an increase on year earlier levels for the sixth consecutive month. Dairy sired calf registrations for 2014 to date have totalled 151,635 head, 1,160 head higher than the corresponding period in 2013.

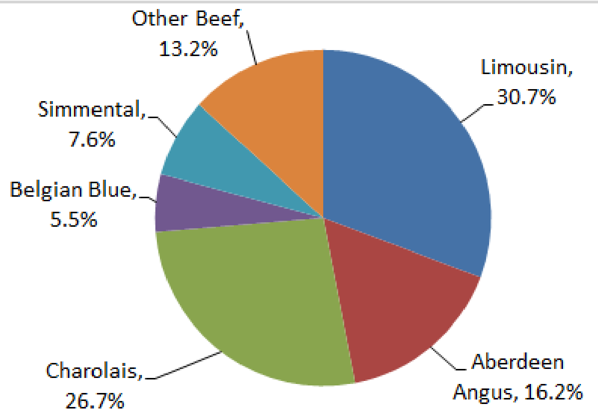
Dairy sired bull calves in NI act as an important source of beef for the NI beef industry. During 2014 to date 15.3 per cent of the price reported cattle kill were dairy sired with a further 18.5 per cent of the kill being beef sired from a dairy dam. These figures are similar to previous years.

During October 2014 male dairy sired calf registrations totalled 10,056, similar to the 10,159 registered in October 2013. Dairy sired calf registrations for 2014 to date were also similar to year earlier levels with 71,123 calves registered.

Cattle on the ground

With an increase in beef sired calf registrations in recent months the number of cattle on the ground in the 0-6 month age bracket during October 2014 has increased by 7.4 per cent on year earlier levels.

Figure 1: Breakdown of beef sired calf registrations during the period January-October 2014 by major breed



While there has been an improvement in the number of beef sired animals on NI farms in the youngest age bracket there have been declines in some of the older age brackets as outlined in Table 1. These reductions in total numbers are a direct consequence of lower calf registrations in NI from autumn 2012 through to early Spring 2014.

The most notable decline has been in beef sired cattle in the 18-24 month age bracket. In October 2014 there were 157,826 beef sired cattle on NI farms in this age bracket compared to 167,830 head in the corresponding month in 2013. This decline by 10,000 head accounts for a six per cent decline year on year.

Meanwhile beef sired cattle in the 24-30 month age category in October 2014 totalled 78,698 head, an increase of 3.4 per cent on year earlier levels when there were 76,134 beef sired cattle on NI farms in this age bracket.

The number of dairy sired male cattle on NI farms has also recorded a decline year on year. The number of dairy sired male animals in the 0-6 month age bracket on NI farms in October 2014 was down 4 per cent on year earlier levels. Meanwhile the number of dairy sired male cattle in the 6-12 month, 12-18 month and 18-24 month categories were back by 9 per cent, 10 per cent and 15 per cent respectively year on year.

The overall reduction in the number of cattle on NI farms intended for beef production would indicate that the number of cattle coming forward for slaughter in the months ahead should remain relatively tight. This trend of reduced cattle supplies is also expected in ROI and GB in the months ahead.

Table 1: Beef sired cattle on NI farms by age category in October 2012-2014

	2012	2013	2014	Change 2013/2014	Change 2012/2014
0-6	112,848	107,577	115,539	+7.4%	+2.4%
6-12	199,098	181,420	176,977	-2.4%	-11.1%
12-18	129,990	124,217	120,290	-3.2%	-7.5%
18-24	169,016	167,830	157,826	-6.0%	-6.6%
24-30	77,384	76,134	78,698	+3.4%	+1.7

PLAIN CATTLE PRICING UPDATE

OVER the course of the last year, there have been some significant changes in the beef market, with the rising price of in-spec cattle, relative to the value of out of spec cattle, being a common theme. The tough market for manufacturing beef was another prominent theme since late 2013, with the price of cows and plain cattle coming under pressure.

