LMC BULLETIN

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NI BEEF PERFORMANCE INDICATORS OCTOBER 2016

THE average deadweight prime cattle price in NI during October 2016 was 331p/kg, 17.3p/kg higher than the corresponding month in 2015 when the average price paid was 313.7p/kg. Meanwhile the average R3 steer price in NI during October 2016 was 340.6p/kg which was 18.3p/kg higher than the 322.3p/kg paid in October 2015. This is the equivalent of £64 on a 350kg R3 grade steer carcase and accounts for a 5.7 per cent increase year on year.

A steady demand for beef from major retailers combined with lower than expected cattle supplies in GB helped to firm the NI beef market. A strengthening of euro against sterling has also helped by making NI beef much more cost competitive on EU markets while making product being imported by the UK from other EU countries less cost competitive. In October 2015 €1 was worth 73.29 pence sterling and in October 2016 this had increased to €1 being worth 89.39 pence sterling.

Deadweight prices in ROI improved notably year on year with the average R3 steer price the equivalent of 323.6p/kg during October 2016, 42.2p/kg higher than October 2015 levels when the average price was the equivalent of 281.4p/kg. This accounted for a 15 per cent increase in sterling terms year on year. Meanwhile in GB the average reported R3 steer price was 361.2p/kg in October 2016 compared to 353.7p/kg in October 2015. This accounted for a 2.1 per cent increase in R3 steer prices.

Prime cattle throughput in NI plants during October 2016 totalled 27,015 head, a 6.5 per cent increase from the 25,377 head killed locally during October 2015. Cow slaughterings in NI during October 2016 totalled 9,868 head compared to 8,083 head in October 2015. This accounts for a 22.1 per cent increase year on year.

The average carcase weight of prime cattle killed in NI plants during October 2016 was 337kg, 8kg lower than the 345kg recorded during October 2015. Meanwhile the average cow carcase weight was 289kg in October 2016, back 17kg from 306kg in October 2015.

The strengthening in euro has made finished cattle in ROI more expensive for NI processors and this combined with an increase in the availability of cattle in NI has resulted in a markedly lower level of imports for direct slaughter. A total of 307 cattle were imported into NI during October 2016, compared to 3,015 cattle imported during October 2015. This accounted for a notable 89.8 per cent decline in imports for direct slaughter year on year.

The number of beef sired cattle on NI farms aged 12-30 months totalled 380,386 head during October 2016, a 4.4 per cent increase from October 2015 levels. The number of dairy sired male cattle increased by 4.5 per cent year on year with 43,776 head on NI farms in October 2016. Meanwhile total cattle exports for direct slaughter decreased to 1,512 head in October 2016. This was a 44.2 per cent decline from 2,710 head exported in October 2015.

Beef sired calf registrations were back three per cent during October 2016 to 18,932 head, while the number of dairy sired male calf registrations was back by 7.3 per cent to 9,170 head.

Table 1: NI Beef Industry Key Performance Indicators (October Snapshot)

	Oct-15	Oct-16	% Change
Finished Cattle Prices (p/kg)			
Average Prime Cattle Price	313.7	331.0	5.5%
Average Cow Price	215.2	225.3	4.7%
Average R3 Steer Price **(NI)**	322.3	340.6	5.7%
Average R3 Steer Price **(ROI)**	281.4	323.6	15.0%
Average R3 Steer Price **(GB)**	353.7	361.2	2.1%
Slaughterings			
Total Clean Slaughterings (Head)	25,377	27,015	6.5%
Total Cow Slaughterings (Head)	8,083	9,868	22.1%
Average Clean Carcase Weight (kg)	345	337	-2.4%
Average Cow Carcase Weight (kg)	306	289	-5.5%
Trade (Head)			
Live Imports for Direct Slaughter	3,015	307	-89.8%
Live Exports for Direct Slaughter	2,710	1,512	-44.2%
Availability (Head)			
No. Cattle on the Ground*	406,161	424,162	4.4%
Beef Sired	364,266	380,386	4.4%
Dairy Sired (Male Only)	41,895	43,776	4.5%
Calf Births Registrations (Head)			
Calf Births	29,404	28,102	-4.4%
Beef Sired	19,514	18,932	-3.0%
Dairy Sired (Male Only)	9,890	9,170	-7.3%
Euro / Stg Exchange Rate (€ / £)	73.29	89.39	22.0%

