

MEETING MARKET SPECIFICATION FOR LAMB

REPORTS from some of the major NI lamb processors have indicated that there has been an increase in the number of under finished lambs being presented for slaughter in recent weeks. The plants have a preference for lambs with a fat class 3 as these meet the widest range of customer specifications however some customers will also accept lambs that achieved a fat class 2. It is important that producers aim to present lambs for slaughter that meet current market requirements to help maximise returns to the farm enterprise.

During the six week period ending 17 September 2016 60 per cent of price reported lambs achieved a fat class 3 at point of slaughter, a notable decline from 73 per cent of lambs during the corresponding period in 2015. Meanwhile the proportion of lambs achieving a fat class 2 has increased to account for 32 per cent of the price reported kill during the six weeks ending 17 September 2016. This is a 10 percentage point increase from the corresponding period in 2015. This notable decline in the level of fat cover on lambs at point of slaughter in recent

weeks may be due to the changeable weather conditions affecting lamb performance at grass. Producers are encouraged to select lambs carefully for slaughter as under finished carcasses can attract penalties and reduce the sale value and profit margin.

Fat class is only one aspect of current market specifications for lamb with conformation, carcass weight and FQ status also important factors to

consider when presenting lambs for slaughter. At present the major processors are paying up to 21kg with no payment for any extra kg's above this weight limit. The average carcass weight of lambs killed in local plants in recent weeks has been 20.7kg, a decline from the corresponding period in 2015 when the average carcass weight was 21.3kg.

The largest majority of lambs killed in

local plants have achieved the desired R and U grade conformation scores, although there has been a shift between the two grades year on year as indicated in Figure 2. In the six weeks ending 17 September 2016 41 per cent of lamb carcasses achieved a U grade, up three percentage points from 38 per cent in the corresponding period in 2015. Meanwhile the proportion of R grade carcasses declined by three percentage points year on year to

account for 57 per cent of carcasses in the 2016 period.

FQ status is also an important factor to consider when presenting lambs for slaughter. Sourcing FQAS approved lambs is important for NI lamb processors as it allows them to service the high value retail and food service markets in the UK. For many of these customers FQ status is a key requirement of their specifications.

Figure 1: Fat scores of NI lamb kill during six weeks ending 17 Sept 2016

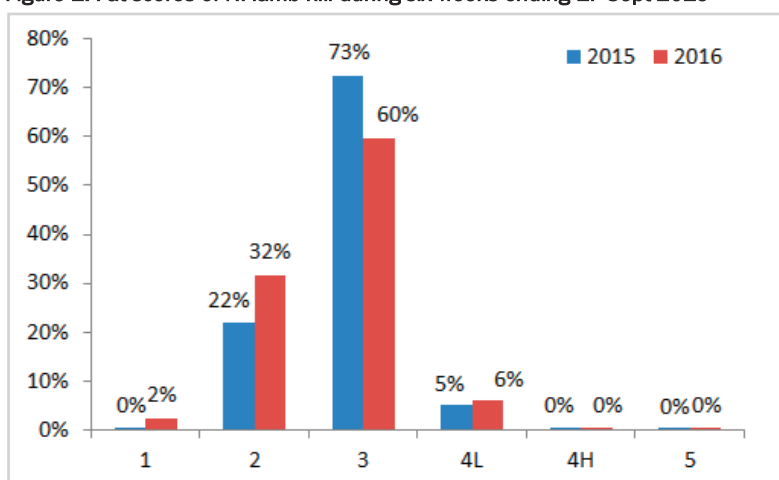
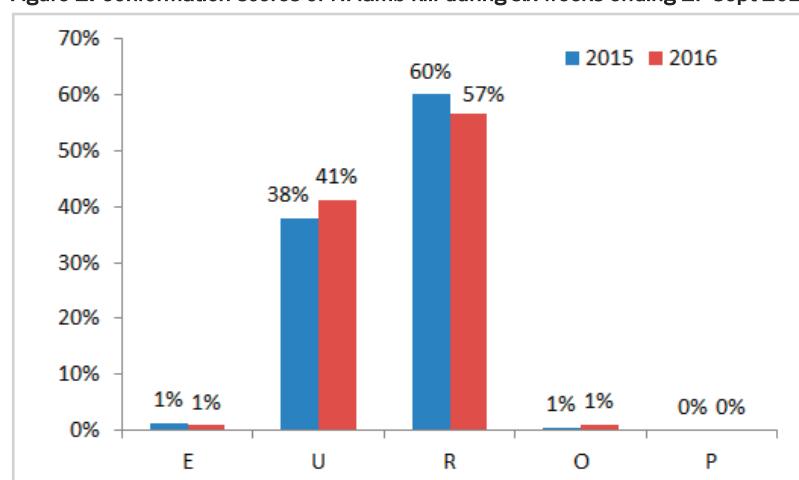


