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INCREASE IN NI PRIME CATTLE KILL FORECAST FOR 2021

Base quotes from the plants last week for U-3 grading prime cattle held relatively steady at 354-360p/kg although there has been some firming in the quotes in individual plants within this quoted range.

Reports from the plants have indicated firm supplies of prime cattle coming forward for slaughter to meet demand for beef. Last week there were 7,120 prime cattle killed in NI beef processing plants which was similar to the previous week.

However while the plants have reported firm supplies of cattle the level of throughput has been operating behind this time last year. Prime cattle throughput in NI during the six week period ending 18/10/2020 totalled 41,915, almost nine per cent behind the corresponding period in 2019.

It is also worth noting that during the last six week period there has been an increase in the number of prime cattle being imported for direct slaughter from ROI which have helped to supplement prime cattle throughput in local plants. During the six weeks ending 18/10/2020 there were 2,219 prime cattle imported from ROI which accounted for 5.3 per cent of total throughput. In the same period last year 1,733 prime cattle were imported from ROI for direct slaughter and these accounted for 3.8 per cent of total throughput in local plants.

In recent months there has also been an increase in the number of cattle being imported for further production on local farms which has helped to further supplement supplies of prime cattle for slaughter.

During the period July-September 2020 there were 2,716 weanling and store male cattle imported from ROI for further production on local farms. This was a notable increase from 443 head in the same three month period last year and the highest recorded level of import during this quarter since 2013.

At the start of October 2020 there were 3,671 male cattle on NI farms ages between 12-30 months with most of these intended for beef production. This is more than double the 1,591 imported male cattle in this age range in October 2019.

Forecast Prime Kill

LMC have recently completed the NI cattle kill forecasting for the remainder of 2020 and into 2021. While the number of prime cattle available for slaughter is expected to remain fairly steady for the final quarter of 2020 and the first quarter of 2021 the supply of cattle is expected to pick up from April 2021 onwards as indicated in Table 1.

Cattle availability over the next six months has been revised upwards slightly from previous forecasts due to an increase in the number of cattle being imported for direct slaughter and further production in recent months as outlined above. The expected increase in supplies as 2021 progresses will be driven by improved supplies of NI born cattle but will be further supplemented by the cattle being imported from ROI for both further production and direct slaughter.

** These forecasts have been made on the assumption that current trading patterns will continue. To access the full Cattle Kill Forecasting presentation please see www.lmcni.com/market-information/market-reports/*

Figure 1: Quarterly prime cattle kill in NI 2018-2021 (f) (Source: LMC Cattle KIll Forecasting)

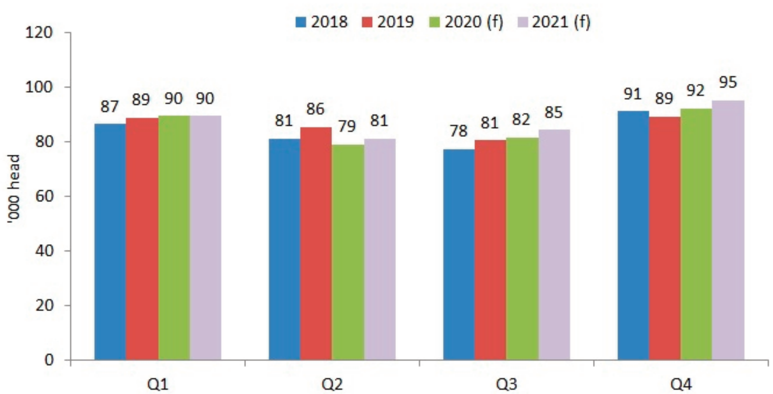

Table 1: Quarterly prime cattle kill in NI 2018-2021 (f) (Source: LMC Cattle KIll Forecasting)

	2018	2019	2020 (f)	2021 (f)	% Change
Q1	86,738	88,966	89,607	89,716	+0.1%
Q2	81,359	85,562	79,183	81,295	+2.5%
Q3	77,583	80,692	81,839	84,513	+3.3%
Q4	91,311	894,51	92,439	95,267	+3.2%
Total	336,991	344,671	343,068	350,791	+2.2%

