

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.

15 December 2018

Daily grass growth rates:	Range 55 to 60 kg DM/ha/day.
Average pasture cover:	2400 kg DM/ha.
10 cm soil temperature:	21.5°C
Rainfall (Hamilton)– Month to date:	66mm. December 10 yr av 104 mm.
Stock prices report:	Prime steers \$3.22/kg
	Prime bulls \$2.482/kg
	Boner Cows \$2.112/kg
	Store lambs \$108.50
	Feeder Calves \$185.63
	Weaner bulls to 10 to 120 kg \$4.36/kg av \$481.61/head

The Fonterra claw-back is going to put financial pressure on a lot of businesses. Do your best to make the payments to the contractors and the rural support businesses, it is sometimes easier for the farmer to borrow than the support industry.

Week commencing 17 December 2018

	This Week Nth Is	This Week Sth Is	Last Week Av	1 Year ago
18 kg YX Lamb (cents/kg)	\$7.45	\$7.30	\$7.47	\$6.65
21 kg Mutton (cents/kg)	\$4.80	\$4.60	\$4.70	\$4.40
P2 Steer (270 to 295 kg)	\$5.20	\$5.00	\$5.10	\$5.15
M Cow (160 to 195 kg)	\$3.60	\$3.55	\$3.67	\$3.87
Bull (270 to 295 kg)	\$4.70	\$4.50	\$4.60	\$5.05
Venison (60 kg AP Stag)	\$10.50	\$10.60	\$10.85	\$10.00
		Previous Week	1 year ago	2 yrs ago
Strong Wool	\$ 3.94	\$3.90	\$ 4.10	\$ 4.20
Fine Wool	\$16.40	\$16.40	\$14.60	\$14.60
Butter (NZ \$ per tonne)	\$ 5550	\$ 5775	\$ 7050	\$6250
Skim Milk Powder (SMP NZ \$ per tonne)	\$ 2900	\$ 2925	\$ 2550	\$3425
Whole Milk Powder (WMP NZ \$ per tonne)	\$ 3950	\$ 3900	\$ 4150	\$4725
Cheddar Cheese (NZ \$ per tonne)	\$ 4750	\$4900	\$ 5450	\$5325
Casein (lactose casein NZ \$ per tonne)	\$ 9950	\$8050	\$7050	\$9600
US currency	\$0.684	\$0.693	\$0.705	\$0.695
Euro	\$0.601	\$0.608	\$0.598	\$0.695
Australian dollar	\$0.948	\$0.955	\$0.917	\$0.959

Finance: The NZ is steady around the 68 to 69 cent mark against the US dollar. The US / Chinese trade war has underpinned the NZ dollar, however it will be interesting to see the effect when the moratorium is lifted

Wool: The wool sale firmed 1% to 2% for the coarse wools at the auction last week . The pass-in rate was 7% .

Sheep & Venison meats: Sheep meat prices are easing with the stronger dollar. The venison schedules are very good but are down on a month ago.

Beef Schedules: Beef schedules are steady to easier for all grades. The stronger dollar is putting pressure on export prices. Good grass condition are allowing farmers the opportunity to finish cattle, but pasture quality must be maintained as summer kicks in.

Dairy Prices: Dairy commodities continue to struggle to a level that will maintain the forecast payouts. The October production was very high giving buyers knowledge that supply will be good. This does create some downward pressure on prices.

The farmers are entering the end of the year with a pessimistic view of the agricultural sectors: the dollar is rising, meat schedules are easing, dairy & wool prices are easing, the compliance costs are high and the time to complete the compliance is out of proportion with the expected outcomes!! AND we have a government that has no idea about the real world!!!

Quote: Best quote I have heard for a while -- *The only job where you start at the top, is digging a post hole!!!*. A great lesson for many young farm employees who all think they should start at the top.

Drug testing of staff is important. It is part of ensuring a safe workplace. The mobile testing unit will come to your workplace and you might join together with a few other local farmers and get them all tested at a single central site.

Contact AgsafeNZ Ltd Phone 027-2872886. We can prepare your Work Safe manual and hazard management plan at a very competitive price.

We can prepare a farm map for you at competitive costs, call on the above numbers for a quote. An accurate map will improve your decision making!! We are working with OSHMAPS in Taranaki to cost competitive. Check out OSHMAPS web page.

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!