

DECLINES IN LIVE CATTLE EXPORTS IN 2016

During 2016 a total of 32,897 cattle were exported out of NI for direct slaughter or for further breeding and production. This is a notable decline from the 38,448 head exported out of the region during 2015. Exports of cattle for direct slaughter totalled 17,528 head during the 2016 period with 34 per cent of these destined for slaughter in GB and the remaining 66 per cent exported to plants in ROI.

Exports to GB

Exports of cattle (excluding calves) from NI to GB for further breeding and production decreased during 2016 with a total of 10,288 head crossing the Irish Sea compared to 13,230 head during 2015. The level of export was also below 2014 levels when a total of 11,374 cattle were exported from NI to GB for further production.

During 2016 5,447 of the cattle exported from NI to GB were male store cattle which will predominantly have been for beef production on GB farms. This was a notable decrease from 2015 levels when 8,888 male cattle were exported from NI for further breeding and production in GB.

Figure 1 outlines the monthly exports of male cattle from NI to GB for breeding and production from 2014 to 2016.

During January to March 2016 exports of male store cattle from NI to GB for breeding and production were higher than during the corresponding months in previous years. In the first quarter of 2016 2,450 male store cattle were exported from NI to GB compared to 1,784 head during 2015 period and 1,769 head during the 2014 period.

However as the year progressed the level of export recorded a notable decline as indicated in Figure 1. During the period July-December 2016 the level of export was markedly below the levels recorded during the corresponding period in previous years. Good demand for store cattle locally and an increase in the number of beef cattle on the ground in GB will have been key factors behind the decline in the level of male store cattle exports year on year.

Exports from NI to GB for direct slaughter in GB plants during 2016 also decreased from year earlier levels. During 2016 a total of 6,033 cattle made the journey from NI to GB for direct slaughter compared to 7,379 cattle in 2015. This accounts for an 18 per cent decline year on year. The level of export during 2016 was also notably lower than 2014 levels when 9,307 cattle were exported to GB for direct slaughter.

This decrease in total cattle exports from NI to GB for direct slaughter during 2016 can be attributed to a general narrowing in the price differential between NI and GB, particularly for prime cattle. A narrower price differential between the regions makes it less financially attractive for local producers to transport cattle to mainland GB for slaughter.

In addition the reduction in the number of cattle being imported by local plants from ROI for direct slaughter during 2016 when compared to previous years will also have reduced cattle availability for export to GB for direct slaughter due to increased demand for NI origin cattle from local processors.

Exports to ROI

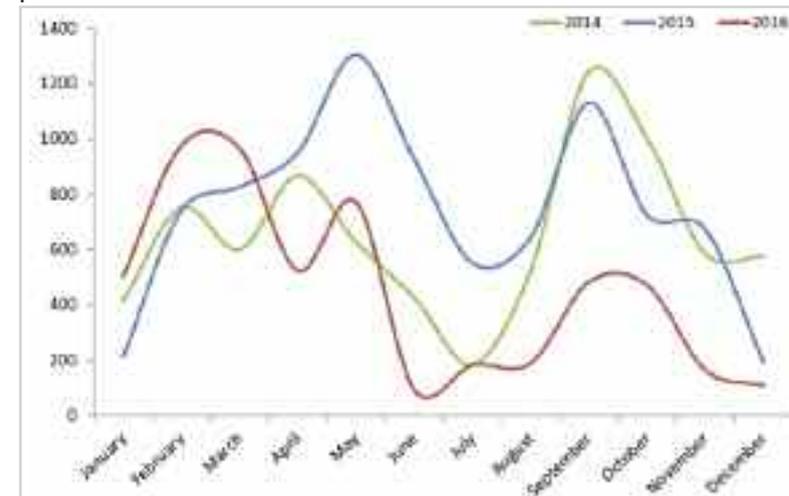
Exports of cattle (excluding calves) from NI to ROI for further breeding and production recorded a slight increase during 2016 when compared to 2015 levels but remain well behind the level of export to GB. A total of 2,197 cattle were exported from NI to ROI for further production during 2016, compared to 2,057 head during 2015 and 1,476 head during 2014. During 2016 570 of the cattle exported from NI to ROI for further breeding and production were male store cattle, similar to the 538 head exported from NI during 2015.

