LMC BULLETIN

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INCREASE IN PRIME CATTLE CARCASE WEIGHT

THERE has been a strong increase in the average carcase weight of all classes of prime cattle slaughtered in NI plants during the six week period ending 23 August when compared to year earlier levels.

Good grass growth in June and July 2015 may have improved cattle performance at grass and may be one factor behind the the increase in average carcase weights. In addition the continued strong trade for good quality stores and weanlings have kept input costs high for cattle finishers who may have tried to maximise returns by killing cattle at higher carcase weights.

The average steer carcase weight in NI during the 2015 period was 354kg, a 14kg increase from the corresponding period in 2014 when the average carcase weight was 340kg. Meanwhile the average heifer carcase weight in NI increased from 311kg in the 2014 period to 318kg in the 2015 period.

The average young bull carcase weight also recorded an increase with an average carcase weight during the six weeks ending 23 August 2015 of 345kg. This was an increase of 8kg from the corresponding period in 2014 when the average carcase weight was 337kg.

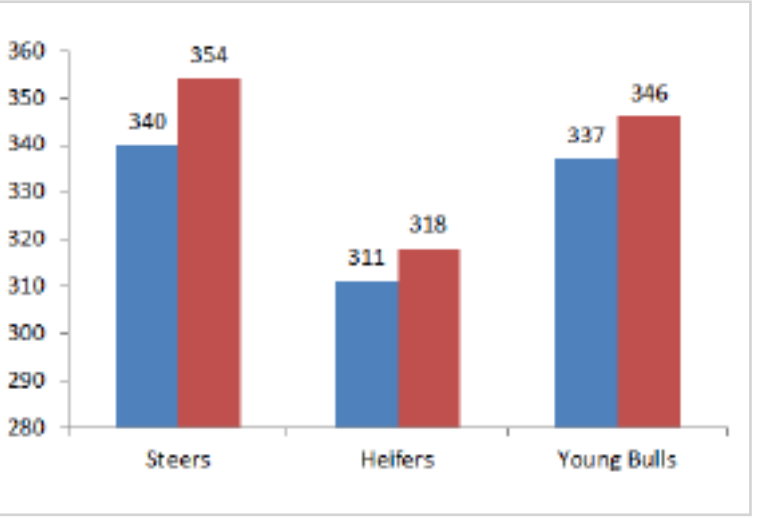
This increase in the average carcase weight of prime cattle combined with an increase in prime cattle throughput has resulted in an increase in the volume of beef handled by NI processors. Prime cattle throughput during the six weeks ending 23 August 2015 totalled 31,384 head, a four per cent increase from the same period in 2014 when 30,231 prime cattle were slaughtered in NI plants.

There have however been some indications that prime cattle supplies are starting to tighten with reports of some processors actively seeking cattle this week.

The volume of beef harvested from prime cattle by NI processors during the six weeks ending 23 August 2015 totalled 10,652 tonnes. This is a seven per cent increase from the corresponding period in 2014 with an additional 611kg processed.

A total of 10,929 cows were slaughtered in NI during the six weeks ending 23 August 2015, a 21 per cent increase on the corresponding period in 2014. This increase in throughput combined with an increase in the average cow carcase weight to 311kg (+3kg) in the 2015 period has resulted in a 22 per cent increase in the volume of cow beef handled by NI processors.

Figure 1: Average carcase weight of prime cattle during the six weeks ending 23 August 2015 and the corresponding period in 2014.



the average heifer carcase weight in NI indications that prime cattle supplies are

