

Inside this Quarterly

INCREASE IN BEEF SIRED CALF REGISTRATIONS IN 2015

NI SHEEP SECTOR UPDATE JUNE 2015

ANALYSIS OF NI SHEEP CARCASS CLASSIFICATION

LAMB PRICES UNDER PRESSURE

MORE BEEF CALVES FROM THE DAIRY HERD

LMC LAUNCHES NEW WEBSITE

INCREASE IN BEEF SIRED CALF REGISTRATIONS IN 2015

BEEF sired calf registrations in NI during the first half of 2015 totalled 206,747 head. This was a nine per cent increase on the corresponding period in 2014 when 189,789 beef sired calves were registered. This was the highest level of beef sired calf registrations in the first half of the year since 2012.

A total of 41,797 beef sired calves were registered during June 2015 compared to 38,985 calves in June 2014. This accounts for a seven per cent increase year on year and means that calf registrations have been higher than year earlier levels in five of the six months for the year to date as outlined in Figure 1.

Beef sired calf registrations tend to following a seasonal pattern with registrations peaking during May and then gradually declining for the rest of the year. During 2014 53 per cent of beef sired calves were registered during the period May-July.

While the total number of beef sired calves registered has increased year on year there has been no change in the proportion of calf registrations by breed.

The most popular beef sire used on suckler cows in NI has continued to be Charolais. In the first six months of 2015 Charolais calf registrations accounted for 34 per cent of calf registrations to suckler cows. This is just ahead of Limousin sired

calves which accounted for 32 per cent of calf registrations from the suckler herd during the first half of 2015.

Meanwhile Aberdeen Angus calves accounted for 11 per cent of beef sired calf registrations in the NI suckler herd from January to June 2015 with a further 8 per cent of suckler origin calves registered as Simmental. Belgian Blue calves accounted for 2.5 per cent of total calf registrations from the suckler herd with all other breeds making up the final nine per cent of suckler origin calf registrations.

The recovery in calf registrations in 2014 and into 2015 has led to a notable increase in the proportion of younger cattle on NI farms when compared to year earlier levels.

At the end of June 2015 there were 183,910 beef sired calves on NI farms compared to 168,499 in June 2014. This increase by 15,411 head accounts for a 9 per cent increase year on year.

Meanwhile the number of beef sired cattle in the 6-12 month age bracket on NI farms increased from 96,869 head in June 2014 to 107,028 in June 2015. This accounts for a 10.5 per cent increase year on year.

The number of beef sired animals on NI farms in the 12-18 month age bracket totalled 204,733 head in June 2015. This was two per cent

higher than the previous June but seven per cent lower than the same period in 2013 when there were 220,157 beef sired cattle on NI farms. While this decline is partly due to a drop in beef sired calf registrations a notable reduction of cattle imports for further production from ROI will also have played a key role.

The number of beef sired cattle in the 24-30 month age bracket in June 2015 totalled 109,526 head, a 2.4 per cent reduction on year earlier levels when there were 112,258 beef sired cattle in this age bracket on NI farms.

Figure 1: Beef sired calf registrations January 2013-June 2015

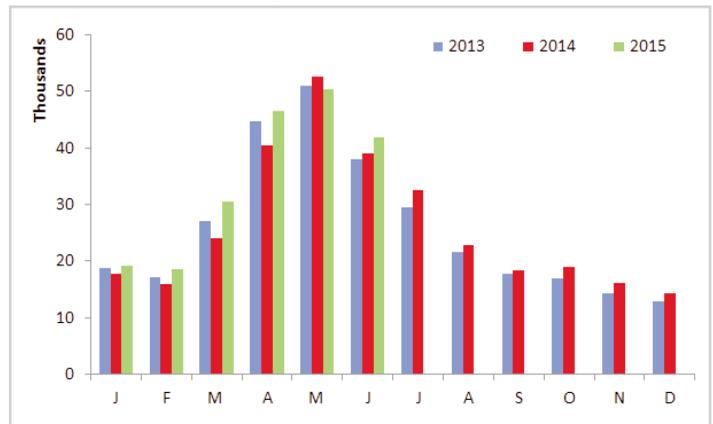


Image 1: Beef sired calf registrations were nine per cent higher in the first half of 2015 when compared to year earlier levels.



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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NI SHEEP SECTOR UPDATE JUNE 2015

THE deadweight sheep trade in NI has come under notable pressure as 2015 has progressed with a variety of factors contributing to the downward movement of base quotes from the major NI processors.