Total exports of cattle from NI to ROI for direct slaughter during 2016 totalled 11,495 head, a notable decline from 2015 levels when 14,249 cattle were exported. However total exports to ROI for direct slaughter during 2016 were at a higher level than those recorded in 2014 when 9,194 cattle were exported. Much of the decline in total exports from NI to ROI for direct slaughter between 2015 and 2016 can be attributed to a reduction in the number of cows being exported during the second half of the year in response to currency fluctuations.

Calf Exports

Exports of calves out of NI for further production totalled 20,707 head during 2016, a slight increase from the 19,914 calves exported during 2015. These calves are predominantly male dairy sired calves and almost all of the calves exported during 2016 were destined for Spain. A small number of the calves exported from NI during 2016 were destined for further production in GB, France and Italy. This was a similar trend to 2015.

Figure 1: Exports of male store cattle from NI to GB for further breeding and production from 2014 to 2016



NI LAMB TRADE ENDS THE YEAR STRONGLY

BASE quotes from the major processors this week for R3 grade hoggets were in the region of 375p/kg with plants paying up to 22kg. This is a notable increase from the corresponding week in 2016 when the quotes from the plants were in the region of 340p/kg up to 22kg.

The price reported R3 grade lamb price in the week ending 01 January 2017 was 373.1p/kg, up from 334.1p/kg paid during the corresponding week in 2015/2016. This increase by 39p/kg accounts for a £8.58 head increase in the value of a 22kg lamb year on year.

Much of this increase in deadweight lamb prices can be attributed to a weakening in the value of sterling against the euro. In the week ending 01 January 2017 the R3 lamb price was the equivalent of €4.37/kg while in the week ending 02 January 2016 the R3 lamb price was the equivalent of €4.53/kg. Therefore in euro terms NI lambs were actually worth 16c/kg less in the week ending 01 January 2017 than they were in the corresponding week last year.

The euro/sterling exchange rate affects the NI deadweight lamb trade in two ways. Firstly a weaker sterling makes NI origin lambs more attractive to processors in ROI and thereby increases demand for NI origin lambs for export to ROI plants for direct slaughter. This increase in competition for lambs usually results in an improvement in the deadweight trade due to shifts in the supply and demand balance.

In addition to this a weaker sterling also benefits the local sheep sector by making it easier for NI processors to secure markets for NI origin lambs on the valuable EU market. A weaker sterling makes NI lamb more cost competitive and therefore easier to market than lamb from other EU regions, in particular ROI origin lamb.

With ROI acting as such a valuable outlet for the NI sheep sector in the form of lambs for direct slaughter and the EU as a whole being such a valuable market for NI lamb products it is important that every effort is made to maintain these valuable market outlets following the decision of the UK to leave the EU.

BENEFITS OF FQAS MEMBERSHIP FOR NI SHEEP PRODUCERS

WITH supplies of hoggets expected to be fairly strong early in 2017 processors will be keen to source FQAS approved hoggets. It is therefore important that NI sheep producers consider the advantages of becoming FQAS approved.

There is currently no additional cost to become FQAS approved for sheep if you are already approved for beef with the annual renewal fee for FQAS membership the same whether a producer is approved for 'Beef', 'Sheep' or 'Beef & Sheep'. The annual fee at present is £66 including VAT. If a FQAS participant is only approved for beef and would like to gain approval for sheep it is a relatively simple process. An inspection can be organised in order to include sheep in the inspection scope or alternatively the surveillance inspection can be brought forward if appropriate to do so.

Sourcing FQAS approved lambs/hoggets is important for NI sheep 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 on sheepmeat is a key requirement of their specification. FQAS provides additional assurances on animal welfare, food safety, traceability and care for the environment, all of which retailers place in high regard.



Achieving FQAS approved status allows sheep producers to keep their options open when marketing lambs/hoggets. Producers slaughtering animals in local plants may receive a financial bonus when lambs/hoggets are FQAS approved at slaughter. In addition producers with FQAS lambs/hoggets will find it easier to secure sales than those presenting

non-FQAS lambs/hoggets, avoiding the need to hold finished animals for longer periods so thereby reducing costs.