* Aged between 12-30 mths (Beef + Dairy Male Only)

All NI Figures Unless Otherwise Stated

UK BEEF EXPENDITURE RECORDS DECLINE

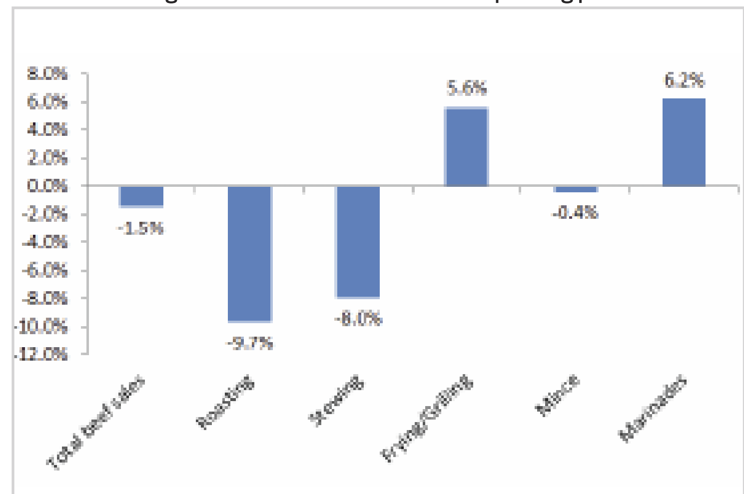
RETAIL expenditure on beef during the 12 weeks ending 9 October 2016 totalled £448.8 million in the UK according to the latest available data from Kantar Worldpanel. This is a 5.7 per cent decrease from the corresponding period in 2015 when retail expenditure on beef in the UK totalled £475.9 million. A decrease in the average retail price of beef from £7.91/kg in the 2015 period to £7.58/kg in the 2016 period will have been a key driver behind the decrease in the value of UK retail beef sales.

Meanwhile the volume of retail beef sales has remained relatively steady with volume sales totalling 59,240 tonnes during the 12 week period ending 9 October 2016, a 1.5 per cent decrease from the corresponding period in 2015 when volume sales totalled 60,142 tonnes.

Figure 1 outlines the performance of individual beef cuts in terms of volume sales during the 12 week period ending 9 October 2016 compared to the corresponding period in 2015. As indicated in the chart there has been significant variation in the performance of individual cuts year on year. Sales of beef marinades recorded the most notable increase, up by 6.2 per cent from year earlier levels while sales of frying/grilling steaks increased by 5.6 per cent during the 12 week period ending 9 October 2016. Volume sales of beef roasting joints were back by 9.7 per cent from year earlier levels with sales of stewing beef recording an 8 per cent decline. Meanwhile sales of mince decreased marginally during the 12 week period ending 9 October 2016.

Retail sales of processed beef have also recorded a mixed performance during the 12 weeks ending 9 October 2016 when compared to year earlier levels. Volume sales of burgers and grills recorded a 10 per cent increase while volume sales of chilled ready meals remained unchanged. Sales of frozen ready meals however decreased by 9.4 per cent from year earlier levels with frozen pies/puddings recording a notable 22 per cent increase. Meanwhile volume sales of fresh pre-packed pasties and hot pies decreased by 5.1 per cent and 2.8 per cent respectively.

Figure 1: Percentage change in volume of retail beef sales during the 12 weeks ending 09 October 2016 and the corresponding period in 2015



WEEKLY BEEF & LAMB MARKETS

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CATTLE TRADE

NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 07/11/16	Next Week 14/11/16
Prime		
U-3	338 - 342p	338 - 344p
R-3	332 - 336p	332 - 338p
O+3	326 - 330p	326 - 332p
P+3	272 - 290p	272 - 292p
	Including bonus where applicable	
Cows		
O+3 & better	240 - 250p	245 - 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 05/11/16	Steers	Heifers	Young Bulls
U3	345.4	348.1	339.5
R3	341.5	342.7	337.5
O+3	332.6	332.5	327.6

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 05/11/16	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	158.7	166.8	176.7	185.3
P2	169.6	197.1	212.6	227.4
P3	174.8	216.1	229.5	237.1
O3	-	228.4	242.4	253.8
O4	172.0	231.7	251.8	256.9
R3	-	-	-	270.5

Deadweight Cattle Trade

QUOTES from the major NI processors for in spec U-3 grade prime cattle ranged from 338-342p/kg this week with quotes for early next week strengthening to 338-344p/kg. Quotes for good quality O+3 grade cows ranged from 240-250p/kg with the majority of plants quoting 250p/kg for early next week.

