LMC BULLETIN

WEEKLY PUBLICATION OF THE LIVESTOCK AND MEAT COMMISSION FOR NORTHERN IRELAND

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MEETING CURRENT MARKET SPECIFICATIONS

PRODUCERS are constantly being encouraged to produce prime cattle within current market specifications as these cattle provide the greatest return for the entire beef supply chain.

During March 2016 34.3 per cent of price reported steers and heifers fulfilled all of the current market requirements for age, weight, FQ status, UK origin and number of farm residences. This was a 1.2 percentage point decline from March 2015 when 35.5 per cent of steers and heifers met these market specification requirements.

Age specification

The current market specifications for most customers require steers and heifers to be under 30 months of age and during March 2016 87 per cent of price reported steers and heifers met this requirement. This compares to 85 per cent of steers and heifers meeting this requirement during March 2015 and 83 per cent during March 2014.

Some market outlets will accept steers and heifers up to 36 months of age however these markets are limited so it is important that producers consult with the procurement staff of individual factories before taking cattle beyond the 30 month age limit. During March 2016 12 per cent of the price reported steers and heifers killed in NI were in the 30-36 month age bracket, a slight decrease from March 2015 when 13 per cent of steers and heifers were within this age range.

Quoted penalties for steers and heifers over 30 months of age range from 10-20p/kg across the major processing plants. During March 2016 the differential in prices paid between R3 grade steers and heifers that met all market specification requirements and those that were aged over 30 months but otherwise in spec was 5.4p/kg.

Weight requirements

Figure 1 provides a breakdown of price reported steer and heifer carcase weights during March 2015 and March 2016. Current market requirements for carcase weight are 280-380kg and during March 2016 69 per cent of price reported steers and heifers fulfilled this requirement. This was down marginally from March 2015 when 69.9 per cent of price reported steers and heifers were killed within this weight range.

Steers and heifers killed in NI during March 2016 with carcase weights less than 280kg accounted for 8 per cent of the price reported kill compared to 10.6 per cent during March 2015. While processors can find a market for these lighter carcases the number of outlets is much more limited. It is therefore important that producers consult with the procurement staff of the individual processors before killing cattle within these lower weight ranges.

Meanwhile there has been an increase in the proportion of the NI steer and heifer kill with carcase weights over 380kg. This is unsurprising given that average carcase weights have recorded notable increases year on year. During March 2016 17.4 per cent of price reported steers and heifers had carcase weights of 380-420kg, an increase from 15.3 per cent during March 2015.

The proportion of price reported steers and heifers with carcases over 420kg also increased year on year. In March 2015 4.2 per cent of steer and heifer carcases were within this weight range and this increased to 5.6 per cent in March 2016. As with the lighter carcases these heavier carcases have much more limited market outlets and can attract penalties at point of slaughter as the prime cuts of beef from these carcases are not suitable for standard retail pack sizes.

During March 2016 R3 grade steers and heifers that had carcase weights of 380-420kg but were otherwise in spec were paid 1.1p/kg less than R3 steers and heifers that fulfilled all in spec requirements. Meanwhile R3 grade steers and heifers that were over 420kg but otherwise in spec were paid 12.9p/kg lower than R3 steers and heifers that fulfilled carcase weight requirements.

FQ Status

FQ status is now a requirement of trade with the majority of major retail customers and as a result there are significant penalties of up to £150 for non FQ stock presented for slaughter in the major NI processing plants. During March 2016 99.8 per cent of price reported steers and heifers had FQ status at point of slaughter.

Number of farm residences

Another requirement of many market specifications is that cattle should have resided on no more than four farms over the course of their lifetime with significant penalties being applied at point of slaughter for animals that fail to meet these requirements. However during March 2016 just 2.7 per cent of price reported steers and heifers did not fulfil this requirement.

Length of time on last farm

The majority of retail specifications also require steers and heifers to have been on the farm they are presented for slaughter from for a period of time prior to slaughter. This time period varies from 21-90 days across the processors. During March 2016 91 per cent of cattle killed in NI were on the last farm for more than 30 days before being presented for slaughter with a further 2 per cent on the last farm between 21-90 days.

