LMC BULLETIN

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NI CATTLE SLAUGHTERINGS UPDATE

PRIME cattle slaughterings in NI during May 2013 totalled 35,246 head compared to 32,796 head during May 2012. This increase by 2,450 head accounts for an increase of seven per cent in prime cattle throughput when comparing the two months.

While the NI steer kill was back by five per cent from 15,624 head in May 2012 to 14,826 head in May 2013 the heifer kill increased by 19 per cent from 10,852 head to 12,952 head. This notable increase in the heifer kill will lead to a reduction in the number of heifers being retained for breeding which could have longer term consequences for the beef industry.

Between the same periods the young bull/calf kill increased by 18 per cent to 7,468 head. For 2013 to date the prime kill in NI was 148,685 head, a four percent increase on the 143,071 head processed in the same period in 2012.

This increased throughput however has not translated into higher levels of beef production from the prime kill due to a notable drop in average carcase weights. The average prime carcase weight in May 2013 was 325.5kg compared to 342kg in May 2012, a reduction of 16.5kg. This decline in carcase weights can be attributed to the difficult production conditions and feed shortages faced by producers over the last year which had a negative effect on animal performance

Despite this notable drop in carcase weights total beef production from the prime kill for the first five months of 2013 was almost unchanged from the same period in 2012 at 48,699 tonnes.

The cow kill in May 2013 totalled 8,366 head, a five per cent increase on the 7,958 head slaughtered in May 2012. Cow slaughterings for the year to date have totalled 36,523 head, an eleven per cent increase on the 32,890 cows slaughtered during the same period in 2012.

This increase in cow slaughterings has resulted in a nine per cent increase in the amount of cow beef processed to 10,761 tonnes during 2013 to date. Average cow carcase weights in 2013 to date have been back on the same period in 2012 but have not shown the same level of decline as the prime cattle carcase weights. In the period January-May 2013 the average cow carcase weight was 295.1kg compared to 298.2kg during the same period in 2012.

With the increased throughput of cows by the plants and with a 34 per cent increase in the number of cows entering into fallen stock in 2013 to date there has been a drop in the number of cows on the ground.

The latest statistics from DARD for May 2013 have indicated a two per cent decline in the number of beef sired female cattle over 30 months of age on the ground compared to the same time last year. The same report indicates a four per cent decline in dairy females over 30 months of age. Meanwhile the number of beef cattle and dairy sired males on the ground aged 12-30 months has remained steady at 456,000 head.

Overall there has been a six per cent increase in the number of cattle processed by the NI plants during 2013 to date compared to the same period during 2012. This has helped to increase total beef production for the year to date by two per cent on the same period last year.

NI CATTLE SLAUGHTERINGS

	May (5 weeks ended 02/06/13)			Year to Date (22 weeks ending 02/06/13)		
	May-12	May-13	% Change	2012	2013	Change
CATTLE - FOODCHAIN						
Steers	15,624	14,826	-5%	65,129	63,973	-2%
Heifers	10,852	12,952	19%	51,954	55,158	6%
Young Bulls / Calves	6,320	7,468	18%	25,988	29,554	14%
Total Prime Cattle	**32,796**	**35,246**	**7%**	**143,071**	**148,685**	**4%**
Cows	7,958	8,366	5%	32,890	36,523	11%
Mature Bulls	684	983	44%	2,448	3,220	32%
Total Cattle	**41,438**	**44,595**	**8%**	**178,409**	**188,428**	**6%**

The above figures are provisional; any amendments will be incorporated in the cumulative data (source DARD).

NI BEEF PRODUCTION

	May (5 weeks ended 02/06/13)			Year to Date (22 weeks ending 02/06/13)		
	May-12	May-13	% Change	2012	2013	Change
BEEF						
Steers	5,592	5,080	-9%	23,354	22,234	-5%
Heifers	3,414	3,944	16%	16,335	16,934	4%
Young Bulls / Calves	2,130	2,364	11%	8,870	9,531	7%
Total Prime Cattle	**11,135**	**11,387**	**2%**	**48,559**	**48,699**	**0%**
Cows	2,372	2,465	4%	9,879	10,761	9%
Mature Bulls	282	403	43%	1,010	1,332	32%
Total Beef	**13,790**	**14,255**	**3%**	**59,449**	**60,792**	**2%**

The above figures are provisional; any amendments will be incorporated in the cumulative data (source DARD).

CALF EXPORTS TO THE CONTINENT INCREASE

CALF exports out of Northern Ireland for further breeding and production have totalled 10,568 head during 2013 to date. This is an increase of 1,193 head on the 9,375 head exported during the same period in 2012 and represents an increase of 13 per cent when comparing the two periods. Calf exports for the year to date are now at similar levels to those recorded in 2011.

