LMC BULLETIN

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND

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INCREASE IN LAMB IMPORTS IN OCTOBER

IMPORTS of lamb to the UK during October 2015 totalled 4,724 tonnes taking imports for the first ten months of 2015 to 78,525 tonnes. In October 2014 UK lamb imports totalled 3,828 tonnes taking total imports for the first ten months of 2014 to 80,566 tonnes.

Imports of lamb from EU countries totalled 698 tonnes and accounted for 15 per cent of total lamb imports during October 2015. The majority of EU origin lamb imported by the UK was from ROI with 496 tonnes imported during October 2015. Imports from France totalled 48 tonnes during October 2015 while 37 tonnes of lamb were imported from Spain.

Imports of lamb from non EU countries totalled 4,026 tonnes during October 2015, accounting for 85 per cent of total lamb imports. This was a notable increase from the 3,013 tonnes imported from non EU countries in October 2014 which accounted for 78 per cent of total lamb imports.

New Zealand is the largest source of imported lamb for the UK market by a considerable distance with imports of lamb from New Zealand during October 2015 totalling 3,161 tonnes. This was a notable increase from October 2014 levels when 2,054 tonnes of lamb were imported from New Zealand. This increase by 1,107 tonnes accounts for a 54 per cent increase year on year.

Australia is the second largest source of lamb imports to the UK market with 774 tonnes imported during October 2015 which accounted for 19 per cent of total non EU imports of lamb. In October 2014 872 tonnes of lamb was imported from Australia which accounts for an 11 per cent decline year on year.

New Zealand and Australia are the largest exporters of sheepmeat in the world and therefore production conditions in the regions have a strong influence on global supplies. Forecasts for sheep meat production in both countries suggest a decline for the coming season which will influence the availability of lamb on the global market for import to the UK.

The lamb crop in New Zealand is expected to be at its lowest levels in 60 years during the 2015/16 season with a 1.7 million reduction in the lamb crop to 19.5 million head. This is an eight per cent reduction from year earlier levels. A smaller breeding flock, a reduction in lambing percentages and reduced ewe performance due to drought during the 2014/15 season affecting ewe condition at tupping all contributed to lower production.

In Australia lamb slaughterings during 2015 are expected to end the year at similar levels to 2014 however forecasts have indicated a reduction in lamb slaughterings during 2016. Reports have indicated that many producers in Australia have been marketing lambs approximately a month early due to concerns over forage and water availability as they move into the summer.

With an increase in the number of lambs killed towards the end of 2015 lamb slaughterings are expected to be back during 2016. The latest forecast figures from Meat and Livestock Australia have indicated that they expect a three per cent reduction in lamb slaughterings to 21.5 million head in 2016. However improvements in production systems in recent years have helped increase average carcase weights in Australia which will help to offset some of this decline in throughput.

With reduced production expected in the two largest lamb exporters on the global market lamb availability on a global scale is expected to be tighter in 2016 which may affect availability of lamb for import by the UK.

Figure 1: Volume of UK lamb imports by source October 2014/October 2015

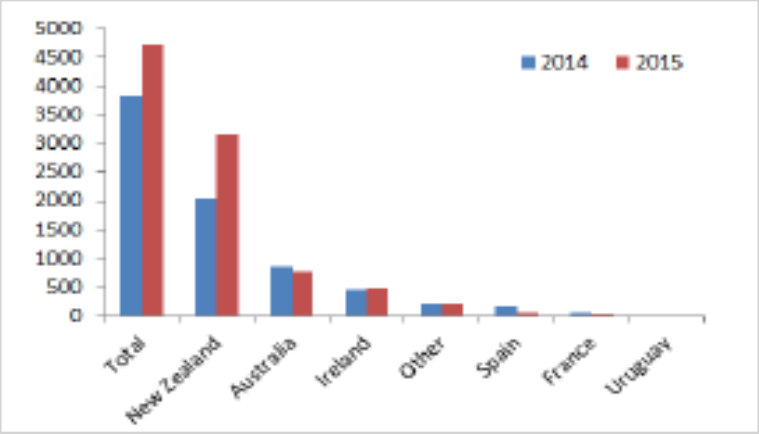
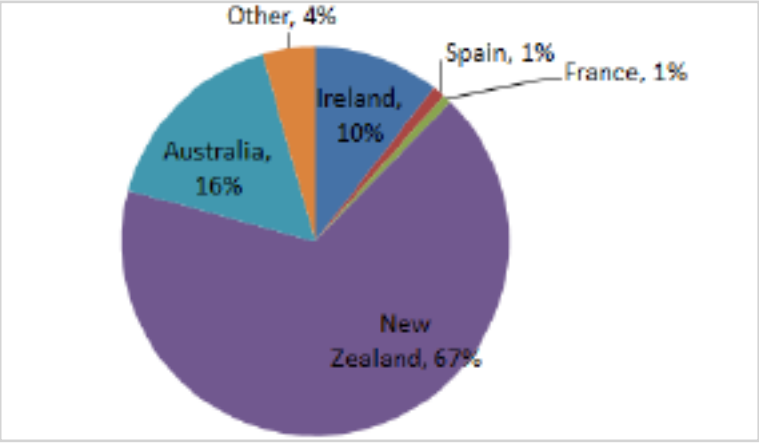


