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INCREASE IN CALF REGISTRATIONS IN 2012

THE preliminary results of the June 2012 Agricultural Census have been released by DARD in recent weeks. The main findings of the report included a two percent increase in the number of cattle on the ground between 2011 and 2012. This increase in total cattle numbers has come on the back of a four per cent increase in beef cow numbers and a one percent increase in dairy cow numbers year on year.

The increasing number of beef cows has had a knock on effect in terms of the number of beef-sired calves born in the first eight months of 2012. The number of beef-sired calf registrations have totalled 268,751 head for the year to date. This is 4,915 head more than the same period the previous year and accounts for a two per cent increase on the first eight months of 2011.

These increases in beef-sired calf births may indicate an improvement in interest in suckler beef production due to improved farm gate prices relative to previous years. However margins in suckler beef production remain questionable and this is particularly relevant given the rising feed costs over the last number of weeks which will further squeeze the already tight economics of suckler enterprises.

It is also important to recognise the role of the dairy herd in providing a supply of beef animals for the NI beef sector. For the year to date the number of dairy-sired calves increased by 6.4 per cent with an increase in registrations by 7,279 head. When we consider that there has been a one per cent increase in dairy cow numbers and a 6.4 per cent increase in dairy calf registrations it appears that an increased proportion of dairy cows have been calved to dairy bulls in the first eight months of this year when compared to 2011. The number of dairy sired bull calves registered in 2012 to date increased by just over 3,200 to 52,930 head from the same period in 2011.

This trend towards using dairy sires may indicate a lower supply of beef-sired calves from the dairy herd than in previous years. This trend may therefore have masked a greater increase in outputs from the suckler herd than the two per cent increase in beef sired calf registrations would initially suggest. This would tie in with the four per cent increase in suckler cow numbers indicated in the June census.

The calving spread of beef-sired calves for 2012 to date has followed a similar pattern to previous years by gradually rising as the year progresses and registrations peaking in May as indicated in Figure 1. Interestingly however the number of beef-sired calves registered in May 2012 was 9.6 per cent lower in May 2012 than May 2011. Meanwhile the number of beef-sired calves registered in each month from January through to April 2012 showed increases on the previous year. The largest increase in registrations occured in February when calf registrations increased by just over 16 per cent compared to February 2011. This may indicate that producers are moving towards calving suckler cows earlier in the spring. This practice would allow suckler producers to maximise gains at grass over the summer months by having a slightly older and better developed calf which can utilise grass more efficiently over the grazing season.

Chart 1 displays the top seven beef sires in NI for the year to date and these account for 95 per cent of all beef-sired calves born. There has been little or no change in the proportion of beef-sired calves born to particular breeds in the year to date when compared to previous years. Limousin continues to be the most popular beef breed with 89,126 calves registered in the year to date, accounting for 33 per cent of all beef calf registrations. In addition Charolais sired calves account for 28 per cent of calf births while Aberdeen Angus account for a further 14.5 per cent. The combination of these three breeds make up 203,347 head and account for 75.7 per cent of total beef-sired registrations.

For the first eight months of 2012 beef-sired calves accounted for 69 per cent of all calf births in NI. This has shown a slight decline from 71 per cent in the first 8 months of 2010. Meanwhile the proportion of dairy sired calves has shown an increase by a corresponding amount. In the year to date dairy-sired calves have accounted for 31 per cent of all calf births with 119,678 calves registered.

Figure 1: NI Calf Birth Seasonality 2010-2012 ('000 head)
Beef Calves Only

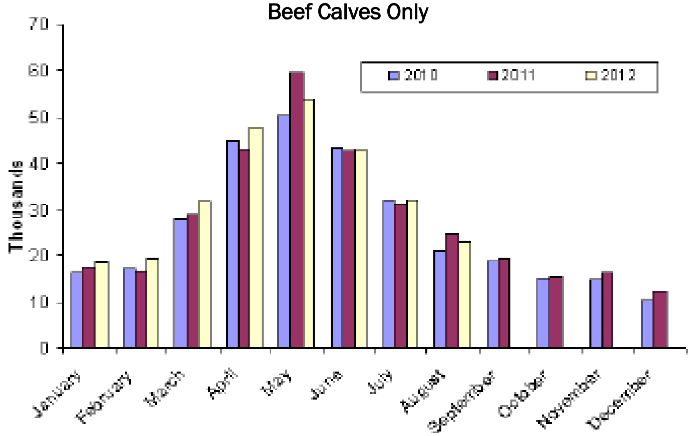
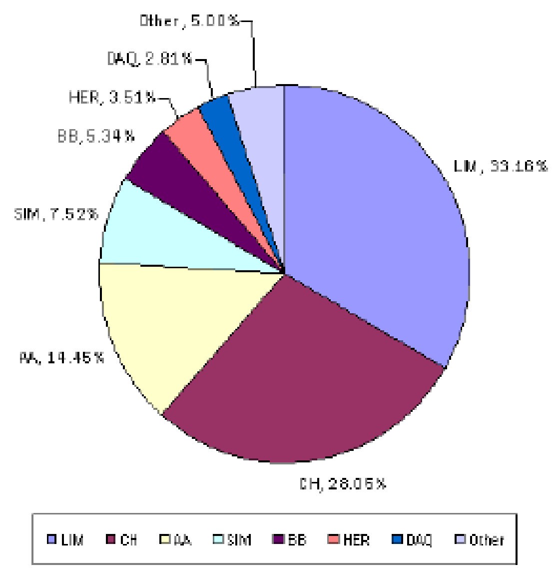


