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CARCASE CONFORMATION UPDATE QUARTER 3

ANALYSIS of the price reported prime cattle kill in NI during the last quarter has indicated some slight changes in the conformation scores achieved when compared to the corresponding period in 2013. It is also worth noting that there have been key changes to the proportion of steers and young bulls in the NI slaughter mix year on year.

Steers

In the third quarter of 2014 51 per cent of the total prime cattle kill were steers compared to 42 per cent in the corresponding period in 2013 as indicated in Figure 1. This notable increase in the proportion of steers in the prime cattle kill has been driven by market demands.

During the third quarter of 2014 19.6 per cent of price reported steers achieved a U grade for conformation, similar to the corresponding period in 2013. Meanwhile the proportion of the price reported steer kill achieving an R grade decreased by 2.2 percentage points to 37.5 per cent in the 2014 period when compared to year earlier levels.

Combined O and P grading steers accounted for 42.6 per cent of the price reported steer kill during the 2014 period compared to 40.6 in the corresponding period in 2013. This increase in the proportion of O and P grading steer carcases may be due to the slight increase in the proportion of steers with dairy dams in the slaughter mix. In the 2014 period 37.8 per cent of price reported steers were sourced from the dairy herd compared to 35.4 per cent in the corresponding period in 2013.

There has also been an increase in average steer carcase weights year on year. The average carcase weight for dairy origin steers increased by 9kg to 315kg in the 2014 period (+ 3 per cent). Meanwhile the average carcase weight of suckler origin steers increased by 6kg to 361kg in the 2014 period (+1.7 per cent). These increases are most likely due to the good grass growth recorded this summer which helped to improve animal performance.

Heifers

Heifers accounted for 35 per cent of the prime cattle kill during the third quarter of 2014, a slight increase from the 34 per cent of the kill in the same period in 2013. Between the two periods there was a general improvement in the conformation scores achieved by the price reported heifer kill.

In the third quarter of 2014 17.3 per cent of the heifer kill achieved a U grade compared to 13.9 per cent in the corresponding period in 2013. This accounts for a 3.4 percentage point increase year on year. The proportion of heifers achieving an R grade recorded a slight increase year on year to account for 51 per cent of price reported heifers in the 2014 period.

Meanwhile the proportion of heifer carcases awarded O and P grades decreased from 36.4 per cent in the 2013 period to 31.7 per cent in the 2014 period. This decline of O and P grade heifers by 4.7 percentage points indicates a general improvement in the carcase conformation of heifers year on year.

To coincide with the improvement in conformation scores there was also an increase in the average heifer carcase weight year on year. In the 2014 period the average price reported heifer carcase weight was 311kg, an increase of 9kg from the 302kg recorded in the corresponding period in 2013.

Young Bulls

Young bulls accounted for 14 per cent of the prime cattle kill in NI during the last quarter compared to 24 per cent in the corresponding period in 2013. While there has been an overall reduction in the number of young bulls coming forward for slaughter analysis of the price reporting has indicated that the proportion sourced from the dairy and suckler herds remains evenly split.

In the 2014 period there was a general improvement in the conformation scores of young bulls sourced from the suckler herd. U grading young bulls accounted for 42.6 per cent of the suckler origin young bull kill compared to 38.8 per cent in the 2013 period. This accounts for a 3.8 percentage point increase year on year.

Meanwhile the proportion of suckler origin young bulls achieving an R grade was back 2.7 percentage points to 42.2 per cent while the proportion of O grading young bulls decreased by 1.8 percentage points to account for 10 per cent of the suckler origin young bull kill.

This general improvement in the conformation scores achieved may be an indication of an improvement in the quality of suckler origin animals being finished as young bulls with less well conformed animals being castrated and killed as steers.

If we consider the conformation scores of young bulls sourced from the dairy herd they were fairly similar year on year. During the 2014 period 90.9 per cent of dairy origin young bulls (including veal and rose veal) were awarded an O or P grade for conformation compared to 89.8 per cent in the corresponding period in 2013.

There was however a slight decrease in the proportion of dairy origin bulls that achieved an R grade at point of slaughter. In the 2013 period R grading young bulls accounted for 8 per cent of the dairy origin young bull kill compared to 9.3 per cent in the 2013 period.

Figure 1: Proportion of steers, heifers and young bulls in the NI prime cattle slaughter mix during Q3 2013/2014.