Buyers in the local marts are also increasingly seeking to purchase finished lambs/hoggets that have FQ status and finishers buying lambs/hoggets for a short keep will favour those with FQAS approved status or a large proportion of the required 60-day residency completed.

A further benefit of FQAS membership is that scheme membership is recognised by the Food Standards Agency (FSA) and DAERA Service Delivery Group as having a lower risk and therefore there is a reduced likelihood of selection for a cross compliance inspection in this area when compared to non-FQAS members.

Should you wish to apply for FQAS, increase your scope to cover sheep, or require any FQAS documentation please call the FQAS Helpline on 028 9263 3024.



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

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Mart Results
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WEEKLY BEEF & LAMB



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 02/01/17	Next Week 09/01/17
Prime		
U-3	344 - 350p	346 - 350p
R-3	338 - 344p	340 - 344p
O+3	332 - 338p	334 - 338p
P+3	278 - 298p	280 - 298p
	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.

REPORTED NI CATTLE PRICES - P/KG

W/E 31/12/16	Steers	Heifers	Young Bulls
U3	361.6	360.6	354.2
R3	355.1	355.2	350.5
O+3	345.7	345.3	333.1

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

w/e 31/12/16	Wgt < 220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt > 280kg
P1	152.9	167.4	177.2	196.5
P2	176.9	198.1	216.4	226.4
P3	202.7	222.1	232.2	237.5
O3	-	240.0	251.4	254.5
O4	-	-	254.6	259.5
R3	-	-	275.0	273.4

Deadweight Cattle Trade

BASE quotes this week for in spec U-3 grade prime cattle ranged from 344-350p/kg with the majority of processors quoting in the region of 348p/kg. Similar quotes are expected for early next week. Quotes for good quality O+3 grade cows also remained steady this week at 240-250p/kg across the plants. Plants have reported steady supplies of all types of cattle to meet demands with slaughterings in recent weeks similar to the corresponding period last year.

Prime cattle slaughterings during 2016 up until the week ending 24 December 2016 totalled 313,653 head, a decrease of less than one per cent from the same period during 2015. Meanwhile cow slaughterings up until the week ending 24 December 2016 totalled 98,892 head which was a notable 14 per cent increase from the corresponding period during 2015. The average carcass weight of steers up until the week ending 24 December 2016 was 353.8kg, similar to the 353.5kg during the same period in 2015. The average carcass weight of heifers up until the week ending 24 December 2016 was 318kg compared to 319.8kg during the 2015 period while young bulls recorded a decrease in average carcass weight to 330kg during the 2016 period from 336.9kg in the 2015 period.

Prime cattle imports from ROI for direct slaughter in NI plants last week totalled 27 head compared to 79 head in the corresponding week in 2015/2016. Exports from NI to ROI for direct slaughter last week consisted of only eight cows compared to 17 prime cattle and 94 cows in the same week in 2015/2016. Due to the holiday period over the New Year there were no imports or exports between NI and GB for direct slaughter last week.

The average steer price in NI last week was up 2.4p/kg to 351.3p/kg while the R3 steer price increased by 2.2p/kg to 359.4p/kg. The average heifer price in NI last week was up by 3.5p/kg to 353.4p/kg while the R3 heifer price increased by 2.1p/kg to 357.9p/kg. The average cow price in NI last week recorded an increase of 5.6p/kg to 239.4p/kg while the O3 cow price was back by 1.2p/kg to 254p/kg.

The average steer price in GB last week was up by 1.4p/kg to 354.6p/kg while the R3 steer price similarly increased by 1.7p/kg to 363.5p/kg. The differential in R3 steer prices last week between NI and GB was 4.1p/kg which is the equivalent of £14 on a 350kg carcass. The differential between NI and GB has been gradually declining since the start of October when the differential was in the region of 23.8p/kg for R3 steers or £83 on a 350kg carcass. The average heifer price in GB last week was up by almost a penny to 356.8p/kg while the R3 heifer price increased by 3.2p/kg to 364.6p/kg. This puts the differential in R3 heifer prices last week between NI and GB at 6.7p/kg which is the equivalent of £23 on a 350kg carcass.

