

ICMSA say figures point towards beef price rise



The Chairperson of ICMSA's Livestock Committee has said that his organisation's reading of the data points toward what Des Morrison described as a 'decent' rise in beef price as the month develops.

Mr. Morrison said that the current differential between UK prices and Irish prices for an R3 steer amounted to 33.4c/kg, a figure he described as 'astounding' and evidence that Irish prices were being actively managed downwards. But he noted that the throughput was going to challenge the factories ability to keep prices down: 'Throughput was down 4,829 head in the last two weeks of April and is actually down 1,441 to the end of April for the same period last year. Even with the feedlots, the tightening in numbers is going to make a price rise inevitable and our opinion is that it might be a decent price rise.'

The ICMSA Livestock Chairperson pointed out that last year prices rose steadily from the beginning of February and by the end of April had reached ?3.99/kg for an R3 steer. This year that kind of price rise had not yet occurred with the result that farmers were down approximately ?120 a head on an average 350kg steer.

'This year the prices seem to have plateaued around ?3.60c/kg, they're up around ?3.69c/kg just now, but that's still a massive 30c/kg behind this time last year and it's resulting in losses to the farmers of around ?120 per head on an average steer. We feel that between that the price movement that usually occurs this time of the year, and the tightening of throughput numbers, and the pressure that's building on the factories to start realising the extent of the challenges facing the farmers, that a price rise is 'in the system' and may develop quite quickly as this month goes forward. I'd be telling farmers to 'bargain hard', said Mr. Morrison.

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