LMC BULLETIN

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INCREASE IN BEEF SIRED CATTLE NUMBERS ON NI FARMS

The number of beef sired cattle under 30 months of age on NI farms at the end of July 2015 totalled 702,423 head, a four per cent increase on July 2014 levels when there were 675,225 beef sired cattle under 30 months on NI farms.

This four per cent increase in total numbers represents an extra 27,198 beef sired cattle on NI farms at the end of July 2015 when compared to year earlier levels and is the highest level in the month of July since 2012.

Figure 1 displays the beef sired cattle population in NI broken down into six month age brackets for the end of July 2014 and 2015. As outlined in the chart there has been growth in the number of cattle in the lower age brackets while those in the older age brackets have recorded a decline year on year

The number of beef sired cattle in the 0-6 month age bracket totalled 197,450 head at the end of July 2015, a 7.9 per cent increase on year earlier levels. This increase has been driven by increases in the beef sired calf registrations during the first half of 2015 when compared to the same period in 2014.

The increase in the number of beef sired animals in the 6-12 month and 12-18 month categories are also a result of an increase in calf registration during 2014 when compared to 2013 levels.

Meanwhile the number of beef sired animals in the 18-24 month age bracket at the end of July 2015 was back by 1.2 per cent from July 2014 levels while the number of cattle in the 24-30 month age bracket was back by four per cent over the same period. This could lead to a tightening in prime cattle supplies in the shorter term.

Slaughter mix

There have also been key changes to the slaughter mix of the NI prime cattle kill which have been influenced by management decisions at farm level as indicated in Figure 2. The increase in penalties for young bulls over 16 months of age by the major processors has resulted in a greater proportion of male cattle being castrated and finished as steers instead of young bulls.

During 2015 to date young bulls have accounted for 11 per cent of the prime cattle kill in NI compared to 18 per cent in the corresponding period in 2014. Meanwhile the proportion of steers in the NI prime cattle kill has increased from 43 per cent in the 2014 period to 51 per cent during 2015 to date as indicated in Figure 2. Meanwhile the proportion of heifers in the NI prime cattle kill has remained steady and they accounted for 38 per cent of the prime kill during 2015 to date.

Age at slaughter

The average age at slaughter of price reported young bulls during 2015 to date was 14.9 months, a reduction from 15.8 months in the corresponding period in 2014 and 17 months in the same period in 2013. Meanwhile the average age at slaughter for price reported steers killed during 2015 to date has been similar to previous years at 23.4 months.

The decision by producers to castrate young bulls and finish them as steers in response to market demands has had an influence on the age that these cattle are being presented for slaughter due to the lengthening of the finishing time. This longer period spent on farm will have contributed to more animals on NI farms in the 18-24 month age range than would have been expected in previous years.

The average age at slaughter for heifers in NI during 2015 to date was 23.4 months. This was very similar to the corresponding period in 2014 when the average age at slaughter was 23.5 months.

Figure 1: Beef sired cattle on NI farms July 2013, 2014 and 2015 by age category

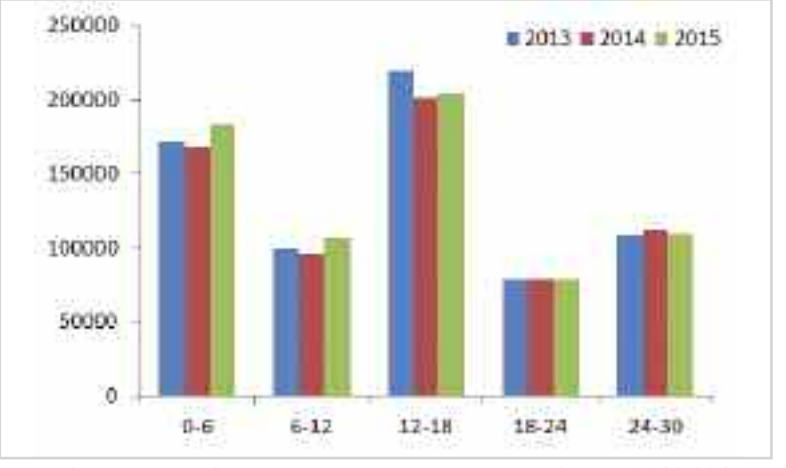
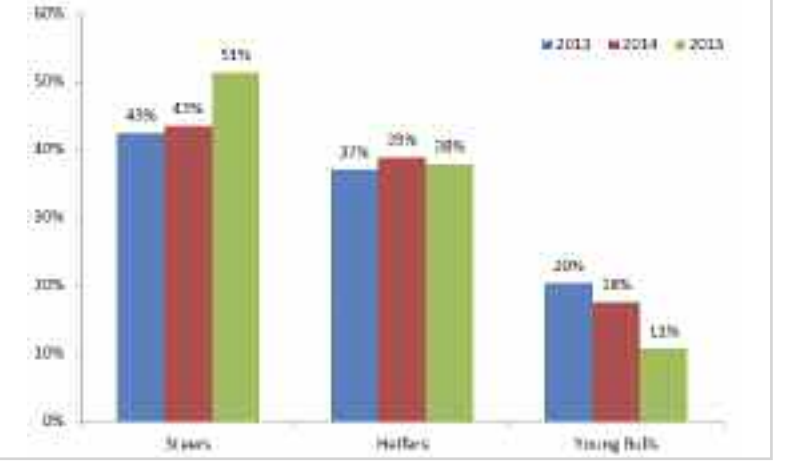