This increase in calf exports has come about despite a 6 per cent decline in total calf registrations during 2013 to date when compared to the same period last year. In the first five months of 2013 242,820 calves have been registered in NI, a decrease of 15,544 calves on the same period in 2012. This drop in calf registrations is likely to be a result of difficult production conditions last summer having a negative influence on cow fertility in both the dairy and suckler herds with a drop in the number of calves born as a result.

Almost all of the calves exported out of NI are dairy sired male calves which are destined for bull beef production on the continent. A total of 40,207 dairy sired male calves have been registered in 2013 to date, a drop of 5 per cent on the 42,211 calves registered in the same period in 2012.

Spain is the primary export destination for NI calves with 9,330 calves exported during 2013 to date, accounting for 88 per cent of all calf exports as outlined in Figure 1. In the same period last year exports to Spain totalled 7,666 head and accounted for 82 per cent of all calf exports.

The increase in exports to Spain in the first five months of 2013 represents a 22 per cent increase on the same period last year. The main production system in operation in Spain for Friesian bulls is a 12 month bull beef system which is based primarily on a diet of ad-lib cereals and straw. The economics of these systems are more favourable in Spain due to the markedly lower input costs than in NI at present.

Meanwhile the export of 686 calves from NI to Italy for further breeding and production during 2013 to date has accounted for 6.5 per cent of total calf exports. This is up 1.3 percentage points from 5.2 per cent of calf exports during the same period in 2012. NI calves which are exported to Italy are likely to be used in veal production systems.

The increase in the number of NI born calves being exported to the continent for further production in 2013 to date may be due to a number of factors. The increased strength of the euro against sterling in 2013, lower calf prices and a drop in demand for Friesian bull calves from local producers has meant that the shippers can compete more readily for calves in NI and thus the increase in the number exported. The shippers are typically quoting £10-50 for Friesian bull calves this year compared to £60-100 last year.

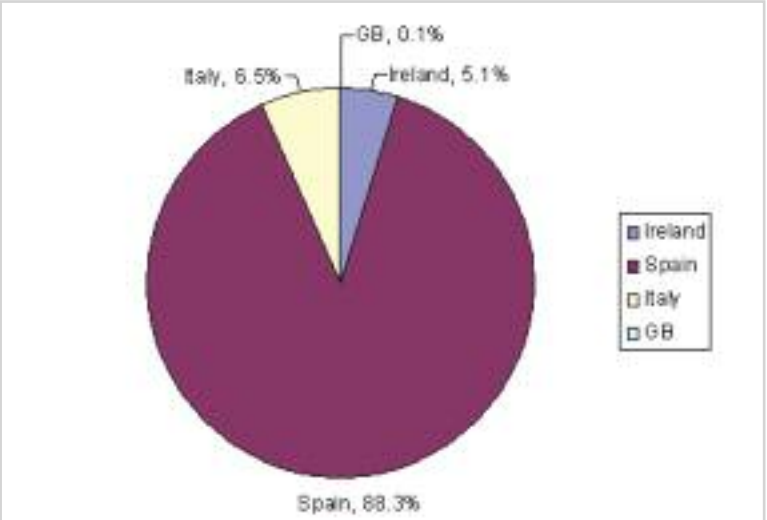
The reduced demand for dairy-sired bull calves from producers in NI has been driven primarily by the increase in concentrate prices. Dairy calf to beef systems, particularly young bull beef production systems, are heavily reliant on high levels of concentrate inputs and with the current high cost of concentrates such production systems are difficult to work profitably.

The high levels of Holstein genetics in the NI dairy herd has also meant that many of the bull calves produced are of poor conformation and will not meet current processor requirements for beef production. There are however some opportunities for using these Friesian bull calves in veal production.

In addition the difficulties with grass production faced by producers operating dairy calf to beef systems last summer may have discouraged some producers from going down this route again.

This production system is reliant on maximising gain from grass and the poor performance of stock last summer led to cattle being below target weights at housing. This will have resulted in an increase in the costs of production in a system that already had tight margins as producers tried to meet current market specifications on weight, age and fat cover.

