LMC

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INCREASE IN CATTLE FOR BEEF ON NI FARMS

REPORTS from the major processors in NI have indicated tighter supplies of prime cattle coming forward from local producers to meet demand for beef. A firm demand from major customers combined with competition between the processors for prime cattle coming forward for slaughter has resulted in a steady increase in deadweight prices for prime cattle over the past few weeks.

Throughput of prime cattle in NI plants during 2017 to date has totalled 122,903 head, a 3.7 per cent increase from the same period in 2016 when 118,492 prime cattle were killed locally. However some of this increase in throughput locally has been offset by a notable reduction in average carcase weights. As a result the volume of beef from prime cattle handled by local processors during 2017 to date was just one per cent higher than 2016 levels.

As discussed in previous bulletin articles prime cattle have been killed younger and lighter in NI during 2017 to date, There could be several reasons for this including poorer cattle performance last summer at grass and this may have carried right through until slaughter. It is also possible that producers are responding to market signals and changing production systems to produce lighter carcases that the market requires. The reduction in carcase weights may also be an indication that producers did not push prime cattle to finish this winter to reduce costs and this would coincide with the notable increase in the number of cattle for beef production on NI farms at the end of April 2017 when compared to previous years.

Analysis of APHIS statistics indicates that there were more cattle for beef production aged from 12-30 months on NI farms at the end of April 2017 when compared to year earlier levels. Figure 1 provides a breakdown of cattle for beef production on NI farms by age at the end of April 2015-2017.

At the end of April 2017 there were 230,930 cattle for beef production on NI farms (beef sired + dairy males) aged 12-18 months. This is a 9.2 per cent increase from April 2016 levels and a 20.3 per cent increase from April 2015 levels. The increase in cattle within this age category is driven primarily by an increase in the number of beef sired cattle on NI farms.

The number of beef sired male cattle aged 12-18 months totalled 105,818 head at the end of April 2017, a 12.3 per cent increase from year earlier levels. The number of beef sired heifers aged 12-18 months on NI farms totalled 105,729 head at the end of April 2017, an 11 per cent increase from April 2016. Meanwhile the number of dairy sired male cattle aged 12-18 months totalled 19,383 head in April 2017, back 11.8 per cent from year earlier levels.

The number of cattle for beef production on NI farms aged from 18-24 months at the end of April 2017 totalled 128,087 head, a 6.6 per cent increase from April 2016 levels and 13.3 per cent higher than April 2015 levels. As with the 12-18 month age category the increase in numbers in the 18-24 month age category is driven primarily by an increase in the number of beef sired cattle on NI farms.

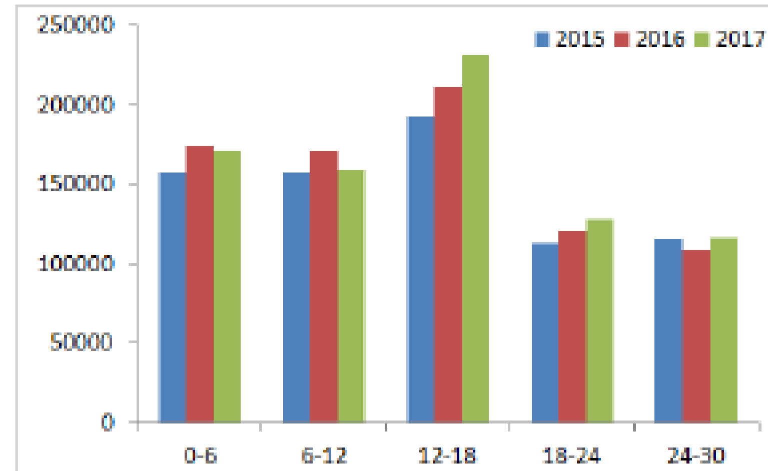
The number of cattle for beef production on NI farms aged from 24-30 months totalled 116,077 head at the end of April 2017, a 6.6 per cent increase from the 108,879 head on NI farms in April 2016. It was however very similar to the 115,270 prime cattle in this age category on NI farms in April 2015.

There was total of 475,094 cattle for beef production aged between 12-30 months on NI farms at the end of April 2017. This is an increase of 34,568 head from April 2016 levels and a 54,762 head increase from April 2015 levels. With very small numbers of prime cattle being exported out of NI for further production or direct slaughter it is likely that these additional prime cattle will be killed locally. Throughput in local plants in recent weeks is running well ahead of last year and if this continues it will absorb some of the extra prime cattle. However an increase is prime cattle supplies is still expected towards the end of the summer when producers start to finish cattle off grass.