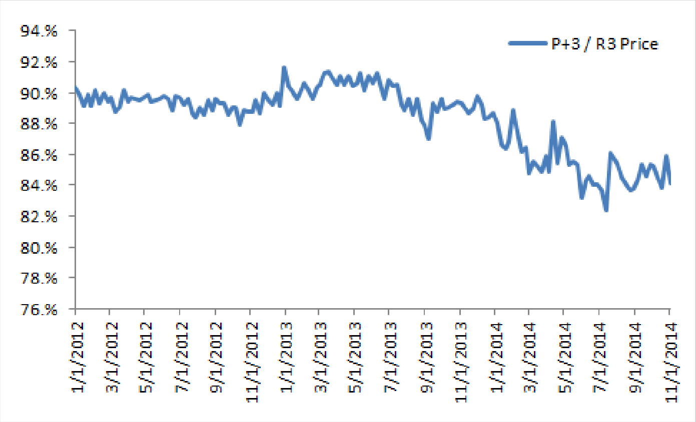
These factors have contributed to changes in the relative value of plain grade cattle over the last year. For example, between January 2012 and June 2013, P+3 grade steers / heifers averaged around 90 per cent of the equivalent R3 price. Since then, the changes in the market described above have led to a gradual decline in the price paid for plain cattle, relative to the price of in-spec cattle. As a result, P+3 grade prime cattle have more recently been worth approximately 85% of the prime cattle price. This change is illustrated in Figure 2.

The average R3 price between January 2012 and October 2014 was 346p/kg. At 90 per cent of this price, P+3 grades would been typically worth 35p/kg less than R3 grade prime cattle. More recently, P+3 grades have been worth around 85 per cent of the R3 price, which is an approximate difference of around 52p/kg.

For producers finishing plain cattle, these developments are of obvious importance. In the third quarter of 2014, about 12 per cent of price reported steers killed out at P grades, with four per cent of heifers achieving a P grade. With these developments in mind, producers presenting plain cattle for slaughter should ensure that they are aware of factory pricing policies in advance.

As a result of this change in the market LMC is now adding the P+3 quote to its weekly quotes table overleaf.

Figure 2: Graph showing average steer and heifer P+3 price relative to the R3 price January 2012-November 2014



ADAPTING TO CHALLENGING TIMES

ADAPTING to Challenging Times was the theme of the joint AFBI and LMC beef conference which was held this week at the Kings Hall Conference Centre in Belfast. The impressive line up of speakers included representatives from LMC, CAFRE, AFBI as well as representatives from both producers and retailers. Each speaker provided an insight into the NI and wider beef industries and the role of innovation in beef production moving forward. The Minister for Agriculture, Michelle O'Neill opened the conference and identified the key aim of the sector is to create a profitable, strong and sustainable beef industry. She also identified the importance of a co-ordinated approach between all sections of the supply chain would be needed to achieve this and acknowledged the important work of both AFBI and LMC in moving the industry forward.

The key take home messages of this well attended event included the importance of maximising the value of the NI beef industry by identifying and gaining access to new markets for the high quality beef produced on NI farms. The rapidly growing global demand for beef in Asia, and China in particular, as populations become more affluent and their diets become more westernised were highlighted as particularly important. Identifying and developing the genetic potential of the NI beef herd was highlighted as a key innovation and a way of improving efficiency and reducing costs at farm level by several of the speakers.

Selection of breeding stock based on genetics rather than visual appearance alongside the application of best practice production measures at farm level were other take home messages from the event. Speakers also highlighted the availability of the online benchmarking tools, BoVIS and the free CAFRE advisory service for those who wish to use them to help improve efficiencies at farm level. Changes to the SFP will present challenges but the positive message from all speakers was that there was a future for beef producers willing to embrace change.

LMC would like to take this opportunity to thank everyone who attended this successful event and acknowledge all those involved in its organisation. A copy of each of the presentations will be available on the LMC website at www.lmcni.com over the next few weeks. Furthermore LMC will be circulating a detailed summary of the presentations in the next issue of the LMC Quarterly.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 12/11/14	Next Week 17/11/14
Prime		
U-3	344-350p	344-350p
R-3	338-344p	338-344p
O+3	332-338p	332-338p
P+3	284-300p	284-300p
	Including bonus where applicable	
Cows		
O+3 & better	230-250p	230-250p
Steakers	140-170p	140-170p
Blues	120-130p	120-130p

