

MORE PREMIUM CATTLE ON NI FARMS

BONUSES available for Aberdeen Angus and Hereford prime cattle at point of slaughter have been a key driver behind the increased use of AA and Hereford bulls in both the dairy and suckler herds in NI in recent times.

Aberdeen Angus

During 2016 a total of 69,334 AA calves were registered in NI, a 19 per cent increase from the 58,425 AA calves registered in 2015. This trend has continued into 2017 with 11,440 AA calves registered during the first two months of the year, a five per cent increase on the corresponding period in 2016.

The increase in the level of AA registrations has resulted in more AA cattle on NI farms as indicated in Figure 1 which will ultimately result in an increased availability of these animals for slaughter.

At the end of February 2017 there were 27,174 AA cattle on NI farms aged from 1-6 months, a 14 per cent increase on year earlier levels, while in the 7-12 month age category there were 35,169 AA cattle on NI farms, a 6 per cent increase from 2016 levels.

The largest increase in numbers year on year however has been in the 13-18

month age category. In February 2017 there were 25,390 AA cattle on NI farms in this age bracket, a notable 24 per cent increase year on year. There have also been increases in the number of AA cattle on NI farms in the 19-24 month and 25-30 month age categories which were five per cent and thirteen per cent higher respectively in February 2017.

During 2017 to date 15.7 per cent of the price reported prime cattle kill in NI were AA. This compares to 14.2 per cent of the kill for the whole of 2016 and 13.1 per cent in the whole of 2015.

Hereford

During 2016 a total of 28,310 HER calves were registered on NI farms, a 24 per cent increase from 2015 levels when 22,841 HER calves were registered. During 2017 to date 4,662 HER calves have been registered in NI, a four per cent increase on the corresponding period in 2016.

Although the numbers remain small in comparison to AA the number of HER cattle on NI farms has shown a steady increase. At the end of February 2016 there were 10,819 HER cattle on NI farms aged 1-6 months, a 14 per cent increase on year earlier levels. Meanwhile the number of HER cattle

aged 7-12 months at the end of February 2017 was 6 per cent higher than year earlier levels.

The most notable increases in HER cattle numbers however have been in the older age bands as indicated in Table 1. There were 10,376 HER cattle aged 13-18 months in February 2017, a 39 per cent increase from February 2016 levels. Meanwhile the number of HER cattle aged 19-24 months was 20 per cent higher and the number aged from 25-30 months was 36 per cent higher than February 2016 levels.

During 2017 to date HER cattle have accounted for 5.2 per cent of the total price reported kill in NI compared to 4.4 per cent during 2016 and 3.6 per cent during 2015.

The Market

While there has been a notable increase in the number of AA and HER cattle on NI farms intended for slaughter it should be noted that these traditional breeds produce lower carcass weights aimed at a niche market and they are therefore not suitable for all producers or production systems.

While the processors have reported an increase in demand for beef from these

traditional breeds to fulfil premium orders with major retailers and the food service sector it is very important that supply chains communicate and work effectively to correctly match supply with demand.

Figure 1: Aberdeen Angus cattle on NI farms by age category February 2016 and February 2017