In ROI last week the R3 steer price was the equivalent of 317.2p/kg while the R3 heifer price was the equivalent of 327.9p/kg. Meanwhile the O3 cow price in ROI last week was 255.2p/kg which was 1.2p/kg higher than the equivalent price in NI.

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

W/E 31/12/2016	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB	
Steers	U3	362.3	324.3	369.1	363.3	364.4	371.6	366.3
	R3	359.4	317.2	369.6	363.4	359.2	362.8	363.5
	R4	360.3	318.0	370.1	368.4	359.2	360.0	365.7
	O3	350.1	306.8	347.5	331.3	327.2	335.3	335.3
	AVG	351.3	-	366.5	353.7	347.5	348.7	354.6
Heifers	U3	360.9	339.7	376.8	368.0	370.6	368.9	371.3
	R3	357.9	327.9	367.7	361.1	364.1	364.4	364.6
	R4	357.4	328.3	365.9	363.7	364.6	358.9	363.8
	O3	352.5	315.6	348.7	344.5	332.5	338.0	341.1
	AVG	353.4	-	366.8	357.9	349.7	348.9	356.8
Young Bulls	U3	354.2	320.0	361.3	349.3	348.4	365.0	351.2
	R3	350.0	310.3	356.6	334.5	339.2	346.2	340.9
	O3	329.2	299.6	313.3	297.3	306.7	320.4	307.3
	AVG	334.4	-	326.4	324.5	321.2	324.7	323.7
Prime Cattle Price Reported	3975	-	4769	5060	4316	2763	16908	
Cows	O3	254.0	255.2	238.4	246.4	245.4	237.0	242.8
	O4	259.4	258.5	242.2	244.1	239.6	238.5	240.5
	P2	217.8	235.3	130.0	199.3	188.4	184.8	181.6
	P3	235.2	247.4	172.0	213.3	211.9	210.0	206.9
	AVG	239.4	-	232.0	226.8	207.7	205.0	212.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=85.34p 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

W/E 24/12/16	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	170	182	176	155	169	162
Friesians	152	166	160	142	150	146
Heifers	-	-	-	-	-	-
Beef Cows	130	160	145	110	129	120
Dairy Cows	115	117	116	85	114	100
Store Cattle (p/kg)						
Bullocks up to 400kg	210	236	222	168	208	188
Bullocks 400kg - 500kg	190	212	200	160	189	175
Bullocks over 500kg	195	215	205	165	194	180
Heifers up to 450kg	200	221	210	158	198	176
Heifers over 450kg	200	220	210	155	199	182
Dropped Calves (£/head)						
Continental Bulls	300	400	340	190	295	245
Continental Heifers	200	340	265	120	198	160
Friesian Bulls	90	135	120	15	88	55
Holstein Bulls	50	85	65	2	48	25

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 02/01/17	Next Week 09/01/17
Hoggets	375 > 22kg	365-370 > 22kg

REPORTED SHEEP PRICES

(P/KG)	W/E 17/12/16	W/E 24/12/16	W/E 31/12/16
NI Lambs L/W	339.0	-	349.4
NI Lambs D/W	372.0	-	373.4
GB Lambs D/W	383.6	385.0	389.1
ROI D/W	372.0	372.3	377.6

Deadweight Sheep Trade

THE deadweight sheep trade remained steady in NI this week with quotes for R3 grade hoggets at 375p/kg with plants paying up to 22kg. Quotes for early next week however are back in the region of 365-370p/kg. The major NI processors have reported steady throughput in recent weeks with a total of 418,841 hoggets/lambs killed in NI plants during 2016 up until the week ending 24 December. In the corresponding period in 2015 a total of 467,320 hoggets/lambs were killed locally. Last week a total of 5,457 sheep were exported from NI to ROI for direct slaughter compared to a total of 6,154 sheep exported to ROI during the same week in 2015/2016. The deadweight lamb price in NI last week was 373.4p/kg while the deadweight lamb price in ROI was the equivalent of 377.6p/kg.

