

WEEKLY ECONOMIC REPORT: Farm Advisors NZ Ltd & AgSafe NZ Ltd

Property & Farm Management Consultants & Safety Consultants

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2 July 2022

Daily grass growth rates:	Range 18 to 32 kg DM/ha/day.
Average pasture cover:	1925 kg DM/ha. Still too low!!!
10 cm soil temperature:	9.8°C
Rainfall (Hamilton)– Month to date:	228 mm. June 10 year Av 124 mm. July 10 yr av 129 mm
Stock prices report:	
	Steers \$2.790/kg
	Bulls \$2.710/kg
	Boner Cows \$1.860/kg
	Store lambs \$128.33
	Feeder Calves \$ 58.97 small offering

Watch out for nitrate poisoning on new grass there is still a minor risk

Spring calving cows should be separated into early and later calving mobs and fed accordingly. Check what minerals are needed and condition score the mobs. A lot of animals are coming out of a very tough autumn and are still below target condition scores and this will affect the seasons production

Week commencing 4 July 2022

	This Week Nth Is	This Week Sth Is	Last Week Av	1 Year ago
18 kg YX Lamb (cents/kg)	\$8.85	\$8.90	\$8.87	\$8.10
21 kg Mutton (cents/kg)	\$6.00	\$5.85	\$5.92	\$6.26
P2 Steer (270 to 295 kg)	\$5.87	\$5.85	\$5.86	\$5.45
M Cow (160 to 195 kg)	\$3.85	\$3.75	\$3.80	\$3.90
Bull (270 to 295 kg)	\$5.85	\$5.60	\$5.72	\$5.27
Venison (60 kg AP Stag)	\$7.95	\$8.05	\$8.00	\$5.53
		Previous Week	1 year ago	2 yrs ago
Fine Crossbred Indicator price	\$3.49	\$3.49	\$ 2.86	\$ 2.05
Mid Micron Indicator price	\$6.40	\$6.40	\$5.26	\$7.16
Butter (NZ \$ per tonne)	\$ 9900	\$ 9900	\$ 6500	\$5600
Skim Milk Powder (SMP NZ \$ per tonne)	\$ 6850	\$ 6850	\$ 4875	\$4100
Whole Milk Powder (WMP NZ \$ per tonne)	\$ 6550	\$ 6550	\$ 5725	\$4300
Cheddar Cheese (NZ \$ per tonne)	\$ 8375	\$8375	\$ 6225	\$5900
Casein (lactose casein NZ \$ per tonne)	\$19500	\$19500	\$ 14500	\$13550
Global Dairy Trade Index	1342	1359	1259	919
US currency	\$0.618	\$0.627	\$0.697	\$0.656
Euro	\$0.591	\$0.593	\$0.588	\$0.582
Australian dollar	\$0.905	\$0.908	\$0.933	\$0.945

Finance: The NZ dollar eased against the main trading currencies. The world markets remain unsettled with the high inflation in most western countries especially where massive amounts of money were printed to pay for the Covid pandemic.

Wool: Wool prices remain in the doldrums. Perhaps the industry needs to look closer at other users of wool in other countries!!

Beef, Sheep & Venison schedules: The meat schedules are mostly steady with some intercompany variations. The EU free-trade agreement does not appear to do anything for the meat sector. The slaughter facilities are slowing returning to normal production.

Dairy Prices: Fonterra has lifted its forecast to \$8.75 to \$10.25 with amid point of \$9.50/kg. Share earnings range of 30 to 45 cents is predicted. Food prices are increasing around the world and demand for quality food is very strong.

You will have to refer back to my rant of 22 January to refresh yourselves of the likely cost of the CO2 and Methane that will levied on each farm. They range from \$5,000 on a South Island hill farm to nearly \$17,000 on a Canterbury dairy farm. Check out the Dutch farmer protests this week where they have had their nitrogen use cut and they are not happy!!

Quote: "Change is bought about because ordinary people do extraordinary things".

Need Help. If at any time you just want to talk about being isolated on your farm and to have a chat, just call me – no charges!!
027-2872886. Rural Support Trust 0800-787-245. Lifeline 0800-543354. Crisis TXT – HELP (4357)

You can hear us live on the radio on Monday morning at 7.35 am with Brian Kelly on Country Sport Breakfast – Radio NZ Gold AM. 792 AM in the Waikato & 1332 AM in Auckland. Back on the 17th January 2022.