Figure 2: Conformation scores of NI lamb kill during six weeks ending 17 Sept 2016



UK BEEF IMPORTS DECLINE WHILE EXPORTS INCREASE

THE latest data released by HMRC has indicated that the UK imported 19,536 tonnes of beef during July 2016. This takes total imports for the first seven months of 2016 to 147,521 tonnes, a three per cent decline from the corresponding period in 2015 when 151,851 tonnes of beef were imported.

During the first seven months of 2016 the UK imported 134,699 tonnes of beef from the EU, accounting for 91 per cent of total UK beef imports during this

period. Ireland remains the UK's primary source of imported beef with 100,246 tonnes imported during the first seven months of 2016 although it should also be noted that a proportion of the beef imported from ROI would be beef carcasses transported to NI plants for further processing before being exported back to ROI.

Imports from Ireland accounted for 74 per cent of UK beef imports from the EU and 68 per cent of the UK's total beef imports during this period. However

imports of Irish origin beef during the first seven months of 2016 were back from the same period in 2015 when 103,763 tonnes were imported by the UK. This accounts for a three per cent decline year on year. The second largest source of imported beef into the UK is the Netherlands from which 10,810 tonnes were imported during the first seven months this year. This was six per cent lower than the same period in 2015 when 11,455 tonnes of beef were imported.

The third and fourth largest source of imported beef for the UK were Poland and Germany respectively with imports from both recording an increase in the first seven months of 2016. The UK imported 8,440 tonnes of beef from Poland during the first seven months of 2016, an increase of eight per cent from the previous year. Meanwhile imports from Germany totalled 6,921 tonnes during the 2016 period, a 21 per cent increase from the previous year. Increases in imports of beef were also recorded from Italy and Denmark during the 2016 period although the volumes involved remain very small.

The overall volume of beef imported into the UK from non-EU sources also recorded a decline during first seven months of 2016 with a total of 12,821 tonnes imported. This was a 12 per cent reduction from the 14,560 tonnes

imported during the same period in 2015. Beef imports from non-EU sources accounted for just nine per cent of total beef imports into the UK during the first seven months of 2016 with declines recorded in the volumes imported from Australia, Uruguay, Namibia, New Zealand and Botswana. Meanwhile beef imports from Brazil and Argentina recorded volume increases year on year.

Exports

Exports of beef from the UK increased by 11 per cent during the first seven months of 2016 when compared to the same period in 2015. A total of 62,603 tonnes of beef were exported from the UK during January-July 2016, an increase of 6,393 tonnes from the 56,210 tonnes exported during the same period in 2015.

The primary destination for UK beef exports continues to be the EU with a total of 56,301 tonnes exported to EU countries during the first seven months of 2016. This accounts for 90 per cent of all UK beef exports during this period. The strengthening in the value of euro against sterling in recent months has also made UK origin beef much more competitive on the EU markets and this will have been a key driver behind the increase in exports.

