

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

Property & Farm Management Consultants & Safety Consultants

Phone: 027-2872886; e-mail: [findlay@farmconsulting.co.nz](mailto:findlay@farmconsulting.co.nz) **We are located at Innovation Park in Hamilton.**

Website: [www.farmconsulting.co.nz](http://www.farmconsulting.co.nz) <http://agsafe.nz> Follow AgSafe on Facebook.

## 6 August 2022

|                                    |   |        |            |       |            |            |            |             |          |               |                                      |
|------------------------------------|---|--------|------------|-------|------------|------------|------------|-------------|----------|---------------|--------------------------------------|
| Daily grass growth rates:          | Range 28 to 38 kg DM/ha/day.  |        |            |       |            |            |            |             |          |               |                                      |
| Average pasture cover:             | 2100 kg DM/ha. Still too low!!!   |        |            |       |            |            |            |             |          |               |                                      |
| 10 cm soil temperature:            | 12.9 °C   |        |            |       |            |            |            |             |          |               |                                      |
| Rainfall (Hamilton)– Month to date | trace mm. August 10 yr av 110 mm  |        |            |       |            |            |            |             |          |               |                                      |
| Stock prices report:               | <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Steers</td> <td style="text-align: right;">\$3.300/kg</td> </tr> <tr> <td>Bulls</td> <td style="text-align: right;">\$3.100/kg</td> </tr> <tr> <td>Boner Cows</td> <td style="text-align: right;">\$2.360/kg</td> </tr> <tr> <td>Store lambs</td> <td style="text-align: right;">\$114.97</td> </tr> <tr> <td>Feeder Calves</td> <td style="text-align: right;">\$ 116.39 Frankton &amp; \$99.80 @ Tirau</td> </tr> </table> | Steers | \$3.300/kg | Bulls | \$3.100/kg | Boner Cows | \$2.360/kg | Store lambs | \$114.97 | Feeder Calves | \$ 116.39 Frankton & \$99.80 @ Tirau |
| Steers                             | \$3.300/kg  |        |            |       |            |            |            |             |          |               |                                      |
| Bulls                              | \$3.100/kg  |        |            |       |            |            |            |             |          |               |                                      |
| Boner Cows                         | \$2.360/kg  |        |            |       |            |            |            |             |          |               |                                      |
| Store lambs                        | \$114.97  |        |            |       |            |            |            |             |          |               |                                      |
| Feeder Calves                      | \$ 116.39 Frankton & \$99.80 @ Tirau  |        |            |       |            |            |            |             |          |               |                                      |

The 90-day staff trial is in all Employment Agreements. Do not wait until day 89 to review the staff then tell them to go. The Act requires the employer to advise the employee of any deficiencies during the 90-days and offer assistance to improve the behaviour. Make sure you comply and a review around 60 days may save problems later.

Week commencing 8 August 2022

|   | This Week Nth Is | This Week Sth Is | Last Week Av | 1 Year ago |
|---|------------------|------------------|--------------|------------|
| 18 kg YX Lamb (cents/kg)                | \$8.95           | \$9.10 ^         | \$9.00       | \$8.77     |
| 21 kg Mutton (cents/kg)                 | \$6.15           | \$6.00           | \$6.08       | \$6.51     |
| P2 Steer (270 to 295 kg)                | \$6.10 ^         | \$6.05           | \$6.02       | \$5.77     |
| M Cow (160 to 195 kg)                   | \$4.40 ^         | \$4.40           | \$4.32       | \$4.22     |
| Bull (270 to 295 kg)                    | \$5.95 ^         | \$5.85           | \$5.90       | \$5.54     |
| Venison (60 kg AP Stag)                 | \$8.15 ^         | \$8.25 ^         | \$8.12       | \$6.15     |
|   |                  | Previous Week    | 1 year ago   | 2 yrs ago  |
| Fine Crossbred Indicator price          | \$3.61           | \$3.61           | \$ 2.82      | \$ 2.66    |
| Mid Micron Indicator price              | \$6.86           | \$6.86           | \$6.83       | \$7.37     |
| Butter (NZ \$ per tonne)                | \$ 8550          | \$ 9000          | \$ 6450      | \$5325     |
| Skim Milk Powder (SMP NZ \$ per tonne)  | \$ 5750          | \$ 6300          | \$ 4325      | \$4100     |
| Whole Milk Powder (WMP NZ \$ per tonne) | \$ 5725          | \$ 6200          | \$ 5550      | \$4700     |
| Cheddar Cheese (NZ \$ per tonne)        | \$ 8025          | \$8275           | \$ 5900      | \$6400     |
| Casein (lactose casein NZ \$ per tonne) | \$19625          | \$19500          | \$ 15200     | \$1800     |
| Global Dairy Trade Index                | 1163             | 1223             | 1167         | 939        |
| US currency                             | \$0.630          | \$0.631          | \$0.705      | \$0.654    |
| Euro                                    | \$0.615          | \$0.618          | \$0.596      | \$0.555    |
| Australian dollar                       | \$0.904          | \$0.900          | \$0.954      | \$0.914    |

