

WEEKLY ECONOMIC REPORT:

Farm Advisors NZ Ltd & AgSafeNZ Ltd

Property & Farm Management Consultants & Safety Consultants

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

21 March 2020

Daily grass growth rates:	Range 15 to 25 kg DM/ha/day.	
Average pasture cover:	1350 kg DM/ha.	
10 cm soil temperature:	16.5°C	
Rainfall (Hamilton)– Month to date:	24 mm. March 10 year Av 94 mm.	
Stock prices report:	Prime steers	\$3.616/kg
	Prime bulls	\$2.468/kg
	Boner Cows	\$1.405/kg
	Store lambs	\$111.17
	Feeder Calves	\$140.46
	Weaner bulls to 250 to 350 kg	\$3.283/kg av \$868.53/head

There has been no appreciable rain in the North Island and the feed supplies are struggling to keep up with livestock demands. The maize crops yields are down around 15% to 20% in many areas so feed budgets will need to be redone for the winter and early spring period.

Week commencing 23 March 2020

	This Week Nth Is	This Week Sth Is	Last Week Av	1 Year ago
18 kg YX Lamb (cents/kg)	\$6.80	\$6.55	\$6.67	\$6.50
21 kg Mutton (cents/kg)	\$4.60	\$4.30	\$4.30	\$4.70
P2 Steer (270 to 295 kg)	\$4.52	\$4.35	\$4.53	\$4.90
M Cow (160 to 195 kg)	\$3.20	\$3.15	\$3.22	\$3.22
Bull (270 to 295 kg)	\$4.65	\$4.40	\$4.52	\$4.52
Venison (60 kg AP Stag)	\$7.30	\$7.50	\$7.50	\$9.11
		Previous Week	1 year ago	2 yrs ago
Fine Crossbred Indicator price	\$2.99	\$2.90	\$ 4.64	\$ 4.00
Mid Micron Indicator price	\$8.43	\$8.43	\$9.21	\$14.60
Butter (NZ \$ per tonne)	\$ 6890	\$ 6890	\$ 6825	\$7300
Skim Milk Powder (SMP NZ \$ per tonne)	\$ 4550	\$ 4550	\$ 3885	\$2700
Whole Milk Powder (WMP NZ \$ per tonne)	\$ 4825	\$ 4825	\$ 4650	\$4450
Cheddar Cheese (NZ \$ per tonne)	\$ 6975	\$ 6975	\$ 5750	\$5000
Casein (lactose casein NZ \$ per tonne)	\$16200	\$16200	\$ 8325	\$9500
US currency	\$0.573	\$0.613	\$0.693	\$0.724
Euro	\$0.534	\$0.547	\$0.609	\$0.587
Australian dollar	\$0.961	\$0.974	\$0.973	\$0.943

Finance: The NZ dollar was in free-fall as the week ended and who knows what will happen. World financial markets have collapsed and oil prices are being pushed down by a battle between Russia & Saudi over supply. Most borders are closed and international travel is restricted. Panic buying of basic essentials has been nuts!!!

Wool: All wool prices are easing. It is almost uneconomic to shear the sheep.

Beef, Sheep & Venison schedules: Sheep & beef schedules are steady for the coming week, however the venison prices are still falling. International trade is disrupted with the covid-19. Manufacturing beef (mince) is in high demand!!!

Dairy Prices: The g/DT was down 3.9% with WMP down 4.2% and SMP down 8.1%. The results were considered very good as the world trade struggles. Fonterra has announced it will not pay a dividend this year in spite of the very good half year results. Buffering against the trade disruption with covid-19.

The covid-19 dominates everything. Stock sales are still on and freezing works are still operating. The dairy factories are operational. The fruit picking will create some difficulties with transient staff. But we do have a responsibility to staff under the Health & Safety at Work Act 2015 to ensure staff are safe. Stay safe and don't panic!!