Increased supplies coming forward for slaughter in NI plants in recent weeks have meant supplies have overtaken demand with deadweight prices coming under pressure as a result. The latest Kantar consumer data has indicated that while domestic demand for lamb on the UK market remains steady average retail prices have come back. The latest UK export data has also indicated lower levels of exports of UK lamb year on year.

In addition changes to the labelling rules for packaged meat which came into effect from 1 April 2015 are reportedly having a significant influence in the cross border trade of sheep. Under the new legislation meat from sheep born in NI and killed in ROI needs to be labelled as born in the UK and slaughtered in ROI. Reports have indicated that this dual origin labelling is causing some issues for ROI processors in servicing certain markets.

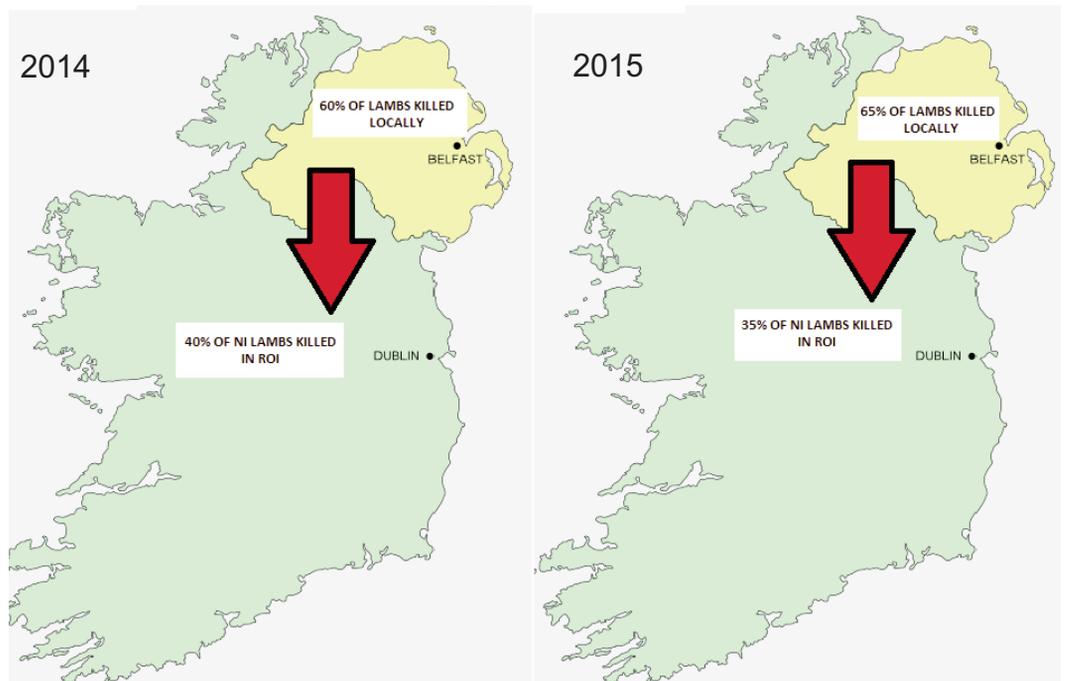
ROI plants provide an alternative market for NI origin sheep and last year exports to ROI accounted for 45 per cent of total NI sheep flock output and in the first half of 2015 exports to ROI totalled 139,607 head,

While there have been reports of

reduced demand for NI origin sheep from ROI plants and a slacker trade in the marts as a result it is worth noting that the decline in exports in recent weeks has followed a normal seasonal trend. It is therefore difficult to quantify the full effect that this change in legislation has had on the cross border trade.

As outlined in Figure 2 65 per cent of NI origin lambs were killed locally in the period April-June 2015 with the remaining 35 per cent exported to ROI for direct slaughter. In the corresponding period in 2014 60 per cent of NI origin lambs were slaughtered locally with 40 per cent

Figure 2: Proportion of NI origin lambs killed locally and in ROI April-June 2014/2015



ANALYSIS OF NI SHEEP CARCASS CLASSIFICATION

THE quality of lambs being presented for slaughter in NI plants during the period April-June 2015 was generally very good with 97 per cent of lambs achieving an R grade or better for conformation. This is just below the corresponding period in 2014 when 97.6 per cent of lambs achieved an R grade or better

There has however been an increase in the proportion of R grade lambs in the NI slaughter mix as outlined in Figure 3. During the period April-June 2015 64 percent of price reported lambs were awarded an R grade. This is a three percentage point increase from the corresponding period in 2014 when 61 per cent of the price NI lamb kill were awarded an R grade.

