# HOUSE OF LORDS SEEKS A FOOD SECURITY POLICY

A House of Lords Report issued this week reccomends that the UK Government formulates a food security policy in advance of Brexit. This follows on from a House of Lords' inquiry into the effect that the UK's departure from the EU will have on food prices and food availability.

The report concludes that food security policy was urgently needed because there are too many uncertainties around what kind of deal would be struck between the two parties when the UK finally leaves. Just half of the food currently consumed in the UK is produced in the country.

Most of the rest comes from the EU with another 11% specifically from non-EU countries under the terms of trade deals negotiated by the EU. Being part of the EU customs union has meant food from the EU can be imported with no tariffs or customs barriers but, as part of leaving the EU, the Government has stated that the UK will be leaving the customs union.

The report outlines that if an agreement cannot be negotiated between the UK and EU prior to Brexit the result will be an average tariff on food imports of 22%. To counteract this the Government could cut tariffs on all food imports, EU and non-EU, however this would pose a serious risk of undermining UK food producers who could not compete on price.

The committee further concluded that non-tariff barriers resulting from Brexit could also have significant effect, despite the Government claiming that it can secure an agreement that would allow 'frictionless' imports of food from the EU to continue.

"It is unclear how that would be possible outside of the customs union," the report states. "Any such agreement would be likely to require the UK to mirror all EU standards and regulations; a condition the UK Government may find politically difficult to accept. If no agreement is reached, and food imports from the EU are subject to the same customs and border checks as non-EU imports, the UK does not have the staff, IT systems or physical infrastructure to meet that increased demand," the report points out.

The Government's proposed alternative - to allow EU imports through with no, or very few, checks – was rejected by the committee because it would raise safety concerns as well as questions over how customs charges would be processed. Along with securing a good deal with the EU, the committee notes that the Government must also secure agreements with the non-EU countries from which the UK currently imports food as part of EU trade agreements. There are currently 40 such agreements in place, covering 56 countries and accounting for more than 11% of UK food imports.

The Government may not be worried about the potential for Brexit to impact on the price and availability of food, but the representatives of the food and farming industry, importers, port authorities and consumer organisations involved in the construction of the report were vocal in their concerns," the Lords' report makes clear.

# MORE OLDER CATTLE ON NI FARMS IN APRIL 2018

REPORTS from the plants in recent weeks have indicated a tightening in the supply of prime cattle for slaughter while demand for beef from major retailer and foodservice companies has remained relatively stable.

Forage shortages on many farms during late 2017/early 2018 will have impacted production decisions on many beef finishing farms in NI. While some producers will have increased concentrate feeding to push cattle to finish other finishers have opted to turn cattle back out to grass and finish them later in the year.

Analysis of APHIS figures for the end of April 2018 confirm this and indicate an increase in the number of cattle for beef production on NI farms aged 24-30 months in comparison to previous years. There were 125,108 beef sired and dairy male cattle in this age group in April 2018, up 7.8 per cent from year earlier levels and up 14.9 per cent from April 2016 levels.
Meanwhile the number of cattle for beef production in the 18-24 month age bracket totalled 121,714 head, back 5 per cent from 128,087 cattle in this age group on NI farms in April 2017. Numbers however were up marginally from the 120,194 cattle in this age group on NI farms in April 2016. These are the cattle that will provide throughput for local processors over the next six months so it is likely that cattle supplies will remain relatively tight until later in the year.

APHIS statistics recorded 230,226 cattle in the 12-18 month age category on NI farms in April 2018. This was similar to April 2017 levels however they were almost 9 per cent higher than April 2016 levels. Cattle in this age category currently on NI farms will mostly provide throughput for the processors in the final quarter of the year and into early 2019. Prime cattle throughput in local processors was relatively strong in the last quarter of 2017 and a similar trend is being expected this year.

Strong cow throughput in local processing plants over the last year was reflected in the DAERA agricultural census in December 2017 where suckler cow numbers were back two per cent and dairy cow numbers remained stable.