Prime cattle throughput in NI plants last week totalled 6,501 head, a reduction of 260 head from the previous week and 300 head lower than the corresponding week in 2015. There have been slight changes in the breakdown of the prime cattle kill in NI year on year with young bulls accounting for 10 per cent of the throughput last week, up from 6 per cent in the corresponding week in 2015. Meanwhile the steer kill was back five percentage points to account for 54 per cent of the kill last week while the proportion of heifers increased by two percentage points to account for 37 per cent of the kill.

Cow throughput in NI last week remained similar to previous weeks with 2,691 head slaughtered however throughput was higher than the same week last year when 2,382 cows were killed. Total cow output from the NI herd has remained similar to the same week last year with the number of cows being exported from NI for direct slaughter recording a decline. A total of 143 cows were exported last week compared to 375 head during the corresponding week in 2015.

Exports of prime cattle from NI for direct slaughter last week totalled 132 head, a decrease from the 313 prime cattle exported during the same week last year. Meanwhile prime cattle imports for direct slaughter in NI plants last week totalled 65 head which accounted for one per cent of the total NI prime cattle kill. Imports of prime cattle in the corresponding week in 2015 were markedly higher with a total of 672 head imported, accounting for 10 per cent of the total NI prime cattle kill. The number of cows imported for direct slaughter in NI plants last week totalled 77 head compared to 161 head during the same week in 2015.

Deadweight prices for prime cattle strengthened in NI last week with the average steer price up by 2.4p/kg to 335p/kg while the R3 steer price increased by 5.4p/kg to 346.5p/kg. The average heifer price in NI last week was up by 2.2p/kg to 338p/kg while the R3 heifer price increased by two pence to 345.5p/kg. The average cow price in NI last week recorded an increase of 1.5p/kg to 227.5p/kg while the O3 cow price remained steady at 252.2p/kg. In GB last week the average steer price was almost unchanged at 351.1p/kg and the R3 steer price was also steady at 359.4p/kg. The average heifer price in GB was back by 1.9p/kg to 351.3p/kg while the R3 heifer price was up by 0.7p/kg to 359.4p/kg.

The deadweight cattle trade in ROI last week came under some pressure with the R3 steer price back by the equivalent of almost a penny to 318.6p/kg, while the R3 heifer price decreased by 0.7p/kg to 330.7p/kg. The O3 cow price in ROI last week recorded a decrease of 1.4p/kg to 253.8p/kg which puts it 1.6p/kg above the equivalent price in NI.