While there was an increase in the proportion of R grade lambs in the slaughter mix the proportion of U grade lambs recorded a decline. In the 2014 period 32 per cent of the price reported lamb kill were awarded a U grade compared to 35 per cent of the kill in the corresponding period in 2015.

While there has been a slight downward movement in the grades awarded to the price reported lamb kill the fat scores awarded have recorded a slight increase. The proportion of lambs achieving a 2 for fat cover declined from 21 per cent in the period April-June 2015 to 17 per cent in the corresponding period in 2014.

Meanwhile the proportion of the lamb kill awarded a fat cover 3

exported to ROI for direct slaughter.

Perhaps the most important issue affecting the NI lamb trade is the euro-sterling exchange rate. The current low value of the euro against sterling is making NI origin lambs less attractive to ROI processors as they are relatively more expensive than ROI origin lambs. In addition to this the deadweight trade in ROI is also under pressure with strong domestic supplies coming forward for slaughter.

It should also be noted that the recent weakening in the value of the euro makes it very difficult for NI processors to compete on the EU

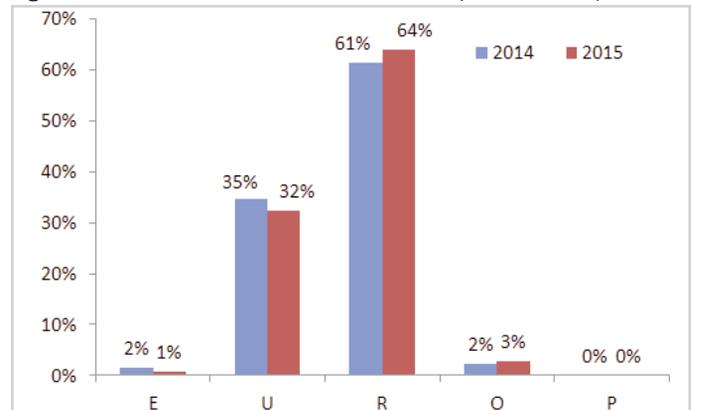
market as NI lamb is relatively more expensive than lamb sourced from Eurozone competitors.

With the NI sheep market currently under pressure it is important that every step is taken to ensure that EU labelling rules do not act as an impediment to the exporting of lambs to ROI for direct slaughter. It is also important that every measure is being taken to access more third country markets for UK lamb products which currently represent only a small proportion of total NI lamb exports. LMC are currently active on this front through its work with the UK Export Certification Partnership (UKECP).

remained almost stable at 74 per cent in the 2015 period while the number of lambs awarded a 4L for fat cover increased from 5 per cent of the kill in the 2014 period to 8 per cent in the 2015 period.

The average carcass weight of lambs recorded a slight increase year on year. In the period April-June 2014 the average carcass weight was 21.4kg and this increased to 21.8kg in the corresponding period in 2015.

Figure 3: Conformation scores of NI lamb kill April-June 2014/2015



LAMB PRICES UNDER PRESSURE

DURING 2015 to date the deadweight trade for sheep in NI has been volatile as outlined in Figure 4 .

In the first quarter of 2015 the average deadweight lamb/hogget price in NI was broadly similar to year earlier levels and well above the deadweight prices paid for lambs/hoggets in the first quarter of 2013. However as the year progressed the NI lamb trade came under pressure with deadweight prices well below year earlier levels.

The average lamb price in NI during June 2015 was 346.2p/kg, 86.5p/kg lower than the corresponding period in 2014. The deadweight lamb price would usually come under pressure as the summer progresses as increased supplies come forward for slaughter however the seasonal decline has occurred much earlier this year.

The deadweight trade in ROI also come under pressure in recent weeks with reports of strong supplies of lambs coming forward for slaughter. However while deadweight prices in ROI have been below 2014 levels in sterling terms when they are considered in

euro terms they are similar to the levels recorded in the corresponding weeks in 2013.

If we consider the ROI prices in sterling terms the average lamb price in June 2015 was 66.2p/kg lower than the average price in June 2014. During June 2015 the euro sterling exchange rate was €1 = 72.1p STG compared to €1 = 80.4p STG in June 2014. This represents a 8.3 per cent decrease in the value of the euro year on year. This shows the influence of the exchange rate on the trade.