This week's marts

A steady trade was reported across the marts this week with good numbers of hoggets passing through the sale rings. In Saintfield on Tuesday 488 hoggets sold from 320-378p/kg. In Rathfriland on Tuesday 515 hoggets sold from 323-360p/kg to an average of 341p/kg. In Ballymena on Wednesday 1,906 hoggets sold from 310-371p/kg to an average 332p/kg. In Enniskillen on Wednesday 322 hoggets sold from 328-351p/kg. In Markethill on Wednesday 950 hoggets sold from 330-367p/kg. The ewe trade has remained steady for good quality ewes with a top reported price of £99 in Ballymena on Wednesday.

LATEST SHEEP MARTS

From: 30/12/16		Hoggets (P/KG LW)			
To: 05/01/17		No	From	To	Avg
Tuesday	Saintfield	488	320	378	-
	Rathfriland	515	323	360	341
Wednesday	Ballymena	1906	310	371	332
	Enniskillen	322	328	351	-
	Markethill	950	330	367	-

Contact us:

Website: www.lmcni.com

Telephone: 028 9263 3000

Fax: 028 9263 3001

FQAS Helpline: 028 9263 3024

Answerphone: 028 9263 3011

Comments: bulletin@lmcni.com

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WILL 2017 BE A YEAR OF OPPORTUNITY FOR BEEF AND LAMB IN NORTHERN IRELAND?

ACCORDING to Livestock and Meat Commission (LMC) chairman Gerard McGivern, 2017 will be a year of opportunity for the NI redmeat sector. "Brexit represents a new start for our beef and lamb industry," he said. "It will provide the industry with a unique chance to communicate a strong message to consumers throughout the UK regarding the quality, provenance and traceability that are the hallmarks of the beef and lamb sectors in this part of the world. This, in turn, should help deliver sustainable prices at farm level."

McGivern also recognises that Brexit will provide an opportunity for the NI livestock sector to secure a farm support system that will underpin the key drivers associated with improved production efficiency and improved meat quality. "But these measures must also recognise the needs of farmers living and working in areas of constraint, such as our hills and uplands. These producers are at the very heart of our redmeat sector. In fact, they pump prime the industry as a whole."

McGivern confirmed that the attainment of new markets will be another priority for the livestock sectors, citing China and a number of other South East Asian countries as key target in this regard. "This work is already in progress and, no doubt, will be ramped up during the period ahead. The

need to secure additional markets was a key theme addressed at the recent World Meat Congress event in Uruguay. In our own case, it will ensure that we can obtain optimal prices for the whole carcass and not just the prime cuts."

The LMC chairman said that his organisation will continue to play a bespoke role in helping to secure new market access for NI beef and lamb. "LMC has a strong track record in representing our beef and lamb sectors, stretching back over many years," he stressed. "I believe that our expertise in this regard will be even more relevant during the period ahead."

McGivern said that the Year of Food and Drink in Northern Ireland, which has just ended, had been a resounding success. "But we need to build on this for the future. In particular we need to engage with local consumers in more innovative and creative ways. The mainstream media will be important in this regard but making better use of social media to communicate a strong message, is of growing significance for all the food sectors here in Northern Ireland. And, certainly, this will be a priority for LMC as 2017 unfolds. "We enjoy the tremendous advantage of producing beef and lamb of exceptional quality: the challenge then becomes one of communicating this reality to the consumer."

McGivern is mindful that beef output in the Republic of Ireland will increase notably during the latter part of 2017. However, he does not see this as an undue threat to farmgate beef prices in NI. "We have seen Sterling weaken considerably against the Euro in the wake of the Brexit referendum," he said. "And there is every prospect of these circumstances being maintained for the foreseeable future. This, in turn, makes imported beef less competitive on the UK market while

providing processors in Northern Ireland with a unique opportunity to secure improved export outlets. "Moving forward, the focus must be placed on selling beef and lamb that is produced in Northern Ireland more effectively. And given currency and other factors, there is no reason why we cannot do this throughout 2017 and beyond. "I remain extremely upbeat regarding the future prospects for beef and lamb production here in Northern Ireland."

