

BEEF SIREN CALF REGISTRATIONS IMPROVE IN MAY

NI beef sired calf registrations during May 2014 totalled 52,584 head. This is a 3 per cent increase on the 51,053 beef sired calves registered in May 2013. This increase has been welcomed after four consecutive months of beef sired calf registrations being below the corresponding month in 2013.

The increase in calf registrations in May 2014 has helped to stem the decline in beef calf registrations during 2014 to date. For the year up until the end of April 2014 calf registrations were running 8.7 per cent behind the corresponding period in 2013 and this was narrowed to five per cent when considering the first five months of 2014 and the corresponding period in 2013.

The increase in registrations in May 2014 brings total beef sired calf registrations for the year to date to 150,804 head. In the corresponding

period in 2013 158,580 beef sired calves were registered accounting for 7,776 fewer beef sired calves year on year. The later calving recorded in the NI suckler herd during 2014 can be attributed to the fodder crisis in Spring 2013 and the drop in cow fertility as a result of cows being in sub optimal condition for breeding.

A similar trend has been recorded in ROI where suckler origin calf registrations have shown a recovery during May 2014. Total beef calf registrations in ROI totalled 553,207 head up to the w/e 23 May 2014, a fall of six per cent or 33,538 head from the same period in 2013. At the end of March 2014 the deficit in beef calf registrations with the corresponding period in 2013 was 60,000 head.

Meanwhile the number of dairy sired male calves registered during May 2014 was very similar to the number recorded in May 2013. In May 2014 6,684 dairy

sired male calves were registered compared to 6,643 calves in May 2013. During 2014 to date 37,898 dairy sired male calves have been registered compared to 40,207 in the same period in 2013. This decline by 2,309 head accounts for a 5.7 per cent decline year on year.

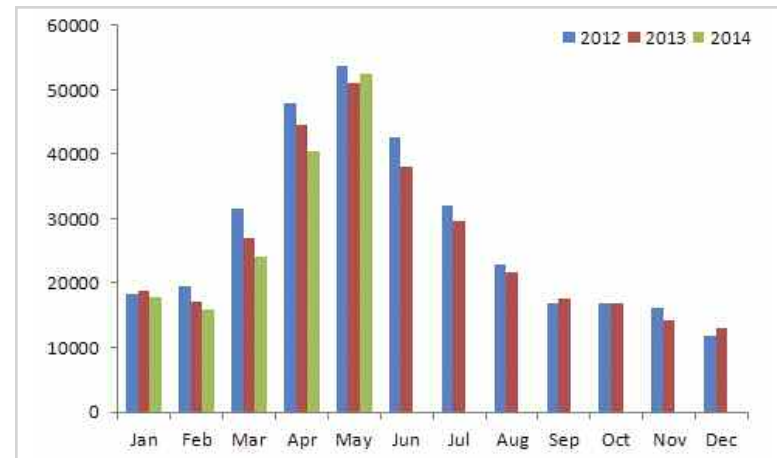
During 2014 to date 9,221 calves under 42 days were exported out of NI, most of which will have been dairy sired male calves. This is a reduction by 1,347 head or 13 per cent on the same period in 2013 when 10,568 head were exported out of NI. Calf exports accounted for 24 per cent of dairy male calves registered during the first five months of 2014 compared to 26 per cent in the corresponding period in 2013.

Exports to Spain have accounted for 83 per cent of calf exports out of NI during 2014 to date with 7,662 head exported. In the same period in 2013 9,330

calves were exported to Spain, accounting for 88 per cent of total calf exports from NI. This decline by 1,668 head translates to an 18 per cent decline in numbers year on year. Meanwhile exports of calves to Italy increased from 686 head between

January and May 2013 to 1,519 head in the 2014 period. This increased Italy's share of NI calf exports from 6.5 per cent in the 2013 period to 16.5 per cent in the 2014 period.

Chart 1: NI beef sired calf registrations from January 2012 to May 2013



CHANGES TO PRIME CATTLE PAYMENTS

ANALYSIS OF PRICES FOR OVER-AGE

PRIME CATTLE

In recent weeks the majority of the major processors in NI have changed the way in which they pay for prime cattle. The pricing grid introduced in March 2011 remains the general guide for pricing prime cattle by grade based on the U-3 quote although one change to this over the last year was the heavier discount of P grade cattle with some plants pricing them at 10-20p/kg below the guide price. There have also been changes to associated penalties and bonus payments.

Previously the plants gave a base quote for U-3 grade prime cattle with an additional 10-14p/kg bonus for cattle that were killed in spec. While some plants have continued to operate this pricing system others have incorporated the bonus into the base price and have increased penalties for cattle that are killed outside specification.