**Finance:** The NZ dollar was steady against the main trading currencies. Western world inflation remains very high with some reports suggesting the UK inflation may hit 17%. Rural sector inflation in NZ is higher than the official recorded rates.

**Wool:** Wool prices remain in the doldrums.

**Beef, Sheep & Venison schedules:** The meat schedules are mostly steady to firmer for the coming week with some minor intercompany adjustments. High calf rearing costs will see a shortage of beef calves reared this year!!!

**Dairy Prices:** The g/DT dropped 5% continuing the downward trend. WMP down 6.1%, SMP down 5.3% and butter was down 6.1%. The offering volumes were up on recent sales. There is a change coming to the g/DT that will see large volumes of WMP placed on an annualized auction. This may have had an effect on the last auction as demand is still strong as prices eased.

The rearing of surplus calves for the beef industry is taking a hit as rearing costs have sky-rocketed. Milk powder, meals costs and wages have escalated so the price received for the calf has been pushed down. Margins will be squeezed with the true effect not realised until the weaner sales in November. Large scale rearing businesses are being very cautious and only buy the best!!!

**Quote:** "Politicians are people who, when they see light at the end of the tunnel, go out and buy some more tunnels."

**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 17<sup>th</sup> January 2022.

### **Jim's Weekly Rant:**

*Sometimes at the beginning of a week I wonder what will stir me up during the week as there can be nothing worse than what has been before, but with this current government I hardly need to look outside of NZ to be challenged to comment. On Thursday morning we were all greeted with the news that the government had enacted legislation to appoint two unelected Maori's to what was normally a democratically elected governing body being the Canterbury Regional Council. It is blatant racism but is a sign of where this current government is trying to push NZ to. The appointment is in my opinion consistent with the He Puapua report that was introduced by stealth to the parliament after the last elections. The process of appointing full-voting board members based on race is divisive and is simply wrong. It must be opposed at all levels. The Treaty of Waitangi is still a contentious document that was made even more contentious in 1987 when Justice Robin Cooke state "The Treaty established a relationship akin to a partnership between Crown and Maori". In simple terms, this interpretation by Justice Cooke was incorrect but allowed for a few Maori activists to change direction that has promoted racial division. New Zealanders are becoming divided along racial lines and that is not how any of us ever wanted it to be. We are all exposed to a level of political indoctrination that is uncomfortable and unnecessary in our multicultural egalitarian society. I could go on and get really wound-up, but a comment on a similar situation in a more local setting might also hit a cord with many of you. I had dinner on Wednesday evening with a part Maori woman who is studying law at Waikato University. When she realised that I knew a little about land and even something about Maori land she became very inquisitive. She is currently writing a paper about Maori freehold land, Maori Customary land and making some comparisons with the European fee simple land. She is struggling with the essay as she knows the paper reviewers require her to promote a particular Maori view of land ownership as being superior to the capitalistic European fee-simple title. She is struggling writing stuff that goes against her world view of property rights and ownership. She knows it is racist and wrong to have to succumb to "politically correct" ideologies to obtain a degree. To write a "bullshit" paper and pass or a factual paper and fail is a dilemma that no one should have to face, but is becoming part of the "politically correct left" that will continue to divide our society. It is time to stand up for our democracy, our country and get rid of the growing racial divide.*

**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.  
Also: Global Warming, a counter-blaste tot eh man-made global warming hypothesis - Dr Kelvin Duncan (Tross press)**

**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](http://www.dronespraying.co.nz) Check it out and call Pete Campbell on 021-835375 or email [pete@dronespraying.co.nz](mailto:pete@dronespraying.co.nz)**