The higher cow throughput has also been reflected by a slight decline in calf registrations in NI with a drop in the number of younger cattle on NI farms as a result. APHIS figures for April 2018 recorded 157,327 cattle aged 6-12 months on NI farms, back 1.7 per cent from April 2017 levels. Meanwhile the number of cattle in the 0-6 month age bracket in April 2018 totalled 158,991 head, a 6.6 per cent decline from year earlier levels.

# WEEKLY BEEF & LAMB MARKETS

## CATTLE TRADE

### NI FACTORY BASE QUOTES FOR CATTLE

| (P/KG DW) | This Week 07/05/18 | Next Week 14/05/18 |
|---|---|---|
| **Prime** | | |
| U-3 | 356 - 360p | 356 - 360p |
| R-3 | 350 - 354p | 350 - 354p |
| O+3 | 344 - 348p | 344 - 348p |
| P+3 | 298 - 310p | 298 - 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 05/05/18 | Steers | Heifers | Young Bulls |
|---|---|---|---|
| U3 | 368.2 | 370.3 | 360.2 |
| R3 | 363.4 | 363.5 | 356.9 |
| O+3 | 355.8 | 354.4 | 343.8 |

*Prices exclude AA, HER and Organic cattle

### REPORTED COW PRICES NI - P/KG

| W/E 05/05/18 | Wgt <220kg | Wgt 220-250kg | Wgt 250-280kg | Wgt >280kg |
|---|---|---|---|---|
| P1 | 192.1 | 204.9 | 217.8 | 231.7 |
| P2 | 213.2 | 236.0 | 254.3 | 269.1 |
| P3 | 202.8 | 248.5 | 269.5 | 276.7 |
| O3 | - | 267.8 | 294.7 | 298.0 |
| O4 | - | 280.0 | 297.2 | 296.5 |
| R3 | - | - | - | 315.7 |

## Deadweight Cattle Trade

THE deadweight trade for prime cattle in NI has remained firm with base quotes for prime cattle ranging from 356-360p/kg across the major plants. The cow trade has also remained firm in NI with base quotes for good quality O+3 grading cows ranging from 270-290p/kg. Similar quotes are expected for all types of cattle early next week.

Reports have indicated slightly tighter supplies of both prime cattle and cows available for slaughter. Prime cattle throughput in NI last week totalled 6,780 head. This was back from the 7,269 prime cattle killed locally during the previous week. Cow throughput in NI last week totalled 1,802 head, back from 1,929 cows killed during the previous week.

Imports of prime cattle from ROI for direct slaughter in NI last week totalled 36 head with 10 cows also imported. A further 4 prime cattle and 102 cows were imported from GB for direct slaughter in NI plants last week. Meanwhile 60 prime cattle and 116 cows were exported from NI for direct slaughter in ROI last week with no cattle making the journey to GB for direct slaughter.

The R3 steer price in NI last week was back 0.7p/kg from the previous week to 365.5p/kg. In the corresponding week last year the R3 steer price in NI was 357.5p/kg. The overall average steer price was up by 1.7p/kg to 357.9p/kg. The R3 heifer price in NI last week remained unchanged at 366p/kg. In the corresponding week in 2017 the R3 heifer price in NI was 357.4p/kg. The young bull trade has also continued to improve in NI with an overall average price of 347.1p/kg last week, up 4.3p/kg from the previous week. The O3 cow price increased by 2.6p/kg from the previous week to 296.6p/kg, while the overall average cow price was back by 1.4p/kg to 275.2p/kg.

The deadweight trade for prime cattle has also continued to firm in GB with the average R3 steer price up marginally to 373.8p/kg. The R3 steer price improved in all the GB regions with the exception of Scotland where it was back by 0.4p/kg to 384.5p/kg. The differential in R3 steer prices between NI and the GB average widened a penny from the previous week to 8.3p/kg last week. The average R3 heifer price in GB last week was 375p/kg, up 1.3p/kg from the previous week. This increase was driven by improvements in all of the GB regions. The differential in R3 heifer prices between NI and GB last week also widened to 9p/kg.