It should however be noted that there has been a reduction in imports of prime cattle for direct slaughter in NI plants and this will offset some of the increase in domestic supplies. During 2017 to date 3,641 prime cattle have been imported for direct slaughter compared to 5,712 prime cattle imported during the corresponding period in 2016.

As discussed previously the reduction in average carcase weights is also expected to offset some of the increase in local production. The average carcase weight of prime cattle killed in NI during 2017 to date is 332kg compared to 341kg in the same period last year. This decline by 9kg accounts for a 3 per cent reduction year on year.

Figure 1: Cattle for beef production on NI farms by age category April 2015-2017



MAKE USE OF BVD PI REMOVAL INCENTIVISATION SCHEME

BOVINE viral diarrhoea (BVD) is a highly contagious viral disease of cattle that can be transmitted as easily as the common cold. It can be spread directly by infected animals, or indirectly by contaminated visitors or equipment.

Infection of the unborn calf between approximately 30 and 120 days of pregnancy will result in it becoming persistently infected (PI) with BVD virus if the calf is not aborted. These PI animals will shed BVD virus at high levels for life and PI animals are therefore the most significant source of infection.

PI animals can look entirely normal, particularly at birth, but may become stunted and ill-thriven as they grow. PI animals often develop a severe and always fatal wasting condition called mucosal disease (MD). This typically occurs between 6 and 18 months of age. The majority of PI animals are dead before reaching breeding age or slaughter weight, either from MD or other infections (particularly scour and pneumonia).

Image 1: PI calves may appear healthy but will shed virus at high levels and are therefore the most significant source of infection

BVD virus persists in herds by creating further PI calves. Therefore identification and removal of PI cattle is the key to control. Vaccination to maintain immunity in breeding stock can offer further protection where susceptible pregnant cattle are exposed to BVD virus.

The BVD PI Removal Incentivisation Scheme has been open for applications in NI since February this year and will remain open for applications until the end of September 2017. To date just over £28,000 has been paid out to producers under the scheme with 72 per cent of claims submitted fulfilling all the requirements of the scheme and qualifying for payment.

There are two key reasons identified why some claims have been deemed ineligible which are easily avoidable by meeting the following criteria. Producers **MUST** ensure that any calf claimed for has been humanely destroyed and had its death recorded on APHIS within **four** weeks of receiving a positive BVD result or within **six** weeks where the farmer has opted to get a retest done. Producers **MUST** also ensure that the death of all calves is recorded on APHIS or notified to DAERA within **seven** days of death. This is a key requirement of the scheme but is also worth noting that failing to do so is a cross-compliance issue.

The scheme is being delivered in partnership between DAERA, AHWNI and LMC. Farmers who may have an animal eligible for payment will receive a claim form from AHWNI, which must be completed and returned to LMC. All details regarding eligibility and how to claim will be included in the accompanying guidance and is also available on the LMC, DAERA and AHWNI websites.

SCHEME CONTACT DETAILS

Queries relating to making a claim and for further information regarding scheme eligibility should contact LMC on 028 9263 3000.

Queries relating to the testing of animals and accessing test results should be directed to AHWNI on 028 7963 9333.

Queries relating to recording and confirming birth and death information on APHIS should be directed to the DAERA helpline on 0300 200 7840.

REDUCTION IN DAIRY MALE CALF EXPORTS

DURING April 2017 1,068 calves aged under 42 days were exported out of NI for further production taking total calf exports for the year to date to 6,117 head. In the corresponding period in 2016 a total of 7,010 calves were exported out of NI which accounts for a 13 per cent reduction year on year.

The calves being exported out of NI are predominantly dairy sired male calves and the reduction in the level of exports coincides with a reduction in the number of dairy sired male calves being registered on NI farms. During the first four months of 2017 27,993 dairy sired male calves were registered in NI, back from 32,436 dairy male calves registered during the same period in 2016. This accounts for a 14 per cent reduction year on year.

Dairy male calf exports accounted for 25 per cent of all dairy sired calves registered in NI during the first four months of 2017. In the corresponding period in 2016 calf exports from NI accounted for 21.6 per cent of dairy sired male calf registrations.

All but one calf exported out of NI during 2017 to date was destined for Spain. In the same period last year 94 per cent of calves exported from NI were destined for Spain with small numbers of calves also exported to GB and France.

