

SPREAD OF PRIME CATTLE CARCASS WEIGHTS LARGELY UNCHANGED IN Q1 2018

NI beef finishers are always being encouraged to produce cattle that meet current market requirements and a key component of current specifications is carcass weight. The majority of major retailers and food service customers want beef produced from steer and heifer carcasses between 280-380kg.

Carcasses within this weight range can fulfil the widest possible range of customer orders for local NI processors. Carcasses within this weight range will produce beef cuts which are most likely to meet customer demands in terms of portion sizes, packaging, presentation and cost per unit.

Heifers

The average heifer carcass weight in NI during the first quarter of 2018 was 317kg, up by 2.7kg from the same period in 2017 when the average carcass weight in NI was 314.3kg. Despite this increase however the average heifer carcass weight remained lower than the first quarter of 2016 when it was 323.4kg.

The largest majority of heifers killed in NI plants produce carcasses that fall within the desired 280-380kg weight range. During the first quarter of 2018 74 per cent of price reported heifer carcasses in NI met this criteria as outlined in Figure 1. This was a two percentage point decline from the corresponding period in 2017 when 76

per cent of heifer carcasses were within the desired weight range.

During 2018 to date five per cent of price reported heifer carcasses in NI were between 380-400kg, two per cent were between 400-420kg while a further one per cent had carcass weights in excess of 420kg. The proportion of carcasses within each of these weight ranges was unchanged from the previous year.

A proportion of heifers killed in NI plants also produced carcasses below 280kg. Heifer carcasses between 260-280kg accounted for 10 per cent price reported heifers in the first quarter of 2018 while a further 8 per cent of heifer carcasses were under 260kg. These proportions were almost unchanged from Q1 2017 levels.

Steers

The average steer carcass weight in NI during the first quarter of 2018 was 352.5kg. This was an increase of 3.1kg from the same period in 2017 when the average carcass weight was 349.4kg. The average steer carcass weight however remained below 2016 levels when the average carcass weight in Q1 was 358.8kg.

Almost two thirds of steer carcasses produced in NI meet current market specifications for carcass weight. During the first quarter of 2018 63 per cent of price reported steers in NI had

a carcass weight between 280-380kg as indicated in Figure 2. This was a two percentage point decline from 65 per cent in the corresponding period in 2017. Carcasses between 380-400kg accounted for a further 13 per cent of price reported steer carcasses in the 2018 period, a proportion which was unchanged from year earlier levels.

There has however been an increase recorded in the proportion of heavier steer carcasses in the NI price reported slaughter mix year on year. During the 2018 period 17 per cent of steers produced carcasses in excess of 400kg, up from 14 per cent in the same period in 2017. In the first quarter of 2016 18 per cent of price reported steer carcasses were in excess of 400kg.

While there are market outlets for beef from steer and heifer carcasses outside the desired 280-380kg weight range the options are much more limited. Producers are therefore encouraged to liaise directly with the procurement staff of the individual plants prior to finishing cattle for slaughter.

It is however equally important that producers are given the correct market signals by NI processors to encourage the production of prime cattle that meet current market specifications in terms of carcass weights.

