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NI CATTLE THROUGHPUT HIGHER IN 2017

DURING December 2017 there were 34,090 cattle killed in local plants which takes total cattle throughput for 2017 to 446,112 head. This was a four per cent increase from 2016 levels and is the highest annual cattle throughput in NI since 2012.

During 2017 there were 332,715 prime cattle killed locally, a five per cent increase from year earlier levels when 317,959 prime cattle were killed in local plants. This accounts for an additional 14,756 prime cattle being processed in NI year on year.

The NI steer kill during 2017 totalled 170,480 head, a three per cent increase from 2016 levels. Meanwhile the NI heifer kill also recorded an increase, up nine per cent to total 126,135 head during 2017. The total young bull kill however declined by five per cent from 2016 levels to total 36,100 head during 2017.

The increase in prime cattle throughput in local plants during 2017 can be linked back to an increase in beef sired calf registrations in NI over the past few years. There has also been a decline in the number of cattle being exported from NI for both direct slaughter and further production in GB due to a narrowing of the price differential for finished cattle between the two regions.

This has increased the availability of locally produced cattle for the NI processors. There has also been a notable decline in the number of prime cattle being imported from ROI for direct slaughter in local plants. This may be partly due to the reduction in cattle exports to GB increasing local supplies but it will also have been influenced by the weakening of sterling against euro.

The NI cow kill during 2017 totalled 103,440 head. This was a three per cent increase from year earlier levels when 99,943 cows were killed in local plants. This increase in cow throughput can be attributed to a reduction in the levels of cow exports to ROI for direct slaughter during 2017 while the number of cows being imported from GB for slaughter in local plants has increased.

Beef production

During 2017 beef production in NI totalled 144,688 tonnes, a three per cent increase from the 140,972 tonnes processed during 2016. The volume of beef produced from prime cattle totalled 111,147 tonnes during 2017, a three per cent increase from 2016 levels. Meanwhile the volume of cow beef processed increased by two per cent to total 30,676 tonnes during 2017.

There was a notable decline in the volume of beef from both calves and mature bulls processed in local plants during 2017. This was back by 23 per cent and 13 per cent respectively from 2016 levels and mirrors the notable reduction in throughput of these types of cattle in NI plants as indicated in Table 1.

NI Cattle Kill Forecast

Analysis of APHIS figures have indicated that at the end of December 2017 there were more cattle intended for beef production on NI farms when compared to year earlier levels and this is expected to lead to a further increase in prime cattle throughput in NI during 2018. This projected increase is based upon cattle imports and exports for both direct slaughter and further production remaining similar to current levels.

There were a total of 416,282 beef sired and dairy male cattle aged between 12 and 30 months on NI farms at the end of December 2018. This was a four per cent increase from the 401,307 cattle in this category at the end of December 2016 and a nine per cent increase from the 382,857 head recorded at the end of December 2015.

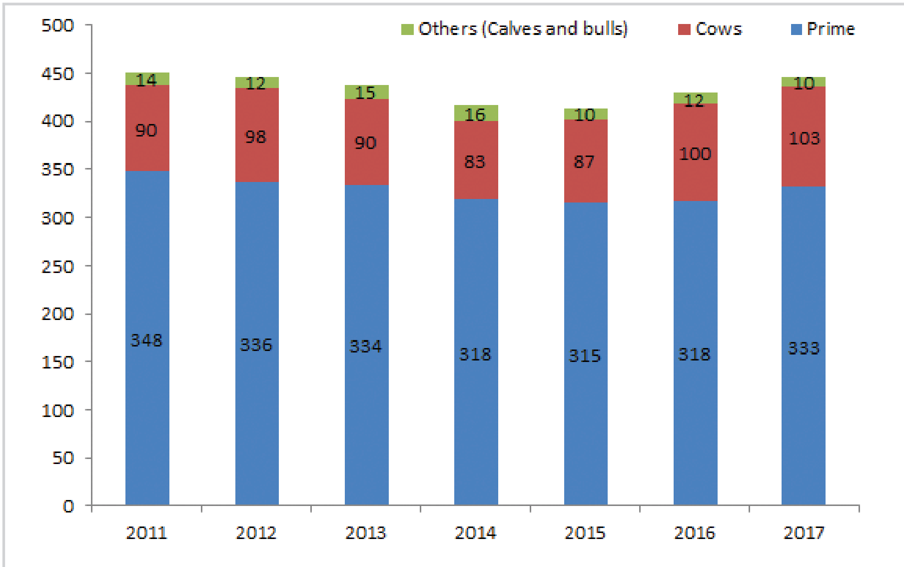
Prime cattle throughput in NI plants is forecast to increase by three per cent during 2018 when compared to 2017 levels. Some of this increase in throughput however may be offset by a reduction in carcase weights due to a slight increase in the dairy influence on the beef kill. Meanwhile cow throughput is forecast to increase by 1.5 per cent over the same period.