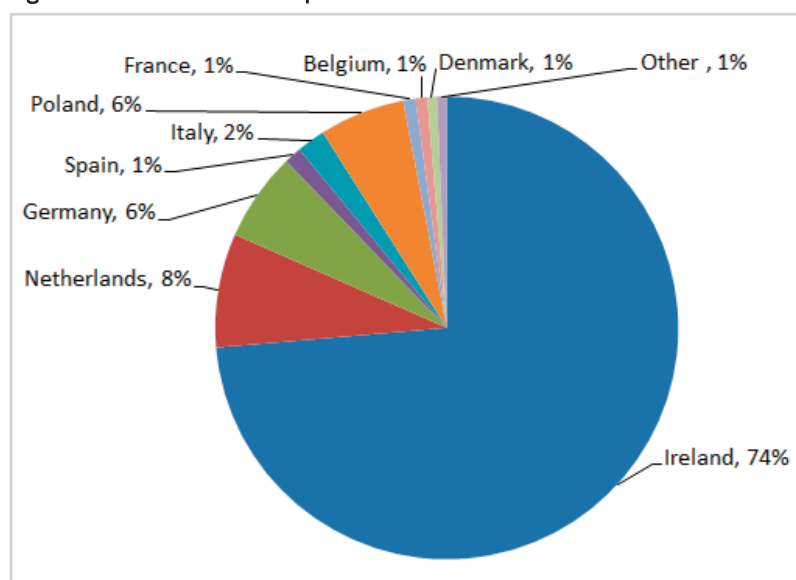
The biggest market within the EU for UK

beef continues to be Ireland with exports during the first seven months of 2016 totalling 21,838 tonnes which accounted for 39 per cent of total exports to the EU. In the corresponding period in 2015 beef exports from the UK to Ireland totalled 21,314 tonnes which accounted for 41 per cent of total UK exports to the EU. The Netherlands is the second largest export market for UK beef exports with 14,657 tonnes exported during the first seven months of 2016, a 20 per cent increase from the 12,173 tonnes exported during the 2015 period.

There were also increases in the volume of beef exported from the UK to Germany, Denmark and Spain year on year although the volumes concerned remain small. Meanwhile declines were recorded in the volume of beef exported to France, Belgium and Italy when comparing January-July 2016 with the corresponding period in 2015.

The volume of beef exported from the UK to non-EU markets during the first seven months of 2016 recorded a notable increase of 55 per cent from the corresponding period in 2015. During the 2016 period a total of 6,302 tonnes of beef were exported to non-EU sources compared to 4,080 tonnes exported during the same period in 2015.

Figure 3: Source of UK beef imports from EU countries Jan-Jul 2016



WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 26/09/16	Next Week 03/10/16
Prime		
U-3	330 - 338p	330 - 336p
R-3	324 - 332p	324 - 330p
O+3	318 - 326p	318 - 324p
P+3	264 - 282p	264 - 280p
	Including bonus where applicable	
Cows		
O+3 & better	240 - 250p	240 - 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.

Deadweight Cattle Trade

BASE quotes from the major NI processors early this week for in spec U-3 grade prime cattle ranged from 330-338p/kg with the majority of plants quoting 334-338p/kg. Quotes have started to come under pressure with the majority of plants quoting in the region of 334p/kg for Monday. Quotes for good quality O+3 grade cows remained steady ranging from 240-250p/kg across the plants.

Reports from the local plants have indicated good supplies of prime cattle with throughput last week remaining steady at 6,108 head. This was similar to the 6,144 head of prime cattle slaughtered in NI plants in the corresponding week last year. Cow throughput in NI last week increased to 2,250 head which was the highest cow throughput during 2016 to date. In the corresponding week in 2015 cow throughput totalled 1,896 head which accounts for a 19 per cent increase year on year.

Imports of prime cattle from ROI for direct slaughter in NI plants totalled 46 head last week, a reduction from the 105 head imported the previous week and markedly lower than the 528 prime cattle imported during the corresponding week in 2015. Prime cattle imports for direct slaughter from ROI during the six weeks ending 24 September 2016 totalled 646 head, a 79 per cent reduction from the 3,057 prime cattle imported during the corresponding period in 2015. Exports of prime cattle for direct slaughter to GB last week totalled 105 head, a reduction from the 236 prime cattle exported to GB during the corresponding week in 2015.

Deadweight prices have generally come under some pressure in NI with reported prices back for the majority of grades. The average steer price in NI last week was up by 0.6p/kg to 333.6p/kg while the R3 steer price increased by 1.4p/kg to 343.6p/kg. The average heifer price in NI last week was back by almost a penny to 335.6p/kg while the R3 heifer price decreased by 2.6p/kg to 340.8p/kg. The average cow price in NI last week was back by 2.9p/kg to 228.3p/kg while the O3 cow price recorded a marginal decrease of 0.3p/kg to 252.6p/kg.

