

MORE HEAVY CARCASSES IN NI PRIME CATTLE KILL

THE average carcass weight of prime cattle slaughtered in NI has generally increased during summer and autumn 2018. The average carcass weight of prime cattle killed locally during the 12 weeks ending 24 November 2018 was 339.7kg, a 2.9kg increase from the same period in 2017.

Steers accounted for 51 per cent of prime cattle throughput in NI during the 2018 period, back from 55 per cent in the corresponding period in 2017. The most notable increase has been in the average carcass weight of steers and during the 12 weeks ending 24 November 2018 the average carcass weight was 355.2kg, up 5.7kg from the corresponding period last year.

Figure 1 displays the carcass weights of price reported steers by weight range. During the 2018 period 59 per cent of price reported steers

produced carcasses within the desired 280-380kg weight range. This is a slight reduction from 60 per cent of carcasses meeting this specification during the corresponding period in 2017. During the 2018 period 23 per cent of steer carcasses were between 380-420kg with a further 10 per cent of steer carcasses above 420kg. This was a slight increase for both categories as indicated in Figure 1. While there are market outlets for beef from carcasses outside the desired 280-380kg weight range they tend to be harder to find and of lower value.

The proportion of heifers in the NI slaughter mix increased by two percentage points to account for 38 per cent of the local kill during the 12 weeks ending 24 November 2018. The average carcass weight of these heifers was 318.1kg, up from 316.7kg during the corresponding period in 2017.

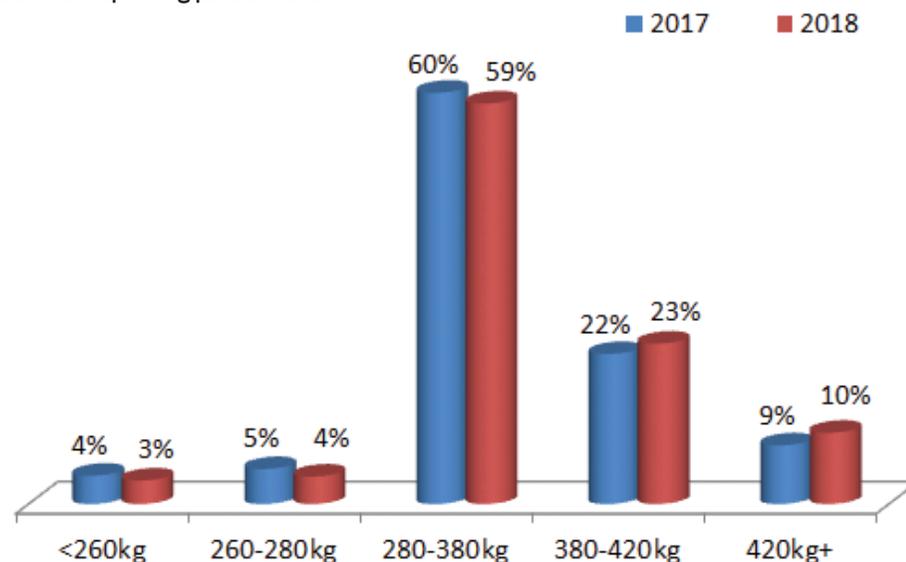
A larger proportion of heifer carcasses meet the

current 280-380kg weight specification than steer carcasses. During the 2018 period 72.9 per cent of heifers produced carcasses within this range, up from 71.9 per cent in the 2017 period. Meanwhile there has been a marginal reduction in the proportion of heifer carcasses over 380kg to 8.9 per cent in the 2018 period. Heifer carcasses under 280kg accounted for 18.2 per cent of the price reported heifer kill during the 2018 period, down from 19 per cent in the 2017 period.

Young bulls accounted for 11 per cent of NI prime cattle throughput during the 12 weeks ending 24

November 2018, up from 9 per cent during the corresponding period in 2017. The average carcass weight of young bulls was 340.7kg in the 2018 period, up 3.2kg from the same period in 2017. In the 2018 period 56 per cent of young bulls produced carcasses within the desired 280-380kg weight range with 25.5 per cent of young bulls producing carcasses over 380kg. In the same period in 2017 54.8 per cent of young bulls produced carcasses between 280-380kg with a further 24.9 per cent producing carcasses over 380kg.