NI PLACES FIFTH IN EU LEAGUE TABLE OF HEIFER PRICES

Table 2: EU Deadweight Cattle Prices League Table- Heifers R3 Equivalent (€ Cents) week 42/2020
Source: EU Commission

Position last Mth	Position this Mth	Country	Price last Mth (w/e 20.09.20)	Price this Mth (w/e 18.10.20)	Change on Mth (cents)
1	1	Sweden	426.5	429.0	+2.5
2	2	Italy	413.8	415.6	+1.8
4	3	Great Britain	407.3	410.3	2.9
3	4	France	410.0	405.0	-5.0
6	5	Northern Ireland	396.1	402.9	6.8
5	6	Luxembourg	397.9	385.6	-12.3
7	7	Ireland	364.6	364.5	-0.1
8	8	Portugal	355.3	359.3	4
11	9	Spain	327.6	354.1	+26.5
9	10	Austria	348.9	344.3	-4.6
10	11	Germany	335.5	341.5	+6.0
12	12	Denmark	325.8	322.2	-3.6
14	13	Netherlands	311.0	317.0	+6.0
13	14	Belgium	313.5	314.0	+0.5
15	15	Slovenia	308.4	308.9	+0.4
16	16	Poland	304.1	302.3	-1.8
18	17	Romania	259.5	287.3	+27.8
17	18	Lithuania	264.8	269.3	+4.5
19	19	Czech Republic	247.9	251.3	+3.5
		EU Average	**365.0**	**367.4**	**+2.4**
		Euro (€1=)	91.7	90.6	-1.1

The EU Deadweight Cattle Prices League Table is published each week by LMC using deadweight cattle price reporting information sourced from the European Commission. The table provides a useful comparison of farmgate R3 heifer prices across selected EU countries during any particular week and also records how this has changed from the previous month.

Last week the average R3 heifer price in the EU was 367.4c/kg, up 2.4c/kg from the w/e 20/09/2020 as outlined in Table 2. However there has been some variation in the performance of the deadweight beef trade between individual regions as outlined in Table 2.

In euro terms the R3 heifer price in NI was 402.9c/kg last week, up 6.8c/kg from the previous month and this has moved it up to fifth position in the league table. The R3 heifer price in NI was 35.5c/kg above the EU average price last week which is the equivalent of €117 on a 330kg carcase.

GB moved up one position into third place in the EU league table last week with a 2.9c/kg increase in the R3 heifer price to 410.3c/kg. The GB R3 heifer price was 42.9c/kg ahead of the EU average which is the equivalent of €142 on a 330kg carcase.

There was almost no change in the R3 heifer price in ROI with a reported price last week of 364.5c/kg which kept it in seventh place in the league table. This places it 2.9c/kg behind the EU average price as indicated in Table 2. The differential in R3 heifer prices between NI and ROI was 38.4c/kg last week equates to €127 on a 330kg carcase. This has widened from the w/e 20/09/2020 when the differential was the equivalent of €104.

The most notable change in reported R3 heifer prices last week was recorded in Spain where the R3 heifer price increased by 26.5c/kg to 354.1c/kg. This moved it up two positions in the league table into ninth position. Increases in reported prices were also reported in Italy (+1.8c/kg), Portugal (+4c/kg), Germany (+6c/kg) and the Netherlands (+6c/kg).

Meanwhile in Luxembourg prices were back by 12.3c/kg to 385.6c/kg moving it down one place into sixth position in the league table. Notable declines in reported prices were also recorded in France (-5c/kg), Austria (-4.6c/kg) and Denmark (-3.6p/kg).

With Brexit negotiations still ongoing sterling improved slightly against the euro. In the week ending 18/10/2020 €1=90.6p, compared to €1=91.7p during the w/e 20/09/2020.