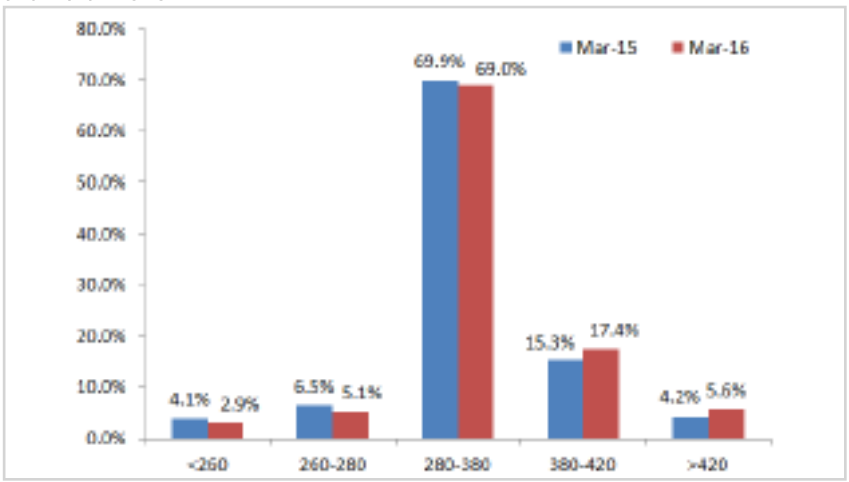
UK Origin

The majority of the major retail specifications also require steers and heifers to be UK born and reared which allows them to carry the Red Tractor Logo on supermarket shelves. Only a very small minority of price reported cattle failed to meet this requirement in NI during March 2016.

Meeting Specification

Meeting current market specifications can help improve returns to the farm business and NI beef producers are encouraged to liaise directly with the procurement staff of the individual plants before finishing cattle. This will help ensure that the cattle being presented for slaughter will meet all current market specifications as outlined above and help to maximise returns for the entire supply chain. It is however equally important that the processors give the correct market signals to encourage the production of cattle that meet the needs of the market.

Figure 1: Price reported steer and heifer carcase weights by category March 2015 and March 2016



LMC HOLIDAY ANNOUNCEMENT

PLEASE NOTE THAT LMC OFFICES WILL BE CLOSED ON MONDAY 02 MAY 2016 FOR THE MAY DAY BANK HOLIDAY

THE OFFICES WILL REOPEN AS NORMAL ON TUESDAY 03 MAY 2016

LMC QUARTERLY
SIGN UP NOW TO RECEIVE IT FREE BY POST
CONTACT:
TEL: 028 9263 3000
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FQAS MART CLINICS MAY 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 above. For further information call (028) 9263 3024.

FARM QUALITY ASSURED NORTHERN IRELAND

LOCATION	DAY	DATE
Markethill	Tuesday	03/05/2016
Omagh	Monday	09/05/2016
Saintfield	Wednesday	18/05/2016
Enniskillen	Thursday	19/05/2016
Kilrea	Wednesday	25/05/2016
Ballymena	Friday	27/05/2016

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

CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 25/04/16	Next Week 02/05/16
Prime		
U-3	302 - 306p	302 - 308p
R-3	296 - 300p	296 - 302p
O+3	290 - 294p	290 - 296p
P+3	220 - 260p	220 - 262p
	Including bonus where applicable	
Cows		
O+3 & better	220 - 240p	220 - 240p
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 23/04/16	Steers	Heifers	Young Bulls
U3	310.3	312.9	303.7
R3	305.9	306.3	300.7
O+3	296.2	297.5	298.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 23/04/16	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	135.5	140.9	149.6	172.5
P2	145.4	166.6	187.3	201.9
P3	153.1	186.5	204.2	211.4
O3	170.0	206.1	222.1	230.5
O4	-	227.0	231.6	234.0
R3	-	-	-	252.6

Deadweight Cattle Trade

BASE quotes towards the end of this week for in spec U-3 grade prime cattle ranged from 302-308p/kg with the majority of plants quoting in the region of 304-306p/kg. Quotes for good quality O+3 grade cows remained fairly steady and ranged from 220-240p/kg this week. Similar quotes are expected for all types of cattle early next week.