Figure 1: Percentage of UK lamb imports by source country October 2015



CHRISTMAS HOLIDAYS

LMC would like to wish all of our levy-payers and stakeholders a very Happy Christmas and prosperous New Year

Holiday Arrangements
LMC's offices will be closing early on Christmas eve and will be closed for the Christmas and New Year Period (25 December - 1 January). We will reopen on Monday 4 January.

Answerphone & Text Service
There will be no answerphone or text message service during Christmas Week

NIFCC

Please note that NIFCC offices will be be closed for business on 25-28 December and on January 1

FQAS MART CLINICS JANUARY 2016

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 below. For further information call (028) 9263 3024.

LOCATION	DAY	DATE
Omagh	Monday	11/01/2016
Enniskillen	Thursday	14/01/2016
Markethill	Tuesday	19/01/2016
Saintfield	Wednesday	20/01/2016
Ballymena	Friday	22/01/2016
Kilrea	Wednesday	27/01/2016

R3 LAMB PRICES REMAIN STABLE

DEADWEIGHT lamb prices in NI have remained stable in recent weeks with an R3 lamb price last week of 329.4p/kg.

Although prices have steadied in recent weeks they are notably behind year earlier levels as indicated in Figure 3. The R3 lamb price in NI in the corresponding week last year was 384p/kg. This puts the differential year on year at 54.6p/kg or £12 on a 22kg carcase.

A key factor affecting the deadweight lamb trade in NI is the euro/sterling exchange rate. The exchange rate last week was €1 = 73p/kg compared to €1 = 79p/kg in the corresponding week in 2014.

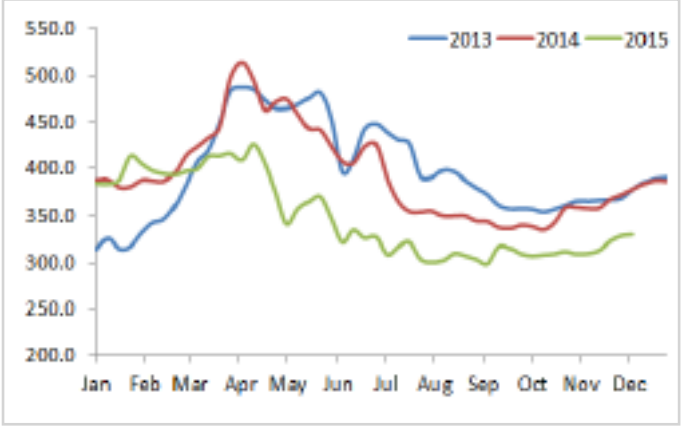
The current high value of sterling against euro makes NI origin lambs more expensive in euro terms and this has resulted in reduced demand from ROI processors for NI origin lambs this autumn when compared to previous years.

During the period September to December 2015 140,674 sheep were exported from NI to ROI for direct slaughter compared to 152,605 head during the same period in 2014. Strong domestic supplies of lambs in ROI and changes to EU labelling legislations for dual origin lamb have also contributed to reduced exports from NI to ROI this year.

A strong sterling also makes it more difficult for NI (and UK) processors to compete on European markets such as France against other lamb producing regions within the Eurozone. Approximately 60 per cent of NI origin lamb in exported to mainland Europe every year with the remaining 40 per cent destined for NI and UK markets.

It is important therefore that every effort is being made to gain access to more third country markets for NI and UK origin lambs which currently only account for a very small proportion of total NI lamb exports. LMC are actively working in this area through their participation in the UK Export Certification Partnership (UKECP).