In ROI deadweight prices continued to strengthen in both sterling and euros terms. Last week the R3 steer price was the equivalent of 356.2p/kg, up 4.8p/kg from the previous week. This puts the differential between ROI and NI at 9.3p/kg or £33 on a 350kg carcase. The R3 heifer price in ROI last week was the equivalent of 366.5p/kg, up 5.4p/kg from the previous week. This puts the ROI price 0.5p/kg higher than NI R3 heifer price. The O3 cow price in ROI also recorded an increase of 4.3p/kg to the equivalent of 302.5p/kg, 5.9p/kg higher than the same price in NI.

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

| W/E 05/05/2018 | | Northern Ireland | Rep of Ireland | Scotland | Northern England | Midlands & Wales | Southern England | GB |
|---|---|---|---|---|---|---|---|---|
| Steers | U3 | 368.5 | 367.4 | 384.5 | 376.5 | 373.3 | 378.0 | 377.8 |
| | R3 | 365.5 | 356.2 | 384.5 | 370.0 | 369.6 | 371.2 | 373.8 |
| | R4 | 366.9 | 358.4 | 386.6 | 380.2 | 370.1 | 372.4 | 378.1 |
| | O3 | 355.8 | 341.1 | 360.6 | 345.1 | 340.0 | 348.7 | 348.4 |
| | AVG | 357.9 | - | 380.4 | 363.2 | 356.5 | 358.7 | 364.8 |
| Heifers | U3 | 370.7 | 379.1 | 389.6 | 378.8 | 382.5 | 381.4 | 383.3 |
| | R3 | 366.0 | 366.5 | 382.9 | 371.7 | 373.7 | 370.1 | 375.0 |
| | R4 | 363.1 | 367.7 | 384.9 | 376.0 | 373.1 | 370.0 | 376.5 |
| | O3 | 356.7 | 351.5 | 366.3 | 349.6 | 345.0 | 350.7 | 352.9 |
| | AVG | 357.2 | - | 382.3 | 365.5 | 359.4 | 357.3 | 366.6 |
| Young Bulls | U3 | 360.3 | 363.7 | 378.8 | 365.2 | 370.3 | 369.4 | 370.1 |
| | R3 | 356.9 | 353.7 | 370.2 | 356.8 | 359.4 | 362.8 | 361.1 |
| | O3 | 338.0 | 335.4 | 336.6 | 318.4 | 328.8 | 334.6 | 327.4 |
| | AVG | 347.1 | - | 362.7 | 339.0 | 339.2 | 353.1 | 345.8 |
| Prime Cattle Price Reported | | 6234 | - | 6470 | 7335 | 7342 | 5044 | 26191 |
| Cows | O3 | 296.6 | 302.5 | 299.1 | 282.9 | 285.4 | 287.2 | 286.7 |
| | O4 | 296.5 | 302.7 | 299.8 | 285.5 | 286.2 | 283.2 | 287.0 |
| | P2 | 256.5 | 271.2 | 257.2 | 239.0 | 235.5 | 241.4 | 240.1 |
| | P3 | 273.4 | 292.1 | 264.4 | 260.0 | 251.4 | 266.0 | 257.3 |
| | AVG | 275.2 | - | 290.1 | 262.5 | 250.8 | 253.3 | 258.2 |

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.10p 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 05/05/18 | From | To | Avg | From | To | Avg |
| **Finished Cattle (p/kg)** | | | | | | |
| Steers | 214 | 230 | 219 | 185 | 212 | 200 |
| Friesians | 164 | 170 | 167 | 134 | 163 | 149 |
| Heifers | 213 | 233 | 219 | 180 | 210 | 195 |
| Beef Cows | 156 | 208 | 170 | 125 | 155 | 140 |
| Dairy Cows | 120 | 149 | 128 | 75 | 119 | 102 |
| **Store Cattle (p/kg)** | | | | | | |
| Bullocks up to 400kg | 230 | 269 | 250 | 200 | 229 | 215 |
| Bullocks 400kg - 500kg | 220 | 254 | 232 | 190 | 219 | 202 |
| Bullocks over 500kg | 215 | 235 | 220 | 180 | 214 | 195 |
| Heifers up to 450kg | 220 | 246 | 230 | 180 | 219 | 200 |
| Heifers over 450kg | 215 | 236 | 225 | 175 | 214 | 195 |
| **Dropped Calves (£/head)** | | | | | | |
| Continental Bulls | 300 | 420 | 350 | 190 | 298 | 235 |
| Continental Heifers | 270 | 420 | 300 | 150 | 268 | 200 |
| Friesian Bulls | 90 | 140 | 115 | 40 | 88 | 65 |
| Holstein Bulls | 30 | 60 | 45 | 1 | 28 | 15 |