There has been a tightening in the supplies of prime cattle available for slaughter in NI plants although reports have indicated that current supplies are meeting demands for beef. Prime cattle throughput totalled 6,232 head in NI last week, a reduction of 497 head from the previous week when 6,729 prime cattle were killed. Cow throughput in NI has remained strong with 1,720 cows killed in NI last week. This takes cow throughput for the year to date to 28,328 head, a 12 per cent increase from the corresponding period in 2015 when 25,200 cows were killed in NI plants.

Imports of prime cattle from ROI for direct slaughter totalled 97 head last week which accounted for two per cent of the total NI prime cattle kill. By comparison in the same week in 2015 525 prime cattle were imported from ROI for direct slaughter in NI plants and they accounted for nine per cent of the total prime cattle kill. A total of 24 cows were also imported from ROI for slaughter in NI plants last week. Meanwhile the differential in deadweight cow prices between NI and ROI has encouraged an increase in the number of cows being exported from NI for direct slaughter in ROI plants. A total of 421 cows were exported last week taking total exports for the last four weeks to 1,406 head. In the corresponding four week period in 2015 a total of 773 cows were exported to ROI for direct slaughter. Exports of prime cattle from NI to ROI for direct slaughter last week totalled 101 head with a further 140 prime cattle exported from NI to GB for direct slaughter.

The average steer price in NI last week was back by half a penny to 298.1p/kg while the R3 steer price increased by the same margin to 307.7p/kg. The average heifer price in NI last week increased by 1.2 p/kg to 301.4p/kg while the R3 heifer price was back marginally to 306.6p/kg. The deadweight cattle trade has continued to come under pressure in GB with the average R3 steer price back by 2.9p/kg to 318.3p/kg. This has narrowed the differential between NI and the GB average to 10.6p/kg. The average R3 heifer price in GB was back by a similar margin last week to 319.9p/kg putting it 13.3p/kg above the equivalent NI price. The cow trade has remained steady in GB with O3 cow prices last week similar to the previous week in all of the regions with the exception of the Midlands where it increased by 3.2p/kg to 224.8p/kg. The O3 cow price in NI last week increased by 3p/kg to 228.8p/kg.

Deadweight prices for prime cattle in ROI generally firmed in euro terms last week but a slight weakening in the value of euro against sterling meant prices were back marginally in sterling terms. The R3 steer price in ROI last week was the equivalent of 307.5p/kg while the R3 heifer price was the equivalent of 319.7p/kg.

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

W/E 23/04/2016		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	311.0	314.8	328.6	322.2	323.2	320.3	323.9
	R3	307.7	307.5	327.1	316.9	316.3	311.8	318.3
	R4	306.8	308.8	328.4	327.9	315.9	310.3	322.5
	O3	293.8	292.5	303.9	289.1	287.5	290.1	292.8
	AVG	298.1	-	324.0	314.2	304.8	300.2	311.9
Heifers	U3	313.3	331.7	341.1	330.9	326.9	323.5	331.4
	R3	306.6	319.7	329.6	314.3	319.1	312.6	319.9
	R4	305.7	319.0	328.9	321.7	319.4	309.3	321.1
	O3	296.3	304.5	300.2	290.8	289.5	288.8	292.6
	AVG	301.4	-	327.1	313.4	307.5	297.3	312.8
Young Bulls	U3	303.7	307.9	321.6	313.7	315.8	320.9	317.7
	R3	300.7	299.4	316.5	306.2	307.3	305.9	308.3
	O3	288.1	282.7	276.8	256.1	279.7	276.1	272.8
	AVG	286.9	-	303.2	283.0	292.8	295.5	292.9
Prime Cattle Price Reported		5386	-	6865	7167	6891	4377	25300
Cows	O3	228.8	248.4	230.8	221.6	224.8	211.1	221.8
	O4	233.9	249.2	240.9	222.3	225.9	210.8	223.4
	P2	186.7	222.2	185.7	184.6	176.7	162.6	175.7
	P3	208.2	241.8	202.8	202.7	187.9	191.6	193.4
	AVG	208.3	-	227.0	201.6	193.1	182.1	196.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=78.98p 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 23/04/16	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	180	194	186	160	179	170
Friesians	125	130	128	110	124	118
Heifers	176	190	181	155	175	165
Beef Cows	140	179	150	110	139	124
Dairy Cows	100	114	105	65	99	82
Store Cattle (p/kg)						
Bullocks up to 400kg	220	251	230	180	218	200
Bullocks 400kg - 500kg	190	213	200	170	189	180
Bullocks over 500kg	175	194	183	150	174	165
Heifers up to 450kg	200	236	218	170	199	185
Heifers over 450kg	175	198	186	150	174	162
Dropped Calves (£/head)						
Continental Bulls	270	335	305	150	268	210
Continental Heifers	210	325	270	100	208	155
Friesian Bulls	80	210	145	50	78	65
Holstein Bulls	60	120	80	10	58	40