Figure 3: Weekly R3 lamb prices in NI 2013-2015



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

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
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 21/12/15	Next Week 28/12/15
Prime		
U-3	304 - 310p	304 - 310p
R-3	298 - 304p	298 - 304p
O+3	292 - 298p	292 - 298p
P+3	222 - 260p	222 - 260p
	Including bonus where applicable	
Cows		
O+3 & better	214 - 230p	214 - 230p
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 COW PRICES NI - P/KG

w/e 19/12/15	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	121.1	132.0	140.0	161.1
P2	138.9	158.5	181.3	192.2
P3	152.3	182.5	207.6	210.7
O3	-	202.3	216.9	227.2
O4	-	210.0	220.1	231.9
R3	-	-	-	245.9

Deadweight Cattle Trade

QUOTES from the major NI processors this week for in spec U-3 grade prime cattle ranged from 304-310p/kg however the majority of plants are quoting 308-310p/kg. Quotes for good quality O+3 grade cows this week have remained steady at 214-230p/kg across the plants. A total of 6,567 prime cattle were slaughtered in NI plants last week, very similar to the 6,503 prime cattle slaughtered in the corresponding week in 2014. A total of 1,921 cows were also killed in NI last week which is 261 head lower than the 2,182 cows killed in the corresponding week in 2014.

Imports of prime cattle from ROI for direct slaughter in NI plants totalled 423 head last week, an increase from the 368 head imported the previous week. The number of cows imported from ROI for direct slaughter in NI plants totalled 116 head, also an increase from the previous week when 81 cows were imported. Meanwhile 141 cows were exported from NI to ROI for direct slaughter last week which was a decrease from the 226 cows exported during the previous week. Exports to GB from NI for direct slaughter last week consisted of 102 prime cattle and 14 cows which was a notable decline from the previous week when 347 prime cattle and 118 cows were exported to GB from NI.

The average steer price in NI last week decreased by 3.1p/kg to 303.4p/kg while the R3 steer price was back by 1.3p/kg to 313.8p/kg. The average heifer price in NI last week remained steady at 310.1p/kg while the R3 heifer price was back by 0.9p/kg to 315.9p/kg. The average cow price in NI last week recorded a decrease of 1.8p/kg to 201p/kg however the O3 cow price in NI last week was up by 2.5p/kg to 226.3p/kg, the highest O3 cow price in the UK and 13.8p/kg above the average GB O3 cow price.

Deadweight prices for prime cattle in GB remain under pressure with the average steer price back by 3.9p/kg to 335.4p/kg while the average R3 steer price was back by 4.8p/kg to 342.5p/kg. The differential in R3 steer prices last week between NI and the GB average for R3 steers was 28.7p/kg which is the equivalent of £95 on a 330kg carcase. The largest R3 steer price decline last week was in Northern England at 8.9p/kg, followed by a decrease of 5.0p/kg in Scotland, 3.2p/kg in the Midlands and Wales and 1.8p/kg in Southern England. Meanwhile the average heifer price in GB last week was back by 3.2p/kg to 337.2p/kg while the R3 heifer price decreased by 5.6p/kg to 342.6p/kg. This puts the differential in R3 heifer prices last week between NI and GB at 26.7/kg which is the equivalent of £88 on a 330kg carcase.

In ROI last week deadweight prices for prime cattle held fairly steady in euro terms but firmed in sterling terms. The R3 steer price in ROI was the equivalent of 276.3p/kg, up by 1.1p/kg from the previous week while the R3 heifer price was the equivalent of 288.8p/kg, up by 1.8p/kg from the previous week. Cow prices in ROI also recorded an increase last week with the O3 cow price up by 2p/kg to 215.3p/kg which is 11p/kg lower than the equivalent price in NI. Reports from ROI have indicated steady supplies of prime cattle with throughput totalling 25,236 head last week.