Jim's Weekly Rant:

Animal welfare codes are always a bone of contention and none more than the proposed code for the pig farmers. The proposed code is about 60 pages long but is separated into “easy to comment on” sections and I would encourage you put in a submission. The dairy industry code submissions were due by 30 June 2022. The pork industry submissions are due on 8th July 2022. I, like most of you failed to put in a submission on the dairy cow proposed code and I will comment about that later. There are about 180 pig farms in NZ and they supply around 40% of all the pig meats in NZ. The farms have about 600,000 pigs and 55% are farmed indoors. I think we all agree that all animals must be treated with “respect” and we all know they feel pain as we do, but there needs to be some better understanding by the legislators as they go about imposing regulations on, not just the pig farmers, but all farming activities. We have had to improve the handling of bobby calves in recent years and that was good, we have the humane slaughter of all animals and there are regulations regarding the docking of lambs that at times seem a little over the top especially when you have seen 10's of thousands of lambs docked without issue. The major changes requested for the pig industry include the prohibition of the use of farrowing crates and while they may be seen as restrictive the piglets are safe and some of the protagonists fail to understand that. The current use allows the crate to be used for up to 5 days pre-farrowing and for 4 weeks after. The prohibition would eventually outlaw them. An outdoor sow can nest, but the piglet mortality levels are high. The next major change is around the weaning dates and they are currently weaned at around 21 days and the legislation wants to extend the time to 28 days, another cost. Another change is the increase in the space calculation factors that appear to increase the space per pig by about 30% to 75%, in other words you will need a building twice the size to grow the pigs to slaughter. This is a massive cost to farmer to be passed on in industry that is already struggling. Other recommendations include improved air quality improved stockmanship and docking of tails before 7 days. The implementation could put many pig farmers out of business and the imported pork we will be forced to eat is farmed in places where the welfare standards are much lower than our current codes. Why can't the industry decide and police their own suppliers as some other industries do? The dairy industry stop collection from suppliers where codes are being ignored and conditions are questionable, the pork industry can do the same!! The dairy industry codes proposals, which have now closed, have asked for the banning of overhead electric backing gates, limited time on off-paddock pads, changes to winter grazing practice, condition scoring and veterinary intervention along with a raft of other recommendations. Letting the bureaucrats who have little or no knowledge of practical farming techniques will damage the rural industries and each time they have a success in an industry they attack another. Check out the proposals at www.mpi.govt.nz/consultation/ and watch out for new ideas!!

Get yourself a copy of a great book - “Green Murder – a life sentence of net zero with no parole”. Author - Dr Ian Plimer and perhaps the best known Australian geologist.

Contact AgSafe NZ Ltd - Phone 027-2872886. We can prepare your Work Safe manual and hazard management plan at a very competitive price. We can arrange drug tests and farm maps for your property.

Calf rearing is important for your future production – Check out the Bell-Booth “**Queen of Calves**” rearing plan. There is research data from Massey University measuring the benefits. They are clearly documented and the long-term benefits are more production per cow and longevity of the animals!! Research has shown calves can be weaned approximately 22 days earlier when Queen of Calves is used.

Q-Labs for your comprehensive farm soil & nutrient test. Qlabs are based in Waipawa.

Soils: Full Soil Analysis, Soil Respiration Test, Home Garden Soil Testing

Feeds: Full Feed Analysis, Ruminant Nitrogen Utilization Efficiency (RNUE), ME (Metabolizable Energy), Feed Single Element, DM (Dry Matter), Nitrate (Feeds)

Waters & Effluents: In Depth Water Test, Water - Bacterial, Water - Extras, Dairy Effluent (TKN), Dairy Effluent (Totals). Check out their services at [www.qlabs.co.nz](http://www qlabs.co.nz) Phone 0800-857733

AgDrive offers courses to upskill yourselves and your staff. It is important to ensure staff are upskilled and offered skill training courses. AgDrive is an independent training establishment. For course details and training information contact Sue 027-2354408.

Drone Spraying a cost-effective way to spray weeds, sow grass seed etc. www.dronespraying.co.nz Check it out and call Pete Campbell on 021-835375 or email pete@dronespraying.co.nz