Quote: *Strength is the product of struggle. You must do what others don't to achieve what others want.*

Jim's Weekly Rant:

We have seen this week how important farming is!! For several years the media and government have been trying to promote tourism as NZ no 1 business. To get the sums right they have to separate out the various agricultural business segments into dairy, beef, sheep meat, fibers, horticulture and the wine industry, and even then dairying still exceeds tourism. At the same time, they have lumped all the tourism activities together – transport (including air travel), restaurant industry, accommodation etc. Now while trying to get rid of farming by taxing it out of existence and forcing compliance on the industry we have had a sudden wake-up as to how vulnerable the tourism sector is. Who would have thought that such a catastrophe could occur so suddenly. BUT the land is still here and the farmers are still able to farm, once again the farming community will save NZ from economic ruin. We can all still eat and there is enough to feed several other countries!! The up side of the lack of tourists is that the roads suddenly appear safer as there are less tour buses and camper vans on the roads and tired tourists in rental cars!! The reality of the current disaster is that NZ is blessed as a nation as we have food and plenty of it and we make more toilet paper than we need. It is time to push back on the government and its anti-farming views. We need to push back on the planned legislation that is forcing more compliance on the agricultural sector and just let our number one industry do what it does best!!

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.

Quad safe helmets – contact Pacific Helmets NZ. www.pacifichelmets.co.nz/shop

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. The early weaning saves milk and allows more milk to be sold!

QLabs 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 Utilisation, 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

On Climate Change. *The notion that complex climate “catastrophes” are simply a matter of the response ... to a single forcing, CO₂ (or solar forcing for that matter), represents a gigantic leap backwards in the science of climate. Many disasters associated with warming are simply normal occurrences whose existence is falsely claimed to be evidence of warming. And all these examples involve phenomena that are dependent on the confluence of many factors.* Dr Richard Lindzen, Nov 30, 2009.

Check out our Facebook site **Citizens Reject Atmospheric Policies – CRAP**. We will keep you up-dated with access to properly researched and peer reviewed scientific papers from eminent astrophysicists and climate scientists. We are not interested in political papers from the hysterical masses!!!

Most people struggle to conceptualize what 400 ppm actually represents. *The best way to get peoples attention is to show them what 400 ppm actually looks like. The CO₂ in the atmosphere is 400 ppm or 0.04%. Get 1.25 kg of rice on a tray, that should be 82,500 grains of rice. 400 ppm equates to 33 grains of rice, so move the 33 to one side away from the pile. The anthropogenic portion of the 33 grains equates to 1 grain, so move the 1 grain out from the 33 leaving 32 grains. Now try and explain how that 1 grain will change the remaining 82,467 grains in the big pile!!.*

<i>Spore Counts</i>	<i>The counts are the highest in the area noted</i>	<i>Date:</i>	13/3/2020	
		<i>No's Sites Monitored</i>	<i>Highest count</i>	<i>Risk assessed</i>
Northland	Kaitaia			
	Kaikohe / BOI	4	+1,000	Extreme
	Whangarei	3	25	Low
	Dargaville / Ruawai			
	Kaipara	3	60	Moderate
	Rodney	5	-	
Bay of Plenty	Tauranga	5	50	Moderate
	Te Puke	12	200	Extreme
	Whakatane			
	Opotiki			
	Rotorua	2	15	Low
Auckland	Franklin	5	55	Moderate
North Waikato	Whitianga	54	40	Moderate
	Waihi			
	Hauraki Plains	16	60	High
	Piako			
Central Waikato	Hamilton	7	40	Moderate
	Morrinsville	4	25	Low
	Matamata	6	40	Moderate
	Raglan			
	Waipa	17	15	Low
South Waikato	Otorohanga			
	Waitomo	12	200	Extreme
	Taupo	6	10	Low
	South Waikato	4	200	Extreme
Taranaki	New Plymouth	1	130	Extreme
	Stratford	7	50	Moderate
	South Taranaki			
	Wanganui	4	10	Low
East Coast	Gisborne	8	550	Extreme
	Hawkes Bay	3	30	Moderate
	Wairoa	4	50	Moderate
Lower North Island	Rangitikei/Ruapehu	13	45	Moderate
	Manawatu			
	Horowhenua	5	125	Extreme
	Tararua			
	Wairarapa	5	65	High
South Island	Tasman			
	Grey	8	120	Extreme
	Marlborough			

The action threshold is 20.

<30 = Low, 30 to 60 = Moderate, 60 to 100 = High Plus 100 = Extreme