Figure 1: Breakdown of price reported heifer carcasses by weight range Q1 2018

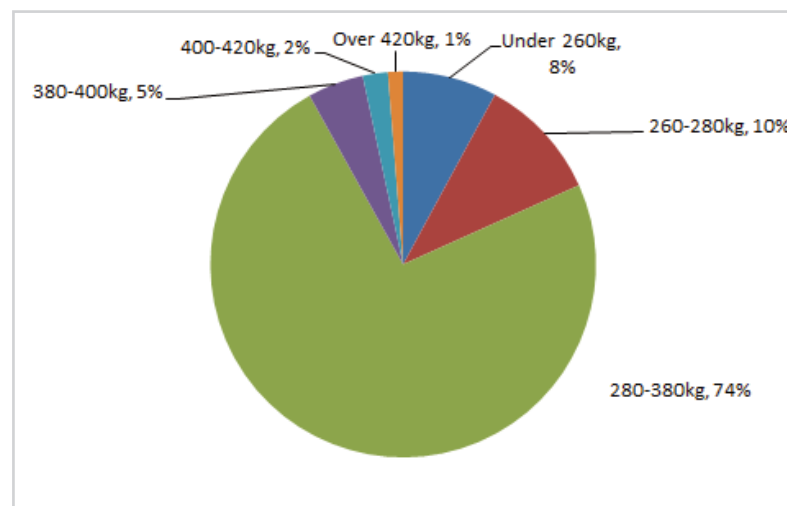
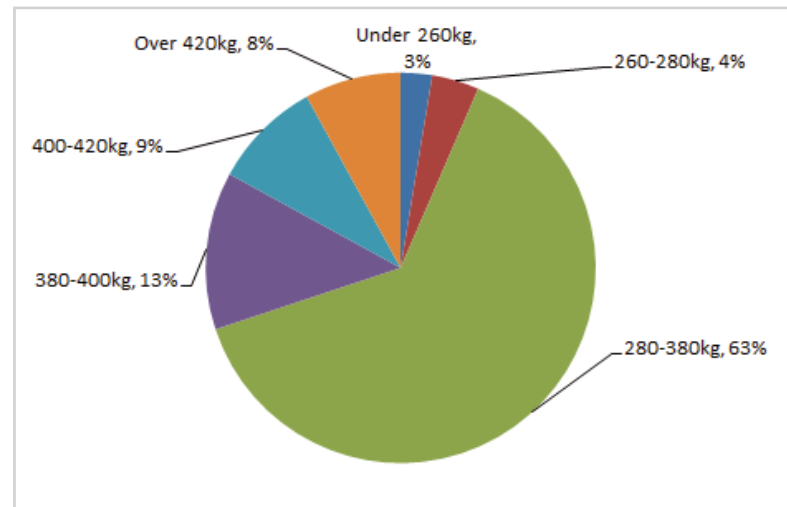


Figure 2: Breakdown of price reported steer carcasses by weight range Q1 2018



STRONG DEADWEIGHT PRICES FOR SHEEP DURING MARCH 2018

THE average deadweight hogget/lamb price in NI during March 2018 was 508.1p/kg, a notable 28 per cent increase from March 2017 levels when the average deadweight price in NI was 397p/kg. A strong increase in liveweight prices was also recorded during March 2018 with an average price of 446.7p/kg. This was a 24.1 per cent increase from March 2017 levels.

The strong uplift recorded in both the liveweight and deadweight trade for sheep in NI was driven by a firm demand for sheep from local processors and processors in ROI. A weaker sterling against the euro also contributed to the strong trade by making NI lambs more attractive to ROI processors while at the same time making lamb processed in NI more competitive on the important EU market. The deadweight trade also

recorded a strong improvement in GB and ROI during March 2018 when compared to March 2017 levels as outlined in Table 1.



Hogget/lamb throughput in NI totalled 23,253 head in March 2018, up almost 20 per cent from March 2017 levels. Some of this increase in throughput has been offset by a five per cent reduction in the average carcass weight of hoggets/lambs killed in local plants.

In March 2018 the average carcass weight in NI was 21.9kg, back from the 23.1kg recorded in March 2017.

Meanwhile sheep exports to ROI for direct slaughter totalled 33,394 head during March 2018, up 21 per cent from the 27,573 sheep exported during March 2017. Exports to ROI for direct slaughter accounted for 41 per cent of total hogget/lamb output in NI during March 2018, a proportion that was unchanged from year earlier levels.

Ewe and ram throughput in local plants totalled 1,436 head during March 2018, up slightly from the 1,364 ewes/rams killed in local plants during March 2017. The average carcass weight remained almost unchanged at 28kg between the two periods.

NI Sheep Industry Key Performance Indicators (March Snapshot)

	Mar-17	Mar-18	% Change
Sheep Prices (p/kg)			
Average Deadweight Price NI	397.0	508.1	+28.0%
Average Liveweight Price NI	359.9	446.7	+24.1%
Average Weekly Price GB (D/W)	399.4	521.0	+30.4%
Average Weekly Price ROI (D/W)	413.1	502.9	+21.7%
Slaughtering			
Total Hoggets & Lambs Slaughtering	19,399	23,253	+19.9%
Total Ewes & Rams Slaughtering (Head)	1364	1436	+5.3%
Average Hogget & Lambs Carcass Weight	23.1	21.9	-5.1%
Average Ewe & Rams Carcass Weight (kg)	28.3	28.0	-1.2%
Trade (Head)			
Live Imports for Direct Slaughter	0	0	-
Live Exports for Direct Slaughter	27573	33394	+21.1%
Euro / Stg Exchange Rate (€ / £)			
	86.6	88.3	+2.0%

All NI Figures Unless Otherwise Stated



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WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 09/04/18	Next Week 16/04/18
Prime		
U-3	354 - 360p	352 - 360p
R-3	348 - 354p	346 - 354p
O+3	342 - 348p	340 - 348p
P+3	296 - 310p	294 - 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.