Figure 2: Proportion of the NI prime cattle kill by category for YTD 2013-2015



FAO FOOD PRICE INDEX AT SIX YEAR LOW DURING JULY 2015

THE FAO Food Price Index is a measure of the monthly change in international prices of a basket of food commodities and during July 2015 it averaged 164.6 points. This was the ninth consecutive month in which the Food Price Index recorded a decline. The July 2015 Index of 164.6 points was a reduction of 1.7 points from June 2015 and represents a one per cent decline.

In July 2014 the Food Price Index was 204.3 points which was 39.7 points higher than July 2015 levels. This represents a 19.4 per cent drop in the index year on year. This takes the Food Price Index to its lowest level since September 2009 when it averaged 164.1 points.

The Dairy Index in July 2015 was 149.1 points, its lowest value since August 2009 when it was 137.6 points. Prices during July 2015 were 34 per cent lower than July 2014 levels when the Dairy Index was 226.1 points. Prices during July 2015 were 11.4 points lower than June 2015 levels which represents a 7 per cent decline.

Prices for all major dairy commodities have recorded a decline with milk powders being most affected, followed by cheese and butter. Reduced import demand from China, the Middle East and North Africa have put pressure on prices and with EU milk production currently running above year earlier levels there has been an increase in the availability of products for export.

The FAO Meat Price Index during July 2015 increased slightly from June 2015 levels to 174.1 points and was the fifth consecutive month in which it recorded an increase. International prices of bovine meat have increased which has offset the declines recorded in international prices for pigmeat and sheep meat while prices for poultry have remained stable. The increase in international beef prices was driven by strong price increases in Australia as a result of stronger import demand from the United States, Japan and the Republic of Korea, amongst others.

The FAO Cereal Price Index averaged 166.5 points in July 2015, an increase of 3.3 points from June 2015 but 18.7 points lower than July 2014 levels. For the second consecutive month, strong wheat and maize prices kept the cereal index rising, while rice prices came under pressure.

Unfavourable weather in North America and Europe caused a strong increase in international prices of wheat and major coarse grains during the first half of July, much of which was eroded in the second half as weather prospects improved. Rice prices continued to decline as a result of competition for markets and weak import demand.

The FAO Sugar Price Index averaged 181.2 points in July, up 4.4 points from June 2015 levels. The increase was largely due to poor harvesting conditions in the main sugar producing region of Brazil.

The FAO Vegetable Oil Price Index averaged 147.6 points in July 2015, nearly 9 points below June 2015 levels and its lowest value since July 2009. The recent slide was primarily driven by developments in the palm and soy oil markets.

FQAS NOTICE ONLINE PAYMENTS

LMC has launched an online payment system for the Farm Quality Assurance Scheme. This allows producers to pay annual membership renewal and initial registration fees through the LMC website.

www.lmcni.com

FARM QUALITY ASSURED
NORTHERN IRELAND

LMC

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

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WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 10/08/15	Next Week 17/08/15
Prime		
U-3	322 - 326p	318 - 326p
R-3	316 - 318p	312 - 318p
O+3	310 - 312p	306 - 312p
P+3	272 - 296p	268 - 296p
	Including bonus where applicable	
Cows		
O+3 & better	230 - 250p	228 - 250p
Steakers	140 - 170p	140 - 170p
Blues	110 - 130p	110 - 130p

Cow quotes vary depending on weight and grade.
Pricing policies vary from plant to plant. Producers are advised to check pricing policies before presenting cattle for slaughter.