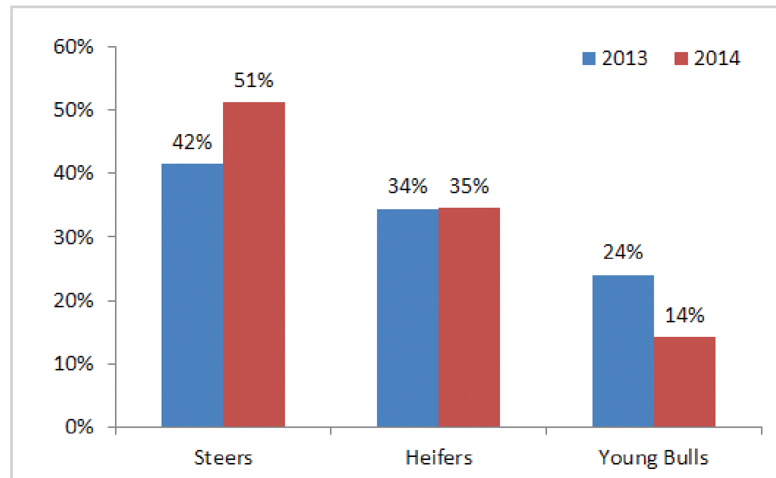

Table 1: Conformation analysis of NI price reported heifer kill Q3 2014

Year	E	U	R	O	P
2013	0.2%	13.9%	49.6%	31.6%	4.8%
2014	0.1%	17.3%	51.0%	27.4%	4.3%

Table 2: Conformation analysis of NI price reported steer kill Q3 2014

Year	E	U	R	O	P
2013	0.3%	19.4%	39.7%	29.2%	11.4%
2014	0.3%	19.6%	37.5%	30.9%	11.7%

GB DEADWEIGHT CATTLE PRICES STRONGEST IN EUROPE

THE EU cattle prices league table provides a useful summary of developments in farmgate prices across key EU markets. EU countries are ranked in terms of their R3 heifer price which provides a good indicator of the trade across the EU

In the week ending 21 September 2014 the average R3 heifer price in the EU was 384.6c/kg, up 3.9c/kg from 380.7c/kg in the week ending 24 August 2014. The value of the euro against sterling fell slightly to €1= 79.3p in the week ending 21 September 2014.

GB has retained top spot in the EU league table with an equivalent R3 heifer price of 443.7c/kg. This is an increase of 19.5c/kg from the week ending 24 August 2014. This strong increase in the GB R3 heifer price saw the GB/EU price differential widen from 43.5c/kg in the week ending 24 August 2014 to 59.1c/kg in the week ending 21 September 2014.

Meanwhile in NI in the week ending 21 September 2014 the R3 heifer price in NI was the equivalent of 413.7c/kg, up 10.9c/kg from 402.8c/kg in the week ending 24 August 2014. The put the NI R3 heifer price 29.1c/kg higher than the EU average in the week ending 21 September 2014 compared to 22.1c/kg in the week ending 24 August 2014. This increase in the R3 heifer price moved it up one position on the league table to second place.

While prices in GB and NI have shown strong increases in euro terms prices in ROI have recorded a slight decline. In the week ending 21 September 2014 the R3 heifer price was 356.6c/kg, down 2.6c/kg from the 359.1c/kg paid in the week ending 24 August 2014. This moved it down one position on the league table to tenth position. The ROI price in the week ending 21 September 2014 was 28.0c/kg below the EU average price and 57.1c/kg lower than the equivalent price in NI.

EU Deadweight Cattle Prices - Heifers R3 Equivalent (€ Cents)

Position last Mth	Position this Mth	Country	Price last Mth (w/e 24.08.14)	Price this Mth (w/e 21.09.14)	Change on Mth (cents)
1	1	**Great Britain**	**424.2**	**443.7**	**+19.5**
3	2	**Northern Ireland**	**402.8**	**413.7**	**+10.9**
4	3	Italy	398.8	412.1	+13.2
2	4	France	409.0	409.0	+0.0
11	5	Sweden	355.6	404.1	+48.5
5	6	Luxembourg	397.7	398.5	+0.8
6	7	Germany	369.7	373.7	+4.0
7	8	Spain	368.1	371.5	+3.3
8	9	Austria	359.2	360.2	+1.0
9	10	**Ireland**	**359.1**	**356.6**	**-2.6**
10	11	Denmark	356.0	350.2	-5.8
12	12	Belgium	340.5	337.5	-3.0
13	13	Slovenia	333.4	333.5	+0.2
14	14	Poland	301.7	298.1	-3.6
15	15	Czech Republic	263.8	273.2	+9.4
16	16	Lithuania	213.1	214.2	+1.2
EU Average			380.7	384.6	+3.9
Euro (€1=)			80.0	79.3	-0.8