Table 1: NI CATTLE SLAUGHTERINGS

	December			Year to Date		
	(4 weeks ended 30/12/17)			(Year ended 30/12/17)		
	Dec-16	Dec-17	% Change	2016	2017	Change
Steers	12,830	12,831	0%	164,726	170,480	3%
Heifers	8,980	10,227	14%	115,363	126,135	9%
Young Bulls	2,214	2,328	5%	37,870	36,100	-5%
Total Prime	24,024	25,386	6%	317,959	332,715	5%
Calves	635	517	-19%	7,540	6,287	-17%
Cows	7,926	7,982	1%	99,943	103,440	3%
Mature Bulls	253	205	-19%	4,176	3,670	-12%
Total Cattle	**32,838**	**34,090**	**4%**	**429,618**	**446,112**	**4%**

*Please note 2016 was a 53 week year

Figure 1: Total cattle throughput in NI plants by category 2011-2017



NI COW TRADE HOLDS STEADY IN FINAL QUARTER OF 2017

BASE quotes for good quality O+3 grading cows range from 260-280p/kg across the major NI processing plants this week with the majority of plants quoting in the region of 270p/kg. These quotes have been holding steady for several weeks with the local plants reporting steady supplies of cows coming forward for slaughter to meet demand for cow beef.

Figure 2 displays weekly O3 cow prices in GB, NI and ROI during 2017. As indicated in the chart deadweight cow prices in NI steadily improved during the first half of the year and then came under some pressure during the third quarter. However during the final quarter of 2017 the cow trade in NI has held relatively steady with an O3 cow price last week of 275.4p/kg.

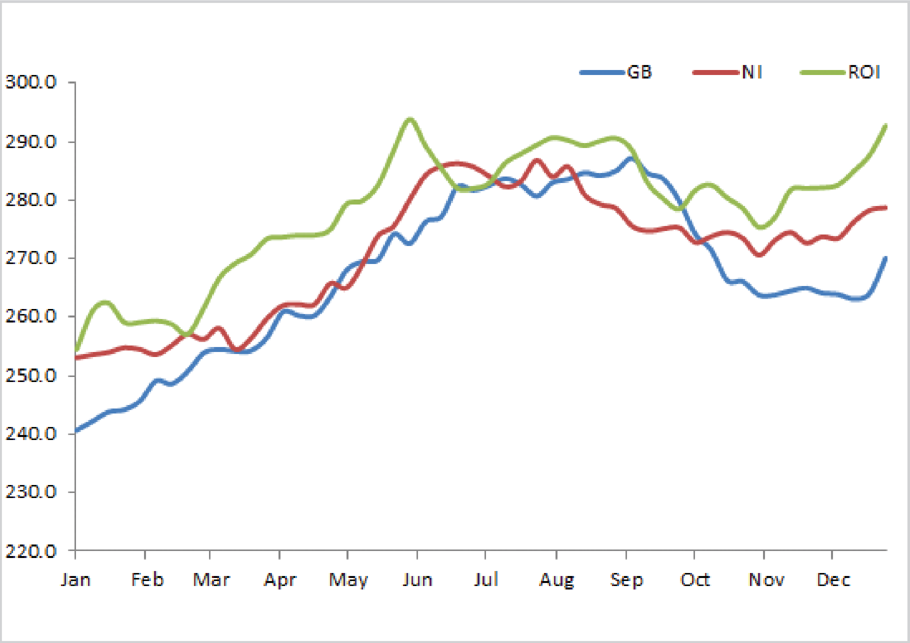
The cow trade in ROI has been ahead of the NI trade for most of 2017 however the trade has followed a broadly similar pattern to NI. Prices in ROI in sterling terms improved in the first half of 2017 and then experienced some volatility in quarter 3 before recovering again in the final quarter of the year.

In the final quarter of 2017 the O3 cow trade in ROI has strengthened more firmly than the trade in NI and this has widened the differential in prices between the two regions. The O3 cow price in ROI last week was the equivalent of 292.5p/kg. This was 17.1p/kg higher than the equivalent price in NI. While some of this increase in the differential between NI and ROI can be attributed to a weakening sterling against euro there has also been firm demand for cows in ROI plants.