REPORTED NI CATTLE PRICES - P/KG

W/E 08/11/14	Steers	Heifers	Young Bulls
U3	353.6	357.0	337.6
R3	348.3	350.9	336.2
O+3	339.9	338.6	333.4

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 08/11/14	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	130.3	143.0	152.1	167.0
P2	157.3	184.6	197.2	218.3
P3	164.0	208.3	221.7	228.0
O3	220.0	220.1	242.4	248.1
O4	-	241.4	239.8	251.0
R3	-	-	270.0	267.4

COMMODITY PRICE

W/E 25/10/14	Price (£) per tonne / 1000litre	% weekly change
Barley	141.00	+4.4
Wheat	143.50	+1.8
Straw	12.14	--

Deadweight Cattle Trade

QUOTES from the plants for U-3 grade prime cattle ranged from 344-350p/kg across the plants this week with the majority of quotes in the region of 346-348p/kg. Quotes for P+3 grade steers and heifers ranged from 284-300p/kg across the plants this week. With such a significant variation in quotes producers are encouraged to shop around to get the best possible deal for these plainer cattle. Quotes for cows have continued to come under pressure this week with quotes for O+3 cows ranging from 230-246p/kg.

The plants are reporting steady supplies of cattle to meet demand with prime cattle throughput in the NI plants last week similar to previous weeks at 6,874 head and cow throughput last week totalling 2,088 head. Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 537 head and accounted for eight per cent of total prime cattle throughput. Meanwhile exports of prime cattle to GB for direct slaughter were back last week to 159 head, the lowest level since mid-September. A total of 48 cows were also exported to GB for direct slaughter last week with a further 402 cows exported to ROI. This is the highest weekly export of cows to ROI for direct slaughter for the year to date.

The deadweight trade for steers and heifers in NI last week remained relatively steady with R3 steer and heifer prices within a penny of the previous week at 350p/kg and 351.9p/kg respectively. The trade for young bulls however recorded a marked decline with the average price back 6.7p/kg to 318.3p/kg. It is however worth noting that 19 per cent of the price reported young bulls killed last week were over the desired 16 month age limit compared to 16 per cent the previous week. This increase in the proportion of overage young bulls will have had a negative influence on the average price and may partly explain the notable decline.

In GB last week the trade for steers recorded an improvement with the average steer price up by 2.4p/kg to 352.3p/kg with all regions recording an increase from the previous week. Meanwhile the average price for heifers in GB was almost unchanged at 353.8p/kg with the trade relatively steady across the regions. The R3 heifer price in GB last week was up 3p/kg to 359.4p/kg. R3 heifer prices in Scotland and Northern England were up by 2p/kg to 377.8p/kg and 354.6p/kg respectively while the price in Southern England was up by 4.3p/kg to 346.8p/kg. In general the deadweight trade for prime cattle in Northern Ireland is just behind the trade in Northern England and is currently ahead of the trade in the Midlands and Southern England. However strong prices in Scotland pull up average GB prices and as a result the R3 steer and heifer prices in NI last week were in the region of 8p/kg lower than the equivalent GB prices.

The trade for cows generally declined in NI last week with reported prices for O and P grade cows back by 3-5p/kg. However an increase in the proportion of R grade cows in the slaughter mix from 13 per cent to 16 per cent last week resulted in the average cow price to increase slightly to 220.4p/kg. This was 12.1p/kg higher than the average cow price in GB last week. The O3 cow price in NI last week was 246.8p/kg, 14.2p/kg higher than the equivalent price in GB and was higher than all of the GB regions.

