

## PROPORTION OF YOUNG BULLS IN SLAUGHTER MIX DECLINES

THE proportion of young bulls in the NI slaughter mix has shown a marked decline year on year. During the six week period ending 21 September 2014 a total of 3,889 young bulls were killed in NI plants. This compares to 8,183 young bulls killed in NI plants in the corresponding period in 2013, representing a 53 per cent decline in throughput year on year

Young bulls accounted for 11 per cent of the total prime cattle kill in NI during the six week period ending 21 September 2014 compared to 23 per cent in the corresponding period in 2013 and 17 per cent in the same period in 2012.

This marked decline in young bull throughput can be partly attributed to

lower prices for young bulls killed over 16 months of age which have discouraged bull production. As a result of the reduced young bull throughput the steer kill in the NI plants during the 2014 period accounted for 55 per cent of the total prime kill compared to 42 per cent in the corresponding period in 2013.

It is also worth noting that finishing bulls at sixteen months requires fairly high levels of concentrate feeding and the relatively high costs of cereals will have increased costs of production. The high penalties for bulls not meeting the desired specification will also have discouraged some producers from going down the bull route.

The specifications from many of the

major retailers and food service customers indicate that they want steer and heifer beef from cattle under 30 months of age and beef from young bulls slaughtered under 16 months.

The 16 month upper age limit for young bulls currently in place is due to concerns around beef from older bulls being dark cutting and of inferior eating quality. While there has been a marked decline in the number of young bulls being slaughtered in NI plants the proportion of those killed under 16 months has shown a marked increase.

In the six week period ending 21 September 2014 82 per cent of price reported young bulls slaughtered in NI plants were under sixteen months compared to 47 per cent in the

corresponding period in 2013 and 40 per cent in the corresponding period in 2012.

During the 2014 period 87 per cent of price reported continental and traditional sired bulls met the under 16 month age requirement while 71 per cent of dairy sired bulls fulfilled the requirement. This compares to 56 per cent of continental and traditional sired bulls and 30 per cent of dairy sired bulls in the 2013 period.

The average carcass weight of young bulls has also recorded an increase year on year. In the 2014 period the average young bull carcass weight was 330.6kg compared to 320.9kg in the corresponding period in 2013.

The average carcass weight of dairy sired bulls during the six week period ending 21 September 2014 was 278.5kg. This was an increase of 9.1kg on year earlier levels when the average carcass weight was 269.4p/kg. This increase in the average carcass weight has occurred despite the drop in average age at slaughter which may indicate improved efficiency at farm level.

This trend was also apparent when we consider the average carcass weight of continental and traditional sired bulls. The average carcass weight increased from 348.6kg in the 2013 period to 358.4kg in the 2014 period. This is an increase of 9.8kg year on year despite the increase in the proportion of bulls killed under 16 months.

## SINGLE FARM PAYMENT EXCHANGE RATE SET NEXT TUESDAY

THE Single Farm Payment is the main agricultural subsidy scheme in the EU and came into force on 1st January 2005. It replaced most of the direct subsidy payments previously made to farmers. The Single Farm Payment provides a valuable contribution to the NI farming industry and in many cases represents a large proportion of the farm income.

When calculating Single Farm Payments in currencies other than the Euro the member state in question will calculate the value of the direct payment on the basis of the most recent exchange rate set by the European Central Bank prior to the October 1. For 2014 this date is Tuesday 30th September.

The value of the euro against sterling has been in a steady decline since April 2014 and the latest available exchange

rate from the European Central Bank (ECB) is €1= 0.78. If the exchange rate stayed at this level it would result in a 6 per cent reduction in the single farm payment this year compared to 2013 and is the lowest exchange rate used for the conversion since 2007. Last year's Single Farm Payment was calculated at an exchange rate of €1= 0.84.

While the lower exchange rate will have a direct effect on the money coming into the NI farming sector there are also secondary effects of a lower exchange rate to consider. The current low value of the euro against sterling makes it difficult for agri-food processors to compete in European markets and makes produce from countries using the euro, such as ROI, much more competitive on both the European and domestic markets.