Figure 2: Break down of NI Calf Birth Registrations 2012
Beef top 7 breeds



MARKET UPDATE AUGUST 2012: BEEF

WITH quotes for prime cattle coming under pressure in recent weeks it is perhaps a good time to look at current beef market conditions in NI. Quotes from the factories for prime cattle remained fairly stable for the month of August in the region of 314-316p/kg but early this week quotes were reduced to 310-312p/kg. In the same week last year quotes for prime cattle were also reduced, although by a smaller margin, when factory quotes came back from 306-310p/kg to 304-308p/kg.

The plants have reported an increase in the availability of prime cattle in recent week. The wet ground conditions and poor levels of grass growth have encouraged producers to start offloading cattle and as a result prime cattle slaughterings have started to show increases in recent weeks. A total of 7,061 prime cattle were slaughtered in NI last week compared to 6,458 in the same week last year (+603 head). This is also an increase week on week with a four per cent increase in prime cattle throughput across the plants. With prime cattle slaughterings for the year to date 217,530 head they are 5.4 per cent behind last year when 230,040 were slaughtered. Most of this decline occured in the first quarter.

The proportion of steers, heifers and young bulls that make up the prime kill has also changed year on year as outlined in Table 1. The proportion of steers in the prime kill for the year to date has increased by two per cent to 46.6 per cent for the year to date compared to the same period in 2011. Meanwhile the proportion of young bulls has reduced slightly to 18.1 per cent of the prime kill. The proportion of the kill made up of heifers has decreased by 1.6 per cent on the same period last year and for the year to date heifers accounted for 35.3 per cent of the kill. This decrease has come on the back of increases in the number of heifers retained for breeding with the increased interest in the suckler sector. The preliminary results of the June 2012 census have indicated a four per cent increase in the number of suckler cows as a result of the higher heifer retention rate.

The average steer and heifer price in NI last week were 312.4p/kg and 314.1p/kg respectively. In the same week last year the average steer price was 300.6p/kg while the average heifer price was 301.4p/kg. This represents an increase in steer prices by 3.9 per cent while heifer prices increased by 4.2 per cent year on year.

Carcase weights have also shown an increase for the year to date when compared to the same period in 2011. The average prime cattle carcase weight in Jan-August 2011 was 333.4kg and in 2012 it was 341.7kg. This increase by 8.1kg represents an increase of 2.4 per cent in average prime cattle carcase weights. While heifer carcase weights remained relatively unchanged between the two periods steer and young bull carcase weights increased by 2.4 per cent and 4.9 per cent respectively.

As mentioned in a previous Bulletin the strength of sterling against the euro, and a potential differential in finished cattle values in the region of €120, resulted in an increase in the number of cattle being imported for direct slaughter from ROI in recent weeks. Last week 1,165 head were imported for direct slaughter accounting for 12.5 per cent of the total kill in NI. In the year to date 22,422 head have been imported from ROI for direct slaughter with just over 25 per cent of these imported in the last six weeks (5,806 head). In the same period last year imports from ROI totalled 18,117 head indicating an increase year on year of 23.8 per cent. A potential strengthening in the finished cattle trade in ROI this week however may reduce this differential and reduce the number of finished cattle coming north.