WEEKLY BEEF & LAMB MARKETS

LMC

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 15/05/17	Next Week 22/05/17
Prime		
U-3	352 - 358p	356 - 360p
R-3	346 - 352p	350 - 354p
O+3	340 - 346p	344 - 348p
P+3	290 - 306p	292 - 308p
	Including bonus where applicable	
Cows		
O+3 & better	250 - 270p	260 - 270p
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 13/05/17	Steers	Heifers	Young Bulls
U3	360.4	363.6	355.5
R3	355.9	357.6	352.3
O+3	347.3	346.3	341.6

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 13/05/17	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	172.6	187.3	211.0	212.6
P2	187.2	214.2	231.3	252.2
P3	207.5	236.0	252.6	259.7
O3	-	254.9	270.7	274.7
O4	-	-	276.7	279.4
R3	-	-	285.0	291.5

Deadweight Cattle Trade

QUOTES from the major processing plants for in-spec U-3 grade prime cattle started this week at 352-358p/kg and firmed as the week progressed to 356-360p/kg. The majority of plants are quoting 358p/kg for steers and 358-360p/kg for heifers. However with firm demand for prime cattle producers are encouraged to shop around to get the best possible deal. Quotes for good quality O+3 grade cows ranged from 260-270p/kg across the plants this week.

Prime cattle throughput last week totalled 6,874 head, an increase of 539 head from the previous week when 6,335 prime cattle were killed locally. This is notably higher than the 5,744 prime cattle killed in NI plants during the corresponding week last year. However despite the strong increase in prime cattle throughput lower average carcase weights combined with firm demand for beef has resulted in competition for prime cattle between the major processors and a steady improvement in the deadweight trade as a result. Cow throughput in NI last week totalled 1,510 head, back slightly from the previous week when 1,542 cows were slaughtered in NI plants.

Imports from ROI for direct slaughter in NI plants last week consisted of 155 prime cattle and 87 cows while a further 9 prime cattle and 168 cows were imported from GB for direct slaughter. Meanwhile exports from NI for direct slaughter in ROI plants last week consisted of 44 prime cattle and 81 cows while exports to GB for direct slaughter continued at low levels with 28 prime cattle and 10 cows exported.

The deadweight trade for prime cattle has continued to firm in NI with the average steer price up by 1.3p/kg to 348.9p/kg last week. The R3 steer price last week was 359.9p/kg, up 2.4p/kg from the previous week and is the highest weekly R3 steer price since February 2015. The average heifer price in NI last week was up 3.3p/kg to 352.7p/kg while the R3 heifer price was up by 2.8p/kg to 360.2p/kg. The cow trade also firmed in NI last week with the average cow price up by 5.3p/kg to 261.9p/kg with the O3 cow price up by a similar margin to 273.9p/kg.

The deadweight trade for prime cattle in GB also improved last week with the average steer price up by 2p/kg to 354.4p/kg while the average R3 steer price was up by 2.4p/kg to 364.5p/kg. This was 4.6p/kg higher than the equivalent price in NI. The average heifer price in GB last week was up 2.3p/kg to 357.4p/kg while the R3 heifer price was up by half a penny to 364.8p/kg. The differential in R3 heifer prices between NI and the GB average R3 heifer price last week was also 4.6p/kg.

The deadweight trade has also continued to firm in ROI with the R3 steer price up the equivalent of 1.2p/kg to 339.3p/kg while the R3 heifer price was up by 1p/kg to 348.9p/kg. This puts the differential between ROI and NI at 20.6p/kg for R3 grade steers and 11.3p/kg for R3 grade heifers. Prime cattle throughput in ROI last week totalled 23,612 head, up 1,660 head from the previous week. The cow trade also firmed in ROI last week with the O3 cow price up 2.7p/kg to 282.6p/kg. This was 8.7p/kg higher than the equivalent price in NI.