# SHEEP TRADE

## SHEEP BASE QUOTES

| (P/Kg DW) | This Week 07/05/18 | Next Week 14/05/18 |
|---|---|---|
| Hoggets >22kg | 530-550p | 540p |
| Spring Lambs >21kg | 570-590p | 570-580p |

## REPORTED SHEEP PRICES

| (P/KG) | W/E 21/04/18 | W/E 28/04/18 | W/E 05/05/18 |
|---|---|---|---|
| NI L/W Hoggets | 452.4 | 445.0 | 436.6 |
| NI D/W Hoggets | 559.6 | 545.4 | 541.7 |
| GB D/W Hoggets | 578.8 | 553.6 | 569.5 |
| ROI D/W | 526.4 | 524.0 | 542.7 |
| NI L/W Spr Lambs | 546.0 | 545.1 | 544.8 |
| NI D/W Spr Lambs | 578.3 | 563.5 | 569.4 |
| GB D/W Spr Lambs | 600.4 | 596.9 | 600.9 |

## Deadweight Sheep Trade

QUOTES from the plants for spring lambs this week were in the region of 570-590p/kg with plants paying up to 21kg. The number of spring lambs coming forward for slaughter has increased in recent weeks in line with normal seasonal trends with spring lambs accounting for one half of the price reported kill last week. The hogget season is coming to an end with the plants quoting 540p/kg for the small numbers coming forward for slaughter. Total lamb/hogget throughput in NI plants last week was 5,290 head compared to 3,534 head during the previous week. In the same week last year 4,592 lambs/hoggets were killed in local plants. The deadweight spring lamb price in NI last week was 569.4p/kg, up 5.9p/kg. The deadweight sheep price in ROI increased by 18.7p/kg to the equivalent price of 542.7p/kg.

## This week's marts

SMALL numbers of sheep passed through many of the marts this week with the trade remaining broadly similar to previous weeks. In Massereene on Monday 276 spring lambs sold from 540-590p/kg compared to 151 spring lambs last week selling from 550-613p/kg. In Saintfield this week 244 spring lambs sold from 517-580p/kg compared to 100 spring lambs last week selling from 532-560p/kg. In Ballymena on Wednesday 202 spring lambs sold from 518-618p/kg (avg 550p/kg) compared to 176 spring lambs last week selling from 500-534p/kg (avg 510p/kg). In Enniskillen this week 322 spring lambs sold from 533-578p/kg. In Markethill this week 350 spring lambs sold from 540-609p/kg. The highest recorded cull ewe price was £135 in Swatragh last Saturday.

## LATEST SHEEP MARTS

| From: 04/05/18 | | Hoggets (P/KG LW) | | | | Lambs (P/KG LW) | | | |
|---|---|---|---|---|---|---|---|---|---|
| To: 10/05/18 | | No | From | To | Avg | No | From | To | Avg |
| Friday | Newtownstewart | 52 | 441 | 482 | - | 95 | 532 | 584 | - |
| Saturday | Omagh | 234 | 367 | 479 | - | 69 | 539 | 587 | - |
| | Swatragh | 300 | 483 | 538 | - | - | - | - | - |
| Monday | Massereene | 232 | 420 | 507 | - | 276 | 540 | 590 | - |
| | Kilrea | 250 | 489 | 535 | - | - | - | - | - |
| Tuesday | Saintfield | 130 | 400 | 460 | - | 244 | 517 | 580 | - |
| | Rathfriland | 31 | 428 | 500 | - | 350 | 538 | 581 | 555 |
| Wednesday | Ballymena | 215 | 400 | 458 | 420 | 202 | 518 | 618 | 550 |
| | Enniskillen | 385 | 420 | 463 | - | 322 | 533 | 578 | - |
| | Markethill | 320 | 430 | 487 | - | 350 | 540 | 609 | |
| | Armoy | - | - | - | - | 74 | 510 | 540 | - |


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