With the introduction of these higher penalties for out of spec cattle it has become even more important for producers to kill cattle within the desired specification. Penalties for prime cattle that fail to meet the required specifications vary between plants so producers are encouraged to consult with the procurement staff of the individual plants before presenting cattle for slaughter. Table 1 below provides a guide to the current in spec requirements across the major NI processors. Please note that this is a guide and there is some variation across the plants. Producers should consult with individual processors with regards to requirements.

THE general requirement from the plants for age is under 30 months for steers and heifers and under 16 months for young bulls. These restrictions on age are a requirement of a large majority of the high value retail and food service markets currently serviced by NI processors.

Steers and Heifers

During 2014 to date steers have accounted for 43 percent of the prime cattle kill, with heifers making up a further 40 per cent. During May 2014 88 per cent of all price reported steers and heifers slaughtered were aged less than 30 months, with a further ten per cent aged from 30-36 months. This was similar to the corresponding month in 2013.

For those plants that have implemented the new payment structure the quoted penalties for steers and heifers between 30 and 36 months of age range from 10-20p/kg. Steers and heifers over 36 months have been quoted a penalty of 60-70p/kg in some plants while others have indicated that they will pay for them at cow price.

Analysis of the price reports for May 2014 allows us to determine how strictly penalties on overage steers and heifers have been applied. To facilitate easier interpretation this analysis is based on R3 grade steers and heifers that are out of spec in terms of age but

that fulfil all other required criteria such as grade, weight, FQ status, 4 farm residences or less and of UK origin.

The average price paid for price reported R3 grade steers and heifers that fulfilled all the in spec requirements during May 2014 was 341p/kg. Meanwhile R3 grade steers and heifers that were aged between 30-36 months, but were otherwise in spec, were paid an average of 334p/kg. This puts the average penalty for cattle aged 30-36 months during May 2014 at 8p/kg. The average price paid for R3 grade steers and heifers over 36 months of age that were otherwise in spec during May 2014 was 299p/kg, 35p/kg lower than the in spec price.

Young Bulls

During 2014 to date young bulls have accounted for 17 per cent of the prime cattle kill in NI compared to 19 per cent of the prime cattle kill in the corresponding period in 2013. During May 2014 75 per cent of price reported young bulls slaughtered in NI plants were under sixteen months of age. This is a significant change from May 2013 when only 44 per cent of the price reported young bull kill was under sixteen months.

Under the new pricing structure some of the processors are using a base quote for under 16 month young bulls 10-14p/kg below the quoted price for

U-3 grade steers and heifers while other processors have indicated that they are paying for under 16 month bulls at the base quote. Other than the lower age requirement the in spec criteria for young bulls is generally similar to the requirements for steers and heifers.

The average price paid for R3 grade in spec young bulls during May 2014 was 327p/kg. Meanwhile the average price paid for R3 young bulls over 16 months that were otherwise in spec was 287p/kg. This puts the average differential between under 16 month bulls and over 16 month bulls around 40p/kg. The plants are currently quoting penalties for young bulls over 16 months of 50-64p/kg.

Moving forward

The increase in penalties for out of spec prime cattle, combined with the decline in deadweight cattle prices, have increased pressure on returns from beef production on many NI farms.

Good two way communication between processors and producers is more important than ever and producers should consult with individual processors and aim to produce cattle that the market requires to help maximise returns. Producers should also price around to find the best market available for both in spec and out of spec stock.

Current In Spec Criteria

Grades	E,U,R, 3, 4-, 4= and 0+3
Weight	280-380kg
Age	Under 30 Months (Steers and Heifers) Under 16 months (Young Bulls)
FQAS	Yes
Country of Origin	UK Only
No of Residencies	4 Farms or Less
Time on last farm	21-90 days
There may be variations from these criteria at different factories and some factories apply additional criteria	

*Footnote: Variation in criteria across the plants and other criteria exist depending on individual factory requirements.