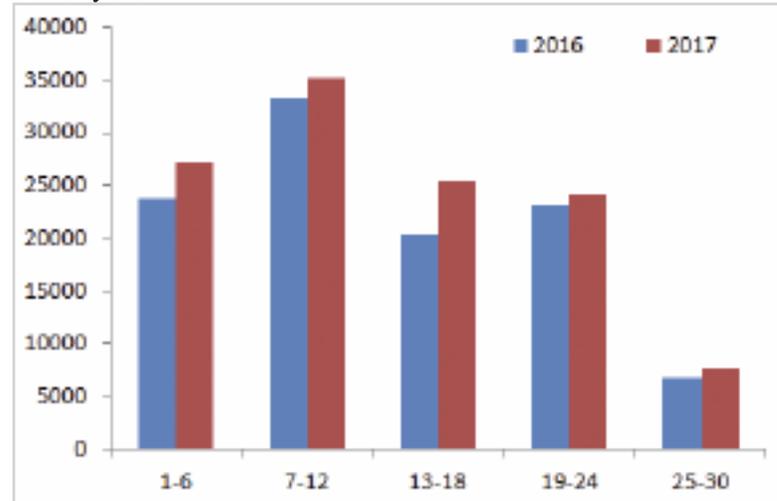


Table 1: Hereford cattle on NI farms by age category February 2016 and February 2017

	Age in Months					
	1-6	7-12	13-18	19-24	25-30	31-36
2016	9,504	13,873	7,443	8,951	2,791	2,346
2017	10,819	14,741	10,376	10,732	3,797	3,321

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 above. For further information call (028) 9263 3024.

LOCATION	DAY	DATE
Omagh	Monday	03/04/2017
Saintfield	Wednesday	05/04/2017
Markethill	Tuesday	11/04/2017
Enniskillen	Thursday	13/04/2017
Kilrea	Wednesday	19/04/2017
Ballymena	Friday	21/04/2017

HALF OF NI BEEF FINISHERS PROVIDE FIVE PER CENT OF PLANT THROUGHPUT IN 2016

THE NI agricultural census results for June 2016 were released earlier this year and they indicated that there were a total of 1,664,592 cattle on 19,942 farm holdings across NI in June 2016.

Of these farms 3,529 were identified as having dairy cows whilst a further 14,756 farms were identified as having suckler cows. The census also identified 17,486 farms that had cattle aged over one year old that were intended for slaughter.

Price reporting information for 2016 identified 7,647 individual herds that slaughtered prime cattle at some stage during 2016 in one of the major NI processing plants. This was an increase of 236 farms from 2015 when 7,411 individual herds presented prime cattle for slaughter.

During 2016 3,717 herds presented ten or fewer prime cattle for slaughter in one of the major NI processing plants. These

producers accounted for 49 per cent of all producers that presented cattle for slaughter during 2016 however with their total combined output of 14,118 prime cattle they accounted for just five per cent of total prime cattle throughput in local plants.

A further 2,740 producers killed between 11 and 50 prime cattle in local plants during 2016 and these accounted for 36 per cent of farms presenting prime cattle for slaughter in local plants. The combined output of prime cattle from these beef finishers was 67,527 head during 2016 which equates to 25 per cent of total prime cattle throughput in the local price reporting plants.

A further 714 beef producers presented between 51 and 100 prime cattle for slaughter at local plants during 2016 which accounted for nine per cent of all herds that killed cattle. The combined output of these farms was 49,723 prime cattle which accounted for 19 per cent of total

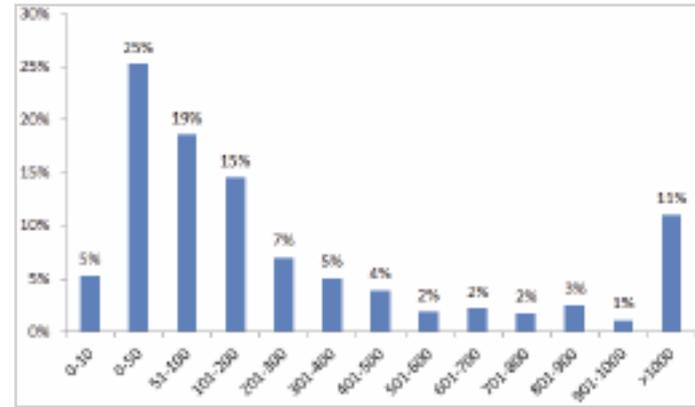
prime cattle throughput of local processors.

Overall during 2016 49 per cent of the prime cattle killed in the major NI processing plants were sourced from farms killing 100 head or less and this accounts for 94 per cent of herds that presented cattle for slaughter during 2016.