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

W/E 19/12/2015		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	314.3	282.8	361.7	347.8	343.2	346.3	350.6
	R3	313.8	276.3	355.2	340.4	335.2	336.0	342.5
	R4	312.6	276.3	356.7	354.5	333.8	331.1	347.9
	O3	300.0	264.9	335.7	315.8	306.1	307.7	317.1
	AVG	303.4	-	353.4	340.7	319.9	319.2	335.4
Heifers	U3	320.3	299.3	366.5	352.7	346.4	341.8	354.7
	R3	315.9	288.8	354.8	340.8	335.4	335.0	342.6
	R4	313.8	288.3	358.3	348.9	336.4	333.5	347.2
	O3	307.9	277.8	329.8	316.3	307.6	305.0	316.5
	AVG	310.1	-	354.5	340.0	321.9	317.7	337.2
Young Bulls	U3	304.6	273.5	357.8	332.4	334.0	341.8	337.5
	R3	302.7	267.4	350.2	319.4	322.1	325.3	325.1
	O3	290.8	251.1	303.4	287.5	295.8	307.7	298.0
	AVG	291.5	-	329.2	302.1	302.3	309.5	307.1
Prime Cattle Price Reported		5465	-	7081	7024	5745	4178	24028
Cows	O3	226.3	215.3	217.3	211.5	214.0	204.7	212.5
	O4	231.0	215.6	222.6	214.6	213.3	206.4	215.1
	P2	181.3	191.1	165.2	167.8	167.4	157.7	164.7
	P3	208.5	206.4	180.3	182.6	190.1	182.5	185.1
	AVG	201.0	-	205.5	186.2	177.5	173.6	186.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=72.66p 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 19/12/15	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	191	212	203	150	185	166
Friesians	-	-	-	-	-	-
Heifers	182	206	192	150	178	165
Beef Cows	127	194	150	100	126	113
Dairy Cows	91	108	98	60	90	75
Store Cattle (p/kg)						
Bullocks up to 400kg	-	-	-	-	-	-
Bullocks 400kg - 500kg	179	188	183	169	174	171
Bullocks over 500kg	172	184	177	159	169	166
Heifers up to 450kg	181	195	190	152	176	165
Heifers over 450kg	170	188	177	141	167	158
Dropped Calves (£/head)						
Continental Bulls	280	390	325	180	278	230
Continental Heifers	240	320	290	140	238	190
Friesian Bulls	110	160	135	40	108	70
Holstein Bulls	75	145	90	1	72	35

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 21/12/15	Next Week 28/12/15
Lambs	330p > 22kg	330p > 22kg

REPORTED SHEEP PRICES

(P/KG)	W/E 05/12/15	W/E 12/12/15	W/E 19/12/15
NI Lambs L/W	296.4	296.8	297.9
NI Lambs D/W	327.1	327.4	328.4
GB Lambs D/W	363.0	369.2	362.1
ROI D/W	329.5	338.8	340.6

Deadweight Sheep Trade

THE deadweight sheep trade has remained unchanged with quotes of 330p/kg up to 22kg with a similar trade expected next week. The major NI processors have reported steady supplies of lambs coming forward for slaughter to meet demand with throughput last week totalling 8,834 head. This was a reduction of 1,219 head from the 10,053 lambs killed in NI during the previous week. Exports of sheep from NI to ROI for direct slaughter last week totalled 8,316 head compared to 9,174 head the previous week. The average deadweight lamb price in NI last week remained steady at 328.4p/kg while the deadweight lamb price in ROI last week increased by an equivalent of 1.8p/kg to 340.6p/kg.

This week's marts

THE lamb trade remained steady this week with marts reporting similar numbers passing through many of the sale rings. In Omagh last Saturday a good entry of 1,088 lambs sold from 299-332p/kg compared to 903 lambs the previous week selling from 293-326p/kg. In Swatragh last Saturday 635 lambs sold from 264-329p/kg compared to 625 lambs the previous week selling from 266-306p/kg. In Kilrea on Monday an entry of 390 lambs sold from 294-316p/kg compared to 385 lambs selling from 293-326p/kg the previous week. In Massereene on Monday 812 lambs sold from 300-340p/kg compared to 718 lambs last Monday selling from 290-316p/kg. The ewe trade remained similar to previous weeks with a top reported price of £92 in Massereene on Monday.

LATEST SHEEP MARTS

From: 18/12/15		Lambs (P/KG LW)			
To: 24/12/15		No	From	To	Avg
Friday	Newtownstewart	220	288	320	-
Saturday	Omagh	1088	299	332	-
	Swatragh	635	264	329	300
Monday	Massereene	812	300	340	-
	Kilrea	390	294	316	-
Monday	Ballymena	566	280	337	303

*Please note that some of the marts are closed over the holiday period while others remain open for business. Producers are encouraged to liaise with individual marts for details of sales. All marts are expected to operate as normal in the week commencing 04 January 2016.

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