Exports of cattle to GB for direct slaughter have shown an increase in recent weeks with 1,102 head exported in the last six weeks. In the same six week period in 2011 635 head were exported. This increase represents a 73.5 per cent rise in exports when comparing the two six week periods. Export levels for direct slaughter in GB for the year to date are currently running 37 per cent ahead of last year.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE		
(P/KG DW)	This Week 03/09/12	Next Week 10/09/12
Prime		
U-3	308-312p	310-312p
R-3	302-306p	304-306p
O+3	296-300p	298-300p
* Plus 8p/kg in spec bonus where applicable		
Cows		
O+3 & better	264-275p	260-275p
Steakers	224-260p	180-245p
Blues	150-224p	160-180p

REPORTED NI CATTLE PRICES - P/KG			
W/E 01/09/12	Steers	Heifers	Young Bulls
U-3=	320.5	327.4	315.5
U=3=	325.9	328.0	315.6
U=4=	315.9	330.0	310.0
R=3=	318.2	327.4	313.5
R=4=	314.9	316.3	-
O=3=	302.3	300.4	296.9
O+3=	314.5	315.6	304.3
Average	312.4	314.1	304.8

REPORTED COW PRICES NI W/E 01/09/12		
Grades	Price (p/kg)	Avg Wgt
O+3=	274.0	325.8
O-3+	258.1	302.8
P+2+	239.4	285.1
P+3+	248.6	313.9
P-1-	174.2	222.5

COMMODITIES

Commodity Price		
W/E 25/08/12	Price per tonne/1000litre	% weekly change
Barley	200	3.6%
Wheat	216	-0.5%
Soya	496	1.6%
Straw	15.75	-1.6%
Diesel	720-762	-

Deadweight Cattle Trade

QUOTES from the plants this week for U-3 grade prime cattle remained in the region of 310-312p/kg. The majority of plants are quoting 312p/kg for heifers and 310p/kg for steers. One plant was quoting 308p/kg for steers early in the week but is now quoting 310p/kg. The base quotes for cows remain in the range of 264-275p/kg for well fleshed cows. Similar quotes are expected for early next week.

Average steer and heifer prices in NI last week were back to 312.4p/kg and 314.1p/kg respectively. Average young bull prices last week were 304.8p/kg. Plants have been reporting a strong supply of prime cattle with just over 7,000 head slaughtered last week. This has been the highest throughput since early February 2012.

In Scotland last week average steer prices were back 1.3p/kg to 358.2p/kg while heifer prices were up slightly to 355p/kg. A similar trend can be observed in Northern England where steer prices were back 2.8p/kg to 346.3p/kg and heifer prices were up 3.2p/kg to 345.8p/kg. In the Midlands steer and heifer prices both increased last week to 340.7p/kg and 342.0p/kg respectively. Young bull prices also increased in the region, up 3.9p/kg to 332.3p/kg. R3 heifer prices increased sharply in Southern England by 21.2p/kg to 342.1p/kg. The average steer price in GB last week was 343.2p/kg while the average heifer price was 344.1p/kg

Meanwhile prices paid for cattle in ROI last week were in general down on the previous week. The average R3 steer price was back 2.4p/kg to 296.6p/kg (-5.4c/kg) while the heifer price was back 2.3p/kg to 307.8p/kg (-5.4c/kg). There have however been reports of a firming in cattle prices in ROI this week.

This week's marts

IN general prices for cattle across the marts this week have been slightly stronger than last week. First quality finished steers sold to an average price of 197p/kg (192p/kg last week) with second quality steers selling to an average price of 182p/kg (175p/k last week). A similar trade for finished first quality heifers saw them sell in the range of 188-205p/kg with second quality lots selling from 165-186p/kg. Good quality beef cows sold to an average of 166p/kg with plainer animals selling to an average of 134p/kg. Prices available for first quality dairy type cows ranged from 110-135p/kg.

Prices for store cattle remain stable with first quality bullocks in the 400-500kg weight range selling to an average of 205p/kg (207p/kg last week). Second quality lots sold to an average of to 187p/kg, up from the average of 181p/kg last week. Similar prices to last week were achieved for heifers over 450kg, selling from 160-187p/kg depending on quality.
The dropped calf trade remains strong with a top price of £375 for a continental bred bull calf. First quality continental heifer calves sold in the range of £200-312.

LAST WEEK'S CATTLE PRICES (UK / ROI)								
W/E 01/09/2012		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	322.4	307.5	363.3	356.3	356.8	348.9	357.7
	R3	319.9	296.6	359.2	348.4	346.4	339.2	349.6
	R4	316.5	296.6	361.8	353.4	346.9	338.4	352.5
	O3	307.0	282.2	344.9	340.1	323.5	313.3	332.9
	AVG	312.4	-	358.2	346.3	340.7	318.7	343.2
Heifers	U3	326.9	318.1	362.4	356.1	359.3	345.5	357.7
	R3	324.3	307.6	355.1	349.1	345.5	342.1	348.6
	R4	320.2	307.0	359.2	349.6	346.5	340.4	350.4
	O3	309.8	292.2	340.5	330.8	323.8	309.8	327.7
	AVG	314.1	-	355.0	345.8	342.0	326.3	344.1
Young Bulls	U3	316.9	310.2	351.4	343.8	346.2	343.3	345.6
	R3	313.1	299.7	346.2	335.6	334.8	328.3	336.0
	O3	297.6	286.4	325.5	318.7	311.3	319.4	318.3
	AVG	304.8	-	343.0	329.8	332.3	322.0	330.6
Prime Cattle Price Reported		4844	-	6508	5940	4331	3781	20560
Cows	O3	264.1	248.9	288.0	278.2	282.6	265.1	279.1
	O4	267.3	249.5	291.6	280.6	274.8	263.0	279.2
	P2	227.5	218.9	226.2	231.7	245.3	220.7	227.8
	P3	249.3	244.2	263.3	254.4	250.7	246.0	254.2
	AVG	236.3	-	282.9	252.4	267.8	220.7	253.9