Figure 1: Price reported steer carcasses by weight range during 12 weeks ending 24 November 2018 and the corresponding period in 2017.



DEADWEIGHT COW TRADE UNDER PRESSURE

BASE quotes from the major plants for cows have been coming under pressure for several months with strong supplies of cows coming forward for slaughter and a saturated market for manufacturing beef making sales more difficult.

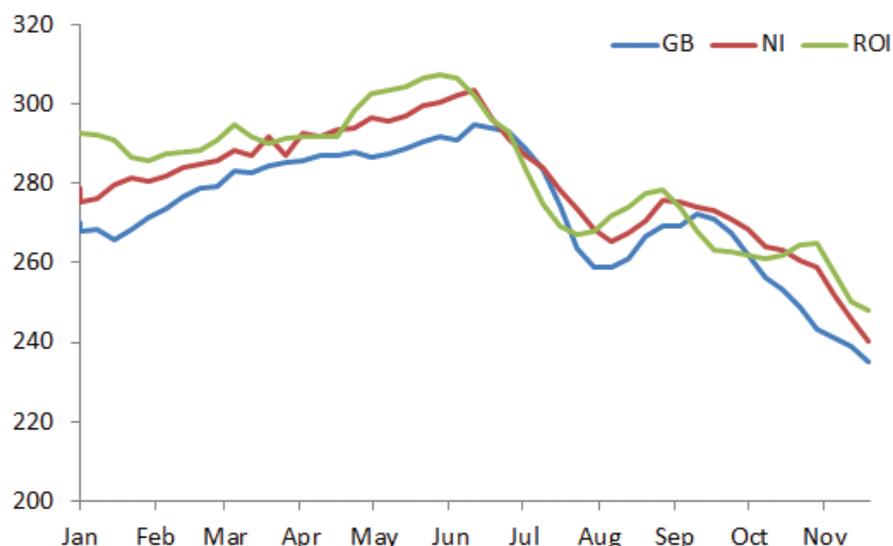
Quotes from the plants this week for good quality O+3 grading cows ranged from 224-250p/kg with the majority of plants quoting in the region of 230p/kg. This week last year the local processors were quoting 260-280p/kg for O+3 grading cows.

The O3 cow price in NI last week was 240.4p/kg, back 5.5p/kg from the previous week and the twelfth consecutive week in which it has recorded a decline. Over this 12 week period the O3 cow price in NI has declined by 35.2p/kg which is the equivalent of a £106 decline in the value of a 300kg carcass.

Cow prices have also been coming under pressure in GB and ROI as outlined in Figure 2. Deadweight cow prices in GB have been steadily declining since September with an average O3 cow price last week of 234.9p/kg. This was 5.5p/kg behind the equivalent price in NI which puts the differential between the regions at £17 on a 300kg carcass. The O3 cow price in NI was higher than the O3 cow price in all of the GB regions, including Scotland where it was 237.4p/kg last week.

Deadweight cow prices have also come under pressure in ROI although prices are currently ahead of NI prices as indicated in the chart. Cow prices in ROI held relatively stable in sterling terms during September and October but have recorded a sharp decline in recent weeks. The O3 cow price in ROI last week was 248.2p/kg which is 7.8p/kg above the equivalent NI price.

Figure 2: Weekly O3 cow prices in NI, GB and ROI January-November 2018



FQAS MART CLINICS DECEMBER 2018

LMC's Farm Liaison Officer, Terry White, runs Farm Quality Assurance Scheme (FQAS) mart clinics at a range of Livestock Marts across Northern Ireland. Terry is present to assist members of FQAS with non-conformances, general scheme queries and any issues prior to or following an inspection.

Any farmers who wish to join the scheme can also do so through their local FQAS mart clinic. Terry will be available at the livestock marts listed in the table. For further information call (028) 9263 3024.