Figure 1: Euro/Sterling exchange rate 2012-2014



## UPDATE ON RESIDENCY DEDUCTIONS

LAST month, to facilitate a resolution to the residency debate, LMC made several recommendations. One of these was that factories significantly reduce penalties on cattle that have exceeded four residencies until the end of 2014. Several plants have been quoting deductions of 20-30p/kg since the spring.

Based on price reports from the four weeks ending 19 September, LMC has calculated that residency deductions have averaged 12p/kg on R3 steers and heifers. These figures are based on a comparison of in-spec prices and the price of cattle that exceeded four residencies, but would otherwise have been in-spec. Based on these figures, LMC would encourage producers with out-of-spec cattle to shop around for deals.

# NEW FQAS STANDARD & RULES FROM 1ST OCTOBER

FQAS participants are reminded that inspections will be based on the new FQAS Standard & Rules (April 2014 version) from next Wednesday, 1st October. It is acceptable for FQAS participants to be inspected on either the April 2010 version or the April 2014 edition until 1st October, but from this date the older April 2010 version will no longer be acceptable.

The new version combines both the Standard and Rules books into a single document. This new version was sent to all scheme participants, and can be distinguished from the previous Standard and Rules books by its'

distinctive blue and green colour.

One of the most significant changes from 1st October will be the requirement of FQAS participants to source manufactured feed from AIC Universal Feed Assurance Scheme (UFAS) approved feed compounders who have signed up to Queen's University of Belfast (QUB) Global Institute of Food Security best practice guidelines as outlined in the Food Fortress Scheme or a scheme that has an agreed equivalent standard.

Please consult [www.nigta.co.uk](http://www.nigta.co.uk) for further information. Please also refer to Code 3.15 in the FQAS Standard &

Rules (April 2014).

Recording of disposal of Veterinary Medicines is also required from the 1st October. This applies to the estimated total quantity of the liquid contained in the used medicine container at the time of disposal. A section is added to the new Veterinary Medicine Record (VMR) books to reflect this requirement, but a hand written declaration in the current VMR book outlining date of disposal, estimated total quantity disposed and method and place of disposal is acceptable if you are using a current VMR book.

The aim of this new document is to

provide clarification on some Standard codes and to ultimately make the document more user-friendly for scheme participants.

Should you require this Standard & Rules book, or any other FQAS documentation, please call the FQAS Helpline on 028 9263 3024.

**Figure 2: The new FQAS standard and rules will be in effect from Wednesday 1st October 2014**



## 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](mailto:bulletin@lmcni.com)  
Tel: 028 9263 3000

# WEEKLY BEEF & LAMB MARKETS



## CATTLE TRADE

### NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 24/09/14	Next Week 29/09/14
<b>Prime</b>		
U-3	324-328p	326-340p
R-3	318-322p	320-334p
O+3	312-316p	314-328p
Including bonus where applicable		
<b>Cows</b>		
O+3 & better	235-260p	235-260p
Steakers	140-170p	140-170p
Blues	120-130p	120-130p

### REPORTED NI CATTLE PRICES - P/KG

W/E 20/09/14	Steers	Heifers	Young Bulls
U3	330.2	333.4	322.4
R3	326.2	327.4	325.0
O+3	318.1	318.7	302.0

\*Prices exclude AA, HER and Organic cattle

### REPORTED COW PRICES NI - P/KG

w/e 20/09/14	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	137.0	149.1	154.8	166.1
P2	162.5	180.5	207.3	217.4
P3	172.0	209.7	227.7	228.3
O3	230.4	249.7	246.3	250.4
O4	200.1	226.9	238.7	254.2
R3	-	-	316.0	268.7

### COMMODITY PRICE

W/E 13/09/14	Price (£) per tonne / 1000litre	% weekly change
Barley	129.00	-3.4
Wheat	131.00	-3.7
Straw	13.50	-

## Deadweight Cattle Trade

QUOTES from the plants for U-3 grade steers and heifers this week ranged from 324-328p/kg with plants generally quoting 326p/kg for steers and 326-328p/kg for heifers. However some plants have indicated quotes of up to 340p/kg for early next week. Quotes from the plants for O+3 cows ranged from 235-260p/kg this week with the majority of plants quoting in the region of 250p/kg. Given the spread in quoted prices producers are encouraged to shop around for the best possible deal.