In 2016 a total of 476 herds killed in excess of 100 prime cattle in

the major NI plants with a combined output of 136,072 head. This equates to 51 per cent of the price reported prime cattle kill in NI during 2016 being sourced from six per cent of the herds presenting prime cattle for slaughter. In addition as outlined in Figure 2 11 per cent of prime cattle throughput in local plants was sourced from producers that killed in excess of 1,000 prime cattle during 2016.

Figure 2: Breakdown of the NI prime cattle kill in NI during 2016 by prime cattle output of source farm.



FQAS Helpline

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the

FQAS helpline:
028 9263 3024

Answerphone Service
Factory Quotes &
Mart Results
Updated 5pm Daily

Tel: 028 9263 3011

Text Service
Free Price Quotes sent to your mobile
phone weekly

Email - bulletin@lmcni.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 27/03/17	Next Week 03/04/17
Prime		
U-3	336 - 346p	336 - 346p
R-3	330 - 340p	330 - 340p
O+3	324 - 334p	324 - 334p
P+3	274 - 294p	274 - 294p
Including bonus where applicable		
Cows		
O+3 & better	250 - 254p	250 - 254p
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 25/03/17	Steers	Heifers	Young Bulls
U3	352.5	353.6	342.8
R3	348.0	348.1	339.0
O+3	338.6	339.5	333.9

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 25/03/17	Wgt <220kg	Wgt 220-250kg	Wgt 250-280kg	Wgt >280kg
P1	160.4	170.0	183.1	191.1
P2	180.5	195.3	216.6	231.9
P3	180.0	218.7	233.3	242.1
O3	210.2	222.9	247.5	258.3
O4	-	217.0	245.5	262.7
R3	-	-	270.0	279.2

Deadweight Cattle Trade

QUOTES from the major processors for U-3 grade steers and heifers this week generally ranged from 340-346p/kg with one plant continuing to quote 336-338p/kg. The trade for cows has also remained steady with quotes for good quality O+3 grade cows in the region of 250-254p/kg across the plants.

The processors have reported slightly tighter supplies of prime cattle available for slaughter although reports have also indicated subdued demand for beef from some retailers. Throughput of prime cattle in NI last week however remained similar to previous weeks at 6,576 head. In the corresponding week last year prime cattle throughput in NI totalled 6,425 head. Cow throughput in NI last week totalled 1,797 head and accounted for 21 per cent of total cattle throughput in local plants. In the same week last year cow throughput in NI totalled 1,323 head and accounted for 17 per cent of total plant throughput.

Imports from ROI for direct slaughter last week consisted of 177 prime cattle and 32 cows, fairly similar to the corresponding week in 2016. Imports from GB last week for direct slaughter consisted of 6 prime cattle and 90 cows compared to one steer and 29 cows imported during the same week last year. Exports from NI for direct slaughter in ROI last week consisted of 34 prime cattle and 149 cows while there were no cattle exported to GB for slaughter last week.

The average steer price in NI last week was unchanged at 340.6p/kg while the R3 steer price was up by 2p/kg to 352.5p/kg. There was also an improvement in the heifer trade in NI last week with the average heifer price up by 2.5p/kg to 344.1p/kg while the R3 heifer price increased by 1.6p/kg to 351.8p/kg. The average young bull price was back by 4.7p/kg to 321.8p/kg however the R3 young bull price increased by 1.8p/kg to 339.3p/kg.

There was a mixed trade across GB last week for prime cattle with deadweight prices remaining relatively steady in Scotland and Northern England while coming under notable pressure in the Midlands and Southern England. The average R3 steer price in GB was back by a penny last week to 353.8p/kg with notable declines in R3 steer prices in the Midlands and Southern England of 2.6p/kg and 6.7p/kg respectively. Meanwhile in Scotland the R3 steer price increased by 3.4p/kg to 363.1p/kg and in Northern England it increased by 2p/kg to 351.3p/kg. A similar trend was recorded in the deadweight heifer trade with prices remaining fairly steady in Scotland and Northern England while coming under pressure in the Midlands and South.