LOCATION	DAY	DATE
Omagh	Monday	03/12/2018
Markethill	Tuesday	04/12/2018
Saintfield	Wednesday	05/12/2018
Kilrea	Wednesday	12/12/2018
Enniskillen	Thursday	13/12/2018
Ballymena	Friday	14/12/2018

WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 26/11/18	Next Week 03/12/18
Prime		
U-3	344 - 348p	340 - 346p
R-3	338 - 342p	334 - 340p
O+3	332 - 336p	328 - 334p
P+3	286 - 296p	284 - 294p
Including bonus where applicable		
Cows		
O+3 & better	224 - 250p	218 - 246p
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

BASE quotes from the major processors came back early this week to 344-348p/kg for in-spec U-3 grade prime cattle. The majority of plants are quoting 346p/kg for both steers and heifers with similar quotes expected for early next week. The cow trade showed some signs of stabilising this week with quotes for O+3 grading cows holding steady at 224-250p/kg across the plants however quotes for early next week are back to 218-246p/kg.

Prime cattle throughput has remained strong in local plants with 7,727 prime cattle killed last week. This was up 218 head from the previous week and is the highest weekly throughput of prime cattle during 2018 to date. In the same week last year prime cattle throughput in NI was 7,412 head. Cow throughput in NI has also remained firm with throughput last week totalling 2,184 head. In the same week last year 2,696 cows were killed in local plants.

Imports of cattle from ROI for direct slaughter last week consisted of 240 prime cattle and 78 cows with a further 35 cows imported for direct slaughter from GB. Exports of cattle out of NI for direct slaughter to ROI last week consisted of 9 prime cattle and 150 cows with a further 25 prime cattle and 15 cows making the journey to GB.

The deadweight trade in NI for prime cattle continued to come under pressure last week. The average steer price in NI last week was back 1.1p/kg to 345.5p/kg while the R3 steer price was back marginally to 355.8p/kg. Meanwhile the average heifer price reported a decrease of half a penny to 350.6p/kg in NI last week with the R3 heifer price back by 2p/kg to 355.3p/kg. The average young bull price in NI last week came back 3.2p/kg to 328.8p/kg while the R3 young bull price decreased by 3.7p/kg to 339.9p/kg.

The deadweight trade for prime cattle also continued to come under pressure in GB last week with the average steer price back 1.1p/kg to 358.9p/kg. The R3 steer price in GB last week was back by 2.7p/kg to 367.5p/kg with decreases recorded in all the GB regions. The differential in R3 steer prices between NI and GB last week was 11.7p/kg or £41 on a 350kg carcass. The average heifer price in GB last week reported a decline of 1.1p/kg to 358.6p/kg, while the R3 heifer price reported a marginal increase to 368.9p/kg. The R3 heifer price recorded an increase in Scotland (+2.7p/kg) and Northern England (+1.6p/kg) with decreases reported in Southern England (-1.7p/kg) and the Midlands (-1.2p/kg). The differential in R3 heifer prices between NI and GB last week was 13.6p/kg or £44 on a 320kg carcass.

In ROI last week prime cattle deadweight prices reported a mixed trade in euro terms, while a strengthening euro meant prices increased in sterling terms. The R3 steer price increased 3.5p/kg to the equivalent of 326.4p/kg while the R3 heifer price was up by 4.5p/kg to the equivalent of 338.3p/kg. The deadweight cow trade in ROI continued to come under pressure with the O3 cow price back 2.1p/kg (-6c/kg) last week.

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

W/E 24/11/2018	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	352.7	335.4	379.8	367.4	368.8	371.4
	R3	355.8	326.4	375.3	365.7	364.3	367.5
	R4	352.5	325.3	379.5	379.5	365.2	373.6
	AVG	345.5	-	374.5	361.5	348.6	358.9
Heifers	U3	359.2	348.2	381.7	374.3	376.2	376.8
	R3	355.3	338.3	379.7	364.9	366.0	368.9
	R4	356.4	338.3	378.3	368.9	366.8	370.0
	AVG	347.2	324.8	361.9	345.8	333.2	345.3
Young Bulls	U3	343.9	333.4	375.2	357.7	345.3	356.7
	R3	339.9	323.3	363.3	351.2	339.5	349.2
	O3	327.5	308.0	325.1	306.3	315.2	315.0
	AVG	328.8	-	356.9	330.5	323.7	331.2
Prime Cattle Price Reported	6,686	-	7,248	7,368	8,076	4,877	27,569
Cows	O3	240.4	248.2	237.4	234.3	236.8	234.9
	O4	244.6	249.8	240.2	233.7	235.8	233.8
	P2	200.3	210.2	199.9	192.5	192.2	194.1
	P3	219.4	235.2	212.6	202.0	213.1	209.7
AVG	217.3	-	230.8	209.8	198.8	193.3	203.3