Meanwhile in GB the deadweight lamb trade has also come under pressure in recent weeks as more lambs come forward for slaughter. Reported prices in GB have remained well above the prices reported in NI and ROI however they have followed a similar trend as outlined in Figure 5.

The average deadweight lamb price in GB during June 2015 was 402.4p/kg compared to 504.3p/kg in June 2014. This decline by £1.02/kg represents a 20 per cent reduction in reported deadweight prices year on year.

Figure 4: Deadweight lamb prices in NI January 2013-June 2015

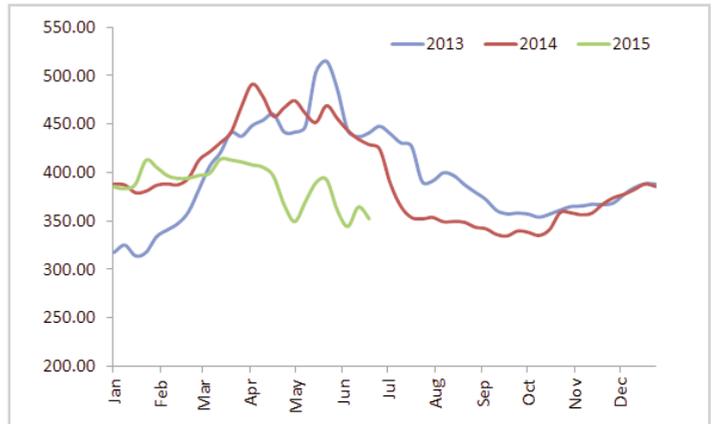
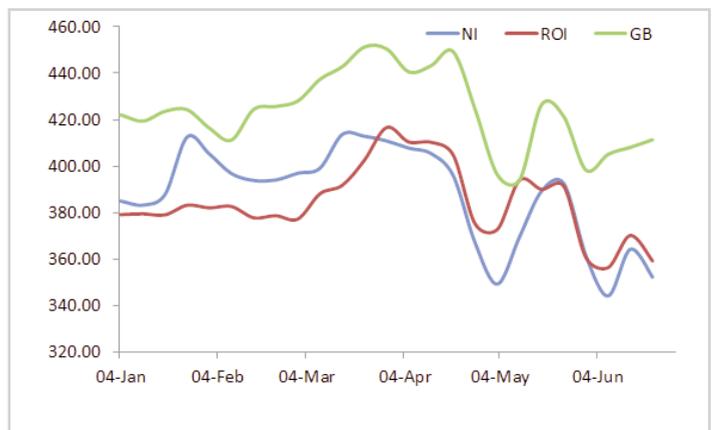


Figure 5: Deadweight lamb prices in NI,ROI and GB January-June 2015



MORE BEEF CALVES FROM THE DAIRY HERD

WITH dairy cow numbers recording a nine per cent increase in the December 2014 Agricultural Survey and dairy sired calf registrations staying almost steady it would indicate that more beef sires were used on dairy cows last year.

Analysis of NI calf registrations have indicated that in the first half of 2015 28 per cent of beef sired calves were sourced from the dairy herd. This is a three percentage point increase from the corresponding period in 2014 when beef cross calves accounted for 25 per cent of beef sired calf registrations.

In addition to this a total of 44,168 dairy sired male calves were registered on NI farms in the first half of 2015. This was a slight increase on the same period in 2014 when 43,150 dairy sired male calves were registered.

These figures highlight the importance of the dairy herd to the NI beef industry as a source of raw

material for beef production. This has become increasingly important as suckler cow numbers have contracted and dairy cow numbers have expanded.

The most popular beef sire breed used by NI dairy producers was Aberdeen Angus and Aberdeen Angus cross calves accounted for 35 per cent of all beef cross calf registrations during the first half of 2015. This was similar to year earlier levels when 34 per cent of beef cross calf registrations were Aberdeen Angus

Meanwhile Hereford calves accounted for 16 per cent of beef sired calves from the dairy herd in the first half of 2015. This was three percentage point increase from the corresponding period in 2014 when 13 per cent of beef cross calves registrations were Hereford.