In ROI last week the R3 steer price was the equivalent of 330.6p/kg, up a penny from the previous week. The R3 heifer price recorded a similar increase to the equivalent of 341p/kg last week. The cow trade firmed in ROI last week with an equivalent O3 cow price of 270.7p/kg, up 1.5p/kg from the previous week and 14.3p/kg higher than the O3 cow price in NI.

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

	W/E 25/03/2017	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	354.4	339.9	359.0	355.4	355.3	358.0	356.7
	R3	352.5	330.6	363.1	351.3	349.7	351.5	353.8
	R4	348.3	332.1	362.4	363.7	351.1	348.6	358.1
	O3	338.6	315.9	339.3	320.9	317.8	320.4	324.6
	AVG	340.6	-	358.4	345.0	336.1	334.7	344.1
Heifers	U3	354.3	353.1	367.2	362.1	361.8	359.9	363.1
	R3	351.8	341.0	360.2	350.9	353.0	352.1	354.4
	R4	348.3	341.5	360.4	355.3	352.5	350.6	355.1
	O3	345.7	326.0	336.4	332.2	323.6	331.7	330.9
	AVG	344.1	-	358.0	348.2	342.4	336.1	347.0
Young Bulls	U3	343.1	331.0	351.5	336.6	338.3	354.1	342.2
	R3	339.3	322.1	343.8	329.4	328.3	338.1	332.9
	O3	321.9	307.1	319.1	294.8	304.1	310.9	303.9
	AVG	321.8	-	327.2	307.9	304.4	331.0	311.9
Prime Cattle Price Reported	5891	-	6784	7202	7100	4561	25647	
Cows	O3	256.4	270.7	259.6	254.9	253.6	251.8	254.3
	O4	261.8	271.4	260.6	257.3	256.6	247.5	255.6
	P2	218.9	244.7	205.1	219.1	203.4	206.0	207.3
	P3	239.5	263.2	224.8	236.2	218.9	225.9	225.0
	AVG	236.6	-	249.3	236.7	222.3	215.2	227.2

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=86.64p 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 25/03/17	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	198	207	203	170	194	182
Friesians	152	155	154	122	136	129
Heifers	200	213	207	160	192	178
Beef Cows	146	223	158	110	145	125
Dairy Cows	106	120	112	65	105	85
Store Cattle (p/kg)						
Bullocks up to 400kg	230	280	250	200	229	215
Bullocks 400kg - 500kg	215	244	230	190	214	200
Bullocks over 500kg	200	220	210	170	199	185
Heifers up to 450kg	215	235	225	170	214	190
Heifers over 450kg	190	210	200	160	189	180
Dropped Calves (£/head)						
Continental Bulls	250	370	300	140	248	190
Continental Heifers	215	315	260	120	212	165
Friesian Bulls	145	245	175	75	142	100
Holstein Bulls	100	195	135	2	98	50

SHEEP TRADE

SHEEP BASE QUOTES

(P/Kg DW)	This Week 27/03/17	Next Week 03/04/17
Hoggets	400-410p	400-410p

REPORTED SHEEP PRICES

(P/KG)	W/E 11/03/17	W/E 18/03/17	W/E 25/03/17
NI Hoggets L/W	356.6	357.0	362.7
NI Hoggets D/W	401.8	387.5	397.9
GB Hoggets D/W	390.4	394.0	399.1
ROI D/W	412.8	414.6	406.5

Deadweight Sheep Trade

QUOTES from the major processors have remained steady this week at 400-410p/kg for R3 grade hoggets up to 22kg. One plant reported killing a small number of Spring Lambs at 480p/kg up to 21kg. A total of 4,809 hoggets/lambs were killed locally last week as well as 450 ewes/rams. In the same week last year plant throughput totalled 4,637 hoggets/lambs and 316 ewes/rams. Exports to ROI last week for direct slaughter totalled 7,265 head with reports of tighter supplies of hoggets available for slaughter in the region. The deadweight price in NI last week was 397.9p/kg, up 10.4p/kg from the previous week. In ROI last week the reported deadweight price was the equivalent of 406.5p/kg, back 8.1p/kg from the previous week.