Chart 1: Export destinations for calves under 42 days from NI Jan-May 2013



WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 03/06/13	Next Week 10/06/13
Prime		
U-3	376-380p	376-380p
R-3	370-374p	370-374p
O+3	364-368p	364-368p
* Plus 8p/kg in spec bonus where applicable		
Cows		
O+3 & better	290-310p	290-310p
Steakers	260-280p	260-280p
Blues	180-185p	180-185p

REPORTED NI CATTLE PRICES - P/KG

W/E 01/06/13	Steers	Heifers	Young Bulls
U-3=	387.2	392.3	376.6
U=3=	387.1	395.9	378.6
U=4=	382.0	392.3	360.0
R=3=	384.9	389.1	376.1
R=4=	384.2	388.6	366.0
O+3=	383.2	386.1	362.2
O=3=	373.6	369.8	356.4
Average	378.4	382.7	357.8

REPORTED COW PRICES NI W/E 01/06/13

Grades	Price (p/kg)	Avg Wgt
O+3=	317.2	321.0
O-3+	298.3	312.8
P+2+	276.0	285.8
P+3+	291.3	314.9
P-1-	191.1	215.5

COMMODITIES

COMMODITY PRICE

W/E 01/06/13	Price (£) per tonne / 1000litre	% weekly change
Barley	193.00	-1.53
Wheat	215.00	-0.7
Straw	22.00	-
Diesel	710-730	-

U-3 Base quotes remain steady

QUOTES from the plants for U-3 grade prime cattle this week generally ranged from 378-380p/kg with one plant continuing to quote a base price of 376p/kg for steers. Quotes for good cows this week have remained steady at 290-310p/kg. With the good weather this week the plants have reported a tightening in supplies of cattle as taking cattle to the plants is not a priority for many producers as attempts are made to get caught up with a back log of field work.

Prime cattle slaughterings in NI last week totalled 6,722 head, back 200 head on the previous week. Prime cattle slaughterings for 2013 to date are running four per cent ahead of the same period in 2012. The cow kill last week was also back on the previous week, down 300 head to 1,549 head with the cow kill for the year to date running eleven per cent ahead of the same period last year.

Exports to GB for direct slaughter last week totalled 307 head with 198 cattle exported to ROI for direct slaughter. A total of 446 prime cattle were imported from ROI for direct slaughter in NI plants last week.

Average steer prices in NI last week increased by half a penny to 378.4p/kg with the R3 steer price up slightly to 385.0p/kg. The average heifer price in NI last week was up 2.8p/kg to 382.7p/kg while the R3 heifer price increased by 2.1p/kg to 389.3p/kg. The trade for young bulls also improved in NI this week with average prices up 3.4p/kg on the previous week to 357.8p/kg. The R3 young bull price increased by 5.6p/kg to 372.4p/kg while the O3 price was up 2p/kg to 354.1p/kg.

Average steer and heifer prices in GB last week were back in the region of 1p/kg to 400.2p/kg and 397.5p/kg respectively. A similar trend can be observed for steers across all of the GB regions where prices are back in the range of 1-2p/kg. The average R3 steer price in GB last week was down marginally to 401.6p/kg. Meanwhile average heifer prices in GB declined in the region of 3p/kg in Northern England, the Midlands and Southern England but increased in Scotland by 2.9p/kg to 409p/kg. The R3 heifer price in GB last week was back 1.8p/kg on the previous week at 398p/kg.

Prices in ROI showed an increase in sterling terms for all reported grades. The R3 steer price increased by the equivalent of 3.6p/kg to 378.3p/kg with the R3 heifer price up 3p/kg to 399.3p/kg.

This week's marts

FINISHED first quality steers sold to an average of 221p/kg liveweight this week with second quality finished steers selling to an average of 200p/kg. Finished heifers sold to a top price of 230p/kg liveweight this week with first quality selling to an average of 220p/kg and second quality selling to an average of 195p/kg.
Forward store cattle were a similar trade to previous weeks with first quality bullocks in the 400-500kg weight range selling to an average of 216p/kg liveweight. Heifers over 450kg sold to a top price of 215p/kg with first quality heifers selling to an average of 200p/kg. Second quality heifers in the same weight range sold to an average of 176p/kg.

