

HIGHER CATTLE THROUGHPUT IN LOCAL PLANTS

DURING the first quarter of 2018 86,738 prime cattle were slaughtered in local plants. This was a 1.5 per cent increase from the corresponding period in 2017 when 85,430 prime cattle were killed in NI and 5.8 per cent higher than the same period in 2016 when 81,961 prime cattle were killed locally. Prime cattle throughput in NI during the first quarter of 2018 was at its highest levels since 2011 when there were 98,174 prime cattle killed in NI as indicated in Figure 1.

The gradual recovery in prime cattle slaughtering in NI has occurred despite a decline in the number of prime cattle being imported for direct slaughter. During the first quarter of 2018 688 prime cattle were imported from ROI and GB for slaughter in local plants, accounting for less than one per cent of total prime cattle throughput. By comparison in the first quarter of 2011 7,925 prime cattle were imported for direct slaughter, accounting for eight per cent of total prime cattle throughput.

The level of export for prime cattle out of NI for direct slaughter in GB and ROI has also continued to operate at low levels with just 1,112 prime cattle exported during the first quarter of 2018. The combination of reduced levels of import into NI for slaughter and exports out of NI for slaughter in GB and ROI have contributed to more locally produced cattle being killed in local

plants. The average prime cattle carcass weight during 2018 to date was 335.3kg, up 2.3kg from the same period in 2017. The average steer carcass weight was up by 3.1kg to 352.5kg during the first quarter of 2018 while the average heifer carcass weight was up by 2.7kg to 317kg. The young bull carcass weight recorded the strongest increase of all the categories, up by 6.5kg to 326.7kg.

The combination of higher carcass weights for all classes of prime cattle and increased throughput has resulted in more beef being handled by NI processing plants. During 2018 to date 29,088 tonnes of beef from prime cattle has been handled by NI beef processors, a 2.3 per cent increase from the 28,434 tonnes processed during the corresponding period in 2017.

There has also been a notable increase in the volume of cow beef being handled by local processors which has been driven by increased cow throughput. Cow throughput has been steadily rising in local plants year on year with throughput in 2018 to date totalling 26,924 head. This is an increase of 2,164 head from the same period in 2017 which accounts for a nine per cent increase year on year.

A combination of forage shortages, a late spring and a relatively strong cull cow market have all encouraged

producers to offload unproductive stock which will have contributed to this higher cow throughput.

The average cow carcass weight in NI during 2018 to date was 299.8kg, up by 0.6kg from the same period in 2017 but 8.2kg lower than the same period in 2016 when the average carcass weight was 308kg. The lighter carcass weights have been partly driven by an increase in the proportion of dairy cows in the slaughter mix. During 2018 to date 59 per cent of the cows killed locally have been sourced from the dairy herd.

Cow exports out of NI for direct slaughter have also continued to operate at relatively low levels with 1,578 head exported during 2018 to date. This was similar to the same period in 2017 when 1,555 cows were exported for direct slaughter however it was well below the 2,755 cows exported in the corresponding period in 2016.

A narrowing price differential between NI and ROI combined with a firm demand from local processors for cows have all contributed to the reduced level of export recorded in recent years. While cow exports for direct slaughter have decreased the level of import for direct slaughter has increased. During 2018 to date 1,925 cows have been imported from GB and ROI for direct slaughter in local plants which accounted for 7.1 per cent of total cow