This week's marts

THE marts have reported mixed quality hoggets passing through many of the sale rings this week. The trade for good quality lots has remained similar to previous weeks. In Omagh last Saturday 558 hoggets sold from 349-382p/kg compared to 719 hoggets last week selling from 327-373p/kg. In Massereene on Monday 767 hoggets sold from 360-385 compared to 826 hoggets last week selling from 360-400p/kg. In Rathfriland this week 330 hoggets sold to an average of 365p/kg, a slight improvement on last week when 395 lambs sold to an average of 360p/kg. A good entry of 1,100 hoggets in Markethill this week sold from 340-385p/kg compared to 1,200 hoggets last week selling from 335-375p/kg. The cull ewe trade remains firm for good quality lots with top reported prices of over £100 in several of the marts.

LATEST SHEEP MARTS

From: 24/03/17		Hoggets (P/KG LW)			
To: 30/03/17		No	From	To	Avg
Friday	Newtownstewart	190	342	371	-
Saturday	Omagh	558	349	382	-
	Swatragh	925	346	382	-
Monday	Kilrea	350	348	380	-
	Massereene	767	360	385	-
Tuesday	Saintfield	494	350	400	-
	Rathfriland	330	345	396	366
Wednesday	Ballymena	1348	340	408	360
	Enniskillen	502	348	389	-
	Markethill	1100	340	385	-
	Armoyle	312	355	402	378

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LMC HIGHLIGHTS THE PROUD HISTORY OF THE FARM QUALITY ASSURANCE SCHEME

LMC Chief Executive Ian Stevenson traced the history of Northern Ireland's Farm Quality Assurance Scheme (FQAS) when he spoke at this week's 25th anniversary launch event, hosted by the Carson family from Tyrella in Co Down.

He reminded those in attendance that the scheme had been a fundamental driver in allowing local redmeat processors secure vital export markets throughout Europe in the early 1990s, adding, "FQAS remains unique in being underpinned by the APHIS animal traceability scheme. This has made it a world leader in delivering absolute security, where all aspects of cattle and sheep information are concerned. Having real time data of this quality has been critically important in allowing redmeat processors secure new export outlets. And this will continue to be the

case."

But Stevenson also said that FQAS continues to deliver much more than animal traceability. "It gives retailers total certainty where issues such as animal welfare are concerned. This is a critically important factor in meeting consumer requirements. But the most important aspect to FQAS is its 25 year history of delivering for farmers, processors and the public at large." The LMC Chief Executive also confirmed the role played by farmers in making FQAS a success. "The investment made at producer and processor level has been very significant. And this must set the bar where future beef and lamb imports into the UK are concerned.

"Farmers in Northern Ireland must be guaranteed fair play when it comes to competing with redmeat imports

coming into the UK post-Brexit. And this point must be recognised in full by the UK authorities. Stevenson also highlighted the role played by the Greenfields brand in differentiating beef and lamb from Northern Ireland in a range of export markets.

"The early work carried out in tandem with Holland's heijn supermarket group is testimony to the success achieved with the brand." Stevenson confirmed that LMC retains ownership of the Greenfields' brand. He also pointed to its potential role as an important marketing vehicle for locally produced beef and lamb in the future. "Securing new export markets will be critically important for our cattle and sheep industries, once Brexit takes effect," he said.