REPORTED NI CATTLE PRICES - P/KG

W/E 08/08/15	Steers	Heifers	Young Bulls
U3	335.3	340.5	331.0
R3	333.9	335.0	329.0
O+3	324.0	324.7	309.9

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 08/08/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	135.8	145.0	152.3	173.0
P2	155.3	177.6	198.9	214.6
P3	196.7	207.7	221.0	231.7
O3	180.0	221.7	238.7	251.4
O4	-	245.0	241.1	252.4
R3	-	-	262.6	268.7

Deadweight Cattle Trade

BASE quotes from the major processors this week for in spec U-3 grade prime cattle ranged from 322-328p/kg with the majority of plants quoting 324p/kg for steers and 326p/kg for heifers. Plants have indicated opening quotes of 318-326p/kg for U-3 prime cattle next week. Quotes for good quality O+3 grade cows this week generally ranged from 230-250p/kg. The processors are reporting steady supplies of prime cattle to meet demand while there has been a strong increase in the availability of cows with a notable increase in the number of dairy origin cows killed over the past few weeks.

Prime cattle throughput in NI last week totalled 5,559 head, the highest weekly throughput since early June this year. In the corresponding week in 2014 prime cattle throughput totalled 5,201 head which represents a seven per cent increase year on year. Meanwhile cow throughput in the NI plants continued to increase with 2,148 head slaughtered last week, the highest weekly throughput of cows for the year to date. This brings throughput for the last four weeks to 7,137 head which is 29 per cent higher than the corresponding period in 2014 when 5,524 cows were slaughtered.

Imports of prime cattle from ROI for direct slaughter in NI plants last week totalled 267 head, a reduction of 31 head from the previous week, while a total of 88 cows were also imported. Meanwhile 267 cows were exported from NI to ROI for direct slaughter last week with 84 prime cattle and 10 cows exported from NI to GB for direct slaughter.

Deadweight prices for prime cattle generally declined in NI last week in response to the lower base quotes from the plants. The average steer price in NI last week was 324.6p/kg, a 6.9p/kg decline from the previous week while the R3 steer price was back by 5.3p/kg to 335.3p/kg. This was the third consecutive week in which the R3 steer prices in NI recorded a decline. The average heifer price in NI last week was 327.2p/kg, back 5.5p/kg from the previous week while the R3 heifer price was back by 4p/kg to 336.4p/kg. There does however continue to be a difference in the prices being quoted by the plants and the prices being paid. The top quote for an R-3 grade heifer from the major NI processors last week was 324p/kg while the average price paid was 333.5p/kg. A similar differential can be observed in the prices quoted and paid for R-3 steers.

Deadweight prices in GB also came under pressure with reports of an increase in the number of cattle coming forward for slaughter. The average steer price in GB last week was back by 2.7p/kg to 348.7p/kg while the R3 steer price was back by 2.3p/kg to 355.3p/kg. This put the differential between NI and GB for an R3 steer last week at 20p/kg, the widest differential in R3 steer prices since September 2014. The average heifer price in GB last week was back by 5.5p/kg to 348.6p/kg while the R3 heifer price was back by 3.4p/kg to 355.8p/kg.

The trade in ROI also came under pressure in last week with reports of improved cattle availability. The R3 steer price was back the equivalent of 6.7p/kg to 290.6p/kg while the R3 heifer price was back by 6p/kg to 298.7p/kg.