Figure 1: Prime cattle throughput in NI during Quarter 1 from 2011 until 2018

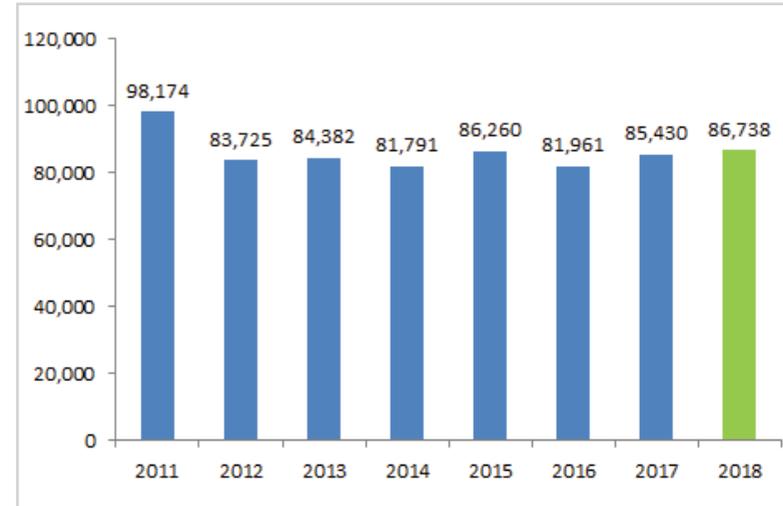
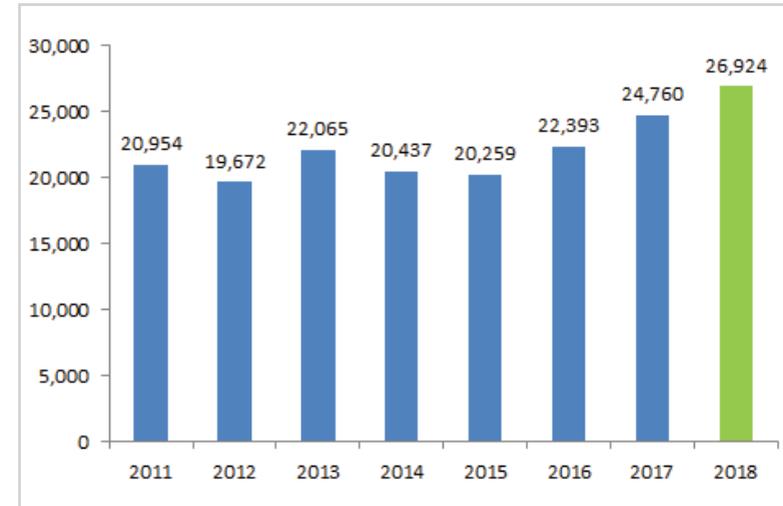


Figure 2: Cow throughput in NI during Quarter 1 from 2011 until 2018



EU COMMISSION FORECASTS A DECLINE IN BEEF PRODUCTION AS COW HERD DECLINES



European
Commission

EU beef production is expected to decline during 2018 according to the latest Short Term Outlook Report issued by the European Commission.

Suckler Cow Numbers

According to the December 2017 livestock survey the total EU cow herd declined by almost one per cent and this was driven primarily by a decline in suckler cow numbers in the EU-15. The EU suckler herd declined by 60,000 head between December 2016 and

December 2017 which accounts for a 0.5 per cent decline.

There was however significant variation across the member states. In France the suckler cow herd contracted by 74,000 head following four consecutive years in which suckler cow numbers increased. A strong decline was also recorded in Belgium where suckler cow numbers were back by 39,000 head while in ROI the suckler cow herd declined by 24,000 head. The UK suckler herd was back by 12,000 head in the December 2017 survey which accounted for a one per cent decline year on year.

Meanwhile in Spain the suckler cow herd continued to expand with an increase of 49,000 head recorded in December 2017. This accounts for a 2.5 per cent increase from year earlier levels. Increases in suckler cow

numbers of 10-15,000 head were also recorded in several eastern Member States including Poland, Hungary, the Czech Republic and Bulgaria.

Dairy Cow Numbers

The EU livestock survey indicated a one per cent drop in the number of dairy cows in December 2017 when compared to December 2016 levels. This was the first notable decline in dairy cow numbers recorded since 2012 with total EU dairy cow numbers now back to 2011 levels. However while dairy cow numbers are back to 2011 levels EU milk production increased by eight per cent over the same period due to increasing yields and improved efficiencies at farm level.

As with suckler cow numbers there is significant variation in the trends in dairy cow numbers across the EU Member States. In the Netherlands cow

numbers were back by seven per cent while they recorded a four per cent increase in ROI. There were also increases recorded in the number of dairy cows in Poland, Denmark, Austria, Slovenia and Cyprus. By contrast, decreases above two per cent were recorded in Bulgaria, Romania, Slovakia, Latvia, Lithuania, Croatia, Malta, Belgium and Greece.