UK BEEF EXPORTS DECLINE IN 2015

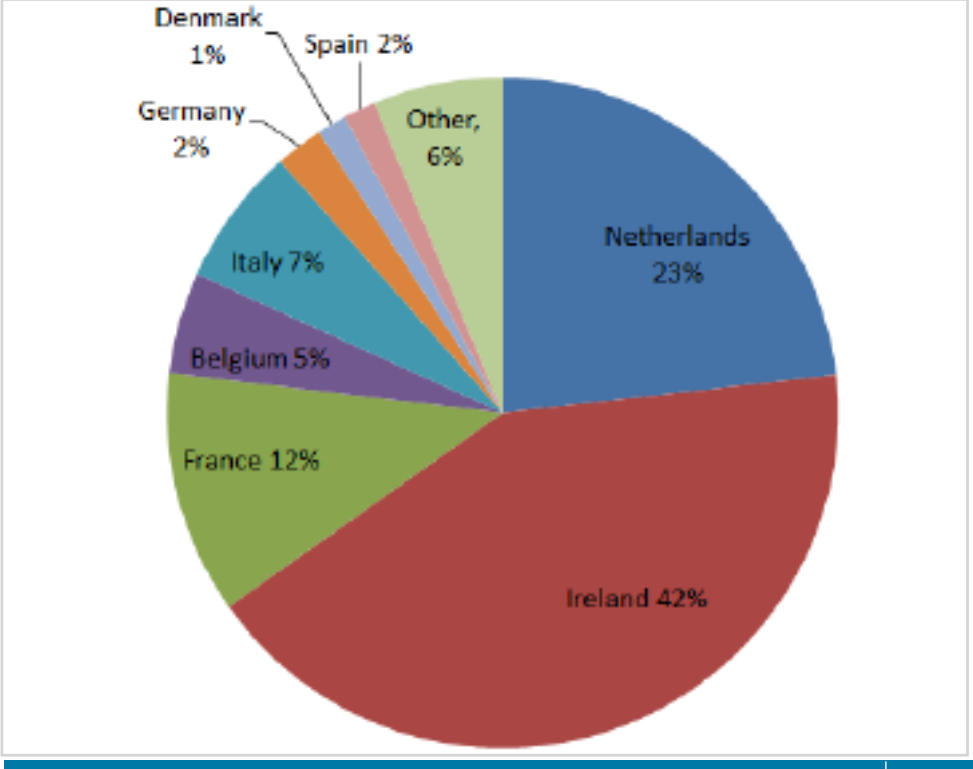
DURING July 2015 beef exports from the UK totalled 7,944 tonnes taking exports for the year to date to 47,849 tonnes. This is a 13 per cent reduction on the corresponding period in 2014 when 54,771 tonnes of beef were exported.

The EU remains the primary market for UK beef exports and accounted for 93 per cent of exports during the first half of 2015. Exports from the UK to the EU during the 2015 period declined by 15 per cent from the corresponding period in 2014 and several factors have played a key role in this decline.

The strengthening of sterling against euro has made UK origin beef less competitive on the EU market and this has made trading on EU markets more difficult for UK processors. In addition to this beef exports from the UK to the EU are generally lower value cuts and offals and there has been an increase in the availability of these cuts in the EU following the closure of the Russian borders to EU beef.

Traditionally Russia acted as a valuable outlet for lower value manufacturing beef, particularly for eastern European countries such as Poland and Lithuania. The closure of this outlet has resulted in an increase in cheap manufacturing beef on the EU market and thereby indirectly affecting the UK. The Russian ban has also affected, among others, Spain, Germany, Denmark and Italy which all exported several thousand tonnes of beef to Russia prior to the introduction of the ban. Reports however have indicated that these countries have now redirected product to other countries.

Figure 2: UK beef exports to the EU by destination January-June 2015



According to GIRA total meat imports to Russia during 2015 are anticipated to be 0.5 million tonnes lower than in 2014. With depressed oil and gas prices, a devalued Rouble and the political ban on imports total imports of meat by Russia are expected to be down by over 2 million tonnes in 2015 relative to peak imports of 3.4 million tonnes in 2008.

Ireland continues to be the biggest EU market for UK beef with 18,633 tonnes exported during the first half of 2015. This was a 15 per cent increase on year earlier levels when 16,206 tonnes were exported. With several of the major NI processors having operations in both NI and ROI it is likely that much of this exported beef originates from cattle imported from ROI for direct slaughter and exported back in carcase or primal form for further processing.

While exports from the UK to ROI have increased year on year there has been a notable decline in the volume of beef exported from the UK to other EU countries. Exports to the Netherlands during the 2015 period totalled 10,295 tonnes, a 44 per cent reduction on 2014 levels when 18,406 tonnes were exported.

During the 2015 period there have also been strong declines in the volume of beef exported from the UK to Belgium (-40 per cent), Germany (-48 per cent)and Spain (-28 per cent) although the volumes involved are relatively small. Meanwhile beef exports from the UK to France, Italy and Denmark were similar to year earlier levels.

Meanwhile exports of UK beef to non-EU markets increased by 32 per cent to 3,467 tonnes during the 2015 period. While the volumes involved are very small it is encouraging to see growth in exports to markets beyond the EU.

FQAS MART CLINICS SEPTEMBER 2015

LMC's Farm Liaison Officer, Terry White, runs Farm Quality Assurance Scheme (FQAS) mart clinics at a range of Livestock Marts across Northern Ireland. Terry is present to assist members of FQAS with non-conformances, general scheme queries and any issues prior to or following an inspection.