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 Quotes &
Mart Results
Updated 5pm Daily

Tel: 028 9263 3011

Text Service
Free Price Quotes sent to your mobile
phone weekly

Email - bulletin@lmcni.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 02/06/14	Next Week 09/06/14
Prime		
U-3	316-320p	314-316p
R-3	310-314p	308-310p
O+3	304-308p	302-304p
Including bonus		
Cows		
O+3 & better	240-255p	240-255p
Steakers	140-170p	140-170p
Blues	120-130p	120-130p

REPORTED NI CATTLE PRICES - P/KG

W/E 31/05/14	Steers	Heifers	Young Bulls
U-3=	331.6	336.7	318.5
U=3=	330.8	336.2	310.0
U=4=	305.6	328.4	290.0
R=3=	329.6	333.4	311.5
R=4=	323.4	323.9	311.1
O+3=	322.5	322.3	308.0
O=3=	312.1	313.5	295.8
Average	318.8	323.8	299.8

REPORTED COW PRICES NI - P/KG

w/e 31/05/2014	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
O+3=	-	-	254.7	256.1
O-3+	-	208.0	252.0	234.3
P+2+	-	125.2	209.0	221.2
P+3+	-	212.0	-	221.2
P-1-	132.0	154.8	142.6	-

COMMODITY PRICE

W/E 31/05/14	Price (£) per tonne / 1000litre	% weekly change
Barley	151.50	-3.6
Wheat	168.00	-0.6
Straw	17.25	-
Red Diesel	675-690	-

Deadweight Cattle Trade

QUOTES from the plants this week for U-3 grade prime cattle ranged from 316-320p/kg with quotes expected to be 314-316p/kg for early next week. The plants have continued to report difficulties in sales and declines in deadweight beef prices in mainland GB as driving factors behind the continued decline in quotes. Quotes for O+3 cows this week ranged from 240-255p/kg with similar quotes expected early next week.

Prime cattle slaughterings in NI last week totalled 6,967 head compared to 7,575 head the previous week. This takes total prime cattle throughput to 142,087 head for the year to date, three per cent lower than the 146,241 head slaughtered in the corresponding period in 2013 but very similar to the 141,108 head killed in the same period in 2012. Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 207 head, bringing the total for the year to date to 6,848 head. In the corresponding period in 2013 9,018 prime cattle were imported for direct slaughter in NI plants, accounting for a 24 per cent decline year on year. Meanwhile 99 prime cattle were exported to GB last week taking the total for the year to date to 3,263 head. This is 35 per cent lower than the 5,022 prime cattle exported in the corresponding period last year. The differential between the R3 steer price in NI and the GB average last week was 10.3p/kg compared to 16.6p/kg in the corresponding week last year.

Deadweight cattle prices in NI continued to come under pressure last week with the R3 steer price back by 2p/kg from the previous week to 330.6p/kg and is now at the lowest level since mid-November 2012. Meanwhile the average steer price in NI last week was back by 3.8p/kg to 318.8p/kg. The R3 heifer price in NI last week was 330.7p/kg, back 4.7p/kg from the previous week, while the average heifer price was back by 5.1p/kg to 323.8p/kg. Young bull prices in NI also declined last week with the R3 price back by 4.1p/kg to 309.4p/kg and the average price back by 3.6p/kg to 299.8p/kg. With cow quotes remaining steady in NI last week the average cow price increased by 1.5p/kg to 230.3p/kg.

Average prime cattle prices have continued to decline in GB but not at the same rate as recorded in previous weeks. Average steer and heifer prices were back by 1.6p/kg and 1.8p/kg respectively last week. There was however some variation across the regions with prime cattle prices in Northern England and Scotland generally declining while average prices in the Midland and Southern England generally improved. The average steer price in the Midlands last week was 323.1p/kg, up 2.7p/kg from the previous week and 4.3p/kg higher than the average steer price in NI. For several weeks NI average steer prices had been above the equivalent prices in the Midlands. The average steer price in Scotland was back by 5p/kg last week to 350p/kg.

In sterling terms deadweight steer and heifer prices in ROI last week were generally similar to the previous week. The R3 steer price in ROI last week was the equivalent of 309.8p/kg, 20.8p/kg behind the NI price, while the R3 heifer price was 319.4p/kg, 11.3p/kg behind the equivalent NI price.

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

W/E 31/05/2013	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB	
Steers	U3	330.2	315.1	356.9	351.8	347.0	341.2	350.6
	R3	330.6	309.8	351.5	342.4	335.0	329.1	340.9
	R4	327.5	309.0	351.5	354.2	341.1	327.4	346.9
	O3	314.3	297.3	332.4	314.0	298.3	304.8	313.5
	AVG	318.8	-	350.0	342.5	323.1	316.7	335.6
Heifers	U3	337.3	332.4	358.6	350.2	349.8	336.0	350.9
	R3	330.7	319.4	348.1	337.5	333.6	326.1	337.9
	R4	325.7	319.1	349.6	347.6	336.4	324.9	342.3
	O3	318.8	302.3	335.6	329.1	306.5	304.2	320.4
	AVG	323.8	-	348.7	345.0	329.5	315.1	337.5
Young Bulls	U3	316.4	304.6	356.2	319.5	333.2	332.6	333.8
	R3	309.4	301.7	344.1	302.2	317.7	314.8	316.6
	O3	292.1	280.2	306.0	264.9	284.1	296.1	282.5
	AVG	299.8	-	339.1	286.9	305.1	302.4	304.8
Prime Cattle Price Reported	6237	-	6574	5554	5382	4076	21586	
Cows	O3	241.4	242.5	253.5	248.2	252.2	246.3	249.6
	O4	243.8	244.6	259.4	250.3	254.5	242.5	251.2
	P2	197.1	207.7	189.7	206.6	182.3	178.9	190.7
	P3	219.6	233.4	206.7	224.2	225.4	215.4	215.6
	AVG	230.3	-	245.2	231.8	241.7	211.9	230.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=81.15p 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 LIVELWEIGHT CATTLE MART PRICES NI