In GB last week the average steer price increased by 2p/kg to 357p/kg while the R3 steer price increased by a similar margin of 2.3p/kg to 366.6p/kg. This puts the differential in R3 steer prices between NI and the GB average last week at 23p/kg which is the equivalent of £81 on a 350kg carcass and the widest differential since January this year. The average heifer price in GB last week was back by 1.2p/kg to 357.8p/kg while the R3 heifer price was up by 1.4p/kg to 367p/kg. The differential in R3 heifer prices last week between NI and the GB average was 26.2p/kg which is the equivalent of £92 on a 350kg carcass.

In ROI last week deadweight prices for prime cattle were back in euro terms but held fairly steady in sterling terms with a strengthening in the value of euro against sterling. The R3 steer price in ROI last week was the equivalent of 316.3p/kg, up marginally by 0.4p/kg from the previous week while the R3 heifer price was up by 1.6p/kg to 326.5p/kg. The O3 cow price in ROI last week was almost unchanged at 250p/kg.

Deadweight Sheep Trade

QUOTES from the major NI processors for R3 grade lambs started this week at 380-385p/kg and firmed during the week to 380-390p/kg. Quotes for early next week however are back in the region of 375p/kg. Reports have indicated a notable reduction in the number of lambs coming forward for slaughter with throughput last week totalling 9,544 head. This was 3,772 head less than the previous week when 13,316 lambs were presented for slaughter in NI plants. Exports of sheep to ROI for direct slaughter last week totalled 9,719 head, an increase from the 6,790 head exported to ROI the previous week. The average deadweight lamb price in NI last week was back by 1.6p/kg to 376.7p/kg while the average deadweight lamb price in ROI last week increased by 3.8p/kg to the equivalent of 389.2p/kg.

This week's marts

REPORTS from the marts this week indicated an increase in the number of lambs passing through many of the sale rings with the liveweight trade back slightly compared to the previous week. In Swatragh last Saturday 1,595 lambs sold from 333-377p/kg compared to 1,365 lambs the previous week selling from 329-392p/kg. In Kilrea on Monday 560 lambs sold from 338-356p/kg compared to 500 lambs the previous week selling from 338-363p/kg. In Ballymena this week 2,463 lambs sold from 300-360p/kg to an average of 326p/kg compared to 2,224 lambs the previous week selling from 325-371p/kg to an average of 337p/kg. Prices for cull ewes generally ranged from £80-100 with a top reported price of £114 in Saintfield on Tuesday.

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

W/E 24/09/2016	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	344.6	326.1	384.1	362.3	365.8	370.5
	R3	343.6	316.3	384.1	365.4	356.8	366.6
	R4	341.9	315.6	384.4	383.6	354.0	375.6
	AVG	333.6	-	378.5	360.5	342.5	357.0
Heifers	U3	346.1	337.2	390.4	368.2	371.5	375.6
	R3	340.8	326.5	386.6	359.2	360.4	367.0
	R4	341.6	325.6	383.8	364.4	357.1	366.8
	AVG	335.1	311.4	359.3	337.9	329.9	340.7
Young Bulls	U3	337.7	322.4	376.1	348.9	352.9	357.4
	R3	331.8	315.1	370.4	338.6	342.2	347.8
	O3	314.1	299.2	324.3	300.8	312.2	312.2
	AVG	317.3	-	350.7	322.0	328.1	330.4
Prime Cattle Price Reported	5619	-	6530	7357	6629	4274	24790
Cows	O3	252.6	250.0	261.3	243.4	246.5	246.8
	O4	256.2	251.8	260.4	244.9	244.5	245.4
	P2	211.0	227.0	221.8	203.7	198.4	205.7
	AVG	228.3	-	247.4	212.3	206.6	212.9

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=85.95p 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 LIVELWEIGHT CATTLE MART PRICES NI