Beef Production

During 2017 net beef production in the EU stabilised after three consecutive years of increasing production. There was however some variation across the trading bloc with total beef production in the EU 15 declining slightly (0.7 per cent) while beef production in the EU-N13 recorded an increase of over six per cent. The slowdown in total EU beef production can be attributed primarily to a decrease in cow slaughterings during 2017 however some of this

decline was offset by a seven per cent increase in heifer throughput.

There has also been an increase recorded in the average carcass weight of calves, young cattle, heifers and bulls killed across the EU during 2017 which has further helped offset the decline in cow throughput. Some of this increase in average carcass weights is due to an increase in the use of beef bulls to serve dairy cows in response to lower milk prices in 2016 and 2017.

EU net beef production is expected to decline by almost one per cent in 2018 and by a further 1.5 per cent in 2019. The development of the dairy sector drove the increases in total beef production recorded in the EU over the last three years and with this appearing to have finished the dairy herd, and beef production, is expected to resume its downward trending path.



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CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 04/04/18	Next Week 09/04/18
Prime		
U-3	354 - 360p	354 - 360p
R-3	348 - 354p	348 - 354p
O+3	342 - 348p	342 - 348p
P+3	296 - 310p	296 - 310p
Including bonus where applicable		
Cows		
O+3 & better	270 - 290p	270 - 290p
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 31/03/18	Steers	Heifers	Young Bulls
U3	361.5	366.9	352.9
R3	359.7	359.5	351.6
O+3	351.8	352.9	342.6

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 31/03/18	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	185.7	195.7	205.0	222.1
P2	195.1	230.4	251.0	262.1
P3	209.2	253.4	266.2	272.3
O3	-	261.7	274.6	289.6
O4	220.0	284.0	275.5	292.3
R3	-	-	-	309.6

Deadweight Cattle Trade

BASE quotes from the major NI beef processors ranged from 354-360p/kg for in spec U-3 grading steers and heifers this week with similar quotes expected for early next week. The cow trade has also remained firm with base quotes for good quality O+3 grading cows ranging from 270-290p/kg.

Prime cattle throughput in NI last week totalled 6,227 head which brings throughput for March 2018 to 25,086 head. This was similar to the same period in 2017 when 25,129 prime cattle were slaughtered locally. Cow throughput in local plants has remained strong with 1,834 cows killed last week which brings total cow throughput for March 2018 to 7,943 head. This was notably higher than the 6,850 cows killed in local plants during March 2017.

Cattle imports to NI for direct slaughter from ROI last week included 16 prime cattle and one cow while a further two prime cattle and 65 cows were imported from GB. Cattle exports from NI to ROI last week included 47 prime cattle and 126 cows with no cattle exported to GB for direct slaughter last week.

The deadweight cattle trade for prime cattle held relatively steady in NI last week with the average heifer price holding steady at 355.1p/kg and the R3 heifer price back by less than a penny to 360.5p/kg. The average steer price in NI last week was up 2.4p/kg to 354.8p/kg while the R3 steer price was up marginally to 361.5p/kg. The cow trade came under some pressure in NI last week with the average cow price back by 3.9p/kg to 270.9p/kg. The O3 cow price was back by 4.7p/kg to 287.2p/kg last week.

In GB last week the deadweight trade for prime cattle generally firmed with the average steer price up by 2.4p/kg to 361p/kg while the R3 steer price increased by 1.6p/kg to 369.3p/kg. The R3 steer price increased in all of the GB regions last week with the strongest increase recorded in Scotland where it was up by 3.2p/kg to 376.2p/kg. The average heifer price in GB last week was 362.7p/kg, up 3.5p/kg from the previous week while the R3 heifer price was up by just over a penny to 368.9p/kg. The R3 heifer price was almost unchanged in Scotland and Northern England last week while increases of 1.6p/kg and 2.9p/kg were reported in the Midlands and Southern England respectively. The cow trade held relatively steady in GB last week with the average cow price increasing marginally to 257.3p/kg and the average O3 price increasing by half a penny to 285.2p/kg.