SHEEP TRADE

SHEEP QUOTES

(P/Kg DW)	This Week 25/04/16	Next Week 02/05/16
Hoggets	390 - 400 > 22kg	350-380 > 22kg
Spring Lambs	430 - 435 > 21kg	400-420 > 21kg

REPORTED SHEEP PRICES

(P/KG)	W/E 09/04/16	W/E 16/04/16	W/E 23/04/16
NI Hoggets L/W	378.9	368.5	342.7
NI Hoggets D/W	420.4	425.5	410.2
GB Hoggets D/W	427.1	414.2	409.8
ROI D/W	431.0	428.1	414.1
NI Lambs L/W	429.3	415.2	397.6
NI Lambs D/W	448.3	450.6	432.9
GB Lambs D/W	506.2	507.1	500.5

Deadweight Sheep Trade

THE deadweight sheep trade has come under pressure this week with quotes for hoggets ending the week at 350-380p/kg to 22kg while spring lamb prices were back to 400-420p/kg to 21kg. Reports have indicated an increase in the number of spring lambs on offer with the number of hoggets starting to decline in line with normal seasonal trends. Throughput in the NI plants increased slightly last week to 4,190 head while exports of sheep to ROI for direct slaughter declined to 4,209 head. The reported deadweight lamb price in NI last week was back by 17.7p/kg to 432.9p/kg while the reported hogget price was back by 15.3p/kg to 410.2p/kg.

This week's marts

THE number hoggets passing through the sale rings has continued to decline in line with normal seasonal trends while the number of spring lambs on offer has remained subdued across many of the marts. In Omagh last Saturday 280 hoggets sold from 345-383p/kg while a small entry of 36 spring lambs sold from 379-404p/kg. This compares to 438 hoggets selling from 324-403p/kg and 42 spring lambs selling from 398-427p/kg the previous week. In Massereene this week 306 hoggets sold from 340-380p/kg and 126 spring lambs sold from 400-422p/kg. This compares to 365 hoggets selling from 360-400p/kg and 102 spring lambs selling from 400-459p/kg last week. Top reported prices for cull ewes generally ranged from £90-105 with a top reported price of £119 in Ballymena on Wednesday.

LATEST SHEEP MARTS

From: 22/04/16		Hoggets (P/KG LW)				Spring Lambs (P/KG LW)			
To: 28/04/16		No	From	To	Avg	No	From	To	Avg
Saturday	Omagh	280	345	383	-	36	379	404	-
	Swatragh	475	360	382	-	50	410	445	-
Monday	Kilrea	-	-	-	-	230	400	444	-
	Massereene	306	340	380	-	126	400	422	-
Tuesday	Rathfriland	200	308	360	344	191	381	414	400
Wednesday	Ballymena	301	250	340	300	267	370	526	388
	Markethill	250	330	363	-	200	360	399	

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