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=88.84p 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 24/11/18	Steers	Heifers	Young Bulls
U3	351.7	358.2	343.9
R3	349.6	353.1	339.5
O+3	341.0	344.9	334.5

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 24/11/18	Wgt <220kg	Wgt 220- 250kg	Wgt 250- 280kg	Wgt >280kg
P1	134.8	144.2	156.3	165.2
P2	151.2	170.8	197.2	211.7
P3	200.0	195.7	213.6	221.8
O3	204.0	229.7	234.1	241.6
O4	235.0	223.9	245.4	244.9
R3	-	-	230.0	262.5

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 26/11/18	Next Week 03/12/18
Lambs > 22kg	380-390p	390-415p

REPORTED SHEEP PRICES

(P/KG)	W/E 10/11/18	W/E 17/11/18	W/E 24/11/18
NI L/W Lambs	346.7	352.4	364.6
NI D/W Lambs	374.3	373.0	380.0
GB D/W Lambs	387.2	390.3	396.0
ROI D/W	376.9	393.5	399.3

Deadweight Sheep Trade

BASE quotes from the plants this week for R3 grading lambs remained firm at 380-390p/kg with plants paying up to 22kg. Quotes early next week are expected to range from 390-415p/kg up to 22kgs. Lamb throughput in local plants last week increased by 781 lambs from the previous week to total 9,383 head. This was well above the 7,992 lambs killed locally in the same week last year. Lambs exported to ROI for direct slaughter last week increased to 9,073 lambs. In the same week last year 9,528 lambs were exported to ROI for direct slaughter. The deadweight lamb price in NI last week was up 7p/kg to 380p/kg while the ROI deadweight lamb price increased by 5.8p/kg to the equivalent of 399.3p/kg.

This week's marts

An improved liveweight lamb trade has been reported across the marts this week. In Swatragh last Saturday a sharper trade saw 1000 lambs selling from 342-425p/kg compared to 861 lambs the previous week selling from 320-361p/kg. In Saintfield this week 822 lambs sold from 350-453p/kg compared to 701 lambs last Tuesday selling from 340-397p/kg. In Rathfriland this week 600 lambs sold from 324-404p/kg to an average of 349p/kg. In Ballymena this week 1,550 lambs sold from 343-390p/kg (avg 350p/kg) compared to 1,740 lambs last week selling from 330-387p/kg (avg 344p/kg). In Markethill this week 1,100 lambs sold from 360-404p/kg compared to 650 lambs last week selling from 350-385p/kg.

LATEST LIVELWEIGHT CATTLE MART PRICES NI

W/E 24/11/18	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	200	220	208	170	194	179
Friesians	-	-	-	-	-	-
Heifers	197	220	203	158	190	174
Beef Cows	136	202	154	105	134	120
Dairy Cows	100	118	107	60	99	75
Store Cattle (p/kg)						
Bullocks up to 400kg	220	246	230	180	219	200
Bullocks 400kg - 500kg	210	238	220	165	209	185
Bullocks over 500kg	195	212	205	160	194	178
Heifers up to 450kg	210	239	220	165	209	188
Heifers over 450kg	195	211	202	170	194	180
Dropped Calves (£/head)						
Continental Bulls	325	450	365	210	320	265
Continental Heifers	275	370	310	150	270	200
Friesian Bulls	150	265	180	70	135	100
Holstein Bulls	100	180	130	2	95	50