Any farmers who wish to join the scheme can also do so through their local FQAS mart clinic. Terry will be available at the livestock marts listed above. For further information call (028) 9263 3024.

LOCATION	DAY	DATE
Markethill	Tuesday	01/09/2015
Saintfield	Wednesday	02/09/2015
Omagh	Monday	07/09/2015
Kilrea	Wednesday	16/09/2015
Enniskillen	Thursday	17/09/2015
Ballymena	Friday	25/09/2015

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 24/08/15	Next Week 31/08/15
Prime		
U-3	324 - 326p	324 - 326p
R-3	318 - 318p	318 - 318p
O+3	312 - 312p	312 - 312p
P+3	268 - 290p	268 - 290p
	Including bonus where applicable	
Cows		
O+3 & better	224 - 250p	224 - 250p
Steakers	140 - 170p	140 - 170p
Blues	120 - 130p	120 - 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 22/08/15	Steers	Heifers	Young Bulls
U3	330.9	336.4	327.7
R3	330.0	331.0	325.7
O+3	317.6	320.9	317.2

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 22/08/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	124.5	132.4	136.2	135.4
P2	137.5	182.0	193.6	205.4
P3	140.0	200.9	210.2	220.9
O3	-	230.0	231.4	237.3
O4	-	-	229.9	237.8
R3	-	-	270.0	258.6

Deadweight Cattle Trade

QUOTES from the major plants this week for in spec U-3 grade prime cattle ranged from 324-326p/kg with reports indicating a tightening in prime cattle availability for slaughter. Quotes for good quality O+3 grade cows ranged from 224-250p/kg with the majority of plants quoting in the region of 240p/kg.

Prime cattle throughput in NI last week totalled 5,009 head, a reduction of 291 head from the previous week. This is a notable reduction from the corresponding week in 2014 when 6,010 prime cattle were slaughtered in NI plants. Cow throughput in the NI plants was also back last week with 1,804 head slaughtered compared to 1,947 head the previous week. The high number of dairy origin cows being presented for slaughter has continued and accounted for 63 per cent of the price reported cow kill in NI last week.

Imports of prime cattle for direct slaughter last week totalled 323 head and accounted for six per cent of prime cattle throughput in NI plants. In the corresponding week last year 758 prime cattle were imported from ROI for direct slaughter in NI plants and accounted for 13 per cent of NI prime cattle slaughterings. Meanwhile exports from NI to ROI for direct slaughter last week consisted of 18 prime cattle and 339 cows with a further 138 prime cattle and 17 cows exported to GB.

The average steer price in NI last week increased by 1.4p/kg while the R3 steer price increased by 3.7p/kg to 332.8p/kg. This increase in the NI R3 steer price has occurred after four consecutive weeks in which it declined. The average heifer price in NI last week was back by 1.8p/kg to 324p/kg while the R3 heifer price increased by 1.2p/kg to 331.5p/kg. There continues to be a lag between the prices quoted by the major processors and the prices actually paid to producers. The top quote from the processors last week for an R-3 grade heifer was 320p/kg but the average reported price last week was 328.7p/kg.

There was a mixed deadweight trade for prime cattle in GB last week. Average steer prices in Scotland and Northern England were back in the region of 2p/kg while average steer prices in the Midlands and Southern England were up by 2.4p/kg and 3.2p/kg respectively. The average steer price in GB last week was unchanged at 346.6p/kg. Meanwhile the R3 steer price in GB last week was back by 2.2p/kg to 351.9p/kg with declines recorded in Scotland, Northern England and the Midlands while prices in Southern England increased by 2.1p/kg to 345.5p/kg. Average heifer prices increased in all the GB regions last week with the exception of Northern England where it was back by 2p/kg. A similar trend was recorded in R3 heifer prices with the GB price up by 1.5p/kg to 354.3p/kg.

In ROI last week the deadweight trade for prime cattle came under pressure with R3 steer and heifer prices back in the region of 5c/kg. In sterling terms the R3 steer price was back by 3.8p/kg to 285.1p/kg while the R3 heifer price was back by the same margin to 292.6p/kg. This puts the differential with NI at 47.7p/kg for R3 steers and 38.9p/kg for R3 heifers.