W/E 24/09/16	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	218	211	160	199	180
Friesians	-	-	-	-	-	-
Heifers	200	217	209	160	199	180
Beef Cows	136	196	147	110	135	120
Dairy Cows	102	121	107	60	101	80
Store Cattle (p/kg)						
Bullocks up to 400kg	200	230	215	160	199	180
Bullocks 400kg - 500kg	200	224	212	160	199	180
Bullocks over 500kg	190	219	200	165	189	177
Heifers up to 450kg	200	230	215	155	199	177
Heifers over 450kg	190	215	200	150	189	170
Dropped Calves (£/head)						
Continental Bulls	280	410	320	125	278	195
Continental Heifers	180	280	230	80	178	130
Friesian Bulls	120	200	145	50	118	75
Holstein Bulls	100	190	115	5	98	50

LATEST SHEEP MARTS

From: 23/09/16		Lambs (P/KG LW)			
To: 29/09/16		No	From	To	Avg
Friday	Newtownstewart	710	323	350	-
Saturday	Swatragh	1595	333	377	360
	Omagh	1280	355	402	-
Monday	Massereene	971	340	371	-
	Kilrea	560	338	356	-
Tuesday	Saintfield	815	330	378	-
	Rathfriland	1045	320	378	338
	Omagh	403	328	344	337
Wednesday	Ballymena	2463	300	360	326
	Enniskillen	422	330	362	-
	Markethill	1630	320	371	340
	Armoyle	412	327	358	338

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GREATER SCRUTINY OF ANTI-MICROBIAL USAGE WITHIN AGRICULTURE

THE UK government is seeking to more accurately quantify the actual use of antimicrobials within the livestock farming sectors, according to LMC's Industry Development Manager Colin Smith. "This ties in with the commitment that now exists at a global level to develop a One Health Strategy," he said.

"In essence, this recognises the fact that doctors, veterinarian, dentists and other associated professionals have an interconnected role when it comes to delivering sustainable animal and human health care policies for the future."

The term antimicrobial includes: antibiotic, antiprotozoal, antiviral and antifungal medicines. Antimicrobial Resistance arises when the micro-

organisms that cause infection survive exposure to a medicine that would normally kill them or stop their growth. Colin now represents Northern Ireland on a Cattle Anti-Microbial Usage Data Collection Steering Group.

"The group draws its membership from all relevant stakeholder groups throughout the UK," he said. "One of its key objectives will be to assess the actual on-farm usage of anti-microbials in the dairy and beef sectors. "Initially, this may well involve a discussion with private veterinary practitioners, in order to get a clearer idea of actual antibiotic and other anti-microbial sales to primary producers.

"But farmers must be made aware of the fact that the issue of anti-microbial resistance, from both a

human and animal perspective, will not go away. "And production agriculture has a key role to play in this context. The livestock farming sectors will be expected to demonstrate the responsible use of all anti-microbials into the future."

Last month, the leaders of the G20 group of countries reached an agreement on the next steps in the global battle with so-called 'superbugs'. They acknowledged the gravity of the threat posed by antimicrobial resistance (AMR) to global health and economic prosperity, and the urgent need to progress international discussions to mitigate rising drug resistance, and to stimulate the development of new antimicrobial drugs.

The group tasked the Organisation for Economic

Cooperation and Development (OECD) to work together with three key international organisations - the World Health Organization (WHO), the Food and Agriculture Organisation (FAO), and World Organisation for Animal Health (OIE) - and to report back in 2017 with concrete recommendations on what further action the G20 should take.

These solutions will address the economic issues at the heart of the problem of antimicrobial resistance, and in particular the market failure that leads to underinvestment in research and development into new antibiotics and diagnostics by private companies.

CALL FOR ALL SUCKER AND DAIRY PRODUCERS TO BECOME FARM QUALITY ASSURED

ALL dairy and suckler producers should actively consider becoming Farm Quality Assured, according to South Tyrone beef finisher Alistair Wilson. "I buy a lot of dairy and suckler cull cows in the sale ring but I will heavily discount animals that are not quality assured" confirmed Alistair, who farms near Moy in County Tyrone.

"The problem is that the finishing period for cows can be as short as 60 days. And, as a consequence, those that are not quality assured will still have that status when they leave my farm. In my opinion, all dairy and suckler farms should become quality assured. The difference between selling a quality assured and a non-quality assured cow in the ring is more than significant."