During the first quarter of 2017 the O3 cow price in GB firmed to bring it up to similar levels as NI and deadweight prices remained similar to the NI trade during the second quarter of the year as indicated in Figure 2. However in quarter 3 of 2017 the deadweight cow trade in GB held steady while the trade in NI came under some pressure which put O3 cow prices in GB above the equivalent price in NI.

In the final quarter of 2017 however the cow trade in GB came under pressure which brought O3 cow prices back below the equivalent price in NI. The O3 cow price in GB last week was 267.8p/kg, 7.6p/kg behind the equivalent price in NI.

Figure 2: Weekly price reported O3 cow prices in GB, NI and ROI during 2017



WEEKLY BEEF & LAMB MARKETS

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CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 08/01/18	Next Week 15/01/18
Prime		
U-3	348 - 354p	348 - 356p
R-3	342 - 348p	342 - 350p
O+3	336 - 342p	336 - 344p
P+3	290 - 306p	290 - 306p
	Including bonus where applicable	
Cows		
O+3 & better	260 - 280p	260 - 280p
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 06/01/18	Steers	Heifers	Young Bulls
U3	363.7	366.2	354.1
R3	358.5	358.8	348.0
O+3	349.6	350.3	340.7

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 06/01/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	166.5	187.6	196.7	198.2
P2	189.4	212.8	233.7	245.5
P3	211.3	229.5	250.0	257.0
O3	-	245.1	262.0	277.0
O4	190.0	-	263.5	278.9
R3	-	-	-	298.6

Deadweight Cattle Trade

THE deadweight cattle trade in NI has held steady with base quotes of 348-356p/kg for in spec U-3 grade prime cattle. The majority of the major processing plants are quoting 352p/kg for steers and 354p/kg for heifers. The deadweight cow trade has also held steady in NI with quotes ranging from 260-280p/kg for good quality O+3 grading cows. The majority of plants are quoting in the region of 270p/kg.

The local plants are reporting steady supplies of all types of cattle to meet demand for beef. Prime cattle throughput in NI last week totalled 5,983 head which was seven per cent higher than the 5,584 prime cattle killed locally in the corresponding week last year. Cow throughput in NI last week totalled 1,657 head which was similar to the 1,685 cows killed locally in the same week last year.

The deadweight trade for prime cattle came under slight pressure in NI last week with the majority of reported prices back from the previous week. The average steer price in NI last week was 353.2p/kg, back 2.2p/kg from the previous week. The R3 steer price in NI last week was 361.1p/kg, back 1.3p/kg from the previous week. The average heifer price in NI last week was 354.7p/kg, back 2.5p/kg from the previous week. Meanwhile the R3 heifer price in NI last week was back by 1.3p/kg to 360.3p/kg. The O3 cow price in NI last week was 275.4p/kg, back 3.3p/kg from the previous week.

The deadweight cattle trade in GB has also come under some pressure with the average steer price back by a penny to 362.8p/kg while the R3 steer price was back by a similar margin to 373p/kg. There was however some variability across the regions with the R3 steer price within a penny of the previous week in Scotland and the Midlands, recording a decline of 7.6p/kg in Northern England and increasing by 2.2p/kg in Southern England. The average heifer price in GB last week was back marginally to 366.2p/kg with the R3 heifer price also back slightly to 373.8p/kg. The average young bull price in GB last week was 337.4p/kg, back 2p/kg from the previous week.

The differential in R3 steer prices between NI and the GB average R3 price last week was 11.9p/kg which is the equivalent of £42 on a 350kg carcase. Meanwhile the differential in R3 heifer prices between the two regions was 13.5p/kg or £47 on a 350kg carcase.

In ROI last week the R3 steer price was back the equivalent of half a penny to 351.1p/kg while the R3 heifer price was up by the same margin to 363.1p/kg. This takes the R3 heifer price in ROI above the equivalent price in NI for the second consecutive week. The cow trade in ROI has remained steady with an O3 cow price of 292.5p/kg last week. This was 17.1p/kg above the O3 cow price in NI and 24.7p/kg above the same price in GB.