Deadweight Cattle Trade

QUOTES from the major NI processing plants for U-3 grade prime cattle this week remained fairly steady with plants quoting 352-360p/kg. Similar quotes are expected for early next week however with reports of higher prices available producers should use these base quotes as a starting point for negotiation. Quotes from the plants for good quality O+3 cows have also remained steady at 270-290p/kg with a similar trade expected early next week.

Prime cattle throughput in NI last week totalled 5,551 head, a decrease of 676 head from the previous week and also a decline of 873 head compared to the same week in 2017. Cow throughput last week totalled 1,683 head, an eight per cent decline compared to the previous week.

Imports of cattle from ROI for direct slaughter last week included 30 prime cattle and 9 cows compared to 16 prime cattle and 1 cow the previous week. Imports from GB for direct slaughter included 4 prime cattle and 69 cows which was similar to the previous week. Meanwhile exports from NI for direct slaughter in ROI last week totalled 90 head and these were predominantly cows. No cattle were exported from NI for slaughter in GB plants last week.

The deadweight trade for steers and heifers in NI last week generally firmed with the average steer price up 0.7p/kg to 355.5p/kg while the R3 steer price increased 2.3p/kg to 363.8p/kg. The average heifer prices in NI last week marginally increased from the previous week to 355.2p/kg, while the R3 heifer price was up 1.5p/kg to 362p/kg. Young bulls came under some pressure with the average price back 2.3p/kg to 333.2p/kg. The U3 young bull price was back 3.7p/kg to 349.4p/kg while the R3 price was back 1.6p/kg to 349.5p/kg. The average cow price in NI last week recorded a small decline of 0.2p/kg to 270.7p/kg while the O3 cow price was up by 5.5p/kg to 292.7p/kg.

In GB last week the deadweight trade for prime cattle also remained relatively steady with the average steer price almost unchanged at 361.1p/kg while the R3 steer price increased to 370.8p/kg. This puts the differential in R3 steer prices between NI and GB at 7p/kg or £25 on a 350kg carcass. In the corresponding week in 2017 the differential was 2.8p/kg or £10 on a 350kg carcass. The average heifer price came under pressure in all of the regions in GB last week except for Scotland. An overall decline of 1.5p/kg was reported to 361.2p/kg, while the R3 heifer price increased by 1.6p/kg to 370.5p/kg. The differential in R3 heifer prices last week between NI and GB was 8.5p/kg or £27 on a 320kg carcass. In the same week in 2017 the differential was 4.3p/kg or £14 on a 320kg carcass.

In ROI last week deadweight cattle prices improved in both sterling and euro terms. The R3 steer price in ROI was the equivalent of 345.4p/kg, a 0.7p/kg increase from the previous week while the R3 heifer price was up 0.6p/kg to the equivalent of 356.4p/kg. The O3 cow price in ROI last week also increased to the equivalent of 291.6p/kg.

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

	W/E 07/04/2018	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	365.8	355.5	375.8	372.0	375.0	377.2	374.8
	R3	363.8	345.4	377.3	365.6	369.8	369.9	370.8
	R4	362.2	346.0	378.0	373.4	368.3	366.8	372.2
	O3	353.2	328.5	353.4	340.4	342.8	339.9	344.2
	AVG	355.5	-	372.8	359.2	357.8	353.5	361.1
Heifers	U3	365.5	368.6	382.0	377.6	383.7	378.1	381.0
	R3	362.0	356.4	377.1	366.0	371.3	365.1	370.5
	R4	359.5	357.2	379.1	369.4	371.4	365.2	371.8
	O3	355.1	340.0	358.0	340.6	336.4	342.4	344.4
	AVG	355.2	-	376.6	359.3	356.7	350.1	361.2
Young Bulls	U3	349.4	349.8	366.6	360.3	365.4	365.2	363.0
	R3	349.5	339.4	364.9	352.2	360.4	365.0	359.6
	O3	330.7	324.5	327.8	310.4	320.2	344.7	321.2
	AVG	333.2	-	345.0	334.2	334.5	351.9	338.7
Prime Cattle Price Reported	5040	-	5837	6488	6532	4464	23321	
Cows	O3	292.7	291.6	299.6	284.1	284.1	284.1	285.9
	O4	296.3	292.2	295.9	280.7	286.7	283.5	285.6
	P2	252.4	256.4	256.7	243.6	231.6	241.6	239.3
	P3	271.0	281.2	269.5	262.6	249.3	262.9	257.7
	AVG	270.7	-	291.4	259.5	248.5	254.4	257.1

- Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.45p 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

REPORTED NI CATTLE PRICES - P/KG

W/E 07/04/18	Steers	Heifers	Young Bulls
U3	365.4	365.3	349.4
R3	359.8	360.3	349.3
O+3	350.3	352.6	343.8

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 07/04/18	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	191.6	205.8	223.9	224.2
P2	203.8	233.0	257.8	264.0
P3	231.2	248.7	267.7	275.1
O3	-	267.8	287.7	293.9
O4	-	274.0	285.4	297.0
R3	-	-	-	313.4

LATEST LIVEWEIGHT CATTLE MART PRICES NI

W/E 07/04/18	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	211	231	219	185	210	198
Friesians	152	160	156	134	148	143
Heifers	210	226	216	175	205	190
Beef Cows	150	207	170	120	149	135
Dairy Cows	120	144	128	75	119	100
Store Cattle (p/kg)						
Bullocks up to 400kg	230	278	250	185	229	215
Bullocks 400kg - 500kg	210	248	225	180	209	195
Bullocks over 500kg	-	-	-	-	-	-
Heifers up to 450kg	210	250	225	170	209	190
Heifers over 450kg	-	-	-	-	-	-
Dropped Calves (£/head)						
Continental Bulls	280	380	330	180	278	240
Continental Heifers	225	315	270	110	222	170
Friesian Bulls	110	180	140	60	108	85
Holstein Bulls	80	130	100	10	78	45

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 09/04/18	Next Week 16/04/18
Hoggets >22kg	510-530p	530p

REPORTED SHEEP PRICES

(P/KG)	W/E 24/03/18	W/E 31/03/18	W/E 07/04/18
NI L/W Hoggets	447.2	429.5	452.3
NI D/W Hoggets	519.7	508.2	506.0
GB D/W Hoggets	529.2	536.7	547.2
ROI D/W	506.4	500.2	496.1

Deadweight Sheep Trade

QUOTES from the major NI processors this week for R3 grade hoggets ranged from 510-530p/kg with plants paying up to 22kg. Similar quotes are expected for early next week. A total of 3,734 hoggets/lambs were killed in local plants last week a decrease compared to a total of 5,688 head killed locally in the same week last year. Exports of sheep to ROI for direct slaughter last week totalled 4,751 head, a decrease from the 6,421 head exported to ROI in the corresponding week last year. The average deadweight hogget price in NI last week was 506p/kg, a 2.2p/kg decrease from the previous week. Small numbers of spring lambs were reported with an average deadweight price of 569.4p/kg. In ROI the average deadweight price was back by the equivalent of 4.1p/kg to 496.1p/kg.

This week's marts

THERE was a slightly quieter trade across some of the marts this week with smaller numbers of hoggets passing through the sale rings compared to previous weeks. In Swatragh last Saturday 500 hoggets sold from 495-556p/kg compared to 450 hoggets the previous week selling from 433-544p/kg. In Saintfield on Tuesday 330 hoggets sold from 455-490p/kg compared to 243 hoggets last week selling from 446-526p/kg. In Ballymena this week 708 hoggets sold from 430-552p/kg (avg 475p/kg) compared to 520 hoggets last week selling from 390-508p/kg (avg 430p/kg). A small number of spring lambs have also passed through some of the marts this week with prices ranging from 520-640p/kg. The ewe trade remained firm this week with a top reported price ranging from £98-£141 across the marts.

LATEST SHEEP MARTS

From: 06/04/18		Hoggets (P/KG LW)			
To: 12/04/18		No	From	To	Avg
Friday	Newtownstewart	80	445	498	-
Saturday	Swatragh	500	495	556	-
	Omagh	420	472	575	-
Monday	Massereene	1151	470	540	-
	Kilrea	390	470	524	-
Tuesday	Saintfield	330	455	490	-
	Rathfriland	316	440	536	480
Wednesday	Ballymena	708	430	552	475
	Enniskillen	580	485	515	-
	Arroy	280	450	530	-
	Markethill	600	460	527	-

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