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

W/E 08/08/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	335.3	299.4	369.4	362.5	358.8	355.4	362.1
	R3	335.3	290.6	366.4	355.5	348.6	346.8	355.3
	R4	332.4	290.4	369.5	361.9	349.0	344.5	359.2
	O3	321.6	276.0	346.9	337.8	321.3	323.9	333.0
	AVG	324.6	-	364.2	353.1	336.3	335.0	348.7
Heifers	U3	340.3	307.8	373.4	369.0	361.5	358.8	367.5
	R3	336.4	298.7	371.3	351.4	351.5	344.9	355.8
	R4	331.4	297.6	369.4	356.4	351.6	344.2	357.5
	O3	321.1	284.9	338.5	333.1	315.4	324.3	329.2
	AVG	327.2	-	364.6	351.1	337.7	330.2	348.6
Young Bulls	U3	331.0	296.6	366.8	343.9	350.2	352.7	351.1
	R3	328.8	287.1	359.9	333.1	337.5	335.8	338.8
	O3	308.4	273.6	314.9	296.2	309.3	312.5	306.6
	AVG	321.3	-	354.8	326.9	333.8	328.9	333.6
Prime Cattle Price Reported		4743	-	6098	6282	5419	4503	22302
Cows	O3	249.4	250.4	249.1	236.8	237.3	225.9	239.2
	O4	251.8	251.8	256.9	240.0	244.5	229.2	244.9
	P2	199.9	218.6	189.0	198.1	193.3	184.6	191.6
	P3	228.4	244.9	209.2	218.1	211.8	203.0	211.3
	AVG	228.1	-	239.8	214.5	205.1	198.2	216.5

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=70.17p 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

	1st QUALITY			2nd QUALITY		
W/E 08/08/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	184	201	191	160	183	171
Friesians	130	145	135	110	129	120
Heifers	190	210	198	160	189	175
Beef Cows	135	180	148	100	134	115
Dairy Cows	103	119	110	60	102	80
Store Cattle (p/kg)						
Bullocks up to 400kg	194	225	200	170	193	182
Bullocks 400kg - 500kg	190	225	198	165	189	178
Bullocks over 500kg	180	212	195	160	179	170
Heifers up to 450kg	194	225	200	170	193	180
Heifers over 450kg	192	225	198	155	190	170
Dropped Calves (£/head)						
Continental Bulls	300	400	340	200	298	250
Continental Heifers	235	365	285	140	232	185
Friesian Bulls	100	195	145	50	98	75
Holstein Bulls	80	195	120	1	78	40

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 10/08/15	Next Week 17/08/15
Lambs	310-315>21kg	310-315>21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 25/07/15	W/E 01/08/15	W/E 08/08/15
NI Lambs L/W	272.3	272.6	276.4
NI Lambs D/W	303.6	300.8	302.3
GB Lambs D/W	339.6	327.9	339.1
ROI D/W	312.5	308.3	-

Deadweight Sheep Trade

QUOTES from the major NI processors strengthened this week to 310-315p/kg with the plants paying up to 21kg. Good supplies of lambs have continued to come forward for slaughter with 12,243 lambs killed in NI plants last week. A further 4,899 lambs were exported to ROI for direct slaughter last week, similar to the corresponding week in 2014 when 5,218 lambs were exported. The deadweight lamb price in NI last week was 302.3p/kg, an increase of 1.5p/kg from the previous week. In the corresponding week in 2014 the deadweight lamb price was 353.6p/kg which accounts for a 51.3p/kg decline year on year. This accounts for a £10.77 decline in the value of a 21kg lamb carcase.

This week's marts

THE marts have reported good numbers of lamb passing through the sale rings this week with a sharper trade reported in some of the marts. In Kilrea on Monday a good trade saw 530 lambs sold from 276-303p/kg compared to 450 lambs last week selling from 255-298p/kg. In Saintfield on Tuesday 519 lambs sold from 283-330p/kg compared to 607 lambs last week selling from 250-300p/kg. An improved trade in Rathfriland this week saw 1,621 lambs sell to an average of 293p/kg compared to 1,139 lambs last week selling to an average of 286p/kg. In Enniskillen this week 742 lambs sold from 272-302p/kg (avg 284p/kg). The trade for well fleshed cull ewes has remained steady with top prices of over £90 reported in several of the marts this week.

LATEST SHEEP MARTS

From: 08/08/15 To: 14/08/15		Lambs (P/KG LW)			
		No	From	To	Avg
Saturday	Omagh	825	285	306	-
	Swatragh	1375	257	329	-
Monday	Kilrea	530	276	303	-
	Massereene	918	275	306	-
Tuesday	Saintfield	519	283	330	-
	Rathfriland	1621	270	330	293
Wednesday	Ballymena	1624	260	295	276
	Enniskillen	742	272	302	284
	Markethill	1540	270	312	295
	Armoy	508	270	312	287

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