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

W/E 06/01/2018		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	364.1	361.0	381.8	377.0	376.4	374.4	377.6
	R3	361.1	351.1	380.7	369.8	371.3	369.6	373.0
	R4	359.3	352.1	380.8	379.5	370.9	368.2	376.2
	O3	350.4	337.5	366.1	344.5	336.7	337.9	346.6
	AVG	353.2	-	377.5	363.6	354.3	352.7	362.8
Heifers	U3	366.7	374.5	390.6	382.0	383.1	378.2	384.0
	R3	360.3	363.1	382.6	371.1	372.9	366.6	373.8
	R4	359.1	363.4	380.4	379.7	374.8	367.6	376.3
	O3	352.2	348.9	368.6	351.6	345.4	342.3	352.2
	AVG	354.7	-	380.3	367.7	358.3	356.6	366.2
Young Bulls	U3	354.1	355.2	376.5	357.9	365.3	367.3	365.9
	R3	347.6	346.5	372.8	352.8	356.0	363.3	359.8
	O3	328.0	334.6	327.4	313.0	316.2	333.4	320.1
	AVG	333.0	-	362.2	324.5	333.2	335.5	337.4
Prime Cattle Price Reported		5646	-	4444	6021	5777	3648	19890
Cows	O3	275.4	292.5	268.4	262.4	275.0	258.9	267.8
	O4	278.4	293.7	275.1	265.0	274.0	260.2	269.4
	P2	232.0	267.7	192.4	218.4	219.9	218.7	216.1
	P3	253.7	283.4	221.8	239.0	233.8	239.3	234.3
	AVG	255.7	-	249.0	242.6	239.4	230.7	239.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.89p 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 06/01/18	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	204	212	208	175	200	187
Friesians	150	170	160	146	149	148
Heifers	204	210	207	170	200	185
Beef Cows	150	216	165	120	149	135
Dairy Cows	107	129	115	65	106	88
Store Cattle (p/kg)						
Bullocks up to 400kg	215	241	230	185	214	200
Bullocks 400kg - 500kg	215	232	222	180	214	200
Bullocks over 500kg	195	212	203	160	194	175
Heifers up to 450kg	200	220	210	160	199	180
Heifers over 450kg	190	212	200	160	189	175
Dropped Calves (£/head)						
Continental Bulls	280	390	325	160	278	220
Continental Heifers	200	315	250	110	198	155
Friesian Bulls	115	190	140	45	112	75
Holstein Bulls	70	130	95	5	68	40

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 08/01/18	Next Week 15/01/18
Hoggets >22kg	400-405p	405-420p

REPORTED SHEEP PRICES

(P/KG)	W/E 23/12/17	W/E 30/12/17	W/E 06/01/18
NI L/W Lambs/Hoggets	355.4	-	357.3
NI D/W Lambs/Hoggets	384.9	379.9	390.2
GB D/W Lambs/Hoggets	400.4	405.1	410.4
ROI D/W	412.3	-	-

Deadweight Sheep Trade

QUOTES from the plants early this week for R3 grading hoggets ranged from 400-405p/kg up to 22kg however the trade has firmed as the week has progressed with quotes for early next week ranging from 405-420p/kg up to 22kg. The plants have reported steady supplies of hoggets with throughput in local plants last week totalling 6,255 head. In the corresponding week in 2016 hogget throughput totalled 7,670 head. The deadweight lamb price in NI last week was 390.2p/kg, an increase of 10.3p/kg from the previous week. In the corresponding week last year the deadweight hogget price in NI was 370.5p/kg.

This week's marts

THERE was a firm trade reported across the marts for good quality hoggets with strong numbers passing through the sale rings. In Massereene on Monday a good entry of 810 hoggets sold from 380-408p/kg. In Saintfield on Tuesday 1,044 hoggets sold from 350-406p/kg. This was a similar trade to last week when 735 hoggets sold from 365-410p/kg. In Enniskillen this week 522 hoggets sold from 350-376p/kg compared to 423 hoggets last week selling from 358-384p/kg. A strong entry of 1,150 hoggets in Markethill on Wednesday sold from 360-391p/kg compared to 1,010 hoggets last week selling from 350-395p/kg. Small numbers of ewes passed through the marts this week with top reported prices generally ranging from £90-100.

LATEST SHEEP MARTS

From: 05/01/18		Hoggets (P/KG LW)			
To: 11/01/18		No	From	To	Avg
Friday	Newtownstewart	165	334	374	-
Saturday	Swatragh	836	313	383	-
Monday	Massereene	810	380	408	-
	Kilrea	730	364	388	-
Tuesday	Saintfield	1044	350	406	-
	Rathfriland	600	345	390	360
Wednesday	Ballymena	1902	350	400	366
	Enniskillen	522	350	376	-
	Markethill	1150	360	391	-
	Armoy	365	350	400	-

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