The benefits to using these traditional breeds of beef sires on dairy cows are shorter gestations, a smaller calf birth weight which

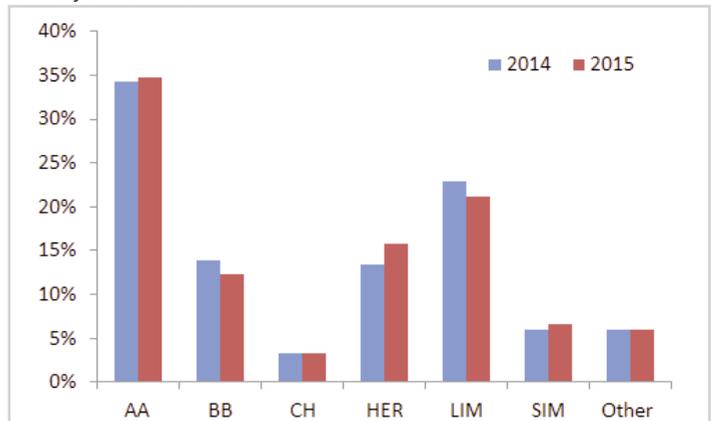
helps reduce calving difficulties and a firm demand from beef producers for the calves to service strong market signals from processors and retailers for these traditional breeds.

Limousin also continues to be popular beef sire for dairy producers with Limousin cross calves accounting for 21 per cent of beef sired calves sourced from the dairy herd during the first half of 2015. There has however been a

slight reduction from the same period in 2014 when 23 per cent of beef cross calves were Limousin.

Meanwhile Belgian Blue sired calves accounted for 12 per cent of beef calf production from the dairy herd during the first half of 2015 with Simmental and Charolais sired calves accounting for seven and three per cent respectively. These were similar to the corresponding period in 2014.

Figure 6: Proportion of beef sired calves from the dairy herd by breed January-June 2015



LMC LAUNCHES NEW WEBSITE

WWW.LMCNI.COM

LMC has recently redesigned and relaunched its main website which can be accessed at www.lmcni.com. The new look LMC website has been developed to be compatible with all tablets and smart phones to help ensure LMC's high level of customer service is maintained.

The new easy to use website will allow LMC stakeholders and the wider industry to access information on the range of services which LMC currently provide to the NI beef and sheepmeat sectors. The redeveloped website provides individual sections for each of the key areas of work undertaken by LMC on behalf of the NI beef and sheep meat industries.

The FQAS section of the LMC website provides users with all the information they require in relation to the Northern Ireland Beef and Lamb Farm Quality Assurance Scheme, provides information on

meeting scheme requirements, provides an access point to all the necessary paperwork and provides users with the option to renew their FQAS membership using the online payment facilities.

LMC acts a facilitator and honest broker in the NI beef and lamb industries. As part of this role LMC is engaged in the strategic development of sustainable and profitable beef and sheep industries in NI through the provision of a range of industry development services. The Industry Development section of the new LMC provides an update on these important activities.

Another important work area of LMC is the provision of Market Information to NI beef and sheepmeat industries. LMC's Market Information Services are designed to support, examine and inform the NI red meat industry through the provision of accurate and timely information that

creates a better understanding of the trade.

The new LMC website provides users with the most up to date market information available. Stakeholders and the wider industry can access a range of statistics including deadweight quotes from the major processors, cattle and sheep prices, slaughterings and import and export data. The market information section also allows users to access a range of market information publications summarising the trade as well as online access to LMC's weekly bulletins.

Another key aspect of LMC's work is the education of consumers about the true nutritional value of red meat in the diet and promotes beef and sheepmeat in home and export markets. As part of this service to industry LMC operate highly valued and successful retail sampling and education services

programmes which bring the best of Northern Ireland Farm Quality Assured beef and lamb to the consumers of today and tomorrow. The new LMC website provides a summary of these activities and prides links to LMC's consumer and education focused websites which can be accessed at www.beefandlambni.com and www.food4life.org.uk respectively.

LMC stakeholders and the wider community are encouraged to make full use of the new LMC website and provide any feed back to LMC at bulletin@lmcni.com.

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



LMC

Information Point

LMC BULLETIN:

Read it Weekly
in the
Farming Life

FARMGATE:

LMC Price Reports
Weekday Mornings
& Evenings on
BBC Radio Ulster



Login: [Membership Checker](#) [Market Information](#)

INDUSTRY DEVELOPMENT MARKET INFORMATION FARM QUALITY ASSURANCE PROMOTION PUBLICATIONS

LMC Beef and Lamb Watch

Read the latest LMC Study on understanding the origins of beef and lamb stocked in stores across Northern Ireland.

[Read More](#)

FQAS DOCUMENTATION

MARKET INFORMATION
STATISTICS

INDUSTRY DEVELOPMENT

PROMOTION

To support, examine and inform the marketing and development of the NI beef and sheep meat industry.

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