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

W/E 13/05/2017		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	361.3	348.9	376.2	362.3	364.3	369.1	367.6
	R3	359.9	339.3	378.4	356.2	360.2	361.8	364.5
	R4	358.5	340.3	374.5	371.4	357.5	358.5	366.9
	O3	346.6	325.5	353.0	329.2	332.3	328.9	336.0
	AVG	348.9	-	370.6	352.0	348.4	344.2	354.4
Heifers	U3	364.0	360.8	384.7	367.6	375.1	383.4	377.7
	R3	360.2	348.9	376.2	354.1	362.3	364.7	364.8
	R4	357.1	349.1	375.8	360.7	362.5	359.2	365.1
	O3	349.4	333.8	347.1	335.6	339.6	343.7	341.6
	AVG	352.7	-	373.0	355.8	351.1	345.5	357.4
Young Bulls	U3	355.5	341.1	367.6	352.2	354.2	359.8	357.1
	R3	353.9	333.0	362.6	343.9	346.3	350.5	348.7
	O3	336.1	319.4	323.8	301.7	315.6	318.1	313.9
	AVG	337.2	-	356.9	328.8	335.4	339.9	338.0
Prime Cattle Price Reported		6044	-	6785	7616	7215	4579	26195
Cows	O3	273.9	282.6	280.1	268.3	268.6	267.8	269.8
	O4	279.2	283.0	281.8	271.0	276.0	268.0	273.8
	P2	236.8	258.9	215.5	231.9	215.4	222.3	219.9
	P3	257.5	276.2	235.0	241.9	231.4	245.5	237.9
	AVG	261.9	-	265.6	250.2	241.1	238.5	245.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=84.36p 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 13/05/17	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	204	222	212	165	185	178
Friesians	152	160	156	118	123	121
Heifers	190	203	195	170	187	179
Beef Cows	145	179	160	110	144	130
Dairy Cows	110	135	120	65	109	88
Store Cattle (p/kg)						
Bullocks up to 400kg	215	245	230	180	214	200
Bullocks 400kg - 500kg	210	243	225	175	207	190
Bullocks over 500kg	200	231	215	170	199	185
Heifers up to 450kg	200	240	220	170	199	185
Heifers over 450kg	200	223	215	160	199	180
Dropped Calves (£/head)						
Continental Bulls	300	400	340	170	298	235
Continental Heifers	240	355	300	140	238	180
Friesian Bulls	120	245	160	60	118	90
Holstein Bulls	70	130	100	20	68	45

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 15/05/17	Next Week 22/05/17
Lambs >21kg	450-460p	460-470p

REPORTED SHEEP PRICES

(P/KG)	W/E 29/04/17	W/E 06/05/17	W/E 13/05/17
NI Hoggets L/W	361.0	343.2	333.3
NI Hoggets D/W	404.7	404.3	406.4
GB Hoggets D/W	412.8	406.6	412.9
ROI D/W	424.7	437.4	445.6
NI Lambs L/W	412.6	416.2	424.9
NI Lambs D/W	442.1	440.0	442.6
GB Lambs D/W	502.2	474.9	469.7

Deadweight Sheep Trade

QUOTES from the major NI plants for spring lambs firmed towards the end of this week to 460-470p/kg up to 21kg. In the corresponding week last year the plants were quoting in the region of 400-420p/kg up to 21kg. Lamb/hogget throughput in NI plants last week totalled 5,736 head, an increase of 1,144 head from the previous week. Exports of sheep to ROI for direct slaughter last week totalled 4,378 head, an increase of 678 head from the previous week. The deadweight lamb price in NI last week was up 2.6p/kg to 442.6p/kg while in ROI the combined lamb/hogget deadweight price was up 8.2p/kg to 445.6p/kg. A firming in the deadweight trade for lambs combined with a falling proportion of hoggets in the total kill in ROI will have contributed to this increase.

This week's marts

SMALL numbers of lambs passed through the marts this week with a sharper trade reported when compared to the previous week. Reports have indicated good demand for the lambs on offer. In Swatragh last Saturday 135 lambs sold from 367-432p/kg compared to 350 lambs the previous week selling from 380-419p/kg. In Saintfield on Tuesday 250 lambs sold from 414-450p/kg compared to 140 lambs the previous week selling from 410-440p/kg. In Ballymena this week 506 lambs sold from 420-476p/kg (avg 440p/kg) compared to 309 lambs last week selling from 400-461p/kg (avg 415p/kg). In Enniskillen on Wednesday 232 lambs sold from 438-469p/kg compared to 342 lambs last week selling from 385-434p/kg. The ewe trade has continued at similar levels with a top reported price of £117 in Omagh last Saturday.

LATEST SHEEP MARTS

From: 12/05/17		Lambs (P/KG LW)			
To: 18/05/17		No	From	To	Avg
Friday	Newtownstewart	170	380	457	-
Saturday	Omagh	121	429	472	-
	Swatragh	135	367	432	-
Monday	Kilrea	-	422	442	-
	Massereene	310	420	445	-
Tuesday	Saintfield	250	414	450	-
	Rathfriland	361	411	471	442
Wednesday	Ballymena	506	420	476	440
	Enniskillen	232	438	469	-

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