LATEST SHEEP MARTS

From: 23/11/18		Lambs (P/KG LW)			
To: 29/11/18		No	From	To	Avg
Friday	Newtownstewart	222	322	401	-
Saturday	Omagh	1176	374	425	-
	Swatragh	1000	342	425	-
Monday	Massereene	868	355	386	-
	Kilrea	300	356	397	-
Tuesday	Saintfield	822	350	453	-
	Rathfriland	600	324	404	349
Wednesday	Ballymena	1550	343	390	350
	Enniskillen	382	358	393	-
	Markethill	1100	360	404	-
	Armoey	294	355	410	-

Contact us:

Website: www.lmcni.com

Telephone: 028 9263 3000

Fax: 028 9263 3001

FQAS Helpline: 028 9263 3024

Answerphone: 028 9263 3011

Comments: bulletin@lmcni.com

Information supplied by LMC / DAERA / AHDB / DAFM
LMC does not guarantee the accuracy or completeness of any third party information provided in or included with this publication. LMC hereby disclaims any responsibility for error, omission or inaccuracy in the information, misinterpretation or any other loss, disappointment, negligence or damage caused by reliance on third party information.

Not for further publication or distribution without prior permission from LMC



LMC HOSTS DELEGATES FROM BEEF AND LAMB NEW ZEALAND

A deputation from 'Beef and Lamb New Zealand' recently visited Northern Ireland. While here, they took the opportunity of getting-together with representatives from the Livestock and Meat Commission (LMC). The Kiwi grouping comprised chairman Andrew Morrison; farmer director George Tatham and European manager Ben O'Brien.

"We have always enjoyed close relationships with the beef and lamb industry in New Zealand," Ian explained. "In fact, a deputation from UK industry and government visited the country earlier this year. Our discussions ranged from an overview of how levy bodies can deliver for their farmer-members in the most efficient way possible to Brexit and the potential to grow global demand for animal protein over the next number of years."

He added: "New Zealand has an excellent track record when it comes to securing new market access around the world and, thereafter, maintaining these trade links. We were keen to learn from Beef and Lamb New Zealand, where this matter is concerned. Securing a stronger foothold on export markets will be a key priority for our own livestock industry as we look to the future."

Where Brexit is concerned New Zealand wants to make sure that its cumulative access to the UK and EU27 markets for sheep meat is not diminished in any way once Britain leaves the European Union. "There is absolutely no indication of New Zealand wanting to increase its access to the European and UK markets," said Ian. "

The LMC chief executive stressed the common ground which the livestock



industries in both New Zealand and Northern Ireland enjoy. The latest report from GIRA, the highly respected worldwide food consultancy and research organisation, predicts that global meat consumption will increase by 55mt on an annual basis by 2027," he confirmed.

"This is a remarkable opportunity for the world's meat industries across the board. The challenge is that of being able to produce all this extra food on a sustainable basis. "The world's

population is set to increase. There is also strong evidence indicating that income levels will strengthen in many of the countries where significant population rises can be expected. So there is every reason to believe that the additional meat required in line with this growing demand will be purchased at sustainable prices."

The delegations from Northern Ireland and New Zealand also discussed the ways by which the ruminant livestock sectors can mitigate the impact of global warming while still delivering the anticipated increase in total meat output.

"Producing beef and lamb in the most efficient way possible is, obviously key to making this happen," Ian commented. "However, the science associated with climate change is also

changing at a very fast rate. For example, the latest research would indicate that the methane produced by ruminant animals is broken down quite quickly once it reaches the atmosphere. "It's important that consumers are made fully aware of these new findings as soon as they are put into the public domain."

Discussion also centred on the management of the differing farm quality assurance schemes that currently operate in New Zealand and Northern Ireland. "In New Zealand quality assurance operates at a company level whereas here we operate a national scheme," said Ian. "The delegation from Beef and Lamb New Zealand made it clear that they wanted to follow our lead in this regard."

NOVEMBER HAS BEEN A BUSY MONTH IN LMC

LMC Chairman Gerard McGivern and director Gerry Maguire have been re-appointed to their respective positions for an additional 6-month period. Both have contributed tremendously to the work of the commission for the last number of years.