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

W/E 22/08/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	330.9	293.5	367.9	356.6	355.6	356.1	359.6
	R3	332.8	285.1	364.0	348.9	346.6	345.5	351.9
	R4	332.3	285.1	369.7	360.2	345.9	343.0	357.2
	O3	315.0	271.0	342.7	334.5	320.4	322.1	330.3
	AVG	321.9	-	362.4	349.8	334.6	333.9	346.6
Heifers	U3	336.0	302.8	373.6	360.4	360.2	359.1	364.2
	R3	331.5	292.6	368.3	350.7	347.8	345.7	354.3
	R4	327.2	291.8	367.9	352.1	347.8	342.5	354.5
	O3	318.8	279.0	347.4	326.8	322.7	326.3	332.3
	AVG	324.0	-	365.1	346.0	336.6	332.6	347.5
Young Bulls	U3	327.7	290.1	365.2	341.0	347.5	351.3	348.4
	R3	324.0	284.0	359.2	327.5	332.0	334.8	334.5
	O3	298.8	269.6	319.0	296.4	311.9	324.3	310.1
	AVG	309.2	-	354.0	327.3	332.9	337.3	334.8
Prime Cattle Price Reported		4557	-	6532	5884	5450	3934	21800
Cows	O3	236.8	246.7	244.6	230.3	232.2	227.5	234.6
	O4	237.6	247.8	248.1	236.0	234.4	227.2	237.6
	P2	196.8	216.8	190.3	201.9	190.5	178.8	191.2
	P3	217.3	240.5	199.6	213.4	199.2	196.6	202.0
	AVG	212.4	-	235.2	208.3	194.4	197.0	210.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=71.06p 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 22/08/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	195	209	201	160	194	177
Friesians	139	160	148	114	137	124
Heifers	198	224	209	160	192	176
Beef Cows	140	185	156	100	139	120
Dairy Cows	100	118	106	60	99	78
Store Cattle (p/kg)						
Bullocks up to 400kg	198	222	213	131	197	164
Bullocks 400kg - 500kg	200	214	204	140	192	166
Bullocks over 500kg	191	205	197	140	190	165
Heifers up to 450kg	180	200	190	145	179	162
Heifers over 450kg	183	204	194	140	181	160
Dropped Calves (£/head)						
Continental Bulls	282	350	310	180	280	230
Continental Heifers	240	340	280	120	238	180
Friesian Bulls	120	205	150	60	118	75
Holstein Bulls	75	140	100	30	72	50

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 24/08/15	Next Week 31/08/15
Lambs	305>21kg	300-305>21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 08/08/15	W/E 15/08/15	W/E 22/08/15
NI Lambs L/W	276.4	284.5	275.1
NI Lambs D/W	302.3	309.9	307.0
GB Lambs D/W	339.1	341.7	335.3
ROI D/W	305.6	317.1	315.6

Deadweight Sheep Trade

QUOTES for R3 grade lambs came under pressure towards the end of this week with quotes for Monday expected to be 300-305p/kg up to 21kg. Supplies of lambs have remained strong in line with normal seasonal trends with a total of 13,173 head killed in NI plants last week. This was an increase of 981 head from the previous week and well above the 11,167 lambs killed in the corresponding week in 2014. A total of 7,343 sheep were exported to ROI for direct slaughter last week, an increase of 517 head from the previous week. The deadweight lamb price in NI last week was back by 2.9p/kg to 307p/kg while in ROI the lamb price was back the equivalent of 1.5p/kg to 315.6p/kg.

This week's marts

GOOD numbers have been passing through many of the sale rings this week with some marts reporting a slightly quieter trade for the lambs on offer. In Kilrea on Monday 621 lambs sold from 260-276p/kg compared to 550 lambs last week selling from 276-311p/kg. A similar trade in Saintfield this week saw 702 lambs sold from 260-306p/kg compared to 773 lambs last week selling from 258-300p/kg. In Ballymena this week a large entry of 1,901 lambs sold to an average of 261p/kg compared to 1,787 lambs last week selling from 250-302p/kg (avg 266p/kg). Small numbers of cull ewes have been passing through the marts with top prices generally ranging from £80-90 and a top reported price of £105 in Newtownstewart.

LATEST SHEEP MARTS

From: 24/08/15 To: 29/08/15		Lambs (P/KG LW)			
		No	From	To	Avg
Saturday	Omagh	1336	276	326	-
	Newtownstewart	500	270	292	278
Monday	Kilrea	621	260	276	-
	Massereene	964	260	300	-
Tuesday	Saintfield	702	260	306	-
	Rathfriland	1051	258	316	278
Wednesday	Ballymena	1901	250	288	261
	Enniskillen	1000	255	316	270
	Markethill	1750	260	288	275
	Armoy	374	250	290	-

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