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

W/E 01/06/13		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	386.4	385.4	415.9	407.3	407.4	403.2	409.3
	R3	385.0	378.3	409.9	405.1	395.1	394.2	401.6
	R4	383.4	379.3	414.2	413.8	396.1	393.2	406.6
	O3	375.9	363.0	396.3	393.9	377.5	376.7	388.0
	AVG	378.4	-	410.9	404.4	393.9	384.9	400.2
Heifers	U3	393.5	413.9	414.7	408.2	409.3	401.1	409.4
	R3	389.3	399.3	407.8	396.9	393.0	391.0	398.0
	R4	387.0	399.5	411.0	401.8	394.5	391.4	401.1
	O3	375.2	380.5	391.7	386.1	381.7	376.7	384.8
	AVG	382.7	-	409.0	399.9	393.5	379.9	397.5
Young Bulls	U3	376.4	379.3	410.9	388.6	397.2	402.9	398.0
	R3	372.4	374.1	399.0	373.7	383.5	383.5	382.3
	O3	354.1	357.6	375.4	357.7	360.7	372.5	363.6
	AVG	357.8	-	396.7	370.7	383.3	379.2	380.2
Prime Cattle Price Reported		5586	-	6648	5712	5255	3681	21296
Cows	O3	305.0	311.0	316.9	300.7	296.8	283.5	300.8
	O4	308.3	312.9	318.7	298.8	294.8	288.6	301.5
	P2	250.8	271.0	242.4	233.1	215.5	222.7	230.8
	P3	282.1	299.4	270.0	262.7	249.6	249.6	260.0
	AVG	281.4	-	307.2	273.6	272.9	246.3	275.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=85.54p 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 01/06/13	1st QUALITY From	1st QUALITY To	1st QUALITY Average	2nd QUALITY From	2nd QUALITY To	2nd QUALITY Average
Finished Cattle (p/kg)						
Steers	214	239	221	184	213	200
Friesians	155	171	163	138	153	142
Heifers	212	230	220	180	210	195
Beef Cows	165	224	188	130	164	147
Dairy Cows	112	148	125	80	110	95
Store Cattle (p/kg)						
Bullocks up to 400kg	200	256	226	175	199	187
Bullocks 400kg - 500kg	208	249	216	165	207	186
Bullocks over 500kg	190	238	210	162	189	165
Heifers up to 450kg	186	220	200	160	185	173
Heifers over 450kg	190	215	200	170	189	176
Dropped Calves (£/head)						
Continental Bulls	260	380	305	130	258	190
Continental Heifers	200	315	235	100	195	150
Friesian Bulls	68	120	105	15	65	40
Holstein Bulls	40	105	70	1	38	20

SHEEP TRADE

LAMB QUOTES		
(P/Kg DW)	This Week 03/06/13	Next Week 10/06/13
NI Factories	440-445p	440-445p
ROI Factories	440p	-

REPORTED LAMB PRICES - P/KG			
(P/KG DW)	W/E 18/05/13	W/E 25/05/13	W/E 01/06/13
NI Liveweight	503.4p	469.8p	420.1p
NI Deadweight	503.7p	514.9p	486.7p
ROI Deadweight	474.3p	482.8p	446.3p
GB Deadweight	537.0p	532.6p	515.3p

Lamb quotes drop 50p/kg

QUOTES from the plants this week ended at 440p/kg for R3 grading lambs with plants paying up to 21kg. This is a drop from the 480-490p/kg available last week and the equivalent of £10.50 per finished lamb. Sluggish domestic and export demand for lamb combined with a greater availability of lambs in recent weeks have been reported as reasons for the drop in the prices being offered. Slaughterings in NI last week totalled 6,477 head, an increase of 944 head on the previous week but 820 head behind the corresponding week last year. A further 4,575 sheep were exported to ROI for direct slaughter, up 900 head on the previous week. The NI deadweight price was back by 28.2p/kg to 486.7p/kg last week and in GB the deadweight price was back 17.3p/kg to 515.3p/kg.

This week's marts

A quieter trade than last week in Massereene on Monday saw 733 lambs selling from 400-446p/kg compared to 626 lambs last week selling from 430-464p/kg. In Saintfield on Tuesday 402 lambs sold from 404-450p/kg compared to 448 lambs last week selling from 420-480p/kg. In Rathfriland on Tuesday 242 lambs sold to an average of 420p/kg compared to 433 lambs last week selling to an average of 444p/kg. However in Markethill on Wednesday the trade was similar to last week with 285 lambs selling to an average of 420p/kg compared to 300 lambs last week selling to an average of 422p/kg. The prices for cull ewes across the marts have generally been £60-80 with a top price of £86 reported in Omagh last Saturday.

LATEST SHEEP MARTS					
From: 01/06/13 To: 06/06/13		Spring Lambs (P/KG LW)			
		No.	From	To	Avg
Saturday	Donemana	225	393	429	-
	Omagh	86	405	435	-
Monday	Massereene	733	400	446	-
	Kilrea	410	390	416	400
Tuesday	Saintfield	402	404	450	-
	Rathfriland	242	395	435	420
Wednesday	Enniskillen	218	402	448	420
	Ballymena	305	385	468	400
	Markethill	285	410	435	420

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