Throughput of prime cattle in the NI plants last week totalled 6,099 head, an increase of 515 head from the previous week when 5,584 prime cattle were slaughtered. In the corresponding week last year 6,734 prime cattle were killed in NI plants accounting for a nine per cent drop in prime cattle throughput year on year. Prime cattle throughput in NI for 2014 to date is running 5.4 per cent behind year earlier levels with 12,872 fewer prime cattle slaughtered year on year.

A total of 1,364 cows were killed in NI plants last week, a decline of 613 head from the previous week and markedly lower than the 1,726 cows slaughtered in NI plants during the corresponding week in 2013. Cow throughput in NI for 2014 to date has totalled 56,182 head compared to 62,734 head in the corresponding period in 2013. This accounts for a 10.4 per cent decline in throughput year on year.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 921 head, an increase of almost 100 head from the previous week. This is the highest weekly level of import since September 2013 and accounted for 15 per cent of the total prime cattle kill in NI plants last week. Meanwhile exports of prime cattle to GB for direct slaughter last week increased to 301 head, the highest weekly level of export since October 2013.

The average steer price in NI last week increased by 3.8p/kg to 318.8p/kg while the R3 steer price increased by 2.2p/kg to 328.9p/kg. Meanwhile in GB the average steer price increased by 2.4p/kg to 348.9p/kg while the R3 steer price increased by 1.1p/kg to 353.6p/kg. Average steer prices increased in all the GB regions last week with the biggest increase recorded in the Midlands where prices increased by 2.8p/kg to 336.8p/kg. The average heifer price in NI last week was 322.4p/kg, up 2.4p/kg from the previous week while the R3 heifer price increased by 3.1p/kg to 329.7p/kg. Prices also increased generally across all the GB regions with the average heifer price up 1.2p/kg to 350.0p/kg and the R3 heifer price increasing by 1.9p/kg to 353.6p/kg.

The trade for cows in NI last week was fairly steady with the average price unchanged at 222.7p/kg. Meanwhile in GB the cow price increased by 2.9p/kg to 228.6p/kg with average prices up in all the GB regions. In euro terms the cattle trade in ROI has shown signs of stabilising but a slight drop in the value of the euro against sterling meant R3 steer prices were back the equivalent of 2.3p/kg to 280.4p/kg last week while the R3 heifer price was back 1.3p/kg to 284.3p/kg.

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

W/E 20/09/2014	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB	
Steers	U3	330.9	288.2	376.4	358.8	353.3	354.2	361.9
	R3	328.9	280.4	370.7	348.7	346.2	343.8	353.6
	R4	324.5	279.8	373.1	360.7	347.2	341.7	358.3
	O3	315.2	264.3	355.8	331.1	319.6	320.1	333.7
AVG	318.8	-	369.5	348.5	336.8	331.9	348.9	
Heifers	U3	333.7	294.7	378.7	357.0	360.7	355.1	364.3
	R3	329.7	284.3	370.2	347.0	348.6	342.6	353.6
	R4	328.7	282.7	371.1	351.1	347.1	340.4	354.4
	O3	316.7	271.2	355.5	334.6	325.5	319.0	336.0
AVG	322.4	-	369.2	347.1	343.5	331.2	350.0	
Young Bulls	U3	322.5	284.9	371.2	328.6	348.9	348.0	344.6
	R3	322.1	278.4	356.1	320.2	334.2	333.6	331.1
	O3	298.3	251.4	320.9	297.5	306.2	306.1	304.5
	AVG	303.5	-	346.1	312.4	327.6	315.5	323.0
Prime Cattle Price Reported	4323	-	6361	5794	5446	3840	21441	
Cows	O3	249.8	236.4	256.8	248.1	258.0	244.2	250.3
	O4	252.0	238.2	259.8	252.8	257.4	247.0	253.7
	P2	207.4	209.5	188.6	197.8	217.2	191.3	193.5
	P3	227.0	229.9	215.9	221.2	201.1	213.5	216.7
AVG	222.7	-	244.9	228.4	247.1	207.3	228.6	