The deadweight trade for prime cattle held steady in ROI last week with the R3 steer price increasing by 1.6p/kg in sterling terms to 344.7p/kg while the R3 heifer price increased by the same margin to 355.8p/kg. This puts the differential in R3 prices with NI at 16.8p/kg for steers and 4.7p/kg for heifers. The cow trade also held steady in ROI with an O3 cow price of 291.2p/kg, 4p/kg higher than the O3 cow price in NI.

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

W/E 31/03/2018	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	361.6	354.3	377.3	373.1	375.7	375.5
	R3	361.5	344.7	376.2	367.4	367.0	369.3
	R4	360.5	345.5	377.2	373.1	366.0	371.5
	O3	352.2	328.6	350.8	338.9	340.8	343.2
	AVG	354.8	-	372.1	359.5	356.5	361.0
Heifers	U3	367.5	368.7	382.6	376.4	381.0	379.5
	R3	360.5	355.8	373.7	363.6	369.3	368.9
	R4	358.9	356.1	374.8	369.5	370.1	370.8
	O3	354.5	340.4	356.7	355.1	338.4	349.1
	AVG	355.1	-	373.4	361.6	359.4	362.7
Young Bulls	U3	353.1	347.0	367.2	359.2	370.5	366.3
	R3	351.1	338.5	352.0	349.8	358.3	356.0
	O3	334.8	324.1	320.8	318.4	322.7	321.7
	AVG	335.5	-	344.3	328.4	340.0	339.0
Prime Cattle Price Reported	4269	-	6704	6389	6787	4401	24281
Cows	O3	287.2	291.2	299.0	280.7	284.0	285.2
	O4	290.9	291.8	295.5	283.8	282.9	285.0
	P2	248.7	255.6	247.7	235.7	232.1	236.4
	P3	269.1	279.7	258.1	256.9	246.2	253.0
	AVG	270.9	-	284.4	258.8	251.1	257.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.57p 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 31/03/18	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	206	220	211	182	202	193
Friesians	141	151	145	128	140	135
Heifers	202	216	209	170	200	185
Beef Cows	155	225	176	125	154	140
Dairy Cows	120	141	125	70	119	95
Store Cattle (p/kg)						
Bullocks up to 400kg	235	275	250	190	234	212
Bullocks 400kg - 500kg	215	244	230	185	214	200
Bullocks over 500kg	205	234	215	175	204	190
Heifers up to 450kg	210	250	225	170	209	190
Heifers over 450kg	200	226	212	170	199	185
Dropped Calves (£/head)						
Continental Bulls	280	360	320	180	278	235
Continental Heifers	220	310	265	100	218	160
Friesian Bulls	85	125	105	40	82	65
Holstein Bulls	45	85	65	15	42	30

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 04/04/18	Next Week 09/04/18
Hoggets >22kg	500-510p	505-510p

REPORTED SHEEP PRICES

(P/KG)	W/E 17/03/18	W/E 24/03/18	W/E 31/03/18
NI L/W Hoggets	451.2	447.2	429.5
NI D/W Hoggets	514.2	519.7	508.2
GB D/W Hoggets	511.2	529.2	536.7
ROI D/W	507.7	506.4	500.2

Deadweight Sheep Trade

THE deadweight trade for hoggets has held steady with base quotes of 505-510p/kg up to 22kg expected for early next week. The plants have reported steady supplies of hoggets to meet demand with small numbers of spring lambs also starting to come forward for slaughter. Throughput of hoggets/lambs in NI plants last week totalled 5,211 head which was back 953 head from the previous week. In the same week last year hogget/lamb throughput in local plants totalled 4,856 head. ROI continues to act as an important outlet for NI with 5,913 lambs/hoggets exported to the region for direct slaughter last week. The average deadweight hogget price in NI last week was 508.2p/kg, back 12.5p/kg from the previous week. In ROI last week the average deadweight lamb/hogget price was 500.2p/kg.