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

W/E 08/11/2014		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	353.9	292.7	383.7	364.8	356.3	357.2	367.1
	R3	350.0	283.4	378.0	356.1	345.4	344.6	358.1
	R4	349.9	282.4	380.2	363.0	348.4	343.1	362.4
	O3	334.9	266.7	365.6	334.4	321.8	322.0	338.2
	AVG	340.5	-	376.0	353.0	337.4	331.4	352.3
Heifers	U3	357.6	302.0	387.1	366.4	362.0	358.0	370.2
	R3	351.9	291.3	377.8	354.6	349.3	346.8	359.4
	R4	347.3	289.2	377.9	358.9	351.0	344.6	361.0
	O3	335.4	275.8	351.1	336.4	326.3	317.1	334.9
	AVG	343.1	-	375.4	352.6	344.5	330.4	353.8
Young Bulls	U3	338.6	289.3	373.2	340.5	350.4	352.0	350.1
	R3	336.0	281.3	366.7	325.4	334.6	329.5	334.2
	O3	316.7	261.5	330.6	298.7	307.2	311.4	309.1
	AVG	318.3	-	337.7	323.3	316.7	316.7	321.1
Prime Cattle Price Reported		5555	-	6317	5549	5245	3828	20939
Cows	O3	246.8	241.3	240.8	233.0	234.2	219.2	232.6
	O4	250.3	242.9	241.4	233.4	237.4	217.8	232.2
	P2	204.5	213.0	169.2	185.1	193.5	165.2	174.5
	P3	225.8	232.5	199.9	209.1	211.7	191.8	201.6
	AVG	220.4	-	226.8	209.7	215.4	182.9	208.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=78.33p 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 08/11/14	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	190	210	195	155	189	172
Friesians	140	170	155	105	130	118
Heifers	185	208	191	150	184	167
Beef Cows	138	226	166	110	137	125
Dairy Cows	100	126	110	70	99	85
Store Cattle (p/kg)						
Bullocks up to 400kg	192	210	203	167	191	180
Bullocks 400kg - 500kg	208	243	215	160	207	185
Bullocks over 500kg	192	229	200	155	191	175
Heifers up to 450kg	191	200	195	145	190	170
Heifers over 450kg	189	199	195	160	188	175
Dropped Calves (£/head)						
Continental Bulls	300	380	340	200	298	250
Continental Heifers	250	355	280	140	248	200
Friesian Bulls	88	135	100	20	85	50
Holstein Bulls	40	85	60	2	38	20

SHEEP TRADE

LAMB QUOTES		
(P/Kg DW)	This Week 12/11/14	Next Week 17/11/14
Lambs	360>22kg	360>22kg

REPORTED LAMB PRICES - P/KG			
(P/KG DW)	W/E 25/10/14	W/E 01/11/14	W/E 08/11/14
NI Liveweight	336.4	333.9	336.6
NI Deadweight	358.5	358.3	356.3
ROI Deadweight	348.6	355.8	-
GB Deadweight	354.9	360.6	368.2

Deadweight Sheep Trade

THE deadweight lamb trade in NI has remained steady this week with quotes of 360p/kg up to 22kg across the plants. One lamb processor has indicated this week that they will no longer accept lambs for slaughter that do not have FQAS status. Reports have indicated a tightening in the availability of lambs coming forward for slaughter with lamb throughput in the NI plants last week back by 1,485 head to 9,401 head. This was the lowest recorded weekly kill since early June 2014. Exports to ROI for direct slaughter last week totalled 7,959 head, back 1,620 head from the previous week. The average deadweight price in NI last week was back 2p/kg to 356.3p/kg while prices in GB increased by 8p/kg to 368.2p/kg.

This Week's Marts

A fairly steady trade was reported across the marts this week for good quality lambs. In Massereene on Monday a slightly smaller entry of 1,012 lambs sold from 325-364p/kg compared to 1,147 lambs last week selling from 325-361p/kg. In Rathfriland on Tuesday a similar trade to the previous week saw 825 lambs sold to an average of 332p/kg compared to 1,365 lambs last week selling to an average of 334p/kg. There was also a similar trade reported in Ballymena this week with 1,849 lambs selling to an average of 319p/kg compared to 1,864 lambs last week selling to an average of 317p/kg. The trade for well fleshed cull ewes remains firm with top prices generally ranging from £80-90. The top reported price was £100 for ewes in Swatragh last Saturday.

LATEST SHEEP MARTS					
From: 08/11/14		Lambs (P/KG LW)			
To: 14/11/14		No	From	To	Avg
Saturday	Swatragh	750	315	418	-
	Omagh	1358	317	373	-
Monday	Massereene	1012	325	364	-
	Kilrea	525	316	353	-
Tuesday	Saintfield	602	316	440	-
	Rathfriland	825	314	391	332
	Armoy	343	325	358	-
Wednesday	Ballymena	1849	300	347	319
	Enniskillen	723	320	355	-
	Markethill	1040	310	364	326

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