Official prices reported to the EC Dressing Specification

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 01/10/14	Next Week 06/10/14
Prime		
U-3	336-350p	336-350p
R-3	330-344p	330-344p
O+3	324-338p	324-338p
	Including bonus where applicable	
Cows		
O+3 & better	235-264p	235-264p
Steakers	140-170p	140-170p
Blues	120-130p	120-130p

REPORTED NI CATTLE PRICES - P/KG

W/E 27/09/14	Steers	Heifers	Young Bulls
U3	330.1	334.1	318.6
R3	327.7	329.0	315.0
O+3	318.9	320.6	299.7

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 27/09/14	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	140.9	146.1	159.5	174.5
P2	166.6	186.8	204.2	219.9
P3	210.0	227.1	221.2	231.8
O3	-	211.6	247.1	249.8
O4	-	248.0	241.4	253.6
R3	-	-	245.0	269.9

COMMODITY PRICE

W/E 27/09/14	Price (£) per tonne / 1000litre	% weekly change
Barley	127.00	n/c
Wheat	126.00	n/c
Straw	13.50	-

Deadweight Cattle Trade

QUOTES from the plants this week for U-3 grade steers and heifers ranged from 336-350p/kg across the major plants. With such a range in base quotes producers are encouraged to shop around to ensure they get the best possible deal for their cattle. Quotes for O+3 grade cows this week ranged from 235-264p/kg with the majority of plants quoting 255-264p/kg. Similar quotes are expected for early next week.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 892 head compared to 921 imported the previous week. The number of cows imported for direct slaughter last week totalled 125 head compared to 180 imported the previous week. Meanwhile exports to GB last week for direct slaughter were fairly similar to the previous week and consisted of 284 prime cattle and 48 cows. There have also been reports of an increase in the number of store cattle being exported from NI to GB for further production in recent weeks. Provisional figures have indicated that 1,400 head were exported in the four weeks ending 28 September.

The average steer price in NI last week was back half a penny to 318.2p/kg with the R3 steer price increasing by 1.8p/kg to 330.7p/kg. Meanwhile the average heifer price in NI last week increased by 2.7p/kg to 325.1p/kg and the R3 heifer price increased by 1p/kg to 330.8p/kg. This is the fourth successive week in which the NI R3 heifer price has increased and takes it to its highest level since late May this year. The average young bull price in NI last week was 302.2p/kg, down 1.3p/kg from the previous week while the R3 price for young bulls was 315.7p/kg, back 6.4p/kg from the previous week.

In GB last week the average steer price was up marginally to 349.2p/kg although there was some variation in the trade across the regions. In Scotland and Northern England average steer prices recorded increases in the region of a penny to 370.8p/kg and 349.7p/kg respectively. Meanwhile in the Midlands and Southern England average steer prices were back in the region of a penny to 335.9p/kg and 330.7p/kg. The heifer trade in GB was generally more positive with the average heifer price up by 1.5p/kg to 351.5p/kg. Increases in the region of 2p/kg were recorded in Scotland, Northern England and Southern England while the average heifer price was back by 2p/kg in the Midlands.

The differential between R3 steer prices in NI and GB last week was 23.2p/kg which equates to £76 on a 330kg carcase. However the differential between NI and GB has been narrowing in recent weeks with the differential in R3 steer prices three weeks previously 30p/kg or £99 on a 330kg carcase.

In euro terms the trade in ROI has been fairly stable but a drop in the value of euro against sterling has reduced prices in sterling terms. The R3 steer price in ROI last week was the equivalent of 277p/kg, down 3.4p/kg from the previous week and puts the differential with NI at 53.7p/kg. The R3 heifer price in ROI last week was the equivalent of 281.7p/kg, back 2.6p/kg from the previous week and 49.1p/kg lower than the price in NI.