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

W/E 05/11/2016		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	347.7	327.3	376.9	359.0	359.5	364.8	364.8
	R3	346.5	318.6	374.3	354.7	353.0	354.9	359.4
	R4	348.0	317.7	376.3	378.2	356.4	357.0	371.7
	O3	335.9	303.4	346.5	330.0	322.4	322.2	330.6
	AVG	335.0	-	369.5	355.5	338.0	333.7	351.1
Heifers	U3	349.0	343.7	380.1	364.6	369.8	365.1	370.5
	R3	345.5	330.7	373.5	353.3	356.2	351.7	359.4
	R4	345.6	330.8	373.2	358.8	358.9	354.4	362.3
	O3	339.7	318.6	355.6	324.7	329.7	327.2	335.0
	AVG	338.0	-	370.9	349.1	345.0	333.8	351.3
Young Bulls	U3	339.3	324.6	370.5	339.9	341.7	350.9	347.4
	R3	338.0	317.2	362.9	332.1	332.2	342.4	339.5
	O3	320.8	304.0	317.6	299.1	305.0	313.4	307.8
	AVG	319.2	-	340.0	315.9	317.3	310.8	319.4
Prime Cattle Price Reported		5919	-	6726	7506	6553	4399	25184
Cows	O3	252.2	253.8	236.9	228.1	233.2	226.2	230.9
	O4	256.2	254.9	237.8	229.8	235.1	228.6	233.0
	P2	213.7	230.1	192.6	188.0	186.3	187.5	187.7
	P3	233.6	243.4	205.1	201.6	201.1	206.5	202.8
	AVG	227.5	-	223.8	198.1	198.1	194.1	200.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.55p 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 05/11/16	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	192	204	197	165	188	175
Friesians	123	127	125	104	122	113
Heifers	194	210	202	155	193	174
Beef Cows	137	186	145	105	136	118
Dairy Cows	103	136	115	60	99	75
Store Cattle (p/kg)						
Bullocks up to 400kg	220	257	230	170	219	195
Bullocks 400kg - 500kg	200	227	213	165	199	182
Bullocks over 500kg	200	223	210	165	199	182
Heifers up to 450kg	210	244	225	165	208	188
Heifers over 450kg	190	213	200	150	189	170
Dropped Calves (£/head)						
Continental Bulls	260	380	310	180	258	220
Continental Heifers	220	365	280	130	218	175
Friesian Bulls	100	180	125	35	98	68
Holstein Bulls	70	145	105	5	68	40

SHEEP TRADE

SHEEP QUOTES		
(P/Kg DW)	This Week 07/11/16	Next Week 14/11/16
Lambs	370-375 > 21kg	370-380 > 21kg

REPORTED SHEEP PRICES			
(P/KG)	W/E 22/10/16	W/E 29/10/16	W/E 05/11/16
NI Lambs L/W	334.6	331.5	332.4
NI Lambs D/W	371.8	369.0	367.3
GB Lambs D/W	381.8	376.5	384.3
ROI D/W	386.9	383.0	365.9

Deadweight Sheep Trade

THE deadweight sheep trade remained steady this week with quotes for R3 grade lambs ranging from 370-375p/kg however quotes for Monday have firmed in the region of 370-380p/kg with plants continuing to pay up to 21kg. Lamb throughput in NI last week totalled 9,932 head, similar to the previous week when 9,849 lambs were presented for slaughter in NI plants. In the corresponding week in 2015 a total of 11,611 lambs were killed locally. Meanwhile exports of sheep to ROI for direct slaughter last week totalled 8,328 head, an increase on the 7,554 sheep exported to ROI during the same week last year. The average deadweight lamb price in NI last week was back by 1.7p/kg to 367.3p/kg while the average deadweight lamb price in ROI last week was back by the equivalent of 17.1p/kg to 365.9p/kg.

This week's marts

THE live lamb trade remained fairly steady this week with most marts reporting similar numbers of lambs passing through the sale rings compared to the previous week. In Omagh last Saturday 853 lambs sold from 333-409p/kg compared to 1,007 lambs the previous week selling from 336-408p/kg. In Kilrea on Monday 400 lambs sold from 328-363p/kg compared to 410 lambs the previous week selling from 318-354p/kg. In Saintfield on Tuesday 781 lambs sold from 320-375p/kg compared to 663 lambs the previous week selling from 316-379p/kg. In Enniskillen on Wednesday 289 lambs sold from 320-356p/kg compared to 329 lambs the previous week selling from 348-369p/kg. The ewe trade firmed slightly this week with top reported prices generally ranging from £80-£90 across the marts.

LATEST SHEEP MARTS					
From: 04/11/16		Lambs (P/KG LW)			
To: 10/11/16		No	From	To	Avg
Friday	Newtownstewart	367	320	353	-
Saturday	Omagh	853	333	409	-
	Swatragh	1035	309	394	-
Monday	Kilrea	400	328	363	-
	Massereene	976	330	361	-
Tuesday	Saintfield	781	320	375	-
	Rathfriland	1053	324	393	338
Wednesday	Ballymena	2005	310	351	325
	Enniskillen	289	320	356	-
	Markethill	1480	320	347	-
	Armoy	412	320	350	-

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