

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.

28 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:	14.5°C
Rainfall (Hamilton)– Month to date:	74 mm. March 10 year Av 94 mm. Soils are still very dry
Stock prices report:	Prime steers \$3.616/kg
	Prime bulls \$2.4
	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

NO SALES WITH LOCK-DOWN

The lock-down rules will always test people as exceptions & exemptions are considered. The simple rule seems to be, if it can be deferred a month, then defer it. BUT I have been asked: “*What happens then if the lock-down continues for a second month, wouldn't I have been better to have done it now?*” Farming is an essential service and things do need to be done now as part of ensuring the business will continue. Use your discretion, but if you want to talk about it, call us!!

Week commencing 30 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	\$4.45	\$4.70
P2 Steer (270 to 295 kg)	\$4.52	\$4.35	\$4.43	\$4.90
M Cow (160 to 195 kg)	\$3.20	\$3.15	\$3.17	\$3.22
Bull (270 to 295 kg)	\$4.65	\$4.40	\$4.52	\$4.52
	No new schedules	prices offered for	Coming week	
Venison (60 kg AP Stag)	\$7.30	\$7.50	\$7.40	\$9.11
		Previous Week	1 year ago	2 yrs ago
Fine Crossbred Indicator price	\$2.99	\$2.99	\$ 4.88	\$ 3.94
Mid Micron Indicator price	\$8.43	\$8.43	\$9.21	\$16.40
Butter (NZ \$ per tonne)	\$ 7200	\$ 6890	\$ 6200	\$7300
Skim Milk Powder (SMP NZ \$ per tonne)	\$ 4550	\$ 4550	\$ 3625	\$2700
Whole Milk Powder (WMP NZ \$ per tonne)	\$ 4675	\$ 4825	\$ 4900	\$4450
Cheddar Cheese (NZ \$ per tonne)	\$ 7400	\$ 6975	\$ 6000	\$5000
Casein (lactose casein NZ \$ per tonne)	\$16600	\$16200	\$ 9350	\$9500
US currency	\$0.600	\$0.573	\$0.683	\$0.731
Euro	\$0.542	\$0.534	\$0.607	\$0.597
Australian dollar	\$0.982	\$0.961	\$0.960	\$0.949

Finance: The NZ dollar moved around during the week, but finished slightly higher than the previous week. China is apparently back in business buying commodities.

Wool: All wool prices are poor and there are questions around the shearing of sheep, is it an essential service – I believe it is!!

Beef, Sheep & Venison schedules: No new schedules are noted for the coming week. Manufacturing beef (mince) is in high demand!!! Animal trade and slaughter is an essential service.

Dairy Prices: The dairy prices are mostly steady with the lower dollar showing an increase in NZ dollar equivalents. World trade is disrupted with the Covid-19, but people still need to eat.

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

Quote: *People are created to be loved and material things are created for use. But for some reason, material things are loved and people are used!*

Jim's Weekly Rant:

*While watching the different economies try to combat the Covid-19, I am reminded of the 3 basic drivers of the world economies as governments around the world try to stop the spread of Covid-19. The better question should be: **how can we stop this ever happening again?***

During the economic crisis of the late-1990's Denis Hussey, an Australian economist offered a simple economic overview. He identified the three basic drivers of economies which he simply summarised as:

- 1. An Accountants view, and my apologies to the many accountants I know. The accountant view and role is to analyse history up until today with limited vision for the future. A little harsh, but was the traditional role of an accountant. The British (including NZ) economies fit in here being reactive after the event.*
- 2. A Lawyer/Legal view, and again my apologies to the many legal people I know. The lawyer/legal view is to solve a problem and fix it for today and ensure it won't be repeated in the very near future, but know it will return some time soon. Lawyers rely on repeat business!! The USA economy fits here.*
- 3. An Engineers view, and here there is no apology. The engineer seeks to solve a problem and create something that will last for years, if not, for ever. The German view was the example here.*

The current situation for managing the Covid-19 is based mostly on an accountancy model with some move to the lawyer model, but what needs to happen is the world to take an engineers view and move to stop any of the future Corona Viruses attacking the world population. The 3 models also help explain the reason for the different approaches we see around the globe.

We are told how the virus develops and why it spreads so that should be the focus of the management to eliminate those conditions. The poor hygiene in the open "wet food markets" of the world where semi-prepared meats are traded alongside live feral animals often trapped and taken to sale in cages. The expenditure of even a portion of the estimated many-trillion of dollars the world lock-down could cost would go a long way to developing improved meat and food processing structures and facilities in these places. Encourage the authorities to seek ways to eliminate the possibility of any sort of corona-virus escaping in the future, control now is important; we need to know we have a secure future!!

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

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!!.

There are no new spore counts recorded.