This week's marts

SOME of the marts were closed this week due to the Easter holidays and the marts that held sales generally had small numbers passing through the sale rings. In Swatragh last Saturday 450 hoggets sold from 433-544p/kg compared to 800 hoggets the previous week selling from 412-508p/kg. In Rathfriland this week a smaller entry of 218 lambs sold to an average of 435p/kg compared to 516 hoggets last week selling to an average of 448p/kg. In Ballymena on Wednesday 520 hoggets sold to an average of 430p/kg, a quieter trade from the previous week when 904 hoggets sold to an average of 440p/kg. In Markethill this week a slightly sharper trade saw 700 hoggets sold from 440-500p/kg compared to 850 hoggets last week selling from 430-482p/kg.

LATEST SHEEP MARTS

From: 30/03/18		Hoggets (P/KG LW)			
To: 05/04/18		No	From	To	Avg
Saturday	Swatragh	450	433	544	-
Tuesday	Saintfield	243	446	526	-
	Rathfriland	218	395	462	435
Wednesday	Ballymena	520	390	508	430
	Enniskillen	898	436	478	-
	Armoy	263	400	475	-
	Markethill	700	440	500	-

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IT'S OFFICIAL: IRELAND IS HOME TO THE BEST BUTCHERS IN THE WORLD

PASSIONATE was the word used by LMC Chief Executive Ian Stevenson to describe the participation of all the teams taking part in the recent World Butchers' Challenge. "And the supporters that accompanied the 12 teams taking part were equally enthusiastic," he added.

"When I walked into the venue on the day of the main championship, I was greeted with a chorus of La Marseillaise, being sung by members of the French team and their friends. All of this brought home to me the very international nature of the competition and just how seriously all the competing teams were taking the event itself. This was the first time that Belfast had hosted the World Butchers' Challenge and LMC was more than

delighted to have the opportunity of coming on board in a sponsorship capacity."

He added: "The event was broadcast live on the internet and there was an excellent mix of international media in attendance. As a result, the profile generated on behalf of the beef and lamb industry here in Northern Ireland was extremely positive. LMC sponsored the supply of all the beef and lamb carcasses used in the main championship class at the event and all of these were Farm Quality Assured" "This was another opportunity for the Commission to profile the quality of locally produced beef and lamb to an international audience. The challenge confronting all those taking part was to add value to the beef and lamb

carcasses presented to them in the most innovative way possible while, at the same time, minimising waste. The imagination and creativity demonstrated in all of the final meat displays was staggering."

LMC also sponsored the prize for the best beef and lamb products that were developed for the championship class. "France won the lamb category with Team GB coming up tops with their beef offering," said Stevenson. "These prizes were presented at a gala dinner attended by over 500 people. The World Butchers' Challenge was a tremendously successful event. It worked in every sense of the term. The skill levels demonstrated by the butchers taking part were amazing, but above all else the event was an

excellent show case for the beef and lamb sectors in Northern Ireland as a whole.

"And, of course full congratulations must go to all the members of Butchery Excellence Team Ireland, who performed so well throughout the event."

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Image 1: Participants in the Worlds Butchers Challenge which was held in Belfast during March 2018.



MEATMATTERS:

A GOOD NEWS STORY FOR RED MEAT

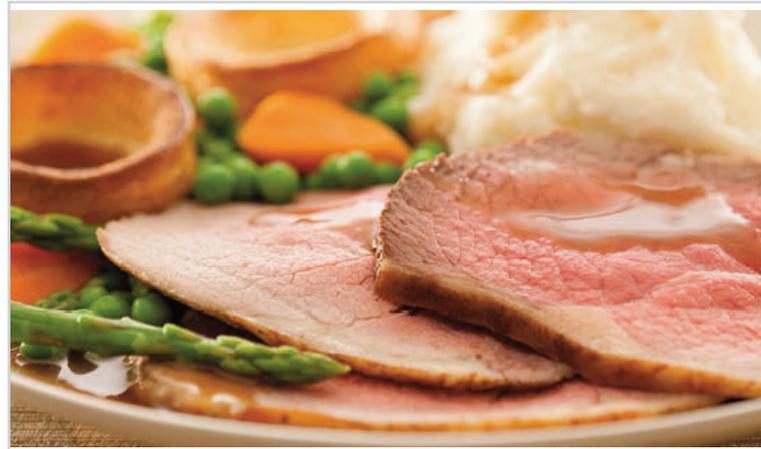
THE support given by the Livestock and Meat Commission (LMC) for the 'MeatMatters' project is further evidence of the organisation's commitment to ensuring that a very proactive message is being communicated to consumers across the UK, where beef and lamb are concerned.