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=79.25p 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 20/09/14	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
<b>Finished Cattle (p/kg)</b>						
Steers	195	213	202	155	194	180
Friesians	140	153	146	126	137	133
Heifers	194	214	202	149	193	176
Beef Cows	146	205	160	110	145	127
Dairy Cows	100	130	111	65	99	85
<b>Store Cattle (p/kg)</b>						
Bullocks up to 400kg	201	223	214	166	195	186
Bullocks 400kg - 500kg	200	224	208	155	198	180
Bullocks over 500kg	191	205	195	155	190	175
Heifers up to 450kg	190	210	200	160	189	175
Heifers over 450kg	190	211	198	152	189	175
<b>Dropped Calves (£/head)</b>						
Continental Bulls	260	360	300	120	258	190
Continental Heifers	165	315	240	100	162	135
Friesian Bulls	80	128	100	20	78	50
Holstein Bulls	60	130	75	1	58	25

# SHEEP TRADE

## LAMB QUOTES

(P/Kg DW)	This Week 24/09/14	Next Week 01/10/14
Lambs	335-340p>21kg 335-340p>22kg	335-340p>21kg 335-340p>22kg

## REPORTED LAMB PRICES - P/KG

(P/KG DW)	W/E 06/09/14	W/E 13/09/14	W/E 20/09/14
NI Liveweight	303.2	302.3	311.5
NI Deadweight	341.9	336.0	334.4
ROI Deadweight	340.3	337.2	335.2
GB Deadweight	369.5	356.6	357.0

## Deadweight Sheep Trade

**Q**UOTES from the plants this week for R3 grade lambs were 335-340p/kg to 21 kg in some plants while others were paying 335-340p/kg to 22kg. The plants have reported steady supplies of good quality lambs coming forward for slaughter with a total of 11,134 lambs slaughtered in NI plants last week, a reduction of 1,370 head from the previous week. Meanwhile exports to ROI for direct slaughter last week totalled 9,760 head, an increase of 957 head from the previous week. The average deadweight lamb price in NI last week was 334.4p/kg, down 1.6p/kg from the previous week. In the corresponding week last year the deadweight lamb price was 357.2p/kg. This is a differential of 22.8p/kg year on year and is the equivalent of around £5 per head reduction year on year. Deadweight prices also remained relatively steady in ROI and GB last week.

## This Week's Marts

**I**N Massereene on Monday 1,146 lambs sold from 305-340p/kg compared to 1,102 lambs the previous week selling from 300-332p/kg. In Kilrea on Monday a slightly firmer trade saw 530 lambs sold from 300-328p/kg compared to 440 lambs the previous Monday selling from 292-318p/kg. In Rathfriland on Tuesday a good entry of 1,200 lambs sold to an average of 326p/kg compared to 1,065 lambs last week selling to an average of 333p/kg. A sharper trade in Enniskillen on Wednesday saw 598 lambs sold from 314-342p/kg compared to 724 lambs last week selling from 308-332p/kg. Top reported ewe prices were generally £75-95 across the marts this week.

## LATEST SHEEP MARTS

From: 20/09/14		Lambs (P/KG LW)			
To: 26/09/14		No	From	To	Avg
Saturday	Swatragh	850	290	374	-
	Omagh	1423	320	373	-
Monday	Massereene	1146	305	340	-
	Kilrea	530	300	328	-
Tuesday	Saintfield	884	296	345	-
	Rathfriland	1200	302	405	326
Wednesday	Ballymena	1638	280	333	302
	Enniskillen	598	314	342	-
	Markethill	1180	300	341	312
	Arroy	574	306	354	314

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