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

W/E 27/09/2014		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	330.8	285.4	378.3	357.5	357.2	355.1	363.1
	R3	330.7	277.0	372.7	348.7	345.9	342.6	353.9
	R4	328.9	275.3	374.4	361.8	346.4	343.2	359.7
	O3	316.1	259.9	355.6	328.2	319.5	318.4	331.9
	AVG	318.2	-	370.8	349.7	335.9	330.7	349.2
Heifers	U3	334.2	292.5	381.7	358.6	357.9	357.3	365.3
	R3	330.8	281.7	372.7	348.0	346.0	342.4	353.9
	R4	329.1	279.2	374.1	353.8	346.1	341.2	356.2
	O3	323.4	266.4	350.7	337.6	326.7	323.6	336.8
	AVG	325.1	-	371.3	349.6	341.4	333.2	351.5
Young Bulls	U3	319.2	280.6	373.7	334.0	350.3	357.0	350.7
	R3	315.7	274.1	359.9	326.7	332.3	331.3	333.7
	O3	288.1	253.0	323.1	296.0	306.8	308.6	306.8
	AVG	302.2	-	345.8	323.6	328.6	316.5	327.3
Prime Cattle Price Reported		4323	-	6376	5672	5499	3797	21344
Cows	O3	247.9	234.1	252.4	243.8	253.5	241.6	246.8
	O4	253.2	235.1	257.8	245.3	253.2	243.0	249.2
	P2	208.1	205.7	186.7	201.1	205.4	186.1	192.1
	P3	230.1	226.0	218.3	225.3	221.3	211.0	219.3
	AVG	223.8	-	242.7	221.8	238.0	205.3	224.8

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=78.32p 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 27/09/14	1st QUALITY From	1st QUALITY To	1st QUALITY Avg	2nd QUALITY From	2nd QUALITY To	2nd QUALITY Avg
Finished Cattle (p/kg)						
Steers	191	208	198	160	190	185
Friesians	140	170	150	122	137	130
Heifers	190	200	194	150	189	174
Beef Cows	138	196	153	107	137	122
Dairy Cows	100	130	110	65	99	85
Store Cattle (p/kg)						
Bullocks up to 400kg	200	217	208	160	199	175
Bullocks 400kg - 500kg	212	237	220	170	211	190
Bullocks over 500kg	200	217	206	160	199	180
Heifers up to 450kg	190	209	200	155	189	178
Heifers over 450kg	200	215	207	150	199	175
Dropped Calves (£/head)						
Continental Bulls	280	385	320	130	278	205
Continental Heifers	170	320	245	100	168	140
Friesian Bulls	80	140	110	20	78	50
Holstein Bulls	60	140	80	1	58	25

SHEEP TRADE

LAMB QUOTES

(P/Kg DW)	This Week 01/10/14	Next Week 06/10/14
Lambs	340p>22kg	340p>22kg

REPORTED LAMB PRICES - P/KG

(P/KG DW)	W/E 13/09/14	W/E 20/09/14	W/E 27/09/14
NI Liveweight	302.3	311.5	314.0
NI Deadweight	336.0	334.4	339.5
ROI Deadweight	337.2	335.2	331.7
GB Deadweight	356.6	357.0	353.9

Deadweight Sheep Trade

THE deadweight sheep trade in NI has remained fairly steady with quotes from the plants of 340p/kg up to 22kg across the plants. Good supplies of lambs have been reported to meet demand with 11,134 lambs killed in NI plants last week. This was a reduction of 1,370 head from the previous week when 12,504 lambs were killed. Exports of sheep to ROI for direct slaughter last week totalled 9,127 head, a reduction of 633 head from the previous week when 9,760 sheep were exported. The deadweight lamb price in NI last week increased by 5.1p/kg to 339.5p/kg while the price in GB came back 3.1p/kg to 353.9p/kg. Meanwhile in ROI lamb price was back the equivalent of 3.5p/kg to 331.7p/kg. This can be attributed to a decline in the value of the euro against sterling.

This Week's Marts

A similar trade to previous weeks was reported across many of the marts this week with good numbers of lambs passing through the sale rings. In Kilrea on Monday 608 lambs sold from 306-339p/kg compared to 530 lambs last week selling from 300-328p/kg. In Rathfriland on Tuesday a good entry of 1,406 lambs were sold to an average of 319p/kg compared to 1,200 lambs last week selling to an average of 326p/kg. In Ballymena on Wednesday a similar trade to last week saw a large entry of 2,557 lambs sold to an average of 303p/kg. A firm trade for good quality cull ewes has continued with top prices generally ranging from £80-90 across the marts.

LATEST SHEEP MARTS

From: 27/09/14		Lambs (P/KG LW)			
To: 03/10/14		No	From	To	Avg
Saturday	Swatragh	1100	294	320	-
	Omagh	1683	312	378	-
Monday	Massereene	1526	305	336	-
	Kilrea	608	306	339	-
Tuesday	Saintfield	1157	296	359	-
	Rathfriland	1406	304	364	319
Wednesday	Ballymena	2557	285	348	303
	Enniskillen	476	310	345	-
	Markethill	1250	290	330	307

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