* The EU Deadweight Cattle Prices League Table compiled weekly by LMC and is hosted on the LMC website at www.lmcni.com/market-information/market-reports/

WEEKLY BEEF & LAMB MARKETS

LMC Livestock & Meat Commission

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 19/10/20	Next Week 26/10/20
Prime		
U-3	354 - 360p	354 - 360p
R-3	348 - 354p	348 - 354p
O+3	342 - 348p	342 - 348p
P+3	292 - 302p	292 - 302p
	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 10/10/20	Steers	Heifers	Young Bulls
U3	369.0	373.1	364.5
R3	364.8	366.3	358.5
O+3	356.9	359.7	348.3

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 10/10/20	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	167.8	181.8	190.6	203.9
P2	188.5	219.6	236.4	248.5
P3	205.6	236.4	251.4	262.1
O3	160.0	246.0	273.5	279.5
O4	-	236.0	277.5	280.3
R3	-	-	-	294.6

Deadweight Cattle Trade

Base quotes for in spec U-3 grading prime cattle ranged from 354-360p/kg this week with most of the major plants quoting towards the upper end of this range. Quotes for good quality O+3 grading cows have held steady at 260-280p/kg this week. Similar quotes for all types of cattle are expected for early next week.

The plants have reported good supplies of cattle for slaughter with prime cattle throughput last week totalling 7,120 head while 2,440 cows were also processed in local plants. Both prime cattle and cow throughput last week was similar to the previous week however they are trending below the same period last year.

There was a notable decline in the number of prime cattle imported from ROI for direct slaughter in NI last week to 133 head. This was down 249 head from the previous week and the lowest level of weekly import recorded since late April this year. Cow imports from ROI also declined last week to just 92 head which is the lowest level of weekly import recorded since late May this year. Cattle exports to ROI for direct slaughter have continued at the relatively low levels recorded during previous weeks while there were no cattle exported to GB for direct slaughter last week.

The deadweight trade for prime cattle in NI has held steady with the majority of reported steer and heifer prices last week within half a penny of the previous week. The R3 steer price in NI last week was up marginally to 367.1p/kg with the average steer price also up slightly to 358.9p/kg. The R3 heifer price was back marginally to 367.8p/kg while the average heifer price was up half a penny to 361.6p/kg. The trade has improved for the small number of young bulls passing through local plants with the U3 price up 2p/kg to 362.7p/kg and the R3 price up 3.5p/kg to 359.9p/kg last week. The cow trade also improved in NI last week with the average price up by almost 3p/kg to 249.2p/kg. NI had the highest O3 cow price in the UK last week at 278.6p/kg.

In GB last week there was some variability recorded in the performance of deadweight prices across the regions. The R3 steer price in GB last week was up by 1.8p/kg to 376.7p/kg, driven by 3p/kg increases in both Scotland and Northern England and a 0.6p/kg increase in the Midlands. Meanwhile the R3 steer price in Southern England came back by 1.8p/kg to 367.9p/kg. The R3 heifer price in GB last week was up almost a penny to 374.5p/kg. While there was a 2p/kg increase in the R3 heifer price in Southern England to 368.6p/kg reported prices in all other GB regions were within a penny of the previous week.

Prices in ROI last week were back marginally from the previous week in euro terms but a slight firming in the value of sterling against the euro has meant prices were back more notably in sterling terms. The R3 steer price last week was the equivalent of 328.8p/kg, back 2.9p/kg from the previous week with the R3 heifer price back by a similar margin to the equivalent of 332.3p/kg. Prime cattle throughput has been steadily rising in ROI in recent weeks with 28,940 animals processed last week, the highest weekly throughput recorded since February this year.

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

W/E 17/10/20		Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	369.2	339.0	388.4	377.1	375.0	376.3	380.4
	R3	367.1	328.8	390.0	377.7	372.0	367.9	376.7
	R4	365.6	328.3	387.4	385.5	369.9	367.1	381.8
	O3	357.0	311.1	370.1	360.0	350.5	348.0	354.6
	AVG	358.9	-	384.6	371.5	360.6	357.2	368.9
Heifers	U3	373.1	342.7	390.6	381.3	383.1	377.7	384.4
	R3	367.8	332.3	384.6	374.3	372.5	368.6	374.5
	R4	365.9	332.6	385.3	376.6	373.6	368.1	378.4
	O3	358.0	320.5	365.9	353.0	345.9	344.1	349.2
	AVG	361.6	-	382.9	367.1	361.0	355.4	367.3
Young Bulls	U3	362.7	323.3	377.8	360.3	369.4	374.0	371.8
	R3	359.9	314.2	373.8	371.2	369.1	362.6	370.2
	O3	341.1	300.8	330.6	335.0	330.2	331.7	331.8
	AVG	345.5	-	361.8	341.4	352.7	345.2	351.1
Prime Cattle Price Reported		6,015	-	6,682	6,712	7,830	4,822	26,046
Cows	O3	278.6	266.9	270.1	266.0	268.5	263.5	267.2
	O4	280.0	267.4	269.1	266.8	265.7	253.7	264.1
	P2	239.1	237.9	233.4	221.5	228.3	226.7	226.7
	P3	259.2	257.1	236.0	241.5	240.7	235.4	239.2
	AVG	249.2	-	258.7	240.7	237.8	227.2	238.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=90.60p 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