"It strikes me that the extra money available for quality assured stock would quickly exceed the investment required by breeding herd owners to

secure Farm Quality Assured status in the first place." A spokesman for the Livestock & Meat Commission confirmed that all suckler and dairy herd owners can apply for the farm quality assurance scheme (FQAS). He added: "Mart reports confirm that culled cows with quality assured status can secure significantly higher prices in the sale ring. "In the vast majority of cases, the level of investment to become farm

quality assured is not significant"

LMC's Farm Liaison Officer Terry White runs FQAS mart clinics at a range of livestock markets across Northern Ireland. He is present to assist members of the scheme with non-conformances, general scheme queries and any issues prior to or following an inspection. Farmers who wish to join the scheme can also do so through their local FQAS mart clinic. For further information call (028) 9263 3024.



BEEF PRODUCERS MUST NOT BE LEFT OUT IN THE COLD.....RICHARD HALLERON

BEEF producers must receive their fair share of the exceptional aid package agreed by Brussels a number of weeks back. Calls for these monies to be ring fenced for dairy only do not stack up, given that all sectors of local agriculture have been under severe economic pressure for the past year and more.

But it's a two-step process. In the first instance Farm Minister Michelle McIlveen must commit to ensuring that the livestock sector gets its fair share of the support monies that are available. And, in the same breath, she should also signal her intention to secure agreement from the Treasury for a national top-up, which is allowed under the exceptional aid scheme. Most other EU member states have already signalled their intentions to acquiesce on this matter. So why should London be the odd one out?

It looks like being a long winter ahead for beef

farmers in Northern Ireland. Many have had no option but to house stock in the wake of the poor weather conditions that have hit a number of areas over recent weeks. What's more, the early indications are that silage quality is not good in many parts of the country this year. Throw in the fact that concentrate feed costs are now rising and it all adds up to an expensive few months ahead for livestock producers.

Livestock production is the very backbone of agriculture in Northern Ireland. So it makes sense that cattle farmers receive their fair share of the aid that has been agreed by Brussels as a measure to support livestock farming across the board. Besides, without a viable livestock industry milk producers would not have a commercial outlet for their crossbred and dairy bull calves. And, as the old saying goes - united we stand: divided we fall.

LMC RELOCATED TO NEW PREMISES

SEPTEMBER 1st saw the Livestock and Meat Commission take up residence in the Lisburn area, once again, with the organisation securing long term rental accommodation in the offices of the former McGrath Group of companies. "We are delighted to be back working from premises that are almost adjacent to the site of Lissue House, our former headquarters' building," confirmed LMC chief executive Ian Stevenson. "We have also been joined by staff from the Northern Ireland Food Chain Certification team. Given the close working links that exist between the two organisations, it is important that we share the same premises."

Lissue House was badly damaged in a fire at the beginning of June. The incident forced both the Commission and the Northern Ireland Food Chain Certification teams to find new accommodation with CAFRE stepping into the breach by providing office space at its Greenmount College site. "We are very grateful for the support provided by CAFRE and other industry stakeholder groups," explained Ian Stevenson. "Without their help, it would have been a very difficult few months for us.

"The redevelopment of the Lissue House is an ongoing issue for the Commission. But it is one that may take some time to fully resolve. "In the meantime, I can confirm that all of the existing contact numbers for the Commission and Northern Ireland Food Chain Certification remain the same." In addition, all mail still being posted to Lissue House has, and will be, re-directed to our new address. So it's very much a case of business as usual."

"These are fast changing times for the redmeat sectors. However, the Commission will play a full part in representing the interests of cattle and sheep farmers in the most proactive way possible.

The full contact details for the Livestock and Meat Commission are:
Address: Livestock & Meat Commission
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LMC ANSWERPHONE SERVICE

THE LMC MARKET INFORMATION ANSWERPHONE SERVICE FOR FACTORY QUOTES & SHEEP MART PRICES HAS NOW BEEN RESTORED. THE SERVICE IS UPDATED BY 5PM DAILY AND CAN BE ACCESSED USING THE SAME NUMBER AS PREVIOUSLY

TEL: 028 9263 3011