Image 1: LMC's Chairman Gerard Mc Givern thinks 2017 will be a year of opportunity for red meat



COOKING UP A STORM WITH LMC

The Livestock and Meat Commission (LMC) recently launched its 17th annual Schools' Cookery Demonstration Programme aimed at educating pupils on the merits of Northern Ireland Farm Quality Assured beef and lamb in a healthy, balanced diet.

To date some 124,000 students in over 3600 separate demonstrations from schools across Northern Ireland have benefited from the Programme.

Speaking at the launch at St Paul's High School Bessbrook, LMC's Chairman, Gerard McGivern said "Year on year the programme continues to grow and we are delighted to be involved in providing educational support to secondary schools throughout Northern Ireland, informing students of the importance of Northern Ireland Farm Quality Assured beef and lamb and the nutritional benefits surrounding the consumption of red meat.

These demonstrations help consumers at a young age to understand the products of our industry and by providing this shop window we assist our farmers and processors in relaying the message about the farm end of the production

chain and the three pillars of Farm Quality Assurance – food safety, animal welfare and care for the environment.

We have also worked closely with the Council for the Curriculum, Examinations and Assessment to ensure that the content on LMC's educational website food4Life.org.uk is in synergy with the Home Economics Curriculum and that it is used as a valuable tool to reinforce classroom activities and learning."

At the event Mr McGivern said: "I am delighted to visit St Paul's High School to see first-hand the delivery

Image 2: LMC recently launched its 17th Annual Schools' Cookery Demonstration Programme at St Paul's High School Bessbrook



of the programme. These cookery demonstrations play an important role in supporting the Home Economics syllabus.

The LMC educational services activities are very successful in promoting the attributes of locally produced farm quality assured beef and lamb to our schools. LMC's engagement with pupils enables us to relay the message about the versatility and value of our local meat produce, its role in a balanced diet and the opportunities in the hospitality, tourism, nutrition and food industries that are available to school leavers."

ANIMAL WELFARE AND RISK OF CONVICTION DURING TRANSPORT

The Livestock and Meat Commission (LMC) has highlighted the requirement for an animal to be fit for an intended journey before the journey starts, and must remain sufficiently fit throughout the entire journey. "This is a legal requirement," said the Commission's farm liaison officer Terry White. "It means an animal should be healthy enough to tolerate the entire journey, in all its aspects, with no or very little adverse effect on it: the journey should not cause the animal any suffering or injury."

Guidelines for the welfare of animals during transport are detailed in the FQAS Standard pages 76-84 and all FQAS participants are advised to read these carefully. They confirm that any applicant/approved producer who has had a conviction for an animal welfare offence in the past three years, or in any longer period which corresponds with any sentence imposed by a Court, will be refused/suspended from participation in the scheme. Re-application/re-admission will not normally be considered for three years from the date of conviction and will be subject to investigation.

Essential points to remember where animal transport is concerned:

1. If you transport animals it is your responsibility to ensure that they are fit for

transport, even though other competent and responsible people (e.g. the animal's owner) may be involved in assessing the fitness of an animal for transport.

2. Assessment of fitness is an on-going procedure that should be repeated throughout a journey. The condition of an animal can change rapidly during a journey, and an animal that was initially fit at the outset, may – for several reasons – become unfit later in the journey. Transporters/herd or flock keepers should take the opportunities presented by rest, toilet and other breaks in the journey to re-check their animals.

3. Whenever the fitness of an animal or group of animals is in doubt, or disputed, transporters/ herd or flock keepers are advised strongly to obtain the professional opinion of a veterinary surgeon before undertaking transport and consider and follow any advice given. The transporter/herd or flock keeper may wish to obtain a written opinion from the veterinarian.

4. Where animals that are slightly ill or injured are judged to be sufficiently fit for transport, it will often be necessary to provide better transport conditions during the journey.



Contact us:

Website: www.lmcni.com

Telephone: 028 9263 3000

Fax: 028 9263 3001

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