W/E 17/10/20	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	220	236	227	200	219	212
Friesians				130	134	132
Heifers	210	226	216	190	209	200
Beef Cows	170	218	185	130	169	145
Dairy Cows	115	145	125	95	114	105
Store Cattle (p/kg)						
Bullocks up to 400kg	225	265	240	200	224	212
Bullocks 400kg - 500kg	225	256	235	200	224	212
Bullocks over 500kg	220	236	225	180	219	200
Heifers up to 450kg	220	241	230	180	219	200
Heifers over 450kg	200	219	210	170	199	185
Dropped Calves (£/head)						
Continental Bulls	335	450	380	200	330	280
Continental Heifers	300	400	355	180	280	230
Friesian Bulls	150	220	185	70	140	105
Holstein Bulls	80	145	105	1	75	40

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 19/10/20	Next Week 26/10/20
Lambs up to 21kg	440p	440-450p

REPORTED SHEEP PRICES

(P/KG)	W/E 03/10/20	W/E 10/10/20	W/E 17/10/20
NI L/W Lambs	398.5	395.4	399.2
NI D/W Lambs	425.4	422.4	423.2
GB D/W Lambs	450.7	435.6	441.6
ROI D/W	444.0	443.9	444.4

Deadweight Sheep Trade

The deadweight sheep trade has firmed slightly with base quotes from the major plants this week in the region of 440-450p/kg up to 21kg for R3 grading lambs. Similar quotes are expected for early next week. Lamb throughput has been similar to previous weeks with 10,828 lambs processed locally last week and a further 7,012 lambs exported to ROI for direct slaughter. In the same week last year 8,433 lambs were processed locally and 8,720 exported to ROI for direct slaughter. The average deadweight price in NI last week was up slightly to 423.2p/kg while the GB lamb price increased by 6p/kg to 441.6p/kg. The ROI lamb price was the equivalent oft 444.4p/kg last week, up half a penny from the previous week.

Liveweight Sheep Trade

Steady numbers of lambs have continued to pass through the local marts this week. In Swatragh last Saturday 1,000 lambs sold from 380-435p/kg compared to 1,200 lambs last week selling from 385-428p/kg. In Saintfield this week 485 lambs sold from 390-458p/kg, a similar trade to last week when 502 lambs sold from 390-471p/kg. In Ballymena this week a strong entry of 2,320 lambs sold from 373-431p/kg (avg 397p/kg) compared to 2,558 lambs last week selling from 385-431p/kg (avg 398p/kg). In Markethill this week 910 lambs sold from 395-431p/kg, a similar trade to last week when 1,150 lambs sold from 390-429p/kg. The cull ewe trade has remained firm with top reported prices of over £130 in several of the marts this week.

LATEST SHEEP MARTS (P/KG LW)

From: 16/10/20		Lambs			
To: 22/10/20		No	From	To	Avg
Saturday	Omagh	756	411	498	-
	Swatragh	1,000	380	435	-
Monday	Massereene	926	390	420	-
	Kilrea	720	391	418	-
Tuesday	Saintfield	485	390	458	-
	Rathfriland	703	395	480	-
Wednesday	Ballymena	2320	373	431	397
	Enniskillen	680	400	481	-
	Armoy	364	378	418	-
	Markethill	910	395	431	-

Strict Covid - 19 restrictions are in place across all of the livestock marts

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