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=79.31p Stg
(ii) Shading indicates a lower price than the previous week.

LATEST LIVEWEIGHT CATTLE MART PRICES NI						
	1st QUALITY			2nd QUALITY		
W/E 01/09/12	From	To	Average	From	To	Average
Finished Cattle (p/kg)						
Steers	191	209	197	175	190	182
Friesians	155	185	160	128	154	140
Heifers	188	205	196	165	186	176
Beef Cows	150	200	166	120	149	134
Dairy Cows	110	135	120	85	109	95
Store Cattle (p/kg)						
Bullocks up to 400kg	200	220	213	180	199	170
Bullocks 400kg - 500kg	201	216	205	175	200	187
Bullocks over 500kg	182	201	189	160	181	171
Heifers up to 450kg	160	180	170	140	159	150
Heifers over 450kg	175	187	180	160	174	167
Dropped Calves (£/head)						
Continental Bulls	295	375	345	200	290	245
Continental Heifers	200	312	245	140	198	180
Friesian Bulls	102	190	120	50	100	75
Holstein Bulls	85	120	100	3	80	42

SHEEP TRADE

LAMB QUOTES		
(P/Kg DW)	This Week 03/09/12	Next Week 10/09/12
NI Factories	370p	355-360p
ROI Factories	372p	372p

Notes: (i)Lambs up to 21kg
(ii)ROI prices converted at 1 euro=79.31p Stg

REPORTED LAMB PRICES - P/KG			
(P/KG DW)	W/E 18/08/12	W/E 25/08/12	W/E 01/09/12
NI Liveweight	332.7p	326.3p	320.4p
NI Deadweight	365.7p	365.0p	365.6p
ROI Deadweight	359.2p	358.6p	357.5p
GB Deadweight	421.6p	422.5p	416.8p

Deadweight Sheep Trade

QUOTES from the plants this week were 370p/kg early in the week and came back to 355-360p/kg by mid week with plants reporting good supplies of lambs. Slaughterings last week totalled 10,632 head, more than 2,000 less than the previous week but still running markedly higher than the same week last year when 6,346 were slaughtered.

The deadweight price in NI last week showed a slight increase on the previous week to 365.6p/kg. Meanwhile the deadweight price in GB came back 5.7p/kg to 416.8p/kg. In sterling terms the deadweight price in ROI came back by almost 1p/kg to 357.5p/kg last week. Exports of lambs for direct slaughter in ROI totalled 9,230 head last week, well down from the 13,253 exported the previous week but similar to August levels.

This week's marts

TRADE in the sheep marts this week has slackened slightly from previous weeks. In Donemana last Saturday 955 lambs sold from 308-335p/kg compared to 524 lambs the previous Saturday selling from 324-357p/kg. A similar trend in Saintfield on Tuesday saw 656 lambs selling to an average of 328p/kg compared to 701 lambs the previous week selling to an average of 332p/kg. A quieter trade in Markethill on Wednesday saw an entry of 1,070 lambs sell in the region of 300-328p/kg (av 308 p/kg) compared to a similar number of lambs selling from 325-346p/kg (av 328p/kg) last week. Well fleshed cull ewes continued to attract top prices in excess of £70 in the majority of marts this week.

LATEST SHEEP MARTS					
From: 01/09/2012 To: 06/09/2012		Lambs (P/KG LW)			
		No.	From	To	Average
Saturday	Omagh	1768	308	358	-
	Hilltown	1500	327	362	345
	Swatragh	886	341	364	350
	Donemana	955	308	335	-
Monday	Kilrea	900	310	334	324
	Massereene	1542	310	335	-
Tuesday	Saintfield	656	310	350	328
	Armoy	543	300	342	324
	Rathfriland	995	300	350	326
Wednesday	Ballymena	1258	290	330	303
	Enniskillen	1022	308	325	310
	Markethill	1070	300	328	308
	Newtownstewart	425	300	328	316

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