Gerard has served as the chair of LMC since November 2015. He is a fellow of the Chartered Institute of Marketing and a fellow of the Institute of Economic Development. At a professional level, he has been involved at a senior level in a number of district councils in various marketing roles. Gerard was also the founding Manager of Banbridge District Enterprises Ltd.

Gerry is managing director of the Linden Foods' Group, which has an annual turnover in excess of £400m. He was appointed to the board of the commission in October 2015.

The last few weeks have also seen the appointment of Noel McNeill to the position of Farm Quality Assurance Manager. A native of Annaclone in Co Down, he has a strong background in suckler beef production. The agricultural technology graduate had previously worked in the beef processing sector.

In his new job Noel will be responsible for the day-to-day running of the Farm

Quality Assurance scheme while also ensuring that quality assurance standards are maintained on-farm across Northern Ireland.

Image 1: Noel McNeill has recently joined LMC as FQAS Manager



LMC also co-hosted a beef conference in Greenmount during November 2018 in conjunction with Ulster Farmers' Union (UFU), the Agri-Food and Biosciences Institute (AFBI), the College of Food, Agriculture and Rural Enterprise (CAFRE) and the National Beef Association (NBA).

The theme of the well attended event was: 'Healthy Cattle, Healthy Profits' and the impressive line-up of speakers highlighted what the industry currently does well, but also identified potential areas of improvement to help drive more efficient beef production in NI.

IN MY OPINION: RICHARD HALLERON

ASSUMING Theresa May gets a Brexit deal across the line with her parliamentary colleagues over the coming weeks, then the government must act to flesh out the future for farm support once we leave the European Union. And this is particularly the case, where beef and lamb are concerned

No other group is as dependent on the current EU's influence as are livestock producers. Moreover, these farmers – for the most part – operate within management cycles that are up to four years' long. For example, it will take a minimum of three years for a beef calf conceived now to reach maturity as a beef animal. And, on many farms this period could be stretched out to a full four years. In the meantime, the UK is set to leave the EU on March 29th next. Given this backdrop, the need to provide future certainty for livestock farmers now is obvious. There is little doubt that the basic payment system of support, as we know it today, will fall by the wayside – once London takes over policy regulation.

But the core priority that must not be overlooked is the actual level of financial support that must be made available to the beef and sheep industries, so as to keep these sectors on a sustainable footing. Currently, the vast bulk of the profits generated by beef and sheep farmers are accounted for by the direct payments made available from Brussels. There is no certainty at all concerning the future of

food commodity prices in the UK, once we leave the EU. They could go up. But equally they could move in the opposite direction.

This is why it is so important for farmer funding levels to be maintained at current levels, once Brexit becomes reality. There is also a need for Whitehall to prioritise the fundamental importance of family farms in regions like Northern Ireland. The other reality that must be recognised is the fact that our beef and sheep output underpins a food processing industry that pumps £billions into the local economy while also employing many thousands of people.

Beef and sheep in Northern Ireland have a lot going for them. Our Farm Quality Assurance Scheme, operated

by the LMC, is helping to drive export sales at the present time. This must be built on for the future. Many people point to the prospect of agriculture in Northern Ireland re-structuring itself over the coming years. But beef and sheep farmers must be given the time and scope to allow this happen in a smooth and acceptable fashion.

This is why it is so important for the current support levels for livestock farmers to be maintained well into the future. In my opinion, the UK government has taken far too long on settling its Brexit policy objectives. But now that the matter looks like coming to a head, the clear need to agree long-term policy objectives for the livestock sector becomes very obvious.

Image 2: NI beef and lamb producers need clarity around how future farm support will be structured.



Contact us:

Website: www.lmcni.com

Telephone: 028 9263 3000

Fax: 028 9263 3001

LMC does not guarantee the accuracy or completeness of any third party information provided in or included with this publication. LMC hereby disclaims any responsibility for error, omission or inaccuracy in the information, misinterpretation or any other loss, disappointment, negligence or damage caused by reliance on third party information.

Not for further publication or distribution without prior permission from LMC