The project, which is centred on a website www.meatmatters.redmeatinfo.com, has been designed to provide information on all aspects of beef, pork and lamb. Its key messages are that red meat is a valuable part of a healthy balanced diet and can be used in a wide range of easy, enjoyable and nutritious meals.

"All of this work is carried out on a proactive basis, with media outlets throughout the UK provided with regular updates on the benefits of including beef and lamb as part of a balanced diet," said LMC's Colin Smith. "But this is only a small fraction of the work undertaken under the auspices of Meat Matters. The project has also brought together a high level meat advisory panel."



Image X: LMC is an active supporter of the Meatmatters programme which ensures UK consumers receive pro-active messages about the importance of beef in lamb in their diets.



"This comprises a group of independent experts working in the fields of health care, medicine and nutrition. They are available to communicate the core dietary messages behind beef and lamb, courtesy of media interviews and other press initiatives."

Smith added: "Red meat is under constant scrutiny by various groups and others who take issue with modern farming practices. The shock tactics employed by some of these organisations must be responded to by the red meat industry. MeatMatters' plays an important part in this. The key is to allow consumers to make an informed choice by giving them verifiable information about red meat."

"The general public must be provided with the real story concerning the exemplary standards that are being achieved by cattle and sheep farmers every day of the year." Smith confirmed that the media is honour bound to provide a balanced approach to all of the stories it covers. "MeatMatters plays a vital job in making sure this happens."

"LMC has been supporting MeatMatters for the past number of years. The initiative has a strong track record of success. And it is important that we continue to be strongly associated with the project. LMC will have a strong input when it comes to deciding how MeatMatters evolves. This is a very good news story for livestock farmers here in Northern Ireland."

HATS OFF TO THE MEMBERS OF BUTCHERY EXCELLENCE TEAM IRELAND

Heartiest congratulations to Butchery Excellence Team Ireland, the members of which came up tops at the recent World Butchers' Challenge event in Belfast. They really are the best butchers in the world. And this is a tremendous accolade given they were up against the best that countries such as France, the United States, Brazil and New Zealand could throw at them.

All of this reflects positively on the training that is available to local butchers as they progress their careers. But, surely, it also highlights the tremendous career opportunities that currently exist within Northern Ireland's red meat sectors as a whole. The industry already underpins many thousands of jobs.

All of the analysis points to our red meat sectors becoming even more export focussed, once the UK leaves the European Union. This, in turn, will provide many new opportunities for young people to secure employment at all levels within the industry as it looks to the future with a high degree of confidence.

Given this backdrop, there is a need for meat processors to become more proactive in promoting careers within their businesses. In turn, this means getting out into the schools and telling the workforce of tomorrow about the opportunities that await them, should

they consider developing a livelihood with the beef and lamb sectors

Adding value is what meat processing is all about. Most people will have no difficulty accepting this, where the actual meat is concerned. The challenge for the processors is that of confirming that the same principle holds when it comes to the development of the people they employ.

And it's all about perception. All of the processors have put in place state-of-the-art training systems for their staff. But much more needs to be done in terms of communicating all of this to young people. Meanwhile, Team Ireland's success in the World Butchers' Challenge provides the perfect backdrop for the red meat industry to tell its tremendously positive story to the public at large.

It's not every day that a group of people from the local food industry has the opportunity to demonstrate that they are true champions in a forum that includes a selection of the world's very best competitors.

Our reserved nature normally prohibits us from saying too much about these things. However, in my opinion, the success achieved at World Butchers' Challenge really is the exception that proves the rule!

RICHARD HALLERON



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