W/E 24/05/14	1st QUALITY			2nd QUALITY		
	From	To	Average	From	To	Average
Finished Cattle (p/kg)						
Steers	183	191	188	165	182	174
Friesians	134	148	143	102	132	117
Heifers	180	197	187	160	179	172
Beef Cows	150	200	160	110	149	128
Dairy Cows	102	129	110	75	101	88
Store Cattle (p/kg)						
Bullocks up to 400kg	176	200	188	138	175	158
Bullocks 400kg - 500kg	186	201	193	140	177	160
Bullocks over 500kg	175	190	182	137	174	156
Heifers up to 450kg	190	217	206	145	189	167
Heifers over 450kg	175	192	185	138	174	154
Dropped Calves (£/head)						
Continental Bulls	280	380	330	180	278	230
Continental Heifers	200	260	230	80	198	140
Friesian Bulls	102	168	150	25	90	65
Holstein Bulls	50	100	75	2	48	25

SHEEP TRADE

LAMB QUOTES

(P/Kg DW)	This Week 02/06/14	Next Week 09/06/14
Lambs	430>21kg	430>21kg

REPORTED LAMB PRICES - P/KG

(P/KG DW)	W/E 17/05/14	W/E 24/05/14	W/E 31/05/14
NI Liveweight	433.3	438.2	410.4
NI Deadweight	451.7	469.0	456.0
ROI Deadweight	438.4	448.4	442.2
GB Deadweight	516.2	523.7	522.6

* ROI price is lamb and hogget prices combined

Deadweight Sheep Trade

QUOTES from the plants this week for R3 grade lambs were in the region of 430p/kg with plants paying up to 21kg. Similar quotes are expected for early next week. The processors have reported improving supplies of lambs coming forward for slaughter with throughput last week increasing by 500 head to 7,021. Exports to ROI for direct slaughter have remained fairly similar to previous weeks with 3,597 sheep transported to plants in ROI.

The deadweight lamb price in NI last week was 456p/kg, back 13p/kg from the previous week while reported prices in GB were almost unchanged at 522.6p/kg. Meanwhile the average carcass weight in NI during May 2014 was 21.4kg, an increase of 0.2kg from May 2013.

This Week's Marts

THROUGHPUT was generally down in many of the marts this week with many producers taking advantage of the good weather for silage cutting and field work with prices also back on the previous week. In Massereene on Monday 486 lambs sold from 410-440p/kg compared to 546 lambs last week selling from 420-448p/kg. In Saintfield on Tuesday 444 lambs sold from 395-435p/kg compared to 462 lambs last week selling from 415-460p/kg. A good trade in Markethill this week saw 350 lambs sold from 410-439p/kg (avg 425p/kg) compared to 550 lambs last week selling from 400-429p/kg. The trade for good quality cull ewes remains firm with top prices over £100 in several marts.

LATEST SHEEP MARTS

From: 31/05/14		Lambs (P/KG LW)			
To: 06/06/14		No	From	To	Avg
Saturday	Donemana	370	412	437	-
	Omagh	268	397	438	-
Monday	Swatragh	300	375	490	-
	Massereene	486	410	440	-
Tuesday	Kilrea	270	420	475	-
	Saintfield	444	395	435	-
	Rathfriland	471	400	438	424
Wednesday	Ballymena	440	390	465	412
	Enniskillen	320	392	432	-
	Markethill	350	410	439	425
	Armoy	144	400	422	406

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

LMC does not guarantee the accuracy or completeness of any third party information provided in or included with this publication. LMC hereby disclaims any responsibility for error, omission or inaccuracy in the information, misinterpretation or any other loss, disappointment, negligence or damage caused by reliance on third party information.

Not for further publication or distribution without prior permission from LMC