"This is the only approach that will

deliver a sustainable future for the redmeat industry. It will ensure that of the meat they sell, not just the top-end cuts."

processors secure viable returns for all
Image 1: LMC board members and Chief Executive Ian Stevenson with Edward Carson on his farm at Tyrella, Co Down



FARM QUALITY ASSURANCE: A FARMER'S PERSPECTIVE

EDWARD Carson and his son James run a very successful suckler beef and sheep operation near Tyrella in Co Down. The family was amongst the first group of farmers to sign up for FQAS back in 1992. So it was not surprising that their farm was used as the venue to launch this week's 25th anniversary celebrations of the scheme.

Edward was quick to endorse the relevance of FQAS and the benefits it has delivered for the family business over the past two decades and more. "It allows me to supply the UK supermarkets with my beef

and lamb," he said. "In so doing, this gives me direct access to the world's most lucrative market for beef and lamb."

The Carsons also believe that FQAS has ensured a continuing improvement in the management standards achieved on their own farm. "As a family, we are committed to a future in beef and sheep production," said James. "And we have invested in the farm to make this a reality over many years. But we must receive sustainable prices for what we are producing. FQAS acts to differentiate the quality of the beef

and lamb produced here in Northern Ireland. And this must continue to be the case."

Both father and son regard Brexit as step into the unknown. "The only option for us is to keep on doing what we do to the best of our ability," said Edward. "But we must also remain economically viable. Producing beef and lamb to FQAS standards comes at a cost. And this must be reflected in the returns coming back to us."

Edward Carson believes that FQAS must be the bulwark that protects the beef and sheep sector from cheap imports. "I know that we are selling beef and lamb of the highest quality. We ensure that the needs of our animals are met in full at all times. The investment required, both in terms of the man hours put in and the other inputs required for the farm business as a whole are significant.

"FQAS acts to explain this in a way that is easily understood by the meat buyers and the public at large. But there is no room for complacency. This message must be continually in the public domain. The public must be told exactly what they are buying when they opt to purchase beef and lamb that is farm quality assured."

IN MY OPINION..... RICHARD HALLERON

THE Farm Quality Assurance Scheme (FQAS) stands out as the greatest success achieved by Northern Ireland's redmeat sectors over the past 25 years. At a very basic level it has managed to put an extra £150 on to the value of every finished beef animal produced in Northern Ireland. And the benefits secured by registered sheep producers are equally significant.



Adding to the relevance of the scheme is the fact that its origins can be traced back to a commitment by the industry itself to put the measures that we now take for granted in place on a voluntary basis. And these have been added to over the years. FQAS has helped raise the standard of the management practises put in place on local farms. No one can argue with this reality.

Most beef and sheep farmers grumble a lot. But very few take issue with the importance of FQAS as a measure which they know must be fully complied with. FQAS ticks every box: it delivers for

farmers, processors, retailers and consumers in equal measure.

The history of FQAS and the key role it has played at the very heart of our beef and lamb industries is undeniable. But what about the future? Brexit is coming down the track and with it the prospect of the UK doing free trade deals with a host of countries that would like to put beef and lamb onto the British market.

Given these pressures, it is important for the UK government to ensure that the standards enshrined within FQAS must be met, where all future beef and lamb imports are concerned. Brazil's 'rotten meat' scandal' is proof positive that the values we now take for granted in this part of the world, courtesy of FQAS, are not the norm in other countries.

UK consumers must be told that 'cheap food' and 'quality food' are two different entities entirely. FQAS comes at a cost, particularly at farm level. So it is fundamentally important for farmers to receive prices that are commensurate with the investment they have made in delivering beef and lamb that is of such a high standard.

And, of course, FQAS will continue to have a role in securing new export markets for our redmeat sectors. FQAS has delivered in spades for farmers in Northern Ireland over the past 25 years. However, I sense that its finest hours have yet to come!

Image 2: Edward and James Carson discussing the importance of FQAS with LMC Chairman Gerard Mc Givern and CEO Ian Stevenson in the beef house at their farm at Tyrella Co Down.



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